

**SPP-NTC-200253**

**SPP  
Notification to Construct**

February 19, 2014

Mr. Paul Malone  
Nebraska Public Power District  
P.O. Box 608  
York, NE 68467

RE: Notification to Construct Approved Reliability Network Upgrades

Dear Mr. Malone,

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 Nebraska Public Power District ("NPPD"), 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:** 30566

**Project Name:** Line - Maxwell - North Platt 115 kV Ckt 1

**Need Date for Project:** 6/1/2014

**Estimated Cost for Project:** \$30,000

**Network Upgrade ID:** 50704

**Network Upgrade Name:** Maxwell - North Platt 115 kV Terminal Upgrades

**Network Upgrade Description:** Upgrade substation equipment at Maxwell and North Platt substations to 1200 Amp to increase emergency line rating to 215 MVA.

**Network Upgrade Owner:** NPPD

**MOPC Representative(s):** Paul Malone

**TWG Representative:** Randy Lindstrom

**Categorization:** Regional reliability

**Network Upgrade Specification:** All elements and conductor must have at least an emergency rating of 215 MVA.

**Network Upgrade Justification:** To address overloads of Maxwell - North Platte 115

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kV Ckt 1 for the outage of Broken Bow - Crooked Creek 115 kV Ckt 1 or Crooked Creek 230/115 kV Ckt 1 Transformer.

**Estimated Cost for Network Upgrade (current day dollars):** \$30,000

**Cost Allocation of the Network Upgrade:** Base Plan

**Estimated Cost Source:** NPPD

**Date of Estimated Cost:** 11/22/2013

**Upgrades with Modifications**

**Previous NTC Number:** 200220

**Previous NTC Issue Date:** 3/11/2013

**Project ID:** 30374

**Project Name:** Multi - Hoskins - Neligh 345 kV

**Need Date for Project:** 6/1/2016

**Estimated Cost for Project:** \$98,697,720

**Network Upgrade ID:** 50440

**Network Upgrade Name:** Hoskins - Neligh 345 kV Ckt 1

**Network Upgrade Description:** Build a new 41-mile 345 kV line from Hoskins to Neligh.

**Network Upgrade Owner:** NPPD

**MOPC Representative(s):** Paul Malone

**TWG Representative:** Randy Lindstrom

**Reason for Change:** The 2014 ITP Near-Term accelerated the Need Date from 3/1/2019 to 6/1/2016.

**Categorization:** Regional reliability

**Network Upgrade Specification:** All elements and conductor must have at least an emergency rating of 1792 MVA.

**Network Upgrade Justification:** To address the overload of the Battle Creek - County Line 115 kV line for the outage of Albion - Petersburg 115 kV line. Also addresses overloads resulting from contingencies in the Neligh area.

**Estimated Cost for Network Upgrade (current day dollars):** \$68,774,278

**Cost Allocation of the Network Upgrade:** Base Plan

**Estimated Cost Source:** NPPD

**Date of Estimated Cost:** 2/19/2013

**Network Upgrade ID:** 50441

**Network Upgrade Name:** Neligh 345/115 kV Substation

**Network Upgrade Description:** Build new substation at Neligh. Install a new 345/115 kV transformer and all necessary 345 kV equipment at Neligh.

**Network Upgrade Owner:** NPPD

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**MOPC Representative(s):** Paul Malone

**TWG Representative:** Randy Lindstrom

**Reason for Change:** The 2014 ITP Near-Term Assessment accelerated the Need Date from 3/1/2019 to 6/1/2016.

**Categorization:** Regional reliability

**Network Upgrade Specification:** All elements and conductor must have at least an emergency rating of 474 MVA.

**Network Upgrade Justification:** To address the overload of the Battle Creek - County Line 115 kV line for the outage of Albion - Petersburg 115 kV line. Also addresses overloads resulting from contingencies in the Neligh area.

**Estimated Cost for Network Upgrade (current day dollars):** \$12,118,564

**Cost Allocation of the Network Upgrade:** Base Plan

**Estimated Cost Source:** NPPD

**Date of Estimated Cost:** 2/19/2013

**Network Upgrade ID:** 50621

**Network Upgrade Name:** Neligh 115 kV Terminal Upgrades

**Network Upgrade Description:** Install necessary terminal equipment at the 115 kV bus in the new Neligh substation. Construct approximately 18 miles of new 115 kV transmission to tie Neligh East 345/115 kV into the existing 115 kV transmission system

**Network Upgrade Owner:** NPPD

**MOPC Representative(s):** Paul Malone

**TWG Representative:** Randy Lindstrom

**Reason for Change:** The 2014 ITP Near-Term Assessment accelerated the Need Date from 3/1/2019 to 6/1/2016.

**Categorization:** Regional reliability

**Network Upgrade Specification:** All elements and conductor must have at least an emergency rating of 474 MVA.

**Network Upgrade Justification:** To address the overload of the Battle Creek - County Line 115 kV line for the outage of Albion - Petersburg 115 kV line. Also addresses overloads resulting from contingencies in the Neligh area.

