



First Quarterly Project Tracking Report 2015

January 2015



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Executive Summary

SPP actively monitors and supports the progress of transmission expansion projects, emphasizing the importance of maintaining accountability for areas such as grid regional reliability standards, firm transmission commitments and tariff cost recovery.

Each quarter SPP staff solicits feedback from the project owners to determine the progress of each approved transmission project. This quarterly report charts the progress of all SPP Transmission Expansion Plan (STEP) projects approved either directly by the SPP Board of Directors (BOD) or through a FERC filed service agreement under the SPP Open Access Transmission Tariff (OATT).

The reporting period for this report is August 1, 2014 through October 31, 2014. Table 1 provides a summary of all projects in the current Project Tracking Portfolio (PTP), which includes all Network Upgrades that have been completed since January 1, 2013. The PTP includes all active Network Upgrades including transmission lines, transformers, substations, and devices.

Table 1 below summarizes the PTP for this quarter. Figure 1 reflects the percentage cost of each upgrade type in the PTP. Figure 2 shows the percentage cost of each project status in the PTP.

Upgrade Type	No. of Upgrades	Estimated Cost	Miles of New	Miles of Rebuild	Miles of Voltage Conversion
Regional Reliability	336	\$2,320,645,970	1099.8	446.4	365.9
Transmission Service	37	\$193,142,694	31.5	141.2	0.0
Balanced Portfolio	11	\$557,353,388	457.0	0.0	0.0
High Priority	105	\$2,213,970,661	1746.4	0.0	0.0
ITP10	17	\$773,176,433	515.0	0.0	0.0
Zonal Reliability	9	\$108,568,750	34.7	28.5	0.0
NTC Projects Subtotal	515	\$6,166,857,896	3884.4	616.1	365.9
Generation Interconnection	40	\$193,605,444	44.0	11.1	0.0
Regional Reliability - Non OATT	11	\$131,567,090	108.0	11.8	0.0
TO - Sponsored	29	\$156,671,145	17.3	2.1	77.1
NTC Projects Subtotal	80	\$481,843,679	169.3	25.0	77.1
Total	595	\$6,648,701,574	4053.6	641.1	443.0

