

Minnesota Policy Adjustment

The *Minnesota Policy Adjustment* includes policy-related costs such as conservation programs and system or resource investments. Items included in this adjustment are:

- *Solar Energy Adjustment* charge includes the cost and benefits of solar energy purchased to meet the state's Solar Energy Standard. Because solar energy production will differ from month to month, this line item will vary.
- *Conservation Program Adjustment (CPA)* a portion of costs related to our programs and services that promote Minnesota's energy conservation and optimization policy. The CPA factor is recalculated annually.

CPA Rate as of August 1st, 2023:

All non-CIP Exempt Customers Energy (\$/kWh)	\$0.000306
---	------------

- *Renewable Resources* includes costs for additional renewable energy and the transmission required to deliver this energy to our system. We are investing in renewable energy projects as economically as possible to meet Minnesota's Renewable Energy Standard of 25% renewable energy by the year 2025.

Renewable Resources Rate:

Large Power Demand (\$/kW-month)	\$2.04
Energy (\$/kWh)	\$0.00275
All Other Customers Energy (\$/kWh)	\$0.00380

- *Transmission Cost Recovery* includes costs for new transmission facilities that are necessary for reliable delivery of electricity to customers.

Transmission Cost Recovery Rate:

Large Power Demand (\$/kW-month)	\$0.36
Energy (\$/kWh)	\$0.00047
All Other Customers Energy (\$/kWh)	\$0.00195

- *Solar Renewable Resources* includes costs associated with building and providing solar renewable energy on our system in addition to the solar energy we purchase. These costs are generally updated each year.

Solar Renewable Adjustment Rate:

	SES-Paying Customers	SES-Exempt Customers
Residential (\$/kWh)	\$0.00107	
General Service (\$/kWh)	\$0.00119	\$0.00054
Large Light & Power (\$/kWh)	\$0.00115	\$0.00004
Large Power (\$/kWh)		\$0.00021
Lighting Customers (\$/kWh)	\$0.00453	

Affordability Surcharge

The *Affordability Surcharge* recovers the costs of a rate affordability discount program for income-qualified residential electricity customers. The rate is charged monthly for each service agreement (SA) by rate class.

Affordability Surcharge Rate:

Residential (\$/month per SA) (except LIHEAP-qualified)	\$2.41
General Service (\$/month per SA)	\$4.01
Large Light & Power (\$/month per SA)	\$26.74
Large Power (\$/month per SA)	\$1,826.31