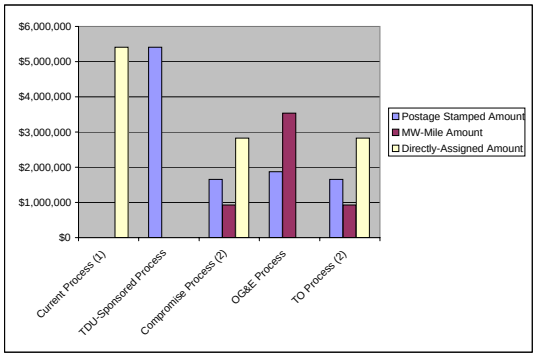
Cloud County, KS (EMDE)

			Directly Assigned		Process Amount
Sink Zone Upgrade Cost			30%		70%
Sink Zone Upgrade Cost (< 300 kV)	$ 1,980,948		594,284.40		1,386,663.60
Sink Zone Upgrade Cost (>=300 kV)	$ -		-		-
Sink Zone Upgrade Cost	$ 1,980,948		594,284.40		1,386,663.60
Non-Sink Zone Upgrade Cost					
Non-Sink Zone Upgrade Cost (< 300 kV)	$ 3,303,201		990,960.30		2,312,240.70
Non-Sink Zone Upgrade Cost (>=300 kV)	$ 126,068		37,820.40		88,247.60
Non-Sink Zone Upgrade Cost	$ 3,429,269		1,028,780.70		2,400,488.30
Upgrade Total Cost	$ 5,410,217		1,623,065.10		3,787,151.90

	Current Process (1)	TDU-Sponsored Process	Compromise Process (2)	OG&E Process	TO Process (2)
Requested Capacity	100	n/a	70	100	70
Wind Multiplier	10%		100%	100%	100%
Net Dependable Capacity	10		70	100	70
Safe Harbor Multiplier	$ 180,000		$ 180,000	$ 180,000	$ 180,000
Safe Harbor Cost Limit *	$ -		$ 12,600,000	$ 18,000,000	$ 12,600,000
* > 125% of Peak Responsibility					
Current Base Plan Funding Process					
Postage Stamped Amount (33%)	$ -	n/a	n/a	$ 1,743,769	$ 457,599
MW-Mile Amount (67%)	$ -			$ 3,540,380	$ 929,065
Directly-Assigned Amount	$ 5,410,217			$ -	
	$ 5,410,217			$ 5,284,149	$ 1,386,664
Sink Zone Allocation					
Postage Stamped Amount (33%)	n/a	n/a	$ 457,599	n/a	n/a
MW-Mile Amount (67%)			$ 929,065		
			$ 1,386,664		
Non-Sink Zone Allocation					
Postage Stamped Amount (50%)	n/a	n/a	$ 1,200,244	n/a	$ 1,200,244
Directly-Assigned Amount (50%)			$ 1,200,244		$ 1,200,244
			$ 2,400,488		$ 2,400,488
300 kV Allocation					
300 kV Postage Stamped Amount	n/a	n/a	n/a	$ 126,068	n/a
Postage Stamped Amount (Total)				$ 1,869,837	
Cost Allocation - Without Cost Limit					
Postage Stamped Amount	n/a	n/a	$ 1,657,843	n/a	n/a
MW-Mile Amount			$ 929,065		
Directly-Assigned Amount			$ 1,200,244		
Subtotal			$ 3,787,152		
Directly-Assigned Allocation					
Directly-Assigned Amount Limit (Cap)	n/a	n/a	$ 1,262,384	n/a	n/a
Directly-Assigned Amount (Potential)			$ 1,200,244		
Directly-Assigned Amount			$ 1,200,244		
Directly-Assigned Excess Amount			$ -		

Cost Allocation	Current Process (1)	TDU-Sponsored Process	Compromise Process (2)	OG&E Process	TO Process (2)
Postage Stamped Amount	$0	$5,410,217	$1,657,843	$1,869,837	$1,657,843
MW-Mile Amount	$0		$929,065	$3,540,380	$929,065
Directly-Assigned Amount	$5,410,217		$2,823,309	$0	$2,823,309
Total Amount	$5,410,217	$5,410,217	$5,410,217	$5,410,217	$5,410,217

(1) 125% Capacity Cap Exceeded, no Base Plan Funding Allowed
(2) This Process limits Wind Generation to 20%. 70 MW available for this Request, 30 MW processed using Current Process.



