

**American Transmission Co. – Stakeholder/Customer Questions & Answers
September 26, 2013 9:30 – 11:00 a.m.**

1. Can ATC explain the higher load growth for the environmental future (economic analysis)? It seems like an environmental future would have higher EE and DR which would result in lower demand growth.
 - a. The environmental future focuses on high impacts of EPA regulations on the generation mix. Carbon tax and state-level renewable portfolio standard mandates and goals are modeled. The future maintains a medium load growth consistent with a business as usual future, which considers state mandates and goals for Distributed Resources and Energy Efficiency.
2. Are we reducing VSC MVAR capability at Mackinac?
 - a. No reductions in MVAR capability were placed on the Mackinac VSC. The unit is not expected to vary in operation for any of the reasons that a generator might.
3. When considering getting back to normal ratings, can a review of mitigating flowgate constraints help? Specifically how fast were they mitigated, can we assume the system naturally will deal with getting back to normal?
 - a. While there are parts of the system where constraints can be managed through the market process, there are parts of the system where there is no capability for the market or operators to make system adjustments to improve voltage or reduce loading to normal ratings. These factors are considered in determining if a transmission solution is needed to help operations get within normal limits. Particularly in parts of the system where the load shape does not drop off quickly each day there may not be any operating actions available to get within normal ratings.