

COMPREHENSIVE DECISION OPTION LIST

Compiled by Staff

October 3, 2025

DOCKET NUMBER	E-015/PA-24-198
ANALYSTS	Robert Manning, Godwin Ubani
DATE/TIME SUBMITTED	10/02/2025, 11:40 a.m.
TITLE	Staff-Compiled Decision Options Including Staff Alternative 5, Staff Revised 13.A, Staff Revised 15
ATTACHMENT	No
SUBJECT	In the matter of the Petition of Minnesota Power for Acquisition of ALLETE by Canada Pension Plan Investment board and Global Infrastructure Partners

Staff note: This list compiles all decision options filed in the docket by Staff, Commissioners, and Parties. Where a Commissioner or party has proposed multiple revisions to the same decision option, only their most recently filed version is included in this list.

This list adds three **new** decision options that have not been included in any previous filing:

- **Staff Alternative 5**
- **Staff Revised 13.A**
- **Staff Revised 15**

DECISION OPTIONS

OAG's Motion to Lift Trade-Secret Designations

[Decision Options 1–3 omitted; the Commission voted on OAG's motion on Sept. 25, 2025.]

Approval or Denial of Proposed Transaction

4. Approve Minnesota Power's Petition subject to the terms of the July 11, 2025 Settlement Stipulation. (~~MP, Partners, Department, ECC, IBEW, IUOE Local 49, LIUNA, NCSRCC~~)

OR

5. Approve Minnesota Power's Petition subject to the terms of the July 11, 2025 Settlement Stipulation, with the modified and additional conditions set forth below. (MP, Partners, Department, ECC, IBEW, IUOE Local 49, LIUNA, NCSRCC (collectively, "Resolving Parties"))

OR

Staff Alternative 5. Approve Minnesota Power’s Petition subject to the terms of the July 11, 2025 Settlement Stipulation, as amended by the September 24, 2025 Addendum to Settlement Stipulation and the September 30, 2025 Second Addendum to Settlement Stipulation, except for the recommendations on Decision Options 13–20 regarding findings of fact.

*[Staff note: **Staff Alternative 5** would adopt all conditions agreed to by the Resolving Parties in their amended settlement stipulation from the ranges of Decision Options 7–12 and 23–43. If this option is selected, Commissioners should also consider **Decision Options 13–22** relating to findings of fact and other Commission action, but need not revisit 7–12 or 23–43.]*

OR

6. Find that the proposed transaction is inconsistent with the public interest and therefore deny the petition of Minnesota Power for the Acquisition of ALLETE. (ALJ, OAG, CUB, CURE, LPI, Sierra Club)

Modified and Additional Conditions *[The Commission may adopt any combination of the following if Decision Option 5 is selected.]*

7. Require Minnesota Power to apply the modified return on equity agreed to in paragraph 1.14 of the Settlement Stipulation to reduce rates beginning with the first full month after close of the Acquisition and the Commission Order is final.
 - A. Require Minnesota Power, within 10 days of the order, to file an amended tariff with updated rate calculations and a customer notice bill insert for Commission approval. (Staff, Resolving Parties)
 - B. Delegate authority to the Executive Secretary to approve the updated tariff and customer notice. (Staff, Resolving Parties)
8. Require Minnesota Power to file in this docket a quarterly report documenting any adjustments to the 5-year capital investment plan, with an explanation of why the adjustments are reasonable, prudent, and consistent with the goals of Settlement Stipulation Paragraphs 1.3–1.4 to ensure the availability of investment funds and the enforceability of the capital commitment. (Staff)

Resolving Parties Revised 8. Require Minnesota Power to file in this docket a an annual–quarterly report documenting any adjustments to the 5-year capital investment plan, with an explanation of why the adjustments are reasonable, prudent, and consistent with the goals of Settlement Stipulation Paragraphs 1.3–1.4 to ensure the availability of investment funds and the enforceability of the capital commitment. Further, require that Minnesota Power make an interim report, providing the same information, if there are any adjustments to the 5-year capital investment plan between annual reports. (Resolving Parties)

9. Modify Paragraph 1.5 of the Settlement Stipulation as shown below. Delegate authority to the Executive Secretary to approve the capital commitment compliance filings if no party to this Acquisition proceeding files an objection within 30 days of the compliance filing, or to issue a notice of comment period and schedule the matter for a Commission meeting.

To ensure compliance with this commitment to fund Minnesota Power's 5-year capital plan, before ALLETE pays any dividend to Alloy Parent during the first five years after closing, Minnesota Power shall make a filing in its most recent annual capital structure docket demonstrating compliance with this commitment. Minnesota Power and the Department shall coordinate to determine what information should be included in the compliance filings under this provision. Minnesota Power may not pay the dividend until the Commission has issued a notice or order approving the compliance filing. (Staff)

10. Require ALLETE to file quarterly updates on the amount of residential arrears paid due to commitment in Paragraph 1.48 of the Settlement Stipulation. Additionally, require ALLETE to file a report when the commitment in Paragraph 1.48 of the Settlement Stipulation has been fulfilled, with sufficient detail for the Department and Commission to verify completion of this program. (Staff, **Resolving Parties**)
11. Require ALLETE to file annual reporting on the Clean Firm Technology fund referenced in Paragraph 1.63 of the Settlement Stipulation, including sources of funding, total disbursements from the fund by project and FERC Account, and status of projects funded, until all projects financed entirely or partly by the Fund are completed, in service, and, if appropriate, included in rate base used to establish final rates in a Commission-approved rate case. (Staff, **Resolving Parties**)
12. Set Minnesota Power's ROE at 6% as long as it is owned by the Partners. (CURE)

Adoption or Rejection of ALJ Report *[Choose either Decision Option 13 or 14.]*

13. Adopt the ALJ Report to the extent it is consistent with the Commission's decisions. (OAG, CUB, CURE, LPI, Sierra Club)

AND

- A. Delegate authority to the Executive Secretary to modify the ALJ report as specified herein and to otherwise modify, reject, or add any findings or conclusions consistent with the Commission's decisions. (Staff)