Upgrade Name	Allocated E & C Cost	Total E & C Cost	Total Revenue Requirements	Owner	Is Sink Zone Upgrade?	Is Upgrade >= 300 kV?	Sink Zone Upgrade Cost (< 300 kV)	Sink Zone Upgrade Cost (>=300 kV)	Sink Zone Upgrade Cost	Non-Sink Zone Upgrade Cost (< 300 kV)	Non-Sink Zone Upgrade Cost (>=300 kV)	Non-Sink Zone Upgrade Cost
ALLEN 69KV Capacitor	$ 3,686	$ 500,000	$ 12,958	WERE	N	N	$ -	$ -	$ -	$ 3,686	$ -	$ 3,686
ATHENS 69KV Capacitor	$ 3,686	$ 500,000	$ 12,958	WERE	N	N	$ -	$ -	$ -	$ 3,686	$ -	$ 3,686
Craig (542978) Cap Bank Phase 1	$ 718,200	$ 3,000,000	$ 3,070,418	KACP	N	N	$ -	$ -	$ -	$ 718,200	$ -	$ 718,200
Craig (542978) Cap Bank Phase 2	$ 718,200	$ 3,000,000	$ 3,070,418	KACP	N	N	$ -	$ -	$ -	$ 718,200	$ -	$ 718,200
East Manhattan - SW Manhattan 115kV Displacement	$ 383,150	$ 427,929	$ 1,271,044	WERE	N	N	$ -	$ -	$ -	$ 383,150	$ -	$ 383,150
EAST MANHATTAN (EMANHT3X) 230/115/18.0KV TF	$ 348,363	$ 397,477	$ 1,155,644	WERE	N	N	$ -	$ -	$ -	$ 348,363	$ -	$ 348,363
East Manhattan to Mcdowell 230 kV Displacement	$ 122,444	$ 128,218	$ 406,190	WERE	N	N	$ -	$ -	$ -	$ 122,444	$ -	$ 122,444
Hawthorn and W Gardner Cap Banks	$ 837,899	$ 3,500,000	$ 3,582,150	KACP	N	N	$ -	$ -	$ -	$ 837,899	$ -	$ 837,899
JOPLIN 59 - SUB 439 - STATELINE 161KV CKT 1 Dis	$ 726,684	$ 769,573	$ 2,272,722	EMDE	Y	N	$ 726,684	$ -	$ 726,684	$ -	$ -	$ -
JOPLIN 59 - SUB 59 - JOPLIN 26TH ST. 161/69kV TR	$ 930,840	$ 985,777	$ 2,911,225	EMDE	Y	N	$ 930,840	$ -	$ 930,840	$ -	$ -	$ -
SOUTHWEST - SOUTHWEST DISPOSAL 161KV CKT	$ 8,285	$ 246,000	$ 22,117	SPRM	N	N	$ -	$ -	$ -	$ 8,285	$ -	$ 8,285
SUB 170 - NICHOLS ST. - SUB 80 - MARSHFIELD JC	$ 323,424	$ 323,424	$ 1,097,278	EMDE	Y	N	$ 323,424	$ -	$ 323,424	$ -	$ -	$ -
TECUMSEH ENERGY CENTER - MIDLAND 115KV C	$ 155,602	$ 257,718	$ 579,266	WERE	N	N	$ -	$ -	$ -	$ 155,602	$ -	$ 155,602
TIOGA 69KV Capacitor	$ 3,686	$ 500,000	$ 12,958	WERE	N	N	$ -	$ -	$ -	$ 3,686	$ -	$ 3,686
West Gardner 345 kV Tap on Stillwell-Swissvale 345 k	$ 126,068	$ 526,598	$ 538,961	KACP	N	Y	$ -	$ -	$ -	$ -	$ 126,068	$ 126,068
	$ 5,410,217	$ 15,062,715	$ 20,016,306				$ 1,980,948	$ -	$ 1,980,948	$ 3,303,201	$ 126,068	$ 3,429,269
									$ 1,980,948			$ 3,429,269
									37%			63%

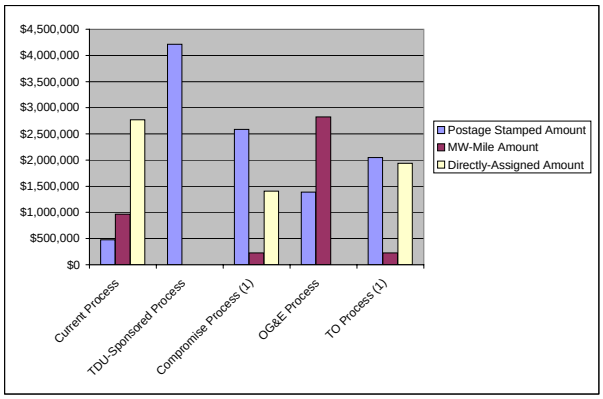
Harper County, OK (AEPM)

Sink Zone Upgrade Cost	
Sink Zone Upgrade Cost (< 300 kV)	$ 334,612
Sink Zone Upgrade Cost (>=300 kV)	$ -
Sink Zone Upgrade Cost	$ 334,612
Non-Sink Zone Upgrade Cost	
Non-Sink Zone Upgrade Cost (< 300 kV)	$ 3,877,718
Non-Sink Zone Upgrade Cost (>=300 kV)	$ -
Non-Sink Zone Upgrade Cost	$ 3,877,718
Upgrade Total Cost	$ 4,212,330

	Current Process	TDU-Sponsored Process	Compromise Process (1)	OG&E Process	TO Process (1)
Requested Capacity	80	n/a	80	80	80
Wind Multiplier	10%		100%	100%	100%
Net Dependable Capacity	8		80	80	80
Safe Harbor Multiplier	$ 180,000		$ 180,000	$ 180,000	$ 180,000
Safe Harbor Cost Limit	$ 1,440,000		$ 14,400,000	$ 14,400,000	$ 14,400,000
Current Base Plan Funding Process					
Postage Stamped Amount (33%)	$ 475,200	n/a	n/a	$ 1,390,069	$ 110,422
MW-Mile Amount (67%)	$ 964,800			$ 2,822,261	$ 224,190
Directly-Assigned Amount	$ 2,772,330			$ -	
	$ 4,212,330			$ 4,212,330	$ 334,612
Sink Zone Allocation					
Postage Stamped Amount (33%)	n/a	n/a	$ 110,422	n/a	n/a
MW-Mile Amount (67%)			$ 224,190		
			$ 334,612		
Non-Sink Zone Allocation					
Postage Stamped Amount (50%)	n/a	n/a	$ 1,938,859	n/a	$ 1,938,859
Directly-Assigned Amount (50%)			$ 1,938,859		$ 1,938,859
			$ 3,877,718		$ 3,877,718
300 kV Allocation					
300 kV Postage Stamped Amount	n/a	n/a	n/a	$ -	n/a
Postage Stamped Amount (Total)				$ 1,390,069	
Cost Allocation - Without Cost Limit					
Postage Stamped Amount	n/a	n/a	$ 2,049,281	n/a	n/a
MW-Mile Amount			$ 224,190		
Directly-Assigned Amount			$ 1,938,859		
Subtotal			$ 4,212,330		
Directly-Assigned Allocation					
Directly-Assigned Amount Limit (Cap)	n/a	n/a	$ 1,404,110	n/a	n/a
Directly-Assigned Amount (Potential)			$ 1,938,859		
Directly-Assigned Amount			$ 1,404,110		
Directly-Assigned Excess Amount			$ 534,749		

Cost Allocation	Current Process	TDU-Sponsored Process	Compromise Process (1)	OG&E Process	TO Process (1)
Postage Stamped Amount	$475,200	$4,212,330	$2,584,030	$1,390,069	$2,049,281
MW-Mile Amount	$964,800		$224,190	$2,822,261	$224,190
Directly-Assigned Amount	$2,772,330		$1,404,110	$0	$1,938,859
Total Amount	$4,212,330	$4,212,330	$4,212,330	$4,212,330	$4,212,330

