

SPP-NTC-200452

**SPP
Notification to Construct**

May 12, 2017

Mr. Lloyd Linke
Western Area Power Administration
PO Box 790
Watertown, SD 57201

RE: Notification to Construct Approved Reliability Network Upgrades

Dear Mr. Linke,

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 Area Power Administration ("WAPA"), 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: 41200

Project Name: Sub - Williston 115 kV

Need Date for Project: 6/1/2018

Estimated Cost for Project: \$350,000

Network Upgrade ID: 61856

Network Upgrade Name: Williston 115 kV Terminal Upgrades

Network Upgrade Description: Install 115 kV terminal upgrades needed at Williston to increase the rating of the Williston - Judson line.

Network Upgrade Owner: WAPA

MOPC Representative(s): Lloyd Linke

TWG Representative: Gayle Nansel

Categorization: Regional Reliability

Network Upgrade Specification: All elements and conductor must have an emergency rating of at least 239 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): \$350,000

Cost Allocation of the Network Upgrade: Base Plan

Estimated Cost Source: WAPA

Date of Estimated Cost: 2/6/2017

Project ID: 51236

Project Name: Multi- Roberts County - Sisseton 115kV

Need Date for Project: 6/1/2018

Estimated Cost for Project: \$5,990,000 (this project cost contains Network Upgrades not included in this NTC)

Network Upgrade ID: 71926

Network Upgrade Name: Roberts County 115 kV Substation

Network Upgrade Description: Build new 115 kV substation at Roberts County between the Forman and Summit substations.

Network Upgrade Owner: WAPA

MOPC Representative(s): Lloyd Linke

TWG Representative: Gayle Nansel

Categorization: Regional Reliability

Network Upgrade Specification: All elements and conductor must have an emergency rating of at least 63 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): \$3,957,000

Cost Allocation of the Network Upgrade: Base Plan

Estimated Cost Source: WAPA

Date of Estimated Cost: 2/9/2017

Network Upgrade ID: 71927

Network Upgrade Name: XFR - Roberts County 115/69 kV Transformer

Network Upgrade Description: New 115/69 kV transformer at Roberts County. Install necessary 69 kV terminal equipment at Roberts County substation.

Network Upgrade Owner: WAPA

MOPC Representative(s): Lloyd Linke

TWG Representative: Gayle Nansel

Categorization: Regional Reliability

Network Upgrade Specification: All elements and conductor must have an emergency rating of at least 63 MVA.

Network Upgrade Justification: Upgrade identified in the Needs Assessment of the

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2017 ITPNT as needed for regional reliability.

Estimated Cost for Network Upgrade (current day dollars): \$1,300,000

Cost Allocation of the Network Upgrade: Base Plan

Estimated Cost Source: WAPA

Date of Estimated Cost: 2/16/2017

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