



ADMINISTRATION DEPARTMENT

420 NORTH POKEGAMA AVENUE, GRAND RAPIDS, MINNESOTA 55744-2662

January 28, 2019

Mr. Daniel P. Wolf, Executive Secretary MN Public Utilities Commission 121 7th Place East, Suite 350 St. Paul, MN 55101-2147

Re: Comments Regarding Minnesota Power's Petition for Approval of an Amended and Restated Electric Service Agreement Between Blandin Paper and Minnesota Power Docket No. E015/M-19-37

Dear Mr. Wolf:

As the Mayor of Grand Rapids, I understand the importance of these two companies to our local economy and the relationship that they have with each other. I also understand the economic pressures the UPM Blandin Paper Mill is facing, due to the challenging global marketplace within which they are competing.

The UPM Blandin Paper Mill has a one hundred year plus history as a major economic contributor, with an estimated impact in excess of \$150 million to our regional economy and by providing our residents with 240 high-paying manufacturing jobs. The amended service agreement will provide the Mill with critical operating flexibility and the potential to reduce their energy costs and improve their competitive position. Additionally, the negotiated terms of this amended service agreement will help Minnesota Power retain an important industrial customer that contributes to funding fixed costs of the electrical system, which would otherwise be borne by other commercial and residential Minnesota Power customers.

The implementation of this amended service agreement will support the long-term viability of the Mill and the Minnesota Power Rapids Energy Center as well as benefit Minnesota Power customers and taxpayers of Grand Rapids and Itasca County. For those reasons, I support the approval of this petition.

Sincerely,

Dale Adams

Mayor



GRAND RAPIDS IT'S IN MINNESOTA'S NATURE Grand Rapids, MN 55744 420 North Pokegama Avenue

MN Public Utilities Commission. Attn: Daniel Wolf

St Paul, MN 55101-2147 121 7th Place East, Suite 350

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