

**BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI**

**In the Matter of the Joint Application of)
Great Plains Energy Incorporated, Kansas City Power)
& Light Company, and Aquila, Inc. for Approval of)
the Merger of Aquila, Inc. with a Subsidiary of Great)
Plains Energy Incorporated and for Other Related)
Relief)**

Case No. EM-2007-0374

**RESPONSE OF APPLICANTS
TO ORDER DIRECTING FILING**

Great Plains Energy Incorporated (“Great Plains Energy”), Kansas City Power & Light Company (“KCPL”), and Aquila, Inc. (“Aquila”)(collectively “Applicants”), pursuant to 4 CSR 240-2.080, hereby file their Response to the Commission’s Report And Order issued on July 1, 2008 which became effective on July 14, 2008 which directed that the Applicants shall file a pleading with the Commission stating whether the Transition Services Agreement executed on February 6, 2007 and Amended on July 30, 2007 is accurate and up-to-date. In response to the Commission’s Report And Order, the Applicants state as follows:

1. In its Report And Order at page 283, the Commission directed the Applicants to file a pleading with the Commission no later than one week following the effective date of the Report And Order stating:

“ . . . whether the Transition Services Agreement executed on February 6, 2007 and Amended on July 30, 2007, is accurate and up-to-date. If the Transition Services Agreement, as it currently exists, requires further amendment, then within ninety days following the effective date of this Report And Order, Great Plains Energy, Incorporated, Kansas City Power & Light Company, and Aquila, Inc., and any necessary subsidiaries of Great Plains Energy, shall execute and file with the Commission a new Transition Service Agreement to cover any transition service issues, including among other things, the temporary provision of customer support, information technology, and accounting services by one of the merged companies’ with any of the subsidiaries, or *vice versa*.” (Report And Order, p. 283)

2. In response to the Report And Order, the Applicants wish to inform the Commission that on June 25, 2008, an Amended And Restated Transition Services Agreement ("the Agreement") was executed between Black Hills Corporation, Great Plains Energy Incorporated and Gregory Acquisition Corp. which is attached as Appendix A (NP). In addition, Schedules 1.2 and 2.3 to the Agreement are attached as Appendix B (Proprietary). The Agreement covers transition service issues, including among other things, the temporary provision of customer support, information technology, and accounting services by Great Plains Energy and its subsidiaries. No further amendment to the Transition Services Agreement is contemplated by the parties at this time.

WHEREFORE, Great Plains Energy, Aquila, and KCPL request that the Commission accept its Response To Order Directing Filing.

Respectfully submitted,

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**Attorneys for Great Plains Energy Incorporated, Aquila, Inc., and
Kansas City Power & Light Company**

CERTIFICATE OF SERVICE

I do hereby certify that a true and correct copy of the foregoing document has been hand delivered, emailed or mailed, postage prepaid, this 21st day of July, 2008, to all counsel of record.

/s/ James M. Fischer
James M. Fischer

AMENDED AND RESTATED TRANSITION SERVICES AGREEMENT

This AMENDED AND RESTATED TRANSITION SERVICES AGREEMENT (this "Agreement"), made as of June 25, 2008, among Black Hills Corporation, a South Dakota corporation ("Buyer"), Great Plains Energy Incorporated, a Missouri corporation ("Parent"), and Gregory Acquisition Corp., a Delaware corporation and wholly-owned subsidiary of Parent ("Merger Sub"). Buyer, Parent and Merger Sub are referred to individually as a "Party" and collectively as the "Parties." Any capitalized terms set forth herein which are not otherwise defined have the meaning set forth in the Asset Purchase Agreement (as defined below).

RECITALS

WHEREAS, Aquila, Inc., a Delaware corporation ("Seller"), and Buyer, and for the purposes indicated therein, Parent and Merger Sub, have entered into that certain Asset Purchase Agreement, dated February 6, 2007 (the "Asset Purchase Agreement"), pursuant to which, among other things, Buyer, or certain of its Affiliates, will acquire certain assets currently owned and utilized by Seller for gas utility operations in Iowa, Kansas and Nebraska (the "Gas Utility Businesses").

