



Southwest Power Pool, Inc.
THIRD QUARTERLY
PROJECT TRACKING REPORT
JULY 2011



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I. Project Tracking, Current SPP Process:

SPP actively monitors and supports the progress of transmission expansion projects, emphasizing the importance of maintaining accountability for areas such as grid regional reliability standards, firm transmission commitments and tariff cost recovery.

Each quarter SPP staff solicits feedback from the project owners to determine the progress of each approved transmission project. This quarterly report charts the progress of all SPP Transmission Expansion Plan (STEP) projects approved either directly by the Board of Directors or through a FERC filed service agreement under the SPP Open Access Transmission Tariff (OATT).

In this Third Quarterly Report of 2011, the reporting period is March 1, 2011 through May 31, 2011.

II. Project Summary:

Figure 1 represents the summary of active projects for this quarter. Figure 1 reflects all upgrades, including transmission lines, transformers, substations, and devices. A project is considered part of the active portfolio if its actual in-service or projected in-service date is after December 1, 2010 but before December 31, 2021. In the 2nd Quarter, six Notifications to Construct (NTC) for 18 new upgrades were issued for Transmission Service requests and reliability needs resulting from Aggregate Transmission Service Study SPP-2009-AGP2-AFS-6. There were 17 miles of new and 32 miles of reconducted transmission ordered by the new NTCs and added to the active portfolio. Also, on June 24, 2011 FERC issued letter orders accepting the Priority Projects respective novations to Prairie Wind Transmission and ITC Great Plains. Those changes are now reflected in SPP's Project Tracking.

Figure 2 shows the total miles of transmission lines currently planned within the portfolio, as well as miles by project voltage. Figure 3 reflects the percentage cost of each project type in the total active portfolio.

2nd Quarter 2011 Project Tracking Summary		
Upgrade Type	Number of Upgrades	Cost Estimate
Regional Reliability	257	\$1,432,024,343
Regional Reliability - Non OATT	12	\$23,277,500
Zonal Reliability	9	\$30,876,966
Transmission Service	78	\$597,176,500
Generation Interconnect	11	\$92,135,483
Balanced Portfolio	17	\$870,712,596
High Priority	26	\$1,423,224,930
Other Sponsored Upgrades	82	\$399,015,516
TOTALS	492	\$4,868,443,834

Figure 1: 2011 2nd Quarter Project Summary

2nd Quarter 2011 Total Active Portfolio Transmission Miles				
kV	Number of Upgrades	New Miles	Reconductor Miles	Total Miles
69	79	17.8	254.0	271.8
115	104	388.1	239.1	627.2
138	80	134.6	139.4	274.1
161	40	73.2	19.4	92.6
230	16	166.1	65.3	231.4
345	53	2,167.7	0.0	2,167.7
Totals	372	2,947.5	717.3	3,664.8

