BEFORE THE PUBLIC SERVICE COMMISSION OF THE STATE OF MISSOURI

In the Matter of an Investigation into)	
the Siting and Safety of a Proposed)	Case No. EO-2012-0271
Transmission Line in Platte County, Missouri)	

KANSAS CITY POWER & LIGHT COMPANY AND KCP&L GREATER MISSOURI OPERATIONS COMPANY

IATAN-NASHUA PROJECT QUARTERLY REPORT

Q4 2012 REPORT JANUARY 31, 2013

Table of Contents

Introduction	3
Project Background	3
Project Reporting	4
Project Components	6
Project Progress Summary	9
Overall Status	9
Engineering and Design	9
Procurement	9
Construction	10
Schedule	. 11
Safety	12
Status of Ownership of Iatan-Nashua Project	13
Current Ownership Status of Iatan-Nashua Project	13
Planned Transource Ownership of Iatan-Nashua Project	13
Summary of KCP&L's and GMO's Contact with the Public	17
Attachments	18
Attachment A – Original KCP&L Iatan-Nashua Project NTC (SPP-NTC-20042)	
Attachment B – KCP&L Letter to SPP Requesting NTC Modification	
Attachment C – New KCP&L Iatan-Nashua Project NTC (SPP-NTC-200188)	
Attachment D – New GMO Iatan-Nashua Project NTC (SPP-NTC-200189)	27
Attachment E – KCP&L Response to New KCP&L Iatan-Nashua Project NTC (SPP–NT	ГС-
200188)	30
Attachment F – GMO Response to New GMO Iatan-Nashua Project NTC (SPP–NTC-	
200189)	
Attachment G – Iatan-Nashua Project Final Route Map	
Attachment H – Iatan-Nashua Project Components	
Attachment I – Level 1 Schedule (HIGHLY CONFIDENTIAL)	36

Introduction

Project Background

The Iatan to Nashua 345kV Transmission Project ("Iatan-Nashua Project") was initiated as a result of the Southwest Power Pool's ("SPP") Balanced Portfolio Network Upgrades. 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. SPP in 2008 to 2009 began to develop a more comprehensive approach to their transmission expansion planning, which would bring about not only traditional reliability-based benefits, but also benefits of reduced regional market congestion, lower regional generation production costs and increased operating efficiencies. The first comprehensive set of such projects were developed as the Balanced Portfolio containing seven major transmission projects within the SPP region.

SPP approved this set of projects in April 2009, and one of these was the Iatan-Nashua Project. The Iatan-Nashua Project will reduce congestion on the region's transmission system and provide essential transmission capacity for long-term efficient delivery of energy within the region. Additionally, the Iatan-Nashua Project will provide an alternate transmission route during emergencies and greater service reliability for the northwest Missouri area.

The Iatan-Nashua Project involves the construction of a new 345kV transmission line in northwest Missouri. The transmission line will extend approximately thirty-one (31) miles from an existing substation at the Iatan power plant near Weston, Missouri ("Iatan Substation"), to the Nashua 161kV substation near Smithville, Missouri ("Nashua Substation"). The 161kV Nashua Substation will be expanded and upgraded to accommodate both the new 345kV Iatan-Nashua line, and the connection with the existing St. Joseph-Hawthorn 345kV transmission line, by installing a new 345/161kV autotransformer between the existing 161kV substation and the 345kV facilities at the Nashua Substation.

SPP issued a Notification to Construct ("NTC") to KCP&L on June 19, 2009 (see *Attachment A – Original KCP&L Iatan-Nashua Project NTC (SPP-NTC-20042)*). SPP initially issued the NTC to KCP&L because KCP&L owns and operates both of the substations at the end points of the new 345kV transmission line. However, after spending more than a year evaluating routing options and meeting with the public, it became clear that the new 345kV transmission line would be located entirely within GMO's service territory. As a result, at KCP&L's request, SPP modified the Iatan-Nashua NTCs to also include GMO as a Designated Transmission Owners ("DTOs") for this project. KCP&L's letter to SPP requesting this modification is contained in *Attachment B – KCP&L Letter to SPP Requesting NTC Modification*.

On April 17, 2012, SPP issued revised NTCs to both KCP&L and GMO directing them to coordinate with each other regarding the portion of the project each company would construct.

Introduction | 3

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¹ SPP's description of the Balanced Portfolio is available at http://www.spp.org/section.asp?pageID=120.

Copies of these NTCs have been provided as *Attachment C - New KCP&L Iatan-Nashua Project NTC (SPP-NTC-200188)* and *Attachment D - New GMO Iatan-Nashua Project NTC (SPP-NTC-200189)*.

On June 22, 2012, KCP&L submitted a response to the revised NTC indicating it would construct the identified network upgrades at its Iatan Substation, and its 161kV Nashua Substation. As noted above, a new 345/161kV autotransformer will be installed at the Nashua Substation between the existing 161kV substation and the new 345kV facilities. On the same day, GMO also submitted a response indicating it would construct the 345kV transmission line between the substations. The Companies' responses to the revised SPP NTCs are attached as *Attachment E - KCP&L Response to New KCP&L Iatan-Nashua Project NTC (SPP-NTC-200188)* and *Attachment F - GMO Response to New GMO Iatan-Nashua Project NTC (SPP-NTC-200189)*.

Project Reporting

On March 14, 2012 in Case No. EO-2012-0271², the Missouri Public Service Commission ("MPSC" or "Commission") issued an Order Directing Filing and Denying Motion for Local Public Hearing ("Order Directing Filing")³.

The MPSC ruled in the Order Directing Filing that "throughout the planning, design, and construction process of *Line 62*⁴ *[emphasis and footnote added]* (as described in the body of this order), Kansas City Power & Light Company ("KCP&L") and KCPL Greater Missouri Operations ("GMO") shall continue the "the two-way communication, feedback, on-site visits and other meetings" as described in KCP&L and GMO's Response to the Office of the Public Counsel's Motion to Open an Investigation."

The MPSC also ordered that beginning on March 30, 2012, KCP&L and GMO (collectively referred to herein as "the Company") shall file quarterly updates that include at a minimum:

0271&pagename=case_filing_submission_FList.asp

² All case filings and submissions for Case No. EO-2012-0271 are available through the Electronic Filing and Information System ("EFIS") on the MSPC's website at https://www.efis.psc.mo.gov/mpsc/Filing Submission/DocketSheet/docket sheet.asp?caseno=EO-2012-

³ The Order Directing Filing is available through EFIS at https://www.efis.psc.mo.gov/mpsc/commoncomponents/view_itemno_details.asp?caseno=EO-2012-0271&attach_id=2012015122

The terms, "Line 62" or "Segment 62", have been used somewhat loosely in various contexts and documents, including in the March 14, 2012 Order Directing Filing in this case, to refer to the Iatan-Nashua Project as a whole. Technically, "Segment 62" refers to one of the line segment options that were evaluated and not the entire Iatan-Nashua Project. Additional discussion on this topic can be found in the Project History section of the first quarterly report (dated March 30, 2012) filed in File No. EO-2012-0271. For the purposes of the quarterly reporting in Case No. EO-2012-0271, it should be presumed that all discussion refers the Iatan-Nashua Project as a whole, unless it is specifically stated otherwise.

- The progress of the planning, design and construction of the proposed transmission line and any additional information that addresses the safety issues raised in this file
- The status of ownership of *Line 62⁵ [emphasis and footnote added]*
- A summary of KCP&L's and GMO's contact with the public during the previous quarter.

The quarterly reports contain the following quarterly update sections to satisfy the requirements of the Order Directing Filing:

Project Progress Summary

Overall Status

Engineering and Design

Procurement

Construction

Schedule

Safety

Status of Ownership of Iatan-Nashua Project

Summary of KCP&L's and GMO's Contact with the Public

The initial report submitted on March 30, 2012 – in addition to the progress summary, owner status, and public contact information required by the Order Directing Filing – also included a summary of the Iatan-Nashua Project History. The Project History section was included in the first report in order to provide a summary of the project, especially with respect to the public interactions, from project inception to the time of the first quarterly report.