(1) Invalid MW-Mile Allocation since all allocated Amounts would be less than $100k



Upgrade Name	Allocated E & C Cost	Total E & C Cost	Total Revenue Requirements	Owner	Is Sink Zone Upgrade?	Is Upgrade >= 300 kV?	Sink Zone Upgrade Cost (< 300 kV)	Sink Zone Upgrade Cost (>=300 kV)	Sink Zone Upgrade Cost	Non-Sink Zone Upgrade Cost (< 300 kV)	Non-Sink Zone Upgrade Cost (>=300 kV)	Non-Sink Zone Upgrade Cost
36TH & LEWIS - 52ND & DELAWARE TAP 138KV CKT	$ 15,000	$ 15,000	$-	AEPW	Y	N	$ 15,000	$ -	$ 15,000	$ -	$ -	$ -
ALUMAX TAP - BANN 138KV CKT 1	$ 314,872	$ 1,000,000	$ 917,374	AEPW	Y	N	$ 314,872	$ -	$ 314,872	$ -	$ -	$ -
BANN - NW TEXARKANA-BANN T 138KV CKT 1	$ 4,740	$ 15,000	$-	AEPW	Y	N	$ 4,740	$ -	$ 4,740	$ -	$ -	$ -
FT SUPPLY 138/69KV TRANSFORMER CKT 1	$ 2,000,000	$ 2,000,000	$ 4,495,992	WFEC	N	N	$ -	$ -	$ -	$ 2,000,000	$ -	$ 2,000,000
HAMON BUTLER - MOREWOOD 69KV CKT 1	$ 1,278,730	$ 3,400,000	$ 3,038,093	WFEC	N	N	$ -	$ -	$ -	$ 1,278,730	$ -	$ 1,278,730
KNOBHILL (KNOBHIL4) 138/69/13.2KV TRANSFORM	$ 598,988	$ 1,750,000	$ 2,535,841	OKGE	N	N	$ -	$ -	$ -	$ 598,988	$ -	$ 598,988
	$ 4,212,330	$ 8,180,000	$ 10,987,300				$ 334,612	$ -	$ 334,612	$ 3,877,718	$ -	$ 3,877,718
									$ 334,612			$ 3,877,718
									8%			92%

Finney County, KS (OKGE)

Sink Zone Upgrade Cost

Sink Zone Upgrade Cost (< 300 kV)	$ 14,628,753
Sink Zone Upgrade Cost (>=300 kV)	$ 40,030,707
Sink Zone Upgrade Cost	$ 54,659,460

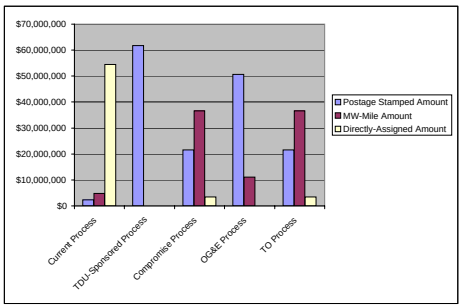
Non-Sink Zone Upgrade Cost

Non-Sink Zone Upgrade Cost (< 300 kV)	$ 1,842,172
Non-Sink Zone Upgrade Cost (>=300 kV)	$ 5,182,122
Non-Sink Zone Upgrade Cost	$ 7,024,294

Upgrade Total Cost $ 61,683,754

	Current Process	TDU-Sponsored Process	Compromise Process	OG&E Process	TO Process
Requested Capacity	400	n/a	400	400	400
Wind Multiplier	10%		100%	100%	100%
Net Dependable Capacity	40		400	400	400
Safe Harbor Multiplier	$ 180,000		$ 180,000	$ 180,000	$ 180,000
Safe Harbor Cost Limit	$ 7,200,000		$ 72,000,000	$ 72,000,000	$ 72,000,000
Current Base Plan Funding Process					
Postage Stamped Amount (33%)	$ 2,376,000	n/a	n/a	$ 5,435,405	$ 18,037,622
MW-Mile Amount (67%)	$ 4,824,000			$ 11,035,520	$ 36,621,838
Directly-Assigned Amount	$ 54,483,754			$ -	
	$ 61,683,754			$ 16,470,925	$ 54,659,460
Sink Zone Allocation					
Postage Stamped Amount (33%)	n/a	n/a	$ 18,037,622	n/a	n/a
MW-Mile Amount (67%)			$ 36,621,838		
			$ 54,659,460		
Non-Sink Zone Allocation					
Postage Stamped Amount (50%)	n/a	n/a	$ 3,512,147	n/a	$ 3,512,147
Directly-Assigned Amount (50%)			$ 3,512,147		$ 3,512,147
			$ 7,024,294		$ 7,024,294
300 kV Allocation					
300 kV Postage Stamped Amount	n/a	n/a	n/a	$ 45,212,829	n/a
Postage Stamped Amount (Total)				$ 50,648,234	
Cost Allocation - Without Cost Limit					
Postage Stamped Amount	n/a	n/a	$ 21,549,769	n/a	n/a
MW-Mile Amount			$ 36,621,838		
Directly-Assigned Amount			$ 3,512,147		
Subtotal			$ 61,683,754		
Directly-Assigned Allocation					
Directly-Assigned Amount Limit (Cap)	n/a	n/a	$ 20,561,251	n/a	n/a
Directly-Assigned Amount (Potential)			$ 3,512,147		
Directly-Assigned Amount			$ 3,512,147		
Directly-Assigned Excess Amount			$ -		

Cost Allocation	Current Process	TDU-Sponsored Process	Compromise Process	OG&E Process	TO Process
Postage Stamped Amount	$2,376,000	$61,683,754	$21,549,769	$50,648,234	$21,549,769
MW-Mile Amount	$4,824,000		$36,621,838	$11,035,520	$36,621,838
Directly-Assigned Amount	$54,483,754		$3,512,147	$0	$3,512,147
Total Amount	$61,683,754	$61,683,754	$61,683,754	$61,683,754	$61,683,754



