

Rate changes

On May 15, 2023, the Minnesota Public Utilities Commission (MPUC) gave final approval for Minnesota Power to increase rates by a total of \$59 million, or an equal percentage increase across all rate classes which is an estimated increase of 9.39 percent.

Based on the approved interim rates currently in effect, Residential customers (other than Dual Fuel) will receive a 2.12 percent increase to their rates, while non-residential customer classes will see a modest average decrease of approximately 4.26 percent to their rates. Final rates for electric service will go into effect on October 1, 2023.

The approval of final rates follows the implementation of interim rates in 2022 and Minnesota Power's application to increase rates with the MPUC in 2021. On November 1, 2021, Minnesota Power requested a 17.58 percent increase in electric rates, or about \$108.3 million per year, with an interim rate increase of 14.23 percent. In January 2022 the requested interim rate increase went into effect for all customers, except for Residential customers (other than Dual Fuel); these customers received approximately a 7.11 percent interim rate increase.

We have implemented changes to the monthly service charges and energy rates for most customers, updated demand rates for larger commercial and industrial customers, and separated out a transmission demand charge for Large Light and Power and Large Power customers.

Due to regulatory requirements and an attempt for simpler bill layouts, updates were approved for restructuring the Adjustment and Rider lines on customer bills. The Resource Adjustment line that is currently on customer bills will be removed and replaced with two billing lines: a Fuel and Purchased Energy line and a MN Policy Adjustment line. The Fuel and Purchased Energy line will include all of Minnesota Power's fuel and purchased energy expenses and the Renewable Source program fuel credits. The MN Policy Adjustment line will combine the Conservation Program Adjustment, Rider for Renewable Resources, Rider for Transmission Cost Recovery, and the Rider for Solar Energy Adjustment.

For more information

Minnesota Power

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Minnesota Public Utilities Commission

121 7th Place East, Suite 350
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651-296-0406 or 1-800-657-3782

www.mn.gov/puc

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Questions about the Minnesota Public Utilities Commission's review process?

Consumer Affairs Office

121 7th Place East, Suite 350
St. Paul, MN 55101
651-296-0406 or 1-800-657-3782
consumer.puc@state.mn.us

Citizens with hearing or speech disabilities may call through their preferred Telecommunications Relay Service.



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Notice of new electric rates

Effective October 1, 2023

Changes for monthly electric base rates

Final rates for electric service will go into effect on October 1, 2023. The following table shows how the new electric rates will affect monthly bills for an average customer in each customer class compared with rates that were previously in effect.

Customer classification	Avg. monthly kWh usage	Previous monthly cost*	Change to monthly cost*	Final monthly cost*
Residential	699	\$ 88	\$ 2	\$ 90
Residential Dual Fuel	1,013	\$ 107	\$ -14	\$ 94
General Service	2,581	\$ 345	\$ -15	\$ 330
Commercial and Industrial Dual Fuel	3,654	\$ 370	\$ -44	\$ 326
Large Light and Power	244,117	\$ 24,500	\$ -1,069	\$ 23,431
Large Power	52,139,377	\$ 4,137,256	\$ -175,351	\$ 3,961,905
Lighting	224	\$ 70	\$ -3	\$ 67

*The monthly costs and increases shown above represent base rate line items on customer bills and may vary by customer class based on usage. Some numbers are affected by rounding to whole dollar amounts.

Service charge by customer class

Customer classification	\$/Month	
	Current rates	New rates
Residential Standard	\$ 8.00	\$ 9.00
Residential Seasonal	\$ 10.00	\$ 15.00
Residential Electric Vehicle	\$ 4.25	\$ 4.25
Dual Fuel — Residential	\$ 8.00	N/A
Dual Fuel — (C&I)	\$ 12.00	N/A
*New DF Standard and Plus - Small	N/A	\$ 6.00
*New DF Standard and Plus - Large	N/A	\$ 16.00
Controlled Access — Residential	\$ 8.00	N/A
Controlled Access — (C&I)	\$ 12.00	N/A
*New Fixed Off-Peak Service - Small	N/A	\$ 6.00
*New Fixed Off-Peak Service - Large	N/A	\$ 16.00
Commercial Electric Vehicle	\$ 12.00	\$ 15.00
General Service (with or without demand meter)	\$ 12.00	\$ 15.00
AMI Opt-Out New	N/A	\$ 20.00

*Small service is typically customers with load rated at 75 kW or less and single-phase. Large service is typically customers with load above 75 kW or take service at three-phase.

Dual Fuel and Fixed Off-Peak (Formerly Controlled Access)

Customer classification	\$/kWh	
	Current rates	New rates
Dual Fuel Standard — Residential	\$ 0.05888	\$ 0.06916
Dual Fuel Plus — Residential	\$ 0.05888	\$ 0.04703
Fixed Off-Peak Service — Residential (Small and Large)	\$ 0.05249	\$ 0.04703
Fixed Off-Peak Service — Commercial (Small and Large)	\$ 0.05249	\$ 0.04703
C&I Dual Fuel Standard — Low Voltage Energy	\$ 0.05888	\$ 0.06916
C&I Dual Fuel Standard — High Voltage Energy	\$ 0.05256	\$ 0.06770
C&I Dual Fuel Plus — Low Voltage Energy	\$ 0.05888	\$ 0.04703
C&I Dual Fuel Plus — High Voltage Energy	\$ 0.05256	\$ 0.04601

Refund

State law allowed Minnesota Power to collect a temporary, interim rate increase while the MPUC considered its rate request. Because the final rates set by the MPUC for all customer classes except Residential (other than Dual Fuel) are lower than the interim rate that has been in effect, Minnesota Power will refund customers the difference with interest, generally through a bill credit.

Commercial and Industrial demand and energy charges

Customer classification	Current rates	New rates
General Service		
Without Demand Meter (\$/kWh)	\$ 0.08639	\$ 0.09332
General Service		
With Demand Meter		
Energy Charge (\$/kWh)	\$ 0.06054	\$ 0.06507
Demand Charge (\$/kW)	\$ 6.50	\$ 8.00