



**Southwest Power Pool, Inc.**

**CORPORATE GOVERNANCE COMMITTEE MEETING**

**April 16, 2015**

**Conference Call**

**• A G E N D A •**

**8:00 – 9:00 a.m. CDT**

1. Call to Order and Administrative Items.....Nick Brown
2. Consideration of Membership Agreement Amendments ..... Mike Riley
  - a. Corn Belt Power Cooperative (“Corn Belt”)
  - b. East River Electric Cooperative (“East River”)
  - c. Northwest Iowa Power Cooperative (“NIPCO”)
3. Future Meetings  
August 27, 2015      Kansas City, MO

*Relationship-Based • Member-Driven • Independence Through Diversity  
Evolutionary vs. Revolutionary • Reliability & Economics Inseparable*

**AMENDMENTS/AMENDMENT TO SPP MEMBERSHIP AGREEMENT  
FOR BASIN ELECTRIC POWER COOPERATIVE**

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This amendment (“Amendment”) to the Southwest Power Pool, Inc. (“SPP”) Membership Agreement (the “Agreement”) is hereby entered into by SPP and Corn Belt Power Cooperative (“Corn Belt”) (together, the “Parties”), effective as of the date of execution.

WHEREAS, Corn Belt is a member of Basin Electric Power Cooperative (“Basin Electric”);

WHEREAS, the Federal Energy Regulatory Commission (“FERC”) in its order on November 10, 2014 in Docket No. ER14-2850, conditionally accepted certain terms and conditions associated with Basin Electric’s integration as a transmission owning member (“TO”) of SPP; and

WHEREAS, as a result of Basin Electric’s intended SPP TO membership, Corn Belt has decided to pursue SPP TO membership

NOW THEREFORE, in consideration of the mutual obligations and undertakings reflected herein and the Agreement, the Parties agree to the additional terms and conditions, amending and clarifying certain provisions of the Agreement:

**A1. Dispute Resolution**

Notwithstanding any provisions in the Agreement or the SPP Bylaws to the contrary, any disputes arising under the Agreement or SPP Bylaws ~~and~~ relating to determinations, decisions, conduct, and/or actions made ~~or taken by Basin Electric Power Cooperative (“Basin Electric”) pursuant to, taken, or planned by Corn Belt in connection with~~ its participation in SPP shall be subject to binding dispute resolution ~~underpursuant to~~ Section 3.13 of the SPP Bylaws only to the extent agreed upon by ~~Basin Electric~~Corn Belt’s board of directors, ~~(the “Corn Belt’s Board”)~~ and subject to the terms and conditions ~~set by Basin Electric’s board of directors~~established by Corn Belt’s Board.

**A2. Withdrawal Rights**

- a. ~~Basin Electric~~Corn Belt may also terminate this ~~Agreement~~Amendment and withdraw as a member of SPP with less than the advance notice required ~~by~~under Section 4.2.2 of the Agreement, in the event that ~~(1) Basin Electric withdraws from SPP as a TO in accordance with its withdrawal rights; or (2) Western Area Power Administration-Upper Great Plains~~Plans Region (“Western-UGP”) withdraws from SPP in accordance with its withdrawal ~~rights; (2)right; or (3) if~~ FERC finds that SPP has not adhered to all of the Federal Power Marketing Agency Amendments or all of the Basin Electric Amendments; or (3) SPP files and FERC approves one or more changes to the Basin Electric Amendments without Basin Electric’s consent, and such changes have a material adverse effect on Basin Electric. In such event, Basin Electricamendments to the Agreement, agreed to by SPP and Corn Belt, as well as by SPP, Western-UGP, and Basin Electric and filed in FERC Docket No. ER14-2850. In such event, Corn Belt and SPP shall meet and confer to facilitate the withdrawal as soon as practicable or as necessary to ensure compliance with state or Federal law. In the event of a withdrawal by Western UGP, Basin Electric, Corn Belt’s withdrawal will become effective on the same date as that of Western

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[SPP Membership Agreement – Amendment]

~~UGP~~Basin Electric. If ~~Basin Electric~~Corn Belt exercises its withdrawal rights under this provision, the financial obligations will be calculated under § 4.3 of ~~this~~the Agreement.

**A3. Obligation to Build Conditions**

b. ~~Basin Electric's board of directors~~Corn Belt's Board shall have discretionary authority to decide whether ~~Basin Electric will~~Corn Belt shall construct new transmission facilities. ~~Basin Electric's board of directors~~Corn Belt's Board shall not ~~replace~~displace any state regulatory authority with responsibility for siting or permitting activities under state law.

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IN WITNESS WHEREOF, ~~Basin Electric~~Corn Belt and SPP have caused their duly authorized representatives to execute, on their respective behalves, these Amendments to ~~Basin Electric~~Corn Belt's Membership Agreement with SPP, which Amendments are fully applicable and incorporated into said Membership Agreement and together shall constitute one and the same instrument binding upon ~~Basin Electric~~Corn Belt and SPP.

