

SPP-NTC-200422

**SPP
Notification to Construct**

January 11, 2017

Mr. Nathan McNeil
Westar Energy, Inc.
P.O. Box 889
Topeka, KS 66601

RE: Notification to Construct Approved Reliability Network Upgrades

Dear Mr. McNeil,

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 Westar Energy, Inc. ("WR"), as the Designated Transmission Owner ("DTO"), to construct the Network Upgrade(s). This NTC is conditioned upon WR not ordering materials or beginning construction until:

- (1) the DTO submits a refined NTC-C Project Estimate ("CPE") to SPP that has a variance bandwidth of -20% to +20% that does not exceed the Study Estimate variance bandwidth of -30% to +30% as provided for in SPP's Business Practices; or
- (2) the SPP Board of Directors considers SPP's re-evaluation of a project that has a refined CPE from the DTO that exceeds the Study Estimate variance bandwidth of -30% to +30% as provided for in SPP's Business Practices.

On November 11, 2016, SPP concluded that the projects are required on the WR system to fulfill Transmission Service Requests as detailed in Aggregate Facility Study SPP-2016-AG1-AFS-3. On December 19, 2016, SPP received all executed Transmission Service Agreements associated with SPP-2016-AG1-AFS-3.

New Network Upgrades

Project ID: 31184

Project Name: Line - Jeffrey Energy Center - Hoyt 345 kV Ckt 1

Need Date for Project: 6/1/2021

Estimated Cost for Project: \$23,683,317

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Network Upgrade ID: 51828
Network Upgrade Name: Jeffrey Energy Center - Hoyt 345 kV Ckt 1
Network Upgrade Description: Rebuild 24.3 miles of 345 kV transmission line from Jeffrey Energy Center - Hoyt.
Network Upgrade Owner: WR
MOPC Representative(s): John Olsen, Lloyd Jackson
TWG Representative: Nathan McNeil
Categorization: Regional Reliability
Network Upgrade Specification: All elements and conductor must have at least an emergency rating of 1087 MVA.
Network Upgrade Justification: Identified in SPP-2016-AG1-AFS-3.
Estimated Cost for Network Upgrade (current day dollars): \$23,683,317
Cost Allocation of the Network Upgrade: Base Plan
Estimated Cost Source: WR
Date of Estimated Cost: 12/9/2016

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 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.

CPE

Please provide SPP a CPE by July 10, 2017, as described in SPP's Business Practice No. 7060 regarding Notification to Construct with Conditions. WR shall advise SPP of any inability to provide the CPE by July 10, 2017, as soon as the inability becomes apparent.

Removal of Conditions

Upon notice by SPP of removal of the conditions contained in this NTC, SPP will issue the DTO a new NTC and the following will be applicable:

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

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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 WR's part to complete the approved Network Upgrade(s). For project tracking, SPP requires WR to submit status updates of the Network Upgrade(s) quarterly in conjunction with the SPP Board of Directors meetings. However, WR 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
Jay Caspary - SPP
John Olsen - WR