

**SPP-NTC-200370**

**SPP  
Notification to Construct**

February 12, 2016

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 April 29, 2014, the SPP Board of Directors ("Board") approved the High Priority Incremental Load Study ("HPILS"). The Network Upgrade listed below was included in Appendix C of the HPILS report and is to be constructed. On January 26, 2016, the Board approved a modification to the Network Upgrade Description for the Network Upgrade.

**Upgrades with Modifications**

**Previous NTC Number:** 200282

**Previous NTC Issue Date:** 5/19/2014

**Project ID:** 30649

**Project Name:** Multi - Andrews 230/115 kV Transformer and Andrews - NEF 115 kV Ckt 1

**Need Date for Project:** 6/1/2015

**Estimated Cost for Project:** \$14,195,132 (this project cost contains Network Upgrades not included in this NTC)

**Network Upgrade ID:** 50881

**Network Upgrade Name:** Andrews 230/115 kV Ckt 1 Transformer

**Network Upgrade Description:** Install two 230/115 kV 167 MVA transformers at Andrews substation for a combined emergency rating of 334 MVA. Install any necessary terminal equipment.

**Network Upgrade Owner:** SPS

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**MOPC Representative(s):** William Grant

**TWG Representative:** John Fulton

**Reason for Change:** Modifications to Network Upgrade Description approved to describe two transformers rather than one.

**Categorization:** High priority

**Network Upgrade Specification:** All elements and conductor must have at least an emergency rating of 288 MVA.

**Network Upgrade Justification:** To address needs identified in HPILS.

**Estimated Cost for Network Upgrade (current day dollars):** \$10,671,660

**Cost Allocation of the Network Upgrade:** Base Plan

**Estimated Cost Source:** SPS

**Date of Estimated Cost:** 8/15/2014

**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

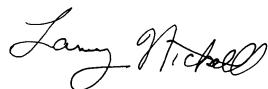
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as the inability becomes apparent.

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.

Sincerely,

A handwritten signature in black ink that reads 'Lanny Nickell'.

Lanny Nickell

Vice President, Engineering

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

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