

SPP-NTC-200201

SPP
Notification to Construct

March 1, 2013

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

RE: Notification to Construct Approved Reliability 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. ("OGE"), as the Designated Transmission Owner, to construct the Network Upgrade(s).

On March 1, 2013, SPP concluded that the project(s) is required on the OGE system to fulfill delivery point request(s) as detailed in the Delivery Point Network Study for delivery point requests DPA-2012-March-147, DPA-2012-March-149, DPA-2012-March-155, DPA-2012-March-156, DPA-2012-July-217, and DPA-2012-October-247.

New Network Upgrades

Project ID: 30488

Project Name: Multi - Renfrow - Wakita - Noel Switch 138 kV

Need Date for Project: 1/1/2013

Estimated Cost for Project: \$28,772,401 (this project cost contains Network Upgrades not included in this NTC)

Date of Estimated Cost: 12/14/2012

Estimated Cost Source: Western Farmers Electric Cooperative

Network Upgrade ID: 50613

Network Upgrade Name: Sandridge Tap - Renfrow 138 kV Ckt 1 (OGE)

Network Upgrade Description: Build new 138 kV line from Sandridge Tap to Renfrow. The total mileage of this Renfrow to Sandridge Tap 138 kV line is 4 miles.

Western Farmers Electric Cooperative and OGE shall decide who shall build how much of these Network Upgrades and shall provide such information, along with specific cost estimates for each Designated Transmission Owner's portion of the Network Upgrades,

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to SPP in its response to this NTC.

Network Upgrade Owner: OGE

MOPC Representative(s): 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 228 MVA.

Network Upgrade Justification: To address thermal and voltage violations in the Alfalfa area as identified in the Attachment AQ study for delivery point requests DPA-2012-March-147, DPA-2012-March-149, DPA-2012-March-155, DPA-2012-March-156, DPA-2012-July-217, and DPA-2012-October-247.

Cost Allocation of the Network Upgrade: Base Plan

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 for 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 the Network Upgrade(s) 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, SPP requires OGE to submit status updates of the Network Upgrade(s) quarterly 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

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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 - OGE
Travis Hyde - OGE