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April 1, 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-____
Initial Filing**

Dear Mr. Seuffert:

Minnesota Power hereby electronically submits its 2021 Intangible, Transmission, Distribution, and General Plant Depreciation Petition.

Please contact me at (218) 355-3714 or ddavey@allete.com if you have any questions regarding this filing.

Yours truly,

Debbra A. Davey
Supervisor, Accounting

DAD:th
Attach.
cc: Minnesota Power's General Service List

**STATE OF MINNESOTA
BEFORE THE
MINNESOTA PUBLIC UTILITIES COMMISSION**

In the Matter of Minnesota Power's
2021 Intangible, Transmission, Distribution,
and General Plant Depreciation Petition

Docket No. E015/D-21-____
**MINNESOTA POWER'S
INITIAL FILING**

SUMMARY

Pursuant to Minn. Stat. §§ 216B.08 and 216B.11, and Minn. Rules 7825.0600 and 7825.0700, Minnesota Power hereby petitions the Minnesota Public Utilities Commission ("Commission") for approval of its 2021 Intangible, Transmission, Distribution, and General Plant Depreciation Petition ("Petition"). This Petition establishes the average service lives, net salvage rates, and depreciation rates for all Minnesota Power's intangible, transmission, distribution, and general plant assets. The depreciation rates will be used to determine depreciation expense for these assets effective January 1, 2021.

**STATE OF MINNESOTA
BEFORE THE
MINNESOTA PUBLIC UTILITIES COMMISSION**

In the Matter of Minnesota Power's
2021 Intangible, Transmission, Distribution,
and General Plant Depreciation Petition

Docket No. E015/D-21-____
**MINNESOTA POWER'S
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I. INTRODUCTION

Minnesota Power (or “the Company”) hereby petitions the Minnesota Public Utilities Commission (“Commission”) for approval of its 2021 Intangible, Transmission, Distribution, and General Plant Depreciation Petition (“Petition”). This Petition will set the future depreciation rates for all of Minnesota Power’s intangible, transmission, distribution, and general plant assets. In the past, the Company has filed one petition for transmission and distribution assets (Docket No. E015/D-18-226) and a separate petition for intangible and general plant assets (Docket No. E015/D-17-114). In this and future petitions the company is combining these separate petitions into one. Minnesota Power recommends that the average service lives, net salvage rates, and depreciation rates be modified, based on the results of the study, as shown in Part III of this petition. The financial impact of these changes will be to decrease Minnesota Power’s annual depreciation expense for intangible, transmission, distribution, and general plant by \$2,819,075.

II. PROCEDURAL REQUIREMENTS

Pursuant to Minn. Rules 7825.3200, 7825.3500 and 7829.1300, subp. 3, Minnesota Power provides the following required information.

- A. Name, Address and Telephone Number of Utility (Minn. Rules 7825.3500(A) and 7829.1300, subp. 3(A))

Minnesota Power
30 West Superior Street
Duluth, MN 55802
(218) 722-2641

B. Name, Address and Telephone Number of Utility Attorney (Minn. Rules 7825.3500(A) and 7829.1300, subp. 3(B))

David R. Moeller
Senior Attorney and Director of Regulatory Compliance
Minnesota Power
30 West Superior Street
Duluth, MN 55802
(218) 723-3963
dmoeller@allete.com

C. Date of Filing and Date Proposed Rates Take Effect (Minn. Rules 7825.3500(B) and 7829.1300, subp. 3(C))

This Petition is being filed on April 1, 2021. Minnesota Power respectfully requests that the Commission approve the Petition, with depreciation rates effective as of January 1, 2021.

D. Statute Controlling Schedule for Processing the Filing (Minn. Rules 7829.1300, subp. 3(D))

This Petition is made in accordance with Minn. Stat. § 216B.11 and prior Commission orders. No statutorily imposed time frame for a Commission decision applies to this filing. Minnesota Power requests that this Petition be processed in a timely manner to allow Commission approved depreciation rates to be incorporated into an expected rate case filing by November 2021.

E. Utility Employee Responsible for Filing (Minn. Rules 7825.3500(E) and 7829.1300, subp. 3(E))

Debbra A. Davey
Supervisor, Accounting
Minnesota Power
30 West Superior Street
Duluth, MN 55802
(218) 355-3714
ddavey@allete.com

F. Service List

Pursuant to Minn. Rules 7829.0700, Minnesota Power requests that the following persons be placed on the Commission's official service list for this matter:

David R. Moeller
Minnesota Power
30 West Superior Street
Duluth, MN 55802
dmoeller@allete.com

Debra A. Davey
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Duluth, MN 55802
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G. Service on Other Parties

Pursuant to Minn. Stat. § 216.17, subd. 3 and Minn. Rules 7829.1300, subp. 2, Minnesota Power has eFiled this Petition with the Department of Commerce, Division of Energy Resources and served a copy on the Antitrust and Utilities Division of the Office of Attorney General. A summary of the filing prepared in accordance with Minn. Rules 7829.1300, subp. 1 is being served on all parties on Minnesota Power's general service list.

H. Summary of Filing

A one-paragraph summary accompanies this Petition pursuant to Minn. Rules 7829.1300, subp. 1.

III. DESCRIPTION OF FILING

Background

Per the September 4, 2018 Commission Order for Docket No. E-015/D-18-226, Minnesota Power is required to continue to conduct depreciation studies at least once every five years for its transmission and distribution plant accounts. Per the Commission Order for Docket No. E-015/D-17-114, Minnesota Power is required to file its next general plant depreciation petition by May 1, 2022. Minnesota Power has combined these two studies into one study reviewing the average service lives, net salvage rates, and depreciation rates for all intangible, transmission, distribution, and general plant assets. The Company will continue to conduct this combined study at least once every five years for its intangible, transmission, distribution, and general plant accounts going forward.

Asset Retirement Obligation

Since our last petition there have been no changes in our accounting for asset retirement obligations (“AROs”) for transmission and distribution assets. Minnesota Power owns and operates a transmission and distribution network of 9,160 miles of lines and 153 substations. All of these facilities must be viewed as one large system asset, and since it is our intention to operate these facilities indefinitely, no settlement date for the transmission and distribution system can be determined. Since no retirement or settlement date can be established for the transmission and distribution assets, the recognition of any obligation shall be deferred until an actual settlement date can be determined. This is specifically allowed under Accounting Standards Codification 410-20, Asset Retirement Obligations.

Transmission and distribution lines that cross private property are subject to the provisions of the license/easement agreements with the individual landowners. Based on samples of these easements, we concluded that none of our easements have clauses which require the removal of facilities or formulate any legal obligation. However, certain easements require the removal of our facilities if they interfere with mining and mineral rights. Once notified by a mining company or mineral rights owner, Minnesota Power has a limited amount of time to remove those facilities. This does not create a legal obligation

until the triggering event occurs (i.e. notification from the mining company or mineral rights owner).

Additional Minnesota Power assets are located on public rights-of-way (“ROW”). These facilities are subject to Minn. Rules 7819.3300, which requires the removal of these facilities once the ROW is abandoned. This rule would create a legal obligation for these assets if and only if the date of abandonment is known. However, the ability to measure that obligation is not possible until the actual date of abandonment is known. Minnesota Power conducts an annual review and search for potential AROs, but has not recorded an Asset Retirement Obligation in regards to its Transmission or Distribution assets.

Study Details

Due to the complex and technical nature of preparing a depreciation study, Minnesota Power engaged a consulting firm specializing in utility depreciation studies to prepare the Intangible, Transmission, Distribution, and General Property Book Depreciation Accrual Rate Study (“Study”). The Study, which describes the methodology used and interpretation of the results, is attached as Appendix II.

The Study develops account-based depreciation rates for Minnesota Power’s depreciable intangible, transmission, distribution, and general property. The depreciation rates were designed to recover the total remaining undepreciated investment, adjusted for net salvage, over the remaining life of Minnesota Power’s intangible, transmission, distribution, and general property on a straight-line basis. The Study uses the straight line, broad group, remaining life system to compute depreciation rates as described in the Functional Rate Calculation section of the Study.

The Simulated Plant Record – Balances approach (“SPR”) is one of the commonly accepted approaches used to analyze mortality characteristics of utility property. The SPR was applied to most of Minnesota Power’s asset accounts due to the limited amount of vintage transactional data available. This data is available since 2003, after the Company converted to its current accounting system. The vintage transactional history during this timeframe is generally insufficient to develop actuarial life estimates for this

property. Actuarial analysis (retirement rate method) was used in evaluating historical asset retirement experience where vintage data were available and sufficient retirement activity was present.

During the Study, discussions were conducted with Minnesota Power's engineers and operations personnel regarding intangible, transmission, distribution, and general plant assets to obtain information that would be helpful in formulating life and salvage recommendations in the Study.

This study recommends and uses reserve reallocation to rebalance reserves within each business unit and function. The book depreciation reserve was derived from Company records at the individual account level. This study used a reserve model that relied on a prospective concept relating to future retirement and accrual patterns for property, given current life and salvage estimates. Reserve reallocation is a process in which the book reserve is re-spread within a functional group based on the theoretical reserve within each function. In the process of analyzing the Company's depreciation reserve, Alliance Consulting Group observed that the depreciation reserve positions of the accounts were generally not in line with the life characteristics found in the analysis of the Company's assets. To allow the relative reserve positions of each account within a function to mirror the life characteristics of the underlying assets, we reallocated the depreciation reserves for all accounts within each function. The depreciation reserve represents the amounts that have been collected as a systemic allocation of the cost of an asset over its useful life, including any net salvage that may be required to remove that asset from service upon retirement. The reallocation process does not change the total reserve for each function; it simply reallocates the reserve between accounts in the function. Depreciation reserve allocation is a sound depreciation practice. The National Association of Regulatory Utility Commissioners endorsed the practice in its 1968 publication of *Public Utility Depreciation Practices*, explaining that reallocation of the depreciation reserve is appropriate "...where the change in the view concerning the life of property is so drastic as to indicate a serious difference between the theoretical and the book reserve."¹

¹ *Public Utility Depreciation Practices*, Published by the National Association of Regulatory Utility Commissioners, 1968, page 48.

Additionally, the 1996 edition of *Public Utility Depreciation Practices* states that “theoretical reserve studies also have been conducted for the purpose of allocating an existing reserve among operating units or accounts.”²

A comparison of Present Rates versus Proposed Rates and the estimated impact on depreciation expense is presented in Appendix I and reflects a decrease in annual depreciation expense of \$2,819,075.

² *Public Utility Depreciation Practices*, Published by the National Association of Regulatory Utility Commissioners, 1996, page 188.

The following schedules indicates proposed average service lives, net salvage rates, and depreciation rates.

| Account Numbers | Account Descriptions | Proposed Average Service Lives (Years) | Proposed Net Salvage Rates | Proposed Depreciation Rates |
|-----------------|---|--|----------------------------|-----------------------------|
| | Transmission Plant | | | |
| 3520 | Structures and Improvements | 65 | (10.0%) | 1.69% |
| 3530 | Station Equipment | 52 | (20.0%) | 2.30% |
| 3531 | Reserve Station Transformers | 52 | 0.0% | 1.87% |
| 3540 | Towers and Fixtures | 75 | (30.0%) | 1.73% |
| 3550 | Poles and Fixtures | 63 | (70.0%) | 2.69% |
| 3560 | Overhead Conductors and Devices | 70 | (45.0%) | 2.07% |
| 3561 | Clearing Land and Rights of Way | 75 | 0.0% | 1.33% |
| 3580 | Underground Conductors and Devices | 50 | 0.0% | 1.99% |
| 3590 | Roads and Trails | 60 | 0.0% | 1.64% |
| | | | | |
| | Distribution Plant | | | |
| 3610 | Structures and Improvements | 60 | (30.0%) | 2.21% |
| 3620 | Station Equipment | 53 | (25.0%) | 2.39% |
| 3621 | Reserve Station Transformers | 53 | 0.0% | 1.95% |
| 3640 | Poles, Towers and Fixtures | 44 | (85.0%) | 4.36% |
| 3650 | Overhead Conductors and Devices | 45 | (55.0%) | 3.60% |
| 3651 | Clearing Land and Rights of Way | 65 | 0.0% | 1.67% |
| 3660 | Underground Conduit | 70 | (10.0%) | 1.60% |
| 3670 | Underground Conductors & Devices | 49 | (30.0%) | 2.71% |
| 3680 | Line Transformers | 46 | (5.0%) | 2.34% |
| 3691 | Services-Overhead | 41 | (45.0%) | 3.62% |
| 3692 | Services-Underground | 49 | (15.0%) | 2.42% |
| 3700 | Meters | 18 | 0.0% | 5.74% |
| 3722 | Leased Property on Customer Premises-Lighting | 20 | (40.0%) | 7.19% |
| 3730 | Street Lighting and Signal Systems | 27 | (50.0%) | 5.63% |

| Account Numbers | Account Descriptions | Proposed Average Service Lives (Years) | Proposed Net Salvage Rates | Proposed Depreciation Rates |
|-----------------|--|--|----------------------------|-----------------------------|
| | Intangible Plant | | | |
| 3020 | Franchises & Consents-Hydro Licenses 30 Years | 30 | 0.0% | 3.48% |
| 3020 | Franchises & Consents- Hydro Licenses 40 Years | 40 | 0.0% | 2.59% |
| 3030 | Miscellaneous Intangible Plant | 5 | 0.0% | 20.05% |
| 3031 | Major Software 10 Year | 10 | 0.0% | 10.28% |
| | | | | |
| | General Plant | | | |
| 3910 | Office Furniture & Equipment | 20 | 0.0% | 4.53% |
| 3911 | Office Furniture & Equipment, Computers | 7 | 0.0% | 14.29% |
| 3914 | Office Furniture & Equipment, PCs | 5 | 0.0% | 20.00% |
| 3920 | Transportation Equip., General | 17 | 11.0% | 4.81% |
| 3921 | Transportation Equip., Veh. Class 1 | 7 | 24.0% | 10.86% |
| 3922 | Transportation Equip., Veh. Class 2 | 7 | 24.0% | 10.86% |
| 3923 | Transportation Equip., Veh. Class 3 | 7 | 19.0% | 10.89% |
| 3925 | Transportation Equip., Veh. Class 5 | 10 | 22.0% | 7.80% |
| 3926 | Transportation Equip., Veh. Class 6 | 10 | 16.0% | 7.21% |
| 3930 | Stores Equipment | 25 | 0.0% | 3.74% |
| 3940 | Tools, Shop, & Garage Equipment | 20 | 0.0% | 4.40% |
| 3950 | Laboratory Equipment | 20 | 0.0% | 4.00% |
| 3960 | Power Operated Equipment | 15 | 23.0% | 4.84% |
| 3970 | Communication Equip., General | 15 | 0.0% | 5.98% |
| 3971 | Communication Equip., Microwave | 15 | (4.0%) | 6.00% |
| 3972 | Communication Equip., Telephone | 10 | (3.0%) | 7.29% |
| 3973 | Communication Equip., Mobile Radio | 12 | 0.0% | 5.25% |
| 3974 | Communication Equip., Data Comm. System | 10 | 0.0% | 9.22% |
| 3975 | Communication Equip., Fiber Optic | 15 | 0.0% | 6.38% |
| 3976 | Fiber Optic Cable | 40 | 0.0% | 2.29% |
| 3977 | Communication Equip., Towers | 50 | (4.0%) | 0.95% |
| 3980 | Miscellaneous Equipment | 15 | 0.0% | 5.95% |
| 3981 | Miscellaneous Equipment 10 Year | 10 | 0.0% | 9.44% |

IV. CONCLUSION

Minnesota Power is requesting that the average service lives, net salvage rates, and depreciation rates be modified, based on the results of the study, as shown in Part III of this petition. The financial impact of these changes will be to decrease Minnesota Power's annual depreciation expense for intangible, transmission, distribution, and general plant by \$2,819,075.

Date: April 1, 2021

Respectfully submitted,

/s/ Debra A. Davey

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APPENDIX I

Minnesota Power
Comparison of Depreciation Expense- Present Rates vs. Proposed

| Account | Description | Plant at 12/31/2020 | Present Accrual Rate | Depr Expense At Current Rates | Proposed Accrual Rate | Depr Expense At Proposed Rates | Difference |
|----------------------------|--------------------------------------|--------------------------------|-------------------------------------|--|--------------------------------------|---|-------------------|
| <u>Intangible</u> | | | | | | | |
| 3020 (30) | Hydro License 30 year | 1,731,705 | 3.33% | 57,666 | 3.48% | 60,312 | 2,647 |
| 3020 (40) | Hydro License 40 year | 2,945,354 | 2.50% | 73,634 | 2.59% | 76,289 | 2,656 |
| 3030 | Miscellaneous Intangible Plant | 17,806,632 | 20.00% | 3,561,326 | 20.05% | 3,569,911 | 8,585 |
| 3031 | Intangible Software 10 Yr | 25,558,139 | 10.00% | 2,555,814 | 10.28% | 2,627,583 | 71,769 |
| | Total Intangible | 48,041,830 | | 6,248,440 | | 6,334,096 | 85,656 |
| <u>Transmission</u> | | | | | | | |
| 3520 | Structures and Improvements | 34,811,923 | 2.01% | 699,720 | 1.69% | 587,680 | (112,040) |
| 3530 | Station Equipment | 381,378,224 | 2.29% | 8,733,561 | 2.30% | 8,756,243 | 22,682 |
| 3531 | Reserve Station Transformers | 2,178,237 | 0.72% | 15,683 | 1.87% | 40,666 | 24,983 |
| 3540 | Towers & Fixtures | 162,901,146 | 2.15% | 3,502,375 | 1.73% | 2,820,590 | (681,784) |
| 3550 | Poles & Fixtures | 293,908,353 | 2.50% | 7,347,709 | 2.69% | 7,909,641 | 561,932 |
| 3560 | Overhead Conductors & Devices | 204,790,856 | 2.34% | 4,792,106 | 2.07% | 4,229,605 | (562,501) |
| 3561 | Clearing Land & Rights of Way | 68,160,426 | 1.37% | 933,798 | 1.33% | 907,571 | (26,227) |
| 3580 | Underground Conductors & Devices | 2,988,455 | 2.03% | 60,666 | 1.99% | 59,518 | (1,148) |
| 3590 | Roads and Trails | 58,614 | 1.62% | 950 | 1.64% | 961 | 12 |
| | Total Transmission | 1,151,176,233 | | 26,086,567 | | 25,312,475 | (774,092) |
| <u>Distribution</u> | | | | | | | |
| 3610 | Structures and Improvements | 10,470,160 | 2.05% | 214,638 | 2.21% | 231,227 | 16,589 |
| 3620 | Station Equipment | 92,429,049 | 2.33% | 2,153,597 | 2.39% | 2,206,542 | 52,945 |
| 3621 | Reserve Station Transformers | 1,364,886 | 1.70% | 23,203 | 1.95% | 26,677 | 3,474 |
| 3640 | Poles, Towers and Fixtures | 124,436,837 | 4.73% | 5,885,862 | 4.36% | 5,422,493 | (463,369) |
| 3650 | Overhead Conductors & Devices | 95,710,873 | 4.15% | 3,972,001 | 3.60% | 3,449,412 | (522,589) |
| 3651 | Clearing Land & Rights of Way | 5,332,727 | 1.41% | 75,191 | 1.67% | 89,008 | 13,816 |
| 3660 | Underground Conduit | 14,483,655 | 1.49% | 215,806 | 1.60% | 231,060 | 15,253 |
| 3670 | Underground Conductors & Devices | 109,013,710 | 2.58% | 2,812,554 | 2.71% | 2,956,866 | 144,312 |
| 3680 | Line Transformers | 97,144,742 | 2.17% | 2,108,041 | 2.34% | 2,269,933 | 161,892 |
| 3691 | Services- Overhead | 6,223,281 | 3.04% | 189,188 | 3.62% | 225,522 | 36,335 |
| 3692 | Services- Underground | 12,346,603 | 2.45% | 302,492 | 2.42% | 298,204 | (4,287) |
| 3700 | Meters | 67,032,899 | 6.06% | 4,062,194 | 5.74% | 3,847,526 | (214,668) |
| 3722 | Leased Property on Cust. Prem- Light | 3,222,813 | 5.59% | 180,155 | 7.19% | 231,633 | 51,478 |
| 3730 | Street Lighting and Signal Systems | 6,428,951 | 4.76% | 306,018 | 5.63% | 362,063 | 56,045 |
| | Total Distribution | 645,641,186 | | 22,500,941 | | 21,848,165 | (652,776) |

Minnesota Power
Comparison of Depreciation Expense- Present Rates vs. Proposed

| Account | Description | Plant at 12/31/2020 | Present Accrual Rate | Depr Expense At Current Rates | Proposed Accrual Rate | Depr Expense At Proposed Rates | Difference |
|----------------|---------------------------------------|--------------------------------|-------------------------------------|--|--------------------------------------|---|--------------------|
| General | | | | | | | |
| 3910 | Office Furniture & Equipment | 8,490,402 | 4.50% | 382,068 | 4.53% | 384,306 | 2,238 |
| 3911 | Office Furniture & Equipment, Comp. | 5,908,185 | 13.57% | 763,947 (1) | 14.29% | 763,947 (2) | 0 |
| 3914 | Office Furniture & Equip, PCs | 25,454 | 19.00% | 3,544 (1) | 20.00% | 3,544 (2) | 0 |
| 3920 | Transportation Equip, General | 3,169,082 | 4.00% | 126,763 | 4.81% | 152,453 | 25,690 |
| 3921 | Transportation Equip, Veh Class 1 | 0 | 14.29% | 0 (1) | 10.86% | 0 | 0 |
| 3922 | Transportation Equip, Veh Class 2 | 0 | 14.29% | 0 (1) | 10.86% | 0 | 0 |
| 3923 | Transportation Equip, Veh Class 3 | 4,676,855 | 12.50% | 584,607 | 10.89% | 509,325 | (75,282) |
| 3925 | Transportation Equip, Veh Class 5 | 0 | 10.00% | 0 (1) | 7.80% | 0 | 0 |
| 3926 | Transportation Equip, Veh Class 6 | 9,478,194 | 7.69% | 728,873 | 7.21% | 682,990 | (45,883) |
| 3930 | Stores Equipment | 1,306,644 | 5.00% | 65,332 | 3.74% | 48,923 | (16,410) |
| 3940 | Tools, Shop & Garage Equipment | 7,011,650 | 4.75% | 333,053 | 4.40% | 308,413 | (24,641) |
| 3950 | Laboratory Equipment | 3,560,847 | 5.00% | 178,042 | 4.00% | 142,515 | (35,528) |
| 3960 | Power Operated Equipment | 7,350,379 | 6.67% | 490,270 | 4.84% | 355,743 | (134,528) |
| 3970 | Communication Equip, General | 18,540,574 | 6.67% | 1,236,656 | 5.98% | 1,108,392 | (128,264) |
| 3971 | Communication Equip, Microwave | 10,559,589 | 5.00% | 527,979 | 6.00% | 633,364 | 105,384 |
| 3972 | Communication Equip, Telephone | 1,959,692 | 10.00% | 195,969 | 7.29% | 142,938 | (53,032) |
| 3973 | Communication Equip, Mobile Radio | 11,115,299 | 8.33% | 925,904 | 5.25% | 584,107 | (341,798) |
| 3974 | Communication Equip, Data Comm System | 1,847,896 | 10.00% | 184,790 | 9.22% | 170,347 | (14,443) |
| 3975 | Communication Equip, Fiber Optic | 4,692,678 | 10.00% | 469,268 | 6.38% | 299,315 | (169,952) |
| 3976 | Fiber Optic Cable | 31,668,737 | 4.00% | 1,266,749 | 2.29% | 726,178 | (540,571) |
| 3977 | Communication Equip, Towers | 734,683 | 5.00% | 36,734 | 0.95% | 6,980 | (29,754) |
| 3980 | Miscellaneous Equipment | 205,358 | 6.33% | 12,999 | 5.95% | 12,219 | (780) |
| 3981 | Misc Equipment (10 Year) | 55,802 | 10.00% | 5,580 | 9.44% | 5,269 | (311) |
| | Total General | 132,357,999 | | 8,519,130 | | 7,041,266 | (1,477,864) |
| | Total Depreciable | 1,977,217,248 | | 63,355,077 | | 60,536,002 | (2,819,075) |

Note: Account will fully accrue by the time an order is issued in this case. Rate proposed for new additions only

(1) Account will fully accrue in 2021. Rate to be applied to new additions.

(2) Proposed accrual amount is for unaccrued balance only.

APPENDIX II

MINNESOTA POWER
Intangible, Transmission,
Distribution, and General Property
Book Depreciation Accrual Rate
Study
At December 31, 2020



MINNESOTA POWER
 INTANGIBLE, TRANSMISSION,
 DISTRIBUTION, AND GENERAL PROPERTY
 BOOK DEPRECIATION RATE STUDY
 AT DECEMBER 31, 2020

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PURPOSE

The purpose of this study is to develop account-based depreciation rates for the depreciable intangible, transmission, distribution, and general property as recorded on the books of Minnesota Power as of December 31, 2020. The depreciation rates were designed to recover the total remaining undepreciated investment, adjusted for net salvage, over the remaining life of Minnesota Power's intangible, transmission, distribution, and general property on a straight-line basis. Non-depreciable property and Account 390-Structures and Improvements were excluded from this study.

The Company is engaged in the transmission and distribution of electricity within northeastern Minnesota. Minnesota Power provides regulated utility electric service in northeastern Minnesota to approximately 145,000 retail customers. Minnesota Power's non-affiliated municipal customers consist of 15 municipalities in Minnesota.

Assets for Minnesota Power in 2020 include: 500 kV (232 miles), 345 kV (242 miles), 250 kV (465 miles), 230 kV (714 miles), 138 kV (130 miles), 115 kV (1,207 miles), and less than 115 kV (6,170 miles). The Company owns and operates 153 substations with a total capacity of 9,702 megavolt amperes. Some of the Company's transmission and distribution lines interconnect with other utilities. In addition, the Company needs associated equipment such as feeders, primary switches, poles, conductor, line transformers, services, meters, and streetlights to serve its customers.

STUDY RESULTS

Recommended depreciation rates for all Minnesota Power intangible, transmission, distribution, and general depreciable property are shown in Appendix A. These rates translate into an annual depreciation accrual for intangible, transmission, distribution, and general plant of \$60.5 million. These accruals are based on Minnesota Power's depreciable investment at December 31, 2020 (test year-end) as shown in Appendix B. The proposed lives and curves on which these calculations are based are shown in Appendix C. The annual depreciation expense calculated by the same method using the existing approved depreciation rates was \$63.4 million for intangible, transmission, distribution, and general plant. Appendix B shows the effect of the change in lives and curves on depreciation accrual by account. Appendix D-1 through D-3 addresses the detailed net salvage transactions for all plant accounts. Appendix E compares the per book accumulated depreciation compared to the re-allocated accumulated depreciation.

GENERAL DISCUSSION

Definition

The term "depreciation" as used in this study is considered in the accounting sense; that is, a system of accounting that distributes the cost of assets, less net salvage (if any), over the estimated useful life of the assets in a systematic and rational manner. It is a process of allocation, not valuation. This expense is systematically allocated to accounting periods over the life of the properties. The amount allocated to any one accounting period does not necessarily represent the loss or decrease in value that will occur during that particular period. The Company accrues depreciation on the basis of the original cost of all depreciable property included in each functional property group. At retirement, the full cost of depreciable property, less the net salvage value, is charged to the depreciation reserve.

