



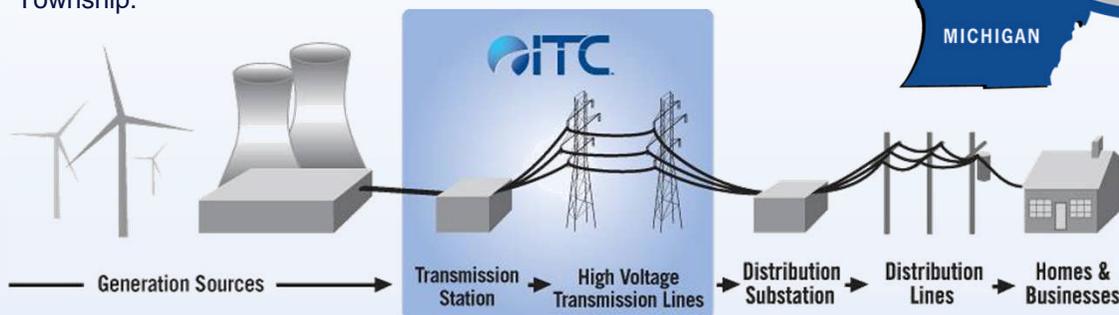
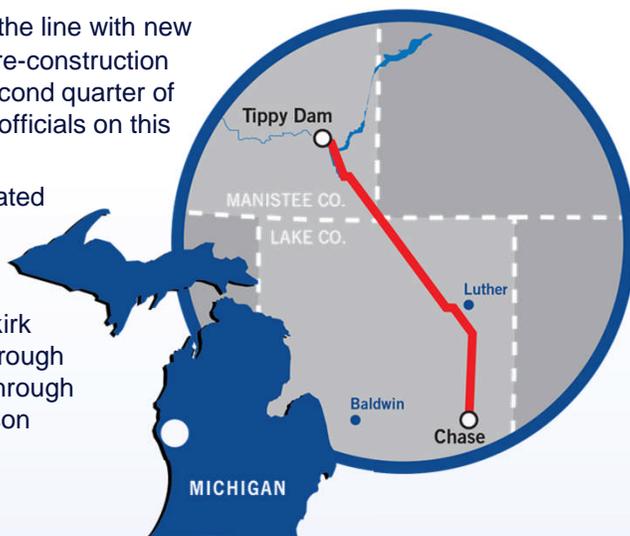
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Capital Project Profile: Tippy-Chase Transmission Line Rebuild

Portions of the electric transmission grid in northwestern Michigan were built in the 1950's and 60's and have experienced minimal investment since that time. The Tippy-Chase 138,000 volt (138 kV) line became increasingly unreliable as growing demand for electricity and outdated infrastructure technology taxed its service capabilities. Many of the structures supporting the lines were in poor condition and needed to be replaced.

Michigan Electric Transmission Company, LLC (METC) rebuilt the line with new steel monopole structures and aluminum conductors (wires). Pre-construction began in August 2012, and the project was completed in the second quarter of 2013. ITC coordinated with appropriate federal, state and local officials on this project.

The Tippy-Chase line is approximately 30 miles long and is located in Lake and Manistee counties with a large portion running through the Manistee National Forest. The line begins in Lake County east of Baldwin near US-10 and proceeds north along the Cherry Valley-Pinora Township line and the Ellsworth-Newkirk township line to just south of Luther. There it turns northwest through Newkirk and Eden townships, crossing into Manistee County, through Norman Township and on to the Tippy Dam substation in Dickson Township.



ITC Holdings Corp., through subsidiaries ITC *Transmission* and Michigan Electric Transmission Company, LLC (METC), owns and maintains more than 8,300 circuit miles of high-voltage electric lines and 256 transmission stations throughout Michigan's Lower Peninsula. As the nation's largest independent electric transmission company, ITC focuses solely on electric transmission. We invest in electric transmission to enhance reliability, relieve electric transmission congestion and connect all energy resources, including renewables, to customers in a non-discriminatory manner. ITC has been making significant investments in Michigan's transmission grid to improve reliability, safety and efficiency and lower the overall cost of delivered energy.

