

**BEFORE
THE PUBLIC UTILITIES COMMISSION OF OHIO**

In the Matter of the Application of)	
American Transmission Systems,)	
Incorporated for Authority to Issue,)	Case No. 22-0939-EL-AIS
Renew, or Assume Liability on Notes)	
and Other Evidences of Indebtedness)	
Pursuant to O.R.C. §4905.401)	

Applicant, American Transmission Systems, Incorporated (the “Company”), respectfully represents:

1. The Company, an Ohio corporation, is a “public utility” as defined in O.R.C. §4905.02 and is subject to the jurisdiction of this Commission. The Company is primarily engaged in the transmission of electric energy for sale.
2. Under provisions of O.R.C. §4905.401, the Company, without action by this Commission, could issue, renew or assume liability on notes and other evidences of indebtedness maturing not more than twelve months after the date of such issuance, renewal or assumption of liability (collectively, “Short-Term Notes”) of not more than 5% of the par value of the other outstanding stocks, bonds, notes and other evidences of indebtedness of the Company (the “Statutory Exemption Limit”). The Statutory Exemption Limit for the Company at June 30, 2022, is \$152,171,762. On December 15, 2021, this Commission approved the Company’s participation in the Money Pool during the January 1, 2022 through December 31, 2022 period (the “2021 Order”) in its Finding and Orders in Case No. 21-933-EL-AIS, *et al.* The 2021 Order authorized the Company to have short-term notes outstanding including the Statutory Exemption Limit, in the aggregate principal amount of not more than \$500,000,000. During the period January 1, 2023

through December 31, 2023 (the “2023 Fiscal Year”), the Company estimates that it may again need to exceed the Statutory Exemption Limit.

3. Pursuant to the provisions of O.R.C. §4905.401, the Company requests the Commission to authorize the Company to have Short-Term Notes outstanding at any one time during the 2023 Fiscal Year in an aggregate principal amount up to \$500,000,000 (the “Authorized Principal”) (such Authorized Principal to include the Statutory Exemption Limit).
4. The Company further requests that the Commission approve that the Authorized Principal, or any part thereof issued, renewed or assumed or to be issued, renewed or assumed, be in addition to any long-term financing that the Company may require during the 2023 Fiscal Year and which this Commission may approve pursuant to O.R.C. §4905.40.
5. The Company respectfully represents that the issuance and renewal of, or assumption of liability on, Short-Term Notes, from time to time, and the money to be procured therefrom, are reasonably required and necessary for the Company’s lawful capital purposes. Such Short-Term Notes may be issued to provide funds for regulated utility purposes including: current maturities of existing obligations, retirement of securities through open market purchases, redemption of securities through applicable redemption provisions, loans to the Money Pool (as defined in Paragraph 6 below), working capital and for general corporate purposes. Prior to their use, such funds may be invested in highly liquid short-term investments. Pursuant to O.R.C. §4905.41, the Company incorporates herein by reference the following exhibits:

- a. “Exhibit A,” Balance Sheet including Statement of Capitalization as of June 30, 2022; and
 - b. “Exhibit B,” Statement of Income for the Twelve Months Ended June 30, 2022.
6. This Commission, in its 2021 Order, previously approved utility money pool (the “Money Pool”) participation in order to establish an intra-system financing arrangement, by and among the Company, Ohio Edison Company (“OE”), OE’s wholly-owned subsidiary, Pennsylvania Power Company (“Penn Power”), The Toledo Edison Company (“TE”), The Cleveland Electric Illuminating Company (“CEI”), FirstEnergy Corp., solely as a lender, FirstEnergy Service Company, solely as administrator and not as a lender or borrower, Jersey Central Power & Light Company, Pennsylvania Electric Company (“PN”), Metropolitan Edison Company (“ME”), Mid-Atlantic Interstate Transmission, LLC, Monongahela Power Company, The Potomac Edison Company, West Penn Power Company, Trans-Allegheny Interstate Line Company and Waverly Electric Power & Light Company (each a “2021 Participating Company”, collectively called the “2022 Participating Companies”), and for the issuance and acquisition of Short-Term Notes of 2021 Participating Companies in connection therewith, through December 31, 2022.
7. The Company hereby requests that the Commission’s approval of the Money Pool participation be extended through December 31, 2023 and that the Authorized Principal shall include Short-Term Notes of the Company outstanding under the Money Pool by the Company.

