

SPP-NTC-200199**SPP
Notification to Construct**

December 19, 2012

Mr. Phil Crissup
Oklahoma Gas and Electric Company
P.O. Box 321 M/C 903
Oklahoma City, OK 73101

RE: Notification to Construct Delivery Point Request(s) Network Upgrades

Dear Mr. Crissup,

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., as the Designated Transmission Owner, to construct the Network Upgrade(s).

On December 10, 2012, SPP concluded that the project(s) is required on the Oklahoma Gas and Electric Co. system to fulfill delivery point request(s) as detailed in Delivery Point Network Study DPA-2012-March-143 and DPA-2012-June-193.

New Network Upgrades**Project ID:** 30486**Project Name:** Multi - Renfrow 345/138 kV substation and Renfrow - Grant 138 kV line**Estimated Cost for Project:** \$28,563,915**Network Upgrade ID:** 50586**Network Upgrade Name:** Renfrow 345/138 kV Transformer Ckt 1**Network Upgrade Description:** Build 400 MVA 345/138 kV bus tie transformer at Renfrow.**Network Upgrade Owner:** Oklahoma Gas and Electric Co.**MOPC Representative:** Jacob Langthorn, IV**TWG Representative:** Travis Hyde**Categorization:** Regional reliability**Network Upgrade Specification:** All elements and conductor must have at least an emergency rating of 400 MVA.

Network Upgrade Justification: To address potential thermal overloads and voltage violations in the area of the Koch 69 kV substation as identified in the delivery point addition study for delivery point requests DPA-2012-March-143 and DPA-2012-June-193.

Need Date for Network Upgrade: 3/1/2013

Estimated Cost for Network Upgrade (current day dollars): \$3,079,700

Cost Allocation of the Network Upgrade: Base Plan

Estimated Cost Source: Oklahoma Gas and Electric Co.

Date of Estimated Cost: 12/4/2012

Network Upgrade ID: 50587

Network Upgrade Name: Renfrow Substation

Network Upgrade Description: Build substation at Renfrow and tap Woodring-Wichita 345 kV line.

Network Upgrade Owner: Oklahoma Gas and Electric Co.

MOPC Representative: Jacob Langthorn, IV

TWG Representative: Travis Hyde

Categorization: Regional reliability

Network Upgrade Specification: All 345 kV substation elements and conductor must have at least a 3000 A capacity. All 138 kV substation elements and conductor must have at least a 2000 A capacity.

Network Upgrade Justification: To address potential thermal overloads and voltage violations in the area of the Koch 69 kV substation as identified in the delivery point addition study for delivery point requests DPA-2012-March-143 and DPA-2012-June-193.

Need Date for Network Upgrade: 3/1/2013

Estimated Cost for Network Upgrade (current day dollars): \$11,659,600

Cost Allocation of the Network Upgrade: Base Plan

Estimated Cost Source: Oklahoma Gas and Electric Co.

Date of Estimated Cost: 12/4/2012

Network Upgrade ID: 50588

Network Upgrade Name: Grant County Substation

Network Upgrade Description: Build Grant County substation on the 69 kV line between the Koch and Medford substations.

Network Upgrade Owner: Oklahoma Gas and Electric Co.

MOPC Representative: Jacob Langthorn, IV

TWG Representative: Travis Hyde

Categorization: Regional reliability

Network Upgrade Specification: All 138 kV substation elements and conductor must have at least a 2000 A capacity.

Network Upgrade Justification: To address potential thermal overloads and voltage violations in the area of the Koch 69 kV substation as identified in the delivery point addition study for delivery point requests DPA-2012-March-143 and DPA-2012-June-193.

