a critical link

2009 ANNUAL REPORT

2009

ITC: a critical link

Critical - *of essential importance; indispensable*

Link - *anything serving to connect one part or thing with another; a bond or tie*

Energy plays an increasingly pivotal role in the way we live, work and play. We depend on electric energy to light our communities, power our industries and serve our families. Reliable, sustainable, efficient energy is essential to our quality of life and the economic viability of our nation.

Since its inception, ITC has invested more than $1.5 billion in transmission system upgrades to improve electric reliability, reduce system congestion and facilitate the non-discriminatory interconnection of new generating assets, including renewable resources. As the nation's only fully independent transmission company, ITC is a critical link in the energy chain.

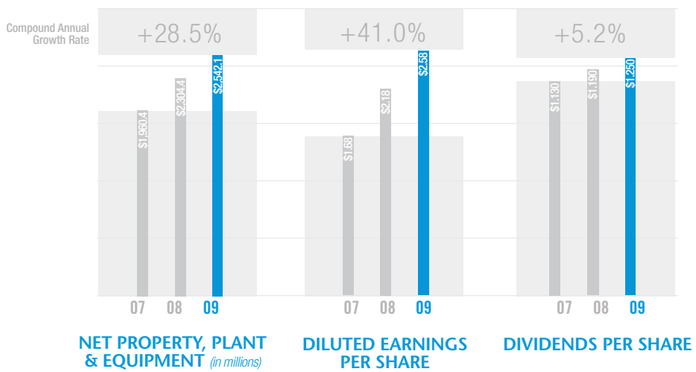
ITC™

2009 ANNUAL REPORT

2009 financial highlights

	2009	2008	2007
OPERATING RESULTS *(in millions, except dividends per share)*			
Operating Revenues	$ 621.0	$ 617.9	$ 426.2
Net Income	130.9	109.2	73.3
Cash Flows from Operations	267.9	195.4	135.8
Investments in Property, Plant & Equipment	361.6	399.4	286.2
Dividends Paid Per Share	1.250	1.190	1.130
EARNINGS PER SHARE			
Basic Earnings Per Share	$ 2.62	$ 2.22	$ 1.72
Diluted Earnings Per Share	2.58	2.18	1.68
BALANCE SHEET *(in millions)*			
Property, Plant & Equipment (Net of Depreciation)	$2,542.1	$2,304.4	$1,960.4
Total Assets	4,029.7	3,714.6	3,213.3
Total Debt	2,434.4	2,248.3	2,243.4
Total Equity	1,011.5	929.1	563.1

three-year results



NET PROPERTY, PLANT & EQUIPMENT *(in millions)*

DILUTED EARNINGS PER SHARE

DIVIDENDS PER SHARE

to our shareholders

ITC's ability to continue delivering strong financial results in a demanding economic environment is a testament to the strength and resiliency of our business model – a model that provides us with the capability to sustain our strategic vision of leading the development of a 21st century transmission system.

The solid results we have achieved are directly related to ITC's role as an independent transmission provider. We take seriously our responsibility as a critical link to **electric reliability**, **sustainability**, the **community** and **energy independence**.

For the year, we reported net income of $130.9 million and diluted earnings per share of $2.58, a 13 percent increase over 2008 (excluding the impact in 2009 of the recognition of certain regulatory assets). Operating revenues for full-year 2009 were $621.0 million. Importantly, these figures represent quality earnings in that we are collecting cash in a manner that closely corresponds with the revenues we are recording rather than deferring that collection to later periods through our true-up mechanism. For 2009, ITC recorded the smallest rate-making true-up in aggregate of any year in our history.

While achieving these results, we also delivered on our other financial commitments, such as making capital investments in our business totaling $361.6 million, including $87.2 million at International Transmission Company (ITC*Transmission*), $132.7 million at Michigan Electric Transmission Company (METC), $140.1 million at ITC Midwest, and $1.6 million for ITC Great Plains. These investments not only drive our earnings growth but provide substantial benefits to our customers. As we advance toward our goal of best-in-class performance for all our operating companies, we continue to invest in our systems to improve reliability, support the interconnection of new generating resources, improve system efficiency and lower the cost of delivered energy.

Recent benchmarking studies illustrate that our efforts to improve system reliability have resulted in substantially better performance over the past year. Additionally, we have been able to achieve these reliability improvements while maintaining the transmission component of the end-use consumer bill at approximately four to five percent in the ITC*Transmission* and METC service territories (both of which are ranked as top decile performers in reliability), compared to the national average of greater than seven percent.

During 2009, ITC and its contractors continued to build on our history of safe operations. On January 25, 2010, ITC's field operations and maintenance contractor, Utility Lines Construction, reached one million safe man hours without one lost-time safety incident. This is quite a feat, considering the amount of work ITC and its contractors are accomplishing every day in our efforts to improve electric reliability.

