

Date Mailed December 23, 2003

BEFORE THE
PUBLIC SERVICE COMMISSION OF WISCONSIN

Application of American Transmission Company, as an
Electric Public Utility, for Authority to Upgrade, Install,
Operate, and Maintain Certain Electric Transmission
Facilities, Known as the Rhinelander Area Reliability
Project, in Lincoln and Oneida Counties

137-CE-114

FINAL DECISION

Introduction

On June 16, 2003, American Transmission Company, LLC, (ATC) filed an application with the Public Service Commission (PSC or Commission) for authority to install a new 115 kilovolt (kV) transmission line between the Eastom Substation in Tomahawk and the Highway 8 Substation in Rhinelander to improve the reliability of the area transmission system. The application was filed pursuant to Wis. Stat. § 196.491 and Wis. Admin. Code ch. PSC 111 which require the Commission to determine if a certificate of public convenience and necessity (CPCN) should be granted.

On August 6, 2003, a PSC notification letter was sent to area residents informing them of ATC's transmission project and of our agency's review process.

On September 16, 2003, an Environmental Assessment was completed by the staff. On October 13, 2003, upon due notice, a public hearing was held before Administrative Law Judge David Whitcomb in Rhinelander, Wisconsin. Persons certified as parties are listed in Appendix A. Other persons who appeared and testified at the hearing are listed in the Commission's files.

The application is GRANTED subject to conditions.

Findings of Fact

1. The electric load growth in the greater Rhinelander area is expected to exceed the capacity of the existing distribution and transmission systems under certain contingencies.

2. The facilities approved by this order and subject to conditions herein are necessary to provide adequate and reliable service to present and future customers, including construction of a 115 kV transmission line and of related required upgrades in existing substations.

3. The facilities will adequately address the present needs of the applicant's electrical system as well as provide flexibility to meet the future load-serving needs in the Rhinelander-Tomahawk area.

4. Neither energy conservation, renewable resources, nor other energy priorities listed in Wis. Stat. §§ 1.12 and 196.025 would be cost-effective alternatives to the proposed facilities.

5. The construction and operation of the facilities at the estimated cost will not impair the efficiency of the applicant's service, will not provide facilities unreasonably in excess of probable and future requirements and, when placed in operation, will not add to the cost of service without proportionately increasing the value or available quantity thereof.

6. Alternative plans, designs, and routes for various portions of the facilities have been considered, but no other reasonable alternatives to the proposed project exist that could provide adequate support in a more reliable, timely, cost-effective, and environmentally acceptable manner.

7. Construction of the proposed facilities to satisfy the reasonable needs of the public for an adequate supply of electrical energy is necessary and appropriate.

8. The proposed facilities will not have a significant effect on the human environment, and the preparation of an environmental impact statement is not necessary.

9. Construction, operation, and maintenance of the proposed facilities will not have undue adverse impacts on environmental values such as, but not limited to, ecological balance, public health and welfare, historic sites, geological formations, aesthetics of land and water, and recreational use.

10. The proposed facilities will not unreasonably interfere with the orderly land use and development plans for the area.

11. Avoiding the introduction or spread of purple loosestrife into the project area by ATC is reasonable and necessary.

12. Restoring and regrading, to its original condition or better, property affected by ATC's construction of the proposed transmission lines is reasonable and necessary.

13. Minimizing the impacts of the proposed facilities on agriculture is reasonable.

14. Requiring ATC to work with affected landowners in placing the new transmission line structures and clearing vegetation on private property is reasonable and necessary.

15. Requiring ATC to work with affected landowners in restoring released easements to their former condition or better is reasonable and necessary.

16. Requiring ATC to protect property owners from problems directly attributable to the proposed facilities is reasonable and necessary.

Conclusions of Law

1. ATC is a public utility engaged in rendering electric transmission service in the state of Wisconsin, pursuant to Wis. Stat. § 196.01(5)(a).

2. The Commission has jurisdiction under Wis. Stat. § 196.491 and Wis. Admin. Code ch. PSC 111 to issue a CPCN authorizing ATC, as an electric transmission public utility, to construct a new 115 kV transmission line as described and subject to the conditions stated herein, known as the Rhinelander Area Reliability Project, and to place in operation Route Option 1 which involves replacing the existing 16.3 mile single-circuit overhead transmission 115 kV line with a double-circuit line on an expanded right-of-way (ROW) between Skanawan Switching Station and the Highway 8 Substation.