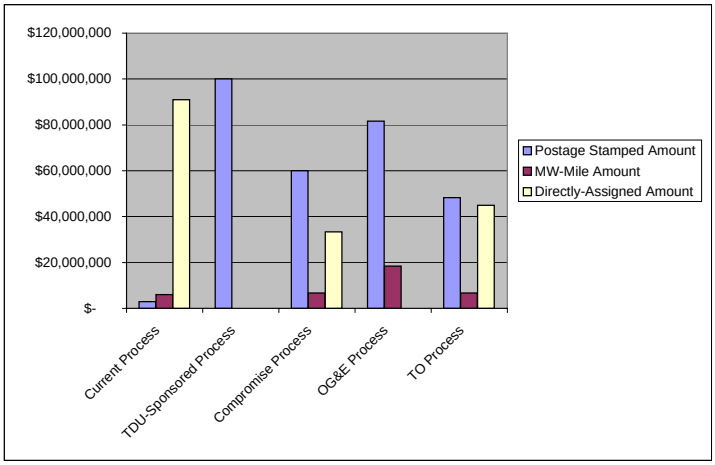
Upgrade Name	Allocated E & C Cost	Total E & C Cost	Total Revenue Requirements	Owner	Is Sink Zone Upgrade?	Is Upgrade >= 300 kV?	Sink Zone Upgrade Cost (< 300 kV)	Sink Zone Upgrade Cost (>=300 kV)	Sink Zone Upgrade Cost	Non-Sink Zone Upgrade Cost (< 300 kV)	Non-Sink Zone Upgrade Cost (>=300 kV)	Non-Sink Zone Upgrade Cost
CIMARRON - NORTHWEST 345KV CKT 1	$ 8,987	$ 90,000	$-	OKGE	Y	Y	$ -	$ 8,987	$ 8,987	$ -	$ -	$ -
Cimarron Plant Substation Expansion	$ 212,136	$ 2,500,000	$ 1,129,886	WEPL	N	N	$ -	$ -	$ -	$ 212,136	$ -	$ 212,136
FRANKLIN SW - MIDWEST TAP 138KV CKT 1 OKGE	$ 5,087	$ 160,575	$ 34,119	OKGE	Y	N	$ 5,087	$ -	$ 5,087	$ -	$ -	$ -
FRANKLIN SW - MIDWEST TAP 138KV CKT 1 WFEC	$ 3,168	$ 100,000	$-	WFEC	N	N	$ -	$ -	$ -	$ 3,168	$ -	$ 3,168
GREENSBURG - JUDSON LARGE 115KV CKT 1	$ 61,893	$ 153,114	$ 463,334	WEPL	N	N	$ -	$ -	$ -	$ 61,893	$ -	$ 61,893
Hugo - SunnySide 345kV	$ 2,691,259	$ 50,000,000	$ 8,878,921	WFEC	N	Y	$ -	$ -	$ -	$ -	$ 2,691,259	$ 2,691,259
HUGO 345/138KV TRANSFORMER CKT 2	$ 10,944	$ 2,500,000	$ 36,001	WFEC	N	N	$ -	$ -	$ -	$ 10,944	$ -	$ 10,944
MEDICINE LODGE - SUN CITY 115KV CKT 1	$ 72,636	$ 150,000	$ 487,598	WEPL	N	N	$ -	$ -	$ -	$ 72,636	$ -	$ 72,636
MOORELAND - CIMARRON 345kV	$ 10,432,831	$ 114,441,767	$ 65,326,665	OKGE	Y	Y	$ -	$ 10,432,831	$ 10,432,831	$ -	$ -	$ -
Mooreland 345/138 kV Transformer CKT 1 Displaceme	$ 25,947	$ 232,012	$ 83,049	WFEC	N	N	$ -	$ -	$ -	$ 25,947	$ -	$ 25,947
Mooreland 345/138 kV Transformer CKT 2	$ 559,166	$ 5,000,000	$ 1,789,739	WFEC	N	N	$ -	$ -	$ -	$ 559,166	$ -	$ 559,166
NORTH CIMARRON, WALKEMEYER CAPACITOR	$ 547,360	$ 4,200,000	$ 2,753,002	SUNC	N	N	$ -	$ -	$ -	$ 547,360	$ -	$ 547,360
Sooner to Rose Hill 345 kV OKGE Expedite	$-	$ 27,500,000	$ 3,947,850	OKGE	Y	Y	$ -	$-	$-	$ -	$ -	$ -
Sooner to Rose Hill 345 kV WERE Expedite	$-	$ 27,500,000	$ 2,717,542	WERE	N	Y	$ -	$ -	$ -	$ -	$-	$-
SOONER - WOODRING 345KV CKT 1	$ 4,563	$ 400,000	$ 28,572	OKGE	Y	Y	$ -	$ 4,563	$ 4,563	$ -	$ -	$ -
Spearville - Mooreland 345 kV SUNC Displacement	$ 1,875,169	$ 4,654,872	$ 8,544,714	SUNC	N	Y	$ -	$ -	$ -	$ -	$ 1,875,169	$ 1,875,169
Spearville - Mooreland 345 kV WFEC Displacement	$ 542,090	$ 1,345,670	$ 1,735,084	WFEC	N	Y	$ -	$ -	$ -	$ -	$ 542,090	$ 542,090
WOODRING - MOORELAND 345kV	$ 705,855	$ 93,558,233	$ 4,419,812	OKGE	Y	Y	$ -	$ 705,855	$ 705,855	$ -	$ -	$ -
WOODRING (WOODRNG2) 345/138/13.8KV TRANSF	$ 248,685	$ 6,500,000	$ 1,557,177	OKGE	Y	N	$ 248,685	$ -	$ 248,685	$ -	$ -	$ -
ARKOMA - FT SMITHW 161KV CKT 1	$ 2,508,731	$ 2,900,000	$ 10,881,849	OKGE	Y	N	$ 2,508,731	$ -	$ 2,508,731	$ -	$ -	$ -
CIMARRON - NORTHWEST 345KV CKT 1	$ 13,982	$ 90,000	$-	OKGE	Y	Y	$ -	$ 13,982	$ 13,982	$ -	$ -	$ -
FAIRMONT TAP - WOODRING 138KV CKT 1	$ 336,602	$ 850,000	$ 2,020,852	OKGE	Y	N	$ 336,602	$ -	$ 336,602	$ -	$ -	$ -
Hugo - SunnySide 345kV	$ 51,117	$ 50,000,000	$ 139,671	WFEC	N	Y	$ -	$ -	$ -	$ -	$ 51,117	$ 51,117
KINZE - MCELROY 138KV CKT 1	$ 219,797	$ 600,000	$ 1,019,921	OKGE	Y	N	$ 219,797	$ -	$ 219,797	$ -	$ -	$ -
MILLER - WHITE EAGLE 138KV CKT 1	$ 103,727	$ 300,000	$ 481,323	OKGE	Y	N	$ 103,727	$ -	$ 103,727	$ -	$ -	$ -
MOORELAND - CIMARRON 345kV	$ 13,159,321	$ 114,441,767	$ 59,818,292	OKGE	Y	Y	$ -	$ 13,159,321	$ 13,159,321	$ -	$ -	$ -
Mooreland 345/138 kV Transformer CKT 1 Displaceme	$ 15,473	$ 232,012	$ 41,017	WFEC	N	N	$ -	$ -	$ -	$ 15,473	$ -	$ 15,473
Mooreland 345/138 kV Transformer CKT 2	$ 333,449	$ 5,000,000	$ 883,926	WFEC	N	N	$ -	$ -	$ -	$ 333,449	$ -	$ 333,449
MUSKOGEE - PECAN CREEK 345KV CKT 1	$ 71,516	$ 100,000	$-	OKGE	Y	Y	$ -	$ 71,516	$ 71,516	$ -	$ -	$ -
NORTHWEST (NORTWST2) 345/138/13.8KV TRANSF	$ 5,286,285	$ 9,000,000	$ 15,381,631	OKGE	Y	N	$ 5,286,285	$ -	$ 5,286,285	$ -	$ -	$ -
SOONER - WOODRING 345KV CKT 1	$ 165,917	$ 400,000	$ 754,208	OKGE	Y	Y	$ -	$ 165,917	$ 165,917	$ -	$ -	$ -
SOONER (SOONER5) 345/138/13.8KV TRANSFORME	$ 2,117,289	$ 5,500,000	$ 9,109,693	OKGE	Y	N	$ 2,117,289	$ -	$ 2,117,289	$ -	$ -	$ -
Spearville - Mooreland 345 kV SUNC Displacement	$ 17,444	$ 4,654,872	$ 62,702	SUNC	N	Y	$ -	$ -	$ -	$ -	$ 17,444	$ 17,444
Spearville - Mooreland 345 kV WFEC Displacement	$ 5,043	$ 1,345,670	$ 13,368	WFEC	N	Y	$ -	$ -	$ -	$ -	$ 5,043	$ 5,043
SUNNYSIDE 345/138KV TRANSFORMER CKT 2	$ 1,247,266	$ 5,000,000	$ 6,104,537	OKGE	Y	N	$ 1,247,266	$ -	$ 1,247,266	$ -	$ -	$ -
WAUKOMIS TAP - WOODRING 138KV CKT 1	$ 407,546	$ 1,500,000	$ 2,446,778	OKGE	Y	N	$ 407,546	$ -	$ 407,546	$ -	$ -	$ -
WOODRING - MOORELAND 345kV	$ 15,467,735	$ 93,558,233	$ 70,311,643	OKGE	Y	Y	$ -	$ 15,467,735	$ 15,467,735	$ -	$ -	$ -
WOODRING (WOODRNG2) 345/138/13.8KV TRANSF	$ 2,147,738	$ 6,500,000	$ 9,762,967	OKGE	Y	N	$ 2,147,738	$ -	$ 2,147,738	$ -	$ -	$ -
	$ 61,683,754	$ 642,958,797	$ 293,167,443				$ 14,628,753	$ 40,030,707	$ 54,659,460	$ 1,842,172	$ 5,182,122	$ 7,024,294
									$ 54,659,460			$ 7,024,294
									89%			11%

