

## **SPP Notification to Construct**

August 9, 2010

SPP-NTC-20111

Mr. John Fulton  
Southwestern Public Service Company  
PO Box 1261  
Amarillo, TX 79170

RE: Notification to Construct Approved Appendix B projects in 2008-2017 SPP Transmission Expansion Plan

Dear Mr. Fulton,

Pursuant to Section 3.3 of the Southwest Power Pool, Inc. (“SPP”) Membership Agreement and Attachment O, Section VI.6, of the SPP Open Access Transmission Tariff (“OATT”), SPP provides this Notification to Construct (“NTC”) directing Southwestern Public Service Company, as the Designated Transmission Owner, to construct the Network Upgrade(s).

On January 26, 2010, the Southwest Power Pool (“SPP”) Board of Directors accepted the change in scope to Network Upgrade(s) listed below to be constructed.

### **Upgrades with Modifications**

**Previous NTC number:** 20004

**Previous NTC Issue Date:** 2/13/2008

**Project ID:** 156

**Project Name:** Multi - Hitchland - Texas Co. 230 kV and 115 kV

**Need Date for Project:** 6/1/2011

**Estimated Cost for Project:** \$101,205,000

**Upgrade ID:** 10330

**Upgrade Description:** Add 230 kV line from Hitchland to Ochiltree .

**Upgrade Owner:** Southwestern Public Service Company

**MOPC Representative:** William Grant

**TWG Representative:** John Fulton

**Reason for Change:** Modify scope. The project name description referenced in the original NTC indicate the proposed line would terminate at Perryton Substation. Due to insufficient room for these new facilities at Perryton Substation, another suitable location was selected – Ochiltree County Substation. SPP was made aware of this change and

evaluated it in 2009 SPP Expansion Plan (STEP). This change was noted in Appendix A of the 2009 STEP which was accepted by the SPP BOD.

**Categorization:** Regional Reliability

**Upgrade Specification:** Build the new line to 492/541 MVA.

**Upgrade Justification:** To address overload and low voltage in the base case and due to the loss of Spearman-Spearman Sub 115 kV Line, Moore-Potter 230kV line and various other contingencies.

**Need Date for Upgrade:** 6/1/2011

**Estimated Upgrade Cost:** \$10,766,250

**Cost Allocation of the Upgrade:** Base Plan

**Estimated Cost Source:** SPS

**Upgrade ID:** 10331

**Upgrade Description:** Add 2-Winding 230/115 kV transformer at Ochiltree

**Upgrade Owner:** Southwest Public Service Company

**MOPC Representative:** William Grant

**TWG Representative:** John Fulton

**Reason for Change:** Modify scope. The project name description referenced in the original NTC indicate the proposed line would terminate at Perryton Substation. Due to insufficient room for these new facilities at Perryton Substation, another suitable location was selected – Ochiltree County Substation. SPP was made aware of this change and evaluated it in 2009 SPP Expansion Plan (STEP). This change was noted in Appendix A of the 2009 STEP which was accepted by the SPP BOD.

**Categorization:** Regional Reliability

**Upgrade Specification:** Transformer will be rated at 150/172.5 MVA.

**Upgrade Justification:** To address overload and low voltage in the base case and due to the loss of Spearman-Spearman Sub 115 kV Line, Moore-Potter 230kV line and various other contingencies

**Need Date for Upgrade:** 6/1/2011

**Estimated Upgrade Cost:** \$5,846,295

**Cost Allocation of the Upgrade:** Base Plan

**Estimated Cost Source:** SPS

### **Commitment to Construct**

Please provide to SPP a written commitment to construct the Network Upgrade(s) within 90 days of the date of this Notification to Construct, pursuant to Attachment O, Section VI.6 of the SPP OATT, in addition to providing a construction schedule for the Network Upgrade(s). Failure to provide a written commitment to construct as required by Attachment O could result in the Network Upgrade(s) being assigned to another entity.

**Mitigation Plan**

The Need Date represents the timing required for the Network Upgrade(s) to address the identified need. Your prompt attention is required for formulation and approval of any necessary mitigation plans for the Network Upgrade(s) if the Need Date is not feasible. Additionally, if it is anticipated that the completion of any Network Upgrade will be delayed past the Need Date, SPP requires a mitigation plan be filed within 60 days of the determination of expected delays.

**Notification of Commercial Operation**

Please submit a notification of commercial operation for each listed Network Upgrade to SPP as soon as the Network Upgrade is complete and in-service. Please provide SPP with the actual costs of these Network Upgrades as soon as possible after completion of construction. This will facilitate the timely billing by SPP based on actual costs.

**Notification of Progress**

On an ongoing basis, please keep SPP advised of any inability on Southwestern Public Service Company's part to complete the approved Network Upgrade(s). For project tracking purposes, SPP requires Southwestern Public Service Company to submit updates on the status of the Network Upgrade(s) on a quarterly basis in conjunction with the SPP Board of Directors meetings. Southwestern Public Service Company shall also advise SPP of any inability to comply with the Project Schedule as soon as the inability becomes apparent.

All terms and conditions of the SPP OATT and the SPP Membership Agreement shall apply to this Project, and nothing in this NTC shall vary such terms and conditions.

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

Sincerely,

A handwritten signature in black ink that reads "Bruce A. Rew".

Bruce Rew  
Vice President, Engineering  
Phone (501) 614-3214 • Fax: (501) 821-3198 • [BRew@spp.org](mailto:BRew@spp.org)

cc: Carl Monroe, Les Dillahunty, Katherine Prewitt, Don Porter, William Grant