We believe our ability to achieve operational excellence provides our company with a competitive advantage as we pursue our business strategy.

ADVANCING OUR BUSINESS STRATEGY

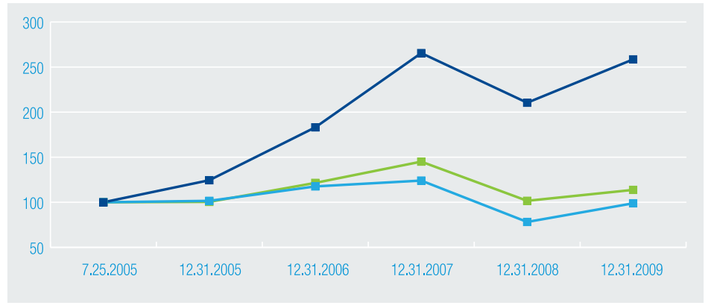
During 2009 we made noteworthy progress in advancing our overall strategy.

ITC Midwest – Since its formation in 2007, ITC Midwest has made significant investments to interconnect wind and other renewable generators, demonstrating our commitment to allow all generating resources access to the transmission system on a nondiscriminatory basis.

ITC Midwest connected 716 megawatts (MW) of installed wind energy generation to the company's electric transmission system in 2009. Combined with the 810 MW of new wind generation connected to the ITC Midwest system during 2008, the company has connected more than 1,500 MW of wind energy in Iowa during our ownership period, which has helped propel Iowa to second in the nation in terms of installed wind-generating capacity.

COMPARISON OF 5-YEAR CUMULATIVE TOTAL RETURN

(Assumes initial investment of $100 and reinvestment of dividends)



		7/25/2005	2005	2006	2007	2008	2009
ITC HOLDINGS CORP.	Return %	–	24.46	47.13	44.98	-20.73	22.83
	Cum $	100.00	124.46	183.12	265.48	210.44	258.49
S&P 500 TOTAL RETURNS	Return %	–	1.57	15.78	5.49	-36.99	26.47
	Cum $	100.00	101.57	117.59	124.05	78.16	98.85
S&P UTILITIES INDEX	Return %	–	0.42	20.99	19.39	-29.96	11.94
	Cum $	100.00	100.42	121.50	145.07	101.61	113.74

Additionally, we have greatly improved electric reliability at ITC Midwest. When ITC acquired the ITC Midwest transmission system, it was rated as a third-quartile performer in terms of sustained outages. Through our focused transmission investments and proactive maintenance programs, we significantly reduced the number of sustained outages on the ITC Midwest system in 2009. Improvements in electric reliability tend to lag compared to the timing of investments, and there remains significant work to be done. However, this achievement in reduced sustained outages demonstrates the value of improving the transmission network.

ITC Great Plains – ITC Great Plains reached a number of significant milestones in 2009 that moved us closer to making critical transmission infrastructure improvements in the Southwest to support the region's growing energy needs. In March, a ruling from the Federal Energy Regulatory Commission (FERC) approved rate incentives for two Kansas projects, the V-Plan and the KETA project.

In June, the company signed an agreement to resolve pending regulatory proceedings regarding who should be authorized to build the 180-mile V-Plan project, which will serve as a link between western and eastern Kansas and facilitate the exportation of power out of state. The agreement was approved by the Kansas Corporation Commission (KCC) in July.

ITC Great Plains received siting approval from the KCC in July on the proposed route for Phase I of the KETA line, running from Spearville, Kansas, to a substation near Hays, Kansas.

In August, ITC Great Plains completed the purchase of two electric transmission substations in the Southwest Power Pool (SPP) that represent the first components of what will ultimately result in our ownership and operation of a state-of-the-art transmission system across the region.

In October, the SPP approved a priority list of projects for further analysis that includes the V-Plan. The priority projects will be reviewed on a regional basis and are scheduled to be approved by the SPP board in 2010.

At the end of 2009, we began preconstruction, planning, routing and right-of-way acquisition for the Hugo-to-Valliant Project, a 19-mile, 345 kilovolt (345 kV) transmission line in southeastern Oklahoma that is part of a larger transmission line project being implemented to provide more efficient and cost-effective transmission of energy and increase access to a broader range of generation resources.

As a result of these successes, ITC Great Plains is well positioned to continue developing transmission solutions for the Southwest region that facilitate renewable energy and address current system capacity constraints.

