**PROJECT COMMITMENT AGREEMENT**

This PROJECT COMMITMENT AGREEMENT (“PCA”) between*,* [LDC], a [Wisconsin] [public/municipal] utility (“Local Distribution Company” or “LDC”) and American Transmission Company LLC, a Wisconsin limited liability company, by its corporate manager, ATC Management Inc., a Wisconsin corporation (collectively, “ATC”) for a project known as *\_\_\_\_\_\_\_\_\_\_\_\_[Project]\_\_\_\_\_\_\_\_\_\_* and described in Exhibit A attached hereto (“Project”) is executed on the latest date signed by the authorized representatives of each Party and effective upon receipt of all required regulatory approvals contemplated by Section 3.9 hereof. ATC and the LDC each may be referred to as a “Party” or collectively as the “Parties.”

**RECITALS**

WHEREAS, ATC is a public utility and transmission company under the laws of the State of Wisconsin and owns, operates, and maintains an electric transmission system and provides transmission service, including the interconnection of substations owned by others.

WHEREAS, ATC operates its transmission system under provisions of the Open Access Transmission, Energy and Operating Reserve Markets Tariff (“MISO Tariff”) of the Midcontinent Independent Transmission System Operator, Inc. (“MISO”).

WHEREAS, LDC owns, operates, and maintains an electric distribution system that does or will provide power to end-use customers in part via an interconnection to ATC’s transmission system.

WHEREAS, ATC and LDC are parties to a Distribution-Transmission Interconnection Agreement (“DTIA”), which has been filed at the Federal Energy Regulatory Commission (“FERC”).

WHEREAS,  wishes to initiate a project that requires ATC’s completion of the Project, including additions and/or modifications to ATC’s system or facilities (the “Affected Facilities”).

NOW, THEREFORE, in consideration of the mutual promises and covenants contained herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

**AGREEMENT**

**ARTICLE I**

**GENERAL PROVISIONS; PURPOSE**

1.1 Incorporation of Recitals. The recitals set forth in the “Recitals” section are hereby acknowledged by the Parties and incorporated into and made a part of this Agreement.

1.2 Collaboration. The Parties will collaborate in the design, construction and performance of the services necessary for the construction of the Project.

1.3 Purpose. The purpose of this PCA is (a) to identify the initial conceptual design and configuration of the Affected Facilities and designations of the common facilities; (b) to establish a commitment by both Parties to make a good faith effort to meet the Project in-service date set forth in Exhibit A hereto; (c) to set forth the obligation for both Parties to consult with each other before terminating the Project; and (d) to establish procedures for reimbursement of ATC Costs (defined below) in the case of Project cancellation or termination, or in the case of substantial changes to the Project that might render existing work obsolete or unneeded.

**ARTICLE II**

**SCOPE AND SCHEDULE**

2.1 Scope and Schedule. ATC shall commence and complete the work provided for under this PCA according to the scope and schedule attached as Exhibit A to this PCA, and in accordance with the DTIA.

2.2 Adjustments. The Parties shall jointly coordinate mutually agreeable scope and schedule adjustments as necessary. After this PCA has been executed, any Party’s request to change the in-service date of the Project and the other Party’s subsequent response must be made in accordance with Article IV. This PCA may be amended and signed for changes to the in-service date of 90 days or more or other changes. A revised PCA superseding and replacing this PCA will be signed for any substantial changes in Project scope.

2.3 Reporting. ATC shall provide to LDC, on a monthly basis, the cumulative costs incurred on the Project to date as of the end of the prior month, as well as an estimate of the costs to be incurred or committed for the Project in the following three-month period. ATC shall provide to LDC such additional reporting on the Project as the LDC reasonably requests.

**ARTICLE III**

## TERMS OF AGREEMENT

3.1 Role of DTIA. The work to be performed under this PCA will be performed in accordance with the terms and conditions set forth in the DTIA between the Parties. To the extent that there are conflicting terms or inconsistencies as between the DTIA and this PCA, this PCA shall control.

3.2 Cancellation or Suspension; Effect. The Parties may, by written agreement, cancel or suspend the Project. Either Party may unilaterally terminate the Project and this PCA upon written notice to the other. Notwithstanding anything to the contrary herein, if this PCA is jointly terminated or if ATC unilaterally terminates this PCA, each Party shall be responsible for its own incurred costs up to the date of cancellation or suspension without any invoicing of costs between the Parties. If LDC unilaterally terminates, cancels, or substantially changes the Project such that work performed and/or materials and equipment procured by ATC is unneeded or obsolete, or if the Public Service Commission of Wisconsin (“PSCW”) or Federal Energy Regulatory Commission (“FERC”) deny regulatory approvals necessary for completion of the Project, LDC shall be obligated to reimburse ATC’s Costs as set forth below.

3.3 Obligation to Reimburse. In consideration of the work performed by ATC, LDC shall reimburse all expenditures, costs and cancellation fees incurred, or due to commitments made, by ATC (collectively, “Costs”) as of the date of Project termination, cancellation or substantial change. The reimbursement obligation set forth herein applies immediately upon termination, cancellation or substantial change, and independent of any payment due or made to LDC from its end-use customer under any separate agreement or arrangement. Notwithstanding the foregoing, in the event of termination of this PCA due to the completion of the Project, and the Project being put into ATC’s rate base (as described in Section 3.10(a)), the reimbursement obligation set forth in this Section 3.3 shall not apply.

