

**THE KANSAS POWER POOL (“KPP”)
SECOND AMENDED OPERATING AGREEMENT**

THIS AGREEMENT dated this 5th day, of May, 2015, by and between the Member Cities of the Kansas Power Pool (“KPP”), a municipal energy agency, as fully reflected on Attachment 1 (herein referred to as Members) and the Kansas Power Pool (“KPP”), a Municipal Energy Agency (herein referred to as KPP).

W H E R E A S

1. Members, herein referred to individually as Party and if more than one or collectively as Parties, own and operate certain electric generating facilities and/ electric distribution systems, and some Members have contracts for direct purchase of power and energy from non-Parties.

2. The respective electric systems of Members are or will be interconnected, either directly or through the electrical systems of others, making possible more beneficial use of generating facilities and resources and assuring better service in emergencies, thereby providing important benefits to the areas served and to the public.

3. The Parties recognize that it is of the utmost importance to each of the Members that its electrical facilities be preserved and that the investment in those facilities be utilized in the most efficient manner possible in satisfying the Members’ collective future electrical energy requirements.

4. The Parties affirm the actions that KPP has taken related to transmission service for and to KPP Member Cities through the KPP as well as KPP’s participation in the Southwest Power Pool (“SPP”) or its successor.

5. The Parties recognize the many potential benefits to the Members and their consumers (citizens) that will result by coordinating the operation of existing generation and

transmission facilities and by coordinating the installation of future generation and/or transmission facilities of the Parties.

6. The Parties desire to study and evaluate on a continual basis the benefits that may result to the Members and their consumers from coordination and acquisition of electrical resources and facilities.

7. The Parties desire to enter into an agreement which will help assure each Member a current and future supply of power and energy to meet its requirements and make beneficial use of each Member's existing and future generating facilities and supplies, where applicable.

8. Each Member may require capacity, energy, transmission, and other necessary Services to supplement its existing power supply resources.

9. KPP is a qualified Municipal Energy Agency and a quasi-municipal corporation created by the members and established to meet the energy, transmission and distribution functions of the combined members.

10. The Joint Contract among Members and KPP also provides that it is the intent of Members that the KPP provides generation, transmission and pooling to meet the requirements of members in the most efficient manner.

NOW THEREFORE, in consideration of the premises and the covenants herein set forth, the Parties hereto mutually agree with the Kansas Power Pool (KPP) as follows:

ARTICLE I **DEFINITIONS**

Agreement: Shall mean this Agreement and any amendments thereto in writing agreed between the Parties.

APPA: American Public Power Association

Creating Agreement: Shall mean the Second Amendment to the Agreement Creating the Kansas Power Pool (“KPP”) a Municipal Energy Agency that is currently in effect.

Cure: a) Removal of the cause of an Event of Default so that no default remains, or
b) another remedy acceptable to both the defaulting Party and the non-defaulting Party.

Firm Service: Shall mean Firm Network Integrated Transmission Service as defined under the SPP OATT.

Integrated Market; Shall be as defined in the SPP OATT

Kansas Corporation Commission: Commission established by the State of Kansas with the authority to regulate electric utilities within the State of Kansas.

The Kansas Power Pool (“KPP”), a Municipal Energy Agency: Shall mean that party to this Agreement and signator.

KMU: Kansas Municipal Utilities

Members: Shall mean the signators to this Agreement.

Network Resources: Shall be as defined by the SPP OATT.

Network Integrated Transmission Service (“NITS”): Shall be as defined by the SPP OATT.

OATT: Shall mean the Open Access Transmission Tariff as administered by SPP and approved by the Federal Energy Regulatory Commission.

Point(s) of Delivery: Shall mean those points as defined in the official KPP list and documents as posted on KPP’s website.

Pooled Power Supply Contract: Power supply contract between a KPP member and a power supplier that does not restrict KPP’s use as a Pooled Resource.

