

SPP-NTC-220868

SPP
Notification to Construct with Conditions

December 13, 2024

Mrs. Gayle Nansel
Western Area Power Administration, Upper Great Plains Customer Service Region
P.O. Box 35800
Billings, MT 59107-5800

RE: Notification to Construct with Conditions Approved Reliability Network Upgrades

Dear Mrs. Nansel,

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 Area Power Administration, Upper Great Plains Customer Service Region ("WAPA"), as the Designated Transmission Owner, to construct the Network Upgrades. This NTC is conditioned upon WAPA 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: 94571

Project Name: Multi - Sioux Falls 115 kV System Reconfig

Need Date for Project: 6/1/2025

Estimated Cost for Project: \$17,450,000 (this project cost reflects Network Upgrades not included in this NTC)

Network Upgrade ID: 159234

Network Upgrade Name: Sioux Falls 115 kV Ckt 1 Terminal Upgrade

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Network Upgrade Description: Install any necessary terminal equipment at Sioux Falls 115 kV substation to support tapping the existing line from Sioux Falls 115 kV substation to Beresford 115 kV substation for the new tap station Lincoln County 115 kV (owned by EREPC) with a summer emergency rating of 120 MVA.

Network Upgrade Owner: WAPA

Categorization: Regional Reliability

Network Upgrade Specification: All elements and conductor must meet or exceed 119/120/119/130 (SN/SE/WN/WE) MVA rating

Network Upgrade Justification: 2024 ITP

Estimated Cost for Network Upgrade (current day dollars): \$850,000

Cost Allocation of the Network Upgrade: Base Plan

Estimated Cost Source: WAPA

Date of Estimated Cost: 7/26/2024

Network Upgrade ID: 170518

Network Upgrade Name: Beresford 115 kV Ckt 1 Terminal Upgrade

Network Upgrade Description: Install any necessary terminal equipment at the Beresford 115 kV substation to support tapping the existing line from Beresford 115 kV substation to Sioux Falls 115 kV substation for the new tap station Lincoln County 115 kV (owned by EREPC) with a summer emergency rating of 120 MVA.

Network Upgrade Owner: WAPA

Categorization: Regional Reliability

Network Upgrade Specification: All elements and conductor must meet or exceed 119/120/119/130 (SN/SE/WN/WE) MVA rating

Network Upgrade Justification: 2024 ITP

Estimated Cost for Network Upgrade (current day dollars): \$850,000

Cost Allocation of the Network Upgrade: Base Plan

Estimated Cost Source: WAPA

Date of Estimated Cost: 7/26/2024

Network Upgrade ID: 159235

Network Upgrade Name: Beresford 115 kV - Sioux Falls 115 kV Line Tap

Network Upgrade Description: Support the transmission line tap work to reroute the existing Beresford 115 kV - Sioux Falls 115 kV line into and out of (approximately 1 mile) to Lincoln County 115 kV substation (owned by EREPC).

Network Upgrade Owner: WAPA

Categorization: Regional Reliability

Network Upgrade Specification: All elements and conductor must meet or exceed 119/120/119/130 (SN/SE/WN/WE) MVA rating

Network Upgrade Justification: 2024 ITP

Estimated Cost for Network Upgrade (current day dollars): \$2,250,000

Cost Allocation of the Network Upgrade: Base Plan
Estimated Cost Source: WAPA
Date of Estimated Cost: 7/26/2024

Commitment to Construct

Please provide to SPP a written commitment to construct the Network Upgrade(s) by March 13, 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) June 11, 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. WAPA 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.

Notification of Progress

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

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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
Sunny Raheem - SPP
Steve Sanders - WAPA
SPPprojecttracking