OR

Resolving Parties Revised 13.A. ~~Delegate authority to Direct~~ the Executive Secretary to modify the ALJ report as specified herein and to otherwise modify,

reject, or add any findings or conclusions, including incorporating modifications proposed by Minnesota Power, the Partners, the Department, ECC, and LIUNA as needed to ensure the findings of the Commission are consistent with the Commission's decisions. (~~Resolving Parties~~)

OR

Staff Revised 13.A. ~~Delegate authority to-Direct~~ the Executive Secretary to modify the ALJ report as specified herein and to otherwise modify, reject, or add any findings or conclusions, including incorporating modifications proposed by Minnesota Power, the Partners, the Department, ECC, and LIUNA as needed to ensure the findings of the Commission are consistent with the Commission's decisions. *[Staff note: this revision accepts Resolving Parties' revisions to 13.A except as noted in red underline/strikethrough.]*

OR

14. Reject the ALJ Report. (~~MP, Partners~~)

AND

A. Adopt the modified ALJ Report Section III.C (Findings 139–178) and new Section III.CC (Findings 284–325), regarding Petitioners' proposed commitments, filed as Attachment B to the Petitioner's August 4, 2025 Exceptions, to the extent consistent with the Commission's decision. (~~MP, Partners~~)

AND

B. Adopt the Petitioners' Update of Joint Proposed Findings of Fact and Conclusions of Law, filed as Attachment D to the Petitioners' August 4, 2025 Exceptions, to the extent consistent with the Commission's decisions. (~~MP, Partners~~)

AND *[if the Commission selects 12.A and/or 12.B]*

C. Delegate authority to the Executive Secretary to modify, reject, or add any findings or conclusions in Attachment C and Attachment D to Petitioners' Exceptions consistent with the Commission's decisions.

Modification of ALJ Report *[If Decision Option 13 is selected, the Commission may also consider the following proposed modifications to the ALJ Report.]*

15. Adopt the modifications to ALJ Report Section III.C (findings 139–178) and new Section III.CC (findings 284–325), regarding Petitioners' proposed commitments, as shown in Attachment B to the Petitioners' August 4, 2025 Exceptions. (MP, Partners, Department, ~~Resolving Parties~~)

OR

Staff Revised 15. Adopt the modifications to ALJ Report Section III.C (findings 139–178) and new Section III.CC (findings 284–325), regarding Petitioners’ proposed commitments, as shown in Attachment B to the Petitioners’ August 4, 2025 Exceptions, to the extent consistent with the Commission’s decisions. Do not adopt Petitioners’ proposed findings 148A and 298 to the extent that they imply a predetermination that the forthcoming proposal to make the regulated utility a separate legal entity will be in the public interest. Do not adopt Petitioners’ proposed findings 152 and 152C related to interpretation of the affiliated interest statute. Reject ALJ findings 152, 274, and 275 regarding affiliated interest reporting.

16. Adopt the following findings as proposed in the Department’s August 4, 2025 exceptions relating to the Settlement Stipulation: *[Only if Decision Option 4 or 5 is selected]*

- A. 180a, regarding the Settlement Stipulation generally. (Department, **Resolving Parties**)
- B. 221a, regarding credit-rating restrictions on dividend or distribution payments by ALLETE, limitations on direct credit support, non-consolidation opinion. (Department, **Resolving Parties**)
- C. 187a, regarding the five-year capital commitment and non-recoverable clean firm technology investment fund. (Department, **Resolving Parties**)
- D. 222a, regarding ROE reduction, waiver of right to file rate case before Nov. 1, 2026, land-sale revenue refund. (Department, **Resolving Parties**)
- E. 228a, regarding service-quality standards, reporting, and underperformance payments. (Department, **Resolving Parties**)
- F. 266a, regarding post-acquisition governance concerns and bankruptcy-related protections. (Department, **Resolving Parties**)

17. Modify ALJ finding 155, regarding affordability program commitments, to clarify:

- A. That the CARE program commitment in the Settlement Stipulation will benefit the public interest compared to the status quo because the rate-recoverability of affordability programs alone does not guarantee that utilities will support raising surcharges to fund their expansion and because this commitment affords an opportunity to, potentially, establish a higher baseline level of investment in the CARE program in Docket No. E-015/M-11-409. (Staff interpretation of ECC, **Resolving Parties**)
- B. There is public benefit in having an infusion of funds into affordability programming that comes from shareholders and not from other ratepayers. (ECC, **Resolving Parties**)

- C. The total amount that petitioners estimate they will pay toward arrearage forgiveness does not adequately capture the magnitude of the value arrearage forgiveness would have for each customer receiving it, from the customer's perspective. (Staff interpretation of ECC, [Resolving Parties](#))
18. Reject the statement in ALJ Report Addendum A, ¶ 4, that "It is unclear whether [commenters in support of the Acquisition] felt obligated to support Minnesota Power due to the financial support they are provided by the Company." (MP, Partners, [Resolving Parties](#))
19. Adopt the following ALJ Report modifications as proposed in LIUNA's August 4, 2025 exceptions: (Staff interpretations of LIUNA)
- A. Reject findings 73 and 74 regarding the Partners' oil and gas holdings. (LIUNA, [Resolving Parties](#))
 - B. Reject finding 87 regarding Minnesota Power's motivations for selecting the Partners. (LIUNA, [Resolving Parties](#))
 - C. Reject finding 117 regarding Federal Energy Regulatory Commission Chairman Christie's statements on the purchase of GIP by BlackRock. (LIUNA, [Resolving Parties](#))
 - D. Modify finding 124 to add that the record does not show that the alternatives proposed by intervenors could adequately meet ALLETE's anticipated capital needs. Also find there is evidence that such measures would expose ratepayers and stakeholders to unacceptable risks while jeopardizing the utility's ability to meet legal requirements including the Carbon Free Standard. (LIUNA, [Resolving Parties](#))
 - E. Modify finding 125 to state that the record does not establish the availability of cost-competitive, local power purchase agreements sufficient to adequately substitute for available capital to meet Minnesota Power's requirements in alignment with the values of the utility, stakeholders, and state policy goals. (Staff interpretation of LIUNA, [Resolving Parties](#))
 - F. Modify finding 126 to add that demand response, energy-efficiency measures, and grid-enhancing technologies have already been incorporated into resource plans and that the record does not show there are opportunities for incremental advances sufficient to mitigate the utility's capital needs. (LIUNA, [Resolving Parties](#))
 - G. Reject finding 129 regarding incentives to grow rate base. (LIUNA, [Resolving Parties](#))
 - H. Modify findings 133 and 135 to find that access to capital at the scale ALLETE has forecasted it will need to meet the Carbon Free Standard would be high risk; therefore, it is unlikely the Company would be able to meet its capital needs through public markets without the Acquisition. (LIUNA, [Resolving Parties](#))