Figure 2: Project Mileage within the Portfolio

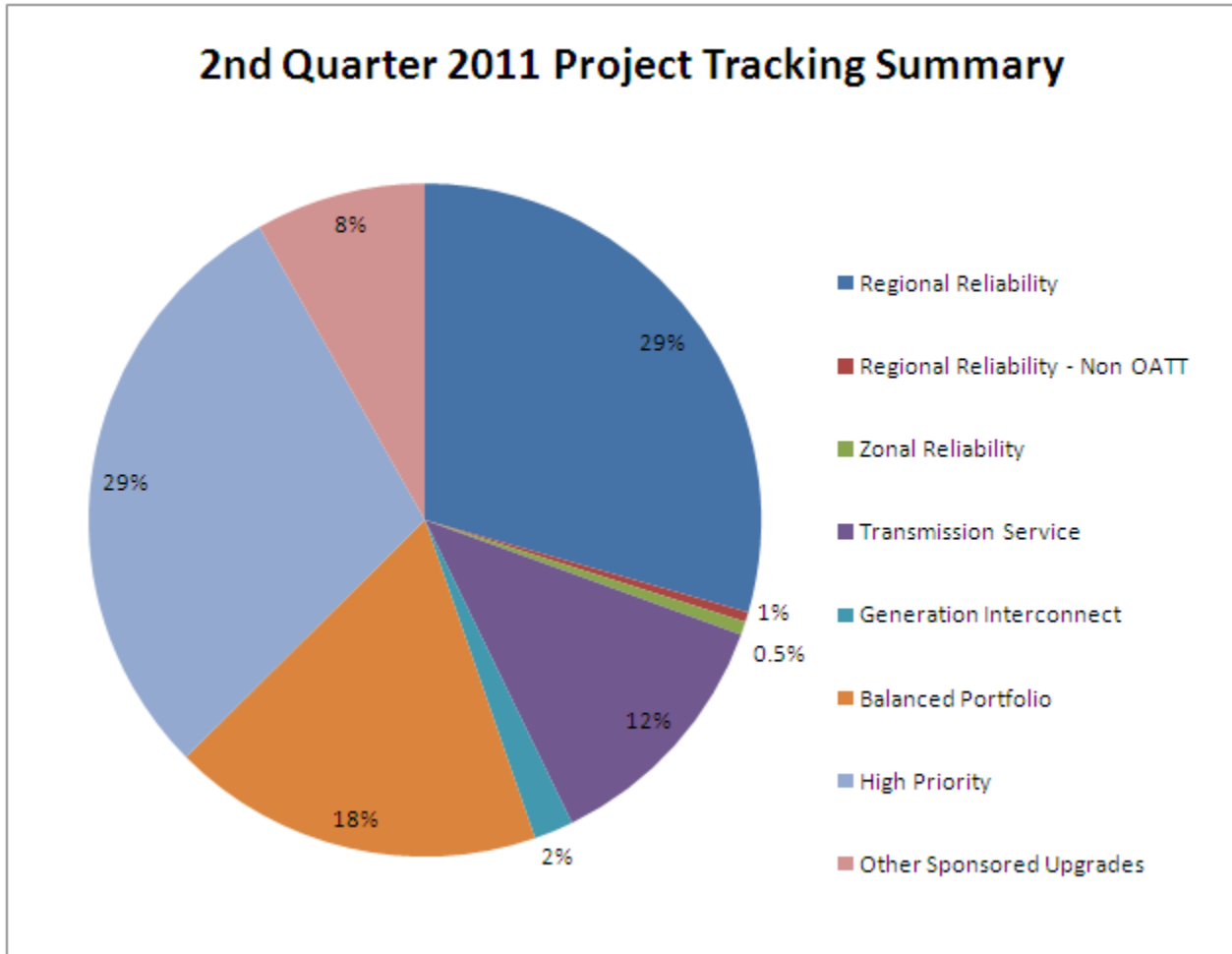


Figure 3: Breakdown of Project Categories on Cost Basis

III. Regional Reliability Project Summary:

Regional reliability projects include all tariff signatory projects identified in an SPP study to meet regional reliability criteria for which NTC letters have been issued. Figure 4 shows the breakdown of the regional reliability projects.

There were three upgrades, with latest Engineering and Construction (E&C) cost estimates at \$9.4 million, completed in the 2nd Quarter of 2011. There are 97 upgrades, with latest E&C cost estimates of \$547 million, on schedule to be completed within the next four years. There are 18 upgrades that are in a delay status with no mitigation. Of those 18, 10 are upgrades that were part of the NTCs issued last quarter, and SPP has been working directly with those transmission owners to determine and approve correct mitigation plans.

IV. Transmission Service/Generation Interconnection (TSR/GI) Project Summary:

This category contains upgrades identified as needed to support new Transmission Service (TSR) and Generation Interconnection (GI) service agreements. Figure 4 shows the details of the Transmission Service and Generation Interconnect projects.

There were four upgrades, with latest E&C cost estimates at \$28 million, completed in the 2nd Quarter of 2011. American Electric Power and Westar Energy both completed projects that put almost 30 miles of reconducted transmission back into the system. Only one upgrade is in a delay with no mitigation status.

There are 33 Transmission Service upgrades, with estimated E&C costs of \$315.4 million, on schedule to be completed within the next four years. There are nine Generation Interconnect upgrades, at an estimated E&C cost of \$73.3 million, scheduled to be completed in the next four years, with seven of those upgrades scheduled for completion before the end of 2011.

