



SPP  
Notification to Construct

415 N. McKinley, 140 Plaza West  
Little Rock, AR 72205-3020  
501-614-3356 • Fax: (501) 666-0376

John E. Mills  
Manager, Tariff Studies

**SPP-NTC-20013**

June 24, 2008

Ms. Terri Gallup  
American Electric Power  
212 E. 6th Street  
Tulsa, OK 74119

**RE: Transmission System Upgrade Notification to Construct for Transmission Service Request 1162214**

Dear Ms. Gallup:

Based on the executed three party agreement, "Letter Agreement Concerning Notice to Construct the Hempstead to NW Texarkana 345 Kv Circuit 1 project," Southwest Power Pool authorizes AEP to construct the Hempstead to NW Texarkana 345 kV Circuit 1 project. Based on the Aggregate study 2006-AG3-AFS-10, the facilities are required by June 1, 2011. The current power plant construction schedule requires these facilities no later than July 1, 2012. The project will consist of the following:

Project ID: 30142  
Project Name: Hempstead- NW Texarkana 345kV  
Required In-Service Date: 7/1/2012  
Estimated Project Cost: \$57,530,000

Upgrade ID: 50148  
Upgrade Description: Build approximately 33 miles of 2-954MCM ACSR 54/7 "Cardinal" conductors and two 7 No.8 Alumoweld shield wires, from Hempstead to NW Texarkana

Upgrade ID: 50149  
Upgrade Description: Add 345 kV terminal at NW Texarkana

Upgrade ID: 50150  
Upgrade Description: Add 345 kV terminal at Hempstead.



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The Required In-Service Date represents the timing required for the upgrade to address the identified need. We would appreciate your prompt attention to the formulation and approval of any necessary mitigation plans, if this date is not feasible.

AEP shall submit certification of commercial operation of each of the listed Network Upgrades to SPP as soon as the upgrades are completed and in service. Please provide SPP with the actual costs of these upgrades as soon as possible after the completion of construction. This will facilitate the timely billing by SPP based on actual costs.

Please keep SPP advised of any inability on AEP's part to complete the approved upgrades. In addition, SPP requests that a construction schedule supporting the required upgrade(s) noted above be provided within 30 days of receipt of this Notice to Construct. For project tracking, SPP will request on a quarterly basis, in conjunction with the SPP Board of Directors meetings, that AEP submit updates to the schedule status to [SPPprojecttracking@spp.org](mailto:SPPprojecttracking@spp.org).

If it is anticipated that the completion of any approved project will be delayed past the required in-service date, SPP requires a mitigation plan be filed within 30 days of the determination of expected delay in the project schedule.

Don't hesitate to contact me if you have questions.

Sincerely,

A handwritten signature in blue ink that reads 'John E. Mills'.

John E. Mills  
Manager, Tariff Studies

cc: C. Monroe, P. Bourne, L. Dillahunty, J. Caspary, J. Rooker, Brent Wilson-AEP, Scott Rainbolt-AEP, Richard Ross-AEP, Robert Pennybaker-AEP



*Lighting the past ... powering the future.*