

SPP
Notification to Construct

January 16, 2009

SPP-NTC- 20016

Ms. Terri Gallup
American Electric Power
212 E. 6th St.
Tulsa, 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 Ms. Gallup,

Southwest Power Pool has filed Service Agreement FERC Docket ER09-439, ER09-342, ER09-441, ER08-1206 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 American Electric Power 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 American Electric Power 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: 349

Project Name: MCNAB - TURK 115KV CKT 1 AEPW

RTO Determined Need Date for Project: 4/1/2012

Estimated In Service Date: 4/1/2012

Estimated Cost for Project: \$540,000

Upgrade ID: 10449

Upgrade Description: Reconductor about 0.5 miles of 666 ACSR with 1590 ACSR

Categorization: Service Upgrade

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

Source of funding for Upgrade: Full Base Plan funded

Estimated Cost Source: AEPW

Date of Estimated Cost: 11/14/2007

Project ID: 349

Project Name: HOPE - MCNAB 115KV CKT 1
RTO Determined Need Date for Project: 4/1/2012
Estimated In Service Date: 4/1/2012
Estimated Cost for Project: \$2,170,000

Upgrade ID: 10450
Upgrade Description: Reconductor 3.55 miles of 666 ACSR with 1590 ACSR,
Replace 115KV jumpers, circuit switcher, one span of conductor at Hope
Categorization: Service Upgrade
Upgrade Justifications: SPP-2006-AG3-AFS-11
Source of funding for Upgrade: Full Base Plan funded
Estimated Cost Source: AEPW
Date of Estimated Cost: 11/14/2007

Project ID: 507
Project Name: ARSENAL HILL - FORT HUMBUG 138KV CKT 1
RTO Determined Need Date for Project: 6/1/2010
Estimated In Service Date: 6/1/2010
Estimated Cost for Project: \$5,428,300

Upgrade ID: 10652
Upgrade Description: Rebuild 3.24 miles of 1272 AAC with 2156 ACSR.
Replace 3 138KV switches, breaker jumpers, and reset CTs at Arsenal Hill. Replace 2
138KV switches and jumpers at Fort Humbug
Categorization: Service Upgrade
Upgrade Justifications: SPP-2006-AG3-AFS-11
Source of funding for Upgrade: Full Base Plan funded
Estimated Cost Source: AEPW
Date of Estimated Cost: 4/15/2008

Project ID: 581
Project Name: SOUTHWEST SHREVEPORT - SOUTHWEST SHREVEPORT TAP
138KV CKT 1
RTO Determined Need Date for Project: 6/1/2008
Estimated In Service Date: 6/1/2008
Estimated Cost for Project: \$2,520,700

Upgrade ID: 10744
Upgrade Description: Rebuild 2.29 miles of 2-397.5 ACSR with 1590 ACSR.
Categorization: Regional reliability
Upgrade Justifications: SPP-2006-AG3-AFS-11
Source of funding for Upgrade: Full Base Plan funded
Estimated Cost Source: AEPW
Date of Estimated Cost: 7/17/2006

Project ID: 30144
Project Name: ARSENAL HILL - MCWILLIE STREET 138KV CKT 1
RTO Determined Need Date for Project: 6/1/2010
Estimated In Service Date: 6/1/2010
Estimated Cost for Project: \$100,000

Upgrade ID: 50152
Upgrade Description: Replace Arsenal Hill 138KV switches and jumpers
Categorization: Service Upgrade
Upgrade Justifications: SPP-2006-AG3-AFS-11
Source of funding for Upgrade: Full Base Plan funded
Estimated Cost Source: AEPW
Date of Estimated Cost: 1/13/2007

Project ID: 30145
Project Name: ARSENAL HILL - WATERWORKS 69KV CKT 1
RTO Determined Need Date for Project: 6/1/2010
Estimated In Service Date: 6/1/2010
Estimated Cost for Project: \$3,898,800

