

**Status Report
as of end of Q4 2014
(includes Q2-Q4 activity)**

January 30, 2015

MIDWEST TRANSMISSION PROJECT STATUS REPORT

This report provides project status for the Midwest Transmission Project (a.k.a., the Sibley-Nebraska City Project) in conjunction with the reporting requirements set forth in Case No. EA-2013-0098.

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Introduction

Project Status & Public Outreach Report

This report provides project status for the Transource Missouri, LLC¹ (“Transource Missouri”) Midwest Transmission Project (“MTP” or “Project”) (a.k.a., the Sibley-Nebraska City Project) in conjunction with the reporting requirements² set forth in Case No. EA-2013-0098³. This report also provides the status of public outreach efforts⁴ related to siting, routing, etc. for the Project. This report contains the following Project update sections:

Project Background
Project Description
Project Final Route
Project Progress Summary
Overall Status
Permitting
Engineering and Design
Procurement
Right-of-Way Acquisition
Construction
Schedule
Safety
Summary of Contact with the Public
Status of Ownership of the Project

¹ Transource Missouri is the currently the owner of the Project. KCP&L Greater Missouri Operations Company (“GMO”) previously owned the Project. The change of ownership of the Project was approved by the Missouri Public Service Commission (“MoPSC” or “Commission”) in Case No. EA-2013-0098. Additional information on Transource Missouri and the status of ownership of the Project can be found in the ***Status of Ownership of the Project*** section of this report.

² In the context of Case No. EA-2013-0098, the Transource Missouri, Kansas City Power & Light Company (“KCP&L”) and GMO agreed to provide status reports for the Project.

³ All of the case filings and submissions for Case No. EA-2013-0098 are available through EFIS at https://www.efis.psc.mo.gov/mpsc/Filing_Submission/DocketSheet/docket_sheet.asp?caseno=EA-2013-0098&pagename=case_filing_submission_FList.asp

⁴ In the context of Case No. EA-2013-0098, KCP&L, GMO, and Transource Missouri also agreed to provide reports regarding the public outreach efforts for siting, routing, etc. The initial public outreach report for the Project, which detailed the public outreach effort up to the final Project route selection, was filed in EA-2013-0098 on November 5, 2013. The status of public outreach efforts subsequent to the final route selection are now being addressed in the ***Summary of Contact with the Public*** section of this Project status report.

SPP Project Status Report

In addition to this Project Status & Public Outreach Report, status updates on the Project are also provided to Southwest Power Pool, Inc.⁵ (“SPP”) for use in an SPP project tracking report.

The Sibley-Nebraska City Project is identified as a Priority Project in the April 27, 2010 SPP Priority Projects Phase II Final Report⁶.

The SPP quarterly project tracking reports⁷ contain information on all of the Priority Projects, as well as other SPP projects, including Reliability, Transmission Service, Generation Interconnect, Balanced Portfolio, and IPT10 upgrades. The Sibley-Nebraska City Project is shown in the SPP quarterly project tracking reports under two NTC IDs (three upgrade IDs) (shown in *Figure 1* below):

Figure 1 - Sibley- Nebraska City Project NTCs

NTC_ID	UID	Project Owner	Upgrade Description
20097	11238	Transource Missouri	Multi - Nebraska City - Maryville - Sibley 345 kV (GMO)
20097	11239	Transource Missouri	Multi - Nebraska City - Maryville - Sibley 345 kV (GMO)
20098	11240	OPPD	Line - Nebraska City - Maryville 345 kV (OPPD)

The two upgrades shown for Transource Missouri under NTC_ID 20097 (UIDs 11238 & 11239) reflect the Missouri portions of the Project. UID 11238 is for the portion of the Project from Sibley to the new Mullin Creek Substation. UID 11239 is for the new Mullin Creek Substation and for the Missouri portion of the Project from the Mullin Creek Substation to the interception point with OPPD’s Nebraska portion of the Project at the Missouri River crossing at the Missouri-Nebraska state line.

The upgrade shown for OPPD under NTC_ID 20098 (UID 11240) reflects OPPD’s Nebraska portion of the Project.

⁵ SPP, a Regional Transmission Organization (“RTO”) with members in nine states and approved by the Federal Energy Regulatory Commission (“FERC”), has the obligation to plan and develop transmission solutions for the region in which it serves as an RTO.

⁶ SPP’s discussion of the Priority Projects and the Priority Projects Phase II Final Report are available at <http://www.spp.org/section.asp?pageID=125>.

