

SPP-NTC-C-210652

SPP
Notification to Construct with Conditions

March 11, 2022

Mr. Tom Christensen
Basin Electric Power Cooperative
1717 E. Interstate Ave.
Bismarck, ND 58503

RE: Notification to Construct with Conditions Approved Reliability Network Upgrades

Dear Mr. Christensen,

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 Basin Electric Power Cooperative ("BEPC"), as the Designated Transmission Owner, to construct the Network Upgrades. This NTC is conditioned upon BEPC 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 January 25, 2022, the SPP Board of Directors approved the Network Upgrade(s) listed below to be constructed as part of 2021 ITP Assessment.

New Network Upgrades

Project ID: 92168

Project Name: Multi - Tande - Finstad - Leland Olds 345 kV

Need Date for Project: 1/1/2023

Estimated Cost for Project: \$301,043,569 (this project cost reflects Network Upgrades not included in this NTC)

SPP-NTC-C-210652**Network Upgrade ID:** 143714**Network Upgrade Name:** Finstad - Tande 345 kV New Line**Network Upgrade Description:** Build a 48 mile 345 kV Ckt 1 line from Finstad to Tande.**Network Upgrade Owner:** BEPC**MOPC Representative(s):** Jason Doerr**TWG Representative(s):** Phil Westby**Categorization:** Regional Reliability**Network Upgrade Specification:** All elements and conductor must meet seasonal rating criteria of 1792 MVA (SE)**Network Upgrade Justification:** 2021 ITP**Estimated Cost for Network Upgrade (current day dollars):** \$72,000,000**Cost Allocation of the Network Upgrade:** Base Plan**Estimated Cost Source:** BEPC**Date of Estimated Cost:** 9/14/2021**Network Upgrade ID:** 144227**Network Upgrade Name:** Finstad 115 kV Substation**Network Upgrade Description:** Build a new 115 kV Substation with terminal equipment to support a line from Vanhook 115 kV substation.**Network Upgrade Owner:** BEPC**MOPC Representative(s):** Jason Doerr**TWG Representative(s):** Phil Westby**Categorization:** Regional Reliability**Network Upgrade Specification:** All elements and conductor must meet seasonal rating criteria of 239/239/239/239 (SN/SE/WN/WE) MVA**Network Upgrade Justification:** 2021 ITP**Estimated Cost for Network Upgrade (current day dollars):** \$374,583**Cost Allocation of the Network Upgrade:** Base Plan**Estimated Cost Source:** SPP**Date of Estimated Cost:** 9/16/2021**Network Upgrade ID:** 144230**Network Upgrade Name:** Finstad 345 kV Substation**Network Upgrade Description:** Build a new 345 kV Substation including 345 kV terminals for lines from Leland Olds 345 kV substation, Tande 345 kV substation and high side terminal equipment for Finstad 345/115 kV Ckt 1 transformer and Finstad 345/115 kV Ckt 2 transformer**Network Upgrade Owner:** BEPC**MOPC Representative(s):** Jason Doerr**TWG Representative(s):** Phil Westby

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Categorization: Regional Reliability

Network Upgrade Specification: All elements and conductor must meet seasonal rating criteria of 1792/1792/1792/1792 (SN/SE/WN/WE) MVA

Network Upgrade Justification: 2021 ITP

Estimated Cost for Network Upgrade (current day dollars): \$22,000,000

Cost Allocation of the Network Upgrade: Base Plan

Estimated Cost Source: BEPC

Date of Estimated Cost: 9/16/2021

Network Upgrade ID: 144231

Network Upgrade Name: Finstad Switched Shunt

Network Upgrade Description: Install a switched shunt at Finstad.

Network Upgrade Owner: BEPC

MOPC Representative(s): Jason Doerr

TWG Representative(s): Phil Westby

Categorization: Regional Reliability

Network Upgrade Specification: Switched shunt and supporting elements must be rated for minimum of 25 MVAR

Network Upgrade Justification: 2021 ITP

Estimated Cost for Network Upgrade (current day dollars): \$1,500,000

Cost Allocation of the Network Upgrade: Base Plan

Estimated Cost Source: BEPC

Date of Estimated Cost: 9/16/2021

Network Upgrade ID: 144233

Network Upgrade Name: Finstad 345/115 kV Ckt 1 Transformer

Network Upgrade Description: Install a 345/115 kV Ckt 1 Transformer at Finstad 345.

