



ELECTRIC TRANSMISSION AMERICA, LLC

News from **ETA**

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FOR IMMEDIATE RELEASE

**AEP, MIDAMERICAN TRANSMISSION JOINT VENTURE TO DEVELOP
TWO 765-kV TRANSMISSION PROJECTS IN THE MIDWEST**

Electric Transmission America is partnering on two transmission projects stretching from the Indiana/Ohio border to within Iowa to reinforce the grid and support renewable energy development.

COLUMBUS, Ohio, Nov. 1, 2010 – Electric Transmission America (ETA), a transmission joint venture between subsidiaries of American Electric Power (NYSE: AEP) and MidAmerican Energy Holdings Company (MEHC), has signed two separate memorandums of understanding (MOUs) with Exelon and MidAmerican Energy Company to develop two 765-kilovolt (kV), extra high-voltage transmission projects in the Midwest. The two projects include a series of transmission lines that will extend from the Indiana/Ohio border into Iowa and will establish part of the infrastructure needed to strengthen the Midwest transmission grid and provide Midwest states with access to additional sources of energy, including renewable, non-carbon emitting electricity generation.

ETA has signed an MOU with Exelon to jointly develop 420 miles of 765-kV transmission lines that will extend from the Indiana/Ohio border west across Indiana into Henry County, Illinois. ETA will develop the 104 miles of proposed transmission lines located in Indiana. Commonwealth Edison, a subsidiary of Exelon, will build the Illinois portion of the project. Based on current plans, the entire project is estimated to cost approximately \$1.6 billion. The project would be built in phases, likely between 2015 and 2018, depending on the timing of regulatory approvals.

ETA signed a second MOU with MidAmerican Energy Company (a subsidiary of MEHC) to jointly develop another 180 miles of 765-kV transmission that would extend from the terminus of the first project in Henry County, Illinois, to Louisa County, Iowa, and then to Buchanan County, Iowa. Based on current plans, the total cost of the project would be approximately \$650 million. The proposed project is expected to be operational by 2019, depending on the timing of regulatory approvals.

ETA's estimated share of both projects totals approximately \$675 million, subject to final routing, design and regulatory approvals.

"As our nation focuses on developing cleaner, more secure sources of power to support our economy and reduce our environmental impact, it is urgent that we build the transmission system required to deliver this power to customers. These agreements are an important step in advancing transmission projects necessary to support the integration of new energy sources and strengthen the overall transmission grid in the Midwest," said Lisa Barton, ETA president.

"Partnering with Exelon and MidAmerican Energy Company combines our respective companies' expertise in building and operating transmission, but more importantly, our collective relationships in this region will help advance these inter-regional transmission projects and the benefits of extra high-voltage transmission," Barton said.

The projects are the first commercial transmission proposals supported by the recently completed SMARTransmission study, an effort to develop a conceptual 20-year transmission plan for the Midwest. The SMART study was led by ETA and co-sponsored by a group of several Midwest utilities, including AEP, MidAmerican Energy Company and Exelon.

ETA and its project partners expect to file with the Federal Energy Regulatory Commission in the first quarter of 2011 and will seek necessary approvals from state utility commissions in Iowa, Illinois and Indiana, as well as from PJM Interconnection and Midwest ISO. Costs for both projects are expected to be broadly allocated within their respective regions.

ETA is a joint venture between subsidiaries of AEP and MidAmerican Energy Holdings Company to build and own electric transmission assets. The joint venture is a 50-50 partnership organized to identify and invest in high-voltage transmission projects (345-kV or higher) located in North America outside of the Electric Reliability Council of Texas (ERCOT). ETA's current joint venture projects include Prairie Wind Transmission in Kansas and Tallgrass Transmission in Oklahoma. The two companies also have a joint venture agreement to build transmission in ERCOT.

AEP, headquartered in Columbus, Ohio, is one of the largest electric utilities in the United States, delivering electricity to more than 5 million customers in 11 states. MidAmerican Energy Holdings Company, based in Des Moines, Iowa, is a global provider of energy services to more than 6.9 million customers worldwide.

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