

SPP-NTC-200376

**SPP
Notification to Construct**

July 12, 2016

Mr. Clarence Suppes
Sunflower Electric Power Corp.
P.O. Box 170
Great Bend, KS 67530

RE: Notification to Construct Approved Reliability Network Upgrades

Dear Mr. Suppes,

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 Sunflower Electric Power Corp. ("SEPC"), as the Designated Transmission Owner, to construct the Network Upgrade(s).

On July 7, 2015, SPP concluded that the Network Upgrade(s) below are required on the SEPC system to fulfill delivery point request(s) as detailed in the Delivery Point Network Study for delivery point request DPA-2015-March-494. On July 6, 2016, SPP received all executed Transmission Service Agreements associated with DPA-2015-March-494.

New Network Upgrades

Project ID: 30952

Project Name: Device - Ingalls 115 kV Cap Bank

Need Date for Project: 6/1/2017

Estimated Cost for Project: \$2,955,010

Network Upgrade ID: 51332

Network Upgrade Name: Ingalls 115 kV Cap Bank

Network Upgrade Description: Install two-stage 24-MVAR capacitor bank at Ingalls 115 kV.

Network Upgrade Owner: SEPC

MOPC Representative(s): Al Tamimi

TWG Representative: Al Tamimi

Categorization: Regional reliability

Network Upgrade Specification: Install two-stage 24-MVAR capacitor bank at Ingalls

SPP-NTC-200376

115 kV.

Network Upgrade Justification: To address low voltage base case issues on the Ingalls 115 kV sub.

Estimated Cost for Network Upgrade (current day dollars): \$2,955,010

Cost Allocation of the Network Upgrade: Base Plan

Estimated Cost Source: SEPC

Date of Estimated Cost: 1/6/2016

Project ID: 30953

Project Name: Device - Lane Scott 115 kV Cap Bank

Need Date for Project: 6/1/2017

Estimated Cost for Project: \$2,093,739

Network Upgrade ID: 51333

Network Upgrade Name: Lane Scott 115 kV Cap Bank

Network Upgrade Description: Install 12-MVAR capacitor bank at Lane Scott 115 kV.

Network Upgrade Owner: SEPC

MOPC Representative(s): Al Tamimi

TWG Representative: Al Tamimi

Categorization: Regional reliability

Network Upgrade Specification: Install 12-MVAR capacitor bank at Lane Scott 115 kV.

Network Upgrade Justification: To address low voltage base case issues at Cimarron, Charleston, and Lane Scott 115 kV substations.

Estimated Cost for Network Upgrade (current day dollars): \$2,093,739

Cost Allocation of the Network Upgrade: Base Plan

Estimated Cost Source: SEPC

Date of Estimated Cost: 1/6/2016

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

SPP-NTC-200376

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.

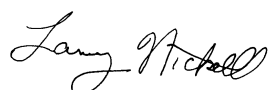
Notification of Progress

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

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

cc: Carl Monroe - SPP
Antoine Lucas - SPP
Tom Hestermann - SEPC
Al Tamimi - SEPC