Pooled Resource: A Members resource that by this agreement is turned over for use by KPP to serve all of the Members. This resource can be either a Pooled Power Supply Contract or Member's generation.

Prudent Utility Practices: Shall mean the practices, methods and standards of professional care, skill and diligence engaged in or approved by a significant portion of the electric generation industry for size, type, and design of similar facilities owned, operated or controlled by the Members, in the exercise of reasonable judgment, in light of the facts known at the time, which could have been expected to accomplish results consistent with applicable law and/or rules and regulations of an appropriate regulatory body or bodies, reliability, safety, environmental protection and standards of economy.

Projected Peak Load: Shall mean the highest expected hourly kilowatt-hours per hour wholesale Load during a calendar year.

Retail Customer: Shall mean the ultimate end use electric customer served by a Member.

Secretary: Shall mean the person responsible for the taking and keeping of minutes, records of the official business of the Pool.

Service(s): Shall mean those activities as enumerated through official KPP literature identifying services available to members.

SPP: Shall mean the Southwest Power Pool, its successor or assignee.

Voting Member: Shall mean the Member's designated representative on the Membership Committee.

Uncontrollable Force: Shall mean that as defined in Article XVIII.

Wholesale Load: Shall mean the indicated sum of all of the members' wholesale tie meters, losses calculated at those meters and all of the member's internal generation on the distribution system downstream of the wholesale metering, at any point in time.

ARTICLE II **OBJECTIVES**

The objectives of this Agreement and KPP are, through joint planning, central dispatching, joint power purchases, and effective coordination with other power pools and utilities:

- a) to provide the means for an adequate power supply for Members in conformance with applicable standards of reliability and safety;
- b) to provide the means for optimal use of generation and transmission facilities resulting in the efficient use of natural resources;
- c) to attain maximum practicable economy to the Members consistent with applicable standards of reliability and safety and to provide for equitable sharing of the resulting benefits and costs.
- d) and to provide any additional services to the Members as directed and approved by the Board of Directors.

ARTICLE III **THE MEMBERSHIP COMMITTEE**

3.1 Each Member shall designate a representative to serve on the Membership Committee and one or more alternates authorized to act in the absence of the designated representative. The appointment to the Committee made by each Member shall be identified by written notice to the KPP. The Members' representative to the Membership Committee shall be a "Voting Member" as defined in the Creating Agreement. Each Member may replace its representative or alternate(s) to the Committee at any time by the process delineated in the Creating Agreement and by written notice to the KPP.

3.2 Authorized representatives or alternates present from a majority of Voting Members at a duly noticed or regularly scheduled meeting of the Membership Committee shall constitute a quorum.

3.2.1 Each Member shall have only one Voting Member for purposes of actions taken by the Membership Committee at a meeting of the Membership Committee.

3.3 Each Voting Member shall be entitled to one vote of equal weight through its representative or alternate in any vote of the Membership Committee. A majority vote of all Members present will authorize any action or determination by the Membership Committee, except where otherwise required in this Agreement or the Creating Agreement. A tie vote shall be considered a vote not approving the motion.

3.4 Any action of the Membership Committee shall be by a vote on a motion that has been seconded. The maker of the motion and of the second shall be duly designated voting members of the Membership Committee.

3.5 The President of KPP shall serve as the presiding officer of the Membership Committee. In the President's absence, the First Vice President or Second Vice President shall so preside. In the event that neither of these three officers can be present at any meeting, the President shall, before the meeting, notify Members as to who the Presiding Officer will be.

3.6 The Membership Committee shall meet as called and at such other times as the chair may determine or as requested by three or more Voting Members. The frequency of regular meeting may be revised from time to time by the Membership Committee.