Basis of Depreciation Estimates

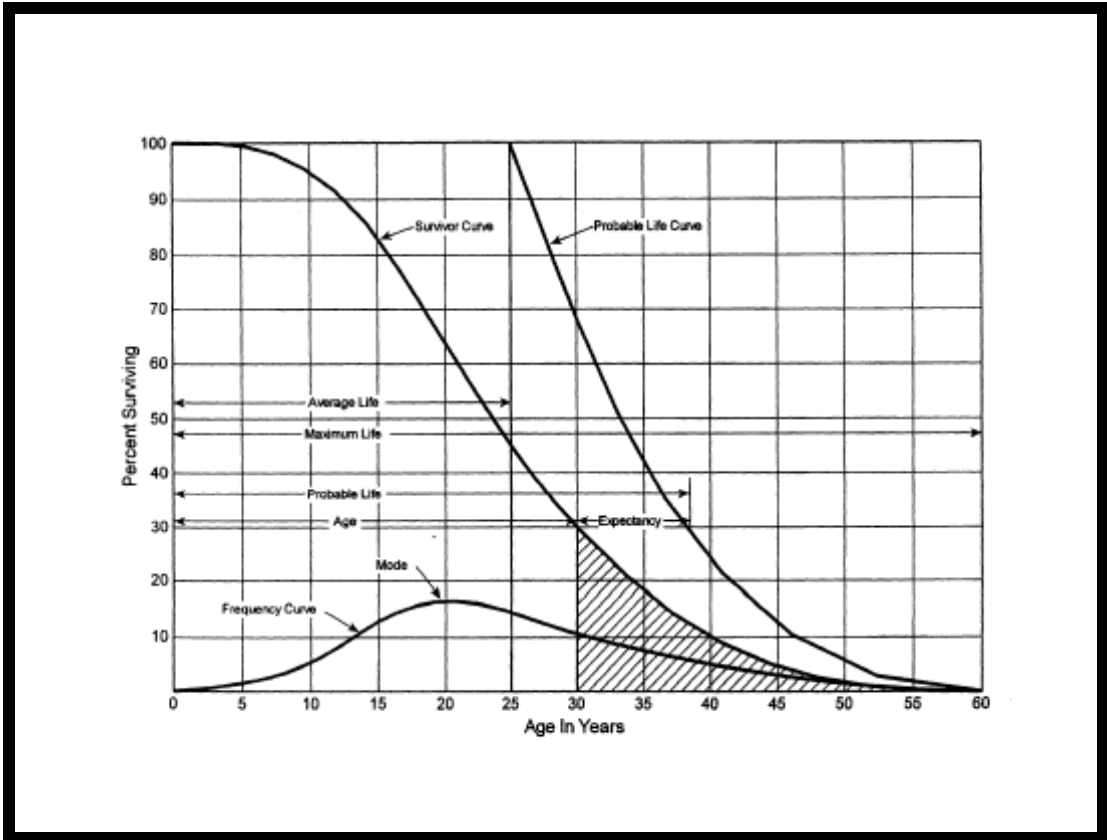
Annual and accrued depreciation were calculated in this study by the straight-line, broad group, remaining-life depreciation system. In this system, the annual depreciation expense for each group is computed by dividing the original cost of the asset group less allocated depreciation reserve less estimated net salvage by its respective average remaining life. The resulting annual accrual amounts of all depreciable property within a function were accumulated and the total was divided by the original cost of all functional depreciable property to determine the depreciation rate. The calculated remaining lives and annual depreciation accrual rates were based on attained ages of plant in service and the estimated service life and salvage characteristics of each depreciable group, and were computed in a direct weighting by multiplying each vintage or account balance times its remaining life and dividing by the plant investment in service at December 31, 2020. The computations of the annual functional depreciation rates are shown in Appendix A.

A variety of life estimation approaches were available to incorporate into analyses of Minnesota Power's data. Both Simulated Plant Record ("SPR") analysis and Actuarial Analysis are commonly used mortality analysis techniques for electric utility property. Historically, Minnesota Power has used SPR analysis to evaluate the

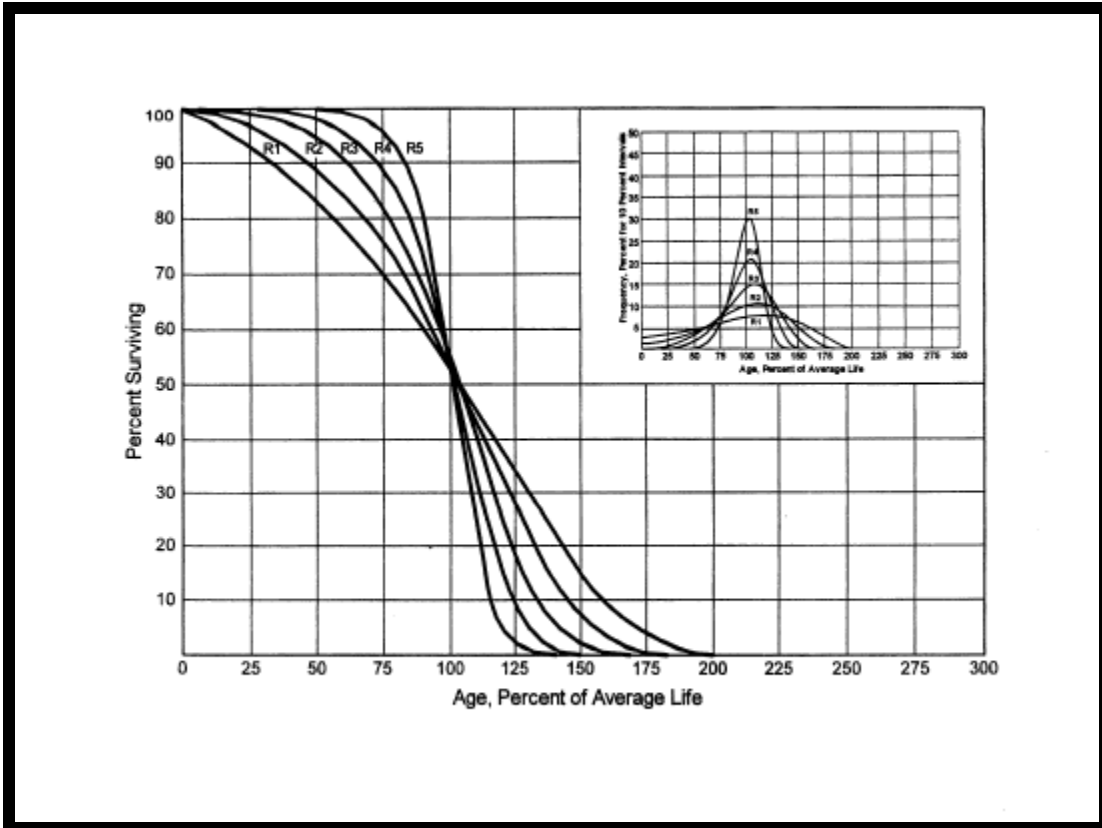
lives of its transmission and distribution assets. Vintaged data is available since 2003, when the Company converted to its current accounting system. However, 18 years of transactional history is not always sufficient to develop actuarial life estimates for long-lived property. Judgment was used to a greater or lesser degree on all accounts. Each approach used in this study is more fully described in a later section.

Survivor Curves

To fully understand depreciation projections in a regulated utility setting, there must be a basic understanding of survivor curves. Individual assets within a group do not normally have identical lives or investment amounts. The average life of a group can be determined by comparing actual experience against various survivor curves. A survivor curve represents the percentage of property remaining in service at various age intervals. The most widely used set of representative survivor curves are the Iowa Survivor Curves (“Iowa Curves”). The Iowa Curves are the result of an extensive investigation of life characteristics of physical property made at Iowa State College Engineering Experiment Station in the first half of the twentieth century. Through common usage, revalidation, and regulatory acceptance, these curves have become a descriptive standard for the life characteristics of industrial property. An example of an Iowa Curve is shown below.



There are four families in the Iowa Curves which are distinguished by the relation of the age at the retirement mode (largest annual retirement frequency) and the average life. The four families are designated as “R”— Right, “S” — Symmetric, “L” — Left, and “O” — Origin Modal. First, for distributions with the mode age greater than the average life, an "R" designation (i.e., Right modal) is used. The family of “R” moded curves is shown below.



Second, an "S" designation (i.e., Symmetric modal) is used for the family whose mode age is symmetric about the average life. Third, an "L" designation (i.e., Left modal) is used for the family whose mode age is less than the average life. Fourth, a special case of left modal dispersion is the "O" or origin modal curve family. Within each curve family, numerical designations are used to describe the relative magnitude of the retirement frequencies at the mode. A "6" indicates that the retirements are not greatly dispersed from the mode (i.e., high mode frequency) while a "1" indicates a large dispersion about the mode (i.e., low mode frequency). For example, a curve with an average life of 30 years and an "L3" dispersion is a moderately dispersed, left modal curve that can be designated as a 30 L3 Curve. An SQ, or square, survivor curve occurs where no dispersion is present (i.e., units of common age retire simultaneously).

For transmission and distribution property accounts, a survivor curve pattern was selected based on analyses of historical data as well as other factors, such as general changes relevant to the Company's operations. The blending of judgment concerning current conditions and future trends, along with the matching of historical data, permits the depreciation analyst to make an informed selection of an account's average life and retirement dispersion pattern. Iowa Curves were used to depict the estimated survivor curves for each account.

Actuarial Analysis

Actuarial analysis (retirement rate method) was used in evaluating historical asset retirement experience where vintage data were available and sufficient retirement activity was present. In actuarial analysis, interval exposures (total property subject to retirement at the beginning of the age interval, regardless of vintage) and age interval retirements are calculated. The complement of the ratio of interval retirements to interval exposures establishes a survivor ratio. The survivor ratio is the fraction of property surviving to the end of the selected age interval, given that it has survived to the beginning of that age interval. Survivor ratios for all of the available age intervals were chained by successive multiplications to establish a series of survivor factors, collectively known as an observed life table. The observed life table shows the experienced mortality characteristic of the account and may be compared to standard mortality curves such as the Iowa Curves. Where data was available, accounts were analyzed using this method. Placement bands were used to illustrate the composite history over a specific era, and experience bands were used to focus on retirement history for all vintages during a set period. The results from these analyses for those accounts that had data sufficient to be analyzed using this method are shown in the Life Analysis section of this report.

Simulated Plant Record Procedure

The SPR - Balances approach is one of the commonly accepted approaches used to analyze mortality characteristics of utility property. SPR was applied to most Minnesota Power accounts due to the limited amount of vintaged transactional data.

In this method, an Iowa Curve and average service life are selected as a starting point of the analysis and its survivor factors applied to the actual annual additions to give a sequence of annual balance totals. These simulated balances are compared with the actual balances by using both graphical and statistical analysis. Through multiple comparisons, the mortality characteristics (as defined by an average life and Iowa Curve) that are the best match to the property in the account can be found.

The Conformance Index (CI) is one measure used to evaluate various SPR analyses. CIs are also used to evaluate the "goodness of fit" between the actual data and the Iowa Curve being referenced. The sum of squares difference (SSD) is a summation of the difference between the calculated balances and the actual balances for the band or test year being analyzed. This difference is squared and then summed to arrive at the SSD.

$$SSD = \sum_1^n (Calculated\ Balance_i - Observed\ Balance_i)^2$$

Where n is the number of years in the test band.

This calculation can then be used to develop other calculations, which the analyst feels might give a better indication for the "goodness of fit" for the representative curve under consideration. The residual measure (RM) is the square root of the average squared differences as developed above. The residual measure is calculated as follows:

$$RM = \sqrt{\left(\frac{SSD}{n} \right)}$$

The CI is developed from the residual measure and the average observed plant balances for the band or test year being analyzed. The calculation of conformance index is shown below:

$$CI = \frac{\sum_i^n Balances_i / n}{RM}$$

The retirement experience index (REI) gives an indication of the maturity of the account. The REI is the percent of the property retired from the oldest vintage in the band at the end of the test year. Retirement indices range from 0 percent to 100 percent and an REI of 100 percent indicates that a complete curve was used. A retirement index less than 100 percent indicates that the survivor curve was truncated at that point. The originator of the SPR method, Alex Bauhan, suggests ranges of value for the CI and REI. The relationship for CI proposed by Bauhan is shown below¹:

| CI | Value |
|----------|-----------|
| Over 75 | Excellent |
| 50 to 75 | Good |
| 25 to 50 | Fair |
| Under 25 | Poor |

The relationship for REI proposed by Bauhan² is shown below:

| REI | Value |
|----------|-----------|
| Over 75 | Excellent |
| 50 to 75 | Good |
| 33 to 50 | Fair |
| 17 to 33 | Poor |
| Under 17 | Valueless |

Despite the fact that there has not been empirical research to validate Bauhan's conclusions, depreciation analysts have used these measures in analyzing SPR results for 60 years, since the SPR method was developed.

1 Public Utility Depreciation Practices, p. 96.

2 Public Utility Depreciation Practices, p. 97.

Each of these statistics provides the analyst with a different perspective of the comparison between a band of simulated or calculated balances and the observed or actual balances in the account being studied. Although one statistic is not necessarily superior over the others, the conformance index is the one many analysts use in depreciation studies. The depreciation analyst should carefully weigh the data from REIs to ensure that a mature curve is being used to estimate life.

Statistics are useful in analyzing mortality characteristics of accounts as well as determining a range of service lives to be analyzed using the detailed graphical method. However, these statistics boil all the information down to one, or at most, a few numbers for comparison. Visual matching through comparison between actual and calculated balances expands the analysis by permitting the analyst to view many points of data at a time. The goodness of fit should be visually compared to plots of other Iowa Curve dispersions and average lives for the selection of the appropriate curve and life. Detailed information for each account is shown later in this study and in workpapers.

Judgment

Any depreciation study requires informed judgment by the analyst conducting the study. A knowledge of the property being studied, company policies and procedures, general trends in technology and industry practice, and a sound basis of understanding depreciation theory are needed to apply this informed judgment. In this depreciation study, judgment was used in areas such as survivor curve modeling and selection, depreciation method selection, simulated plant record method analysis, and net salvage analysis.

Where there are multiple factors, activities, actions, property characteristics, statistical inconsistencies, property mix in accounts, or a multitude of other considerations that affect the analysis (potentially in various directions), judgment is used to take all of these considerations and synthesize them into a general direction or understanding of the characteristics of the property. Individually, no one consideration in these cases may have a substantial impact on the analysis, but

overall, the collective effect of these considerations may shed light on the use and characteristics of assets. Judgment may also be defined as deduction, inference, wisdom, common sense, or the ability to make sensible decisions. There is no single correct result from statistical analysis; hence, there is no answer absent judgment.

Theoretical Depreciation Reserve and Reserve Reallocation

The book depreciation reserve was derived from Company records at the individual account level. This study used a reserve model that relied on a prospective concept relating to future retirement and accrual patterns for property, given current life and salvage estimates. This study recommends and uses reserve reallocation to rebalance reserves within each business unit and function. Reserve reallocation is a process in which the book reserve is re-spread within a functional group based on the theoretical reserve within each function. In the process of analyzing the Company's depreciation reserve, Alliance Consulting Group observed that the depreciation reserve positions of the accounts were generally not in line with the life characteristics found in the analysis of the Company's assets. To allow the relative reserve positions of each account within a function to mirror the life characteristics of the underlying assets, we reallocated the depreciation reserves for all accounts within each function. The depreciation reserve represents the amounts that have been collected as a systemic allocation of the cost of an asset over its useful life, including any net salvage that may be required to remove that asset from service upon retirement. The reallocation process does not change the total reserve for each function; it simply reallocates the reserve between accounts in the function.

Depreciation reserve allocation is a sound depreciation practice. The National Association of Regulatory Utility Commissioners endorsed the practice in its 1968 publication of *Public Utility Depreciation Practices*, explaining that reallocation of the depreciation reserve is appropriate "...where the change in the view concerning the life of property is so drastic as to indicate a serious difference between the theoretical and the book reserve."³ Additionally, the 1996 edition of *Public Utility*

³ *Public Utility Depreciation Practices*, Published by the National Association of Regulatory Utility

Depreciation Practices states that “theoretical reserve studies also have been conducted for the purpose of allocating an existing reserve among operating units or accounts.”⁴

The theoretical reserve of a group is developed from the estimated remaining life, total life of the property group, and estimated net salvage. The theoretical reserve represents the portion of the group cost that would have been accrued if current forecasts were used throughout the life of the group for future depreciation accruals. The computation involves multiplying the vintage balances within the group by the theoretical reserve ratio for each vintage. The average life group method requires an estimate of dispersion and service life to establish how much of each vintage is expected to be retired in each year until all property within the group is retired. Estimated average service lives and dispersion determine the amount within each average life group. The straight-line remaining-life theoretical reserve ratio at any given age (RR) is calculated as:

$$RR = 1 - \frac{(\text{Average Remaining Life})}{(\text{Average Service Life})} * (1 - \text{Net Salvage Ratio})$$

Appendix E compares the per book accumulated depreciation compared to the re-allocated accumulated depreciation.

Commissioners, 1968, page 48.

⁴ *Public Utility Depreciation Practices*, Published by the National Association of Regulatory Utility Commissioners, 1996, page 188.

DETAILED DISCUSSION

Depreciation Study Process

This depreciation study encompassed four distinct phases. The first phase involved data collection and field interviews. The second phase was where the initial data analysis occurred. The third phase was where the information and analysis was evaluated. After the first three stages were complete, the fourth phase began. This phase involved the calculation of depreciation rates and documentation of the corresponding recommendations.

During the Phase 1 data collection process, historical data was compiled from continuing property records and general ledger systems. Data was validated for accuracy by extracting and comparing to multiple financial system sources: Projects System (construction ledger), Fixed Asset System (continuing property ledger), General Ledger, and interfaces from other operating systems. Audit of this data was validated against historical data from prior periods, historical general ledger sources, and field personnel discussions. This data was reviewed extensively so that it could be put in the proper format for a depreciation study. Further discussion on data review and adjustment is found in the Salvage Consideration section of this study. Also as part of the Phase 1 data collection process, numerous discussions were conducted with engineers and field operations personnel to obtain information that would be helpful in formulating life and salvage recommendations in this study. One of the most important elements in performing a proper depreciation study is to understand how the Company utilizes assets and the environment of those assets. Understanding industry and geographical norms for mortality characteristics are important factors in selecting life and salvage recommendations; however, care must be used not to apply them rigorously to any particular company since no two companies would have the same exact forces of retirement acting upon their assets. Interviews with engineering and operations personnel are important ways to allow the analyst to obtain information that is helpful when evaluating the output from the life and net salvage programs in relation to the Company's actual asset utilization and environment. Information that was gleaned in these discussions is found both in the Detailed Discussion portions of the Life Analysis and Net Salvage Analysis

sections and also in workpapers. In addition, Alliance personnel possess a significant understanding of the property and its forces of retirement due to years of day-to-day exposure to property and operations of electric utility property.

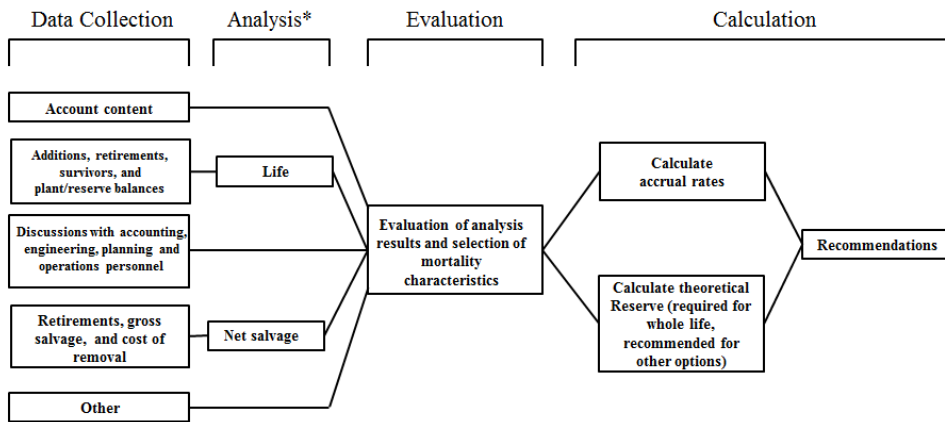
Phase 2 is where the SPR and actuarial analysis are performed. Phase 2 and Phase 3 (to be discussed in the next paragraph) overlap to a significant degree. The detailed property records information is used in Phase 2 to develop observed life tables for life analysis and SPR graphs and statistics. It is possible that the analyst would cycle back to this phase based on the evaluation process performed in Phase 3. Net salvage analysis consists of compiling historical salvage and removal data by functional group and account to determine values and trends in gross salvage and removal cost. This information was then carried forward into Phase 3 for the evaluation process.

Phase 3 is the evaluation process, which synthesizes analysis, interviews, and operational characteristics into a final selection of asset lives and net salvage parameters. The historical analysis from Phase 2 is further enhanced by the incorporation of recent or future changes in the characteristics or operations of assets that were revealed in Phase 1. The preliminary results are then reviewed by the depreciation analyst and discussed with accounting and operations personnel. Phases 2 and 3 allow the depreciation analyst to validate the asset characteristics as seen in the accounting transactions with Company operational experience.

Finally, Phase 4 involves the calculation of accrual rates, making recommendations and documenting the conclusions in the Study. The calculation of accrual rates is found in Appendix A. Recommendations for the various accounts are contained in the Life Analysis section of this Study. The depreciation study flow diagram shown as Figure 1⁵ below also documents the steps used in conducting this Study. *Depreciation Systems*⁶, at page 289, documents the same basic processes in performing a depreciation study, which are: statistical analysis, evaluation of statistical analysis, discussions with management, forecast assumptions, and document recommendations.

⁵INTRODUCTION TO DEPRECIATION FOR PUBLIC UTILITIES & OTHER INDUSTRIES, AGA EEI (2013).

Book Depreciation Study Flow Diagram



Source: Introduction to Depreciation for Public Utilities and Other Industries, AGA EEI, 2013.

*Although not specifically noted, the mathematical analysis may need some level of input from other sources (for example, to determine analysis bands for life and adjustments to data used in all analysis).

Figure 1

MINNESOTA POWER DEPRECIATION STUDY PROCESS

⁶ W. C. Fitch and F.K.Wolf, DEPRECIATION SYSTEMS, Iowa State Press, at page 289 (1994).

Functional Rate Calculation Process

Annual depreciation expense amounts for intangible, transmission, distribution, and general accounts were calculated by the straight line, remaining life procedure.

In a whole life representation, the annual accrual rate is computed by the following equation,

$$AnnualAccrualRate = \frac{(100\% - NetSalvagePercent)}{AverageServiceLife}$$

Use of the remaining life depreciation system adds a self-correcting mechanism, which accounts for any differences between theoretical and book depreciation reserve over the remaining life of the group. With the straight line, remaining life, average life group system using Iowa Curves, composite remaining lives were calculated according to standard broad group expectancy techniques, noted in the formula below:

$$CompositeRemainingLife = \frac{\sum OriginalCost - Theoretical Reserve}{\sum WholeLifeAnnualAccrual}$$

For each plant account, the difference between the surviving investment, adjusted for estimated net salvage, and the allocated book depreciation reserve, was divided by the composite remaining life to yield the annual depreciation expense as noted in this equation.

$$AnnualDepreciationExpense = \frac{OriginalCost - Book Reserve - (OriginalCost) * (1 - NetSalvage\%)}{Composite RemainingLife}$$

where the net salvage percent represents future net salvage.

Within a group, the sum of the group annual depreciation expense amounts, as a percentage of the depreciable original cost investment summed, gives the annual depreciation rate as shown below:

$$AnnualDepreciationRate = \frac{\sum AnnualDepreciationExpense}{\sum OriginalCost}$$

These calculations are shown in Appendix A. The calculations of the theoretical

depreciation reserve values and the corresponding remaining life calculations are shown in the workpapers for this study. Book depreciation reserves are maintained on a plant account level basis and theoretical reserve computation was used to compute composite remaining life for each account.

LIFE ANALYSIS

Intangible Plant, FERC Accounts 302.0-303.1

Assets in these accounts are amounts associated with relicensing power plants, as well as various types of software.

FERC Account 302.0 (30) Hydro License 30 year (30 SQ)

This account consists of amounts spent to relicense various hydroelectric plants for a 30-year period. Currently the balance in this account is \$1.7 million. The existing service life is 30 years. Based on the periods requested in the license extension applications, this study recommends retention of the 30-year life with an SQ dispersion.

FERC Account 302.0 (40) Hydro License 40 year (40 SQ)

This account consists of amounts spent to relicense various hydroelectric plants for a 40-year period. Currently the balance in this account is \$2.9 million. The existing service life is 40 years. Based on the periods requested in the license extension applications, this study recommends retention of the 40-year life with an SQ dispersion.

FERC Account 303.0 Miscellaneous Intangible Plant (5 SQ)

This account consists of various software projects. Currently the balance in this account is \$17.8 million. The existing service life is 5 years. Company information technology personnel state that this account contains smaller systems. For smaller systems, there is a “forced” upgrade cycle that would require the addition/replacement of software assets. From a cybersecurity perspective, except for major ERP systems, the replacement cycle of 5 years is reasonable based on the need to maintain security through upgrades. Based on the amortization period currently in use and information from Company personnel, this study recommends retention of the 5-year life with an SQ dispersion.

FERC Account 303.1 Intangible Software 10 year (10 SQ)

This account consists of various software projects. Currently the balance in this account is \$25.6 million, and the existing service life is 10 years. Company information technology personnel relate that these assets are large systems. When there is a major upgrade, the Company will retire old asset costs. When replacing large systems used for billing, customer service, or other enterprise activities, significant lead-time is necessary to deal with data conversion and customization to meet company requirements. The intermediate upgrade cycles would not change all functionality or code. Within 10 years, the Company reevaluates the type of platform that would be appropriate for corporate operations. Based on the amortization period currently in use and information from Company personnel, this study recommends retention of the 10-year life with an SQ dispersion.

Transmission Accounts, FERC Accounts 3520-3590

Minnesota Power has a wide service territory across northeastern Minnesota. In recent years the Company has seen growth in Transmission assets in substation equipment as well as poles and overhead conductors.

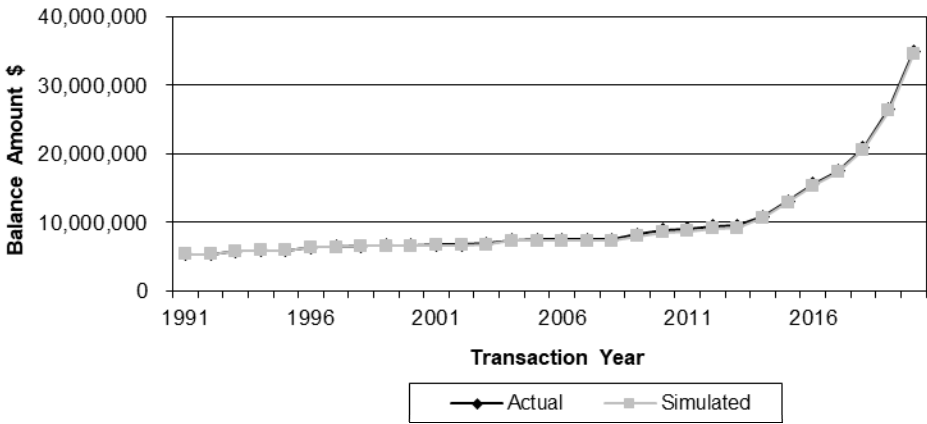
In 2020, Minnesota Power completed construction on the Great Northern Transmission Line (“GNTL”), which delivers clean, emission-free energy into Minnesota. The line meets growing energy demands and increases system reliability. Hydropower from Manitoba Hydro is delivered to Minnesota Power’s customers. The Manitoba Hydro purchase provides Minnesota Power’s customers and the upper Midwest access to a reasonably priced, predominantly emission-free energy supply that has a combination of base load supply characteristics, price certainty, and resource optimization flexibility not available in comparable alternatives for meeting customer requirements.

The GNTL consists of a 500 kV transmission line from the Minnesota-Manitoba border to the Blackberry 500 kV Substation near Grand Rapids, Minnesota, as well as associated substation facilities and transmission system modifications. The addition of these assets will change overall account characteristics going forward for the Company’s other transmission assets. Many of the accounts in the transmission function have had significant investment added as a result of GNTL. There is no impact on distribution or general plant functional groups.