Table 1: Q1 2015 Portfolio Summary

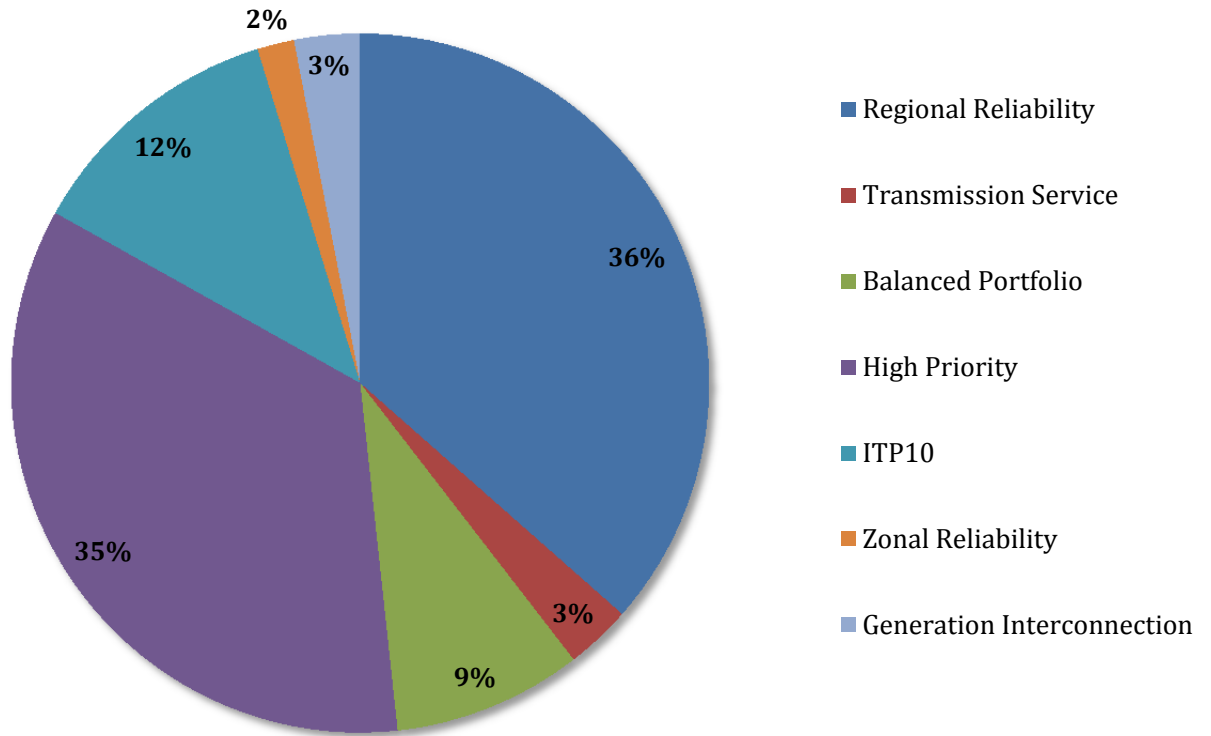


Figure 1: Percentage of Project Type on Cost Basis

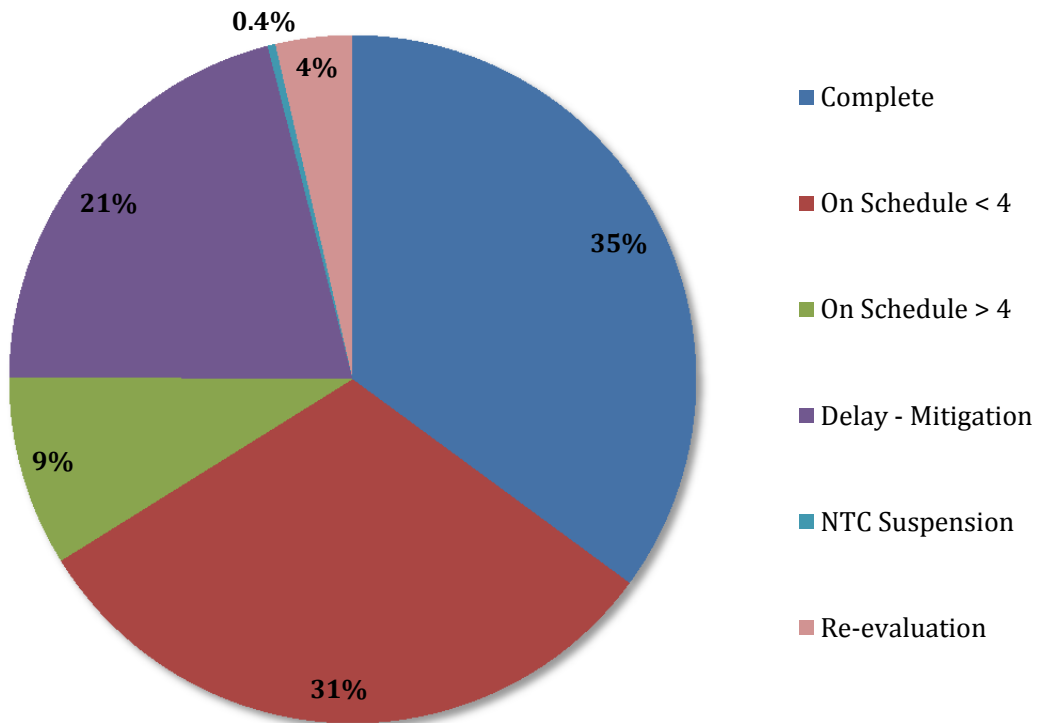


Figure 2: Percentage of Project Status on Cost Basis

NTC Project Summary

In adherence to the OATT and Business Practice 7060, SPP issues Notifications to Construct (NTCs) to Designated Transmission Owners (DTOs) to commence the construction of Network Upgrades that have been approved or endorsed by the SPP Board of Directors (BOD) intended to meet the construction needs of the STEP, OATT, or Regional Transmission Organization (RTO).

Figure 3 reflects project status within each source study, and Table 2 provides the supporting data. Figure 4 shows the amount of estimated cost by in-service year for all Network Upgrades that have been issued an NTC or NTC-C. **Note: Figures 3 and 4, and Table 2 provide data for all projects for which SPP has issued an NTC or NTC-C, regardless of completion date, and therefore include data from Network Upgrades no longer included in PTP.**

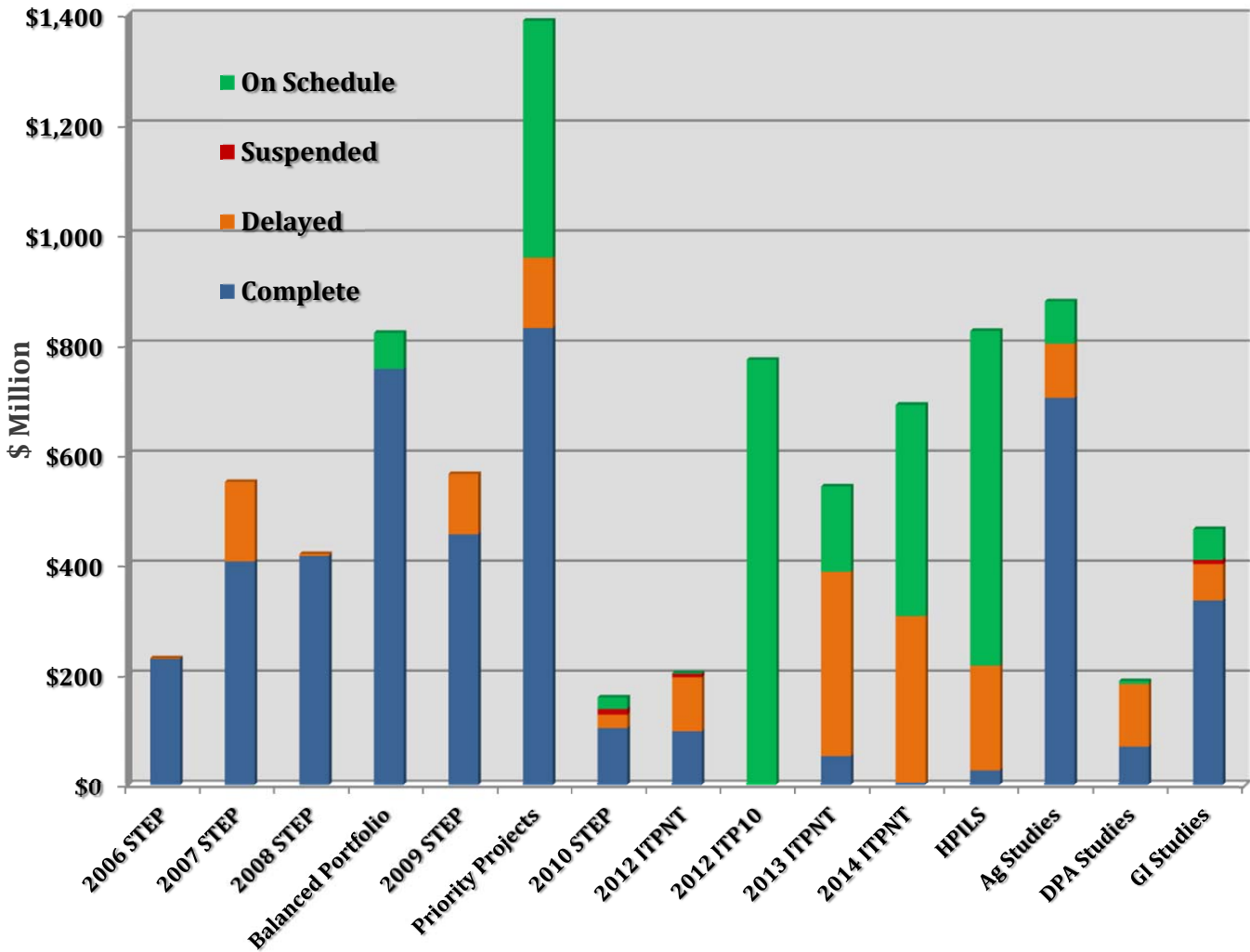


Figure 3: Project Status by NTC Source Study

Source Study	Complete	Delayed	Suspended	On Schedule	Total
2006 STEP	\$229,644,927	\$912,000			\$230,556,927
2007 STEP	\$407,060,905	\$144,309,000			\$551,369,905
2008 STEP	\$416,968,342	\$3,317,000			\$420,285,342
Balanced Portfolio	\$756,878,564			\$65,342,069	\$822,220,633
2009 STEP	\$455,854,869	\$109,949,713			\$565,804,582
Priority Projects	\$830,840,899	\$127,995,000		\$430,401,450	\$1,389,237,349
2010 STEP	\$103,763,619	\$24,288,655	\$10,316,217	\$21,157,136	\$159,525,627
2012 ITPNT	\$98,244,181	\$97,902,407	\$6,300,000	\$1,143,670	\$203,590,258
2012 ITP10				\$773,176,433	\$773,176,433
2013 ITPNT	\$53,091,177	\$334,854,297		\$155,352,341	\$543,297,814
2014 ITPNT	\$4,063,262	\$303,493,943		\$384,010,651	\$691,567,856
HPILS	\$26,952,690	\$190,319,058		\$608,422,459	\$825,694,207
Ag Studies	\$704,007,396	\$98,756,989		\$76,748,505	\$879,512,890
DPA Studies	\$69,939,283	\$114,275,330		\$5,085,427	\$189,300,040
GI Studies	\$335,943,924	\$65,782,555	\$8,033,890	\$55,684,824	\$465,445,193
Total	\$4,493,254,037	\$1,616,155,947	\$24,650,107	\$2,576,524,964	\$8,710,585,055