ARTICLE IV **SERVICES TO THE POOL MEMBERS**

4.1 Members agree to provide to KPP capacity and energy output from Members' Pooled Resources identified by those Members and listed in KPP's official documents and records, subject to Members' contractual, permit and physical limitations. KPP will compensate Members for use of such resources consistent with the following principles:

- a) KPP shall compensate the Members for the use of Pooled Power Supply Contracts by either directly paying the costs of these contracts or by compensating the Member

for the costs of these contracts. KPP will compensate members for the use or the future use of Members generation by a payment for the accredited capacity rating of the unit at a rate approved by the Board of Directors and approved by the Membership Committee. The compensation for KPP's use of the Members' generation shall be based either on cost or on market price. KPP Members operation of Members generation when required by SPP or KPP for transmission service or for unit testing will be compensated at the member's Variable Cost or at the market price, whichever is greater. Compensation for Member Generation when not required by KPP or SPP or to perform operational or capacity testing will be at the market price. Payment will be either a billing credit against the Member's bill or a direct monthly payment to the Member.

b) KPP's compensation for the Member's generating capacity shall be to ensure that the generating capacity is currently available and is reserved and maintained for future use. Payment will be either a billing credit against the Member's bill or a direct monthly payment to the Member.

c) Subject to the limitations of Section 12.1, the KPP agrees to provide, and each Member agrees, to utilize all of the Services agreed upon and which are needed by the Member to fulfill its full obligation to serve its Retail Customers. Members will pay for such Services at rates established by the Committee. The KPP may provide any or all of these Services itself, or it may arrange for other entities to provide some or all of these Services.

- d) Rates established by the KPP for Services to Members may also include an amount which will permit KPP to pay Member's membership fees in organizations such as KMU, APPA, or other similar organizations as approved by the Committee.
- e) The maximum amount of Services to be provided to the Member under terms of this Agreement may be constrained by the physical limitations of delivery facilities.

ARTICLE V
MEMBER'S GENERATION CAPACITY COMMITMENT

5.1 Each Member covenants and agrees, during the term of this Agreement, that it will at all times maintain the generation facilities for which it receives payments related to the accredited generation capacity, in good working condition capable of safely functioning to sufficiently supply the capacity and energy for which it receives credit, consistent with reliability standards set by the KPP. Generation facilities that are not so maintained, as determined by the KPP, will be denied credit.

5.2 Prior to September 1 of each year, each Member will provide KPP with any known changes in its projected peak load, load profile, or energy use (such as major additions or losses in industrial or commercial loads), as well as any known changes in the Member's generating Pooled Resources for the following 5 calendar years. In the above forecast for each Member, specific note shall be made of any changes in a generating unit rating due to downgrades, improvements or otherwise expected to occur in the five (5) following calendar years. A Member shall also advise the KPP of a significant change in loads or resources identified between such annual submissions. The KPP will acquire resources in reliance on resource and load information provided by Members. Forecasts are to be consistent with the procedures established by the KPP. Load forecasts are to be formatted by the KPP and/or its staff.

5.3 No later than September 1 of each calendar year, each Member shall also advise the KPP of any plans and preliminary plans for new generating units or unit retirements or new power supply contracts. Accreditation for any new unit or power supply contract will be granted by the KPP consistent with the value of such resource to KPP.

5.4 With respect to its generation equipment for which the Member wants to receive credit under this Agreement, each Member agrees at all times to maintain and operate its Network Resources and ancillary equipment in accordance with Prudent Utility Practices so as to minimize outages, facilitate efficiency and prolong useful lives. Members' maintenance schedules shall be subject to coordination with other Members and the KPP in accordance with procedures established by the KPP. Each Member shall keep the KPP informed of any unscheduled outage and the completion on any outage.

5.5 The KPP may request from time to time that a Member verify that its generation can run at its accredited rating during any and all operating conditions. Testing procedures will be established by the KPP in accordance with Prudent Utility Practice.

