

SPP-NTC-210507

**SPP
Notification to Construct**

December 11, 2018

Mr. Jarred Cooley
Southwestern Public Service Company
790 S Buchanan Street
Amarillo, TX 79101

RE: Notification to Construct Approved Reliability Network Upgrades

Dear Mr. Cooley,

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 May 23, 2018, SPP concluded that the Network Upgrade(s) below are required on the SPS system to fulfill delivery point request(s) as detailed in the Delivery Point Network Study for delivery point request DPA-2017-November-808. On August 21, 2018, SPP received all executed Transmission Service Agreements associated with DPA-2017-November-808.

On December 5, 2018, SPP received SPS's NTC-C Project Estimates ("CPE") for the Network Upgrades specified in the NTC-C No. 210504. SPP has reviewed the CPEs and determined that the requirements of Condition No. 1 of the NTC-C have been met.

New Network Upgrades

Project ID: 61347

Project Name: Multi - China Draw - Road Runner 345 kV

Estimated Cost for Project: \$89,647,302

Network Upgrade ID: 92153

Network Upgrade Name: Bopco - Road Runner 345 kV Ckt 1 New Line

Network Upgrade Description: Build new 21 mile 345 kV line from Bopco to Road

Runner.

Network Upgrade Owner: SPS

MOPC Representative(s): William Grant

TWG Representative: N/A

Categorization: Regional Reliability

Network Upgrade Specification: All elements and conductor must have at least an emergency rating of 1792 MVA.

Network Upgrade Justification: DPA-2017-November-808

Need Date for Network Upgrade: 12/1/2018

Estimated Cost for Network Upgrade (current day dollars): \$29,927,758

Cost Allocation of the Network Upgrade: Base Plan

Estimated Cost Source: SPS

Date of Estimated Cost: 8/23/2018

Network Upgrade ID: 92154

Network Upgrade Name: Bopco - China Draw 345 kV Ckt 1 New Line

Network Upgrade Description: Build new 19 mile 345 kV line from Bopco to China Draw.

Network Upgrade Owner: SPS

MOPC Representative(s): William Grant

TWG Representative: N/A

Categorization: Regional Reliability

Network Upgrade Specification: All elements and conductor must have at least an emergency rating of 1792 MVA.

Network Upgrade Justification: DPA-2017-November-808

Need Date for Network Upgrade: 12/1/2021

Estimated Cost for Network Upgrade (current day dollars): \$30,496,976

Cost Allocation of the Network Upgrade: Base Plan

Estimated Cost Source: SPS

Date of Estimated Cost: 8/23/2018

Network Upgrade ID: 102153

Network Upgrade Name: Bopco 345/115 kV Ckt 1 Transformer

Network Upgrade Description: Construct 345/115 kV transformer at Bopco substation.

Network Upgrade Owner: SPS

MOPC Representative(s): William Grant

TWG Representative: N/A

Categorization: Regional Reliability

Network Upgrade Specification: All elements and conductor must have at least an emergency rating of 435 MVA.

Network Upgrade Justification: DPA-2017-November-808

Need Date for Network Upgrade: 12/1/2018

Estimated Cost for Network Upgrade (current day dollars): \$6,205,015

Cost Allocation of the Network Upgrade: Base Plan

Estimated Cost Source: SPS

Date of Estimated Cost: 8/23/2018

Network Upgrade ID: 102154

Network Upgrade Name: Bopco 345/115 kV Ckt 2 Transformer

Network Upgrade Description: Construct second 345/115 kV transformer at Bopco substation.

Network Upgrade Owner: SPS

MOPC Representative(s): William Grant

TWG Representative: N/A

Categorization: Regional Reliability

Network Upgrade Specification: All elements and conductor must have at least an emergency rating of 435 MVA.

Network Upgrade Justification: DPA-2017-November-808

Need Date for Network Upgrade: 12/1/2021

Estimated Cost for Network Upgrade (current day dollars): \$6,122,043

Cost Allocation of the Network Upgrade: Base Plan

Estimated Cost Source: SPS

Date of Estimated Cost: 8/23/2018

Network Upgrade ID: 102157

Network Upgrade Name: Bopco 345 kV Substation

Network Upgrade Description: Build 345 kV portion of new 345/115 kV Bopco substation.

Network Upgrade Owner: SPS

MOPC Representative(s): William Grant

TWG Representative: N/A

Categorization: Regional Reliability

Network Upgrade Specification: All elements and conductor must have at least an emergency rating of 1792 MVA.

Network Upgrade Justification: DPA-2017-November-808

Need Date for Network Upgrade: 12/1/2018

Estimated Cost for Network Upgrade (current day dollars): \$5,153,574

Cost Allocation of the Network Upgrade: Base Plan

Estimated Cost Source: SPS

Date of Estimated Cost: 8/23/2018

Network Upgrade ID: 102158

Network Upgrade Name: Bopco 115 kV Substation

Network Upgrade Description: Build 115 kV portion of new 345/115 kV Bopco substation. This includes work to reterminate the Wood Draw - Red Bluff 115 kV line into the new substation.

Network Upgrade Owner: SPS
MOPC Representative(s): William Grant
TWG Representative: N/A
Categorization: Regional Reliability
Network Upgrade Specification: All elements and conductor must have at least an emergency rating of 174 MVA.
Network Upgrade Justification: DPA-2017-November-808
Need Date for Network Upgrade: 12/1/2018
Estimated Cost for Network Upgrade (current day dollars): \$11,741,936
Cost Allocation of the Network Upgrade: Base Plan
Estimated Cost Source: SPS
Date of Estimated Cost: 8/23/2018

Project ID: 71347
Project Name: Line - Eddy County - Kiowa 345 kV New Line
Need Date for Project: 6/1/2024
Estimated Cost for Project: \$67,428,932

Network Upgrade ID: 102156
Network Upgrade Name: Eddy County - Kiowa 345 kV Ckt 1 New Line
Network Upgrade Description: Build new 34 mile 345 kV line from Eddy County to Kiowa.
Network Upgrade Owner: SPS
MOPC Representative(s): William Grant
TWG Representative: N/A
Categorization: Regional Reliability
Network Upgrade Specification: All elements and conductor must have at least an emergency rating of 1792 MVA.
Network Upgrade Justification: DPA-2017-November-808
Estimated Cost for Network Upgrade (current day dollars): \$67,428,932
Cost Allocation of the Network Upgrade: Base Plan
Estimated Cost Source: SPS
Date of Estimated Cost: 8/23/2018

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 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 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
Jay Caspary - SPP
William Grant - SPS