

SPP-NTC-200365

**SPP
Notification to Construct**

January 12, 2016

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-2014-AG1-AFS-6

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 June 29, 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-2014-AG1-AFS-6. On December 18, 2015, SPP received all executed Transmission Service Agreements from the customers associated with SPP-2014-AG1-AFS-6.

New Network Upgrades

Project ID: 30708

Project Name: Line - Ochoa - Ponderosa Tap 115 kV Ckt 1 Rebuild

Need Date for Project: 6/1/2018

Estimated In-Service Date: 6/1/2018

Estimated Cost for Project: \$4,161,825

Network Upgrade ID: 50954

Network Upgrade Name: Ochoa - Ponderosa Tap 115 kV Ckt 1 Rebuild

Network Upgrade Description: Rebuild 9.1-mile 115 kV line from Ochoa to Ponderosa Tap.

Network Upgrade Owner: SPS

Categorization: Regional reliability

Network Upgrade Specification: All elements and conductor must have at least an

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emergency rating of 178 MVA.

Network Upgrade Justification: 2014-AG1-AFS-6

Estimated Cost for Network Upgrade (current day dollars): \$4,161,825

Cost Allocation of the Network Upgrade: Base Plan

Estimated Cost Source: SPP

Date of Estimated Cost: 6/29/2015

Project ID: 30918

Project Name: Line - Byrd Tap - Cooper Ranch - Oil Center - Lea Road 115 kV Ckt 1 Rebuild

Need Date for Project: 6/1/2021

Estimated In-Service Date: 6/1/2021

Estimated Cost for Project: \$8,446,740

Network Upgrade ID: 51272

Network Upgrade Name: Cooper Ranch - Oil Center 115 kV Ckt 1 Rebuild

Network Upgrade Description: Rebuild 3.5-mile 115 kV line from Cooper Ranch to Oil Center.

Network Upgrade Owner: SPS

Categorization: Regional reliability

Network Upgrade Specification: All elements and conductor must have at least an emergency rating of 163 MVA.

Network Upgrade Justification: 2014-AG1-AFS-6

Estimated Cost for Network Upgrade (current day dollars): \$2,597,868

Cost Allocation of the Network Upgrade: Base Plan

Estimated Cost Source: SPP

Date of Estimated Cost: 6/29/2015

Network Upgrade ID: 51273

Network Upgrade Name: Byrd Tap - Cooper Ranch 115 kV Ckt 1 Rebuild

Network Upgrade Description: Rebuild 4.9-mile 115 kV line from Byrd Tap to Cooper Ranch.

Network Upgrade Owner: SPS

Categorization: Regional reliability

Network Upgrade Specification: All elements and conductor must have at least an emergency rating of 166 MVA.

Network Upgrade Justification: 2014-AG1-AFS-6

Estimated Cost for Network Upgrade (current day dollars): \$3,566,564

Cost Allocation of the Network Upgrade: Base Plan

Estimated Cost Source: SPP

Date of Estimated Cost: 6/29/2015

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Network Upgrade ID: 51407
Network Upgrade Name: Lea Road - Oil Center 115 kV Ckt 1 Rebuild
Network Upgrade Description: Rebuild 3.1-mile 115 kV line from Lea Road to Oil Center.
Network Upgrade Owner: SPS
Categorization: Regional reliability
Network Upgrade Specification: All elements and conductor must have at least an emergency rating of 162 MVA.
Network Upgrade Justification: 2014-AG1-AFS-6
Estimated Cost for Network Upgrade (current day dollars): \$2,282,308
Cost Allocation of the Network Upgrade: Base Plan
Estimated Cost Source: SPP
Date of Estimated Cost: 6/29/2015

Project ID: 30987
Project Name: Line - Cunningham - Monument Tap 115 kV Ckt 1 Rebuild
Need Date for Project: 6/1/2021
Estimated In-Service Date: 6/1/2021
Estimated Cost for Project: \$4,770,097

