

SPP
Notification to Construct

September 18, 2009

SPP-NTC- 20050

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

RE: Notification to Construct for Transmission Service request resulting from Aggregate Transmission Service Study SPP-2007-AG1-AFS-12

Dear Mr. Fultz,

Pursuant to Section 3.3 of the Southwest Power Pool, Inc. ("SPP") Membership Agreement and Attachment O, Section VIII, of the SPP Open Access Transmission Tariff ("OATT"), SPP provides this Notification to Construct ("NTC") directing Grand River Dam Authority, as the Designated Transmission Owner, to construct the Network Upgrades.

Southwest Power Pool has filed Service Agreement FERC Docket ER09-790 for Transmission Service for customers in SPP-2007-AG1-AFS-12. 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-2007-AG1-AFS-12.

Upgrades with Modifications

Previous NTC Number: 20001
Previous NTC Issue Date: 1/27/2009
Project ID: 394
Project Name: KERR - PENSACOLA 115KV CKT 1
RTO Determined Need Date for Project: 6/1/2011
Estimated In Service Date: 6/1/2011
Estimated Cost for Project: \$10,450,000

Network Upgrade ID: 10512
Network Upgrade Description: Rebuild approximately 22 miles of line with 795 ACSR
Reason For Change: The project was withdrawn through the STEP Reliability evaluation. The project is still needed for Reliability when the requested Transmission Service was evaluated
Categorization: Regional Reliability Upgrade

Network Upgrade Specifications: All elements and conductor must have at least an emergency rating of 186 MVA, but is not limited to that amount.

Network Upgrade Justifications: SPP-2007-AG1-AFS-12

Source of Funding for Network Upgrade: Full Base Plan Funding

Estimated Cost Source: GRDA

Date of Estimated Cost: 4/16/2007

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, pursuant to Attachment O, Section VIII.6 of the SPP Open Access Transmission Tariff, in addition to providing a construction schedule for the Network Upgrade(s). Failure to provide a sufficient written commitment to construct as required by Attachment O could result in the Network Upgrade(s) being assigned to another entity.

Notification of Commercial Operation

Please submit a notification of commercial operation for each listed Network Upgrade to SPP at the email address of SPPprojecttracking@spp.org 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.

Mitigation Plan


The Need Date or Estimated In-Service Date represents the timing required for the Network Upgrade(s) to address the identified need. Your prompt attention is required to formulation and approval of any necessary mitigation plans for the Network Upgrade(s) included in the Network Upgrades(s) if the Need Date or Estimated In-Service Date is not feasible. Additionally, if it is anticipated that the completion of any Network Upgrade will be delayed past the Need Date or Estimated In-Service Date, SPP requires a mitigation plan be filed within 60 days of determination of expected delays.

Notification of Progress

On an ongoing basis, please keep SPP advised of any ability on GRDA's part to complete the approved Network Upgrade(s). For project tracking, SPP requires GRDA to submit updates on the status of the Network Upgrade(s) on a quarterly basis in conjunction with the SPP Board of Directors meetings. However consistent with Section 20.1 and 32.10 of the SPP Tariff, GRDA shall also advise SPP of any inability to comply with the Project Schedule as the inability becomes apparent. All terms and conditions of the SPP OATT and the membership Agreement shall apply to this Project 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,



John Mills

Manager, Tariff Studies

Phone (501) 614-3356 • Fax: (501) 666-0376 • jmills@spp.org

cc: Carl Monroe, Les Dillahunty, Bruce Rew, Pat Bourne, Jay Caspary,
SPPprojecttracking@spp.org, Anthony Due, Mike Herron, Kristy Tackett, Rick McCord