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May 13, 2019

**VIA ELECTRONIC FILING**

Barcy F. McNeal, Secretary  
The Public Utilities Commission of Ohio  
180 East Broad Street  
Columbus, OH 43215

***Re: In the Matter of the Application of American Transmission Systems,  
Incorporated for authority to issue, sell, and enter into debt transactions.  
Case No.18-305-EL-AIS***

Dear Mrs. McNeal:

On May 30, 2018, the Public Utilities Commission of Ohio ("Commission") issued an order authorizing *American Transmission Systems, Incorporated* ("ATSI") to issue promissory notes or debentures in an aggregate amount not to exceed \$200 million ("May 30 Order"). Paragraph No. 8 of ATSI's application to issue new bonds, notes and other evidence of indebtedness filed with the Commission on February 27, 2018 ("February 27 Application") provided that ATSI "... will submit a report following each such issuance showing that the financial terms of such issuance do not exceed the parameters with respect thereto that were approved by the Commission." By this letter, ATSI provides the report pursuant to Paragraph No. 8 of the February 27 Application. All capitalized terms used in this letter, without definition, have the meanings assigned to them in the May 30 Order.

On April 15, 2019 ATSI completed an issuance of Senior Notes bonds which mature on April 15, 2031, pursuant to an Indenture dated as of September 25, 2014 by and between ATSI and U.S. Bank National Association, as trustee. The aggregate principal amount of the new debt issued was \$100,000,000, which has the following associated terms:

1. \$100,000,000 in 4.38% Senior Notes maturing April 15, 2031 (the "Notes"); the coupon and issue price on the Notes was determined as follows:

Benchmark	2.875% due August 2028
Quoted Yield	3.07%
Credit Spread	+131 bps
Final Coupon	4.38%

2. Interest is payable semi-annually on each October 15 and April 15, beginning October 15, 2019.
3. The Notes, will be redeemable in whole or in part, at ATSI's option, at any time prior to January 15, 2031, at 100% of the principal amount so prepaid, plus the make-whole amount determine for the prepayment date with respect to such principal amount and (ii) at any time on or after January 15, 2031, all the Notes at 100% of the principal amount so prepaid, together with, in each case, accrued interest to the redemption date.
4. The Notes are senior unsecured general obligations of ATSI and rank equally with all of ATSI's existing and future unsecured and unsubordinated indebtedness.
5. The net proceeds resulting from the issuance of the Notes were used (i) to repay short term borrowings (ii) to fund capital expenditures, including with respect to our transmission expansion plans, and (iii) for working capital needs and other general business purposes.
6. ATSI's net proceeds of \$99,382,144 from the sale of the notes reflects the following fees and expenses:

Placement Agent fees	\$ 500,000
Trustee's fees and expenses	\$ 3,500
Counsel fees*	\$ 114,356

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\*Amount includes legal fees and expenses of placement agent, purchasers and ATSI.

Please file the letter in this proceeding and provide two copies to the Staff. Thank you.

Regards,



Stephanie J. Bencin

**This foregoing document was electronically filed with the Public Utilities**

**Commission of Ohio Docketing Information System on**

**5/13/2019 4:54:47 PM**

**in**

**Case No(s). 18-0305-EL-AIS**

Summary: Correspondence in the Matter of the Application of American Transmission Systems, Incorporated for authority to issue, sell, and enter into debt transactions. electronically filed by Mrs. Ashlee E Waite on behalf of American Transmission Systems, Incorporated and Bencin, Stephanie J. Mrs.