SPP
Notification to Construct

May 19, 2014

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

RE: Notification to Construct Approved High Priority Upgrades

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 ("DTO"), to construct the Network Upgrade(s). This NTC is conditioned upon SPS 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 April 29, 2014, the SPP Board of Directors approved the High Priority Incremental Load Study ("HPILS"). The Network Upgrade(s) listed below were included in Appendix C of the HPILS report and are to be constructed.

New Network Upgrades

Project ID: 30637
Project Name: Multi - Hobbs - Kiowa 345 kV Ckt 1
Need Date for Project: 6/1/2018
Estimated Cost for Project: $65,989,591
Network Upgrade ID: 50851
Network Upgrade Name: Kiowa 345 kV Substation
Network Upgrade Description: Construct new Kiowa 345 kV substation adjacent to Potash Junction. 345 kV bus will be ring, expandable to minimum 6 line or transformer terminals. Install terminal equipment as needed.
Network Upgrade Owner: SPS
MOPC Representative(s): William Grant
TWG Representative: John Fulton
Categorization: High priority
Network Upgrade Specification: All elements and conductor must have at least an emergency rating of 1792 MVA.
Network Upgrade Justification: To address needs identified in the HPILS.
Estimated Cost for Network Upgrade (current day dollars): $10,142,928
Cost Allocation of the Network Upgrade: Base Plan
Estimated Cost Source: SPS
Date of Estimated Cost: 2/21/2014

Network Upgrade ID: 50875
Network Upgrade Name: Hobbs - Kiowa 345 kV Ckt 1
Network Upgrade Description: Construct new 47.2-mile 345 kV line from Kiowa to Hobbs.
Network Upgrade Owner: SPS
MOPC Representative(s): William Grant
TWG Representative: John Fulton
Categorization: High priority
Network Upgrade Specification: All elements and conductor must have at least an emergency rating of 1792 MVA.
Network Upgrade Justification: To address needs identified in the HPILS.
Estimated Cost for Network Upgrade (current day dollars): $55,846,663
Cost Allocation of the Network Upgrade: Base Plan
Estimated Cost Source: SPS
Date of Estimated Cost: 2/14/2014

Project ID: 30638
Project Name: Multi - Kiowa - North Loving - China Draw 345/115 kV Ckt 1
Need Date for Project: 6/1/2018
Estimated Cost for Project: $62,619,690

Network Upgrade ID: 50819
Network Upgrade Name: China Draw - North Loving 345 kV Ckt 1
Network Upgrade Description: Construct new 18.2-mile 345 kV line from North
Loving to China Draw.

**Network Upgrade Owner:** SPS  
**MOPC Representative(s):** William Grant  
**TWG Representative:** John Fulton  
**Categorization:** High priority  
**Network Upgrade Specification:** All elements and conductor must have at least an emergency rating of 1792 MVA.  
**Network Upgrade Justification:** To address needs identified in the HPILS.  
**Estimated Cost for Network Upgrade (current day dollars):** $18,290,178  
**Cost Allocation of the Network Upgrade:** Base Plan  
**Estimated Cost Source:** SPS  
**Date of Estimated Cost:** 2/21/2014

**Network Upgrade ID:** 50820  
**Network Upgrade Name:** Kiowa - North Loving 345 kV Ckt 1  
**Network Upgrade Description:** Construct new 20.4-mile 345 kV line from new Kiowa substation to North Loving.  
**Network Upgrade Owner:** SPS  
**MOPC Representative(s):** William Grant  
**TWG Representative:** John Fulton  
**Categorization:** High priority  
**Network Upgrade Specification:** All elements and conductor must have at least an emergency rating of 1792 MVA.  
**Network Upgrade Justification:** To address needs identified in the HPILS.  
**Estimated Cost for Network Upgrade (current day dollars):** $23,457,538  
**Cost Allocation of the Network Upgrade:** Base Plan  
**Estimated Cost Source:** SPS  
**Date of Estimated Cost:** 2/21/2014

