

SPP-NTC-220769

SPP
Notification to Construct with Conditions

April 29, 2024

Mr. Jarred Cooley
Southwestern Public Service Company
790 S Buchanan Street
Amarillo, TX 79101

RE: Notification to Construct with Conditions Approved Reliability Network Upgrades

Dear Mr. Cooley,

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 Southwestern Public Service Company ("SPS"), as the Designated Transmission Owner, to construct the Network Upgrades. This NTC is conditioned upon SPS 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 February 6, 2024, 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: 93090

Project Name: Multi - Cunningham - Quahada 115 kV - Buckeye Tap New Line

Need Date for Project: 6/1/2024

Estimated Cost for Project: \$26,104,917 (this project cost reflects Network Upgrades not included in this NTC)

Network Upgrade ID: 157696

Network Upgrade Name: Buckeye Tap 115 kV Ckt 1 Substation

Network Upgrade Description: Build new substation at Buckeye Tap, with four new 115 kV line terminals, connecting the 115 kV lines to Buckeye

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Substation, Lea County REC, Cunningham Substation to support a new 115 kV line to the new Cunningham - Quahada 115 kV Tap substation with a summer emergency rating of 239 MVA.

Network Upgrade Owner: SPS

MOPC Representative(s): Jarred Cooley

TWG Representative(s): Jarred Cooley

Categorization: Regional Reliability

Network Upgrade Specification: All new elements and new conductor to meet or exceed 239/239/239/239 (SN/SE/WN/WE) MVA rating.

Network Upgrade Justification: 2023 ITP

Estimated Cost for Network Upgrade (current day dollars): \$11,030,537

Cost Allocation of the Network Upgrade: Base Plan

Estimated Cost Source: SPS

Date of Estimated Cost: 4/29/2024

Network Upgrade ID: 157794

Network Upgrade Name: Buckeye Tap - Cunningham - Quahada 115 kV Ckt 1 New Line.

Network Upgrade Description: Build a new 3.2-mile 115 kV Ckt 1 line from the Buckeye Tap 115 kV substation to the Cunningham - Quahada 115 kV New Substation.

Network Upgrade Owner: SPS

MOPC Representative(s): Jarred Cooley

TWG Representative(s): Jarred Cooley

Categorization: Regional Reliability

Network Upgrade Specification: All elements and conductor to meet or exceed 239/239/239/239 (SN/SE/WN/WE) MVA rating.

Network Upgrade Justification: 2023 ITP

Estimated Cost for Network Upgrade (current day dollars): \$4,530,000

Cost Allocation of the Network Upgrade: Base Plan

Estimated Cost Source: SPS

Date of Estimated Cost: 6/14/2023

Network Upgrade ID: 157796

Network Upgrade Name: Cunningham - Quahada 115 kV New Substation

Network Upgrade Description: Build a new 115 kV substation 8 miles west of Cunningham, cut-into the Cunningham - Quahada 115 kV line, with three new 115 kV line terminals, connecting the 115 kV lines to Buckeye Tap, Cunningham and Quahada.

Network Upgrade Owner: SPS

MOPC Representative(s): Jarred Cooley

TWG Representative(s): Jarred Cooley

Categorization: Regional Reliability

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Network Upgrade Specification: All new elements to meet or exceed 239/239/239/239 (SN/SE/WN/WE) MVA rating.
Network Upgrade Justification: 2023 ITP
Estimated Cost for Network Upgrade (current day dollars): \$10,544,380
Cost Allocation of the Network Upgrade: Base Plan
Estimated Cost Source: SPS
Date of Estimated Cost: 4/29/2024

Commitment to Construct

Please provide to SPP a written commitment to construct the Network Upgrade(s) by July 28, 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) October 26, 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. SPS 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. 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.

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Notification of Progress

On an ongoing basis, please keep SPP advised of any inability on SPS's part to complete the approved Network Upgrade(s). For project tracking, SPP requires SPS to submit status updates of the Network Upgrade(s) quarterly in conjunction with the SPP Board of Directors meetings. However, SPS 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 black ink that reads "Casey Cathey".

Casey Cathey

Vice President, Engineering

Phone: (501) 614-3267 • Fax: (501) 482-2022 • ccathey@spp.org

cc: Lanny Nickell - SPP
Natasha Henderson - SPP
Tony Green - SPP
Reene Miranda - SPS
SPPprojecttracking