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NEWS

Wisconsin regulators approve Minnesota Power's proposed natural gas power plant

Duluth, Minn. - The Public Service Commission of Wisconsin (PSCW) on Thursday approved the Nemadji Trail Energy Center to be built in Superior by Minnesota Power and Dairyland Power Cooperative

Nemadji Trail Energy Center (NTEC) will support the future needs of the electric grid as a modern technology that supplies efficient and flexible energy. The project will continue to move forward in securing necessary permits following today's milestone.

Commissioners voted 2-1 to approve the Certificate of Public Convenience and Necessity that allows Minnesota Power and Dairyland to move forward with plans for the 525- to 625-megawatt combined-cycle, state-of-the-art natural gas power plant.

As part of Wisconsin's robust review and regulatory process, the project must still obtain approval for necessary permits from the city of Superior, the Wisconsin Department of Natural Resources and the U.S. Army Corps of Engineers.

Minnesota Power will take 50 percent of the plant's capacity to serve its customers and Dairyland will take the other half. The Minnesota Public Utilities Commission (MPUC) approved the project in October 2018, finding it is a needed resource addition to Minnesota Power's energy supply portfolio. A Minnesota Court of Appeals decision recently directed the MPUC to review their decision to include an analysis of whether an Environmental Assessment Worksheet is required for the project. Minnesota Power plans to ask the Minnesota Supreme Court to review the decision, citing the unprecedented and far-reaching nature of the ruling that could require the application of Minnesota environmental law in other states and have implications for all Minnesota companies building or contracting with facilities in other states.

The Nemadji Trail Energy Center (NTEC) is an important part of Minnesota Power's **EnergyForward** strategy to transition away from coal and add renewable power sources while maintaining reliable and affordable service for customers.

"We're pleased with the PSCW decision after a fair, thorough and transparent process affirmed the location of the natural gas plant site and plans for the facility. The approval helps us advance our **EnergyForward** strategy that will move Minnesota Power to 50 percent renewable energy next year and continue to transition to cleaner energy sources," said Julie Pierce, Minnesota Power vice president of strategy and planning. "The flexibility of natural gas will provide a superior secondary source of energy when renewable capacity is not fully available. With NTEC, we are on track to provide increasingly cleaner energy while also maintaining the reliability that supports the security, comfort and quality of life of our customers. We look forward to working with our partner, Dairyland, and regulators to secure the remaining permits needed to break ground."

Minnesota Power is rapidly expanding its supply of renewable energy, adding 250 megawatts of wind power this year through a power purchase agreement with Tenaska, which is building the 250-megawatt Nobles 2 wind farm in southwestern Minnesota to supply the electricity. Completion of the Great Northern Transmission Line to the Canadian border, expected this spring will enable Minnesota Power to deliver up to 383 megawatts of hydropower from Manitoba Hydro.

The NTEC project partners selected the Superior site after a Midwest-wide search and expect the overall cost of the plant to be about \$700 million. It will employ 22-25 people when completed in 2025, and create an estimated 260 construction jobs and 130 indirect jobs. The plant will be one of the single largest private investments in the area's history, estimated to provide more than \$1 billion in regional economic benefits over 20 years and generate \$1 million in annual revenue for Douglas County and the city of Superior.

Minnesota Power provides electric service within a 26,000-square-mile area in northeastern Minnesota, supporting comfort, security and quality of life for 145,000 customers, 15 municipalities and some of the largest industrial customers in the United States. More information can be found at www.mnpower.com.

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