

SPP-NTC-20128

SPP
Notification to Construct

February 14, 2011

Mr. Mel Perkins
Oklahoma Gas and Electric Co.
M/C 1103, PO Box 321
Oklahoma City, OK 73101

RE: Notification to Construct Approved Reliability Network Upgrades

Dear Mr. Perkins,

Pursuant to Section 3.3 of the Southwest Power Pool, Inc. ("SPP") Membership Agreement and Attachment O, Section VI, of the SPP Open Access Transmission Tariff ("OATT"), SPP provides this Notification to Construct ("NTC") directing Oklahoma Gas and Electric Co. ("OGE"), as the Designated Transmission Owner, to construct the Network Upgrade(s).

On January 25, 2011, the Southwest Power Pool ("SPP") Board of Directors approved the Network Upgrade(s) listed below to be constructed.

New Network Upgrades

Project ID: 858

Project Name: Multi – Cushing Area 138 kV

Need Date for Project: 6/1/2015

Estimated Cost for Project: \$16,000,000

Network Upgrade ID: 11129

Network Upgrade Description: Convert 14-mile Mehan - Cushing 69 kV line to 138 kV.

Network Upgrade Owner: OGE

MOPC Representative: Jacob Langthorn IV

TWG Representative: Travis Hyde

Categorization: Regional reliability

Network Upgrade Specification: Upgrade line to 222 MVA emergency rating.

Network Upgrade Justification: To address low voltages in the Cushing area 69 kV buses during system intact, or for the loss of Cushing Oil - Shell Tap 69 kV or Bristow - Cushing 138 kV.

Need Date for Network Upgrade: 6/1/2015

Cost Allocation of the Network Upgrade: Base Plan

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Estimated Cost Source: OGE

Network Upgrade ID: 11130

Network Upgrade Description: Convert 6-mile Stillwater - Spring Valley 69 kV line to 138 kV.

Network Upgrade Owner: OGE

MOPC Representative: Jacob Langthorn IV

TWG Representative: Travis Hyde

Categorization: Regional reliability

Network Upgrade Specification: Upgrade line to 222 MVA emergency rating.

Network Upgrade Justification: To address low voltages in the Cushing area 69 kV buses during system intact, or for the loss of Cushing Oil - Shell Tap 69 kV or Bristow - Cushing 138 kV.

Need Date for Network Upgrade: 6/1/2015

Cost Allocation of the Network Upgrade: Base Plan

Estimated Cost Source: OGE

Network Upgrade ID: 11131

Network Upgrade Description: Convert 3-mile Spring Valley - Mehan 69 kV line to 138 kV.

Network Upgrade Owner: OGE

MOPC Representative: Jacob Langthorn IV

TWG Representative: Travis Hyde

Categorization: Regional reliability

Network Upgrade Specification: Upgrade line to 72 MVA emergency rating.

Network Upgrade Justification: To address low voltages in the Cushing area 69 kV buses during system intact, or for the loss of Cushing Oil - Shell Tap 69 kV or Bristow - Cushing 138 kV.

Need Date for Network Upgrade: 6/1/2015

Cost Allocation of the Network Upgrade: Base Plan

Estimated Cost Source: OGE

Network Upgrade ID: 11132

Network Upgrade Description: Convert 8.7-mile Spring Valley - Knipe 69 kV line to 138 kV.

Network Upgrade Owner: OGE

MOPC Representative: Jacob Langthorn IV

TWG Representative: Travis Hyde

Categorization: Regional reliability

Network Upgrade Specification: Upgrade line to 286 MVA emergency rating.

Network Upgrade Justification: To address low voltages in the Cushing area 69 kV buses during system intact, or for the loss of Cushing Oil - Shell Tap 69 kV or Bristow - Cushing 138 kV.

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Need Date for Network Upgrade: 6/1/2015
Cost Allocation of the Network Upgrade: Base Plan
Estimated Cost Source: OGE

Network Upgrade ID: 11133
Network Upgrade Description: Tap existing Cushing - Bristow 138 kV line into new Greenwood substation. Build new Greenwood substation with 138/69 kV transformer.
Network Upgrade Owner: OGE
MOPC Representative: Jacob Langthorn IV
TWG Representative: Travis Hyde
Categorization: Regional reliability
Network Upgrade Specification: Install equipment to 120 MVA emergency rating.
Network Upgrade Justification: To address low voltages in the Cushing area 69 kV buses during system intact, or for the loss of Cushing Oil - Shell Tap 69 kV or Bristow - Cushing 138 kV.
Need Date for Network Upgrade: 6/1/2015
Cost Allocation of the Network Upgrade: Base Plan
Estimated Cost Source: OGE