8. The 2022 Participating Companies may contribute funds to the Money Pool from the following sources: (a) surplus funds from 2022 Participating Companies (“Internal Funds”), and (b) proceeds borrowed from external sources by the 2022 Participating Companies for loan to the Money Pool (“External Funds”).
9. The Commission, in its 2021 Order, authorized the Company, through December 31, 2022, to have short-term notes outstanding including the Statutory Exemption, in the aggregate principal amount of not more than \$500,000,000 at any one time and to participate in the Money Pool. During the 2023 Fiscal Year, the Company estimates that it may again need to exceed the Statutory Exemption Limit. Thus, the Company hereby requests the Commission to permit the Company to have short-term notes outstanding including the Statutory Exemption, in the aggregate principal amount of not more than \$500,000,000 at any one time and to participate in the Money Pool by providing Internal or External Funds to 2022 Participating Companies through the Money Pool.
10. The Commission, in its 2021 Order authorized the Company, to provide loans to the Money Pool, so long as the aggregate amount loaned to the Money Pool by the Company, CEI, OE and TE did not exceed \$750,000,000 to the 2022 Participating Companies at any time. The Company hereby requests Commission authorization for the Company, together with CEI, OE and TE, to make loans in the aggregate to the Money Pool not to exceed \$750,000,000 outstanding to the 2022 Participating Companies (other than the Company, CEI, OE and TE) at any one time, based upon cash forecasting for 2023.

11. The Company agrees any loans to 2022 Participating Companies (other than CEI, OE and TE) made through the Money Pool shall be made only to those 2022 Participating Companies that have investment grade or higher credit ratings on their senior secured debt from at least one nationally recognized rating agency, or in the absence of such rating, investment grade or higher credit ratings on their corporate credit rating. The Company agrees to continue to report the details of its participation in the Money Pool on a quarterly basis to the case docket.

WHEREFORE, the Company prays

- (1) That this Commission approves the extension of the Company's participation in the Money Pool through December 31, 2023 and that the Authorized Principal shall include Short-Term Notes of the Company outstanding under the Money Pool by the Company.

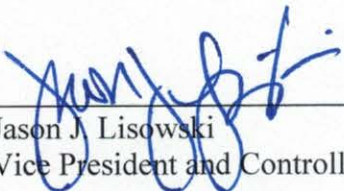
- (2) That this Commission authorizes the Company, during the 2023 Fiscal Year, to issue, renew or assume liability on Short-Term Notes, as requested in this Application, provided however, that the aggregate Short-Term Notes do not exceed \$500,000,000 outstanding at any one time, and provided further that such amount is exclusive of any long-term financing the Company may incur during said period with this Commission's approval.

- (3) That this Commission authorizes the Company, during the 2023 Fiscal Year, to provide Internal or External Funds to the Money Pool, as requested in this Application, provided however, that the aggregate amount loaned to the Money Pool by

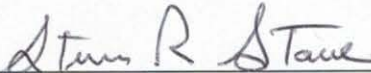
the Company, CEI, OE and TE to the 2022 Participating Companies (other than the Company, CEI, OE and TE) does not exceed \$750,000,000 outstanding at any one time.

(4) That due to the time sensitive nature of this request, that this Commission issue such Order approving this Application on or before December 21, 2022.

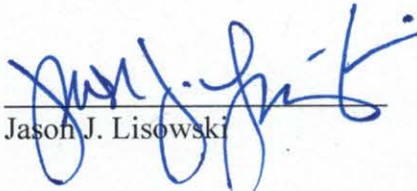
By: _____



Jason J. Lisowski
Vice President and Controller

By: _____


Steven R. Staub
Vice President and Treasurer

Jason J. Lisowski and Steven R. Staub, depose and say that they are Vice President and Controller, and Vice President and Treasurer, respectively, of American Transmission Systems Incorporated, Applicant in the above matter, and that they have read and are fully acquainted and familiar with the contents of the foregoing Application and that the statements therein are true as they verily believe.