FERC Account 3520 Transmission Substation Structures and Improvements (65 R3)

This account includes structures and improvements associated with transmission facilities. Some of the main items included are buildings, air conditioning systems, heating, plumbing, and ventilation systems. The current plant balance in the account is \$34.8 million, and the amount associated with GNTL is \$0.3 million. The approved life and curve from the 2017 study is 56 R5. The SPR analysis shows R5 as a highly ranked curve for most of the longer bands. Company personnel anticipate that the life of this account may increase over time as they are typically adding on to substations rather than retiring and replacing. The Company has replaced a couple of buildings and some steel structures. Mesabi substation was a new addition. The Ridgeview and Boswell substations replaced power distribution centers (retiring and replacing buildings in the process), while retiring and replacing transformers and moving/ decommissioning most of the rest of a 115kV station. The Company rarely replaces structures. A significant portion of the assets in this account relate to site work, which would not be replaced with equipment replacement, but would only be retired if the entire substation is retired. Company personnel support moving the life beyond the current 56 years. While historical analysis shows a life consistent with the currently approved life, this study recommends moving to a 65-year life and retaining the R3 dispersion. Shown below is a plot of the actual versus simulated balances for this account.

**Allete Account 3520
Actual vs Simulated Balance R3 65**



FERC Account 3530 Transmission Substation Equipment (52 R3)

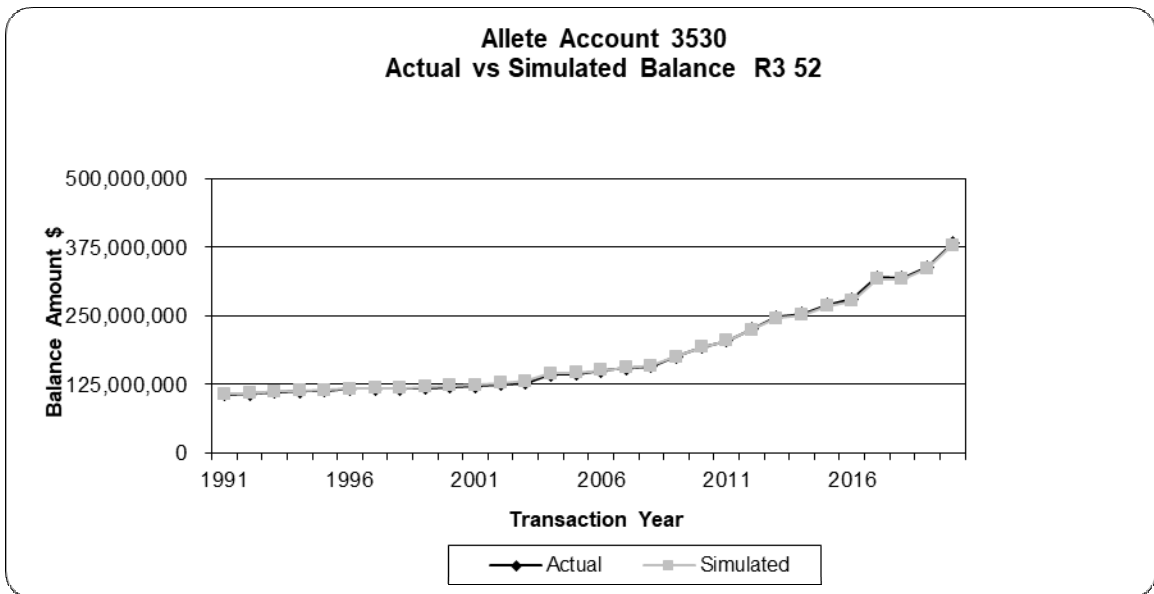
This account includes transformers, circuit breakers, capacitors, system operator's control installations, wiring, and other assets used in a transmission substation. The current plant balance in the account is \$381.4 million, and the amount associated with GNTL is \$36.3 million. The last depreciation study yielded a life characteristic of 52 R3. The DC station was installed in 1977 and represents 30% of the total assets in Account 353 prior to GNTL. Company personnel state that the DC station is approaching the end of the life and anticipate replacing the station in 5-7 years. Thyristor valve balls were replaced in 2004-5 and are approaching the end of their life. The lives of various components in this account vary widely: controls have a life of 20 years based on ABB input, while converter transformers have a 49-year life on average per ABB. The Company has experienced a recent failure of a converter transformer, with 25% having failed to date. Valve halls are at end of their 35-year life and will be replaced soon. 480 volt switchgear was replaced in 2013, and has a life of around 30 years. Valve cooling systems have 30-year life. Converter transformers are around 50% of cost. Operationally, Company personnel estimate a 50-year life for the DC station.

In the last two years or so, the Company has changed from individual asset replacement to substation modernization program, in which the substation is looked at holistically rather than piecemeal. They would expect the life to decrease with the focus on replacing prior to failure. Then, Company personnel hope that the 52-year life will be eventually re-achieved.

Currently, there is a program to move from analog to digital relays, with a life of 40-50 years for electromechanical relays to around 20 years for microprocessors. About 10 panels a year were upgraded in the past but now they are upgrading the entire substation. Some first-generation relays (mid-1990s into the 2000s) are already being replaced. PT replacements are occurring, with an age of about 35 years at replacement, unless an opportunity presents itself. CCVT replacement will occur at around age 35 years when there is opportunity.

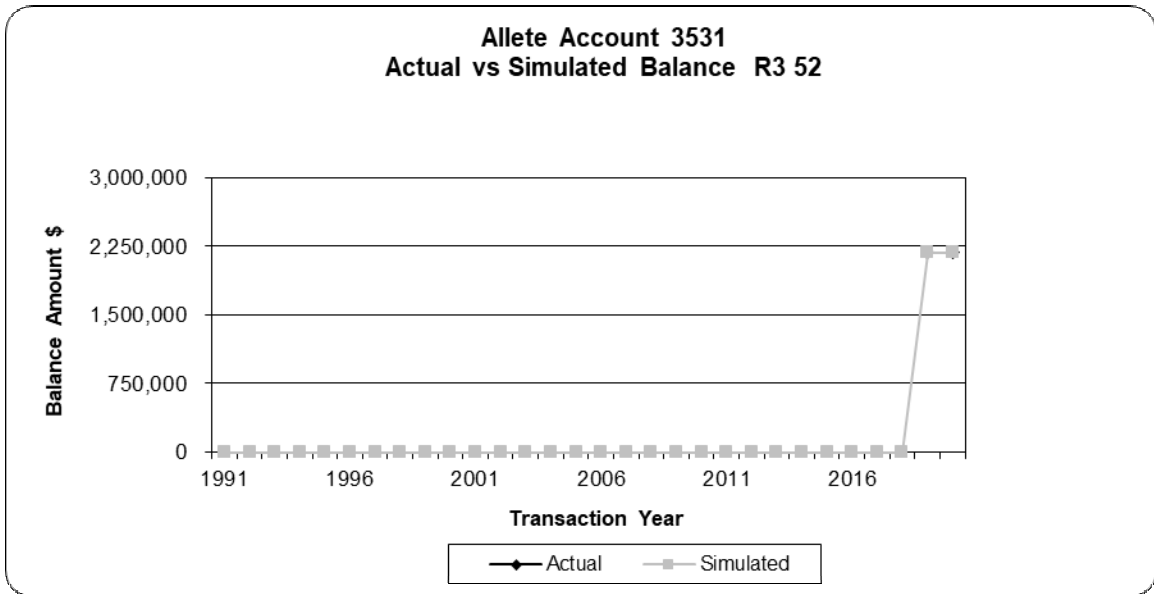
Company personnel estimate a longer life for transformers of 50 years or more. The failure of bushings or external pumps could cause catastrophic failure of

transformers, and the Company has not experienced catastrophic failures in recent years. These assets typically do not run at max rating and are used in a colder climate, so they would expect a reasonably long life. In the last 5 years, there was much more focus on new construction and capacity increases as compared to replacement of existing assets. This has delayed some replacement activities, but more effort is now being put into modernization and reliability. There is an ongoing breaker replacement program in which the Company is moving 5-6 breakers per year from OCB to SF6. Batteries are on a 20-year replacement cycle. Given the many factors impacting this account, this study recommends retaining the approved 52-year life and R3 dispersion. A plot of the actual versus simulated balances for this account is shown below.



FERC Account 3531 Reserve Station Transformers (52 R3)

This account contains the cost of power transformers for transmission substations held in reserve. The balance in this account is \$2.2 million and no plant is associated with GNTL for this account. The last depreciation study yielded a life characteristic of 52 R3 (the same as the primary account, Account 353). Insufficient data exists to analyze the history on this account. Since transformers are moved out of this account into the primary Account 353, the life of this account was linked to Account 353 (as was done in the previous studies). This study recommends retaining the 52-year life with an R3 dispersion for this account.



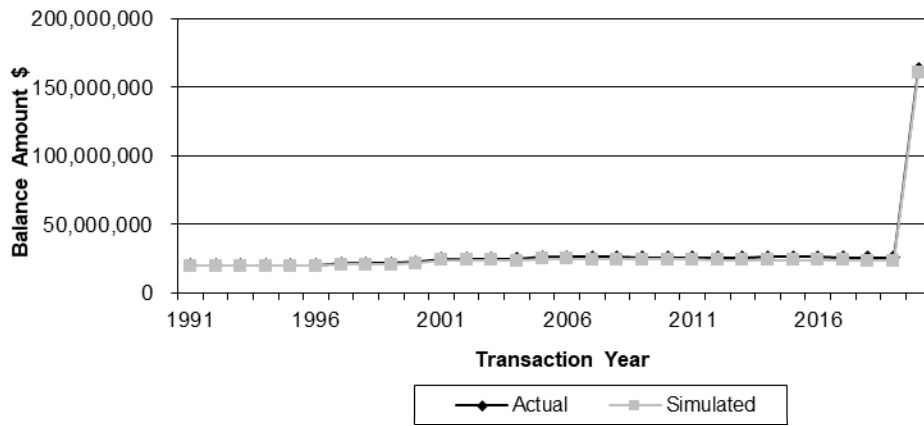
FERC Account 3540 Transmission Towers and Fixtures (75 R2)

This account includes the installed cost of towers and fixtures supporting overhead transmission conductors, which are used to transmit electricity at transmission voltages. Most of the Transmission structure assets are in Account 355, Poles. The current plant balance in the account is \$162.9 million, and the amount associated with GNTL is \$136.9 million. The prior depreciation study established a 63-year life with an S4 dispersion as the approved life. Prior to the GNTL line, most of the towers were related to the DC line, with 90% of the DC Line towers being aluminum.

In July 2020, there was an event on the DC line where 14 towers were toppled. In September 2018, 8 towers toppled on the DC line. They failed inelastically around 10 feet above the foundation in a high wind event that exceeded the design criteria. Those assets were put in service in the late 1970s. While a life longer than 60 years may be appropriate for steel towers, the life of aluminum towers would be shorter, in part due to some foundation issues and a lower design strength. Company personnel expect around a 50-year life for aluminum.

In 2020, \$136.9 million was added for the GNTL, up from \$26 million. The new assets are primarily steel lattice (75%-80% guide lattice and some tubular steel structure). The new line has an expected life of at least 75 years, a longer expected life than the DC line. Company personnel state that moving to 70 or 75 years for the overall account is reasonable. After factoring in the opinions of subject matter experts, this study recommends a 75-year life with an R2 dispersion. A plot of the actual versus simulated balances for this account is shown below.

**Allete Account 3540
Actual vs Simulated Balance R2 75**

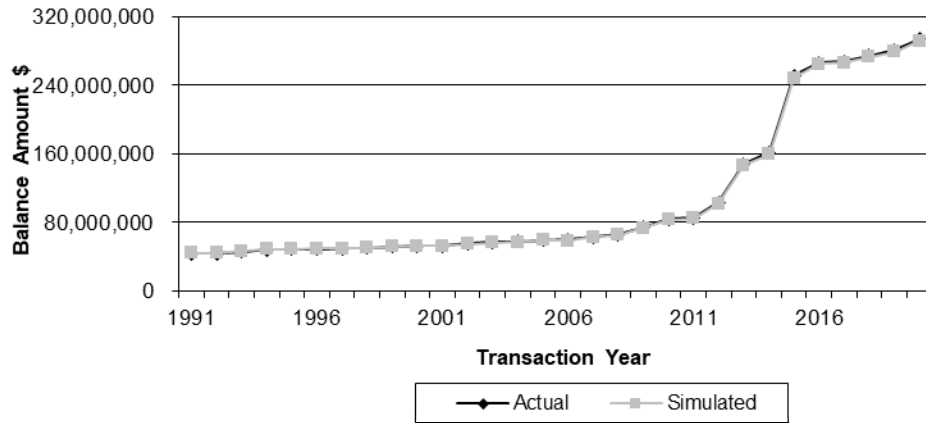


FERC Account 3550 Transmission Poles and Fixtures (63 R2)

This account includes the installed cost of poles and fixtures used for supporting overhead transmission conductors, which are used to transmit electricity at transmission voltages. Items include wood poles, laminated columns, steel poles, cross arms, guys, platforms, and x-braces. The current plant balance in the account is \$293.9 million and the amount associated with GNTL is \$7.3 million. The 2017 depreciation study used a 63-year life with an R1.5 dispersion. There has been no material change since the last study. Transmission personnel have begun to use C-trusses for poles in the last few years. If the pole is a “restorable reject”, the pole will be reinforced with steel, and the Company should get 10-20 years more on those poles. This should eventually start extending the lives of poles. Currently, 99% of the poles are wood. Woodpeckers, ants, and fungus are the biggest problems for poles. Company personnel estimate that cedar will last 50-60 years, and fir may last 40-50 years. Some 230kV poles installed in the 1960s and 1970s are starting to see decay, but many are eligible for C-trusses, which may extend lives. There is a ground line inspection program that looks at 1/8 of transmission poles every year. The reject rate is approximately 1.5% including restorable and non-restorable rejects.

Company personnel expect transmission poles to last longer than distribution poles in Account 364. An aggressive tree trimming program over an approximately 10-year cycle has resulted in no significant issues with storms. The Company capitalizes poles or cross arm replacement, and x-braces. Company personnel anticipate that a 63-year life for poles is still reasonable from an operational perspective. Based on judgment and information from Company personnel, this study recommends retention of the current 63-year life and an R2 dispersion for this account. A graph of actual retirement experience and the selected Iowa Curve for this account is shown below.

**Allete Account 3550
Actual vs Simulated Balance R2 63**

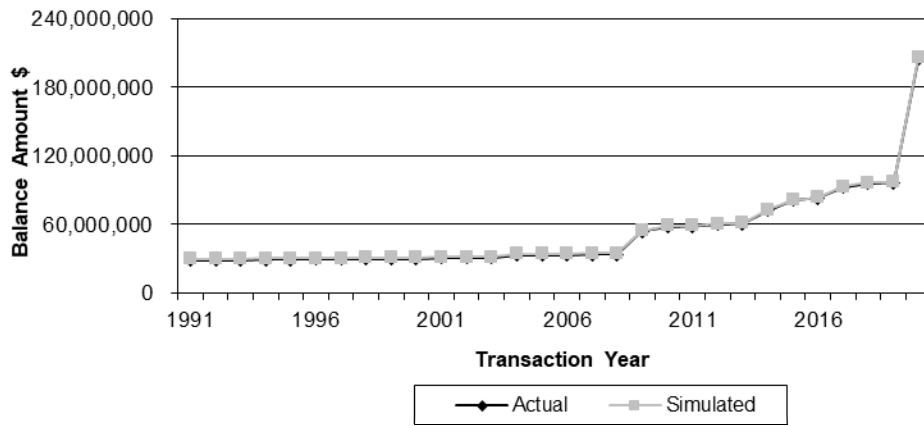


FERC Account 3560 Transmission Overhead Conductor (70 R4)

This account includes copper and aluminum conductor, static wire, arresters, and switches, which are used to transmit electricity at transmission voltages. The current plant balance in the account is \$204.8 million and the amount associated with GNTL is \$105.2 million. The approved life and curve for this account is a 62-year life with an S4 dispersion. Company personnel state that the only real issues impacting the life of this account are ratings (needing more capacity) and natural forces, such as lightning strikes and gun shots, which would retire insulators early. The conductor on the GNTL line would have the same characteristics as other conductor. The Company capitalized the insulators (with an expected life of 50-60 years for glass insulators) separately for GNTL. Each phase is bundled, with 3 subconductors. Spacers/dampers (with a life expectation of 30-40 years) are also capitalized separately. Switches would have a life expectation of 30-40 years. Even though these have been a separate unit of property, there would not have been a lot of historical activity. This is expected to increase and will be a long-term factor for the GNTL line. Company personnel would expect the conductor itself to last as long as the towers they are on, and they may last longer than some poles. The static wire would likely have a shorter life than that of the conductor.

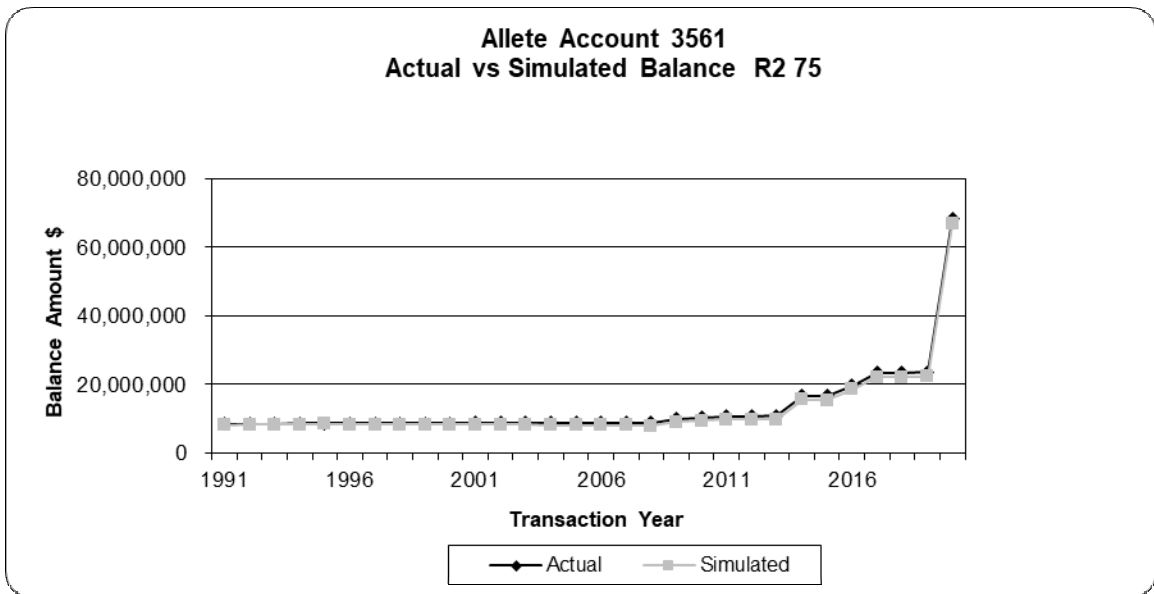
Company personnel state that there are some reconductoring projects scheduled and others in the planning stages, but they cover only 40 miles out of 2,500. Matting is a major cost that would not have been incurred in the past (also raising cost of removal). Based on input from Company personnel and judgment, this study recommends moving from the approved 62-year life to a 70-year life and moving from the S4 dispersion to the R4 dispersion for this account.

**Allete Account 3560
Actual vs Simulated Balance R4 70**



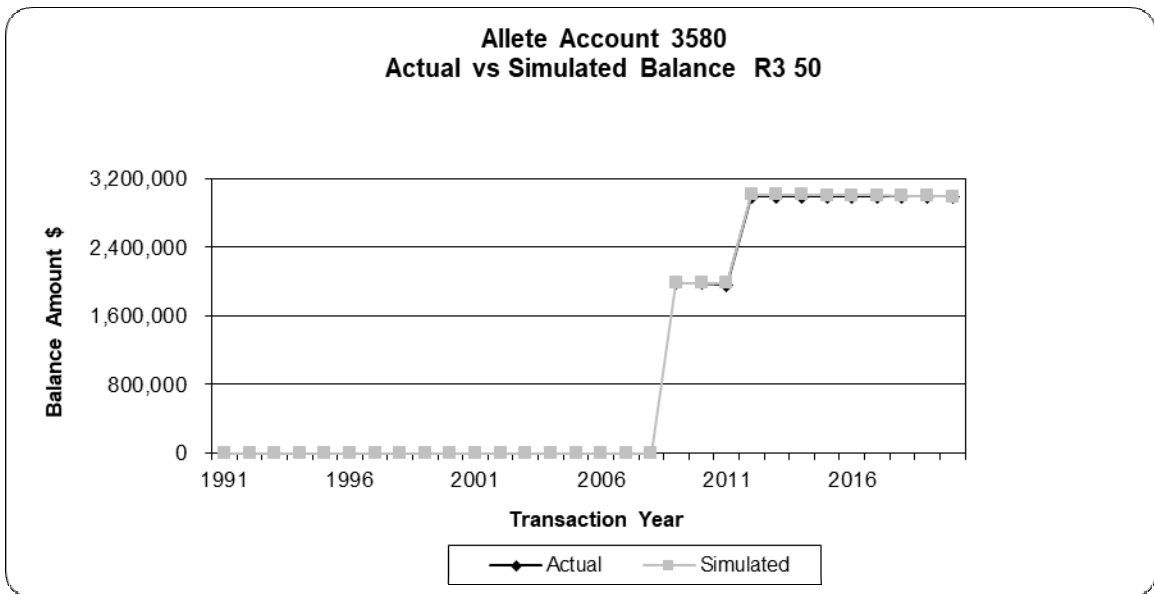
FERC Account 3561 Clearing Land and Rights of Way (75 R2)

This account includes initial costs of clearing land and rights of way for transmission lines with overhead conductors and devices. The current plant balance in the account is \$68.2 million and the amount associated with GNTL is \$44.7 million. In the case of this account, historical analysis was not relied upon. The current approved life for this account is 71 years with an S6 dispersion. Company personnel state that the GNTL assets will last as long as the Transmission Towers and Fixtures in Account 354. Given the significant investment in the GNTL facility, this study recommends a 75-year life with an R2 dispersion, matching the life of Towers.



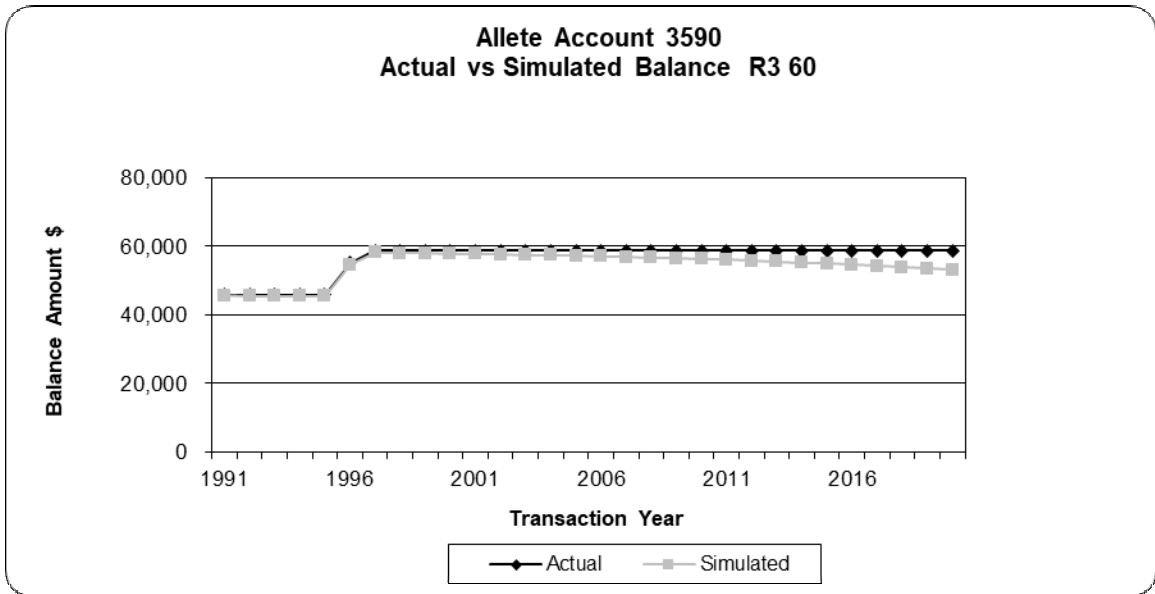
FERC Account 3580 Transmission Underground Conductors and Devices (50 R3)

This account consists of underground conductors and devices used in conducting electricity at transmission voltages. The account balance for this account is \$3.0 million. The current approved life for this account is 50 years with an R3 dispersion. There has been no retirement activity over the study period, rendering both actuarial and SPR analysis of no aid in examining life characteristic. Using judgment, this study recommends retaining the current life of 50 years and an R3 dispersion for this account. A plot of the actual vs simulated balances for this account is shown below.



FERC Account 3590 Roads and Trails (60 R3)

This account includes installed costs of roads, trails, bridges, and culverts on transmission plant property. The current plant balance in the account is \$58.6 thousand. The prior depreciation study established a life of 60 years with an R3 dispersion. Insufficient transactional information was available to analyze this account using SPR analysis. From an operations perspective, Company personnel believe that the current life is reasonable. Judgment was used to retain the approved 60-year life with an R3 dispersion for this account. A graph comparing the simulated balances to the actual balances is shown below.

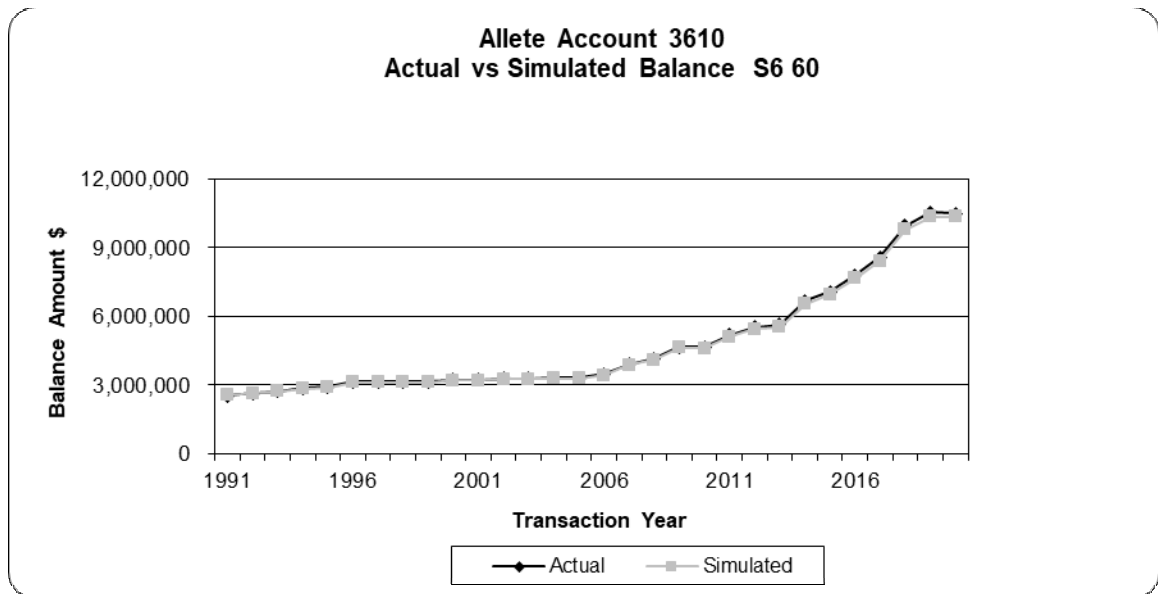


Distribution Accounts, FERC Accounts 3610-3730

Minnesota Power has a wide service territory. There are significant Distribution assets in substation equipment, poles, overhead and underground conductors, services, line transformers, meters, and street lighting.

