

SPP
Notification to Construct

January 16, 2009

SPP-NTC-20021

Mr. Joe Fultz
Grand River Dam Authority
PO BOX 1128
Pryor, OK 74119

RE: Transmission System Upgrade Notification to Construct for Transmission Service request resulting from Aggregate Transmission Service Study SPP-2006-AG3-AFS-11

Dear Mr. Fultz,

Southwest Power Pool has filed Service Agreement FERC Docket ER09-439 for Transmission Service for customers in SPP-2006-AG3-AFS-11. In the facility study conducted in the assessment of these requests, SPP concluded that system upgrades are required on the Grand River Dam Authority system as detailed in Aggregate Facility Study SPP-2006-AG3-AFS-11.

As a result of transmission service customers confirmation of transmission service requests requiring network upgrades, SPP is notifying Grand River Dam Authority as the upgrade owner to move forward with the development of the following upgrades/mitigations to alleviate associated transmission service concerns.

New Network Upgrades

Project ID: 299

Project Name: KANSAS TAP - WEST SILOAM SPRINGS 161KV CKT 1

RTO Determined Need Date for Project: 6/1/2012

Estimated In Service Date: 6/1/2012

Estimated Cost for Project: \$4,212,500

Upgrade ID: 10385

Upgrade Description: Rebuild line to 1590 ACSR

Categorization: Regional reliability

Upgrade Justifications: SPP-2006-AG3-AFS-11

Source of funding for Upgrade: Full Base Plan funded

Estimated Cost Source: GRDA

Date of Estimated Cost: 4/16/2007

Project ID: 299

Project Name: SILOAM CITY - WEST SILOAM SPRINGS 161KV CKT 1

RTO Determined Need Date for Project: 6/1/2012
Estimated In Service Date: 6/1/2012
Estimated Cost for Project: \$1,700,000

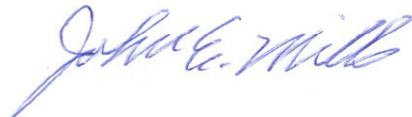
Upgrade ID: 10386
Upgrade Description: Rebuild line to 1590 ACSR
Categorization: Regional reliability
Upgrade Justifications: SPP-2006-AG3-AFS-11
Source of funding for Upgrade: Full Base Plan funded
Estimated Cost Source: GRDA
Date of Estimated Cost: 4/16/2007

Grand River Dam Authority shall submit a notification of commercial operation for each listed Upgrade ID# to SPP at the email address of SPPprojecttracking@spp.org as soon as the upgrade is complete and in service. Please provide SPP with the actual costs of these upgrades as soon as possible after completion of construction. This will facilitate the timely billing by SPP based on actual costs.

Please send SPP written commitment to construct these projects within 90 days in addition to providing a construction schedule for the accepted upgrades. For project tracking, SPP will request on a quarterly basis in conjunction with the SPP Board of Directors meetings that Grand River Dam Authority submit updates to the upgrade schedule status. Consistent with Section 32.10 of the SPP Tariff, please keep SPP advised of any inability on Grand River Dam Authority's part to complete the approved upgrades. If it is anticipated that the completion of any approved upgrade will be delayed past the estimated in service date, SPP requires a mitigation plan be filed within 60 days of the determination of expected delay in the upgrade schedule.

Don't hesitate to contact me if you have questions or comments about these requests. Thank you for the important role that you plan in maintaining the reliability of our electric grid.

Sincerely,



John Mills
Manager, Tariff Studies
Phone (501) 614-3356 • Fax: (501) 666-0376 • jmills@spp.org

cc: Carl Monroe, Les Dillahunty, Pat Bourne, Jay Caspary, SPPprojecttracking@spp.org, Anthony Due