Need Date for Network Upgrade: 3/1/2013

Estimated Cost for Network Upgrade (current day dollars): \$4,998,388

Cost Allocation of the Network Upgrade: Base Plan
Estimated Cost Source: Oklahoma Gas and Electric Co.
Date of Estimated Cost: 12/4/2012

Network Upgrade ID: 50589
Network Upgrade Name: Grant County 138/69 kV Transformer
Network Upgrade Description: Install a 138/69 kV transformer at Grant County substation.
Network Upgrade Owner: Oklahoma Gas and Electric Co.
MOPC Representative: Jacob Langthorn, IV
TWG Representative: Travis Hyde
Categorization: Regional reliability
Network Upgrade Specification: All elements and conductor must have at least an emergency rating of 100 MVA.
Network Upgrade Justification: To address potential thermal overloads and voltage violations in the area of the Koch 69 kV substation as identified in the delivery point addition study for delivery point requests DPA-2012-March-143 and DPA-2012-June-193.
Need Date for Network Upgrade: 3/1/2013
Estimated Cost for Network Upgrade (current day dollars): \$1,173,170
Cost Allocation of the Network Upgrade: Base Plan
Estimated Cost Source: Oklahoma Gas and Electric Co.
Date of Estimated Cost: 12/4/2012

Network Upgrade ID: 50590
Network Upgrade Name: Renfrow - Grant County 138 kV line
Network Upgrade Description: Build 138 kV line from Renfrow to Grant County substation.
Network Upgrade Owner: Oklahoma Gas and Electric Co.
MOPC Representative: Jacob Langthorn, IV
TWG Representative: Travis Hyde
Categorization: Regional reliability
Network Upgrade Specification: All elements and conductor must have at least an emergency rating of 268 MVA.
Network Upgrade Justification: To address potential thermal overloads and voltage violations in the area of the Koch 69 kV substation as identified in the delivery point addition study for delivery point requests DPA-2012-March-143 and DPA-2012-June-193.
Need Date for Network Upgrade: 3/1/2013
Estimated Cost for Network Upgrade (current day dollars): \$7,081,847
Cost Allocation of the Network Upgrade: Base Plan
Estimated Cost Source: Oklahoma Gas and Electric Co.
Date of Estimated Cost: 12/4/2012

Network Upgrade ID: 50592

Network Upgrade Name: Koch Substation Voltage Conversion

Network Upgrade Description: Convert Koch 69 kV substation to 138 kV.

Network Upgrade Owner: Oklahoma Gas and Electric Co.

MOPC Representative: Jacob Langthorn, IV

TWG Representative: Travis Hyde

Categorization: Regional reliability

Network Upgrade Specification: All 138 kV substation elements and conductor must have at least a 2000 A capacity.

Network Upgrade Justification: To address potential thermal overloads and voltage violations in the area of the Koch 69 kV substation as identified in the delivery point addition study for delivery point requests DPA-2012-March-143 and DPA-2012-June-193.

Need Date for Network Upgrade: 3/1/2013

Estimated Cost for Network Upgrade (current day dollars): \$571,210

Cost Allocation of the Network Upgrade: Base Plan

Estimated Cost Source: Oklahoma Gas and Electric Co.

Date of Estimated Cost: 12/4/2012

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.

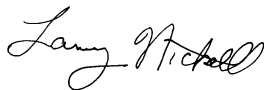
Notification of Progress

On an ongoing basis, please keep SPP advised of any inability on Oklahoma Gas and Electric Co.'s part to complete the approved Network Upgrade(s). For project tracking purposes, SPP requires Oklahoma Gas and Electric Co. to submit status updates of the Network Upgrade(s) quarterly in conjunction with the SPP Board of Directors meetings. However, Oklahoma Gas and Electric Co. 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 "Lanny Nickell".

Lanny Nickell
Vice President, Engineering
Phone: (501) 614-3232 • Fax: (501) 482-2022 • lnickell@spp.org

cc: Carl Monroe - SPP
Katherine Prewitt - SPP
Jacob Langthorn, IV - Oklahoma Gas and Electric Co.
Travis Hyde - Oklahoma Gas and Electric Co.