FERC Account 3610 Distribution Substation Structures and Improvements (60 S6)

This account includes the cost of structures and improvements used in conjunction with distribution substation operations under 69 kV. The current plant balance in the account is \$10.5 million, and the approved life and curve from the 2017 study is a 60-year life with an S6 dispersion. Approximately 80 percent of distribution substations use wood frames (instead of steel for transmission). From an operations perspective, Company personnel find that the 60-year life appears long for the primarily wood structures. However, few or no substations have been retired in recent years. SPR analysis shows that the existing curve and life is still highly ranked with an Excellent REI. The plot of the 60 S6 curve shows a very good fit over the entire life of the account. Accordingly, this study recommends retaining the approved 60-year life and S6 dispersion.



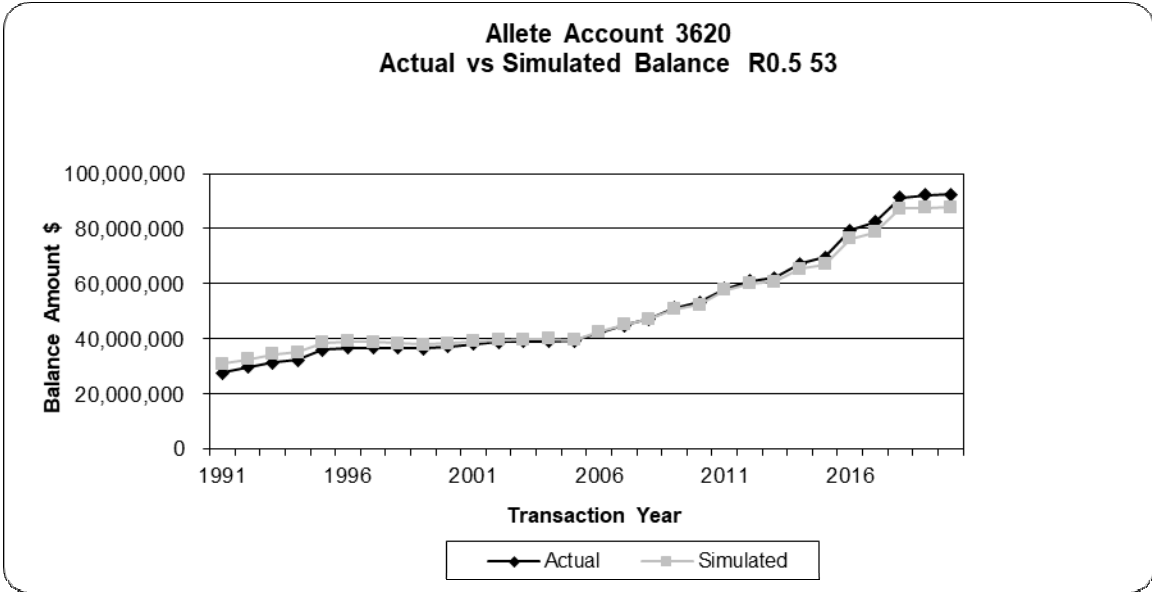
FERC Account 3620 Distribution Substations Equipment (53 R0.5)

This account includes the cost of control equipment, conversion equipment, switching equipment, and general station equipment related to the operations of distribution substations. The current plant balance in the account is \$92.4 million. The last depreciation study yielded a life characteristic of 49 R1. The assets in this account are generally in small distribution substations. The Company has been retiring some small substations each year and replacing them with pad mounted substations that would be booked in Account 370. Over the next 10 years, the Company plans to either rebuild or replace traditional stations with pad mounts in 60 substations. The Company estimates that there will be very few actual small substations left at the end of 10 years. Some intermediate substations (115kV) are split between transmission and distribution and all 69kV and under stations are considered distribution. The replaced stations were fairly old at retirement. Switchgear, which is a predominant asset in the split stations that are booked in distribution, have a life similar to the life of structures in Account 361.

There are distribution level transformers in the 115kV and 69kV stations as well as other equipment. Company experts state that there is limited use of SF6 breakers, most breakers are vacuum and oil. Operationally, Company personnel expect older transformers to last longer than the approved life of this account (which is 49 years), possibly lasting up to 65 years. Operations personnel state that newer transformers (with closer tolerances) would not last as long as older assets. Company personnel state that assets in this account have a variety of equipment with various service lives: breakers may last up to 40 years but have a number of moving parts that can fail or have parts that would not be available; electronic controls IED (Intelligent Electronic Devices) that have a shorter life than prior equipment that does not handle overvoltage or have power supplies that fail; batteries with a 7 year life, and chargers with a 20 year life; and transformers, which may last 40 years or more but are vulnerable to losses, voltage fluctuations, and capacity needs.

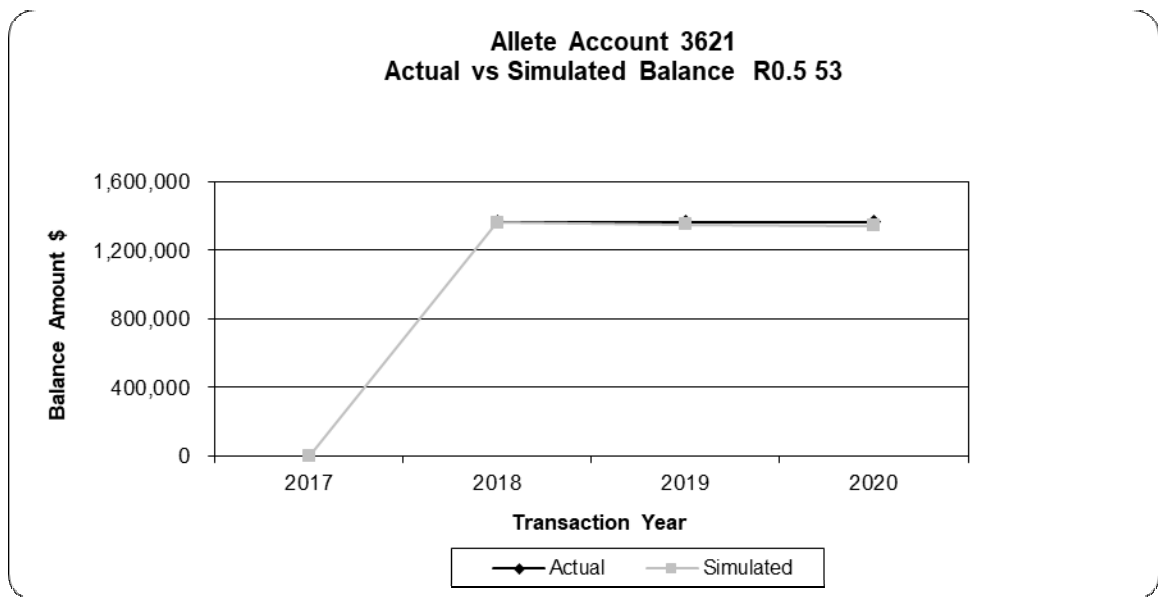
Company personnel believe that distribution transformers would have a shorter life than transmission substation transformers. Distribution assets have

more needs for voltage regulation, which involves upgrading capacitors and placing stations closer to loading and regulation. Based on information from Company experts and the analysis, this study recommends moving to a 53-year life with an R0.5 dispersion.



FERC Account 3621 Reserve Distribution Substation Transformers (53 R0.5)

This account includes the cost of distribution station transformers held in reserve. The balance in this account is \$1.4 million, and the last depreciation study yielded a life characteristic of 49 R1. Insufficient data exists to analyze the history on this account. Since transformers are moved out of this account into the primary account, Account 3620, the life of 49 years with an R1 dispersion was linked to Account 3620 (as was done in the previous study). This study recommends moving the life to coincide with Account 3620 with a 53-year life with an R0.5 dispersion.

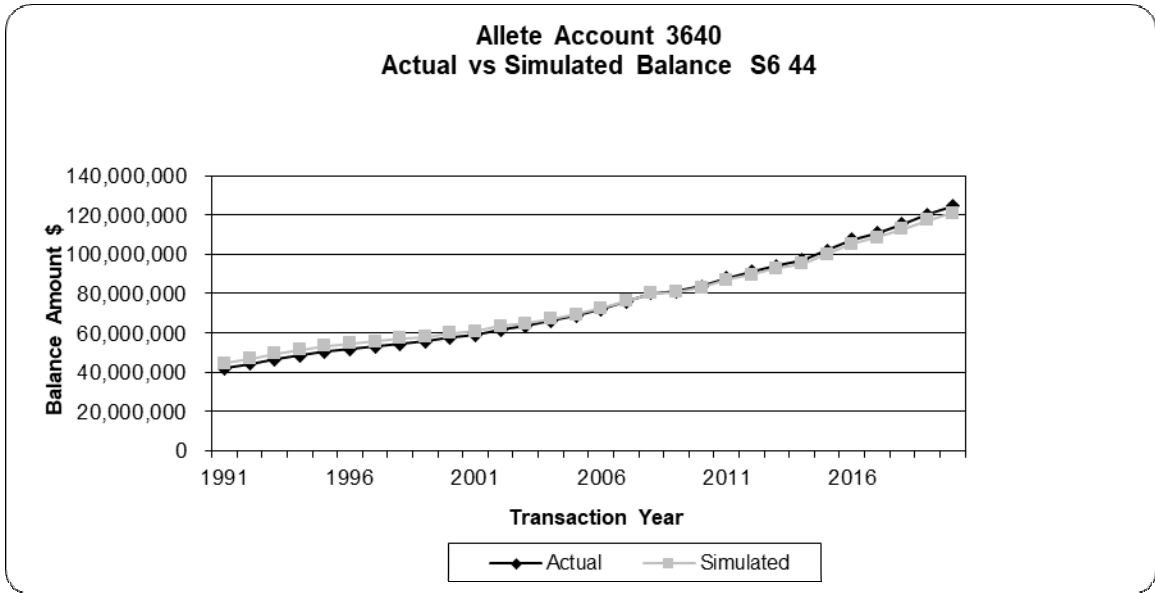


FERC Account 3640 Distribution Poles, Towers, and Fixtures (44 S6)

This account includes the cost of poles, towers, and appurtenant fixtures used to support overhead distribution conductors and service wires. Specific items are anchors, brackets, cross arms, wood and steel poles, towers, and transformer racks. Most of the poles across the system are made of wood but there are a few steel poles in use. The height of these assets can vary, generally ranging from 30 feet to 70 feet, with the prevalent sizes being 35 feet and 40 feet. The current plant balance in the account is \$124.4 million. The currently approved life for this account is a 43-year life with an S6 dispersion. The Company changed the specification on poles composition to pine in the 1990s with Penta treatment. Although the Company previously moved to pine poles with Penta treatment, they have sustained the life of poles by their rigorous inspection and in-ground treatment program. Ten percent of the poles are inspected annually, so that over a 10-year period all poles have been evaluated. Relocations are consistent through time and projected to be steady.

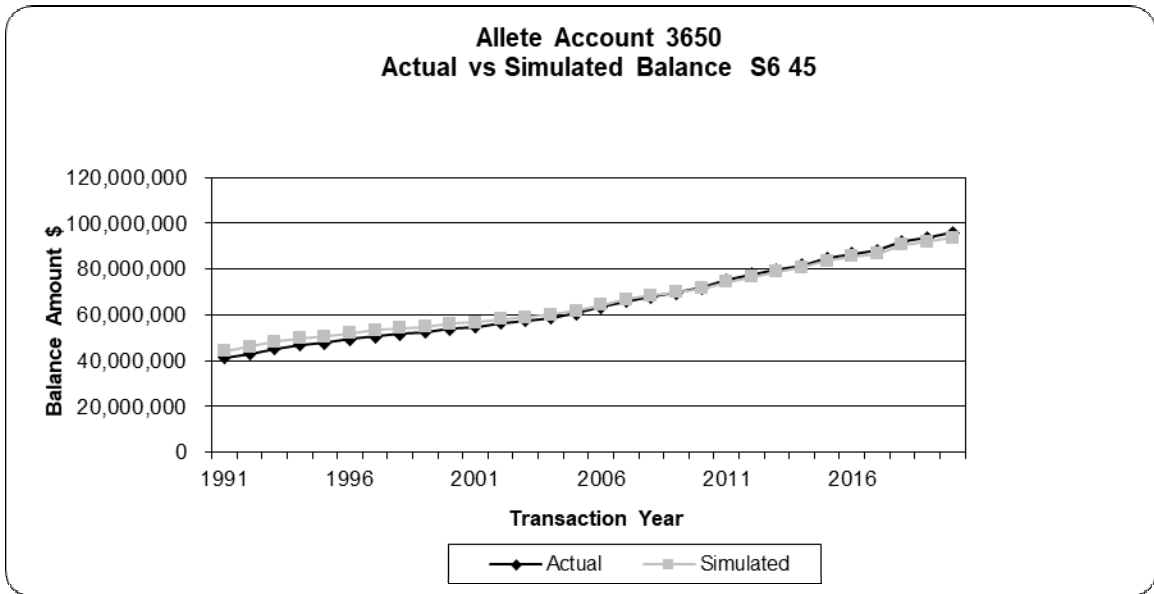
The Company has started doing ground line inspections and ground line treatments. They plan to start more invasive treatment in 2022. They will dig out around the ground line, and treat or replace poles. Treatment may add up to 10 years to the life and trussing may add up to 30 years. However, the Company does not know if they will start trussing poles at this point. This expected increase will be somewhat offset by increasing the number of poles that would be found to need replacement, especially in the early years of the program. The Company would start capitalizing the effort. Inspection and treatment have sustained the longer life set at 40 years for poles. The Company is moving away from Penta in 2022 to another treatment, either DCOI Dichloro-Octyl-Isothiazolin or CuNap (Copper Naphthenate). Relocations increased dramatically in 2020 but they are uncertain if that higher level or trend will continue. No change has been detected in ground line failures over the life of the pole. Newer poles are getting taller and larger as they are a higher class of pole. The Company anticipates that the life will be fairly equivalent to earlier poles. In storm-prone areas, generations of poles have had to be replaced, and the Company has lost the same pole placements multiple times. Based on information

from Company personnel and the analysis, this study recommends moving to a 44-year life and with an S6 dispersion for this account.



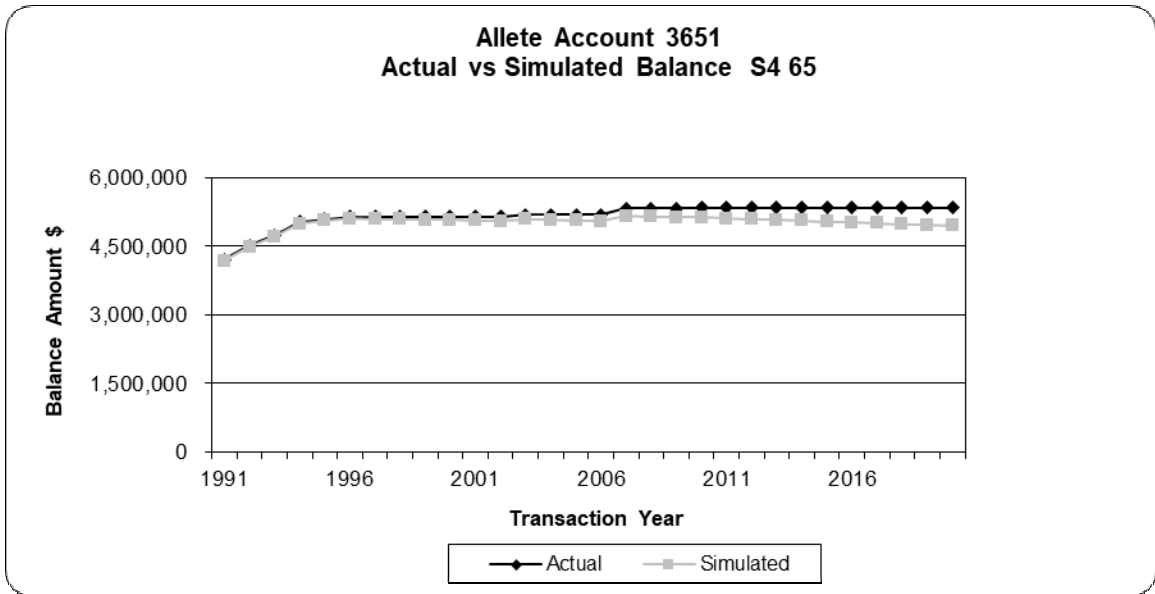
FERC Account 3650 Distribution Overhead Conductor (45 S6)

This account includes the cost of overhead conductors and devices used for distribution purposes including conductors, ground wire insulators, reclosers, highway crossing guards, switches, and other line devices. The current plant balance in the account is \$95.7 million. The currently approved life for this account is 43 S6. Relocations and capacity changes are reasons conductor are replaced. Operations typically replace long spans of conductor when replacing the poles, so they would expect that conductor might have as long as or slightly longer life than for poles. Based on information from Company experts and the analysis, this study recommends moving to a 45-year life and with an S6 dispersion.



FERC Account 3651 Clearing Land and Rights of Way (65 S4)

This account consists of the cost to clear land and right of way for distribution lines. Portions of this cost are retired when at least one mile of right of way is retired. The current plant balance in the account as of 2020 is \$5.3 million. The currently approved life estimate is 65 S4. Insufficient transactional information was available to analyze this account using SPR analysis. Judgment was used to retain the approved 65-year life with an S4 dispersion for this account.

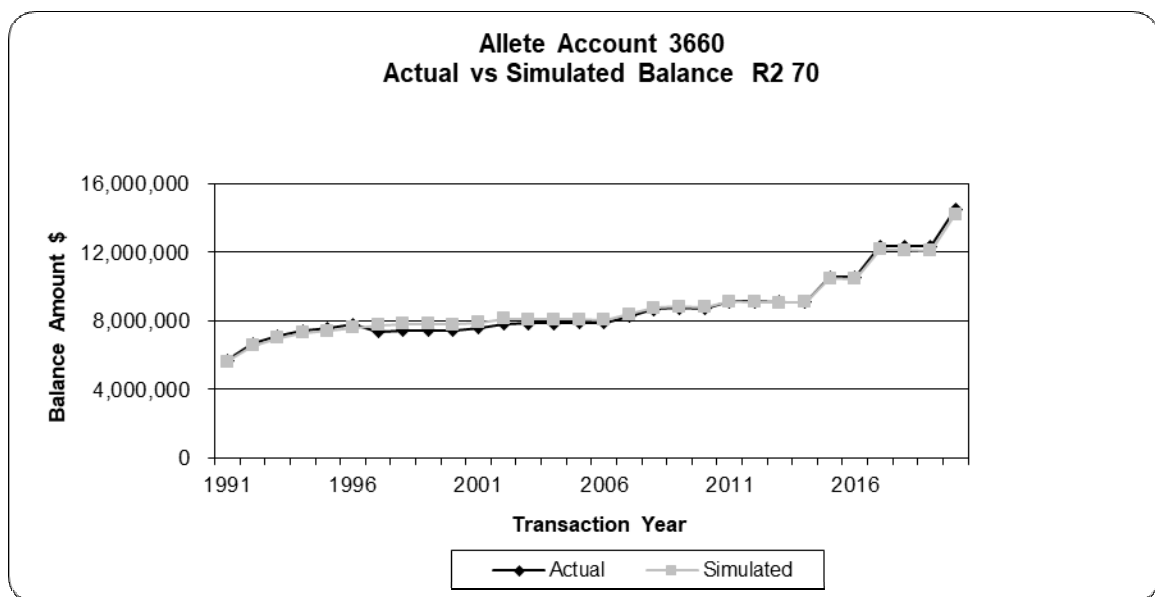


FERC Account 3660 Distribution Underground Conduit (70 R2)

This account includes the cost of underground conduit and tunnels used for housing distribution, cables, or wires. Specifically, it consists of conduit, excavation, foundations and settings, lighting systems, manholes, sewer connections, pumps, and ventilation equipment. The current plant balance in the account is \$14.5 million. The currently approved life estimate is 68 R2. The Company replaces a small portion of the underground system each year.

Installation of underground assets began in the 1970s. Very little of the original 1970s vintage assets are in service. New developments usually install jacketed conductor, which produces few faults. More conduit is installed in the southern area of the service area. Much of the conduit is point to point connections between manholes in Duluth. The Company largely rebuilt the system since about 2012. They found that the conduit was not able to be repulled through and had to be replaced. Company personnel expect the new conduit to have around the same life as the old conduit.

SPR analysis resulted in fairly low Conformance Indices across the bands. However, the R2 dispersion curve with a 70-year life has a poor to fair CI, but an excellent REI throughout most of the bands. Given the sparse data and input from Company personnel, this study recommends moving to a 70-year life and R2 dispersion for this account. A plot of the 70 R2 curve is shown below.



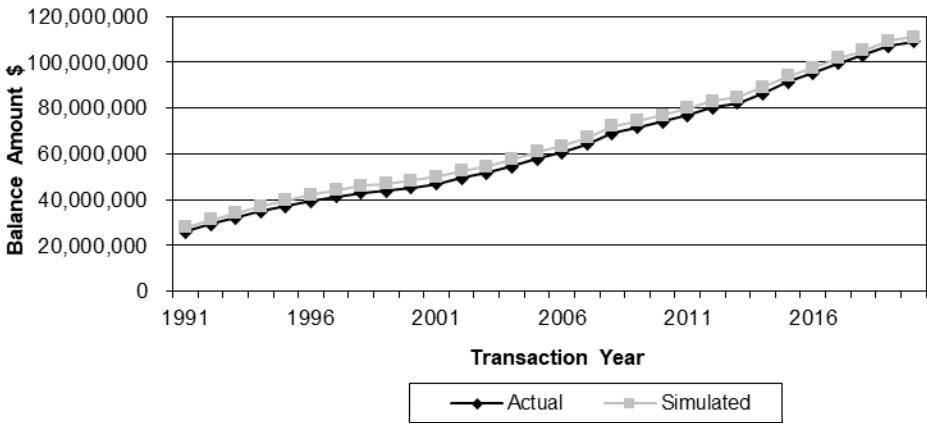
FERC Account 3670 Distribution Underground Conductor (49 R3)

This account includes the cost of underground conductors and devices used for distribution, specifically: armored conductors, cables, circuit breakers, hollow core oil-filled cable, pressure tanks, air tanks, switches, and other line devices. The current plant balance in the account is \$109.0 million. The currently approved life estimate is 48 R2. The Company does not use cable cure. When assets are at the age that treatment would be effective, the preferred option is to replace the equipment, which consists of old XLP and bare concentric conductor. The Company has used EPR for the last 25 years. The major reasons that the EPR equipment fails are installation-related issues and dig-ins.

Installation of underground assets began in the 70s. Very little of the original from the 70s vintage assets are in service. New developments usually install jacketed conductor, which produces few faults. More faults come from old cable. The northern part of the service area uses underground conductor more frequently. Cold weather required use of EPR instead of XLP. EPR insulation with concentric aluminum covered by poly jacket is the current type of assets being installed today. In general, the Company will abandon underground facilities when they can. Operationally, there are no changes that Company personnel anticipate that would change the life of this account.

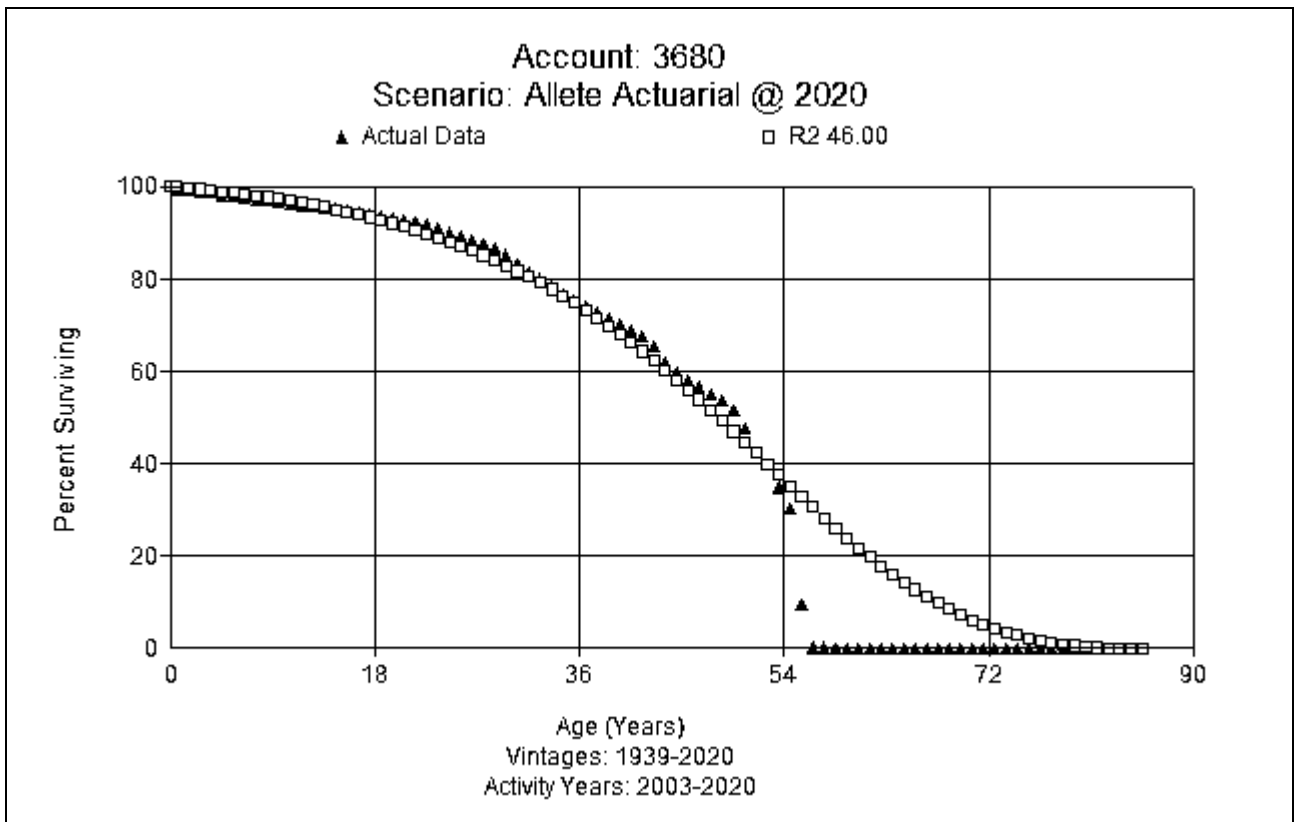
SPR analysis resulted in fairly low Conformance Indices across the bands. However, the R3 dispersion curve with a 49-year life has a poor to fair CI, but an excellent REI throughout most of the bands. The plot of the 49 R3 curve shows a good fit over the entire life of the account. Based on judgment and input from Company personnel, this study recommends moving to a 49-year life with an R3 dispersion.

