

SPP-NTC-200381

SPP
Notification to Construct

April 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-2014-AG1-AFS-6

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 December 2, 2015, SPP issued NTC No. 200359 to SPS to construct Network Upgrade(s) required on the SPS system to fulfill Transmission Service Requests as detailed in Aggregate Facility Study SPP-2014-AG1-AFS-6. On February 26, 2016, SPS requested that an alternative solution be evaluated for Project ID No. 777.

Upgrades with Modifications

Previous NTC Number: 200359

Previous NTC Issue Date: 12/2/2015

Project ID: 777

Project Name: Sub - East Plant 115 kV Terminal Upgrade

Need Date for Project: 6/1/2017

Estimated In-Service Date: 6/1/2018

Estimated Cost for Project: \$5,000

Network Upgrade ID: 11027

Network Upgrade Name: East Plant 115 kV Terminal Upgrade

Network Upgrade Description: Replace CT at East Plant 115 kV substation to increase the rating of the 115 kV line from East Plant to Manhattan.

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Network Upgrade Owner: SPS

Reason for Change: SPS informed SPP that an alternate solution at a reduced cost could be implemented to achieve the required rating.

Categorization: Regional reliability

Network Upgrade Specification: All elements and conductor must have at least an emergency rating of 174 MVA.

Network Upgrade Justification: 2014-AG1-AFS-6

Estimated Cost for Network Upgrade (current day dollars): \$5,000

Cost Allocation of the Network Upgrade: Base Plan

Estimated Cost Source: SPS

Date of Estimated Cost: 2/26/2016

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 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

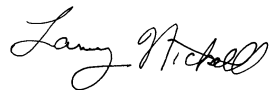
On an ongoing basis, please keep SPP advised of any inability on SPS's part to complete the approved Network Upgrade(s). For project tracking, SPP requires SPS to submit status updates of the Network Upgrade(s) quarterly in conjunction with the SPP Board of Directors meetings. However, SPS shall also advise SPP of any inability to comply with the Project(s) Schedule as the inability becomes apparent.

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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