3. Public convenience and necessity requires the applicant to construct and place in operation the 115 kV transmission line along Route Option 1 as described herein, and related required upgrades in existing substations, at an estimated total construction cost of \$8,175,600.

4. Findings of Fact 1 through 16 are incorporated here as conclusions of law, and as such are reasonable and appropriate as a matter of law.

Opinion

ATC is a limited liability company created pursuant to Wisconsin state law as a single-purpose, for-profit transmission company that is required to provide transmission services to utilities and others connected to its transmission system.

Project Need

ATC provides transmission service to communities located north of Wausau in Lincoln, Oneida, and Langlade Counties. These communities include Antigo, Merrill, Tomahawk, Eagle River, Three Lakes, and Rhinelander. ATC serves this greater Rhinelander area with two 115 kV lines. These two lines form two loops, resembling a “figure 8.” ATC calls this looping transmission network the “Rhinelander Loop.” The Rhinelander Loop receives power through three 115 kV power lines from the Wausau area.

The electrical power demand has been growing in the Rhinelander Loop service area. The actual load growth has been greater than the 1999 forecast prepared by Wisconsin Public Service Corporation (WPS), the owner of the Rhinelander Loop until its takeover by ATC in January 2001. During the summer of 2001, two low-voltage events caused service breakdowns in the Rhinelander Loop service area.

ATC follows standard industry criteria in determining the adequacy of its transmission network for meeting the electric energy needs of its customers. One of the criterion ATC used in identifying the need to reinforce the Rhinelander Loop is called the “single contingency.” Under the single contingency criterion, transmission facilities and their voltages remain within safe operating limits if any one transmission facility, such as a line, a transformer, or a power plant, is taken out of service. The Rhinelander Loop has three key 115 kV transmission line single contingencies: 1) Weston-Black Brook-Aurora Street; 2) Pine-Skanawan-Eastom; and 3) Eastom-Skanawan-Highway 8. Outage of any one of these lines during peak load periods would cause electric service disruption in the greater Rhinelander area.

ATC is using a phased approach for improving the transmission service reliability of the Rhinelander Loop. The phased approach includes an interim solution, a short-term solution, and a long-term solution.

The interim solution has been implemented by ATC and WPS. They installed capacitors and placed diesel generators at critical points in the Rhinelander Loop. These diesel generators were dispatched to support the Rhinelander Loop transmission service in 2002 and 2003. ATC's costs for dispatching these diesel generators were \$1,000,000 in 2002 and \$700,000 from January to August 2003.

The short-term solution consists of a two-phase plan. Phase 1 of the short-term solution includes upgrading the existing transmission line from 46 kV to 115 kV between Pine and Eastom substations. The upgrading would take place in the existing ROW. As the upgrading cost for Phase 1 construction is below the filing threshold required for a Certificate of Authority (CA), ATC may not file a CA application. ATC expects to complete the Phase 1 construction by June of 2004. Phase 2 is the application in this proceeding.

This ATC application proposes the construction of a new 115 kV single- or double-circuited transmission line on weathering steel, single poles. This Phase 2 construction would establish two 115 kV circuits in place of the existing single-circuit between the Eastom and Highway 8 substations. Construction of the second 115 kV circuit would improve the voltage support in the Rhinelander Loop and eliminate the Pine-Skanawan-Eastom contingencies and the Eastom-Skanawan-Highway 8 contingencies.

ATC's application proposes two route options: Route Option 1 and Route Option 2. For Route Option 1, ATC proposes to rebuild the existing single-circuit 115 kV overhead

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transmission line to a double-circuit on expanded existing ROW between Skanawan Switching Station and Highway 8 Substation. For Route Option 2, ATC proposes a combination of the single-circuit overhead transmission line on a new ROW and the double-circuit line on expanded existing ROW.

Electrical System Alternatives

In addition to the Phase 2 project proposed in this application, ATC evaluated three alternative solutions for improving the reliability of the Rhinelander Loop. These alternatives are described below.