- I. Reject finding 186 regarding ALLETE's 2025–2039 resource plan. (LIUNA, **Resolving Parties**)
 - J. Modify findings 272–273 to state that the proposed governance structure balances the interests of GIP investors against the interests of CPP investors, which will reduce the risk of either partner engaging in improper affiliate transactions that could harm ALLETE for the benefit of outside interests. (LIUNA, **Resolving Parties**)
 - K. Reject finding 276 and find that the 2019 University of Chicago and Harvard Business School study cited by witness Baker found that the impacts of private equity ownership vary based on factors including characteristics of the operating company and economic circumstances. (LIUNA, IBEW, **Resolving Parties**)
20. Reject the ALJ's finding that there is credible evidence of potential labor risks arising from private equity acquisitions, including the possibility of layoffs or erosion of worker protections. (IBEW, LIUNA, **Resolving Parties**)

Other Compliance Filings

- 21. Require Minnesota Power to make a compliance filing, within 30 days of the order, identifying the full accounting of costs it incurred in negotiating the proposed transaction and in seeking regulatory approvals, including but not limited to the employee time spent in pursuing the acquisition. (ALJ, LPI, **Resolving Parties, Sierra Club, CURE**)

Further Process

- 22. Authorize the Executive Secretary to open a Commission investigation docket to clarify how the affiliated interests statute, Minn. Stat. § 216B.48, applies to ownership of publicly traded corporations by passive institutional investors via index and other broad-market mutual funds.

Commissioner-Proposed Conditions

Ham New 23. Minnesota Power's rate of return is capped at 7.2530 percent (as approved in Docket No. E-015/GR-23-155) until December 31st, 2030. This condition does not prohibit Minnesota Power from filing new rate cases. The Commission may reduce the rate of return by up to 100 basis points if it finds any significant violation of conditions imposed in this docket. (LPI)

OR

Tuma Revised Resolving Parties Revised Ham 23. Minnesota Power's rate of return on equity is capped at 9.78 percent (as approved in Docket No. E-015/GR-23-155) and Minnesota Power's equity ratio in its capital structure will be capped at 53.0 percent until December 31st, 2030. This condition does not prohibit Minnesota Power from filing new

rate cases or from proposing in rate cases what an ROE would be absent the temporary cap. The Commission may reduce the rate of return on equity by up to 100 basis points if it finds any significant violation of conditions imposed in this docket in addition to all other enforcement authorities granted in the Settlement Stipulation and Addendum and within the statutory authority of the Commission. (Resolving Parties)

Ham New 24. Until the end of fiscal year 2030, Allete shall file with the Minnesota Public Utilities Commission any and all information required under Securities and Exchange Commission rules which were applicable when Allete was publicly traded.

OR

Resolving Parties Revised Ham 24. Until the end of fiscal year 2030, Allete shall file with the Minnesota Public Utilities Commission any and all relevant information required under Securities and Exchange Commission rules which were applicable when Allete was publicly traded. The Commission delegates authority to the Executive Secretary to approve or modify the Company's plan for compliance with this requirement, and such plan shall be filed with the Executive Secretary within 30 days after the close of the Acquisition. (Resolving Parties)

Ham New 25. Allete shall undertake a Minnesota Department of Commerce managed annual financial audit by an independent third party until the end of fiscal year 2030. Allete shall pay the independent auditor directly for the cost of the audit. Allete shall file the result with the Minnesota Public Utilities Commission.

OR

Parties Revised Ham 25. ~~Allete shall undertake a~~ The Minnesota Department of Commerce managed shall be given the opportunity to review and approve the scope of work and review and ask questions related to the audit report of ALLETE's annual financial statement audit by an independent third party registered accounting firm, prior to the finalization of the audit report, to ensure that the audit will be (as to scope) and was (as to the audit report) conducted in accordance with auditing standards generally accepted in the United States of America ("US GAAS") until the end of fiscal year 2030. Allete shall pay the independent auditor directly for the cost of the audit. Allete shall file the result with the Minnesota Public Utilities Commission. (Resolving Parties)

Ham New 26. Minnesota Power shall continue to comply with the conditions imposed by the April 26, 2002 Commission Order in Docket No. E-015/PA-01-539. (Resolving Parties)

Sieben New 27. In addition to any other commitments, Partners shall pay \$75 million in bill credits to Minnesota Power, which MP shall distribute to customers by 2032 on an allocation and schedule to be approved by the Commission in a future proceeding. Within 30 days of the Order, MP shall file a plan assuring that this commitment is legally enforceable between MP and the Partners and irrevocable until fulfilled, even if the Partners sell the Company. The

Commission delegates authority to the Executive Secretary to approve this plan if no party files an objection within 20 days of MP's filing. Additionally, MP shall file a proposal for distributing the bill credits either in its next rate case or in a petition by February 1, 2026, whichever is earlier.

OR

Resolving Parties Revised Sieben 27. In addition to any other commitments, Partners shall pay ~~\$75~~ \$50 million in bill credits to Minnesota Power, which MP shall distribute to customers by 2032 on an allocation and schedule to be approved by the Commission in a future proceeding. Within 30 days of the Order, MP shall file a plan assuring that this commitment is legally enforceable between MP and the Partners and irrevocable until fulfilled, even if the Partners sell the Company. The Commission delegates authority to the Executive Secretary to approve this plan if no party files an objection within 20 days of MP's filing. Additionally, MP shall file a proposal for distributing the bill credits either in its next rate case or in a petition by February 1, 2026, whichever is earlier. (Resolving Parties)

OR

LPI Modified Sieben 27. In addition to any other commitments, Partners shall pay ~~\$75~~ \$100 million in bill credits to Minnesota Power, which MP shall distribute to customers by 203~~2~~5 on an allocation and schedule to be approved by the Commission in a future proceeding. Within 30 days of the Order, MP shall file a plan assuring that this commitment is legally enforceable between MP and the Partners and irrevocable until fulfilled, even if the Partners sell the Company. The Commission delegates authority to the Executive Secretary to approve this plan if no party files an objection within 20 days of MP's filing. Additionally, MP shall file a proposal for distributing the bill credits either in its next rate case or in a petition by February 1, 2026, whichever is earlier.