Table 2: Project Status by NTC Source Study

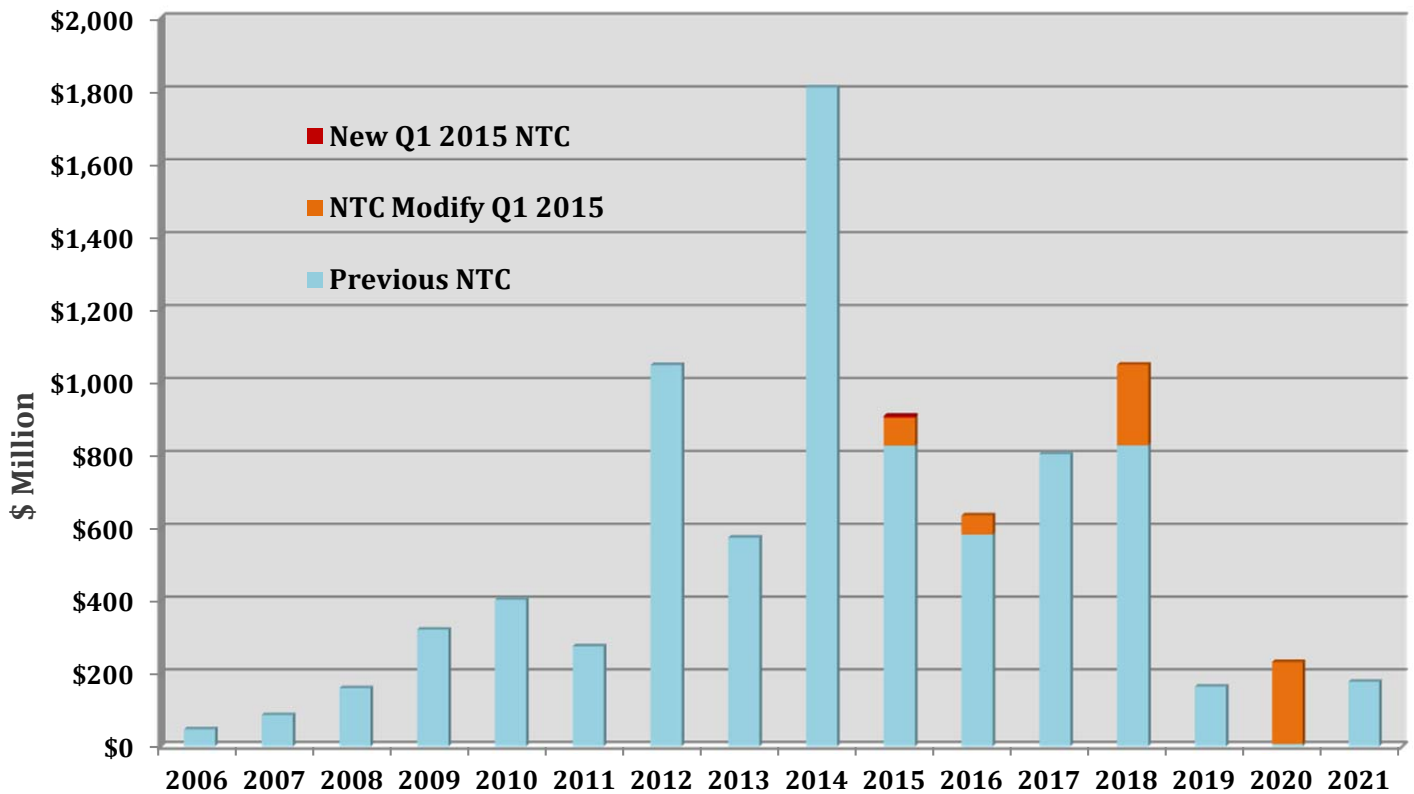


Figure 4: Estimated Cost for NTC Projects per In-Service Year

NTC Issuance

Five (5) NTCs were issued since the last quarterly report for new and previously approved projects with a total cost estimate of the included Network Upgrades totaling \$581 million.

One (1) NTC was issued to American Electric Power (AEP) as a result of the completion of the Delivery Point Addition study, DPA-2013-September-351. The total estimated cost of the Network Upgrade described in this NTC is \$4.7 million.

Four (4) of the NTCs were issued as a result of Transmission Owners submitting updated cost estimates in response to Notifications to Construct with Conditions (NTC-Cs). The NTC-Cs were issued as a result of the High Priority Incremental Load Study (HPILS) approved by the BOD in April. For these projects, all cost estimates were found to meet the conditional requirements of the NTC-C, and therefore were issued NTCs without the NTC-C conditions. The total estimated cost of the Network Upgrades described in these NTCs is \$576.3 million.

Table 3 summarizes the NTC activity from October 1, 2014 through January 5, 2015. NTC ID values in **bold** font indicate NTC-Cs.

NTC ID	Transmission Owner	NTC Issue Date	Upgrade Type	Source Study	No. of Upgrades	Estimated Cost of New Upgrades	Estimated Cost of Previously Approved Upgrades
200306	AEP	11/24/2014	Regional Reliability	DPA Study	1	\$4,715,419	
200308	MKEC	11/24/2014	High Priority	HPILS	1		\$134,366
200309	SPS	12/3/2014	High Priority	HPILS	27		\$520,950,426
200310	AEP	12/2/2014	High Priority	HPILS	1		\$11,652,107
200311	OGE	12/2/2014	High Priority	HPILS	4		\$43,585,671
Total					34	\$4,715,419	\$576,322,570

Table 3: Q1 2015 NTC Issuance Summary

NTC Withdraw

Five (5) NTCs were withdrawn since the last quarterly report. All five NTCs included projects from the HPILS that were either no longer needed due to decreased load projections, or the NTC was requested to be withdrawn by the DTO.

Table 4 lists the NTC Withdraw activity from October 1, 2014 through January 5, 2015. NTC ID values in **bold** font indicate NTC-Cs.

NTC ID	Transmission Owner	NTC Issue Date	Upgrade Type	Source Study	No. of Upgrades	Estimated Cost of Withdrawn Upgrades
200301	ITCGP	11/14/2014	High Priority	HPILS	1	<i>Included in NTC 200304</i>
200302	ITCGP	11/14/2014	High Priority	HPILS	1	<i>Included in NTC 200303</i>
200303	MKEC	11/14/2014	High Priority	HPILS	4	\$60,883,925
200304	MKEC	11/14/2014	High Priority	HPILS	3	\$26,586,397
200312	ITCGP	1/5/2015	High Priority	HPILS	2	\$9,484,914
Total					11	\$96,955,236

Table 4: Q1 2015 NTC Withdraw Summary

Completed Projects

Eight (8) Network Upgrades with NTCs and five (5) Generation Interconnection Network Upgrades were completed during the reporting period, totaling an estimated \$244 million.

