

SPP-NTC-220825

**SPP
Notification to Construct**

February 3, 2025

Mr. Bobby Ferris
Lea County Electric Cooperative, Inc.
P.O. Drawer 1447
Lovington, NM 88260

RE: Notification to Construct Approved Reliability Network Upgrades

Dear Mr. Ferris,

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 ("NTC") directing Lea County Electric Cooperative, Inc. ("LEA"), as the Designated Transmission Owner, to construct the Network Upgrades.

On February 6, 2024, the SPP Board of Directors approved the Network Upgrade(s) listed below to be constructed as part of 2023 ITP.

SPP Issued NTC-C 220776 on May 10, 2024. On August 7, 2024, SPP received LEA's NTC-C Project Estimates ("CPE") for Network Upgrades specified in the NTC-C. SPP has reviewed the CPEs and determined that requirements of Condition No. 1 of the NTC have been met for Project ID 93090.

New Network Upgrades

Previous NTC Number: 220776

Previous NTC Issue Date: 5/10/2024

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: \$28,900,555 (this project cost reflects Network Upgrades not included in this NTC)

Network Upgrade ID: 157697

Network Upgrade Name: Buckeye Tap to the Lea County REC Texaco Line Work

Network Upgrade Description: Re-Terminate the Lea County REC 115kV line that connects at the Buckeye Tap, into the new SPS Buckeye Tap 115 Substation

Network Upgrade Owner: LEA

MOPC Representative(s): Bobby Ferris
TWG Representative(s): none
Categorization: Regional Reliability
Network Upgrade Specification: All elements and conductor must achieve 239/239/239/239 (SN/SE/WN/WE) MVA rating
Network Upgrade Justification: 2023 ITP
Estimated Cost for Network Upgrade (current day dollars): \$2,347,150
Cost Allocation of the Network Upgrade: Base Plan
Estimated Cost Source: LEA
Date of Estimated Cost: 8/7/2024

Commitment to Construct

Please provide to SPP a written commitment to construct the Network Upgrade(s) by May 4, 2025. 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.

Project Schedule and In Service Date

In addition to a written commitment to construct, please provide a detailed project schedule, updated $\pm 20\%$ NTC Project Estimate, and an Estimated In-Service Date in the Standardized Cost Estimate Reporting Template for the Network Upgrade(s).

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 LEA's part to complete the approved Network Upgrade(s). For project tracking, SPP requires LEA's to submit status updates of the Network Upgrade(s) quarterly in conjunction with the SPP Board of Directors meetings. However, LEA shall also advise SPP of any inability to comply with the Project In-Service Date as soon as the inability becomes apparent, and no later than 45 days before the First Reported In-Service Date agreed to upon acceptance of the NTC.

All terms and conditions of the SPP OATT and the SPP Membership Agreement shall apply to

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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
Sunny Raheem - SPP
Bobby Kimbro - LEA