[SIGNATURES APPEAR ON FOLLOWING PAGE]

~~BASIN ELECTRIC POWER COOPERATIVE;~~Corn Belt Power Cooperative:

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\_\_\_\_\_  
Transmission Owner

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\_\_\_\_\_  
Type of Entity (Transmission Owner or Non-Transmission Owner)

\_\_\_\_\_  
Name of Authorized Representative

\_\_\_\_\_  
Title of Authorized Representative

\_\_\_\_\_  
Signature of Authorized Representative

\_\_\_\_\_  
Date of Execution

SOUTHWEST POWER POOL, INC.;

[SPP Membership Agreement – Amendment]

Southwest Power Pool, Inc.:

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Transmission Provider

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Type of Entity (Transmission Owner or Non-Transmission Owner)

Nicholas A. Brown

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Name of Authorized Representative

President and CEO

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Title of Authorized Representative

Signature of Authorized Representative

Date of Execution

[SPP Membership Agreement – Amendment]

**AMENDMENTS/AMENDMENT TO SPP MEMBERSHIP AGREEMENT**  
**FOR BASIN ELECTRIC POWER COOPERATIVE**

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This amendment (“Amendment”) to the Southwest Power Pool, Inc. (“SPP”) Membership Agreement (the “Agreement”) is hereby entered into by SPP and East River Electric Power Cooperative (“East River”) (together, the “Parties”), effective as of the date of execution.

WHEREAS, East River is a member of Basin Electric Power Cooperative (“Basin Electric”);

WHEREAS, the Federal Energy Regulatory Commission (“FERC”) in its order on November 10, 2014 in Docket No. ER14-2850, conditionally accepted certain terms and conditions associated with Basin Electric’s integration as a transmission owning member (“TO”) of SPP; and

WHEREAS, as a result of Basin Electric’s intended SPP TO membership, East River has decided to pursue SPP TO membership

NOW THEREFORE, in consideration of the mutual obligations and undertakings reflected herein and the Agreement, the Parties agree to the additional terms and conditions, amending and clarifying certain provisions of the Agreement:

**A1. Dispute Resolution**

Notwithstanding any provisions in the Agreement or the SPP Bylaws to the contrary, any disputes arising under the Agreement or SPP Bylaws ~~and~~ relating to determinations, decisions, conduct, and/or actions made ~~or taken by Basin Electric Power Cooperative (“Basin Electric”) pursuant to, taken, or planned by East River in connection with~~ its participation in SPP shall be subject to binding dispute resolution underpursuant to Section 3.13 of the SPP Bylaws only to the extent agreed upon by Basin ElectricEast River’s board of directors, ~~(the “East River’s Board”)~~ and subject to the terms and conditions ~~set by Basin Electric’s board of directors~~ established by East River’s Board.

**A2. Withdrawal Rights**

- a. Basin ElectricEast River may also terminate this AgreementAmendment and withdraw as a member of SPP with less than the advance notice required byunder Section 4.2.2 of the Agreement, in the event that ~~(1) Basin Electric withdraws from SPP as a TO in accordance with its withdrawal rights; or (2) Western Area Power Administration-Upper Great PlainsPlans Region (“Western-UGP”) withdraws from SPP in accordance with its withdrawal rights; (2)right; or (3) if FERC finds that SPP has not adhered to all of the Federal Power Marketing Agency Amendments or all of the Basin Electric Amendments; or (3) SPP files and FERC approves one or more changes to the Basin Electric Amendments without Basin Electric’s consent, and such changes have a material adverse effect on Basin Electric. In such event, Basin Electricamendments to the Agreement, agreed to by SPP and East River, as well as by SPP, Western-UGP, and Basin Electric and filed in FERC Docket No. ER14-2850. In such event, East River and SPP shall meet and confer to facilitate the withdrawal as soon as practicable or as necessary to ensure compliance with state or Federal law. In the event of a withdrawal by Western UGP, Basin Electric, East River’s withdrawal will become effective on the same date as that of~~

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[SPP Membership Agreement – Amendment]

~~Western UGP~~Basin Electric. If ~~Basin Electric~~East River exercises its withdrawal rights under this provision, the financial obligations will be calculated under § 4.3 of ~~this~~the Agreement.

**A3. Obligation to Build Conditions**

b. ~~Basin Electric's board of directors~~East River's Board shall have discretionary authority to decide whether ~~Basin Electric will~~East River shall construct new transmission facilities. ~~Basin Electric's board of directors~~East River's Board shall not ~~replace~~displace any state regulatory authority with responsibility for siting or permitting activities under state law.