SPS completed its portion of the 327-mile 345 kV line from Tuco to Woodward District EHV in the northern panhandle of Texas on September 25th. OGE previously reported the completion of their portion of the line in western Oklahoma on May 19th. The total estimated cost of the project is \$320.4 million.

Table 5 lists the Network Upgrades completed during the reporting period. Table 6 summarizes the completed projects over the previous year. Figure 5 reflects the completed projects by upgrade type on a cost basis for the current year and the following year based on current projected in-service dates. Tables 7 and 8 summarize all Network Upgrades that include construction of transmission lines, both for the current year and the following year. **Note: Previous quarter's updated results are listed as the Transmission Owners may make adjustments to final costs and status of projects completed during the year.**

UID	Network Upgrade Name	Owner	NTC Source Study	Cost Estimate
10792	COTTONWOOD CREEK - CRESENT 138KV CKT 1	OGE	2008 STEP	\$8,100,000
10936	Tuco Interchange - Stateline 345 kV	SPS	Balanced Portfolio	\$192,875,814
50045	ESQUANDALE 69KV	WFEC	2008 STEP	\$243,000
50459	Pawnee 138 kV	GRDA	GI Studies	\$2,500,000
50460	FAIRFAX - PAWNEE 138KV CKT 1	GRDA	GI Studies	\$11,900,000
50588	Grant County Substation	OGE	DPA Studies	\$4,998,388
50590	Renfrow - Grant County 138 kV line	OGE	DPA Studies	\$4,540,425
50592	Koch Substation Voltage Conversion	OGE	DPA Studies	\$587,690
50634	Hays Plant - Vine Street 115kV Ckt 1 Terminal Upgrade	MIDW	Ag Studies	\$15,720
50810	Jenson - Jenson Tap 138 kV Ckt 1 Terminal Upgrades	OGE	HPILS	\$0
51024	Tatonga 345kV Substation GEN-2007-044 Addition	OGE	GI Studies	\$1,973,375
51025	Hitchland 115kV Interchange GEN-2007-046 Addition	SPS	GI Studies	\$513,231
51038	Beaver County 345kV Substation	OGE	GI Studies	\$15,744,936
Total				\$243,992,580

Table 5: Q1 2015 Completed Network Upgrades

Upgrade Type	Q1 2014	Q2 2014	Q3 2014	Q4 2014	Total
Regional Reliability	20 \$83,901,536	23 \$148,631,021	28 \$149,339,227	6 \$18,485,224	77 \$400,357,008
Transmission Service	2 \$4,781,255	0 \$0	3 \$23,399,683	0 \$0	5 \$28,180,938
Balanced Portfolio	1 \$165,000,000	0 \$0	4 \$127,550,762	1 \$192,875,814	6 \$485,426,576
High Priority	1 \$538,071	2 \$4,212,722	8 \$356,230,003	1 \$0	12 \$360,980,796
ITP10	0 \$0	0 \$0	0 \$0	0 \$0	0 \$0
Zonal Reliability	0 \$0	0 \$0	0 \$0	0 \$0	0 \$0
Generation Interconnection	6 \$22,462,011	1 \$399,000	1 \$399,300	5 \$32,631,542	13 \$55,891,853

