

# THE TRANSMISSION LINE



ITC MIDWEST LOCAL GOVERNMENT & COMMUNITY AFFAIRS NEWSLETTER • SUMMER 2023

## ITC MIDWEST PURCHASES CEDAR RAPIDS FACILITY AS NEW HEADQUARTERS

### REGIONAL ELECTRIC TRANSMISSION PROVIDER PLANTS PERMANENT ROOTS IN THE COMMUNITY

ITC Midwest – the regional transmission company that owns and operates the regional high-voltage power grid – will be transitioning its headquarters to a new Cedar Rapids location. The company recently purchased a facility in the redeveloping Westdale Mall area, which will provide much-needed additional space for employees of the growing company.

“The Westdale Mall area has become a major economic hub in Cedar Rapids, and it provides the perfect environment for ITC Midwest’s new company headquarters,” said ITC Midwest President Dusky Terry. “Our decision to purchase a newer building with space configured for a modern office environment reinforces our decision to plant roots and maintain permanent headquarters in Cedar Rapids. We value the quality of life the greater Cedar Rapids area provides for our employees to live, work and raise their families. We are also pleased to be actively involved with and committed to the community, and proud to be part of the area’s success.”

“For years, ITC Midwest has played a vital role in powering our homes and industries. This new headquarters facility illustrates the company’s commitment to keeping the lights on in Cedar Rapids and the greater region,” said Cedar Rapids Mayor Tiffany O’Donnell. “We are pleased ITC Midwest chose to make Cedar Rapids its permanent home, adding momentum to a growing list of investments on the southwest side.”

Cedar Rapids is home to Alliant Energy and Central Iowa Power Cooperative (CIPCO), the two largest utilities served by ITC Midwest. Many businesses and industrial companies served by the regional transmission provider are located in the greater Cedar Rapids area. In addition, the new location provides easy access to the partner suppliers that allow ITC Midwest to operate and maintain the regional power grid. The cost-savings ITC Midwest will realize from this move reinforces the company’s commitment to driving value for the utilities it serves.

ITC Midwest’s new location will feature a single-floor, open-office layout to facilitate and enhance employee interaction, communication and productivity. The company currently employs 115 professionals across its service territory, including more than 80 at its Cedar Rapids headquarters. The new facility will be configured with space for 120 employees to accommodate future growth.



*ITC Midwest’s new location will feature a single-floor, open-office layout with more meeting space and abundant surface parking.*

#### ADDITIONAL BACKGROUND

Since taking over the transmission system in December 2007, ITC Midwest has been in leased space. ITC Midwest’s lease on the Palmer Building at 123 5th Street SE in Cedar Rapids ends in 2024. While the historic building and downtown location have served the company well for more than a decade, ITC Midwest leaders have recently been evaluating new locations for the company’s headquarters to meet current and future needs.

Company leaders recently closed on the new facility to house ITC Midwest headquarters at 3165 Edgewood Parkway SW in Cedar Rapids. This facility was built in 2002 and is located just off Edgewood Road, in the Westdale Mall redevelopment area. Completion of renovations is expected by summer 2024, with the goal of moving to the new office in the fall of next year.

Among the many benefits for our employees and the company in making this move:

- The new facility will include more meeting and collaboration spaces than the current building, and provide a better environment for meetings.
- Abundant surface parking for employees and guests is adjacent to the building. This is an important consideration when our field personnel travel to our headquarters in company trucks.
- The location provides easy access to U.S. Highway 30 and Interstate 380 for employees and guests, with relatively close proximity to the Eastern Iowa Airport.
- The new facility will include an on-site back-up generator allowing company personnel to use the office as a crisis management hub during power outage emergencies.

Vantage Architects of Cedar Rapids has been selected to design the major transformation of the facility. Other area contractors will be used to provide materials, remodel and furnish the renovated facility.



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IN THIS  
ISSUE

- Stakeholder Spotlight - MacLean-Fogg, Metform Division
- ITC Midwest Reduces Outages by 70% Since 2007
- ITC Midwest Participates in Iowa Rural Summit



The upgraded Metform substation.

STAKEHOLDER SPOTLIGHT

MACLEAN-FOGG COMPONENT SOLUTIONS

Steve Wright, General Manager - Metform

METFORM DIVISION BENEFITS FROM ENHANCED SYSTEM RELIABILITY

Member-customers of the Jo-Carroll Energy System – including the Metform Division of MacLean-Fogg – are benefitting from improved reliability and increased capacity as the result of transmission work completed by ITC Midwest.