WHEREAS, Seller, Aquila Colorado, LLC, a Delaware limited partnership and a wholly-owned subsidiary of Seller, Buyer, and for the purposes indicated therein, Parent and Merger Sub, have entered into that certain Partnership Interests Purchase Agreement, dated the February 6, 2007 (the "Interests Purchase Agreement"), pursuant to which, among other things, Buyer, or certain of its Affiliates, will purchase all of the partnership interests of Electric Opco and Gas Opco (in each case, as defined in the Interests Purchase Agreement), each of which shall be formed by Seller to hold the assets related to Seller's electric utility business and gas utility business, respectively, in Colorado (the "Colorado Businesses").

WHEREAS, Seller, Parent and Merger Sub, and Buyer, have entered into an Agreement and Plan of Merger dated the date hereof (the "Merger Agreement"), which, among other things, provides for the merger of Merger Sub with and into Seller (the "Merger"), which operates certain assets utilized for its electric utility business in Missouri (the "Missouri Business").

WHEREAS, Parent and Merger Sub recognize that it is necessary and desirable to continue to receive specific shared services from Buyer as the owner of certain assets of Seller following the closing of the Asset Purchase Agreement and the Interests Purchase Agreement, and Buyer recognizes that it is necessary and desirable to continue to receive specific shared services from Merger Sub or its successor as the owner of certain assets of Seller following the Merger.

WHEREAS, the Parties have previously entered into a Transition Services Agreement dated as of February 6, 2007, as heretofore amended, and wish to further amend and restate such agreement as set forth herein.

AGREEMENT

NOW THEREFORE, in consideration of the Parties' respective covenants, representations, warranties, and agreements hereinafter set forth, and intending to be legally bound hereby, the Parties agree as follows:

ARTICLE 1 SERVICES

Section 1.1 Provision of Services. The Party providing, or causing the provision of, the Services (as defined below) is referred to herein as the "Service Provider" and the Party receiving such Services is referred to herein as the "Service Recipient." Each of the following may be a Service Provider or a Service Recipient: (i) on behalf of Buyer: Buyer, its wholly-owned subsidiary Black Hills Service Company, or Buyer's Affiliates and (ii) on behalf of Parent and Merger Sub: Parent, Merger Sub or its successor, or Parent's Affiliates. The provision of the Services by an Affiliate of a Party shall remain subject to the terms and conditions of this Agreement as if provided by such Party.

Section 1.2 Services. Buyer and Merger Sub agree to, and Parent agrees to cause Merger Sub or its successor to, provide the services set forth on Schedule 1.2 hereto (collectively, the "Services") to Merger Sub or its successor, as applicable, and Buyer, respectively, from and after the Closing Date.

Section 1.3 [Intentionally Omitted].

Section 1.4 [Intentionally Omitted].

Section 1.5 Data. All data supplied to a Service Recipient pursuant to any of the Services shall be provided in its then existing format. Each Service Provider reserves the right to change the format of the data supplied to the Service Recipients as a result of any upgrades or improvements in Service Provider's existing systems, software or hardware. If a Service Recipient requests that data be supplied in a different format, the relevant Service Provider shall, if commercially reasonable, provide such data in the format requested by such Service Recipient, provided that any such provision of data shall be subject to a cost based additional fee calculated in accordance with Section 2.1. No Service Provider shall be required to make any upgrade or improvements to its existing systems, software or hardware on behalf of any Service Recipient in order to provide any Services or data in any different format. As between the Service Provider and the Service Recipient, each Service Recipient shall own all data provided by such Service Recipient to the Service Provider in connection with the provision of Services to such Service Recipient, or created by or on behalf of the Service Provider solely in connection with the provision of Services to such Service Recipient. To the extent permitted by any applicable third party agreement, each Service Provider hereby grants to each Service Recipient a perpetual, irrevocable, non-exclusive, worldwide, royalty-free, fully-paid license to use all other data created by or on behalf of such Service Provider in connection with the provision of Services to such Service Recipient.