Jason J. Lisowski


Steven R. Staub

Subscribed and sworn to before me
this 18th day of October 2022


Notary Public, State of Ohio


Stephanie J. Bencin
Attorney for Applicant



JAIME E. HUDSON
Notary Public, State of Ohio
My Commission Expires:
August 12, 2027

EXHIBIT A

AMERICAN TRANSMISSION SYSTEMS, INC.
BALANCE SHEET
(Unaudited)

<u>(In millions, except share amounts)</u>	<u>June 30,</u> <u>2022</u>
ASSETS	
CURRENT ASSETS:	
Cash and cash equivalents	\$ 75
Receivables-	
Affiliated companies	1
Other	39
Notes receivable from affiliated companies	134
Prepaid taxes and other	3
	<u>252</u>
UTILITY PLANT:	
In service	5,738
Less - Accumulated provision for depreciation	1,371
	<u>4,367</u>
Construction work in progress	252
	<u>4,619</u>
DEFERRED CHARGES AND OTHER ASSETS:	
Property taxes	116
Operating lease right-of-use asset - affiliated companies	412
Other	6
	<u>534</u>
	<u>\$ 5,405</u>
LIABILITIES AND CAPITALIZATION	
CURRENT LIABILITIES:	
Currently payable long-term debt	\$ -
Accounts payable - affiliated companies	5
Accrued taxes	242
Accrued interest	21
Other current liabilities	6
	<u>274</u>
CAPITALIZATION:	
Common stockholder's equity-	
Common stock, no par value, 850 shares authorized -	
1 share outstanding	1,544
Retained earnings	716
Total common stockholder's equity	<u>2,260</u>
Long-term debt and other long-term obligations	<u>1,485</u>
	<u>3,745</u>
NONCURRENT LIABILITIES:	
Accumulated deferred income taxes	571
Property taxes	116
Regulatory liabilities	288
Noncurrent operating lease obligation - affiliated companies	407
Other	4
	<u>1,386</u>
	<u>\$ 5,405</u>

EXHIBIT A

AMERICAN TRANSMISSION SYSTEMS, INC. STATEMENT OF CAPITALIZATION (Unaudited)

(In millions, except share amounts)	June 30, 2022
COMMON STOCKHOLDER'S EQUITY:	
Common stock, no par value, 850 shares authorized -	
1 share outstanding	\$ 1,544
Retained earnings	716
Total common stockholder's equity	<u>2,260</u>
LONG-TERM DEBT AND OTHER LONG-TERM OBLIGATIONS:	
American Transmission Systems, Inc.-	
Senior Notes	
2.65% due 2032	600
4.00% due 2026	75
5.00% due 2044	400
5.23% due 2045	75
4.32% due 2030	100
4.38% due 2031	100
3.66% due 2032	150
Total	<u>1,500</u>
Unamortized discount on long-term debt	(5)
Unamortized debt expense	(10)
Long-term debt due within one year	-
Total long-term debt and other long-term obligations	<u>1,485</u>
TOTAL CAPITALIZATION	<u><u>\$ 3,745</u></u>

EXHIBIT B

AMERICAN TRANSMISSION SYSTEMS, INC.

STATEMENT OF INCOME
TWELVE MONTHS ENDED JUNE 30, 2022

(Unaudited)

(In millions)

REVENUES:	\$	848
OPERATING EXPENSES:		
Other operating expenses		189
Provision for depreciation		154
Amortization of regulatory liabilities, net		4
General taxes		227
Total operating expenses		574
OPERATING INCOME		274
OTHER INCOME (EXPENSE):		
Miscellaneous income, net		(4)
Pension and OPEB mark-to-market adjustment		10
Interest expense		(65)
Capitalized financing costs		10
Total other expense		(49)
INCOME BEFORE INCOME TAXES		225
INCOME TAXES		45
NET INCOME	\$	180

**This foregoing document was electronically filed with the Public Utilities
Commission of Ohio Docketing Information System on
10/19/2022 9:59:46 AM**

in

Case No(s). 22-0939-EL-AIS

Summary: Application for Authority to Issue, Renew, or Assume Liability on Notes
and Other Evidences of Indebtedness electronically filed by Ms. Christine E.
Watchorn on behalf of American Transmission Systems, Incorporated