In addition to the Company's reporting in Case No. EO-2012-0271, the Company also provides project updates to SPP on a quarterly basis. The SPP quarterly project tracking reports⁶ contain information on all of the Balanced Portfolio projects, as well as other SPP projects, including Reliability, Transmission Service, Generation Interconnect, High Priority, and IPT10 upgrades. The Iatan-Nashua Project is shown in the SPP quarterly project tracking reports under three NTC IDs (shown in *Table 1* below):

Table 1 – Iatan-Nashua Projects NTCs

NTC_ID	UID	Project Owner	Upgrade Description
200189	50499	GMO	345 kV line from Iatan substation to Nashua substation
200188	10935	KCP&L	Upgrades at the Iatan and Nashua Substations
20042	10945	KCP&L	Nashua 345/161 kV Transformer

⁵ Id.

⁶ The SPP quarterly project tracking reports are publicly available at http://www.spp.org/section.asp?group=1867&pageID=27

Project Components

As noted above the Iatan-Nashua Project will extend approximately thirty-one (31) miles from the Iatan Substation to the Nashua Substation. The map in *Figure 1* below shows the final route, which was chosen for the Project. A larger version of this map of the project components is also included as *Attachment G – Iatan-Nashua Project Final Route Map*.

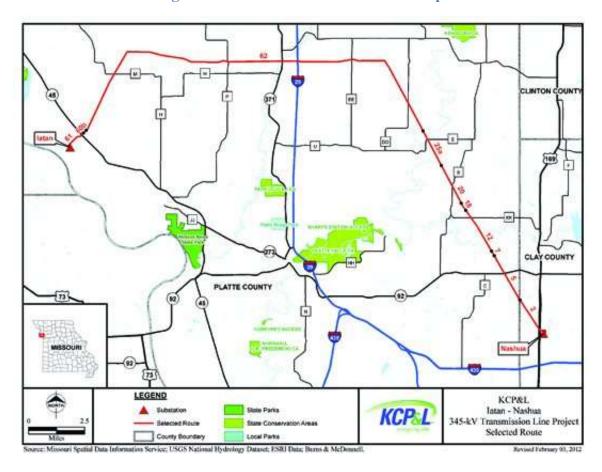


Figure 1 – Iatan-Nashua Final Route Map

The Iatan-Nashua Project essentially has four distinct components: (i) the **West Segment**; (ii) the **East Segment**; (iii) the **Middle Segment**, which together constitute the GMO portion of the Iatan-Nashua Project; and (iv) the **substation upgrades**, which constitute the KCP&L portion of the Iatan-Nashua Project.

There are also two <u>existing</u> transmission lines - the **Iatan-St. Joseph 345 kV transmission line** and the **Alabama-Nashua 161 kV transmission line** - that, while not technically part of the Iatan-Nashua Project, are related to the Iatan-Nashua Project because of past or future common right-of-way usage.

A map showing these components is provided in *Figure 2* below along with further discussion of the components. A larger version of this map of the project components is also included as *Attachment H - Iatan-Nashua Project Components*.

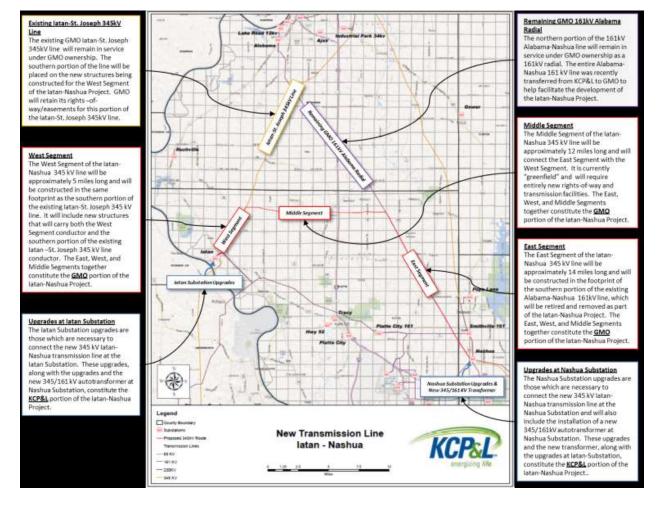


Figure 2 – Iatan-Nashua Project Components

The **West Segment** begins at the Iatan Substation located in Platte County near Weston, Missouri, extending in a northeasterly direction for about five (5) miles. This segment of the new 345kV transmission line will utilize GMO's existing **Iatan-St. Joseph 345 kV transmission line**⁷ rights-of-way supplemented by additional rights-of-way as needed for the new construction. To facilitate construction of the new 345kV transmission line from the Iatan Substation, the Companies intend to install new transmission structures that will be able to accommodate both GMO's existing 345kV Iatan-St. Joseph line, as well as the West Segment of the new 345kV Iatan-Nashua line. Consequently, the existing transmission structures along approximately five (5) miles of the Iatan-St. Joseph line will be retired and removed and the

⁷ The existing GMO Iatan-St. Joseph 345 kV transmission line will remain in service under GMO ownership and will not be part of the Iatan-Nashua Project for the purposes of the 100% regional cost allocation. The current retail and wholesale ratemaking will remain unchanged for the existing GMO Iatan-St. Joseph 345 kV transmission line.

existing line will be attached to the new structures. Subsequently, the West Segment of the new 345kV transmission line will be added to the new structures as part of the construction of the Iatan-Nashua Project. Both the West Segment of the new 345kV Iatan-Nashua line, and a portion of the existing Iatan-St. Joseph line, will share the new structures. At this time, we expect the existing Iatan-St. Joseph line to remain energized and in-service while it is moved from the existing structures to the new jointly used structures.

The **East Segment** begins at KCP&L's Nashua Substation located in Clay County near Smithville, Missouri, extending in a northwesterly direction for approximately fourteen (14) miles. This segment of the new 345kV transmission line will utilize existing rights-of-way (supplemented by additional rights-of-way as needed) that currently are used for a portion of the existing **Alabama-Nashua 161kV transmission line** that was recently transferred from KCP&L to GMO⁸. This southern fourteen (14) mile segment of the Alabama-Nashua Line will be retired and removed and will be replaced by the new 345kV transmission line. The remaining northern portion of the GMO Alabama-Nashua 161kV transmission line, after the southern portion is retired and removed, will remain in service⁹ for GMO as a radial line out of the Alabama Substation.

The **Middle Segment** will connect the East and West Segments, running approximately twelve (12) miles east-to-west through an area without any existing rights-of-way/easements – i.e., the Middle Segment is "greenfield." Negotiations with landowners in this "greenfield" area currently are scheduled to begin in the spring of 2013.

In order to facilitate the construction and operation of the new 345kV Iatan-Nashua transmission line, certain **substation upgrades** will need to be made at each substation terminus. Notably, the existing 161kV Nashua Substation will be expanded and upgraded to accommodate both the new 345kV Iatan-Nashua line, and connection with the existing St. Joseph-Hawthorn 345kV transmission line, by installing a new 345/161kV autotransformer between the existing 161kV substation and the 345kV facilities at the Nashua Substation. Additionally, upgrades will be required to connect the new 345kV transmission line to the Iatan Substation. As previously noted, the substation upgrades will be performed by KCP&L.

⁸ In Case No. EO-2012-0479, the Companies requested Commission approval to transfer the 161kV Alabama-Nashua Line from KCP&L to GMO in order to facilitate the Companies' plan to have GMO construct the entire 345kV Iatan-Nashua line because it will be wholly within GMO's service area. The Commission granted the Companies' application to transfer the Alabama-Nashua Line from KCP&L to GMO on August 15, 2012. The transfer is discussed in further detail in the application and related filings in Case No. EO-2012-0479, which are available through EFIS at

https://www.efis.psc.mo.gov/mpsc/Filing_Submission/DocketSheet/docket_sheet.asp?caseno=EO-2012-0479&pagename=case_filing_submission_FList.asp

⁹ The remaining GMO 161 kV radial out of Alabama Substation will remain in service under GMO ownership and will not be part of the Iatan-Nashua Project for the purposes of the 100% regional cost allocation. The current retail and wholesale ratemaking will remain unchanged for this GMO 161 kV Alabama radial.