Section 1.6 [Intentionally Omitted]

Section 1.7 Standards of Service. In providing the Services, each Service Provider shall use Good Utility Practices and shall provide the Services in substantially the same manner as the Services have been provided with regard to the Colorado Businesses, the Gas Utility Businesses and the Missouri Business by Seller prior to the Closing Date (including without limitation with respect to emergency response times, if applicable), and shall undertake to provide the Services in accordance with all applicable legal requirements.

Section 1.8 Use of Third Parties.

(a) To the extent practicable, each Service Provider will use the equipment and employees acquired in connection with the Merger Agreement, Asset Purchase Agreement and Interests Purchase Agreement in providing the Services hereunder.

(b) Subject to Sections 1.8(a) and 1.8(c), after completion of the Transition Services Plan, each Service Provider may (i) engage consultants to provide services in connection with transition issues related to or arising in connection with performing or preparing to perform any of the Services or the migration services pursuant to Section 1.9 and (ii) subcontract performance of all or part of the Services or such migration services to a qualified third party (each, a "Third Party Engagement"), provided that, notwithstanding any such Third Party Engagement, the Service Provider shall remain liable for performance of the Services in accordance with this Agreement. All costs incurred by the Service Provider pursuant to any Third Party Engagement will be charged to the Service Recipient in accordance with Sections 2.1 and 2.2 hereof, as applicable.

(c) In the event that a Service Provider wishes to enter into a material Third Party Engagement, the Service Provider will provide to the Service Recipient a written description of the services to be performed pursuant to such Third Party Engagement, the estimated cost thereof, the material terms and conditions of the Third Party Engagement and the subcontractor or consultant performing such services. At the Service Recipient's request, the Service Provider will consult in good faith with the Service Recipient regarding such material Third Party Engagement, the costs associated therewith and the terms and conditions thereof prior to entering into a binding agreement with such subcontractor or consultant.

(d) Each Service Provider, together with Seller, will use reasonable best efforts to obtain any third party consents necessary to perform the Services as set forth herein. In the event that the Service Provider and Seller are unable to obtain any such consent, the Service Provider shall not be obligated to provide such Services, and the Parties will work together in good faith to explore a commercially reasonable alternative arrangement. Any costs and expenses incurred by the Service Provider in connection with obtaining such consents, including any consent fees charged by a third party, or in connection with implementing such alternative arrangement, will be charged to the Service Recipient in accordance with Sections 2.1 and 2.2 hereof, as applicable. Any costs incurred by Seller in connection with obtaining any such consents, including any consent fees charged by a third party, will be borne by the Parties in accordance with Section 7.11 of the Merger Agreement.

Section 1.9 Migration. From and after the Closing Date, each Service Recipient shall use commercially reasonable efforts to migrate the Services from the Service Provider as soon as

reasonably practicable. In the event that a Service Recipient reasonably believes that it requires a Service Provider's assistance in migrating any of the Services from such Service Provider, the Service Recipient shall submit a detailed written description to the Service Provider setting forth the scope of such migration services, and the Service Provider will provide such migration services. In the event that the Service Recipient engages a third party to provide any migration services, the Service Provider shall cooperate with the Service Recipient at the Service Recipient's reasonable request in connection with the Service Recipient's receipt of such services from a third party. All costs incurred by the Service Provider in connection with such migration services or such cooperation, as applicable, shall be borne by the Service Recipient in accordance with Sections 2.1 and 2.2, as applicable.

Section 1.10 Non-solicitation. Except as expressly set forth herein or in the Asset Purchase Agreement, neither Buyer nor Merger Sub, nor any of their respective Affiliates or successors shall, directly or indirectly, solicit the employment or services of any employee of the other Party or its Affiliates or successors (whether as an employee, consultant, independent contractor or otherwise) without such Party's prior written consent. For purposes of this Section 1.10, the term "solicit the employment or services" shall not be deemed to include general searches for employees through media advertisements, employment plans, open job fairs, recruitment or otherwise, provided that such searches are not focused or targeted on the other Party's employees.

Section 1.11 [Intentionally Omitted].

Section 1.12 Transition Services Committee.

