

SPP-NTC-200437

**SPP
Notification to Construct**

February 8, 2017

Mr. Bill Dowling
Midwest Energy, Inc.
1330 Canterbury Dr.
Hays, KS 67601

RE: Notification to Construct for Transmission Service Request resulting from Aggregate Transmission Service Study SPP-2015-AG2-AFS-3

Dear Mr. Dowling,

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 Midwest Energy, Inc. ("MIDW"), as the Designated Transmission Owner, to construct the Network Upgrades.

On January 31, 2017, SPP Board of Directors approved the changes below for the project that is required on the MIDW system to fulfill Transmission Service Requests as detailed in Aggregate Facility Study SPP-2015-AG2-AFS-3.

Upgrades with Modifications

Previous NTC Number: 200403
Previous NTC Issue Date: 7/14/2016
Project ID: 31073
Project Name: XFR - Heizer 115/69 kV Ckt 4 Transformer
Need Date for Project: 6/1/2021
Estimated In-Service Date: 6/1/2021
Estimated Cost for Project: \$2,663,963

Network Upgrade ID: 51578
Network Upgrade Name: Heizer 115/69 kV Ckt 4 Transformer
Network Upgrade Description: Upgrade the 115/69 kV transformer at Heizer (HEIZER T4).
Network Upgrade Owner: MIDW
Reason for Change: Modification to Network Upgrade Specification approved by Board to decrease required rating from 47 MVA to 44.8 MVA.

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Categorization: Regional Reliability

Network Upgrade Specification: All elements and conductor must have at least an emergency rating of 44.8 MVA.

Network Upgrade Justification: SPP-2015-AG2-AFS-3

Estimated Cost for Network Upgrade (current day dollars): \$2,663,963

Cost Allocation of the Network Upgrade: Base Plan

Estimated Cost Source: SPP

Date of Estimated Cost: 4/25/2016

Commitment to Construct

Please provide to SPP a written commitment to construct the Network Upgrade(s) within 90 days of the date of this 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 MIDW's part to complete the approved Network Upgrade(s). For project tracking, SPP requires MIDW to submit status updates of the Network Upgrade(s) quarterly in conjunction with the SPP Board of Directors meetings. However, MIDW 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
Jay Caspary - SPP
Earnie Lehman - MIDW