

SPP-NTC-200369

**SPP
Notification to Construct**

February 12, 2016

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

RE: Notification to Construct for Transmission Service Request resulting from Aggregate Transmission Service Study SPP-2011-AG3-AFS-11

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 Upgrades.

On February 24, 2014, SPP concluded that the project(s) is required on the SPS system to fulfill Transmission Service Requests as detailed in Aggregate Facility Study SPP-2011-AG3-AFS-11. On January 26, 2016, the SPP Board of Directors approved a modification to the Network Upgrade Description for the Network Upgrade(s).

Upgrades with Modifications

Previous NTC Number: 200262

Previous NTC Issue Date: 4/9/2014

Project ID: 1142

Project Name: Line - Canyon East - Randall 115 kV Ckt 1 Rebuild

Need Date for Project: 2/1/2014

Estimated In-Service Date: 6/1/2017

Estimated Cost for Project: \$12,806,065

Network Upgrade ID: 11506

Network Upgrade Name: Canyon East Sub - Randall County Interchange 115 kV Ckt 1 Rebuild

Network Upgrade Description: Rebuild 13.5-mile 4/0 segment of 115 kV line from Canyon East Sub to Randall County Interchange.

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Network Upgrade Owner: SPS

Reason for Change: Modification to Network Upgrade Description approved to remove conductor type.

Categorization: Regional reliability

Network Upgrade Specification: All elements and conductor must have at least a summer emergency rating of 104 MVA and a winter emergency rating of 131 MVA.

Network Upgrade Justification: SPP-2011-AG3-AFS-11

Estimated Cost for Network Upgrade (current day dollars): \$12,806,065

Cost Allocation of the Network Upgrade: Base Plan

Estimated Cost Source: SPS

Date of Estimated Cost: 7/8/2013

Previous NTC Number: 200262

Previous NTC Issue Date: 4/9/2014

Project ID: 30509

Project Name: Line - Canyon East Sub - Canyon West Sub 115 kV Ckt 1

Need Date for Project: 2/1/2014

Estimated In-Service Date: 6/1/2017

Estimated Cost for Project: \$2,694,811

Network Upgrade ID: 50636

Network Upgrade Name: Canyon East Sub - Canyon West Sub 115 kV Ckt 1 Rebuild

Network Upgrade Description: Rebuild 3.73-mile 115 kV line from Canyon East Sub to Canyon West Sub.

Network Upgrade Owner: SPS

Reason for Change: Modifications to Network Upgrade Description approved to remove conductor type.

Categorization: Regional reliability

Network Upgrade Specification: All elements and conductor must have at least a winter emergency rating of 117 MVA.

Network Upgrade Justification: SPP-2011-AG3-AFS-11

Estimated Cost for Network Upgrade (current day dollars): \$2,694,811

Cost Allocation of the Network Upgrade: Base Plan

Estimated Cost Source: SPS

Date of Estimated Cost: 7/8/2013

Commitment to Construct

Please provide to SPP a written commitment to construct the Network Upgrade(s) within 90 days of the date of this Notification to Construct, 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 written commitment to

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construct as required by the SPP OATT could result in the Network Upgrade(s) being assigned to another entity.

Mitigation Plan

The Estimated In-Service 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 Upgrades(s) if the Estimated In-Service Date is not feasible. Additionally, if it is anticipated that the completion of any Network Upgrade will be delayed past the Estimated In-Service Date, SPP requires a mitigation plan be filed within 60 days of 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(s) Schedule as the inability becomes apparent.

All terms and conditions of the SPP OATT and the SPP Membership Agreement shall apply to this project(s) and nothing in this letter shall carry such terms and conditions.

Don't hesitate to contact me if you have questions or comments about these requests. 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

cc: Carl Monroe - SPP
Antoine Lucas - SPP
William Grant - SPS

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