Green Power Express – In February 2009, the Green Power Express was unveiled as one of ITC's broadest and most ambitious efforts to modernize an overburdened, aging electric grid. The project, spanning seven states, will ultimately include 3,000 miles of extra-high-voltage 765 kV transmission and is expected to facilitate the flow of up to 12,000 MW of renewable energy from the upper Midwest to load centers in the central-Midwest and mid-Atlantic regions of the country.

Over the course of the year, Green Power Express achieved some important objectives, the first of which occurred in April when the FERC approved favorable transmission incentives for the project. At the same time, the FERC authorized the establishment of a regulatory asset for development and preconstruction costs. These incentives will enable us to more effectively pursue the development of partnerships with other transmission owners in the region of the multi-state Green Power Express project.

In the first of several anticipated strategic alliances, we signed agreements with Bismarck, North Dakota-based MDU Resources Group and Sioux Falls, South Dakota-based NorthWestern Energy in the third quarter of last year. Both companies will collaborate with ITC on development efforts and securing the approvals needed to advance the project.

The entire project is currently estimated to cost $10-12 billion, and ITC expects to participate and invest in a portion of this total.

POSITIONED FOR THE FUTURE

In March, we celebrated our seventh year of operations, and in July of 2010, we will celebrate our fifth year as a publicly listed company. We have successfully grown our business over this time by addressing customer needs and maintaining a keen eye on creating shareholder value while expanding our business. Since our inception, we have significantly increased the scope of our business, including megawatts delivered, miles of transmission lines, number of communities served and number of substations, interconnections, poles and towers. For example, our miles of transmission have increased by 451 percent. Our peak load has increased by 96 percent. The number of communities served increased from 430 to 1,821, while the number of square miles in our footprint has increased more than tenfold.

We were operating in one state and now we operate in six separate state jurisdictions. We have gone from 38 employees in 2003 to over 400 today.

We were operating in one state and now operate in six separate state jurisdictions. We have grown from 38 employees in 2003 to over 400 today.

Our earnings per share have grown by a compounded rate of 24.9 percent, and we have increased our dividend annually at an average rate of over five percent since we have been public. Importantly, the growth in our business also has manifested itself in value creation for our shareholders.

Our liquidity and ability to finance our business remain strong, and we will continue to focus and move forward on our development and growth efforts.

Our company's five-year capital expenditure plan, announced in September of 2009, includes approximately $3 billion of capital investments. Between 2010 and 2014, we expect to invest approximately $2.3 billion in our base businesses, including expected transmission investments associated with non-discriminatory generator interconnections, and approximately $700 million in development initiatives.

The five-year capital investment plan is projected to increase ITC's consolidated rate base from approximately $2.1 billion at the end of 2008 to approximately $4.5 billion by the end of 2014. This increase in rate base is expected to result in compound annual growth in earnings per share of approximately 13 to 15 percent over this period.

When we started this business seven years ago, we had a vision to become a leader in the build-out of a more reliable and robust transmission system capable of meeting the needs of a 21st century, energy-intensive economy. We have made great strides toward this goal, but much work remains to be done. Developing the kind of transmission system the nation requires will be evolutionary, not revolutionary. As the country's only independent transmission company, ITC is well positioned to benefit from this opportunity and be an instrumental player in the build-out of the transmission grid.

Thank you for the confidence you have placed in us. Rest assured we will work hard every day to continually earn your trust.

Joseph L. Welch
Chairman, President and Chief Executive Officer
ITC Holdings Corp.

a critical link to reliability

ITC's efforts to improve reliability include rebuilding this 27-mile, 161kV transmission line running between Adams, Minn. and Bolan, Iowa.

Extra-high-voltage transmission lines, such as those proposed for ITC's Green Power Express project, are more efficient, require less right-of-way, and are inherently more reliable.

RELIABLE TRANSMISSION

Reliability is the foundation on which ITC is built. Our ongoing efforts to replace aging transmission facilities and equipment across the ITC service territory have resulted in increased reliability and efficiency while paving the way for the non-discriminatory integration of new generating resources, including renewable resources. In 2009, ITC's transmission systems experienced 46 percent fewer sustained outages than the previous year.

To ensure the safety and reliability of transmission lines while remaining compliant with the federal government's zero-outage mandate, ITC maintains an active vegetation management program. As a result, we did not experience any outages involving transmission lines impacted by the federal mandate due to vegetation issues within our rights-of-way in 2009, a testament to our best-in-class operations.

In the SGS Statistical Service Transmission Reliability Benchmark Study, our subsidiary, ITC*Transmission*, ranked as the best overall system in sustained outages, and was second overall in momentary outages.

ENERGY EFFICIENCY

When electricity travels long distances on lower-voltage electric lines, efficiency is compromised. Congested lines also significantly reduce energy efficiency. In the past 30 years, transmission line losses have doubled, primarily due to increased demand, congestion and outdated infrastructure. ITC's investments in the transmission grid reduce energy losses, thereby increasing efficiency.