**Estimated Cost for Network Upgrade (current day dollars):** \$17,804,878

**Cost Allocation of the Network Upgrade:** Base Plan

**Estimated Cost Source:** NPPD

**Date of Estimated Cost:** 11/22/2013

**Previous NTC Number:** 200230

**Previous NTC Issue Date:** 9/10/2013

**Project ID:** 30496

**Project Name:** Multi - Stegall 345/115 kV and Stegall - Scottsbluff 115 kV

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**Need Date for Project:** 6/1/2014

**Estimated Cost for Project:** \$35,000,000

**Network Upgrade ID:** 50608

**Network Upgrade Name:** Stegall 345/115 kV Transformer Ckt 1

**Network Upgrade Description:** Install new 345/115 kV 400 MVA transformer at Stegall substation and necessary terminal equipment at the 115 kV bus. This upgrade is contingent upon approval from Basin Electric to connect to the Stegall 345 kV substation that they operate.

**Network Upgrade Owner:** NPPD

**MOPC Representative(s):** Paul Malone

**TWG Representative:** Randy Lindstrom

**Reason for Change:** The 2014 ITP Near-Term Assessment accelerated the Need Date from 6/1/2015 to 6/1/2014.

**Categorization:** Regional reliability

**Network Upgrade Specification:** All elements and conductor must have at least an emergency rating of 440 MVA.

**Network Upgrade Justification:** Identified in the 2013 ITP Near-Term Assessment as alternative solution for both Upgrade ID 50320, Stegall 345/230 kV Transformer Ckt 2 and Upgrade ID 50400, Stegall - Stegall Tap 230 kV Ckt 2. It also eliminates the potential need to upgrade the Victory Hill 230/115 kV transformer.

**Estimated Cost for Network Upgrade (current day dollars):** \$5,800,000

**Cost Allocation of the Network Upgrade:** Base Plan

**Estimated Cost Source:** NPPD

**Date of Estimated Cost:** 8/29/2013

**Network Upgrade ID:** 50609

**Network Upgrade Name:** Scottsbluff - Stegall 115 kV Ckt 1

**Network Upgrade Description:** Install new 22-mile 115 kV line from Stegall to Scottsbluff and install any necessary terminal equipment. This upgrade is contingent upon Basin Electric's approval noted in Upgrade ID 50608.

**Network Upgrade Owner:** NPPD

**MOPC Representative(s):** Paul Malone

**TWG Representative:** Randy Lindstrom

**Reason for Change:** The 2014 ITP Near-Term Assessment accelerated the Need Date from 6/1/2015 to 6/1/2014.

**Categorization:** Regional reliability

**Network Upgrade Specification:** All elements and conductor must have at least an emergency rating of 440 MVA.

**Network Upgrade Justification:** Identified in the 2013 ITP Near-Term Assessment as alternative solution for both Upgrade ID 50320, Stegall 345/230 kV Transformer Ckt 2

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and Upgrade ID 50400, Stegall - Stegall Tap 230 kV Ckt 2. It also eliminates the potential need to upgrade the Victory Hill 230/115 kV transformer.

**Estimated Cost for Network Upgrade (current day dollars):** \$23,782,900

**Cost Allocation of the Network Upgrade:** Base Plan

**Estimated Cost Source:** NPPD

**Date of Estimated Cost:** 8/29/2013

**Network Upgrade ID:** 50616

**Network Upgrade Name:** Stegall 345 kV Terminal Upgrades

**Network Upgrade Description:** Install any necessary terminal equipment at the 345 kV bus in Stegall substation. This upgrade is contingent upon Basin Electric's approval noted in Upgrade ID 50608.

**Network Upgrade Owner:** NPPD

**MOPC Representative(s):** Paul Malone

**TWG Representative:** Randy Lindstrom

**Reason for Change:** The 2014 ITP Near-Term Assessment accelerated the Need Date from 6/1/2015 to 6/1/2014.

**Categorization:** Regional reliability

**Network Upgrade Specification:** All elements and conductor must have at least an emergency rating of 3000 A.

**Network Upgrade Justification:** Identified in the 2013 ITP Near-Term Assessment as alternative solution for both Upgrade ID 50320, Stegall 345/230 kV Transformer Ckt 2 and Upgrade ID 50400, Stegall - Stegall Tap 230 kV Ckt 2. It also eliminates the potential need to upgrade the Victory Hill 230/115 kV transformer.

**Estimated Cost for Network Upgrade (current day dollars):** \$5,417,100

**Cost Allocation of the Network Upgrade:** Base Plan

**Estimated Cost Source:** NPPD

**Date of Estimated Cost:** 8/29/2013

**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

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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.

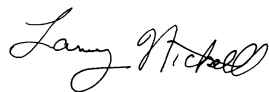
**Notification of Progress**

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

cc: Carl Monroe - SPP  
Katherine Prewitt - SPP  
Randy Lindstrom - NPPD