Upgrade ID: 50153
Upgrade Description: Rebuild 2.55 miles of 666 ACSR with 1272 ACSR
Categorization: Service Upgrade
Upgrade Justifications: SPP-2006-AG3-AFS-11
Source of funding for Upgrade: Full Base Plan funded
Estimated Cost Source: AEPW
Date of Estimated Cost: 4/15/2008

Project ID: 30146
Project Name: ARSENAL HILL (ARSHILL1) 138/69/12.47KV TRANSFORMER
CKT 1
RTO Determined Need Date for Project: 6/1/2010
Estimated In Service Date: 6/1/2010
Estimated Cost for Project: \$3,005,700

Upgrade ID: 50154
Upgrade Description: Replace auto and 69 KV breaker and switches
Categorization: Service Upgrade
Upgrade Justifications: SPP-2006-AG3-AFS-11
Source of funding for Upgrade: Full Base Plan funded
Estimated Cost Source: AEPW
Date of Estimated Cost: 4/15/2008

Project ID: 30147

Project Name: ARSENAL HILL (ARSHILL2) 138/69/14.5KV TRANSFORMER CKT
2

RTO Determined Need Date for Project: 6/1/2010

Estimated In Service Date: 6/1/2010

Estimated Cost for Project: \$3,005,700

Upgrade ID: 50155

Upgrade Description: Replace auto and 69 KV breaker and switches

Categorization: Service Upgrade

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

Source of funding for Upgrade: Full Base Plan funded

Estimated Cost Source: AEPW

Date of Estimated Cost: 4/15/2008

Project ID: 30148

Project Name: BANN - LONESTAR ORDINANCE TAP 69KV CKT 1 #2

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

Estimated In Service Date: 6/1/2012

Estimated Cost for Project: \$4,225,000

Upgrade ID: 50156

Upgrade Description: Replace 69KV switch at Lone Star Ordinance Tap.
Rebuild 4.14 miles of 397 ACSR with 795 ACSR.

Categorization: Service Upgrade

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

Source of funding for Upgrade: Full Base Plan funded

Estimated Cost Source: AEPW

Date of Estimated Cost: 4/15/2008

Project ID: 30149

Project Name: DYESS - TONTITOWN 161KV CKT 1

RTO Determined Need Date for Project: 6/1/2010

Estimated In Service Date: 6/1/2010

Estimated Cost for Project: \$276,000

Upgrade ID: 50157

Upgrade Description: Replace Dyess wavetrap

Categorization: Service Upgrade

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

Source of funding for Upgrade: Full Base Plan funded

Estimated Cost Source: AEPW

Date of Estimated Cost: 1/22/2007

Project ID: 30150

Project Name: LAWTON EASTSIDE (LES 4) 345/138/13.8KV TRANSFORMER
CKT 1

RTO Determined Need Date for Project: 12/1/2012

Estimated In Service Date: 12/1/2012

Estimated Cost for Project: \$4,560,000

Upgrade ID: 50158

Upgrade Description: Replace Auto with new 450 MVA auto

Categorization: Service Upgrade

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

Source of funding for Upgrade: Full Base Plan funded

Estimated Cost Source: AEPW

Date of Estimated Cost: 4/15/2008

Project ID: 30151

Project Name: LINWOOD - MCWILLIE STREET 138KV CKT 1 #2

RTO Determined Need Date for Project: 6/1/2009

Estimated In Service Date: 6/1/2009

Estimated Cost for Project: \$125,000

Upgrade ID: 50159

Upgrade Description: Replace Linwood Switches 10872 and 10873 and replace
138KV breaker jumpers

Categorization: Service Upgrade

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

Source of funding for Upgrade: Full Base Plan funded

Estimated Cost Source: AEPW

Date of Estimated Cost: 7/20/2007

Project ID: 30152

Project Name: LINWOOD - POWELL STREET 138KV CKT 1

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

Estimated In Service Date: 6/1/2012

Estimated Cost for Project: \$456,000

Upgrade ID: 50160

Upgrade Description: Replace 138KV Breaker, Switches, and Jumpers at
Linwood. Replace circuit switcher at Powell Street

