

SPP-NTC-200395

**SPP
Notification to Construct**

May 17, 2016

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

RE: Notification to Construct Approved Reliability 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 April 26, 2016, the SPP Board of Directors approved the Network Upgrade(s) listed below to be constructed as a part of the 2016 Integrated Transmission Planning Near-Term Assessment ("ITPNT").

New Network Upgrades

Project ID: 409

Project Name: XFR - Hereford Interchange 115/69 kV #1 and #2

Need Date for Project: 6/1/2017

Estimated Cost for Project: \$5,819,959

Network Upgrade ID: 10533

Network Upgrade Name: Hereford Interchange 115/69 kV #1 Transformer

Network Upgrade Description: Replace first existing 115/69 transformer at Hereford Interchange.

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 95 MVA.

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Network Upgrade Justification: Upgrade identified in the Needs Assessment of the 2016 ITPNT as needed for regional reliability.

Estimated Cost for Network Upgrade (current day dollars): \$2,468,463

Cost Allocation of the Network Upgrade: Base Plan

Estimated Cost Source: SPS

Date of Estimated Cost: 2/24/2016

Network Upgrade ID: 10534

Network Upgrade Name: Hereford Interchange 115/69 kV #2 Transformer

Network Upgrade Description: Replace second existing 115/69 transformer at Hereford Interchange.

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 95 MVA.

Network Upgrade Justification: Upgrade identified in the Needs Assessment of the 2016 ITPNT as needed for regional reliability.

Estimated Cost for Network Upgrade (current day dollars): \$2,437,078

Cost Allocation of the Network Upgrade: Base Plan

Estimated Cost Source: SPS

Date of Estimated Cost: 2/24/2016

Network Upgrade ID: 51459

Network Upgrade Name: Hereford Interchange 115 kV #1 Terminal Upgrades

Network Upgrade Description: Install any 115 kV terminal upgrades needed to replace first existing 115/69 transformer at Hereford Interchange.

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 95 MVA.

Network Upgrade Justification: Upgrade identified in the Needs Assessment of the 2016 ITPNT as needed for regional reliability.

Estimated Cost for Network Upgrade (current day dollars): \$457,209

Cost Allocation of the Network Upgrade: Base Plan

Estimated Cost Source: SPS

Date of Estimated Cost: 2/24/2016

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Network Upgrade ID: 51460

Network Upgrade Name: Hereford Interchange 115 kV #2 Terminal Upgrades

Network Upgrade Description: Install any 115 kV terminal upgrades needed to replace second existing 115/69 transformer at Hereford Interchange.

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 95 MVA.

Network Upgrade Justification: Upgrade identified in the Needs Assessment of the 2016 ITPNT as needed for regional reliability.

Estimated Cost for Network Upgrade (current day dollars): \$457,209

Cost Allocation of the Network Upgrade: Base Plan

Estimated Cost Source: SPS

Date of Estimated Cost: 2/24/2016

Project ID: 30692

Project Name: XFR - Seminole 230/115 kV #1 and #2

Need Date for Project: 6/1/2017

Estimated Cost for Project: \$7,781,808

Network Upgrade ID: 50920

Network Upgrade Name: Seminole 230/115 kV #1 Transformer

Network Upgrade Description: Replace first existing 230/115 transformer at Seminole.

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 283 MVA.

Network Upgrade Justification: Upgrade identified in the Needs Assessment of the 2016 ITPNT as needed for regional reliability.

Estimated Cost for Network Upgrade (current day dollars): \$3,890,904

Cost Allocation of the Network Upgrade: Base Plan

Estimated Cost Source: SPS

Date of Estimated Cost: 2/24/2016

Network Upgrade ID: 50921

Network Upgrade Name: Seminole 230/115 kV #2 Transformer

Network Upgrade Description: Replace second existing 230/115 transformer at

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Seminole.

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 283 MVA.

Network Upgrade Justification: Upgrade identified in the Needs Assessment of the 2016 ITPNT as needed for regional reliability.

Estimated Cost for Network Upgrade (current day dollars): \$3,890,904

Cost Allocation of the Network Upgrade: Base Plan

Estimated Cost Source: SPS

Date of Estimated Cost: 2/24/2016

Project ID: 30996

Project Name: Sub - Hobbs - Yoakum Tap 230 kV Substation and Transformer

Need Date for Project: 6/1/2017

Estimated Cost for Project: \$12,408,272

Network Upgrade ID: 51431

Network Upgrade Name: Hobbs - Yoakum Tap 230 kV Substation

Network Upgrade Description: Tap the existing 230 kV line from Hobbs to Yoakum and the existing 115 kV line from Allred Tap to Waits. Terminate all four end points into new substation.