LPI 27. A. Additionally, MP shall not make any proposals for industrial customer decoupling or sales-revenue true-ups for the 10-year period during which the bill credit is paid out. (LPI)

Sieben New 28. MP shall make the following filings, cross filed in this docket and in Docket No. E-015/RP-25-127 (the IRP Docket):

- A. Within 90 days of the Order in this docket, MP shall file an alternative resource plan scenario, henceforth called the "Clean Firm Plan," that takes into account modifications made in this docket and accounts for Minn. Stat. § 216B.1691, subd. 2g (the Carbon-Free Standard) in the most cost-effective manner possible. In the IRP docket, MP shall work with stakeholders to develop a Clean Firm Plan that will incorporate changed circumstances on account of the Stipulation and this Order. The Clean Firm Plan shall:
 - i. Contemplate replacement and/or surplus use of the Boswell interconnection to achieve a lower emission scenario using the externality values that were updated in Docket No. E-999/CI-14-643.

- ii. Minimize the size and capacity factor of natural gas resources added to minimize the risk of stranded assets for Minnesota Power customers.
 - iii. Include clean firm capacity to be funded by the \$50 million Clean Firm Fund commitment. The filing shall include details on how Minnesota Power plans to use the Fund including the size and type of the resource(s) to be developed, why the proposed resources are the best use of this Fund, in-service date(s) for proposed resources, and additional funding or financing sources being pursued, as applicable.
- B. As ordered in the 2023 IRP, Docket No. E-015/RP-21-33, Minnesota Power shall file in the current IRP Docket amended affiliated interest agreements and updated capacity dedication amounts for the Nemadji Trail Energy Center (NTEC), and parties may analyze whether that amount of NTEC capacity is in the public and ratepayer interest. Minnesota Power shall make the affiliated interest agreement filing by October 15, 2025 in the IRP Docket, and cross-file it in the NTEC affiliated interest agreement docket, No. E-015/AI-17-568.

OR

Resolving Parties Combined Sieben 28/Partridge 38. MP shall consult with the Minnesota Department of Commerce and other participants in the IRP Docket before making the following filings, cross filed in this docket and in Docket No. E-015/RP-25-127 (the IRP Docket) within the timeframes set forth below unless such timeframes are modified in the IRP Docket. The Commission delegates authority to the Executive Secretary to modify the timelines:

- A. Within 90 days of the Order in this docket, MP shall file an alternative resource plan scenario, henceforth called the “Clean Firm Plan,” that takes into account modifications made in this docket and accounts for Minn. Stat. § 216B.1691, subd. 2g (the Carbon-Free Standard) in the most cost-effective manner possible. In the IRP docket, MP shall work with stakeholders to develop a Clean Firm Plan that will incorporate changed circumstances on account of the Stipulation and this Order. The Clean Firm Plan shall:
 - i. Contemplate replacement and/or surplus use of the Boswell interconnection to achieve a lower emission scenario using the externality values that were updated in Docket No. E-999/CI-14-643.
 - ii. Minimize the size and capacity factor of natural gas resources.
 - iii. Be developed without the 750 MW of new combined-cycle natural gas resources proposed in Minnesota Power’s IRP Docket while minimizing the risk of stranded assets for Minnesota Power customers.

- iv. Include clean firm capacity to be funded by the \$50 million Clean Firm Fund commitment. The filing shall include details on how Minnesota Power plans to use the Fund including the size and type of the resource(s) to be developed, why the proposed resources are the best use of this Fund, in-service date(s) for proposed resources, and additional funding or financing sources being pursued, as applicable.
- B. The Clean Firm Plan shall be accompanied by a qualitative description of the scenario and its costs and benefits, as well as a quantitative analysis of how the scenario performs on the factors listed in Minnesota Rules part 7843.0500, subpart 3.
- C. As ordered in the 2023 IRP, Docket No. E-015/RP-21-33, Minnesota Power shall file in the current IRP Docket amended affiliated interest agreements and updated capacity dedication amounts for the Nemadji Trail Energy Center (NTEC), and parties may analyze whether that amount of NTEC capacity is in the public and ratepayer interest. Minnesota Power shall make the affiliated interest agreement filing by October 15, 2025 in the IRP Docket, and cross-file it in the NTEC affiliated interest agreement docket, No. E-015/AI-17-568. (Resolving Parties)

OR

Sierra Club & CURE H (Combined Sieben 28/Partridge 38). MP shall make the following filings, cross filed in this docket and in Docket No. E-015/RP-25-127 (the IRP Docket):

- A. ~~Within 90 days of the Order in this docket, MP shall file~~ Minnesota power shall work with the Minnesota Department of Commerce and other participants in Docket No. E015/RP-25-127 to develop an alternative resource plan scenario, henceforth called the “Clean Firm Plan,” that takes into account modifications made in this docket and accounts for Minn. Stat. § 216B.1691, subd. 2g (the Carbon-Free Standard) in the most cost-effective manner possible. ~~In the IRP docket, MP shall work with stakeholders to develop a Clean Firm Plan that will incorporate changed circumstances on account of the Stipulation and this Order.~~ The Clean Firm Plan shall comply with the following criteria:
 - i. The Clean Firm Plan shall evaluate ~~Contemplate~~ replacement of Boswell Energy Center and ~~for~~ surplus use of the Boswell interconnection to achieve a lower emission scenario using the externality values that were updated in Docket No. E-999/CI-14-643.
 - ii. The Clean Firm Plan shall evaluate an end to coal combustion at Boswell Energy Center Unit 3 by no later than the end of 2029 and an end to coal combustion at Boswell Unit 4 by no later than 2032.