**Allete Account 3670
Actual vs Simulated Balance R3 49**



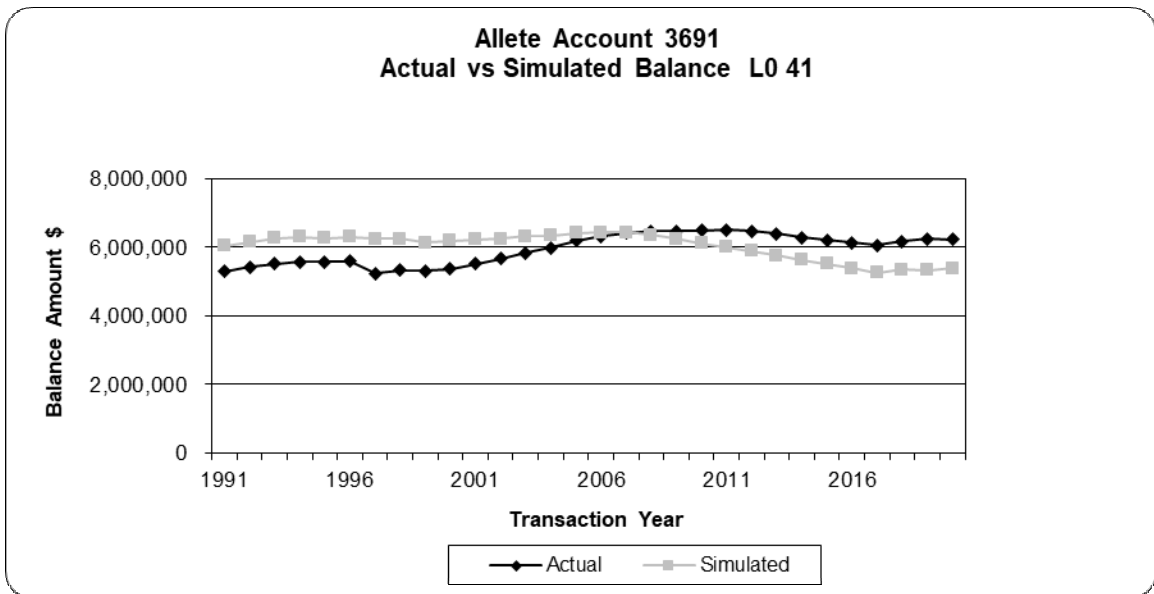
FERC Account 3680 Distribution Line Transformer (46 R2)

This account includes the cost of overhead and pad mounted distribution line transformers, voltage regulators, capacitors, and network protectors. The current plant balance in the account is \$97.1 million. The current approved life is 44 R1.5. Company personnel report that the trend from overhead to underground will shorten the life of some overhead transformers. The percentage of pad mounts compared to overhead is increasing. Company personnel report that they are not seeing any higher failure rates than in the past, and there is not any operational indication that the life should extend either. Older transformers have a much higher tolerance (due to a higher margin), but the Company is better at monitoring the system to keep large swings from happening that would use that higher margin. Although there are different failure modes, they see around the same life for overhead and pad mount transformers. They do not anticipate any events that would have much change in the life for this account. Actuarial analysis shows a similar life as approved for this account. Accordingly, this study recommends moving to a 46 -year life and R2 dispersion for this account.



FERC Account 3691 Distribution Services-Overhead (41 L0)

This account includes the cost of overhead conductors leading from the distribution system to the customer's connection. Specifically, the items are brackets, cables and wires, insulators, and suspension wire. The current plant balance in the account is \$6.2 million. The currently approved life for this account is 40 L0. Company personnel state that overhead services should have a shorter life than underground from an operational perspective. Company personnel do not believe that there have been many operational changes with overhead services. Storm damage and icing are among the primary causes for failure of overhead services. SPR analysis resulted in fairly low Conformance Indices across the bands. However, the L0 dispersion curve with a 41-year life has an excellent REI throughout all of the bands. This study recommends moving to a 41-year life and retaining the approved L0 dispersion for this account.

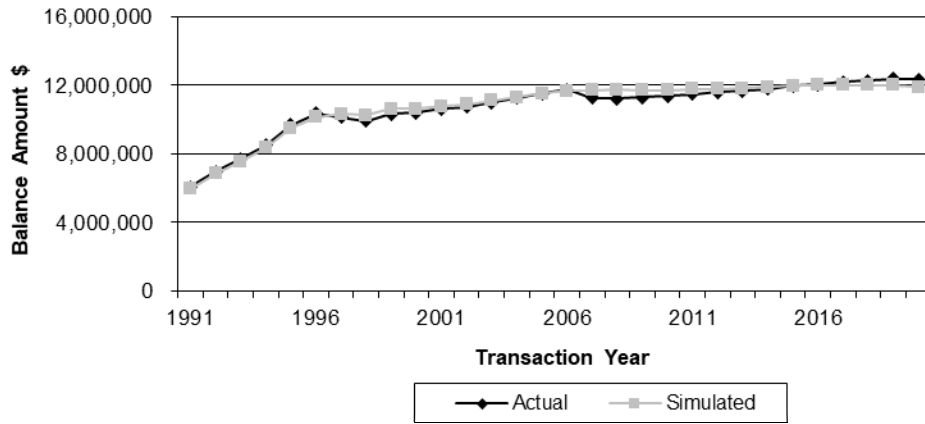


FERC Account 3692 Distribution Services- Underground (49 R1.5)

This account includes the cost of underground conductors leading to a point where wires leave the distribution box or manhole to the point of connection with the customer's outlet or wiring. Conduit used for underground service conductors is included. Specifically, the items are brackets, cables and wires, conduit, insulators, and repairs to disturbed pavement. The current plant balance in the account is \$12.3 million. The currently approved life for this account is 42 R2.

Company personnel note a trend towards many customers requesting underground service as compared to overhead service. This trend also impacts this account. The Company is starting a small project to use injections for underground services in 2021. Company personnel operationally expect a longer life for underground services. Overhead services fail from storm damage and icing, whereas underground have some failures when the primary is cut. Underground services became more common in the 1980s. In many cases, they will replace overhead services with like material when failure occurs. In 1995, "lot line" became the standard and remains the standard through the present. "Lot line" means that the customer owns conductor from meter pedestal to house, and the service is from secondary to meter pedestal. Before 1995, 125 feet was the service length, but with lot line metering the line measures 25 feet or less. Because they are short (10 ft to 25 ft), the likelihood of an underground service being cut is small. There are some problems with frost that may not be a problem in other climates. Based on judgment and input from operations, this study recommends moving to a 49-year life and the R1.5 dispersion for this account.

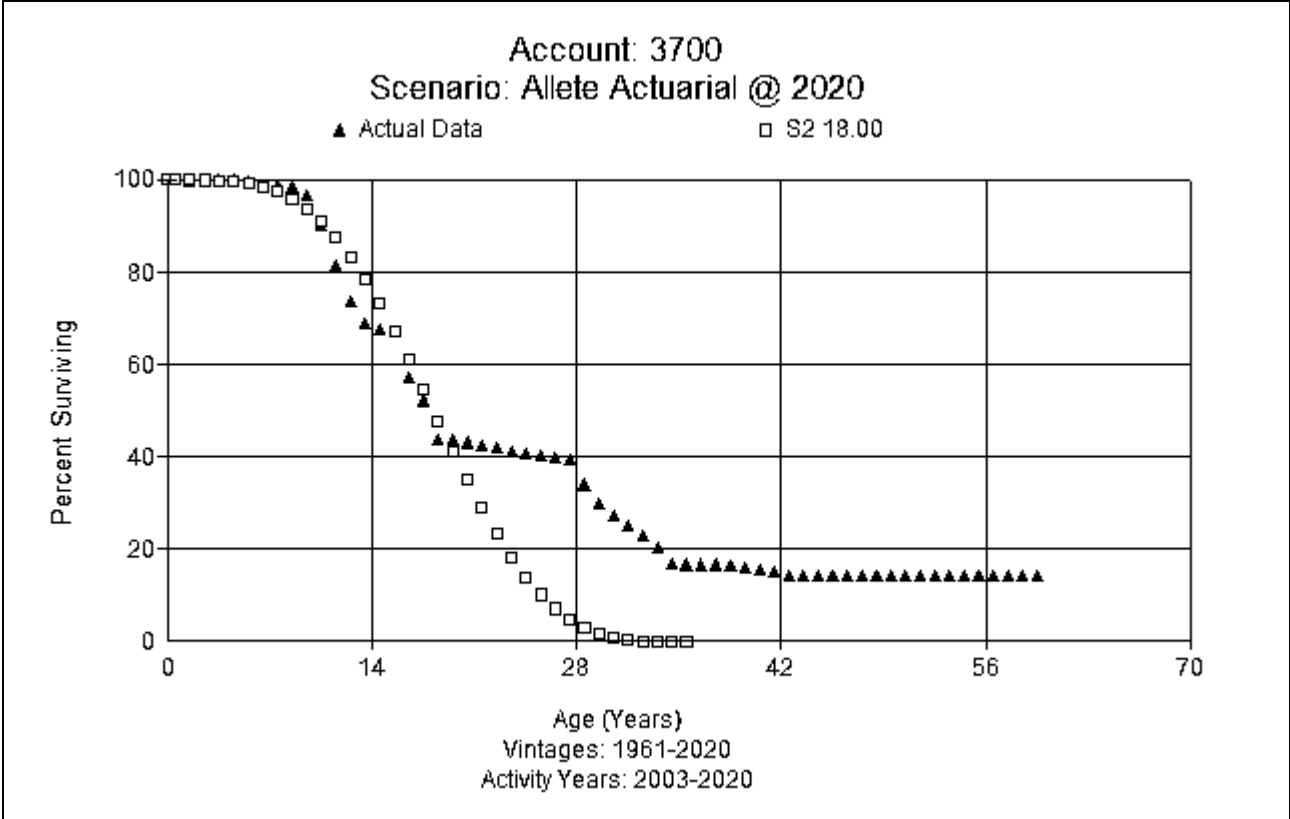
Allete Account 3692
Actual vs Simulated Balance R1.5 49



FERC Account 3700 Distribution Meters (18 S2)

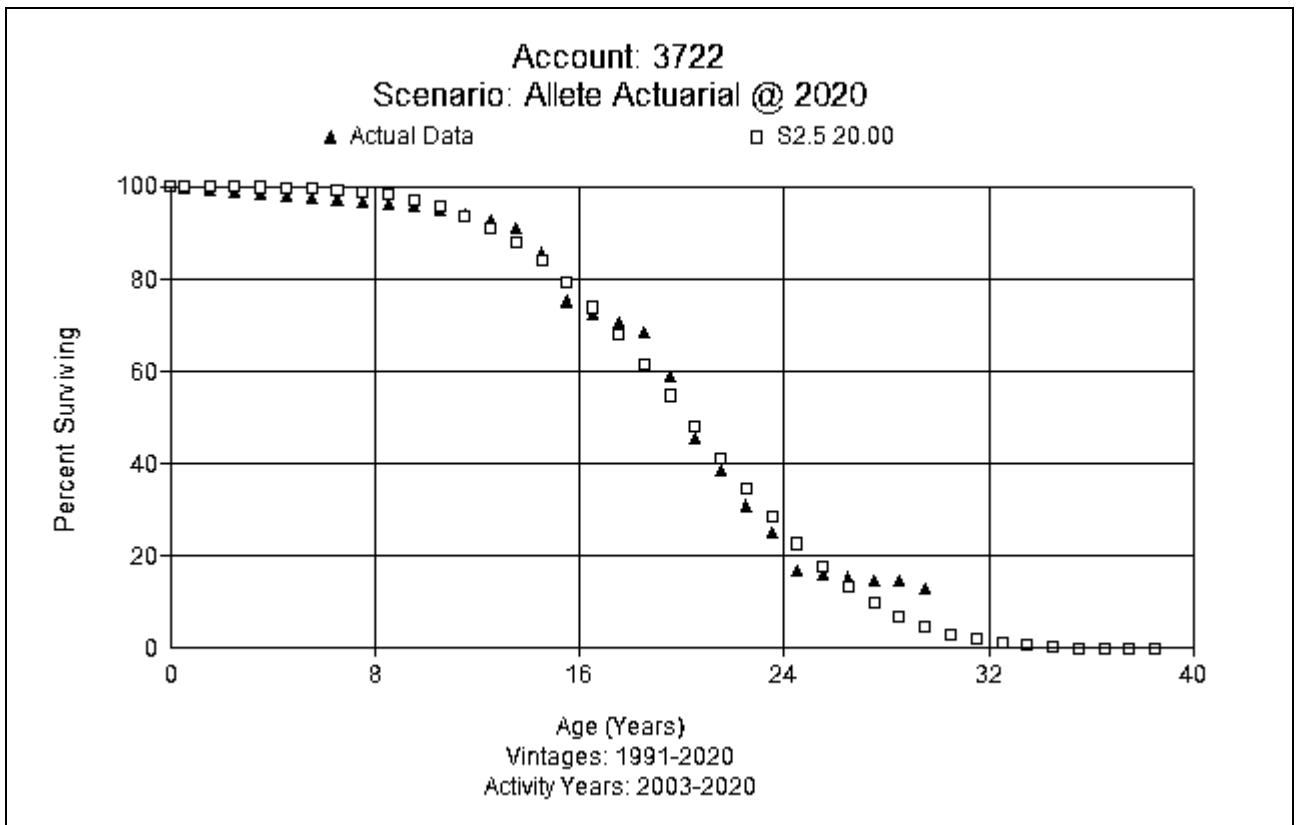
This account includes the cost of meters or devices used in measuring electricity delivered to users. The current plant balance in the account is \$67.0 million. The currently approved life for this account is 20 S6. The Company began installing solid state in 2008. Before 2008, the Company added turtles to electromechanical meters. Several failures have occurred in the past 10 years. The electromechanical meters with modules have mostly been replaced, with replacements totaling about 123,000 out of 144,000 meters. Meters are replaced when the module fails. Company personnel observe that electrolytic capacitors have a life of 12-15 years and fail more frequently than the meter itself. The Company switched to Sensus integrated meters, which have reduced the failure rate to historical levels. From an operational perspective, Company personnel expect a life shorter than the 20 years that the manufacturer estimates. The life of the capacitors, display issues, and technology change are experiencing normal failure modes. Company personnel state that 98%-99% of meters are either electromechanical with turtles or microprocessor-based meters.

The “turtles” are a different infrastructure. There are only about 20,000 left, as most have been replaced with AMI compatible meters currently through attrition and sometimes due to distribution changes. The rapid change is, in part, due to rate design driven by the Commission. When electronic component fails, the Company will retire electromechanical meters and replace with a digital meter. Temperature swings in northern Minnesota reduce the life of electronic components as compared to more moderate climates. Power spikes (system event or lightning event) have caused turtle meters to fail. By 15 years, turtles are obsolete. Even meters installed in 2010 are becoming obsolete. Other assets in this account have a longer life such as Instrument transformers (25-30-year life) and pedestals (perhaps a 40-year life). Given the many operational factors, this study recommends moving to an 18-year life with the S2 dispersion. The Company will examine this account in the next depreciation study.



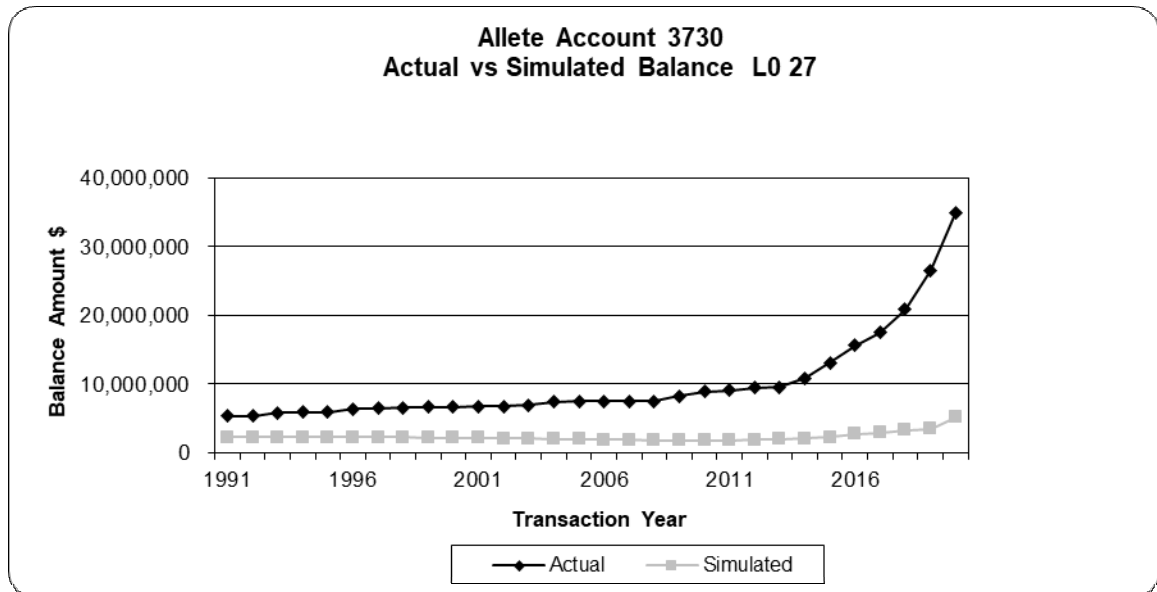
FERC Account 3722 Leased Property on Customer Premises - Lighting (20 S2.5)

This account includes the costs of lighting fixtures leased to customers but not including property held for sale. The current plant balance in the account is \$3.2 million. The current life is 19 R3. With the short life of the assets in this account, Alliance was able to use actuarial retirement experience when determining the service life for this account. Since the last rate case, the Company has changed from four options in lighting to two. The Company retires older equipment when it is pulled. There has been little change in luminaires. The Company no longer offers mercury vapor and uses HPS as the standard, and will begin using LED, but personnel do not expect the life characteristics to change significantly. Based on actuarial analysis, this study recommends moving to a 20-year life with a S2.5 dispersion for this account. A graph of actual retirement experience and the selected Iowa Curve for this account is shown below.



FERC Account 3730 Distribution Street Lighting and Signal Systems (27 L0)

This account includes the cost of equipment used wholly for public street and highway lighting or traffic, fire alarm, police, and other signal systems. The current plant balance in the account is \$6.4 million. The current life is 27 L0. The Company has been making a significant movement to LED bulbs in this account, and they estimate this move will be complete by 2023. They do not replace the head unless the arm is damaged. The LED array should last much longer than the older bulbs, but the bulbs were O&M in the past, so the life of the asset would be much longer than the bulb. It is not known at this point if the overall life would be higher or lower than the HPS assets. All lights are on standard distribution poles. From an operational perspective, Company personnel estimate that LED heads will have a 20-year life or longer. The electronics in the driver are the highest risk of failure. Given the uncertainty of the future of the LED assets, this study recommends leaving the life at the existing 27 years, and not increase it based on historical indications. Incorporating judgment and information from Company personnel, this study recommends retaining the approved 27-year life and L0 dispersion.



General Plant, FERC Accounts 391.0 to 398.1

The Company has been reviewing general plant assets depreciated in this function. In reviewing the property records during the course of this study, some assets were transferred between accounts and other assets were retired. This study treats these events as known changes, and adjusted plant balances and accumulated depreciation reserves are shown in this study.

FERC Account 391.0 Office Furniture and Equipment 20 SQ

This account consists of miscellaneous office furniture such as desks, chairs, filing cabinets, and tables used for general utility service. There is approximately \$8.5 million in this account. Some furniture has lasted longer than 20 years while some other items, such as copiers, would have a much shorter life. With capital remodeling projects, the Company would replace furniture as well as lighting, carpeting, ceiling, etc., and would possibly remove/rearrange/rebuild walls. They have done this quite a few times over the last 10 years. The life cycle is around 12-15 years for many projects. Service centers and other non-general office areas would have a longer period between remodels. This account currently has a life of 20 SQ for amortization, which is retained in this study.

FERC Account 391.1 Computer Equipment 7 SQ

This account consists of computer equipment used for general utility service. There is approximately \$5.9 million in this account. This account currently has a life of 7 SQ for amortization. The assets in this account are generally corporate data center assets, including servers, backup equipment, storage, etc. The Company typically tries to keep the servers a little longer than the endpoint asset (endpoint assets typically last 5-6 years with some going slightly longer). One of the major server systems will be over 7 years old when retired. For appliances, network gear would have a longer life, with some lasting as long as 10 years while other last 5 years. Everything is retired at the assigned life if the asset cost is under \$50,000. The UPS system (which is over \$50,000) would have a longer life. The 7-year life is reasonable given the diverse life of the mix of assets, and the current life of 7 SQ is

retained in this study.

FERC Account 391.4 Personal Computers 5 SQ

This account consists of personal computer equipment used for general utility service. There is approximately \$25 thousand in this account. The assets in this account are generally endpoints such as laptops, desktops, iPads, etc. The Company has traditionally gotten around 5 years of life. They will only capitalize when buying as a project. Single assets would not be capitalized unless over \$2,500. In the last couple years, they have tried to extend the asset lives a little longer. This account currently has a life of 5 SQ for amortization, which is retained in this study.

FERC Account 392.0 Transportation Equipment General 17 SQ

This account consists of general transportation equipment used for utility service. There is approximately \$3.2 million in this account. This account currently has a life of 25 SQ for amortization. Company personnel report that most of the assets in this account are trailers. Company personnel report that the average life over the last 5 years has been 17 years for trailers. Based on input from Company personnel, this study recommends moving to a 17-year life and SQ dispersion.

FERC Account 392.1 Vehicle Class 1 7 SQ

This account consists of Class 1 vehicles used for general utility service. There is currently no plant in this account, but assets in this account would be passenger vehicles. Company personnel report that the life for passenger vehicles is 7 years from an operational perspective. This account currently has a life of 7 SQ for amortization, which is retained in this study.

FERC Account 392.2 Vehicle Class 2 7 SQ

This account consists of Class 2 vehicles equipment used for general utility service. There is no investment in this account. This account currently has a life of

7 SQ for amortization, which is retained in this study.

FERC Account 392.3 Vehicle Class 3 7 SQ

This account consists of Class 3 vehicles used for general utility service. There is approximately \$4.7 million in this account. This account currently has a life of 8 SQ for amortization. This account contains ½ ton and ¾ ton pickups. Company personnel report that the operational life is 7 years. They replace their equipment on a time-based schedule based on historical studies. Based on information from Company personnel, this study recommends moving to a 7-year life and SQ dispersion.

FERC Account 392.5 Vehicle Class 5 10 SQ

This account consists of Class 5 vehicles used for general utility service. There is no investment in this account. This account currently has a life of 10 SQ for amortization, which is retained in this study.

FERC Account 392.6 Vehicle Class 6 10 SQ

This account consists of heavy transportation equipment such as digger derricks, loaders, and heavy trucks used for general utility service. There is approximately \$9.5 million in this account. This account currently has a life of 13 SQ for amortization. Company personnel report that the assets in this account are heavy equipment weighing more than 16,001 pounds, many having equipment installed on the vehicles. From an operations perspective, the replacement schedule is 10 years for these vehicles. Based on input from Company personnel, this study recommends moving to a 10-year life and SQ dispersion.

FERC Account 393.0 Stores Equipment 25 SQ

This account consists of stores equipment used for general utility service. There is approximately \$1.3 million in this account. This account currently has a life of 20 SQ for amortization. Company personnel report that assets in this account

range from pallet lifts and forklifts to shelving. From an operations perspective, they state that pallet lifts/forklifts can have a life of 20 years or more. Recently, the Company began shifting toward EV equipment, which they believe will have a shorter expected life. Company personnel estimate that shelving will last at least 20 years and possibly up to 30 years. Company personnel report that they have replaced older shelving and expect that the newer shelving may have a slightly longer life. Based on the assets in this account and input from Company personnel, this study recommends moving to a 25-year life and SQ dispersion.

FERC Account 394.0 Tools, Shop, and Garage Equipment 20 SQ

This account consists of various items or tools used in shop and garages such as air compressors, grinders, mixers, hoists, and cranes. There is approximately \$7.0 million in this account. This account currently has a life of 20 SQ for amortization. Company personnel report that there are various assets in this account, some having a life shorter than 20 years, and some having a longer life than 20 years. In looking at the various assets, Company personnel believe a 20-year average life is still appropriate, which is the recommendation of this study.

FERC Account 395.0 Laboratory Equipment 20 SQ

This account consists of laboratory equipment used in general utility service. There is approximately \$3.6 million in this account. This account currently has a life of 20 SQ for amortization. After reviewing the assets in this account, Company personnel state that \$2.7 million of this account is testing equipment. Company experts report that technology is driving more electronics and computerization in testing equipment. The equipment is as likely to be replaced due to technology and lack of ability to repair as they are when they would break. Company experts believe the current 20-year life is still reasonable, but they would expect the life to move downward over time. Based on input from Company experts, this study recommends retention of the existing 20-year life.

FERC Account 396.0 Power Operated Equipment 15 SQ

This account consists of bulldozers, forklifts, trenchers, and other power operated equipment that cannot be licensed on roadways. The currently approved life and curve for this account is the 15 SQ. There is approximately \$7.4 million of equipment in this account. Assets in this account are automatically retired if the cost is less than \$50,000. This account contains a mixture of assets with varying lives. There are some shorter-lived assets such as lawn mowers, ATVs and UTVs, snowmobiles, and boats. Longer lives assets are backhoes, digger derricks, and trailers. Given the wide range of assets lives in this account, the current 15-year life is a reasonable average for this account. This study recommends retaining the 15-year life with an SQ dispersion.

FERC Account 397.0 Communication Equipment General 15 SQ

This account consists of miscellaneous communication equipment used in general utility service. There is approximately \$18.5 million in this account. This account currently has a life of 15 SQ for amortization. Company personnel report that equipment in this account is general support equipment including large virtual environments, batteries, HVAC, network systems, and server systems. These assets support the operational side of the business. This equipment has a wide variety of lives: servers (7 years or more), network equipment (10 years or more), and RTUs (15 years or longer). Overall, a 15-year life is reasonable for the average of the assets within the account. This study recommends retaining the 15-year life with an SQ dispersion.

FERC Account 397.1 Microwave Equipment 15 SQ

This account consists of microwave communication equipment used in general utility service. There is approximately \$10.6 million in this account. This account currently has a life of 20 SQ for amortization. The microwave equipment in this account is impacted by technology change. Legacy microwave hardware would have lasted 20 years, but new hardware will not last that long. The Company no longer repairs at a component level and the manufacturer life cycles have

shortened. Company personnel expect RF equipment to have a 12-15-year life for newer equipment. Multiplex equipment has a life of 10-12 years. Based on information from Company operations personnel, this study recommends moving to a 15-year life and an SQ dispersion.

FERC Account 397.2 Telephone Equipment 10 SQ

This account consists of telephone equipment used in general utility service. There is approximately \$2.0 million in this account. This account currently has a life of 10 SQ for amortization. Assets in this account are telephone systems, which are all IP phones. Company personnel anticipate a 7-10-year life for the IP system. Based on input from Company personnel, the existing 10 SQ life is retained in this study.

FERC Account 397.3 Mobile Radio 12 SQ

This account consists of mobile radio communication equipment used in general utility service. There is approximately \$11.1 million in this account. This account currently has a life of 12 SQ for amortization. The assets in this account, mobile radios, are replaced at 12 years. Given the operational information, this study recommends retaining the current life of 12 years with a SQ dispersion.

FERC Account 397.4 Data Communication Equipment 10 SQ

This account consists of data communication equipment used in general utility service. There is approximately \$1.8 million in this account. This account currently has a life of 10 SQ for amortization. Company personnel report that the assets in this account are related to the local area network and are replaced between 7 to 10 years. Based on input from Company personnel, the existing 10 SQ life is retained in this study.

FERC Account 397.5 Fiber Optic 15 SQ

This account consists of fiber optic communication equipment used in general utility service. There is approximately \$4.7 million in this account. This account

currently has a life of 10 SQ for amortization. Company personnel report that this account contains fiber equipment, which they would expect to have a 10 to 15-year life. Based on information from Company personnel, this study recommends moving to a 15-year life and an SQ dispersion.

FERC Account 397.6 Fiber Optic Cable 40 SQ

This account consists of fiber optic cable equipment used in general utility service. There is approximately \$31.7 million in this account. This account currently has a life of 25 SQ for amortization. Assets in this account are fiber optic cable. Company personnel expect a longer life than the current 25 years. Company personnel believe that a life of 40 years or more would be reasonable. Based on information from Company personnel, this study recommends moving to a 40-year life and an SQ dispersion.

FERC Account 397.7 Towers 50 SQ

This account consists of towers with communication equipment used in general utility service. There is approximately \$735 thousand in this account. These assets were transferred from Account 397.1. This account currently has a life of 20 SQ for amortization. Company personnel believe that a life of 50 years for the towers would be reasonable. Based on information from Company personnel, this study recommends moving to a 50-year life and an SQ dispersion.

