

**BEFORE THE  
PUBLIC SERVICE COMMISSION OF WISCONSIN**

Joint Application of American Transmission )  
Company LLC and Northern States Power )  
Company - Wisconsin, as Electric Public )  
Utilities, For Authority to Construct and )  
Operate a New 345 kV Transmission Line )  
from the La Crosse area, in La Crosse County, )  
to the greater Madison area in Dane County, )  
Wisconsin. )

Docket No. 5-CE-142

**SUR-SURREBUTTAL TESTIMONY OF JAMES HODGSON  
IN SUPPORT OF THE JOINT APPLICATION**

## TABLE OF CONTENTS

	<b>Page</b>
INTRODUCTION .....	1
CETF/SOUL .....	1

Field Cod

Field Cod

1 **INTRODUCTION**

2 **Q. Please state your name, employer, title and business address.**

3 A. My name is James Hodgson. I am employed by ATC Management, Inc., the corporate  
4 manager of American Transmission Company LLC (collectively “ATC”), as a Business  
5 Development Strategist. My business address is W234 N2000 Ridgeview Parkway Ct.,  
6 Waukesha, Wisconsin 53188-1022.

7 **Q. Did you submit direct and rebuttal testimony in this proceeding?**

8 A. Yes I did.

9 **Q. What is the purpose of your sur-surrebuttal testimony?**

10 A. I will respond to the following surrebuttal testimony:

- 11 • Surrebuttal-CETF/SOUL-Lanzalotta.

12 **Q. Have you reviewed this surrebuttal testimony and any accompanying exhibits?**

13 A. Yes I have.

14 **CETF/SOUL**

15 **Q. In Surrebuttal-CETF/SOUL-Lanzalotta, Mr. Lanzalotta implies on page 4 of his**  
16 **testimony that the only reason the Project is superior to the Low Voltage alternative**  
17 **is because the “identified benefits from Badger Coulee . . . to Wisconsin ratepayers**  
18 **are greater than the 7% or so of the BC costs that Wisconsin ratepayers will have to**  
19 **pay for.” Would you care to comment?**

20 A. Yes. My calculation of the total net benefits to Wisconsin ratepayers of the Project used a  
21 conservative discount rate of 6.7% over the forty year analysis period. While I still  
22 believe it is appropriate to use the 6.7% discount rate for the analysis, FERC’s current  
23 rate is 3.25%. If I had used this 3.25% figure as the discount rate in my analysis, the total

1 net benefit of the Slow Growth future would increase from a net benefit of \$130.54  
2 million to a total net benefit of \$301.27 million.

3 **Q. Does this complete your sur-surrebuttal testimony?**

4 A. Yes.