

**SPP-NTC-200432**

**SPP  
Notification to Construct**

February 21, 2017

Mr. Jeff Tullis  
Grand River Dam Authority  
P.O. Box 1128  
Pryor, OK 74119

RE: Notification to Construct Approved ITP10 Network Upgrades

Dear Mr. Tullis,

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 Grand River Dam Authority ("GRDA"), as the Designated Transmission Owner, to construct the Network Upgrade(s).

On January 31, 2017, the SPP Board of Directors approved the Network Upgrade(s) listed below to be constructed as part of the 2017 Integrated Transmission Planning 10-Year ("ITP10") Assessment.

**New Network Upgrades**

**Project ID:** 31131

**Project Name:** Line - Siloam Springs - Siloam Springs City 161 kV Ckt 1 Rebuild

**Need Date for Project:** 1/1/2017

**Estimated Cost for Project:** \$5,059,400 (this project cost contains Network Upgrades not included in this NTC)

**Network Upgrade ID:** 51739

**Network Upgrade Name:** Siloam Springs - Siloam Springs City 161 kV Ckt 1 Rebuild (GRDA)

**Network Upgrade Description:** Upgrade terminal equipment at Siloam Springs City (GRDA) to increase the rating of the line between Siloam Springs (AEP) and Siloam Springs City (GRDA) substations.

**Network Upgrade Owner:** GRDA

**MOPC Representative(s):** Tim Brown

**TWG Representative:** Joe Fultz

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**Categorization:** Economic

**Network Upgrade Specification:** All elements and conductor must have at least an emergency rating of 446 MVA.

**Network Upgrade Justification:** Identified as needed as an economic project in the 2017 ITP10.

**Estimated Cost for Network Upgrade (current day dollars):** \$279,400

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

**Estimated Cost Source:** GRDA

**Date of Estimated Cost:** 9/6/2016

**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 any Network Upgrade(s) categorized as Reliability for which the Need Date is not feasible. Additionally, if it is anticipated that the completion of any Network Upgrade categorized as Reliability 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 GRDA's part to complete the approved Network Upgrade(s). For project tracking, SPP requires GRDA to submit status updates of the Network Upgrade(s) quarterly in conjunction with the SPP Board of Directors meetings. However, GRDA 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

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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,



Lanny Nickell  
Vice President, Engineering  
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cc: Carl Monroe - SPP  
Antoine Lucas - SPP  
Jay Caspary - SPP  
Mike Stafford - GRDA  
Joe Fultz - GRDA