

SPP
Notification to Construct with Conditions

October 10, 2023

Mr. Evan Kinney
Nebraska Public Power District
P.O. Box 2170
Kearney, NE 68848-2170

RE: Notification to Construct Approved Reliability Network Upgrades with Conditions

Dear Mr. Kinney,

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

SPP concluded that the Network Upgrade below is required on the NPPD system to fulfill delivery point request as detailed in Delivery Point Network Study for delivery point request DPA-2021-October-1442. On September 13, 2023, SPP received all executed Transmission Service Agreements associated with Delivery Point Study DPA-2021-October-1442.

New Network Upgrades

Project ID: 93177

Project Name: Multi - Norfolk-Stanton North 115 kV

Need Date for Project: 11/1/2026

Estimated Cost for Project: \$24,717,569 (this project cost contains Network Upgrades not included in this NTC)

SPP-NTC-220728

Network Upgrade ID: 158042
Network Upgrade Name: Norfolk - Stanton North 115 kV line
Network Upgrade Description: Build new 7.5 mile 115 kV line from Norfolk to Stanton North
Network Upgrade Owner: NPPD
Categorization: Regional Reliability
Network Upgrade Specification: Build new Stanton North -Norfolk 115 kV Line with minimum winter emergency rating of 184 MVA
Network Upgrade Justification: DPA-2021-October-1442
Estimated Cost for Network Upgrade (current day dollars): \$13,603,250
Cost Allocation of the Network Upgrade: Base Plan
Estimated Cost Source: NPPD
Date of Estimated Cost: 8/10/2023

Network Upgrade ID: 158043
Network Upgrade Name: Hoskins 230/115 kV Transformer
Network Upgrade Description: Upgrade Hoskins 230/115 kV Transformer
Network Upgrade Owner: NPPD
Categorization: Regional Reliability
Network Upgrade Specification: Upgrade Hoskins 230/115 kV Transformer with minimum summer emergency rating of 195 MVA
Network Upgrade Justification: DPA-2021-October-1442
Estimated Cost for Network Upgrade (current day dollars): \$11,114,319
Cost Allocation of the Network Upgrade: Base Plan
Estimated Cost Source: NPPD
Date of Estimated Cost: 8/10/2023

Commitment to Construct

Please provide to SPP a written commitment to construct the Network Upgrade(s) by January 8, 2024 in addition to providing a construction schedule and an updated -20% to +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.

CPE

Please provide SPP a CPE by April 7, 2024 as described in SPP's Business Practice No. 7060 regarding Notification to Construct with Conditions. NPPD shall advise SPP of any inability to provide the CPE by April 7, 2024, as soon as the inability becomes apparent.

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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 NPPD's part to complete the approved Network Upgrade(s). For project tracking, SPP requires NPPD's 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(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 that reads "David Kelley".

David Kelley
Vice President, Engineering
Phone: (501) 688-1671 • Fax: (501) 482-2022 • dkelley@spp.org

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cc: Lanny Nickell - SPP
Casey Cathey - SPP
Tony Green - SPP
Natasha Henderson - SPP
Randy Lindstrom - NPPD
Robert Pick - NPPD
Scott Walz - NPPD
SPPprojecttracking