(a) Within thirty (30) Business Days after the date hereof, a committee of three Persons comprised of one Person designated by Parent, one Person designated by Buyer and one Person designated by Seller (at the request of Parent and Buyer), and such additional Persons as may be appointed by the Persons originally appointed to such committee (the "Transition Services Committee") will be established to examine transition services issues relating to or arising in connection with the Services contemplated hereby. Without limiting the generality of the foregoing sentence, the Transition Services Committee will meet at least monthly after Closing to review the quality and timeliness of the Services and discuss any other matters that any Party may wish to address relating to this Agreement. From time to time, the Transition Services Committee may form subcommittees and groups for specific transition services issues and will report its findings, and the findings of the subcommittees and groups, to the senior management of each of Parent and Buyer. The Transition Services Committee shall have no authority to enter into agreements with third parties on behalf of the Parties. The Transition Services Committee will use reasonable best efforts to prepare, and supplement from time to time, a transition services plan setting forth the steps to be taken by each Party in order to enable Parent and Buyer to perform their respective obligations as set forth in this Agreement, including Schedule 1.2 ("Transition Services Plan"), and the Parties will use their reasonable best efforts to implement the Transition Services Plan. Except as set forth in Section 1.12(b), all costs incurred by the Parties or any of their Affiliates in connection with the implementation of the Transition Services Plan shall be borne by the Parties in accordance with Sections 2.1 and 2.2 hereof, as applicable. All costs incurred by the Seller in connection with the activities contemplated by this Section 1.12(a) shall be borne by the Parties in accordance with Section 7.11 of the Merger Agreement

(b) In the event that the Transition Services Committee agrees to engage a consultant to provide advice to the Transition Services Committee in connection with this Agreement, (i) such engagement shall occur pursuant to a written agreement with such consultant that shall be subject to the prior written approval of each of Buyer and Parent, and (ii) all out-of-pocket costs incurred by Parent and Buyer pursuant to such consulting agreement will be split between Buyer and Parent, with each of Buyer and Parent bearing 50% of such costs. Notwithstanding the foregoing, nothing herein shall be construed to limit the rights of a Service Provider pursuant to Section 1.8.

Section 1.13 Projects. In addition to the activities of the Transition Services Committee pursuant to Section 1.12, from time to time, the Parties may elect to engage in certain project work or project planning work with respect to the Services prior to Closing. In such event, the Parties will mutually agree on all material aspects of such project including, but not limited to, the scope, the commencement date, the estimated completion date, the fees to be paid by one Party to the other in consideration of such project and the allocation of any expenses incurred in connection with such project. Such agreement shall be memorialized in writing and signed by both parties prior to the commencement of any such project.

Section 1.14 Emergency Situations. The Parties acknowledge that events may occur that materially affect either a Service Provider's or Service Recipient's systems or operations (including without limitation customer information and billing systems, accounting systems and other information technology systems) and require prompt remediation (each an "Emergency Situation"). In the event an Emergency Situation arises affecting a Service Provider, the Service Provider may suspend, reduce, delay or reschedule Services to the extent there is no commercially reasonable alternative other than to use personnel providing such Services to remediate the Emergency Situation. The Service Provider shall give immediate notice to the affected Service Recipient, and the Service Provider and Service Recipient shall work in good faith to minimize the impact of the Emergency Situation on the Services. In the event an Emergency Situation arises affecting a Service Recipient that requires immediate or accelerated Services, the Service Recipient shall give immediate notice to the affected Service Provider, and the Service Provider shall use best reasonable efforts to provide such Services.

ARTICLE 2 COMPENSATION

Section 2.1 Service Fees. Each Service Recipient will pay each Service Provider, as compensation for the Services provided by such Service Recipient, such Service Provider's costs incurred in connection with providing the Services. For purposes hereof, a Service Provider's costs shall be a pro-rated portion of the Employment Costs (as defined below) for the individuals performing the Services (based upon the actual time expended by Service Provider in performing the Services) together with actual out-of-pocket third party expenses reasonably incurred by Service Provider in providing the Services, provided that such expenses shall exclude the allocation of any corporate overhead expense except as expressly set forth in the definition of Employment Costs below (collectively, the "Service Fees"). As used in this Agreement, "Employment Costs" shall mean (i) the salary of an individual plus (ii) an overhead allocation to the salary of an individual calculated in accordance with the Service Provider's state public utility regulatory cost allocation manual (or, if no such cost allocation manual is prepared, an

overhead allocation of 56.7% shall be used) plus (iii) the individual's target bonus.

