SPP
Notification to Construct

April 14, 2015

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

RE: Notification to Construct Approved ITP10 Network Upgrades

Dear Mr. Fulton,

Pursuant to Section 3.3 of the Southwest Power Pool, Inc. ("SPP") Membership Agreement and Attachments O and Y 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, to construct the Network Upgrade(s).

On January 27, 2015, the SPP Board of Directors approved the Network Upgrade(s) listed below to be constructed as part of the 2015 Integrated Transmission Planning 10-Year ("ITP10") Assessment. This NTC lists a corrected Network Upgrade Specification for the Network Upgrade with Project ID No. 30844 from the NTC previously submitted on February 18, 2015.

New Network Upgrades

**Project ID:** 30842  
**Project Name:** Line - Martin - Pantex North - Pantex South - Highland Park 115 kV Ckt 1 Reconductor  
**Need Date for Project:** 4/1/2019  
**Estimated Cost for Project:** $8,855,038

- **Network Upgrade ID:** 51138  
- **Network Upgrade Name:** Pantex North - Pantex South 115 kV Ckt 1 Reconductor  
- **Network Upgrade Description:** Reconductor 3.4-mile 115 kV line from Pantex North to Pantex South.  
- **Network Upgrade Owner:** SPS  
- **MOPC Representative(s):** William Grant  
- **TWG Representative:** John Fulton
Categorization: Regional reliability
Network Upgrade Specification: All elements and conductor must have at least an emergency rating of 240 MVA.
Network Upgrade Justification: To address overloads at Highland Park Tap - Pantex South 115 kV Ckt 1, Martin - Pantex North 115 kV Ckt 1, and Pantex North - Pantex South 115 kV Ckt 1 for the loss of Hutchinson County Interchange - Martin 115 kV Ckt 1.
Estimated Cost for Network Upgrade (current day dollars): $1,780,240
Cost Allocation of the Network Upgrade: Base Plan
Estimated Cost Source: SPP
Date of Estimated Cost: 12/1/2014

Network Upgrade ID: 51141
Network Upgrade Name: Highland Park - Pantex South 115 kV Ckt 1 Reconductor
Network Upgrade Description: Reconductor 6.8-mile 115 kV line from Highland Park Tap to Pantex South. Replace wave trap at Pantex South. Replace switch at Highland Park Tap.
Network Upgrade Owner: SPS
MOPC Representative(s): William Grant
TWG Representative: John Fulton
Categorization: Regional reliability
Network Upgrade Specification: All elements and conductor must have at least an emergency rating of 240 MVA.
Network Upgrade Justification: To address overloads at Highland Park Tap - Pantex South 115 kV Ckt 1, Martin - Pantex North 115 kV Ckt 1, and Pantex North - Pantex South 115 kV Ckt 1 for the loss of Hutchinson County Interchange - Martin 115 kV Ckt 1.
Estimated Cost for Network Upgrade (current day dollars): $3,560,480
Cost Allocation of the Network Upgrade: Base Plan
Estimated Cost Source: SPP
Date of Estimated Cost: 12/1/2014

Network Upgrade ID: 51142
Network Upgrade Name: Martin - Pantex North 115 kV Ckt 1 Reconductor
Network Upgrade Description: Reconductor 5.1-mile 115 kV line from Martin to Pantex North. Replace wave trap at Pantex North.
Network Upgrade Owner: SPS
MOPC Representative(s): William Grant
TWG Representative: John Fulton
Categorization: Regional reliability
Network Upgrade Specification: All elements and conductor must have at least an
emergency rating of 240 MVA.

**Network Upgrade Justification:** To address overloads at Highland Park Tap - Pantex South 115 kV Ckt 1, Martin - Pantex North 115 kV Ckt 1, and Pantex North - Pantex South 115 kV Ckt 1 for the loss of Hutchinson County Interchange - Martin 115 kV Ckt 1.

**Estimated Cost for Network Upgrade (current day dollars):** $3,514,318

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

**Estimated Cost Source:** SPP

**Date of Estimated Cost:** 12/1/2014

**Project ID:** 30844

**Project Name:** Sub - Amoco - Sundown 230 kV Terminal Upgrades

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

**Estimated Cost for Project:** $54,284

**Network Upgrade ID:** 51140

**Network Upgrade Name:** Amoco - Sundown 230 kV Terminal Upgrades

**Network Upgrade Description:** Upgrade wave traps at Sundown and Amoco to increase the rating of the 230 kV line from Amoco to Sundown.

**Network Upgrade Owner:** SPS

**MOPC Representative(s):** William Grant

**TWG Representative:** John Fulton

**Categorization:** Economic/Regional reliability

**Network Upgrade Specification:** All elements and conductor must have at least an emergency rating of 437 MVA.

**Network Upgrade Justification:** Identified in ITP10 as an economic and reliability project. Addresses the overload of Amoco - Sundown 230 kV Ckt 1 for the loss of Tuco - Yoakum 345 kV Ckt 1.

**Estimated Cost for Network Upgrade (current day dollars):** $54,284

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

**Estimated Cost Source:** SPP

**Date of Estimated Cost:** 12/1/2014

**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, in addition to providing a construction schedule and an updated ±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 the SPP OATT 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 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
    Antoine Lucas - SPP
    William Grant - SPS