

SPP-NTC-210553

SPP
Notification to Construct

December 9, 2020

Mr. Lloyd Linke
Western Area Power Administration
PO Box 790
Watertown, SD 57201

RE: Notification to Construct Approved Reliability Network Upgrades

Dear Mr. Linke,

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 Western Area Power Administration ("WAPA"), as the Designated Transmission Owner, to construct the Network Upgrades.

On September 23, 2019, SPP concluded that the Network Upgrade below is required on the WAPA system to fulfill delivery point request as detailed in the Delivery Point Network Study for delivery point request DPNS-2019-May-1037. On August 12, 2020, SPP received all executed Transmission Service Agreements associated with DPNS-2019-May-1037.

New Network Upgrades

Project ID: 81637

Project Name: Multi - Fort Randall - Spencer 115 kV, Martin - Vetel 115 kV, Eagle Creek 115 kV

Need Date for Project: 6/1/2023

Estimated Cost for Project: \$7,552,709 (this project cost contains Network Upgrades not included in this NTC)

Network Upgrade ID: 122631

Network Upgrade Name: Fort Randall - Spencer 115kV Ckt 1 Re-conductor

Network Upgrade Description: Re-conductor a portion of the of 115 kV line from Fort Randall to Spencer to increase the emergency rating to 240 MVA.

Network Upgrade Owner: WAPA

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MOPC Representative(s): Lloyd Linke
TWG Representative: Gayle Nansel
Categorization: Regional Reliability
Network Upgrade Specification: All elements and conductor must have at least an emergency rating of 240 MVA.
Network Upgrade Justification: DPNS-2019-May-1037
Need Date for Network Upgrade: 6/1/2023
Estimated Cost for Network Upgrade (current day dollars): \$2,650,000
Cost Allocation of the Network Upgrade: Base Plan
Estimated Cost Source: WAPA
Date of Estimated Cost: 7/13/2020

Network Upgrade ID: 122632
Network Upgrade Name: Martin - Vetal Tap 115 kV Ckt 1 Rebuild
Network Upgrade Description: Re-conductor a portion of the 115 kV line from Martin to Vetal Tap to increase the emergency rating to 100 MVA.
Network Upgrade Owner: WAPA
MOPC Representative(s): Lloyd Linke
TWG Representative: Gayle Nansel
Categorization: Regional Reliability
Network Upgrade Specification: All elements and conductor must have at least an emergency rating of 100 MVA.
Network Upgrade Justification: DPNS-2019-May-1037
Need Date for Network Upgrade: 6/1/2022
Estimated Cost for Network Upgrade (current day dollars): \$3,800,000
Cost Allocation of the Network Upgrade: Base Plan
Estimated Cost Source: WAPA
Date of Estimated Cost: 7/13/2020

Commitment to Construct

Please provide to SPP a written commitment to construct the Network Upgrade(s) within 90 days of the date of this 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

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

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,

A handwritten signature in blue ink, appearing to read "Antoine Lucas".

Antoine Lucas
Vice President, Engineering
Phone: (501) 614-3382 • Fax: (501) 482-2022 • alucas@spp.org

cc: Lanny Nickell - SPP
Casey Cathey - SPP
Gayle Nansel - WAPA
SPPprojecttracking@spp.org