2nd Quarter 2011 Project Tracking Status							
Top number is number of upgrades in category Bottom number is estimated cost of upgrades in category							
Upgrade Type	Total	Complete	On Schedule	On Schedule - Later in 10 yr Horizon (NTCs Issued)	Behind Schedule - With Mitigation	Behind Schedule - Without Mitigation	Within NTC Commitment Window
Reliability	257 \$1,432,024,343	19 \$46,434,941	97 \$547,363,579	23 \$199,240,182	95 \$564,380,532	18 \$65,055,109	5 \$9,550,000
Transmission Service	78 \$597,176,500	13 \$46,241,025	33 \$315,441,816	8 \$80,258,203	17 \$127,250,456	1 \$150,000	6 \$27,835,000
Generation Interconnect	11 \$92,135,483	2 \$18,797,483	9 \$73,338,000	0 \$0	0 \$0	0 \$0	0 \$0
Balanced Portfolio	17 \$870,712,596	0 \$0	16 \$859,462,596	0 \$0	1 \$11,250,000	0 \$0	0 \$0
High Priority	26 \$1,423,224,930	1 \$960,895	22 \$1,018,227,369	3 \$404,036,666	0 \$0	0 \$0	0 \$0

Figure 4: Project Status



V. Completed Projects Summary:

Figure 5 shows the number and costs for the projects completed over the last 12 month period. The 2nd Quarter of 2011 had a decrease in completed projects from the 1st Quarter of 2011, which was projected. Completed projects in the 2nd Quarter of 2011 were also lower in comparison to the 2nd Quarter of 2010 completed projects. Several projects have been delayed into later in 2011 (please see the future projections below). Southwestern Public Service Company's Hitchland-Texas Co. project, which contained five upgrades and \$76.2 million in estimated cost, was not reported complete this quarter, which lowered the expected total for this month.

There were nine zonal upgrades completed this quarter to go with the three reliability and four transmission service upgrades. Oklahoma Gas and Electric Company completed seven zonal-sponsored upgrades at a cost of \$23 million, converting three lines from 69 to 161kV.

Previous quarter's updated results are listed as the Transmission Owners may make adjustments to final costs and status of projects completed during the year.

Projects Completed By Quarter

	3rd Q 2010	4th Q 2010	1st Q 2011	2nd Q 2011	Totals YTD
Reliability	17 \$26,500,495	4 \$32,228,338	9 \$18,646,120	3 \$9,446,616	33 \$86,821,569
Transmission Service	13 \$32,162,390	2 \$5,041,648	5 \$5,619,967	4 \$28,271,058	24 \$71,095,063
Generation Interconnect	1 \$232,368	1 \$6,882,042	2 \$19,277,000	0 \$0	4 \$26,391,410

Figure 5: Completed Project Summary through 2nd Quarter 2011

2nd Quarter Total Transmission Miles Completed					
Voltage	Number of Upgrades	New Miles	Reconductor Miles	Total Miles	Estimated Cost
69	2	0	8.1	8.1	\$6,771,058
115	3	0	10.16	10.16	\$9,446,616
138	6	0	21.48	21.48	\$24,495,871
161	4	0	0	0	\$22,901,689
230	0	0	0	0	\$0
345	0	0	0	0	\$0
Totals	15	0	39.74	39.74	\$63,615,234

Figure 6: Completed Transmission for 2nd Quarter 2011

VI. Future Projections:

3rd Quarter 2011:

The 3rd Quarter, ending August 31, 2011, is scheduled to have 52 projects completed across all project types at an estimated cost of \$173.4 million, with 26 of those being Regional Reliability projects. Figure 7 shows the 3rd Quarter estimated completed projects broken out by Project Type. This is a significant increase from previous quarters, with several projects preliminarily being reported complete in early June. The first completed Priority Project, American Electric Power's Tulsa Power Station 138kV reactor, will be one of those scheduled to complete in early June.

The 3rd Quarter completed projects will result in almost 95 miles of new transmission being added to the system, with another 49 miles being reconducted. The majority of the miles are at 115 and 138kV, with a little over six miles of 161kV. Figure 8 shows the details of the estimated transmission miles to be completed in the 3rd Quarter.