Table 6: Completed Project Summary through 4th Quarter 2014

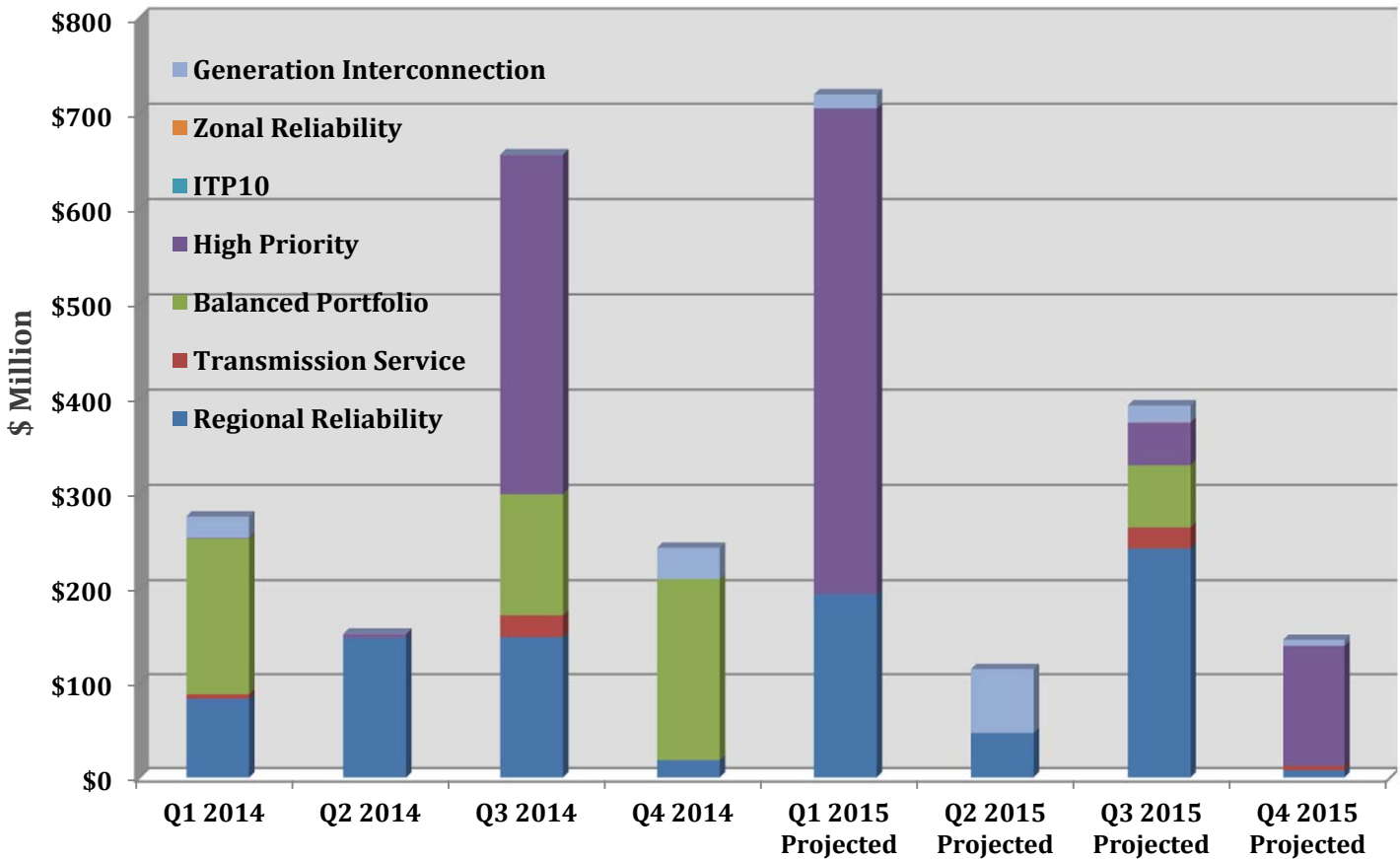


Figure 5: Completed Projects by Upgrade Type

Voltage Class	Number of Upgrades	Miles of New	Miles of Rebuild/ Reconductor	Miles of Voltage Conversion	Estimated Cost
69	13	14.0	86.3	0.0	\$69,405,109
115	13	81.0	61.2	15.7	\$112,847,131
138	15	30.5	11.2	113.3	\$66,225,691
161	7	10.5	31.1	0.0	\$31,406,743
230	1	0.1	0.0	0.0	\$3,792,408
345	11	844.1	0.0	0.0	\$859,380,260
Total	60	980.1	189.7	129.0	\$1,143,057,342

Table 7: Line Upgrade Summary for Previous 12 Months

Voltage Class	Number of Upgrades	Miles of New	Miles of Rebuild/ Reconductor	Miles of Voltage Conversion	Estimated Cost
69	18	34.9	46.1	0.0	\$88,656,916
115	13	126.7	4.1	3.0	\$121,100,451
138	24	66.1	56.5	88.1	\$145,989,743
161	1	0.0	0.0	0.0	\$4,636,045
230	5	61.0	0.0	122.0	\$64,253,240
345	12	556.7	0.0	0.0	\$616,477,342
Total	73	845.32	106.62	213.07	\$1,041,113,737

Table 8: Line Upgrade Projections for Next 12 Months

Project Status Summary

SPP assigns a project status to all Network Upgrades based on the projected in-service dates provided by the DTOs relative to the Need Date determined for the project. Project status definitions are provided below:

- **Complete:** Construction complete and in-service
- **On Schedule < 4:** On Schedule within 4-year horizon
- **On Schedule > 4:** On Schedule beyond 4-year horizon
- **Delayed:** Projected In-Service Date beyond Need Date; interim mitigation provided or project may change but time permits the implementation of project
- **Within NTC Commitment Window:** NTC/NTC-C issued, still within the 90-day written commitment to construct window and no commitment received
- **Within NTC-C Project Estimate Window:** Within the NTC-C Project Estimate (CPE) window
- **Re-evaluation:** NTC/NTC-C active; pending re-evaluation
- **NTC Suspension:** NTC/NTC-C suspended; pending re-evaluation

Figure 6 reflects a summary of project status by upgrade type on a cost basis.

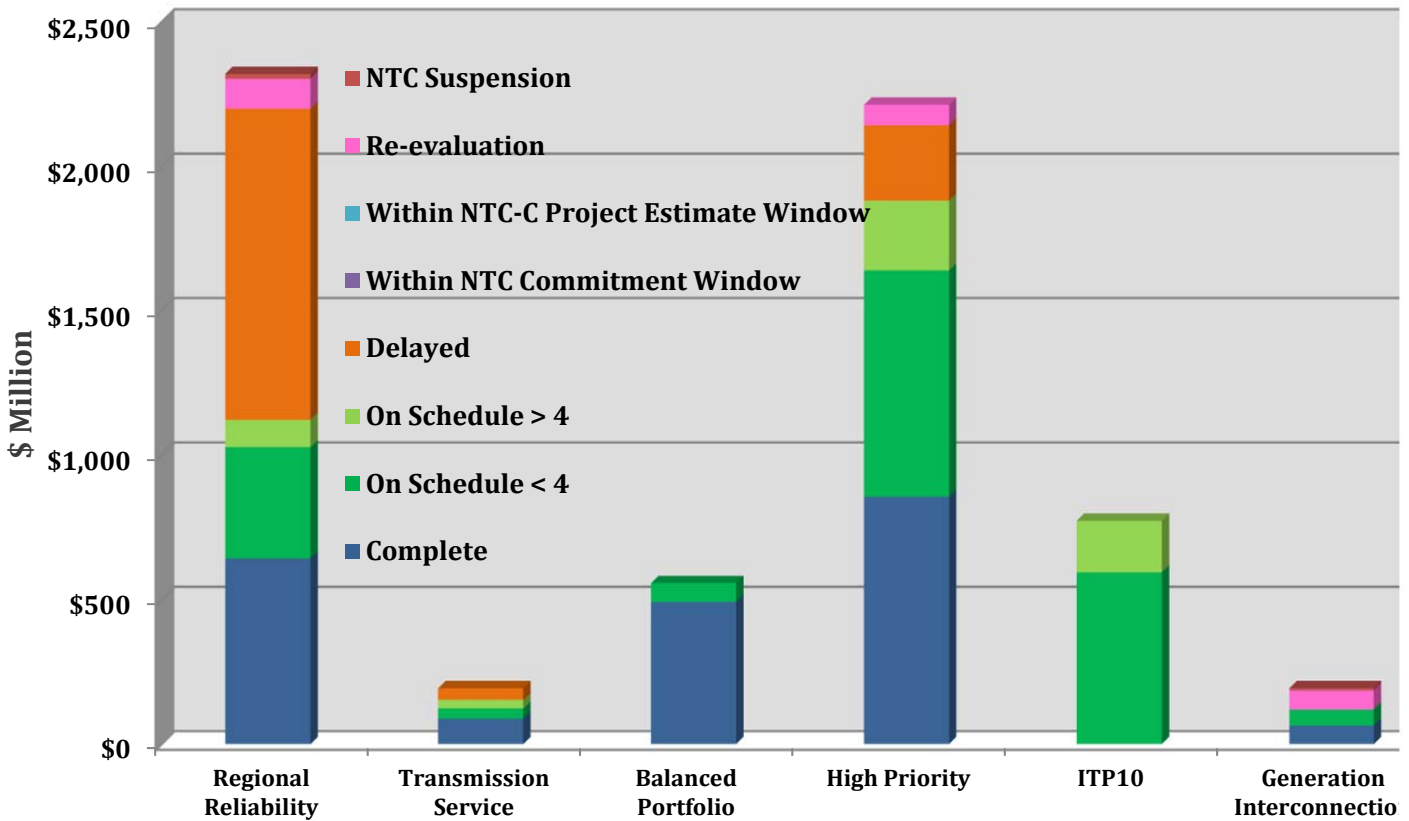


Figure 6: Project Status Summary on a Cost Basis

Balanced Portfolio

Approved in April 2009, the Balanced Portfolio was an initiative to develop a group of economic transmission upgrades that benefit the entire SPP region, and to allocate those project costs regionally. The projects that were issued NTCs as a result of the study include a diverse group of projects, estimated to add approximately 717 miles of new 345 kV transmission line to the SPP system.