Section 2.2 Lenexa Data Center. The Parties agree that the following costs associated with the Lenexa Data Center shall be borne fifty percent (50%) by Parent and fifty percent (50%) by Buyer: (x) costs incurred pursuant to the Lenexa Data Center lease in effect as of Closing; (y) costs incurred pursuant to the lease(s) of equipment used in the Lenexa Data Center in effect as of Closing and (z) Employment Costs for individuals performing maintenance on the Lenexa Data Center and the equipment used therein, in each case until the earlier of (A) the expiration of the Lenexa Data Center lease or such equipment lease(s), as applicable and (B) the date that is eighteen (18) months following the Closing Date.

Section 2.3 Transitional Period Costs. Merger Sub agrees to, and Parent agrees to cause Merger Sub, its successor or the applicable Parent affiliate to, continue to employ the former Seller employees set forth on Schedule 2.3 hereto (except to the extent that such employees voluntarily terminate employment, or die or become disabled, or are terminated for cause) to assist Buyer with the activities set forth on Schedule 2.3 for a transitional period for each employee for a period up to the time specified on Schedule 2.3 ("Transitional Period"). Buyer shall reimburse Parent for all salary and overhead costs of such employees during the Transitional Period and upon termination of the Transitional Period, all Employee Severance Costs for each employee shall be shared in the manner specified in Section 2.4.

Section 2.4 Transitional Employee Severance Costs. Buyer shall be responsible for forty percent (40%), and Parent or Merger Sub or its successor shall be responsible for sixty percent (60%), of all costs of short-term severance related benefits, including outplacement benefits, gross-ups for taxes, and severance payments made or provided by Buyer, Parent or Merger Sub, or Merger Sub's successor, to the Corporate Employees after the Closing Date (collectively, "Employee Severance Costs").

Section 2.5 Invoices. Each Service Provider will provide each Service Recipient with a monthly invoice with reasonable detail of such prior calendar month's Services, if any, and the Service Fees and Unassigned Service Expenses for such prior calendar month. Each Service Provider shall provide promptly to Service Recipient such additional supporting documentation evidencing the provision of Services, if any, and the calculation of Service Fees related thereto as may be reasonably requested by such Service Recipient, provided that no Party shall be obligated to disclose salary or benefits information for any individual employee. In addition, from and after the Closing Date, (a) each of Parent and Buyer will cause to be provided to the other a monthly invoice with reasonable detail of the prior calendar month's Shared Agreement Expenses to be borne by the other Party and (b) each of Parent and Buyer will cause to be provided to the other a monthly invoice with reasonable detail of the Employee Severance Costs to be borne by the other Party. All amounts shall be due and payable on or before the twenty-fifth (25th) day following a Party's receipt of an invoice, delivered to such Party in accordance with this Section 2.6. Each Party shall pay all amounts due under this Agreement free of any setoff, deduction or withholding. Without prejudice to any Party's other rights and remedies, where any sum remains unpaid five (5) business days after the applicable due date, it shall carry interest, which shall accrue daily, from the due date until the date of actual payment, at an annual interest rate of nine percent (9%).

Section 2.6 Examination of Books and Records. Each Service Recipient at its own expense may examine a Service Provider's pertinent books, records, data and other documents once each quarter for the purpose of evaluating the accuracy of such Service Provider's invoices to the Service Recipient. Such examination shall begin no fewer than thirty (30) days after the Service Provider receives a written notice requesting an examination and shall be completed no later than thirty (30) days after the start of such examination. Such examination shall be conducted either by the Service Recipient's employees or by an independent auditor reasonably acceptable to both Parties. If an independent auditor is used, Service Recipient shall cause the independent auditor to execute a nondisclosure agreement reasonably acceptable to the Service Provider. Each audit shall be conducted on the premises of the Service Provider during normal business hours. The Service Provider shall cooperate fully in any such audit, providing the auditor reasonable access to any and all appropriate Service Provider employees and books, records and other documents reasonably necessary to assess the accuracy of Service Provider's invoices. The results of the examination shall be provided to the Service Provider. If the Service Provider and Service Recipient agree that the amount of any invoice should be adjusted as a result of the examination, the amount of the adjustment shall be paid or reimbursed, as applicable, promptly with interest at an annual interest rate of nine percent (9%) from the due date of the applicable invoice. Any unresolved dispute shall be submitted to arbitration pursuant to Section 7.2, and any resulting award shall include interest at an annual interest rate of nine percent (9%) from the due date of the applicable invoice.

