

The Players

ITC Great Plains (ITC)

ITC earned utility status and was granted a limited certificate of convenience (transmission-only) by the Kansas Corporation Commission on June 5, 2007. Its certificate and authority is for the limited purpose of building and operating Southwest Power Pool (SPP) transmission projects in Kansas. The certificate also provides for ITC to build, own, maintain, and operate bulk transmission facilities for SPP in Kansas. ITC seeks to build a more robust electric transmission system so that every electric customer in SPP will have access to reliable, non-discriminatory, competitive and low-cost energy. (<http://www.itcgreatplains.com/>)

Kansas Corporation Commission (KCC)

The mission of the KCC is to protect the public interest through impartial and efficient resolution of all jurisdictional issues. The KCC has the responsibility of ensuring that electricity suppliers provide safe, adequate and reliable services at fair and reasonable rates. (<http://kcc.ks.gov/>)

Southwest Power Pool (SPP)

As a Regional Transmission Organization (RTO), SPP is mandated by the Federal Energy Regulatory Commission (FERC) to ensure reliable supplies of power, adequate transmission infrastructure, and competitive wholesale prices of electricity. (<http://www.spp.org/>)

Federal Energy Regulatory Commission (FERC)

FERC regulates the transmission and wholesale sales of electricity in interstate commerce and ensures the reliability of high-voltage interstate transmission systems. (<http://www.ferc.gov/>)

Prairie Wind Transmission (Prairie Wind)

Prairie Wind is a joint venture formed by Westar Energy and Electric Transmission America to build and own new electric transmission assets in Kansas. Electric Transmission America is a joint venture between American Energy Power and MidAmerican Energy Holdings Company. Prairie Wind has filed an application for Certificate of Public Convenience and Authority to site, construct, own, operate and maintain bulk electric transmission facilities in the state of Kansas. Specifically, Prairie Wind proposes to construct, own, operate and manage the “Y Plan,” which is an electric line project competing with Prairie Wind’s proposal to construct, own, operate and maintain the “V- Plan.” (<http://prairiewindtransmission.com/>)

The V-Plan

The V-Plan is a 180-mile transmission project in Kansas that represents a portion of SPP's regional transmission development proposals.

Segment 1: The V-Plan project calls for the construction of a transmission line commencing at the Spearville substation located northeast of Dodge City in Ford County, and running southeast through Kiowa, Clark, and Comanche Counties to a new ITC switchyard to be located in either western Comanche County or eastern Clark County.

Segment 2: The V-Plan also calls for a transmission line to be constructed from the new switchyard northeast through Clark, Comanche, and Barber Counties to another new ITC substation to be located in the Medicine Lodge area.

Segment 3: The final segment of the V-Plan calls for the transmission line to continue from the new Medicine Lodge substation through Barber, Harper, Kingman and Sumner Counties into Sedgwick County near Wichita.

Timeline

October 13, 2006

ITC submitted an application for a limited certificate of convenience and authority to construct, own, operate and maintain bulk electric transmission functions in the state of Kansas.

April 18, 2007

ITC filed a motion requesting approval of a Stipulation and Agreement. The S&A included a condition that ITC would only construct SPP transmission projects for which the affected incumbent transmission owner had declined to exercise its right of first refusal.

June 5, 2007

KCC granted ITC's request for certificate of convenience and authority for the limited purpose of building and operating SPP Transmission Projects in the state of Kansas.

July 16, 2007

ITC advised SPP that it intended to fund, construct, own and operate the V-Plan.

January 29, 2008

ITC's V-Plan was approved by the SPP Board of Directors as a part of the SPP Transmission Expansion Plan (STEP).

SPP does not issue a Notification to Construct ("NTC") for these types of projects until the project sponsor is contractually committed to the financial backing of the project.

Inclusion in the STEP or approval by the SPP Board of Directors constitutes neither an approval to construct nor a determination of who will construct the project once it is approved for construction.

April 11, 2008

ITC filed for an amendment to its limited certificate to construct, own, operate and manage the V-Plan subject to SPP's approval of a regional funding mechanism being developed for extra high voltage projects such as the proposed V-Plan. To date, such a funding mechanism has not been fully developed or approved by SPP.