**Network Upgrade ID:** 50849  
**Network Upgrade Name:** China Draw 345/115 kV Ckt 1 Transformer  
**Network Upgrade Description:** Install new 345/115 kV 448 MVA transformer at new China Draw substation. Install any necessary 115 kV terminal equipment and ring/breaker and a half 115 kV bus for 4 line or transformer terminals.  
**Network Upgrade Owner:** SPS  
**MOPC Representative(s):** William Grant  
**TWG Representative:** John Fulton  
**Categorization:** High priority  
**Network Upgrade Specification:** All elements must have at least an emergency rating of 448 MVA.  
**Network Upgrade Justification:** To address needs identified in the HPILS.
Estimated Cost for Network Upgrade (current day dollars): $4,390,007
Cost Allocation of the Network Upgrade: Base Plan
Estimated Cost Source: SPS
Date of Estimated Cost: 2/21/2014

Network Upgrade ID: 50850
Network Upgrade Name: China Draw 345 kV Ckt 1 Terminal Upgrades
Network Upgrade Description: Construct 345 kV ring bus, expandable to breaker and a half for 6 line or transformer terminals at China Draw.
Network Upgrade Owner: SPS
MOPC Representative(s): William Grant
TWG Representative: John Fulton
Categorization: High priority
Network Upgrade Specification: All elements and conductor must have at least an emergency rating of 1792 MVA.
Network Upgrade Justification: To address needs identified in the HPILS.
Estimated Cost for Network Upgrade (current day dollars): $4,318,803
Cost Allocation of the Network Upgrade: Base Plan
Estimated Cost Source: SPS
Date of Estimated Cost: 2/21/2014

Network Upgrade ID: 50852
Network Upgrade Name: North Loving 345/115 kV Ckt 1 Transformer
Network Upgrade Description: Install new 345/115 kV 448 MVA transformer at new North Loving substation. Install any necessary 115 kV terminal equipment.
Network Upgrade Owner: SPS
MOPC Representative(s): William Grant
TWG Representative: John Fulton
Categorization: High priority
Network Upgrade Specification: All elements must have at least an emergency rating of 448 MVA.
Network Upgrade Justification: To address needs identified in the HPILS.
Estimated Cost for Network Upgrade (current day dollars): $5,583,339
Cost Allocation of the Network Upgrade: Base Plan
Estimated Cost Source: SPS
Date of Estimated Cost: 2/21/2014

Network Upgrade ID: 50854
Network Upgrade Name: North Loving 345 kV Terminal Upgrades
Network Upgrade Description: Install 345 kV line terminals at North Loving substation for Kiowa and China Draw. Install any necessary 345 kV terminal equipment
necessary to install 345/115 kV 448 MVA transformer at North Loving.

**Network Upgrade Owner:** SPS  
**MOPC Representative(s):** William Grant  
**TWG Representative:** John Fulton  
**Categorization:** High priority  
**Network Upgrade Specification:** All elements and conductor must have at least an emergency rating of 1792 MVA.  
**Network Upgrade Justification:** To address needs identified in the HPILS.  
**Estimated Cost for Network Upgrade (current day dollars):** $6,579,825  
**Cost Allocation of the Network Upgrade:** Base Plan  
**Estimated Cost Source:** SPS  
**Date of Estimated Cost:** 2/21/2014

**Project ID:** 30639  
**Project Name:** Multi - Potash Junction - Road Runner 345 kV Conv. and Transformers at Kiowa and Road Runner  
**Need Date for Project:** 6/1/2018  
**Estimated Cost for Project:** $21,560,659