ARTICLE 3 TERM; TERMINATION

Section 3.1 Term of Services. Each Service Provider shall provide the Services for a period beginning on the Closing Date and continuing for twelve (12) months following the Closing Date (the "Services Period") unless extended pursuant to Section 3.2 below or terminated early pursuant to Section 3.3 below. Notwithstanding the foregoing, the Services Period for certain portions of the Cornerstone Contract Services (as defined in Schedule 1.2) shall be for a period of five years beginning on the Closing Date, as set forth in that Schedule. However, any services provided by Buyer related to the Cornerstone Contract Services after twelve (12) months subsequent to the Closing Date shall be subject to the 20% cost increase provided in Section 3.2.

Section 3.2 Extension of Term of Services. If, despite its compliance with Section 1.9 hereof, a Service Recipient will not be able to migrate all of the Services from the Service Provider prior to the end of the Services Period, the Service Recipient may request extension of such Services for up to an additional six (6) months or the completion of the migration of such Services, whichever occurs earlier (the "Extension Period") by providing written notice to the Service Provider at least sixty (60) days prior to the end of the Services Period. During the Extension Period, the amount of all Service Fees due pursuant to Section 2.1 shall be increased by 20%. During the Extension Period, such Service Recipient shall continue to use commercially reasonable efforts to migrate such Services from the Service Provider.

Section 3.3 Termination. Any Party may at any time, without waiving any legal rights or remedies it may otherwise have, immediately terminate this Agreement upon the occurrence of any of the following events: (a) a material breach of this Agreement by any other Party and

subsequent failure to cure such breach within thirty (30) days after receipt of written notice describing the breach in sufficient detail, or if the breach cannot be completely cured within thirty (30) days, failure to make substantial progress towards a cure within the thirty (30) day period; (b) if any other Party files bankruptcy, has an involuntary petition in bankruptcy filed against it, makes an assignment to the benefit of its creditors, becomes insolvent or ceases to do business as a going concern, or ceases to conduct its operations in the normal course of business; or (c) termination of the Asset Purchase Agreement pursuant to Article X thereof. In addition, a Service Recipient may terminate any Service prior to the end of the Services Period or the Extension Period upon ninety (90) days prior written notice to the Service Provider. This Agreement will automatically terminate upon the earlier of (x) the expiration of the Services Period or the Extension Period, as applicable, and (y) termination of all Services pursuant to this Section 3.3.

Section 3.4 Effect of Termination. Any termination under the provisions of Section 3.3 shall not affect any monies owing or obligations incurred hereunder by any of the Parties prior to the effective date of termination.

ARTICLE 4 INDEPENDENT CONTRACTOR; ETC.

Each Service Provider will perform the Services in the capacity of an independent contractor. Nothing in this Agreement will be construed or inferred to imply that a Service Provider is a partner, joint venturer, agent or representative of, or otherwise associated with, another Party that is the Service Recipient. Each Party agrees not to represent to others or take any action from which others could reasonably infer that any of the Parties hereto is a partner, joint venturer, agent or representative of, or otherwise associated with, the other Parties. All employees and representatives of a Service Provider shall be deemed for purposes of all compensation and employee benefits matters to be employees or representatives of such Service Provider and not employees or representatives of the relevant Service Recipient.

ARTICLE 5 INDEMNIFICATION

From and after the Closing Date, each Party hereto shall, and Parent shall cause Merger Sub's successor, if applicable, to, indemnify, defend, save and hold harmless each other Party (and each such Party's respective former, present and future officers, directors, employees, agents and shareholders), and such Party's successors and assigns from and against any Losses in connection with third party claims caused by, relating to or arising out of the indemnifying Party's gross negligence or willful misconduct in connection with the transactions contemplated by this Agreement, except with respect to any Losses arising from the indemnified Party's gross negligence or willful misconduct.