Network Upgrade ID: 51406
Network Upgrade Name: Cunningham - Monument Tap 115 kV Ckt 1 Rebuild
Network Upgrade Description: Rebuild 6.5-mile 115 kV line from Cunningham to Monument Tap.
Network Upgrade Owner: SPS
Categorization: Regional reliability
Network Upgrade Specification: All elements and conductor must have at least an emergency rating of 184 MVA.
Network Upgrade Justification: 2014-AG1-AFS-6
Estimated Cost for Network Upgrade (current day dollars): \$4,770,097
Cost Allocation of the Network Upgrade: Base Plan
Estimated Cost Source: SPP
Date of Estimated Cost: 6/29/2015

Project ID: 30989
Project Name: Sub - Potash Junction 230 kV Terminal Upgrade
Need Date for Project: 6/1/2018
Estimated In-Service Date: 6/1/2018
Estimated Cost for Project: \$63,251

Network Upgrade ID: 51409
Network Upgrade Name: Potash Junction 230 kV Terminal Upgrade

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Network Upgrade Description: Replace wavetrap at Potash Junction 230 kV substation.
Network Upgrade Owner: SPS
Categorization: Regional reliability
Network Upgrade Specification: All elements must have at least an emergency rating of 372 MVA.
Network Upgrade Justification: 2014-AG1-AFS-6
Estimated Cost for Network Upgrade (current day dollars): \$63,251
Cost Allocation of the Network Upgrade: Base Plan
Estimated Cost Source: SPP
Date of Estimated Cost: 6/29/2015

Project ID: 30990
Project Name: Line - Jal - Teague 115 kV Ckt 1 Rebuild
Need Date for Project: 6/1/2021
Estimated In-Service Date: 6/1/2021
Estimated Cost for Project: \$7,544,091

Network Upgrade ID: 51410
Network Upgrade Name: Jal - Teague 115 kV Ckt 1 Rebuild
Network Upgrade Description: Rebuild 10.3-mile 115 kV line from Jal to Teague.
Network Upgrade Owner: SPS
Categorization: Regional reliability
Network Upgrade Specification: All elements and conductor must have at least an emergency rating of 140 MVA.
Network Upgrade Justification: 2014-AG1-AFS-6
Estimated Cost for Network Upgrade (current day dollars): \$7,544,091
Cost Allocation of the Network Upgrade: Base Plan
Estimated Cost Source: SPP
Date of Estimated Cost: 6/29/2015

Project ID: 30991
Project Name: Line - National Enrichment Plant - Teague 115 kV Ckt 1 Rebuild
Need Date for Project: 6/1/2018
Estimated In-Service Date: 6/1/2018
Estimated Cost for Project: \$4,990,255

Network Upgrade ID: 51411
Network Upgrade Name: National Enrichment Plant - Teague 115 kV Ckt 1 Rebuild
Network Upgrade Description: Rebuild 6.8-mile 115 kV line from National Enrichment Plant to Teague.
Network Upgrade Owner: SPS

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Categorization: Regional reliability

Network Upgrade Specification: All elements and conductor must have at least an emergency rating of 147 MVA.

Network Upgrade Justification: 2014-AG1-AFS-6

Estimated Cost for Network Upgrade (current day dollars): \$4,990,255

Cost Allocation of the Network Upgrade: Base Plan

Estimated Cost Source: SPP

Date of Estimated Cost: 6/29/2015

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

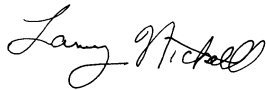
On an ongoing basis, please keep SPP advised of any inability on SPS's part to complete the approved Network Upgrade(s). For project tracking, SPP requires SPS to submit status updates of the Network Upgrade(s) quarterly in conjunction with the SPP Board of Directors meetings. However, SPS shall also 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.

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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.

Sincerely,



Lanny Nickell
Vice President, Engineering
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cc: Carl Monroe - SPP
Antoine Lucas - SPP
William Grant - SPS