⁷ The SPP quarterly project tracking reports are publicly available at <http://www.spp.org/section.asp?group=1867&pageID=27>

Project Background

Project Description

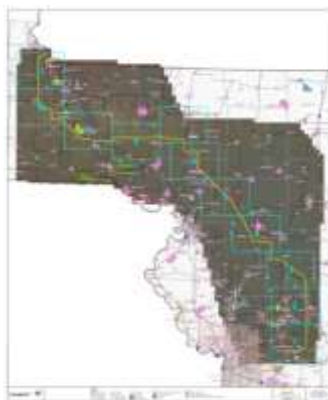
The Midwest Transmission Project is a regional transmission project that involves the construction of a new single circuit 345kV transmission line in northwest Missouri and southeast Nebraska extending approximately 180 miles from the substation located at Omaha Public Power District's ("OPPD") Nebraska City generating station to the a new intermediate 345kV substation near Maryville, Missouri, and continuing on to the substation located at GMO's Sibley generating station. The new 345kV substation, which has been named Mullin Creek Substation, will include reactive resources for voltage control and provide a potential interconnection point for new renewable generation resources.

The portion of the Midwest Transmission Project in Missouri consists of the new Mullin Creek Substation and a total of approximately 135 miles of transmission line from GMO's Sibley generating station to Mullin Creek Substation and from Mullin Creek Substation to the interception point at the Missouri-Nebraska state line. The portion of the Midwest Transmission Project in Nebraska consists of approximately 45 miles of transmission line from the interception point at the Missouri-Nebraska state line to OPPD's Nebraska City generating station.

Project Final Route

The final route selection (*Figure 2*⁸) for the Midwest Transmission Project represented the culmination of an extensive year-long information gathering process by the Project Team that began in July 2012 and concluded with the final route announcement in June 2013.

Figure 2 - Midwest Transmission Project Final Route



⁸ A larger version of final route map shown in *Figure 2* is also included in *Attachment A – Midwest Transmission Project FINAL Route*. An interactive version of this map, which allows the capability to click on the numbered boxes to focus only on the area within each box, can be found on the Project website at <http://midwesttransmissionproject.com/MapsFinalRouteIndexMap.htm>

Figure 3 - Nebraska City to Mullin Creek Substation

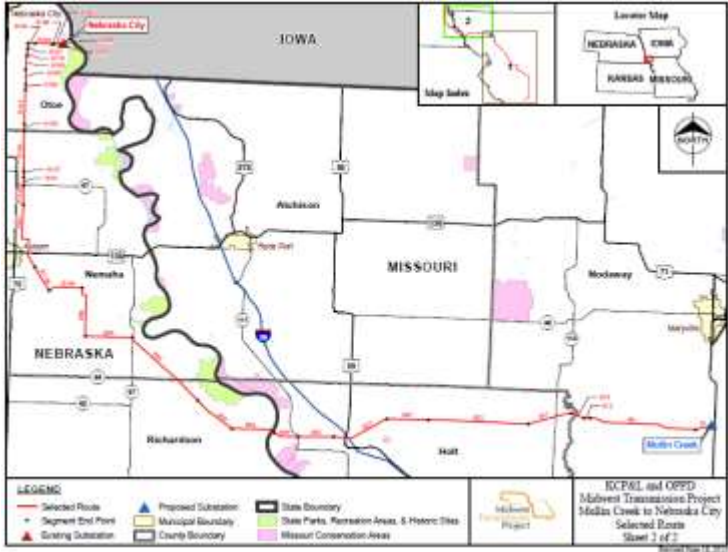


Figure 3⁹ shows the portion of the final route from Nebraska City to the new Mullin Creek Substation. This map shows both the OPPD portion of the Project in Nebraska and the GMO portion of the Project in Missouri between the Mullin Creek Substation and the Missouri River crossing at the Missouri-Nebraska state line.

