

SPP-NTC-200259

**SPP
Notification to Construct**

February 19, 2014

Mr. Mohamad Doghman
Omaha Public Power District
444 South 16th Street Mall
Omaha, NE 68102

RE: Notification to Construct Approved Reliability Network Upgrades

Dear Mr. Doghman,

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 Omaha Public Power District ("OPPD"), as the Designated Transmission Owner ("DTO"), to construct the Network Upgrade(s). This NTC is conditioned upon OPPD not ordering materials or beginning construction until:

- (1) the DTO submits a refined NTC-C Project Estimate ("CPE") to SPP that has a variance bandwidth of -20% to +20% that does not exceed the Study Estimate variance bandwidth of -30% to +30% as provided for in SPP's Business Practices; or
- (2) the SPP Board of Directors considers SPP's re-evaluation of a project that has a refined CPE from the DTO that exceeds the Study Estimate variance bandwidth of -30% to +30% as provided for in SPP's Business Practices.

On January 28, 2014, the SPP Board of Directors approved the Network Upgrade(s) listed below to be constructed as part of the 2014 Integrated Transmission Planning ("ITP") Near-Term Assessment.

New Network Upgrades

Project ID: 30588
Project Name: Multi - Fremont - S6801 161/69 kV Ckt 1
Need Date for Project: 6/1/2019
Estimated Cost for Project: \$35,091,946

SPP-NTC-200259

Network Upgrade ID: 50745

Network Upgrade Name: Fremont 161/69 kV Transformer Ckt 1

Network Upgrade Description: Install new 161/69 kV transformer at Fremont to accommodate a new 161 kV interconnection.

Network Upgrade Owner: OPPD

MOPC Representative(s): Doug Collins

TWG Representative: Dan Lenihan

Categorization: Regional reliability

Network Upgrade Specification: All elements and conductor must have at least an emergency rating of 134 MVA.

Network Upgrade Justification: To relieve overloads of the Fremont 115/69 kV transformer and low voltage issues at the Fremont substation and surrounding areas. Also addresses other overloads in the OPPD and Nebraska Public Power District areas.

Estimated Cost for Network Upgrade (current day dollars): \$2,416,277

Cost Allocation of the Network Upgrade: Base Plan

Estimated Cost Source: OPPD

Date of Estimated Cost: 1/30/2014

Network Upgrade ID: 50746

Network Upgrade Name: Fremont - S6801 69 kV Ckt 1

Network Upgrade Description: Build new 3-mile 69 kV line from Fremont to new substation S6801.

Network Upgrade Owner: OPPD

MOPC Representative(s): Doug Collins

TWG Representative: Dan Lenihan

Categorization: Regional reliability

Network Upgrade Specification: All elements and conductor must have at least an emergency rating of 144 MVA.

Network Upgrade Justification: To relieve overloads of the Fremont 115/69 kV transformer and low voltage issues at the Fremont substation and surrounding areas. Also addresses other overloads in the OPPD and Nebraska Public Power District areas.

Estimated Cost for Network Upgrade (current day dollars): \$3,606,519

Cost Allocation of the Network Upgrade: Base Plan

Estimated Cost Source: OPPD

Date of Estimated Cost: 1/30/2014

Network Upgrade ID: 50747

Network Upgrade Name: S1226 - S1301 161kV Ckt 1

Network Upgrade Description: Build new 17-mile 161 kV line from S1226 to new substation S1301.

Network Upgrade Owner: OPPD

SPP-NTC-200259

MOPC Representative(s): Doug Collins

TWG Representative: Dan Lenihan

Categorization: Regional reliability

Network Upgrade Specification: All elements and conductor must have at least an emergency rating of 377 MVA.

Network Upgrade Justification: To address overloads in the OPPD and NPPD areas.

Estimated Cost for Network Upgrade (current day dollars): \$29,069,150

Cost Allocation of the Network Upgrade: Base Plan

Estimated Cost Source: OPPD

Date of Estimated Cost: 1/30/2014

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. 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.

CPE

Please provide SPP a CPE by August 31, 2014, as described in SPP's Business Practice No. 7060 regarding Notification to Construct with Conditions. OPPD shall advise SPP of any inability to provide the CPE by August 31, 2014, as soon as the inability becomes apparent.

Removal of Conditions

Upon notice by SPP of removal of the conditions contained in this NTC, SPP will issue the DTO a new NTC and the following will be applicable:

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) included in 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.

SPP-NTC-200259

Notification of Progress

On an ongoing basis, please keep SPP advised of any inability on OPPD's part to complete the approved Network Upgrade(s). For project tracking, SPP requires OPPD to submit status updates of the Network Upgrade(s) quarterly in conjunction with the SPP Board of Directors meetings. However, OPPD 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,

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

cc: Carl Monroe - SPP
Katherine Prewitt - SPP
Larry Ciecior - OPPD
Dan Lenihan - OPPD