Non-Sink Concentration

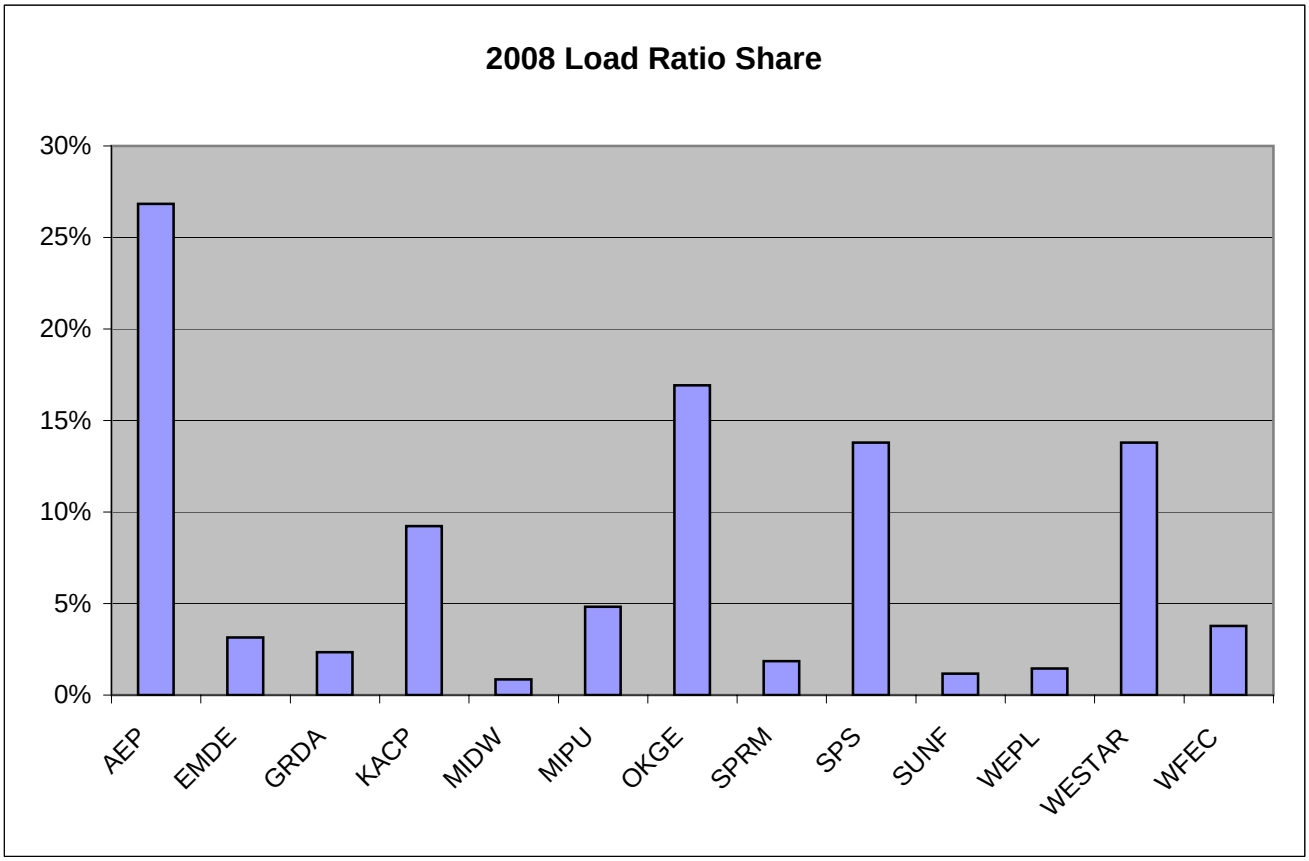
Sink Zone Upgrade Cost	
Sink Zone Upgrade Cost (< 300 kV)	$ 2,500,000
Sink Zone Upgrade Cost (>=300 kV)	$ 7,500,000
Sink Zone Upgrade Cost	$ 10,000,000
Non-Sink Zone Upgrade Cost	
Non-Sink Zone Upgrade Cost (< 300 kV)	$ 25,000,000
Non-Sink Zone Upgrade Cost (>=300 kV)	$ 65,000,000
Non-Sink Zone Upgrade Cost	$ 90,000,000
Upgrade Total Cost	$ 100,000,000