Categorization: Service Upgrade

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

Source of funding for Upgrade: Full Base Plan funded

Estimated Cost Source: AEPW

Date of Estimated Cost: 4/15/2008

Project ID: 30153

Project Name: LONGWOOD (LONGWOOD) 345/138/13.2KV TRANSFORMER
CKT 1

RTO Determined Need Date for Project: 6/1/2010

Estimated In Service Date: 6/1/2010

Estimated Cost for Project: \$200,000

Upgrade ID: 50161

Upgrade Description: Replace four (4) switches and upgrading bus work

Categorization: Service Upgrade

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

Source of funding for Upgrade: Full Base Plan funded

Estimated Cost Source: AEPW

Date of Estimated Cost: 6/6/2008

Project ID: 30154

Project Name: MAGAZINE REC - NORTH MAGAZINE 161KV CKT 1 # 2

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

Estimated In Service Date: 6/1/2012

Estimated Cost for Project: \$100,000

Upgrade ID: 50162

Upgrade Description: Replace Jumpers at North Magazine

Categorization: Service Upgrade

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

Source of funding for Upgrade: Full Base Plan funded

Estimated Cost Source: AEPW

Date of Estimated Cost: 6/5/2007

Project ID: 30155

Project Name: OKAY - TOLLETTE 69KV CKT 1

RTO Determined Need Date for Project: 4/1/2012

Estimated In Service Date: 4/1/2012

Estimated Cost for Project: \$80,000

Upgrade ID: 50163

Upgrade Description: Replace 69KV switches

Categorization: Service Upgrade

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

Source of funding for Upgrade: Full Base Plan funded

Estimated Cost Source: AEPW

Date of Estimated Cost: 4/15/2008

Project ID: 30156

Project Name: SE TEXARKANA - TEXARKANA PLANT 69KV CKT 1

RTO Determined Need Date for Project: 4/1/2012

Estimated In Service Date: 4/1/2012
Estimated Cost for Project: \$35,000

Upgrade ID: 50164
Upgrade Description: Change out the 500 CU jumpers at Texarkana Plant
Categorization: Service Upgrade
Upgrade Justifications: SPP-2006-AG3-AFS-11
Source of funding for Upgrade: Full Base Plan funded
Estimated Cost Source: AEPW
Date of Estimated Cost: 10/24/2007

Project ID: 30157
Project Name: SOUTH TEXARKANA REC - TEXARKANA PLANT 69KV CKT 1
RTO Determined Need Date for Project: 4/1/2012
Estimated In Service Date: 4/1/2012
Estimated Cost for Project: \$4,750,000

Upgrade ID: 50165
Upgrade Description: Rebuild 5.92 miles of 266 ACSR with 795 ACSR.
Replace 69KV switches, jumpers, and reset CTs and relays at Texarkana Plant
Categorization: Service Upgrade
Upgrade Justifications: SPP-2006-AG3-AFS-11
Source of funding for Upgrade: Full Base Plan funded
Estimated Cost Source: AEPW
Date of Estimated Cost: 4/14/2008

Upgrades with Modifications

Previous NTC Number: 20000
Previous NTC Issue Date: 2/13/2008
Project ID: 108
Project Name: Line - North Market - Arsenal Hill 69 kV
RTO Determined Need Date for Project: 6/1/2010
Estimated In Service Date: 6/1/2010
Estimated Cost for Project: \$3,050,000

Upgrade ID: 10441
Upgrade Description: Rebuild 2.3 miles of 666 ACSR with 1272 ACSR
Reason For Change: Transmission Service requires an earlier in service date
Categorization: Regional reliability
Upgrade Justifications: SPP-2006-AG3-AFS-11
Source of funding for Upgrade: Full Base Plan funded
Estimated Cost Source: AEPW
Date of Estimated Cost: 9/26/2007