3.4 Amounts to be Reimbursed. “Costs” include any purchase orders issued and/or contracts executed by ATC and accepted by a third party for services, materials or equipment (including slot reservations), as well as internal costs of ATC, including fully loaded labor and expenses, related to the Project. Cost estimates reflected in Exhibit A are estimated Costs only. Reimbursement shall be for actual Costs, which shall include any applicable tax gross-up charges.

3.5 Mitigation. In the event LDC unilaterally terminates or cancels the Project with such cancellation resulting in a reimbursement obligation to ATC for Costs incurred, ATC will use reasonable efforts to mitigate those amounts to be reimbursed by LDC, including without limitation repurposing or reselling equipment purchased for the Project if it can be repurposed or resold (net of costs for the mitigation activities).

3.6 Payment of Reimbursable Costs. ATC shall issue an invoice to LDC reflecting actual, reimbursable Costs incurred due to termination, cancellation or substantial change, and LDC shall pay said invoice within sixty (60) days of issuance by ATC.

3.7 Disputes. Any dispute that may arise between the Parties during the Project development and interconnection process regarding schedule, scope, Costs or any other matter, including a request for reimbursement of Costs by ATC resulting from LDC’s unilateral cancellation, delay of more than ninety (90) days, or substantial changes to the Project, shall be subject to the Dispute Resolution procedures of the DTIA.

3.8 Audit. ATC agrees that in the event LDC becomes obligated to pay Costs, LDC shall have the right to audit such Costs, in accordance with the audit provisions set forth in the DTIA.

3.9 Regulatory Filings. This Agreement is subject to FERC approval and may require approval by the PSCW. As applicable, ATC shall file this Agreement with FERC, and ATC and LDC shall jointly file an application for approval of this Agreement with the PSCW.

3.10 Termination. This Agreement shall terminate when: (a) ATC’s facilities required under this Agreement are rolled into ATC’s transmission rates under the MISO Tariff and ATC is capable of providing electric service via the Project; (b) the Project is terminated under Section 3.2 of this Agreement and ATC has recovered reimbursement of the Costs from the LDC; or (c) any necessary regulatory approvals contemplated by Section 3.8 are denied. Notwithstanding the foregoing, any termination under Section 3.10(c) shall not relieve LDC from the reimbursement obligations set forth herein.

**ARTICLE IV**

**NOTICES**

All notices required hereunder shall be given in writing and addressed or delivered to the representative(s) specified below. Notices shall be deemed received (i) upon delivery, when personally delivered or sent via overnight courier; (ii) upon receipt, when sent via certified mail, return receipt requested; or (iii) upon receipt confirmation from the receiving party when sent via email.

Notices to the LDC:

[LDC]

Attn: \_\_\_\_\_\_\_\_\_\_\_

[street address]

[city] [state] [zip]

E-mail: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Notices to ATC:

American Transmission Company

Attn: \_\_\_\_\_\_\_\_\_\_

P.O. Box 47

W234 N2000 Ridgeview Pky. Court

Waukesha, WI 53188-1022

E-mail: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_; notices@atcllc.com

**ARTICLE V**

**MISCELLANEOUS**

5.1 Survival. LDC’s obligations under Sections 3.3, 3.4 and 3.6 shall survive any termination or cancellation of this Agreement.

5.2 Counterparts. This Agreement may be executed in counterparts, each of which shall be deemed an original and all of which taken together shall constitute one and the same instrument.

5.3 Assignment. Neither Party may assign any part of this Agreement, or any rights or obligations hereunder, in whole or in part, without the prior written consent of the other Party, which consent shall not be unreasonably withheld, conditioned or delayed.

5.4 Governing Law. The laws of the State of Wisconsin govern the validity, performance and enforcement of this Agreement and the Parties intend that this Agreement be construed in accordance with Wisconsin law without regard to conflicts of laws principles.

**THIS AGREEMENT IS ENTERED INTO BY THE DULY AUTHORIZED REPRESENTATIVES OF THE PARTIES WHOSE SIGNATURES ARE SET FORTH BELOW.**

AMERICAN TRANSMISSION COMPANY LLC

By its Corporate Manager, ATC Management Inc.

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

By: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Title: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Date: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

LDC

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

By: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Title: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Date: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

# Exhibit A – Preliminary Project Scope and Schedule

**Project Title:**

**ATC Contact Person:**       **Phone:**       **Email:**

**LDC Contact Person:**       **Phone:**       **Email:**

**Project Location (including substation name, if applicable):**

**In-Service Date:**       **Voltage:**       kV

**ATC PROJECT DETAILS**

**Regulatory Approvals Required:**

**Permits Required:**

**Public Outreach Plan:**

**Scope of Work Resultant from Requestor’s Project:**

|  |  |  |  |
| --- | --- | --- | --- |
| **Project Description** | **Cost Estimate** | **Contingency** | **Total** |
| Routing & siting | $ | $ | $ |
| Preliminary scoping | $  | $ | $  |
| PSCW Application preparation | $ | $ | $ |
| Design Engineering | $ | $ | $ |
| Material Procurement | $ | $ | $ |
| Construction | $ | $ | $ |
| **Project Total** | **$** | **$** | **$** |

 **Exhibit B – Project Attachments**

**Please find attached:**

[ ]  Exhibit B1 – One-Line Diagram

[ ]  Exhibit B2 – Project Schedule(s)

[ ]  Exhibit B3 – Best Value Planning Report, if applicable

[ ]  Exhibit B4 – Project Scope

[ ]  Exhibit B5 – Miscellaneous

# Exhibit B1 – One-Line Diagram

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# Exhibit B2 – Project Schedule(s)

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# Exhibit B3 – Best Value Planning Report, if applicable

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# Exhibit B4 – Project Scope

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# Exhibit B5 – Miscellaneous

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