June 2011 through May 2012:

The next 12 months are scheduled to have a total of 98 upgrades completed at an estimated cost of \$557 million, with 27 of the 98 upgrades currently in mitigation. 43 Reliability upgrades, at an estimated cost of \$101 million, are included in that total. Zonal-sponsored upgrades are also a large portion of the projects to be completed in the next 12 months, with 23 upgrades at an estimated cost of \$107 million. Figure 7 shows the next 12 months estimated completed projects broken out by Project Type.



There is scheduled to be 262 miles of new transmission added to the system during the next 12 month period. A large 345kV project, Hugo-Valliant-Sunnyside, will add 139 miles of 345kV by April of 2012. There will also be 161 miles of reconducted transmission placed into the system, with 95 miles being at 115kV.

Figure 9 shows the details of the estimated transmission miles to be completed over the next 12 months.

Scheduled Complete Next Quarter		Scheduled Complete Next 12 Months	
First day of Quarter	Last Day of Quarter	First day of Reporting Year	Last Day of Reporting Year
6/1/2011	8/31/2011	6/1/2011	5/31/2012
Reliability	26 \$72,492,536	Reliability	43 \$101,199,742
Reliability-Non OATT	0 \$0	Reliability-Non OATT	0 \$0
Zonal Reliability	0 \$0	Zonal Reliability	1 \$3,782,279
Transmission Service	12 \$28,285,158	Transmission Service	21 \$282,096,522
Generation Interconnect	2 \$7,492,000	Generation Interconnect	8 \$47,748,000
Balanced Portfolio	0 \$0	Balanced Portfolio	2 \$15,200,000
Zonal Sponsored	12 \$65,132,572	Zonal Sponsored	23 \$106,711,622
Total	52 \$173,402,266	Total	98 \$556,738,165

Figure 7: Upgrades Scheduled to Complete Next Quarter/Next 12 Months

3rd Quarter Projected Transmission Miles Complete				
Voltage	Number of Upgrades	New Miles	Reconductor Miles	Total Miles
69	8	0	4.65	4.65
115	10	46.5	24.71	71.21
138	16	42	7.88	49.88
161	8	6.09	11.9	17.99
230	0	0	0	0
345	4	0	0	0
Totals	46	94.59	49.14	143.73

Figure 8: Transmission Miles Scheduled to Complete 3rd Quarter

Projected Transmission Miles Complete Next 12 Months				
Voltage	Number of Upgrades	New Miles	Reconductor Miles	Total Miles
69	16	3	33.75	36.75
115	26	49	95.358	144.358
138	22	61.4	19.88	81.28
161	12	9.69	11.9	21.59
230	0	0	0	0
345	8	139	0	139
Totals	84	262.09	160.89	422.98

Figure 9: Transmission Miles Scheduled to Complete Next 12 Months

SPP 3rd Quarter 2011 Project Tracking List - Device

COMPLETE	Complete.
ON SCHEDULE <4	On Schedule 4 Year Horizon.
ON SCHEDULE >4	On Schedule beyond 4 Year Horizon.
DELAY - MITIGATION	Behind schedule, interim mitigation provided or project may change but time permits the implementation of project.
RE-EVALUATION	Behind schedule, require re-evaluation due to anticipated load forecast changes.
DELAY - NO MITIGATION	Delayed beyond the RTO Determined need date and no mitigation plan provided
NTC-COMMITMENT WINDOW	NTC issued, still within the 90 day written commitment to construct window and no commitment received

Project types "zonal - sponsored" and "regional reliability - non OATT" do not receive NTCs and are not filed at FERC but are being tracked because they are expected to be built in the near term