**Network Upgrade ID:** 50862  
**Network Upgrade Name:** Road Runner 345/115 kV Ckt 1 Transformer  
**Network Upgrade Description:** Install new 345/115 kV 448 MVA transformer at new Road Runner substation. Install any necessary 115 kV terminal equipment.  
**Network Upgrade Owner:** SPS  
**MOPC Representative(s):** William Grant  
**TWG Representative:** John Fulton  
**Categorization:** High priority  
**Network Upgrade Specification:** All elements and conductor must have at least an emergency rating of 448 MVA.  
**Network Upgrade Justification:** To address needs identified in the HPILS.  
**Estimated Cost for Network Upgrade (current day dollars):** $4,577,343  
**Cost Allocation of the Network Upgrade:** Base Plan  
**Estimated Cost Source:** SPS  
**Date of Estimated Cost:** 2/21/2014

**Network Upgrade ID:** 50863  
**Network Upgrade Name:** Road Runner 345 kV Substation Conversion  
**Network Upgrade Description:** Convert 230 kV Road Runner substation to 345 kV. Install any necessary 345 kV terminal equipment.  
**Network Upgrade Owner:** SPS  
**MOPC Representative(s):** William Grant
TWG Representative: John Fulton
Categorization: High priority
Network Upgrade Specification: All elements and conductor must have at least an emergency rating of 1792 MVA.
Network Upgrade Justification: To address needs identified in the HPILS.
Estimated Cost for Network Upgrade (current day dollars): $3,930,065
Cost Allocation of the Network Upgrade: Base Plan
Estimated Cost Source: SPS
Date of Estimated Cost: 2/21/2014

Network Upgrade ID: 50868
Network Upgrade Name: Kiowa 345/230 kV Ckt 1 Transformer
Network Upgrade Description: Install 560 MVA 345/230 kV transformer at Kiowa substation.
Network Upgrade Owner: SPS
MOPC Representative(s): William Grant
TWG Representative: John Fulton
Categorization: High priority
Network Upgrade Specification: All elements and conductor must have at least an emergency rating of 644 MVA.
Network Upgrade Justification: To address needs identified in the HPILS.
Estimated Cost for Network Upgrade (current day dollars): $5,955,675
Cost Allocation of the Network Upgrade: Base Plan
Estimated Cost Source: SPS
Date of Estimated Cost: 2/21/2014

Network Upgrade ID: 50871
Network Upgrade Name: Potash Junction - Road Runner 345 kV Ckt 1 Voltage Conversion
Network Upgrade Description: Convert 40-mile 230 kV line from Potash Junction to Road Runner to 345 kV.
Network Upgrade Owner: SPS
MOPC Representative(s): William Grant
TWG Representative: John Fulton
Categorization: High priority
Network Upgrade Specification: All elements and conductor must have at least an emergency rating of 1792 MVA.
Network Upgrade Justification: To address needs identified in the HPILS.
Estimated Cost for Network Upgrade (current day dollars): $7,097,576
Cost Allocation of the Network Upgrade: Base Plan
Estimated Cost Source: SPS  
Date of Estimated Cost: 2/21/2014  

Project ID: 30695  
Project Name: Multi - Livingston Ridge - Sage Brush - Lagarto - Cardinal 115 kV  
Need Date for Project: 6/1/2018  
Estimated Cost for Project: $37,316,546  

Network Upgrade ID: 50924  
Network Upgrade Name: Livingston Ridge 115 kV Substation Conversion  
Network Upgrade Description: Convert Livingston Ridge from 69 kV to 115 kV. Install any necessary 115 kV terminal equipment.  
Network Upgrade Owner: SPS  
MOPC Representative(s): William Grant  
TWG Representative: John Fulton  
Categorization: High priority  
Network Upgrade Specification: All elements must have at least an emergency rating of 304 MVA.  
Network Upgrade Justification: To address needs identified in the HPILS.  
Estimated Cost for Network Upgrade (current day dollars): $3,849,635  
Cost Allocation of the Network Upgrade: Base Plan  
Estimated Cost Source: SPS  
Date of Estimated Cost: 2/21/2014  