Figure 4 - Sibley to Mullin Creek Substation

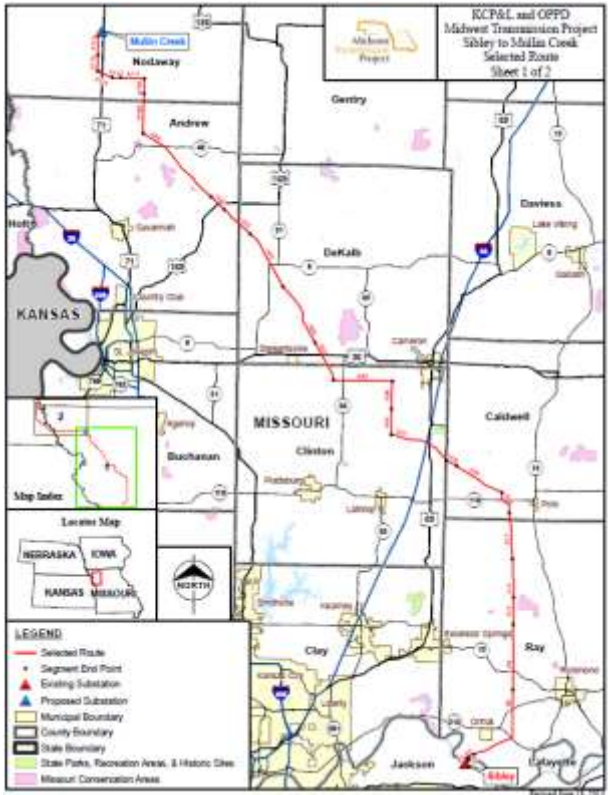


Figure 4 shows the portion of the final route from Sibley to the new Mullin Creek Substation. This portion of the Project is entirely in Missouri and, thus, reflects no OPPD portion of the Project.

⁹ Larger versions of final route maps shown in Figure 3 and Figure 4 are also included in Attachment A – Midwest Transmission Project FINAL Route.

Project Progress Summary

Overall Status

Overall, the Project is on track with no critical path issues.

Permitting

Required permits will include, but not necessarily be limited to, those permits related to Missouri River crossings (U.S. Army Corps of Engineers (“USACE”)), wetlands (USACE and/or U.S Fish & Wildlife Services (“USFWS”)), and roadway crossings and temporary closures.

Burns & McDonnell Engineering (“B&McD”) was contracted to perform the environmental permitting services. B&McD has completed the Desktop Studies for Wetlands, Threatened and Endangered Species and Cultural Resources. These reports were submitted to the appropriate agencies in January 2014. B&McD continues to provide additional services as requested to support agency questions regarding the desktop reports and to perform field studies.

The USFWS required field studies be performed to determine the extent of habitat and presence of the endangered Indiana Bat. Environmental Solutions & Innovations, Inc. (“ESI”), a specialty consultant completed monitoring for endangered bat species. One Indiana Bat was captured and was monitored for habitat use. KCP&L’s Environmental Department worked with the USFWS to develop an alternate route to minimize the impact of the Project on the species. A final report was drafted by ESI and submitted to the USFWS in October 2014. It is anticipated that the USFWS will respond with its recommendation in early 2015.

The State Historic Preservation Office (“SHPO”) has determined the requirements for the cultural field surveys. B&McD began the field work and completed the first four rounds of surveys. The USACE has determined the requirements for the wetland field surveys. B&McD began the field work and has completed the first four rounds of surveys. B&McD will complete the final rounds of the cultural and wetlands surveys after all the necessary rights-of-way have been acquired.

At the request of the USACE, the application for the Rivers and Harbors Act – Section 10 Permit will be submitted in coordination with the Section 404 wetlands permitting.

Engineering and Design

KCP&L Engineering continues to work with the contract engineers on bid packages, river crossing foundation design, and geotechnical work.

The river crossing contractor, Continental Consulting Engineers, Inc. (“CCE”), has begun foundation design work on both the Craig and Sibley river crossings. Geotechnical data required at the foundation locations is currently underway with work at the Craig crossing in process. The geotechnical data collection near Sibley started in September 2014. CCE has been attending meetings and providing necessary permitting correspondence with KCP&L, B&McD, and USACE.

The geotechnical services and surface investigation/testing contractor, GSI Engineering, LLC (“GSI”) began work in September 2014 and work is progressing as planned.

Sega, Inc. has been contracted to perform civil engineering and site development services for the Mullin Creek and Sibley Substations. Sega has begun design work for the Sibley substation and it should be complete in the early 2015. KCP&L’s Substation Engineering group has begun establishing the layout for Mullin Creek Substation, and Sega has begun site prep and site grading engineering. Detailed design is scheduled to commence in the summer of 2015.

Engineering necessary for all procurement bid packages has been completed. The engineering for the Line Construction Specifications was completed, and the Request-for-Proposals (“RFP”) for Line Construction is expected to issue in January 2015.

