

SPP-NTC-200299

**SPP
Notification to Construct**

September 18, 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 following Network Upgrades.

On January 28, 2014, the SPP Board of Directors approved the Network Upgrades listed below to be constructed as part of the 2014 Integrated Transmission Planning Near-Term Assessment. On February 19, 2014, SPP issued OGE the Notification to Construct with Conditions ("NTC-C") No. 200252.

On September 10, 2014, SPP received OGE's NTC-C Project Estimate ("CPE") for the Network Upgrade(s) specified in the NTC-C No. 200252. SPP approved the CPE as meeting the requirements of Condition No. 1 of the NTC-C, and notified OGE that SPP would issue an NTC for the Network Upgrades.

Upgrades with Modifications

Previous NTC Number: 200252

Previous NTC Issue Date: 2/19/2014

Project ID: 30581

Project Name: Line - Park Lane - Ahloso - Harden City - Frisco - Lula 69/138 kV Ckt 1

Need Date for Project: 6/1/2015

Estimated Cost for Project: \$21,492,965

Network Upgrade ID: 50763

Network Upgrade Name: Ahloso - Park Lane 138 kV Ckt 1 Voltage Conversion

Network Upgrade Description: Convert existing 4.32-mile 69 kV line from Ahloso to

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Park Lane to 138 kV.

Network Upgrade Owner: OGE

MOPC Representative(s): Jacob Langthorn, IV

TWG Representative: Travis Hyde

Reason for Change: The CPE(s) for this project was determined to meet the requirements of Condition No. 1 of NTC-C No. 200252. Therefore, the conditions of the project are removed.

Categorization: Regional reliability

Network Upgrade Specification: All elements and conductor must have at least an emergency rating of 286 MVA.

Network Upgrade Justification: To address overloads and low voltages in these 69 kV facilities: Park Lane - Ahloso Tap - Harden Tap, Valley View - Ada Industrial - Park Lane, and Frisco Tap - Stonewall OC Pump Tap.

Estimated Cost for Network Upgrade (current day dollars): \$5,693,264

Cost Allocation of the Network Upgrade: Base Plan

Estimated Cost Source: OGE

Date of Estimated Cost: 9/10/2014

Network Upgrade ID: 50764

Network Upgrade Name: Ahloso - Harden City 138 kV Ckt 1 Voltage Conversion

Network Upgrade Description: Convert existing 10.12-mile 69 kV line from Ahloso to Harden City to 138 kV.

Network Upgrade Owner: OGE

MOPC Representative(s): Jacob Langthorn, IV

TWG Representative: Travis Hyde

Reason for Change: The CPE(s) for this project was determined to meet the requirements of Condition No. 1 of NTC-C No. 200252. Therefore, the conditions of the project are removed.

Categorization: Regional reliability

Network Upgrade Specification: All elements and conductor must have at least an emergency rating of 286 MVA.

Network Upgrade Justification: To address overloads and low voltages in these 69 kV facilities: Park Lane - Ahloso Tap - Harden Tap, Valley View - Ada Industrial - Park Lane, and Frisco Tap - Stonewall OC Pump Tap.

Estimated Cost for Network Upgrade (current day dollars): \$6,929,179

Cost Allocation of the Network Upgrade: Base Plan

Estimated Cost Source: OGE

Date of Estimated Cost: 9/10/2014

Network Upgrade ID: 50765

Network Upgrade Name: Frisco - Harden City 138 kV Ckt 1 Voltage Conversion

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Network Upgrade Description: Convert existing 3.39-mile 69 kV line from Harden City to Frisco to 138 kV.

Network Upgrade Owner: OGE

MOPC Representative(s): Jacob Langthorn, IV

TWG Representative: Travis Hyde

Reason for Change: The CPE(s) for this project was determined to meet the requirements of Condition No. 1 of NTC-C No. 200252. Therefore, the conditions of the project are removed.

Categorization: Regional reliability

Network Upgrade Specification: All elements and conductor must have at least an emergency rating of 286 MVA.

Network Upgrade Justification: To address overloads and low voltages in these 69 kV facilities: Park Lane - Ahloso Tap - Harden Tap, Valley View - Ada Industrial - Park Lane, and Frisco Tap - Stonewall OC Pump Tap.

Estimated Cost for Network Upgrade (current day dollars): \$2,121,320

Cost Allocation of the Network Upgrade: Base Plan

Estimated Cost Source: OGE

Date of Estimated Cost: 9/10/2014

Network Upgrade ID: 50766

Network Upgrade Name: Frisco - Lula 138 kV Ckt 1 Voltage Conversion

Network Upgrade Description: Convert existing 3.39-mile 69 kV line from Frisco to Lula to 138 kV.

Network Upgrade Owner: OGE

MOPC Representative(s): Jacob Langthorn, IV

TWG Representative: Travis Hyde

Reason for Change: The CPE(s) for this project was determined to meet the requirements of Condition No. 1 of NTC-C No. 200252. Therefore, the conditions of the project are removed.

Categorization: Regional reliability

Network Upgrade Specification: All elements and conductor must have at least an emergency rating of 286 MVA.

Network Upgrade Justification: To address overloads and low voltages in these 69 kV facilities: Park Lane - Ahloso Tap - Harden Tap, Valley View - Ada Industrial - Park Lane, and Frisco Tap - Stonewall OC Pump Tap.

Estimated Cost for Network Upgrade (current day dollars): \$6,749,202

Cost Allocation of the Network Upgrade: Base Plan

Estimated Cost Source: OGE

Date of Estimated Cost: 9/10/2014

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Commitment to Construct

Please provide to SPP a written commitment to construct the Network Upgrades within 90 days of the date of this NTC, pursuant to Attachment O, Section VI.6 of the SPP OATT. Failure to provide a sufficient written commitment to construct as required by Attachment O could result in the Network Upgrades being assigned to another entity.

Mitigation Plan

The Need Date represents the timing required for the Network Upgrades to address the identified need. Your prompt attention is required for formulation and approval of any necessary mitigation plans for the Network Upgrades included in the Network Upgrades 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. 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

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Vice President, Engineering

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cc: Carl Monroe - SPP
Antoine Lucas - SPP
Jacob Langthorn, IV - OGE
Travis Hyde - OGE