LANDOWNER RELATIONS

When American Transmission Co. constructs an electric transmission line of 100,000 volts or greater that involves the use of a landowner's property in Wisconsin, there are certain requirements and assurances that we must meet when we seek to acquire an easement for the new right-of-way.

WHAT IS AN EASEMENT?

An easement is an interest in real property that conveys the right to use property for a specific purpose and to restrict certain uses that interfere with the specific purpose of the easement. Ownership and title to the property remain with the landowner.

EASEMENT NEGOTIATION

We inform landowners of the length and width of the easement area on their property; the number, type and maximum height of all structures to be erected within the easement area on their property; the minimum height of the transmission lines above the ground; and the number of wires and maximum voltage of the lines to be constructed, operated and maintained within the easement area on their property. All of this information is included in the easement document.

The calculation of the amount of compensation for the easement incorporates the fair-market value of the landowner's property and the easement rights required for the new transmission line. An appraisal is a written report that describes the easement rights being acquired and the appraisal sets forth a documented conclusion as to the value of the property. During the easement negotiation process with ATC, landowners are entitled to receive two appraisals. ATC hires an independent, certified professional real estate appraiser to prepare a full narrative appraisal of the easement rights ATC needs to acquire. The landowner will have an opportunity to meet with ATC's appraiser and bring any concerns to ATC's attention. The second appraisal is done by an appraiser of the landowner's choice, the reasonable cost of which will be reimbursed by ATC to the landowner. ATC and the landowner use the appraisals in negotiating the compensation amount (easement consideration) for the easement rights. For projects that require approval by the Public Service Commission of Wisconsin, easement negotiations start after the project is approved.

The presence of a transmission line limits certain land use within the easement. Landowners are compensated for any loss of use of the land in the form of a one-time payment for easement consideration. Agricultural landowners can choose to receive the easement compensation in annual payments or a one-time payment.

PROPERTY VALUE

Many landowners ask whether the presence of a transmission line will impact the value of their property. The appraisal document(s) provides this analysis and each property is reviewed in detail. Certain attorneys and appraisers may utilize "scare tactics" in an effort to convince landowners to retain their services.

The decision to purchase property is based on a wide variety of factors that are unique to individual buyers. For example, primary factors influencing real estate purchasing decisions may include commuting time, proximity to schools, household amenities, lot size, condition and size of the home, condition of property improvements, price, quality of land (including soils, rocks, waterways and drainage) and neighborhood. Market conditions (buyer's market vs. seller's market) also influence property values and the number of days a property has been on the market. Although the presence of transmission lines may negatively influence some buyers, other features may have a greater influence on the value of the property than the presence of transmission lines.

Reliable research on the impact of transmission lines on property values is complex, since it must adjust for numerous factors that influence buying decisions before the true effect of the transmission line on the property value can be isolated. Research that does not account for these numerous other factors should be viewed with some degree of skepticism.

Major research has found little negative impact on residential property values, except where the transmission line is within 200 feet of a residence. In those circumstances, the studies find an average effect between 1 and 10 percent of the property value, depending on the specifics of the property. (See "Pitts and Jackson, Power Lines and Property Values Revisited," The Appraisal Journal, fall 2007 and "Summaries of Studies Using Regression Analysis Techniques, and Preliminary Report" by Thomas O. Jackson.) Research suggests minimal impact on property values for commercial, agricultural, recreational or other non-residential properties.

ATC has approximately 50,000 easement agreements in its service area. These easements are for land that is used for agricultural, commercial, industrial and residential purposes, including many residential neighborhoods that have been developed near transmission lines. Our experience shows little (sometimes no) decrease in property values due to the location and operation of transmission lines.

CONSTRUCTION

In addition to compensating the landowner for the easement, ATC pays separately for any crop damages and/or physical damages to property that result from transmission line construction and maintenance. Payment for crop damages is based on current market prices and the expected yields in the area.

Prior to the start of construction, the landowner is given a reasonable amount of time to harvest or transplant any trees located within the easement area that will need to be removed. If the landowner chooses not to harvest the trees, the landowner will retain ownership of all trees removed by ATC. The disposal of the trees and brush will be part of the negotiations.

ONGOING MAINTENANCE

To ensure the safe and reliable operation of our transmission facilities, ATC will control weeds and brush around the transmission line structures, and periodically trim and clear trees. Herbicides are often used following clearing and mowing to control re-growth of unwanted woody and invasive vegetation. Landowners may request that herbicidal chemicals not be used on their property. Other than removing dangerous trees, which is done on a selective basis, we do not typically use any lands beyond the boundaries of the easement for any purpose, including entry to or exit from the right-of-way, without consent of the landowner.

The landowner is not responsible for any injury to people or property caused by ATC in the design, construction or maintenance of transmission lines or structures. We use all reasonable measures to ensure that the transmission lines do not adversely affect the landowner's television and radio reception.

PUBLIC INFORMATION

Landowners who are potentially affected by a proposed project are invited to public open houses to receive information and ask questions. During the PSC's regulatory review, ATC also will mail newsletters and correspondence to help landowners understand the review process and progress of the project. After the PSC determines the route for a line, affected landowners will be contacted individually to discuss easement rights and access to the right-of-way area.

