

SPP-NTC-200397

**SPP
Notification to Construct**

May 17, 2016

Mr. Kalun Kelly
Western Farmers Electric Cooperative
701 NE 7th Street
Anadarko, OK 73005

RE: Notification to Construct Approved Reliability Network Upgrades

Dear Mr. Kelly,

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 Western Farmers Electric Cooperative ("WFEC"), 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: 30995

Project Name: Device - Harrisburg 69 kV Cap Bank

Need Date for Project: 6/1/2017

Estimated Cost for Project: \$450,000

Network Upgrade ID: 51430

Network Upgrade Name: Harrisburg 69 kV Cap Bank

Network Upgrade Description: Install new 15-MVAR cap bank at Harrisburg 69 kV.

Network Upgrade Owner: WFEC

MOPC Representative(s): Carroll Reddick

TWG Representative: Kalun Kelly

Categorization: Regional reliability

Network Upgrade Specification: Install 15 MVAR of capacitance at Harrisburg 69 kV.

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): \$450,000
Cost Allocation of the Network Upgrade: Base Plan
Estimated Cost Source: WFEC
Date of Estimated Cost: 2/24/2016

Project ID: 31002
Project Name: Line - Lincoln - Meeker 138 kV Ckt 1 New Line
Need Date for Project: 6/1/2017
Estimated Cost for Project: \$6,750,000 (this project cost contains Network Upgrades not included in this NTC)

Network Upgrade ID: 51445
Network Upgrade Name: Lincoln - Meeker 138 kV Ckt 1 New Line (WFEC)
Network Upgrade Description: Construct new 138 kV line from Lincoln to Meeker.
Network Upgrade Owner: WFEC
MOPC Representative(s): Carroll Reddick
TWG Representative: Kalun Kelly
Categorization: Regional reliability
Network Upgrade Specification: All elements and conductor must have at least an emergency rating of 308 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): \$6,000,000
Cost Allocation of the Network Upgrade: Base Plan
Estimated Cost Source: WFEC
Date of Estimated Cost: 2/25/2016

Project ID: 31010
Project Name: Device - Blanchard 69 kV Cap Bank
Need Date for Project: 6/1/2017
Estimated Cost for Project: \$341,325

Network Upgrade ID: 51455
Network Upgrade Name: Blanchard 69 kV Cap Bank
Network Upgrade Description: Install 9-MVAR capacitor bank at Blanchard 69 kV.
Network Upgrade Owner: WFEC
MOPC Representative(s): Carroll Reddick
TWG Representative: Kalun Kelly
Categorization: Regional reliability
Network Upgrade Specification: Install 9-MVAR capacitor bank at Blanchard 69 kV.
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): \$341,325
Cost Allocation of the Network Upgrade: Base Plan
Estimated Cost Source: SPP
Date of Estimated Cost: 2/1/2016

Project ID: 31040
Project Name: Device - Ringwood 138 kV Cap Bank
Need Date for Project: 6/1/2018
Estimated Cost for Project: \$450,000

Network Upgrade ID: 51525
Network Upgrade Name: Ringwood 138 kV Cap Bank
Network Upgrade Description: Install 7-MVAR capacitor bank at Ringwood 138 kV.
Network Upgrade Owner: WFEC
MOPC Representative(s): Carroll Reddick
TWG Representative: Kalun Kelly
Categorization: Regional reliability
Network Upgrade Specification: Install 7-MVAR capacitor bank at Ringwood 138 kV.
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): \$450,000
Cost Allocation of the Network Upgrade: Base Plan
Estimated Cost Source: WFEC
Date of Estimated Cost: 3/3/2016

Project ID: 31041
Project Name: Multi - Driftwood 138/69 kV Substation and Transformer
Need Date for Project: 6/1/2017
Estimated Cost for Project: \$3,550,000

Network Upgrade ID: 51526
Network Upgrade Name: Driftwood 138 kV Substation
Network Upgrade Description: Tap the 138 kV line from Byron to Cherokee City to construct new Driftwood substation. Install any required 138 kV terminal upgrades required to install 138/69 kV transformer.
Network Upgrade Owner: WFEC
MOPC Representative(s): Carroll Reddick
TWG Representative: Kalun Kelly
Categorization: Regional reliability
Network Upgrade Specification: All elements and conductor must have at least an emergency rating of 179 MVA.
Network Upgrade Justification: Upgrade identified in the Needs Assessment of the

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2016 ITPNT as needed for regional reliability.