Network Upgrade ID: 50925  
Network Upgrade Name: Sage Brush 115 kV Substation  
Network Upgrade Description: Construct new 115 kV Sage Brush substation with 3 ring bus configuration. Install any necessary 115 kV terminal equipment.  
Network Upgrade Owner: SPS  
MOPC Representative(s): William Grant  
TWG Representative: John Fulton  
Categorization: High priority  
Network Upgrade Specification: All elements must have at least an emergency rating of 304 MVA.  
Network Upgrade Justification: To address needs identified in the HPILS.  
Estimated Cost for Network Upgrade (current day dollars): $4,007,502  
Cost Allocation of the Network Upgrade: Base Plan  
Estimated Cost Source: SPS  
Date of Estimated Cost: 2/21/2014
Network Upgrade ID: 50926
Network Upgrade Name: Livingston Ridge - Sage Brush 115 kV Ckt 1
Network Upgrade Description: Construct new 13.9-mile 115 kV line from Livingston Ridge to new Sage Brush substation.
Network Upgrade Owner: SPS
MOPC Representative(s): William Grant
TWG Representative: John Fulton
Categorization: High priority
Network Upgrade Specification: All elements and conductor must have at least an emergency rating of 304 MVA.
Network Upgrade Justification: To address needs identified in the HPILS.
Estimated Cost for Network Upgrade (current day dollars): $7,286,428
Cost Allocation of the Network Upgrade: Base Plan
Estimated Cost Source: SPS
Date of Estimated Cost: 2/21/2014

Network Upgrade ID: 50927
Network Upgrade Name: Lagarto 115 kV Substation
Network Upgrade Description: Construct new 115 kV Lagarto substation. Install any necessary 115 kV terminal equipment.
Network Upgrade Owner: SPS
MOPC Representative(s): William Grant
TWG Representative: John Fulton
Categorization: High priority
Network Upgrade Specification: All elements must have at least an emergency rating of 304 MVA.
Network Upgrade Justification: To address needs identified in the HPILS.
Estimated Cost for Network Upgrade (current day dollars): $1,382,368
Cost Allocation of the Network Upgrade: Base Plan
Estimated Cost Source: SPS
Date of Estimated Cost: 2/21/2014

Network Upgrade ID: 50928
Network Upgrade Name: Largarto - Sage Brush 115 kV Ckt 1
Network Upgrade Description: Construct new 10.4-mile 115 kV line from new Lagarto substation to new Sage Brush substation.
Network Upgrade Owner: SPS
MOPC Representative(s): William Grant
TWG Representative: John Fulton
Categorization: High priority
Network Upgrade Specification: All elements and conductor must have at least an
emergency rating of 304 MVA.

Network Upgrade Justification: To address needs identified in the HPILS.

Estimated Cost for Network Upgrade (current day dollars): $5,827,378

Cost Allocation of the Network Upgrade: Base Plan

Estimated Cost Source: SPS

Date of Estimated Cost: 2/21/2014

Network Upgrade ID: 50951
Network Upgrade Name: Cardinal 115 kV Substation
Network Upgrade Description: Construct new 115 kV Cardinal substation. Install any necessary 115 kV terminal equipment.

Network Upgrade Owner: SPS
MOPC Representative(s): William Grant
TWG Representative: John Fulton
Categorization: High priority

Network Upgrade Specification: All elements must have at least an emergency rating of 304 MVA.

Network Upgrade Justification: To address needs identified in the HPILS.

Estimated Cost for Network Upgrade (current day dollars): $6,351,568

Cost Allocation of the Network Upgrade: Base Plan

Estimated Cost Source: SPS

Date of Estimated Cost: 2/21/2014

Network Upgrade ID: 50967
Network Upgrade Name: Cardinal - Lagarto 115 kV Ckt 1
Network Upgrade Description: Construct new 17.5-mile 115 kV line from Lagarto to Cardinal.

