Exhibit No.:
Issue: SPP Transmission Fees Forecast
Witness: John R. Carlson
Type of Exhibit: Direct Testimony
Sponsoring Party: KCP&L Greater Missouri Operations Company
Case No.: ER-2016-0156
Date Testimony Prepared: February 23, 2016

MISSOURI PUBLIC SERVICE COMMISSION

CASE NO.: ER-2016-0156

DIRECT TESTIMONY

OF

JOHN R. CARLSON

ON BEHALF OF

KCP&L GREATER MISSOURI OPERATIONS COMPANY

Kansas City, Missouri
February 2016

DIRECT TESTIMONY

OF

JOHN R. CARLSON

Case No. ER-2016-0156

Q: Please state your name and business address.

A: My name is John R. Carlson. My business address is 1200 Main Street, Kansas City, Missouri 64105.

Q: By whom and in what capacity are you employed?

A: I am employed by Kansas City Power & Light Company ("KCP&L") as Originator, Supply Resources.

Q: On whose behalf are you testifying?

A: I am testifying on behalf of KCP&L Greater Missouri Operations Company ("GMO" or the "Company").

Q: What are your responsibilities?

A: My primary responsibilities are to structure and market long-term power purchases and sales to meet the operational and wholesale needs of the Company. I also develop and manage the Company's budget for Regional Transmission Organization ("RTO") fees and transmission charges.

Q: Please describe your education, experience and employment history.

A: I received a Bachelor of Science degree in Architectural Engineering from the University of Kansas in 1997. In 2004, I received a Master of Business Administration from the University of Chicago Booth School of Business. From 1997 to 2001, I worked for Custom Energy and Enron Energy Services, companies focused on performance

contracting and other energy efficiency project financing structures. Beginning in 2002, I worked in financial services focusing on asset management while at Commerce Bank and risk management and insurance brokerage while at Marsh & McLennan Companies. I joined KCP&L in 2006 as an Energy Consultant in the Delivery Division. My responsibilities included managing all facets of the customer relationship for KCP&L's large industrial customers and developing solutions that met the customer's needs, as well as demand response and energy efficiency opportunities. In 2007, I became Manager of Market Competitiveness where I was responsible for developing and implementing non-regulated products and services for residential, commercial and industrial customers. In 2010, I moved to the Supply Division at KCP&L and started work as an Originator of wholesale power transactions. Since that time I have also been assigned to develop and manage the Company's budget for RTO fees and transmission charges.

Q: Have you previously testified in a proceeding at the Missouri Public Service Commission ("MPSC" or "Commission") or before any other utility regulatory agency?

A: Yes. I have testified before the MPSC.

Q: What is the purpose of your testimony?

A: The purpose of my testimony is to generally describe how charges for transmission service works in an RTO and to discuss those charges as they relate to GMO. These charges include: (1) the Company's Crossroads-related transmission expense; (2) Southwest Power Pool, Inc.'s ("SPP") Base Plan Zonal and Region-wide charges allocated to the Company; (3) RTO SPP scheduling and administrative fees for retail load

and point-to-point transmission charged under SPP Schedules 1 and 1-A; and (4) Federal Energy Regulatory Commission ("FERC") assessment fees charged under SPP Schedule 12. I will also explain why these costs are changing.

TRANSMISSION SERVICE CHARGES IN RTOs

Q: Please describe what constitutes wholesale transmission.

A: Wholesale transmission, also known as point-to-point ("PTP") transmission, is used by market participants to move energy within, through and out of RTOs, and is typically used for off-system sales not associated with service to network or retail load. SPP is the RTO to which GMO and KCP&L belong. The Commission approved GMO's membership in 2009.[1] RTOs were established by FERC to promote efficiency and reliability in the operation and planning of the electric transmission grid, and to ensure non-discrimination in the provision of electric transmission services.[2] In some instances PTP transmission is used by load-serving entities ("LSE") to serve network load because of where a generating asset is located or because a transmission reservation may already be in place.

Q: If PTP transmission is used for off-system sales, what is used to serve network load?

A: Network Integration Transmission Service ("NITS") is reserved by LSEs to serve network load. While the process for procuring NITS is the same as that for PTP transmission, there are different requirements for classifying transmission as NITS or PTP.

Per Section 28.1 of the SPP Open Access Transmission Tariff ("OATT") approved by FERC, NITS is "a transmission service that allows Network Customers to

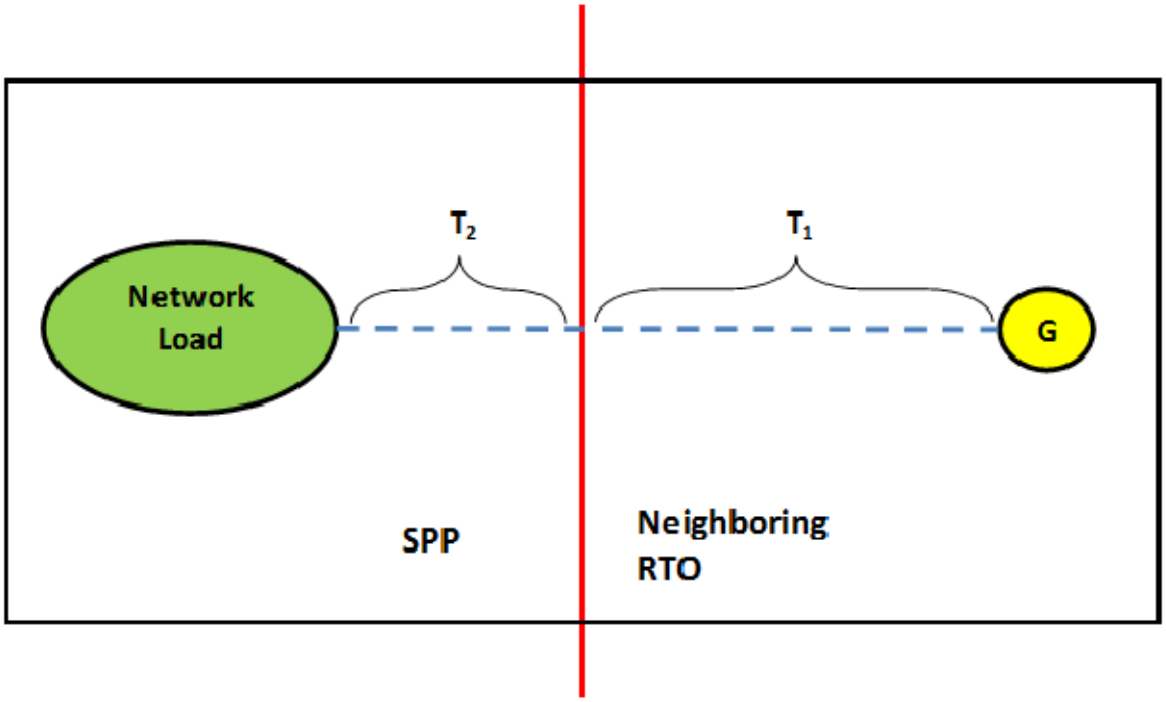
[1] Order Approving Stipulation and Agreement, In re Application of KCP&L Greater Mo. Operations Co. to Transfer Functional Control of Certain Assets to Southwest Power Pool, Inc., No. EO-2009-0179 (Feb. 4, 2009).

efficiently and economically utilize their Network Resources (as well as other non-designated generation sources) to serve their Network Load." A network customer is simply an entity that utilizes NITS to serve its network load. Network resources include "all generation owned, purchased or leased by the Network Customer designated to serve Network Load…."[3] In addition, the network customer must designate the individual network loads on whose behalf SPP will provide NITS.[4] Before NITS is granted by SPP the network customer has to attest that they own the resource associated with the transmission reservation or have contracted to purchase generation pursuant to an executed contract, and that the portion of the resource used for NITS is not also committed for sale to non-designated third-party load or otherwise. PTP transmission, by comparison, is simply transmission service used to transmit capacity and energy from a point of receipt to a point of delivery. There is no requirement that PTP transmission has to serve a particular type of load or that the resources associated with the service are dedicated to that service (and cannot be committed elsewhere).

Q: How would transmission be handled if a generating asset served network load in SPP but was physically located in a neighboring RTO?

A: In this case the market participant responsible for the load in SPP would need to make two distinct transmission service reservations. The following diagram depicts this scenario, with the red line indicating the border between the two RTOs.

[2] 18 Code of Federal Regulations § 35.34.
[3] Southwest Power Pool, Inc., Open Access Transmission Tariff, Sixth Revised Vol. 1, Section 30.1 available at http://app.spp.org/eTariff/etfdocs/MasterTariffs//5FullTariff.pdf.
[4] Ibid, Section 31.1.



The first reservation would transmit the energy from the generating asset, shown as G, to the SPP border. This transmission is shown as T_1. The second reservation would transmit the energy from the SPP border to the network load, shown as T_2. Because the network load is physically located in SPP and not in the neighboring RTO, T_1 would be PTP transmission. To reiterate, PTP transmission is for moving energy from a point of receipt (the generating asset G) to a point of delivery (in this case the border between the neighboring RTO and SPP). Likewise, the transmission reservation T_2 would more than likely be NITS because the transmission and the network load are both in SPP. Also, the generating asset G would be listed as a network resource by the network customer in SPP.

Q: What if both the generating asset and the load were located in SPP?

A: As discussed previously, NITS or network service would be used. However, if the network load or generating asset were new, with no previous transmission associated

with it, the market participant might have to go through the SPP transmission study process. This can be time-consuming and costly, especially if upgrades are required on the transmission system before the granting of transmission service. Therefore, if PTP transmission was already in place from the source to the load sink then it could be used to transmit capacity and energy from the generating asset to the load.

Q: If the capacity and energy transmitted to the SPP load described in the chart above were served via PTP transmission, would it matter where in SPP the generating asset were located?

A: No, it would not. The determining factors in the pricing of PTP transmission are the sinking location and MW value of the transmission reservation.

Q: Would it make a difference if the generation source were located 10 miles from the load or 500 miles from the load?

A: No. If they both are located within SPP, there is no difference between the two options from a transmission pricing perspective. Transmission service is not priced on a per mile or distance basis. Instead, transmission service is priced on the basis of the revenue requirement of the sinking zone.

Schedule JRC-1 shows Schedule 7 from the SPP OATT which details how the transmission provider, SPP, charges the transmission customer, the market participant requesting transmission service. In Section 1 of SPP Schedule 7, entitled "Zonal Rates," the OATT describes how the transmission customer would pay the zonal rate, per KW of reserved capacity, based upon the zone where the load is located. This applies if the load is in SPP and the generation is outside SPP or if both the load and generation are in SPP. Another example of PTP transmission service pricing can be seen in Schedule JRC-2

which shows prices taken from the Open Access Same-time Information System ("OASIS"), which is used to reserve transmission service. Both options show a load sink of GMO (shown as "KCPL_MPS" on the pricing matrix) but with different sources at differing distances from the GMO load, one being Entergy (shown as "EES" on the pricing matrix) and the other being Westar (shown as "WR" on the pricing matrix). Both options produce the exact same price of $1106.21/kW-month for Zonal Firm transmission under SPP's Schedule 7.

CROSSROADS-RELATED TRANSMISSION CHARGES

Q: How does the transmission service for the Crossroads generating station located near Clarksdale, Mississippi work?

A: The example given above regarding network load in SPP and the generating asset in a neighboring RTO is the Crossroads scenario. The neighboring RTO is the Midcontinent Independent System Operator, Inc. ("MISO"), in whose footprint Crossroads is located. Like the example above, the transmission reservation in MISO is PTP transmission and the transmission reservation in SPP is NITS.