NTC_ID	UID	Project Owner	Project Name	Project Type	Project Owner Indicated In-Service Date	RTO Reliability Need Date	Letter of Notification to Construct Issue Date	Cost Estimate	Final Cost	Project Status	Project Status Comments
20122	50334	AEP	Device - Winnsboro 138 kV	regional reliability		06/01/16	02/14/11	\$1,166,400		ON SCHEDULE >4	
20122	50336	AEP	Device - Logansport 138 kV	regional reliability		06/01/16	02/14/11	\$1,166,400		ON SCHEDULE >4	
	50076	AEP	Sugar Loaf	zonal - sponsored				\$500,000		ON SCHEDULE <4	
20010	50084	EDE	Device - Riverside Sub Cap 161kV	Zonal Reliability	05/28/10	06/01/09	02/13/08	\$2,800,000		COMPLETE	Re-energized May 28, 2010
20036	50073	EDE	Device - Quapaw Cap 69 kV	Regional reliability	12/01/11	06/01/18	01/27/09	\$1,500,000		ON SCHEDULE <4	Project under study. Distribution transformer taps to be adjusted
	50357	GMO	Device - Platte City 161 kV reactor	Generation Interconnect	12/12/10			\$850,000	\$370,483	COMPLETE	Project in service. Costs not finalized.
20001	50092	GRDA	Device - Jay Cap 69 kV	regional reliability	06/01/11	06/01/11	02/13/08	\$800,000		ON SCHEDULE <4	This project will be deferred because the violations occurred in
20028	50078	GRDA	Device - Atton Cap 69 kV	regional reliability	06/01/09	01/27/09	01/27/09	\$800,000		DELAY - MITIGATION	This voltage violation is at an NEO/REC substation that is on the
20028	50080	GRDA	Device - Tahlequah West 69 Cap kV	regional reliability	07/01/12	06/01/09	01/27/09	\$779,000		DELAY - MITIGATION	Replaces Tahlequah City#1 and City #2 Cap 69. In the event of
	50179	GRDA	Device - Chelsea 69 kV Cap	Zonal Reliability	10/15/09			\$586,000		ON SCHEDULE <4	
20009	50083	KCPL	Device - Craig Cap 161 kV	Zonal Reliability	05/18/11	06/01/08	02/13/08	\$1,316,500	\$1,449,319	COMPLETE	Project placed in service 5/18/11. Costs not finalized.
20078	50184	MIDW	Device - Kinsley Capacitor 115 kV	regional reliability	06/01/11	06/01/11	02/08/10	\$300,000		ON SCHEDULE <4	2009 STEP Revised Project from 10 MVAR at Kinglesy to 5
20078	50197	MIDW	Device-Pawnee 115 kV	regional reliability	06/01/11	06/01/11	02/08/10	\$300,000		ON SCHEDULE <4	2009 STEP Revised Project from 10 MVAR at Kinglesy to 5
20007	50067	MKEC	Device - Pratt Cap 115 kV	Regional reliability	03/01/10	06/01/08	02/13/08	\$2,321,855	\$2,705,539	COMPLETE	
20007	50104	MKEC	Device - Plainville Cap 115 kV	regional reliability	11/01/12	06/01/12	02/13/08	\$1,500,000		DELAY - MITIGATION	
20007	50096	MKEC	Device - Russell 115 kV	regional reliability	09/01/12	06/01/11	02/13/08	\$1,200,000		DELAY - MITIGATION	Currently in engineering design and cost review. Request City of
20054	50068	MKEC	Device - Harper Cap 138 kV	Regional reliability	06/01/10	10/01/09	09/18/09	\$1,731,355		COMPLETE	
20080	50211	NPPD	Device - Valentine 115 kV	regional reliability	06/01/11	06/01/11	02/08/10	\$627,789		COMPLETE	Project Complete. Awaiting project close out to determine final
20080	50248	NPPD	Device - Kearney 115 kV	regional reliability	06/01/12	06/01/12	02/08/10	\$800,000		ON SCHEDULE <4	
20080	50207	NPPD	Device - Petersburg North 115 kV	regional reliability	06/01/11	11/01/12	02/08/10	\$364,898		COMPLETE	Project Complete. Awaiting project close out to determine final