- iii. The Clean Firm Plan shall not evaluate the repowering of Boswell Energy Center with biomass or solid waste, or construction of a new facility burning those fuels at the Boswell site.
 - iv. The Clean Firm Plan shall not include the 750 MW of new combined-cycle natural gas resources proposed in Minnesota Power's March 3, 2025 integrated resource plan, and shall mMinimize the size and capacity factor of natural gas resources added to minimize the risk of stranded assets for Minnesota Power customers.
 - v. The Clean Firm Plan shall iInclude clean firm capacity additions, including those to be funded by ~~the~~ Minnesota Power's \$250 million Clean Firm Fund commitment. The filing shall include details on how Minnesota Power plans to use the Fund including the size and type of the resource(s) to be developed, why the proposed resources are the best use of this Fund, in-service date(s) for proposed resources, and additional funding or financing sources being pursued, as applicable.
 - vi. The Clean Firm Plan shall evaluate retirement of the Hibbard Energy Center by no later than 2030.
- B. As ordered in the 2023 IRP, Docket No. E-015/RP-21-33, Minnesota Power shall file in the current IRP Docket amended affiliated interest agreements and updated capacity dedication amounts for the Nemadji Trail Energy Center (NTEC), and parties may analyze whether that amount of NTEC capacity is in the public and ratepayer interest. Minnesota Power shall make the affiliated interest agreement filing by October 15, 2025 in the IRP Docket, and cross-file it in the NTEC affiliated interest agreement docket, No. E-015/AI-17-568. (Sierra Club, CURE)

Sieben New 29. The ALLETE Board shall consist of at least eight independent directors, at least three of whom must be from Minnesota. (Resolving Parties)

OR

Joint Intervenor B (Revised Sieben 29). The ALLETE Board shall consist of at least eight independent directors as defined by the NYSE.¹ Of these eight independent directors, at

¹ Per New York Stock Exchange Listed Company Manual 303A.02, "No director qualifies as 'independent' unless the board of directors affirmatively determines that the director has no material relationship with the listed company (either directly or as a partner, shareholder or officer of an organization that has a relationship with the company)."

least five must be disinterested,² and at least three ~~of whom~~ must be from Minnesota. (LPI, OAG, CUB, Sierra Club, CURE)

Long-Term, Residential Energy Bill Mitigation Fund

Partridge Revised 30. Minnesota Power shall create a Long-term, Residential Energy Bill Mitigation Fund as follows, using \$10 million in funds provided by Alloy Parent that will be accounted for as a regulatory liability. The objective of the Long-term, Residential Energy Bill Mitigation Fund is to reduce space heating and cooling loads for eligible Minnesota Power electric customers. The Long-term, Residential Energy Bill Mitigation Fund is separate from, and additional to, Minnesota Power's Energy Conservation and Optimization portfolio, state weatherization programs, and the federal Weatherization Assistance Program.

- A. Alloy Parent shall make \$2 million installments to the Long-term, Residential Energy Bill Mitigation Fund annually, beginning January 1, 2026, until the \$10 million commitment is fulfilled. By January 10 of each year until the \$10 million commitment is fulfilled, Minnesota Power shall make a filing with the Commission confirming that the annual payment to the Long-term, Residential Energy Bill Mitigation Fund has been made.
- B. Alloy Parent and Minnesota Power shall complete all annual contributions to the Long-term, Residential Energy Bill Mitigation Fund totaling \$10 million no later than January 1, 2030.
- C. Neither contributions to the Long-term, Residential Energy Bill Mitigation Fund nor portions of an investment or project financed with the Fund are eligible for cost recovery from Minnesota ratepayers.
- D. Energy savings and the associated net benefits achieved through the Long-term, Residential Energy Bill Mitigation Fund are not eligible to be included in the calculation of Minnesota Power's Energy Conservation and Optimization utility financial incentive.
- E. Energy savings resulting from the Long-term, Residential Energy Bill Mitigation Fund may be achieved and expressed in electricity, natural gas, propane, or heating oil savings.

² Disinterested Directors will be independent from the Partners and their subsidiaries and affiliated entities and will have no material financial relationship with the Partners' subsidiaries or affiliated entities currently or within the previous five years. A personal banking relationship of the type that is generally available to other similarly situated clients is not a material financial relationship. See Ex. DOC-____, SLV-S-1 at 14-16 (Texas Commission Docket No. 49849, El Paso Electric Stipulation). A committee of at least ten Disinterest Directors will be identified in a subsequent compliance filing by the Partners and that committee of Disinterested Directors will appoint, by majority vote, the five Disinterested Directors that will serve on the ALLETE board. *Id.*

- F. The Long-term, Residential Energy Bill Mitigation Fund will only be used to support investments in weatherization, energy conservation, and electrification for Minnesota Power electric customers who qualify for low-income Energy Conservation and Optimization services, as determined by Minnesota Statutes § 216B.2402. Income-qualified multifamily buildings are also eligible for participation in the Long-term, Residential Energy Bill Mitigation Fund. Among eligible customers, Minnesota Power shall prioritize those who use delivered fuel for heating.
- G. The Long-term, Residential Energy Bill Mitigation Fund shall be used to install measures in the following categories: pre-weatherization, building envelope energy efficiency and air source heat pumps that can provide space heating and cooling. (Resolving Parties)

AND

Partridge Revised 31. Minnesota Power shall work with the Department of Commerce and other interested stakeholders to develop and submit a plan to the Commission by June 1, 2026, detailing how it proposes to spend the Long-term, Residential Energy Bill Mitigation Fund for the subsequent three calendar years (2027 through 2029) and every three years thereafter until the fund is fully depleted. The Commission shall approve, modify, or deny the plan.

- A. Minnesota Power shall submit an annual report each April 1, detailing Long-term, Residential Energy Bill Mitigation Fund achievements compared to forecast for the prior calendar year. The report shall include at least the following data for each program:
 - i. Planned and actual spending
 - ii. Planned and actual participation
 - iii. Types and number of measures installed
 - iv. Planned and actual energy savings, expressed as kWh, Dth, or BTUs
 - v. Planned and actual kW demand reduction
 - vi. Discussion of additional participant, utility, and environmental benefits provided through the Long-term, Residential Energy Bill Mitigation Fund.