Procurement

Contracts have been awarded for routing & siting, environmental permitting, right-of-way acquisition, photogrammetry, river crossing foundations, project management, engineering support and endangered species study. The contracted suppliers for the major services, materials, and equipment are shown below:

Figure 5 - Contracted Services, Materials, & Equipment

Services, Materials, & Equipment	Supplier	Contract Award
Public Involvement, Routing, Siting, & Environmental Permitting Services	Burns & McDonnell Engineering	July 2012
ROW Acquisition & Survey Services	Contract Land Staff	April 2013
Photogrammetry (Aerial Survey)	Westwood Professional Services, Inc.	September 2013
River crossings (foundations/permitting)	Continental Consulting Engineers	October 2013
Project Management	Electrical Consultants Inc.	October 2013
Engineering	Finley Engineering Company	October 2013
Endangered Species Studies	Environmental Solutions & Innovations, Inc.	April 2014
Tree (Right of Way) Clearing	Phillips & Jordan, Inc.	October 2014
Geotechnical Services	Geotechnology Inc.	October 2014
Construction & Material Management	Kenny Construction	November 2014
Steel Poles		Q1 2015
Conductor		Q1 2015
Optical ground wire (OPGW)		Q1 2015
Insulator		Q1 2015
Transmission Line Hardware		2015
Voltage Transformers		2015
Shunt Reactor		2015
Mullin Creek Site Prep		2015

Right-of-Way Acquisition

Contract Land Staff (“CLS”) was contracted to perform the right-of-way (“ROW”) acquisition and survey services. In late December 2013 CLS began contacting land owners for right-of-way acquisition. Through January 4, 2015, 89% (354 of 400 parcels) of the necessary ROW has been acquired. The vast majority (343 of 354) of the needed parcels have been acquired through negotiated agreement, with only 11 parcels acquired through condemnation. Condemnation filings¹⁰ were made in all counties to facilitate ROW acquisition, but land owner negotiations have continued throughout the process. ROW acquisition will continue into 2015. *Figure 6* and *Figure 7* below show the status of the ROW acquisitions by parcels and percent acquired, respectively, for the Project by county in Missouri as of January 4, 2015.

Figure 6 - Status of ROW Acquisition by County

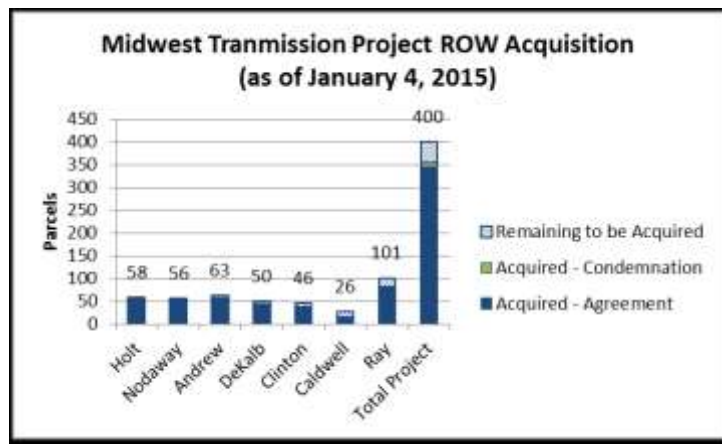
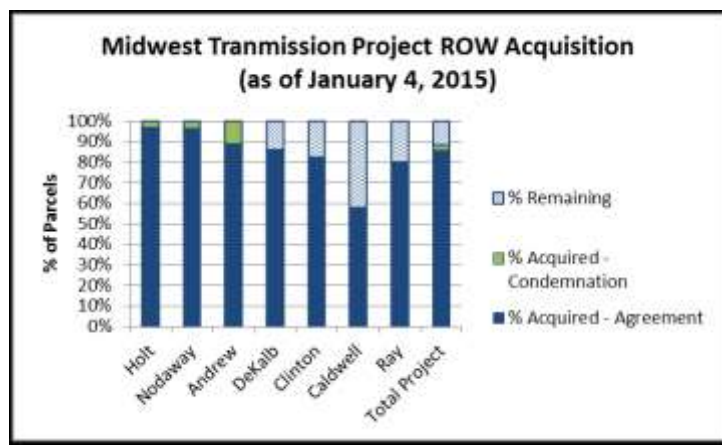


Figure 7 - % of ROW Acquired by County



¹⁰ The various county condemnations were filed in the following circuit court cases: Holt (14HO-CC00017), Nodaway (14ND-CV00260), Andrew (14AW-CC00263), DeKalb (14DK-CC00087), Clinton (14CN-CV00402), Caldwell (14CN-CV00402), Ray (14RY-CV00305).

Construction

The ROW survey contractors, CLS and several subcontractors, have completed over 100 line miles of ROW survey work in Holt, Nodaway, Andrew and Dekalb counties.

Phillips & Jordan (“P&J”), the ROW Clearing, SWPPP & Restoration contractor, commenced tree clearing in October 2014. P&J crews have been clearing ROW and establishing ROW access. Clearing is complete on approximately 75 line miles. P&J is attempting to make personal contact with all landowners before entering the landowners’ property.

Kenny Construction (“Kenny”) has been contracted to perform Construction & Material Management services. Kenny began mobilizing in December 2014, and has begun development of the Line Construction Technical Specifications and a Project Execution Plan.