ITC Midwest completed the rebuild of the 34.5 kV Savanna-Metform line in 2021, converting it to 69 kV operation. Most of this new 69 kV line is also double-circuited with a rebuilt 161 kV line. In addition, ITC Midwest expanded and upgraded transmission assets at the Savanna, Metform, York and Danisco substations. All of these investments were made to enhance service and reliability for the cooperative's members, add capacity to support the potential growth of current commercial and industrial businesses, and foster economic development in the area.

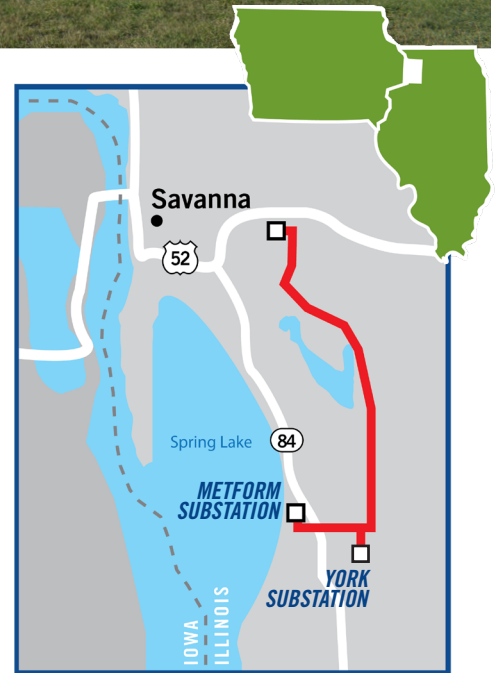
We recently had the opportunity to discuss the importance of system reliability with Steve Wright, the general manager of the Metform Division of MacLean-Fogg. The Metform Division forges, machines and assembles components primarily for transportation industries at three locations in Savanna and one in Mount Carroll, Illinois. The largest product line produced at these locations are machined gear blanks for automotive transmissions. Jo-Carroll Energy provides electric service to the plants, with the system served by ITC Midwest electric transmission.

*ITC Midwest: Can you describe your manufacturing operations?*

Mr. Wright: Our largest product line is machined gear blanks for automotive transmissions. Chrysler is our biggest customer – they're now called Stellantis – along with General Motors, Ford and ZF Group - a company that builds transmissions that go into a variety of cars. Our operations are hot forming, heat treat and machining, and there are other secondary operations within the process.

*ITC Midwest: How important is electric system reliability to your operation?*

Mr. Wright: We have four buildings, including our main facility where we have a hot-forming operation with 10 Hatebur hot formers that are heating bar steel up to 2,200 degrees, so we're using a lot of power. Power interruption or power surges really cause us a lot of difficulty in terms of down time, costs, potential delivery issues and things like that, so we rely on consistent power delivery.



**“Power interruption or power surges really cause us a lot of difficulty in terms of down time, costs, potential delivery issues and things like that, so we rely on consistent power delivery.”**

– Metform General Manager, Steve Wright

(continued, page 3)

(continued from page 2)

*ITC Midwest: What are some of the challenges you experience in your company when you have a momentary flicker or sustained power outage?*

Mr. Wright: With hot forming equipment, if it loses power, we're going to have a fair amount of scrap. When that happens, the machine is going to shut down. Then we have to heat it back up, the induction heaters have to get back up to 2,200 degrees to heat the material, and we'll scrap a lot of raw material in the process of getting the machine dialed in again. We also have four heat treat furnaces. If we lose power, the belt stops moving, and parts are stuck in a furnace, and most likely going to be scrapped because of that downtime.

*ITC Midwest: What is your impression of the overall electric service and reliability of the power supplied by the Jo-Carroll Energy system.*

Mr. Wright: We're happy with the service that we get here through Jo-Carroll. Really, I think that we've got pretty reliable service to our factory throughout the year. Nothing's perfect, but overall Metform is very happy with our relationship and our partnership with Jo-Carroll.

*ITC Midwest: How important is access to reliable electric service when you and your company consider expanding plant operations locally?*

Mr. Wright: We're actively looking at growth opportunities right now that could involve expansion, building facilities or internal growth within our facilities. Obviously, we wouldn't do that if we didn't have confidence in our power supply here in Savanna.

*ITC Midwest: You're involved in the Northwest Illinois Economic Development organization. What are some of the important quality of life initiatives that you believe are important for your company and to promote growth in the area?*

Mr. Wright: It's really important as we talk about the small-town work ethic, because we want people to come here. Housing, internet availability, a good power supply and favorable (natural) gas prices are important. I think we all work together to make sure this is a good place to live, work and raise a family, with good school systems. All of these things are important to our operation and why we choose to stay in Savanna, Illinois."