Network Upgrade Owner: SPS
MOPC Representative(s): William Grant
TWG Representative: John Fulton
Categorization: High priority

Network Upgrade Specification: All elements and conductor must have at least an emergency rating of 304 MVA.

Network Upgrade Justification: To address needs identified in the HPILS.

Estimated Cost for Network Upgrade (current day dollars): $8,611,667

Cost Allocation of the Network Upgrade: Base Plan

Estimated Cost Source: SPS

Date of Estimated Cost: 2/21/2014

Project ID: 30717
Project Name: Line - Hopi Sub - North Loving - China Draw 115 kV Ckt 1
Need Date for Project: 6/1/2015
Estimated Cost for Project: $22,240,813

Network Upgrade ID: 50870
Network Upgrade Name: Hopi Sub - North Loving 115 kV Ckt 1
Network Upgrade Description: Construct new 9.5-mile 115 kV line from Hopi Sub to North Loving 115 kV.
Network Upgrade Owner: SPS
MOPC Representative(s): William Grant
TWG Representative: John Fulton
Categorization: High priority
Network Upgrade Specification: All elements and conductor must have at least an emergency rating of 304 MVA.
Network Upgrade Justification: To address needs identified in the HPILS.
Estimated Cost for Network Upgrade (current day dollars): $10,718,511
Cost Allocation of the Network Upgrade: Base Plan
Estimated Cost Source: SPS
Date of Estimated Cost: 2/21/2014

Network Upgrade ID: 50883
Network Upgrade Name: China Draw - North Loving 115 kV Ckt 1
Network Upgrade Description: Construct new 19.7-mile 115 kV line from North Loving to China Draw.
Network Upgrade Owner: SPS
MOPC Representative(s): William Grant
TWG Representative: John Fulton
Categorization: High priority
Network Upgrade Specification: All elements and conductor must have at least an emergency rating of 304 MVA.
Network Upgrade Justification: To address needs identified in the HPILS.
Estimated Cost for Network Upgrade (current day dollars): $11,522,302
Cost Allocation of the Network Upgrade: Base Plan
Estimated Cost Source: SPS
Date of Estimated Cost: 2/21/2014

Upgrades with Modifications

Previous NTC Number: 200184
Previous NTC Issue Date: 4/9/2012
Project ID: 30376
Project Name: Multi - Tuco - Yoakum - Hobbs 345/230 kV Ckt 1
Estimated Cost for Project: $237,543,568

Network Upgrade ID: 50447
Network Upgrade Name: Tuco - Yoakum 345 kV Ckt 1
Network Upgrade Description: Construct new 107-mile 345 kV line from Tuco to Yoakum.
Need Date for Network Upgrade: 6/1/2020
Network Upgrade Owner: SPS
MOPC Representative(s): William Grant
TWG Representative: John Fulton
Reason for Change: The scope of the Network Upgrade was modified in the HPILS to terminate the 345 kV line at Yoakum instead of Amoco.
Categorization: High priority
Network Upgrade Specification: All elements and conductor must have at least an emergency rating of 1792 MVA.
Network Upgrade Justification: To address needs identified in the HPILS.
Estimated Cost for Network Upgrade (current day dollars): $160,991,967
Cost Allocation of the Network Upgrade: Base Plan
Estimated Cost Source: SPP
Date of Estimated Cost: 2/28/2014

