

0868 124 0614

Harris, Loretta

From: Green, Rick
Sent: Tuesday, January 23, 2007 3:49 PM
To: [REDACTED] Herman Cain [REDACTED]; Irvine O. Hockaday Jr.
[REDACTED] Nicholas Singer (Nick)
[REDACTED] Patrick Lynch [REDACTED]
Cc: Armstrong, Beth; Empson, Jon; Morton, Leo; Stamm, Keith; Bellville, Debbie; Debbie Hackett
[REDACTED] Green, Rick; Harris, Loretta [REDACTED]
[REDACTED] Karleen Mahn [REDACTED] Reitz,
Christopher [REDACTED]
Subject: Board Update

Dear Directors:

This morning, I met with Mike Chesser. We covered a variety of topics.

During the meeting, Mike and I came to agreement on the general logistics of "announcement day" as well as how we are going to meet with the Missouri and Kansas regulators. To start, we agreed I would call Chairman Jeff Davis, Wes Henderson (leader of the Missouri Commission Staff) and Bob Shallenberg (leader of the Missouri Commission Accounting Staff) and alert each that Mike and then I want to meet with them to discuss a potential combination of our two companies. I will do the same thing with Chairman Brian Moline of the Kansas Corporation Commission and Don Lowe (leader of the Kansas Corporation Commission Staff). The face to face meetings could happen as early as this week.

I did speak with Chairman Davis this morning. He said he would make time to take the meetings. We have also scheduled a call tomorrow morning at 9 a.m. with Wes Henderson and Bob Shallenberg to set a date to brief them.

I will follow-up with another update later this week.

--Rick

Harris, Loretta

EXHIBIT

PERBUD 1031-5889

11-27-07

From: Green, Rick
Sent: Thursday, January 25, 2007 4:30 PM
To: [REDACTED] Herman Cai [REDACTED] Irvine O. Hockaday Jr.
[REDACTED] Nicholas Singer (Nick)
[REDACTED] Patrick Lynch
Cc: Armstrong, Beth; Empson, Jon; Morton, Leo; Reitz, Christopher; Stamm, Keith; Bellville, Debbie; [REDACTED] Green, Rick; Harris, Loretta; [REDACTED] Karleen Mahn
Subject: Board Update

Dear Directors:

Since my last update, both Mike Chesser and I met with Chairman Jeff Davis of the Missouri Public Service Commission (MPSC). I also spoke with the leaders of the MPSC Staff, Wes Henderson and Bob Shallenberg. In a nutshell, Chairman Davis indicated his support for the transaction and wants to get it across the line as quickly as possible. We can, however, expect strong opposition from the Staff.

Chairman Davis said that he wants to see a strong utility in the western part of the state and is willing to move quickly to get the transaction approved. It is clear that he wants to demonstrate to a wide audience that he can push deals through in Missouri. He specifically said that he wants to show that Missouri is not like New Jersey (the regulators in that state delayed and then effectively killed the Exelon-PSEG merger after almost all of the other regulatory approvals had been obtained). He is aware of the aspects of the transaction which may consume some political capital.

The discussion with Staff, which preceded my meeting with Chairman Davis, was the polar opposite. Both Bob Shallenberg and Wes Henderson noted the unprecedented nature of the regulatory plan and expressed surprise that we would bring this type of transaction to them. They believe a 2007 rate case will attract additional hostile interveners. They mentioned our previous commitment to not burden customers with our non-investment grade issues. Finally, they said that KCP&L was granted accelerated amortization so they could build a power plant and it was not negotiated to "give them more cash for a merger." [REDACTED]

Chairman Davis' appointment to the MPSC runs through 2012 and the gubernatorial election in Missouri is not until November 2008. There have been rumors that Governor Blunt is being considered as a Vice Presidential candidate, but even if that were to happen the Lieutenant Governor is a Republican. Therefore, absent an event that is unforeseeable at this point, it is expected that Jeff Davis will remain Chairman of the MPSC through at least November 2008.

Mike Chesser met with the Kansas regulators yesterday and has reported back similar support for the transaction. I expect to speak with Brian Moline, Chairman of Kansas Corporation Commission, yet this week.

[REDACTED]

[REDACTED]

--Rick

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Reitz, Christopher

From: Mapion, Nancy
Sent: Wednesday, January 31, 2007 4:33 PM
To: [REDACTED]; Herman Cain; [REDACTED] Irvine O. Hockaday Jr.
[REDACTED] Nicholas Singer (Nick)
[REDACTED] Patrick Lynch
Cc: Armstrong, Beth; Empson, Jon; Morton, Leo; Reitz, Christopher; Stamm, Keith; Bellville, Debbie; Debbie Hacker; [REDACTED] Green, Rick; Harris, Loretta; [REDACTED]; Karleen Mahn
Subject: Material for the February 2, 2007 Special Board Meeting
Attachments: Board Agenda - Special Meeting Feb 2 2007.pdf; Navy Price Risk Paper.pdf; Communications Plan Project 132 _2_.pdf

Attorney Work Product

Dear Directors:

Since my last update, I have spoken to Brian Moline, Chairman of the Kansas Corporation Commission (KCC). Chairman Moline had already spoken to Mike Chesser and he reiterated to me his support for a transaction. Although we did not discuss it, it has been rumored that Chairman Moline will be leaving the KCC within a matter of weeks. The KCC will probably wait for the Missouri Public Service Commission to act on the merger request before they rule. [REDACTED]

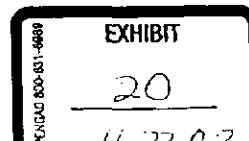
[REDACTED] We agreed to facilitate a meeting in Topeka between the Black Hills executive team and the Staff of the Kansas Corporation Commission. That meeting is today. The primary purpose is to introduce the two parties.

I also had another meeting with Mike Chesser. He confirmed that they received the same mixed signals in Jefferson City. Chairman Davis indicated he would support the transaction - including the 2007 rate case while the Staff of the Missouri Public Service Commission indicated they would oppose anything but a generic merger application. I was surprised when Mike shared his disappointment that we informed Staff about details such as the 2007 rate case and the planned use of accelerated amortization for our electric properties. I indicated that the meetings would have had little value to us if we did not understand how they would react to the actual plan. [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]



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[REDACTED]

I look forward to seeing you in Dallas on Friday.

-- Rick



[REDACTED]