

**American Transmission Company LLC**  
**Estimated Network Revenue Requirement True-up**  
**For the Year Ended December 31, 2009**

Total Network Revenue Requirement per Attachment O	\$ 463,231,936
Network Billings	\$ (462,260,185)
True-up to be collected in 2011	<u>\$ 971,751</u>
Annual Interest Rate	0.3847%
Times 2 (24 months)	<u>2</u>
Interest Expense	\$7,477
Total Refund due	<u>\$979,228</u>

Formula Rate - Non-Levelized

Rate Formula Template  
Utilizing FERC Form 1 Data

For the 12 months ended 12/31/2009

American Transmission Company LLC

**Thirteen Monthly Balances**  
**Composite Depreciation Rates**

Line No.					Allocated Amount
1	GROSS REVENUE REQUIREMENT (page 3, line 31)				\$ 472,462,241
	REVENUE CREDITS (Note T)	Total	Allocator		
2	Account No. 454 (page 4, line 34)	1,161,168	TP 1.00000		1,161,168
3	Account No. 456.1 (page 4, line 37)	8,069,138	TP 1.00000		8,069,138
4	Revenues from Grandfathered Interzonal Transactions	0	TP 1.00000		0
5	Revenues from service provided by the ISO at a discount	0	TP 1.00000		0
6	TOTAL REVENUE CREDITS (sum lines 2-5)				9,230,306
7	NET REVENUE REQUIREMENT (line 1 minus line 6)				\$ 463,231,936
	DIVISOR				
8	Average of 12 coincident system peaks for requirements (RQ) service		(Note A)		0
9	Plus 12 CP of firm bundled sales over one year not in line 8		(Note B)		0
10	Plus 12 CP of Network Load not in line 8		(Note C)		0
11	Less 12 CP of firm P-T-P over one year (enter negative)		(Note D)		0
12	Plus Contract Demand of firm P-T-P over one year				0
13	Less Contract Demand from Grandfathered Interzonal Transactions over one year (enter negative) (Note S)				0
14	Less Contract Demands from service over one year provided by ISO at a discount (enter negative)				0
15	Divisor (sum lines 8-14)				0
16	Annual Cost (\$/kW/Yr) (line 7 / line 15)	0.000			
17	Network & P-to-P Rate (\$/kW/Mo) (line 16 / 12)	0.000			
		Peak Rate		Off-Peak Rate	
18	Point-To-Point Rate (\$/kW/Wk) (line 16 / 52; line 16 / 52)	0.000		\$0.000	
19	Point-To-Point Rate (\$/kW/Day) (line 16 / 260; line 16 / 365)	0.000	Capped at weekly rate	\$0.000	
20	Point-To-Point Rate (\$/MWh) (line 16 / 4,160; line 16 / 8,760 times 1,000)	0.000	Capped at weekly and daily rates	\$0.000	
21	FERC Annual Charge (\$/MWh) (Note E)	\$0.000	Short Term	\$0.000	Short Term
22		\$0.000	Long Term	\$0.000	Long Term