One alternative is the construction of a new 138 kV transmission line between the Cranberry Substation in Wisconsin and the Conover Substation in Michigan. In this alternative, the Conover-Twin Lakes-Iron River-Twin Falls-Plains 69 kV facilities in Michigan would also be converted to 138 kV operation. This alternative would provide the fourth source to the Rhinelander Loop. However, it was found not to solve the long-term needs of the Rhinelander Loop and would cost about \$46,760,500.

The second alternative requires the construction of a new Venus-Crandon-Laona-Goodman-Dunbar 115 kV transmission line. It would require upgrades at several substations, and would also provide a fourth source to the Rhinelander Loop and cost about \$46,700,500.

The third alternative is to build a new 345 kV transmission line from Weston Substation to Venus Substation. It would use the existing Weston-Black Brook 115 kV line, which was mostly built for 345 kV operation. It would also provide the fourth power source to the Rhinelander Loop. This alternative would supply the best voltage support during the normal

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operation as well as during the three contingencies described above. It would cost about \$35,190,500.

These three alternatives provided the Rhinelander Loop with the needed fourth source of power supply and were reasonable alternatives. However, they could not be constructed and placed in service by 2005 to provide the needed short-term solution. Therefore, ATC's Phase 2 proposed project is the best short-term solution based on cost and construction time.

Description of Proposed Facilities

ATC has proposed two route options for the transmission line in their construction application. Both options have in common the northern 4.4 miles (Segments P and Q) of the route where ATC proposes to upgrade the existing D-56 transmission line from single-circuit to double-circuit. Route Option 1 is ATC's preferred route.

Route Option 1

The total length of Route Option 1 is 16.3 miles. The existing single-circuit overhead 115 kV transmission line between Skanawan Switching Station and Highway 8 Substation (Line D-56) would be replaced with a double-circuit overhead line (Segments A, P, and Q). The existing wooden H-frame poles would be replaced with single pole weathering steel structures. The route passes through the towns of Skanawan and Harrison in Lincoln County (10.5 miles), and through the town of Crescent, and into the city of Rhinelander in Oneida County (5.8 miles). The route does not follow property boundaries, highways, roads, or natural gas corridors but traverses diagonally northeast through a primarily forested landscape (Segment A). At a point just north of the Lincoln-Oneida county border, the transmission line shares the STH 17 corridor

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for approximately 1.33 miles (Segment P). The line continues northward, crossing STH 17 twice and STH 8 once, ending at the Highway 8 Substation (Segment Q).

Approximately 80 percent of Route Option 1 is within forested lands (public and private). The remainder of the route is agricultural and wetland. It crosses eight creeks and the Wisconsin River once. Residential development in the area is sparse. There is a maximum of nine business and residential structures potentially located within 100 feet of the proposed transmission line, most of which are located along Segments P and Q south of Rhinelander.

Route Option 1 implies some adjustments to the existing ROW. The existing 100-foot wide easement corridor for Line D-56 would be replaced with an 80-foot-wide easement corridor. Forty feet of the new ROW would overlap the existing ROW. The route would require an additional 40 feet of new easement corridor along either the east or west side of the existing ROW. Once the new double-circuit line is constructed and in service and the existing single-circuit line is removed, the 60 feet of existing ROW (approximately 118 acres) would be released and the easements terminated. New ROW required for Route Option 1 east is 89.5 acres and for Route Option 1 west, 98.6 acres. ATC would add both a new 115 kV terminal, circuit breaker, and relay controls at the Highway 8 Substation, and new switching equipment at Skanawan Switching Station.

Route Option 2

The total length of the Route Option 2 ranges between 21.8 and 23.2 miles and would require between 146 and 168 acres of new ROW. Option 2 includes the construction of a new 115 kV single-circuit transmission line between Eastom Substation and Highway 8 Substation. The route passes through the city of Tomahawk and the towns of Bradley, King, and Harrison in

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Lincoln County (45 percent), and through the towns of Crescent and Woodboro, and into the city of Rhinelander in Oneida County (55 percent). This option crosses the Wisconsin River three times and crosses five additional creeks.

