SPP
Notification to Construct

May 26, 2011

Mr. Paul Hassink
American Electric Power
212 E. 6th St.
Tulsa, OK 74119

RE: Notification to Construct for Transmission Service request resulting from Aggregate Transmission Service Study SPP-2009-AGP2-AFS-6

Dear Mr. Hassink,

Pursuant to Section 3.3 of the Southwest Power Pool, Inc. (“SPP”) Membership Agreement and Attachment O, Section VI, of the SPP Open Access Transmission Tariff (“OATT”), SPP provides this Notification to Construct (“NTC”) directing American Electric Power, as the Designated Transmission Owner, to construct the Network Upgrade(s).

On May 26, 2011, SPP concluded that the project(s) is required on the American Electric Power system to fulfill Transmission Service Requests as detailed in Aggregate Facility Study SPP-2009-AGP2-AFS-6.

New Network Upgrades

Project ID: 30316
Project Name: DIANA (DIANA 3) 345/138/13.8KV TRANSFORMER CKT 3
RTO Determined Need Date for Project: 6/1/2013
Estimated In Service Date: 6/1/2013
Estimated Cost for Project: $5,500,000

Network Upgrade ID: 50363
Network Upgrade Description: Replace auto with new 450 MVA.
Categorization: Service Upgrade
Network Upgrade Specifications: All elements and conductor must have at least an emergency rating of 495 MVA, but are not limited to that amount.
Network Upgrade Justifications: SPP-2009-AGP2-AFS-6
Source of Funding for Network Upgrade: 100% Base Plan
Estimated Cost Source: AEP
Date of Estimated Cost: 7/16/2009

Project ID: 30317
Project Name: EASTON REC - KNOX LEE 138KV CKT 1  
RTO Determined Need Date for Project: 6/1/2012  
Estimated In Service Date: 6/1/2012  
Estimated Cost for Project: $150,000

Network Upgrade ID: 50363  
Network Upgrade Description: Replace the Knox Lee wavetrap and reset the CTs.  
Categorization: Regional Reliability Upgrade  
Network Upgrade Specifications: All elements and conductor must have at least an emergency rating of 536 MVA, but are not limited to that amount.  
Network Upgrade Justifications: SPP-2009-AGP2-AFS-6  
Source of Funding for Network Upgrade: 100% Base Plan  
Estimated Cost Source: AEP  
Date of Estimated Cost: 4/11/2011

Project ID: 30318  
Project Name: EASTON REC - PIRKEY 138KV CKT 1  
RTO Determined Need Date for Project: 6/1/2012  
Estimated In Service Date: 6/1/2012  
Estimated Cost for Project: $500,000

Network Upgrade ID: 50364  
Network Upgrade Description: Replace breaker, wavetrap, and reset relays at Pirkey.  
Categorization: Regional Reliability Upgrade  
Network Upgrade Specifications: All elements and conductor must have at least an emergency rating of 536 MVA, but are not limited to that amount.  
Network Upgrade Justifications: SPP-2009-AGP2-AFS-6  
Source of Funding for Network Upgrade: 100% Base Plan  
Estimated Cost Source: AEP  
Date of Estimated Cost: 4/11/2011

Project ID: 30319  
Project Name: PIRKEY - WHITNEY 138KV CKT 1  
RTO Determined Need Date for Project: 6/1/2013  
Estimated In Service Date: 6/1/2013  
Estimated Cost for Project: $900,000

Network Upgrade ID: 50365  
Network Upgrade Description: Replace the Pirkey wavetrap and the Whitney wavetrap & breakers.  
Categorization: Regional Reliability Upgrade
SPP-NTC-20135

**Network Upgrade Specifications:** All elements and conductor must have at least an emergency rating of 536 MVA, but are not limited to that amount.

**Network Upgrade Justifications:** SPP-2009-AGP2-AFS-6

**Source of Funding for Network Upgrade:** 100% Base Plan

**Estimated Cost Source:** AEP

**Date of Estimated Cost:** 4/11/2011

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**Commitment to Construct**

Please provide to SPP a written commitment to construct the Network Upgrade(s) within 90 days of the date of this NTC, pursuant to Attachment O, Section VI.6 of the SPP OATT, 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.

**Mitigation Plan**

The Estimated In-Service Date represents the timing required for the Network Upgrade(s) to address the identified need. Your prompt attention is required in the formulation and approval of any necessary mitigation plans for the Network Upgrade(s) if the Estimated In-Service Date is not feasible. Additionally, if it is anticipated that the completion of any Network Upgrade will be delayed past the Estimated In-Service Date, SPP requires a mitigation plan be filed within 60 days of 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 American Electric Power’s part to complete the approved Network Upgrade(s). For project tracking purposes, SPP requires American Electric Power 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 OATT, American Electric Power 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 the Project(s), and nothing in this letter 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,

Carl Monroe  
Executive Vice President & COO  
Phone (501) 614-3218 • Fax: (501) 821-3198 • cmonroe@spp.org

cc: Lanny Nickell, Katherine Prewitt, Bob Bradish, Paul Johnson, Raja Sundararajan, Matt Vermillion, Richard Ross, Matt McGee