Substation Construction is scheduled to commence in the spring of 2016.

Schedule

Overall, the Project is on track with no critical path issues. Estimated completion dates for the major Project activity categories are shown in *Figure 8* below:

Figure 8 – Estimated Completion Dates

Project Category	Estimated Completion
Right-of-Way Acquisition	February 2015
Permitting	June 2015
Engineering and Design	April 2015
Procurement	October 2016
Construction	January 2017
Project In-Service	June 2017
Post In-Service Project Completion	June 2019

The estimated completion dates in *Figure 8* are based on the current Level 1 Project Schedule as of January 4, 2015¹¹. The Level 1 Project Schedule outlines the major milestones and engineering, procurement, and construction activities that will need to be completed to support a scheduled in-service date of June 2017. It includes the current forecast/actual start and finish dates for the Level 1 summarized activities, as well as the baseline start and finish dates against which project status is tracked and reported.

¹¹ This Level 1 Project Schedule as of January 4, 2015 is included as *Attachment B – Midwest Transmission Project Level 1 Schedule (HIGHLY CONFIDENTIAL/PROPRIETARY)*.

Safety

There have been no major work-related safety issues or OSHA recordable incidents on the Project.

Summary of Contact with the Public

The initial contact with the public regarding the Midwest Transmission Project came in the context of the open house meetings that were held during the route selection process, which culminated in the final route selection in the summer of 2013. Greater detail on the open house meetings and other contact with the public can be found in the public outreach report, which Transource Missouri, KCP&L, and GMO agreed to provide in the context of Case No. EA-2013-0098.

The initial public outreach report for the Midwest Transmission Project was filed in EA-2013-0098 on November 5, 2013¹². It is now the intent that this section of this report shall be utilized to fulfill the requirement for updates to the public outreach efforts.

Interactions with the public following the final route selection have primarily consisted of communications and negotiations with individual landowners regarding the acquisition of necessary easements for the Project. The ROW surveying contractors and the ROW clearing and restoration contractors have also been in contact with landowners as they have commenced the surveying, tree clearing, and access construction on the easements that have been acquired for the Project.

Transource Missouri and the MTP Project team will continue to engage the counties and municipalities that the Midwest Transmission Project will cross to ensure that these governmental bodies are aware of, and are given an opportunity to comment on, the Project throughout the routing and construction process.

Throughout the life of the Midwest Transmission Project, Transource Missouri and the MTP Project team will continue to proactively meet with citizens, local and state officials, and the local news media. Citizens can continue to contact the Transource Missouri and the MTP Project team through the dedicated Midwest Transmission Project public outreach resources:

Toll Free Hotline: (855) MTP-3450
(855) 687-3450
Email address: MTP-Missouri@kcpl.com
Website: <http://midwesttransmissionproject.com>

The website provides Project background information, information about the Project process and schedule, maps at each phase of the Project, and contact information. During the public comment periods, a survey/questionnaire was available for the public to provide comments in the event they were unable to attend a public meeting. Following each public meeting, the website was updated to provide the most current information available. After the last round of public

¹² The initial public outreach report is available through EFIS at https://www.efis.psc.mo.gov/mpsc/commoncomponents/view_itemno_details.asp?caseno=EA-2013-0098&attach_id=2014007274

meetings, the website was updated with maps of the final route and Project Team contact information. The website continues to be utilized to share information with property owners and the general public as the Project moves forward.

Transource Missouri and the MTP Project team remain willing to meet with landowners, as requested, during any stage of the Project. The Project team continues to communicate with affected landowners prior to key points in the Project. For instance, once access to their land is established, landowners are being notified by Transource Missouri that work, including environmental field studies and tree clearing, will begin on their property.

Status of Ownership of the Project

Current Ownership Status of the Project

Transource Missouri is the current owner of the Project. Transource Missouri is a wholly-owned subsidiary of Transource EnergySM LLC (“Transource Energy”)¹³. Transource Energy was formed in 2012 to pursue competitive transmission projects in the SPP, Midcontinent Independent System Operator, Inc. (“MISO”) and PJM Interconnection, LLC (“PJM”) regions, with the potential for expanding to other regions in the future. Great Plains Energy (“GXP”) owns 13.5 percent of Transource Energy, and American Electric Power (“AEP”) owns 86.5 percent.