	Current Process	TDU-Sponsored Process	Compromise Process	OG&E Process	TO Process
Requested Capacity	500	n/a	500	500	500
Wind Multiplier	10%		100%	100%	100%
Net Dependable Capacity	50		500	500	500
Safe Harbor Multiplier	$ 180,000		$ 180,000	$ 180,000	$ 180,000
Safe Harbor Cost Limit	$ 9,000,000		$ 90,000,000	$ 90,000,000	$ 90,000,000
Current Base Plan Funding Process					
Postage Stamped Amount (33%)	$ 2,970,000	n/a	n/a	$ 9,075,000	$ 3,300,000
MW-Mile Amount (67%)	$ 6,030,000			$ 18,425,000	$ 6,700,000
Directly-Assigned Amount	$ 91,000,000			$ -	
	$ 100,000,000			$ 27,500,000	$ 10,000,000
Sink Zone Allocation					
Postage Stamped Amount (33%)	n/a	n/a	$ 3,300,000	n/a	n/a
MW-Mile Amount (67%)			$ 6,700,000		
			$ 10,000,000		
Non-Sink Zone Allocation					
Postage Stamped Amount (50%)	n/a	n/a	$ 45,000,000	n/a	$ 45,000,000
Directly-Assigned Amount (50%)			$ 45,000,000		$ 45,000,000
			$ 90,000,000		$ 90,000,000
300 kV Allocation					
300 kV Postage Stamped Amount	n/a	n/a	n/a	$ 72,500,000	n/a
Postage Stamped Amount (Total)				$ 81,575,000	
Cost Allocation - Without Cost Limit					
Postage Stamped Amount	n/a	n/a	$ 48,300,000	n/a	n/a
MW-Mile Amount			$ 6,700,000		
Directly-Assigned Amount			$ 45,000,000		
Subtotal			$ 100,000,000		
Directly-Assigned Allocation					
Directly-Assigned Amount Limit (Cap)	n/a	n/a	$ 33,333,333	n/a	n/a
Directly-Assigned Amount (Potential)			$ 45,000,000		
Directly-Assigned Amount			$ 33,333,333		
Directly-Assigned Excess Amount			$ 11,666,667		

Cost Allocation	Current Process	TDU-Sponsored Process	Compromise Process	OG&E Process	TO Process
Postage Stamped Amount	$ 2,970,000	$ 100,000,000	$ 59,966,667	$ 81,575,000	$ 48,300,000
MW-Mile Amount	$ 6,030,000		$ 6,700,000	$ 18,425,000	$ 6,700,000
Directly-Assigned Amount	$ 91,000,000		$ 33,333,333	$ -	$ 45,000,000
Total Amount	$ 100,000,000	$ 100,000,000	$ 100,000,000	$ 100,000,000	$ 100,000,000



2008 Load Ratio Share	
AEP	27%
EMDE	3%
GRDA	2%
KACP	9%
MIDW	1%
MIPU	5%
OKGE	17%
SPRM	2%
SPS	14%
SUNF	1%
WEPL	1%
WESTAR	14%
WFEC	4%
TOTAL	100%



SPP Southwest Power Pool

Helping our members work together to keep the lights on...

today & in the future

SPP Southwest Power Pool

Wind Plant Cost Allocation Alternatives

Cost Allocation Working Group

April 17, 2008

SOUTHWEST POWER POOL

Presentation Overview

- **Terminology used to express Cost Allocation Processes consistently**
- **Overview of each Process**
- **Sample Calculations**
- **Summary**

SOUTHWEST POWER POOL

Terminology used in this Presentation

- **Sink Zone – Transmission Service Requestor's Zone**
- **Non-Sink Zone – Any Zone other than the Sink Zone**
- **Directly-Assigned Amount – Cost assigned to the Transmission Service Requestor to construct Direct Assignment Facilities**

SOUTHWEST POWER POOL

Wind Plant Cost Allocation Alternatives

- **Current Process**
- **TDU-Sponsored Process**
- **Compromise Process**
- **OG&E Process**
- **TO Process**