Project Progress Summary

Overall Status

The Project is set to begin construction during the first quarter of 2013. The Company has secured the necessary permits, contracts, materials, and rights-of-way to enable it to begin the Project construction activities on the West Segment that are scheduled to occur in conjunction with the Spring 2013 Iatan Station maintenance outage.

Additional permitting, procurement, engineering, and rights-of-way acquisition activities will continue as scheduled in order to support the future construction activities on the remainder of the West Segment as well as the East and Middle Segments.

Engineering and Design

Detailed design engineering work continues on the project with a bulk of the work being performed in-house by the KCP&L Transmission Engineering Department.

The initial engineering and design work is focused on the West and East Segments where the Company has existing rights-of-way/easements that will be utilized for the Iatan-Nashua Project and where any complications related to constructing near or removing existing equipment must be addressed. Engineering and design will not be fully finalized, however, until all of the right-of-way/easements are obtained, which is currently scheduled for the first quarter of 2014.

Engineering and design work on the West Segment, or Iatan end, of the line has been done to coordinate efforts and preparation for project construction work that will be performed during scheduled Iatan Station outages in the spring of 2013 and 2014.

Engineering work was also accomplished to support first material orders, including steel poles, conductors, insulators, and hardware.

Procurement

The Company has issued requests for proposals ("RFPs"), evaluated the subsequent bids, and executed the contracts necessary to procure all of the essential services, materials and equipment required to begin construction during the first quarter of 2013.

Right-of-Way/Easement Acquisition & Permitting

• As noted in the third quarterly report, the Company selected Burns & McDonnell to serve as a contractor to negotiate and obtain the various easements required to begin construction.

• The Company also contracted with Burns & McDonnell for the environmental permitting assistance.

Geotechnical

• Alpha Omega was the successful bidder for geotechnical and began work in August 2012. Geotechnical work on the West and East Segments was completed during the fourth quarter of 2012.

Steel Poles

- The Company has executed contracts for the steel poles for the West and East Segments. A contract for the Middle Segment steel will be issued closer to the date when those poles are needed.
 - o TransAmerica Power Products, Inc. ("TAPP") was selected as the winning bidder to supply the West Segment steel poles and FWT Utility Poles was selected as the winning bidder to supply the East Segment steel poles.
 - o Steel poles deliveries are scheduled to begin in March 2013.

Line Construction

• PAR Electric was selected to perform the line construction and a contract was executed on December 14, 2012.

Autotransformer (345 to 161 kV 650MVA)

- An RFP was issued on December 5, 2012 for the 345/161 kV autotransformer that will be installed at Nashua Substation.
 - o Bids were due back on January 7, 2013, and they are currently being evaluated.

Other Major Equipment

- Conductor A contract was executed with Southwire on November 14, 2012.
- Fiber Optic / Ground Wire ("OPGW") A contract was executed with Brugg Cables on November 16, 2012.
- Insulators A contract was executed with MacLean Power on December 18, 2012.

Construction

As noted above an agreement was reached with PAR Electric on the construction scope, and the contract was signed in December. They are beginning to mobilize and have taken receipt of some material at Iatan. A Construction Kickoff Meeting was held on January 8, 2013.

Construction is scheduled to commence in early 2013 with line construction (centerline and foundation) surveys and foundation work for the structures on the West Segment.

Schedule

Overall, the Project is on track with no critical path issues. The schedule has been adjusted to coordinate with the recently adjusted Iatan Spring Outage schedules.

All required permitting is on track and the necessary notices, filings, and submittals have been made or are scheduled for the first quarter of 2013. This permitting includes:

- Federal US Army Corps of Engineers ("USACE"), US Fish and Wildlife Service ("USFWS"), Federal Aviation Administration ("FAA")
- State State Historic Preservation Office ("SHPO"), Missouri Department of Natural Resources - National Pollutant Discharge Elimination System (Storm Water Pollution Prevention Plan) ("MDNR-NPDES (SWPPP)"), Missouri Department of Conservation ("MDC")
- County/City Floodplain & Public Right-of-Way Use
- Railroad & Roadway Crossings

All rights-of-way required for work planned during the Spring 2013 Iatan Outage have been acquired. Overall on the West Segment, approximately 40% of the needed rights-of-way have been obtained, and the condemnation process is underway, if needed, for the remaining properties. The information gathering process including appraisals, etc. is underway for the East and Middle Segment to facilitate the right-of-way acquisition process and condemnation process, if necessary.

The Level 1 Project Schedule outlines the major milestones and engineering, procurement, and construction activities that will need to be completed to support the current estimated in-service date of June 2015. 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.

The current Level 1 Schedule as of January 13, 2013 for the overall Iatan-Nashua Project is shown in *Figure 3* below. A larger version of the Level 1 Schedule above is also included as *Attachment I – Level 1 Schedule (HIGHLY CONFIDENTIAL)*.

Figure 3 – Level 1 Schedule (HIGHLY CONFIDENTIAL)

Highly Confidential Schedule has been redacted in this non-proprietary version

Safety

During the public meetings an issue was raised with the final route being in the proximity of petroleum or gas pipelines. Pipelines and transmission lines are located near one another in other locations in the Company's transmission system. The Company is aware of the existing ONEOK pipeline near the final route and has continued to work with ONEOK on easement and safety issues. Many of these issues cannot be totally resolved until the engineering design work is complete. The Company will follow all electric industry safety guidelines as well as those provided by ONEOK during construction of the transmission line. The Company will communicate on this particular issue in each report as the engineering work progresses until it is resolved. The Company is waiting for the acquisition of the easements along the northern route in order to complete the final location of structures and center line. The Company anticipates this work to be completed and the easements obtained during the first quarter of 2014. This detailed design information will be sent to ONEOK upon completion in order to start the development of a mitigation plan for the protection of their pipelines.

At this point, no work-related safety issues have occurred.

Status of Ownership of Iatan-Nashua Project

The process governing the construction of transmission facilities within the SPP region and the basis for SPP issuing Notifications to Construct are set forth in Section VI of Attachment O to the SPP Open Access Transmission Tariff ("SPP Tariff")¹⁰. 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.

Current Ownership Status of Iatan-Nashua Project

As discussed in the Introduction section above, both KCP&L and GMO currently are DTOs for portions of the Iatan-Nashua Project. GMO is currently the DTO for the 345kV line components of the Iatan-Nashua Project, which includes the East Segment, West Segment, and Middle Segment of the line as described in the Introduction section above. KCP&L is currently the DTO for the substation upgrades portion of the Iatan-Nashua Project, which includes the new 345/161kV autotransformer to be installed at the Nashua Substation and the other necessary upgrades at the both the Iatan and Nashua Substations. The rationale and process for determining which portions of the Iatan-Nashua Project that each GMO and KCP&L will construct was discussed in the second quarterly report filed on June 29, 2012 (as revised July 3, 2012) in Case No. EO-2012-0271. The NTCs, requests for modification, and responses are included in Attachments A through F.

Planned Transource Ownership of Iatan-Nashua Project

On April 4, 2012 Great Plains Energy ("GXP") and American Electric Power ("AEP"), announced that they had formed a company to build and invest in transmission infrastructure. The new company, Transource EnergySM LLC ("Transource")¹¹, will pursue competitive transmission projects, initially in the Southwest Power Pool ("SPP"), Midwest Independent Transmission System Operator ("MISO") and PJM Interconnection ("PJM") regions, with the potential for expanding to other regions in the future. GXP owns 13.5 percent of Transource, and AEP owns 86.5 percent.