OR

Resolving Parties Revised Partridge 31. Minnesota Power shall work with the Department of Commerce ~~and other interested stakeholders~~ to develop and submit a plan to the Commission by June 1, 2026, detailing how it proposes to spend the Long-term, Residential Energy Bill Mitigation Fund for the subsequent three calendar years (2027 through 2029) and every three years thereafter until the fund is fully depleted. The plan may include workforce development initiatives, program administration, and complementary

technologies for consideration by the Commission. Where possible, the Company will leverage existing delivery channels to eliminate redundancies. The Commission shall approve, modify, or deny the plan.

- A. Minnesota Power shall submit an annual report each April 1, detailing Long-term, Residential Energy Bill Mitigation Fund achievements compared to forecast for the prior calendar year. The report shall include at least the following data for each program:
- i. Planned and actual spending
 - ii. Planned and actual participation
 - iii. Types and number of measures installed
 - iv. Planned and actual energy savings, expressed as kWh, Dth, or BTUs
 - v. Planned and actual kW demand reduction
 - vi. Discussion of additional participant, utility, and environmental benefits provided through the Long-term, Residential Energy Bill Mitigation Fund.
- (Resolving Parties)

Commitment to Minnesota-based Call Center Employees

Partridge New 32. The Partners and Minnesota Power shall continue to locate Minnesota Power's call center staff, including Customer Care and Support Supervisors, Customer Care and Support Representatives, and Quality Assurance Specialists, in Minnesota and maintain staffing levels of no less than 20 call center employees (representing 10% below Minnesota Power's historic 5-year average Minnesota call center staffing levels) for at least 10 years.

OR

Resolving Parties Revised Partridge 32. The Partners and Minnesota Power shall continue to locate Minnesota Power's call center ~~staff, including Customer Care and Support Supervisors, Customer Care and Support Representatives, and Quality Assurance Specialists,~~ in Minnesota and maintain staffing levels of no less than 20-22 call center employees ~~(representing 10% below Minnesota Power's historic 5-year average Minnesota call center staffing levels)~~ for at least 10 years. (Resolving Parties)

Partridge New 33. The Partners and Minnesota Power shall maintain average hourly wages for Minnesota Power's Minnesota-based call center staff at no lower than current average hourly wages, plus the rate of Consumer Price Index on an annual basis for at least 5 years.

Commitment to Minnesota-based Employees

Partridge New 34. Minnesota Power shall maintain internal expertise to provide high-quality utility service and continue to provide high-quality, Minnesota jobs. The Partners and Minnesota Power shall maintain employee staffing levels of no less than 10% below Minnesota Power's 5-year historic average employment levels (1,078 employees, as calculated based on Minnesota Power's response to IR 12) unless approved by the Commission in a general rate case.

OR

Resolving Parties Revised Partridge 34. Minnesota Power shall maintain internal expertise to provide high-quality utility service and continue to provide high-quality, Minnesota jobs. The Partners and Minnesota Power shall maintain employee staffing levels of no less than 10% below Minnesota Power's 5-year historic average employment levels (1,078 employees, as calculated based on Minnesota Power's response to IR 12) unless approved by the Commission ~~in a general rate case.~~ (Resolving Parties)

Partridge New 35. Minnesota Power shall continue to prioritize local, union labor whenever possible and shall require contractors and subcontractors to pay their workers prevailing wage. (Resolving Parties)

Settlement Workforce and Labor Protections

Partridge New 36. Modify Settlement Stipulation ¶ 1.58 as follows:

Minnesota Power nonunion employees will maintain the same or better position and compensation and benefits for ~~two~~ five years following the close of the transaction and all existing collective bargaining agreements will be honored.

OR

Resolving Parties Revised Partridge 36. Modify Settlement Stipulation ¶ 1.58 as follows:
Minnesota Power nonunion employees will maintain the same or better position and compensation and benefits in aggregate for ~~two~~ five years following the close of the transaction ~~and all existing collective bargaining agreements will be honored.~~ This provision shall be subject to voluntary departures and terminations in the ordinary course and shall not apply to any nonunion employee who voluntarily agrees to a change in position or location. The Company acknowledges IBEW Local 31's exclusive representation as identified in current collective bargain agreements and will continue to honor agreements as they are bargained. (Resolving Parties)

Settlement Other Commitments

Partridge New 37. Modify Settlement Stipulation ¶ 1.71 as follows:

The Partners and Minnesota Power acknowledge Minnesota Power's obligations under Minnesota's Carbon Free Standard Law and commit to support Minnesota Power with additional expertise and capital as necessary to enable Minnesota Power to comply with the Carbon Free Standard through implementation of Commission Orders, including in IRP and related dockets. ~~commit to efforts to achieve Minnesota's Carbon Free Standard with least cost pathways to compliance ultimately determined by the Commission in IRP and related dockets.~~ (Resolving Parties)

OR

Sierra Club & CURE F (Revised Partridge 37). Modify Settlement Stipulation ¶ 1.71 as follows:

The Partners and Minnesota Power acknowledge and commit to comply with Minnesota Power's binding obligations under Minnesota's Carbon Free Standard Law, and The Partners commit to support Minnesota Power with additional expertise and capital as necessary to enable Minnesota Power to comply with the Carbon Free Standard through implementation of Commission Orders, including in IRP and related dockets. ~~commit to efforts to achieve Minnesota's Carbon Free Standard with least cost pathways to compliance ultimately determined by the Commission in IRP and related dockets.~~

Alternative Resource Plan

Partridge New 38. Minnesota Power shall work with the Minnesota Department of Commerce and other participants in Docket No. E015/RP-25-127 to develop an alternative resource plan scenario without the 750 MW of new combined-cycle natural gas resources proposed in Minnesota Power's March 3, 2025 integrated resource plan. By December 15, 2025, Minnesota Power shall file the alternative scenario accompanied by a qualitative description of the scenario and its costs and benefits, as well as a quantitative analysis of how the scenario performs on the factors listed in Minnesota Rules part 7843.0500, subpart 3. (Resolving Parties support their version combining Sieben 28/Partridge 38, above)

Tuma New 39.