Extra-high-voltage transmission lines, such as those proposed for ITC's Green Power Express project, are more efficient, require less right-of-way, and are inherently more reliable than their lower-voltage counterparts. For example, a 765 kV line incurs half the losses of a 345 kV line carrying the same amount of power. Just as important, one 765 kV line can carry the same amount of electricity as six single-circuit 345 kV lines.

"ITC operates an extensive physical security program comprised of many sophisticated security systems which provide an extremely effective system of protection for its physical assets."

– NERC

OPERATIONAL EXCELLENCE

ITC's vigilance in overseeing its transmission system is an essential element in protecting electric reliability as well as preserving national security. Protecting geographically dispersed assets in a mix of urban and rural settings requires substantial thought, planning and effort. ITC has earned national recognition for its best-in-class operations and efforts to safeguard the reliability of its high-voltage electric system.

The North American Electric Reliability Corporation (NERC) cited ITC's system security operations as an Example of Excellence as part of its Reliability Readiness Evaluation and Improvement Program.

NERC noted a number of specifics in its Example of Excellence, including:

- Critical ITC substations are protected 24/7 by a sophisticated integrated security system that includes elements like barbed wire perimeter fencing, closed-circuit television cameras, photo-beam motion detection devices, intrusion monitors, access control, cyber locks and audible alarms.
- Access to ITC's headquarters and system control center is restricted through artificial and natural barriers, a security checkpoint and steel gates. The building is equipped with layered access control devices, closed-circuit television cameras, and, in the hardened area that houses the control room, a tailgate-proof pod and biometric identification system.

Safety is another key element in achieving best-in-class operations. ITC had one of the lowest recorded injury incident rates among companies in the Edison Electric Institute's Safety Survey that gauged the safety performance of 64 utilities.

a critical link to sustainability

RENEWABLE ENERGY

More than half the states in the U.S. have adopted renewable portfolio standards, which typically require electricity providers to obtain a minimum percentage of their power from renewable energy resources by a specific date. ITC's independence fosters a focus on grid improvements and facilitates the non-discriminatory interconnection of wind and other renewable resource power generation. In 2009 alone, ITC Midwest connected 716 MW of installed wind energy generation to its electric transmission system, an amount capable of powering approximately 200,000 homes.

GREEN POWER EXPRESS

In 2009, ITC unveiled its Green Power Express project, an energy superhighway designed to reliably and efficiently deliver renewable energy from wind-abundant areas of the upper Midwest to midwestern and eastern states that demand clean, renewable energy. As designed, Green Power Express will facilitate the movement of 12,000 MW of power over a 3,000-mile network of extra-high-voltage (765 kV) transmission lines and address a recognized lack of electric transmission infrastructure needed to integrate wind energy from the wind-resource-rich regions in Iowa, Minnesota, and North and South Dakota to load center communities farther east.

Additionally, Green Power Express would result in an annual reduction of up to 34 million metric tons of carbon emissions, which is equivalent to the annual emissions of approximately seven to nine 600 MW coal plants, or nine to eleven million automobiles.

The first project of its kind to apply such an expansive regional approach to developing transmission infrastructure, the Green Power Express proposal is part of ITC's broader efforts to create a high-voltage backbone that can meet America's energy goals and significantly reduce costly inefficiencies in the grid.

"The Green Power Express project can play a major role in helping the country fulfill its goals of making wind power a significant part of our electricity supply and reducing carbon emissions."

– Terry D. Hildestad, president and CEO, MDU Resources

"ITC is to be commended for their early action on climate protection and their commitment to sharing information across the sector. They have demonstrated that through partnerships and dedication to emissions reductions, the power transmission sector can reduce emissions of SF_6 significantly."

– Sally Rand, EPA program manager for the SF_6 Emission Reduction Partnership for Electric Power Systems

ELECTRIC CARS

The president has set a goal to have one million electric cars on American roads by 2015. Electric cars are quieter, cleaner and cheaper to operate than gas-powered autos, but require four to eight hours to fully charge. This transition to plug-in electric cars will dramatically change the automotive business while placing a new, considerable load on America's aging electric grid. ITC's investments in the transmission grid will help ensure that the nation's electric backbone will be prepared for new technologies and keep America moving.

WILDLIFE AT WORK CERTIFICATION

ITC received an international award for contributions to wildlife habitat conservation at the ITC transmission corridor at Stony Creek Metropark in Southeast Michigan. Our efforts included removing invasive woody and herbaceous species that could have interrupted electrical service in the region. As a result of this proactive vegetation management, more than 40 species of plants native to Michigan naturally germinated, providing food and cover for various mammals, birds, turtles and pollinator species. The Wildlife Habitat Council awarded ITC its *Wildlife at Work*℠ certification for the project and praised the company for its commitment to environmental stewardship and efforts to increase native biodiversity.