Estimated Cost for Network Upgrade (current day dollars): \$550,000

Cost Allocation of the Network Upgrade: Base Plan

Estimated Cost Source: WFEC

Date of Estimated Cost: 3/3/2016

Network Upgrade ID: 51527

Network Upgrade Name: Driftwood 138/69 kV Transformer

Network Upgrade Description: Install new 138/69 kV transformer at new Driftwood substation. Install new 69 kV terminal for 69 kV line from Hazelton Junction.

Network Upgrade Owner: WFEC

MOPC Representative(s): Carroll Reddick

TWG Representative: Kalun Kelly

Categorization: Regional reliability

Network Upgrade Specification: All elements and conductor must have at least an emergency rating of 70 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): \$3,000,000

Cost Allocation of the Network Upgrade: Base Plan

Estimated Cost Source: WFEC

Date of Estimated Cost: 3/3/2016

Project ID: 31065

Project Name: Sub - Cleo Junction 138 kV Terminal Upgrades

Need Date for Project: 6/1/2017

Estimated Cost for Project: \$4,000,000

Network Upgrade ID: 51484

Network Upgrade Name: Cleo Junction 138 kV Terminal Upgrades

Network Upgrade Description: Install 3-breaker ring bus at Cleo Junction to allow load to be moved from 69 kV to 138 kV.

Network Upgrade Owner: WFEC

MOPC Representative(s): Carroll Reddick

TWG Representative: Kalun Kelly

Categorization: Regional reliability

Network Upgrade Specification: Install 3-breaker ring bus at Cleo Junction to allow load to be moved from 69 kV to 138 kV.

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): \$4,000,000

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Cost Allocation of the Network Upgrade: Base Plan
Estimated Cost Source: WFEC
Date of Estimated Cost: 2/25/2016

Project ID: 31066
Project Name: Sub - Ringwood 138 kV Terminal Upgrades
Need Date for Project: 6/1/2017
Estimated Cost for Project: \$4,000,000

Network Upgrade ID: 51485
Network Upgrade Name: Ringwood 138 kV Terminal Upgrades
Network Upgrade Description: Install 3-breaker ring bus at Ringwood to allow load to be moved from 69 kV to 138 kV.
Network Upgrade Owner: WFEC
MOPC Representative(s): Carroll Reddick
TWG Representative: Kalun Kelly
Categorization: Regional reliability
Network Upgrade Specification: Install 3-breaker ring bus at Ringwood to allow load to be moved from 69 kV to 138 kV.
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): \$4,000,000
Cost Allocation of the Network Upgrade: Base Plan
Estimated Cost Source: WFEC
Date of Estimated Cost: 2/25/2016

Upgrades with Modifications

Previous NTC Number: 20003
Previous NTC Issue Date: 2/13/2008
Project ID: 242
Project Name: Line - Elmore - Paoli 69 kV Rebuild
Need Date for Project: 6/1/2009
Estimated Cost for Project: \$3,240,000

Network Upgrade ID: 10308
Network Upgrade Name: Elmore - Paoli 69 kV Ckt 1 Rebuild
Network Upgrade Description: Rebuild 10.8-mile 69 kV line from Elmore to Paoli.
Network Upgrade Owner: WFEC
MOPC Representative(s): Carroll Reddick
TWG Representative: Kalun Kelly

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Reason for Change: SPP re-evaluated the Network Upgrade in the 2016 ITPNT and determined it is the best regional solution. The Board approved reissuing the NTC with the previous Need Date.

Categorization: Regional reliability

Network Upgrade Specification: All elements and conductor must have at least an emergency rating of 114 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): \$3,240,000

Cost Allocation of the Network Upgrade: Base Plan

Estimated Cost Source: WFEC

Date of Estimated Cost: 3/15/2016

Previous NTC Number: 200245

Previous NTC Issue Date: 2/19/2014

Project ID: 844

Project Name: Line - Sara Road - Sunshine Canyon 69 kV Ckt 1 Rebuild

Need Date for Project: 6/1/2020

Estimated Cost for Project: \$4,725,000

Network Upgrade ID: 11113

Network Upgrade Name: Sara Road - Sunshine Canyon 69 kV Ckt 1 Rebuild

Network Upgrade Description: Rebuild 10-mile 69 kV line from Sara Road to Sunshine Canyon.