Q: Has the Crossroads generating station always been located in MISO?

A: No, it has not. Prior to December 19, 2013 Crossroads was not located within MISO, but was instead located in the service territory of one of the operating utilities of Entergy Corp., which was not a member of any RTO at that time.

Q: Please describe the transmission service from Crossroads to GMO load when Crossroads was located in the Entergy footprint before December 19, 2013.

A: In 2009 GMO signed a 20-year transmission service agreement with Entergy to provide PTP transmission service from Crossroads to the Entergy/SPP border. Concurrently, SPP

NITS was finalized from the Entergy/SPP border to GMO network load. The transmission expense at that time for service across the Entergy system was approximately $4.0 million per year. Transmission expense increased throughout the years so that by the Commission's January 2013 Report and Order in ER-2012-075 the disallowance for Crossroads transmission expense was $4.9 million, and in December 2013 the expense paid by GMO to Entergy for Crossroads transmission service was approximately $5.6 million per year.

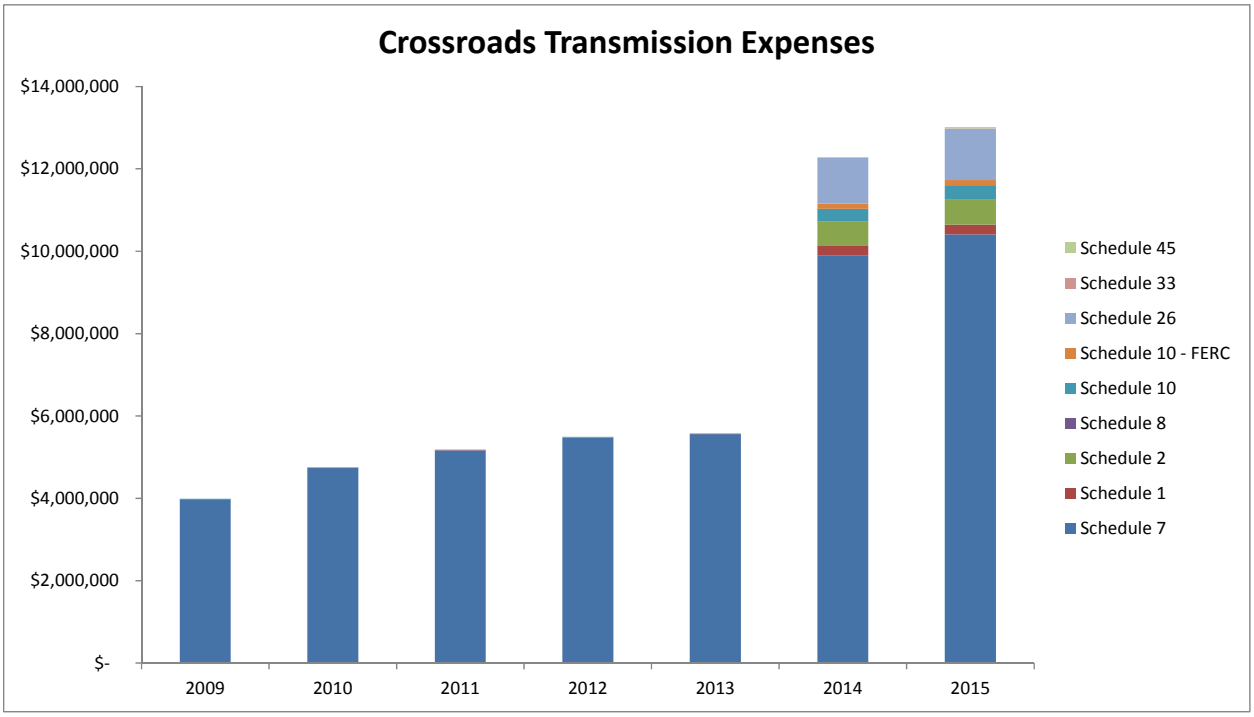
Q: What happened in December 2013 and how did that change the Crossroads transmission service?

A: On December 19, 2013 Entergy joined the MISO RTO, and Entergy transmission service was then charged under the MISO OATT and its schedules. There was no change in the transmission, and GMO continued to receive the exact same firm PTP transmission service on December 19, 2013 when Entergy became a member of MISO as it did on December 18, 2013 when Entergy did not belong to any RTO. There has been no incremental benefit to GMO in terms of transmission service.

Q: Was there a change in the Company's transmission expense as a result of Entergy joining MISO?

A: Yes, there was an immediate impact. The Company's transmission expense increased approximately $6.7 million to approximately $12.3 million in 2014 as a result of Entergy joining MISO. Because of the expected additional investment in transmission infrastructure in MISO, particularly in the MISO South Region where Entergy is located, the transmission expense for Crossroads to serve load in Missouri is expected to increase

in the years ahead. In 2015 the Company's expense for Crossroads transmission service was approximately $13.0 million.



Q: What steps has the Company taken to try to maximize the value of the Crossroads facility?

A: Subsequent to the Commission's January 2013 Report and Order in GMO's last rate case, Case No. ER-2012-0175, the Company assembled a cross-functional team of employees under the direction of Scott Heidtbrink to identify and evaluate options for maximizing the value of Crossroads. After developing 15 possible options for consideration, the only potentially feasible option that could offset a significant portion of the transmission expense was to un-designate the Crossroads resource and equivalent GMO load from SPP and designate the Crossroads resource and equivalent load into MISO.

However, this may not be operationally or financially feasible. The analysis performed was at a high level, with minimal input from the SPP or MISO and includes

estimates of cost savings that may or may not be accurate depending on decisions made by the SPP and MISO. In addition, there is a long list of challenges to moving Crossroads and load out of SPP and into MISO, which include: potential exit fees to be paid to SPP, ongoing costs to track all cost differences between the RTOs, generation revenue differences, MISO capacity market impacts and MISO market participant costs. Moving Crossroads to MISO would also require approval of this Commission. The option to move Crossroads and equivalent KCP&L GMO load into MISO would never be considered but for the level of Crossroads transmission expense, and, assuming it was operationally and financially feasible, would be cumbersome and difficult, at best, to achieve.

SPP BASE PLAN ZONAL AND REGION-WIDE CHARGES

Q: What are the SPP Base Plan Zonal and Region-wide Charges?

A: SPP charges its members like GMO for the transmission revenue requirements associated with upgrades to the transmission system within the SPP footprint that have been identified through the SPP transmission planning processes and have been approved either directly by the SPP Board of Directors or under the provisions of the SPP OATT. These SPP-directed upgrades include Base Plan Upgrades and other SPP stakeholder-approved portfolios of projects that are subject to zonal and region-wide cost allocation under the SPP OATT. These transmission system upgrades are constructed as directed by various transmission owners in SPP. The costs of these transmission system upgrades are allocated to NITS and PTP transmission customers throughout SPP on a zonal or region-wide basis according to the cost allocation provisions of the SPP OATT. Region-wide cost allocation applies to several large SPP Board-approved portfolios of projects,

including the Balanced Portfolio and Priority Projects, as well as the costs of other network upgrades attributable to network transmission service. In general, under the current cost allocation provisions of the SPP OATT, Base Plan Upgrades greater than 300kV are 100% regionally allocated, Base Plan Upgrades between 100kV and 300kV are allocate 1/3 regionally and 2/3 zonally, and Base Plan Upgrades below 100kV are 100% zonally allocated. The Base Plan Zonal and Region-wide Charges are charged to SPP transmission customers under Schedule 11 of SPP's FERC-approved OATT (Schedule JRC-3).

Q: What is the Balanced Portfolio?

A: In October 2008 FERC approved SPP's tariff establishing a process for including a "Balanced Portfolio" of economic transmission infrastructure upgrades into the SPP Transmission Expansion Plan and allocating the upgrade costs regionally. In April of 2009 the SPP Board of Directors approved the Balanced Portfolio projects and directed staff to issue Notification to Construct ("NTC") letters, which were issued in June of 2009 (Schedule JRC-4). The Balanced Portfolio was an initiative to develop a group of transmission upgrades that would benefit the entire SPP region, and to allocate those project costs regionally across the SPP footprint.

Among the characteristics of a potential Balanced Portfolio of economic upgrades, as stated in Attachment O of the SPP OATT, are the following:

1. Must include a 345kV or higher voltage facility;
2. May include lower voltage facilities if those facilities are needed to achieve the benefits associated with the 345kV facilities; and
3. If an economic upgrade includes lower voltage facilities whose costs exceed the costs of the 345kV or higher facilities, the upgrade may be included provided a sponsor agrees to bear the portion of the costs in excess of the 345kV or higher facilities costs.

4. The sum of the benefits of a Balanced Portfolio must equal or exceed the sum of the costs.
5. For each zone, the sum of the benefits must equal or exceed the sum of the costs.

SPP's projected benefits of the Balanced Portfolio projects outweigh the initial cost estimates of $692 million, mainly due to decreased transmission congestion and lower production costs for generation. These projects are also expected to provide economic benefits related to better system reliability, lower required reserve margins, the ability to defer reliability upgrades, more efficient operation of assets, and greater utilization of renewable resources.

Q: What are the Priority Projects?

A: After the Balanced Portfolio were approved, SPP proposed the Priority Projects, a group of high voltage transmission projects estimated to bring benefits of at least $3.7 billion to the SPP region over 40 years. In April 2010 the SPP Board of Directors and Members Committee approved the projects and in June 2010 the Board of Directors directed staff to issue Notifications to Construct.

The Priority Projects are expected to create a flexible and robust transmission system that is large enough to meet SPP's future needs. These projects will help reduce congestion, better integrate SPP's east and west regions, improve SPP members' ability to deliver power to customers and further the addition of new generation to the electric grid. Like the Balanced Portfolio, SPP projected the Priority Projects' benefits outweighed the projected costs. Total costs were estimated at $1.11 billion.

Q: How are Base Plan Funding expenses allocated among SPP market participants?

A: Base Plan Funding expenses are allocated to SPP's Network and Transmission Customers on a Zonal and Regional Annual Transmission Revenue Requirement

("ATRR") basis. The total Zonal charges plus the total Regional charges equal the total Base Plan Funding charges for a market participant.

Q: How is the Base Plan Zonal charge calculated?

A: Table 1 from Attachment H of the SPP OATT describes the Zonal ATRR portion of the Base Plan Funding expense. The Zonal ATRR is calculated by adding together Column (4), the Base Plan Zonal ATRR and Column (5), the Base Plan Zonal ATRR after June 19, 2010, to calculate the total Base Plan Zonal charge (Schedule JRC-5).

Q: How is the Base Plan Regional charge calculated?

A: Tables 2-A and 2-B from Attachment H of the SPP OATT describe the Region-wide ATRR portion of the Base Plan Funding expense. Table 2-A applies to projects prior to October 1, 2015, the date that the Western Area Power Administration, Basin Electric Power Cooperative, and Heartland Consumers Power District (collectively the "Integrated System") became full members of the SPP. Table 2-B applies to projects in the Integrated System that have an effective date post October 1, 2015. The Region-wide ATRR is calculated by adding together the Region-wide ATRR from Table 2-A, Line 8, and the Region-wide ATRR from Table 2-B, Line 6. The Base Plan Regional charge is then calculated by multiplying each market participant's regional load ratio share by the combined Region-wide ATRRs from Tables 2-A and 2-B (Schedule JRC-5).

Q: How are Base Plan Funding expenses expected to change?

A: Base Plan Funding expenses have been rising, and projections from SPP show that these expenses will continue to increase through 2021. SPP projects that Base Plan Funding expense allocated to GMO will be $20.0 million for the calendar year 2016. SPP further

projects the Company's share of the Base Plan Funding expense will increase to $22.3 million in 2017 and peak at over $26.7 million in 2021 (Schedule JRC-6).