Construction of new transmission lines or upgrades to existing facilities is done after easement rights are in place. The landowner will be informed of the need for, time frame and duration of work. We also will work with the landowner following completion of construction to inspect the right-of-way and ensure proper restoration.

For more information about easements or right-of-way maintenance, please visit www.atc-projects.com.

GREEN TIER

ATC is a Green Tier company, selected by the Wisconsin DNR for demonstrating superior environmental performance and continual improvement.

Information current as of June 2011

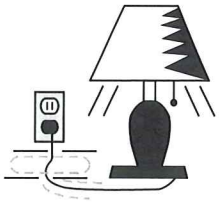
AMERICAN TRANSMISSION COMPANY®

www.atc-projects.com

ELECTRIC AND MAGNETIC FIELDS

It is a fact of life that we all are exposed to electric and magnetic fields. Any device that uses or carries electricity creates electric and magnetic fields, including everyday appliances, lighting and wiring, as well as electric power lines and equipment. Electric fields are created by voltage, and magnetic fields are created by current. To illustrate, an electric field will be present around a lamp that is plugged in but not turned on. A magnetic field will be created when the switch is flipped and current flows to the lamp.

OFF: Electric field only.



ON: Electric and magnetic fields.

A considerable amount of research has focused on whether magnetic fields from power lines adversely affect the health of those living near the lines. The research findings have been inconclusive. The associations between exposure and increased risk are weak, and it is not clear whether this represents a cause-and-effect relationship.

STRENGTH OF EMF

Electric and magnetic fields can be measured. EMF emitted from transmission lines falls in the extremely low frequency range of the electromagnetic spectrum. The most powerful fields are produced by gamma rays and X-rays, such as those emitted by a medical X-ray machine. Many variables affect field strength: the amount of current flowing, distance from the wires, and how the wires are placed in relation to one another. Magnetic field levels are measured in milligauss and become weaker with distance, whether from appliances or power lines.

Typical Magnetic Field Strength of Transmission Lines

Measured in milligauss (mG)

Voltage*	Under wires	Edge of right-of-way	At 100 feet
69 kilovolts	20-25	5-10	.5-12
138 kilovolts	35-40	15-20	.5-12
345 kilovolts	85-100	50-60	.5-12

** Assumes normal current flow*

At a distance of 300 feet, magnetic fields are similar to typical background levels found in most homes.

Typical Magnetic Field Strength of Common Appliances

Measured in milligauss (mG)

Appliance	At one foot	Working distance
Microwave	17-236	5-28
Electric Range	1.8-3.0	.4-10
Television	3.5-19	.9-10
Hair Dryer	1-700	1-700
ComputerTerminal	7-20	7-20
Ceiling Fan	.3-49.5	.0-6

ELECTRIC SUBSTATIONS

In general, the EMF levels found around the outside of a substation are dominated by EMF levels produced by the power lines entering and leaving the station. The equipment within the station produces EMF levels that generally drop off to background levels beyond the fence or wall.

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REGULATORY OVERSIGHT

The Public Service Commission of Wisconsin has monitored the EMF issue since 1989 and has established requirements for utilities that propose new electric facilities. Among other things, ATC is required to consider the number of persons and homes along proposed transmission line routes, calculate the field strengths associated with the new line, and look at EMF levels under various line configurations. There are no federal regulations related to EMF levels.

RESEARCH IS INCONCLUSIVE

The energy industry also has been monitoring developments on this issue for more than 20 years. While studies of magnetic fields have produced little conclusive data regarding health effects, scientists generally agree that the studies taken as a whole show no consistent association between exposure and health risks.

A six-year federally mandated study that concluded in 1999 reported the following findings:

"The scientific evidence suggesting that [EMF] exposure poses any health risk is weak ... the probability that EMF exposure is truly a health hazard is currently small. The weak epidemiological association and lack of any laboratory support for these associations provide only marginal scientific support that exposure to this agent is causing any degree of harm." (National Institute of Environmental Health Sciences, June 15, 1999)

From a report from the International Agency for Research on Cancer (IARC):

"The association between childhood leukemia and high levels of magnetic fields is unlikely to be due to chance, but it may be affected by bias. In particular, selection bias may account for part of the association.... It cannot be excluded that a combination of selection bias, some degree of confounding and chance could explain the results. If the observed relationship were causal, the exposure-associated risk could also be greater than what is reported." (IARC, 2002)

At ATC, we are committed to protecting the health and safety of the public, and to providing safe, reliable electric service. We will continue to monitor the EMF science and will answer questions you may have about this issue.

RESOURCES FOR MORE INFORMATION

There is a considerable amount of misinformation about EMF on the Internet. The following list includes credible, third-party sources that provide balanced information.

National Cancer Institute

www.cancer.gov/cancertopics/factsheet/risk/magnetic-fields

National Institute of Environmental Sciences, National Institute of Health

www.niehs.nih.gov/health/topics/agents/emf/

Public Service Commission of Wisconsin

http://psc.wi.gov/utilityinfo/electric/construction/emf.htm

World Health Organization's International EMF Project

www.who.int/peh-emf/en/