FERC Account 398.0 Miscellaneous Equipment 15 SQ

This account consists of miscellaneous equipment used in general utility service. There is approximately \$205 thousand in this account. This account currently has a life of 15 SQ for amortization. There is a wide range of assets in this account, ranging from appliances to defibrillators. Given the variety of assets in this account, this study recommends retention of the existing 15-year life for this account.

FERC Account 398.1 Miscellaneous Equipment 10 SQ

This account consists of miscellaneous equipment used in general utility service. There is approximately \$56 thousand in this account. This account currently has a life of 10 SQ for amortization. Company personnel identified that the assets in this account are tower climbing kits that are used at wind sites. Those items are expected to last 10 years. They were specifically moved into a separate subaccount for that reason. Based on input from Company personnel, this study recommends retention of the existing 10-year life for this account

NET SALVAGE ANALYSIS

When a capital asset is retired, physically removed from service, and finally disposed of, terminal retirement is said to have occurred. The residual value of a terminal retirement is called gross salvage. Net salvage is the difference between the gross salvage (what the asset was sold for) and the removal cost (cost to remove and dispose of the asset).

Gross salvage and cost of removal related to retirements are recorded to the general ledger in the accumulated provision for depreciation at the time retirements occur within the system.

Net salvage data by plant account for intangible, transmission, distribution, and general plant is shown in Appendix D-1 through Appendix D-3. Removal cost percentages are calculated by dividing the current cost of removal by the original installed cost of the asset. Some plant assets can experience significant negative removal cost percentages due to the timing of the addition versus the retirement. For example, a Transmission asset in FERC Account 354 with a current installed cost of \$500 (2020) would have had an installed cost of \$16.91⁷ in 1945. A removal cost of \$50 for the asset calculated (incorrectly) on current installed cost would only have a negative 10 percent removal cost ($\$50/\500). However, a correct removal cost calculation would show a negative 296 percent removal cost for that asset ($\$50/\16.91). Inflation from the time of installation of the asset until the time of its removal must be taken into account in the calculation of the removal cost percentage because the depreciation rate, which includes the removal cost percentage, will be applied to the original installed cost of assets.

⁷ Using the Handy-Whitman Bulletin No. 192, E-3, line 35, $\$16.91 = \$500 \times 21/621$.

NET SALVAGE CONSIDERATIONS

Moving averages, which smooth out yearly fluctuations between retirements and net salvage, are used to examine data over the 2003 to 2020 period and determine net salvage estimates for each account. Detailed analysis and results by account are shown in Appendices D-1 through D-3 and individual account results are discussed below.

Net Salvage - Intangible Property

FERC Account 302.0 (30) Hydro License 30 year (0%)

This account consists of gross salvage and cost of removal related to amounts spent to relicense various hydroelectric plants for a 30-year period. The existing net salvage percentage is 0 percent. Based on judgment, this study recommends retention of 0 percent net salvage for this account.

FERC Account 302.0 (40) Hydro License 40 year (0%)

This account consists of gross salvage and cost of removal related to amounts spent to relicense various hydroelectric plants for a 40-year period. The existing net salvage percentage is 0 percent. Based on judgment, this study recommends retention of 0 percent net salvage for this account.

FERC Account 303.0 Miscellaneous Intangible Plant (0%)

This account consists of any gross salvage and cost of removal associated with various software projects. The existing net salvage percentage is 0 percent. Based on judgment, this study recommends retention of 0 percent net salvage for this account.

FERC Account 303.1 Intangible Software 10 year (0%)

This account consists of any gross salvage and cost of removal associated with various software projects. The existing net salvage percentage is 0 percent. Based on judgment, this study recommends retention of 0 percent net salvage for this account.

Net Salvage- Transmission Property

Increasing levels of removal cost are experienced in nearly all accounts in this function. As seen in the net salvage analysis, nearly all accounts have exhibited a swing in salvage received and removal cost in the last 24 years. The salvage received for retired assets has decreased over that time while the removal cost of assets has increased. The company has increasing cost to remove assets from service. For example, the cost of the matting that is now required is significantly increasing the cost of removal and cost of projects overall. Also, asset lives have generally lengthened over the past 24 years, which has the effect of increasing the net removal cost (creating a more negative net salvage percentage) for the assets.

Moving averages, which smooth out yearly fluctuations between retirements and net salvage, are used to examine data over the 1987 to 2020 period and determine net salvage estimates for each account. Detailed analysis and results by account are shown in Appendices D-1 through D-3 and individual account results are discussed below.

FERC Account 3520 Transmission Substation Structures and Improvements (-10%)

This account consists of any gross salvage and cost of removal associated with structures and improvements associated with transmission facilities. The currently approved net salvage for this account is negative 10 percent. This account has seen few retirements in recent years. The five- and ten-year averages are negative 23.64 and 91.43 percent respectively. This study recommends retaining a negative 10 percent net salvage for this account.

FERC Account 3530 Transmission Station Equipment (-20%)

This account consists of any gross salvage and cost of removal associated with transformers, circuit breakers, capacitors, system operator's control installations, wiring, and other assets used in a transmission substation. The currently approved net salvage for this account is negative 20 percent. The five- and ten-year averages are negative 24.14 percent and negative 25.61 percent,

respectively. This study recommends retention of negative 20 percent net salvage for this account.

FERC Account 3531 Reserve Station Transformers (0%)

This account contains gross salvage and cost of removal associated with reserve transformers used in a transmission substation. The currently approved net salvage for this account is 0 percent. There is no transactional history for this account. Generally, transformers are moved into the main account, Account 3530, when placed in a field location. Therefore, this study recommends retaining 0 percent net salvage for this account.

FERC Account 3540 Transmission Tower and Fixtures (-30%)

This account consists of any gross salvage and cost of removal associated with towers and fixtures supporting overhead transmission conductors, which are used to transmit electricity at transmission voltages. The currently approved net salvage for this account is negative 30 percent. The five- and ten-year averages are negative 129.75 percent and negative 158.83 percent, respectively. Retirements in this account are sparse, and the net salvage results from history do not contain a sufficient statistical sample to rely on the data. Judgment was used to retain the approved negative 30 percent salvage for this account.

FERC Account 3550 Transmission Poles and Fixtures (-70%)

This account consists of any gross salvage and cost of removal associated with poles and fixtures used for supporting overhead transmission conductors, which are used to transmit electricity at transmission voltages. The currently approved net salvage for this account is negative 60 percent. The five- and ten-year averages are negative 126.29 percent and negative 121.17 percent, respectively. Unlike Transmission Towers, there is a much greater level of retirement activity in the Transmission Pole account and moving conservatively toward the indications is warranted. This study recommends moving from the currently approved negative 60 percent net salvage to a negative 70 percent net salvage for this account.

FERC Account 3560 Transmission Overhead Conductor (-45%)

This account consists of any gross salvage and cost of removal associated with conductors and related equipment used to transmit electricity at transmission voltages. The currently approved net salvage for this account is negative 40 percent. The five- and ten-year averages are negative 87.47 percent and negative 66.82 percent respectively. Retirements and removal costs are increasing consistently for this account. As with Transmission Poles, an incremental movement toward the historical indication is warranted. This study recommends moving from the currently approved negative 40 percent net salvage to a negative 45 percent net salvage for this account.

FERC Account 3561 Clearing Land and Rights of Way (0%)

This account consists of gross salvage and cost of removal associated with clearing land and rights of way associated with transmission properties. The current approved net salvage for this account is 0 percent. Based on judgment, the same net salvage percent of 0 is retained for this account.

FERC Account 3580 Transmission Underground Conductor (0%)

This account consists of gross salvage and cost of removal associated with underground conductor used for Wind Assets (at the Company's BISON and Tac Ridge facilities) and also at the Minntac 230/115kV substation. Typically, these assets are abandoned in place. The currently approved net salvage for this account is 0 percent. This study recommends retaining the approved 0 percent net salvage for this account.

FERC Account 3590 Roads and Trails (0%)

This account consists of gross salvage and cost of removal associated with roads and trails associated with transmission properties. The currently approved net salvage for this account is 0 percent. Based on judgment, the same net salvage percent of 0 is retained for this account.

Net Salvage - Distribution Property

Increasing levels of removal cost are experienced in all accounts in this function. As seen in the salvage analysis, many accounts have exhibited a significant swing in salvage received and removal cost in recent years. The salvage received for retired assets has decreased over that time while the removal cost of assets has increased dramatically.

Moving averages, which smooth out yearly fluctuations between retirements and net salvage, are used to examine data over the 1987 to 2020 period and determine net salvage estimates for each account. Detailed analysis and results by account are shown in Appendices D-1 through D-3 and individual account results are discussed below.

FERC Account 3610 Distribution Substation Structures and Improvements (-30%)

This account consists of gross salvage and cost of removal associated with structures and improvements used in conjunction with distribution substation operations. The currently approved net salvage for this account is negative 25 percent. The five- and ten-year averages are negative 220.18 percent and negative 135.31. Retirement dollars have been increasing along with increasing removal costs being incurred. This study recommends conservatively moving to a negative 30 percent net salvage for this account.

FERC Account 3620 Distribution Substation Equipment (-25%)

This account consists of gross salvage and cost of removal associated with the cost of control equipment, conversion equipment, switching equipment and general station equipment related to the operations of distribution substations. The currently approved net salvage for this account is negative 25 percent. The five- and ten-year averages are negative 32.33 percent and negative 28.64. Many of the prior year rolling net salvage percentages in bands of 5 years or greater are at or above negative 25 percent. This study recommends retaining the currently approved negative 25 percent net salvage for this account.

FERC Account 3621 Reserve Distribution Substation Transformers (0%)

This account consists of gross salvage and cost of removal associated with reserve transformers used in a distribution substation. The currently approved net salvage for this account is 0 percent. There is little salvage or removal cost reflected in this account. Generally, transformers are moved into the main 3620 account when placed in a field location. Therefore, this study recommends retaining the 0 percent net salvage for this account.

FERC Account 3640 Distribution Poles, Towers, and Fixtures (-85%)

This account consists of gross salvage and cost of removal associated with poles, towers and appurtenant fixtures used to support overhead distribution conductors and service wires. The currently approved net salvage for this account is negative 75 percent. The five- and ten-year averages are negative 167.06 percent and negative 180.55 percent, respectively. The Company recently changed its policy to stop re-using poles and anticipates salvage to decrease more in the future. This study recommends moving conservatively from the currently approved negative 75 percent net salvage to a negative 85 percent net salvage for this account.

FERC Account 3650 Distribution Overhead Conductor and Devices (-55%)

This account consists of gross salvage and cost of removal associated with overhead conductors and devices used for distribution purposes including conductors, ground wire insulators, reclosers, highway crossing guards, switches, and other line devices. The currently approved net salvage for this account is negative 55 percent. The five- and ten-year averages are negative 60.375 percent and negative 61.79 percent respectively. This study recommends a retention of the currently approved negative 55 percent net salvage for this account.

FERC Account 3651 Clearing Land and Rights of Way (0%)

This account consists of gross salvage and cost of removal associated with

costs of clearing distribution land and rights of way. The current approved net salvage for this account is 0 percent. Based on judgment, the same net salvage percent of 0 is retained for this account.

FERC Account 3660 Distribution Underground Conduit (-10%)

This account consists of gross salvage and cost of removal associated with underground conduit and tunnels used for housing distribution, cables, or wires. The currently approved net salvage for this account is negative 10 percent. The five- and ten-year averages are negative 214.36 percent and negative 76.85 percent respectively. This account has too little activity to completely rely on the historical percentages. This study recommends retaining the currently approved negative 10 percent net salvage for this account until a higher level of retirements occurs.

FERC Account 3670 Distribution Underground Conductor and Devices (-30%)

This account consists of gross salvage and cost of removal associated with underground conductors and devices used for distribution, specifically: armored conductors, cables, circuit breakers, hollow core oil-filled cable, pressure tanks, air tanks, switches, and other line devices. The currently approved net salvage for this account is negative 27 percent. The five- and ten-year averages are negative 44.65 percent and negative 38.36 percent net salvage. This study recommends conservatively moving from the currently approved negative 27 percent to negative 30 percent net salvage for this account.

FERC Account 3680 Distribution Line Transformers (-5%)

This account consists of gross salvage and cost of removal associated with overhead and pad mounted distribution line transformers, voltage regulators, capacitors, and network protectors. The currently approved net salvage for this account is negative 5 percent. The five- and ten-year averages are negative 3.99 percent and negative 6.06 percent respectively. This study recommends retention of the currently approved negative 5 percent net salvage for this account.

FERC Account 3691 Overhead Distribution Services (-45%)

This account consists of gross salvage and cost of removal associated with overhead conductors leading from the distribution system to the customer's connection. The currently approved net salvage for this account is negative 60 percent. The five- and ten-year averages are negative 36.72 percent and negative 66.97 percent. This study recommends conservatively moving from the currently approved negative 60 percent to negative 45 percent net salvage for this account.

FERC Account 3692 Underground Distribution Services (-15%)

This account consists of gross salvage and cost of removal associated with underground conductors leading to a point where wires leave the distribution box or manhole to the point of connection with the customer's outlet or wiring. The currently approved net salvage for this account is negative 15 percent. The five- and ten-year averages are negative 19.88 percent and negative 22.78 percent, respectively. Retirement dollars and removal costs have been fairly consistent; however, there has been zero gross salvage recovered in the last nine years. This study recommends retaining the currently approved negative 15 percent net salvage for this account.

FERC Account 3700 Distribution Meters (0%)

This account consists of gross salvage and cost of removal associated with meters or devices used in measuring electricity delivered to its users. The currently approved net salvage for this account is 0 percent. The five- and ten-year averages are negative 0.93 percent and negative 0.53 percent, respectively. This study recommends retaining the currently approved 0 percent net salvage for this account.

FERC Account 3722 Distribution Installation on Customer Premises (-40%)

This account consists of gross salvage and cost of removal associated with lighting fixtures leased to customers but does not include property held for sale. The currently approved net salvage for this account is negative 50 percent. The five- and ten-year averages are negative 41.03 percent and negative 48.80 percent,

respectively. This study recommends moving from the currently approved negative 50 percent net salvage to a negative 40 percent net salvage for this account.

FERC Account 3730 Distribution Street Lighting (-50%)

This account consists of gross salvage and cost of removal associated with equipment used wholly for public street and highway lighting or traffic, fire alarm, police, and other signal systems. The currently approved net salvage for this account is negative 50 percent. The five- and ten-year averages are negative 42.88 percent and negative 55.43 percent, respectively. This study recommends retention of the currently approved negative 50 percent net salvage for this account.

Net Salvage – General Property

Changing levels of removal cost are experienced in all accounts in this function. Moving averages, which smooth out yearly fluctuations between retirements and net salvage, are used to examine data over the 2003 to 2020 period and determine net salvage estimates for each account. Detailed analysis and results by account are shown in Appendices D-1 through D-3 and individual account results are discussed below.

FERC Account 391.0 Office Furniture and Equipment (0%)

This account consists of gross salvage and cost of removal associated with miscellaneous office furniture such as desks, chairs, filing cabinets, and tables used for general utility service. The currently approved net salvage percentage of this account is positive 10 percent. The five- and ten-year averages are positive 1.46 percent and positive 1.10, respectively. This study recommends moving from the currently approved positive 10 percent to 0 percent net salvage for this account.

FERC Account 391.1 Computer Equipment (0%)

This account consists of gross salvage and cost of removal associated with computer equipment used for general utility service. The currently approved net salvage for this account is positive 5 percent. The five- and ten-year averages are negative 0.07 percent and negative 0.05 percent, respectively. This study recommends moving from the currently approved positive 5 percent to 0 percent net salvage for this account.

FERC Account 391.4 Personal Computers (0%)

This account consists of gross salvage and cost of removal associated with personal computer equipment used for general utility service. The currently approved net salvage percentage of this account is positive 5 percent. The ten-year average is 0 percent. This study recommends moving from the currently approved 5 percent to 0 percent net salvage for this account.

FERC Account 392.0 Transportation Equipment General (11%)

This account consists of gross salvage and cost of removal associated with general transportation equipment used for general utility service. The currently approved net salvage percentage of this account is 0 percent. Data from the fleet department was used to estimate net salvage for this account. After compiling data from 2018-2020, the net salvage percentage for this account was positive 10.62 percent. Based on Company history, this study recommends moving from 0 percent net salvage to positive 11 percent net salvage for this account. There is no historical net salvage activity for this account.

FERC Account 392.1 Vehicle Class 1 (24%)

This account consists of gross salvage and cost of removal associated with Class 1 vehicles used for general utility service. The currently approved net salvage percentage of this account is 0 percent. Data from the fleet department was used to estimate net salvage for this account. Data for Class 1 and Class 2 vehicles was combined. After compiling data from 2018-2020, the net salvage percentage for this account was positive 23.53 percent. Based on Company history, this study recommends moving from 0 percent net salvage to positive 24 percent net salvage for this account.

FERC Account 392.2 Vehicle Class 2 (24%)

This account consists of gross salvage and cost of removal associated with Class 2 vehicles used for general utility service. The currently approved net salvage percentage of this account is 0 percent. Based on the Company history and the analysis for Account 392.1, this study recommends moving from 0 percent net salvage to positive 24 percent net salvage for this account.

FERC Account 392.3 Vehicle Class 3 (19%)

This account consists of gross salvage and cost of removal associated with Class 3 vehicles used for general utility service. The currently approved net salvage percentage of this account is 0 percent. Data from the fleet department was used to

estimate net salvage for this account. After compiling data from 2018-2020, the net salvage percentage for this account was positive 19.31 percent. Based on Company history, this study recommends moving from 0 percent net salvage to positive 19 percent net salvage for this account.

FERC Account 392.5 Vehicle Class 5 (22%)

This account consists of gross salvage and cost of removal associated with Class 5 vehicles used for general utility service. The currently approved net salvage percentage of this account is 0 percent. Data from the fleet department was used to estimate net salvage for this account. After compiling data from 2018-2020, the net salvage percentage for this account was positive 22.33 percent. Based on Company history, this study recommends moving from 0 percent net salvage to positive 22 percent net salvage for this account.

FERC Account 392.6 Vehicle Class 6 (16%)

This account consists of gross salvage and cost of removal associated with heavy transportation equipment such as digger derricks, loaders, and heavy trucks used for general utility service. The currently approved net salvage percentage of this account is 0 percent. Data from the fleet department was used to estimate net salvage for this account. After compiling data from 2018-2020, the net salvage percentage for this account was positive 15.97 percent. Based on Company history, this study recommends moving from 0 percent net salvage to positive 16 percent net salvage for this account.

FERC Account 393.0 Stores Equipment (0%)

This account consists of gross salvage and cost of removal associated with stores equipment used for general utility service. The currently approved net salvage percentage of this account is 0 percent. Over the available history, these assets have not produced any net salvage. Typically, these assets have no value at the end of its life. The ten-year average shows 0 percent. Based on judgment, this study recommends retention of the current approved 0 percent net salvage for

this account.

FERC Account 394.0 Tools, Shop, and Garage Equipment (0%)

This account consists of gross salvage and cost of removal associated with various items or tools used in shop and garages such as air compressors, grinders, mixers, hoists, and cranes. The currently approved net salvage percentage of this account is positive 5 percent. The five- and ten-year averages are negative 0.52 percent and negative 0.23 percent, respectively. This study recommends moving from the currently approved positive 5 percent to 0 percent net salvage for this account.

FERC Account 395.0 Laboratory Equipment (0%)

This account consists of gross salvage and cost of removal associated with laboratory equipment used in general utility service. The currently approved net salvage percentage of this account is 0 percent. The five- and ten-year averages are 0 percent for both periods. This study recommends retention of the currently approved 0 percent net salvage for this account.

FERC Account 396.0 Power Operated Equipment (23%)

This account consists of gross salvage and cost of removal associated with bulldozers, forklifts, trenchers, and other power operated equipment that cannot be licensed on roadways. The currently approved net salvage percentage of this account is 0 percent. Data from the fleet department was used to estimate net salvage for this account. After compiling data from 2018-2020, the net salvage percentage for this account was positive 23.28 percent. Based on Company history, this study recommends moving from 0 percent net salvage to positive 23 percent net salvage for this account.

FERC Account 397.0 Communication Equipment General (0%)

This account consists of gross salvage and cost of removal associated with miscellaneous communication equipment used in general utility service. The

currently approved net salvage percentage of this account is 0 percent. The five- and ten-year averages are negative 6.58 percent and negative 2.49 respectively. Based on judgment, this study recommends retention of 0 percent for this account.

FERC Account 397.1 Microwave Equipment (-4%)

This account consists of gross salvage and cost of removal associated with microwave equipment used in general utility service. The currently approved net salvage percentage of this account is 0 percent. The five- and ten-year averages are negative 5.74 and negative 3.88 percent, respectively. Based on judgment, this study recommends moving from the currently approved 0 percent to negative 4 percent for this account.

FERC Account 397.2 Telephone Equipment (-3%)

This account consists of gross salvage and cost of removal associated with telephone equipment used in general utility service. The currently approved net salvage percentage of this account is 0 percent. The five- and ten-year averages are negative 9.78 percent and negative 3.23 percent, respectively. This study recommends moving from currently approved 0 percent to negative 3 percent net salvage for this account.

FERC Account 397.3 Mobile Radio (0%)

This account consists of gross salvage and cost of removal associated with mobile radio equipment used in general utility service. The currently approved net salvage percentage of this account is 0 percent. The five- and ten-year averages are negative 0.15 percent and negative 9.39 percent, respectively. This study recommends retention of the currently approved 0 percent net salvage for this account.

FERC Account 397.4 Data Communication Equipment (0%)

This account consists of gross salvage and cost of removal associated with data communication equipment used in general utility service. The currently

approved net salvage percentage of this account is 0 percent. The five- and ten-year averages are 0.00 percent and negative 0.28 percent, respectively. This study recommends retention of the currently approved 0 percent net salvage for this account.

FERC Account 397.5 Fiber Optic (0%)

This account consists of gross salvage and cost of removal associated with fiber optic equipment used in general utility service. The currently approved net salvage percentage of this account is 0 percent. The five- and ten-year averages are negative 1.11 percent and negative 0.66 percent, respectively. This study recommends retention of the currently approved 0 percent net salvage for this account.

FERC Account 397.6 Fiber Optic Cable (0%)

This account consists of gross salvage and cost of removal associated with fiber optic cable used in general utility service. The currently approved net salvage percentage of this account is 0 percent. The five- and ten-year averages are negative 0.04 percent and negative 0.04 percent, respectively. This study recommends retention of the currently approved 0 percent net salvage for this account.

FERC Account 397.7 Towers (-4%)

This account consists of gross salvage and cost of removal associated with towers used in general utility service. All assets in this account have been transferred from Account 397.1, which has an approved net salvage of 0 percent. The currently approved net salvage percentage of this account is 0 percent. Based on the recommendation for Account 397.1, this study recommends moving to negative 4 percent net salvage for this account.

FERC Account 398.0 Miscellaneous Equipment (0%)

This account consists of gross salvage and cost of removal associated with

miscellaneous equipment used in general utility service. The currently approved net salvage percentage of this account is positive 5 percent. The five- and ten-year averages are 0 percent for both periods. Based on judgment, this study recommends moving from the currently approved 5 percent to 0 percent for this account.

FERC Account 398.1 Miscellaneous Equipment (0%)

This account consists of gross salvage and cost of removal associated with miscellaneous equipment used in general utility service that has a ten-year life. The currently approved net salvage percentage of this account is 0 percent. There is no historical net salvage activity for this account. Typically, these assets have no value at the end of its life. Based on judgment, this study recommends retention of the currently approved net salvage percentage of 0 percent.

APPENDIX A
Depreciation Rate Calculations
Excel files included with initial filing

**Minnesota Power
Computation of Depreciation Accrual Rate**

| Account | Description | Surviving Balance 12/31/2020 | Accumulated Depreciation 12/31/2020 | Net Salvage % | Net Salvage Amount | Unaccrued Balance | Remaining Life | Annual Accrual | Accrual Rate |
|---------------------|--------------------------------------|------------------------------------|---|---------------------|--------------------------|----------------------|-------------------|-------------------|-----------------|
| Intangible | | | | | | | | | |
| 3020 (30) | Hydro License 30 year | 1,731,705.29 | 1,247,400.18 | 0.00% | 0.00 | 484,305.11 | 8.03 | 60,312.46 | 3.48% |
| 3020 (40) | Hydro License 40 year | 2,945,354.26 | 1,991,736.84 | 0.00% | 0.00 | 953,617.42 | 12.50 | 76,289.39 | 2.59% |
| 3030 | Miscellaneous Intangible Plant | 17,806,631.91 | 12,451,764.88 | 0.00% | 0.00 | 5,354,867.03 | 1.50 | 3,569,911.35 | 20.05% * |
| 3031 | Intangible Software 10 Yr | 25,558,138.88 | 15,872,969.20 | 0.00% | 0.00 | 9,685,169.68 | 3.69 | 2,627,583.04 | 10.28% |
| | Total Intangible | 48,041,830.34 | 31,563,871.10 | | 0.00 | 16,477,959.24 | | 6,334,096.25 | |
| Transmission | | | | | | | | | |
| 3520 | Structures and Improvements | 34,811,923.44 | 5,702,858.08 | -10.00% | (3,481,192.34) | 32,590,257.71 | 55.46 | 587,679.75 | 1.69% |
| 3530 | Station Equipment | 381,378,223.71 | 122,350,754.62 | -20.00% | (76,275,644.74) | 335,303,113.83 | 38.29 | 8,756,242.88 | 2.30% |
| 3531 | Reserve Station Transformers | 2,178,236.77 | 1,484,455.46 | 0.00% | 0.00 | 693,781.31 | 17.06 | 40,666.43 | 1.87% |
| 3540 | Towers & Fixtures | 162,901,146.04 | 15,037,491.17 | -30.00% | (48,870,343.81) | 196,733,998.68 | 69.75 | 2,820,590.23 | 1.73% |
| 3550 | Poles & Fixtures | 293,908,352.98 | 80,095,114.31 | -70.00% | (205,735,847.09) | 419,549,085.75 | 53.04 | 7,909,640.86 | 2.69% |
| 3560 | Overhead Conductors & Devices | 204,790,855.87 | 51,861,708.93 | -45.00% | (92,155,885.14) | 245,085,032.08 | 57.95 | 4,229,604.93 | 2.07% |
| 3561 | Clearing Land & Rights of Way | 68,160,426.36 | 6,016,433.65 | 0.00% | 0.00 | 62,143,992.71 | 68.47 | 907,570.95 | 1.33% |
| 3580 | Underground Conductors & Devices | 2,988,454.59 | 690,646.01 | 0.00% | 0.00 | 2,297,808.58 | 38.61 | 59,517.71 | 1.99% |
| 3590 | Roads and Trails | 58,613.63 | 31,337.80 | 0.00% | 0.00 | 27,275.83 | 28.37 | 961.37 | 1.64% |
| | Total Transmission | 1,151,176,233.39 | 283,270,800.03 | | (426,518,913.13) | 1,294,424,346.49 | | 25,312,475.09 | |
| Distribution | | | | | | | | | |
| 3610 | Structures and Improvements | 10,470,160.05 | 3,732,998.00 | -30.00% | (3,141,048.02) | 9,878,210.06 | 42.72 | 231,227.24 | 2.21% |
| 3620 | Station Equipment | 92,429,048.60 | 22,432,905.37 | -25.00% | (23,107,262.15) | 93,103,405.38 | 42.19 | 2,206,541.92 | 2.39% |
| 3621 | Reserve Station Transformers | 1,364,886.02 | 558,234.92 | 0.00% | 0.00 | 806,651.10 | 30.24 | 26,676.63 | 1.95% |
| 3640 | Poles, Towers and Fixtures | 124,436,836.84 | 94,937,601.01 | -85.00% | (105,771,311.31) | 135,270,547.15 | 24.95 | 5,422,493.13 | 4.36% |
| 3650 | Overhead Conductors & Devices | 95,710,873.47 | 69,627,205.79 | -55.00% | (52,640,980.41) | 78,724,648.08 | 22.82 | 3,449,412.05 | 3.60% |
| 3651 | Clearing Land & Rights of Way | 5,332,726.76 | 2,989,481.74 | 0.00% | 0.00 | 2,343,245.02 | 26.33 | 89,007.72 | 1.67% |
| 3660 | Underground Conduit | 14,483,654.90 | 3,668,377.14 | -10.00% | (1,448,365.49) | 12,263,643.25 | 53.08 | 231,059.82 | 1.60% |
| 3670 | Underground Conductors & Devices | 109,013,710.24 | 43,091,914.32 | -30.00% | (32,704,113.07) | 98,625,908.99 | 33.35 | 2,956,866.19 | 2.71% |
| 3680 | Line Transformers | 97,144,741.80 | 32,235,826.88 | -5.00% | (4,857,237.09) | 69,766,152.01 | 30.73 | 2,269,932.55 | 2.34% |
| 3691 | Services- Overhead | 6,223,281.40 | 2,931,099.14 | -45.00% | (2,800,476.63) | 6,092,658.89 | 27.02 | 225,522.30 | 3.62% |
| 3692 | Services- Underground | 12,346,603.06 | 5,127,453.84 | -15.00% | (1,851,990.46) | 9,071,139.68 | 30.42 | 298,204.28 | 2.42% |
| 3700 | Meters | 67,032,898.53 | 26,187,910.12 | 0.00% | 0.00 | 40,844,988.41 | 10.62 | 3,847,525.54 | 5.74% |
| 3722 | Leased Property on Cust. Prem- Light | 3,222,812.92 | 1,544,792.07 | -40.00% | (1,289,125.17) | 2,967,146.02 | 12.81 | 231,633.19 | 7.19% |
| 3730 | Street Lighting and Signal Systems | 6,428,951.22 | 2,052,020.71 | -50.00% | (3,214,475.61) | 7,591,406.12 | 20.97 | 362,062.66 | 5.63% |
| | Total Distribution | 645,641,185.81 | 311,117,821.06 | | (232,826,385.41) | 567,349,750.16 | | 21,848,165.19 | |

* Remaining Life less than 1.5 year assumed remaining life.
(1) Account will fully accrue in 2021. Rate to be applied to new additions.