SPP'S RTO ADMINISTRATIVE FEES

Q: What are the RTO administrative fees that SPP charges for transmission related services?

A: Being an active market participant in the SPP, with load and generating assets contained within the SPP footprint, GMO is subject to administrative fees, on a $/MWh basis, for all its transmission capacity reserved on a point-to-point basis and for its retail load. These are charged by SPP under Schedule 1-A ("Tariff Administration Service") of its FERC-approved OATT (Schedule JRC-7).

Under Schedule 1-A of the SPP OATT there is a charge per MWh based on the MWs of reserved capacity for all PTP transmission and a charge per MWh based on the customer's coincident peak demand for all NITS load. The administrative charge is developed annually by taking into account all of SPP's costs, as well as revenue, and then calculating a net revenue requirement such that 100% of its costs are recovered, not to exceed the administrative charge cap as stated in Schedule 1-A of the OATT.

SPP also assesses a fee to recover expenses associated with scheduling, system control, dispatching services, reliability planning, standards development, market facilitation, and monitoring and compliance services under Schedule 1 ("Scheduling, System Control and Dispatch Service") of its OATT (Schedule JRC-8).

Q: How have SPP's administrative charges changed in recent history?

A: There are two main components to the SPP Administrative Charge. First, under Schedule 1-A, is the administrative charge rate cap, the maximum amount allowed to be collected

by the SPP on a $/MWh basis, that is approved by FERC. This cap serves as a limit on the annual administration charge in order to provide SPP customers a level of certainty and predictability regarding SPP's year-to-year administrative costs. Since 2014 SPP's Administrative Charge cap has been set at $0.39/MWh.

Second, under Schedule 1-A, is the actual tariff administrative charge that is approved by the SPP Board of Directors based on SPP's financials. For 2016 the administrative charge is $0.37/MWh, and it was approved by the SPP Board of Directors at its November 10, 2015 meeting. There was a drop in the Administrative Charge from 2014 ($0.381/MWh) and 2015 ($0.39/MWh), primarily due to the Integrated System joining the SPP.

FERC SCHEDULE 12 FEES

Q: What are the FERC Schedule 12 Fees?

A: The FERC Schedule 12 Fees under SPP's FERC-approved OATT are assessed based on the actual megawatt-hours of energy transmitted in interstate commerce during a calendar year, as reported on FERC Form 582 (Schedule JRC-9). Each public utility pays these fees as reimbursement to the transmission provider for charges assessed them by the FERC pursuant to Part 382 of its regulations. Schedule 12 of the SPP OATT provides for recovery of the estimated amount to be assessed by FERC in the next year for transmission service provided in the current year, with true-up to actual cost when such cost is known.

Q: Why is it appropriate to include the FERC Schedule 12 fees in a Missouri retail rate case?

A: After the SPP was approved by FERC as a RTO in 2004, FERC changed its assessment criteria for SPP member companies. Instead of basing its annual assessment on wholesale transactions only, FERC began basing its assessment on all load under SPP rates, including retail load served by member companies. Under this procedure, FERC bills SPP for the assessment, and SPP then passes a share of this cost through to all point-to-point and network service customers it serves. As a result, FERC's assessment basis for this charge includes the retail, full requirements, and grandfathered transmission loads for which GMO is responsible. The overall magnitude of the assessment rose commensurately with this change in FERC's assessment basis. With the change in methodology, the responsibility of bearing the assessment cost becomes primarily a retail load responsibility since the bulk of load that serves as the basis for the SPP pass-through is retail load.

Q: How are FERC Schedule 12 Fees expected to change?

A: The Company does not expect to see much variability with the FERC Schedule 12 Fees in the years to come. Costs for FERC administration have remained relatively constant from year to year.

Q: What level of SPP Base Plan Zonal and Region-wide charges, Crossroads-related transmission charges, FERC assessments, and SPP administrative and scheduling fees, did KCP&L use to develop its Cost of Service?

A: The SPP Schedule 11 Base Plan Zonal and Region-wide charges and the Crossroads-related transmission charges are included in Adjustment CS-45 as discussed in the direct

testimony of Company witness Ronald A. Klote and included Schedule RAK-4 attached to his testimony. FERC assessments collected under SPP Schedule 12 are included in Adjustment CS-85, which is also discussed in witness Klote's direct testimony and included in Schedule RAK-4. The SPP scheduling and administrative fees (Schedule 1 and 1-A) are included in Adjustment CS-86, also in the Klote direct testimony and Schedule RAK-4. Company witness Tim Rush, in his direct testimony, discusses the Company's proposal(s) for how these charges should be recovered from Missouri retail customers in rates.

Q: Does that conclude your testimony?

A: Yes, it does.

BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI

In the Matter of KCP&L Greater Missouri Operations Company's Request for Authority to Implement A General Rate Increase for Electric Service	)))	Case No. ER-2016-0156

AFFIDAVIT OF JOHN R. CARLSON

STATE OF MISSOURI)
) **ss**
COUNTY OF JACKSON)

John R. Carlson, being first duly sworn on his oath, states:

1. My name is John R. Carlson. I work in Kansas City, Missouri, and I am employed by Kansas City Power & Light Company as an Originator.

2. Attached hereto and made a part hereof for all purposes is my Direct Testimony on behalf of KCP&L Greater Missouri Operations Company consisting of Seventeen (17) pages, having been prepared in written form for introduction into evidence in the above-captioned docket.

3. I have knowledge of the matters set forth therein. I hereby swear and affirm that my answers contained in the attached testimony to the questions therein propounded, including any attachments thereto, are true and accurate to the best of my knowledge, information and belief.

John R. Carlson

Subscribed and sworn before me this 23rd day of February, 2016.

Nicole A. Wehry
Notary Public

My commission expires: Feb. 4, 2019

NICOLE A. WEHRY
Notary Public - Notary Seal
State of Missouri
Commissioned for Jackson County
My Commission Expires: February 04, 2019
Commission Number: 14391200

SCHEDULE 7
LONG-TERM FIRM AND SHORT-TERM FIRM POINT-TO-POINT TRANSMISSION SERVICE

The Transmission Customer shall compensate the Transmission Provider each month for Reserved Capacity at the sum of the applicable charges set forth below in addition to other applicable charges specified in the Tariff. All effective rates under this schedule shall be posted on the SPP OASIS.

1. Zonal Rates: The Transmission Customer shall pay the zonal rate (per kW of reserved capacity) based upon the Zone where the load is located for Firm Point-To-Point Transmission Service where the generation source is outside the SPP Region and the load is located within the SPP Region and for Firm Point-To-Point Transmission Service where both the generation source and the load are located within the SPP Region. For Firm Point-To-Point Transmission Service where the generation source is located within the SPP Region and the load is located outside of the SPP Region, and for Firm Point-To-Point Transmission Service where both the generation source and the load are located outside of the SPP Region, the Transmission Customer shall pay the zonal rate (per kW of reserved capacity) for the Zone interconnected with the Balancing Authority Area, external to the SPP Region, that is the designated Point of Delivery. Where there is more than one Zone interconnected with such Balancing Authority Area, the lowest zonal rate of the interconnected Zones is applicable. The zonal rates are stated in Attachment T.

The Zones are as follows:

Zone 1: American Electric Power – West
Zone 2: Reserved for Future Use
Zone 3: City Utilities of Springfield, Missouri
Zone 4: Empire District Electric Company
Zone 5: Grand River Dam Authority
Zone 6: Kansas City Power & Light Company
Zone 7: Oklahoma Gas & Electric Company
Zone 8: Midwest Energy, Inc.
Zone 9: KCP&L Greater Missouri Operations Company
Zone 10: Southwestern Power Administration

Zone 11: Southwestern Public Service

Zone 12: Sunflower Electric Cooperative

Zone 13: Western Farmers Electric Cooperative

Zone 14: Westar Energy, Inc. (Kansas Gas & Electric and Westar Energy)

Zone 15: Mid-Kansas Electric Company

Zone 16: Lincoln Electric System

Zone 17: Nebraska Public Power District

Zone 18: Omaha Public Power District

Zone 19: Upper Missouri Zone

No changes in Zones shall be made without submitting a filing to the Commission.

2. Caps: The total demand charge in any week, pursuant to a reservation for Daily delivery, shall not exceed the weekly rate times the highest amount in kilowatts of Reserved Capacity in any day during such week.

3. Redispatch Costs: The redispatch costs shall be calculated in accordance with the formula and protocols shown on Attachment K.

4. Real Power Losses: The Transmission Customer shall be responsible for real power losses determined in accordance with Attachment M.

5. a. Direct Assignment Costs: Where a Facilities Study indicates the need to construct Direct Assignment Facilities to accommodate a request for Transmission Service, the Transmission Customer shall be charged the full cost of such Direct Assignment Facilities in addition to the charges specified in this Schedule and Tariff. The annual costs of the facility shall be calculated by multiplying the levelized fixed charge rate of the Transmission Owner by the nondepreciated cost of the facility. Each month the Transmission Customer shall pay a charge based on such annual costs divided by twelve. Any such charge will be filed with the Commission.

b. Directly Assigned Upgrade Costs: Where a Facilities Study indicates the need to construct Network Upgrades to accommodate a request for Transmission Service, the Transmission Customer may be allocated Directly Assigned Upgrade Costs in accordance with Attachments J and Z1. Any such charge will be filed with the Commission. The Transmission Customer shall be charged the higher of (i) the charges specified in Schedules 7 and 11 or (ii) the Directly Assigned Upgrade Costs. The Transmission Customer shall also be charged any

other applicable charges under the Tariff. If the Transmission Customer is charged the Directly Assigned Upgrade Costs, upon completion of construction of such assigned upgrades, the Transmission Provider shall reconcile the Directly Assigned Upgrade Costs against the actual construction costs. Based on the reconciliation, the Transmission Customer's cost responsibility shall be adjusted as appropriate.

6. Wholesale Distribution Service: Where Wholesale Distribution Service is provided to effectuate Firm Point-To-Point Transmission Service, the Transmission Customer shall pay all charges levied pursuant to the Wholesale Distribution Service Agreement and Schedule 10.

7. Base Plan Zonal Charges and Region-wide Charges: The Transmission Customer shall pay all charges assessed pursuant to Schedule 11 to the extent the revenue from such charges is not recovered by the Transmission Provider from the Transmission Customer pursuant to Section 5.b of this Schedule.

8. Resales: The rates and rules governing charges and discounts stated above shall not apply to resales of transmission service, compensation for which shall be governed by section 23.1 of the Tariff.

This is the SPP OASIS pricing matrix for transmission sourcing from the Entergy System, “EES”, and sinking at GMO, “KCPL_MPS”.