Network Upgrade Owner: BEPC

MOPC Representative(s): Jason Doerr

TWG Representative(s): Phil Westby

Categorization: Regional Reliability

Network Upgrade Specification: All elements and conductor must meet seasonal rating criteria of 332/415/332/415 (SN/SE/WN/WE) MVA

Network Upgrade Justification: 2021 ITP

Estimated Cost for Network Upgrade (current day dollars): \$5,000,000

Cost Allocation of the Network Upgrade: Base Plan

Estimated Cost Source: BEPC

Date of Estimated Cost: 9/16/2021

Network Upgrade ID: 144235

Network Upgrade Name: Finstad 345/115 kV Ckt 2 Transformer

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Network Upgrade Description: Install a 345/115 kV Ckt 2 Transformer at Finstad 345.
Network Upgrade Owner: BEPC
MOPC Representative(s): Jason Doerr
TWG Representative(s): Phil Westby
Categorization: Regional Reliability
Network Upgrade Specification: All elements and conductor must meet seasonal rating criteria of 332/415/332/415 (SN/SE/WN/WE) MVA
Network Upgrade Justification: 2021 ITP
Estimated Cost for Network Upgrade (current day dollars): \$5,000,000
Cost Allocation of the Network Upgrade: Base Plan
Estimated Cost Source: BEPC
Date of Estimated Cost: 9/16/2021

Network Upgrade ID: 144236
Network Upgrade Name: Leland Olds - Finstad 345 kV New Line
Network Upgrade Description: Build a 123 mile 345 kV line from Leland Olds to Finstad. Install series compensation on the line or utilize lower impedance conductor that would mimic such a device.
Network Upgrade Owner: BEPC
MOPC Representative(s): Jason Doerr
TWG Representative(s): Phil Westby
Categorization: Regional Reliability
Network Upgrade Specification: All elements and conductor must meet seasonal rating criteria of 1792/1792/1792/1792(SN/SE/WN/WE) MVA
Network Upgrade Justification: 2021 ITP
Estimated Cost for Network Upgrade (current day dollars): \$184,000,000
Cost Allocation of the Network Upgrade: Base Plan
Estimated Cost Source: BEPC
Date of Estimated Cost: 9/16/2021

Network Upgrade ID: 144237
Network Upgrade Name: Leland Olds 345 kV Substation
Network Upgrade Description: Build a new 345 kV Substation with terminal equipment to support a new line from Finstad 345 kV substation.
Network Upgrade Owner: BEPC
MOPC Representative(s): Jason Doerr
TWG Representative(s): Phil Westby
Categorization: Regional Reliability
Network Upgrade Specification: All elements and conductor must meet seasonal rating criteria of 1792/1792/1792/1792 (SN/SE/WN/WE) MVA
Network Upgrade Justification: 2021 ITP

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Estimated Cost for Network Upgrade (current day dollars): \$2,500,000
Cost Allocation of the Network Upgrade: Base Plan
Estimated Cost Source: BEPC
Date of Estimated Cost: 9/16/2021

Network Upgrade ID: 144238
Network Upgrade Name: Tande 345 kV Terminal Equipment
Network Upgrade Description: Install new terminal equipment at Tande to support a new 345 kV line from Finstad.
Network Upgrade Owner: BEPC
MOPC Representative(s): Jason Doerr
TWG Representative(s): Phil Westby
Categorization: Regional Reliability
Network Upgrade Specification: All elements and conductor must meet seasonal rating criteria of 1792/1792/1792/1792 (SN/SE/WN/WE) MVA
Network Upgrade Justification: 2021 ITP
Estimated Cost for Network Upgrade (current day dollars): \$2,500,000
Cost Allocation of the Network Upgrade: Base Plan
Estimated Cost Source: BEPC
Date of Estimated Cost: 9/16/2021

Project ID: 92211

Project Name: Multi - NE Williston - Folvag 115 kV - Judson – East Fork - Tande 345 kV
Need Date for Project: 1/1/2023
Estimated Cost for Project: \$34,634,441 (this project cost reflects Network Upgrades not included in this NTC)

Network Upgrade ID: 144171
Network Upgrade Name: East Fork 345/115 kV Substation
Network Upgrade Description: Bisect the Judson to Tande 345 kV line approximately 18 miles from Judson and build a new 345 kV Substation.
Network Upgrade Owner: BEPC
MOPC Representative(s): Jason Doerr
TWG Representative(s): Phil Westby
Categorization: Regional Reliability
Network Upgrade Specification All 345 kV elements and conductor must meet seasonal rating criteria of 1792/192/1792/1792 (SN/SE/WN/WE) MVA
Network Upgrade Justification: 2021 ITP
Estimated Cost for Network Upgrade (current day dollars): \$22,500,000
Cost Allocation of the Network Upgrade: Base Plan
Estimated Cost Source: BEPC

