

SPP
Notification to Construct

January 16, 2009

SPP-NTC-20017

Mr. Mel Perkins
Oklahoma Gas and Electric Co.
PO Box 321, M/C ME10
Oklahoma City, OK 73101

RE: Transmission System Upgrade Notification to Construct for Transmission Service request resulting from Aggregate Transmission Service Study SPP-2006-AG3-AFS-11

Dear Mr. Perkins,

Southwest Power Pool has filed Service Agreement FERC Docket ER09-439, ER09-342, ER08-1206 for Transmission Service for customers in SPP-2006-AG3-AFS-11. In the facility study conducted in the assessment of these requests, SPP concluded that system upgrades are required on the Oklahoma Gas and Electric Co. system as detailed in Aggregate Facility Study SPP-2006-AG3-AFS-11.

As a result of transmission service customers confirmation of transmission service requests requiring network upgrades, SPP is notifying Oklahoma Gas and Electric Co. as the upgrade owner to move forward with the development of the following upgrades/mitigations to alleviate associated transmission service concerns.

New Network Upgrades

Project ID: 30158

Project Name: ARDMORE - ROCKY POINT 69KV CKT 1

RTO Determined Need Date for Project: 6/1/2011

Estimated In Service Date: 6/1/2011

Estimated Cost for Project: \$1,627,500

Upgrade ID: 50166

Upgrade Description: Replace 4.65 miles of line with 477AS33

Categorization: Service Upgrade

Upgrade Justifications: SPP-2006-AG3-AFS-11

Source of funding for Upgrade: Full Base Plan funded

Estimated Cost Source: OKGE

Date of Estimated Cost: 10/16/2007

Project ID: 30159

Project Name: DILLARD4 - HEALDTON TAP 138KV CKT 1

RTO Determined Need Date for Project: 6/1/2011
Estimated In Service Date: 6/1/2011
Estimated Cost for Project: \$300,000

Upgrade ID: 50167
Upgrade Description: Replace Differential Relaying
Categorization: Service Upgrade
Upgrade Justifications: SPP-2006-AG3-AFS-11
Source of funding for Upgrade: Full Base Plan funded
Estimated Cost Source: OKGE
Date of Estimated Cost: 10/16/2007

Project ID: 30160
Project Name: FT SMITH 500 (FTSMITH3) 500/161/13.8KV TRANSFORMER CKT
3
RTO Determined Need Date for Project: 6/1/2017
Estimated In Service Date: 6/1/2017
Estimated Cost for Project: \$11,000,000

Upgrade ID: 50168
Upgrade Description: Convert Ft. Smith 161KV to 1-1/2 breaker design and
install 3rd 500-161KV transformer bank.
Categorization: Service Upgrade
Upgrade Justifications: SPP-2006-AG3-AFS-11
Source of funding for Upgrade: Full Base Plan funded
Estimated Cost Source: OKGE
Date of Estimated Cost: 7/30/2008

Project ID: 30161
Project Name: HUGO - SUNNYSIDE 345KV OKGE
RTO Determined Need Date for Project: 4/1/2012
Estimated In Service Date: 4/1/2012
Estimated Cost for Project: \$75,000,000

Upgrade ID: 50169
Upgrade Description: Add 345 KV line from SunnySide to WFEC interception
of 345KV line from Hugo, Install 345KV breaker, switches, and relays at Sunnyside
Categorization: Service Upgrade
Upgrade Justifications: SPP-2006-AG3-AFS-11
Source of funding for Upgrade: Full Base Plan funded
Estimated Cost Source: OKGE
Date of Estimated Cost: 8/18/2008

Project ID: 30162
Project Name: SUNNYSIDE - UNIROYAL 138KV CKT 1

RTO Determined Need Date for Project: 6/1/2011
Estimated In Service Date: 6/1/2011
Estimated Cost for Project: \$50,000

Upgrade ID: 50170
Upgrade Description: Replace wavetrap 800A at Uniroyal
Categorization: Service Upgrade
Upgrade Justifications: SPP-2006-AG3-AFS-11
Source of funding for Upgrade: Full Base Plan funded
Estimated Cost Source: OKGE
Date of Estimated Cost: 8/18/2008

Project ID: 30163
Project Name: SUNNYSIDE (SUNNYSID3) 345/138/13.8KV TRANSFORMER CKT
1
RTO Determined Need Date for Project: 4/1/2012
Estimated In Service Date: 4/1/2012
Estimated Cost for Project: \$6,750,000

Upgrade ID: 50171
Upgrade Description: Add 2nd 345/138KV Auto Transformer
Categorization: Service Upgrade
Upgrade Justifications: SPP-2006-AG3-AFS-11
Source of funding for Upgrade: Full Base Plan funded
Estimated Cost Source: OKGE
Date of Estimated Cost: 8/18/2008

Project ID: 30164
Project Name: VBI - VBI NORTH 69KV CKT 1
RTO Determined Need Date for Project: 6/1/2017
Estimated In Service Date: 6/1/2017
Estimated Cost for Project: \$100,000

Upgrade ID: 50172
Upgrade Description: Upgrade CT
Categorization: Service Upgrade
Upgrade Justifications: SPP-2006-AG3-AFS-11
Source of funding for Upgrade: Full Base Plan funded
Estimated Cost Source: OKGE
Date of Estimated Cost: 8/18/2008

Oklahoma Gas and Electric Co. shall submit a notification of commercial operation for each listed Upgrade ID# to SPP at the email address of SPPprojecttracking@spp.org as soon as the upgrade is complete and in service. Please provide SPP with the actual costs

of these upgrades as soon as possible after completion of construction. This will facilitate the timely billing by SPP based on actual costs.

Please send SPP written commitment to construct these projects within 90 days in addition to providing a construction schedule for the accepted upgrades. For project tracking, SPP will request on a quarterly basis in conjunction with the SPP Board of Directors meetings that Oklahoma Gas and Electric Co. submit updates to the upgrade schedule status. Consistent with Section 32.10 of the SPP Tariff, please keep SPP advised of any inability on Oklahoma Gas and Electric Co.'s part to complete the approved upgrades. If it is anticipated that the completion of any approved upgrade will be delayed past the estimated in service date, SPP requires a mitigation plan be filed within 60 days of the determination of expected delay in the upgrade schedule.

Don't hesitate to contact me if you have questions or comments about these requests. Thank you for the important role that you play in maintaining the reliability of our electric grid.

Sincerely,



John Mills
Manager, Tariff Studies
Phone (501) 614-3356 • Fax: (501) 666-0376 • jmills@spp.org

cc: Carl Monroe, Les Dillahunty, Pat Bourne, Jay Caspary, SPPprojecttracking@spp.org, Phil Crissup, Travis Hyde, Jacob Langthorn