

February 2007

Crivitz-High Falls Transmission Upgrade Project

An update on a project to ensure local electric system reliability.



In October 2005, ATC became the first utility to be accepted into Wisconsin's Green Tier program. Administered by the Wisconsin DNR, Green Tier recognizes businesses and organizations that demonstrate superior environmental performance and continual improvement. For more information, visit our Web site at www.atcllc.com, or e-mail us at greenlines@atcllc.com.



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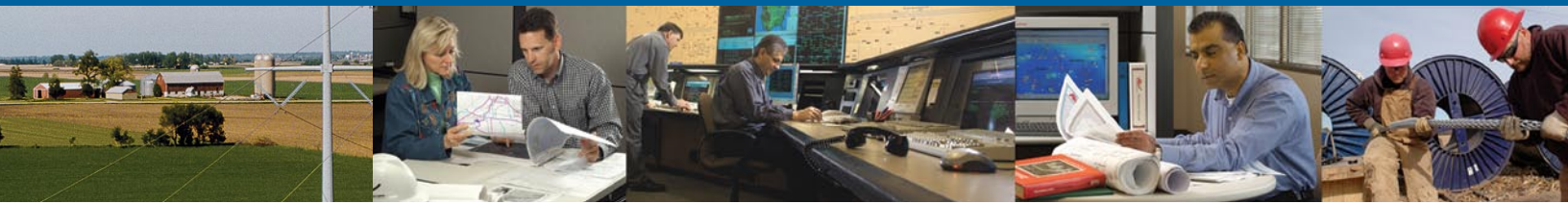
Questions or comments?

Everything we do at ATC is designed to ensure the reliable operation of the electric transmission system. ATC is a transmission-only utility that owns, operates, builds and maintains transmission facilities serving 5 million people in portions of Wisconsin, Michigan, Minnesota and Illinois.

Helping to keep the lights on



American Transmission Co.
1302 S. Broadway
De Pere, WI 54115



ATC applies with PSC to build new transmission line in Marinette County

Regulatory review process begins

American Transmission Co. recently submitted an application to the Public Service Commission of Wisconsin for approval to reconstruct the transmission line from the Crivitz Substation to the High Falls Substation in the Town of Stephenson. ATC's application for a Certificate of Authority marks the beginning of the regulatory review process, which will include engineering and environmental analysis.

This project is needed to correct system instability and to update aging structures, many of which date back to 1910 when they were first built.

ATC is proposing to rebuild the 15 miles of double circuit, 69-kilovolt transmission line between Crivitz and High Falls. Approximately 0.7 miles of new right-of-way will be needed in order to loop the Pioneer-Sandstone line into the Crivitz Substation. In addition, some of the existing lattice tower structures along the route will be removed and replaced with steel monopoles.

ATC proposed the Crivitz-High Falls Transmission Line Upgrade to address the area's growth in electric demand and to help maintain electric system reliability in Marinette County. This project is also needed to correct system instability and to update aging structures, many of which date back to 1910 when they were first built.

"We are extremely pleased with the amount of local support we have received on this project," said David Hovde, local relations representative. "We hope the landowners will continue to stay involved as the PSC reviews this project."

ATC anticipates a PSC decision by fall 2007. The line is expected to be in service in mid-2009.

To follow the project in the regulatory process and to issue public comment, visit the PSC web site at www.psc.gov, and use Docket Number 137-CE-148. You can also find current information on this project on our web site, www.atcllc.com, on the "Projects" page.



Part of ATC's proposal for Crivitz-High Falls included replacing aged structures such as this one.

Regulatory process overview

ATC filed; now what happens?

All electric utility projects require the review of the Public Service Commission in coordination with the Wisconsin Department of Natural Resources. The PSC reviews the need for the project, alternatives, cost and environmental impacts. The DNR determines the environmental permits necessary for construction.

After the Certificate of Authority application is filed, the PSC informs the public that the review process is beginning. The PSC sends a public notification letter to property owners, local government officials, other agencies and interested parties. The notification includes information about obtaining copies of the application and how to share comments and/or questions about the project.

During the review process, the PSC analyzes the need for the project, its effect on the statewide transmission system and the potential environmental impacts of the electric facilities. The public is welcomed and encouraged to submit official comments on the project during this time.

The PSC determines whether to approve the project based on a legal record that includes, among other items, the utility's application, an environmental assessment and public input. If the project is approved, the agency issues the CA to the utility which spells out specific terms and conditions under which the project must be built.