The total cost estimate for the projects making up the Balanced Portfolio increased by less than one percent from the previous quarter during the 4th quarter 2014 update cycle to a total of \$822.2 million.

Figure 8 below depicts a historical view of the total estimated cost of the Balanced Portfolio. Table 9 provides a project summary of the projects making up the Balanced Portfolio.

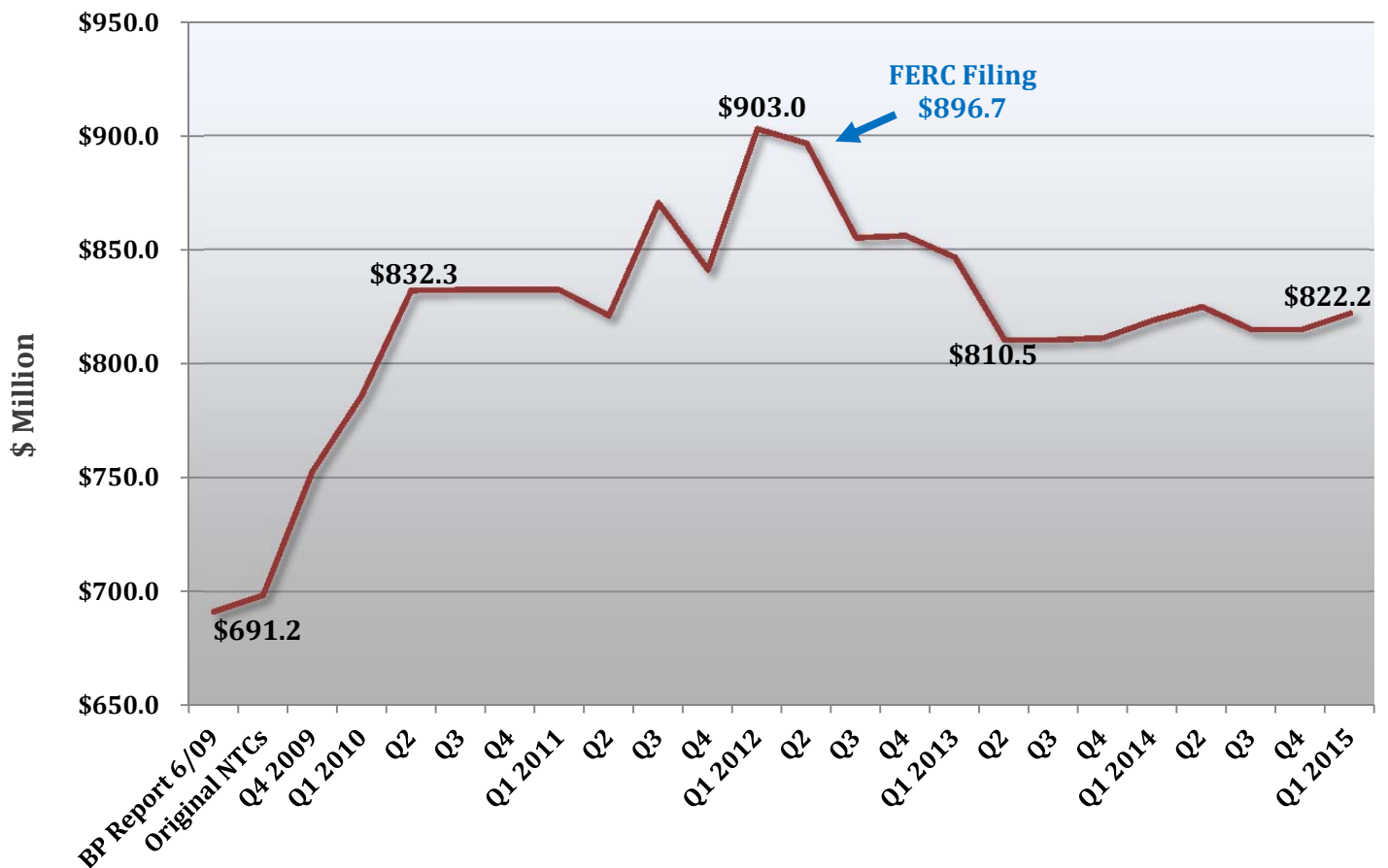


Figure 7: Balanced Portfolio Cost Estimate Trend

Project ID(s)	Project Owner(s)	Project Name	Est. Line Length	BP Report Estimates (6/2009)	Q4 2014 Cost Estimates	Q1 2015 Cost Estimates	Variance %
705/709	WFEC/OGE	Gracemont Substation 345 kV	N/A	\$8,000,000	\$14,921,070	\$15,091,100	1.1%
707/708	ITCGP/NPPD	Spearville - Post Rock - Axtell 345 kV	223.0	\$236,557,015	\$203,559,673	\$203,776,145	0.1%
698/699	OGE/GRDA	Sooner - Cleveland 345 kV	36.0	\$33,530,000	\$49,718,139	\$49,718,139	0.0%
702	KCPL	Swissvale - Stilwell Tap 345 kV	N/A	\$2,000,000	\$2,866,604	\$2,866,604	0.0%
700	OGE	Seminole - Muskogee 345 kV	100.0	\$129,000,000	\$165,000,000	\$165,000,000	0.0%
701/704	SPS/OGE	Tuco – Woodward 345 kV	327.0	\$227,727,500	\$313,627,516	\$320,426,576	2.2%
703	TSMO	Iatan – Nashua 345 kV	31.0	\$54,444,000	\$65,342,070	\$65,342,069	0.0%
Total			717.0	\$691,258,515	\$815,035,072	\$822,220,633	0.9%

Table 9: Balanced Portfolio Summary

Only one project from the Balanced Portfolio remains under construction, the 30-mile 345 kV line from Iatan to Nashua in northwest Missouri being constructed by Transource Missouri. The project is on schedule to be completed by June 1st of 2015.

Table 10 provides a construction status update for the Balanced Portfolio project not yet completed.

Project ID	Project Name	Projected In-Service Date	Engineering	Siting and Routing	Environmental Studies	Permits	Material Procurement	Construction	
703	Iatan – Nashua 345 kV	6/1/2015	C	C	N/A	N/A	IP	IP	N/A

C	Complete
IP	In Progress
NS	Not Started
N/A	Not Applicable

Table 10: Balanced Portfolio Construction Status

Priority Projects

In April 2010 the SPP Board of Directors and Members Committee approved for construction a group of "priority" high voltage electric transmission projects estimated to bring benefits of at least \$3.7 billion to the SPP region over 40 years. The projects issued NTCs as a result of the study are estimated to add 258 miles of new single circuit 345 kV transmission line and 422 miles of double circuit 345 kV transmission to the SPP region.

