

SPP-NTC-200297

**iSPP
Notification to Construct**

May 5, 2015

Mr. John Fulton
Southwestern Public Service Company
P.O. Box 1261
Amarillo, TX 79105

RE: Notification to Construct for Transmission Service Request resulting from Aggregate Transmission Service Study SPP-2012-AG3-AFS-9

Dear Mr. Fulton,

Pursuant to Section 3.3 of the Southwest Power Pool, Inc. ("SPP") Membership Agreement and Attachments O and Y of the SPP Open Access Transmission Tariff ("OATT"), SPP provides this Notification to Construct ("NTC") directing Southwestern Public Service Company ("SPS"), as the Designated Transmission Owner, to construct the Network Upgrades.

On April 30, 2015, SPP concluded that the project(s) is required on the SPS system to fulfill Transmission Service Requests as detailed in Aggregate Facility Study SPP-2012-AG3-AFS-9.

New Network Upgrades

Project ID: 1139

Project Name: Line - Allen - Lubbock South Interchange 115 kV Ckt 1 Rebuild

Need Date for Project: 6/1/2019

Estimated In-Service Date: 6/1/2019

Estimated Cost for Project: \$10,946,449

Network Upgrade ID: 11501

Network Upgrade Name: Allen - Lubbock South Interchange 115 kV Ckt 1 Rebuild

Network Upgrade Description: Rebuild 6-mile 115 kV line from Lubbock South Interchange to Allen.

Network Upgrade Owner: SPS

Categorization: Regional reliability

Network Upgrade Specification: All elements and conductor must have at least an emergency rating of 174 MVA.

Network Upgrade Justification: SPP-2012-AG3-AFS-9

Estimated Cost for Network Upgrade (current day dollars): \$10,946,449

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Cost Allocation of the Network Upgrade: Base Plan
Estimated Cost Source: SPS
Date of Estimated Cost: 11/20/2012

Project ID: 30755
Project Name: XFR - Tuco 230/115 kV Ckt 1 Transformer
Need Date for Project: 6/1/2019
Estimated In-Service Date: 6/1/2019
Estimated Cost for Project: \$3,837,924

Network Upgrade ID: 50992
Network Upgrade Name: Tuco 230/115 kV Ckt 1 Transformer
Network Upgrade Description: Upgrade 230/115 kV transformer at Tuco to 288 MVA.
Network Upgrade Owner: SPS
Categorization: Transmission Service
Network Upgrade Specification: All elements must have at least an emergency rating of 273 MVA.
Network Upgrade Justification: SPP-2012-AG3-AFS-9
Estimated Cost for Network Upgrade (current day dollars): \$3,837,924
Cost Allocation of the Network Upgrade: Base Plan
Estimated Cost Source: SPP
Date of Estimated Cost: 6/30/2014

Project ID: 30820
Project Name: Sub - Carlisle Interchange - Tuco Interchange 230 kV Ckt 1 Terminal Upgrades
Need Date for Project: 10/1/2015
Estimated In-Service Date: 6/1/2016
Estimated Cost for Project: \$702,378

Network Upgrade ID: 51112
Network Upgrade Name: Carlisle Interchange - Tuco Interchange 230 kV Ckt 1 Terminal Upgrades
Network Upgrade Description: Replace wave trap at Carlisle. Replace wave trap on the Carlisle line terminal at Tuco.
Network Upgrade Owner: SPS
Categorization: Transmission Service
Network Upgrade Specification: All elements and conductor must have at least a winter emergency rating of 416 MVA.
Network Upgrade Justification: SPP-2012-AG3-AFS-9
Estimated Cost for Network Upgrade (current day dollars): \$702,378
Cost Allocation of the Network Upgrade: Base Plan

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Estimated Cost Source: SPS
Date of Estimated Cost: 5/30/2014

Commitment to Construct

Please provide to SPP a written commitment to construct the Network Upgrade(s) within 90 days of the date of this Notification to Construct, 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 written commitment to construct as required by the SPP OATT could result in the Network Upgrade(s) being assigned to another entity.

Mitigation Plan

The Estimated In-Service 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 Upgrades(s) if the Estimated In-Service Date is not feasible. Additionally, if it is anticipated that the completion of any Network Upgrade will be delayed past the Estimated In-Service Date, SPP requires a mitigation plan be filed within 60 days of 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 SPS's part to complete the approved Network Upgrade(s). For project tracking, SPP requires SPS to submit status updates of the Network Upgrade(s) quarterly in conjunction with the SPP Board of Directors meetings. However, SPS shall also advise SPP of any inability to comply with the Project(s) Schedule as the inability becomes apparent.

All terms and conditions of the SPP OATT and the SPP Membership Agreement shall apply to this project(s) and nothing in this letter shall carry such terms and conditions.

Don't hesitate to contact me if you have questions or comments about these requests. Thank you for the important role that you play in maintaining the reliability of our electric grid.

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Sincerely,



Vice President, Engineering

Phone: (501) 614-3232 • Fax: (501) 482-2022 • lnickell@spp.org

cc: Carl Monroe - SPP
Antoine Lucas - SPP
William Grant - SPS