

**SPP-NTC-210577****SPP  
Notification to Construct**

November 17, 2020

Mr. John Knofczynski  
East River Electric Power Cooperative  
P.O. Box 227  
Madison, SD 57042

RE: Notification to Construct Approved Reliability Network Upgrades

Dear Mr. Knofczynski,

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 East River Electric Power Cooperative ("EREC"), as the Designated Transmission Owner, to construct the Network Upgrade(s).

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:** 81497**Project Name:** Multi - Aberdeen Junction - Richmond 115 kV**Need Date for Project:** 12/1/2022**Estimated Cost for Project:** \$11,394,000 (this project cost contains Network Upgrades not included in this NTC)**Network Upgrade ID:** 112500**Network Upgrade Name:** Aberdeen Jct - Richmond 115 kV Ckt 1 (EREC)**Network Upgrade Description:** Build a new 13.5 mile 115 kV line from Aberdeen Junction to Richmond to achieve a summer emergency rating of 139 MVA.

NorthWestern Energy and East River Electric Power Cooperative 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:** EREC

**SPP-NTC-210577**

**MOPC Representative(s):** Mark Hoffman  
**TWG Representative:** John Knofczynski  
**Categorization:** Regional Reliability  
**Network Upgrade Specification:** All elements and conductor must have at least an emergency rating of 139 MVA  
**Network Upgrade Justification:** 2020 ITP  
**Estimated Cost for Network Upgrade (current day dollars):** \$3,277,500  
**Cost Allocation of the Network Upgrade:** Base Plan  
**Estimated Cost Source:** EREC  
**Date of Estimated Cost:** 7/6/2020

**Network Upgrade ID:** 122511  
**Network Upgrade Name:** Richmond 115/69 kV Transformer  
**Network Upgrade Description:** Install a new 115/69 kV transformer at Richmond to achieve a summer emergency rating of 63 MVA  
**Network Upgrade Owner:** EREC  
**MOPC Representative(s):** Mark Hoffman  
**TWG Representative:** John Knofczynski  
**Categorization:** Regional Reliability  
**Network Upgrade Specification:** All elements and conductor must have at least an emergency rating of 63 MVA  
**Network Upgrade Justification:** 2020 ITP  
**Estimated Cost for Network Upgrade (current day dollars):** \$2,022,000  
**Cost Allocation of the Network Upgrade:** Base Plan  
**Estimated Cost Source:** EREC  
**Date of Estimated Cost:** 7/6/2020

**Network Upgrade ID:** 122512  
**Network Upgrade Name:** Richmond 69 kV Capacitor Bank  
**Network Upgrade Description:** Install a new 8 MVAR capacitor bank at Richmond 69 kV  
**Network Upgrade Owner:** EREC  
**MOPC Representative(s):** Mark Hoffman  
**TWG Representative:** John Knofczynski  
**Categorization:** Regional Reliability  
**Network Upgrade Specification:** Install a new 8 MVAR capacitor bank  
**Network Upgrade Justification:** 2020 ITP  
**Estimated Cost for Network Upgrade (current day dollars):** \$222,000  
**Cost Allocation of the Network Upgrade:** Base Plan  
**Estimated Cost Source:** EREC  
**Date of Estimated Cost:** 7/6/2020

**SPP-NTC-210577****Network Upgrade ID:** 132894**Network Upgrade Name:** Richmond 69 kV Substation**Network Upgrade Description:** Expand the existing 69 kV substation to accommodate a new 115/69 kV transformer**Network Upgrade Owner:** EREC**MOPC Representative(s):** Mark Hoffman**TWG Representative:** John Knofczynski**Categorization:** Regional Reliability**Network Upgrade Specification:** All elements and conductor must have at least an emergency rating of 139 MVA**Network Upgrade Justification:** 2020 ITP**Estimated Cost for Network Upgrade (current day dollars):** \$4,812,500**Cost Allocation of the Network Upgrade:** Base Plan**Estimated Cost Source:** EREC**Date of Estimated Cost:** 7/6/2020**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 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 EREC's part to complete the

**SPP-NTC-210577**

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



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

cc: Lanny Nickell - SPP  
Casey Cathey - SPP  
David Kelley - SPP  
James Edwards - EREC