

SPP-NTC-220884

SPP
Notification to Construct with Conditions

January 30, 2025

Mr. Brian Huckabay
Oklahoma Gas and Electric Co.
P.O. Box 321, M/C M110
Oklahoma City, OK 73101-0321

RE: Notification to Construct with Conditions Approved Reliability Network Upgrades

Dear Mr. Huckabay,

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 29, 2024, the SPP Board of Directors approved the Network Upgrade(s) listed below to be constructed as part of 2024 ITP.

New Network Upgrades

Project ID: 94930

Project Name: Multi - Ft Smith - Muskogee 345 kV New Line Muskogee - Tahlequah 161 kV Rebuild

Need Date for Project: 11/12/2024

Estimated Cost for Project: \$265,000,000

Network Upgrade ID: 170417

Network Upgrade Name: Muskogee 345 kV Ckt 2 Terminal Upgrade

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Network Upgrade Description: Install terminal equipment at Muskogee 345 kV substation to support a new line from Muskogee 345 kV substation to Ft Smith 345 kV substation with a summer emergency rating of 1793 MVA.

Network Upgrade Owner: OGE

Categorization: Economic

Network Upgrade Specification: All elements and conductor to meet or exceed 1793/1793/1793/1793 (SN/SE/WN/WE) MVA rating

Network Upgrade Justification: 2024 ITP

Estimated Cost for Network Upgrade (current day dollars): \$2,500,000

Cost Allocation of the Network Upgrade: Base Plan

Estimated Cost Source: SPP

Date of Estimated Cost: 9/4/2024

Network Upgrade ID: 170418

Network Upgrade Name: Ft Smith 345 kV Ckt 2 Terminal Upgrade

Network Upgrade Description: Install terminal equipment at Ft Smith 345 kV substation to support a new line from Ft Smith 345 kV substation to Muskogee 345 kV substation with a summer emergency rating of 1793 MVA.

Network Upgrade Owner: OGE

Categorization: Economic

Network Upgrade Specification: All elements and conductor to meet or exceed 1793/1793/1793/1793 (SN/SE/WN/WE) MVA rating

Network Upgrade Justification: 2024 ITP

Estimated Cost for Network Upgrade (current day dollars): \$2,500,000

Cost Allocation of the Network Upgrade: Base Plan

Estimated Cost Source: SPP

Date of Estimated Cost: 9/4/2024

Network Upgrade ID: 170419

Network Upgrade Name: Ft Smith 500/345 kV Transformer Ckt 2 (345 kV)

Network Upgrade Description: Install new 500/345 kV transformer at Ft Smith 345 kV substation with a summer emergency rating of 1481 MVA.

Network Upgrade Owner: OGE

Categorization: Economic

Network Upgrade Specification: All elements and conductor to meet or exceed 1344/1481/1344/1481 (SN/SE/WN/WE) MVA rating

Network Upgrade Justification: 2024 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: 9/4/2024

Network Upgrade ID: 170555

Network Upgrade Name: Ft Smith 500/345 kV Transformer Ckt 2 Terminal Equipment (345 kV)

Network Upgrade Description: Install terminal equipment for new 500/345 transformer at Ft Smith 345 kV substation with a summer emergency rating of 1481 MVA.

Network Upgrade Owner: OGE

Categorization: Economic

Network Upgrade Specification: All elements and conductor to meet or exceed 1344/1481/1344/1481 (SN/SE/WN/WE) MVA rating

Network Upgrade Justification: 2024 ITP

Estimated Cost for Network Upgrade (current day dollars): \$10,000,000

Cost Allocation of the Network Upgrade: Base Plan

Estimated Cost Source: SPP

Date of Estimated Cost: 9/4/2024

Network Upgrade ID: 170556

Network Upgrade Name: Ft Smith 500/345 kV Transformer Ckt 2 Terminal Equipment (500 kV)

Network Upgrade Description: Install terminal equipment for new 500/345 transformer at Ft Smith 500 kV substation with a summer emergency rating of 1481 MVA.