**Minnesota Power
Computation of Depreciation Accrual Rate**

| Account | Description | Surviving Balance 12/31/2020 | Accumulated Depreciation 12/31/2020 | Net Salvage % | Net Salvage Amount | Unaccrued Balance | Remaining Life | Annual Accrual | Accrual Rate |
|----------------|--|------------------------------------|---|---------------------|--------------------------|----------------------|-------------------|-------------------|-----------------|
| General | | | | | | | | | |
| 3910 | Office Furniture & Equipment | 8,490,401.85 | 3,922,452.55 | 0.00% | 0.00 | 4,567,949.30 | 11.89 | 384,305.64 | 4.53% |
| 3911 | Office Furniture & Equipment, Comp. | 5,908,185.34 | 5,144,238.59 | 0.00% | 0.00 | 763,946.75 | 1.00 | 763,946.75 | 14.29% |
| 3914 | Office Furniture & Equipment, PCs | 25,453.77 | 21,910.10 | 0.00% | 0.00 | 3,543.67 | 1.00 | 3,543.67 | 20.00% |
| 3920 | Transportation Equip, General | 3,169,081.78 | 1,274,944.85 | 11.00% | 348,599.00 | 1,545,537.93 | 10.14 | 152,453.26 | 4.81% |
| 3921 | Transportation Equip, Veh Class 1 | 0.00 | 0.00 | 24.00% | 0.00 | 0.00 | 0.00 | 0.00 | 10.86% |
| 3922 | Transportation Equip, Veh Class 2 | 0.00 | 0.00 | 24.00% | 0.00 | 0.00 | 0.00 | 0.00 | 10.86% |
| 3923 | Transportation Equip, Vehicle Class-3 | 4,676,855.28 | 1,127,884.18 | 19.00% | 888,602.50 | 2,660,368.60 | 5.22 | 509,324.81 | 10.89% |
| 3925 | Transportation Equip, Veh Class 5 | 0.00 | 0.00 | 22.00% | 0.00 | 0.00 | 0.00 | 0.00 | 7.80% |
| 3926 | Transportation Equip, Vehicle Class 6 | 9,478,193.74 | 3,058,718.55 | 16.00% | 1,516,511.00 | 4,902,964.19 | 7.18 | 682,990.31 | 7.21% |
| 3930 | Stores Equipment | 1,306,643.74 | 434,296.11 | 0.00% | 0.00 | 872,347.63 | 17.83 | 48,922.54 | 3.74% |
| 3940 | Tools, Shop & Garage Equipment | 7,011,650.14 | 3,581,922.61 | 0.00% | 0.00 | 3,429,727.53 | 11.12 | 308,412.73 | 4.40% |
| 3950 | Laboratory Equipment | 3,560,846.78 | 2,488,547.57 | 0.00% | 0.00 | 1,072,299.21 | 7.52 | 142,514.65 | 4.00% |
| 3960 | Power Operated Equipment | 7,350,378.94 | 1,804,600.82 | 23.00% | 1,690,587.16 | 3,855,190.96 | 10.84 | 355,742.76 | 4.84% |
| 3970 | Communication Equip, General | 18,540,574.20 | 9,183,528.45 | 0.00% | 0.00 | 9,357,045.75 | 8.44 | 1,108,392.42 | 5.98% |
| 3971 | Communication Equip, Microwave | 10,559,588.62 | 7,852,001.49 | -4.00% | (422,383.54) | 3,129,970.67 | 4.94 | 633,363.83 | 6.00% |
| 3972 | Communication Equip, Telephone | 1,959,691.57 | 1,568,511.11 | -3.00% | (58,790.75) | 449,971.21 | 3.15 | 142,937.57 | 7.29% |
| 3973 | Communication Equip, Mobile Radio | 11,115,299.38 | 9,126,271.47 | 0.00% | 0.00 | 1,989,027.91 | 3.41 | 584,106.53 | 5.25% |
| 3974 | Communication Equip, Data Comm. | 1,847,895.95 | 857,204.89 | 0.00% | 0.00 | 990,691.06 | 5.82 | 170,346.85 | 9.22% |
| 3975 | Communication Equip, Fiber Optic | 4,692,678.40 | 1,143,561.34 | 0.00% | 0.00 | 3,549,117.06 | 11.86 | 299,315.46 | 6.38% |
| 3976 | Communication Equip, Fiber Optic Cable | 31,668,736.69 | 12,316,420.80 | 0.00% | 0.00 | 19,352,315.89 | 26.65 | 726,177.98 | 2.29% |
| 3977 | Communication Equip, Towers | 734,682.64 | 679,756.71 | -4.00% | (29,387.31) | 84,313.23 | 12.08 | 6,979.91 | 0.95% |
| 3980 | Miscellaneous Equipment | 205,357.82 | 98,971.79 | 0.00% | 0.00 | 106,386.03 | 8.71 | 12,218.90 | 5.95% |
| 3981 | Miscellaneous Equipment 10 Yr | 55,802.25 | 15,950.19 | 0.00% | 0.00 | 39,852.06 | 7.56 | 5,269.12 | 9.44% |
| | Total General | 132,357,998.88 | 65,701,694.17 | | 3,933,738.06 | 62,722,566.65 | | 7,041,265.69 | |
| | Total | 1,977,217,248.42 | 691,654,186.36 | | (655,411,560.48) | 1,940,974,622.54 | | 60,536,002.22 | |

* Remaining Life less than 1.5 year assumed remaining life.

(1) Account will fully accrue in 2021. Rate to be applied to new additions.

APPENDIX B
Depreciation Expense Comparison
Excel files included with initial filing

Minnesota Power
Comparison of Depreciation Expense- Present Rates vs. Proposed

| Account | Description | Plant at 12/31/2020 | Present Accrual Rate | Depr Expense At Current Rates | Proposed Accrual Rate | Depr Expense At Proposed Rates | Difference |
|----------------------------|--------------------------------------|--------------------------------|-------------------------------------|--|--------------------------------------|---|-------------------|
| <u>Intangible</u> | | | | | | | |
| 3020 (30) | Hydro License 30 year | 1,731,705 | 3.33% | 57,666 | 3.48% | 60,312 | 2,647 |
| 3020 (40) | Hydro License 40 year | 2,945,354 | 2.50% | 73,634 | 2.59% | 76,289 | 2,656 |
| 3030 | Miscellaneous Intangible Plant | 17,806,632 | 20.00% | 3,561,326 | 20.05% | 3,569,911 | 8,585 |
| 3031 | Intangible Software 10 Yr | 25,558,139 | 10.00% | 2,555,814 | 10.28% | 2,627,583 | 71,769 |
| | Total Intangible | 48,041,830 | | 6,248,440 | | 6,334,096 | 85,656 |
| <u>Transmission</u> | | | | | | | |
| 3520 | Structures and Improvements | 34,811,923 | 2.01% | 699,720 | 1.69% | 587,680 | (112,040) |
| 3530 | Station Equipment | 381,378,224 | 2.29% | 8,733,561 | 2.30% | 8,756,243 | 22,682 |
| 3531 | Reserve Station Transformers | 2,178,237 | 0.72% | 15,683 | 1.87% | 40,666 | 24,983 |
| 3540 | Towers & Fixtures | 162,901,146 | 2.15% | 3,502,375 | 1.73% | 2,820,590 | (681,784) |
| 3550 | Poles & Fixtures | 293,908,353 | 2.50% | 7,347,709 | 2.69% | 7,909,641 | 561,932 |
| 3560 | Overhead Conductors & Devices | 204,790,856 | 2.34% | 4,792,106 | 2.07% | 4,229,605 | (562,501) |
| 3561 | Clearing Land & Rights of Way | 68,160,426 | 1.37% | 933,798 | 1.33% | 907,571 | (26,227) |
| 3580 | Underground Conductors & Devices | 2,988,455 | 2.03% | 60,666 | 1.99% | 59,518 | (1,148) |
| 3590 | Roads and Trails | 58,614 | 1.62% | 950 | 1.64% | 961 | 12 |
| | Total Transmission | 1,151,176,233 | | 26,086,567 | | 25,312,475 | (774,092) |
| <u>Distribution</u> | | | | | | | |
| 3610 | Structures and Improvements | 10,470,160 | 2.05% | 214,638 | 2.21% | 231,227 | 16,589 |
| 3620 | Station Equipment | 92,429,049 | 2.33% | 2,153,597 | 2.39% | 2,206,542 | 52,945 |
| 3621 | Reserve Station Transformers | 1,364,886 | 1.70% | 23,203 | 1.95% | 26,677 | 3,474 |
| 3640 | Poles, Towers and Fixtures | 124,436,837 | 4.73% | 5,885,862 | 4.36% | 5,422,493 | (463,369) |
| 3650 | Overhead Conductors & Devices | 95,710,873 | 4.15% | 3,972,001 | 3.60% | 3,449,412 | (522,589) |
| 3651 | Clearing Land & Rights of Way | 5,332,727 | 1.41% | 75,191 | 1.67% | 89,008 | 13,816 |
| 3660 | Underground Conduit | 14,483,655 | 1.49% | 215,806 | 1.60% | 231,060 | 15,253 |
| 3670 | Underground Conductors & Devices | 109,013,710 | 2.58% | 2,812,554 | 2.71% | 2,956,866 | 144,312 |
| 3680 | Line Transformers | 97,144,742 | 2.17% | 2,108,041 | 2.34% | 2,269,933 | 161,892 |
| 3691 | Services- Overhead | 6,223,281 | 3.04% | 189,188 | 3.62% | 225,522 | 36,335 |
| 3692 | Services- Underground | 12,346,603 | 2.45% | 302,492 | 2.42% | 298,204 | (4,287) |
| 3700 | Meters | 67,032,899 | 6.06% | 4,062,194 | 5.74% | 3,847,526 | (214,668) |
| 3722 | Leased Property on Cust. Prem- Light | 3,222,813 | 5.59% | 180,155 | 7.19% | 231,633 | 51,478 |
| 3730 | Street Lighting and Signal Systems | 6,428,951 | 4.76% | 306,018 | 5.63% | 362,063 | 56,045 |
| | Total Distribution | 645,641,186 | | 22,500,941 | | 21,848,165 | (652,776) |

Minnesota Power
Comparison of Depreciation Expense- Present Rates vs. Proposed

| Account | Description | Plant at 12/31/2020 | Present Accrual Rate | Depr Expense At Current Rates | Proposed Accrual Rate | Depr Expense At Proposed Rates | Difference |
|----------------|---------------------------------------|------------------------|----------------------------|-------------------------------------|-----------------------------|--------------------------------------|-------------|
| General | | | | | | | |
| 3910 | Office Furniture & Equipment | 8,490,402 | 4.50% | 382,068 | 4.53% | 384,306 | 2,238 |
| 3911 | Office Furniture & Equipment, Comp. | 5,908,185 | 13.57% | 763,947 (1) | 14.29% | 763,947 (2) | 0 |
| 3914 | Office Furniture & Equip, PCs | 25,454 | 19.00% | 3,544 (1) | 20.00% | 3,544 (2) | 0 |
| 3920 | Transportation Equip, General | 3,169,082 | 4.00% | 126,763 | 4.81% | 152,453 | 25,690 |
| 3921 | Transportation Equip, Veh Class 1 | 0 | 14.29% | 0 (1) | 10.86% | 0 | 0 |
| 3922 | Transportation Equip, Veh Class 2 | 0 | 14.29% | 0 (1) | 10.86% | 0 | 0 |
| 3923 | Transportation Equip, Veh Class 3 | 4,676,855 | 12.50% | 584,607 | 10.89% | 509,325 | (75,282) |
| 3925 | Transportation Equip, Veh Class 5 | 0 | 10.00% | 0 (1) | 7.80% | 0 | 0 |
| 3926 | Transportation Equip, Veh Class 6 | 9,478,194 | 7.69% | 728,873 | 7.21% | 682,990 | (45,883) |
| 3930 | Stores Equipment | 1,306,644 | 5.00% | 65,332 | 3.74% | 48,923 | (16,410) |
| 3940 | Tools, Shop & Garage Equipment | 7,011,650 | 4.75% | 333,053 | 4.40% | 308,413 | (24,641) |
| 3950 | Laboratory Equipment | 3,560,847 | 5.00% | 178,042 | 4.00% | 142,515 | (35,528) |
| 3960 | Power Operated Equipment | 7,350,379 | 6.67% | 490,270 | 4.84% | 355,743 | (134,528) |
| 3970 | Communication Equip, General | 18,540,574 | 6.67% | 1,236,656 | 5.98% | 1,108,392 | (128,264) |
| 3971 | Communication Equip, Microwave | 10,559,589 | 5.00% | 527,979 | 6.00% | 633,364 | 105,384 |
| 3972 | Communication Equip, Telephone | 1,959,692 | 10.00% | 195,969 | 7.29% | 142,938 | (53,032) |
| 3973 | Communication Equip, Mobile Radio | 11,115,299 | 8.33% | 925,904 | 5.25% | 584,107 | (341,798) |
| 3974 | Communication Equip, Data Comm System | 1,847,896 | 10.00% | 184,790 | 9.22% | 170,347 | (14,443) |
| 3975 | Communication Equip, Fiber Optic | 4,692,678 | 10.00% | 469,268 | 6.38% | 299,315 | (169,952) |
| 3976 | Fiber Optic Cable | 31,668,737 | 4.00% | 1,266,749 | 2.29% | 726,178 | (540,571) |
| 3977 | Communication Equip, Towers | 734,683 | 5.00% | 36,734 | 0.95% | 6,980 | (29,754) |
| 3980 | Miscellaneous Equipment | 205,358 | 6.33% | 12,999 | 5.95% | 12,219 | (780) |
| 3981 | Misc Equipment (10 Year) | 55,802 | 10.00% | 5,580 | 9.44% | 5,269 | (311) |
| | Total General | 132,357,999 | | 8,519,130 | | 7,041,266 | (1,477,864) |
| | Total Depreciable | 1,977,217,248 | | 63,355,077 | | 60,536,002 | (2,819,075) |

Note: Account will fully accrue by the time an order is issued in this case. Rate proposed for new additions only

(1) Account will fully accrue in 2021. Rate to be applied to new additions.

(2) Proposed accrual amount is for unaccrued balance only.

APPENDIX C
Life and Net Salvage Recommendations
Excel files included with initial filing

Minnesota Power
Intangible, Transmission, Distribution, and General Depreciation Parameters

| Plant Acct | Approved | | | Proposed | | | Difference | |
|---|--------------|------------|------------------|--------------|------------|------------------|--------------|------------------|
| | Service Life | Iowa Curve | Net Salvage Rate | Service Life | Iowa Curve | Net Salvage Rate | Service Life | Net Salvage Rate |
| <u>Non Depreciable</u> | | | | | | | | |
| 3010 Organization | NA | NA | NA | NA | NA | NA | NA | NA |
| 3020 Franchises & Consents-Organization | NA | NA | NA | NA | NA | NA | NA | NA |
| <u>Franchises and Intangibles</u> | | | | | | | | |
| 3020 Franchises & Consents-Blanchard Hydro | 30 | SQ | 0.00% | 30 | SQ | 0.00% | 0 | 0.00% |
| 3020 Franchises & Consents-Little Falls Hydro | 30 | SQ | 0.00% | 30 | SQ | 0.00% | 0 | 0.00% |
| 3020 Franchises & Consents-Prairie River | 30 | SQ | 0.00% | 30 | SQ | 0.00% | 0 | 0.00% |
| 3020 Franchises & Consents-St. Louis River | 40 | SQ | 0.00% | 40 | SQ | 0.00% | 0 | 0.00% |
| 3020 Franchises & Consents-Sylvan Hydro | 30 | SQ | 0.00% | 30 | SQ | 0.00% | 0 | 0.00% |
| 3020 Franchises & Consents-Winton Hydro | 30 | SQ | 0.00% | 30 | SQ | 0.00% | 0 | 0.00% |
| 3030 Miscellaneous Intangible Plant | 5 | SQ | 0.00% | 5 | SQ | 0.00% | 0 | 0.00% |
| 3031 Major Software 10 YR | 10 | SQ | 0.00% | 10 | SQ | 0.00% | 0 | 0.00% |
| <u>Transmission Plant</u> | | | | | | | | |
| 3520 Structures & Improvements | 56 | R5 | -10.00% | 65 | R3 | -10.00% | 9 | 0.00% |
| 3530 Station Equipment | 52 | R3 | -20.00% | 52 | R3 | -20.00% | 0 | 0.00% |
| 3531 Reserve Station Transformers | 52 | R3 | 0.00% | 52 | R3 | 0.00% | 0 | 0.00% |
| 3540 Tower and Fixtures | 63 | S4 | -30.00% | 75 | R2 | -30.00% | 12 | 0.00% |
| 3550 Poles and Fixtures | 63 | R1.5 | -60.00% | 63 | R2 | -70.00% | 0 | -10.00% |
| 3560 Overhead Conductors and Devices | 62 | S4 | -40.00% | 70 | R4 | -45.00% | 8 | -5.00% |
| 3561 Clearing Land & Rights of Way | 71 | S6 | 0.00% | 75 | R2 | 0.00% | 4 | 0.00% |
| 3580 Underground Conductors & Devices | 50 | R3 | 0.00% | 50 | R3 | 0.00% | 0 | 0.00% |
| 3590 Roads and Trails | 60 | R3 | 0.00% | 60 | R3 | 0.00% | 0 | 0.00% |

Minnesota Power
Intangible, Transmission, Distribution, and General Depreciation Parameters

| Plant Acct | Approved | | | Proposed | | | Difference | |
|--|--------------|------------|------------------|--------------|------------|------------------|--------------|------------------|
| | Service Life | Iowa Curve | Net Salvage Rate | Service Life | Iowa Curve | Net Salvage Rate | Service Life | Net Salvage Rate |
| <u>Distribution Plant</u> | | | | | | | | |
| 3610 Structures & Improvements | 60 | S6 | -25.00% | 60 | S6 | -30.00% | 0 | -5.00% |
| 3620 Station Equipment | 49 | R1 | -25.00% | 53 | R0.5 | -25.00% | 4 | 0.00% |
| 3621 Reserve Station Transformers | 49 | R1 | 0.00% | 53 | R0.5 | 0.00% | 4 | 0.00% |
| 3640 Poles, Towers and Fixtures | 43 | S6 | -75.00% | 44 | S6 | -85.00% | 1 | -10.00% |
| 3650 Overhead Conductors and Devices | 43 | S6 | -55.00% | 45 | S6 | -55.00% | 2 | 0.00% |
| 3651 Clearing Land & Rights of Way | 65 | S4 | 0.00% | 65 | S4 | 0.00% | 0 | 0.00% |
| 3660 Underground Conduit | 68 | R2 | -10.00% | 70 | R2 | -10.00% | 2 | 0.00% |
| 3670 Underground Conductor & Devices | 48 | R2 | -27.00% | 49 | R3 | -30.00% | 1 | -3.00% |
| 3680 Line Transformers | 44 | R1.5 | -5.00% | 46 | R2 | -5.00% | 2 | 0.00% |
| 3691 Services-Overhead | 40 | L0 | -60.00% | 41 | L0 | -45.00% | 1 | 15.00% |
| 3692 Services-Underground | 42 | R2 | -15.00% | 49 | R1.5 | -15.00% | 7 | 0.00% |
| 3700 Meters | 20 | S6 | 0.00% | 18 | S2 | 0.00% | -2 | 0.00% |
| 3722 Leased Property on Cust. Prem. - Lighting | 19 | R3 | -50.00% | 20 | S2.5 | -40.00% | 1 | 10.00% |
| 3730 Street Lighting and Signal Systems | 27 | L0 | -50.00% | 27 | L0 | -50.00% | 0 | 0.00% |
| <u>General Plant</u> | | | | | | | | |
| 3910 Office Furniture & Equipment | 20 | SQ | 10.00% | 20 | SQ | 0.00% | 0 | -10.00% |
| 3911 Office Furniture & Equipment, Comp. | 7 | SQ | 5.00% | 7 | SQ | 0.00% | 0 | -5.00% |
| 3914 Office Furniture & Equipment, PCs | 5 | SQ | 5.00% | 5 | SQ | 0.00% | 0 | -5.00% |
| 3920 Transportation Equip, General | 25 | SQ | 0.00% | 17 | SQ | 11.00% | -8 | 11.00% |
| 3921 Transportation Equip, Vehicle Class 1 | 7 | SQ | 0.00% | 7 | SQ | 24.00% | 0 | 24.00% |
| 3922 Transportation Equip, Vehicle Class 2 | 7 | SQ | 0.00% | 7 | SQ | 24.00% | 0 | 24.00% |
| 3923 Transportation Equip, Vehicle Class-3 | 8 | SQ | 0.00% | 7 | SQ | 19.00% | -1 | 19.00% |
| 3925 Transportation Equip, Vehicle Class 5 | 10 | SQ | 0.00% | 10 | SQ | 22.00% | 0 | 22.00% |
| 3926 Transportation Equip, Vehicle Class 6 | 13 | SQ | 0.00% | 10 | SQ | 16.00% | -3 | 16.00% |
| 3930 Stores Equipment | 20 | SQ | 0.00% | 25 | SQ | 0.00% | 5 | 0.00% |
| 3940 Tools, Shop & Garage Equipment | 20 | SQ | 5.00% | 20 | SQ | 0.00% | 0 | -5.00% |
| 3950 Laboratory Equipment | 20 | SQ | 0.00% | 20 | SQ | 0.00% | 0 | 0.00% |
| 3960 Power Operated Equipment | 15 | SQ | 0.00% | 15 | SQ | 23.00% | 0 | 23.00% |
| 3970 Communication Equip, General | 15 | SQ | 0.00% | 15 | SQ | 0.00% | 0 | 0.00% |
| 3971 Communication Equip, Microwave | 20 | SQ | 0.00% | 15 | SQ | -4.00% | -5 | -4.00% |
| 3972 Communication Equip, Telephone | 10 | SQ | 0.00% | 10 | SQ | -3.00% | 0 | -3.00% |
| 3973 Communication Equip, Mobile Radio | 12 | SQ | 0.00% | 12 | SQ | 0.00% | 0 | 0.00% |
| 3974 Communication Equip, Data Comm. | 10 | SQ | 0.00% | 10 | SQ | 0.00% | 0 | 0.00% |
| 3975 Communication Equip, Fiber Optic | 10 | SQ | 0.00% | 15 | SQ | 0.00% | 5 | 0.00% |
| 3976 Communication Equip, Fiber Optic Cable | 25 | SQ | 0.00% | 40 | SQ | 0.00% | 15 | 0.00% |
| 3977 Communication Equip, Towers | 20 | SQ | 0.00% | 50 | SQ | -4.00% | 30 | -4.00% |
| 3980 Miscellaneous Equipment | 15 | SQ | 5.00% | 15 | SQ | 0.00% | 0 | -5.00% |
| 3981 Miscellaneous Equipment 10 Yr | 10 | SQ | 0.00% | 10 | SQ | 0.00% | 0 | 0.00% |

APPENDIX D-1 through D-3
Net Salvage Analysis by Account
Excel files included with initial filing

