

## Access Initiative

We began an Access Initiative in 2004 to determine the potential value of expanding the transmission system to provide ATC's customers with:

- 1) greater access to low-cost energy outside of our service territory and
- 2) improved ability to transfer energy within our transmission system where it is needed to serve retail customers.

In this section, we summarize the efforts undertaken to date during 2005, as well as our plans for this initiative during the rest of 2005 and into 2006. The Access Initiative has resulted in the identification of a number of project alternatives that would provide significant economic and reliability benefits to our customers:

- South:** a new Byron (Illinois)-North Monroe-West Middleton-North Madison 345-kV line.
- South:** a new (second) Paddock-Rockdale 345-kV circuit.
- Southwest:** a new Salem (Iowa)-Spring Green-West Middleton-North Madison 345-kV line with a rebuild of Salem-Maquoketa 161kV line.
- West:** a new Prairie Island (Minnesota)-Columbia 345-kV line.
- Lower Voltage:** rebuilding the Lore-Turkey River-Cassville-Nelson Dewey 161-kV transmission line.

The Access Initiative projects also provide significant benefits that are not easily quantifiable, such as locational marginal price (LMP) comparability, enhanced backbone infrastructure, local economic development, improved access to renewable resources, benefits to neighboring systems, and increased operating flexibility. Furthermore, the Access Initiative projects have the potential to help dismiss the Wisconsin Upper Michigan System (WUMS) and Northern WUMS areas as Narrow Constrained Areas as defined by the Midwest Independent Transmission System Operator Independent Market Monitor (IMM).

Similar to 2004, ATC held meetings with customers and other interested stakeholders to provide updates on Access Initiative results and receive input into the process. In 2005, ATC has communicated the concepts to be explored, the factors taken into consideration, the alternatives evaluated, and results of the various analyses conducted.

Stakeholder/customer input has guided each of these areas. All of the meeting materials, including presentations and meeting minutes, can be found on our Web site at:

<http://www.atcllc.com/IT2c.shtml>.

### PSCW Docket

In 2004, the Public Service Commission of Wisconsin opened a docket on our Access Initiative (Docket #137-EI-100). The PSC also issued a Notice of Investigation on Feb. 14, 2005 directing us to file updated information with the Commission regarding the Access Initiative. We made this filing on March 25, 2005 and another on Sept. 1, 2005. The latest filing with the PSC is posted on our Web site at: <http://www.atcllc.com/IT2c.shtml>.



Planned future activities

ATC is planning to perform the following activities during the remainder of 2005 and into 2006:

- Participate in the PSC docket on Access.
- Coordinate technical studies with MISO and neighboring utilities.
- Evaluate the implications of the NCA designation for our service territory for the preferred alternatives.
- Compile relevant information on preferred packages to facilitate future pre-certification efforts.
- Participate in MISO's regional expansion task force to determine the most appropriate means to allocate benefits and therefore costs of facilities deemed regional in nature.