ESD CONSTRUCTION DESIGN AWARD

ITC's headquarters in Novi, Michigan, earned a 2009 Engineering Society of Detroit (ESD) Construction Design Award. ESD selected ITC's 188,000-square-foot facility for its overall design and construction quality, sustainability, social/economic significance and unique engineering. ITC's design and engineering teams developed the headquarters with the environment in mind, building up rather than out to decrease the building's footprint. The building's many environmentally friendly features include a cooling system that uses outside cold air rather than a chiller, low-E glass windows and high-efficiency natural gas boilers.

photo credit: Paul Kinnell

ITC employees plant a pollinator garden outside the company's headquarters.

a critical link to the community

ECONOMIC DEVELOPMENT

ITC continued to make significant investments in its transmission system during the year. These investments improve reliability, enable the interconnection of new generating resources, lower system losses, reduce congestion and drive earnings growth. Our investments also positively impact the communities in which we do business by creating jobs and supporting local businesses and governments. Just as important, ITC capital projects generate property taxes for communities, improve electric reliability and provide access to lower-cost energy from a variety of sources, which helps attract and retain businesses.

ITC Great Plains – In 2009, ITC advanced several significant development projects in the SPP region. ITC launched its first Kansas endeavor, the Kansas Electric Transmission Authority (KETA) project, in the western part of the state. The KETA project is a high-voltage line from Spearville to the Nebraska border. We secured siting approval from the state of Kansas and began preconstruction activities for Phase I of the project (Spearville to Hays). In addition, more than 400 landowners and residents attended two public open house events to review and provide input on three potential routes for Phase II of the project (Hays to the Nebraska border). The KETA project will bolster the reliability of the regional transmission grid and enable further development of wind power in the region.

ITC Great Plains also reached an agreement with several utilities authorizing the company to construct and own a substation and two of the three segments of the Kansas V-Plan project, a 180-mile high-voltage transmission line linking Spearville to Wichita. The SPP approved Priority Project status for the V-Plan and authorized further analysis of the project. The largest electric infrastructure investment proposed in Kansas in nearly 25 years, the V-Plan will increase reliability, lower costs and promote wind energy development.

ITC launched its first Oklahoma project, Hugo-to-Valliant, in the southeastern corner of the state. The company began preconstruction planning and routing activities for this 19-mile transmission line and substation, which are part of a larger transmission line project planned to reduce system congestion, provide more efficient and cost-effective transmission of energy, and increase access to a broader range of generation resources.

"We are proud to partner with ITC in a project that will enhance the reliability and affordability of energy to our members and allow the import and export of energy, while promoting further development of renewable resources, including wind, in western Kansas and the entire region."

– Earl Watkins, president and CEO, Sunflower Electric Power Corporation

ECONOMIC DEVELOPMENT [cont.]

Michigan – ITC*Transmission* completed and put into service the new 21-mile Genoa-Durant line, a project designed to accommodate rising power demands and safeguard reliability in a growing area of southeastern Michigan. Elsewhere in the state, METC continued its aggressive program of system improvements and support of Michigan's economic development needs by completing the Midland Project, a significant transmission system upgrade that addressed reliability issues and the energy requirements of Hemlock Semiconductor Corporation, a joint venture with Dow Corning Corporation.

ITC Midwest – In Iowa, ITC Midwest rebuilt 40 miles of a 161 kV transmission line that runs from the Duane Arnold Energy Center substation near Palo to the Washburn substation located south of Waterloo. The project, which was identified by regulators and the Midwest Independent Transmission System Operator as necessary to improve the region's reliability and relieve system congestion, included upgrades to ITC's substations at Dysart and Vinton.

