

**SPP-NTC-200275**

**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, ("DTO"), to construct the Network Upgrade(s). This NTC is conditioned upon MKEC not ordering materials or beginning construction until:

- (1) the DTO submits a refined NTC-C Project Estimate ("CPE") to SPP that has a variance bandwidth of -20% to +20% that does not exceed the Study Estimate variance bandwidth of -30% to +30% as provided for in SPP's Business Practices; or
- (2) the SPP Board of Directors considers SPP's re-evaluation of a project that has a refined CPE from the DTO that exceeds the Study Estimate variance bandwidth of -30% to +30% as provided for in SPP's Business Practices.

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:** 30643

**Project Name:** Line - Coldwater Tap - Ashland - Clark Tap 115 kV Ckt 1

**Need Date for Project:** 6/1/2018

**Estimated Cost for Project:** \$40,130,765 (this project cost contains Network Upgrades not included in this NTC)

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**Estimated Cost Source:** MKEC  
**Date of Estimated Cost:** 4/7/2014

**Network Upgrade ID:** 50825  
**Network Upgrade Name:** Ashland - Coldwater Tap 115 kV Ckt 1  
**Network Upgrade Description:** Construct new 26-mile 115 kV line from Ashland to Coldwater Tap with a rating of 160 MVA.  
**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

**Network Upgrade ID:** 50826  
**Network Upgrade Name:** Ashland - Clark Tap 115 kV Ckt 1 (MKEC)  
**Network Upgrade Description:** Construct new 115 kV line from Ashland to Clark Tap with a rating of 160 MVA. The total estimated length of the Ashland to Clark Tap line is 24 miles. MKEC and ITC Great Plains, LLC shall decide who shall build how much of these Network Upgrades and shall provide such information, along with specific cost estimates for each DTO'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:** 30644  
**Project Name:** Line - Anthony - Harper 138 kV Ckt 1  
**Need Date for Project:** 6/1/2018  
**Estimated Cost for Project:** \$20,992,491

**Network Upgrade ID:** 50827  
**Network Upgrade Name:** Anthony - Harper 138 kV Ckt 1  
**Network Upgrade Description:** Construct new 21-mile 138 kV line from Anthony to

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Harper.

**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 190 MVA.

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

**Estimated Cost for Network Upgrade (current day dollars):** \$20,992,491

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

**Estimated Cost Source:** MKEC

**Date of Estimated Cost:** 2/21/2014

**Project ID:** 30732

**Project Name:** Line - Anthony - Bluff City - Caldwell - Mayfield - Milan 138 kV Ckt 1

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

**Estimated Cost for Project:** \$57,190,325

**Network Upgrade ID:** 50991

**Network Upgrade Name:** Anthony - Bluff City 138 kV Ckt 1

**Network Upgrade Description:** Construct new 7-mile 138 kV line from Anthony to Bluff City.

**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 190 MVA.

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

**Estimated Cost for Network Upgrade (current day dollars):** \$8,335,592

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

**Estimated Cost Source:** MKEC

**Date of Estimated Cost:** 2/21/2014

**Network Upgrade ID:** 50993

**Network Upgrade Name:** Bluff City - Caldwell 138 kV Ckt 1

**Network Upgrade Description:** Construct new 22-mile 138 kV line from Bluff City to Caldwell.

**Network Upgrade Owner:** MKEC

**MOPC Representative(s):** Tom Hestermann

**TWG Representative:** Noman Williams

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**Categorization:** High priority  
**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):** \$19,286,271  
**Cost Allocation of the Network Upgrade:** Base Plan  
**Estimated Cost Source:** MKEC  
**Date of Estimated Cost:** 2/21/2014

**Network Upgrade ID:** 50994  
**Network Upgrade Name:** Caldwell - Mayfield 138 kV Ckt 1  
**Network Upgrade Description:** Construct new 16-mile 138 kV line from Caldwell to Mayfield.  
**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 190 MVA.  
**Network Upgrade Justification:** To address needs identified in the HPILS.  
**Estimated Cost for Network Upgrade (current day dollars):** \$14,413,382  
**Cost Allocation of the Network Upgrade:** Base Plan  
**Estimated Cost Source:** MKEC  
**Date of Estimated Cost:** 2/21/2014

**Network Upgrade ID:** 50995  
**Network Upgrade Name:** Mayfield - Milan 138 kV Ckt 1  
**Network Upgrade Description:** Construct new 8-mile 138 kV line from Mayfield to Milan.  
**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 190 MVA.  
**Network Upgrade Justification:** To address needs identified in the HPILS.  
**Estimated Cost for Network Upgrade (current day dollars):** \$15,155,080  
**Cost Allocation of the Network Upgrade:** Base Plan  
**Estimated Cost Source:** MKEC  
**Date of Estimated Cost:** 2/21/2014

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**Project ID:** 30734

**Project Name:** Line - Coldwater - Coldwater Tap - Shooting Star Wind 115 kV Ckt 1

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

**Estimated Cost for Project:** \$20,753,160

**Network Upgrade ID:** 50997

**Network Upgrade Name:** Coldwater Tap - Shooting Star Wind 115 kV Ckt 1

**Network Upgrade Description:** Construct new 26-mile 115 kV line from Coldwater Tap to Shooting Star Wind.

**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):** \$13,724,798

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

**Estimated Cost Source:** MKEC

**Date of Estimated Cost:** 2/24/2014

**Network Upgrade ID:** 50998

**Network Upgrade Name:** Coldwater - Coldwater Tap 115 kV Ckt 1

**Network Upgrade Description:** Construct new 5.5-mile 115 kV line from Coldwater to Coldwater Tap.

**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):** \$7,028,362

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

**Estimated Cost Source:** MKEC

**Date of Estimated Cost:** 2/24/2014

**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

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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.

**CPE**

Please provide SPP a CPE by November 19, 2014, as described in SPP's Business Practice No. 7060 regarding Notification to Construct with Conditions. MKEC shall advise SPP of any inability to provide the CPE by November 19, 2014, as soon as the inability becomes apparent.

**Removal of Conditions**

Upon notice by SPP of removal of the conditions contained in this NTC, SPP will issue the DTO a new NTC and the following will be applicable:

**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,

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*Lanny Nickell*

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

cc: Carl Monroe - SPP  
Katherine Prewitt - SPP  
Tom Hestermann - MKEC  
Clarence Suppes - MKEC  
Al Tamimi - MKEC