SPP Notification to Construct

February 8, 2010                   SPP-NTC-20085

Mr. Mitchell Williams
Western Farmers Electric Cooperative
701 NE 7th Street
Anadarko, OK 73005

RE: Notification to Construct Approved Reliability Network Upgrades

Dear Mr. Williams,

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 Western Farmers Electric Cooperative, as the Designated Transmission Owner, to construct the Network Upgrade(s).

On January 26, 2010, the Southwest Power Pool ("SPP") Board of Directors approved the Network Upgrade(s) listed below to be constructed.

**New Network Upgrades**

- **Project ID:** 672
- **Project Name:** Line - El Reno - El Reno SW 69 kV
- **Need Date for Project:** 6/1/2012
- **Estimated Cost for Project:** $1,950,000

  - **Network Upgrade ID:** 10878
  - **Network Upgrade Description:** Reconductor 6.5 mile El Reno - El Reno SW 69 kV line from 1/0 to 336.4 ACSR.
  - **Network Upgrade Owner:** Western Farmers Electric Cooperative
  - **MOPC Representative:** Alan Derichsweiler
  - **TWG Representative:** Mitchell Williams
  - **Categorization:** Regional reliability
  - **Network Upgrade Specification:** Upgrade the line to emergency rating 36 MVA.
  - **Network Upgrade Justification:** To address the overload of El Reno - El Reno SW 69 kV for the loss of Jensen Road - Jensen Tap 138 kV or the Jensen 138 kV bus.
  - **Need Date for Network Upgrade:** 6/1/2012
  - **Estimated Cost for Network Upgrade (current day dollars):** $1,950,000
  - **Cost Allocation of the Network Upgrade:** Base Plan
Estimated Cost Source: WFEC

Project ID: 845
Project Name: Line - Snyder - Tipton 69 kV CT
Need Date for Project: 6/1/2011
Estimated Cost for Project: $225,000

Network Upgrade ID: 11114
Network Upgrade Description: Upgrade Snyder 69 kV CTs from 400 A to 600 A.
Network Upgrade Owner: Western Farmers Electric Cooperative
MOPC Representative: Alan Derichsweiler
TWG Representative: Mitchell Williams
Categorization: Regional reliability
Network Upgrade Specification: Upgrade the line to emergency rating 65 MVA.
Network Upgrade Justification: To address the overload of Snyder - Tipton 69 kV for the loss of Esquandale Junction - Walters 69 kV.
Need Date for Network Upgrade: 6/1/2011
Estimated Cost for Network Upgrade (current day dollars): $225,000
Cost Allocation of the Network Upgrade: Base Plan
Estimated Cost Source: SPP

Project ID: 846
Project Name: Multi - Anadarko - Blanchard - OU SW 138 kV
Need Date for Project: 6/1/2013
Estimated Cost for Project: $15,862,500 (this project cost contains Network Upgrades not included in this NTC)

Network Upgrade ID: 11115
Network Upgrade Description: Rebuild 25.2 mile Anadarko - Blanchard 69 kV as 138 kV.
Network Upgrade Owner: Western Farmers Electric Cooperative
MOPC Representative: Alan Derichsweiler
TWG Representative: Mitchell Williams
Categorization: Regional reliability
Network Upgrade Specification: Upgrade the line to emergency rating 264 MVA.
Network Upgrade Justification: To address low voltages at Blanchard bus for loss of either Blanchard - OU 69 kV or the OU SW 138/69 kV transformer.
Need Date for Network Upgrade: 6/1/2013
Estimated Cost for Network Upgrade (current day dollars): $14,737,500
Cost Allocation of the Network Upgrade: Base Plan
Estimated Cost Source: SPP
Upgrades with Modifications

Previous NTC number: 20030
Previous NTC Issue Date: 1/27/2009
Project ID: 30178
Project Name: Device - Electra 69 kV Capacitor
Need Date for Project: 6/1/2011
Estimated Cost for Project: $240,000

Network Upgrade ID: 50186
Network Upgrade Description: Install a 6 Mvar capacitor bank at Electra substation 69 kV bus for a total of 18 Mvar at this location.
Network Upgrade Owner: Western Farmers Electric Cooperative
MOPC Representative: Alan Derichsweiler
TWG Representative: Mitchell Williams
Reason For Change: Modify timing and scope. 2009 STEP identified new RTO Determined Need Date for Project. Previous RTO Determined Need Date was 6/1/2013.
Categorization: Regional reliability
Network Upgrade Specification: Install capacitor of size 6 Mvar.
Network Upgrade Justification: To address low voltage at Electra SW and Guyer 69 kV for the loss of Snyder - Tipton 69 kV.
Need Date for Network Upgrade: 6/1/2011
Estimated Cost for Network Upgrade (current day dollars): $240,000
Cost Allocation of the Network Upgrade: Base Plan
Estimated Cost Source: SPP

Withdrawal of Upgrades

Previous NTC number: 20003
Previous NTC issue Date: 2/13/2008
Project ID: 30094
Project Name: Device - Mustang 69 kV Capacitor

Network Upgrade ID: 50100
Network Upgrade Description: Install an additional 6 Mvar capacitor bank at Mustang substation 69 kV bus.
Reason For Change: Based on the 2009 STEP model's circuit configuration and the 2009 load forecast the upgrade is no longer needed.
Western Farmers Electric Cooperative has been made aware of all Network Upgrades withdrawn through the expansion plan process. This letter is the formal notification to stop any further work on this Network Upgrade(s), collect any cost associated with the Network Upgrade(s), and provide this information to SPP.

**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 OATT, in addition to providing a construction schedule for the Network Upgrade(s). Failure to provide a written commitment to construct as required by Attachment O could result in the Network Upgrade(s) being assigned to another entity.

**Mitigation Plan**
The Need 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 any necessary mitigation plans for the Network Upgrade(s) if the Need Date is not feasible. Additionally, if it is anticipated that the completion of any Network Upgrade will be delayed past the Need Date, SPP requires a mitigation plan be filed within 60 days of the 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 Western Farmers Electric Cooperative’s part to complete the approved Network Upgrade(s). For project tracking purposes, SPP requires Western Farmers Electric Cooperative 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 Sections 20.1 and 32.10 of the SPP OATT, Western Farmers Electric Cooperative shall also advise SPP of any inability to comply with the Project Schedule as soon as the inability becomes apparent.

All terms and conditions of the SPP OATT and the SPP Membership Agreement shall apply to this Project, and nothing in this NTC shall vary such terms and conditions.

Don't hesitate to contact me if you have questions or comments regarding these instructions. Thank you for the important role that you play in maintaining the reliability of our electric grid.
Sincerely,

Bruce A. Rew
Vice President, Engineering
Phone (501) 614-3214 • Fax: (501) 821-3198 • BRew@spp.org

cc: Carl Monroe, Les Dilahunty, Pat Bourne, Jay Caspary, Keith Tynes, John Mills,
    SPPprojecttracking@spp.org, Alan Derichsweiler, Ron Cunningham