

SPP-NTC-200223

**iSPP
Notification to Construct**

May 23, 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 ITP10 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 January 31, 2012, the SPP Board of Directors ("BOD") approved the Network Upgrade(s) listed below to be constructed as part of the 2012 Integrated Transmission Planning 10-Year Assessment ("ITP10"). On April 9, 2012, SPP issued OGE the Notification to Construct with Conditions ("NTC-C") No. 200185.

On March 13, 2013, SPP received OGE's NTC-C Project Estimate(s) ("CPE") for the Network Upgrade(s) specified in the NTC-C No. 200185. On April 30, 2013, the BOD accepted the cost estimate variation of the CPE(s) and directed SPP to issue an NTC for the Network Upgrade(s).

Upgrades with Modifications

Previous NTC Number: 200185

Previous NTC Issue Date: 4/9/2012

Project ID: 30364

Project Name: Multi - Woodward District EHV - Tatonga - Matthewson - Cimarron 345 kV

Need Date for Project: 3/1/2021

Estimated Cost for Project: \$178,212,300

Network Upgrade ID: 50420

Network Upgrade Name: Tatonga - Woodward District EHV 345 kV Ckt 2

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Network Upgrade Description: Build second circuit of new 49-mile 345 kV line from Woodward District EHV to Tatonga.

Network Upgrade Owner: OGE

MOPC Representative(s): Jacob Langthorn, IV

TWG Representative: Travis Hyde

Reason for Change: The cost estimate variation of the CPE(s) for this project was accepted by the BOD. Therefore, the conditions of the project described in NTC-C No. 200185 are removed.

Categorization: ITP10

Network Upgrade Specification: All elements and conductor must have at least an emergency rating of 1792 MVA.

Network Upgrade Justification: To address the Cleo Corner - Glass Mountain 138 kV overload and El Reno - Roman Nose - Southard 138 kV overload for the outage of the Woodward District EHV- Tatonga 345 kV and Tatonga - Northwest 345 kV lines.

Estimated Cost for Network Upgrade (current day dollars): \$59,522,400

Cost Allocation of the Network Upgrade: Base Plan

Estimated Cost Source: OGE

Date of Estimated Cost: 3/13/2013

Network Upgrade ID: 50421

Network Upgrade Name: Matthewson - Tatonga 345 kV Ckt 2

Network Upgrade Description: Build second circuit of new 61-mile 345 kV line from Tatonga to new Matthewson substation.

Network Upgrade Owner: OGE

MOPC Representative(s): Jacob Langthorn, IV

TWG Representative: Travis Hyde

Reason for Change: The cost estimate variation of the CPE(s) for this project was accepted by the BOD. Therefore, the conditions of the project described in NTC-C No. 200185 are removed.

Categorization: ITP10

Network Upgrade Specification: All elements and conductor must have at least an emergency rating of 1792 MVA.

Network Upgrade Justification: To address the Cleo Corner - Glass Mountain 138 kV overload and El Reno - Roman Nose - Southard 138 kV overload for the outage of the Woodward District EHV- Tatonga 345 kV and Tatonga - Northwest 345 kV lines.

Estimated Cost for Network Upgrade (current day dollars): \$65,785,650

Cost Allocation of the Network Upgrade: Base Plan

Estimated Cost Source: OGE

Date of Estimated Cost: 3/13/2013

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Network Upgrade ID: 50456

Network Upgrade Name: Cimarron - Matthewson 345 kV Ckt 2

Network Upgrade Description: Build second circuit of new 16-mile 345 kV line from the new Matthewson substation to Cimarron.

Network Upgrade Owner: OGE

MOPC Representative(s): Jacob Langthorn, IV

TWG Representative: Travis Hyde

Reason for Change: The cost estimate variation of the CPE(s) for this project was accepted by the BOD. Therefore, the conditions of the project described in NTC-C No. 200185 are removed.

Categorization: ITP10

Network Upgrade Specification: All elements and conductor must have at least an emergency rating of 1792 MVA.

Network Upgrade Justification: To address the Cleo Corner - Glass Mountain 138 kV overload and El Reno - Roman Nose - Southard 138 kV overload for the outage of the Woodward District EHV- Tatonga 345 kV and Tatonga - Northwest 345 kV lines.

Estimated Cost for Network Upgrade (current day dollars): \$32,936,400

Cost Allocation of the Network Upgrade: Base Plan

Estimated Cost Source: OGE

Date of Estimated Cost: 3/13/2013

Network Upgrade ID: 50458

Network Upgrade Name: Matthewson 345 kV

Network Upgrade Description: Build new Matthewson 345 kV substation at the intersection of the Woodring - Cimarron and Northwest - Tatonga 345 kV lines.

Network Upgrade Owner: OGE

MOPC Representative(s): Jacob Langthorn, IV

TWG Representative: Travis Hyde

Reason for Change: The cost estimate variation of the CPE(s) for this project was accepted by the BOD. Therefore, the conditions of the project described in NTC-C No. 200185 are removed.

Categorization: ITP10

Network Upgrade Specification: All elements and conductor must have at least an emergency rating of 1792 MVA.

Network Upgrade Justification: To address the Cleo Corner - Glass Mountain 138 kV overload and El Reno - Roman Nose - Southard 138 kV overload for the outage of the Woodward District EHV- Tatonga 345 kV and Tatonga - Northwest 345 kV lines.

Estimated Cost for Network Upgrade (current day dollars): \$19,967,850

Cost Allocation of the Network Upgrade: Base Plan

Estimated Cost Source: OGE

Date of Estimated Cost: 3/13/2013

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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. 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 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, 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 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

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Vice President, Engineering

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cc: Carl Monroe - SPP
Katherine Prewitt - SPP
Jacob Langthorn, IV - OGE
Travis Hyde - OGE