

SPP-NTC-220738

SPP
Notification to Construct with Conditions

December 15, 2023

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 Economic 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 Upgrades. 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 -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: 81701

Project Name: Line - Anadarko - Gracemont 138 kV double Ckt 2 & 3

Need Date for Project: 11/14/2023

Estimated Cost for Project: \$73,506,886 (this project cost reflects Network Upgrades not included in this NTC)

Network Upgrade ID: 157395

Network Upgrade Name: Gracemont 138 kV Ck 2 Terminal Upgrade

Network Upgrade Description: Install any necessary terminal equipment at Gracemont 138 kV substation to support a second line from Gracemont to Anadarko 138 kV substation with a summer emergency rating of 286 MVA.

Network Upgrade Owner: OGE

Categorization: Economic

Network Upgrade Specification: All elements and conductor to meet or exceed 478/478/478/478 (SN/SE/WN/WE) MVA rating

Network Upgrade Justification: 2023 ITP

Estimated Cost for Network Upgrade (current day dollars): \$2,171,478

Cost Allocation of the Network Upgrade: Base Plan

Estimated Cost Source: OGE

Date of Estimated Cost: 6/29/2023

Network Upgrade ID: 157879

Network Upgrade Name: Anadarko - Gracemont 138 kV Ckt 3 New Line (OGE)

Network Upgrade Description: Build new 15 mile 138 kV Ckt 3 line from Anadarko 138 kV substation to Gracemont 138 kV substation as a double circuit to achieve a summer emergency rating of 478 MVA.

Network Upgrade Owner: OGE

Categorization: Economic

Network Upgrade Specification: All elements and conductor to meet or exceed 478/478/478/478 (SN/SE/WN/WE) MVA rating

Network Upgrade Justification: 2023 ITP

Estimated Cost for Network Upgrade (current day dollars): \$19,500,000

Cost Allocation of the Network Upgrade: Base Plan

Estimated Cost Source: SPP

Date of Estimated Cost: 10/31/2023

Network Upgrade ID: 157897

Network Upgrade Name: Anadarko - Gracemont 138kV Ckt 2 New Line (OGE)

Network Upgrade Description: Build new 15-mile 138 kV Ckt 2 line from Anadarko 138 kV substation to Gracemont 138 kV substation as a double circuit to achieve a summer emergency rating of 478 MVA.

Network Upgrade Owner: OGE

Categorization: Economic

Network Upgrade Specification: All elements and conductor to meet or exceed 478/478/478/478 (SN/SE/WN/WE) MVA rating

Network Upgrade Justification: 2023 ITP

Estimated Cost for Network Upgrade (current day dollars): \$19,500,000

Cost Allocation of the Network Upgrade: Base Plan

Estimated Cost Source: 3rd Party

Date of Estimated Cost: 10/31/2023

Network Upgrade ID: 158637

Network Upgrade Name: Gracemont 138 kV Ckt 3 Terminal Equipment

Network Upgrade Description: Install any necessary terminal equipment at Gracemont 138 kV substation to support a third 138 kV line from Anadarko to Gracemont to achieve a summer emergency rating of 478 MVA

Network Upgrade Owner: OGE

Categorization: Economic

Network Upgrade Specification: All elements and conductor to meet or exceed 478/478/478/478 (SN/SE/WN/WE) MVA rating

Network Upgrade Justification: 2023 ITP

Estimated Cost for Network Upgrade (current day dollars): \$2,171,478

Cost Allocation of the Network Upgrade: Base Plan

Estimated Cost Source: OGE

Date of Estimated Cost: 10/31/2023

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: 157530

Network Upgrade Name: Osage 138 kV Terminal Upgrade

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

Network Upgrade Owner: OGE

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): \$4,500,000

Cost Allocation of the Network Upgrade: Base Plan

Estimated Cost Source: OGE

Date of Estimated Cost: 6/29/2023

Network Upgrade ID: 157880

Network Upgrade Name: Webb City Tap - Osage 138 kV Ckt 1 Rebuild (OGE)

Network Upgrade Description: Rebuild 20 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 MV
Network Upgrade Owner: OGE
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): \$28,250,000
Cost Allocation of the Network Upgrade: Base Plan
Estimated Cost Source: OGE
Date of Estimated Cost: 6/29/2023

Project ID: 94010

Project Name: Line - Matthewson 345 kV - Redbud 345 kV

Need Date for Project: 1/1/2025

Estimated Cost for Project: \$110,770,850 (This project cost reflects Network Upgrades not included in this NTC)

Network Upgrade ID: 158573
Network Upgrade Name: Redbud 345 kV Terminal Upgrade
Network Upgrade Description: Install any necessary terminal equipment at Redbud 345 kV substation to support a new line from Redbud 345 kV substation to Matthewson 345 kV substation with a summer emergency rating of 1792 MVA.
Network Upgrade Owner: OGE
Categorization: Economic
Network Upgrade Specification: All elements and conductor to meet or exceed 1792/1792/1792/1792 (SN/SE/WN/WE) MVA rating
Network Upgrade Justification: 2023 ITP
Estimated Cost for Network Upgrade (current day dollars): \$3,415,129
Cost Allocation of the Network Upgrade: Base Plan
Estimated Cost Source: SPP
Date of Estimated Cost: 10/31/2023

Network Upgrade ID: 158574
Network Upgrade Name: Matthewson 345 kV Terminal Equipment #2
Network Upgrade Description: Install any necessary terminal equipment at Matthewson 345 kV substation to support a new line from Matthewson 345 kV substation to Redbud 345 kV substation with a summer emergency rating of 1792 MVA.
Network Upgrade Owner: OGE
Categorization: Economic

Network Upgrade Specification: All elements and conductor to meet or exceed 1792/1792/1792/1792 (SN/SE/WN/WE) MVA rating

Network Upgrade Justification: 2023 ITP

Estimated Cost for Network Upgrade (current day dollars): \$3,415,129

Cost Allocation of the Network Upgrade: Base Plan

Estimated Cost Source: SPP

Date of Estimated Cost: 10/31/2023

Commitment to Construct

Please provide to SPP a written commitment to construct the Network Upgrade(s) by March 14, 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. OGE 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 OGE's part to complete the approved Network Upgrade(s). For project tracking, SPP requires OGE's 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(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,



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

cc: Lanny Nickell - SPP
Casey Cathey - SPP
Natasha Henderson - SPP
Tony Green - SPP
Brad Cochran - OGE
Emily Shuart - OGE
Christy Siharath - OGE
Adam Snapp - OGE