SPP-NTC-C-210652**Date of Estimated Cost:** 9/14/2021**Network Upgrade ID:** 144198**Network Upgrade Name:** East Fork 345/115 kV Transformer**Network Upgrade Description:** Install a 345/115 kV Transformer at the new East Fork 345/115 kV Substation.**Network Upgrade Owner:** BEPC**MOPC Representative(s):** Jason Doerr**TWG Representative(s):** Phil Westby**Categorization:** Regional Reliability**Network Upgrade Specification** All elements and conductor must meet seasonal rating criteria of 332/415/332/415 (SN/SE/WN/WE) MVA**Network Upgrade Justification:** 2021 ITP**Estimated Cost for Network Upgrade (current day dollars):** \$5,000,000**Cost Allocation of the Network Upgrade:** Base Plan**Estimated Cost Source:** BEPC**Date of Estimated Cost:** 9/16/2021**Project ID:** 92113**Project Name:** Line - Kummer Ridge - Round Up 345 kV**Need Date for Project:** 1/1/2023**Estimated Cost for Project:** \$73,603,000**Network Upgrade ID:** 143588**Network Upgrade Name:** Kummer Ridge - Round Up 345 kV**Network Upgrade Description:** Build 33.2 miles of new 345 kV line from Kummer Ridge to Round Up.**Network Upgrade Owner:** BEPC**MOPC Representative(s):** Jason Doerr**TWG Representative(s):** Phil Westby**Categorization:** Regional Reliability**Network Upgrade Specification** All elements and conductor must meet seasonal rating criteria of 1792/1792/1792/1792 (SN/SE/WN/WE) MVA**Network Upgrade Justification:** 2021 ITP**Estimated Cost for Network Upgrade (current day dollars):** \$72,919,000**Cost Allocation of the Network Upgrade:** Base Plan**Estimated Cost Source:** BEPC**Date of Estimated Cost:** 7/22/2021**Network Upgrade ID:** 143589**Network Upgrade Name:** Kummer Ridge 345 kV Terminal Upgrades

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Network Upgrade Description: Install terminal equipment at Kummer Ridge to support new 345 kV line from Roundup.

Network Upgrade Owner: BEPC

MOPC Representative(s): Jason Doerr

TWG Representative(s): Phil Westby

Categorization: Regional Reliability

Network Upgrade Specification: All elements and conductor must meet seasonal rating criteria of 1792/1792/1792/1792 (SN/SE/WN/WE) MVA

Network Upgrade Justification: 2021 ITP

Estimated Cost for Network Upgrade (current day dollars): \$342,000

Cost Allocation of the Network Upgrade: Base Plan

Estimated Cost Source: BEPC

Date of Estimated Cost: 7/22/2021

Network Upgrade ID: 143590

Network Upgrade Name: Roundup 345 kV Terminal Upgrades

Network Upgrade Description: Install required terminal equipment at Roundup to support new 345 kV line from Kummer Ridge.

Network Upgrade Owner: BEPC

MOPC Representative(s): Jason Doerr

TWG Representative(s): Phil Westby

Categorization: Regional Reliability

Network Upgrade Specification: All elements and conductor must meet seasonal rating criteria of 1792/1792/1792/1792 (SN/SE/WN/WE) MVA

Network Upgrade Justification: 2021 ITP

Estimated Cost for Network Upgrade (current day dollars): \$342,000

Estimated Cost Source: BEPC

Date of Estimated Cost: 7/21/2021

Commitment to Construct

Please provide to SPP a written commitment to construct the Network Upgrade(s) by June 9, 2022. 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.

CPE

Please provide SPP a CPE by the earlier of 1) four months in advance of the start of the next Integrated Transmission Plan Assessment (ITP) or 2) September 7, 2022, as described in SPP's Business Practice No. 7060 regarding Notification to Construct with Conditions. Please also include a construction schedule with your CPE. BEPC shall advise SPP of any inability to provide the CPE by the date specified, as soon as the inability becomes apparent. This due date

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may change as a result of the final outcome of the FERC docket related to the Tariff changes to implement the revised ITP process.

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 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 BEPC's part to complete the approved Network Upgrade(s). For project tracking, SPP requires BEPC's to submit status updates of the Network Upgrade(s) quarterly in conjunction with the SPP Board of Directors meetings. However, BEPC 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(s), and nothing in this letter shall vary 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 blue ink, appearing to read "Antoine Lucas".

Antoine Lucas

Vice President, Engineering

Phone: (501) 614-3382 • Fax: (501) 482-2022 • alucas@spp.org

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cc: Lanny Nickell - SPP
Casey Cathey - SPP
David Kelley - SPP
Jeremy Severson - BEPC
Jason Doerr - BEPC