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~~[SIGNATURES APPEAR ON FOLLOWING PAGE]~~

~~BASIN ELECTRIC POWER COOPERATIVE;~~East River Electric Power Cooperative:

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Transmission Owner

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Type of Entity (Transmission Owner or Non-Transmission Owner)

\_\_\_\_\_  
Name of Authorized Representative

\_\_\_\_\_  
Title of Authorized Representative

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Signature of Authorized Representative

\_\_\_\_\_  
Date of Execution

[SPP Membership Agreement – Amendment]

**SOUTHWEST POWER POOL, INC.:**  
**Southwest Power Pool, Inc.:**

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Transmission Provider

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Type of Entity (Transmission Owner or Non-Transmission Owner)

Nicholas A. Brown

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Name of Authorized Representative

President and CEO

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Title of Authorized Representative

Signature of Authorized Representative

Date of Execution

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FOR BASIN ELECTRIC POWER COOPERATIVE**

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This amendment (“Amendment”) to the Southwest Power Pool, Inc. (“SPP”) Membership Agreement (the “Agreement”) is hereby entered into by SPP and Northwest Iowa Power Cooperative (“NIPCO”) (together, the “Parties”), effective as of the date of execution.

WHEREAS, NIPCO is a member of Basin Electric Power Cooperative (“Basin Electric”);

WHEREAS, the Federal Energy Regulatory Commission (“FERC”) in its order on November 10, 2014 in Docket No. ER14-2850, conditionally accepted certain terms and conditions associated with Basin Electric’s integration as a transmission owning member (“TO”) of SPP; and

WHEREAS, as a result of Basin Electric’s intended SPP TO membership, NIPCO has decided to pursue SPP TO membership

NOW THEREFORE, in consideration of the mutual obligations and undertakings reflected herein and the Agreement, the Parties agree to the additional terms and conditions, amending and clarifying certain provisions of the Agreement:

**A1. Dispute Resolution**

Notwithstanding any provisions in the Agreement or the SPP Bylaws to the contrary, any disputes arising under the Agreement or SPP Bylaws ~~and~~ relating to determinations, decisions, conduct, and/or actions made ~~or taken by Basin Electric Power Cooperative (“Basin Electric”) pursuant to, taken, or planned by NIPCO in connection with its~~ participation in SPP shall be subject to binding dispute resolution ~~under~~ pursuant to Section 3.13 of the SPP Bylaws only to the extent agreed upon by ~~Basin Electric~~NIPCO’s board of directors, ~~(the “NIPCO’s Board”)~~ and subject to the terms and conditions ~~set by Basin Electric’s board of directors~~ established by NIPCO’s Board.

**A2. Withdrawal Rights**

- a. ~~Basin Electric~~NIPCO may also terminate this ~~Agreement~~Amendment and withdraw as a member of SPP with less than the advance notice required ~~by~~under Section 4.2.2 of the Agreement, in the event that ~~(1) Basin Electric withdraws from SPP as a TO in accordance with its withdrawal rights; or (2) Western Area Power Administration-Upper Great Plains~~Plans Region (“Western-UGP”) withdraws from SPP in accordance with its withdrawal ~~rights; (2)right; or (3) if~~ FERCC finds that SPP has not adhered to all of the ~~Federal Power Marketing Agency Amendments or all of the Basin Electric Amendments; or (3) SPP files and FERC approves one or more changes to the Basin Electric Amendments without Basin Electric’s consent, and such changes have a material adverse effect on Basin Electric. In such event, Basin Electric~~amendments to the Agreement, agreed to by SPP and NIPCO, as well as by SPP, Western-UGP, and Basin Electric and filed in FERC Docket No. ER14-2850. In such event, NIPCO and SPP shall meet and confer to facilitate the withdrawal as soon as practicable or as necessary to ensure compliance with state or Federal law. In the event of a withdrawal by ~~Western UGP,~~Basin Electric, ~~NIPCO’s~~ withdrawal will become effective on the same date as that of ~~Western-~~

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[SPP Membership Agreement – Amendment]



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**A3. Obligation to Build Conditions**

b. ~~Basin Electric's board of directors~~NIPCO's Board shall have discretionary authority to decide whether ~~Basin Electric will~~NIPCO shall construct new transmission facilities. ~~Basin Electric's board of directors~~NIPCO's Board shall not ~~replace~~displace any state regulatory authority with responsibility for siting or permitting activities under state law.

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[SIGNATURES APPEAR ON FOLLOWING PAGE]

~~BASIN ELECTRIC POWER COOPERATIVE;~~Northwest Iowa Power Cooperative;

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Type of Entity (Transmission Owner or Non-Transmission Owner)

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Name of Authorized Representative

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Title of Authorized Representative

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Signature of Authorized Representative

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Date of Execution

SOUTHWEST POWER POOL, INC.;

[SPP Membership Agreement – Amendment]

Southwest Power Pool, Inc.:

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Type of Entity (Transmission Owner or Non-Transmission Owner)

Nicholas A. Brown

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Name of Authorized Representative

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