In October 2010 the SPP Board of Directors approved an overall cost increase for the Priority Projects due to line rerouting and addition costs for reactive compensation. The total cost estimate for the Priority Projects after the variances were approved was \$1.42 billion.

The total cost estimate for the projects making up the Priority Projects decreased by 0.5% from the previous quarter during the 4th quarter 2014 update cycle to a total of \$1.39 billion.

Figure 9 below depicts a historical view of the total estimated cost of the Priority Projects. Table 11 provides a project summary of the projects making up the Priority Projects.



Figure 8: Priority Projects Cost Estimate Trend

Project ID(s)	Project Owner(s)	Project	Est. Line Length	BOD Approved Estimates (10/2010)	Q4 2014 Cost Estimates	Q1 2015 Cost Estimates	Var. %
937	AEP	Tulsa Power Station 138 kV Reactor	N/A	\$842,847	\$960,895	\$960,895	0.0%
940/941	SPS/OGE	Hitchland – Woodward District 345 kV Dbl Ckt	120.0	\$221,572,283	\$228,331,670	\$229,203,065	0.4%
942/943	PW/OGE	Thistle – Woodward District 345 kV Dbl Ckt	109.4	\$201,940,759	\$189,640,000	\$187,260,000	-1.3%
945	ITCGP	Spearville – Ironwood – Clark Co. – Thistle 345 kV Dbl Ckt	113.5	\$293,235,000	\$304,793,640	\$309,000,001	1.4%
946	PW/WR	Thistle – Wichita 345 kV Dbl Ckt	77.5	\$163,488,000	\$136,555,302	\$127,026,938	-7.0%
936	AEP	Valliant – NW Texarkana 345 kV	76.3	\$131,451,250	\$127,995,000	\$127,995,000	0.0%
938/939	OPPD/TSMO	Nebraska City – Mullin Creek – Sibley 345 kV	181.2	\$403,740,000	\$407,791,450	\$407,791,450	0.0%
Total			677.9	\$1,416,270,139	\$1,396,067,957	\$1,389,237,349	-0.5%

Table 11: Priority Projects Summary

Prairie Wind Transmission (PW) and Oklahoma Gas and Electric Co. (OGE) notified SPP that the new 109-mile double circuit 345 kV line from the Woodward District EHV substation in northwestern Oklahoma to the Thistle substation located in south central Kansas was energized on November 4th. OGE constructed 79 miles of the new double circuited line from Woodward District EHV up to the Oklahoma/Kansas border, while PW built the 30-mile portion of the line located in Kansas. The project is estimated to cost \$187.3 million, and was originally not expected to be complete until late December.

ITC Great Plains, LLC (ITCGP) announced the completion of the 113.5-mile double circuit 345 kV line from the Spearville to Ironwood to Clark Co. to Thistle in the southwest quadrant of Kansas on December 17th. Originally designated to Mid-Kansas Electric Company, the project was novated to ITCGP shortly after the Priority Projects report was approved. Estimated to cost \$309 million, the project completed two weeks prior to the expected in-service date.

Table 12 lists construction status updates for the Priority Projects not yet completed.

Project ID	Project Name	Projected In-Service Date	Engineering	Siting and Routing	Environmental Studies	Permits	Material Procurement	Construction		
936	Valliant – NW Texarkana 345 kV	10/1/2015	C	C	C	IP	IP	IP	C	Complete
938	Nebraska City – Mullin Creek – Sibley 345 kV (TSMO)	6/1/2017	IP	IP	IP	IP	IP	NS	IP	In Progress
939	Nebraska City – Mullin Creek – Sibley 345 kV (OPPD)	6/1/2017	IP	C	IP	IP	IP	NS	NS	Not Started
									N/A	Not Applicable

Table 12: Priority Projects Construction Status

Out-of-Bandwidth Projects

In adherence to the Business Practice 7060, SPP reports projects that have updated cost values that exceed their established baseline values based upon a $\pm 20\%$ bandwidth. Variances are determined by total project cost.

One project with a cost estimate greater than \$5 million was identified as having exceeded the $\pm 20\%$ bandwidth requirement during the reporting period. The identified project was placed into service on July 15, 2014.

Table 13 provides summary information and Table 14 lists the cost detail for the out-of-bandwidth project for Q4 2014.

PID	Project Name	Owner	NTC Source Study	Upgrade Type	In-Service Date
30426	Line - Pheasant Run - Seguin 115 kV Ckt 1	MIDW	2013 ITPNT	Regional Reliability	7/25/2014

Table 13: Out-of-Bandwidth Project Summary

PID	Baseline Cost Estimate	Baseline Cost Estimate Year	Baseline Cost Estimate with Escalation	Latest Estimate or Final Cost	Variance	Variance %
30426	\$11,128,231	2013	\$11,406,437	\$7,811,905	(\$3,594,532)	-31.5%

Table 14: Out-of-Bandwidth Project Cost Detail

Responsiveness Report

Table 15 and Figures 10 and 11 provide insight into the responsiveness of DTOs constructing Network Upgrades within SPP in the Quarterly Project Tracking Report for Q4 2014. **Note: Network Upgrades with statuses of “Within NTC Commitment Window” and “Within NTC-C Project Estimate Window” were excluded from this analysis.**

Project Owner	Number of Upgrades	Number of Upgrades Reviewed	Reviewed %	Number of ISD Changes	ISD Change %	Number of Cost Changes	Cost Change %
AEP	71	71	100%	1	1.4%	1	1.4%
CUS	3	0	0%	0	0.0%	0	0.0%
GMO	12	12	100%	1	8.3%	2	16.7%
GRDA	12	0	0%	0	0.0%	0	0.0%
ITCGP	13	6	46%	2	15.4%	6	46.2%
KCPL	7	7	100%	0	0.0%	2	28.6%
LES	4	4	100%	0	0.0%	0	0.0%
MIDW	10	3	30%	1	10.0%	1	10.0%
MKEC	28	10	36%	9	32.1%	6	21.4%
NPPD	34	0	0%	0	0.0%	0	0.0%
OGE	73	25	34%	8	11.0%	4	5.5%
OPPD	14	14	100%	1	7.1%	0	0.0%
PW	4	4	100%	2	50.0%	4	100.0%
SEPC	6	0	0%	0	0.0%	0	0.0%
SPS	162	162	100%	17	10.5%	34	21.0%
TSMO	5	5	100%	0	0.0%	5	100.0%
WFEC	60	60	100%	2	3.3%	6	10.0%
WR	61	10	16%	2	3.3%	7	11.5%
Total	579	393	68%	46	7.9%	78	13.5%

