

SPP-NTC-200311

**iSPP
Notification to Construct**

December 2, 2014

Mr. Philip Crissup
Oklahoma Gas and Electric Co.
P.O. Box 321, M/C 903
Oklahoma City, OK 73101

RE: Notification to Construct Approved High Priority Upgrades

Dear Mr. Crissup,

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 Oklahoma Gas and Electric Co. ("OGE"), 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"). On May 19, 2014, SPP issued OGE the Notification to Construct with Conditions ("NTC-C") No. 200278. On May 21, 2014, SPP issued OGE the NTC-C No. 200290.

On November 25, 2014, SPP received OGE's NTC-C Project Estimate(s) ("CPE") for the Network Upgrade(s) specified in the NTC-C No. 200278 and NTC-C No. 200290. SPP approved the CPE(s) as meeting the requirements of Condition No. 1 of the NTC-Cs, and an NTC would therefore be automatically issued for the Network Upgrade(s) listed below.

Upgrades with Modifications

Previous NTC Number: 200278

Previous NTC Issue Date: 5/19/2014

Project ID: 30622

Project Name: Multi - Knipe - SW Station - Linwood & Warwick Tap 138 kV Ckt 1

Need Date for Project: 6/1/2018

Estimated Cost for Project: \$30,884,580

SPP-NTC-200311

Network Upgrade ID: 50805

Network Upgrade Name: SW Station - Warwick Tap 138 kV Ckt 1

Network Upgrade Description: Construct new 138 kV SW Station switching station. Construct new 13-mile 138 kV line from new SW Station switching station to Warwick Tap.

Network Upgrade Owner: OGE

MOPC Representative(s): Jacob Langthorn, IV

TWG Representative: Travis Hyde

Reason for Change: The CPE(s) for this project was determined to meet the requirements of Condition No. 1 of NTC-C No. 200278. Therefore, the conditions of the project are removed.

Categorization: High priority

Network Upgrade Specification: All elements and conductor must have at least an emergency rating of 286 MVA.

Network Upgrade Justification: To address needs identified in HPILS.

Estimated Cost for Network Upgrade (current day dollars): \$12,767,120

Cost Allocation of the Network Upgrade: Base Plan

Estimated Cost Source: OGE

Date of Estimated Cost: 11/25/2014

Network Upgrade ID: 50806

Network Upgrade Name: Linwood - SW Station 138 kV Ckt 1

Network Upgrade Description: Construct new 18-mile 138 kV line from Linwood to new SW Station switching station.

Network Upgrade Owner: OGE

MOPC Representative(s): Jacob Langthorn, IV

TWG Representative: Travis Hyde

Reason for Change: The CPE(s) for this project was determined to meet the requirements of Condition No. 1 of NTC-C No. 200278. Therefore, the conditions of the project are removed.

Categorization: High priority

Network Upgrade Specification: All elements and conductor must have at least an emergency rating of 286 MVA.

Network Upgrade Justification: To address needs identified in HPILS.

Estimated Cost for Network Upgrade (current day dollars): \$9,899,440

Cost Allocation of the Network Upgrade: Base Plan

Estimated Cost Source: OGE

Date of Estimated Cost: 11/25/2014

Network Upgrade ID: 50807

Network Upgrade Name: Knipe - SW Station 138 kV Ckt 1

SPP-NTC-200311

Network Upgrade Description: Construct new 5-mile 138 kV line from Knipe to new SW Station switching station.

Network Upgrade Owner: OGE

MOPC Representative(s): Jacob Langthorn, IV

TWG Representative: Travis Hyde

Reason for Change: The CPE(s) for this project was determined to meet the requirements of Condition No. 1 of NTC-C No. 200278. Therefore, the conditions of the project are removed.

Categorization: High priority

Network Upgrade Specification: All elements and conductor must have at least an emergency rating of 286 MVA.

Network Upgrade Justification: To address needs identified in HPILS.

Estimated Cost for Network Upgrade (current day dollars): \$8,218,020

Cost Allocation of the Network Upgrade: Base Plan

Estimated Cost Source: OGE

Date of Estimated Cost: 11/25/2014

Previous NTC Number: 200290

Previous NTC Issue Date: 5/21/2014

Project ID: 30619

Project Name: Line - Darlington - Roman Nose 138 kV Ckt 1

Need Date for Project: 6/1/2015

Estimated Cost for Project: \$24,353,198 (this project cost contains Network Upgrades not included in this NTC)

Network Upgrade ID: 51117

Network Upgrade Name: Darlington - Roman Nose 138 kV Ckt 1 (OGE)

Network Upgrade Description: Construct new 13.2-mile 138 kV line from the Roman Nose substation to the American Electric Power interception point from the Darlington substation.

Network Upgrade Owner: OGE

MOPC Representative(s): Jacob Langthorn, IV

TWG Representative: Travis Hyde

Reason for Change: The CPE(s) for this project was determined to meet the requirements of Condition No. 1 of NTC-C No. 200290. Therefore, the conditions of the project are removed.

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.

SPP-NTC-200311

Estimated Cost for Network Upgrade (current day dollars): \$12,701,091

Cost Allocation of the Network Upgrade: Base Plan

Estimated Cost Source: OGE

Date of Estimated Cost: 11/25/2014

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

SPP-NTC-200311

Sincerely,



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

cc: Carl Monroe - SPP
Antoine Lucas - SPP
Jacob Langthorn, IV - OGE
Travis Hyde - OGE