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 351 MVA.

Network Upgrade Justification: Upgrade identified in the Needs Assessment of the 2016 ITPNT as needed for regional reliability.

Estimated Cost for Network Upgrade (current day dollars): \$9,441,616

Cost Allocation of the Network Upgrade: Base Plan

Estimated Cost Source: SPS

Date of Estimated Cost: 2/24/2016

Network Upgrade ID: 51432

Network Upgrade Name: Hobbs - Yoakum Tap 230/115 kV Transformer

Network Upgrade Description: Install 230/115 kV transformer at new Hobbs - Yoakum Tap substation.

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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 283 MVA.
Network Upgrade Justification: Upgrade identified in the Needs Assessment of the 2016 ITPNT as needed for regional reliability.
Estimated Cost for Network Upgrade (current day dollars): \$2,966,656
Cost Allocation of the Network Upgrade: Base Plan
Estimated Cost Source: SPS
Date of Estimated Cost: 2/24/2016

Project ID: 30999
Project Name: Sub - Potter Co. - Harrington 230 kV Terminal Upgrades
Need Date for Project: 6/1/2019
Estimated Cost for Project: \$1,033,584

Network Upgrade ID: 51436
Network Upgrade Name: Potter Co. - Harrington 230 kV Terminal Upgrades
Network Upgrade Description: Upgrade terminal equipment at both Potter Co. and Harrington 230 kV substations.
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 547 MVA.
Network Upgrade Justification: Upgrade identified in the Needs Assessment of the 2016 ITPNT as needed for regional reliability.
Estimated Cost for Network Upgrade (current day dollars): \$1,033,584
Cost Allocation of the Network Upgrade: Base Plan
Estimated Cost Source: SPS
Date of Estimated Cost: 2/24/2016

Project ID: 31001
Project Name: Line - Road Runner - Agave Red Hills/Ochoa/Custer Mountain 115 kV New Line
Need Date for Project: 4/1/2020
Estimated Cost for Project: \$6,353,961

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Network Upgrade ID: 51438

Network Upgrade Name: Agave Red Hills - Road Runner 115 kV Ckt 1 New Line

Network Upgrade Description: Construct new 115 kV line from Agave Red Hills to Road Runner.

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 173 MVA.

Network Upgrade Justification: Upgrade identified in the Needs Assessment of the 2016 ITPNT as needed for regional reliability.

Estimated Cost for Network Upgrade (current day dollars): \$443,866

Cost Allocation of the Network Upgrade: Directly Assigned

Estimated Cost Source: SPP

Date of Estimated Cost: 2/24/2016

Network Upgrade ID: 51439

Network Upgrade Name: Ochoa - Road Runner 115 kV Ckt 1 New Line

Network Upgrade Description: Construct new 115 kV line from Ochoa to Road Runner.

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 173 MVA.

Network Upgrade Justification: Upgrade identified in the Needs Assessment of the 2016 ITPNT as needed for regional reliability.

Estimated Cost for Network Upgrade (current day dollars): \$519,061

Cost Allocation of the Network Upgrade: Directly Assigned

Estimated Cost Source: SPP

Date of Estimated Cost: 2/24/2016

Network Upgrade ID: 51440

Network Upgrade Name: Custer Mountain - Road Runner 115 kV Ckt 1 New Line

Network Upgrade Description: Add new 1-mile segment to existing 115 kV line from Custer Mountain to Ochoa, re-terminating at Road Runner.

Network Upgrade Owner: SPS

MOPC Representative(s): William Grant

TWG Representative: John Fulton

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Categorization: Regional reliability

Network Upgrade Specification: All elements and conductor must have at least an emergency rating of 141 MVA.

Network Upgrade Justification: Upgrade identified in the Needs Assessment of the 2016 ITPNT as needed for regional reliability.

Estimated Cost for Network Upgrade (current day dollars): \$759,610

Cost Allocation of the Network Upgrade: Base Plan

Estimated Cost Source: SPP

Date of Estimated Cost: 2/24/2016

Network Upgrade ID: 51441

Network Upgrade Name: Road Runner 115 kV Terminal Upgrades

Network Upgrade Description: Install any terminal upgrades needed to accommodate new line terminals for Ochoa, Agave Red Hills, and Custer Mountain.

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 141 MVA.

Network Upgrade Justification: Upgrade identified in the Needs Assessment of the 2016 ITPNT as needed for regional reliability.

