

SPP-NTC-210587

SPP
Notification to Construct with Conditions

November 17, 2020

Mr. Travis Hyde
Oklahoma Gas and Electric Co.
P.O. Box 321, M/C M110
Oklahoma City, OK 73101-0321

RE: Notification to Construct with Conditions Approved Reliability Network Upgrades

Dear Mr. Hyde,

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 with Conditions ("NTC-C") directing Oklahoma Gas and Electric Co. ("OGE"), as the Designated Transmission Owner, to construct the Network Upgrade(s). This NTC is conditioned upon OGE 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 $\pm 20\%$ that does not exceed the Study Estimate variance bandwidth of $\pm 30\%$ 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 $\pm 30\%$ as provided for in SPP's Business Practices.

On October 27, 2020, the SPP Board of Directors approved the Network Upgrade(s) listed below to be constructed as part of the 2020 Integrated Transmission Planning ("ITP") Assessment.

New Network Upgrades

Project ID: 81717

Project Name: Multi - Border - Woodward 345 kV Tap

Need Date for Project: 1/1/2022

Estimated Cost for Project: \$31,686,685 (this project cost contains Network Upgrades not included in this NTC)

SPP-NTC-210587**Network Upgrade ID:** 122823**Network Upgrade Name:** Border - Woodward Tap 345 kV Substation**Network Upgrade Description:** Tap the existing Border to Woodward 345 kV line 19 miles from the Border station and build a new 345 kV substation or switching station**Network Upgrade Owner:** OGE**MOPC Representative(s):** Greg McAuley, RJ Tallman**TWG Representative:** Steve Hardebeck**Categorization:** Economic**Network Upgrade Specification:** All elements and conductor must have at least an emergency rating of 1793 MVA**Network Upgrade Justification:** 2020 ITP**Estimated Cost for Network Upgrade (current day dollars):** \$11,500,000**Cost Allocation of the Network Upgrade:** Base Plan**Estimated Cost Source:** OKGE**Date of Estimated Cost:** 10/12/2020**Network Upgrade ID:** 122824**Network Upgrade Name:** Chisholm - Woodward Border 345 kV Ckt 1 (OGE)**Network Upgrade Description:** Build 0.84-miles of new 345 kV line from a new tap on the Woodward to Border 345 kV line to Chisholm to achieve a summer emergency rating of 1792 MVA. Oklahoma Gas and Electric Co. and American Electric Power shall decide who shall build how much of these Network Upgrades and shall provide such information, along with specific cost estimates for each DTO's portion of the Network Upgrades, to SPP in its response to this NTC**Network Upgrade Owner:** OGE**MOPC Representative(s):** Greg McAuley, RJ Tallman**TWG Representative:** Steve Hardebeck**Categorization:** Economic**Network Upgrade Specification:** All elements and conductor must have at least an emergency rating of 1792 MVA**Network Upgrade Justification:** 2020 ITP**Estimated Cost for Network Upgrade (current day dollars):** \$1,000,000**Cost Allocation of the Network Upgrade:** Base Plan**Estimated Cost Source:** OKGE**Date of Estimated Cost:** 10/30/2020**Project ID:** 81741**Project Name:** Multi - Minco - Pleasant Valley - Draper 345 kV**Need Date for Project:** 1/1/2025**Estimated Cost for Project:** \$40,881,004

SPP-NTC-210587**Network Upgrade ID:** 122848**Network Upgrade Name:** Minco 345 kV Terminal Upgrades**Network Upgrade Description:** Install terminal equipment at Minco substation 345 kV to support a new 345 kV line from Minco to achieve a summer emergency rating of 1792 MVA**Network Upgrade Owner:** OGE**MOPC Representative(s):** Greg McAuley, RJ Tallman**TWG Representative:** Steve Hardebeck**Categorization:** Economic**Network Upgrade Specification:** All elements and conductor must have at least an emergency rating of 1792 MVA**Network Upgrade Justification:** 2020 ITP**Estimated Cost for Network Upgrade (current day dollars):** \$2,288,668**Cost Allocation of the Network Upgrade:** Base Plan**Estimated Cost Source:** SPP**Date of Estimated Cost:** 7/7/2020**Network Upgrade ID:** 122849**Network Upgrade Name:** Pleasant Valley 345 kV Substation**Network Upgrade Description:** Expand the existing Pleasant Valley 138 kV substation to 345 kV with new terminals to accommodate new line from Minco to Pleasant Valley to Draper and terminals to accommodate cut in of existing Cimarron to Draper 345 kV line. Tie into existing Cimarron to Draper 345 kV line.**Network Upgrade Owner:** OGE**MOPC Representative(s):** Greg McAuley, RJ Tallman**TWG Representative:** Steve Hardebeck**Categorization:** Economic**Network Upgrade Specification:** All elements and conductor must have at least an emergency rating of 1792 MVA**Network Upgrade Justification:** 2020 ITP**Estimated Cost for Network Upgrade (current day dollars):** \$25,500,000**Cost Allocation of the Network Upgrade:** Base Plan**Estimated Cost Source:** OKGE**Date of Estimated Cost:** 10/16/2020**Network Upgrade ID:** 122850**Network Upgrade Name:** Pleasant Valley 345/138 kV Transformer Ckt 1**Network Upgrade Description:** Install a new 345/138 kV transformer at Pleasant Valley to achieve a summer emergency rating of 478 MVA**Network Upgrade Owner:** OGE**MOPC Representative(s):** Greg McAuley, RJ Tallman