Previous NTC Number: 19958
Previous NTC Issue Date: 10/11/2006
Project ID: 288
Project Name: HUGO POWER PLANT - VALLIANT 345 KV AEPW
RTO Determined Need Date for Project: 4/1/2012
Estimated In Service Date: 4/1/2012
Estimated Cost for Project: \$3,840,000

Upgrade ID: 10374
Upgrade Description: Install 345 KV terminal equipment at Valliant Substation
Reason For Change: Based on the delay of the Hugo II and Turk Power Plants
Categorization: Service Upgrade
Upgrade Justifications: SPP-2006-AG3-AFS-11
Source of funding for Upgrade: Partial Base Plan funded
Estimated Cost Source: AEPW
Date of Estimated Cost: 9/9/2008

Previous NTC Number: 20000
Previous NTC Issue Date: 2/13/2008
Project ID: 291
Project Name: Line - Bann - Lonestar Ordinance Tap 69 kV
RTO Determined Need Date for Project: 6/1/2012
Estimated In Service Date: 6/1/2012
Estimated Cost for Project: \$25,000

Upgrade ID: 10377
Upgrade Description: Reset 69KV relay at Bann
Reason For Change: Transmission Service requires an earlier in service date
Categorization: Service Upgrade
Upgrade Justifications: SPP-2006-AG3-AFS-11
Source of funding for Upgrade: Full Base Plan funded
Estimated Cost Source: AEPW
Date of Estimated Cost: 7/1/2008

Previous NTC Number: 20000
Previous NTC Issue Date: 2/13/2008
Project ID: 296
Project Name: Line - Dyess - Elm Springs REC 161 kV
RTO Determined Need Date for Project: 6/1/2010
Estimated In Service Date: 6/1/2010
Estimated Cost for Project: \$4,800,000

Upgrade ID: 10382
Upgrade Description: Rebuild 5.17 miles of line.

Reason For Change: Transmission Service requires an earlier in service date
Categorization: Service Upgrade
Upgrade Justifications: SPP-2006-AG3-AFS-11
Source of funding for Upgrade: Full Base Plan funded
Estimated Cost Source: AEPW
Date of Estimated Cost: 4/15/2008

Previous NTC Number: 20000
Previous NTC Issue Date: 2/13/2008
Project ID: 343
Project Name: Line - Winnsboro - Magnolia Tap 69 kV
RTO Determined Need Date for Project: 6/1/2010
Estimated In Service Date: 6/1/2010
Estimated Cost for Project: \$250,000

Upgrade ID: 10440
Upgrade Description: Replace switch # 9114 . Replace 69KV switches at Winnsboro. Reset Cts and relay settings at Winnsboro.
Reason For Change: Transmission Service requires an earlier in service date
Categorization: Regional reliability
Upgrade Justifications: SPP-2006-AG3-AFS-11
Source of funding for Upgrade: Full Base Plan funded
Estimated Cost Source: AEPW
Date of Estimated Cost: 7/1/2008

Previous NTC Number: 20000
Previous NTC Issue Date: 2/13/2008
Project ID: 345
Project Name: Line - Magnolia - Forest Hill 69 kV
RTO Determined Need Date for Project: 6/1/2010
Estimated In Service Date: 6/1/2010
Estimated Cost for Project: \$125,000

Upgrade ID: 10442
Upgrade Description: Replace switch 9116
Reason For Change: Transmission Service requires an earlier in service date
Categorization: Regional reliability
Upgrade Justifications: SPP-2006-AG3-AFS-11
Source of funding for Upgrade: Full Base Plan funded
Estimated Cost Source: AEPW
Date of Estimated Cost: 7/1/2008

Previous NTC Number: 20000
Previous NTC Issue Date: 2/13/2008
Project ID: 346

Project Name: Line - Forest Hills - Quitman 69 kV
RTO Determined Need Date for Project: 6/1/2010
Estimated In Service Date: 6/1/2010
Estimated Cost for Project: \$250,000

