

**SPP-NTC-200262**

**iSPP  
Notification to Construct**

April 9, 2014

Mr. John Fulton  
Southwestern Public Service Company  
P.O. Box 1261  
Amarillo, TX 79105

RE: Notification to Construct for Transmission Service Request resulting from Aggregate Transmission Service Study SPP-2011-AG3-AFS-11

Dear Mr. Fulton,

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 Southwestern Public Service Company ("SPS"), as the Designated Transmission Owner, to construct the Network Upgrades.

On February 28, 2014, SPP concluded that the project(s) is required on the SPS system to fulfill Transmission Service Requests as detailed in Aggregate Facility Study SPP-2011-AG3-AFS-11.

**New Network Upgrades**

**Project ID:** 1142

**Project Name:** Line - Canyon East Sub - Randall County Interchange 115 kV Ckt 1

**Need Date for Project:** 2/1/2014

**Estimated In-Service Date:** 6/1/2017

**Estimated Cost for Project:** \$13,609,088

**Network Upgrade ID:** 11506

**Network Upgrade Name:** Canyon East Sub - Randall County Interchange 115 kV Ckt 1 Rebuild

**Network Upgrade Description:** Rebuild 13.5-mile 4/0 segment of 115 kV line from Canyon East Sub to Randall County Interchange with 795 ACSR conductor.

**Network Upgrade Owner:** SPS

**Categorization:** Regional reliability

**Network Upgrade Specification:** All elements and conductor must have at least a summer emergency rating of 104 MVA and a winter emergency rating of 131 MVA.

**Network Upgrade Justification:** SPP-2011-AG3-AFS-11

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**Estimated Cost for Network Upgrade (current day dollars):** \$13,609,088  
**Cost Allocation of the Network Upgrade:** Base Plan  
**Estimated Cost Source:** SPS  
**Date of Estimated Cost:** 7/8/2013

**Project ID:** 1144  
**Project Name:** XFR - Hitchland 230/115 kV Ckt 2  
**Need Date for Project:** 6/1/2019  
**Estimated In-Service Date:** 6/1/2019  
**Estimated Cost for Project:** \$4,220,694

**Network Upgrade ID:** 11508  
**Network Upgrade Name:** Hitchland 230/115 kV Ckt 2 Transformer  
**Network Upgrade Description:** Add second 230/115 kV 250 MVA transformer at Hitchland.  
**Network Upgrade Owner:** SPS  
**Categorization:** Regional reliability  
**Network Upgrade Specification:** All elements and conductor must have at least an emergency rating of 288 MVA.  
**Network Upgrade Justification:** SPP-2011-AG3-AFS-11  
**Estimated Cost for Network Upgrade (current day dollars):** \$4,220,694  
**Cost Allocation of the Network Upgrade:** Base Plan  
**Estimated Cost Source:** SPS  
**Date of Estimated Cost:** 9/12/2011

**Project ID:** 30420  
**Project Name:** Line - Bushland Interchange - Deaf Smith County Interchange 230 kV Ckt 1  
**Need Date for Project:** 2/1/2014  
**Estimated In-Service Date:** 6/1/2016  
**Estimated Cost for Project:** \$193,279

**Network Upgrade ID:** 50513  
**Network Upgrade Name:** Bushland Interchange - Deaf Smith County Interchange 230 kV Ckt 1 Terminal Upgrade  
**Network Upgrade Description:** Upgrade 800 Amp wave trap at both Bushland Interchange and Deaf Smith Interchange.  
**Network Upgrade Owner:** SPS  
**Categorization:** Regional reliability  
**Network Upgrade Specification:** All elements and conductor must have at least a winter emergency rating of 419 MVA.  
**Network Upgrade Justification:** SPP-2011-AG3-AFS-11  
**Estimated Cost for Network Upgrade (current day dollars):** \$193,279

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**Cost Allocation of the Network Upgrade:** Base Plan  
**Estimated Cost Source:** SPS  
**Date of Estimated Cost:** 7/8/2013

**Project ID:** 30509

**Project Name:** Line - Canyon East Sub - Canyon West Sub 115 kV Ckt 1

**Need Date for Project:** 2/1/2014

**Estimated In-Service Date:** 6/1/2017

**Estimated Cost for Project:** \$3,076,866

**Network Upgrade ID:** 50636

**Network Upgrade Name:** Canyon East Sub - Canyon West Sub 115 kV Ckt 1 Rebuild

**Network Upgrade Description:** Rebuild 3.73-mile 115 kV line from Canyon East Sub to Canyon West Sub with 795 ACSR conductor.