20080	50208	NPPD	Device - Clarks 115 kV	regional reliability	11/01/12	11/01/12	02/08/10	\$700,000		ON SCHEDULE <4	
20080	50209	NPPD	Device - Ainsworth 115 kV	regional reliability	11/01/12	11/01/12	02/08/10	\$50,000		ON SCHEDULE <4	
20080	50210	NPPD	Device - Oneill 115 kV	regional reliability	11/01/12	11/01/12	02/08/10	\$700,000		ON SCHEDULE <4	
20080	50213	NPPD	Device - Gordon 115 kV	regional reliability	06/01/12	06/01/13	02/08/10	\$700,000		ON SCHEDULE <4	
20081	50252	OGE	Device - Cushing Oil 69 kV	Regional reliability	05/14/10	06/01/10	02/08/10	\$260,000		COMPLETE	
20081	50253	OGE	Device - Tiger Creek 69 kV	Regional reliability	12/15/10	06/01/10	02/08/10	\$270,000		COMPLETE	
20128	50345	OGE	Device - Wells 69 kV	regional reliability		06/01/11	02/14/11	\$352,350		ON SCHEDULE <4	Expect to delay project to at least pre-summer 2012
20128	50347	OGE	Device - Little River Lake 69 kV	regional reliability		12/01/11	02/14/11	\$352,350		ON SCHEDULE <4	Expect to meet schedule
20083	50246	SEPC	Device - Johnson Corner 115 kV Capacitor	regional reliability	05/01/12	06/01/10	02/08/10	\$740,000		DELAY - NO MITIGATION	
20083	50247	SEPC	Device - Johnson Corner 115 kV 2nd Capacitor	regional reliability	05/01/12	06/01/11	02/08/10	\$370,000		DELAY - NO MITIGATION	
19985	50047	WFEC	Device - Comanche	regional reliability	06/01/12	06/01/12	02/02/07	\$350,000		ON SCHEDULE <4	Shed load at Loco Substation (up to 3.5MW in 2007 Summer
20003	50050	WFEC	Device - Gypsum Cap 69 kV	regional reliability	06/01/11	04/01/08	02/13/08	\$150,000		DELAY - MITIGATION	
20003	50085	WFEC	Device - Carter Cap 69 kV	regional reliability	06/01/12	06/01/10	02/13/08	\$324,000		DELAY - MITIGATION	
20003	50099	WFEC	Device - Latta Cap 138 kV	regional reliability	06/01/12	06/01/12	02/13/08	\$324,000		ON SCHEDULE <4	
20003	50045	WFEC	Device - Esquandale Cap 69 kV	regional reliability	06/01/14	06/01/14	01/27/09	\$243,000		ON SCHEDULE <4	WFEC will move ahead line project: Cache to Grandfield to
20030	50180	WFEC	Device Eagle Chief 69 kV Capacitor	Regional reliability			01/27/09	\$300,000		DELAY - MITIGATION	
20085	50186	WFEC	Device - Electra 69 kV Capacitor	regional reliability	06/01/11	06/01/11	02/08/10	\$240,000		ON SCHEDULE <4	
19986	50088	WR	Device - 3rd & VanBuren	Zonal Reliability	04/08/10	06/01/11	02/02/07	\$163,392		COMPLETE	
19986	50063	WR	Device - Nortonville 69 kV Cap	Zonal Reliability	04/26/10	06/01/07	02/02/07	\$1,020,683		COMPLETE	
20059	50243	WR	Device - Timber Jct 138 kV Capacitor	transmission service	06/01/11	06/01/11	09/18/09	\$1,511,509		ON SCHEDULE <4	
20059	50244	WR	Device - Tioga 69 kV Capacitor	transmission service	06/01/11	06/01/11	09/18/09	\$732,398		ON SCHEDULE <4	
20059	50229	WR	Device - Allen 69 kV Capacitor	transmission service	06/01/12	06/01/12	09/18/09	\$607,500		ON SCHEDULE <4	
20059	50231	WR	Device - Athens 69 kV Capacitor	transmission service	06/01/13	06/01/13	09/18/09	\$607,500		ON SCHEDULE <4	
20059	50230	WR	Device - Altoona East 69 kV Capacitor	transmission service	06/01/14	06/01/14	09/18/09	\$607,500		ON SCHEDULE <4	
20068	50284	WR	Device - Dearing 138 kV Capacitor	transmission service	06/01/12	06/01/12	01/13/10	\$1,215,000		ON SCHEDULE <4	
20140	50370	WR	Device - Chapman Junction 115 kV Capacitor	Zonal Reliability		10/01/12	05/26/11	\$850,000		NTC-COMMITMENT WINDOW	