There are alternative segments for Option 2. Beginning at Eastom Substation, Segment B connects Eastom Substation with US Hwy 51. From there the proposed new 80-foot-wide ROW would either run parallel to USH 51 (Segment C or Segments D, E, and G) or adjacent to USH 51 (Segments D, F, and G) in a northerly direction to a point just south of STH 8. At this juncture, the proposed ROW would traverse northeasterly cross country (Segments H, K, and L or Segments H, I, J, and L). The last 4.4 miles of the transmission line would follow the same route segments as Option 1 (Segments P and Q) to the existing Highway 8 Substation, replacing the existing single-circuit with a double-circuit line. The entire route would be constructed on weathering steel single-pole structures.

Easements would be needed for Route Option 2. A new 80-foot-wide easement would be acquired for Segments B through O which would be located on private property. Where the ROW is adjacent to a road or an existing natural gas corridor, the transmission line easement would partially overlap the existing easement. In such cases, the transmission poles would be located on private property approximately five feet outside of the road or gas pipeline ROW, reducing the width of required easement on private property from 80 feet to approximately 45 feet.

For Route Option 2, ATC would add new 115 kV terminals, circuit breaker, and relay controls at both the Eastom and Highway 8 Substations.

Costs and Completion

The total estimated cost for this project is \$8,175,600 for Route Option 1 and \$9,597,200 for Route Option 2. ATC would finance their respective project costs through internal funds and/or the issuance and sale of securities.

ATC expects to complete the proposed Phase 2 construction by June 2005.

Environmental Review

The proposed transmission project was reviewed by the Commission for environmental impact. This is Type II action under Wis. Stat. § PSC 4.10(2). An environmental assessment was prepared to determine if an environmental impact statement would be necessary under Wis. Stat. § 1.11. The Commission finds that no significant impact to the human environment is likely. Therefore, an environmental impact statement is not required.

The public voiced concerns about the possible transmission line impacts to aesthetics, health, property values, archeological sites, and mature trees. The primary environmental impact involves the construction of transmission structures through wooded areas, wetlands, and over waterways.

Over 70 percent of the project area is forested which includes forested croplands (plantations), forested wetlands, and woodlots. Large tracts of land in current rotation for paper pulp production are also found in the project area. Route Option 1 would impact approximately 81 acres of forested ROW. Route Option 2 would impact the between 111 and 129 acres of forested ROW. Trees or other tall growing vegetation would need to be removed only at locations where transmission structures would be installed and to provide access for construction equipment. Harvested trees can represent thousands of dollars to property owners. The

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Applicant should work with property owners regarding the final disposition of cut trees and other woody materials.

The routes cross between 7,515 and 14,569 feet of wetlands, the majority of which are forested and scrub/shrub. The construction of the transmission line would require the clearing and removal of trees and shrubs from the proposed ROW. Impacts to wetlands can be minimized by spanning smaller wetlands, performing construction at times when the wetlands are frozen, using low ground-pressure construction equipment, timber mats, and thoroughly cleaning any and all construction equipment to remove invasive plant seeds and stems before entering the wetlands.

The Wisconsin River, its tributaries, and a number of small creeks are significant features in the project area landscape. If no structures are constructed in streams or stream banks and appropriate precautions are employed before, during, and after construction, neither Route Options 1 nor 2 will significantly impact any waterways. Construction of the transmission line requires using proper erosion control methods to insure that streams and waterways are adequately protected. Some water environments may not freeze even in the coldest winters; therefore, standard utility construction equipment should not be driven through wetlands or streams.

Construction in wetlands can introduce invasive plants such as purple loosestrife (*Lythrum salicaria*). Purple loosestrife may be introduced to a wetland by seeds or plant parts carried by construction equipment that has been used in an infested area. Clearing trees from forested wetland ROW can expose previously shaded areas to full sun and enhance the potential for the introduction of purple loosestrife. Once introduced, purple loosestrife spreads rapidly,

crowding out native vegetation. Purple loosestrife has little value for wildlife in providing food or cover. The applicant should conduct proper pre-construction and post-construction inspection of wetlands to prevent or mitigate the introduction of purple loosestrife.

Between 17.8 and 20.6 percent of the new ROW required for the project is on agricultural properties. Potential agricultural impacts include the specific placement of transmission structures, soil compaction, and impacts to efficient tillage due to line placement.

