

SPP
Notification to Construct

August 17, 2018

Mr. Thomas L. Meland, P.E.
Central Power Electric Cooperative, Inc.
525 20th Avenue SW
Minot, ND 58701

RE: Notification to Construct Approved Reliability Network Upgrades

Dear Mr. Meland,

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 Central Power Electric Cooperative, Inc. ("CPEC"), as the Designated Transmission Owner, to construct the Network Upgrade(s).

On January 30, 2018 the SPP Board of Directors approved the Network Upgrade listed below to be constructed. On May 29, 2018 an Agreement for Sponsored Upgrade was fully executed by CPEC and SPP.

New Network Upgrades

Project ID: 51278

Project Name: Sub - Bismarck 115 kV and North Bismarck 115 kV Terminal Upgrades

Estimated Cost for Project: \$84,639 (this project cost contains Network Upgrades not included in this NTC)

Network Upgrade ID: 72005

Network Upgrade Name: North Bismarck 115 kV Terminal Upgrades

Network Upgrade Description: Sponsored Upgrade - CPEC is changing the operational status of the 115 kV breaker 262 within the North Bismarck substation from a "normally open" device to a "normally closed" device. This change in configuration results in a 115 kV loop between WAPA's Bismarck and Ward 230 kV substations.

Network Upgrade Owner: CPEC

MOPC Representative(s): Thomas Meland

TWG Representative: N/A

Categorization: Sponsored Upgrade

Network Upgrade Specification: Breaker 262 at the North Bismarck substation will be changed from a normally open configuration to a normally closed configuration.

Network Upgrade Justification: SUS-002 CPEC North Bismarck Breaker Study

Need Date for Network Upgrade: 11/1/2018
Estimated Cost for Network Upgrade (current day dollars): \$0
Cost Allocation of the Network Upgrade: Directly Assigned
Estimated Cost Source: CPEC
Date of Estimated Cost: 1/15/2018

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 any necessary 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 CPEC's part to complete the approved Network Upgrade(s). For project tracking, SPP requires CPEC to submit status updates of the Network Upgrade(s) quarterly in conjunction with the SPP Board of Directors meetings. However, CPEC 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.

SPP-NTC-210487

Sincerely,



Lanny Nickell

Vice President, Engineering

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

cc: Carl Monroe - SPP
Antoine Lucas - SPP
Jay Caspary - SPP
Mark Sherman - CPEC