Network Upgrade Owner: WFEC

MOPC Representative(s): Carroll Reddick

TWG Representative: Kalun Kelly

Reason for Change: The Need Date for the Network Upgrade was delayed from 6/1/2014 to 6/1/2020, and the project scope was modified in the 2016 ITPNT.

Categorization: Regional reliability

Network Upgrade Specification: All elements and conductor must have at least an emergency rating of 89 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): \$4,725,000

Cost Allocation of the Network Upgrade: Base Plan

Estimated Cost Source: WFEC

Date of Estimated Cost: 3/15/2016

Previous NTC Number: 200271

Previous NTC Issue Date: 4/22/2014

Project ID: 30597

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Project Name: Multi - Knob Hill - Lane - Noel 138 kV Ckt 1

Need Date for Project: 6/1/2017

Estimated Cost for Project: \$4,459,000 (this project cost contains Network Upgrades not included in this NTC)

Network Upgrade ID: 51030

Network Upgrade Name: Knob Hill - Noel 138 kV Ckt 1 Terminal Upgrades

Network Upgrade Description: Install fiber optics on existing 138 kV line from Noel to Knob Hill. Install a new 138 kV breaker and metering equipment at Noel to accommodate new circuit from new Lane substation.

Network Upgrade Owner: WFEC

MOPC Representative(s): Carroll Reddick

TWG Representative: Kalun Kelly

Reason for Change: The Need Date for the Network Upgrade was accelerated from 6/1/2019 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 286 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): \$450,000

Cost Allocation of the Network Upgrade: Base Plan

Estimated Cost Source: WFEC

Date of Estimated Cost: 3/15/2016

Previous NTC Number: 200284

Previous NTC Issue Date: 5/19/2014

Project ID: 30628

Project Name: Device - Freedom 69 kV Cap Bank

Need Date for Project: 6/1/2015

Estimated Cost for Project: \$237,000

Network Upgrade ID: 50813

Network Upgrade Name: Freedom 69 kV Cap Bank

Network Upgrade Description: Install new 9.6-MVAR capacitor bank at Freedom 69 kV.

Network Upgrade Owner: WFEC

MOPC Representative(s): Carroll Reddick

TWG Representative: Kalun Kelly

Reason for Change: SPP re-evaluated the Network Upgrade in the 2016 ITPNT and determined it is the best regional solution. The Board approved reissuing the NTC with

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the previous Need Date.

Categorization: Regional reliability

Network Upgrade Specification: Install at least 9.6 MVAR of capacitance at Freedom 69 kV.

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): \$237,000

Cost Allocation of the Network Upgrade: Base Plan

Estimated Cost Source: WFEC

Date of Estimated Cost: 3/15/2016

Withdrawal of Upgrades

Previous NTC Number: 20003

Previous NTC Issue Date: 2/13/2008

Project ID: 136

Project Name: Line - Meeker - Hammett 138 kV

Network Upgrade ID: 10174

Network Upgrade Name: HAMMETT - MEEKER 138KV CKT 1

Network Upgrade Description: Build new 10 mile Meeker - Hammett 138 kV and install terminal equipment.

Reason for Change: SPP determined the Network Upgrade was no longer required in the 2016 ITPNT.

Previous NTC Number: 20003

Previous NTC Issue Date: 2/13/2008

Project ID: 241

Project Name: Line - Anadarko - Georgia Tap 138 kV

Network Upgrade ID: 10307

Network Upgrade Name: ANADARKO - GEORGIA 138KV CKT 1

Network Upgrade Description: Rebuild 2 mile Anadarko - Georgia 138 kV line from 556 to 1113 ACSR.

Reason for Change: SPP determined the Network Upgrade was no longer required in the 2016 ITPNT.

Previous NTC Number: 200287

Previous NTC Issue Date: 5/19/2014

Project ID: 30661

Project Name: Multi - Carmen - Cherokee Junction 138 kV

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Network Upgrade ID: 50835

Network Upgrade Name: Carmen 138 kV Ckt 1 Terminal Upgrades

Network Upgrade Description: Install any necessary 138 kV terminal equipment at Carmen associated with new 138/69 kV transformer.

