

**SPP**  
**Notification to Construct**

November 20, 2012

Mr. John Fulton  
Southwestern Public Service Company  
P.O. Box 1261  
Amarillo, TX 79105

RE: Notification to Construct for Transmission Service Request resulting from Aggregate Transmission Service Study SPP-2010-AGP1-AFS-8

Dear Mr. Fulton,

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 Southwestern Public Service Company ("SPS"), as the Designated Transmission Owner, to construct the Network Upgrades.

On October 22, 2012, SPP concluded that the project(s) is required on the SPS system to fulfill Transmission Service Requests as detailed in Aggregate Facility Study SPP-2010-AGP1-AFS-8.

**New Network Upgrades**

**Project ID:** 1000

**Project Name:** Line - Jones Station Bus#2 - Lubbock South Interchange 230 kV CKT 2 terminal upgrade

**Need Date for Project:** 6/1/2013

**Estimated In-Service Date:** 6/1/2013

**Estimated Cost for Project:** \$110,240

**Date of Estimated Cost:** 11/26/2011

**Estimated Cost Source:** SPS

**Network Upgrade ID:** 11314

**Network Upgrade Name:** Jones Station Bus#2 - Lubbock South Interchange 230 kV CKT 2 terminal upgrade

**Network Upgrade Description:** Upgrade line trap at both Jones Bus #2 and Lubbock South Interchange.

**Network Upgrade Owner:** SPS

**Categorization:** Transmission Service

**Network Upgrade Specification:** All elements and conductor must have at least an emergency rating of 402 MVA.

**SPP-NTC-200193**

**Network Upgrade Justification:** SPP-2010-AGP1-AFS-8  
**Estimated Cost for Network Upgrade (current day dollars):** \$110,240  
**Cost Allocation of the Network Upgrade:** Base Plan  
**Estimated Cost Source:** SPS  
**Date of Estimated Cost:** 11/26/2011

**Project ID:** 30422  
**Project Name:** XFR - Deaf Smith County Interchange 230/115 kV transformer CKT 1  
**Need Date for Project:** 6/1/2012  
**Estimated In-Service Date:** 6/1/2015  
**Estimated Cost for Project:** \$6,000,000  
**Date of Estimated Cost:** 7/18/2012  
**Estimated Cost Source:** SPP

**Network Upgrade ID:** 50515  
**Network Upgrade Name:** Deaf Smith County Interchange 230/115 kV transformer CKT 1  
**Network Upgrade Description:** Upgrade Deaf Smith County Interchange 230/115 kV CKT 1 transformer to 250 MVA.  
**Network Upgrade Owner:** SPS  
**Categorization:** Regional reliability  
**Network Upgrade Specification:** All elements and conductor must have at least an emergency rating of 186 MVA.  
**Network Upgrade Justification:** SPP-2010-AGP1-AFS-8  
**Estimated Cost for Network Upgrade (current day dollars):** \$6,000,000  
**Cost Allocation of the Network Upgrade:** Base Plan  
**Estimated Cost Source:** SPP  
**Date of Estimated Cost:** 7/18/2012

**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 and an updated  $\pm 20\%$  cost estimate, NTC Project Estimate, in the Standardized Cost Estimate Reporting Template 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 Estimated In-Service 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) included in the Network Upgrades(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**

Please keep SPP advised of any inability on SPS's part to complete the approved Network Upgrade(s). For project tracking, SPP requires SPS to submit status updates for the Network Upgrade(s) quarterly, in conjunction with the SPP Board of Directors meetings. However, consistent with Section 20.1 and 32.10 of the SPP OATT, SPS shall also advise SPP of any inability to comply with the Project(s) 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(s) 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 plan in maintaining the reliability of our electric grid.

Sincerely,

A handwritten signature in black ink that reads "Lanny Nickell".

Lanny Nickell  
Vice President, Engineering  
Phone: (501) 614-3232 • Fax: (501) 482-2022 • [lnickell@spp.org](mailto:lnickell@spp.org)

cc: Carl Monroe - SPP  
Katherine Prewitt - SPP  
William Grant - Southwestern Public Service Company