

SPP-NTC-200446

**SPP
Notification to Construct**

May 12, 2017

Mr. Wayman Smith
American Electric Power
212 E. 6th St.
Tulsa, OK 74119

RE: Notification to Construct Approved Reliability Network Upgrades

Dear Mr. Smith,

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 American Electric Power ("AEP"), as the Designated Transmission Owner, to construct the Network Upgrade(s).

On April 25, 2017, the SPP Board of Directors approved the Network Upgrade(s) listed below to be constructed as part of the 2017 Integrated Transmission Planning Near-Term Assessment ("ITPNT").

New Network Upgrades

Project ID: 31186

Project Name: Device - IPC 138 kV Cap Bank

Need Date for Project: 12/1/2018

Estimated Cost for Project: \$1,298,049

Network Upgrade ID: 51831

Network Upgrade Name: IPC 138 kV Cap Bank

Network Upgrade Description: Install 28.8-MVAR capacitor bank at IPC 138 kV

Network Upgrade Owner: AEP

MOPC Representative(s): Paul Johnson, Richard Ross, Brian Johnson

TWG Representative: Matthew McGee

Categorization: Regional Reliability

Network Upgrade Specification: Install 28.8 MVAR of capacitance at IPC 138 kV

Network Upgrade Justification: Upgrade identified in the Needs Assessment of the 2017 ITPNT as needed for regional reliability.

Estimated Cost for Network Upgrade (current day dollars): \$1,298,049

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Cost Allocation of the Network Upgrade: Base Plan
Estimated Cost Source: AEP
Date of Estimated Cost: 2/6/2017

Project ID: 41202
Project Name: Line – Tulsa Southeast - E.61st138 kV Rebuild
Need Date for Project: 6/1/2018
Estimated Cost for Project: \$6,014,381

Network Upgrade ID: 61858
Network Upgrade Name: Tulsa Southeast - E.61st- 138 kV Rebuild
Network Upgrade Description: Rebuild Tulsa Southeast - E.61st 3.5-mile 138 kV line.
Network Upgrade Owner: AEP
MOPC Representative(s): Paul Johnson, Richard Ross, Brian Johnson
TWG Representative: Matthew McGee
Categorization: Regional Reliability
Network Upgrade Specification: All elements and conductor must have an emergency rating of at least 278 MVA.
Network Upgrade Justification: Upgrade identified in the Needs Assessment of the 2017 ITPNT as needed for regional reliability.
Estimated Cost for Network Upgrade (current day dollars): \$6,014,381
Cost Allocation of the Network Upgrade: Base Plan
Estimated Cost Source: AEP
Date of Estimated Cost: 2/6/2017

Project ID: 41233
Project Name: Line - Broken Arrow North - Lynn Lane East 138 kV Ckt 1
Need Date for Project: 6/1/2018
Estimated Cost for Project: \$5,714,095

Network Upgrade ID: 71945
Network Upgrade Name: Broken Arrow North - Lynn Lane East 138 kV Ckt 1 Reconductor
Network Upgrade Description: Reconductor Broken Arrow - Lynn Lane East 7.2-mile 138 kV line
Network Upgrade Owner: AEP
MOPC Representative(s): Paul Johnson, Richard Ross, Brian Johnson
TWG Representative: Matthew McGee
Categorization: Regional Reliability
Network Upgrade Specification: All elements and conductor must have an emergency rating of at least 484 MVA.

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Network Upgrade Justification: Upgrade identified in the Needs Assessment of the 2017 ITPNT as needed for regional reliability.

Estimated Cost for Network Upgrade (current day dollars): \$5,714,095

Cost Allocation of the Network Upgrade: Base Plan

Estimated Cost Source: AEP

Date of Estimated Cost: 2/14/2017

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

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Thank you for the important role that you play in maintaining the reliability of our electric grid.

Sincerely,



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
Bob Bradish - AEP
Paul Johnson - AEP
Richard Ross - AEP
Brian Johnson - AEP
Scott Rainbolt - AEP
Matt McGee - AEP