

Contract No. DE-PM75-98SW00374-M001

UNITED STATES
DEPARTMENT OF ENERGY
SOUTHWESTERN POWER ADMINISTRATION

AMENDATORY AGREEMENT

Between

COPY

UNITED STATES OF AMERICA

and

PEOPLE'S ELECTRIC COOPERATIVE

THIS AMENDATORY AGREEMENT, made and entered into this 25th day of February, 1999, by and between the UNITED STATES OF AMERICA, represented by the Secretary of Energy, acting by and through the Administrator, Southwestern Power Administration (hereinafter "Southwestern"), an Administration within the Department of Energy, and PEOPLE'S ELECTRIC COOPERATIVE (hereinafter "PEC"), organized and existing under the laws of the State of Oklahoma, acting through its duly authorized officials WITNESSETH, That,

WHEREAS, on December 29, 1997, the parties entered into Contract No. DE-PM75-98SW00374 (hereinafter "Contract-374"), which provides for PEC to tap into Southwestern's 138-kV transmission line between Weleetka, Oklahoma and the Denison Dam in the vicinity of Denison, Texas (Southwestern's Transmission Line No. 3101) at Allen, Oklahoma; and

WHEREAS, the parties desire to amend Contract -374 to provide for a change in the reservation of capacity in Southwestern's transmission system by Contract Year.

NOW, THEREFORE, in consideration of the mutual covenants herein contained, the parties agree that Contract-374, as amended, shall be and hereby is amended as follows:

Part 1. Delete the Reservation/Maximum Rate of Delivery table in Section 3(a) of Article II in its entirety, and insert a new Reservation/Maximum Rate of Delivery table in lieu thereof, to read as follows:

Contract Year	Reservation/Maximum Rate of Delivery (Megawatts)
1/01/98 thru 12/31/98	0
1/01/99 thru 12/31/99	0
1/01/2000 thru 12/31/2000	0
1/01/2001 thru 12/31/2001	5
1/01/2002 thru 12/31/2002	5
1/01/2003 thru 12/31/2003	5
1/01/2004 thru 12/31/2004	9
1/01/2005 thru 12/31/2005	10
1/01/2006 thru 12/31/2006	15
1/01/2007 thru 12/31/2007	20
1/01/2008 thru 12/31/2008	25

IT IS FURTHER AGREED, That, this Amendatory Agreement shall become effective as of January 1, 1999; and

That, except as herein provided, all other provisions of Contract-374 are and shall remain in full force and effect.

IN WITNESS WHEREOF, the parties have jointly executed this Amendatory Agreement in several counterparts as of the day and year first above written, each of which shall constitute and original.

UNITED STATES OF AMERICA

By Michael A. O'Neil
Administrator
Southwestern Power Administration

Approved as to Legal
Form and Sufficiency

COPY

Laurence E. Hudson
General Counsel
Southwestern Power Administration

PEOPLE'S ELECTRIC COOPERATIVE

By R. J. Ethridge
Title EXECUTIVE VICE PRESIDENT

ATTEST:

I, JOHN W. HUDSON, certify that I am the ASSISTANT SECRETARY of PEOPLE'S ELECTRIC COOPERATIVE and that R. J. ETHRIDGE, who signed this Amendatory Agreement was then the EXEC VICE PRESIDENT of the said Cooperative, and the said Agreement was duly signed for and on behalf of the said Cooperative, by authority of its governing body, which has within the scope of its powers the authority to legally bind said Cooperative under the foregoing Agreement.

(SEAL)

By John W. Hudson