**Network Upgrade Owner:** SPS

**Categorization:** Transmission Service

**Network Upgrade Specification:** All elements and conductor must have at least a winter emergency rating of 117 MVA.

**Network Upgrade Justification:** SPP-2011-AG3-AFS-11

**Estimated Cost for Network Upgrade (current day dollars):** \$3,076,866

**Cost Allocation of the Network Upgrade:** Base Plan

**Estimated Cost Source:** SPS

**Date of Estimated Cost:** 7/8/2013

**Project ID:** 30510

**Project Name:** Line - Mustang - Shell CO2 115 kV Ckt 1

**Need Date for Project:** 6/1/2015

**Estimated In-Service Date:** 6/1/2017

**Estimated Cost for Project:** \$16,770,522

**Network Upgrade ID:** 50637

**Network Upgrade Name:** Mustang - Shell CO2 115 kV Ckt 1

**Network Upgrade Description:** Construct new 7-mile 115 kV line from Mustang to Shell CO2. Rebuild existing Shell CO2 substation to accommodate new 115 kV line terminal. Install any necessary 115 kV terminal equipment at Mustang.

**Network Upgrade Owner:** SPS

**Categorization:** Transmission Service

**Network Upgrade Specification:** All elements and conductor must have at least an emergency rating of 299 MVA.

**Network Upgrade Justification:** SPP-2011-AG3-AFS-11

**Estimated Cost for Network Upgrade (current day dollars):** \$16,770,522

**Cost Allocation of the Network Upgrade:** Base Plan

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**Estimated Cost Source:** SPS  
**Date of Estimated Cost:** 7/8/2013

**Project ID:** 30766

**Project Name:** XFR - Yoakum County Interchange 230/115 kV Ckts 1 and 2

**Need Date for Project:** 6/1/2019

**Estimated In-Service Date:** 6/1/2019

**Estimated Cost for Project:** \$7,514,514

**Network Upgrade ID:** 51039

**Network Upgrade Name:** Yoakum County Interchange 230/115 kV Ckt 1 Transformer

**Network Upgrade Description:** Upgrade Yoakum County Interchange Ckt 1 230/115 kV transformer to 250 MVA.

**Network Upgrade Owner:** SPS

**Categorization:** Transmission Service

**Network Upgrade Specification:** All elements and conductor must have at least a summer emergency rating of 155 MVA.

**Network Upgrade Justification:** SPP-2011-AG3-AFS-11

**Estimated Cost for Network Upgrade (current day dollars):** \$3,757,257

**Cost Allocation of the Network Upgrade:** Base Plan

**Estimated Cost Source:** SPS

**Date of Estimated Cost:** 2/12/2013

**Network Upgrade ID:** 51050

**Network Upgrade Name:** Yoakum County Interchange 230/115 kV Ckt 2 Transformer

**Network Upgrade Description:** Upgrade Yoakum County Interchange Ckt 2 230/115 kV transformer to 250 MVA.

**Network Upgrade Owner:** SPS

**Categorization:** Regional reliability

**Network Upgrade Specification:** All elements and conductor must have at least a summer emergency rating of 159 MVA.

**Network Upgrade Justification:** SPP-2011-AG3-AFS-11

**Estimated Cost for Network Upgrade (current day dollars):** \$3,757,257

**Cost Allocation of the Network Upgrade:** Base Plan

**Estimated Cost Source:** SPS

**Date of Estimated Cost:** 2/12/2013

**Commitment to Construct**

Please provide to SPP a written commitment to construct the Network Upgrade(s) within 90 days of the date of this Notification to Construct, 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,

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NTC Project Estimate, in the Standardized Cost Estimate Reporting Template for the Network Upgrade(s). Failure to provide a written commitment to construct as required by Attachment O could result in the Network Upgrade(s) being assigned to another entity.

**Mitigation Plan**

The Estimated In-Service 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 Upgrades(s) if the Estimated In-Service Date is not feasible. Additionally, if it is anticipated that the completion of any Network Upgrade will be delayed past the Estimated In-Service Date, SPP requires a mitigation plan be filed within 60 days of 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 SPS's part to complete the approved Network Upgrade(s). For project tracking, SPP requires SPS to submit status updates of the Network Upgrade(s) quarterly in conjunction with the SPP Board of Directors meetings. However consistent with Section 20.1 and 32.10 of the SPP OATT, SPS shall also advise SPP of any inability to comply with the project(s) Schedule as the inability becomes apparent.

All terms and conditions of the SPP OATT and the SPP Membership Agreement shall apply to this project(s) and nothing in this letter shall carry such terms and conditions.

Don't hesitate to contact me if you have questions or comments about these requests. Thank you for the important role that you plan 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](mailto:lnickell@spp.org)

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cc: Carl Monroe - SPP  
Katherine Prewitt - SPP  
William Grant - SPS