

**SPP-NTC-200305**

**iSPP  
Notification to Construct**

September 30, 2014

Mr. Shawn Robinson  
American Electric Power  
212 E. 6th St.  
Tulsa, OK 74119

RE: Notification to Construct Approved Reliability Network Upgrades

Dear Mr. Robinson,

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 American Electric Power ("AEP") as agent for Public Service Company of Oklahoma and Southwestern Electric Power Company, as the Designated Transmission Owner ("DTO"), to construct the Network Upgrade(s) below.

On January 28, 2014, the SPP Board of Directors approved the Network Upgrade listed below to be constructed as part of the 2014 Integrated Transmission Planning Near-Term Assessment. On February 19, 2014, SPP issued NPPD the Notification to Construct with Conditions ("NTC-C") No. 200254.

On September 26, 2014, SPP received AEP's NTC-C Project Estimate ("CPE") for the Network Upgrade specified in the NTC-C No. 200251. SPP approved the CPE as meeting the requirements of Condition No. 1 of the NTC-C, and notified AEP that SPP would issue an NTC for the Network Upgrade.

**Upgrades with Modifications**

**Previous NTC Number:** 200251

**Previous NTC Issue Date:** 2/19/2014

**Project ID:** 1083

**Project Name:** Line - Welsh Reserve - Wilkes 138 kV Ckt 1

**Need Date for Project:** 6/1/2019

**Estimated Cost for Project:** \$24,880,495

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**Network Upgrade ID:** 11423

**Network Upgrade Name:** Welsh Reserve - Wilkes 138 kV Ckt 1 Rebuild

**Network Upgrade Description:** Rebuild 23.7-mile 138 kV line from Welsh Reserve to Wilkes with 1926.9 ACSR/TW conductor. Upgrade switches at Welsh Reserve and Wilkes and wave traps, jumpers, CT ratios, and relay settings at Wilkes.

**Network Upgrade Owner:** AEP

**MOPC Representative(s):** Paul Johnson, Richard Ross, Terri Gallup

**TWG Representative:** Matthew McGee

**Reason for Change:** The CPE(s) for this project was determined to meet the requirements of Condition No. 1 of NTC-C No. 200251. 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 592 MVA.

**Network Upgrade Justification:** To address the overload of the line for the outage of the Lone Star South - Pittsburg 138 kV line.

**Estimated Cost for Network Upgrade (current day dollars):** \$24,880,495

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

**Estimated Cost Source:** AEP

**Date of Estimated Cost:** 9/26/2014

**Commitment to Construct**

Please provide to SPP a written commitment to construct the Network Upgrade 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 Upgrade being assigned to another entity.

**Mitigation Plan**

The Need Date represents the timing required for the Network Upgrade to address the identified need. Your prompt attention is required for formulation and approval of any necessary mitigation plans for the Network Upgrade included in the Network Upgrade 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 this Network Upgrade as soon as possible after completion of construction. This will facilitate the timely billing by SPP based on actual costs.

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**Notification of Progress**

On an ongoing basis, please keep SPP advised of any inability on AEP's part to complete the approved Network Upgrade. For project tracking, SPP requires AEP to submit status updates of the Network Upgrade quarterly in conjunction with the SPP Board of Directors meetings. However, AEP 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  
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cc: Carl Monroe - SPP  
Antoine Lucas - SPP  
Bob Bradish - AEP  
Paul Johnson - AEP  
Richard Ross - AEP  
Terri Gallup - AEP  
Scott Rainbolt - AEP  
Matt McGee - AEP