EES - KCPL_MPS

ZONAL FIRM($)				
Daily	Weekly	Monthly	Annual	Last Updated
51.06	255.28	1106.21	13274.52	10/01/2015

ZONAL NON-FIRM($)					
Hourly Off-Peak	Hourly On-Peak	Daily	Weekly	Monthly	Last Updated
1.52	3.19	51.06	255.28	1106.21	10/01/2015

Schedule Fee($)				
Hourly	Daily	Weekly	Monthly	Last Updated
0.035	0.851	5.97	25.9	10/01/2015

Reactive Voltage($)				
Hourly	Daily	Weekly	Monthly	Last Updated
0.002	0.038	0.192	0.831	10/01/2015

Base Plan Regional Firm							
Hourly On-Peak	Hourly Off-Peak	Daily On-Peak	Daily Off-Peak	Weekly	Monthly	Yearly	Effective Date
0.0000	0.0000	44.742	31.959	223.71	969.40	11632.	10/01/2015

Base Plan Regional Non Firm							
Hourly On-Peak	Hourly Off-Peak	Daily On-Peak	Daily Off-Peak	Weekly	Monthly	Yearly	Effective Date
2.7960	1.3280	44.742	31.871	223.71	969.40	0.0000	10/01/2015

Base Plan Zonal Firm							
Hourly On-Peak	Hourly Off-Peak	Daily On-Peak	Daily Off-Peak	Weekly	Monthly	Yearly	Effective Date
0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	10/01/2015

Base Plan Zonal Non Firm							
Hourly On-Peak	Hourly Off-Peak	Daily On-Peak	Daily Off-Peak	Weekly	Monthly	Yearly	Effective Date
0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	10/01/2015

Administration Fee		
Hourly	Daily	Weekly
0.39	9.36	65.52

This is the SPP OASIS pricing matrix for transmission sourcing from Westar, “WR”, and sinking at GMO, “KCPL_MPS”.

WR - KCPL_MPS

ZONAL FIRM($)				
Daily	Weekly	Monthly	Annual	Last Updated
51.06	255.28	1106.21	13274.52	10/01/2015

ZONAL NON-FIRM($)					
Hourly Off-Peak	Hourly On-Peak	Daily	Weekly	Monthly	Last Updated
1.52	3.19	51.06	255.28	1106.21	10/01/2015

Schedule Fee($)				
Hourly	Daily	Weekly	Monthly	Last Updated
0.035	0.851	5.97	25.9	10/01/2015

Reactive Voltage($)				
Hourly	Daily	Weekly	Monthly	Last Updated
0.002	0.038	0.192	0.831	10/01/2015

Base Plan Regional Firm							
Hourly On-Peak	Hourly Off-Peak	Daily On-Peak	Daily Off-Peak	Weekly	Monthly	Yearly	Effective Date
0.0000	0.0000	44.742	31.959	223.71	969.40	11632.	10/01/2015

Base Plan Regional Non Firm							
Hourly On-Peak	Hourly Off-Peak	Daily On-Peak	Daily Off-Peak	Weekly	Monthly	Yearly	Effective Date
2.7960	1.3280	44.742	31.871	223.71	969.40	0.0000	10/01/2015

Base Plan Zonal Firm							
Hourly On-Peak	Hourly Off-Peak	Daily On-Peak	Daily Off-Peak	Weekly	Monthly	Yearly	Effective Date
0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	10/01/2015

Base Plan Zonal Non Firm							
Hourly On-Peak	Hourly Off-Peak	Daily On-Peak	Daily Off-Peak	Weekly	Monthly	Yearly	Effective Date
0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	10/01/2015

Administration Fee		
Hourly	Daily	Weekly
0.39	9.36	65.52

SCHEDULE 11
BASE PLAN ZONAL CHARGE AND REGION-WIDE CHARGE

I. Introduction

Except as provided herein, pursuant to Part V of this Tariff, Base Plan Zonal Charges and Region-wide Charges shall be assessed to Network Customers and, where applicable, Transmission Owners based on Resident Load. Likewise, Base Plan Zonal Charges and the Region-wide Charge shall be assessed to each Transmission Customer taking Point-To-Point Transmission Service under the Tariff based on Reserved Capacity. These charges will be applied only to service taken in whole or in part within the Eastern Interconnection. Western-UGP shall be exempt from the Region-wide Charge under this Schedule 11 in accordance with Section 39.3(e) of this Tariff. For the purpose of determining the Region-wide Load Ratio Shares for application of Schedule 11, transmission of Federal Power-Western-UGP to the Statutory Load Obligations served by Western-UGP shall be excluded from the Transmission Provider's monthly Zone transmission load for Zone 19 used as a component of the divisor for all Zones and from the numerator used for Zone 19. The charges stated in Schedule 11 shall not be changed absent a filing with the Commission.

II. Base Plan Zonal Charges and Region-wide Charge to Resident Load

A. Calculation of Annual Transmission Revenue Requirement

In calculating the Base Plan Zonal Annual Transmission Revenue Requirements and Region-wide Annual Transmission Revenue Requirement, the Transmission Provider shall sum the applicable, Commission-approved annual transmission revenue requirements for upgrades eligible for cost recovery under this Schedule 11, as allocated in accordance with Attachment J of this Tariff. Subject to the limitations in subsections 1 and 2 below, such annual transmission revenue requirements shall be reduced by the amount of point-to-point revenue received by each Transmission Owner during the previous calendar year resulting from charges under Section III of this Schedule 11. Any such adjustment for the previous calendar year point-to-point revenue shall be set forth in the RRR File.

1. For each Transmission Owner utilizing a formula rate, the Transmission Provider shall not make an adjustment of the Transmission Owner's

annual transmission revenue requirements under this Section II.A if point-to-point revenue resulting from charges under Section III of this Schedule 11 is credited and updated on an annual basis in the Transmission Owner's formula rate.

2. For each Transmission Owner utilizing a stated rate or utilizing a formula rate without annual update of the Schedule 11 point-to-point revenue credits, the point-to-point revenue adjustment described in this Section II.A shall be offset by the amount of point-to-point revenue, if any, already credited in the calculation of the Transmission Owner's annual transmission revenue requirements included in the Base Plan Zonal Annual Transmission Revenue Requirements and Region-wide Annual Transmission Revenue Requirement. The amount of revenue resulting from charges under Section III of this Schedule 11 that is already credited in the calculation of the Transmission Owner's annual transmission revenue requirements included in the Base Plan Zonal Annual Transmission Revenue Requirements and Region-wide Annual Transmission Revenue Requirement is shown in Table 3, Section 1 of Attachment H.

B. Base Plan Zonal Charge to Resident Load

The Network Customer and the Transmission Owner shall pay a monthly Base Plan Zonal Charge, which shall be determined by multiplying its Base Plan Zonal Load Ratio Share by one twelfth (1/12) of the Base Plan Zonal Annual Transmission Revenue Requirement specified in Attachment H less any amount reallocated in accordance with Section IV.A of Attachment J for each Zone in which the Network Customer's or Transmission Owner's Resident Load is physically located. Where a Network Customer has designated Network Load not physically interconnected with the Transmission System under Section 31.3, Network Customer shall pay a monthly Zonal Base Plan Charge, which shall be determined by multiplying its Base Plan Zonal Load Ratio Share by one twelfth (1/12) of the Base Plan Zonal Annual Transmission Revenue Requirement specified in Attachment H less any amount reallocated in accordance with Section IV.A of Attachment J for the Zone that is the basis for charges under Schedule 11.

1. Determination of Network Customer's and Transmission Owner's Monthly Zonal Resident Load

The Network Customer's or Transmission Owner's monthly zonal Resident Load is its integrated hourly load coincident with the monthly peak of the Zone where the Resident Load is physically located. Where a Network Customer or Transmission Owner has Resident Load in more than one Zone, the monthly Resident Load will be determined separately for each Zone. Where a Network Customer has designated Network Load not physically interconnected with the Transmission System under Section 31.3, the Network Customer's monthly Resident Load will be its hourly load coincident with the monthly peak of the Zone that is the basis for charges under Schedule 11.

2. Determination of Transmission Provider's Monthly Zone Transmission Load

The Transmission Provider's monthly Transmission System load shall be determined in accordance with Section 34.5 of this Tariff.

C. Region-wide Charge to Resident Load

Network Customers and Transmission Owners shall pay a monthly Region-wide Charge, which shall be determined as (i) the product of its Region-wide Load Ratio Share applicable to Section I, Table 2-A of Attachment H and one twelfth (1/12) of the Region-wide Annual Transmission Revenue Requirement specified in Section I, Table 2-A of Attachment H, plus (ii) the product of its Region-wide Load Ratio Share applicable to Section I, Table 2-B of Attachment H and one twelfth (1/12) of the Region-wide Annual Transmission Revenue Requirement specified in Section I, Table 2-B of Attachment H.

1. Determination of Network Customer's and Transmission Owner's Monthly Regional Resident Load in Zones 1 through 18

For Zones 1 through 18, the Network Customer's or Transmission Owner's monthly regional Resident Load is the sum of its monthly zonal Resident Load for each Zone, where the monthly zonal Resident Load is determined separately for each Zone coincident with the monthly peak of the Zone in accordance with Section II.B.1.

2. Determination of Network Customer's and Transmission Owner's Monthly Regional Load in Zone 19

For application of the Region-wide Charge under this Schedule 11, the Network Customer's or Transmission Owner's load for Zone 19 shall be the integrated hourly load coincident with the monthly peak of Zone 19 calculated in accordance with Section II.B.1 less: (i) load in the Western Interconnection to the extent that such load is served only by resources in the Western Interconnection, and (ii) service provided under the Western-UGP Federal Service Exemption.

3. Determination of Transmission Provider's Monthly Regional Transmission System Load

The Transmission Provider's monthly regional Transmission System load is the sum of the monthly Zone transmission load for each Zone, where the monthly zone transmission load for each Zone is determined on a non-coincident basis in accordance with Section II.B.2, but with Zone 19 load modified in accordance with Section II.C.2.

D. Special Provision for Non-Federal Service Exemption service to Western-UGP's Statutory Load Obligations

Western-UGP's Statutory Load Obligations ordinarily served by Federal Power Western-UGP, may be served on occasion from resources where the Western-UGP Federal Service Exemption from Schedule 11 Region-wide Charges is not applicable. In any such instance, Region-wide Charges will be applied as calculated pursuant to Sections III.C.1.a and III.C.3 of this Schedule 11.

III. Base Plan Zonal Charge and Region-wide Charge for Point-To-Point Transmission Service

A. Base Plan Zonal Charge for Point-To-Point Transmission Service

The Base Plan Zonal Charge shall be assessed to Transmission Customers taking Firm or Non-Firm Point-To-Point Transmission Service under the SPP Tariff. The Transmission Customer shall pay the Base Plan Zonal Rate (per kW of Reserved Capacity) based upon the Zone where the load is located for Point-To-Point Transmission Service where the generation source is outside the SPP Region and the load is located within the SPP Region and for Point-To-Point Transmission Service where both the

generation source and the load are located within the SPP Region. For Point-To-Point Transmission Service where the generation source is located within the SPP Region and the load is located outside of the SPP Region, and for Point-To-Point Transmission Service where both the generation source and the load are located outside of the SPP Region, the Transmission Customer shall pay the Base Plan Average Zonal Rate (per kW of Reserved Capacity). The Base Plan Zonal Rates and the Base Plan Average Zonal Rate shall be calculated in accordance with Section III.D and set forth in the RRR File posted on the SPP website.

B. Region-wide Charge for Point-To-Point Transmission Service

The Region-wide Charge shall be assessed to Transmission Customers taking Firm or Non-Firm Point-To-Point Transmission Service under the SPP Tariff. The Transmission Customer shall pay the Region-wide Rate (per kW of Reserved Capacity) for Point-To-Point Transmission Service. The Region-wide Rate shall be calculated in accordance with Section III.C and set forth in the RRR File posted on the SPP website.

C. Region-wide Rate for Point-To-Point Transmission Service

1. Determination of Annual Region-wide Rate

a. The Region-wide Annual Transmission Revenue Requirement specified in Attachment H are the basis for the Region-wide Rate. Except for service where the load is located within Zone 19, the annual Region-wide Rate for Firm Point-To-Point Transmission Service shall be determined in accordance with the following formula:

RR = RATRR2A/MRTL 1 to 18 + RATRR2B/MRTL

in which

RR = the annual Region-wide Rate

RATRR2A = the Region-wide Annual Transmission Revenue Requirement specified in Table 2-A of Section I, Attachment H

RATRR2B = the Region-wide Annual Transmission Revenue Requirement specified in Table 2-B of Section I, Attachment H

MRTL 1 to 18 = the average of the monthly regional Transmission System loads in Zones 1 to 18 only, for the twelve months of the calendar year prior to the billing year. The monthly regional Transmission System load shall be determined in

accordance with Section II.C.3 less the Zone 19 load modified in accordance with Section II.C.2.