Transource Missouri, LLC ("Transource Missouri") is a wholly-owned subsidiary of Transource. The corporate structure of Transource is shown in *Figure 4* below.

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The full SPP Tariff as well as individual Schedules and Attachments can be found at http://www.spp.org/tariff-viewer.asp

The GXP and AEP news releases announcing the formation of Transource as well as other information about Transource can be found at http://www.transourceenergy.com

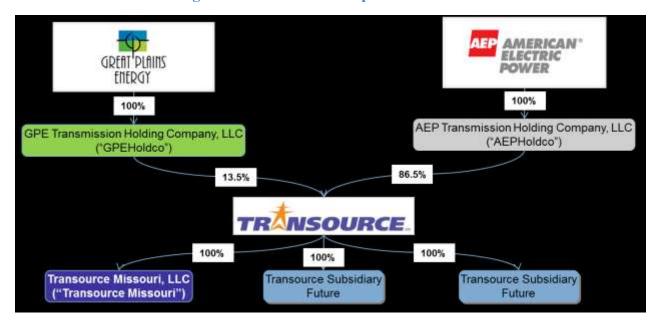


Figure 4 – Transource Corporate Structure

It is the Company's intention that Transource will be the entity under which it will participate in any future regional transmission projects including the Iatan-Nashua Project and the Sibley-Nebraska City project. Specifically KCP&L and GMO plan to terminate and release their respective obligations as DTOs under the modified NTCs, and to designate Transource Missouri as the alternate DTO responsible for building and owning the Iatan-Nashua Project (and Sibley-Nebraska City Project) pursuant to Section VI of Attachment O to the SPP Tariff¹².

On August 31, 2012, in Case No. EO-2012-0367, KCP&L and GMO filed an application with the MPSC for approval to transfer certain transmission property to Transource Missouri and for other related determinations. This request before the Commission is part of the process to help facilitate the novation of the NTCs for the Iatan-Nashua Project (and the Sibley-Nebraska City Project) to Transource Missouri. Specifically in this application, KCP&L and GMO requested that the Commission:

- 1. Authorize the transfer of certain electric transmission property from the Applicants to Transource Missouri under Section 393.190.1;
- 2. Find that no approval is required under Missouri law to novate the Notifications to Construct ("NTC") received from SPP regarding the two regional, high-voltage transmission Projects, or otherwise express no objection to or approve the Applicants' plans in this regard; and
- 3. Grant a waiver of or variance from the Commission's Affiliate Transactions Rule, 4 CSR 240-20.015.

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¹² The full SPP Tariff as well as individual Schedules and Attachments can be found at http://www.spp.org/tariff-viewer.asp

More detail regarding this application can be found in the application and the associated direct testimony that was filed along with the application in Case No. EO-2012-0367¹³.

Concurrent with the KCP&L and GMO's application in Case No. EO-2012-0367, Transource Missouri also filed a related application in Case No. EA-2013-0098 for a line Certificate of Convenience and Necessity ("CCN") to construct, finance, own, operate, and maintain the regional Iatan-Nashua Project (and the Sibley-Nebraska City Project).

More detail regarding this Transource Missouri CCN application can be found in the application and the associated direct testimony that was filed along with the application in Case No. EA-2013-0098¹⁴.

These cases were consolidated for procedural purposes on November 7, 2012 with Case No. EA-2013-0098 as the lead. The current remaining procedural schedule for these consolidated cases is shown in *Table 2* below:

Table 2 – Transource Case No. EA-2013-0098 Procedural Schedule

Event	Date
Rebuttal Testimony: Staff, OPC & MIEC	January 30, 2013
Surrebuttal and Cross-Surrebuttal Testimony	March 1, 2013
Settlement Conference (Conference Call)	March 12, 2013
Last Day to Serve Discovery Requests	March 15, 2013
Issues List, Witnesses List, Order of Witnesses, Order of	March 19, 2013
Cross-Examination, Order of Opening Statements	
Joint Stipulation of Non-Disputed Material Facts	March 20, 2013
Position Statements	March 21, 2013
Evidentiary Hearing	March 27-29, 2013
Transcript Expedited	April 3, 2013
Post-Hearing Briefs	May 1, 2013
Reply Briefs	May 22, 2013
Proposed Findings of Fact and Proposed Conclusions of Law	May 24, 2013

Based on this procedural schedule, the Commission could rule on these cases by the end of the second quarter of 2013.

In a related FERC case (Docket No. ER12-2554), Transource Missouri has requested approval of certain project specific incentives as well as a transmission formula rate through which costs of the Iatan-Nashua Project, the Sibley-Nebraska City Project, and other future Transource

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¹³ 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

¹⁴ 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

Missouri transmission projects will be charged to transmission customers in the future. FERC has approved certain aspects of the Transource Missouri request while some aspects are still the subject of settlement discussions, which will be followed by a hearing if necessary.

More detail regarding the Transource Missouri FERC docket can be found in the application and the associated direct testimony that was filed along with the application in FERC Docket No. ER12-2554¹⁵.

Assuming that the requested MPSC and FERC approvals are received, KCP&L/GMO will file an application at SPP requesting approval to novate the Iatan-Nashua and Sibley-Nebraska City Projects to Transource Missouri. SPP will evaluate the Transource Missouri's ability to construct and operate the Projects including such things and its creditworthiness and its technical expertise. Assuming that Transource Missouri meets the evaluation criteria, SPP will approve the novation and file it with FERC. At that point, Transource Missouri will assume all ownership rights and obligations for the construction and operation of the Projects.

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¹⁵ All case filings and submissions for FERC Docket No. ER12-2554 are available by searching on the docket number in FERC's online eLibrary at http://elibrary.ferc.gov/idmws/docket_search.asp.

Summary of KCP&L's and GMO's Contact with the Public

Interactions with the public during the fourth quarter of 2012 primarily consisted of communications and negotiations with individual landowners regarding the acquisition of necessary easements for the Project. The Company specifically has been pursuing easement negotiations on the West Segment to facilitate project construction work that will be need to be performed during the Spring 2013 Iatan outage. While the Company's desire is to continue to negotiate with the affected landowners, on August 31, 2012 the Company did send 60-day condemnation notice letters to six individuals on the West Segment to start the legal process in case condemnation proceedings are required. The condemnation process on the West Segment is continuing as the condemnations have been filed and initial court proceedings are scheduled for the first quarter of 2013.

The Company has also begun initial meetings and other communications with landowners on the East Segment in preparation for those easement negotiations. The Company will follow a similar process to the West Segment on the East Segment. Sixty-day condemnation notice letters will be sent to East Segment landowners with whom negotiated easement agreements have not been reached during the first quarter of 2013. Negotiations will continue, but the condemnation process will continue along a parallel path similar to that on the West Segment.

Communication with Middle Segment landowners regarding easements will commence shortly. Sixty-day condemnation notice letters will be sent to Middle Segment landowners with whom negotiated easement agreements have not been reached during the second quarter of 2013.

As construction begins the Company and the various contractors will communicate, as necessary, with landowners to ensure that the construction activities occur within the acquired easements and rights-of-way.

Throughout the life of the Iatan-Nashua Project the Company will continue to proactively meet with citizens, local and state officials and the local news media. Citizens can continue to contact the Company through the Iatan-Nashua Project team members that they have met, through the dedicated Iatan-Nashua Project public outreach resources:

Outreach line: 1-800-541-0545 (press "6" for the Iatan-Nashua project)

Email address: Iatan-Nashua@kcpl.com

Website: http://www.kcpl.com/iatannashua/

The Company has and remains willing to meet with landowners as requested during any stage of the Iatan-Nashua Project. The Company will communicate with affected landowners prior to key points in the Iatan-Nashua Project (such as the beginning of easement negotiations, initial construction work, and other key activities as needed).

