

SPP-NTC-200247

**SPP
Notification to Construct**

February 19, 2014

Mr. Philip Crissup
Oklahoma Gas and Electric Co.
P.O. Box 321, M/C 903
Oklahoma City, OK 73101

RE: Notification to Construct Approved Reliability Network Upgrades

Dear Mr. Crissup,

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 Oklahoma Gas and Electric Co. ("OGE"), as the Designated Transmission Owner, to construct the Network Upgrade(s).

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: 30582

Project Name: Device - County Line 69 kV #2

Need Date for Project: 6/1/2017

Estimated Cost for Project: \$740,254

Network Upgrade ID: 50738

Network Upgrade Name: County Line 69 kV Cap Bank

Network Upgrade Description: Install a 9-Mvar capacitor bank at 69 kV at either County Line or Wildhorse substation.

Network Upgrade Owner: OGE

MOPC Representative(s): Jacob Langthorn, IV

TWG Representative: Travis Hyde

Categorization: Regional reliability

Network Upgrade Specification: Install at least 9 Mvar of capacitance at either County Line or Wildhorse 69 kV.

Network Upgrade Justification: To address voltage violation issues at Mobil Oil 69 kV

SPP-NTC-200247

and Wildhorse 69 kV facilities for the outage of Ratliff - Wildhorse 69 kV Ckt 1 or Ratliff (Ratliff2) 138/69/13.2 kV transformer.

Estimated Cost for Network Upgrade (current day dollars): \$740,254

Cost Allocation of the Network Upgrade: Base Plan

Estimated Cost Source: OGE

Date of Estimated Cost: 12/18/2013

Withdrawal of Upgrades

Previous NTC Number: 200204

Previous NTC Issue Date: 2/20/2013

Project ID: 30441

Project Name: Device - Gracemont 345 kV

Network Upgrade ID: 50536

Network Upgrade Name: Gracemont 345 kV Reactor

Network Upgrade Description: Install a 50 Mvar reactor at Gracemont 345 kV bus.

Reason for Change: Identified in 2014 ITP Near-Term Assessment that the upgrade is no longer needed for regional reliability.

Previous NTC Number: 200204

Previous NTC Issue Date: 2/20/2013

Project ID: 30442

Project Name: Device - Hunter 345 kV

Network Upgrade ID: 50537

Network Upgrade Name: Hunter 345 kV Reactor

Network Upgrade Description: Install a 30 Mvar reactor at Hunter 345 kV bus for the Hunter - Wichita 345 kV line.

Reason for Change: Identified in 2014 ITP Near Term that upgrade is no longer needed for regional reliability

Previous NTC Number: 200204

Previous NTC Issue Date: 2/20/2013

Project ID: 30445

Project Name: Device - Tatonga 345 kV

Network Upgrade ID: 50540

Network Upgrade Name: Tatonga 345 kV Reactor

Network Upgrade Description: Install a 30 Mvar reactor at the Tatonga 345 kV bus on the Tatonga - Woodward District 345 kV line.

SPP-NTC-200247

Reason for Change: Identified in 2014 ITP Near-Term Assessment that upgrade is no longer needed for regional reliability.

Withdrawal of Network Upgrade

OGE 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) and submit any cost information associated with the Network Upgrade(s) 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 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 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 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.

Notification of Progress

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

SPP-NTC-200247

Thank you for the important role that you play in maintaining the reliability of our electric grid.

Sincerely,



Lanny Nickell
Vice President, Engineering
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cc: Carl Monroe - SPP
Katherine Prewitt - SPP
Jacob Langthorn, IV - OGE
Travis Hyde - OGE