

**SPP-NTC-200454**

**SPP  
Notification to Construct**

May 12, 2017

Mr. Steven Ver Mulm  
Northwest Iowa Power Cooperative  
P.O. Box 240  
Le Mars, IA 51031

RE: Notification to Construct Approved Reliability Network Upgrades

Dear Mr. Ver Mulm,

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 Northwest Iowa Power Cooperative ("NIPCO"), 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:** 51253

**Project Name:** Sub – L-10 Southern 69 kV Terminal Upgrades

**Need Date for Project:** 6/1/2018

**Estimated Cost for Project:** \$1,406,577

**Network Upgrade ID:** 71961

**Network Upgrade Name:** L-10 Southern 69 kV Terminal Upgrades

**Network Upgrade Description:** Install 69 kV breakers needed to close in the L-10 Southern to North Oakland 69 kV line

**Network Upgrade Owner:** NIPCO

**MOPC Representative(s):** Steven Ver Mulm

**TWG Representative:** N/A

**Categorization:** Regional Reliability

**Network Upgrade Specification:** All elements and conductor must have at least an emergency rating of at least 64 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):** \$573,452

**Cost Allocation of the Network Upgrade:** Base Plan

**Estimated Cost Source:** NIPCO

**Date of Estimated Cost:** 3/20/2017

**Network Upgrade ID:** 71962

**Network Upgrade Name:** J16 69 kV Substation

**Network Upgrade Description:** Build new 69 kV switching station to replace the K-116 switch

**Network Upgrade Owner:** NIPCO

**MOPC Representative(s):** Steven Ver Mulm

**TWG Representative:** N/A

**Categorization:** Regional Reliability

**Network Upgrade Specification:** All elements and conductor must have an emergency rating of at least 64 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):** \$833,125

**Cost Allocation of the Network Upgrade:** Base Plan

**Estimated Cost Source:** NIPCO

**Date of Estimated Cost:** 3/20/2017

**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.

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**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 NIPCO's part to complete the approved Network Upgrade(s). For project tracking, SPP requires NIPCO to submit status updates of the Network Upgrade(s) quarterly in conjunction with the SPP Board of Directors meetings. However, NIPCO 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](mailto:lnickell@spp.org)

cc: Carl Monroe - SPP  
Antoine Lucas - SPP  
Jay Caspary - SPP