

BEFORE

THE PUBLIC UTILITIES COMMISSION OF OHIO

In the Matter of the Application of American)
Transmission Systems, Incorporated for) Case No. 15-0473-EL-AIS
Authority to Issue, Sell or Enter into Debt)
Transactions)

FINDING AND ORDER

The Commission finds:

- (1) Applicant, American Transmission Systems, Incorporated (ATSI), is an Ohio corporation and a public utility, as defined in R.C. 4905.02, subject to the jurisdiction of this Commission.
- (2) On March 11, 2015, Applicant filed its application and exhibits, and as amended and restated on April 13, 2015 (Application) pursuant to R. C. 4905.40 and 4905.42.
- (3) Applicant proposes to issue and sell through June 30, 2016, or within twelve months of the Commission approval, whichever occurs later, unsecured notes or debentures (New Debt) for an aggregate principal amount not to exceed \$400 million, as described in the Application.
- (4) Pursuant to the Commission Order dated June 11, 2014, in Case No. 14-777-EL-AIS (Prior Order), Applicant was authorized through June 30, 2015, to issue long-term debt of up to \$450 million. In November 2014, Applicant issued \$400 million of debt. Applicant states in the Application that the proposed authority to issue debt is intended to replace, and not supplement, the authority to issue debt established by the Prior Order. The authority to issue debt under the Prior Order will end on June 30, 2015, as previously ordered by the Commission.
- (5) The New Debt will mature in not less than one or more than 41 years from the date of issuance. The New Debt will have a fixed interest rate, as described in the Application.
- (6) The proceeds from the sale of the New Debt will be used to fund Applicant's acquisition of new property, for the construction, maintenance, and/or modification or

improvements to its new and existing electric transmission facilities; to reimburse its treasury, in part, for monies expended for such purposes, to refinance existing debt; to meet working capital needs, and for other corporate purposes, all pursuant to R. C. 4905.40, as described in the Application.

- (7) The proposed guidelines or parameters set forth in the Application are intended to facilitate the issuance of the New Debt on the best terms possible and at lowest cost. The authorization to consummate these financial transactions, within the parameters set forth in the Application, in no way relieves the Applicant of its responsibility to negotiate and obtain the best terms available.
- (8) The amount of the New Debt, the terms thereof, and the probable cost to Applicant, which are to be no less favorable than the terms as described in the Application, do not appear to be unjust or unreasonable.
- (9) The effect on Applicant's revenue requirements resulting from the issuance of the New Debt will be considered in the determination of required revenue in rate proceedings in which all factors affecting rates will be taken into account according to law.
- (10) Based on the information contained in the Application, the purposes to which the proceeds from the New Debt shall be applied appear to be reasonably required by Applicant to meet its present and prospective obligations to provide utility service, and the Commission is satisfied that consent and authority should be granted.

It is, therefore,

ORDERED, That Applicant, American Transmission Systems, Incorporated, is authorized for twelve months from the date of this Order, to issue promissory notes or debentures, for an aggregate principal amount of not more than \$400 million, within the terms and conditions as set forth in the Application. It is, further,

ORDERED, That this Order shall replace, and not supplement Applicant's unutilized authority to issue \$50 million of debt authorized by the Prior Order. It is, further,

ORDERED, That Applicant shall apply the proceeds from the New Debt for the purposes set forth in this Order and otherwise pursuant to the provisions of R. C. 4905.40. It is, further,

ORDERED, That after the New Debt authorized by this Order are issued, Applicant shall report to the Commission, as soon as practicable, but no later than 60 days after debt issuance, the terms and full particulars regarding the Securities. It is, further,

ORDERED, That the authorization granted by this Order shall not be construed as limiting the Commission's determination of the appropriateness of the New Debt for future ratemaking treatment. It is, further,

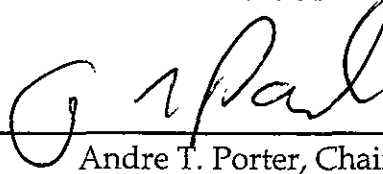
ORDERED, That nothing in this Order shall be construed to imply any guaranty or obligation by the Commission to assure completion of any specific construction project of the Applicant. It is, further,

ORDERED, That nothing in this Order shall be deemed to be binding upon this Commission in any future proceeding or investigation involving the justness or reasonableness of any rate, charge, rule, or regulation. It is, further,

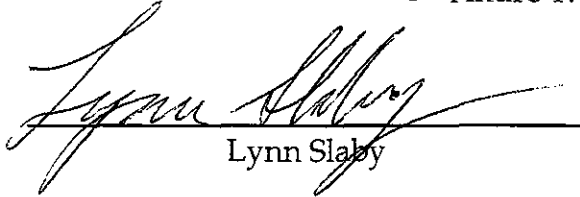
ORDERED, That nothing in this Order shall be construed to imply any guaranty or obligation as to the New Debt on the part of the state of Ohio. It is, further,

ORDERED, That a copy of this Order be served upon all parties of record.

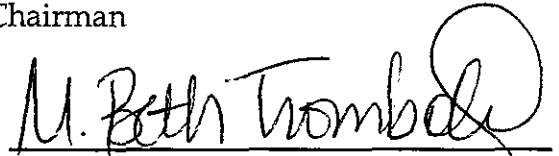
THE PUBLIC UTILITIES COMMISSION OF OHIO



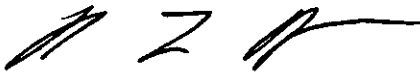
Andre T. Porter, Chairman



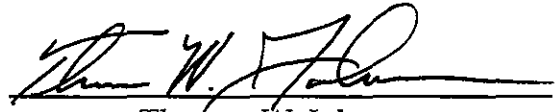
Lynn Slaby



M. Beth Trombold



Asim Z. Haque

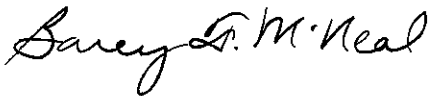


Thomas W. Johnson

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Entered in the Journal

APR 29 2015



Barcy F. McNeal
Secretary