Attachments

Attachment A – Original KCP&L Iatan-Nashua Project NTC (SPP-NTC-20042)

Attachment B – KCP&L Letter to SPP Requesting NTC Modification

Attachment C – New KCP&L Iatan-Nashua Project NTC (SPP-NTC-200188)

Attachment D – New GMO Iatan-Nashua Project NTC (SPP-NTC-200189)

Attachment E – KCP&L Response to New KCP&L Iatan-Nashua Project NTC (SPP-NTC-200188)

Attachment F – GMO Response to New GMO Iatan-Nashua Project NTC (SPP-NTC-200189)

Attachment G – Iatan-Nashua Project Final Route Map

Attachment H – Iatan-Nashua Project Components

Attachment I – Level 1 Schedule (HIGHLY CONFIDENTIAL)

Attachments | 18

<u>Attachment A – Original KCP&L Iatan-Nashua Project NTC (SPP-NTC-20042)</u>



HELPING OUR MEMBERS WORK TOGETHER TO KEEP THE LIGHTS ON... TODAY AND IN THE FUTURE

SPP Notification to Construct

June 19, 2009

SPP-NTC-20042

Mr. Todd Fridley Kansas City Power and Light Company 1201 Walnut Street 16th Floor Kansas City, MO 64106

RE: Notification to Construct Approved Balanced Portfolio Network Upgrades

Dear Mr. Fridley:

Pursuant to Section 3.3 of the Southwest Power Pool, Inc. ("SPP") Membership Agreement and Attachment O, Section VIII, of the SPP Open Access Transmission Tariff ("OATT"), SPP provides this Notification to Construct ("NTC") directing Kansas City Power and Light Company ("KCPL"), as the Designated Transmission Owner, to construct the following approved Network Upgrades.

During the April 28, 2009 meeting, the SPP Board of Directors approved Balanced Portfolio 3E "adjusted" and directed the following Network Upgrades to be constructed contingent upon the approval of the Balanced Portfolio Report by the Markets and Operations Policy Committee ("MOPC"). On June 12, 2009 the MOPC approved the 2009 Balanced Portfolio Report.

Project ID: 702

Project Name: Swissvale - Stilwell Tap

Estimated In-Service Date for Project: 06/01/2012

Estimated Cost for project: \$2,000,000

Network Upgrade ID: 10934

Network Upgrade Description: Tap the Swissvale to Stilwell 345 kV line at West Gardner

Network Upgrade Owner: KCPL MOPC Representative: Todd Fridley

Categorization: Balanced Portfolio Network Upgrade

Network Upgrade Specifications: Tap the Swissvale to Stilwell 345 kV line at the West

Gardner substation.

Network Upgrade Justification: Balanced Portfolio 3E "adjusted" Estimated In-Service Date for Network Upgrade: 6/1/2012

Estimated Cost for Network Upgrade (current day dollars): \$2,000,000

Source of funding for Network Upgrade: Region-wide charge as specified by Attachment J.

SPP OATT

Source of Cost Estimate: KCPL Date of Cost Estimate: April 2009

Project ID: 703

Project Name: Iatan - Nashua 345 kV line

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Attachment A Page 1

Attachment A – Original KCP&L Iatan-Nashua Project NTC (SPP-NTC-20042) (continued)



HELPING OUR MEMBERS WORK TOGETHER TO KEEP THE LIGHTS ON... TODAY AND IN THE FUTURE

Estimated In-Service Date for Project: 06/01/2015

Estimated Cost for project: \$54,444,000

Network Upgrade ID: 10935

Network Upgrade Description: 345 kV line from Iatan substation to Nashua substation

Network Upgrade Owner: KCPL MOPC Representative: Todd Fridley

Categorization: Balanced Portfolio Network Upgrade

Network Upgrade Specifications: Construct 30 miles of 345kV, 3000 amp or greater capacity transmission line from the KCPL latan substation to the KCPL Nashua substation and acquire the necessary right-of-way to accommodate the 345 kV line. Upgrade the latan substation to include

any necessary terminal equipment.

Network Upgrade Justification: Balanced Portfolio 3E "adjusted" Estimated In-Service Date for Network Upgrade: 6/1/2015

Estimated Cost for Network Upgrade (current day dollars): \$49,824,000

Source of funding for Network Upgrade: Region-wide charge as specified by Attachment J.

SPP OATT

Source of Cost Estimate: KCPL Date of Cost Estimate: April 2009

Network Upgrade ID: 10945

Network Upgrade Description: Nashua 345/161 kV Transformer

Network Upgrade Owner: KCPL MOPC Representative: Todd Fridley

Categorization: Balanced Portfolio Network Upgrade

Network Upgrade Specifications: Install a 345/161 kV transformer, 600 MVA at the Nashua substation. Upgrade the Nashua substation to include any other necessary terminal equipment.

Network Upgrade Justification: Balanced Portfolio 3E "adjusted" Estimated In-Service Date for Network Upgrade: 6/1/2015

Estimated Cost for Network Upgrade (current day dollars): \$4,620,000

Source of funding for Network Upgrade: Region-wide charge as specified by Attachment J.

SPP OATT

Source of Cost Estimate: KCPL Date of Cost Estimate: April 2009

Please provide to SPP a written commitment to construct the Network Upgrades within 90 days of the date of this Notification to Construct, pursuant to Attachment O, Section VIII.6 of the SPP OATT, in addition to providing a construction schedule for the Network Upgrades. Failure to provide a sufficient written commitment to construct as required by Attachment O could result in the Network Upgrades being assigned to another entity.

Please submit a notification of commercial operation for each listed Network Upgrade to SPP as soon as the Network Upgrade is complete and in-service. Please provide SPP with the actual costs of these Network Upgrades as soon as possible after completion of construction. This will facilitate the timely billing by SPP based on actual costs.

415 NORTH MCKINLEY STREET, SUITE 140 | LITTLE ROCK, AR-72205 | 501-614-3200 | SPRORG

Attachment A Page 2

Attachment A – Original KCP&L Iatan-Nashua Project NTC (SPP-NTC-20042) (continued)



HELPING OUR MEMBERS WORK TOGETHER TO KEEP THE LIGHTS ON... TODAY AND IN THE FUTURE

On an ongoing basis, please keep SPP advised of any inability on KCPL's part to complete the approved Network Upgrades. For project tracking purposes, SPP requires KCPL to submit updates on the status of the Network Upgrades on a quarterly basis in conjunction with the SPP Board of Directors meetings. However, KCPL shall also advise SPP of any inability to comply with the Project Schedule as soon as the inability becomes apparent.

All terms and conditions of the SPP OATT and the SPP Membership Agreement shall apply to this Project, and nothing in this letter shall vary such terms and conditions.

Feel free to contact me if you have questions or comments regarding these instructions. Thank you for the important role that you play in maintaining the reliability of our electric grid.

Sincerely,

Buy a. Rew

Bruce Rew

Vice President, Engineering Phone (501) 614-3214 • Fax: (501) 821-3198 • brew@spp.org

cc: Carl Monroe, Les Dillahunty, Pat Bourne, Jay Caspary, Keith Tynes, SPPProjecttracking@spp.org, Richard Spring, Dennis Odell, Harold Wyble

415 NORTH MCKINLEY STREET, SUITE 140 | LITTLE ROCK, AR 72205 | 501-614-3200 | SPR-ORG

Attachment A Page 3

<u>Attachment B - KCP&L Letter to SPP Requesting NTC</u> Modification



April 9, 2012

Mr. Lanny Nickell Vice President, Engineering Southwest Power Pool, Inc. 415 N. McKinley, Suite 140 Little Rock, AR 72205-3020

RE: Notification to Construct ("NTC") SPP-NTC-20042

Dear Mr. Nickell,

This letter is in regards to the Notification to Construct approved Balanced Portfolio Network Upgrades (SPP-NTC-20042), dated June 19, 2009 ("NTC") issued by Southwest Power Pool, Inc. ("SPP") to Kansas City Power & Light Company ("KCP&L"). KCP&L accepted the obligation to build the upgrades associated with the NTC by letter dated September 15, 2009. For ease of reference, both letters are attached hereto.