Network Upgrade ID: 50451
Network Upgrade Name: Yoakum 345/230 kV Ckt 1 Transformer
Network Upgrade Description: Install new 345/230 kV 560 MVA transformer at Yoakum substation. Install any necessary 230 kV terminal equipment.
Need Date for Network Upgrade: 6/1/2020
Network Upgrade Owner: SPS
MOPC Representative(s): William Grant
TWG Representative: John Fulton
Reason for Change: The scope of the Network Upgrade was modified in the HPILS to install the 345/230 kV transformer at Yoakum instead of Amoco.
Categorization: High priority
Network Upgrade Specification: All elements must have at least an emergency rating of 644 MVA.
Network Upgrade Justification: To address needs identified in the HPILS.
Estimated Cost for Network Upgrade (current day dollars): $4,929,607
Cost Allocation of the Network Upgrade: Base Plan
Estimated Cost Source: SPS
Date of Estimated Cost: 2/21/2014
Network Upgrade ID: 50452
Network Upgrade Name: Hobbs 345/230 kV Ckt 1 Transformer
Network Upgrade Description: Expand existing Hobbs substation to accommodate 345 kV terminals. Install 345/230 kV 556 kV transformer at Hobbs.
Need Date for Network Upgrade: 6/1/2018
Network Upgrade Owner: SPS
MOPC Representative(s): William Grant
TWG Representative: John Fulton
Reason for Change: The Need Date of the Network Upgrade was accelerated in the HPILS from 1/1/2020 to 6/1/2018.
Categorization: High priority
Network Upgrade Specification: All elements must have at least an emergency rating of 644 MVA.
Network Upgrade Justification: To address needs identified in the HPILS.
Estimated Cost for Network Upgrade (current day dollars): $10,262,813
Cost Allocation of the Network Upgrade: Base Plan
Estimated Cost Source: SPS
Date of Estimated Cost: 4/1/2013

Network Upgrade ID: 50457
Network Upgrade Name: Hobbs - Yoakum 345 kV Ckt 1
Network Upgrade Description: Construct new 52-mile 345 kV line from Hobbs to Yoakum.
Need Date for Network Upgrade: 6/1/2020
Network Upgrade Owner: SPS
MOPC Representative(s): William Grant
TWG Representative: John Fulton
Reason for Change: The scope of the Network Upgrade was modified in the HPILS to terminate the 345 kV line at Yoakum instead of Amoco.
Categorization: High priority
Network Upgrade Specification: All elements and conductor must have at least an emergency rating of 1792 MVA.
Network Upgrade Justification: To address needs identified in the HPILS.
Estimated Cost for Network Upgrade (current day dollars): $59,644,898
Cost Allocation of the Network Upgrade: Base Plan
Estimated Cost Source: SPS
Date of Estimated Cost: 2/26/2014

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1 Cost estimate of $69,907,711 listed on Tables 9.1 and 11.1 and Appendix C of HPILS report includes cost for Hobbs 345/230 Transformer
Network Upgrade ID: 50919
Network Upgrade Name: Yoakum 345 kV Ckt 1 Terminal Upgrades
Network Upgrade Description: Install any necessary 345 kV terminal equipment at Yoakum associated with new 345/230 kV transformer.
Need Date for Network Upgrade: 6/1/2020
Network Upgrade Owner: SPS
MOPC Representative(s): William Grant
TWG Representative: John Fulton
Categorization: High priority
Network Upgrade Specification: All elements and conductor must have at least an emergency rating of 1792 MVA.
Network Upgrade Justification: To address needs identified in the HPILS.
Estimated Cost for Network Upgrade (current day dollars): $1,714,283
Cost Allocation of the Network Upgrade: Base Plan
Estimated Cost Source: SPS
Date of Estimated Cost: 2/21/2014

Previous NTC Number: 200257
Previous NTC Issue Date: 2/19/2014
Project ID: 30569
Project Name: Multi - Potash Junction - Road Runner 230/115 kV Ckt 1
Need Date for Project: 6/1/2015
Estimated Cost for Project: $49,596,223

Network Upgrade ID: 50708
Network Upgrade Name: Potash Junction - Road Runner 230 kV Ckt 1
Network Upgrade Description: Construct new 40-mile 345 kV line operated at 230 kV from Potash Junction to Road Runner.
Network Upgrade Owner: SPS
MOPC Representative(s): William Grant
TWG Representative: John Fulton
Reason for Change: The scope of the Network Upgrade was modified in the HPILS to include 345 kV capability.
Categorization: High priority
Network Upgrade Specification: All elements and conductor must have at least an emergency rating of 541 MVA.
Network Upgrade Justification: To address needs identified in the HPILS.
Estimated Cost for Network Upgrade (current day dollars): $38,499,353