ARTICLE VI **SCHEDULING AND DISPATCH**

6.1 The KPP will provide any needed scheduling and dispatching service for Members. The KPP will develop schedules in accordance with economic dispatch and allowance for prudent testing and exercise of Members' units, consistent with procedures established by the KPP. The KPP will not schedule such units to be run contrary to the physical, contractual, or permit limitations applicable to such units.

6.2 Members agree to make their power contract entitlements available for scheduling and dispatch by the KPP, or for utilization in the SPP Integrated Market. The KPP will not schedule or utilize such contract entitlements contrary to the limitation applicable to such contracts.

6.3 Members shall fully inform the KPP of any physical, contractual or permit limitations applicable to each of its generating units and power contracts, including but not limited to generation required to fulfill insurance or warranty requirements.

6.4 The KPP may provide scheduling, dispatching, and other Services itself or by subcontract with another entity.

6.5 In addition to any required scheduling and dispatch, KPP will coordinate all Pooled Resources and Member Loads in the SPP Integrated Market

ARTICLE VII **CONTINUITY OF DELIVERIES**

7.1 Transmission capacity made available under this Agreement shall be furnished continuously and/or as scheduled in accordance with the definition of Firm Service except for interruption or curtailments in service caused by an Uncontrollable Force, or by operation of devices installed for system protection, or by the necessary installation, maintenance, repair and replacement of equipment. Such interruptions or reductions in service, as hereinbefore set forth, shall not constitute a breach of this Agreement, and neither party shall be liable to the other for damages resulting there from. Except in case of an emergency, each Party shall give the other reasonable advance written notice of the temporary interruptions or curtailments in service necessary for such installation, maintenance, repair and replacement of equipment and shall schedule such interruption or curtailments so as to cause the least inconvenience to the Parties hereto.

ARTICLE VIII **INFORMATION AND ACTIONS**

8.1 On request, the KPP and each Member shall provide each other with such information and take such actions as are reasonably necessary for the efficient and effective operation of KPP.

8.2 The KPP agrees to advise each Member of any changes or modifications in the KPP's electric system that will affect the operation of the Member's electric system or the nature of electric power and energy deliveries to the Member.

8.3 Each Member agrees to advise the KPP of any significant changes in estimated load requirements of planned levels of service or planned changes or modifications in its system, generation or contracts which may require modifications or changes in the KPP's electric system or resources.

ARTICLE IX **OTHER AGREEMENTS**

9.1 In the event additional connecting facilities or improvements to existing interconnecting facilities are determined to be necessary to allow the transmission of power and energy to one or more Members, whether pursuant to the application for NITS transmissions service through SPP or otherwise, such facilities or improvements shall be provided at the expense of the same Member(s) that benefit from such additional facilities or improvements. However, no such facilities or improvements shall be contracted for or constructed without the prior determination by the Member(s) benefiting from the same, that the same are necessary and reasonable. Notwithstanding the above, additional connecting facilities and improvements may be provided on other terms as mutually agreed upon between KPP and its Member(s).

ARTICLE X **MEMBERSHIP CRITERIA**

10.1 Members shall be the Voting Members.

10.2 To become a Voting Member of KPP, a party shall:

- a) have committed to make payment of any share of KPP costs as determined by the Board of Directors;
- b) be normally operationally interconnected in such a way as to benefit from the transmission services provided by the KPP;

- c) own or control electric utility facilities operated in accordance with KPP requirements;
- d) agree to maintain their facilities in accordance with Prudent Utility Practices;
- e) have signed this agreement; and
- f) have been approved by a unanimous vote of the KPP Board of Directors and who join KPP as required by Kansas statute.

ARTICLE XI **OPERATIONS**

11.1 All capacity and energy delivered between the Parties shall be metered at the Point(s) of Delivery to the Member. Metering and communications equipment, which may include but is not limited to hardware and software, shall be installed that will determine:

- a) Kilowatt-hours delivered to and from the Member;
- b) The kilowatt demand at the metering point provided by 30 minute interval recording demand type meters; and
- c) Kilovolt-ampere-hours reactive delivered to and from the Member.
- d) Real time metering information as may be required by SPP.