Formula Rate - Non-Levelized  
Thirteen Month Average Plant Balan

Rate Formula Template  
Utilizing FERC Form 1 Data

For the 12 months ended 12/31/2009

		American Transmission Company LLC					
(1)		(2)	(3)	(4)		(5)	
		Form No. 1	Company Total	Allocator		Transmission	
		Page, Line, Col.				(Col 3 times Col 4)	
Line No.	RATE BASE:						
GROSS PLANT IN SERVICE							
1	Production 205.46.g		0	NA		0	
2a	Transmission - 13 month average 207.58.g		2,937,120,842	TP 1.00000		2,937,120,842	
2b	CWIP - 13 month average		226,546,986	TP 1.00000		226,546,986	
3	Distribution 207.75.g		0	NA		0	
4	General & Intangible 205.5.g & 207.99.g		104,048,534	W/S 1.00000		104,048,534	
5	Common 356.1		0	CE 1.00000		0	
6	TOTAL GROSS PLANT (sum lines 1-5)		3,267,716,362	GP= 100.000%		3,267,716,362	
ACCUMULATED DEPRECIATION							
7	Production 219.20-24.c		0	NA		0	
8a	Transmission - 13 month average 219.25.c		722,289,559	TP 1.00000		722,289,559	
8b	CWIP - 13 month average		0	TP 1.00000		0	
9	Distribution 219.26.c		0	NA		0	
10	General & Intangible 219.28.c		32,281,356	W/S 1.00000		32,281,356	
11	Common 356.1		0	CE 1.00000		0	
12	TOTAL ACCUM. DEPRECIATION (sum lines 7-11)		754,570,915			754,570,915	
NET PLANT IN SERVICE							
13	Production (line 1 - line 7)		0				
14a	Transmission - 13 month average (line 2 - line 8)		2,214,831,283			2,214,831,283	
14b	CWIP - 13 month average		226,546,986			226,546,986	
15	Distribution (line 3 - line 9)		0				
16	General & Intangible (line 4 - line 10)		71,767,178			71,767,178	
17	Common (line 5 - line 11)		0			0	
18	TOTAL NET PLANT (sum lines 13-17)		2,513,145,447	NP= 100.000%		2,513,145,447	
ADJUSTMENTS TO RATE BASE (Note F)							
19	Account No. 281 (enter negative) 273.8.k		0	NA zero		0	
20	Account No. 282 (enter negative) 275.2.k (13 month avg)		-214,920,271	NP 1.00000		-214,920,271	
21	Account No. 283 (enter negative) 277.9.k		-1,504,727	NP 1.00000		-1,504,727	
22	Account No. 190 234.8.c		15,296,571	NP 1.00000		15,296,571	
23	Account No. 255 (enter negative) 267.8.h		0	NP 1.00000		0	
24	TOTAL ADJUSTMENTS (sum lines 19- 23)		(201,128,427)			-201,128,427	
25	LAND HELD FOR FUTURE USE 214.x.d (Note G)		11,669,669	TP 1.00000		11,669,669	
WORKING CAPITAL (Note H)							
26	CWC calculated		16,389,307			15,468,641	
27	Materials & Supplies (Note G) 227.6.c & .16.c		724,084	TE 0.90780		657,323	
28	Prepayments (Account 165) 111.57.c		3,287,406	GP 1.00000		3,287,406	
29	TOTAL WORKING CAPITAL (sum lines 26 - 28)		20,400,796			19,413,369	
30	RATE BASE (sum lines 18, 24, 25, & 29)		2,344,087,485			2,343,100,058	

