

ADDENDUM TO MEMORANDUM OF AGREEMENT

This Addendum to Memorandum of Agreement ("Addendum") is entered into this 31st day of July, 2008 by and between Aquila, Inc. ("Aquila") and Cass County, Missouri ("Cass County" or "County").

WHEREAS, the parties entered into a Memorandum of Agreement dated April 21, 2008 ("Agreement"); and

WHEREAS, the Agreement required Aquila to seek special use permits ("SUP's") for the South Harper Plant ("Plant") and the Peculiar Substation ("Substation") (hereinafter collectively "Facilities") located in Cass County; and

WHEREAS, Aquila made application for SUP's for the Facilities after the Agreement was duly executed; and

WHEREAS, as of the date of this Addendum, the applications for SUP's for the Facilities remain pending before the County, and have not been fully and finally determined; and

WHEREAS, on June 26, 2008, legal proceedings by and between the City of Peculiar and others were fully and finally resolved such that an involuntary annexation by the City of Peculiar of certain property (the "Annexed Area") was judicially deemed to be valid; and

WHEREAS, the Annexed Area, includes the property where the Substation is located (the "Substation Tract"); and

WHEREAS, as of June 26, 2008, the Substation Tract is now located within the city limits of Peculiar, and is no longer located in unincorporated Cass County, and the County no longer has land use jurisdiction over the Substation Tract; and

WHEREAS, as a result of Peculiar's annexation of the Substation Tract, the County's ability to continue processing Aquila's SUP application for the Substation from the County has been rendered impossible, and Aquila's ability to secure an SUP from the County for the Substation has been rendered impossible; and

WHEREAS, as of the date of this Addendum, and as anticipated by the Agreement, Aquila has reached and/or entered into settlement agreements with StopAquila.Org and certain clients represented by John Coffman and Matt Uhrig, which settlement agreements are confidential in nature; and

WHEREAS, the parties desire to modify the Agreement as necessary given the circumstances hereinabove described.

NOW, THEREFORE, the parties agree as follows:

Company _____ Exhibit No. 2
Case No(s) EA 2009-0018
Date 2-19-09 Rptr JK

1. The Settlement Agreement with StopAquila.Org. A settlement agreement has been reached by and between Aquila and StopAquila.Org. Though Paragraph 9 of the Agreement anticipated that an appropriate addendum reflecting the terms of any such settlement agreement would be made a part of the Agreement, the settlement agreement by and between Aquila and StopAquila.Org is confidential in nature. As a result, the settlement agreement by and between StopAquila.Org and Aquila will not be attached to or made a part of the Agreement.

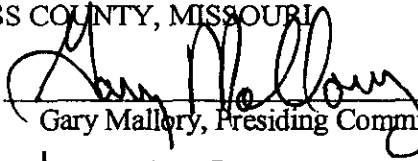
2. Settlements with Certain of John Coffman's and Matt Uhrig's clients. Aquila has entered into settlement agreements with each of the neighbors living near the Plant represented by John Coffman and Matt Uhrig. The settlement agreements reached with these neighbors are confidential. Though Paragraph 10 of the Agreement anticipated that any settlement agreements reached with these neighbors represented by John Coffman and Matt Uhrig would be attached to and made a part of the Agreement, given their confidential nature, said settlement agreements will not be attached to and made a part of the Agreement. Aquila remains in settlement negotiations with the Bocklemans, who reside on land adjacent to the Substation, and who are also represented by John Coffman and Matt Uhrig. The Bocklemans' land is within the Annexed Area. Therefore, as of June 26, 2008 the Bocklemans now reside in the City of Peculiar and no longer reside in unincorporated Cass County. As the County no longer retains land use jurisdiction over the Annexed Area, the County will no longer require Aquila to proactively work toward a negotiated settlement with the Bocklemans as previously required by Paragraph 10 of the Agreement, though the County does encourage Aquila to continue negotiations with the Bocklemans.

3. Conditions to SUP's. Paragraph 12 of the Agreement describes agreed conditions to be made a part of any SUP issued by the County for either the Plant or the Substation. As the County no longer retains land use jurisdiction over the Substation Tract, all references to "Facilities" in paragraph 12, including subsections "a" through "x," shall be modified by this Addendum to substitute the word "Plant" for the word "Facilities." Subsection "g" in Paragraph 12 shall be modified to provide that Aquila will remit to the County a fine of \$500.00 per day for the Plant from April 22, 2008 through the date an SUP is issued for the Plant, and a fine of \$500.00 per day for the Substation from April 22, 2008 through June 26, 2008, as a condition to the issuance of an SUP for the Plant.

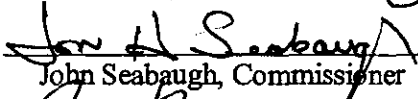
4. No Further Modifications/Agreement to Remain in Force. Except as expressly herein modified by this Addendum, the Agreement shall remain in full force and effect, and binding in accordance with its terms.

CASS COUNTY, MISSOURI

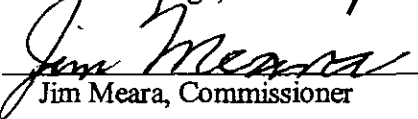
BY:


Gary Mallery, Presiding Commissioner

BY:


John Seabaugh, Commissioner

BY:


Jim Meara, Commissioner

AQUILA, INC.

BY:



ITS:

Senior Vice-President, Corporate Services