COMMUNITY INVOLVEMENT

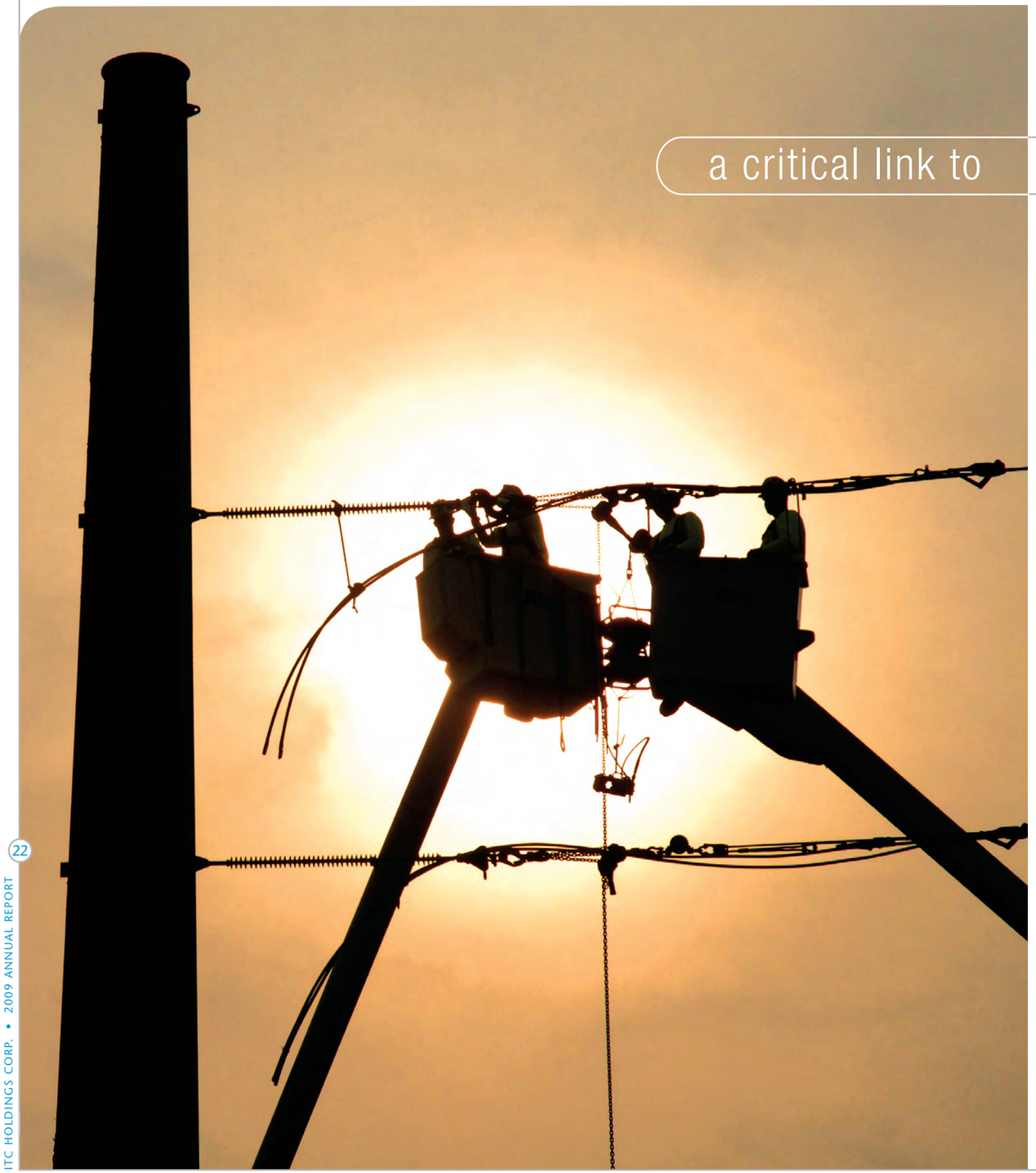
ITC is committed to good corporate citizenship. Throughout its footprint, ITC builds relationships with local governments, businesses and citizens to generate goodwill and promote our objectives and capital projects. Our outreach is good for the communities we serve and good for business.

ITC interacted with more than 1,800 communities in Michigan, Iowa, Minnesota, Kansas and Oklahoma in 2009. ITC took a leadership role in dozens of local, regional and national conferences and conventions. We also sponsored hundreds of charitable and community events, such as fundraisers for cancer research, educational programs, coat drives and more. In addition, ITC employees donated hundreds of hours to support the company's community outreach activities during the year.

In our newest communities in Kansas and Oklahoma, ITC conducted open house events and community outreach meetings to initiate dialogue with local, county and state officials, as well as community leaders, residents and property owners, regarding proposed transmission line routes.

ITC's community efforts include a number of environmental programs that emphasize how individuals can reduce, reuse and recycle in their everyday lives. Our "Right Plant, Right Place" garden plans help property owners understand the importance of vegetation management and the proper types of low-growing plants that can be planted under transmission lines.

