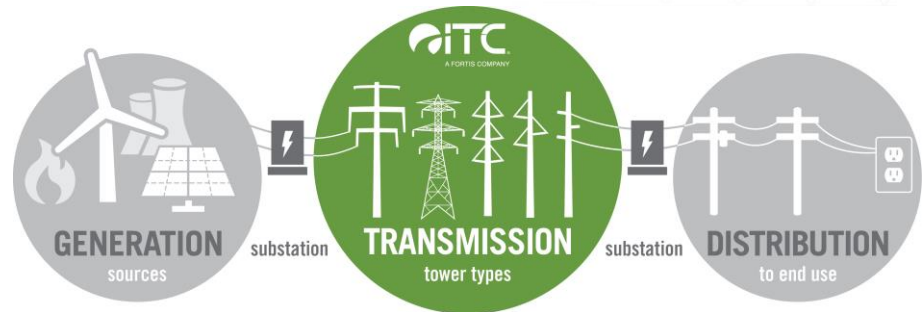




ITC Midwest Electric Transmission System Overview

Electric transmission is essential for power delivery

Power flows through a three-part system: From power plants and other sources where electricity is generated; through transmission wires that carry the power at high voltages over long distances, and finally; into smaller, local distribution lines that bring electricity into our communities.



At ITC Midwest, we build, operate and maintain the high-voltage transmission infrastructure that holds this three-part system together, moving power from where it's generated to where it's needed – acting much like the country's network of highways.

ITC Midwest's transmission investments – coupled with a commitment to operational excellence – add value by providing access to a competitive electricity marketplace and lower cost energy resources. ITC Midwest works closely with the Midcontinent System Operator (MISO) – the grid planning organization for our region, as well as other electric utilities, on transmission system planning. This coordination ensures that the integrated regional transmission grid is cost effective, safe and reliable, among many other benefits.

ITC Midwest electric transmission lines serve Iowa and parts of other states

ITC Midwest owns, operates and maintains power transmission infrastructure serving most of Iowa and parts of Minnesota, Illinois and Missouri, and with a project in development in Wisconsin. ITC Midwest connects a variety of customers at transmission-level voltages. These include large generation and distribution utilities, municipal utility systems, rural electric utility cooperatives, and large commercial and industrial customers which require high-voltage electricity.

Different electric line voltages serve different purposes

ITC Midwest line voltages range from 34,500 volts (34 kV) to 345,000 volts (345 kV). Generally speaking, the lower voltage transmission lines deliver power to distribution utilities to serve their electric consumers. Higher line voltages move large quantities of bulk electricity across the region to provide access to lower cost energy resources and help ensure system reliability.

ITC Midwest has no financial interest in electricity generation or electricity distribution systems, and is non-discriminatory in connecting generation to the grid

ITC Midwest's sole focus on electricity transmission (we don't own generating plants or purchase or sell electricity in the energy markets) gives us a unique, neutral view of the electric grid and its current and future needs. We are actively involved in planning an integrated energy network to serve our customers, communities and the greater grid.

RADIAL -VS.- NETWORKED TRANSMISSION SYSTEMS

RADIAL TRANSMISSION FEEDS

- Supplies only **one source** of high-voltage, electric transmission service to a local electric distribution system

CONS:

More vulnerable to storm outages as well as planned outages for system maintenance

NETWORKED TRANSMISSION FEEDS

- Supplies **two or more sources** of high-voltage, electric transmission service to a local electric distribution system



PROS:

- Provides system resilience to keep the power flowing on the distribution system in the event a storm causes damage to one of the transmission lines feeding a community or industrial site.
- Facilitates planned outages for maintenance by providing at least one source of transmission power to be fed to a community or industrial site.