Network Upgrade ID: 11134
Network Upgrade Description: Tap existing Oak Grove - Hwy 99 Tap 69 kV circuit into new Greenwood substation.
Network Upgrade Owner: OGE
MOPC Representative: Jacob Langthorn IV
TWG Representative: Travis Hyde
Categorization: Regional reliability
Network Upgrade Specification: Install equipment to 66 MVA emergency rating.
Network Upgrade Justification: To address low voltages in the Cushing area 69 kV buses during system intact, or for the loss of Cushing Oil - Shell Tap 69 kV or Bristow - Cushing 138 kV.
Need Date for Network Upgrade: 6/1/2015
Cost Allocation of the Network Upgrade: Base Plan
Estimated Cost Source: OGE

Project ID: 1095
Project Name: Line – OGE Alva - WFEC Alva 69 kV Ckt 1
Need Date for Project: 6/1/2011
Estimated Cost for Project: \$112,500

Network Upgrade ID: 11439
Network Upgrade Description: Replace relay in OGE's Alva substation.
Network Upgrade Owner: OGE
MOPC Representative: Jacob Langthorn IV

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TWG Representative: Travis Hyde
Categorization: Regional reliability
Network Upgrade Specification: Upgrade facilities to 48 MVA emergency rating.
Network Upgrade Justification: To address the overload of OGE Alva - WFEC Alva 69 kV Ckt 1 due to the loss of Fairview - Okeene 69 kV.
Need Date for Network Upgrade: 6/1/2011
Estimated Cost for Network Upgrade (current day dollars): \$112,500
Cost Allocation of the Network Upgrade: Base Plan
Estimated Cost Source: SPP

Project ID: 30303
Project Name: Device – Wells 69 kV
Need Date for Project: 6/1/2011
Estimated Cost for Project: \$352,350

Network Upgrade ID: 50345
Network Upgrade Description: Install 6 Mvar capacitor bank at Wells 69 kV substation.
Network Upgrade Owner: OGE
MOPC Representative: Jacob Langthorn IV
TWG Representative: Travis Hyde
Categorization: Regional reliability
Network Upgrade Specification: Install capacitor of size 6 Mvar.
Network Upgrade Justification: To address system intact low voltages at Wells and Checota 69 kV buses.
Need Date for Network Upgrade: 6/1/2011
Estimated Cost for Network Upgrade (current day dollars): \$352,350
Cost Allocation of the Network Upgrade: Base Plan
Estimated Cost Source: SPP

Project ID: 30305
Project Name: Device – Little River Lake 69 kV
Need Date for Project: 12/1/2011
Estimated Cost for Project: \$352,350

Network Upgrade ID: 50347
Network Upgrade Description: Install 6 Mvar capacitor bank at Little River Lake 69 kV substation.
Network Upgrade Owner: OGE
MOPC Representative: Jacob Langthorn IV
TWG Representative: Travis Hyde
Categorization: Regional reliability
Network Upgrade Specification: Install capacitor of size 6 Mvar.

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Network Upgrade Justification: To address low voltages at Little River Lake, Springhill, Etowah, and other buses due to multiple contingencies.

Need Date for Network Upgrade: 12/1/2011

Estimated Cost for Network Upgrade (current day dollars): \$352,350

Cost Allocation of the Network Upgrade: Base Plan

Estimated Cost Source: SPP

Commitment to Construct

Please provide to SPP a written commitment to construct the Network Upgrade(s) within 90 days of the date of this NTC, 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 sufficient 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 in the formulation and approval of any necessary mitigation plans for the Network Upgrade(s) included in 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 OGE's part to complete the approved Network Upgrade(s). For project tracking purposes, SPP requires OGE to submit updates on the status of the Network Upgrade(s) on a quarterly basis in conjunction with the SPP Board of Directors meetings. However, OGE shall also advise SPP of any inability to comply with the Project Schedule as soon as the inability becomes apparent.

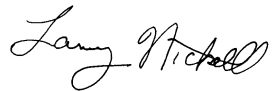
All terms and conditions of the SPP OATT and the SPP Membership Agreement shall apply to this Project, and nothing in this NTC shall vary such terms and conditions.

Don't hesitate to contact me if you have questions or comments regarding these instructions.

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Thank you for the important role that you play in maintaining the reliability of our electric grid.

Sincerely,



Lanny Nickell
Vice President, Engineering
Phone (501) 614-3232 • Fax: (501) 821-3198 • lnickell@spp.org

cc: Carl Monroe, Katherine Prewitt, Phil Crissup, Jacob Langthorn IV, Travis Hyde