Network Upgrade Owner: OGE

Categorization: Economic

Network Upgrade Specification: All elements and conductor to meet or exceed 1344/1481/1344/1481 (SN/SE/WN/WE) MVA rating

Network Upgrade Justification: 2024 ITP

Estimated Cost for Network Upgrade (current day dollars): \$10,000,000

Cost Allocation of the Network Upgrade: Base Plan

Estimated Cost Source: SPP

Date of Estimated Cost: 9/4/2024

Network Upgrade ID: 170420

Network Upgrade Name: Highway 59 Tap - Tahlequah 345 kV Ckt 1 Voltage Conversion

Network Upgrade Description: Convert 42.5 miles of the 161 kV Ckt 1 line from Highway 59 Tap to Tahlequah to 345 kV with a summer emergency rating of 1793 MVA.

Network Upgrade Owner: OGE

Categorization: Economic

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Network Upgrade Specification: All elements and conductor to meet or exceed 1793/1793/1793/1793 (SN/SE/WN/WE) MVA rating

Network Upgrade Justification: 2024 ITP

Estimated Cost for Network Upgrade (current day dollars): \$97,381,091

Cost Allocation of the Network Upgrade: Base Plan

Estimated Cost Source: SPP

Date of Estimated Cost: 9/4/2024

Network Upgrade ID: 170421

Network Upgrade Name: Muskogee - Tahlequah 161 kV Ckt 1 Rebuild

Network Upgrade Description: Rebuild the existing 23 mile 161 kV Ckt 1 line from Muskogee to Tahlequah as a 161/345 kV double circuit and install/upgrade any necessary terminal equipment to achieve a summer emergency rating of 223 MVA.

Network Upgrade Owner: OGE

Categorization: Economic

Network Upgrade Specification: All elements and conductor to meet or exceed 223/223/223/223 (SN/SE/WN/WE) MVA rating

Network Upgrade Justification: 2024 ITP

Estimated Cost for Network Upgrade (current day dollars): \$0

Cost Allocation of the Network Upgrade: Base Plan

Estimated Cost Source: SPP

Date of Estimated Cost: 9/4/2024

Network Upgrade ID: 170546

Network Upgrade Name: Muskogee - Tahlequah 345 kV Ckt 1 Rebuild

Network Upgrade Description: Rebuild the existing 23 mile 161 kV Ckt 1 line from Muskogee to Tahlequah as a 161/345 kV double circuit and install/upgrade any necessary terminal equipment to achieve a summer emergency rating of 1793 MVA.

Network Upgrade Owner: OGE

Categorization: Economic

Network Upgrade Specification: All elements and conductor to meet or exceed 1793/1793/1793/1793 (SN/SE/WN/WE) MVA rating

Network Upgrade Justification: 2024 ITP

Estimated Cost for Network Upgrade (current day dollars): \$82,562,230

Cost Allocation of the Network Upgrade: Base Plan

Estimated Cost Source: SPP

Date of Estimated Cost: 9/4/2024

Network Upgrade ID: 170422

Network Upgrade Name: Ft Smith - Highway 59 345 kV Ckt 2 New Line

Network Upgrade Description: Build a 17.5 mile 345 kV Ckt 2 line from Ft Smith to Highway 59 to connect to the line at Muskogee along the existing 161 kV route through Tahlequah with a summer emergency rating of 1793 MVA. This portion will be built to 500 kV specifications but operated at 345 kV.

Network Upgrade Owner: OGE

Categorization: Economic

Network Upgrade Specification: All elements and conductor to meet or exceed 1793/1793/1793/1793 (SN/SE/WN/WE) MVA rating

Network Upgrade Justification: 2024 ITP

Estimated Cost for Network Upgrade (current day dollars): \$40,056,678

Cost Allocation of the Network Upgrade: Base Plan

Estimated Cost Source: SPP

Date of Estimated Cost: 9/4/2024

Commitment to Construct

Please provide to SPP a written commitment to construct the Network Upgrade(s) by April 30, 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.

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) July 29, 2025, 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. 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

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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,

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
Sunny Raheem - SPP
Natasha Henderson - SPP
Tony Green - SPP
Brad Cochran - OGE
Emily Shuart - OGE
Christy Marske - OGE
Adam Snapp - OGE
Andrea Dennis - OGE
SPPprojecttracking