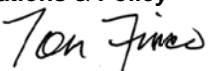
	<h1>Business Practice</h1>	Department:	External Relations & Policy
		Document No:	BP-0404 v1.0
Title: ASSET ACQUISITION		Issue Date:	10-24-2012
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Approved By: Tom Finco – Director External Relations & Policy 	Author: John Raisler
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CAUTION: Any hard copy reproductions of this Business Practice should be verified against the on-line system for current revisions.

1 PURPOSE

The purpose of this Business Practice is to provide an overview of how ATC performs asset acquisitions of facilities that support the ATC transmission system.

ATC welcomes the opportunity to acquire additional transmission assets that complement our existing network. The process of transferring assets with Net Book Values of less than \$10,000,000¹ to ATC is begun with a proposal of transfer, written by the current facility owner, and received by ATC. Once received, ATC will delineate the information needed to evaluate the proposed transfer. At the conclusion of the due diligence process, ATC shall decide whether to accept the proposal and communicate its decision with the prospective transferor by letter. (Assets meeting certain net book value criteria may be requested for transfer in exchange for membership units in ATC LLC. All acquisitions involving ATC membership units require approval by the ATC Board of Directors.)

2 SCOPE AND APPLICABILITY

This Business Practice applies to transactions (acquisitions, transfers and sales) of transmission facilities between ATC and its Customers. .

A due diligence review will be performed for assets proposed to be transferred. This review may include, but is not limited to, the following activities: engineering review of facilities, financial analysis of property units; physical inspection of facilities, environmental review and assessment of associated land rights. Supporting documentation will be required from the prospective transferor.

Required documentation includes:

- Physical and Electrical drawings to demonstrate the current facility configuration and capability
- An inventory, including plant accounting records, to determine the current facility Net Book Value
- Historical operation and maintenance documentation
- Documented proof of land rights to be transferred.
- Proof of all required certificates or authorizations provided by state or local government authorities to be transferred (e.g., Certificate of Public Convenience and Necessity (CPCN), DNR permits, etc.).

3 ROLES AND RESPONSIBILITIES

The External Relations and Policy Department of ATC is the lead department for the asset acquisition process which is further described in the Asset Acquisition Procedure PR12-04. Additional functional areas of ATC participate in the Due Diligence review as appropriate.

4 ADDITIONAL INFORMATION

Facilities proposed for transfer will be evaluated upon information supplied by the prospective transferor as well as ATC generated data. The ATC asset transfer process is fully described in the ATC Asset Acquisition procedure Document PR-1204. As a first step in the process, ATC will provide an *Asset Transfer Customer Checklist* (See PR-1204), which will describe in detail the information requested.

¹ For transfers valued at over \$10,000,000.00 a FERC order must be received approving the transfer of assets under §203 of the Federal Power Act. Consult the ATC Legal Department before commencing negotiations if the transaction has a value over \$10,000,000.00. \$25,000,000 is the current authorization level threshold for the CEO. Confirm with the ATC Expenditure Authorization & Invoice Approval Policy for the current threshold level.

ATC intends to complete the review process within two (2) months of receipt of the necessary information. Upon the conclusion of the review, written notification will be provided and, if approved, ATC will propose an *Asset Purchase Agreement* appropriate for the transaction. Such a transaction may require approval from applicable regulatory agencies, and will need to be received before any transaction can be finalized. It is anticipated the entire transfer process may be completed in approximately six (6) months following receipt of the information needed for ATC's review.

All questions, written proposals, informational documents and correspondence can be directed to the following contact person at ATC:

Manager – Interconnection Services
 5303 Fen Oak Drive
 Madison, WI 53718
 (608) 877-3664 telephone
 (608) 877-3602 facsimile

5 DOCUMENT REVIEW

This Business Practice will be reviewed and revised as necessary no less than every three years.

6 RECORDS RETENTION

The records retention schedule for any and all records originated through the process (es) described in this business practice will conform to the ATC Records Management Policy.

Previously published versions of this template will be retained permanently

7 REVISION INFORMATION

Version	Author	Date	Section	Description
1.0	John Raisler	10-24-2012	New format	Added to the required documentation list. Added explanation of \$10 million limit. Added procedure reference. Changed contact address.
0.0		05-17-2004	All	New