

SPP-NTC-200274

**SPP
Notification to Construct**

May 19, 2014

Ms. Kristine Schmidt
ITC Great Plains, LLC
3500 SW Fairlawn Road
Topeka, KS 66614

RE: Notification to Construct Approved High Priority Upgrades

Dear Ms. Schmidt,

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 ITC Great Plains, LLC ("ITCGP"), 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: 30826

Project Name: XFR - Clark Co. 345/115 kV Transformer

Need Date for Project: 6/1/2015

Estimated Cost for Project: \$9,484,914

Network Upgrade ID: 51056

Network Upgrade Name: Clark Co. 345/115 kV Ckt 1 Transformer

Network Upgrade Description: Install new 345/115 kV transformer at Clark Co. substation. Install any necessary 115 kV terminal equipment.

Network Upgrade Owner: ITCGP

MOPC Representative(s): Kristine Schmidt

TWG Representative: Alan Myers

Categorization: High priority

Network Upgrade Specification: All elements must have at least an emergency rating of 400 MVA.

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

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Estimated Cost for Network Upgrade (current day dollars): \$8,241,531
Cost Allocation of the Network Upgrade: Base Plan
Estimated Cost Source: ITCGP
Date of Estimated Cost: 4/17/2014

Network Upgrade ID: 51057
Network Upgrade Name: Clark Co. 345 kV Ckt 1 Terminal Upgrades
Network Upgrade Description: Install any necessary 345 kV terminal equipment at Clark Co. associated with new 345/115 kV transformer.
Network Upgrade Owner: ITCGP
MOPC Representative(s): Kristine Schmidt
TWG Representative: Alan Myers
Categorization: High priority
Network Upgrade Specification: All elements must have at least an emergency rating of 1792 MVA.
Network Upgrade Justification: To address needs identified in the HPILS.
Estimated Cost for Network Upgrade (current day dollars): \$1,243,383
Cost Allocation of the Network Upgrade: Base Plan
Estimated Cost Source: ITCGP
Date of Estimated Cost: 4/17/2014

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.

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

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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 ITCGP's part to complete the approved Network Upgrade(s). For project tracking, SPP requires ITCGP to submit status updates of the Network Upgrade(s) quarterly in conjunction with the SPP Board of Directors meetings. However, ITCGP 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 cursive script 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
Alan Myers - ITCGP