Congratulations to Steve Wright and his team at Metform for operating highly productive and efficient manufacturing facilities to supply essential automotive components for vehicle production. Jo-Carroll Energy and ITC Midwest are proud to supply reliable electricity to power these successful manufacturing operations.



Jo-Carroll Energy President & CEO Mike Casper (left) with Jo-Carroll Energy Director of Member Services Ken Sivertsen, Metform Division Community Affairs Area Manager Cydney Lovell, and ITC Midwest Stakeholder Relations Manager Mike Dabney.



A segment of the rebuilt Savanna-Metform transmission line.

## ITC MIDWEST REDUCES OUTAGES BY 70% SINCE 2007

RELIABILITY CONTINUES TO IMPROVE, DRIVING VALUE FOR CUSTOMERS

Improving system reliability is a key component of ITC's Value and Customer Affordability Strategic Action Plan, which prioritizes capital investment based on rate impact and customer impacts. Through investments in the electric grid, coupled with our operational performance and maintenance activities, ITC Midwest continues to improve the grid's performance and drive value for our customers, and ultimately, electric consumers.

Through 2022, ITC Midwest has reduced the number of outages by 70% since acquiring the system in 2007, based on a three-year rolling average. The outage reduction average improved from the previous three-year average of 65%, and the 2020 average of 62%.

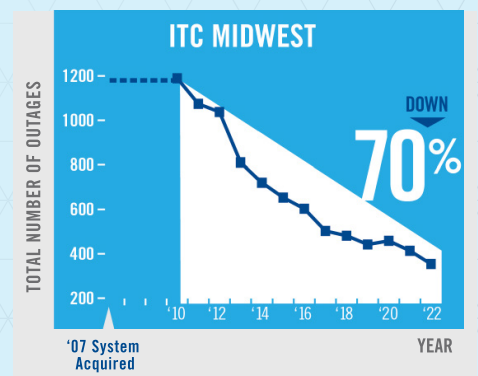
The rebuild of the 34.5 kV system to 69 kV construction standards, which was completed in November 2021, is a key factor leading to the significant reliability improvement.

ITC Midwest is now working with the distribution utilities it serves to work toward completion of the 34.5 kV to 69 kV system conversions.

"The 70% reduction in outages over the past 15 years represents a significant milestone, and is a testament to ITC Midwest's sustained, targeted capital investments and ongoing operations and maintenance program. Most importantly, these results would not have been possible without the hard work and dedication of our entire team in collaboration with the distribution utilities we

### OUTAGE DECREASE UNDER ITC OWNERSHIP

3-year rolling averages



serve," said ITC Midwest President Dusky Terry. "We are grateful for the opportunity to work with key stakeholders to make our communities stronger, grow our local economies and support the quality of life we all enjoy."





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## ITC MIDWEST PARTICIPATES IN IOWA RURAL SUMMIT

The 7th Iowa Rural Summit was hosted April 11 and 12 in Ames by the Iowa Rural Development Council (IRDC). Five members of the ITC Midwest Local Government and Community Affairs team participated in the event to collaborate with nearly 400 rural residents and companies to discuss the challenges and opportunities in their communities.

In 2019, ITC Midwest formed an important partnership with the IRDC resulting in the creation of the Power of Connection community grant program to benefit small communities across the state. Ultimately, grants of up to \$5,000 – funded by ITC Midwest and the IRDC – may be awarded to rural communities for capacity building, strategic planning, studies or assessment.

The Summit included opportunities to network, break-out session tracks and keynote speakers. In addition, Iowa Lt. Gov. Adam Gregg presented 15 ideas in 15 minutes to empower rural Iowa. ITC Midwest employees had the opportunity to meet with Lt. Gov. Gregg as well as Iowa Area Development Group President Rand Fisher (recently retired) to discuss upcoming projects.

The Iowa Rural Development Council is a public-private statewide non-profit that works to support small towns and rural communities to address issues such as housing, child care, broadband access, economic development and other quality of life initiatives.



*(from left to right)  
ITC Midwest Communications Specialist Darcy Ehrmann,  
ITC Midwest LGCA Area Manager Scott Arnold, Iowa Area  
Development Group President Rand Fisher (recently retired),  
Iowa Lt. Gov. Adam Gregg, ITC Midwest LGCA Regional  
Manager Troy Weary, Iowa Rural Development Council Board  
Chair Mark Reinig, ITC Midwest LGCA Manager Area Cydney  
Lovell, and Iowa Rural Development Council Executive  
Director Bill Menner at the recent Iowa Rural Summit.*