

SPP-NTC-200343

**SPP
Notification to Construct**

August 13, 2015

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

RE: Notification to Construct Approved Reliability Network Upgrades

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 Upgrade(s).

On June 15, 2015, the SPP Board of Directors approved the Network Upgrade(s) listed below to be constructed.

New Network Upgrades

Project ID: 30912

Project Name: Multi - Walkemeyer Tap - Walkemeyer 345/115 kV

Need Date for Project: 6/1/2015

Estimated Cost for Project: \$17,838,846 (this project cost contains Network Upgrades not included in this NTC)

Network Upgrade ID: 51235

Network Upgrade Name: Walkemeyer Tap 345 kV Substation (SPS)

Network Upgrade Description: Tap the existing 345 kV line from Finney to Hitchland to construct the new Walkemeyer Tap substation. Install any necessary 345 kV terminal equipment. SPS and Sunflower Electric Power Corporation shall decide who shall build how much of these Network Upgrades and shall provide such information, along with specific cost estimates for each DTO's portion of the Network Upgrades, to SPP in its response to this NTC.

Network Upgrade Owner: SPS

MOPC Representative(s): William Grant

TWG Representative: John Fulton

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Categorization: Regional reliability

Network Upgrade Specification: All elements and conductor must have at least an emergency rating of 1052 MVA.

Network Upgrade Justification: To address low voltages in the Cimarron area and overloads on Cimarron River Plant - Seward 115 kV Ckt 1, CTU Sublette - Pioneer Tap 115 kV Ckt 1, and Haskell - Seward 115 kV Ckt 1 for the loss of Hugoton Substation - Pioneer Natural Resources Tap 115 kV Ckt 1.

Estimated Cost for Network Upgrade (current day dollars): \$9,639,744

Cost Allocation of the Network Upgrade: Base Plan

Estimated Cost Source: SPP

Date of Estimated Cost: 12/1/2014

Network Upgrade ID: 51236

Network Upgrade Name: Walkemeyer Tap 345/115 kV Transformer (SPS)

Network Upgrade Description: Install new 345/115 kV transformer at the new Walkemeyer Tap substation. Install any necessary 115 kV terminal equipment. SPS and Sunflower Electric Power Corporation shall decide who shall build how much of these Network Upgrades and shall provide such information, along with specific cost estimates for each DTO's portion of the Network Upgrades, to SPP in its response to this NTC.

Network Upgrade Owner: SPS

MOPC Representative(s): William Grant

TWG Representative: John Fulton

Categorization: Regional reliability

Network Upgrade Specification: All elements and conductor must have at least an emergency rating of 280 MVA.

Network Upgrade Justification: To address low voltages in the Cimarron area and overloads on Cimarron River Plant - Seward 115 kV Ckt 1, CTU Sublette - Pioneer Tap 115 kV Ckt 1, and Haskell - Seward 115 kV Ckt 1 for the loss of Hugoton Substation - Pioneer Natural Resources Tap 115 kV Ckt 1.

Estimated Cost for Network Upgrade (current day dollars): \$3,444,000

Cost Allocation of the Network Upgrade: Base Plan

Estimated Cost Source: SPP

Date of Estimated Cost: 12/1/2014

Network Upgrade ID: 51239

Network Upgrade Name: Walkemeyer - Walkemeyer Tap 115 kV Ckt 1 (SPS)

Network Upgrade Description: Construct new 115 kV line from Walkemeyer to the new Walkemeyer Tap substation. The total estimated length of the Walkemeyer to Walkemeyer Tap line is 1 mile. SPS and Sunflower Electric Power Corporation shall decide who shall build how much of these Network Upgrades and shall provide such information, along with specific cost estimates for each DTO's portion of the Network

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Upgrades, to SPP in its response to this NTC.

Network Upgrade Owner: SPS

MOPC Representative(s): William Grant

TWG Representative: John Fulton

Categorization: Regional reliability

Network Upgrade Specification: All elements and conductor must have at least an emergency rating of 304 MVA.

Network Upgrade Justification: To address low voltages in the Cimarron area and overloads on Cimarron River Plant - Seward 115 kV Ckt 1, CTU Sublette - Pioneer Tap 115 kV Ckt 1, and Haskell - Seward 115 kV Ckt 1 for the loss of Hugoton Substation - Pioneer Natural Resources Tap 115 kV Ckt 1.

Estimated Cost for Network Upgrade (current day dollars): \$423,644

Cost Allocation of the Network Upgrade: Base Plan

Estimated Cost Source: SPP

Date of Estimated Cost: 12/1/2014

Project ID: 30913

Project Name: Multi - RIAC 115 kV Voltage Conversion

Need Date for Project: 6/1/2015

Estimated Cost for Project: \$5,102,450

Network Upgrade ID: 51237

Network Upgrade Name: RIAC 115 kV Voltage Conversion

Network Upgrade Description: Convert RIAC substation to 115 kV. Install a new 3-way 115 kV line switch tapping the 115 kV line from Brasher to Roswell Interchange. Remove the existing 69 kV transmission lines terminating at RIAC and rebuild the 1.5-mile 69 kV line from the north with a new 115 kV line to RIAC. Add a new 115 kV terminal at Roswell Interchange and build a new 0.1-mile line out of Roswell Interchange to connect to the Roswell City 115 kV circuit.

Network Upgrade Owner: SPS

MOPC Representative(s): William Grant

TWG Representative: John Fulton

Categorization: Regional reliability

Network Upgrade Specification: All elements and conductor must have at least an emergency rating of 304 MVA.

Network Upgrade Justification: To address the overload of Roswell Interchange 115/69 kV Ckt 1 transformer for the loss of Roswell Interchange 115/69 kV Ckt 2 transformer.

Estimated Cost for Network Upgrade (current day dollars): \$5,102,450

Cost Allocation of the Network Upgrade: Base Plan

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Estimated Cost Source: SPP
Date of Estimated Cost: 12/1/2014

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, 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 the SPP OATT 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 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 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.

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Sincerely,



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

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