

SPP Notification to Construct

July 23, 2010

SPP-NTC-20097

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

RE: Notification to Construct Approved Priority Projects

Dear Mr. Wyble,

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 & Light Greater Missouri Operations Company ("GMO"), as the Designated Transmission Owner, to construct the Network Upgrades.

During the April 27, 2010 meeting, the SPP Board of Directors approved the Group 2 Priority Projects as presented in the SPP Priority Projects, Rev. 1 report with the provision that NTC letters for the projects would not be issued until the Federal Electric Reliability Corporation ("FERC") made a favorable ruling on the highway/byway cost allocation methodology. On June 17, 2010, FERC issued Order 131 FERC ¶ 61,252 approving the Highway/Byway cost allocation methodology. On June 23, 2010, the SPP Board of Directors authorized issuance of NTCs for the Priority Projects.

This letter is being reissued to clarify the transmission ownership for this NTC. The NTC was originally issued to Kansas City Power & Light Company and the correct Designated Transmission Owner is Kansas City Power & Light Greater Missouri Operations Company.

New Network Upgrades

Project ID: 938

Project Name: Line – Nebraska City - Maryville - Sibley 345 kV

Estimated In-Service Date for Project: 06/01/2017

Estimated Cost for Project: \$301,029,091 (cost for entire project including all entities)

Estimated Cost Source: GMO and Omaha Public Power District ("OPPD")

Date of Cost Estimate: March 2010

Network Upgrade ID: 11238

Network Upgrade Description: 345 kV line from Sibley substation to Maryville 345 kV substation.

Network Upgrade Owner: GMO

MOPC Representative: Patricia Denny

TWG Representative: Harold Wyble

Categorization: High Priority

Network Upgrade Specification: Build 105 miles of 345 kV transmission; 3,000 amp or greater capacity, from Sibley substation to a new Maryville 345 kV substation. Upgrade the Sibley substation with the necessary breakers and terminal equipment.

Network Upgrade Justification: Priority Projects

Estimated In-Service Date for Network Upgrade: 06/01/2017

Estimated Cost for Network Upgrade (current day dollars): \$174,500,000

Cost Allocation of the Network Upgrade: Base Plan

Estimated Cost Source: GMO

Date of Cost Estimate: March 2010

Network Upgrade ID: 11239

Network Upgrade Description: 345 kV line from Maryville 345 kV substation to OPPD interception point.

Network Upgrade Owner: GMO

MOPC Representative: Patricia Denny

TWG Representative: Harold Wyble

Categorization: High Priority

Network Upgrade Specification: Build 345 kV transmission; 3,000 amp or greater capacity, from Maryville 345 kV substation to OPPD interception point from the Nebraska City substation. The total mileage of this Nebraska City-Maryville line is 70 miles. GMO and OPPD 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 its response to this NTC. Build a new Maryville 345 kV substation with the necessary breakers and terminal equipment.

Network Upgrade Justification: Priority Projects

Estimated In-Service Date for Network Upgrade: 06/01/2017

Estimated Cost for Network Upgrade (current day dollars): To be provided by Designated Transmission Owner(s)

Cost Allocation of the Network Upgrade: Base Plan

Commitment to Construct

Please provide to SPP a written commitment to construct the Network Upgrade(s) 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 Upgrade(s). Failure to

provide a 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 the Network Upgrade(s) 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. Thank you for the important role that you play in maintaining the reliability of our electric grid.

Sincerely,

A handwritten signature in cursive script that reads "Bruce A. Rew".

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

cc: Carl Monroe, Les Dillahunty, Katherine Prewitt, Patricia Denny, Todd Fridley, OPPD-Mohamad Doghman, OPPD-Dan Lenihan, OPPD-Larry Ciecior



September 28, 2010

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

Re: Notification to Construct Approved Priority Project SPP-NTC-20097

Dear Mr. Rew:

This letter is in response to your original letter dated June 30, 2010, which was reissued July 23, 2010 regarding the Notification to Construct Network Upgrades for Approved Priority Projects directing KCP&L Greater Missouri Operations Company ("KCP&L GMO") (SPP-NTC-20097), as the Designated Transmission Owner, to construct a project contained within the Group 2 Priority Projects as presented in the SPP Priority Projects, Rev. 1 report. KCP&L 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") KCP&L GMO hereby notifies SPP that it will construct the Missouri portion of Project ID 938 as described in the NTC and restated below.

