

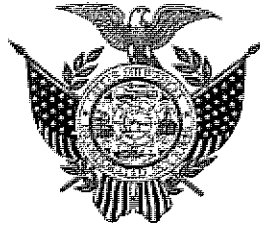
MICHAEL J. MURPHY

ALDERMAN, 10TH DISTRICT

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Employee Retirement System Investment Committee
Housing Trust Fund Advisory Board
Milwaukee Arts Board

MEMBER:
Steering & Rules Committee
Zoning, Neighborhoods & Development
Deferred Compensation Plan Board

December 20, 2011

Pete Holtz
Routing and Siting Manager
American Transmission Company
P.O. Box 47
Waukesha, WI 53187-0047

Dear Mr. Holtz,

I respectfully request that the American Transmission Company provide the financial cost for an amended Route C of electric transmission lines for the Western Milwaukee County Electric Reliability Project. This amended route would be located underground along 95th Street from the existing 96th Street Substation to Wisconsin Avenue and then proceed above ground to the new Milwaukee County Substation. This route would be supported by Milwaukee Montessori School, St. Therese Parish and the surrounding neighborhood, but could be less costly than Route C which is entirely underground.

I appreciate you adding Route C as an option to be submitted to the Public Service Commission of Wisconsin, as this was a route that I proposed. However, upon further review of the map and in the spirit of reducing costs, I believe that amending underground Route C by including transmission lines that begin above ground at Wisconsin Avenue and travel north would be less costly and provide the same benefits for the entire project.

Thank you for your prompt attention to this matter.

Sincerely,

A handwritten signature in black ink, appearing to read 'Michael J. Murphy'.

Michael J. Murphy
Alderman, 10th District



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December 22, 2011

Michael J. Murphy
Alderman, 10th District
200 East Wells Street, Room 205
Milwaukee, WI 53202

Dear Alderman Murphy,

I appreciate your support of the residents living in the 95th Street area. As we discussed, ATC has completed its analysis of alternative routes for the Western Milwaukee County Electric Reliability Project. Transmission line routing involves trade-offs between a variety of factors including environmental impacts, constructability, current and future land use, project costs and specific electric system needs.

On December 16, we have filed our Project Plan with the Wisconsin Department of Natural Resources, which is the initial step in the application process. This Plan includes the route alternatives that we have been presenting to the public since October of this year and will be included in our formal application to the Wisconsin Public Service Commission in February.

We previously provided your office with the cost information for the three alternatives located in the 95th Street area:

- Option 1: 95th St. - All Overhead along Hwy. 45 to the west of the apartment, Montessori School and the St. Theresa, continuing as close to the freeway as possible to Watertown Plank : \$ 5.3 million.
- Option 2: 95th St. - Overhead along Hwy. 45 to a point mid-way between Wisconsin Avenue and Watertown Plank Rd. and then underground through the MRMC property: \$10.1 million
- Option 3: 95th St. - All underground along in 95th Street and running through the MRMC property on 94th Street: \$19 million

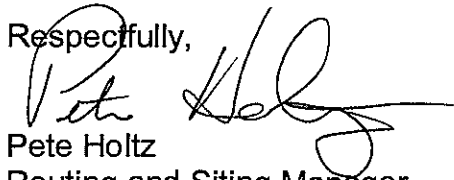
The route and line configuration you proposed is technically feasible. And while we have not developed formal cost estimates for your proposed option, we expect the cost would be comparable to Option 2. As we have said publicly, because undergrounding transmission lines are more expensive to construct initially and can result in lengthy and costly outages in the event of a problem, we are only proposing underground lines in those cases where an overhead line cannot be constructed, where physical constraints

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prevent an overhead line or for a technical reason, such as preserving the reliability of service to the medical complex. The route option you are advocating on behalf of the residents in the area does not meet those criteria. The request you made in your December 20, 2011, letter will be included as part of our filing with the Public Service Commission, but will not be proposed by ATC. As the regulatory review process moves forward, you, the City of Milwaukee, Montessori School or St. Therese Church can advocate for and request that the PSCW consider and evaluate your proposal.

The PSC issued a new docket number for this project which will include We Energies' application for approval to construct their substation. The new docket number is 5-CE-139.

Respectfully,

A handwritten signature in black ink, appearing to read "Pete Holtz", with a long horizontal flourish extending to the right.

Pete Holtz
Routing and Siting Manager
American Transmission Company