Formula Rate - Non-Levelized

Rate Formula Template  
Utilizing FERC Form 1 Data

For the 12 months ended 12/31/2009

		American Transmission Company LLC			
		(2)	(3)	(4)	(5)
Line No.		Form No. 1 Page, Line, Col.	Company Total	Allocator	Transmission (Col 3 times Col 4)
O&M (Note U)					
1	Transmission	321.112.b	79,413,869	TE 0.90780	72,091,863
1a	Less LSE Expenses Included in Transmission O&M Accounts (Note W)		0	1.00000	0
2	Less Account 565	321.96.b	0	1.00000	0
3	A&G	323.197.b	52,279,470	W/S 1.00000	52,279,470
4	Less FERC Annual Fees		0	W/S 1.00000	0
5	Less EPRI & Reg. Comm. Exp. & Non-safety Ad. (Note I)		1,048,756	W/S 1.00000	1,048,756
5a	Plus Transmission Related Reg. Comm. Exp. (Note I)		469,874	TE 0.90780	426,551
6	Common	356.1	0	CE 1.00000	0
7	Transmission Lease Payments		0	1.00000	0
8	TOTAL O&M (sum lines 1, 3, 5a, 6, 7 less lines 1a, 2, 4, 5)		131,114,457		123,749,128
DEPRECIATION EXPENSE					
9	Transmission	336.7.b	77,826,245	TP 1.00000	77,826,245
10	General	336.10.b	7,272,518	W/S 1.00000	7,272,518
11	Common	336.11.b	0	CE 1.00000	0
12	TOTAL DEPRECIATION (sum lines 9 - 11)		85,098,763		85,098,763
TAXES OTHER THAN INCOME TAXES (Note J)					
LABOR RELATED					
13	Payroll	263.i	3,004,950	W/S 1.00000	3,004,950
14	Highway and vehicle	263.i	0	W/S 1.00000	0
PLANT RELATED					
16	Property	263.i	6,839,502	GP 1.00000	6,839,502
17	Gross Receipts	263.i		NA zero	0
18	Other	263.i	2,640,597	GP 1.00000	2,640,597
19	Payments in lieu of taxes			GP 1.00000	0
20	TOTAL OTHER TAXES (sum lines 13 - 19)		12,485,049		12,485,049
INCOME TAXES (Note K)					
21	$T = 1 - [(1 - \text{SIT}) * (1 - \text{FIT})] / (1 - \text{SIT} * \text{FIT} * p) * (1 - \text{TEP}) =$		37.02%		
22	$\text{CIT} = (T / (1 - T)) * (1 - (\text{WCLTD} / \text{R})) =$		40.00%		
	where WCLTD = (page 4, line 27) and R = (page 4, line 30) and FIT, SIT & p are as given in footnote K.				
23	$1 / (1 - T) =$ (from line 21)		1.5879		
24	Amortized Investment Tax Credit (266.8f) (enter negative)		-573,315		
24a	Excess Deferred Income Taxes (enter negative)		-155,249		
24b	Tax Affect of Permanent Differences		332,302		
25	Income Tax Calculation = line 22 * line 28		84,057,675	NA	84,022,267
26	ITC adjustment (line 23 * line 24)		(910,344)	NP 1.00000	-910,344
26a	Excess Deferred Income Tax Adjustment (line 23 * line 24a)		(246,514)	NP 1.00000	-246,514
26b	Permanent Differences Tax Adjustment		527,649	NP 1.00000	527,649
27	Total Income Taxes (line 25 plus line 26 plus lines 26a and 26b)		83,428,467		83,393,058
28	RETURN [Rate Base (page 2, line 30) * Rate of Return (page 4, line 30)]		210,167,889	NA	210,079,358
29	REV. REQUIREMENT (sum lines 8, 12, 20, 27, 28)		522,294,625		514,805,356
30	LESS ATTACHMENT GG ADJUSTMENT [Attachment GG, page 1, line 26, column 5] (Note X) [Revenue Requirement for facilities included on page 2, line 2, and also included in Attachment GG]		42,343,115		42,343,115
31	REV. REQUIREMENT TO BE COLLECTED UNDER ATTACHMENT O (line 29 - line 30)		479,951,510		472,462,241

American Transmission Company LLC

## SUPPORTING CALCULATIONS AND NOTES

Issued by: Stephen G. Kozey, Issuing Officer  
Issued on: January 15, 2009

Formula Rate - Non-Levelized

Rate Formula Template  
Utilizing FERC Form 1 Data

For the 12 months ended 12/31/2009

American Transmission Company LLC

General Note: References to pages in this formulary rate are indicated as: (page#, line#, col.#)  
References to data from FERC Form 1 are indicated as: #.y.x (page, line, column)