The metering and communications equipment shall provide sufficient information in a manner suitable for use in scheduling, dispatching, billing, forecasting and planning. If changes to Prudent Utility Practice necessitate changes to the aforesaid equipment, such changes shall be made. Each Member shall reimburse the KPP any costs associated with the Section for equipment for Member's Point(s) of Delivery. KPP will maintain the communications equipment and service after the initial equipment installation.

11.2 Connected Generation Resources:

- a) The Member's connected generation resources that have automatic generation control (AGC) and automatic voltage regulation (AVR) shall be

operated and maintained consistent with regional operating standards, and the Member or operator shall operate, or cause to be operated, such resources to avoid adverse disturbances or interference with the safe and reliable operation of the transmission system.

b) For all Member Resources located within the Host Transmission Owner's Control Area, the following generation telemetry readings to the Host Transmission Owner are required:

- 1) Analog MW
- 2) Integrated MWHRS/HR
- 3) Analog MVARs
- 4) Integrated MVARHRS/HR
- 5) Analog Bus Volts

11.3 All metering equipment at the aforesaid point of metering shall be maintained by the respective owners thereof. The Party owning such meters shall make periodic tests and inspections of its meters at its own expense at intervals not greater than one year and shall advise the other Party (the KPP or the Member at whose Delivery Point or Network Resource the meter is located, as the case might be) when tests are to be made so that the other Party may witness such tests if it desires. Meter tests will be conducted in accordance with standards approved by the KPP. The Party conducting the test shall promptly forward the results of any test showing inaccuracy of more than one percent (1%) to the other Party. Following any meter test, the meter shall be left as close to 100% accurate as possible. Each Party will make additional tests of its meters at the request of any other Party, but the expense of such test will be borne by the Party requesting such test if the meter is found to be within one percent (1%), the meter shall be calibrated and a correction shall be made in interchange accounts from the date reasonably

determined to be the date at which the inaccuracy began. If that date cannot be reasonably determined, then the correction shall apply to the last half of the period since the latest test, but not more than six months preceding the test that reveals the inaccuracy.

ARTICLE XII **AUTHORITIES**

12.1 The KPP is hereby authorized to acquire legal, engineering, accounting or any other third-party services associated with this Agreement. The Board of Directors of KPP is responsible for approving the annual budget of KPP.

12.2 The duly authorized Member hereby authorizes its Voting Member to act for the Member to carry out the Member's responsibilities as provided in this Agreement, except that any question of the Member's participation or withdrawal consistent with the provisions of Article XIV of this Agreement requires action of the Member's governing body or approval of its administrator.

ARTICLE XIII **AMENDMENTS**

13.1 The Parties hereto, including KPP, shall be the only parties in interest to this Agreement. This Agreement is not intended to and shall not create rights of any character whatsoever in favor of any person, corporation, association, entity or power supplier, other than the Parties and KPP, and the obligations herein assumed by the Parties are solely for the use and benefits of the Parties and KPP. Nothing herein contained shall be construed as permitting or vesting, or attempting to permit or vest, in any person, corporation, association, entity or power supplier, other than the Parties and KPP, any rights hereunder or in any of the electric facilities owned by the Parties or the use thereof.

13.2 Specifically, the Member shall be entitled to purchase Services under the terms of this Agreement for the sole use of the Retail Customers of the Member.

13.3 Amendments to this agreement shall be proposed and approved by the Board of Directors of the Kansas Power Pool. Amendments will then be submitted to the Membership Committee for ratification. The Membership Committee shall then submit to the respective governing bodies of the member cities the resolution and said Amendment shall be adopted upon a two-thirds (2/3) vote of the governing bodies of the respective cities. The governing bodies must act within ninety (90) days of the City Clerk of the respective member cities having been alerted and notified that the proposed amendments are submitted for the city government's approval. If the member cities do not approve, disapprove or take action on such amendments within said ninety (90) days of the date of submittal for action by the Membership Committee, the amendment shall be deemed denied.