SPP-NTC-210587**TWG Representative:** Steve Hardebeck**Categorization:** Economic**Network Upgrade Specification:** All elements and conductor must have at least an emergency rating of 478 MVA**Network Upgrade Justification:** 2020 ITP**Estimated Cost for Network Upgrade (current day dollars):** \$4,225,000**Cost Allocation of the Network Upgrade:** Base Plan**Estimated Cost Source:** OKGE**Date of Estimated Cost:** 7/7/2020**Network Upgrade ID:** 122851**Network Upgrade Name:** Pleasant Valley 345/138 kV Transformer Ckt 2**Network Upgrade Description:** Install a new 345/138 kV transformer at Pleasant Valley to achieve a summer emergency rating of 478 MVA**Network Upgrade Owner:** OGE**MOPC Representative(s):** Greg McAuley, RJ Tallman**TWG Representative:** Steve Hardebeck**Categorization:** Economic**Network Upgrade Specification:** All elements and conductor must have at least an emergency rating of 478 MVA**Network Upgrade Justification:** 2020 ITP**Estimated Cost for Network Upgrade (current day dollars):** \$4,225,000**Cost Allocation of the Network Upgrade:** Base Plan**Estimated Cost Source:** OKGE**Date of Estimated Cost:** 7/7/2020**Network Upgrade ID:** 122858**Network Upgrade Name:** Cimarron - Draper 345 kV Terminal Upgrades #2**Network Upgrade Description:** Upgrade any necessary terminal equipment on the Cimarron to Draper 345 kV line to achieve a summer emergency rating of 1540 MVA**Network Upgrade Owner:** OGE**MOPC Representative(s):** Greg McAuley, RJ Tallman**TWG Representative:** Steve Hardebeck**Categorization:** Economic**Network Upgrade Specification:** All elements and conductor must have at least an emergency rating of 1540 MVA**Network Upgrade Justification:** 2020 ITP**Estimated Cost for Network Upgrade (current day dollars):** \$2,288,668**Cost Allocation of the Network Upgrade:** Base Plan**Estimated Cost Source:** SPP**Date of Estimated Cost:** 7/7/2020

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Network Upgrade ID: 122863

Network Upgrade Name: Midwest 138 kV Ckt 1 Terminal Upgrades

Network Upgrade Description: Upgrade any necessary terminal equipment at Midwest 138 kV on the Midwest to Franklin 138 kV line to achieve a summer emergency rating of 308 MVA

Network Upgrade Owner: OGE

MOPC Representative(s): Greg McAuley, RJ Tallman

TWG Representative: Steve Hardebeck

Categorization: Economic

Network Upgrade Specification: All elements and conductor must have at least an emergency rating of 308 MVA

Network Upgrade Justification: 2020 ITP

Estimated Cost for Network Upgrade (current day dollars): \$65,000

Cost Allocation of the Network Upgrade: Base Plan

Estimated Cost Source: OKGE

Date of Estimated Cost: 7/13/2020

Network Upgrade ID: 143176

Network Upgrade Name: Draper 345 kV Terminal Upgrades

Network Upgrade Description: Install a new line terminal at Draper 345 kV to accommodate new 345 kV line from Pleasant Valley to achieve a summer emergency rating of 1792 MVA

Network Upgrade Owner: OGE

MOPC Representative(s): Greg McAuley, RJ Tallman

TWG Representative: Steve Hardebeck

Categorization: Economic

Network Upgrade Specification: All elements and conductor must have at least an emergency rating of 1792 MVA.

Network Upgrade Justification: 2020 ITP

Estimated Cost for Network Upgrade (current day dollars): \$2,288,668

Cost Allocation of the Network Upgrade: Base Plan

Estimated Cost Source: SPP

Date of Estimated Cost: 10/22/2020

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

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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 OGE's part to complete the approved Network Upgrade(s). For project tracking, SPP requires OGE to submit status updates of the Network Upgrade(s) quarterly in conjunction with the SPP Board of Directors meetings. However, OGE 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 blue ink, appearing to read "Antoine Lucas".

Antoine Lucas
Vice President, Engineering
Phone: (501) 614-3382 • Fax: (501) 482-2022 • alucas@spp.org

cc: Lanny Nickell - SPP
Casey Cathey - SPP



HELPING OUR MEMBERS WORK TOGETHER
TO KEEP THE LIGHTS ON... TODAY AND IN THE FUTURE

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David Kelly - SPP
Greg McAuley - OGE