

SPP-NTC-200276

**SPP
Notification to Construct**

May 19, 2014

Mr. Noman Williams
Mid-Kansas Electric Company
301 W. 13th Street
Hays, KS 67601

RE: Notification to Construct Approved High Priority Upgrades

Dear Mr. Williams,

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 Mid-Kansas Electric Company ("MKEC"), as the Designated Transmission Owner, to construct the Network Upgrade(s).

On April 29, 2014, the SPP Board of Directors approved the High Priority Incremental Load Study ("HPILS"). The Network Upgrade(s) listed below were included in Appendix C of the HPILS report and are to be constructed.

New Network Upgrades

Project ID: 30640

Project Name: Line - Kansas Avenue - Dobson - Gano 115 kV Ckt 1

Need Date for Project: 6/1/2015

Estimated Cost for Project: \$134,366

Network Upgrade ID: 50822

Network Upgrade Name: Kansas Avenue - Dobson - Gano 115 kV Ckt 1 Terminal Upgrades

Network Upgrade Description: Replace switches at Dobson to achieve a rating of 304 MVA on the 115 kV line from Kansas Avenue to Dobson to Gano.

Network Upgrade Owner: MKEC

MOPC Representative(s): Tom Hestermann

TWG Representative: Noman Williams

Categorization: High priority

Network Upgrade Specification: All elements must have at least an emergency rating of 304 MVA.

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Network Upgrade Justification: To address needs identified in the HPILS.
Estimated Cost for Network Upgrade (current day dollars): \$134,366
Cost Allocation of the Network Upgrade: Base Plan
Estimated Cost Source: MKEC
Date of Estimated Cost: 2/21/2014

Project ID: 30642
Project Name: Line - Garden City - Kansas Avenue 115 kV Ckt 1
Need Date for Project: 6/1/2015
Estimated Cost for Project: \$124,484

Network Upgrade ID: 50824
Network Upgrade Name: Garden City - Kansas Avenue 115 kV Ckt 1 Terminal Upgrades
Network Upgrade Description: Replace CT settings, relays, and bus connections to achieve 154.6/189.2 MVA rating on the 115 kV line from Garden City to Kansas Avenue.
Network Upgrade Owner: MKEC
MOPC Representative(s): Tom Hestermann
TWG Representative: Noman Williams
Categorization: High priority
Network Upgrade Specification: All elements and connections must have at least an emergency rating of 189 MVA.
Network Upgrade Justification: To address needs identified in the HPILS.
Estimated Cost for Network Upgrade (current day dollars): \$124,484
Cost Allocation of the Network Upgrade: Base Plan
Estimated Cost Source: MKEC
Date of Estimated Cost: 2/21/2014

Project ID: 30645
Project Name: Line - Harper - Rago 138 kV Ckt 1
Need Date for Project: 6/1/2015
Estimated Cost for Project: \$13,666,262

Network Upgrade ID: 50828
Network Upgrade Name: Harper - Rago 138 kV Ckt 1
Network Upgrade Description: Construct new 15-mile 138 kV line from Harper to new Rago substation.
Network Upgrade Owner: MKEC
MOPC Representative(s): Tom Hestermann
TWG Representative: Noman Williams
Categorization: High priority

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Network Upgrade Specification: All elements and conductor must have at least an emergency rating of 190 MVA.

Network Upgrade Justification: To address needs identified in the HPILS.

Estimated Cost for Network Upgrade (current day dollars): \$13,666,262

Cost Allocation of the Network Upgrade: Base Plan

Estimated Cost Source: MKEC

Date of Estimated Cost: 2/21/2014

Project ID: 30733

Project Name: Line - Sun City - Sun South 115 kV Ckt 1

Need Date for Project: 6/1/2015

Estimated Cost for Project: \$13,684,312

Network Upgrade ID: 50996

Network Upgrade Name: Sun City - Sun South 115 kV Ckt 1

Network Upgrade Description: Construct new 12.5-mile 115 kV line from Sun City to Sun South.

Network Upgrade Owner: MKEC

MOPC Representative(s): Tom Hestermann

TWG Representative: Noman Williams

Categorization: High priority

Network Upgrade Specification: All elements and conductor must have at least an emergency rating of 160 MVA.

Network Upgrade Justification: To address needs identified in the HPILS.

Estimated Cost for Network Upgrade (current day dollars): \$13,684,312

Cost Allocation of the Network Upgrade: Directly Assigned

Estimated Cost Source: MKEC

Date of Estimated Cost: 2/25/2014

Project ID: 30735

Project Name: Line - Clark Tap - Minneola 115 kV Ckt 1

Need Date for Project: 6/1/2015

Estimated Cost for Project: \$6,602,085 (this project cost contains Network Upgrades not included in this NTC)

Estimated Cost Source: MKEC

Date of Estimated Cost: 2/21/2014

Network Upgrade ID: 50999

Network Upgrade Name: Clark Tap - Minneola 115 kV Ckt 1 (MKEC)

Network Upgrade Description: Construct new 115 kV line from Clark Tap to Minneola. The total estimated length of the Clark Tap to Minneola line is 7.5 miles. MKEC and ITC Great Plains, LLC shall decide who shall build how much of these

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Network Upgrades and shall provide such information, along with specific cost estimates for each Designated Transmission Owner's portion of the Network Upgrades, to SPP in its response to this NTC.

Network Upgrade Owner: MKEC

MOPC Representative(s): Tom Hestermann

TWG Representative: Noman Williams

Categorization: High priority

Network Upgrade Specification: All elements and conductor must have at least an emergency rating of 160 MVA.

Network Upgrade Justification: To address needs identified in the HPILS.

Cost Allocation of the Network Upgrade: Base Plan

Project ID: 30773

Project Name: Sub - Milton 138 kV

Need Date for Project: 6/1/2015

Estimated Cost for Project: \$4,100,000

Network Upgrade ID: 51054

Network Upgrade Name: Milton 138 kV Substation

Network Upgrade Description: Tap existing 115 kV line from Harper to Milan Tap to construct new Milton substation.

Network Upgrade Owner: MKEC

MOPC Representative(s): Tom Hestermann

TWG Representative: Noman Williams

Categorization: High priority

Network Upgrade Specification: All elements and conductor must have at least an emergency rating of 239 MVA.

Network Upgrade Justification: To address needs identified in the HPILS.

Estimated Cost for Network Upgrade (current day dollars): \$4,100,000

Cost Allocation of the Network Upgrade: Directly Assigned

Estimated Cost Source: SPP

Date of Estimated Cost: 2/28/2014

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.

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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 MKEC's part to complete the approved Network Upgrade(s). For project tracking, SPP requires MKEC to submit status updates of the Network Upgrade(s) quarterly in conjunction with the SPP Board of Directors meetings. However, MKEC 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
Tom Hestermann - MKEC
Clarence Suppes - MKEC

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Al Tamimi - MKEC