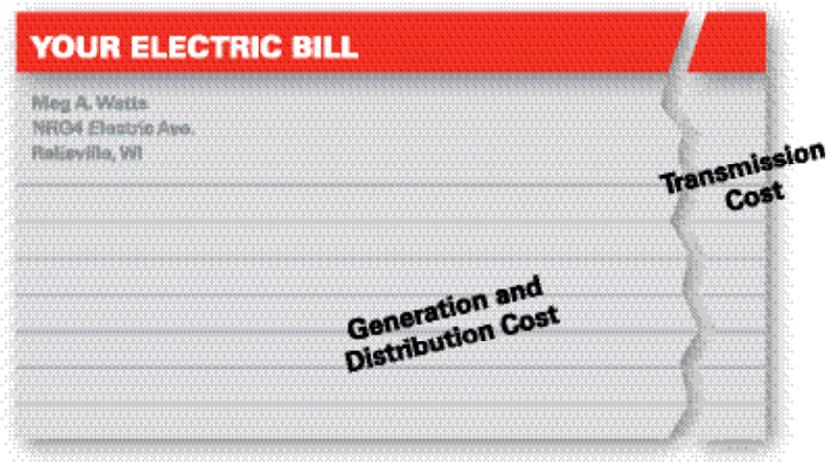


BADGER COULEE TRANSMISSION LINE PROJECT – COST TO CONSUMERS

American Transmission Co.'s proposal to build the Badger Coulee Transmission Line Project from north of the La Crosse area to northern Dane County would address electric system reliability issues locally and in the Midwest, provide economic savings and support renewable energy policy. While the final route is unknown at this time, the project could increase an electric customer's bill by less than 1 percent. However, it's important to point out that this project provides significant economic benefits, and the savings from this project exceed the cost of construction.

UNDERSTANDING YOUR UTILITY BILL

You don't receive a separate bill for electric transmission. Retail electric consumers, through their local distribution company, pay for all three elements of the electric system: generation, transmission and distribution. The transmission costs are the smallest part of an electric customer's electric bill, currently averaging about 10 percent of the total bill each month. The cost for transmission is proportionately small and brings high value with respect to



enabling reliability, economic opportunity and the potential for overall lower energy costs. Since generating or purchasing electricity makes up the largest portion of a retail bill, significant savings might be enabled by giving local utilities greater transmission access to adjacent energy markets, allowing lower cost energy to be obtained and delivered to customers.

WHO WOULD PAY FOR THE BADGER COULEE TRANSMISSION LINE?

Costs associated with new and existing transmission lines are included in a consumer's monthly electric bill.

HOW MUCH WILL THE BADGER COULEE LINE COST?

The Badger Coulee project is unique among projects proposed by ATC to date in that it has been selected for regional cost sharing by the MISO regional transmission organization. The cost of the project will be spread among all energy consumers in the MISO service area, which covers more than 10 Midwestern states and a portion of Canada. The project cost is spread out over the 50-year life of the line, so electric consumers within

Average monthly increase during first year



Average monthly increase over life of the line



the ATC service area would see a maximum of 0.10 to 0.15 percent increase in electric bills during the first year, and an average of 0.02 to 0.03 percent increase over the life of the line. This means that a \$100 monthly utility bill would increase by 10 to 15 cents per month during the first year, and an average of 2 to 3 cents per month over the life of the line.

BENEFITS OUTWEIGH COSTS

Another important point to consider when understanding the cost to consumers is the economic benefits the line would deliver. As owner and operator of the transmission system that serves portions of Wisconsin, Michigan, Minnesota and Illinois, ATC is continuously studying 20 or more years into the future to anticipate and meet the electric needs of the region. ATC studies indicate that the project would provide a net savings for ATC electric customers.

For additional project information, visit www.BadgerCoulee.com.



ATC IS A MEMBER OF THE GREEN MASTERS PROGRAM, A RECOGNITION AND ASSESSMENT PROGRAM FOR WISCONSIN BUSINESSES INTERESTED IN IMPROVING

Information current as of June 2017



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