

**SPP-NTC-210575****SPP  
Notification to Construct with Conditions**

November 17, 2020

Mr. Wayman Smith  
American Electric Power  
212 E. 6th St.  
Tulsa, OK 74119

RE: Notification to Construct with Conditions Approved Reliability Network Upgrades

Dear Mr. Smith,

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 with Conditions ("NTC-C") directing American Electric Power ("AEP"), as the Designated Transmission Owner, to construct the Network Upgrade(s). This NTC is conditioned upon AEP not ordering materials or beginning construction until:

(1) the DTO submits a refined NTC-C Project Estimate ("CPE") to SPP that has a variance bandwidth of  $\pm 20\%$  that does not exceed the Study Estimate variance bandwidth of  $\pm 30\%$  as provided for in SPP's Business Practices; or

(2) the SPP Board of Directors considers SPP's re-evaluation of a project that has a refined CPE from the DTO that exceeds the Study Estimate variance bandwidth of  $\pm 30\%$  as provided for in SPP's Business Practices.

On October 27, 2020, the SPP Board of Directors approved the Network Upgrade(s) listed below to be constructed as part of the 2020 Integrated Transmission Planning ("ITP") Assessment.

**New Network Upgrades**

**Project ID:** 81687

**Project Name:** Line - South Shreveport - Wallace Lake 138 kV #2

**Need Date for Project:** 6/1/2024

**Estimated Cost for Project:** \$23,622,577

**Network Upgrade ID:** 122730

**Network Upgrade Name:** South Shreveport - Wallace Lake 138 kV Ckt 1 Rebuild #2

**Network Upgrade Description:** Rebuild 11.18 miles of 138 kV line from South

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Shreveport to Wallace Lake and upgrade any necessary terminal equipment to achieve a summer emergency of 347 MVA

**Network Upgrade Owner:** AEP

**MOPC Representative(s):** Brian Johnson, Chad Heitmeyer, Richard Ross, Jim Jacoby

**TWG Representative:** Matthew McGee

**Categorization:** Regional Reliability

**Network Upgrade Specification:** All elements and conductor must have at least an emergency rating of 347 MVA

**Network Upgrade Justification:** 2020 ITP

**Estimated Cost for Network Upgrade (current day dollars):** \$23,622,577

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

**Estimated Cost Source:** AEP

**Date of Estimated Cost:** 7/7/2020

**Project ID:** 81717

**Project Name:** Multi - Border - Woodward 345 kV Tap

**Need Date for Project:** 1/1/2022

**Estimated Cost for Project:** \$31,686,685 (this project cost contains Network Upgrades not included in this NTC)

**Network Upgrade ID:** 122796

**Network Upgrade Name:** Chisholm Substation 345 kV Terminal Upgrades

**Network Upgrade Description:** Install any necessary terminal equipment to support an in and out tap of the existing Woodward to Border 345 kV line to achieve a summer emergency rating of 1792 MVA

**Network Upgrade Owner:** AEP

**MOPC Representative(s):** Brian Johnson, Chad Heitmeyer, Richard Ross, Jim Jacoby

**TWG Representative:** Matthew McGee

**Categorization:** Economic

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

**Network Upgrade Justification:** 2020 ITP

**Estimated Cost for Network Upgrade (current day dollars):** \$11,999,273

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

**Estimated Cost Source:** AEP

**Date of Estimated Cost:** 7/7/2020

**Network Upgrade ID:** 143182

**Network Upgrade Name:** Chisholm - Woodward Border 345 kV Ckt 1 (AEP)

**Network Upgrade Description:** Build 0.84-miles of new 345 kV line from a new tap on the Woodward to Border 345 kV line to Chisholm to achieve a summer emergency rating

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of 1792 MVA. Oklahoma Gas and Electric Co. and American Electric Power shall decide who shall build how much of these Network Upgrades and shall provide such information, along with specific cost estimates for each DTO's portion of the Network Upgrades, to SPP in its response to this NTC

**Network Upgrade Owner:** AEP

**MOPC Representative(s):** Brian Johnson, Chad Heitmeyer, Richard Ross, Jim Jacoby

**TWG Representative:** Matthew McGee

**Categorization:** Economic

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

**Network Upgrade Justification:** 2020 ITP

**Estimated Cost for Network Upgrade (current day dollars):** \$1,000,000

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

**Estimated Cost Source:** SPP

**Date of Estimated Cost:** 10/30/2020

**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.

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**Notification of Progress**

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



Antoine Lucas  
Vice President, Engineering  
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cc: Lanny Nickell - SPP  
Casey Cathey - SPP  
David Kelley - SPP  
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