The Tippy-Chase line rebuild is an example of ITC's ongoing commitment to the operational efficiency and reliability of Michigan's high voltage transmission grid. The company has invested more than \$2 billion in capital project maintenance and transmission infrastructure improvements in Michigan since 2003. These investments are improving the reliability and safety of the transmission infrastructure while ensuring its ability to meet new energy demands.



27175 Energy Way
Novi, MI 48377

877.ITC.ITC9 (877.482.4829)
www.itctransco.com

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Answers to Your Questions

Q. *Where is this project located?*

A. The Tippy-Chase line is located in northern Lake and southern Manistee counties. Most of it runs through the Manistee National Forest. The line begins in Lake County east of Baldwin near US-10 and proceeds north along the Cherry Valley-Pinora township line and the Ellsworth-Newkirk township line to just south of Luther. There it turns northwest through Newkirk and Eden townships, crossing into Manistee County, through Norman Township and on to the Tippy Dam substation in Dickson Township.

Q: *Why is this project necessary?*

A. Much of the transmission system serving northwestern Michigan was built in the mid-1950s and needs to be upgraded to meet increasing electrical demand. The lines and structures on the Tippy-Chase 138,000 volt (138 kV) line have reached their design capacity limits and are difficult to maintain. ITC subsidiary Michigan Electric Transmission Company, LLC (METC) upgraded this 30-mile line in order to improve reliability and to meet current safety, design and construction standards, including increased lightning protection.

Q. *What will the new lines and towers look like?*

A. The new towers will be steel monopoles which are stronger and more reliable than the existing structures. They also have a smaller environmental footprint. ITC will replace the existing copper lines with new steel and aluminum conductors capable of carrying more electricity safely and reliably. The new structures will allow for the addition of a second circuit to meet additional demand for energy in the future (*see photo at right*).

Q. *When will this project start, and how long will it take?*

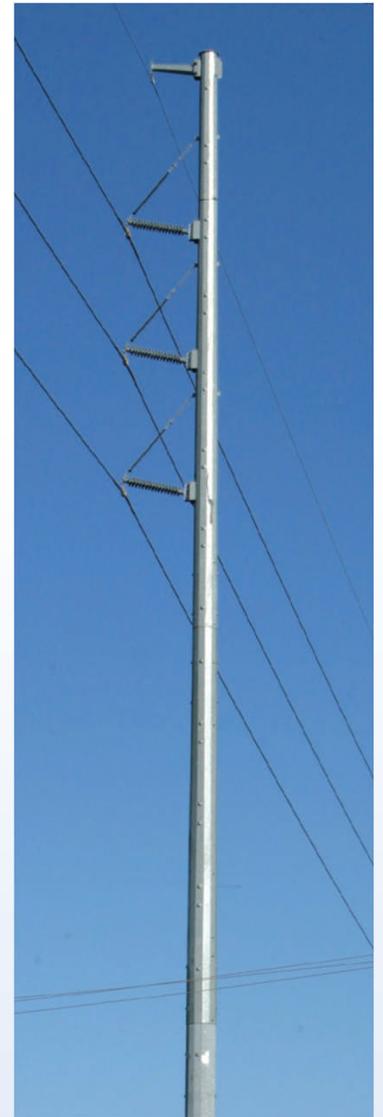
A. Work began in August 2012 and was completed in the second quarter of 2013.

Q. *What efforts did ITC make to protect the environment in the area?*

A. ITC worked with appropriate state and local organizations, including the U.S. Forest Service and the Michigan DNRE, to review its project plans and obtain appropriate permits to erect towers and lines through this region.

Q. *What local permits, if any did ITC have to obtain to reconstruct this transmission line?*

A. ITC coordinated with all federal, local and state agencies as well as local municipalities to ensure that all required permits such as road crossings, drain crossings and soil erosion permits were obtained. Local zoning approvals were not necessary because the reconstruction process took place entirely within our existing rights of way and easements.



ITC replaced older structures on the Tippy-Chase transmission line with these new steel monopole structures.



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