A review of the Wisconsin Natural Heritage Inventory and consultation with the Wisconsin Department of Natural Resources (DNR), Bureau of Endangered Resources indicates the potential presence of two threatened species within the project area, the wood turtle (*Clemmys insculpta*) and the osprey (*Pandion halieatus*). Wood turtle habitat occurs in much of the project area in forested areas along fast-moving streams. This species is largely aquatic but does nest on dry land in late spring and early summer (late May through June). Beginning in November, the wood turtle hibernates in river banks. They emerge from hibernation in March. To protect against accidental destruction of nests, silt fences should be erected on the perimeter of the construction zone in areas where wood turtles are likely to be found. The silt fences are intended to keep female turtles from entering the construction area to lay eggs. Silt fences should be constructed in early March. This would not be necessary should construction be conducted during the winter (November through February). River banks should not be disturbed from November to March along the entire length of the project area.

Ospreys often nest on or near transmission towers. In cases where a transmission structure is being used by nesting osprey, construction at that site should be delayed until nesting is complete and the young have left the nest. Construction should also be restricted within 300

feet of an active osprey nest. Ospreys typically nest from May to mid-August. Osprey exhibit strong fidelity to nesting sites and will return year after year to the same nest. Where old structures are supporting osprey nests, the new replacement structures can be fitted with artificial nesting structures or a separate dedicated nesting structure can be erected near the location of the old nest. This will allow returning osprey to continue to use that site for nesting.

Additionally, bald eagles (*Haliaeetus leucocephalis*), a federally threatened species have been observed in the project area. The bald eagle has been de-listed in Wisconsin and is now a species of special concern. Construction activities within 600 feet of an active bald eagle nest (March 15 through August 15) should be prohibited.

Another species of special concern that has been observed in the project area is the North American bullfrog (*Rana catesbeiana*). The North American bullfrog might be found throughout the summer along the banks of permanent bodies of waters (lakes, ponds, rivers, and streams). River and stream banks should not be disturbed by construction vehicles.

Historic occurrences of mammals of special concern include the water shrew (*Sorex palustris*), pygmy shrew (*Sorex hoyi*), and the Arctic shrew (*Sorex arcticus*). Historic occurrences of plant species of special concern in the project area include the Missouri rock-cress (*Arabis missouriensis*), the purple clematis (*Clematis occidentalis*), the marsh willow-herb (*Epilobium palustre*), the large roundleaf orchid (*Platanthera orbiculata*), the large-flowered ground-cherry (*Leucophysalis grandiflora*), the Hooker orchid (*Platanthera hookeri*), and the leafy white orchid (*Platanthera dilatata*). In order to protect these plant species of special concern, suitable habitat should be surveyed to determine if they are found within the construction zone. Once located, these plants should be clearly flagged, protected, and avoided during construction.

Along the length of the proposed transmission ROW, there is one historical building and two known archeological sites. Construction along these segments would require appropriate consideration for maintaining the integrity of these sites. The Wisconsin Historical Society (WHS) may require ATC to have a qualified archeologist survey those portions of the transmission line ROW where any ground disturbing activities would take place in the vicinity of these recorded sites. The purpose of the survey would be to locate site boundaries and avoid any impacts to these sites.

In an area south of Rhinelander along Segment P, there has been growth in residential developments. New residential lots, within and adjacent to the development known as the Indian Hill trail properties, are currently sandwiched between the Wisconsin River and associated wetlands to the west and the existing transmission ROW and Hwy 17 to the east. These narrow lots were sold as buildable, but an expansion of the proposed 40 feet of easement would render most of these lots unbuildable. A few houses have recently been built in this area. The proposed ROW could be 50 feet or closer to their front door. Additionally, the construction in the ROW would also require the removal of mature trees that parallel Hwy 17 and provide aesthetic and noise screening for these residents. These properties are part of both Route Option 1 and Route Option 2. ATC has modified its original route in this area to construct the proposed transmission line inside the existing easement. This could be accomplished by using a temporary line which would also be contained within the existing easement, preventing undue hardship on these property owners.

New ROW will be required for both Route Option 1 and Route Option 2. However, for Route Option 1, approximately 118 acres of ROW will be released and the easement terminated.