Electricity demand drives project

It's no surprise that the growing population of communities in northeastern Wisconsin has resulted in increasing demand on the electric transmission system. As Marinette County continues to grow, the electric infrastructure serving the area needs to grow as well to keep pace with this demand. As you might

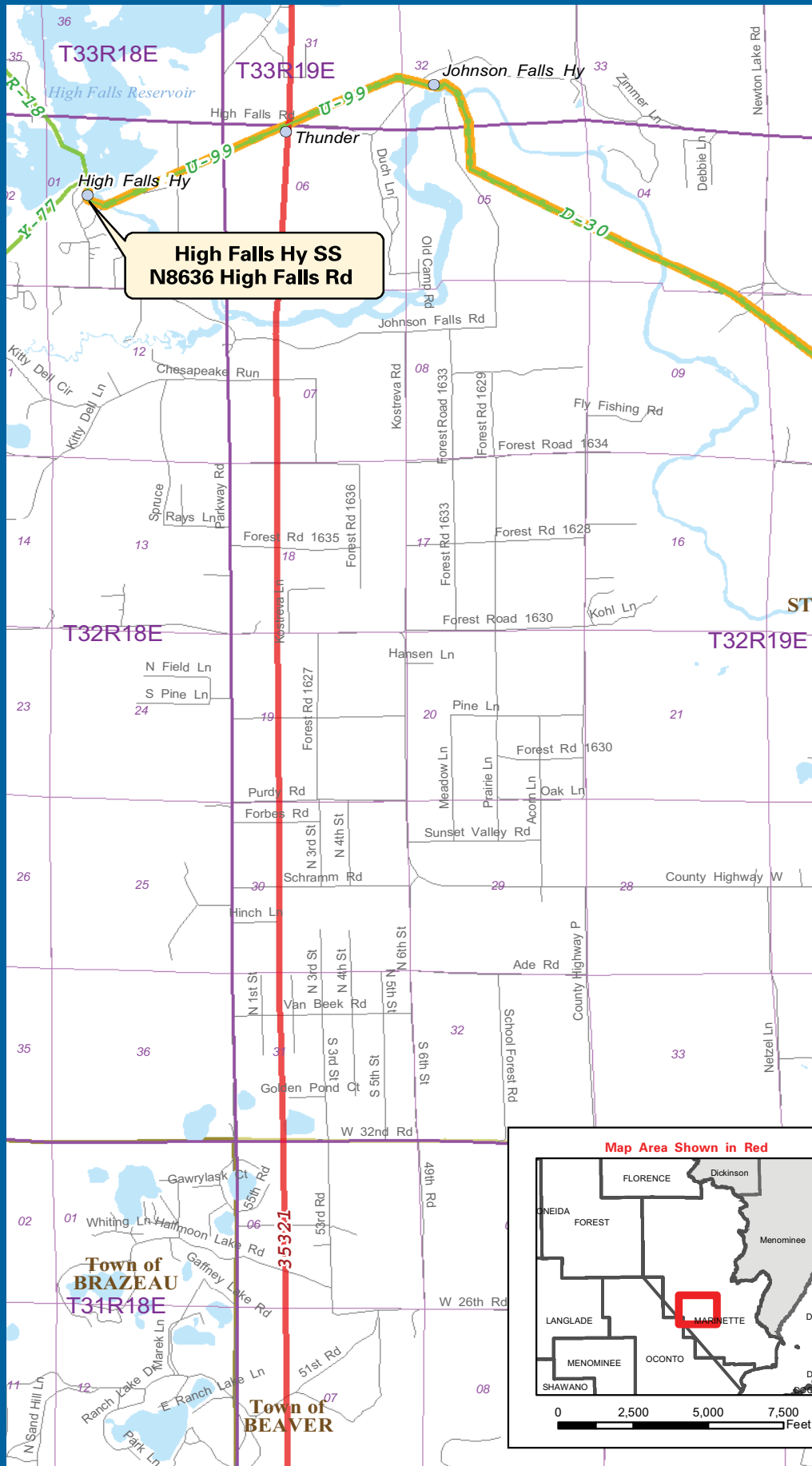


The new structures will have a look similar to this steel monopole.

expect, the existing system wasn't designed to carry the amount of electricity now necessary to adequately and reliably serve this region and its residents.

The Crivitz-High Falls Transmission Line Upgrade will strengthen the transmission network and alleviate problems that occur when power lines are pushed beyond

their limit. This project will also support Wisconsin Public Service Corporation's plans to expand its local distribution system. It will also improve ATC's ability to sustain outages within the system and still provide uninterrupted service to the homes and businesses that depend on reliable electricity.



TIMELINE

Application submitted to the PSC
November 2006

Decision expected from PSC
Fall 2007

Anticipated start of construction
November 2008

In service date
June 2009

HIGH FALLS PROJECT AREA

138-kV Transmission Line Route