ARTICLE XIV
TERM OF AGREEMENT, DEFAULT AND REMEDIES

14.1 This Agreement will continue in effect until cancelled as provided below:

- a) Once a Member is ready to take services from KPP or KPP has, on behalf of the Member, contracted for services, a Member shall sign a Purchase Power Agreement with KPP.
- b) Once the Purchase Power Agreement has been signed, the terms and conditions of that Agreement shall govern the rights of the parties, and specifically, the right to terminate the Purchase Power Agreement and the Second Amended Operating Agreement.
- c) A Member may cancel this Agreement as specified in the Purchase Power Agreement.

14.2 In the sole discretion of KPP, in the event of a Default under the Purchase Power Agreement or a breach of KPP's Second Amended Operating Agreement KPP can elect to

proceed by so notifying the affected City or Cities of a default and that KPP is invoking these provisions. An “Event of Default” under this Agreement shall occur as a result of any one or more of the following events and the corresponding Cure period, if any, shall have expired without Cure when:

- a) A Member fails to make any payment(s) required pursuant to Article XIV and/or the Purchase Power Agreement and such failure continues for a period of thirty (30) days after delivery of notice thereof by the KPP;
- b) A Member fails in any material respect to comply with or observe any material covenant, warrant or obligation under this Agreement (except a payment default as described in Section 14.4 a) or in the Purchase Power Agreement, except a failure that is due to causes excused by Uncontrollable Forces or attributable to the KPP’s wrongful act or wrongful failure to act, and such failure shall continue for a period of sixty (60) days after delivery of notice to the Member, or if such failure cannot reasonably be cured within a sixty (60) day period, such further period as shall reasonably be required to effect such Cure, provided that such Member commences within the first sixty (60) day period to effect such cure and at all times thereafter proceeds diligently to complete such Cure as quickly as possible.
- c) KPP fails in any material respect to comply with or observe any material covenant, warranty or obligation under this Agreement (except due to causes excused by Uncontrollable Forces or attributable to a Member’s wrongful act or wrongful failure to act) or violates the terms and

conditions of the Purchase Power Agreement. The cure requirements described in 14.4 b) shall also apply here.

- d) A Party becomes insolvent, or generally does not pay its debts as they become due, or admits in writing its inability to pay its debts, or makes and assignment for the benefit of creditors, or insolvency, reorganization, bankruptcy or receivership proceedings are commenced by or against a Party and such proceedings are not dismissed or stayed within sixty (60) days.

14.3 Upon the giving of notice by the KPP to cancel this Agreement, the Member and KPP agree to immediately commence negotiations in regard to the effect of the cancellation of this Agreement upon the Member and KPP. Specifically, the Member and KPP recognize that KPP will have contracted for and on behalf of the Member for various services which may include, but not be limited to, transmission, purchase power agreements, load following services or other transmission or power requirement needs which could extend beyond a the term of this of the Second Amended Operating Agreement.

14.4 The Member recognizes that it will remain responsible for its respective share of any obligations made on its behalf prior to its notice of cancellation and shall be entitled to its respective shares of any entitlements obtained for which it has paid when due, subject to the terms under which the entitlements are obtained.

14.5 The parties will negotiate whether the Member desires to retain its respective interests in transmission and/or power supply agreements, subject to the approval of the third party with whom KPP has contracted, or whom the Member has contracted with directly, beyond the appropriate cancellation period.

14.6 KPP agrees that it may or might have an interest in securing those services or agreements for other members of KPP. Subject to the consent of third parties with which KPP or its Member has contracted, KPP will negotiate the services that the Member desires to maintain in its own name with such third parties, but responsibility for the Member's share of any obligation made on the Member's behalf or by the Member to which it may be entitled are the Member's responsibility absent further negotiations in the agreement of KPP.