SOUTHWEST POWER POOL

Current Process

- **Base Plan Funding Calculation**
  - **At least 5 year commitment to Designated Resource or no Base Plan Funding allowed**
  - **No more than 125% of Transmission Customer's Projected System Peak Responsibility or no Base Plan Funding allowed**
  - **Safe Harbor Cost Limit is $180,000 * lesser of:**
    - **Planned Maximum Net Dependable Capacity (10% of Nameplate capacity for Wind resources), or**
    - **Requested Capacity**

Current Process - continued

- **Assigned Upgrade Cost in excess of Base Plan Funding is Directly Assigned to Requestor**
- **For wind plants can result in significant Directly-Assigned Cost to Requestor**
- **Directly-Assigned Cost may be for upgrades outside of Sink Zone**

TDU-Sponsored Process

- **Upgrade cost associated with wind plant Designated Resources are collected through a region-wide Postage Stamp rate**

SOUTHWEST POWER POOL

Compromise Process

- **Non-Sink Zone Upgrades are removed from the Existing Process**
- **Non-Sink Zone Upgrades are allocated:**
  - **50% Postage Stamped**
  - **50% Directly-Assigned**

SOUTHWEST POWER POOL

Compromise Process - continued

- **Sink-Zone Upgrades are allocated using the 1/3 – 2/3 methodology using Requested Capacity**
- **Directly-Assigned Cost capped at 1/3 of the total upgrade cost**
- **Limited to 20% of peak load due to operational concerns**

OG&E Process

- **Upgrades are allocated using the 1/3 – 2/3 methodology Requested Capacity**
- **All Transmission Line Upgrades >= 300 kV are Postage Stamped**

TO Process

- **Sink Zone upgrades are allocated using 1/3 – 2/3 methodology Requested Capacity or "amount of generation under contract"**
- **Non-Sink Zone Upgrades are allocated:**
  - **50% Postage Stamped**
  - **50% Directly-Assigned**

TO Process - continued

- **Directly-Assigned Amounts are eligible for Attachment Z credits**
- **Limited to 20% of peak load due to operational concerns**

Sample Calculations

- **Cloud County, KS Wind Plant (EMDE)**
  - **100 MW Actual Request**
  - **Upgrades: 37% in Sink Zone, 63% in Non-Sink Zone**
  - **125% Capacity Cap Exceeded, no Base Plan Funding allowed by Existing Process**
  - **20% Wind Plant limit applies to this Request**
- **Harper County, OK Wind Plant (AEPM)**
  - **80 MW Actual Request**
  - **Upgrades: 8% in Sink Zone, 92% in Non-Sink Zone**

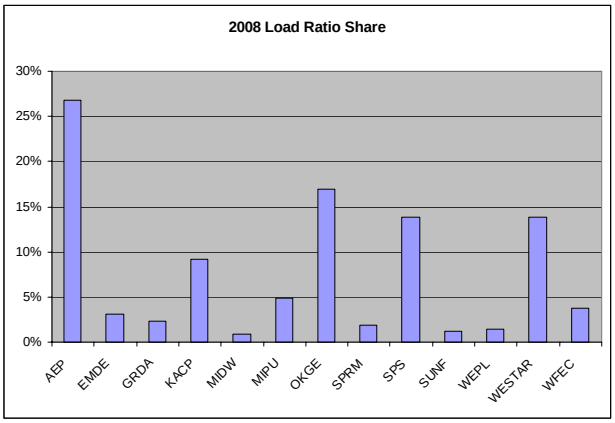
SOUTHWEST POWER POOL

Sample Calculations – continued

- **Finney County, KS Wind Plant (OKGE)**
  - 400 MW Example based on data from Actual Requests combined into a single Wind Plant
  - Upgrades: 89% in Sink Zone, 11% in Non-Sink Zone
- **Wind Plant with Non-Sink Zone Upgrade concentration**
  - 500 MW Wind Plant
  - $100 M Upgrade Cost
  - Upgrades: 10% in Sink Zone, 90% in Non-Sink Zone

SOUTHWEST POWER POOL

Load Ratio Share – Postage Stamp Allocation



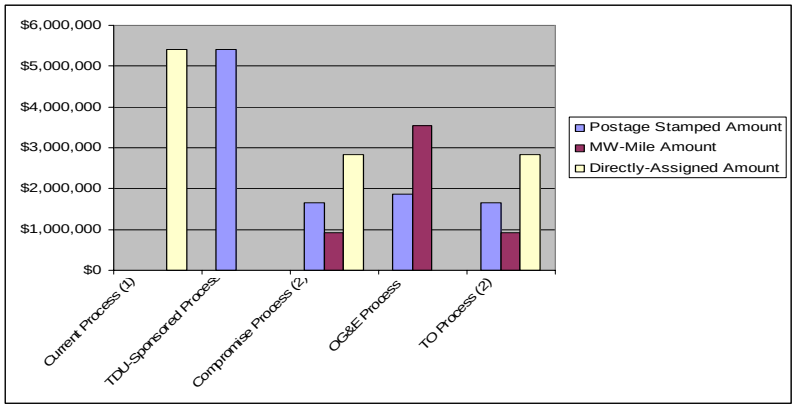
Cloud County, KS (EMDE)

Cost Allocation	Current Process (1)	TDU-Sponsored Process	Compromise Process (2)	OG&E Process	TO Process (2)
Postage Stamped Amount	$0	$5,410,217	$1,657,843	$1,869,837	$1,657,843
MW-Mile Amount	$0		$929,065	$3,540,380	$929,065
Directly-Assigned Amount	$5,410,217		$2,823,309	$0	$2,823,309
Total Amount	$5,410,217	$5,410,217	$5,410,217	$5,410,217	$5,410,217

(1) 125% Capacity Cap Exceeded, no Base Plan Funding allowed

(2) Process limits Wind Generation to 20%. 70 MW available for this Request, 30 MW processed using Current Process.