Fortune magazine named ITC one of the nation's top 100 fastest growing companies. In this list of "supercharged" companies, ITC came in at number 18 overall, and was second among the 13 energy companies to be included. *Corp!* also recognized ITC during the year, naming it one of 50 winners of the magazine's annual Economic Bright Spot Awards.



a critical link to energy independence

THE PUBLIC POLICY DEBATE

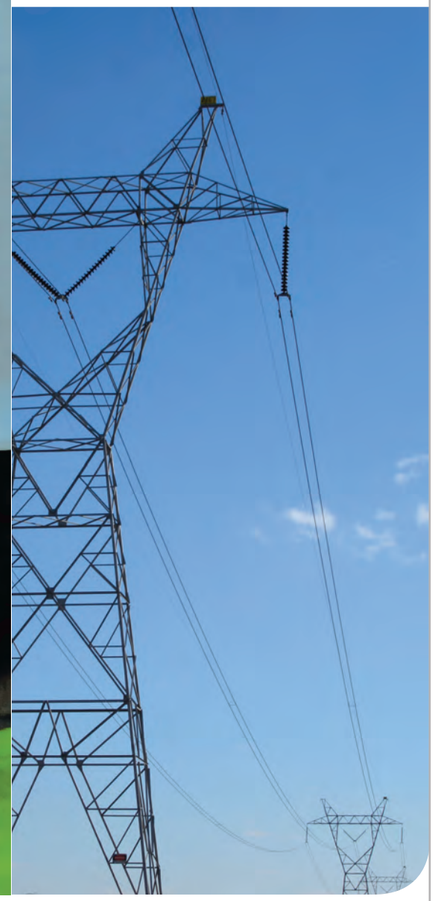
America's transmission grid is the critical link between power generators and consumers. As demand for electricity grows and we continue to change the ways we use energy, outdated laws that govern the electric grid are standing in the way of America's energy goals. If America is to reduce its dependence on foreign oil, meet renewable energy standards and address climate change and other environmental challenges, it must modernize the rules that govern the grid. Specifically, America must reform the way transmission is planned, sited and paid for.

ITC is at the forefront of the energy policy debate and has taken a leadership role in promoting transmission policy reform. In his testimony before the United States House of Representatives Subcommittee on Energy and the Environment, ITC Chairman, President and CEO Joseph L. Welch said the lack of a national energy policy to guide planning is the fundamental problem.

In a variety of public forums, ITC has called on Congress to ensure mandatory and independent planning of the grid while providing for broader regional and national planning landscapes. In addition, ITC supports stronger federal backstop siting authority rather than relying solely on a state-regulated siting process. Just as important, ITC believes the costs for a regional transmission project should be distributed across a broad regional geography to recognize the broad-based benefits of a regional transmission infrastructure. The ideal outcome will be a single, cohesive plan for America's transmission system that will facilitate energy markets and benefit the entire nation.

"If Congress is serious about making renewable resources available, reducing our dependence on foreign oil, meeting renewable portfolio standards and addressing climate change and other environmental challenges, they need to start by modernizing the rules that govern the grid."

– Joseph L. Welch, chairman, president and CEO, ITC Holdings Corp



"To meet the energy challenge and create a 21st century energy economy, we need a 21st century electric grid." – U.S. Department of Energy

THE FUTURE OF THE ELECTRIC ENERGY INDUSTRY

Underinvestment in the nation's electric transmission grid over the past three decades has left the grid unreliable, inefficient and unable to meet growing demand. Seventy percent of the nation's transmission lines and large power transformers are at least 30 years old. According to the U.S. Department of Energy, major power outages and power quality disturbances cost our economy between $25 billion and $180 billion annually.

Increasing demand on the grid has resulted in greater losses and wasted energy. In the last 30 years, transmission line losses have effectively doubled. As Americans consume more electricity (demand is expected to increase 25 percent by 2030), the country relies on an antiquated transmission system that was not designed to meet the demands of modern society. Meeting the nation's goals of energy security, renewable energy development, energy sustainability and increased economic efficiencies will require a major investment in the electric transmission infrastructure.

Another challenge facing our nation's electric transmission system is a lack of strategic planning. The current grid has been expanded in an incremental fashion to serve local needs, with little regard for broad, national goals. This parochial approach has limited the country's ability to fully harness our domestic energy potential.

To meet the nation's future energy needs, America must develop a high-voltage transmission backbone that will support electric reliability, a competitive energy market and non-discriminatory interconnection of all generation sources, including renewables. A regionally planned, nationally coordinated transmission superhighway will decrease reliance on foreign oil, reduce carbon emissions, and help meet America's energy requirements in the 21st century and beyond. As the nation's only fully independent transmission company, ITC is a critical link to America's energy future.

management team

from left to right

Thomas W. Vitez
Vice President, Planning

Daniel J. Oginsky
Senior Vice President and General Counsel

Elizabeth A. Howell
Vice President, Operations

Denis Y. DesRosiers
Vice President, Information Technology & Facilities and Chief Information Officer

Edward M. Rahill
Senior Vice President, ITC Holdings and President, ITC Grid Development LLC