14.7 The parties will complete these negotiations or mediation no later than six (6) months before the cancellation of the Member's obligations under the Operating Agreement have been completed.

14.8 Either party may request that disputes that may arise between a member and KPP will be resolved by alternative dispute resolution, specifically mediation. The parties agree that mediation would be commenced immediately at the request of the other party at any time during the cancellation period, but will be completed prior to six (6) months before the end of the Member's participation under this Operating Agreement if alternative dispute resolution is waived. KPP and the Member City will select a mediator from a list of qualified individuals agreed upon between the parties. If the parties cannot agree upon a mediator, the same will be selected from a list of approved mediators that regularly perform mediation services for the United States District Court for the District of Kansas, sitting in Wichita.

14.9 If this Agreement is cancelled as a result of default by either party the non-defaulting party shall have the right to seek remedies at law or in equity for damages for the breach of any term, condition, covenant, warranty or obligation under this Agreement.

14.10 Upon cancellation, this Agreement shall be of no further effect and neither Party shall have any further obligation to the other under this Agreement except that each Member shall remain responsible for its respective shares of any obligations made on its behalf prior to its

notice of cancellation and it shall be entitled to its respective shares of any entitlements obtained for which it has paid when due, subject to the terms under which the entitlements are obtained; provided, however, that non-defaulting Party shall have the right to seek remedies at law or in equity or damages for the breach of any term, condition, covenant, warranty or obligation under this Agreement.

ARTICLE XV **NOTICES**

Any written notice, bill or invoice required or appropriate hereunder shall be deemed properly made, delivered, given to, or served on the Party to whom it is directed when the delivery is made by hand delivery; or five (5) days after deposit in the United States Mail, first class, postage prepaid, if by mail; or when sent and confirmation received, if by facsimile machine; or when delivery is guaranteed after delivery to a nationally recognized overnight courier service with service paid for with guaranteed delivery of five (5) days or less, if by courier, addressed:

TO KPP: Name and address to be provided to Members by the KPP.

TO MEMBER: The administrative officer identified by the Member and copies to such other persons or the Committee representative, if requested, addresses to be provided by the Member.

Notice of change in any of the above addresses shall be given in the manner specified for written notice above.

ARTICLE XVI **BILLING AND PAYMENT**

16.1 KPP shall prepare bills to each Member each month for Services rendered under this Agreement in accordance with Article IV.

16.2 Payment of the bills rendered pursuant to this Agreement shall be received by the KPP no later than thirty (30) calendar days following delivery of the bill to the Member, as determined pursuant to Article XV if this Agreement.

16.3 If a Member shall dispute any amount in any bill rendered by the KPP, such Member shall nevertheless pay the entire amount of such bill within the time provided in Section 16.2 and within sixty (60) days after the delivery date for such bill. Member shall notify the KPP in writing of such disputed amount and reason(s) for such dispute(s). Any disputed amount which is ultimately determined not to have been payable shall be refunded by the KPP to such Member in accordance with Section 16.7.

16.4 For all billed amounts not paid by the Member on or before the date due therefore, the KPP may exercise rights provided in Section 16.7 and any other right or remedy available under this Agreement or applicable law with respect to such unpaid amounts.

16.5 The existence of a dispute as to any bill shall not relieve a Party of compliance with any other provisions of this Agreement.

16.6 If a Party discovers an arithmetic error in a bill, the bill may be corrected within one (1) year from the date of the original bill, and any overpayment or underpayment will be refunded or paid up, as appropriate.

16.7 Late fees or interest due associated with late bills or incorrect billings shall be as approved by the KPP.

16.8 If a Member shall dispute any amount in any bill rendered by the KPP, the dispute shall be resolved by the KPP, which may conduct an inquiry and render a decision itself or the KPP may at its option appoint a special review committee to be selected by the KPP President to perform such function, the decision of which shall be adopted as the decision of the KPP. There shall be no further right of review of such decision.

