To: MWTG Participants

From: MWTG Participants

Re: Mountain West Transmission Group Consensus On Further Discussions with the Southwest Power Pool

The ten entities identified in the signature blocks below, informally collectively known as the "Mountain West Transmission Group" ("MWTG") and individually known as a "Participant," executed a confidential Memorandum of Understanding dated April 1, 2016 to capture the terms developed, at that time, for a potential joint transmission tariff. Since April, the MWTG expanded its scope to evaluate participation in a full energy and ancillary services market. MWTG transmitted a Request for Information ("RFI") to four Regional Transmission Operators ("RTOs").

Each Participant has reviewed the RTOs' responses to the RFI, and the MWTG Participants have conducted additional analysis. Now, having reached consensus as to specific confidential terms and conditions, the MWTG Participants acknowledge, by execution of this letter, the intent to pursue in depth discussions with the Southwest Power Pool ("SPP") about the possibility of membership in SPP, including participation in SPP's Integrated Marketplace. In the event these discussions are unsuccessful, the Participants may pursue similar discussions with Midcontinent Independent System Operator, Inc. or PJM Interconnection, L.L.C. or both.

This document does not, in any way, affect the rights or obligations of any of the MWTG Participants under any other agreement. No MWTG Participant has any legal obligation of any kind whatsoever, with respect to any performance, by virtue of this document or any other written or oral expression regarding the terms described herein. This document does not confer any rights or remedies upon any third party. Nothing in this document restricts any MWTG Participant from participating in similar activities with other entities. This document is not legally binding or enforceable, by or against, the MWTG Participants or anyone else. This document is not, and no MWTG Participant or third party may construe this document as, an offer by any MWTG Participant, which may be accepted to form a binding contract. No MWTG Participant, and likewise no third party, should rely on this letter, any prior or subsequent discussions, any written or electronic communications, statements, or writings of any kind, or any other action or inaction, either individually or collectively, as a basis for taking any action, foregoing any opportunity, or incurring any costs. In light of the foregoing, all parties waive, in advance, on their behalf and on behalf of their respective directors, officers, stockholders, owners, members, managers, affiliates, representatives, advisors, or agents any claims (including claims for breach of contract or detrimental reliance) against the others or any of their respective directors, officers, stockholders, owners, members, managers, affiliates, representatives, advisors, or agents based upon the contents or existence of this document. This document is not intended to, and does not create, any right, benefit, or trust responsibility, substantive or procedural, enforceable at law or equity for any MWTG Participant. Likewise, this document cannot be construed to create an association, partnership, joint venture or joint undertaking between the MWTG Participants or impose any partnership liability upon any MWTG Participant. Nothing in this letter obligates any MWTG
Participant to commit or transfer any funds. Each MWTG Participant will handle and fund its own activities and utilize its own resources in pursuing the objectives set forth in this document. Any MWTG Participant can withdraw from this document, or any discussions or negotiations undertaken pursuant to it at its sole discretion at any time and for any, or no, reason.

This letter may be signed in one or more counterparts (including by facsimile or a scanned image), each of which when so signed shall be deemed to be an original, and all of which shall together constitute one and the same instrument.

Dated January 5, 2017

Basin Electric Power Cooperative
By: [Signature]
Name: Mike Risam
Title: Senior VP, Transmission

Black Hills Power, Inc.
By: [Signature]
Name: [Signature]
Title: [Signature]

Black Hills/Colorado Electric Utility Company, LP
By: [Signature]
Name: [Signature]
Title: [Signature]

Cheyenne Light Fuel and Power Company
By: [Signature]
Name: [Signature]
Title: [Signature]

Colorado Springs Utilities
By: [Signature]
Name: [Signature]
Title: [Signature]

Platte River Power Authority
By: [Signature]
Name: [Signature]
Title: [Signature]
Participant to commit or transfer any funds. Each MWTG Participant will handle and fund its own activities and utilize its own resources in pursuing the objectives set forth in this document. Any MWTG Participant can withdraw from this document, or any discussions or negotiations undertaken pursuant to it at its sole discretion at any time and for any, or no, reason.

This letter may be signed in one or more counterparts (including by facsimile or a scanned image), each of which when so signed shall be deemed to be an original, and all of which shall together constitute one and the same instrument.