Cloud County, KS (EMDE)



(1) 125% Capacity Cap Exceeded, no Base Plan Funding allowed

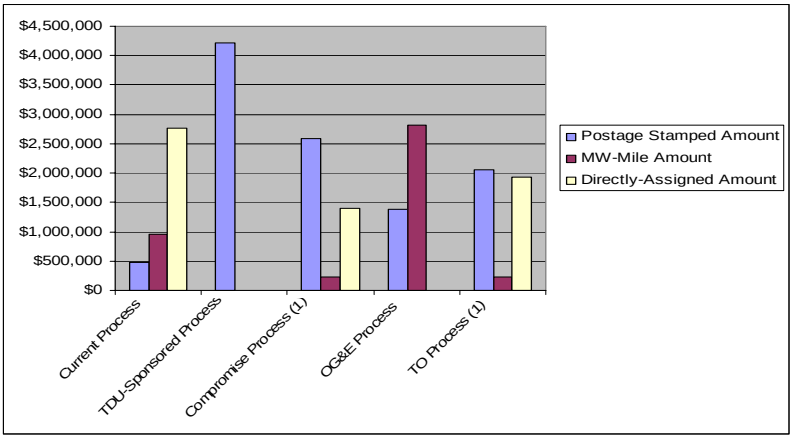
(2) Process limits Wind Generation to 20%. 70 MW available for this Request, 30 MW processed using Current Process.

Harper County, OK (AEPM)

Cost Allocation	Current Process	TDU-Sponsored Process	Compromise Process (1)	OG&E Process	TO Process (1)
Postage Stamped Amount	$475,200	$4,212,330	$2,584,030	$1,390,069	$2,049,281
MW-Mile Amount	$964,800		$224,190	$2,822,261	$224,190
Directly-Assigned Amount	$2,772,330		$1,404,110	$0	$1,938,859
Total Amount	$4,212,330	$4,212,330	$4,212,330	$4,212,330	$4,212,330

(1) Invalid MW-Mile Allocation since all allocated Amounts would be less than $100k

Harper County, OK (AEPM)



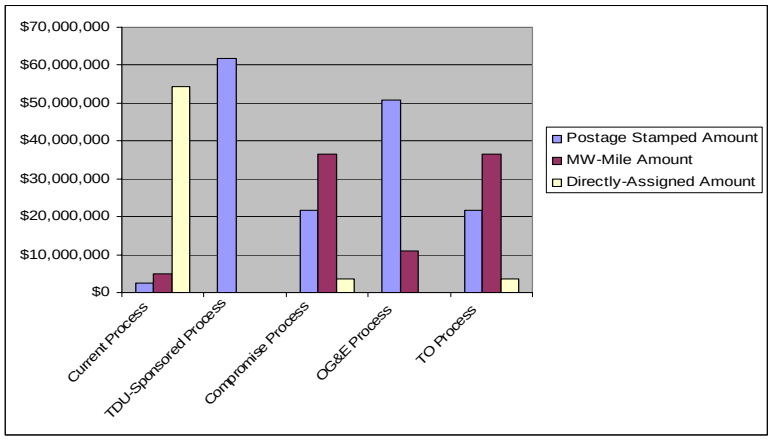
(1) Invalid MW-Mile Allocation since all allocated Amounts would be less than $100k

Finney County, KS (OKGE)

Cost Allocation	Current Process	TDU-Sponsored Process	Compromise Process	OG&E Process	TO Process
Postage Stamped Amount	$2,376,000	$61,683,754	$21,549,769	$50,648,234	$21,549,769
MW-Mile Amount	$4,824,000		$36,621,838	$11,035,520	$36,621,838
Directly-Assigned Amount	$54,483,754		$3,512,147	$0	$3,512,147
Total Amount	$61,683,754	$61,683,754	$61,683,754	$61,683,754	$61,683,754

SOUTHWEST POWER POOL

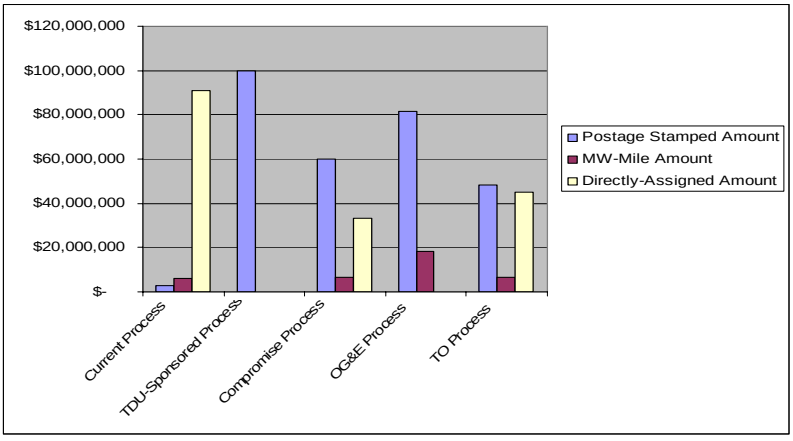
Finney County, KS (OKGE)



Wind Plant with Non-Sink Zone Upgrade concentration

Cost Allocation	Current Process	TDU-Sponsored Process	Compromise Process	OG&E Process	TO Process
Postage Stamped Amount	$ 2,970,000	$100,000,000	$ 59,966,667	$ 81,575,000	$ 48,300,000
MW-Mile Amount	$ 6,030,000		$ 6,700,000	$ 18,425,000	$ 6,700,000
Directly-Assigned Amount	$ 91,000,000		$ 33,333,333	$ -	$ 45,000,000
Total Amount	$100,000,000	$100,000,000	$100,000,000	$100,000,000	$100,000,000

Wind Plant with Non-Sink Zone Upgrade concentration



SOUTHWEST POWER POOL

Summary

- **Aggregate Study results are required to determine Cost Allocation by any of these processes.**
- **These results are unique and cannot be directly compared to other results without repeating the Cost Allocation processes using Aggregate Study results**
- **All proposed Cost Allocation processes reduced the Directly-Assigned Amounts compared to the Existing Process for the examples shown**
- **Since the proposed processes reduce Directly-Assigned Amounts, they all increase the amounts allocated elsewhere**

SOUTHWEST POWER POOL

Summary - continued

- **The 125% capacity cap needs to be addressed by all Processes, including procedures for Requests in the Aggregate Study process**
- **The 20% Wind Generation cap needs to be fully defined**
- **Documentation requirements and procedures for all "capped" values need to be fully defined**

Sam Vandiver
Sr. Engineer
501-614-3237
sVandiver@spp.org