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## Minnesota Power, Great River Energy receive key regulatory approvals to build 345-kV transmission line for reliable, resilient grid

The Minnesota Public Utilities Commission today approved the Certificate of Need and Route Permit for Minnesota Power and Great River Energy's jointly owned high-voltage transmission line to bolster electric reliability in northern and central Minnesota and support the regional clean energy transition.

The Northland Reliability Project is an approximately 180-mile, double-circuit, 345-kilovolt (kV) transmission line that extends from near Grand Rapids in Itasca County to near St. Cloud in Benton County and into Sherburne County. The approved route will largely follow existing transmission line corridors, thus minimizing environmental impacts and the need for new right-of-way for the new 345-kV transmission line.

The project will support a reliable and resilient local and regional power grid as more renewable energy is brought online; existing power plants are retired; more homes and businesses shift to electricity to power appliances, equipment and heating and cooling systems; and more frequent extreme weather events occur.

"We appreciate all of the community members and stakeholders who have participated in the regulatory process. This project will serve Minnesotans for decades, helping ensure a reliable, resilient electric grid for our region as our energy transition continues. We will continue our commitment to community as we work with property owners over the coming years to construct and energize this project responsibly," said Great River Energy Vice President and Chief Transmission Officer Priti Patel.

The joint project is one of 18 transmission projects approved in July 2022 by the region's grid operator, the Midcontinent Independent System Operator (MISO), in the first phase of its Long Range Transmission Plan to integrate new generation resources and boost grid reliability and resilience as the energy transition continues.

"Expanding the transmission system and working together with other utilities and stakeholders is how we're maintaining the safe and reliable service our customers and communities depend on while building the carbon-free future," said Dan Gunderson, vice president – Transmission and Distribution for Minnesota Power. "This joint project with Great River Energy will support local reliability and enhance the regional grid as the way we generate, transmit and use electricity evolves. It also will

enhance the grid's flexibility and resiliency. We appreciate the thorough regulatory process and the input and interaction of many stakeholders to achieve the best route possible."

The Northland Reliability Project also will be a significant boost to Minnesota's economy, according to a study from the Bureau of Business and Economic Research at UMD's Labovitz School of Business and Economics. Researchers estimate the project will have a \$2 billion total impact. The report, <u>"Northland Reliability Project Economic Impact Analysis,"</u> can be found on the University of Minnesota's Digital Conservancy website.

Minnesota Power and Great River Energy held nearly 30 public open houses and stakeholder meetings to provide opportunities for engagement with landowners, local governments, agencies, Tribal Nations and tribal organizations. Public feedback is reflected in the route the utilities proposed and that the MPUC approved today.

Construction is expected to begin on the segment of the project in Benton and Sherburne counties in late 2025 and on the remainder of the project in 2027 with the transmission line expected to be operational by 2030. The route approved by the Commission generally follows existing transmission corridors and runs through Itasca, Aitkin, Crow Wing, Morrison, Benton and Sherburne counties.

The project is estimated to cost over \$1 billion. Final project costs will be determined by final routing and design considerations. The MPUC will separately review cost recovery for Minnesota Power's share of the project.

Utilities across the region are significantly increasing the amount of renewable energy they provide to their customers. By reducing coal-based energy and more than doubling renewable energy, Great River Energy anticipates that by 2035 its retail electric sales will be provided by a 90% carbon-free power supply in alignment with the Minnesota carbon-free standard. Minnesota Power was the first utility in the state to deliver 50% renewable energy to customers in 2021 with plans for 80% of its electric sales to be provided by a carbon-free power supply by 2030.

## **Project details**

The Northland Reliability project is divided into two segments.

Segment one: Approximately 140 miles of new 345-kV double-circuit transmission lines will be constructed primarily along existing transmission line corridors, from Minnesota Power's Iron Range Substation in Itasca County to Great River Energy's Benton County Substation near St. Cloud.

Segment two: A 20-mile 230-kV line will be replaced with two 345-kV circuits along existing transmission corridors from the Benton County Substation to a new Big Oaks Substation that will be built as part of a separate project. A 20-mile 345-kV line will also be replaced along existing transmission corridors from the Benton County Substation to the Sherco Substation in Sherburne County.

*Other improvements*: In addition to the transmission line, the Northland Reliability Project will expand the Iron Range Substation near Grand Rapids and the Benton County Substation near St. Cloud. A new Cuyuna Series Compensation Station will be built in Crow Wing County near the existing Riverton Substation.

For more information and a map of the Northland Reliability Project's route corridor, visit

## northlandreliabilityproject.com.

Minnesota Power provides electric service within a 26,000-square-mile area in northeastern Minnesota, supporting comfort, security and quality of life for 150,000 customers, 14 municipalities and some of the largest industrial customers in the United States. More information can be found at <u>mnpower.com</u>. *ALE-CORP* 

Great River Energy, Maple Grove, Minnesota, is a not-for-profit wholesale electric power cooperative which provides electricity to approximately 1.7 million people through its member-owner cooperatives and customers. Through its member-owners, Great River Energy serves two-thirds of Minnesota geographically and parts of Wisconsin. Learn more at greatriverenergy.com.

Minnesota Power calculates and reports carbon emissions based on the GHG Protocol. Details are in ALLETE's <u>Corporate</u> <u>Sustainability Report.</u>

The statements contained in this release and statements that ALLETE may make orally in connection with this release that are not historical facts, are forward-looking statements. Actual results may differ materially from those projected in the forward-looking statements. These forward-looking statements involve risks and uncertainties and investors are directed to the risks discussed in documents filed by ALLETE with the Securities and Exchange Commission.

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