Project ID: 938
Project Name: Line – Nebraska City - Maryville - Sibley 345 kV
Estimated In-Service Date for Project: 06/01/2017
Estimated Cost for Project: \$403,740,000 (cost for entire project including all entities)
Estimated Cost Source: KCP&L GMO and Omaha Public Power District ("OPPD")
Date of Cost Estimate: September 2010

Network Upgrade ID: 11238
Network Upgrade Description: 345 kV line from Sibley substation to Maryville 345 kV substation.
Network Upgrade Owner: KCP&L GMO
MOPC Representative: Patricia Denny
TWG Representative: Harold Wyble
Categorization: High Priority
Network Upgrade Specification: Build approximately 105 miles (subject to final route selection) of 345 kV transmission; 3,000 amp or greater capacity, from

Schedule BCD-11
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Sibley substation to a new Maryville 345 kV substation (a new substation to be located in the vicinity of Maryville, MO). Upgrade the Sibley substation with the necessary breakers and terminal equipment.

Network Upgrade Justification: Priority Projects

Estimated In-Service Date for Network Upgrade: 06/01/2017

Estimated Cost for Network Upgrade: \$231,600,000

Cost Allocation of the Network Upgrade: Base Plan

Estimated Cost Source: KCP&L GMO

Network Upgrade ID: 11239

Network Upgrade Description: 345 kV line from Maryville 345 kV substation to OPPD interception point (Missouri-Nebraska state line).

Network Upgrade Owner: KCP&L GMO

MOPC Representative: Patricia Denny

TWG Representative: Harold Wyble

Categorization: High Priority

Network Upgrade Specification: Build 345 kV transmission; 3,000 amp or greater capacity, from Maryville 345 kV substation (a new substation to be located in the vicinity of Maryville, MO) to OPPD interception point from the Nebraska City substation. The expected total mileage of this Nebraska City-Maryville line is approximately 70 miles (subject to final route selection). KCP&L GMO and OPPD have agreed that KCP&L GMO will build that portion of this upgrade within Missouri (approximately 65 miles) and OPPD will build that portion of this upgrade within Nebraska (approximately 5 miles).

KCP&L GMO will build a new Maryville 345 kV substation with the necessary breakers and terminal equipment.

Network Upgrade Justification: Priority Projects

Estimated In-Service Date for Network Upgrade: 06/01/2017

Estimated Cost for Network Upgrade: KCP&L GMO's Missouri portion of this upgrade \$152,640,000

Cost Allocation of the Network Upgrade: Base Plan

KCP&L GMO has provided a more current update of the estimated project costs for the network upgrades described above. These estimates contain the potential for increased materials, labor and equipment costs that are anticipated to occur due to the high levels of new transmission investment and construction within the estimated construction period. These estimated project costs are preliminary due to the limited design work, siting and procurement activities that have been accomplished at this time. Project updates will be provided as part of the SPP quarterly project status updates referenced below.



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

- 1) 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 GMO's part to complete each Network Upgrade.
- 3) Submit a notification of commercial operation for each Network Upgrade as soon as the Network Upgrade is completed and placed into service.
- 4) 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 GMO's response to SPP-NTC-20097.

Sincerely,

A handwritten signature in black ink, appearing to read 'M. Deggendorf', written in a cursive style.

Michael Deggendorf
Senior Vice President - Delivery
Tel: 816/556-2104 ■ Email: Michael.Deggendorf@kcpl.com

C: KCP&L GMO: Terry Bassham, Bill Herdegen, Todd Fridley, Steve Gilkey, Harold Wyble, Royce McMahon, Charles Locke, Patricia Denny
SPP: Carl Monroe, Les Dillahunty, Katherine Prewitt, Steve Purdy
OPPD: Mohamad Doghman, Dan Lenihan, Larry Ciecior
SPPprojecttracking@spp.org