

SPP-NTC-220754

SPP
Notification to Construct with Conditions

December 15, 2023

Mr. Kalun Kelley
Western Farmers Electric Cooperative
701 NE 7th Street
Anadarko, OK 73005

RE: Notification to Construct with Conditions Approved Economic Network Upgrades

Dear Mr. Kelley,

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 Western Farmers Electric Cooperative ("WFEC"), as the Designated Transmission Owner, to construct the Network Upgrades. This NTC is conditioned upon WFEC 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 modified as specified.

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: 122754

Network Upgrade Name: Anadarko - Gracemont 138 kV Ckt 3 (WFEC)

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: WFEC

MOPC Representative(s): Matt Caves

TWG Representative(s): Kalun Kelley

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: WFEC

Date of Estimated Cost: 6/29/2023

Network Upgrade ID: 122756

Network Upgrade Name: Anadarko 138 kV Substation

Network Upgrade Description: Build a new substation at Anadarko 138 kV to support a second and third Ckt 138 kV line from Anadarko to Gracemont to achieve a summer emergency rating of 478 MVA

Network Upgrade Owner: WFEC

MOPC Representative(s): Matt Caves

TWG Representative(s): Kalun Kelley

Categorization: Economic

Network Upgrade Specification: All elements and conductor must have at least an emergency rating of 478 MVA

Network Upgrade Justification: 2023 ITP

Estimated Cost for Network Upgrade (current day dollars): \$20,000,000

Cost Allocation of the Network Upgrade: Base Plan

Estimated Cost Source: SPP

Date of Estimated Cost: 10/31/2023

Network Upgrade ID: 157396

Network Upgrade Name: Anadarko 138 kV Ckt 3 Terminal Upgrade

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

Network Upgrade Owner: WFEC

MOPC Representative(s): Matt Caves

TWG Representative(s): Kalun Kelley

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): \$2,500,000

Cost Allocation of the Network Upgrade: Base Plan

Estimated Cost Source: WFEC

Date of Estimated Cost: 6/29/2023

Network Upgrade ID: 157899

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

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: WFEC

MOPC Representative(s): Matt Caves

TWG Representative(s): Kalun Kelley

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: WFEC

Date of Estimated Cost: 10/31/2023

Network Upgrade ID: 158638

Network Upgrade Name: Anadarko 138 kV Ckt 2 Terminal Equipment

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

Network Upgrade Owner: WFEC

MOPC Representative(s): Matt Caves

TWG Representative(s): Kalun Kelley

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): \$2,500,000

Cost Allocation of the Network Upgrade: Base Plan

Estimated Cost Source: WFEC

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. WFEC 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 WFEC's part to complete the approved Network Upgrade(s). For project tracking, SPP requires WFEC's to submit status updates of the Network Upgrade(s) quarterly in conjunction with the SPP Board of Directors meetings. However, WFEC 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
Matt Caves - WFEC
John Turner - WFEC
Dave Sonntag - WFEC