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## **PRESS RELEASE FOR IMMEDIATE RELEASE**

### **Kansas Utilities to Cooperate on Major High-Voltage Transmission Project** *Mid-Kansas Electric Company, Sunflower Electric Power Corporation designate ITC Great Plains to build Kansas V-Plan*

**Hays, Kan., September 2, 2008** – Mid-Kansas Electric Company (Mid-Kansas) and Sunflower Electric Power Corporation (Sunflower) have reached an agreement with ITC Great Plains LLC (ITC Great Plains) designating ITC Great Plains to build two of the three sections that will comprise the proposed Kansas V-Plan transmission project.

ITC Great Plains will build two sections of the Kansas V-Plan. The first section is a transmission line from Spearville, Kan., to Comanche County, Kan., and the second section is a transmission line from Comanche County to Medicine Lodge, Kan. The V-Plan will be constructed at 765-kV if deemed appropriate by Southwest Power Pool, Inc. (SPP). Construction of the project is subject to needed state certificate and siting approvals, the resolution of cost recovery and cost allocation issues, and obtaining lender consent.

As part of the agreement, Mid-Kansas and Sunflower have offered Westar Energy (Westar) an opportunity to build the third section of the Kansas V-Plan, a transmission line that will run from Medicine Lodge to Sedgwick County, Kan., terminating just outside Wichita, Kan. Westar operates a service territory that overlaps portions of the third section. In the offer, Westar would build a segment of the V-Plan outside their service territory. Should Westar elect not to participate, ITC Great Plains is committed to building any portion of the third section.

“We are committed to meeting the energy needs of our Members. This agreement with ITC will assist us as we continue to achieve that goal,” said Earl Watkins, president and CEO of Mid-Kansas and Sunflower. “We are proud to work with ITC in a project that will enhance the reliability and affordability of energy to our Members and allow the import and export of energy, while promoting further development of renewable resources, including wind, in western Kansas and the entire region. We hope Westar will join in the endeavor.”

“This agreement is a revolutionary approach and a major milestone in the quest to build a 21st-century transmission grid in Kansas,” said Carl Huslig, ITC Great Plains president. “ITC, Mid-Kansas, and Sunflower believe that collaboration is an excellent model for building crucial infrastructure. The winners will be Kansans, who will benefit

from a robust transmission grid that will increase reliability, lower costs, provide equal access to energy and further wind energy development.

Rep. Tom Sloan, R-Lawrence, a strong proponent of improving the transmission system between eastern and western Kansas, and an organizer of five annual transmission summits in Kansas, said, "I am pleased to see the development of this essential transmission construction. These projects are necessary to ensure not only that all Kansans have reliable energy, but also that Kansas can export energy to meet national needs."

### **About the Kansas V-Plan**

The Kansas V-Plan is a 180-mile high-voltage transmission line that will run southeast from Spearville, Kan., to Comanche County, Kan., then toward Medicine Lodge, Kan., and then northeast to terminate in Sedgwick County, just outside Wichita, Kan. The V-Plan has been included in the Southwest Power Pool's Transmission Expansion Plan and is the largest electric infrastructure project to be proposed in Kansas in nearly 25 years.

### **About ITC Holdings Corp.**

ITC Holdings Corp. (**NYSE: ITC**) invests in the electricity transmission grid to improve electric reliability, improve access to markets, and lower the overall cost of delivered energy. ITC is the largest independent electricity transmission company in the country. Through its subsidiaries, ITC Transmission, Michigan Electric Transmission Company, LLC (METC) and ITC Midwest LLC, ITC operates regulated, high-voltage transmission systems in Michigan's Lower Peninsula and portions of Iowa, Minnesota, Illinois and Missouri, serving a combined peak load in excess of 25,000 megawatts. ITC is also focused on new areas where significant transmission system improvements are needed such as Kansas and Oklahoma through subsidiaries ITC Grid Development, ITC Great Plains and ITC Panhandle Transmission. For more information, please visit: <http://www.itc-holdings.com>. (itc-ITC)

### **About ITC Great Plains**

ITC Great Plains was formed in July 2006 as a subsidiary of ITC Grid Development, a wholly-owned subsidiary of ITC Holdings Corp. ITC Great Plains is a transmission-only utility which 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. ITC Great Plains was granted transmission-only utility status in Kansas and has a utility status application pending in Oklahoma which provides the ability for ITC Great Plains to own and operate a fully-regulated, high-voltage transmission system that transmits electricity to local electricity distribution facilities from generating stations throughout the SPP region. ITC Great Plains is committed to working with all stakeholders to identify and solve transmission issues throughout SPP.

### **About Mid-Kansas Electric Company LLC**

Mid-Kansas Electric Company LLC is a coalition of six rural electric cooperatives serving in 34 western Kansas counties who organized for the purpose of acquiring the

assets of Aquila's Kansas Electric Network. The cooperatives also own Sunflower Electric Power Corporation, a generation and transmission service provider, and they own other businesses that provide a wide range of services including water supplies, satellite TV and Internet access, wireless broadband Internet access, cellular telephone service, commercial electrical services and propane delivery services.

**About Sunflower Electric Power Corporation**

Sunflower Electric Power Corporation is a regional wholesale power supplier that operates a 1,257 MW system of wind, gas, and coal-based generating plants and a 2,300-mile transmission system for the needs of its six member cooperatives that serve more than 400,000 customers living in central and western Kansas. Visit Sunflower's website at <http://www.sunflower.net>.

Sunflower's member cooperatives include Lane-Scott Electric Cooperative, Dighton; Pioneer Electric Cooperative, Ulysses; Prairie Land Electric Cooperative, Norton; The Victory Electric Cooperative Association, Dodge City; Western Cooperative Electric Association, WaKeeney; and Wheatland Electric Cooperative, Scott City, Kan.

**Investor/Analyst contact:**

Pat Wenzel (248.946.3570, [pwenzel@itc-holdings.com](mailto:pwenzel@itc-holdings.com))

**Media contact:**

Kimberly Gencur Svaty (913.486.4446, [kgencur@gencursvaty.com](mailto:kgencur@gencursvaty.com))

Cheryl Eberwein (248.767.1068, [ceberwein@itctransco.com](mailto:ceberwein@itctransco.com))

Cindy Hertel (785.623.3341, [chertel@sunflower.net](mailto:chertel@sunflower.net))