The NTC issued by SPP pursuant to Section 3.3 of the SPP Membership Agreement and Attachment O, Section VI¹, of the SPP Open Access Transmission Tariff ("OATT") directed KCP&L to construct certain approved Balanced Portfolio 3E-"adjusted" network upgrades. The upgrade at issue is the Iatan-Nashua 345 kV line, identified in the NTC as Project ID #703 and Network Upgrade IDs #'s 10935 and 10945 (the "Project"). KCP&L accepted the obligation to construct the Project on behalf of itself as the designated owner of Nashua facility, and as the owner-operator of the Iatan substation. While the Iatan substation is operated by KCP&L, it is physically located in GMO's service territory. As a result, the Project will traverse through GMO's service territory to connect with KCP&L's Nashua substation.

Pursuant to SPP's Membership Agreement §3.3(b) and the OATT Attachment O §VI(4) "[i]f the project forms a connection with facilities owned by *multiple* Transmission Owners, the applicable Transmission Owners will be designated to provide their respective new facilities. If there is more than one Transmission Owner designated to construct a project, the Designated Transmission Owners will agree among themselves which part of the project will be provided by each entity." As the Project forms a connection between facilities owned by multiple parties, the parties should be

KCP&L P.O. Box 418679 Kansas City, MO 64141-9679 1-888-471-5275 toll-free

Schedule BCD-3
Page 1 of 2

Attachment B - Page 1

The NTC referenced Attachment O, Section VIII, which was correct at the time it was issued. In the current OATT, the section that governs notifications to construct SPP-approved upgrades is Attachment O, Section VI.

The owners of Iatan Station own the latan substation as tenants in common, each with an undivided ownership interest. The owners of Iatan Station are KCP&L, KCP&L Greater Missouri Operations Company ("GMO"), Empire District Electric Company ("Empire"), Missouri Joint Municipal Electric Utility Commission ("MJMEUC") and Kansas Electric Power Cooperative, Inc. ("KEPCo"). KCP&L is the exclusive Operator responsible for the actual design, permitting, development, procurement, construction, operation and maintenance of Iatan Station, including the Iatan substation, subject to the direction of the Management Committee.

Attachment B – KCP&L Letter to SPP Requesting NTC Modification (continued)

Mr. Lanny Nickell Vice President, Engineering April 9, 2012 Page 2

permitted to determine which part of the Project will be constructed by each entity. As a tenant in common in the Iatan substation with KCP&L, GMO holds a common, undivided ownership interest in the substation. Because the substation is located in GMO's service territory and because the substation is owned by both KCP&L and GMO, KCPL requests that SPP also issue the NTC to GMO to allow both KCPL and GMO to determine how the Project will be constructed. Doing so would allow all parties to fulfill their obligations consistently with the requirements of the Membership Agreement and the OATT, as explained herein.

Please feel free to contact me directly if you have any questions or comments regarding KCP&L's request contained herein.

Todd Fridley
Sr. Manager, Transmission Policy

Tel: (816) 654-1214 Cell: (816) 719-9709 Email: todd.fridley@kcpl.com

Todd Flidley

Schedule BCD-3 Page 2 of 2

Although the other tenants in common have an undivided interest in the Iatan Substation, because the facility is located *entirely* within GMO's territory and the Project has only two points of interconnection that practically allow no more than two owner-operators of the Project, it would not be inconsistent with the Membership Agreement or the OATT to only issue the additional NTC to GMO.

<u>Attachment C – New KCP&L Iatan-Nashua Project NTC (SPP-NTC-200188)</u>



HELPING OUR MEMBERS WORK TOGETHER TO KEEP THE LIGHTS ON.,. TODAY AND IN THE PUTURE

SPP-NTC-200188

SPP Notification to Construct

April 17, 2012

Mr. Harold Wyble Kansas City Power & Light Company 801-A, P.O. Box 418679 Kansas City, MO 64141-9679

RE: Notification to Construct Approved Balanced Portfolio Network Upgrades

Dear Mr. Wyble,

Pursuant to Section 3.3 of the Southwest Power Pool, Inc. ("SPP") Membership Agreement and Attachment O, Section VI, of the SPP Open Access Transmission Tariff ("OATT"), SPP provides this Notification to Construct ("NTC") directing Kansas City Power & Light Company ("KCP&L"), as the Designated Transmission Owner, to construct the Network Upgrade(s).

KCP&L received and accepted NTC 20042 in 2009 to construct the approved Balanced Portfolio Project ID 703, latan to Nashua 345 kV. On April 9, 2012, KCP&L requested SPP modify the Project to include KCP&L Greater Missouri Operations Company ("GMO") as a Designated Transmission Owner of the project. Except as otherwise described in this modified NTC, all other terms and conditions of NTC 20042, and KCP&L's acceptance of the obligation to construct Network Upgrades identified in NTC 20042, remain unchanged and in full force and effect.

Upgrades with Modifications

Previous NTC Number: 20042 Previous NTC Issue Date: 6/19/2009

Project ID: 703

Project Name: Multi - Iatan - Nashua 345 kV

Estimated Cost for Project: \$54,444,000 (this project cost contains Network Upgrades not

included in this NTC)

Date of Estimated Cost: 4/1/2009 Estimated Cost Source: KCP&L

Network Upgrade ID: 10935

Network Upgrade Name: latan - Nashua 345 kV Ckt 1 (KCP&L)

Network Upgrade Description: Build new 345 kV line from Iatan to Nashua. The total

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Attachment C - Page 1

Attachment C – New KCP&L Iatan-Nashua Project NTC (SPP-NTC-200188) (continued)



HELPING OUR MEMBERS WORK TOGETHER TO KEEP THE LIGHTS ON... TODAY AND IN THE FUTURE

SPP-NTC-200188

mileage of this 345 kV line is 30 miles. GMO and KCP&L shall decide who shall build how much of these Network Upgrades and shall provide such information, along with specific cost estimates for each Designated Transmission Owner's portion of the Network Upgrades, to SPP in the response to this NTC.

Network Upgrade Owner: Kansas City Power & Light Company

MOPC Representative: Todd Fridley TWG Representative: Harold Wyble

Reason for Change: The changes reflected in this NTC are being made at the request of KCP&L, who clarified that the Iatan substation is a jointly-owned facility. An NTC is also being issued to GMO to acknowledge GMO's ownership interest in the facilities.

Categorization: Balanced Portfolio

Network Upgrade Specification: All elements and conductor must have at least an

emergency rating of 1792 MVA, but are not limited to that amount. Network Upgrade Justification: Balanced Portfolio 3E "adjusted" Estimated In-Service Date for Network Upgrade: 6/1/2015

Cost Allocation of the Network Upgrade: Region-wide charge as specified by

Attachment J, SPP OATT

Commitment to Construct

Please provide to SPP a written commitment to construct the Network Upgrade(s) within 90 days of the date of this NTC, pursuant to Attachment O, Section VI.6 of the SPP OATT, in addition to providing a construction schedule for the Network Upgrade(s). Failure to provide a sufficient written commitment to construct as required by Attachment O could result in the Network Upgrade(s) being assigned to another entity.

Coordination with Neighbors

KCP&L is responsible for coordinating these jointly owned projects with other constructing. Designated Transmission Owners. Coordination includes, but is not limited to, construction specifications, facility ratings, interception location, and construction timing.

Notification of Commercial Operation

Please submit a notification of commercial operation for each listed Network Upgrade to SPP as soon as the Network Upgrade is complete and in-service. Please provide SPP with the actual costs of these Network Upgrades as soon as possible after completion of construction. This will facilitate the timely billing by SPP based on actual costs.

