



AN ALLETE COMPANY

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June 4, 2021

VIA E-FILING

Will Seuffert
Executive Secretary
Minnesota Public Utilities Commission
121 7th Place East, Suite 350
St. Paul, MN 55101-2147

Re: In the Matter of Minnesota Power's 2021 Intangible, Transmission,
Distribution, and General Plant Depreciation Petition
Docket No. E015/D-21-229

REPLY COMMENTS

Dear Mr. Seuffert:

On June 1, 2021, the Minnesota Department of Commerce – Division of Energy Resources ("Department") submitted comments in the above-referenced docket recommending the Minnesota Public Utilities Commission approve Minnesota Power's ("Company") 2021 Intangible, Transmission, Distribution, and General Plant Depreciation Petition.

The following are the Department's recommendations and the Company's reply.

In Recommendation 1, the Department recommended approval of Minnesota Power's proposed average service lives, survivor curves, net salvage rates, remaining lives, and the corresponding depreciation rates, with an effective date of January 1, 2021.

In Recommendation 2, the Department requires the Company to include an update on its reporting and accounting for ASC 410-20 in its next transmission, distribution, and general/intangible plant five-year depreciation study.

In Recommendation 3, the Department recommended approval of Minnesota Power's proposed transition from the average service life to the remaining life depreciation technique for Minnesota Power's general/intangible plant accounts.

In Recommendation 4, the Department recommended approval of the Company's proposed depreciation reserve reallocation.

I AM
ZERO INJURY.

*Together we choose to work safely for our families, each other, and the public.
We commit to be injury-free through continuous learning and improvement.*

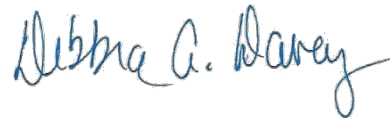
In Recommendation 5, the Department requested that Minnesota Power explain in reply comments whether the Company agrees to file future annual T&D and general/intangible depreciation updates in the form of a petition, rather than compliance filing, with a unique docket number.

In Recommendation 6, the Department requested that Minnesota Power explain in reply comments whether the Company agrees to, going forward, file with each depreciation certification petition the schedules required by Minnesota Rule 7825.0700, Subpart 1.

In Recommendation 7, the Department requested that Minnesota Power explain in reply comments whether the Company agrees to, going forward, include with each depreciation certification petition the discussion around major future additions and retirements required by Minnesota Rule 7825.0700, Subpart 2.

Minnesota Power agrees with all of these recommendations and requests from the Department, including the additional filings and procedures in future submittals.

Yours truly,

A handwritten signature in blue ink that reads "Debbra A. Davey". The signature is written in a cursive style with a large, looping "D" at the beginning.

Debbra A. Davey
Supervisor, Accounting

DAD:th

STATE OF MINNESOTA)
) ss
COUNTY OF ST. LOUIS)

AFFIDAVIT OF SERVICE VIA
ELECTRONIC FILING

Tiana Heger of the City of Duluth, County of St. Louis, State of Minnesota, says that on the 4th day of June, 2021, she served Minnesota Power's Reply Comments in **Docket No. E015/D-21-229** on the Minnesota Public Utilities Commission and the Energy Resources Division of the Minnesota Department of Commerce via electronic filing. The persons on E-Docket's Official Service List for this Docket were served as requested.



Tiana Heger