Estimated Cost for Network Upgrade (current day dollars): \$4,580,864

Cost Allocation of the Network Upgrade: Base Plan

Estimated Cost Source: SPS

Date of Estimated Cost: 2/24/2016

Network Upgrade ID: 51442

Network Upgrade Name: Ochoa 115 kV Terminal Upgrades

Network Upgrade Description: Install any terminal upgrades needed to accommodate new line terminal from Road Runner.

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 141 MVA.

Network Upgrade Justification: Upgrade identified in the Needs Assessment of the 2016 ITPNT as needed for regional reliability.

Estimated Cost for Network Upgrade (current day dollars): \$25,280

Cost Allocation of the Network Upgrade: Directly Assigned

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Estimated Cost Source: SPS
Date of Estimated Cost: 2/24/2016

Network Upgrade ID: 51443
Network Upgrade Name: Agave Red Hills 115 kV Terminal Upgrades
Network Upgrade Description: Install any terminal upgrades needed to accommodate new line terminal from Road Runner.
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 141 MVA.
Network Upgrade Justification: Upgrade identified in the Needs Assessment of the 2016 ITPNT as needed for regional reliability.
Estimated Cost for Network Upgrade (current day dollars): \$25,280
Cost Allocation of the Network Upgrade: Directly Assigned
Estimated Cost Source: SPS
Date of Estimated Cost: 2/24/2016

Project ID: 31008
Project Name: Multi - Artesia County 115 kV
Need Date for Project: 6/1/2017
Estimated Cost for Project: \$8,352,067

Network Upgrade ID: 51451
Network Upgrade Name: Artesia Country Club 115 kV Voltage Conversion
Network Upgrade Description: Convert the Artesia County Club 69 kV substation to 115 kV operation.
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 301 MVA.
Network Upgrade Justification: Upgrade identified in the Needs Assessment of the 2016 ITPNT as needed for regional reliability.
Estimated Cost for Network Upgrade (current day dollars): \$5,201,175
Cost Allocation of the Network Upgrade: Base Plan
Estimated Cost Source: SPS
Date of Estimated Cost: 2/24/2016

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Network Upgrade ID: 51452
Network Upgrade Name: Artesia Country Club Tap 115 kV Line Tap
Network Upgrade Description: Tap the 115 kV line from Atoka to Eagle Creek and install 3-way switch at tap point.
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 301 MVA.
Network Upgrade Justification: Upgrade identified in the Needs Assessment of the 2016 ITPNT as needed for regional reliability.
Estimated Cost for Network Upgrade (current day dollars): \$336,134
Cost Allocation of the Network Upgrade: Base Plan
Estimated Cost Source: SPS
Date of Estimated Cost: 2/24/2016

Network Upgrade ID: 51453
Network Upgrade Name: Artesia Country Club - Artesia Country Club Tap 115 kV Ckt 1 New Line
Network Upgrade Description: Construct new 115 kV line from Artesia County Club to Artesia County Club 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 301 MVA.
Network Upgrade Justification: Upgrade identified in the Needs Assessment of the 2016 ITPNT as needed for regional reliability.
Estimated Cost for Network Upgrade (current day dollars): \$2,814,758
Cost Allocation of the Network Upgrade: Base Plan
Estimated Cost Source: SPS
Date of Estimated Cost: 2/24/2016

Project ID: 31022
Project Name: Line - Canyon East Tap - Randall 115 kV Ckt 1 Rebuild
Need Date for Project: 6/1/2017
Estimated Cost for Project: \$4,960,481

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Network Upgrade ID: 51481

Network Upgrade Name: Canyon East Tap - Randall 115 kV Ckt 1 Rebuild

Network Upgrade Description: Rebuild 3-mile segment of 115 kV line from Canyon East Tap to Randall.

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: Upgrade identified in the Needs Assessment of the 2016 ITPNT as needed for regional reliability.

Estimated Cost for Network Upgrade (current day dollars): \$4,960,481

Cost Allocation of the Network Upgrade: Base Plan

Estimated Cost Source: SPS

Date of Estimated Cost: 2/25/2016

Project ID: 31051

Project Name: Sub - Terry Co. - Wolfforth 115 kV Terminal Upgrades

Need Date for Project: 4/1/2020

Estimated Cost for Project: \$1,700,000

Network Upgrade ID: 51549

Network Upgrade Name: Terry Co. - Wolfforth 115 kV Terminal Upgrades

Network Upgrade Description: Upgrade terminal equipment at Terry Co. and Wolfforth to increase the rating of the 115 kV line from Terry Co. to Wolfforth.