Notification of Progress

On an ongoing basis, please keep SPP advised of any inability on KCP&L's part to complete the approved Network Upgrade(s). For project tracking purposes, SPP requires KCP&L to submit updates on the status of the Network Upgrade(s) on a quarterly basis in conjunction with the SPP Board of Directors meetings. However, KCP&L shall also advise SPP of any inability to comply

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Attachment C - Page 2

Attachment C – New KCP&L Iatan-Nashua Project NTC (SPP-NTC-200188) (continued)



HELPING OUR MEMBERS WORK TOGETHER TO KEEP THE LIGHTS ON... TODAY AND IN THE FUTURE

SPP-NTC-200188

with the Project Schedule as soon as the inability becomes apparent.

All terms and conditions of the SPP OATT and the SPP Membership Agreement shall apply to this Project, and nothing in this NTC shall vary such terms and conditions.

Don't hesitate to contact me if you have questions or comments regarding these instructions. Thank you for the important role that you play in maintaining the reliability of our electric grid.

Sincerely

Lanny Nickell

Vice President, Engineering

Phone: (501) 614-3232 • Fax: (501) 821-3198 • Inickell@spp.org

ee: Carl Monroe - SPP

Katherine Prewitt - SPP

Todd Fridley - Kansas City Power & Light Company

Patricia Denny - Kansas City Power & Light Greater Missouri Operations Company

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Attachment C - Page 3

<u>Attachment D – New GMO Iatan-Nashua Project NTC (SPP-NTC-200189)</u>



HELPING OUR MEMBERS WORK TOGETHER TO KEEP THE LIGHTS ON... TODAY AND IN THE FUTURE

SPP-NTC-200189

SPP Notification to Construct

April 17, 2012

Mr. Harold Wyble KCP&L Greater Missouri Operations Company 801-A, P.O. Box 418679 Kansas City, MO 64141-9679

RE: Notification to Construct Approved Balanced Portfolio Network Upgrades

Dear Mr. Wyble,

Pursuant to Section 3.3 of the Southwest Power Pool, Inc. ("SPP") Membership Agreement and Attachment O, Section VI, of the SPP Open Access Transmission Tariff ("OATT"), SPP provides this Notification to Construct ("NTC") directing Kansas City Power & Light Greater Missouri Operations Company ("GMO"), as the Designated Transmission Owner, to construct the Network Upgrade(s).

Kansas City Power & Light Company ("KCP&L") received and accepted NTC 20042 in 2009 to construct the approved Balanced Portfolio Project ID 703, latan to Nashua 345 kV. On April 9, 2012, KCP&L requested SPP modify the Project to include GMO as a Designated Transmission Owner of the project.

New Network Upgrades

Project ID: 703

Project Name: Multi - Iatan - Nashua 345 kV

Estimated Cost for Project: \$54,444,000 (this project cost contains Network Upgrades not

included in this NTC)

Date of Estimated Cost: 4/1/2009 Estimated Cost Source: KCP&L

Network Upgrade ID: 50499

Network Upgrade Name: Iatan - Nashua 345 kV Ckt 1 (GMO)

Network Upgrade Description: Build new 345 kV line from Iatan to Nashua. The total mileage of this 345 kV line is 30 miles. GMO and KCP&L shall decide who shall build how much of these Network Upgrades and shall provide such information, along with specific cost estimates for each Designated Transmission Owner's portion of the

Network Upgrades, to SPP in the response to this NTC.

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Attachment D - Page 1

Attachment D – New GMO Iatan-Nashua Project NTC (SPP-NTC-200189) (continued)



HELPING OUR MEMBERS WORK TOGETHER TO KEEP THE LIGHTS ON... TODAY AND IN THE FUTURE

SPP-NTC-200189

Network Upgrade Owner: KCP&L Greater Missouri Operations Company

MOPC Representative: Patricia Denny TWG Representative: Harold Wyble Categorization: Balanced Portfolio

Network Upgrade Specification: All elements and conductor must have at least an

emergency rating of 1792 MVA, but are not limited to that amount. Network Upgrade Justification: Balanced Portfolio 3E "adjusted" Estimated In-Service Date for Network Upgrade: 6/1/2015

Cost Allocation of the Network Upgrade: Region-wide charge as specified by

Attachment J, SPP OATT

Commitment to Construct

Please provide to SPP a written commitment to construct the Network Upgrade(s) within 90 days of the date of this NTC, pursuant to Attachment O, Section VI.6 of the SPP OATT, in addition to providing a construction schedule for the Network Upgrade(s). Failure to provide a sufficient written commitment to construct as required by Attachment O could result in the Network Upgrade(s) being assigned to another entity.

Coordination with Neighbors

GMO is responsible for coordinating these jointly owned projects with other constructing Designated Transmission Owners. Coordination includes, but is not limited to, construction specifications, facility ratings, interception location, and construction timing.

Notification of Commercial Operation

Please submit a notification of commercial operation for each listed Network Upgrade to SPP as soon as the Network Upgrade is complete and in-service. Please provide SPP with the actual costs of these Network Upgrades as soon as possible after completion of construction. This will facilitate the timely billing by SPP based on actual costs.

Notification of Progress

On an ongoing basis, please keep SPP advised of any inability on GMO's part to complete the approved Network Upgrade(s). For project tracking purposes, SPP requires GMO to submit updates on the status of the Network Upgrade(s) on a quarterly basis in conjunction with the SPP Board of Directors meetings. However, GMO shall also advise SPP of any inability to comply with the Project Schedule as soon as the inability becomes apparent.

All terms and conditions of the SPP OATT and the SPP Membership Agreement shall apply to this Project, and nothing in this NTC shall vary such terms and conditions.

Don't hesitate to contact me if you have questions or comments regarding these instructions.

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Attachment D - Page 2

Attachment D – New GMO Iatan-Nashua Project NTC (SPP-NTC-200189) (continued)



Attachment D - Page 3

<u>Attachment E – KCP&L Response to New KCP&L Iatan-Nashua</u> <u>Project NTC (SPP–NTC-200188)</u>



June 22, 2012

Mr. Lanny Nickell Vice President, Engineering Southwest Power Pool 415 N. McKinley, Suite 140 Little Rock, AR 72205-3020

Re: Notification to Construct Approved Balanced Portfolio Network Upgrades (NTC-200188)

Dear Mr. Nickell,

In response to your letter dated April 17, 2012, regarding KCP&L's request to include KCP&L Greater Missouri Operations Company (GMO) as a designated Transmission Owner to construct portions of the approved Balanced Portfolio Project ID 703, latan to Nashua 345kV, KCP&L responds as follows:

Pursuant to Section 3.3 of the Southwest Power Pool, Inc. ("SPP") Membership Agreement and Attachment O, Section VI of the SPP Open Access Transmission Tariff ("OATT") KCP&L has coordinated with GMO and will construct the substation terminal portions of Project ID 703 as described below.

Previous NTC number: 20042 Previous NTC Issue date: 6/19/2009

Project ID: 703

Project Name: Mult - latan - Nashua 345 kV

Need Date for Project: 6/1/2015

Estimated Cost for Project: \$64,800,000 (includes upgrades not part of this NTC)

Network Upgrade ID: 10935

Network Upgrade Name: latan - Nashua substation upgrades

Network Upgrade Description: Add 345 kV line terminal at latan; add 4 breaker 345 kV ring bus substation at Nashua with 3 line terminals (latan, St. Joseph, Hawthorn) and 1 345/161 kV autotransformer terminal; upgrade Nashua 161kV substation to accommodate new autotransformer terminal; increase Nashua – Nashua North tie

capacity to 2000 amps or higher Network Upgrade Owner: KCP&L MOPC Representative: Todd Fridley TWG Representative: Harold Wyble Categorization: Balanced Portfolio

KCP&L P.O. Box 418679 Kansas City, MO 64141-9679 1-888-471-5275 toll-free www.kcpl.com

Attachment E - Page 1

Attachment E – KCP&L Response to New KCP&L Iatan-Nashua Project NTC (SPP–NTC-200188) (continued)



Network Upgrade Specification: All 345 kV substation elements must be rated for 3000 amps or higher. Upgrades to Nashua 161 kV substation must be rated 2000 amps or higher.