The SPP Board of Directors approved the Priority Projects, and SPP issued Notifications to Construct (“NTCs”) for the Sibley-Nebraska City Project to GMO and OPPD to be Designated Transmission Owners (“DTOs”) for the Missouri and Nebraska portions of the Project, respectively. SPP issued the NTC to GMO on July 23, 2010, and GMO accepted on September 28, 2010.¹⁴

KCP&L/GMO, however, received approval from SPP to novate¹⁵ the Missouri portion of the Sibley-Nebraska City Project to Transource Missouri in October 2013. The Federal Energy Regulatory Commission (“FERC”) accepted the SPP-approved designee qualification and novation on December 17, 2013 with an effective date of October 30, 2013.

KCP&L/GMO initiated the novation process, which entailed various interrelated approvals by SPP, FERC, and the MoPSC, in mid-2012. The MoPSC approvals related to this process have been addressed in Case Nos. EO-2012-0367¹⁶ and EA-2013-0098¹⁷.

¹³ Additional information about Transource Energy can be found at <http://www.transourceenergy.com>

¹⁴ A copy of the NTC issued to GMO, and GMO’s acceptance, can be found in the Q3 2013 Midwest Transmission Project Quarterly Report, which is available through the Electronic Filing and Information System (“EFIS”) on the Missouri Public Service Commission’s (“MSPC” or “Commission”) website at https://www.efis.psc.mo.gov/mpsc/commoncomponents/view_itemno_details.asp?caseno=EA-2013-0098&attach_id=2014007365

¹⁵ The process governing the construction of transmission facilities within the SPP region and the basis for SPP issuing NTCs are set forth in Section VI of Attachment O to the SPP Open Access Transmission Tariff (“SPP Tariff”). Section VI also describes the process by which transmission owners designated to build projects are to accept or reject such designation by SPP, as well as how they may proceed to relinquish such designation and arrange for another entity to build and own a project in its place, subject to certain qualifications. The full SPP Tariff, as well as individual Schedules and Attachments, can be found at <http://www.spp.org/tariff-viewer.asp>

¹⁶ All case filings and submissions for Case No. EO-2012-0367 are available through EFIS at https://www.efis.psc.mo.gov/mpsc/Filing_Submission/DocketSheet/docket_sheet.asp?caseno=EO-2012-0367&pagename=case_filing_submission_FList.asp

¹⁷ All case filings and submissions for Case No. EO-2013-0098 are available through EFIS at https://www.efis.psc.mo.gov/mpsc/Filing_Submission/DocketSheet/docket_sheet.asp?caseno=EA-2013-0098&pagename=case_filing_submission_FList.asp

On January 2, 2014, KCP&L/GMO completed the transfer of the Project to Transource Missouri. The transfer included the sale of certain equipment, property, and construction work in progress (“CWIP”) related to the Project from the KCP&L and GMO to Transource Missouri. The terms of the January 2, 2014 transaction are detailed in the Asset Purchase Agreement¹⁸ between the KCP&L/GMO and Transource Missouri that was submitted to the Commission in EA-2013-0098 on January 14, 2014.

Remaining Project Ownership Steps

KCP&L/GMO and Transource Missouri may need to develop, finalize, and receive any necessary approvals for several additional agreements prior to or subsequent to the in-service date of the Project. These agreements may include, but are not necessarily limited to, interconnection agreements and facility sharing agreements for utility operations communications needs.

Great Plains Energy services (“GPES”)¹⁹ and Transource Missouri will also need to complete the transfer of the Sibley-Nebraska City Project Mullin Creek Substation parcel from GPES to Transource Missouri after substation engineering has been completed to determine the exact location and acreage that will be needed for the Mullin Creek Substation.

¹⁸ The submission of the Asset Purchase Agreement is available in EFIS at https://www.efis.psc.mo.gov/mpsc/commoncomponents/view_itemno_details.asp?caseno=EA-2013-0098&attach_id=2014011019

