American Transmission Co.
Planning Customer and Stakeholder Meeting
Pewaukee Headquarters
July 10, 2009

Participants in the room:

Jerry Iverson – Dairyland Power Cooperative
Steve Porter – Dairyland Power Cooperative
Juan Hayem – Invenergy LLC
Darl Shimko – Madison Gas and Electric
John Thomasen – Madison Gas and Electric
Brad Zdroik – Madison Gas and Electric
Don Neumeyer – PSC of Wisconsin
Randy Pilo – PSC of Wisconsin
Jeff Klarer – We Energies
Daniel Kline – Xcel Energies
Mark Wehlage – Xcel Energies
Jamal Khudai – ATC
Dale Burmester – ATC
Todd Tadych – ATC
Tom Dagenais – ATC
Arash Ghodsian – ATC
Erik Winsand - ATC
David Hollenberger – ATC
Luella Dooley – ATC
Mike Burow – ATC
David Smith – ATC
Bob McKee - ATC

Participants via webcast:

Kavita Maini – KM Energy Consulting, LLC (Representing WI Industrial Energy Group)
George Edgar – Wisconsin Energy Conservation Corporation
Chris Hagman – ATC

9:35 a.m. – Meeting Begins

Welcome **Jamal Khudai**
Jamal welcomes everyone to the meeting and verifies that all the webcast members are able to hear and view everything properly.

The stakeholders and ATC employees opened the meeting by introducing themselves.

2009 Futures Matrix Review **Todd Tadych**
Todd provides a brief description of the futures and a rundown of the assumption driving each future and driver.

Questions and Answers related to this presentation are at the end of these minutes.

Detail PROMOD Study Assumptions **Todd Tadych & Tom Dagenais**
Todd and Tom give a description of the models used, assumptions used, and transmission overlay assumptions.

Questions and Answers related to this presentation are at the end of these minutes.

Projects to Study **Arash Ghodsian**
Arash provides a description of projects that will be studied.

Questions and Answers related to this presentation are at the end of these minutes.

Lunch : 11:25 a.m.

Regional Updates **Bob McKee**
Bob provides updates on RGOS/UMTDI, Western Wisconsin, and Minnesota TO studies.

10-Year Assessment Update **David Smith**
David smith gives and update on the solutions summary for the 2009 TYA and a look forward at the 2010 TYA

Closing Remarks **Jamal Khudai**

1:35 p.m. – Meeting Adjourns

Questions and Answers related to the 2009 Futures Matrix Presentation

2009 Futures Matrix Presentation Q&A

Todd emphasized that the wind on slide 7 was intended to represent wind produced in ATC.

The question was asked "Why do the reference and 20% wind gas prices match?"
Answer: We would assume an average level of price because lower demand for gas because of wind pushed prices down and more need for fast start generation because of the variability of wind would boost prices back up, keeping them consistent with the reference case.

Slide 10 on Coal Prices
Jon Thomasen : What prices are applied for elm road future generation?

Todd Tadych : If there isn't already an established contractual agreement on a coal price and the new unit is at an existing coal burning facility, the price of the existing coal would be used. New units in the database often times use a generic regional price. We will check to be sure what the current database assumption is and communicate that in an effort to determine what should be used going forward. <<

>> Update: As of 7/22, we are working with the unit owners to determine what value to use to get the most accurate estimate of the fuel prices for the Elm Rd. generation.

Slide 12 on G & T profiles outside ATC
Randy Pilo: Which future best approximates a scenario in which there is lots of wind and quick start generation and high coal retirements?

Todd Tadych: To develop our cases, we ramp up the wind pockets and retire older smaller coal generation units, so futures with more wind have more coal retirements.

Slide 14 on Spaghetti diagrams

Randy Pilo: Why is wind future having higher peak load? Plug-in cars assumed? Renewable vehicles in the transportation sector?

Todd Tadych : A higher wind future is assumed to correspond to stronger economic growth as described in the futures descriptions.

Don Neumeyer : Is the placement of wind instate part of the RPS requirement?

Bob Mckee: There is currently no requirement to have wind in-state. That could change however, with an 'enhanced' RPS that is being proposed in the capital.

Randy Pilo – Where does wind power injection come from, UMTDI states only or MISO as a whole?

Bob Mckee provided the explanation briefly and covered it further in his presentation during the afternoon.

Detailed PROMOD study assumptions

Don Neumeyer : Where are the transmission overlays from?

Tom Dagenais : These are MISO RGOS overlays. Our modifications are to remove projects that are parallel to the projects under study because they would skew the results if left in the model. We will keep the proposed 345 kV projects in WI that are not in parallel to the projects under study because they are needed to support the proposed wind pockets and keep them from being "bottled up" on a weaker system.

Randy Pilo: If you are leaving the proposed 345 kV, where does the Morgan line tie into?

Tom Dagenais : The existing 345 kV Hwy 22 – Morgan and Morgan – Plains lines tie in to support the proposed 345 kV RGOS project from the wind pocket WI-D to Morgan.

Slide 24 on Demand Response Units:
Don Neumeyer : Have we looked at a limited call option. Meaning, can we put a limit, in terms of hours of service per year or consecutive hours of service on these units to simulate a more appropriate 'demand response'. People won't participate in 'demand response' for extended periods or unlimited amounts of time. Don also suggested that the name be changed from demand response, since what we are trying to do isn't demand response.

Todd Tadych : Have not considered that option previously. We will look into putting limits on number of hours per day, maximum run time and maximum number of starts as an option.

Jon Thomasen : What was the reasoning for choosing certain loads for demand response?

Tom Dagenais : We choose all loads over 5 MW. Due to modeling restrictions we can't place a unit at every load bus.

>> Update: As of 7/22, based on stakeholder feedback we will rename the "Demand Response" units. The new name has not been finalized, but it will indicate that these units are a stand in for any and all technologies that may offset loads and be price sensitive.

End of presentation
Mark Wehlage : Are we accounting for wind inconsistency and bumping into coal minimum generation requirements?

Todd Tadych : PROMOD has a wind dump feature that will curtail wind generation under those types of situations. This is a relatively new feature in the software and we are planning to utilize it for this year's analysis.

Don Neumeyer (contributing to answer) : EWITS is doing a study on that topic.

Projects to Study Presentation

Randy : For North LaCrosse to Madison, how are we incorporating CapX termination points? Other locations such as Alma or Genoa?

Dale Burmester : We are working with CapX. Ultimately the point is to bring power east, where it comes from is inconsequential. Dan Klein concurred with that statement.

Randy Pilo: Taking out the RGOS projects. Will ATC eventually study these lines in eastern Wisconsin that we are not taking out for these current studies?

Dale Burmester : Yes. We are currently following-up on previous study efforts focused on bringing wind from the west to the east. Once wind pockets become more specific in terms of location, ATC will work to study and identify potential projects in eastern Wisconsin.