ARTICLE XVII
UNCONTROLLABLE FORCES

No Party shall be considered to be in default with respect to any obligation hereunder, other than making a payment to another Party, if unable to fulfill such obligation by reason of Uncontrollable Forces. The term “Uncontrollable Forces” shall be deemed for the purposes hereof to include among other such causes storm, flood, lightning, earthquake, fire, explosion, damage to facilities upon which performance is dependent, failure of manufacturers to make scheduled deliveries of equipment, act of the public enemy, sabotage, civil disturbance, labor disturbance, strike, impact of war or mobilization, national emergency, law, regulation, restraint or order by court or by public authority, or other causes beyond the control of the Party affected, which such Party could not reasonably have been expected to avoid by exercise of due diligence and foresight in accordance with Prudent Utility Practice. Any Party unable to fulfill any obligation by reason of Uncontrollable Force shall exercise due diligence to remove such disability with reasonable dispatch.

ARTICLE XVIII
RIGHT OF ACCESS ACCORDED EACH PARTY

Each Member shall permit duly authorized representatives and employees of the KPP to enter upon its premises for the purpose of reading or checking meters, inspecting, testing, repairing, renewing or exchanging any or all of the equipment associated with this Agreement, or for the purpose of performing any other work necessary in the performance of this Agreement. Each Member shall have a similar right of access with respect to the KPP’s premises.

ARTICLE XIX
SUCCESSORS AND ASSIGNS

This Agreement shall not be assignable by any Member by voluntary or involuntary transfer or otherwise without the prior written consent of the KPP.

ARTICLE XX
COUNTERPARTS

This Agreement and any amendments thereto may be executed in counterparts, in which case it shall be of the same force and effect as if all signatures were on one copy.

ARTICLE XXI
INSTRUMENT CONTAINS ENTIRE AGREEMENT

This instrument contains the entire agreement by and between the Parties to this Agreement and no statement, promises or inducements made by any Party hereto or agent or officer of any Party hereto that is not contained in the Agreement or incorporated herein by reference, shall be invalid and/or non-binding.

ARTICLE XXII
SEVERABILITY

Should any part, term or provision of this Agreement be determined by a Court of competent jurisdiction to be illegal or in conflict with any applicable law, the validity of the remaining portions shall not be affected thereby.

ARTICLE XXIII
ORDINANCES OR RESOLUTION TO BE PROVIDED

Certified copies of the ordinance or resolution adopted by each Member authorizing the execution of this Agreement shall be provided to the KPP at the time of execution of the Agreement or the respective counterparts thereof.

IN WITNESS WHEREOF, by Resolution No. **2015-2-19a** passed by the Board of Directors of the Kansas Power Pool (“KPP”), a Municipal Energy Agency, on the **19th day of February, 2015** I, Mark Chesney, CEO and General Manager of KPP hereby executed this
Second

Amended Operating Agreement for approval by the KPP Board of Directors.



MARK CHESNEY, KPP CEO and General
Manager

Dated: May 5, 2015

ATTACHMENT 1

EXHIBIT 1 – LIST OF KPP MEMBER CITIES COVERED BY THIS AGREEMENT

City	Transmission Service
Attica	MKEC
Augusta	Westar
Burlington	Westar
Clay Center	Westar
Ellinwood	MWE
Erie	Westar
Greensburg	MKEC
Haven	Westar
Hillsboro	Westar
Holyrood	MKEC
Kingman	MKEC
Lucas	MKEC
Luray	MKEC
Marion	Westar
Minneapolis	Westar
Mount Hope	Westar
Mulvane	Westar
Oxford	Westar
St. Marys	Westar
Udall	Westar
Waterville	Westar
Wellington	Westar
Winfield	Westar

(Original signature pages are on file in the office of the Kansas Power Pool.)