MRTL = the average of the monthly regional Transmission System loads, for the twelve months of the calendar year prior to the billing year. The monthly regional Transmission System load is determined in accordance with Section II.C.3.

b. For service where the load is located within Zone 19, the annual Region-wide Rate for Firm Point-to-Point Transmission Service shall be determined in accordance with the following formula:

RR19= RATRR2B/MRTL

in which

RR19= the annual Region-wide Rate applicable to load in Zone 19

RATRR2B= as defined above

MRTL= as defined above

2. Region-wide Rate for Firm Point-To-Point Transmission Service

The Region-wide Rate for Firm Point-To-Point Transmission Service shall be:

Per month = annual Region-wide Rate divided by 12;

Per week = annual Region-wide Rate divided by 52;

Per day "on-peak" = the "per week" Region-wide Rate divided by 5; provided that the rate for 5 to 7 consecutive days may not exceed the "per week" Region-wide Rate; and

Per day "off-peak" = the "per week" Region-wide Rate divided by 7.

3. Region-wide Rate for Non-Firm Point-To-Point Transmission Service

The Region-wide Rate for Non-Firm Point-To-Point Transmission Service shall be:

Per month = annual Region-wide Rate divided by 12;

Per week = annual Region-wide Rate divided by 52:

Per day "on-peak" = the "per month" Region-wide Rate multiplied by 12 then divided by 260;

Per day "off-peak" = the "per month" Region-wide Rate multiplied by 12 then divided by 365;

Per hour "on-peak" = the "per month" Region-wide Rate multiplied by 12 then divided by 4160; and

Per hour "off-peak" = the "per month" Region-wide Rate multiplied by 12 then divided by 8760.

4. Total Region-wide Charge

The total Region-wide Charge paid by a Transmission Customer pursuant to a reservation for hourly delivery shall not exceed the above on-peak daily rate multiplied by the highest amount of Reserved Capacity in any hour during such day. The total Region-wide Charge in any week, pursuant to a reservation for hourly or daily delivery, shall not exceed the above Region-wide Rate specified for weekly delivery multiplied by the highest amount of Reserved Capacity in any hour during such week.

5. Rate Sheet for Region-wide Point-To-Point Transmission Service

Firm Point-To-Point Transmission Service

The Transmission Customer shall compensate the Transmission Provider each month for Reserved Capacity at the sum of the applicable charges set forth in the ("RRR File") posted on the SPP website.

Non-Firm Point-To-Point Transmission Service

The Transmission Customer shall compensate the Transmission Provider for Non-Firm Point-To-Point Transmission Service up to the sum of the applicable charges set forth in the RRR File.

D. Base Plan Zonal Rates for Point-To-Point Transmission Service

1. Determination of Annual Base Plan Zonal Rate

The Base Plan Zonal Annual Transmission Revenue Requirement specified in Attachment H less any amount reallocated in accordance with Section IV.A of Attachment J is the basis for the Base Plan Zonal Rates. The annual Base Plan Zonal Rates for Firm Point-To-Point Transmission Service shall be determined in accordance with the following formula for each Zone.

BPZR = BPZATRR/MZTL

in which

BPZR = the annual Base Plan Zonal Rate for the Zone

BPZATRR = the Base Plan Zonal Annual Transmission Revenue Requirement for the Zone as specified in Attachment H less any amount reallocated in accordance with Section IV.A of Attachment J

MZTL = the average of the sum of the monthly Zone transmission load for the Zone for the twelve months of the calendar year prior to the billing year. The monthly Zone transmission load is determined in accordance with Section II.B.2.

2. Base Plan Zonal Rate for Firm Point-To-Point Transmission Service

The Base Plan Zonal Rate for Firm Point-To-Point Transmission Service for each Zone shall be:

Per month = annual Base Plan Zonal Rate for the Zone divided by 12;

Per week = annual Base Plan Zonal Rate for the Zone divided by 52;

Per day "on-peak" = the "per week" Base Plan Zonal Rate for the Zone divided by 5; provided that the rate for 5 to 7 consecutive days may not exceed the "per week" Base Plan Zonal Rate;

Per day "off-peak" = the "per week" Base Plan Zonal Rate for the Zone divided by 7.

3. Base Plan Zonal Rate for Non-Firm Point-To-Point Transmission Service

The Base Plan Zonal Rate for Non-Firm Point-To-Point Transmission Service for each Zone shall be:

Per month = annual Base Plan Zone Rate for the Zone divided by 12;

Per week = annual Base Plan Zonal Rate for the Zone divided by 52:

Per day "on-peak" = the "per month" Base Plan Zonal Rate for the Zone multiplied by 12 then divided by 260;

Per day "off-peak" = the "per month" Base Plan Zonal Rate for the Zone multiplied by 12 then divided by 365;

Per hour "on-peak" = the "per month" Base Plan Zonal Rate for the Zone multiplied by 12 then divided by 4160; and

Per hour "off-peak" = the "per month" Base Plan Zonal Rate for the Zone multiplied by 12 then divided by 8760.

4. Base Plan Average Zonal Rate

The total Base Plan Zonal Annual Transmission Revenue Requirement specified in Attachment H for all Zones less the total of all zonal amounts reallocated in accordance with Section IV.A of Attachment J is the basis for the Base Plan Average Zonal Rate. The annual Base Plan Average Zonal Rate for Firm Point-To-Point Transmission Service shall be determined in accordance with the following formula.

BPAZR = TBPZATRR/MRTL

in which

BPAZR = the annual Base Plan Average Zonal Rate

TBPZATRR = the total Base Plan Zonal Annual Transmission Revenue Requirement for all Zones as specified in Attachment H less the total of all zonal amounts reallocated in accordance with Section IV.A of Attachment J

MRTL = as defined in Section III.C.1

The Base Plan Average Zonal Rates for Firm Point-To-Point Transmission Service and Non-Firm Point-To-Point Transmission Service for each month, week, day on-peak, day off-peak, hour on-peak, and hour off-peak shall be based on the annual Base Plan Average Zonal Rate and calculated consistently with the formulas shown in Sections III.D.2 and III.D.3.

5. Total Zonal Base Plan Charge

The total zonal charge paid by a Transmission Customer under this Schedule 11 pursuant to a reservation for hourly delivery shall not exceed the applicable on-peak daily rate multiplied by the highest amount of Reserved Capacity in any hour during such day. The total zonal charge under this Schedule 11 in any week, pursuant to a reservation for hourly or daily delivery, shall not

exceed the applicable rate specified for weekly delivery multiplied by the highest amount of Reserved Capacity in any hour during such week.

6. Rate Sheets for Base Plan Zonal Point-To-Point Transmission Service

Firm Point-To-Point Transmission Service

The Transmission Customer shall compensate the Transmission Provider each month for Reserved Capacity at the sum of the applicable charges set forth in the RRR File posted on the SPP website.

Non-Firm Point-To-Point Transmission Service

The Transmission Customer shall compensate the Transmission Provider for Non-Firm Point-To-Point Transmission Service up to the sum of the applicable charges set forth in the RRR File posted on the SPP website.

E. On-Peak and Off-Peak

Off-Peak days shall be Saturdays and Sundays and all NERC holidays. All other days shall be On-Peak. All hours during Off-Peak days shall be Off-Peak. On-Peak hours during On-Peak days shall be all hours from HE 0700 through HE 2200 Central Prevailing Time. All other hours during On-Peak days shall be Off-Peak.

SPP
Notification to Construct

June 19, 2009 SPP-NTC-20040

Mr. Anthony Due
Grand River Dam Authority
Kerr Dam Facility
1-14N & 1-14W of Locust Grove
Locust Grove, OK 74352

RE: Notification to Construct Approved Balanced Portfolio Network Upgrade

Dear Mr. Due:

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 Grand River Dam Authority ("GRDA"), as the Designated Transmission Owner, to construct the following approved Network Upgrade.

During the April 28, 2009 meeting, SPP Board of Directors approved Balanced Portfolio 3E "adjusted" and directed the following Network Upgrade 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: 698
Project Name: Sooner – Cleveland 345 kV line
Estimated In-Service Date for Project: 12/31/2012
Estimated Cost for project: $17,000,000

Network Upgrade ID: 10927
Network Upgrade Description: 345 kV line from GRDA Cleveland substation to Oklahoma Gas and Electric Co. ("OKGE") interception of 345 kV line from OKGE Sooner substation.
Network Upgrade Owner: Grand River Dam Authority
MOPC Representative: Anthony Due
Categorization: Balanced Portfolio Network Upgrade
Network Upgrade Specifications: Construct 18 miles of 345 kV, 3000 amp or greater capacity transmission line from the GRDA Cleveland substation to OKGE interception and acquire the necessary right-of-way to accommodate the 345kV line. Upgrade the Cleveland substation to include any necessary terminal equipment.
Network Upgrade Justification: Balanced Portfolio 3E "adjusted"
Estimated In-Service Date for Network Upgrade: 12/31/2012
Estimated Cost for Network Upgrade (current day dollars): $17,000,000
Source of funding for Network Upgrade: Region-wide charge as specified by Attachment J, SPP OATT
Source of Cost Estimate: OKGE
Date of Cost Estimate: April 2009

GRDA is responsible for coordinating this jointly owned project with the other constructing Designated Transmission Owner. Coordination includes but is not limited to construction specifications, facility ratings, interception location, and construction timing.

Please provide to SPP a written commitment to construct the Network Upgrade 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. Failure to provide a sufficient written commitment to construct as required by Attachment O could result in the Network Upgrade 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 the Network Upgrade as soon as possible after completion of construction. This will facilitate the timely billing by SPP based on actual costs.

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

Bruce 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, Joe Fultz, Mike Herron, OKGE Phil Crissup, OKGE Travis Hyde, OKGE Jacob Langthorn IV, OKGE Mel Perkins

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

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 Iatan substation to the KCPL Nashua substation and acquire the necessary right-of-way to accommodate the 345 kV line. Upgrade the Iatan 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.