Network Upgrade Justification: Balanced Portfolio 3E "adjusted"
Estimated Cost for Network Upgrade (current day dollars): \$10,156,909
Cost Allocation of the Network Upgrade: Region-wide charge as specified by Attachment
J, SPP OATT

Estimated Cost Source: KCP&L Date of Estimated Cost: 6/11/2012

For the above project, KCP&L will provide the following administrative items:

- Provide quarterly project status updates for each Network Upgrade as part of SPP's project tracking process.
- 2) Advise SPP of any inability on KCP&L's part to complete each Network Upgrade.
- Submit a notification of commercial operation for each Network Upgrade as soon as the Network Upgrade is completed and placed into service.
- Submit the total actual costs for each Network Upgrade as it is available after the construction is completed.

Please feel free to contact me directly if you have any questions or comments regarding KCP&L's response to SPP's Notification to Construct Regional Reliability Network Upgrades.

Sincerely,

Harold G. Wyble

Harold G. Wyble

Manager, Transmission Planning

Tel: (816) 654-1213 • Cell: (816) 835-9926 • Email: harold.wyble@kcpl.com

C: Bill Herdegen, Jeff Wolf, Jim McBee, Leroy Lutes, Charles Locke Carl Monroe, Katherine Prewitt, Todd Fridley, Patricia Denny SPPprojecttracking@spp.org

KCP&L P.O. 80x 418676 Kansss City, MO 64141-9679 1-888-471-5275 toll-free www.kcpl.com

Attachment E - Page 2

<u>Attachment F – GMO Response to New GMO Iatan-Nashua</u> <u>Project NTC (SPP–NTC-200189)</u>



June 22, 2012

Mr. Lanny Nickell Vice President, Engineering Southwest Power Pool 415 N. McKinley, Suite 140 Little Rock, AR 72205-3020

Re: Notification to Construct Approved Balanced Portfolio Network Upgrades (NTC-200189)

Dear Mr. Nickell,

In response to your letter dated April 17, 2012, regarding KCP&L's request to include KCP&L Greater Missouri Operations Company (GMO) as a designated Transmission Owner to construct portions of the approved Balanced Portfolio Project ID 703, latan to Nashua 345kV, GMO responds as follows:

Pursuant to Section 3.3 of the Southwest Power Pool, Inc. ("SPP") Membership Agreement and Attachment O, Section VI of the SPP Open Access Transmission Tariff ("OATT") GMO has coordinated with KCP&L and will construct the transmission line portions of Project ID 703 as described below.

Previous NTC number: 20042 Previous NTC Issue date: 6/19/2009

Project ID: 703

Project Name: Mult - latan - Nashua 345 kV

Need Date for Project: 6/1/2015

Estimated Cost for Project: \$64,800,000 (includes upgrades not part of this NTC)

Network Upgrade ID: 50449

Network Upgrade Name: latan - Nashua 345kV Ckt 1

Network Upgrade Description: Construct new 345 kV transmission line from latan to

Nashua approximately 30 miles Network Upgrade Owner: GMO MOPC Representative: Patty Denny TWG Representative: Harold Wyble Categorization: Balanced Portfolio

Network Upgrade Specification: 345 kV transmission line must have an emergency

rating of 3000 amps or higher.

Network Upgrade Justification: Balanced Portfolio 3E "adjusted"

KCP&L P.O. Box 418879 Kansas City, MC 64141-9579 1-888-471-5275 toll-free www.kcpt.com

Attachment F - Page 1

Attachment F – GMO Response to New GMO Iatan-Nashua Project NTC (SPP–NTC-200189) (continued)



Estimated Cost for Network Upgrade (current day dollars): \$50,643,091

Cost Allocation of the Network Upgrade: Region-wide charge as specified by Attachment

J. SPP OATT

Estimated Cost Source: GMO Date of Estimated Cost: 6/11/2012

For the above project, GMO will provide the following administrative items:

- Provide quarterly project status updates for each Network Upgrade as part of SPP's project tracking process.
- 2) Advise SPP of any inability on GMO's part to complete each Network Upgrade.
- Submit a notification of commercial operation for each Network Upgrade as soon as the Network Upgrade is completed and placed into service.
- Submit the total actual costs for each Network Upgrade as it is available after the construction is completed.

Please feel free to contact me directly if you have any questions or comments regarding GMO's response to SPP's Notification to Construct Regional Reliability Network Upgrades.

Sincerely,

Harold G. Wyble

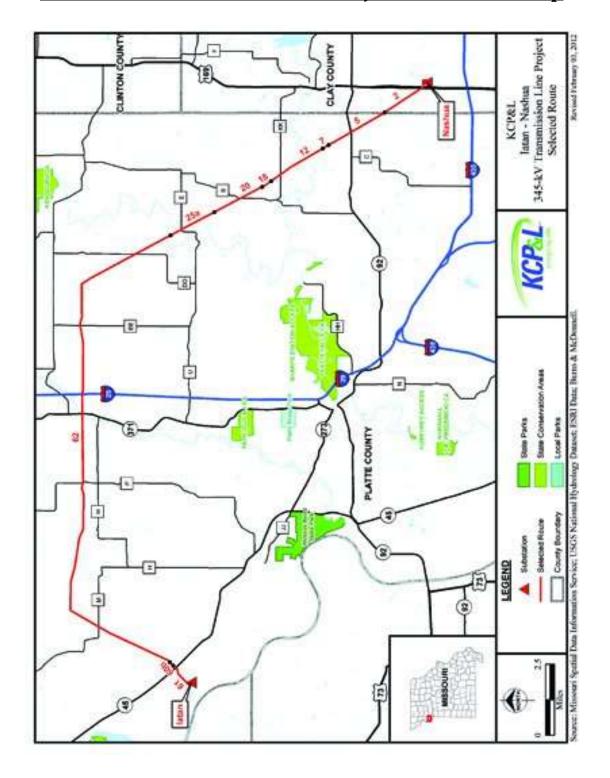
Harold G. Wyble
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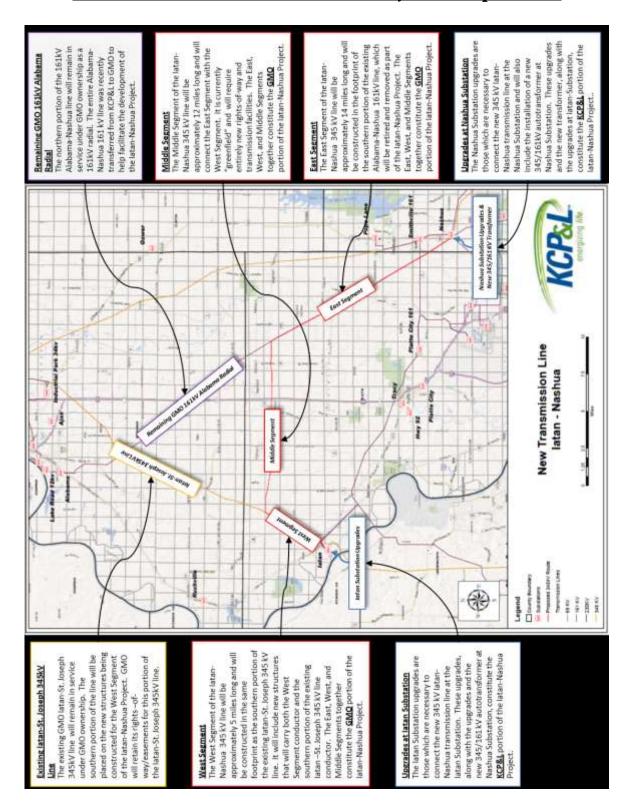
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Attachment F - Page 2

Attachment G - Iatan-Nashua Project Final Route Map



Attachment H - Iatan-Nashua Project Components



Attachment I - Level 1 Schedule (HIGHLY CONFIDENTIAL)

Highly Confidential Schedule has been redacted in this non-proprietary version