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2 Cost estimate of $3,491,968 listed on Tables 9.1 and 11.1 and Appendix C is the incremental cost to modify the project from the previous NTC

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Cost Allocation of the Network Upgrade: Base Plan
Estimated Cost Source: SPS
Date of Estimated Cost: 2/21/2014

Network Upgrade ID: 50709
Network Upgrade Name: Road Runner 230/115 kV Substation
Network Upgrade Description: Construct new 230 kV Road Runner substation, tapping the existing 115 kV line from Red Bluff to Agave Hills. Construct substation to accommodate future 345 kV line terminal from Potash Junction. Install new 230/115 kV 288 MVA transformer at new Road Runner substation. Install any necessary terminal equipment.
Network Upgrade Owner: SPS
MOPC Representative(s): William Grant
TWG Representative: John Fulton
Reason for Change: The scope of the Network Upgrade was modified in the HPILS to include 345 kV capability.
Categorization: High priority
Network Upgrade Specification: All elements and conductor must have at least an emergency rating of 288 MVA.
Network Upgrade Justification: To address needs identified in the HPILS.
Estimated Cost for Network Upgrade (current day dollars): $11,096,870
Estimated Cost Source: SPS
Date of Estimated Cost: 2/21/2014

Withdrawal of Upgrades
Previous NTC Number: 200184
Previous NTC Issue Date: 4/9/2012
Project ID: 1140
Project Name: Multi - Tuco - Stanton 345 kV

Network Upgrade ID: 11502
Network Upgrade Name: Tuco - New Deal 345/115 kV Transformer
Network Upgrade Description: Install 345/115 kV transformer between Tuco and new 115 kV substation (New Deal).
Reason for Change: Identified in the HPILS that Network Upgrade is no longer needed.

Network Upgrade ID: 11503
Network Upgrade Name: Tuco - Tuco New Deal 345 kV Ckt 1

3 Cost estimate of $2,107,123 listed on Tables 9.1 and 11.1 and Appendix C is the incremental cost to modify the project from the previous NTC
SPP-NTC-200283

**Network Upgrade Description:** Build new 15-mile 345 kV line between Tuco and high side of new transformer between Tuco and Stanton.

**Reason for Change:** Identified in the HPILS that Network Upgrade is no longer needed.

**Network Upgrade ID:** 11504

**Network Upgrade Name:** New Deal - Stanton 115 kV Ckt 1

**Network Upgrade Description:** Build new 17-mile 115 kV line between Stanton and low side of new transformer between Tuco and Stanton.

**Reason for Change:** Identified in the HPILS that Network Upgrade is no longer needed.

**Previous NTC Number:** 200184

**Previous NTC Issue Date:** 4/9/2012

**Project ID:** 30355

**Project Name:** Line - Grassland - Wolfforth 230 kV

**Network Upgrade ID:** 50404

**Network Upgrade Name:** Grassland - Wolfforth 230 kV Ckt 1

**Network Upgrade Description:** Build new 230 kV line from Wolfforth to Grassland, and install terminal equipment at Grassland and Wolfforth substations.

**Reason for Change:** Identified in the HPILS that Network Upgrade is no longer needed.

**Withdrawal of Network Upgrade**

SPS 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), collect any cost associated with the Network Upgrade(s), and provide this information 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. 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 November 19, 2014, as described in SPP’s Business Practice No. 7060 regarding Notification to Construct with Conditions. SPS shall advise SPP of any inability to provide the CPE by November 19, 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.

Notification of Progress
On an ongoing basis, 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 of the Network Upgrade(s) quarterly in conjunction with the SPP Board of Directors meetings. However, SPS 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,

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

cc: Carl Monroe - SPP
    Katherine Prewitt - SPP
    William Grant - SPS