

10-Year Assessment An annual report summarizing proposed additions and expansions to ensure electric system reliability.

2011

September 2011 10-Year Assessment www.atc10yearplan.com

Planning Approach

Our approach to transmission planning is built upon two critical foundations – comprehensive engineering analyses and collaborative communications.

We are continually assessing and reassessing the needs of existing and anticipated system users, on both an individual and collective basis, according to accepted industry system performance criteria and practices. Our goal is to initially determine, and then evolve over time, the best set of transmission projects to address those needs. "Best" means striking the right balance among reliability, risk, cost and societal impact so that the resulting plan is publicly acceptable and constructible.

We evaluate <u>transmission need drivers</u>, including load growth forecasts and proposed new power plants, and use computer models to analyze problems and implications and identify potential solutions. We strive to design a portfolio of projects where each project addresses multiple needs, so that the set of needs in total can be met as efficiently as possible, and overall societal impacts can thus be minimized.

We work closely with the Midwest Independent System Operator (MISO) to integrate our local transmission planning and operating activities with those occurring on a regional and national basis. We also actively participate in regional planning forums and incorporate regional need drivers and implications of adjacent utilities' activities into our local plans. We monitor industry developments, follow potential national energy legislation, and incorporate new tools, standards and practices into our planning approach as appropriate.

ATC is developing additional processes to enhance the development of future 10-Year Assessments. As part the traditional Assessment process, we will be adding steps of communication with stakeholders regarding our assumptions prior to engaging in studies. These communications may consist of meetings with stakeholders to discuss possible futures and drivers for these futures and/or realistic goals for Assessment studies. We expect to follow up with customers about needs being found to enhance potential solutions. Ultimately, we would utilize all information gathered to propose the next set of 10-year projects for ATC.

In addition to reliability-based projects, ATC has started to engage stakeholders with regard to identification of the most important economic benefit projects. This process also uses pre-analysis stakeholder input and is described more thoroughly in the <u>Economic Analysis</u> section of this document.

Our annual 10-Year Transmission System Assessment report is an important planning communication tool – presenting up-to-date results of our ongoing engineering analyses,



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including information on the array of needs driving system upgrades and the potential projects anticipated to best meet those needs. The report provides the baseline information necessary to facilitate future communications with and involvement by anyone interested in engaging further in either the general planning process or the subsequent, more specific and locally focused, routing and siting process for individual projects.

This analysis is iterative by nature, as situations can change at any time. We want to be able to take new information into account as quickly as possible and adjust our plans accordingly. We only will build transmission in response to specific identified needs – if the needs change or disappear, so do the corresponding transmission projects.

For more about ATC's public outreach and siting process, go to Routing & Siting