- A. Within 30 days after the order, the Company shall make a compliance filing identifying the full-time equivalent employee (FTE) count and the number of employees in each category or division of Minnesota Power such as call center staff, billing, distribution system maintenance, power plant maintenance etc. The Commission delegates authority to the Executive Secretary to approve the division classification made by Minnesota Power if no objection is filed by the Department or OAG within 14 days of the compliance filing. Additionally, Minnesota Power shall list the number of those

employees with their primary work location in Minnesota and the number of FTEs presently unfilled at the time of the filing.

OR

Resolving Parties Revised Tuma 39.A. Within 30 days after the order, the Company shall make a compliance filing identifying the full-time equivalent employee (FTE) count and the number of employees in each category or division of Minnesota Power such as ~~call-center staff, billing, distribution system maintenance, power plant maintenance etc.~~ transmission and distribution, generation, and operations support services. The reporting shall identify how many FTEs are union versus nonunion and their work locations. The reporting shall identify contractor work hours related to the job classifications covered under the Company's current collective bargaining agreement. The Commission delegates authority to the Executive Secretary to approve the division classification made by Minnesota Power if no objection is filed by the Department or OAG within 14 days of the compliance filing. Additionally, Minnesota Power shall list the number of those employees with their primary work location in Minnesota and the number of FTEs presently unfilled at the time of the filing. (Resolving Parties)

- B. The Company shall make compliance filings quarterly, on dates designated by the Executive Secretary or by the Commission in a rate case order, reporting the number of FTEs, unfilled FTEs, employees and their primary work location for the divisions identified in the initial filing or modifications approved by the Commission.

OR

Resolving Parties Revised Tuma 39.B. The Company shall make compliance filings quarterly, on dates designated by the Executive Secretary or by the Commission ~~in a rate case order~~, reporting ~~the number of FTEs, unfilled FTEs, employees and their primary work location for the divisions identified~~ on the metrics identified in 39.A in the initial filing or modifications approved by the Commission. (Resolving Parties)

- C. So long as Minnesota Power is owned by Alloy Parent or any successor company affiliated with Global Infrastructure Partners or Canada Pension Plan Investment Board, the Company may not reduce the identified FTE complement for any of these divisions or move the primary work location out of Minnesota outside of a rate case without prior Commission approval. The FTE count for each category and associated primary locations shall be reset with approval of the Commission in future rate case orders.

OR

Resolving Parties Revised Tuma 39.C. So long as Minnesota Power is owned by Alloy Parent or any successor company affiliated with Global Infrastructure Partners or Canada Pension Plan Investment Board, the Company may not reduce the identified FTE complement for ~~any of these divisions~~ each business area identified in Decision Option 39.A by more than 10 percent below Minnesota Power's 5-year historic average employment (as of the date of the Acquisition) or move the primary work location out of Minnesota ~~outside of a rate case~~ without prior Commission approval. The FTE count for each category and associated primary locations shall be reset with approval of the Commission ~~in future rate case orders~~. (Resolving Parties)

- D. Upon filing a request to modify the FTE count in Minnesota or to relocate jobs to primary sites outside of Minnesota between rate cases, the Company must show such actions are reasonable, prudent, will not reduce service quality, and are in the public interest. The Commission delegates authority to the Executive Secretary to approve the request if no objection is made by the Department or OAG and no request for further investigation is made by a Commissioner within 14 days of the filing of any such request.

OR

Resolving Parties Revised Tuma 39.D. Upon filing a request to modify the FTE count in Minnesota or to relocate jobs to primary sites outside of Minnesota (unless it relates to a Company asset located outside of Minnesota) between rate cases, the Company must show such actions are reasonable, prudent, will not reduce service quality, and are in the public interest. The Commission delegates authority to the Executive Secretary to approve the request if no objection is made by the Department or OAG and no request for further investigation is made by a Commissioner within 14 days of the filing of any such request. (Resolving Parties)

Sullivan New 40. The Partners and Alloy Parent shall make a legally binding 12-year commitment to not sell Minnesota Power, other than via an initial public offer (IPO) or to a regulated utility.

OR

Joint Intervenor C (Revised Sullivan 40). The Partners and Alloy Parent shall make a legally binding 12-year commitment to not sell, pledge, or transfer their respective ownership interest in Minnesota Power, other than via an initial public offer (IPO) or to a regulated utility. (LPI, OAG, CUB, Sierra Club, CURE)

Economic Development Compliance Filing

Tuma New 41. Within 30 days after the order, the Company shall make a compliance filing identifying the “historical levels of economic development in the State of Minnesota” contemplated in the July 11, 2025 Settlement Stipulation at paragraph 1.66. The Commission delegates authority to the Executive Secretary to approve this base amount for future comparison if no objection is filed within 14 days of the compliance filing. (Resolving Parties)

Paragraph 1.47 Compliance Filing

Tuma New 42. Within 30 days after the order, the Company shall make a compliance filing identifying the base amount from which the affordability budget may not be reduced and showing the calculations used to determine that base amount, as contemplated in the July 11, 2025 Settlement Stipulation at paragraph 1.47. The Commission delegates authority to the Executive Secretary to approve this base amount for future comparison if no objection is filed within 14 days of the compliance filing.

OR

Resolving Parties’ Revised Tuma 42. Within 30 days after the order, the Company shall make a compliance filing identifying the base amount from which the affordability budget may not be reduced and showing the calculations used to determine that base amount, as contemplated in the July 11, 2025 Settlement Stipulation at paragraph 1.47. This shall be inclusive of any base budget changes determined through the current stakeholder process for the Customer Affordability of Residential Electricity (“CARE”) program under Docket No. E-015/M-11-409, pending Commission approval. The Commission delegates authority to the Executive Secretary to approve this base amount for future comparison if no objection is filed within 14 days of the compliance filing. (Resolving Parties)

Paragraph 1.48 Compliance Filing

Tuma New 43.