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Over 90 percent of Route Option 1 is through wooded properties including the UW-Stevens Point Tree Haven Field Station. If Option 1 is chosen and the released easement not properly re-vegetated and managed, invasive/opportunistic shrubs and unwanted plants would quickly establish themselves in the former easement. This would create an unsightly and unusable disfigurement across the landscape for many years to come. The applicant should work with property owners regarding the re-vegetation and management of all released easements. Any property adversely affected by project construction should be restored and graded to its original condition or better.

Future levels of electric and magnetic fields were estimated for the proposed transmission line. For the year 2005, EMF strengths at normal loads (80 percent of estimated peak, system in normal configuration) are estimated to range from 33.3 to 37.4 milliGauss (mG) at the new transmission line centerline and from 0.1 to 0.3 mG at 300 feet from the centerline. There has been no conclusive scientific evidence proving that exposure to magnetic fields constitutes a health risk.

The potential for property value impacts resulting from construction of the transmission line was reviewed. The available research indicates that it is very difficult to make predictions about how a specific transmission line will affect the value of specific properties.

Route Option 1 offers several environmental advantages over Route Option 2. These advantages include shorter length, less new ROW required, reduced tree clearing, less wetland impacts, and complete corridor sharing. Given these advantages, the Commission therefore chooses Route Option 1 for construction of the needed transmission line.

Certificate

ATC, as an electric transmission public utility, may construct and place in operation a new 115 kV double-circuited transmission line between the Skanawan Switching Station and the Highway 8 Substation in Rhineland, as described herein as Route Option 1, and associated required upgrades at existing substations, at an estimated total cost of \$8,175,600. ATC is granted a certificate authorizing it to proceed upon the condition that it notify this Commission before making any substantive changes in the design, size, cost, or location of the proposed facilities, and subject to the conditions stated in the order below.

Order

1. The facilities authorized to be constructed are those described herein, which include a 115 kV double-circuit transmission line between the Skanawan Switching Station and the Highway 8 Substation in Rhineland, incorporating the Route 1 Option and associated required upgrades at existing substations.

2. Proper erosion control methods using DNR Best Management Practices for Construction Sites shall be employed before, during, and immediately after construction of the project. Erosion control shall be regularly inspected and maintained throughout the construction phase of the project and until exposed soil has been stabilized.

3. Construction shall be conducted so as to avoid or minimize impacts to wetlands. Wetlands should be spanned wherever possible. When construction in wetlands is unavoidable, ATC shall schedule its work when the wetland is frozen, if possible. Regardless of when wetland construction is conducted, construction practices shall be designed to minimize

disturbance to wetland soils by the use of mats and wide-track vehicles. All wetland soils disturbed or damaged by construction shall be restored to its original or better condition.

4. ATC shall inspect portions of the approved route that pass through wetlands for the presence of purple loosestrife before beginning any construction.

5. ATC shall ensure that all construction equipment is clean of purple loosestrife before beginning work on the project. In areas where purple loosestrife is present, all construction equipment shall be cleaned after completing construction but before leaving the site.

6. Following construction, all portions of the route passing through previously uninfested areas of wetlands shall be inspected for the presence of loosestrife for five growing seasons after completion of the project. New infestations of the plant shall be removed using methods recommended by the DNR. Inspections and plant removal shall occur prior to seed dispersal, preferably in June or July. ATC shall provide written documentation of inspection and removal activities. This documentation shall describe the results of such activities and the dates on which they took place. Documentation shall be submitted to the Commission within 90 days of undertaking these activities.

7. Construction in agricultural areas shall be performed in winter if possible. ATC is responsible for all crops lost or damaged during construction and must take measures to prevent or remediate soil compaction caused by construction activities in all agricultural fields.

8. The wood turtle (*Clemmys insculpta*), a state-threatened species, may be present along banks of fast-moving streams in the project area. ATC shall conduct no construction activities along river banks from November to March when wood turtles hibernate. To prevent female turtles from entering construction areas, silt fences shall be erected in March on the

perimeter of construction zones in areas where wood turtles are likely to be found. Silt fences are not required in these areas if construction is conducted from November through February.

9. The osprey (*Pandion halieatus*), a state threatened species, may use existing transmission structures for nesting in the project area. Construction shall be restricted within 300 feet of an active osprey nest and delayed until the young have left the nest. Where old transmission structures are supporting osprey nests, ATC shall fit artificial nesting structures on new transmission poles or on separate dedicated nesting structures located near the old nest.

