

SPP-NTC-220736

SPP
Notification to Construct with Conditions

December 15, 2023

Mr. Wayman Smith
American Electric Power
212 E. 6th St.
Tulsa, OK 74119

RE: Notification to Construct with Conditions Approved Economic Network Upgrades

Dear Mr. Smith,

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 American Electric Power ("AEP"), as the Designated Transmission Owner, to construct the Network Upgrades. This NTC is conditioned upon AEP 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 October 31, 2023, the SPP Board of Directors approved the Network Upgrade(s) listed below to be constructed as part of 2023 ITP.

New Network Upgrades

Project ID: 93038

Project Name: Line - Osage - Webb City Tap - Shidler 138 kV Rebuild

Need Date for Project: 11/14/2023

Estimated Cost for Project: \$44,189,712 (this project cost reflects Network Upgrades not included in this NTC)

Network Upgrade ID: 157526

Network Upgrade Name: Shidler - Webb City Tap 138 kV Ckt 1 Rebuild

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Network Upgrade Description: Rebuild 2.2 miles of 138 kV line from Shidler 138 kV substation to Webb City Tap 138 kV and upgrade any necessary terminal equipment to achieve a summer emergency rating of 561 MVA.

Network Upgrade Owner: AEP

MOPC Representative(s): Brian Johnson, Richard Ross, Jim Jacoby

TWG Representative(s): Matthew McGee

Categorization: Economic

Network Upgrade Specification: All elements and conductor to meet or exceed 371/561/371/561 (SN/SE/WN/WE) MVA rating

Network Upgrade Justification: 2023 ITP

Estimated Cost for Network Upgrade (current day dollars): \$4,718,963

Cost Allocation of the Network Upgrade: Base Plan

Estimated Cost Source: AEP

Date of Estimated Cost: 6/29/2023

Network Upgrade ID: 157527

Network Upgrade Name: Webb City Tap 138 kV Terminal Upgrade

Network Upgrade Description: Upgrade any necessary terminal equipment at Webb City Tap 138 kV substation on the Shidler to Webb City 138 kV line to achieve a summer emergency rating of 561 MVA.

Network Upgrade Owner: AEP

MOPC Representative(s): Brian Johnson, Richard Ross, Jim Jacoby

TWG Representative(s): Matthew McGee

Categorization: Economic

Network Upgrade Specification: All elements and conductor to meet or exceed 371/561/371/561 (SN/SE/WN/WE) MVA rating

Network Upgrade Justification: 2023 ITP

Estimated Cost for Network Upgrade (current day dollars): \$902,559

Cost Allocation of the Network Upgrade: Base Plan

Estimated Cost Source: AEP

Date of Estimated Cost: 6/29/2023

Network Upgrade ID: 157528

Network Upgrade Name: Shidler 138 kV Terminal Upgrade

Network Upgrade Description: Upgrade any necessary terminal equipment at Shidler 138 kV substation on the Webb City Tap to Shidler 138 kV line to achieve a summer emergency rating of 561 MVA.

Network Upgrade Owner: AEP

MOPC Representative(s): Brian Johnson, Richard Ross, Jim Jacoby

TWG Representative(s): Matthew McGee

Categorization: Economic

Network Upgrade Specification: All elements and conductor to meet or exceed 371/561/371/561 (SN/SE/WN/WE) MVA rating

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Network Upgrade Justification: 2023 ITP
Estimated Cost for Network Upgrade (current day dollars): \$150,000
Cost Allocation of the Network Upgrade: Base Plan
Estimated Cost Source: AEP
Date of Estimated Cost: 6/29/2023

Network Upgrade ID: 157529
Network Upgrade Name: Webb City Tap - Osage 138 kV Ckt 1 Rebuild (AEP)
Network Upgrade Description: Rebuild 2.6 miles of total 22.2 miles of 138 kV line from Webb City Tap 138 kV substation to Osage 138 kV substation and upgrade any necessary terminal equipment to achieve a summer emergency rating of 561 MVA.
Network Upgrade Owner: AEP
MOPC Representative(s): Brian Johnson, Richard Ross, Jim Jacoby
TWG Representative(s): Matthew McGee
Categorization: Economic
Network Upgrade Specification: All elements and conductor to meet or exceed 371/561/371/561 (SN/SE/WN/WE) MVA rating
Network Upgrade Justification: 2023 ITP
Estimated Cost for Network Upgrade (current day dollars): \$4,765,631
Cost Allocation of the Network Upgrade: Base Plan
Estimated Cost Source: AEP
Date of Estimated Cost: 6/29/2023

Network Upgrade ID: 157534
Network Upgrade Name: Webb City Tap 138 kV Terminal Upgrade #2
Network Upgrade Description: Upgrade any necessary terminal equipment at Webb City Tap 138 kV substation on the Webb City Tap to Osage 138 kV line to achieve a summer emergency rating of 561 MVA.
Network Upgrade Owner: AEP
MOPC Representative(s): Brian Johnson, Richard Ross, Jim Jacoby
TWG Representative(s): Matthew McGee
Categorization: Economic
Network Upgrade Specification: All elements and conductor to meet or exceed 371/561/371/561 (SN/SE/WN/WE) MVA rating
Network Upgrade Justification: 2023 ITP
Estimated Cost for Network Upgrade (current day dollars): \$902,559
Cost Allocation of the Network Upgrade: Base Plan
Estimated Cost Source: AEP
Date of Estimated Cost: 6/29/2023

Commitment to Construct

Please provide to SPP a written commitment to construct the Network Upgrade(s) by March 14,

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2024. 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) June 12, 2024, as described in SPP's Business Practice No. 7060 regarding Notification to Construct with Conditions. Please also include a construction schedule with your CPE. AEP shall advise SPP of any inability to provide the CPE by the date specified, as soon as the inability becomes apparent. This due date 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.

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

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Sincerely,



David Kelley
Vice President, Engineering
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cc: Lanny Nickell - SPP
Casey Cathey - SPP
Natasha Henderson - SPP
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Jeff Ellis - AEP
Kamran Ali - AEP
Matthew McGee - AEP