- A. Within 30 days after the order, the Company shall make a compliance filing providing the specific details and tariff language modifications for the Arrearage Forgiveness offering reducing residential arrears to pre-COVID-19 balances or lower as contemplated in the July 11, 2025 Settlement Stipulation at paragraph 1.48. The Commission delegates authority to the Executive Secretary to approve the offering and tariff language if no objection is filed within 14 days of the compliance filing.
- B. Within ___ days after the order, the Company shall make a compliance filing providing a detailed work plan with specific time milestones for the development of the additional similar arrearage forgiveness offering as contemplated in the July 11, 2025 Settlement Stipulation at paragraph 1.48 after collaboration with the Commission’s Consumer Affairs Office and the Energy CENTS Coalition on the plan details. The Commission

delegates authority to the Executive Secretary to approve the stakeholder plan if no objection is filed within 14 days of the compliance filing.

OR

Resolving Parties' Revised Tuma 43.

- A. Within ~~30~~ 60 days after the order, the Company shall make a compliance filing providing the specific details and tariff language modifications for the augmentation to the flat \$20 discount and Arrearage Forgiveness offering reducing residential arrears to pre-COVID-19 balances or lower as contemplated in the July 11, 2025 Settlement Stipulation at paragraph 1.48 after collaboration with the Commission's Consumer Affairs Office, the Energy CENTS Coalition, and other interested stakeholders on the plan details. The Commission delegates authority to the Executive Secretary to approve the offering and tariff language if no objection is filed within 14 days of the compliance filing. (Resolving Parties)
- B. Within 90 days after the order, or 30 days following the approval of tariff language in part A, whichever is later, the Company shall make a compliance filing providing a detailed work plan with specific time milestones for the development_implementation of the additional similar flat \$20 discount and Arrearage Forgiveness offering as contemplated in the July 11, 2025 Settlement Stipulation at paragraph 1.48 after collaboration with the Commission's Consumer Affairs Office and the Energy CENTS Coalition, and other interested stakeholders on the plan_ outreach details for the plan determined in part A. The Commission delegates authority to the Executive Secretary to approve the stakeholder plan if no objection is filed within 14 days of the compliance filing. (Resolving Parties)

New Decision Options Proposed in 9/30 Filings, Unrelated to Prior Decision Options

[Staff note: Party-proposed decision options B, C, F, and H are listed above next to the preexisting decision options they would revise or replace.]

Joint Intervenor New A. As long as either Partner retains an interest in Minnesota Power, the Partners must file with the Commission all reports, prospectuses, presentations, or other updates provided to investors or limited partners for any funds that retain an interest in Minnesota Power. The Partners may file these documents as protected data under Minn. R. 7829.0500 provided that the document meets the definition of "trade secret" in Minn. Stat. § 13.37. (LPI, OAG, CUB, Sierra Club, CURE)

Joint Intervenor New D. Within 30 days of the written order approving the Acquisition, Minnesota Power and the Partners shall submit for Commission approval under Minn. Stat. § 216B.48 all affiliated interest agreements associated with or implicated by the Acquisition. The Commission concludes that it maintains continuing jurisdiction over all such affiliated interest agreements.

This filing must include the final executed version of the confidential governance document (explicitly delineating the consent rights regarding Partner-approval of the strategic, business, and operational decisions of ALLETE) included, in part, in LPI Ex. 1005, produced in response to DOC IR 11 in March 2025. Any subsequent modifications of this final agreement shall be subject to Commission approval before implementation. (LPI, OAG, CUB, Sierra Club, CURE)

Joint Intervenor New E. Settlement Stipulation ¶ 1.29 is modified as follows:

In addition to, and not in abrogation of, any obligations pursuant to Minn. Stat. § 216B.48, in the interest of transparency and to protect against concerns regarding any non-arms- length transactions:

- A. Minnesota Power will require all suppliers, vendors, consultants, or other contractors, and any industrial customers with contracted rates, to identify annually whether they are more than 5 percent owned or controlled by CPP Investments, GIP, or BlackRock, Inc. Minnesota Power will list those entities in the annual affiliated interest report. For the avoidance of doubt, entities controlled by the Partners or BlackRock means any corporation or person in any portfolio or fund managed by CPP, GIP, BlackRock, or any of their subsidiaries.
- B. Minnesota Power will identify any contracts or arrangements over ~~\$500,000~~\$50,000 or the amount provided in Minn. Stat. § 216B.48, subd. 4, with an entity identified pursuant to the immediately preceding commitment and notify the Commission within 30 days of the execution of each contract not already disclosed to the Commission, with a certification that the contract was negotiated and executed at arm's length. (LPI, OAG, CUB, Sierra Club, CURE)

Sierra Club & CURE New G. Modify Settlement Stipulation ¶ 1.63 as follows:

Minnesota Power shall create a Clean Firm Technology Fund ("Fund") as follows, using \$250 million in funds provided by Alloy Parent that will be accounted for as a regulatory liability.

- a. Alloy Parent shall make ~~\$5016.67~~ million installments every two years as part of Minnesota Power's biennial IRP filings, beginning with the pending IRP, Docket E015/RP-25-127, for the next 10 years until the ~~\$250~~ million commitment is fulfilled.
- b. Notwithstanding a Commission order or change in law that pauses, waives, or abrogates Minnesota Power's obligation to make an IRP or successor filing, Alloy Parent and Minnesota Power shall continue to make biennial contributions to the Fund. Alloy Parent and Minnesota Power shall complete \$125 million in contributions to the fund by March 3, 2030, and

shall complete all biennial contributions to the Fund totaling \$250 million no later than March 3, 20359.

- c. The Fund will only be used to finance Minnesota Power investments in clean firm technology approved by the Public Utilities Commission. “Clean firm technology” means “a carbon-free resource, as defined by Minn. Stat. § 216B.1691, subd. 1(b), that can be dispatched and provide energy continuously for a duration of 50 hours or more.” As used in this Stipulation, “clean firm technology” does not include combustion of biomass or solid waste. The Settling Parties recognize that new or additional technologies and options may emerge at any time. ~~If Minnesota Power identifies an opportunity that may meet the intent of the Fund but does not fully satisfy the aforementioned definition, it may propose the opportunity to the Commission after conferring with the Department to confirm that the Department does not object in principle.~~
- d. Neither contributions to the Fund nor the portion of an investment or project financed with the Fund would be subject to cost recovery (e.g., no return on capital or depreciation). (Sierra Club, CURE)

LPI New I. Modify Settlement Stipulation ¶ 1.43 as follows:

Minnesota Power waives its right to file a rate case before November 1, 20286. (LPI)