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January 14, 2015
AZ CORP COMMISSION
DOCKET CONTROL

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Docket Control
Arizona Corporation Commission
1200 W. Washington St.
Phoenix, AZ 85007

Re: *Compliance Filing; Decision No. 71511; Docket No. E-04100A-09-0250*

Dear Sir or Madam:

In compliance with Decision No. 71511, enclosed is an Agreement Modifying Future Advance Promissory Note by and among Southwest Transmission Cooperative, Inc., the Federal Financing Bank and the Rural Utilities Service.

Sincerely,

GALLAGHER & KENNEDY, P.A.

By:

Jennifer A. Cranston

JAC:njk
Enclosure
4611568v1/10421-0067

Arizona Corporation Commission
DOCKETED

JAN 14 2015

Original and 13 copies filed with Docket Control this 14th day of January, 2015.

DOCKETED BY

<p>FOR FFB USE ONLY:</p> <p>Note Identifier:</p> <p>_____</p> <p>Acceptance Date:</p> <p>_____</p>
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Washington, D.C.

<p>FOR RUS USE ONLY:</p> <p>RUS Note Number: _____</p>
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AGREEMENT MODIFYING FUTURE ADVANCE
 PROMISSORY NOTE made as of NOVEMBER
 24, 2014, by and among SOUTHWEST
 TRANSMISSION COOPERATIVE, INC. (the
 "Borrower"), the FEDERAL FINANCING BANK
 ("FFB"), a body corporate and
 instrumentality of the United States of
 America, and the UNITED STATES OF AMERICA,
 acting through the Administrator of the
 Rural Utilities Service ("RUS").

WHEREAS, the Borrower has heretofore executed and delivered a certain Future Advance Promissory Note dated DECEMBER 1, 2009 (the "Original Note"), payable to FFB in a maximum principal amount not to exceed FORTY EIGHT MILLION SEVENTY TWO THOUSAND dollars (\$48,072,000); and

WHEREAS, RUS has heretofore guaranteed the Original Note by executing a guarantee dated APRIL 22, 2010 (the "RUS Guarantee"); and

WHEREAS, FFB has heretofore purchased the guaranteed Original Note in accordance with a certain agreement dated as of January 1, 1992, between FFB and the Administrator of the Rural

Electrification Administration, predecessor to RUS, as such agreement has been amended; and

WHEREAS, in paragraph 1 of the Original Note, the Borrower promised to pay FFB, in accordance with the terms of the Original Note, such amounts as may be advanced from time to time by FFB to or for the account of the Borrower under the Original Note (each such amount being an "Advance" and more than one such amount being "Advances"); and

WHEREAS, paragraph 3 of the Original Note provides that no Advances may be made under the Original Note after the date specified on page 1 of the Original Note as being the "Last Day for an Advance"; and

WHEREAS, the legend at the top of page 1 of the Original Note specifies **DECEMBER 31, 2014**, as the particular date that is the "Last Day for an Advance" under the Original Note; and

WHEREAS, paragraph 20 of the Original Note provides that, to the extent not inconsistent with applicable law, the Original Note, for so long as FFB is the holder thereof, may be modified by such amendments, extensions, and renewals as may be agreed upon from time to time by FFB and the Borrower, with the approval of RUS; and

WHEREAS, the Borrower now desires that the Original Note be modified to extend until **DECEMBER 31, 2015**, the period during which Advances may be made under the Original Note; and

WHEREAS, FFB is willing to modify the Original Note to extend the period during which Advances may be made under the Original Note; and

WHEREAS, RUS is willing to approve and consent to a modification of the Original Note that extends the period during which Advances may be made under the Original Note; and

WHEREAS, the Borrower is authorized to enter into this agreement modifying the Original Note ("this Agreement").

NOW, THEREFORE, in consideration of the premises, and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Borrower, FFB, and RUS agree as follows:

1. Definitions.

Capitalized terms used and not defined in this Agreement shall have the respective meanings given such terms in the Original Note.

2. Modification to "Last Day for an Advance" Specified in Original Note.

The part of the legend at the top of page 1 of the Original Note specifying the particular date that is the "Last Day for an Advance" under the Original Note is hereby modified to read as follows:

Last Day
for an
Advance (§3) DECEMBER 31, 2015

3. Original Note Remains In Effect.

Excepted as modified herein, the Original Note shall remain in full force and effect.

4. RUS Guarantee Remains In Effect.

Notwithstanding the modification to the Original Note made by this Agreement, RUS hereby confirms that the RUS Guarantee of the Original Note, as the Original Note is modified herein, shall remain in full force and effect.

5. Effective Date of this Agreement.

This Agreement shall not become effective until it has been executed by all of the Borrower, FFB, and RUS. When this Agreement has been so executed, it shall become effective as of the date first above written.

6. Severability.

Any provision of this Agreement that is prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions hereof, and any such prohibition or unenforceability in any jurisdiction shall not of itself invalidate or render unenforceable such provision in any other jurisdiction.

7. Headings.

The descriptive headings of the various paragraphs and subparagraphs of this Agreement were formulated and inserted for convenience only and shall not be deemed to affect the meaning or construction of the provisions hereof.

8. Counterparts.

This Agreement may be executed in separate counterparts, each of which when so executed and delivered shall be an original, but all of which together shall constitute but one and the same instrument.

RUS

IN WITNESS WHEREOF, the Borrower has caused this Agreement to be signed in its corporate name and its corporate seal to be hereunder affixed and attested by its officers thereunto duly authorized, and FFB and RUS have each caused this Agreement to be executed by their respective duly authorized officials.

SOUTHWEST TRANSMISSION COOPERATIVE, INC.

ATTEST:

By: *Billy L. Adams*
Name: BILLY L. ADAMS
Title: Secretary/Treasurer

By: *Steve M. Lines*
Name: STEVE M. LINES
Title: Chairman

SEAL:

FEDERAL FINANCING BANK

By: _____
Name: _____
Title: Vice President

UNITED STATES OF AMERICA,
acting through the Administrator
of the Rural Utilities Service

By: _____
Name: _____
Title: Administrator