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,

Bruce 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

SPP
Notification to Construct

June 19, 2009 SPP-NTC-20046

Mr. Bill Dowling
Midwest Energy, Inc.
1330 Canterbury Drive
Hays, KS 67601

RE: Notification to Construct Approved Balanced Portfolio Network Upgrades

Dear Mr. Dowling:

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 Midwest Energy, Inc. ("MIDW"), 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: 707
Project Name: Spearville – Knoll – Axtell 345 kV line
Estimated In-Service Date for Project: 6/01/2013
Estimated Cost for project: $111,000,000

Network Upgrade ID: 10940
Network Upgrade Description: 345 kV line from Sunflower Electric Power Corp. ("SUNC") interception of 345 kV line from SUNC Spearville substation to MIDW Knoll substation.
Network Upgrade Owner: MIDW
MOPC Representative: Bill Dowling
Categorization: Balanced Portfolio Network Upgrade
Network Upgrade Specifications: Construct 45 miles of 345 kV, 3000 amp or greater capacity transmission line from the SUNC interception of 345 kV line to the MIDW Knoll substation and acquire right-of-way to accommodate the 345 kV line.
Network Upgrade Justification: Balanced Portfolio 3E "adjusted"
Estimated In-Service Date for Network Upgrade: 6/1/2013
Estimated Cost for Network Upgrade (current day dollars): $42,000,000
Source of funding for Network Upgrade: Region-wide Charge as specified by Attachment J, SPP OATT
Estimated Cost Source: ITC Great Plains
Date of Cost Estimate: April 2009

Network Upgrade ID: 10941

Network Upgrade Description: Knoll 345/230 kV Transformer
Network Upgrade Owner: MIDW
MOPC Representative: Bill Dowling
Categorization: Balanced Portfolio Network Upgrade
Network Upgrade Specifications: Expand the Knoll substation to include a 200 MVA 345/230 kV auto transformer with a 345 kV ring bus configuration.
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): $3,000,000
Source of funding for Network Upgrade: Region-wide charge as specified by Attachment J, SPP OATT
Source of Cost Estimate: ITC Great Plains
Date of Cost Estimate: April 2009

Network Upgrade ID: 10943
Network Upgrade Description: 345 kV line from MIDW Knoll substation to the Nebraska Public Power District ("NPPD") interception at the Kansas/Nebraska state line from the NPPD Axtell substation.
Network Upgrade Owner: MIDW
MOPC Representative: Bill Dowling
Categorization: Balanced Portfolio Network Upgrade
Network Upgrade Specifications: Construct 80 miles of 345 kV, 3000 amp or greater capacity transmission line from MIDW Knoll substation to the NPPD interception at the Kansas/Nebraska state line from the NPPD Axtell substation, and acquire right-of-way to accommodate the 345 kV line.
Network Upgrade Justification: Balanced Portfolio 3E "adjusted"
Estimated In-Service Date for Network Upgrade: 6/1/2013
Estimated Cost for Network Upgrade (current day dollars): $66,000,000
Source of funding for Network Upgrade: Region-wide charge as specified by Attachment J, SPP OATT
Source of Cost Estimate: ITC Great Plains
Date of Cost Estimate: April 2009

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

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.

On an ongoing basis, please keep SPP advised of any inability on MIDW's part to complete the approved Network Upgrades. For project tracking purposes, SPP requires MIDW to submit updates on the status of the Network Upgrades on a quarterly basis in conjunction with the SPP Board of Directors meetings. However, MIDW 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,

Bruce 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, Ray Harold, Ernie Lehman, SUNC Noman Williams, SUNC Steve Ferry, SUNC Mark Worf, SUNC Clarence Stuppes, NPPD Paul Malone, NPPD Randy Lindstrom

SPP
Notification to Construct

June 19, 2009 SPP-NTC-20041

Mr. Jacob Langthorn, IV
Oklahoma Gas and Electric Co.
301 North Harvey
Oklahoma City, OK 73102

RE: Notification to Construct Approved Balanced Portfolio Network Upgrades

Dear Mr. Langthorn:

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 Oklahoma Gas and Electric Company ("OKGE"), 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: 699
Project Name: Sooner – Cleveland 345 kV line
Estimated In-Service Date for Project: 12/31/2012
Estimated Cost for project: $17,000,000

Network Upgrade ID: 10929
Network Upgrade Description: 345 kV line from OKGE Sooner substation to GRDA interception of 345 kV line from Grand River Dam Authority ("GRDA") Cleveland substation.
Network Upgrade Owner: OKGE
MOPC Representative: Jacob Langthorn, IV
Categorization: Balanced Portfolio Network Upgrade
Network Upgrade Specifications: Construct 18 miles of 345 kV, 3000 amp or greater capacity transmission line from OKGE Sooner substation to GRDA interception and acquire the necessary right-of-way to accommodate the 345 kV line. Upgrade the Sooner substation with the necessary breakers, relays and ring-bus.
Network Upgrade Justification: Balanced Portfolio 3E "adjusted"
Estimated In-Service Date for Network Upgrade: 12/31/2012
Estimated Cost for Network Upgrade (current day dollars): $17,000,000
Source of funding for Network Upgrade: Region-wide charge as specified by Attachment J, SPP OATT
Source of Cost Estimate: OKGE
Date of Cost Estimate: April 2009

Project ID: 700
Project Name: Seminole – Muskogee 345 kV line
Estimated In-Service Date for Project: 12/31/2013
Estimated Cost for project: $131,000,000

Network Upgrade ID: 10930
Network Upgrade Description: 345 kV line from the OKGE Seminole substation to OKGE Muskogee substation.
Network Upgrade Owner: OKGE
MOPC Representative: Jacob Langthorn, IV
Categorization: Balanced Portfolio Network Upgrade
Network Upgrade Specifications: Construct 100 miles of 345 kV, 3000 amp or greater capacity transmission line from OKGE Seminole substation to OKGE Muskogee substation and acquire right-of-way able to accommodate the 345 kV line. Upgrade the Muskogee substation to include any necessary terminal equipment.
Network Upgrade Justification: Balanced Portfolio 3E "adjusted"
Estimated In-Service Date for Network Upgrade: 12/31/2013
Estimated Cost for Network Upgrade (current day dollars): $127,000,000
Source of funding for Network Upgrade: Region-wide charge as specified by Attachment J, SPP OATT
Source of Cost Estimate: OKGE
Date of Cost Estimate: April 2009

Network Upgrade ID: 10931
Network Upgrade Description: Seminole 345/138 kV Transformer
Network Upgrade Owner: OKGE
MOPC Representative: Jacob Langthorn, IV
Categorization: Balanced Portfolio Network Upgrade
Network Upgrade Specifications: Upgrade the OKGE Seminole substation with a 345/138 kV 400 MVA transformer and any other necessary terminal equipment.
Network Upgrade Justification: Balanced Portfolio 3E "adjusted"
Estimated In-Service Date for Network Upgrade: 12/31/2013
Estimated Cost for Network Upgrade (current day dollars): $4,000,000
Source of funding for Network Upgrade: Region-wide charge as specified by Attachment J, SPP OATT
Source of Cost Estimate: OKGE
Date of Cost Estimate: April 2009

Project ID: 701
Project Name: Tuco – Woodward District EHV 345 kV line
Estimated In-Service Date for Project: 5/19/2014
Estimated Cost for project: $79,000,000

Network Upgrade ID: 10932
Network Upgrade Description: 345 kV line from OKGE Woodward District EHV substation to Southwestern Public Service ("SPS") interception of 345 kV line at the Oklahoma/Texas state line.
Network Upgrade Owner: OKGE

MOPC Representative: Jacob Langthorn, IV
Categorization: Balanced Portfolio Network Upgrade
Network Upgrade Specifications: Construct 72 miles of 345 kV, 3000 amp or greater capacity transmission line from OKGE Woodward District EHV to the SPS interception from SPS Tuco substation and acquire right-of-way able to accommodate the 345 kV line.
Network Upgrade Justification: Balanced Portfolio 3E "adjusted"
Estimated In-Service Date for Network Upgrade: 5/19/2014
Estimated Cost for Network Upgrade (current day dollars): $64,000,000
Source of funding for Network Upgrade: Region-wide charge as specified by Attachment J, SPP OATT
Source of Cost Estimate: OKGE
Date of Cost Estimate: April 2009

Network Upgrade ID: 10933
Network Upgrade Description: Woodward District EHV 345/138 kV Transformer and 50 MVAR reactor bank
Network Upgrade Owner: OKGE
MOPC Representative: Jacob Langthorn, IV
Categorization: Balanced Portfolio Network Upgrade
Network Upgrade Specifications: Upgrade the OKGE Woodward District EHV substation with a 345/138 kV 400 MVA auto transformer with a 345 kV ring bus configuration.
Network Upgrade Justification: Balanced Portfolio 3E "adjusted"
Estimated In-Service Date for Network Upgrade: 5/19/2014
Estimated Cost for Network Upgrade (current day dollars): $15,000,000
Source of funding for Network Upgrade: Region-wide charge as specified by Attachment J, SPP OATT
Source of Cost Estimate: OKGE
Date of Cost Estimate: April 2009

Project ID: 709
Project Name: Anadarko Substation
Estimated In-Service Date for Project: 12/31/2011
Estimated Cost for project: $8,000,000

Network Upgrade ID: 10946
Network Upgrade Description: Anadarko Substation
Network Upgrade Owner: OKGE
MOPC Representative: Jacob Langthorn, IV
Categorization: Balanced Portfolio Network Upgrade
Network Upgrade Specifications: Tap the existing Cimarron – Lawton Eastside 345 kV line at the existing Western Farmers Electric Coop. Anadarko 138 kV substation and install new 345/138 kV 450 MVA transformer at a new substation.
Network Upgrade Justification: Balanced Portfolio 3E "adjusted"
Estimated In-Service Date for Network Upgrade: 12/31/2011
Estimated Cost for Network Upgrade (current day dollars): $8,000,000
Source of funding for Network Upgrade: Region-wide charge as specified by Attachment J, SPP OATT
Source of Cost Estimate: OGKE

Date of Cost Estimate: April 2009

OKGE 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.

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.

On an ongoing basis, please keep SPP advised of any inability on OKGE's part to complete the approved Network Upgrades. For project tracking purposes, SPP requires OKGE to submit updates on the status of the Network Upgrades on a quarterly basis in conjunction with the SPP Board of Directors meetings. However, OKGE 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,

Bruce 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, Phil Crissup, Travis Hyde, GRDA Joe Fultz, GRDA Anthony Due, GRDA Mike Herron, SPS John Fulton, SPS William Grant, WFEC Alan Derichsweiler, WFEC Ron Cunningham, WFEC Mitchell Williams

SPP
Notification to Construct

June 19, 2009 SPP-NTC-20043

Mr. William Grant
Southwestern Public Service Company
6086 48th Street
Amarillo, TX 79109

RE: Notification to Construct Approved Balanced Portfolio Network Upgrades

Dear Mr. Grant:

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 Southwestern Public Service Company ("SPS"), 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: 704
Project Name: Tuco – Woodward District EHV 345 kV line
Estimated In-Service Date for Project: 05/19/2014
Estimated Cost for project: $148,727,500

Network Upgrade ID: 10936
Network Upgrade Description: 345 kV line from Tuco to Oklahoma Gas and Electric Co. ("OKGE") interception of 345 kV line from Woodward District EHV
Network Upgrade Owner: SPS
MOPC Representative: William Grant
Categorization: Balanced Portfolio Network Upgrade
Network Upgrade Specifications: Construct 178 miles of 345 kV, 3000 amp or greater capacity transmission line from SPS Tuco substation to the OKGE interception around the Texas/Oklahoma state line and acquire right-of-way able to accommodate the 345 kV line.
Network Upgrade Justification: Balanced Portfolio 3E "adjusted"
Estimated In-Service Date for Network Upgrade: 5/19/2014
Estimated Cost for Network Upgrade (current day dollars): $122,597,500
Source of funding for Network Upgrade: Region-wide charge as specified by Attachment J, SPP OATT
Source of Cost Estimate: SPS
Date of Cost Estimate: April 2009

Network Upgrade ID: 10937

Network Upgrade Description: Tuco 345/230 kV, 560 MVA auto transformer and mid-point reactor station
Network Upgrade Owner: SPS
MOPC Representative: William Grant
Categorization: Balanced Portfolio Network Upgrade
Network Upgrade Specifications: Expand the SPS Tuco substation to include a 345/230 kV, 560 MVA auto transformer with a 345 kV ring bus configuration. Build a mid-point reactor station along the Tuco – Woodward District EHV 345 kV line.
Network Upgrade Justification: Balanced Portfolio 3E "adjusted"
Estimated In-Service Date for Network Upgrade: 5/19/2014
Estimated Cost for Network Upgrade (current day dollars): $26,130,000
Source of funding for Network Upgrade: Region-wide charge as specified by Attachment J, SPP OATT
Source of Cost Estimate: SPS
Date of Cost Estimate: April 2009

SPS is responsible for coordinating this jointly owned project with the other constructing Designated Transmission Owner. Coordination includes but is not limited to construction specifications, facility ratings, interception location, and construction timing.

