

**SPP-NTC-200272**

**SPP  
Notification to Construct**

May 19, 2014

Mr. Shawn Robinson  
American Electric Power  
212 E. 6th St.  
Tulsa, OK 74119

RE: Notification to Construct Approved High Priority Upgrades

Dear Mr. Robinson,

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 American Electric Power ("AEP"), as agent for Public Service Company of Oklahoma, Southwestern Electric Power Company, and AEP Oklahoma Transmission Company, 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.

The cost allocation of any Network Upgrade(s) with a Cost Allocation of "To be determined" is pending a determination by SPP.

**New Network Upgrades**

**Project ID:** 30746

**Project Name:** Line - Darlington - Red Rock 138 kV Ckt 1

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

**Estimated Cost for Project:** \$15,277,233

**Network Upgrade ID:** 51013

**Network Upgrade Name:** Darlington - Red Rock 138 kV Ckt 1

**Network Upgrade Description:** Construct new 8-mile 138 kV line from Red Rock to Darlington.

**Network Upgrade Owner:** AEP

**MOPC Representative(s):** Paul Johnson, Richard Ross, Terri Gallup

SPP-NTC-200272

**TWG Representative:** Matthew McGee  
**Categorization:** High priority  
**Network Upgrade Specification:** All elements and conductor must have at least an emergency rating of 484 MVA.  
**Network Upgrade Justification:** To address needs identified in the HPILS.  
**Estimated Cost for Network Upgrade (current day dollars):** \$15,277,233  
**Cost Allocation of the Network Upgrade:** Base Plan  
**Estimated Cost Source:** AEP  
**Date of Estimated Cost:** 2/21/2014

**Project ID:** 30747  
**Project Name:** Line - Grady - Round Creek 138 kV Ckt 1  
**Need Date for Project:** 6/1/2015  
**Estimated Cost for Project:** \$12,132,497

**Network Upgrade ID:** 51014  
**Network Upgrade Name:** Grady - Round Creek 138 kV Ckt 1  
**Network Upgrade Description:** Construct new Round Creek box bay tap structure adjacent to the Rush Springs 138 kV substation. Construct new 6-mile 138 kV line from Grady to Round Creek. Install 3-breaker ring bus where hard tap to Round Creek intersects the Cornville to Duncan 138 kV transmission line.  
**Network Upgrade Owner:** AEP  
**MOPC Representative(s):** Paul Johnson, Richard Ross, Terri Gallup  
**TWG Representative:** Matthew McGee  
**Categorization:** High priority  
**Network Upgrade Specification:** All elements and conductor must have at least an emergency rating of 316 MVA.  
**Network Upgrade Justification:** To address needs identified in the HPILS.  
**Estimated Cost for Network Upgrade (current day dollars):** \$12,132,497  
**Cost Allocation of the Network Upgrade:** Base Plan  
**Estimated Cost Source:** AEP  
**Date of Estimated Cost:** 2/21/2014

**Project ID:** 30748  
**Project Name:** Line - Grady - Phillips Gas 138 kV Ckt 1 and 2  
**Need Date for Project:** 6/1/2015  
**Estimated Cost for Project:** \$8,318,584

**Network Upgrade ID:** 51015  
**Network Upgrade Name:** Grady - Phillips 138 kV Ckt 1 and 2  
**Network Upgrade Description:** Construct new 4-mile double circuit 138 kV line from the new 4-breaker ring bus station at Grady. Circuit 1 will terminate at Phillips Gas and

**SPP-NTC-200272**

Circuit 2 will terminate at Lindsey Water Flood.

**Network Upgrade Owner:** AEP

**MOPC Representative(s):** Paul Johnson, Richard Ross, Terri Gallup

**TWG Representative:** Matthew McGee

**Categorization:** High priority

**Network Upgrade Specification:** All elements and conductor must have at least an emergency rating of 316 MVA.

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

**Estimated Cost for Network Upgrade (current day dollars):** \$8,318,584

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

**Estimated Cost Source:** AEP

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

**Project ID:** 30750

**Project Name:** Line - Stonewall - Wapanucka 138 kV Ckt 1

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

**Estimated Cost for Project:** \$8,934,149

**Network Upgrade ID:** 51017

**Network Upgrade Name:** Stonewall - Wapanucka 138 kV Ckt 1

**Network Upgrade Description:** Construct new 6.4-mile 138 kV line from Stonewall to Wapanucka.

**Network Upgrade Owner:** AEP

**MOPC Representative(s):** Paul Johnson, Richard Ross, Terri Gallup

**TWG Representative:** Matthew McGee

**Categorization:** High priority

**Network Upgrade Specification:** All elements and conductor must have at least an emergency rating of 478 MVA.

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

**Estimated Cost for Network Upgrade (current day dollars):** \$8,934,149

**Cost Allocation of the Network Upgrade:** To be determined

**Estimated Cost Source:** AEP

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

**Project ID:** 30769

**Project Name:** Line - Benteler - Port Robson 138 kV Ckt 1 and 2

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

**Estimated Cost for Project:** \$4,797,318

**Network Upgrade ID:** 51045

**Network Upgrade Name:** Benteler - Port Robson 138 kV Ckt 1

**Network Upgrade Description:** Build 138 kV line from Benteler to Port Robson

**SPP-NTC-200272**

(circuit 1).

**Network Upgrade Owner:** AEP

**MOPC Representative(s):** Paul Johnson, Richard Ross, Terri Gallup

**TWG Representative:** Matthew McGee

**Categorization:** High priority

**Network Upgrade Specification:** All elements and conductor must have at least an emergency rating of 478 MVA.

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

**Estimated Cost for Network Upgrade (current day dollars):** \$2,248,743

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

**Estimated Cost Source:** SPP

**Date of Estimated Cost:** 2/28/2014

**Network Upgrade ID:** 51046

**Network Upgrade Name:** Benteler - Port Robson 138 kV Ckt 2

**Network Upgrade Description:** Build 138 kV line from Benteler to Port Robson (circuit 2).

**Network Upgrade Owner:** AEP

**MOPC Representative(s):** Paul Johnson, Richard Ross, Terri Gallup

**TWG Representative:** Matthew McGee

**Categorization:** High priority

**Network Upgrade Specification:** All elements and conductor must have at least an emergency rating of 478 MVA.

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

**Estimated Cost for Network Upgrade (current day dollars):** \$2,548,575

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

**Estimated Cost Source:** SPP

**Date of Estimated Cost:** 2/28/2014

**Project ID:** 30770

**Project Name:** Sub - Ellis 138 kV

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

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

**Network Upgrade ID:** 51047

**Network Upgrade Name:** Ellis 138 kV Substation

**Network Upgrade Description:** Tap existing 138 kV line from Elk City to Red Hills Wind to construct new Ellis substation.

**Network Upgrade Owner:** AEP

**MOPC Representative(s):** Paul Johnson, Richard Ross, Terri Gallup

**TWG Representative:** Matthew McGee

**SPP-NTC-200272**

**Categorization:** High priority

**Network Upgrade Specification:** All elements and conductor must have at least an emergency rating of 287 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:** To be determined

**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.

**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 AEP's part to complete the approved Network Upgrade(s). For project tracking, SPP requires AEP to submit status updates of the Network Upgrade(s) quarterly in conjunction with the SPP Board of Directors meetings. However, AEP 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.

**SPP-NTC-200272**

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,



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  
Bob Bradish - AEP  
Paul Johnson - AEP  
Richard Ross - AEP  
Terri Gallup - AEP  
Scott Rainbolt - AEP  
Matt McGee - AEP