ARTICLE 6 LIMITATION ON LIABILITY

Notwithstanding anything to the contrary elsewhere in this Agreement or provided for under any applicable Law, (a) except with respect to claims that are the subject of

indemnification pursuant to Article 4, no Party will, in any event, be liable to any other Party, either in contract or in tort, for any consequential, incidental, indirect, special or punitive damages of such other Party arising out of or in connection with this Agreement, including loss of future revenue, income, or profits, diminution in value, or loss of business reputation or opportunity, relating to the breach or alleged breach hereof or otherwise, whether or not the possibility of such damages has been disclosed to such other Party in advance or could have been reasonably foreseen by such other Party and (b) except with respect to any liabilities arising from a Party's gross negligence or willful misconduct, no Party shall be liable to any other Party for damages arising out of or in connection with this Agreement.

ARTICLE 7 MISCELLANEOUS

Section 7.1 Governing Law. THIS AGREEMENT WILL BE DEEMED TO BE MADE IN AND IN ALL RESPECTS SHALL BE INTERPRETED, CONSTRUED AND GOVERNED BY AND IN ACCORDANCE WITH THE LAW OF THE STATE OF DELAWARE, WITHOUT GIVING EFFECT TO THE CONFLICTS OF RULES THEREOF.

Section 7.2 Arbitration. Any dispute, controversy or disputed claim arising under, in connection with or relating to, this Agreement, as well as any amendment, purported amendment or termination, or any breach or violation thereof, shall be finally settled and determined under and pursuant to the applicable commercial arbitration rules and procedures of the American Arbitration Association. The arbitration shall be held in Chicago, Illinois. The arbitrator(s) shall have no affiliation or relationship with any Party or their counsel and, when feasible, shall have training or experience in the subject matter of the dispute. Any award or decision rendered pursuant to such rules and procedures shall be final and binding on all of the Parties hereto and their respective successors and assigns. Such decision or award shall be in writing, signed by the arbitrator(s), shall state the reasons upon which the decision or award is based and shall be rendered no later than three (3) months after the completion of the arbitration proceedings. The arbitrator(s), in deciding any dispute, controversy or claim arising under this Agreement as provided in this Section 7.2, shall look to the substantive laws of the State of Delaware for the resolution of the dispute, controversy or claim. Judgment on any decision or award pursuant hereto may be entered in any court having jurisdiction thereof. Notwithstanding anything herein to the contrary, if a Party makes a good faith determination that a breach of the terms of this Agreement by another Party is such that the damages to such Party resulting from the breach would be incapable of redress such that a temporary restraining order or other immediate injunctive relief is the only adequate remedy, then such Party may make immediate application to a state or federal court located in Chicago, Illinois, and each Party submits to such venue and jurisdiction for such purposes.

Section 7.3 Survival. The provisions of Section 3.4 and of Articles 4, 5, 6 and 7 of this Agreement shall survive indefinitely following termination or expiration of this Agreement for any reason. In addition, the provisions of Section 2.3 shall survive termination or expiration of this Agreement for any reason until such time as Parent and Buyer and their respective Affiliates have no further obligations pursuant to the shared services facilities and equipment agreements set forth on Schedule 2.3 hereto.

Section 7.4 Counterparts. This Agreement, and any certificates and instruments delivered under or in accordance herewith, may be executed in any number of counterparts (including by facsimile or other electronic transmission), each such counterpart being deemed to be an original instrument, and all such counterparts will together constitute the same instrument, it being understood that all of the Parties need not sign the same counterpart.

Section 7.5 Successors and Assigns. This Agreement will be binding upon the Parties and their respective successors and assigns, except that no right, benefit or obligation hereunder may be assigned by any Party without the prior written consent of the other Parties.

Section 7.6 Entire Agreement. This Agreement, together with the Asset Purchase Agreement, the Interests Purchase Agreement and the other agreements contemplated therein, contains the entire agreement among the Parties with respect to its subject matter and supersedes all negotiations, prior discussions, agreements, arrangements and understandings, written or oral, relating to the subject matter hereof. There are no representations, warranties, covenants or agreements between or among the Parties with respect to the subject matter hereof other than those expressly set forth herein.