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.

On an ongoing basis, please keep SPP advised of any inability on SPS's part to complete the approved Network Upgrades. For project tracking purposes, SPP requires SPS to submit updates on the status of the Network Upgrades on a quarterly basis in conjunction with the SPP Board of Directors meetings. However, SPS 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,

Bruce 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, John Fulton, OKGE Mel Perkins, OKGE Phil Crissup, OKGE Travis Hyde, OKGE Jacob Langthorn IV

SPP
Notification to Construct

June 19, 2009 SPP-NTC-20044

Mr. Alan Derichsweiler
Western Farmers Electric Cooperative
701 NE 7th Street
Anadarko, OK 73005

RE: Notification to Construct Approved Balanced Portfolio Network Upgrades

Dear Mr. Derichsweiler:

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 Western Farmers Electric Coop. ("WFEC"), as the Designated Transmission Owner, to construct the following approved Network Upgrade.

During the April 28, 2009 meeting, the SPP Board of Directors approved Balanced Portfolio 3E "adjusted" and directed the following Network Upgrade 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: 705
Project Name: WFEC Anadarko – OKGE Anadarko 138 kV
Estimated In-Service Date for Project: 12/31/2011
Estimated Cost for project: $2,000,000

Network Upgrade ID: 10938
Network Upgrade Description: 138 kV line from a new Oklahoma Gas and Electric Co. ("OKGE") Anadarko substation to WFEC Anadarko substation
Network Upgrade Owner: WFEC
MOPC Representative: Alan Derichsweiler
Categorization: Balanced Portfolio Network Upgrade
Network Upgrade Specifications: Construct 3 miles of 138 kV transmission line from a new OKGE 345/138 kV Anadarko substation to the existing WFEC 138 kV Anadarko substation.
Network Upgrade Justification: Balanced Portfolio 3E "adjusted"
Estimated In-Service Date for Network Upgrade: 12/31/2011
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: SPP
Date of Cost Estimate: June 2009

WFEC is responsible for coordinating this jointly owned project with the other constructing Designated Transmission Owner. Coordination includes but is not limited to construction specifications, facility ratings, interception location, and construction timing.

Please provide to SPP a written commitment to construct the Network Upgrade 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. Failure to provide a sufficient written commitment to construct as required by Attachment O could result in the Network Upgrade being assigned to another entity.

Please submit a notification of commercial operation for the 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 as soon as possible after completion of construction. This will facilitate the timely billing by SPP based on actual costs.

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

Bruce 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, Ron Cunningham, Mitchell Williams, OKGE Jacob Langthorn, IV, OKGE Phil Crissup, OKGE Travis Hyde

Southwest Power Pool, Inc.

ATTACHMENT H

Annual Transmission Revenue Requirement For Network

Integration Transmission Service

REVISED FOR BALANCED PORTFOLIO TRANSFERS

Table 1 (revised)

(1) Zone	(2)	(3) Zonal ATRR (FROM Transmission Owner)	(4) Base Plan Zonal ATRR	(5) Base Plan Zonal ATRR after June 19, 2010	(6) ATRR Reallocated to Balanced Portfolio Region-wide ATRR	(7) Base Plan Zonal ATRR to pay Upgrade Sponsors	Column 3 Effective date	
1	American Electric Power –West (Total)	$195,721,159	$42,417,463	$2,013,888	$15,982,062		Effective 7/1/2015	annual formula update
1a	American Electric Power (Public Service Company of Oklahoma and Southwestern Electric Power Company) See Section II.3	$156,176,810	$40,324,933	$13,202,465			Effective 7/1/2015	annual formula update
1b	East Texas Electric Cooperative, Inc.	$2,733,879					Effective 9/30/2007	
1c	Tex-La Electric Cooperative of Texas, Inc.	$588,874					Effective 9/30/2007	
1d	Deep East Texas Electric Cooperative, Inc.	$428,131					Effective 9/30/2007	
1e	Oklahoma Municipal Power Authority	$768,624					Effective 4/1/2015	
1f	AEP West Transmission Companies (AEP Oklahoma Transmission Company, Inc and AEP Southwestern Transmission Company, Inc)	$34,633,051	$2,092,530	$4,793,485			Effective 7/1/2015	annual formula update
1g	Coffeyville Municipal Light and Power (CMPL)	$391,790	$0	$0			Effective 7/1/2013	
2	Reserved for Future Use							
3	City Utilities of Springfield, Missouri	$9,315,950	$0	$0	$2,920,292		Effective 4/1/2015	annual formula update
4	Empire District Electric Company	$27,715,926	$0	$0	$5,047,397		Effective 7/1/2015	annual formula update
5	Grand River Dam Authority	$26,233,383	$3,839,652	$0	$2,858,714		Effective 8/1/2015	annual formula update
6	Kansas City Power & Light Company (TOTAL)	$39,177,491	$0	$0	$7,284,587		Effective 6/1/2015	annual formula update
6a	Kansas City Power & Light Company	$31,940,037	$0	$0			Effective 1/1/2015	
6b	City of Independence, Missouri	$7,237,454	$0	$0			Effective 6/1/2015	
7	Oklahoma Gas and Electric (Total)	$81,155,688	$12,491,693	$2,063,302	$4,381,764		Effective 1/1/2015	
7a	Oklahoma Gas and Electric	$80,787,187	$12,491,693	$6,445,066			Effective 1/1/2015	annual formula update
7b	Oklahoma Municipal Power Authority	$368,501	$0	$0			Effective 6/1/2010	
8	Midwest Energy, Inc.	$13,514,687	$210,918	$0			Effective 9/1/2015	annual formula update
9	KCP&L Greater Missouri Operations Company (Total)	$23,994,162	$0	$0	$8,621,313		Effective 1/1/2015	
9a	KCP&L Greater Missouri Operations Company	$23,994,162	$0	$0			Effecive 1/1/2015	annual formula update
9b	Transource Missouri, LLC	$0	$0	$0			Effecive 1/1/2015	annual formula update
10	Southwestern Power Administration	$15,533,800	$0	$0			Effective 1/1/2012	
11	Southwestern Public Service Company (Total)	$123,292,664	$32,975,871	$12,072,325			Effective 9/1/2015	
11a	Southwestern Public Service Company	$122,904,664	$32,975,871	$12,072,325			Effective 9/1/2015	annual formula update
11b	Reserved for Future Use	$0	$0	$0			Effective 02/22/2013	
11c	Lea County Electric Cooperative, Inc	$388,000	$0	$0			Effective 04/01/14	
12	Sunflower Electric Power Corporation	$14,557,530	$4,245,250	$540,107			Effecive 1/1/2015	
13	Western Farmers Electric Cooperative	$20,719,639	$4,359,324	$0				
14	Westar Energy, Inc. (Kansas Gas & Electric and Westar Energy) (Total)	$168,843,090	$31,179,876	$4,007,791	$9,151,875		Effective 1/1/2015	annual formula update
14a	Westar Energy, Inc. (Kansas Gas & Electric and Westar Energy)	$168,492,847	$31,179,876	$13,159,665			Effective 1/1/2015	annual formula update
14b	Prairie Wind Transmission, LLC.	$0	$0	$0			Effective 1/1/2015	annual formula update
14c	Kansas Power Pool	$350,243	$0	$0			Effective 12/20/2011	
15	Mid-Kansas Electric Company (Total)	$17,524,044	$4,508,061	$2,615,469			Effective 1/1/2015	
15a	Mid-Kansas Electric Company	$16,751,201	$4,508,061	$1,891,413	$0		Effective 1/1/2015	annual formula update
15b	ITC Great Plains	$772,843	$0	$724,056			Effective 1/1/2015	annual formula update
15c	Prairie Wind Transmission, LLC.	$0	$0	$0			Effective 1/1/2015	annual formula update

Southwest Power Pool, Inc.

ATTACHMENT H

Annual Transmission Revenue Requirement For Network

Integration Transmission Service

REVISED FOR BALANCED PORTFOLIO TRANSFERS

Table 1 (revised)

(1) Zone	(2)	(3) Zonal ATRR (FROM Transmission Owner)	(4) Base Plan Zonal ATRR	(5) Base Plan Zonal ATRR after June 19, 2010	(6) ATRR Reallocated to Balanced Portfolio Region-wide ATRR	(7) Base Plan Zonal ATRR to pay Upgrade Sponsors	Column 3 Effective date	
16	Lincoln Electric System	$18,238,478	$0	$0	$6,267,849		Effective 1/1/2015	annual formula update
17	Nebraska Public Power District	$47,991,737	$5,121,501	$0	$10,080,303			annual formula update
17a	Nebraska Public Power District	$47,541,737	$14,483,065	$718,739			Effective 1/1/2015	
17b	Central Nebraska Public Power and Irrigation District	$450,000	$0	$0			Effective 1/1/2015	
18	Omaha Public Power District	$37,163,352	$0	$0	$9,503,637		Effective 8/1/2015	annual formula update
19	Upper Missouri Zone – Total	$245,814,829	$0	$0			Effective 10/1/2015	annual formula update
19a	Western-UGP	$123,816,622	$0	$0			Effective 10/1/2015	annual formula update
19b	Basin Electric Power Cooperative	$66,304,175	$0	$0			Effective 10/1/2015	annual formula update
19c	Heartland Consumers Power District	$2,808,263	$0	$0			Effective 10/1/2015	annual formula update
19d	Missouri River Energy Services - Total	$8,781,558	$0	$0			Effective 10/1/2015	annual formula update
19d (i)	Missouri River Energy Services	$3,222,138	$0	$0			Effective 10/1/2015	annual formula update
19d(ii)	Moorhead Public Service	$3,363,422	$0	$0			Effective 10/1/2015	annual formula update
19d(iii)	Orange City Municipal Utilities	$239,744	$0	$0			Effective 10/1/2015	annual formula update
19d(iv)	City of Pierre, South Dakota	$944,389	$0	$0			Effective 10/1/2015	annual formula update
19d(v)	City of Sioux Center, Iowa	$193,581	$0	$0			Effective 10/1/2015	annual formula update
19d(vi)	Watertown Municipal Utility Department	$818,284	$0	$0			Effective 10/1/2015	annual formula update
19e	East River Electric Power Cooperative, Inc.	$16,352,177	$0	$0			Effective 10/1/2015	annual formula update
19f	Corn Belt Power Cooperative	$11,262,024	$0	$0			Effective 10/1/2015	annual formula update
19g	NorthWestern Corporation (South Dakota)	$8,162,218	$0	$0			Effective 10/1/2015	annual formula update
19h	Northwest Iowa Power Cooperative	$8,035,159	$0	$0			Effective 10/1/2015	annual formula update
19i	Harlan Municipal Utilities	$292,633	$0	$0			Effective 10/1/2015	annual formula update
19	Total	$880,692,834	$141,349,609	$23,312,882	$82,099,792		Effective 10/1/2015	annual formula update

