

SPP-NTC-C-210549

SPP
Notification to Construct with Conditions

December 13, 2019

Ms. Tina Gaines
Empire District Electric Company
P.O. Box 127
Joplin, MO 64802

RE: Notification to Construct with Conditions for Transmission Service Request resulting from Aggregate Transmission Service Study SPP-2019-AG1-AFS-2

Dear Ms. Gaines,

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 Empire District Electric Company ("EDE"), as the Designated Transmission Owner, to construct the Network Upgrades. This NTC is conditioned upon EDE 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 November 7, 2019, SPP concluded that the project is required on the EDE system to fulfill Transmission Service Requests as detailed in Aggregate Facility Study SPP-2019-AG1-AFS-2.

New Network Upgrades

Project ID: 81559

Project Name: Line - Neosho - Riverton 161 kV

Need Date for Project: 10/1/2023

Estimated In-Service Date: 10/1/2023

Estimated Cost for Project: \$32,456,162 (this project cost contains Network Upgrades not included in this NTC)

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Network Upgrade ID: 112456

Network Upgrade Name: Neosho - Riverton 161kV Rebuild (EDE)

Network Upgrade Description: Rebuild 28.41 miles of 161kV line from Neosho to Riverton and upgrade any necessary terminal equipment at Riverton to increase the summer emergency rating to 250 MVA

Network Upgrade Owner: EDE

Categorization: Transmission Service

Network Upgrade Specification: All elements and conductor must have at least an emergency rating of 250 MVA.

Network Upgrade Justification: SPP-2019-AG1-AFS-2

Estimated Cost for Network Upgrade (current day dollars): \$28,410,000

Cost Allocation of the Network Upgrade: Directly Assigned

Estimated Cost Source: EDE

Date of Estimated Cost: 5/6/2019

Commitment to Construct

Please provide to SPP a written commitment to construct the Network Upgrade(s) within 90 days of the date of this Notification to Construct, 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 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 June 13, 2020 as described in SPP's Business Practice No. 7060 regarding Notification to Construct with Conditions. EDE shall advise SPP of any inability to provide the CPE by June 13, 2020, as soon as the inability becomes apparent.

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 Estimated In-Service 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 Upgrades(s) if the Estimated In-Service Date is not feasible. Additionally, if it is anticipated that the completion of any Network Upgrade will be delayed past the Estimated In-Service Date, SPP requires a mitigation plan be filed within 60 days of 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 EDE's part to complete the approved Network Upgrade(s). For project tracking, SPP requires EDE to submit status updates of the Network Upgrade(s) quarterly in conjunction with the SPP Board of Directors meetings. However, EDE shall also advise SPP of any inability to comply with the Project(s) Schedule as the inability becomes apparent.

All terms and conditions of the SPP OATT and the SPP Membership Agreement shall apply to this project(s) and nothing in this letter shall carry such terms and conditions.

Don't hesitate to contact me if you have questions or comments about these requests. 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
Senior Vice President, Engineering
Phone: (501) 614-3232 • Fax: (501) 482-2022 • lnickell@spp.org

cc: Carl Monroe - SPP
Antoine Lucas - SPP
Jay Caspary - SPP
Nate Morris - EDE
Fred Meyer - EDE
Aaron Doll - EDE