Note

Letter Note: ISO refers to ATC until Midwest ISO is operational

- A Peak as would be reported on page 401, column d of Form 1 at the time of the ISO coincident monthly peaks.
- B Labeled LF, LU, IF, IU on pages 310-311 of Form 1 at the time of the ISO coincident monthly peaks.
- C Labeled LF on page 328 of Form 1 at the time of the ISO coincident monthly peaks.
- D Labeled LF on page 328 of Form 1 at the time of the ISO coincident monthly peaks.
- E The FERC's annual charges for the year assessed the Transmission Owner for service under this tariff.
- F The balances in Accounts 190, 281, 282 and 283, as adjusted by any amounts in contra accounts identified as regulatory assets or liabilities related to FASB 106 or 109. Balance of Account 255 is reduced by prior flow throughs and excluded if the utility
- G Identified in Form 1 as being only transmission related.
- H Cash Working Capital assigned to transmission is one-eighth of O&M allocated to transmission at page 3, line 8, column 5. Prepayments are the electric related prepayments booked to Account No. 165 and reported on pages 111, line 57 in the Form 1.
- I Line 5 - EPRI Annual Membership Dues listed in Form 1 at 353.f, all Regulatory Commission Expenses itemized at 351.h, and non-safety related advertising included in Account 930.1. Line 5a - Regulatory Commission Expenses directly related to transmission
- J Includes only FICA, unemployment, highway, property, gross receipts, and other assessments charged in the current year. Taxes related to income are excluded. Gross receipts taxes are not included in transmission revenue requirement in the Rate Formula Template
- K The currently effective income tax rate, where FIT is the Federal income tax rate; SIT is the State income tax rate, and p = "the percentage of federal income tax deductible for state income taxes" and TEP = "the tax exempt ownership interest". If the u

Inputs Required:	FIT =	35.00%
	SIT=	7.77% (State Income Tax Rate or Composite SIT)
	p =	0.00% (percent of federal income tax deductible for state purposes)
	TEP =	7.57% (percent of the tax exempt ownership)

- L Removes dollar amount of transmission expenses included in the OATT ancillary services rates, including Account Nos. 561.1, 561.2, 561.3, and 561.BA.
- M Removes transmission plant determined by Commission order to be state-jurisdictional according to the seven-factor test (until Form 1 balances are adjusted to reflect application of seven-factor test).
- N Removes dollar amount of transmission plant included in the development of OATT ancillary services rates and generation step-up facilities, which are deemed included in OATT ancillary services. For these purposes, generation step-up facilities are those
- O Enter dollar amounts
- P Debt cost rate = long-term interest (line 21) / long term debt (line 27). Preferred cost rate = preferred dividends (line 22) / preferred outstanding (line 28). ROE will be supported in the original filing and no change in ROE may be made absent a filing
- Q Line 33 must equal zero since all short-term power sales must be unbundled and the transmission component reflected in Account No. 456 and all other uses are to be included in the divisor.
- R Includes income related only to transmission facilities, such as pole attachments, rentals and special use.
- S Grandfathered agreements whose rates have been changed to eliminate or mitigate pancaking - the revenues are included in line 4, page 1 and the loads are included in line 13, page 1. Grandfathered agreements whose rates have not been changed to eliminate
- T The revenues credited on page 1 lines 2-5 shall include only the amounts received directly (in the case of grandfathered agreements) or from the ISO (for service under this tariff) reflecting the Transmission Owner's integrated transmission facilities. T
- U Preliminary Survey and Investigation charges related to transmission construction projects started on or after January 1, 2004 are included in account 566 and not in account 183.
- V Account 456.1 entry shall be the annual total of the quarterly values reported at Form 1, 330.x.n.
- W Account Nos. 561.4, 561.8, and 575.7 consist of RTO expenses billed to load-serving entities and are not included in Transmission Owner revenue requirements.
- X Pursuant to Attachment GG of the Midwest ISO Tariff, removes dollar amount of revenue requirements calculated pursuant to Attachment GG and recovered under Schedule 26 of the Midwest ISO Tariff.
- Y Removes from revenue credits revenues that are distributed pursuant to Schedule 26 of the Midwest ISO Tariff, since the Transmission Owner's Attachment O revenue requirements have already been reduced by the Attachment GG revenue requirements.