Jon E. Jipping
Executive Vice President and Chief Operating Officer

Linda H. Blair
Executive Vice President and Chief Business Officer

Cameron M. Bready
Senior Vice President, Treasurer and Chief Financial Officer

Joseph L. Welch
Chairman, President and Chief Executive Officer

Gregory Ioanidis
Vice President, Business Strategy

Joseph R. Dudak
Vice President, Major Contracts & Special Projects

Christine Mason Soneral
Vice President and General Counsel, Utility Operations

Terry S. Harvill, Ph.D.
Vice President, Energy Policy

board of directors

Edward G. Jepson
Independent Business Consultant

Richard D. McLellan
Independent Policy Consultant

William J. Museler
Independent Energy Consultant

Hazel R. O'Leary
President – Fisk University

G. Bennett Stewart III
Co-Founder – Stern Stewart & Co.;
CEO – EVA Dimensions, LLC

Lee C. Stewart
Independent Financial Consultant

Joseph L. Welch
Chairman, President and CEO –
ITC Holdings Corp.

COMMITTEES

- Audit and Finance
- Compensation
- Nominating / Corporate Governance
- Security, Safety, Environmental, Health and Reliability

corporate information

CORPORATE HEADQUARTERS
27175 Energy Way
Novi, Michigan 48377
Phone: (248) 946-3000

INTERNET
www.itc-holdings.com
www.itctransco.com

COMMON STOCK LISTING
New York Stock Exchange
Symbol: ITC

COMPANY CONTACTS
For additional information about the company, please contact:

INVESTOR RELATIONS
Patricia A. Wenzel
Director, Treasury and Investor Relations
Phone: (248) 946-3570

LEGAL COUNSEL
Daniel J. Oginsky
Senior Vice President and General Counsel
Phone: (248) 946-3563

TRANSFER AGENT
Computershare Trust Company, N.A.
P.O. Box 43078
Providence, Rhode Island 02940-3078
Phone: (781) 575-3100

The transfer agent is responsible for handling shareholder questions regarding lost certificates, address changes, changes of ownership or name in which shares are held.

INDEPENDENT ACCOUNTANT
Deloitte & Touche LLP
600 Renaissance Center, Suite 900
Detroit, Michigan 48243-1704
Phone: (313) 396-3000

ANNUAL MEETING
The annual meeting of shareholders will be held at 9:00 a.m. EDT on Wednesday, May 19, 2010, at the ITC corporate headquarters, 27175 Energy Way, Novi, Michigan 48377.

CERTIFICATIONS
The most recent certifications by our chief executive and chief financial officers pursuant to Section 302 of the Sarbanes-Oxley Act of 2002, regarding the quality of our public disclosures, are filed as exhibits to our Form 10-K for 2009. Our chief executive officer's most recent certification to the New York Stock Exchange, regarding compliance with the Exchange's corporate governance listing standards, was submitted June 19, 2009.

SAFE HARBOR STATEMENT UNDER THE PRIVATE SECURITIES LITIGATION REFORM ACT OF 1995 This report contains certain statements that describe our management's beliefs concerning future business conditions and prospects, growth opportunities and the outlook for our business and the electric transmission industry based upon information currently available. Such statements are "forward-looking" statements within the meaning of the Private Securities Litigation Reform Act of 1995. Wherever possible, we have identified these forward-looking statements by words such as "anticipates," "believes," "intends," "estimates," "expects," "projects" and similar phrases. These forward-looking statements are based upon assumptions our management believes are reasonable. Such forward-looking statements are subject to risks and uncertainties which could cause our actual results, performance and achievements to differ materially from those expressed in, or implied by, these statements, including, among other things the risks and uncertainties disclosed in our annual reports on Form 10-K and our quarterly reports on Form 10-Q filed with the Securities and Exchange Commission from time to time.

Because our forward-looking statements are based on estimates and assumptions that are subject to significant business, economic and competitive uncertainties, many of which are beyond our control or are subject to change, actual results could be materially different and any or all of our forward-looking statements may turn out to be wrong.

The statements are reflective as of the date made and can be affected by assumptions we might make or by known or unknown risks and uncertainties. Many factors mentioned in our discussion in this report will be important in determining future results. Consequently, we cannot assure you that our expectations or forecasts expressed in such forward-looking statements will be achieved. Actual future results may vary materially. Except as required by law, we undertake no obligation to publicly update any of our forward-looking or other statements, whether as a result of new information, future events, or otherwise, unless required by law.

DESIGN **cieldesignpartners.com** Royal Oak, Michigan
PHOTOGRAPHY **Michelle Andonian** Detroit, Michigan
Doug Wollin Madison, Wisconsin

ITC HOLDINGS CORP.
27175 Energy Way
Novi, Michigan 48377
www.itctransco.com