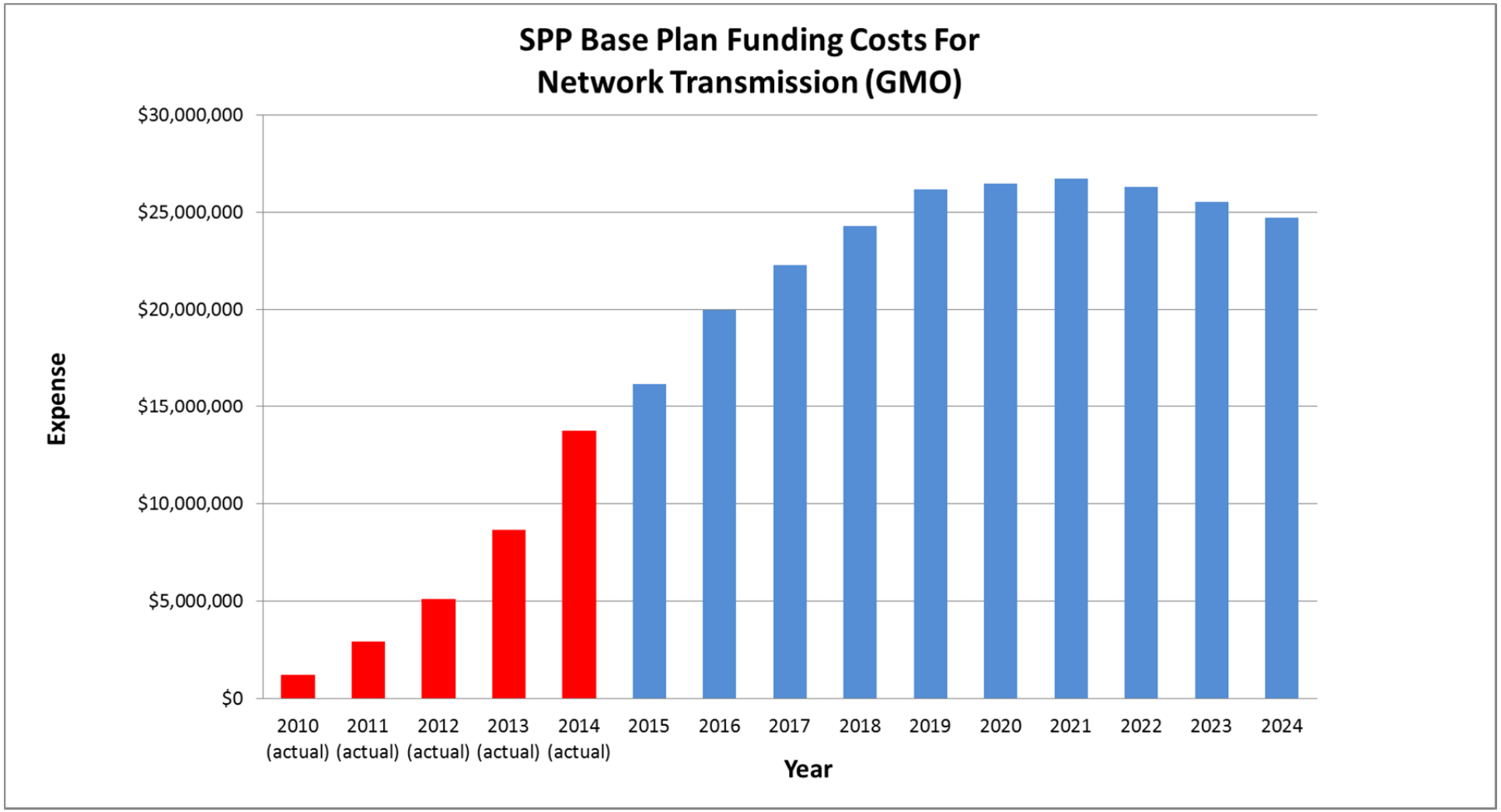
Table 2-A

1	Base Plan Region-wide ATRR (NTC prior to June 19, 2010)	$87,068,100	
2	Base Plan Region-wide ATRR (NTC on or after June 19, 2010)	$157,483,003	
3	Total ATRR reallocated to Balanced Portfolio Region-wide ATRR from Column (6), Section I,	$82,099,792	Effective 10/1/2015
4	Balanced Portfolio Region Wide ATRR	$105,161,585	
5	Base Plan Region-wide ATRR to pay Upgrade Sponsors	$0	
6	SPP Interregional Planning Region ATRR	$0	
7	Other Interregional Planning Region ATRR	$0	
8	Region-wide ATRR (Sum Lines 1 through 7)	$431,812,480	Effective 10/1/2015

Table 2-B

1	Base Plan Region-wide ATRR (NTC prior to June 19, 2010)	$34,162	Effective 10/1/2015
2	Base Plan Region-wide ATRR (NTC on or after June 19, 2010)	$1,037,183	Effective 10/1/2015
3	Total ATRR reallocated to Balanced Portfolio Region-wide ATRR from Column (6), Section I,	$0	
4	Balanced Portfolio Region-wide ATRR	$0	
5	Base Plan Region-wide ATRR to pay Upgrade Sponsors	$0	
6	Region-wide ATRR (Sum Lines 1 through 9)	$1,071,345	Effective 10/1/2015

Table 1 and 2 above reflect the impact of the Balanced Portfolio transfers on the zonal (Base Plan and the TO's) ATRR.
These revised revenues are used to calulate the charges and rates.



[1]

[1] Projections for 2015-2024 taken from: July 2015 Cost Allocation Forecast incl IS-for posting.xlsx, Maintained by SPP, Posted August 20, 2015, http://www.spp.org/Documents/29338/2015%20July%2010%20Year%20Cost%20Allocation%2020150731.zip

SCHEDULE 1-A
TARIFF ADMINISTRATION SERVICE

The Transmission Provider shall provide Tariff Administration Service to carry out its responsibilities under this Tariff. The Transmission Customer must purchase this service from the Transmission Provider. The charges for this Service are to be developed as shown below.

1. Administration Charge:

An administration charge shall be applied to all transmission service under this Tariff to cover the Transmission Provider's expenses related to administration of this Tariff. For Point-To-Point Transmission Service this charge shall be up to $0.39 per MW per hour for all capacity reserved. For Network Integration Transmission Service this charge shall be up to $0.39 per MW per hour for the 12 month average of the Transmission Customer's coincident Zonal Demands used to determine the Demand Charges under Schedule 9 multiplied by the number of all hours of the applicable month. The charge per MW per hour shall be the same for Point-To-Point Transmission Service as for Network Integration Transmission Service.

For each calendar year, the Transmission Provider shall establish a rate for this administration charge by dividing projected expenses based on its budget for the calendar year divided by the projected annual Schedule 1-A billing units for the calendar year. The Transmission Provider shall reconcile actuals to budgeted figures and shall adjust charges for the following calendar year to reflect either over or under recoveries of its costs for the prior year to allow the Transmission Provider to recover its actual costs. In projecting and recovering its expenses, the Transmission Provider shall recover 100% of its total expenses through this charge up to the cap of $0.39 per MW per hour for all transmission service under the Tariff.

2. Transmission Service Request Charges:

The Transmission Customer shall pay the Transmission Provider a charge for each new Transmission Service Request as follows:

(i) For Firm Point-To-Point Transmission Service:

Reservations less than one month: $100

Reservations one month or longer: $200

(ii) For Non-Firm Point-To-Point Transmission Service:

Each Reservation: $0.

However, the Transmission Customer shall have this fee rebated to it once the Transmission Customer becomes legally obligated to pay the applicable Firm Point-To-Point Transmission Service charges under this Tariff or if the requested Firm Point-To-Point Transmission Service is denied by the Transmission Provider.

3. Bad Debt Expense:

The Transmission Provider shall include in its charges under this Schedule a component to cover estimated bad debts. The Transmission Provider shall reconcile actuals to estimates and shall adjust future monthly charges to reflect either over or under recoveries.

SCHEDULE 1
SCHEDULING, SYSTEM CONTROL AND DISPATCH SERVICE

Scheduling, System Control and Dispatch Service is required to schedule the movement of power through, out of, within or into the SPP Balancing Authority Area. Charges for such service shall be as follows:

1) For Customers taking Firm or Non-Firm Point-To-Point Transmission Service, for through and out transactions, the Schedule 1 charge shall be the product of the capacity reserved, expressed in MW and the appropriate rate set forth in the Revenue Requirements and Rates File ("RRR File"), Schedule 1 tab, posted on the SPP website. The yearly rate for such transactions is computed as the ratio of the sum of the accepted or approved revenue requirements most recently determined for each Control Area operator having a scheduling charge and the prior calendar year's average of the 12 monthly peaks of the total Resident Load (expressed in MW) in the SPP Region.

   On-Peak:

   Monthly Rate/MW: the yearly rate divided by 12

   Weekly Rate/MW: the yearly rate divided by 52

   Daily Rate/MW: the yearly rate divided by 260

   Hourly Rate/MW: the yearly rate divided by 4160

   Off-Peak:

   Daily Rate/MW: the yearly rate divided by 365

   Hourly Rate/MW: the yearly rate divided by 8760

   On-Peak and Off-Peak Periods

   Off-Peak days shall be Saturdays and Sundays and all NERC holidays. All other days shall be On-Peak. All hours during Off-Peak days shall be Off-Peak. On-Peak hours during On-Peak days shall be all hours from HE 0700 through HE 2200 Central Prevailing Time. All other hours during On-Peak days shall be Off-Peak.

2) For Customers taking Firm or Non-Firm Point-To-Point Transmission Service, for transactions into and within the Transmission System, the Schedule 1 charge shall be the charge computed pursuant to the approved rate schedule of the Zone that is the Point of Delivery.

3) For Customers taking Network Integration Transmission Service, the Schedule 1 charge shall be the charge computed pursuant to the approved rate schedule of the Zone in which the load is located.

Revenue associated with the provision of Schedule 1 service for Customers taking Firm or Non-Firm Point-To-Point Transmission Service for through and out transactions shall be allocated to Control Area operators in proportion to the respective scheduling revenue requirement of each such Control Area operator associated with the provision of this service. Such scheduling revenue requirements are set forth in the RRR File, Schedule 1 tab, posted on the SPP website.

SCHEDULE 12
FERC ASSESSMENT CHARGE

1. INTRODUCTION

As a public utility, the Transmission Provider is subject to annual charges assessed by the Commission, pursuant to Part 382 of its regulations (the "FERC Assessment"). For each public utility, such assessment is based on the actual megawatt-hours of energy transmitted in interstate commerce during a calendar year, as reported on FERC Form 582. This Schedule 12 provides for recovery of the estimated amount to be assessed by the Commission in the next year for transmission service provided in the current year, with subsequent true-up to actual cost, when such cost is known.

2. APPLICABILITY

This charge shall apply to all energy delivered under Point-To-Point Transmission Service and Network Integration Transmission Service and to all energy delivered to Bundled Retail and Grandfathered Loads to which Section 39.1 of this Tariff applies.

3. RATE CHARGED

The charge factor developed by the Commission in the prior calendar year and applied to energy transmitted in the second prior calendar year shall be applied monthly to all energy delivered under Point-To-Point Transmission Service, Network Integration Transmission Service, and to all energy delivered to Bundled Retail and Grandfathered Loads to which Section 39.1 applies in that month.

SPP shall also include in its bills a True-Up Rate. The True-Up Rate shall be the amount of the Commission assessment billed to the Transmission Provider less the total revenue collected by the Transmission Provider under this Schedule 12 for the second prior year, divided by estimated energy to be transmitted during the current year for all energy delivered under Point-To-Point Transmission Service, Network Integration Transmission Service, and to all energy delivered to Bundled Retail and Grandfathered Loads to which Section 39.1 applies. For the first two years that this FERC Assessment Charge is effective, the True-Up rate shall be zero.

4. BILLING

SPP shall bill Transmission Customers and Transmission Owners covered by Section 39.1 the charges specified under this Schedule in accordance with the procedures in Section 7 of this Tariff.