Dated January 5, 2017

Basin Electric Power Cooperative

By: __________________________
Name: ________________________
Title: ________________________

Black Hills Power, Inc.

By: __________________________
Name: Stuart Devik
Title: Group VP - Electric Utilities

Black Hills/Colorado Electric Utility Company, LP

By: __________________________
Name: Stuart Devik
Title: Group VP - Electric Utilities

Cheyenne Light Fuel and Power Company

By: __________________________
Name: Stuart Devik
Title: Group VP - Electric Utilities

Colorado Springs Utilities

By: __________________________
Name: ________________________
Title: ________________________

Platte River Power Authority

By: __________________________
Name: ________________________
Title: ________________________
Participant to commit or transfer any funds. Each MWTG Participant will handle and fund its own activities and utilize its own resources in pursuing the objectives set forth in this document. Any MWTG Participant can withdraw from this document, or any discussions or negotiations undertaken pursuant to it at its sole discretion at any time and for any, or no, reason.

This letter may be signed in one or more counterparts (including by facsimile or a scanned image), each of which when so signed shall be deemed to be an original, and all of which shall together constitute one and the same instrument.

Dated January 5, 2017

Basin Electric Power Cooperative
By: ____________________________
Name: __________________________
Title: __________________________

Black Hills Power, Inc.
By: ____________________________
Name: __________________________
Title: __________________________

Colorado Springs Utilities
By: ____________________________
Name: __________________________
Title: __________________________

Black Hills/Colorado Electric Utility Company, LP
By: ____________________________
Name: __________________________
Title: __________________________

Cheyenne Light Fuel and Power Company
By: ____________________________
Name: __________________________
Title: __________________________

Platte River Power Authority
By: ____________________________
Name: __________________________
Title: __________________________
Participant to commit or transfer any funds. Each MWTG Participant will handle and fund its own activities and utilize its own resources in pursuing the objectives set forth in this document. Any MWTG Participant can withdraw from this document, or any discussions or negotiations undertaken pursuant to it at its sole discretion at any time and for any, or no, reason.

This letter may be signed in one or more counterparts (including by facsimile or a scanned image), each of which when so signed shall be deemed to be an original, and all of which shall together constitute one and the same instrument.

Dated January 5, 2017

**Basin Electric Power Cooperative**

By: __________________________

Name: ________________________

Title: _________________________

**Black Hills Power, Inc.**

By: __________________________

Name: ________________________

Title: _________________________

**Cheyenne Light Fuel and Power Company**

By: __________________________

Name: ________________________

Title: _________________________

**Colorado Springs Utilities**

By: __________________________

Name: ________________________

Title: _________________________

**Platte River Power Authority**

By: __________________________

Name: Andy Butcher

Title: Chief Operating Officer
Public Service Company of Colorado
By: [Signature]
Name: **David L. Eves**
Title: **President, Public Service Company of Colorado**

Western Area Power Administration, Loveland Area Projects
By: [Signature]
Name: [Name]
Title: [Title]

Tri-State Generation and Transmission Association, Inc.
By: [Signature]
Name: [Name]
Title: [Title]

Western Area Power Administration, Colorado River Storage Project
By: [Signature]
Name: [Name]
Title: [Title]
Public Service Company of Colorado

By: __________________________
Name: ________________________
Title: _________________________

Western Area Power Administration,
Loveland Area Projects

By: Bradley S. Warren
Name: Bradley S. Warren
Title: Senior Vice President and Rocky Mountain Regional Manager

Tri-State Generation and Transmission Association, Inc.

By: __________________________
Name: ________________________
Title: _________________________

Western Area Power Administration,
Colorado River Storage Project

By: __________________________
Name: Lynn C. Jeka
Title: Senior Vice President and Colorado River Storage Project Management Center Manager
Public Service Company of Colorado
By: __________________________
Name: ________________________
Title: _________________________

Western Area Power Administration, Loveland Area Projects
By: __________________________
Name: Bradley S. Warren
Title: Senior Vice President and Rocky Mountain Regional Manager

Tri-State Generation and Transmission Association, Inc.
By: __________________________
Name: ________________________
Title: _________________________

Western Area Power Administration, Colorado River Storage Project
By: __________________________
Name: Lynn C. Jeka
Title: Senior Vice President and Colorado River Storage Project Management Center Manager