

SPP-NTC-200171

SPP
Notification to Construct

April 9, 2012

Mr. Jason Fortik
Lincoln Electric System
1040 "O" Street
Lincoln, NE 68501-0869

RE: Notification to Construct Approved ITPNT Network Upgrades

Dear Mr. Fortik,

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 Lincoln Electric System ("LES"), as the Designated Transmission Owner, to construct the Network Upgrade(s).

On January 31, 2012, the SPP Board of Directors approved the Network Upgrade(s) listed below to be constructed as part of the 2012 Integrated Transmission Planning Near-Term ("ITPNT") Assessment.

New Network Upgrades

Project ID: 30352

Project Name: Line - Folsom & Pleasant Hill - Sheldon 115 kV Ckt 2

Need Date for Project: 1/1/2012

Estimated Cost for Project: \$6,480,000

Network Upgrade ID: 50403

Network Upgrade Name: Folsom & Pleasant Hill - Sheldon 115 kV Rebuild Ckt 2

Network Upgrade Description: Rebuild 12 miles of 115 kV Ckt 2 between Sheldon and Folsom/Pleasant Hill.

Network Upgrade Owner: LES

MOPC Representative: Dennis Florom

TWG Representative: Jason Fortik

Categorization: Regional reliability

Network Upgrade Specification: All elements and conductor must have at least an emergency rating of 240 MVA, but are not limited to that amount.

Network Upgrade Justification: Line overloaded under system intact conditions.

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Estimated Cost for Network Upgrade (current day dollars): \$6,480,000
Cost Allocation of the Network Upgrade: Base Plan
Estimated Cost Source: LES
Date of Estimated Cost: 9/22/2011

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 and an updated \pm 20% cost estimate, NTC Project Estimate, in the Standardized Cost Estimate Reporting Template 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 once 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

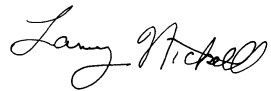
Please keep SPP advised of any inability on LES's part to complete the approved Network Upgrade(s). For project tracking purposes, SPP requires LES to submit status updates for the Network Upgrade(s) quarterly, in conjunction with the SPP Board of Directors meetings. However, LES shall also advise SPP 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.

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Sincerely,



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

cc: Carl Monroe - SPP
Katherine Prewitt - SPP
Dennis Florom - Lincoln Electric System
Doug Bantam - Lincoln Electric System
Alan Burbach - Lincoln Electric System