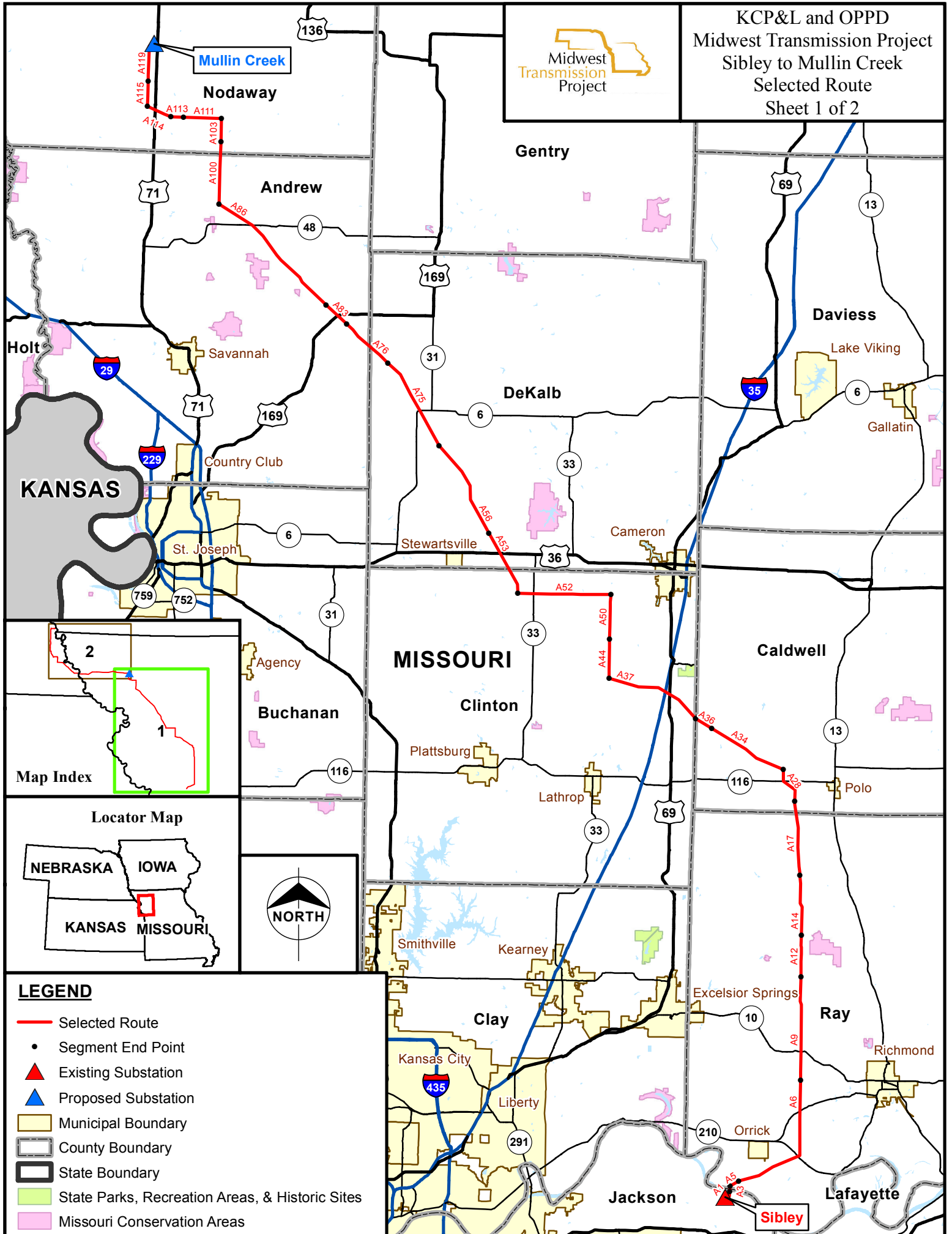
¹⁹ GPES, a subsidiary of GXP, currently owns the property on which the Mullin Creek Substation will be located, but not all of the property owned by GPES at that site will be needed for the Mullin Creek Substation. Only the portion of the property determined to be needed for substation will ultimately be transferred to Transource Missouri.

Attachments

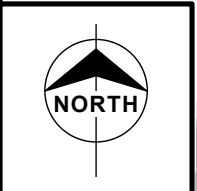
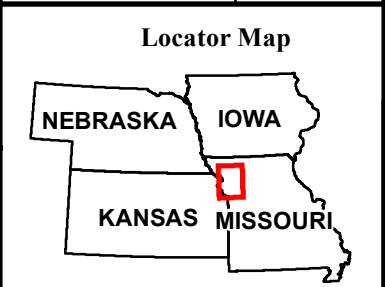
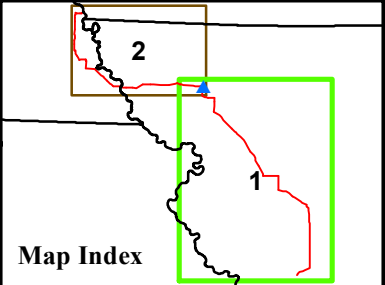
Attachment A – Midwest Transmission Project FINAL Route

Attachment B – Midwest Transmission Project Level 1 Schedule (HIGHLY CONFIDENTIAL/PROPRIETARY)

