

Notice to: COUNTIES AND MUNICIPALITIES

Under Minn. Stat. § 216B.16, Subd. 1



On XXXX XX, 20XX, the Minnesota Public Utilities Commission (“Commission”) accepted as of XXXX XX, 2023, Minnesota Power’s application for a general increase in rates for electric service provided to customers in the state of Minnesota of approximately \$89.1 million, or about 12%, pursuant to Minn. Stat. § 216B.16, when combined with rider decreases under the Minnesota Policy Adjustment line item as some rider costs move to base rates. Without the decrease to the Minnesota Policy Adjustment, the increase to base rates is \$127.9 million, or a 17.2% overall increase. Depending on customer class and usage, the actual percentage will vary based upon final approval by the Commission. The Commission will make its decision regarding final rates in late 2024.

In accordance with Minn. Stat. § 216B.16, subd. 2, the Commission has suspended proposed final rates to allow the Commission time to evaluate the application. In accordance with Minn. Stat. § 216B.16, subd. 3, the Commission has authorized a total interim rate increase net of offsetting riders under the Minnesota Policy Adjustment of approximately \$63.8 million or about 8.6% to be effective XXXX XX, 2024 and to remain in effect until a final rate level is determined. One offsetting rider change under the Minnesota Policy Adjustment is effective with interim rates and a further change to the Minnesota Policy Adjustment is expected in the second half of 2024. Without the reduction from the offsetting rider change during the interim rate period, Minnesota Power electric customers’ bills would be approximately 13.8% higher on an overall net basis, depending on service class.

Examples of the effect of these net increases on typical bills are as follows:

Proposed change in monthly electricity costs

Customer Classification	Avg. monthly kWh usage	Previous monthly cost	Interim net monthly increase	Proposed final net monthly increase*
Residential	691	\$94	\$8	\$11
Residential Dual Fuel	970	\$96	\$8	\$11
General Service	2,683	\$361	\$31	\$43
Commercial & Industrial Dual Fuel	3,598	\$344	\$30	\$45
Large Light & Power	258,754	\$26,403	\$2,293	\$3,172
Large Power	49,194,469	\$3,999,252	\$344,917	\$478,966
Lighting	156	\$64	\$5	\$8

*Monthly increases include all line items on bills except sales taxes and municipal franchise fees and may vary by individual customer based on usage characteristics.

The rate levels upon which the previous monthly costs are based were authorized in Docket No. E-015/GR-23-155.

The Commission will determine the amount of increase in rates it will allow in late 2024, and final rates reflecting that determination will be implemented thereafter. If the final rate level is less than the interim rate level, the amount collected during the interim period attributable to that difference will be refunded to customers with interest.

The proposed rate schedules and a comparison of present and proposed rates may be examined by the public during normal business hours at the Minnesota Department of Commerce, 85 7th Place East, Suite 280, St. Paul, MN 55101, Telephone: 651-539-1500

They are also available on the internet at:

Minnesota Power: www.mnpower.com/RateReview

Commission: www.mn.gov/puc
Docket Number E-015/GR-23-155

The Minnesota Department of Commerce, among other parties, will review Minnesota Power’s books and records in this proceeding.

An Administrative Law Judge will schedule public hearings. Customers will be notified when the hearings are scheduled. Public notice of hearing dates and locations will be published in local newspapers in Minnesota Power’s service area.

Persons who wish to formally intervene or testify in this case should contact the Administrative Law Judge, Minnesota Office of Administrative Hearings, 600 North Robert St., St. Paul, MN 55101.