April 25, 2008

Westar filed a motion to consolidate the three ITC dockets addressing individual segments into a single docket and to dismiss the applications.

September 12, 2008

ITC reached an agreement with Mid-Kansas Electric Company and Sunflower Electric Power Corporation to allow ITC to build sections one and two of the transmission project. Westar was offered the opportunity to build section three.

September 19, 2008

Prairie Wind filed a motion to intervene.

October 2, 2008

A KCC staff report recommended the dockets move forward on a parallel path with a concurrent consideration of Prairie Wind's application for a limited certificate at the same time as the determination of whether ITC applications should be consolidated.

December 18, 2008

KCC issued an order consolidating ITC's three dockets and denied Westar's motion to dismiss ITC's applications. The Commission determined it would consider the ITC and Prairie Wind applications concurrently and that it would consider the applications in two separate phases. The Commission established a procedural schedule and directed ITC and Prairie Wind to participate in scheduled settlement conferences.

Phase I: Evaluate Prairie Wind's application for a certificate and ITC's applications to amend its certificate, to determine whether these entities meet the qualifications to

receive certificates of convenience that include the ability to construct their respective proposals.

Phase II: If both entities were found to meet qualifications to receive certificates, the Commission would use the merger standards to determine which proposal is in the best interest of the public and will most benefit Kansas and the region.

March 25, 2009

ITC and Prairie Wind filed a joint motion to notify the Commission that a settlement agreement had been reached resolving Phase I issues. In the settlement, both ITC and Prairie Wind agree that each entity is qualified to receive an amended certificate that would allow construction of the proposed transmission project. Under the agreement, neither ITC nor Prairie Wind will receive an amended certificate until a determination is made by the Commission regarding Phase II.

Hearing Schedule

April 13, 2009

Phase I - Evidentiary hearing addressing the Joint Motion to Approve Stipulation and Agreement filed on March 25, 2009.

Mid-June

Phase I – Commission Order

August 4-6, 2009

Phase II - Possible Settlement Hearings

September 21-23, 2009

Phase II – Possible Settlement Conference

September 23, 2009

Phase II - Pre-Hearing Conference

September 28-October 2, 2009

Phase II - Evidentiary Hearings

December 2009

Phase II – Commission Order

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The Y Plan

Segment 1: Under the Y-Plan, segment one is anticipated to run west-southwest from a new 765-kV or existing substation (belonging to Westar Energy) near Wichita, Kansas to a new 765-kV substation near Medicine Lodge, Kansas and then west-northwest to a new or existing station near Spearville, Kansas.

Segment 2: The second segment in the Y-Plan would run from the new Medicine Lodge 765-kV substation south-southwest to the Kansas-Oklahoma border.

Timeline

May 19, 2008

Prairie Wind filed an application for Certificate of Public Convenience and Authority to site, construct, own, operate and maintain bulk electric transmission facilities in the state of Kansas subject to SPP's approval of a regional funding mechanism being developed for extra-high-voltage projects. To date, such a funding mechanism has not been fully developed or approved by SPP.

October 2, 2008

A KCC staff report recommended moving the dockets forward on a parallel path with a concurrent consideration of Prairie Wind's application for a limited certificate and a determination of whether ITC applications should be consolidated.

October 20, 2008

Prairie Wind and Westar Energy filed a response supporting the staff report and requesting the Commission establish a procedural schedule.

October 20, 2008

ITC filed a response to the staff report arguing the Commission should not make this case a choice between two projects or builders. ITC requested the Commission amend ITC's limited certificate to grant ITC the authority to construct, own and operate the three transmission lines that make up the V-Plan, and deny Prairie Wind's specific request for a certificate to build its proposed project as premature.

November 3, 2008

Prairie Wind and Westar Energy filed a response to ITC's reply to staff's report. Prairie Wind and Westar argued that Prairie Wind and ITC's applications should be considered simultaneously, that ITC's proposal had not been approved by SPP, and Sunflower and Mid-

Kansas Electric Company (MKEC) do not have the sole right of first refusal to authorize ITC to build the proposed portion of the transmission line in their territory.

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