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American Transmission Co. and SMART Study co-sponsors release Phase One study results for transporting renewable energy across Upper Midwest

PEWAUKEE, WI – American Transmission Co. along with co-sponsors Electric Transmission America, a transmission joint venture between subsidiaries of American Electric Power (NYSE: AEP) and MidAmerican Energy Holdings Co., Exelon Corp. (NYSE: EXC), NorthWestern Energy (NYSE: NWE), Xcel Energy (NYSE: XEL), and MidAmerican Energy Co., a subsidiary of MidAmerican Energy Holdings Co., today released Phase One of a comprehensive study of the transmission needed in the Upper Midwest to ensure reliability and support renewable energy development for transport to population and electricity load centers.

Phase One results of the Strategic Midwest Area Transmission (SMART) Study recommend three alternatives for further study based on a rigorous reliability assessment and stakeholder input. One alternative is primarily 765-kV extra-high voltage transmission, another includes 765-kV combined with limited use of high-voltage direct current transmission lines, while the third constitutes a combination of both 345-kV and 765-kV transmission lines. The three alternatives will be evaluated further during the second phase of the study, scheduled for completion during the third quarter of 2010. The Phase One report can be downloaded at www.smartstudy.biz.

The sponsors retained Quanta Technology LLC to evaluate extra-high voltage transmission alternatives and provide recommendations for new transmission development in the Upper Midwest. In Phase One, Quanta evaluated eight transmission alternatives designed to support the integration of 56.8 gigawatts of nameplate wind generation within the study area including North Dakota, South Dakota, Nebraska, Minnesota, Iowa, Missouri, Wisconsin, Illinois, Indiana, Michigan and Ohio. This translates into enough energy to power more than 15 million households. Quanta assessed and compared transmission alternatives including conducting an economic analysis quantifying the impact and economic benefits of several transmission options.

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“Our participation in this and other regional studies is key to ensuring the continued reliability of the electric system grid while also achieving the public policy goals for the integration of greater amounts of renewable energy,” says John Procario, president, chairman and CEO of ATC. “Our approach to transmission planning has increasingly focused on regional issues and benefits. While we continue to analyze the need for improvements on the system within our footprint, we recognize a need to look more broadly across the region. Many regional planning collaborations continue with multiple stakeholders, including utilities, regulators, policy makers, large energy users and others. As these efforts mature, more large-scale infrastructure improvements are being studied to address the needs of the regional marketplace.”

The SMART Study’s goal is to develop a 20-year transmission plan that ensures reliable electricity transport, provides an efficient transmission system to integrate new generators and foster efficient markets, minimizes environmental impacts, and supports state and national energy policies.

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ATC owns, operates, builds and maintains the high-voltage electric transmission system serving portions of Wisconsin, Michigan, Minnesota and Illinois. Formed in 2001 as the nation’s first multi-state transmission-only utility, ATC has invested \$2.2 billion to improve the adequacy and reliability of its infrastructure. ATC now is a \$2.75 billion company with 9,400 miles of transmission lines and 510 substations. The company is a member of the Midwest ISO regional transmission organization, and provides nondiscriminatory service to all customers, supporting effective competition in energy markets without favoring any market participant. For more information, visit our Web site at www.atcllc.com.