10. Bald eagles (*Haliaeetus leucocephalis*), a federally threatened species and a state species of special concern, may nest within the project area. If an active bald eagle nest is identified, ATC shall not conduct any construction activities within 600 feet of the nest between March 15th and August 15th.

11. The Commission has identified two archeological sites in the project area that need to be protected pursuant to Wis. Stat. § 44.40. ATC shall coordinate with PSC staff for identification of these archeological sites. An archeological survey shall be performed by a qualified archeologist in those portions of the project ROW where any ground disturbing activities would take place in the vicinity of these recorded sites. The qualified archeologist will submit the archeological survey to the WHS and the PSC for comment. ATC shall follow all recommendations provided by WHS concerning the proposed project. Construction activities of the proposed transmission structures shall avoid impacts to these archeological sites.

12. For that portion of the route along the Indian Hill Trail properties and for those adjacent properties to the north and south in Segment P, ATC shall construct the proposed

transmission line using the same centerline as the existing transmission line centerline, using a temporary transmission line within the existing easement.

13. ATC shall work with all landowners from whom ROW easements are required to locate transmission poles, guy wires, structures and the facilities in locations that are reasonably acceptable to the landowner in order to minimize impacts and hardships.

14. ATC shall work with all landowners regarding the removal of trees and shrubs from the proposed ROW and the final disposition of any cut trees and other vegetation.

15. ATC shall reasonably restore and grade, to its original condition or better, any and all property adversely affected by construction of the approved project.

16. ATC shall work with all landowners regarding the re-vegetation of released easements. Released easements shall be restored and graded to its original condition or better.

17. ATC shall take all reasonable action to remedy any and all problems of businesses or property owners along the approved route that are directly attributable to construction or operation of the new facilities.

18. ATC shall inform property owners from whom ROW easements are required of their rights and obligations pursuant to Wis. Stat. § 182.017.

19. ATC shall submit quarterly progress reports to the Commission indicating the project's major construction and environmental milestones, the extent of the physical completion to date, and the expenditures to date. The first report is due within 90 days of the date of this order.

20. Upon completion of the project, ATC shall notify the Commission and report the actual cost segregated by plant account comparable to the cost breakdown of the application. For

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those accounts or categories where actual costs deviate significantly from those authorized, the final cost report shall itemize and explain the reasons for such deviations.

21. This order authorizes only the specific project and facilities described herein at the estimated cost of \$8,175,600 for Route Option 1. Should the scope, design, or location of the project change significantly or if the estimated cost exceeds that stated above by more than 10 percent, ATC shall promptly notify the Commission.

22. The certificate granted here is valid only if the construction is started within one year of the date thereof.

23. Jurisdiction is retained.

Dated at Madison, Wisconsin, _____

By the Commission:

Lynda L. Dorr
Secretary to the Commission

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See attached Notice of Appeal Rights

Notice of Appeal Rights

Notice is hereby given that a person aggrieved by the foregoing decision has the right to file a petition for judicial review as provided in Wis. Stat. § 227.53. The petition must be filed within 30 days after the date of mailing of this decision. That date is shown on the first page. If there is no date on the first page, the date of mailing is shown immediately above the signature line. The Public Service Commission of Wisconsin must be named as respondent in the petition for judicial review.

Notice is further given that, if the foregoing decision is an order following a proceeding which is a contested case as defined in Wis. Stat. § 227.01(3), a person aggrieved by the order has the further right to file one petition for rehearing as provided in Wis. Stat. § 227.49. The petition must be filed within 20 days of the date of mailing of this decision.

If this decision is an order after rehearing, a person aggrieved who wishes to appeal must seek judicial review rather than rehearing. A second petition for rehearing is not an option.

This general notice is for the purpose of ensuring compliance with Wis. Stat. § 227.48(2), and does not constitute a conclusion or admission that any particular party or person is necessarily aggrieved or that any particular decision or order is final or judicially reviewable.

Revised 9/28/98

APPENDIX A

In order to comply with Wis. Stat. § 227.47, the following parties who appeared before the agency are considered parties for purposes of review under Wis. Stat. § 227.53.

AMERICAN TRANSMISSION COMPANY

By

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By

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PUBLIC SERVICE COMMISSION OF WISCONSIN

(Not a party, but must be served)

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