

**SPP-NTC-200456**

**SPP  
Notification to Construct**

May 23, 2017

Mr. Thomas Meland  
Central Power Electric Cooperative, Inc.  
525 20th Avenue SW  
Minot, ND 58701

RE: Notification to Construct Approved Reliability Network Upgrades

Dear Mr. Meland,

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 Central Power Electric Cooperative, Inc ("CPEC"), as the Designated Transmission Owner, to construct the Network Upgrade(s). This NTC is conditioned upon CPEC 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 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:** 41223

**Project Name:** Line - New East Ruthville - SW Minot 115 kV New Line

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

**Estimated Cost for Project:** \$21,780,000

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**Network Upgrade ID:** 61894  
**Network Upgrade Name:** East Ruthville - SW Minot 115 kV New Line  
**Network Upgrade Description:** Construct new 24-mile 115 kV line from East Ruthville to SW Minot.  
**Network Upgrade Owner:** CPEC  
**MOPC Representative(s):** Thomas Meland  
**TWG Representative:** N/A  
**Categorization:** Regional Reliability  
**Network Upgrade Specification:** All elements and conductor must have an emergency rating of at least 187 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):** \$20,745,000  
**Cost Allocation of the Network Upgrade:** Base Plan  
**Estimated Cost Source:** BEPC  
**Date of Estimated Cost:** 2/6/2017

**Network Upgrade ID:** 61895  
**Network Upgrade Name:** East Ruthville - SW Minot 115 kV line Terminal Upgrades  
**Network Upgrade Description:** Install terminal upgrades needed for East Ruthville - SW Minot 24-mile 115 kV line.  
**Network Upgrade Owner:** CPEC  
**MOPC Representative(s):** Thomas Meland  
**TWG Representative:** N/A  
**Categorization:** Regional Reliability  
**Network Upgrade Specification:** All elements and conductor must have an emergency rating of at least 187 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):** \$1,035,000  
**Cost Allocation of the Network Upgrade:** Base Plan  
**Estimated Cost Source:** BEPC  
**Date of Estimated Cost:** 2/6/2017

**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. Failure to provide a

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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 January 1, 2018, as described in SPP's Business Practice No. 7060 regarding Notification to Construct with Conditions. CPEC shall advise SPP of any inability to provide the CPE by January 1, 2018, as soon as the inability becomes apparent. This due date may change as a result of the final outcome of the FERC docket related to the Tariff changes to implement the revised ITP process.

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

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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  
Mark Sherman - CPEC