Attachment A – Midwest Transmission Project **FINAL Route**

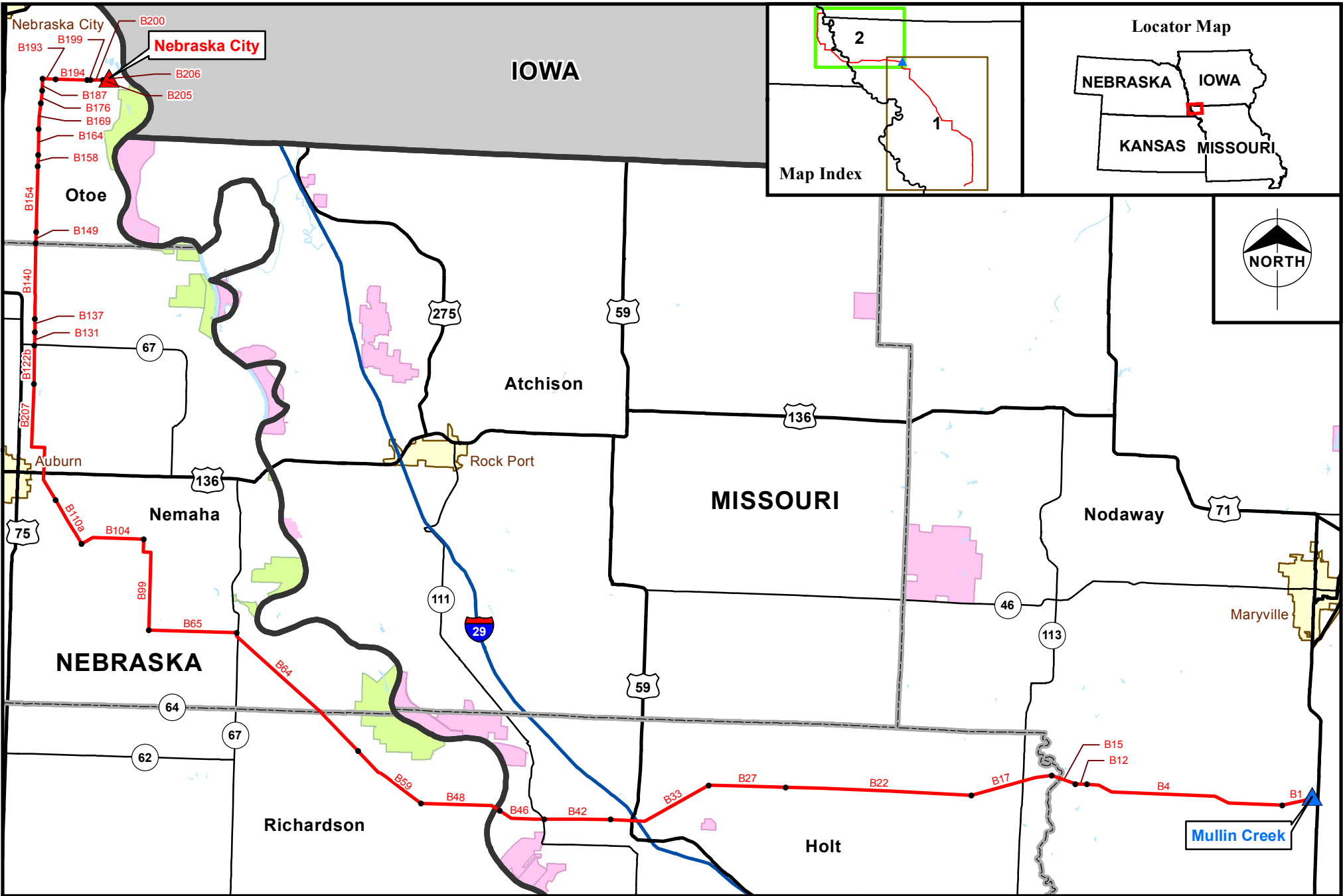


KCP&L and OPPD
 Midwest Transmission Project
 Sibley to Mullin Creek
 Selected Route
 Sheet 1 of 2



LEGEND

- Selected Route
- Segment End Point
- ▲ Existing Substation
- ▲ Proposed Substation
- Municipal Boundary
- County Boundary
- State Boundary
- State Parks, Recreation Areas, & Historic Sites
- Missouri Conservation Areas



LEGEND

- Selected Route
- Segment End Point
- ▲ Existing Substation
- ▲ Proposed Substation
- Municipal Boundary
- County Boundary
- State Boundary
- State Parks, Recreation Areas, & Historic Sites
- Missouri Conservation Areas



KCP&L and OPPD
 Midwest Transmission Project
 Mullin Creek to Nebraska City
 Selected Route
 Sheet 2 of 2

Attachment B – Midwest Transmission Project Level 1 Schedule (HIGHLY CONFIDENTIAL/PROPRIETARY)

Page 21 contains Highly Confidential/Proprietary Information

This page is removed in the Non-Proprietary public version of the report.