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 230 MVA.

Network Upgrade Justification: Upgrade identified in the Needs Assessment of the 2016 ITPNT as needed for regional reliability.

Estimated Cost for Network Upgrade (current day dollars): \$1,700,000

Cost Allocation of the Network Upgrade: Base Plan

Estimated Cost Source: SPS

Date of Estimated Cost: 3/18/2016

Project ID: 31054

Project Name: Device - Bopco 115 kV Cap Bank

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Need Date for Project: 6/1/2017
Estimated Cost for Project: \$273,060

Network Upgrade ID: 51552
Network Upgrade Name: Bopco 115 kV Cap Bank
Network Upgrade Description: Install 7.2-MVAR capacitor bank at Bopco 115 kV.
Network Upgrade Owner: SPS
MOPC Representative(s): William Grant
TWG Representative: John Fulton
Categorization: Regional reliability
Network Upgrade Specification: Install 7.2-MVAR capacitor bank at Bopco 115 kV.
Network Upgrade Justification: Upgrade identified in the Final Reliability Assessment of the 2016 ITPNT as needed for regional reliability.
Estimated Cost for Network Upgrade (current day dollars): \$273,060
Cost Allocation of the Network Upgrade: Base Plan
Estimated Cost Source: SPP
Date of Estimated Cost: 2/1/2016

Upgrades with Modifications

Previous NTC Number: 200309
Previous NTC Issue Date: 12/3/2014
Project ID: 31067
Project Name: Sub - Livingston Ridge 115 kV Substation Conversion
Need Date for Project: 6/1/2017
Estimated Cost for Project: \$5,283,323

Network Upgrade ID: 50924
Network Upgrade Name: Livingston Ridge 115 kV Substation Conversion
Network Upgrade Description: Convert Livingston Ridge from 69 kV to 115 kV. Install any necessary 115 kV terminal equipment.
Network Upgrade Owner: SPS
MOPC Representative(s): William Grant
TWG Representative: John Fulton
Reason for Change: The Need Date for the Network Upgrade was accelerated from 6/1/2018 to 6/1/2017 in the 2016 ITPNT.
Categorization: Regional reliability
Network Upgrade Specification: All elements and conductor must have at least an emergency rating of 304 MVA.
Network Upgrade Justification: Upgrade identified in the Needs Assessment of the 2016 ITPNT as needed for regional reliability.

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Estimated Cost for Network Upgrade (current day dollars): \$5,283,323
Cost Allocation of the Network Upgrade: Base Plan
Estimated Cost Source: SPS
Date of Estimated Cost: 2/24/2016

Previous NTC Number: 200309
Previous NTC Issue Date: 12/3/2014
Project ID: 31068
Project Name: Multi - Tuco - Yoakum 345/230 kV Ckt 1
Need Date for Project: 6/1/2017
Estimated Cost for Project: \$133,612,272

Network Upgrade ID: 50447
Network Upgrade Name: Tuco - Yoakum 345 kV Ckt 1
Network Upgrade Description: Construct new 107-mile 345 kV line from Tuco to Yoakum. Install any necessary 345 kV terminal equipment at Yoakum associated with new 345/230 kV transformer.
Network Upgrade Owner: SPS
MOPC Representative(s): William Grant
TWG Representative: John Fulton
Reason for Change: The Need Date for the Network Upgrade was accelerated from 6/1/2020 to 6/1/2017 in the 2016 ITPNT.
Categorization: Regional reliability
Network Upgrade Specification: All elements and conductor must have at least an emergency rating of 1792 MVA.
Network Upgrade Justification: Upgrade identified in the Needs Assessment of the 2016 ITPNT as needed for regional reliability.
Estimated Cost for Network Upgrade (current day dollars): \$128,473,352
Cost Allocation of the Network Upgrade: Base Plan
Estimated Cost Source: SPS
Date of Estimated Cost: 2/24/2016

Network Upgrade ID: 50451
Network Upgrade Name: Yoakum 345/230 kV Ckt 1 Transformer
Network Upgrade Description: Install new 345/230 kV 644 MVA transformer at Yoakum substation. Install any necessary 230 kV terminal equipment.
Network Upgrade Owner: SPS
MOPC Representative(s): William Grant
TWG Representative: John Fulton
Reason for Change: The Need Date for the Network Upgrade was accelerated from 6/1/2020 to 6/1/2017 in the 2016 ITPNT.