Reason for Change: SPP determined the Network Upgrade was no longer required in the 2016 ITPNT.

Network Upgrade ID: 50855

Network Upgrade Name: Carmen 138/69 kV Ckt 1 Transformer

Network Upgrade Description: Install new 138/69 kV 70 MVA transformer at Carmen substation. Install any necessary 69 kV terminal equipment.

Reason for Change: SPP determined the Network Upgrade was no longer required in the 2016 ITPNT.

Network Upgrade ID: 50856

Network Upgrade Name: Cherokee Junction Tap 138/69 kV Ckt 1 Transformer

Network Upgrade Description: Install new 138/69 kV 70 MVA transformer at new Cherokee Junction Tap substation. Install any necessary 69 kV terminal equipment.

Reason for Change: SPP determined the Network Upgrade was no longer required in the 2016 ITPNT.

Network Upgrade ID: 50857

Network Upgrade Name: Carmen - Cherokee Junction 69 kV Ckt 1 Rebuild

Network Upgrade Description: Tear down the existing 69 kV line from Cherokee Junction to Carmen. Construct new 11.5-mile 138 kV line Cherokee Junction Tap to Carmen.

Reason for Change: SPP determined the Network Upgrade was no longer required in the 2016 ITPNT.

Network Upgrade ID: 50888

Network Upgrade Name: Cherokee Junction Tap 138 kV Substation

Network Upgrade Description: Tap the existing 138 kV line from Noel Switch to Cherokee City to construct the new Cherokee Junction Tap substation. Install any necessary 138 kV terminal equipment.

Reason for Change: SPP determined the Network Upgrade was no longer required in the 2016 ITPNT.

Previous NTC Number: 200322

Previous NTC Issue Date: 2/18/2015

Project ID: 30903

Project Name: Device - Winchester 69 kV Cap Bank

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Network Upgrade ID: 51223

Network Upgrade Name: Winchester 69 kV Cap Bank

Network Upgrade Description: Install one (1) 5-MVAR capacitor bank at Winchester 69 kV substation.

Reason for Change: SPP determined the Network Upgrade was no longer required in the 2016 ITPNT.

Previous NTC Number: 200322

Previous NTC Issue Date: 2/18/2015

Project ID: 30905

Project Name: Device - Thackerville 69 kV Cap Bank

Network Upgrade ID: 51225

Network Upgrade Name: Thackerville 69 kV Cap Bank

Network Upgrade Description: Install one (1) 3-MVAR capacitor bank at the Thackerville 69 kV substation.

Reason for Change: SPP determined the Network Upgrade was no longer required in the 2016 ITPNT.

Previous NTC Number: 20132

Previous NTC Issue Date: 2/14/2011

Project ID: 846

Project Name: Multi - Anadarko - Blanchard - OU SW 138 kV Ckt 1

Network Upgrade ID: 11115

Network Upgrade Name: Anadarko - Blanchard 138 kV Ckt 1

Network Upgrade Description: Rebuild 25.2-mile Anadarko - Blanchard 69 kV line as 138 kV.

Reason for Change: SPP determined the Network Upgrade was no longer required in the 2016 ITPNT.

Network Upgrade ID: 11116

Network Upgrade Name: BLANCHARD - OU SW 138 KV CKT 1

Network Upgrade Description: Rebuild 2-mile Blanchard - OU Switchyard 69 kV line as 138 kV.

Reason for Change: SPP determined the Network Upgrade was no longer required in the 2016 ITPNT.

Withdrawal of Network Upgrade

This letter is the formal notification to stop any further work on this Network Upgrade(s), collect any cost associated with the Network Upgrade(s), and provide this information to SPP.

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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.

Notification of Progress

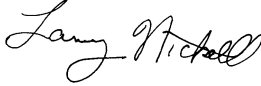
On an ongoing basis, please keep SPP advised of any inability on WFEC's part to complete the approved Network Upgrade(s). For project tracking, SPP requires WFEC to submit status updates of the Network Upgrade(s) quarterly in conjunction with the SPP Board of Directors meetings. However, WFEC shall also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

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Sincerely,



Lanny Nickell
Vice President, Engineering
Phone: (501) 614-3232 • Fax: (501) 482-2022 • lnickell@spp.org

cc: Carl Monroe - SPP
Antoine Lucas - SPP
Tim Smith - WFEC
Ron Cunningham - WFEC