Upgrade ID: 10443
Upgrade Description: Replace Quitman 69KV bus, switches and jumpers.
Change CT and relay settings at Quitman
Reason For Change: Transmission Service requires an earlier in service date
Categorization: Regional reliability
Upgrade Justifications: SPP-2006-AG3-AFS-11
Source of funding for Upgrade: Full Base Plan funded
Estimated Cost Source: AEPW
Date of Estimated Cost: 7/1/2008

Previous NTC Number: 20000
Previous NTC Issue Date: 2/13/2008
Project ID: 348
Project Name: Line - Dyess - Tontitown 161 kV
RTO Determined Need Date for Project: 6/1/2010
Estimated In Service Date: 6/1/2010
Estimated Cost for Project: \$224,000

Upgrade ID: 10445
Upgrade Description: Replace 161 KV breaker switches and CT at Dyess.
Reason For Change: Transmission Service requires an earlier in service date
Categorization: Service Upgrade
Upgrade Justifications: SPP-2006-AG3-AFS-11
Source of funding for Upgrade: Full Base Plan funded
Estimated Cost Source: AEPW
Date of Estimated Cost: 7/1/2008

Previous NTC Number: 20013
Previous NTC Issue Date: 6/24/2008
Project ID: 30142
Project Name: NW TEXARKANA - TURK 345KV CKT 1
RTO Determined Need Date for Project: 4/1/2012
Estimated In Service Date: 4/1/2012
Estimated Cost for Project: \$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 Turk to NW
Texarkana
Reason For Change: Transmission Service requires an earlier in service date

Categorization: Service Upgrade
Upgrade Justifications: SPP-2006-AG3-AFS-11
Source of funding for Upgrade: Full Base Plan funded
Estimated Cost Source: AEPW
Date of Estimated Cost: 5/8/2007

Previous NTC Number: 20013
Previous NTC Issue Date: 6/24/2008
Project ID: 30142
Project Name: NW TEXARKANA - TURK 345KV CKT 1
RTO Determined Need Date for Project: 4/1/2012
Estimated In Service Date: 4/1/2012
Estimated Cost for Project: \$57,530,000

Upgrade ID: 50149
Upgrade Description: Add 345 KV terminal at NW Texarkana
Reason For Change: Transmission Service requires an earlier in service date
Categorization: Service Upgrade
Upgrade Justifications: SPP-2006-AG3-AFS-11
Source of funding for Upgrade: Full Base Plan funded
Estimated Cost Source: AEPW
Date of Estimated Cost: 5/8/2007

Previous NTC Number: 20013
Previous NTC Issue Date: 6/24/2008
Project ID: 30142
Project Name: NW TEXARKANA - TURK 345KV CKT 1
RTO Determined Need Date for Project: 4/1/2012
Estimated In Service Date: 4/1/2012
Estimated Cost for Project: \$57,530,000

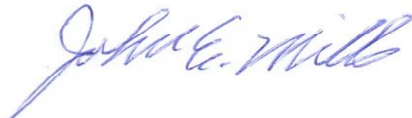
Upgrade ID: 50150
Upgrade Description: Add 345 KV terminal at Turk.
Reason For Change: Transmission Service requires an earlier in service date
Categorization: Service Upgrade
Upgrade Justifications: SPP-2006-AG3-AFS-11
Source of funding for Upgrade: Full Base Plan funded
Estimated Cost Source: AEPW
Date of Estimated Cost: 5/8/2007

American Electric Power 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 American Electric Power submit updates to the upgrade schedule status. Consistent with Section 32.10 of the SPP Tariff, please keep SPP advised of any inability on American Electric Power'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 play in maintaining the reliability of our electric grid.

Sincerely,



John Mills
Manager, Tariff Studies
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cc: Carl Monroe, Les Dillahunty, Pat Bourne, Jay Caspary, SPPprojecttracking@spp.org, Paul Johnson, Richard Ross, Brent Wilson, Scott Rainbolt, Matthew McGee