Section 7.7 Amendments. This Agreement may be amended, modified, or supplemented only by written agreement executed and delivered by duly authorized officers of each of the Parties.

Section 7.8 No Third Party Beneficiaries. This Agreement is not intended to, and does not, confer upon any Person other than the Parties any rights or remedies hereunder other than their respective Affiliates and other than as set forth in Article 5. Without limiting the generality of the foregoing, no provision of this Agreement creates any third party beneficiary rights in any employee or former employee of Seller, Buyer, Parent or Merger Sub (including any beneficiary or dependent thereof) in respect of continued employment or resumed employment, and no provision of this Agreement creates any rights in any employee or former employee of Seller, Buyer, Parent or Merger Sub (including any beneficiary or dependent thereof) in respect of any benefits that may be provided, directly or indirectly, under any employee benefit plan or arrangement except as expressly provided for under such plans or arrangements.

Section 7.9 Severability. Any term or provision hereof that is invalid or unenforceable in any situation in any jurisdiction will not affect the validity or enforceability of the remaining terms and provisions hereof or the validity or enforceability of the offending term or provision in any other situation or in any other jurisdiction.

Section 7.10 Force Majeure. A Party will not be deemed to have defaulted or failed to perform hereunder if that Party's inability to perform or default will have been caused by an event or events beyond the reasonable control and without the fault of that Party, including (without limitation) acts of Governmental Entity, embargoes, fire, flood, explosions, acts of God or a public enemy, strikes, acts of terrorism, labor disputes, vandalism, civil riots or commotions, or the inability to procure necessary raw materials, supplies or equipment.

Section 7.11 Notices. All notices and other communications required or desired to be given under this Agreement shall be given pursuant to the provisions of Section 11.4 of the Asset

Purchase Agreement.

Section 7.12 Confidentiality.

(a) Each Party agrees to maintain the confidentiality of all non-public information relating to any other Party, its Affiliates or any third party that may be disclosed by a Party to such other Party in connection with the performance of the Services hereunder and to use such information solely for the purposes of providing or receiving the Services hereunder. Notwithstanding the foregoing, a Party's obligation hereunder shall not apply to information that:

(i) is already in the receiving Party's possession at the time of disclosure thereof and is not otherwise subject to a confidentiality obligation;

(ii) is or subsequently becomes part of the public domain through no action of the receiving Party;

(iii) is subsequently received by the receiving Party from a third party which has no obligation of confidentiality to the Party disclosing the non-public information.

(b) Notwithstanding Section 7.12(a), non-public information may be disclosed by the receiving Party:

(i) to the receiving Party's Affiliates, directors, officers, employees, agents, auditors, consultants and financial advisors, provided that the receiving Party ensures that such parties comply with this Section 7.12; and

(ii) as required by Law, provided that, if permitted by Law, written notice of such requirement shall be given promptly to the disclosing Party so that it may take reasonable steps to avoid and minimize the extent of such disclosure.


[The remainder of this page is blank. Signature page follows.]

IN WITNESS WHEREOF, each of the Parties has caused this Agreement to be duly executed and delivered as of the date first above written.

"BUYER":

BLACK HILLS CORPORATION

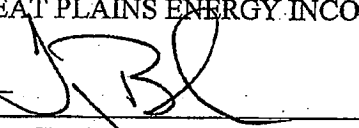
By:


Name: Steven J. Helmers
Title: General Counsel

"PARENT":

GREAT PLAINS ENERGY INCORPORATED

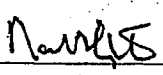
By:


Name: Terry Bassham
Title: Executive Vice President - Finance and Strategic
Development and CFO

"MERGER SUB":

GREGORY ACQUISITION CORP.

By:


Name: Mark G. English
Title: Treasurer and Secretary

Schedule 1.2—SCHEDULE OF SERVICES

Schedule 2.3—TRANSITIONAL PERIOD EMPLOYEES

Appendix B (Proprietary)