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Categorization: Regional reliability

Network Upgrade Specification: All elements and conductor must have at least an emergency rating of 644 MVA.

Network Upgrade Justification: Upgrade identified in the Needs Assessment of the 2016 ITPNT as needed for regional reliability.

Estimated Cost for Network Upgrade (current day dollars): \$5,138,920

Cost Allocation of the Network Upgrade: Base Plan

Estimated Cost Source: SPS

Date of Estimated Cost: 2/24/2016

Previous NTC Number: 200326

Previous NTC Issue Date: 2/18/2015

Project ID: 30817

Project Name: Line - Canyon West - Dawn - Panda - Deaf Smith 115 kV Ckt 1 Rebuild

Need Date for Project: 6/1/2017

Estimated Cost for Project: \$17,686,344

Network Upgrade ID: 51109

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

Network Upgrade Description: Rebuild 13.7-mile 115 kV line from Canyon West to Dawn.

Network Upgrade Owner: SPS

MOPC Representative(s): William Grant

TWG Representative: John Fulton

Reason for Change: The Need Date for the Network Upgrade was accelerated from 4/1/2018 to 6/1/2017 in the 2016 ITPNT.

Categorization: Regional reliability

Network Upgrade Specification: All elements and conductor must have at least an emergency rating of 274 MVA.

Network Upgrade Justification: Upgrade identified in the Needs Assessment of the 2016 ITPNT as needed for regional reliability.

Estimated Cost for Network Upgrade (current day dollars): \$9,006,562

Cost Allocation of the Network Upgrade: Base Plan

Estimated Cost Source: SPS

Date of Estimated Cost: 2/24/2016

Network Upgrade ID: 51110

Network Upgrade Name: Dawn - Panda 115 kV Ckt 1 Rebuild

Network Upgrade Description: Rebuild 8.4-mile 115 kV line from Dawn to Panda.

Network Upgrade Owner: SPS

MOPC Representative(s): William Grant

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TWG Representative: John Fulton

Reason for Change: The Need Date for the Network Upgrade was accelerated from 4/1/2018 to 6/1/2017 in the 2016 ITPNT.

Categorization: Regional reliability

Network Upgrade Specification: All elements and conductor must have at least an emergency rating of 274 MVA.

Network Upgrade Justification: Upgrade identified in the Needs Assessment of the 2016 ITPNT as needed for regional reliability.

Estimated Cost for Network Upgrade (current day dollars): \$5,447,497

Cost Allocation of the Network Upgrade: Base Plan

Estimated Cost Source: SPS

Date of Estimated Cost: 2/24/2016

Network Upgrade ID: 51111

Network Upgrade Name: Deaf Smith - Panda 115 kV Ckt 1 Rebuild

Network Upgrade Description: Rebuild 3.5-mile 115 kV line from Deaf Smith to Panda.

Network Upgrade Owner: SPS

MOPC Representative(s): William Grant

TWG Representative: John Fulton

Reason for Change: The Need Date for the Network Upgrade was accelerated from 4/1/2018 to 6/1/2017 in the 2016 ITPNT.

Categorization: Regional reliability

Network Upgrade Specification: All elements and conductor must have at least an emergency rating of 265 MVA.

Network Upgrade Justification: Upgrade identified in the Needs Assessment of the 2016 ITPNT as needed for regional reliability.

Estimated Cost for Network Upgrade (current day dollars): \$3,232,285

Cost Allocation of the Network Upgrade: Base Plan

Estimated Cost Source: SPS

Date of Estimated Cost: 2/24/2016

Previous NTC Number: 200332

Previous NTC Issue Date: 2/18/2015

Project ID: 30844

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

Need Date for Project: 1/1/2019

Estimated Cost for Project: \$2,200,956

Network Upgrade ID: 51140

Network Upgrade Name: Amoco - Sundown 230 kV Terminal Upgrades

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Network Upgrade Description: Upgrade switches and wave traps at Sundown and Amoco and increase the line clearance 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

Reason for Change: The project scope for the Network Upgrade was modified in the 2016 ITPNT.

Categorization: Economic/Regional Reliability

Network Upgrade Specification: All elements and conductor must have at least an emergency rating of 547 MVA.

Network Upgrade Justification: Upgrade identified in the Needs Assessment of the 2016 ITPNT as needed for regional reliability.

Estimated Cost for Network Upgrade (current day dollars): \$2,200,956

Cost Allocation of the Network Upgrade: Base Plan

Estimated Cost Source: SPP

Date of Estimated Cost: 2/1/2016

Commitment to Construct

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

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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,

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