SPP Notification to Construct

February 21, 2018

Mr. Paul Malone
Nebraska Public Power District
P.O. Box 608
York, NE 68467

RE: Notification to Construct Approved Reliability Network Upgrades

Dear Mr. Malone,

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 Nebraska Public Power District ("NPPD"), as the Designated Transmission Owner, to construct the Network Upgrade(s).

On March 31, 2017, SPP concluded that the Network Upgrade(s) below are required on the NPPD system to fulfill delivery point request(s) as detailed in the Delivery Point Network Study for delivery point request DPA-2016-Dec-703. On July 14, 2017, SPP received all executed Transmission Service Agreements associated with DPA-2016-Dec-703.

NTC-C No. 200460 was issued to NPPD on July 19, 2017. On October 13, 2017, SPP received NPPD’s NTC-C Project Estimates ("CPE") for the Network Upgrades specified in the NTC-C. SPP has reviewed the CPEs and determined that the requirements of Condition No. 1 of the NTC-C have been met.

New Network Upgrades

Project ID: 51254
Project Name: Multi - Sheldon - Monolith 115 kV
Need Date for Project: 12/1/2020
Estimated Cost for Project: $39,300,207

Network Upgrade ID: 71963
Network Upgrade Name: Monolith 345 kV Substation
Network Upgrade Description: Tap the existing 345 kV line from Moore to Cooper to construct the new Monolith substation approximately 1 mile from Moore. Install any necessary 345 kV terminal equipment.
Network Upgrade Owner: NPPD
MOPC Representative(s): Paul Malone
TWG Representative: Randy Lindstrom
Categorization: Regional Reliability
Network Upgrade Specification: All elements and conductor must have at least an emergency rating of 956 MVA.
Network Upgrade Justification: Identified in DPA-2016-Dec-703
Estimated Cost for Network Upgrade (current day dollars): $12,692,888
Cost Allocation of the Network Upgrade: Base Plan
Estimated Cost Source: NPPD
Date of Estimated Cost: 10/13/2017

Network Upgrade ID: 71964
Network Upgrade Name: Monolith 345/115 kV Transformer #1
Network Upgrade Description: Add a new 345/115 kV ckt 1 transformer at Monolith substation.
Network Upgrade Owner: NPPD
MOPC Representative(s): Paul Malone
TWG Representative: Randy Lindstrom
Categorization: Regional Reliability
Network Upgrade Specification: All elements and conductor must have at least an emergency rating of 417 MVA.
Network Upgrade Justification: Identified in DPA-2016-Dec-703
Estimated Cost for Network Upgrade (current day dollars): $5,179,657
Cost Allocation of the Network Upgrade: Base Plan
Estimated Cost Source: NPPD
Date of Estimated Cost: 10/13/2017

Network Upgrade ID: 71965
Network Upgrade Name: Monolith 345/115 kV Transformer #2
Network Upgrade Description: Add a new 345/115 kV ckt 2 transformer at Monolith substation.
Network Upgrade Owner: NPPD
MOPC Representative(s): Paul Malone
TWG Representative: Randy Lindstrom
Categorization: Regional Reliability
Network Upgrade Specification: All elements and conductor must have at least an emergency rating of 417 MVA.
Network Upgrade Justification: Identified in DPA-2016-Dec-703
Estimated Cost for Network Upgrade (current day dollars): $5,179,657
Cost Allocation of the Network Upgrade: Base Plan
Estimated Cost Source: NPPD
Date of Estimated Cost: 10/13/2017

Network Upgrade ID: 71966
Network Upgrade Name: Monolith 115 kV Substation Upgrades
Network Upgrade Description: Re-terminate Firth - Sheldon 115 kV line at Monolith 115 kV sub rather than Sheldon 115 kV sub.
Network Upgrade Owner: NPPD
MOPC Representative(s): Paul Malone
TWG Representative: Randy Lindstrom
Categorization: Regional Reliability
Network Upgrade Specification: All elements and conductor must have at least an emergency rating of 400 MVA.
Network Upgrade Justification: Identified in DPA-2016-Dec-703
Estimated Cost for Network Upgrade (current day dollars): $11,271,233
Cost Allocation of the Network Upgrade: Base Plan
Estimated Cost Source: NPPD
Date of Estimated Cost: 10/13/2017

Network Upgrade ID: 71967
Network Upgrade Name: Sheldon - Monolith 115 kV Ckt 1 New Line
Network Upgrade Description: Build new 1 mile, 115 kV line from Sheldon to Monolith.
Network Upgrade Owner: NPPD
MOPC Representative(s): Paul Malone
TWG Representative: Randy Lindstrom
Categorization: Regional Reliability
Network Upgrade Specification: All elements and conductor must have at least an emergency rating of 400 MVA.
Network Upgrade Justification: Identified in DPA-2016-Dec-703
Estimated Cost for Network Upgrade (current day dollars): $1,273,506
Cost Allocation of the Network Upgrade: Base Plan
Estimated Cost Source: NPPD
Date of Estimated Cost: 10/13/2017

Network Upgrade ID: 71968
Network Upgrade Name: Sheldon 115 kV Terminal Upgrades
Network Upgrade Description: Upgrade all terminal equipment in northern half of Sheldon 115 kV substation to achieve Sheldon - Monolith 115 kV line rating of no less than 400/400 MVA
Network Upgrade Owner: NPPD
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. 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 NPPD’s part to complete the approved Network Upgrade(s). For project tracking, SPP requires NPPD to submit status updates of the Network Upgrade(s) quarterly in conjunction with the SPP Board of Directors meetings. However, NPPD 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,

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  
     Randy Lindstrom - NPPD