Table 15: Responsiveness Summary by Project Owner

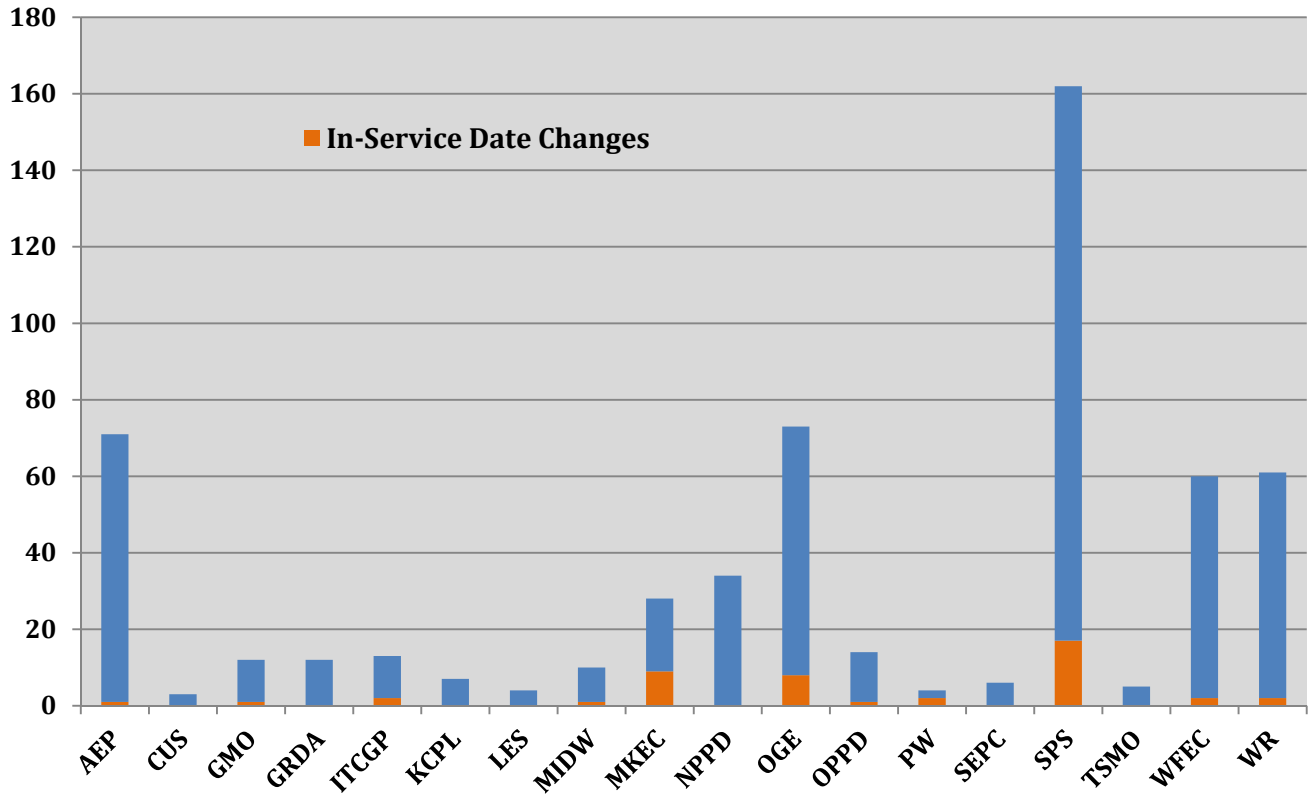


Figure 9: In-Service Date Changes by Project Owner

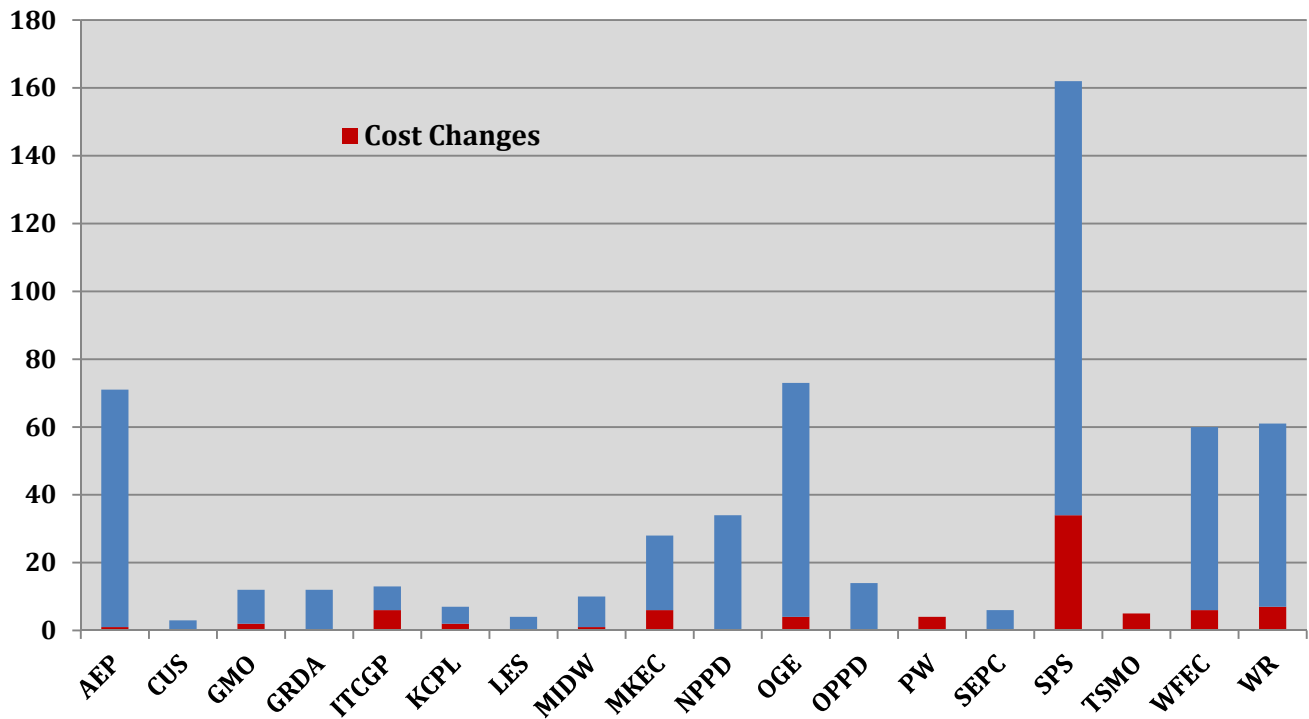


Figure 10: Cost Changes by Project Owner

Appendix I

See accompanying list of Network Upgrades