**ALLETE
RETIREMENTS, GROSS SALVAGE, AND REMOVAL COST
TRANSMISSION AND DISTRIBUTION PROPERTY
AS ADJUSTED**

| Transaction Year | Description | Retirements | Gross Salvage | Cost of Removal | Net Salvage | Net Salv. % | 2-yr Net Salv. % | 3-yr Net Salv. % | 4-yr Net Salv. % | 5-yr Net Salv. % | 6-yr Net Salv. % | 7-yr Net Salv. % | 8-yr Net Salv. % | 9-yr Net Salv. % | 10-yr Net Salv. % |
|------------------|----------------------------------|-------------|---------------|-----------------|-------------|-------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|-------------------|
| 1987 | 352.0 Structure And Improvements | 0 | 0 | 0 | 0 | NA | | | | | | | | | |
| 1988 | 352.0 Structure And Improvements | 0 | 0 | 0 | 0 | NA | | | | | | | | | |
| 1989 | 352.0 Structure And Improvements | 2,458 | 0 | 438 | (438) | -17.81% | -17.81% | -17.81% | | | | | | | |
| 1990 | 352.0 Structure And Improvements | 0 | 0 | 0 | 0 | NA | -17.81% | -17.81% | -17.81% | | | | | | |
| 1991 | 352.0 Structure And Improvements | 7,050 | 0 | 104 | (104) | -1.47% | -1.47% | -5.69% | | -5.69% | | | | | |
| 1992 | 352.0 Structure And Improvements | 25 | 0 | 825 | (825) | -3254.48% | -13.13% | -13.13% | -14.33% | -14.33% | -14.33% | | | | |
| 1993 | 352.0 Structure And Improvements | 2,088 | 0 | 241 | (241) | -11.55% | -50.44% | -12.77% | -12.77% | -13.83% | -13.83% | -13.83% | | | |
| 1994 | 352.0 Structure And Improvements | 123 | 0 | 0 | 0 | 0.00% | -10.90% | -47.65% | -12.60% | -12.60% | -13.69% | -13.69% | -13.69% | | |
| 1995 | 352.0 Structure And Improvements | 21,233 | 0 | 6,081 | (6,081) | -28.64% | -28.48% | -26.97% | -30.45% | -23.76% | -23.76% | -23.32% | -23.32% | -23.32% | |
| 1996 | 352.0 Structure And Improvements | 7,602 | 0 | 0 | 0 | 0.00% | -21.09% | -21.00% | -20.36% | -23.00% | -19.02% | -19.02% | -18.95% | -18.95% | -18.95% |
| 1997 | 352.0 Structure And Improvements | 0 | 0 | 0 | 0 | NA | 0.00% | -21.09% | -21.00% | -20.36% | -23.00% | -19.02% | -19.02% | -18.95% | -18.95% |
| 1998 | 352.0 Structure And Improvements | 0 | 0 | 0 | 0 | NA | NA | 0.00% | -21.09% | -21.00% | -20.36% | -23.00% | -19.02% | -19.02% | -18.95% |
| 1999 | 352.0 Structure And Improvements | 0 | 0 | 0 | 0 | NA | NA | NA | 0.00% | -21.09% | -21.00% | -20.36% | -23.00% | -19.02% | -19.02% |
| 2000 | 352.0 Structure And Improvements | 2,323 | 0 | 263 | (263) | -11.34% | -11.34% | -11.34% | -11.34% | -2.65% | -20.36% | -20.28% | -19.74% | -22.19% | -18.58% |
| 2001 | 352.0 Structure And Improvements | 0 | 0 | 0 | 0 | NA | -11.34% | -11.34% | -11.34% | -11.34% | -2.65% | -20.36% | -20.28% | -19.74% | -22.19% |
| 2002 | 352.0 Structure And Improvements | 0 | 0 | 0 | 0 | NA | NA | -11.34% | -11.34% | -11.34% | -11.34% | -2.65% | -20.36% | -20.28% | -19.74% |
| 2003 | 352.0 Structure And Improvements | 0 | 0 | 0 | 0 | NA | NA | NA | -11.34% | -11.34% | -11.34% | -11.34% | -2.65% | -20.36% | -20.28% |
| 2004 | 352.0 Structure And Improvements | 0 | 0 | 0 | 0 | NA | NA | NA | NA | -11.34% | -11.34% | -11.34% | -11.34% | -2.65% | -20.36% |
| 2005 | 352.0 Structure And Improvements | 0 | 0 | 0 | 0 | NA | NA | NA | NA | NA | -11.34% | -11.34% | -11.34% | -11.34% | -2.65% |
| 2006 | 352.0 Structure And Improvements | 0 | 0 | 0 | 0 | NA | NA | NA | NA | NA | NA | -11.34% | -11.34% | -11.34% | -11.34% |
| 2007 | 352.0 Structure And Improvements | 0 | 0 | 0 | 0 | NA | NA | NA | NA | NA | NA | NA | -11.34% | -11.34% | -11.34% |
| 2008 | 352.0 Structure And Improvements | 0 | 0 | 0 | 0 | NA | NA | NA | NA | NA | NA | NA | NA | -11.34% | -11.34% |
| 2009 | 352.0 Structure And Improvements | 0 | 0 | 0 | 0 | NA | NA | NA | NA | NA | NA | NA | NA | NA | -11.34% |
| 2010 | 352.0 Structure And Improvements | 0 | 0 | 0 | 0 | NA | NA | NA | NA | NA | NA | NA | NA | NA | NA |
| 2011 | 352.0 Structure And Improvements | 0 | 0 | 0 | 0 | NA | NA | NA | NA | NA | NA | NA | NA | NA | NA |
| 2012 | 352.0 Structure And Improvements | 0 | 0 | 0 | 0 | NA | NA | NA | NA | NA | NA | NA | NA | NA | NA |
| 2013 | 352.0 Structure And Improvements | 45,386 | 0 | 27,984 | (27,984) | -61.66% | -61.66% | -61.66% | -61.66% | -61.66% | -61.66% | -61.66% | -61.66% | -61.66% | -61.66% |
| 2014 | 352.0 Structure And Improvements | 215,881 | 0 | 306,824 | (306,824) | -142.13% | -128.15% | -128.15% | -128.15% | -128.15% | -128.15% | -128.15% | -128.15% | -128.15% | -128.15% |
| 2015 | 352.0 Structure And Improvements | 0 | 0 | 0 | 0 | NA | -142.13% | -128.15% | -128.15% | -128.15% | -128.15% | -128.15% | -128.15% | -128.15% | -128.15% |
| 2016 | 352.0 Structure And Improvements | 0 | 0 | 0 | 0 | NA | NA | -142.13% | -128.15% | -128.15% | -128.15% | -128.15% | -128.15% | -128.15% | -128.15% |
| 2017 | 352.0 Structure And Improvements | 40,380 | 0 | 11,829 | (11,829) | -29.29% | -29.29% | -29.29% | -124.35% | -114.91% | -114.91% | -114.91% | -114.91% | -114.91% | -114.91% |
| 2018 | 352.0 Structure And Improvements | 51,781 | 0 | 16,332 | (16,332) | -31.54% | -30.56% | -30.56% | -108.75% | -102.70% | -102.70% | -102.70% | -102.70% | -102.70% | -102.70% |
| 2019 | 352.0 Structure And Improvements | 0 | 0 | 0 | 0 | NA | -31.54% | -30.56% | -30.56% | -30.56% | -108.75% | -102.70% | -102.70% | -102.70% | -102.70% |
| 2020 | 352.0 Structure And Improvements | 49,358 | 0 | 5,297 | (5,297) | -10.73% | -10.73% | -21.39% | -23.64% | -23.64% | -23.64% | -95.21% | -91.43% | -91.43% | -91.43% |

**ALLETE
RETIREMENTS, GROSS SALVAGE, AND REMOVAL COST
TRANSMISSION AND DISTRIBUTION PROPERTY
AS ADJUSTED**

| Transaction Year | Description | Retirements | Gross Salvage | Cost of Removal | Net Salvage | Net Salv. % | 2-yr Net Salv. % | 3-yr Net Salv. % | 4-yr Net Salv. % | 5-yr Net Salv. % | 6-yr Net Salv. % | 7-yr Net Salv. % | 8-yr Net Salv. % | 9-yr Net Salv. % | 10-yr Net Salv. % |
|------------------|-------------------------|-------------|---------------|-----------------|-------------|-------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|-------------------|
| 1987 | 353.0 Station Equipment | 154,645 | 2,923 | 27,415 | (24,492) | -15.84% | | | | | | | | | |
| 1988 | 353.0 Station Equipment | 251,140 | 8,174 | 32,790 | (24,617) | -9.80% | -12.10% | | | | | | | | |
| 1989 | 353.0 Station Equipment | 50,325 | 427 | 8,470 | (8,044) | -15.98% | -10.83% | -12.53% | | | | | | | |
| 1990 | 353.0 Station Equipment | 79,523 | 1,280 | 3,941 | (2,661) | -3.35% | -8.24% | -9.27% | -11.17% | | | | | | |
| 1991 | 353.0 Station Equipment | 195,956 | 2,573 | 9,932 | (7,359) | -3.76% | -3.64% | -5.54% | -7.40% | -9.18% | | | | | |
| 1992 | 353.0 Station Equipment | 356,654 | 5,737 | 28,138 | (22,401) | -6.28% | -5.39% | -5.13% | -5.93% | -6.97% | -8.23% | | | | |
| 1993 | 353.0 Station Equipment | 324,970 | 38,123 | 29,204 | 8,919 | 2.74% | -1.98% | -2.37% | -2.46% | -3.13% | -4.46% | -5.71% | | | |
| 1994 | 353.0 Station Equipment | 201,015 | 14,470 | 50,618 | (36,148) | -17.98% | -5.18% | -5.62% | -5.28% | -5.15% | -5.60% | -6.32% | -7.24% | | |
| 1995 | 353.0 Station Equipment | 176,735 | 0 | 20,024 | (20,024) | -11.33% | -14.87% | -6.72% | -6.58% | -6.13% | -5.97% | -6.33% | -6.87% | -7.64% | |
| 1996 | 353.0 Station Equipment | 394,837 | 14,528 | 76,577 | (62,049) | -15.72% | -14.36% | -15.30% | -9.96% | -9.06% | -8.43% | -8.19% | -8.41% | -8.59% | -9.10% |
| 1997 | 353.0 Station Equipment | 858,357 | 4,758 | 42,443 | (37,684) | -4.39% | -7.96% | -8.38% | -9.56% | -7.51% | -7.32% | -7.05% | -6.93% | -7.10% | -7.34% |
| 1998 | 353.0 Station Equipment | 596,801 | 108,600 | 161,654 | (53,054) | -8.89% | -6.24% | -8.26% | -8.53% | -9.38% | -7.84% | -7.65% | -7.40% | -7.30% | -7.43% |
| 1999 | 353.0 Station Equipment | 1,837,278 | 0 | 204,882 | (204,882) | -11.15% | -10.60% | -8.98% | -9.70% | -9.77% | -10.18% | -9.22% | -9.00% | -8.79% | -8.71% |
| 2000 | 353.0 Station Equipment | 834,009 | 240,620 | 70,048 | 170,571 | 20.45% | -1.28% | -2.67% | -3.03% | -4.14% | -4.41% | -4.97% | -4.49% | -4.60% | -4.57% |
| 2001 | 353.0 Station Equipment | 239,767 | 0 | 17,867 | (17,867) | -7.45% | 14.22% | -1.79% | -3.00% | -3.27% | -4.31% | -4.56% | -5.08% | -4.62% | -4.72% |
| 2002 | 353.0 Station Equipment | 483,666 | 0 | 88,907 | (88,907) | -18.38% | -14.76% | 4.10% | -4.16% | -4.86% | -4.78% | -5.60% | -5.79% | -6.23% | -5.74% |
| 2003 | 353.0 Station Equipment | 845,405 | 0 | 42,593 | (42,593) | -5.04% | -9.89% | -9.52% | 0.88% | -4.33% | -4.89% | -4.82% | -5.52% | -5.69% | -6.07% |
| 2004 | 353.0 Station Equipment | 584,534 | 0 | 105,787 | (105,787) | -18.10% | -10.38% | -12.40% | -11.85% | -2.83% | -6.00% | -6.32% | -6.05% | -6.63% | -6.75% |
| 2005 | 353.0 Station Equipment | 263,271 | 0 | 21,753 | (21,753) | -8.26% | -15.04% | -10.05% | -11.90% | -11.46% | -3.27% | -6.12% | -6.41% | -6.14% | -6.69% |
| 2006 | 353.0 Station Equipment | 986,257 | 0 | 154,581 | (154,581) | -15.67% | -14.11% | -15.38% | -12.12% | -13.08% | -12.68% | -6.16% | -7.67% | -7.78% | -7.39% |
| 2007 | 353.0 Station Equipment | 813,488 | 0 | 118,524 | (118,524) | -14.57% | -15.17% | -14.29% | -15.13% | -12.69% | -13.38% | -13.04% | -7.51% | -8.48% | -8.52% |
| 2008 | 353.0 Station Equipment | 629,789 | 0 | 126,588 | (126,588) | -20.10% | -16.98% | -16.45% | -15.65% | -16.09% | -13.82% | -14.30% | -13.96% | -8.91% | -9.46% |
| 2009 | 353.0 Station Equipment | 257,562 | 0 | 55,495 | (55,495) | -21.55% | -20.52% | -17.67% | -16.94% | -16.17% | -16.48% | -14.28% | -14.68% | -14.34% | -9.46% |
| 2010 | 353.0 Station Equipment | 467,563 | 0 | 232,415 | (232,415) | -49.71% | -39.70% | -30.59% | -24.58% | -21.80% | -20.75% | -20.37% | -17.69% | -17.76% | -17.31% |
| 2011 | 353.0 Station Equipment | 706,378 | 0 | 137,893 | (137,893) | -19.52% | -31.54% | -29.75% | -26.80% | -23.34% | -21.38% | -20.54% | -20.24% | -17.93% | -17.96% |
| 2012 | 353.0 Station Equipment | 660,272 | 0 | 50,880 | (50,880) | -7.71% | -13.81% | -22.96% | -22.79% | -22.17% | -20.42% | -19.38% | -18.77% | -18.70% | -16.84% |
| 2013 | 353.0 Station Equipment | 1,088,798 | 7,988 | 464,491 | (456,503) | -41.93% | -29.01% | -26.28% | -30.03% | -29.34% | -27.81% | -25.48% | -23.76% | -23.06% | -22.61% |
| 2014 | 353.0 Station Equipment | 400,500 | 0 | 192,134 | (192,134) | -47.97% | -43.55% | -32.54% | -29.32% | -32.19% | -31.42% | -29.73% | -27.28% | -25.37% | -24.65% |
| 2015 | 353.0 Station Equipment | 1,739,613 | 0 | 470,180 | (470,180) | -27.03% | -30.95% | -34.65% | -30.08% | -28.45% | -30.42% | -29.99% | -28.94% | -27.21% | -25.74% |
| 2016 | 353.0 Station Equipment | 1,240,684 | 0 | 261,222 | (261,222) | -21.05% | -24.54% | -27.32% | -30.88% | -27.89% | -26.88% | -28.57% | -28.30% | -27.58% | -26.26% |
| 2017 | 353.0 Station Equipment | 1,108,626 | 0 | 257,518 | (257,518) | -23.23% | -22.08% | -24.19% | -26.31% | -29.36% | -27.06% | -26.30% | -27.77% | -27.57% | -27.00% |
| 2018 | 353.0 Station Equipment | 3,706,003 | 738 | 957,811 | (957,073) | -25.82% | -25.23% | -24.37% | -24.96% | -26.09% | -27.95% | -26.60% | -26.13% | -27.12% | -27.00% |
| 2019 | 353.0 Station Equipment | 1,630,383 | 0 | 427,131 | (427,131) | -26.20% | -25.94% | -25.47% | -24.76% | -25.18% | -26.11% | -27.69% | -26.55% | -26.14% | -27.01% |
| 2020 | 353.0 Station Equipment | 1,211,961 | 0 | 245,273 | (245,273) | -20.24% | -23.66% | -24.88% | -24.64% | -24.14% | -24.62% | -25.46% | -26.94% | -25.95% | -25.61% |

ALLETE
RETIREMENTS, GROSS SALVAGE, AND REMOVAL COST
TRANSMISSION AND DISTRIBUTION PROPERTY
AS ADJUSTED

| Transaction Year | Description | Retirements | Gross Salvage | Cost of Removal | Net Salvage | Net Salv. % | 2- yr Net Salv. % | 3- yr Net Salv. % | 4- yr Net Salv. % | 5- yr Net Salv. % | 6- yr Net Salv. % | 7- yr Net Salv. % | 8- yr Net Salv. % | 9- yr Net Salv. % | 10- yr Net Salv. % | |
|---------------------|--------------------------------------|-------------|------------------|--------------------|----------------|----------------|-------------------------|-------------------------|-------------------------|-------------------------|-------------------------|-------------------------|-------------------------|-------------------------|--------------------------|----|
| 1993 | 353.1 Station Equipment - Reserve Eq | 0 | 0 | 0 | 0 | NA | | | | | | | | | | |
| 1994 | 353.1 Station Equipment - Reserve Eq | 0 | 0 | 0 | 0 | NA | NA | | | | | | | | | |
| 1995 | 353.1 Station Equipment - Reserve Eq | 0 | 0 | 0 | 0 | NA | NA | NA | | | | | | | | |
| 1996 | 353.1 Station Equipment - Reserve Eq | 0 | 0 | 0 | 0 | NA | NA | NA | NA | | | | | | | |
| 1997 | 353.1 Station Equipment - Reserve Eq | 0 | 0 | 0 | 0 | NA | NA | NA | NA | NA | | | | | | |
| 1998 | 353.1 Station Equipment - Reserve Eq | 0 | 0 | 0 | 0 | NA | NA | NA | NA | NA | NA | | | | | |
| 1999 | 353.1 Station Equipment - Reserve Eq | 0 | 0 | 0 | 0 | NA | NA | NA | NA | NA | NA | NA | | | | |
| 2000 | 353.1 Station Equipment - Reserve Eq | 0 | 0 | 0 | 0 | NA | NA | NA | NA | NA | NA | NA | NA | | | |
| 2001 | 353.1 Station Equipment - Reserve Eq | 0 | 0 | 0 | 0 | NA | NA | NA | NA | NA | NA | NA | NA | NA | | |
| 2002 | 353.1 Station Equipment - Reserve Eq | 0 | 0 | 0 | 0 | NA | NA | NA | NA | NA | NA | NA | NA | NA | NA | |
| 2003 | 353.1 Station Equipment - Reserve Eq | 0 | 0 | 0 | 0 | NA | NA | NA | NA | NA | NA | NA | NA | NA | NA | NA |
| 2004 | 353.1 Station Equipment - Reserve Eq | 0 | 0 | 0 | 0 | NA | NA | NA | NA | NA | NA | NA | NA | NA | NA | NA |
| 2005 | 353.1 Station Equipment - Reserve Eq | 0 | 0 | 0 | 0 | NA | NA | NA | NA | NA | NA | NA | NA | NA | NA | NA |
| 2006 | 353.1 Station Equipment - Reserve Eq | 0 | 0 | 0 | 0 | NA | NA | NA | NA | NA | NA | NA | NA | NA | NA | NA |
| 2007 | 353.1 Station Equipment - Reserve Eq | 0 | 0 | 0 | 0 | NA | NA | NA | NA | NA | NA | NA | NA | NA | NA | NA |
| 2008 | 353.1 Station Equipment - Reserve Eq | 0 | 0 | 0 | 0 | NA | NA | NA | NA | NA | NA | NA | NA | NA | NA | NA |
| 2009 | 353.1 Station Equipment - Reserve Eq | 0 | 0 | 0 | 0 | NA | NA | NA | NA | NA | NA | NA | NA | NA | NA | NA |
| 2010 | 353.1 Station Equipment - Reserve Eq | 0 | 0 | 0 | 0 | NA | NA | NA | NA | NA | NA | NA | NA | NA | NA | NA |
| 2011 | 353.1 Station Equipment - Reserve Eq | 0 | 0 | 0 | 0 | NA | NA | NA | NA | NA | NA | NA | NA | NA | NA | NA |
| 2012 | 353.1 Station Equipment - Reserve Eq | 0 | 0 | 0 | 0 | NA | NA | NA | NA | NA | NA | NA | NA | NA | NA | NA |
| 2013 | 353.1 Station Equipment - Reserve Eq | 0 | 0 | 0 | 0 | NA | NA | NA | NA | NA | NA | NA | NA | NA | NA | NA |
| 2014 | 353.1 Station Equipment - Reserve Eq | 0 | 0 | 0 | 0 | NA | NA | NA | NA | NA | NA | NA | NA | NA | NA | NA |
| 2015 | 353.1 Station Equipment - Reserve Eq | 0 | 0 | 0 | 0 | NA | NA | NA | NA | NA | NA | NA | NA | NA | NA | NA |
| 2016 | 353.1 Station Equipment - Reserve Eq | 0 | 0 | 0 | 0 | NA | NA | NA | NA | NA | NA | NA | NA | NA | NA | NA |
| 2017 | 353.1 Station Equipment - Reserve Eq | 0 | 0 | 0 | 0 | NA | NA | NA | NA | NA | NA | NA | NA | NA | NA | NA |
| 2018 | 353.1 Station Equipment - Reserve Eq | 0 | 0 | 0 | 0 | NA | NA | NA | NA | NA | NA | NA | NA | NA | NA | NA |
| 2019 | 353.1 Station Equipment - Reserve Eq | 0 | 0 | 0 | 0 | NA | NA | NA | NA | NA | NA | NA | NA | NA | NA | NA |
| 2020 | 353.1 Station Equipment - Reserve Eq | 0 | 0 | 0 | 0 | NA | NA | NA | NA | NA | NA | NA | NA | NA | NA | NA |

**ALLETE
RETIREMENTS, GROSS SALVAGE, AND REMOVAL COST
TRANSMISSION AND DISTRIBUTION PROPERTY
AS ADJUSTED**

| Transaction Year | Description | Retirements | Gross Salvage | Cost of Removal | Net Salvage | Net Salv. % | 2-yr Net Salv. % | 3-yr Net Salv. % | 4-yr Net Salv. % | 5-yr Net Salv. % | 6-yr Net Salv. % | 7-yr Net Salv. % | 8-yr Net Salv. % | 9-yr Net Salv. % | 10-yr Net Salv. % |
|------------------|---------------------------|-------------|---------------|-----------------|-------------|-------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|-------------------|
| 1987 | 354.0 Towers And Fixtures | 19,550 | 0 | 13,401 | (13,401) | -68.55% | | | | | | | | | |
| 1988 | 354.0 Towers And Fixtures | 0 | 0 | 0 | 0 | NA | -68.55% | | | | | | | | |
| 1989 | 354.0 Towers And Fixtures | 0 | 0 | 0 | 0 | NA | NA | -68.55% | | | | | | | |
| 1990 | 354.0 Towers And Fixtures | 0 | 0 | 0 | 0 | NA | NA | NA | -68.55% | | | | | | |
| 1991 | 354.0 Towers And Fixtures | 0 | 0 | 0 | 0 | NA | NA | NA | NA | -68.55% | | | | | |
| 1992 | 354.0 Towers And Fixtures | 0 | 0 | 0 | 0 | NA | NA | NA | NA | NA | -68.55% | | | | |
| 1993 | 354.0 Towers And Fixtures | 0 | 0 | 0 | 0 | NA | NA | NA | NA | NA | NA | -68.55% | | | |
| 1994 | 354.0 Towers And Fixtures | 0 | 0 | 0 | 0 | NA | NA | NA | NA | NA | NA | NA | -68.55% | | |
| 1995 | 354.0 Towers And Fixtures | 0 | 0 | 0 | 0 | NA | NA | NA | NA | NA | NA | NA | NA | -68.55% | |
| 1996 | 354.0 Towers And Fixtures | 0 | 0 | 0 | 0 | NA | NA | NA | NA | NA | NA | NA | NA | NA | -68.55% |
| 1997 | 354.0 Towers And Fixtures | 0 | 0 | 0 | 0 | NA | NA | NA | NA | NA | NA | NA | NA | NA | NA |
| 1998 | 354.0 Towers And Fixtures | 0 | 0 | 0 | 0 | NA | NA | NA | NA | NA | NA | NA | NA | NA | NA |
| 1999 | 354.0 Towers And Fixtures | 0 | 0 | 0 | 0 | NA | NA | NA | NA | NA | NA | NA | NA | NA | NA |
| 2000 | 354.0 Towers And Fixtures | 65,757 | 0 | 0 | 0 | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| 2001 | 354.0 Towers And Fixtures | 0 | 0 | 0 | 0 | NA | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| 2002 | 354.0 Towers And Fixtures | 0 | 0 | 0 | 0 | NA | NA | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| 2003 | 354.0 Towers And Fixtures | 0 | 0 | 0 | 0 | NA | NA | NA | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| 2004 | 354.0 Towers And Fixtures | 0 | 0 | 0 | 0 | NA | NA | NA | NA | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| 2005 | 354.0 Towers And Fixtures | 0 | 0 | 0 | 0 | NA | NA | NA | NA | NA | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| 2006 | 354.0 Towers And Fixtures | 0 | 0 | 0 | 0 | NA | NA | NA | NA | NA | NA | 0.00% | 0.00% | 0.00% | 0.00% |
| 2007 | 354.0 Towers And Fixtures | 0 | 0 | 0 | 0 | NA | NA | NA | NA | NA | NA | NA | 0.00% | 0.00% | 0.00% |
| 2008 | 354.0 Towers And Fixtures | 0 | 0 | 0 | 0 | NA | NA | NA | NA | NA | NA | NA | NA | 0.00% | 0.00% |
| 2009 | 354.0 Towers And Fixtures | 48,466 | 0 | 5,568 | (5,568) | -11.49% | -11.49% | -11.49% | -11.49% | -11.49% | -11.49% | -11.49% | -11.49% | -11.49% | -4.87% |
| 2010 | 354.0 Towers And Fixtures | 21,416 | 0 | 74,760 | (74,760) | -349.09% | -114.95% | -114.95% | -114.95% | -114.95% | -114.95% | -114.95% | -114.95% | -114.95% | -114.95% |
| 2011 | 354.0 Towers And Fixtures | 30,099 | 2,275 | 94,016 | (91,741) | -304.80% | -323.21% | -172.10% | -172.10% | -172.10% | -172.10% | -172.10% | -172.10% | -172.10% | -172.10% |
| 2012 | 354.0 Towers And Fixtures | 8,031 | 0 | 93,438 | (93,438) | -1163.49% | -485.66% | -436.54% | -245.81% | -245.81% | -245.81% | -245.81% | -245.81% | -245.81% | -245.81% |
| 2013 | 354.0 Towers And Fixtures | 4,300 | 0 | 11,440 | (11,440) | -266.07% | -850.55% | -463.40% | -425.06% | -246.59% | -246.59% | -246.59% | -246.59% | -246.59% | -246.59% |
| 2014 | 354.0 Towers And Fixtures | 15,177 | 0 | 46,887 | (46,887) | -308.93% | -299.47% | -551.72% | -422.71% | -402.76% | -254.01% | -254.01% | -254.01% | -254.01% | -254.01% |
| 2015 | 354.0 Towers And Fixtures | 0 | 0 | 0 | 0 | NA | -308.93% | -299.47% | -551.72% | -422.71% | -402.76% | -254.01% | -254.01% | -254.01% | -254.01% |
| 2016 | 354.0 Towers And Fixtures | 34,305 | 0 | 78,012 | (78,012) | -227.40% | -227.40% | -252.41% | -253.50% | -371.73% | -349.81% | -349.68% | -248.37% | -248.37% | -248.37% |
| 2017 | 354.0 Towers And Fixtures | 288,305 | 0 | 286,849 | (286,849) | -99.49% | -113.10% | -113.10% | -121.90% | -123.71% | -147.56% | -160.01% | -170.09% | -153.01% | -153.01% |
| 2018 | 354.0 Towers And Fixtures | 4,352 | 0 | 19,478 | (19,478) | -447.58% | -104.67% | -117.55% | -117.55% | -126.04% | -127.78% | -151.24% | -163.26% | -173.06% | -155.83% |
| 2019 | 354.0 Towers And Fixtures | 30,098 | 0 | 38,025 | (38,025) | -126.34% | -166.92% | -106.69% | -118.29% | -118.29% | -126.06% | -127.66% | -149.29% | -160.58% | -169.84% |
| 2020 | 354.0 Towers And Fixtures | 60,196 | 0 | 119,015 | (119,015) | -197.71% | -173.92% | -186.50% | -121.00% | -129.75% | -129.75% | -136.04% | -137.32% | -155.85% | -165.29% |

**ALLETE
RETIREMENTS, GROSS SALVAGE, AND REMOVAL COST
TRANSMISSION AND DISTRIBUTION PROPERTY
AS ADJUSTED**

| Transaction Year | Description | Retirements | Gross Salvage | Cost of Removal | Net Salvage | Net Salv. % | 2- yr Net Salv. % | 3- yr Net Salv. % | 4- yr Net Salv. % | 5- yr Net Salv. % | 6- yr Net Salv. % | 7- yr Net Salv. % | 8- yr Net Salv. % | 9- yr Net Salv. % | 10- yr Net Salv. % |
|---------------------|--------------------------|-------------|------------------|--------------------|----------------|----------------|-------------------------|-------------------------|-------------------------|-------------------------|-------------------------|-------------------------|-------------------------|-------------------------|--------------------------|
| 1987 | 355.0 Poles And Fixtures | 129,158 | 29,063 | 135,447 | (106,385) | -82.37% | | | | | | | | | |
| 1988 | 355.0 Poles And Fixtures | 95,240 | 1,638 | 33,880 | (32,242) | -33.85% | -61.78% | | | | | | | | |
| 1989 | 355.0 Poles And Fixtures | 65,328 | 6,728 | 27,563 | (20,835) | -31.89% | -33.06% | -55.04% | | | | | | | |
| 1990 | 355.0 Poles And Fixtures | 67,612 | 12,710 | 105,876 | (93,166) | -137.80% | -85.75% | -64.09% | -70.70% | | | | | | |
| 1991 | 355.0 Poles And Fixtures | 204,964 | 15,165 | 99,077 | (83,912) | -40.94% | -64.96% | -58.57% | | -59.85% | | | | | |
| 1992 | 355.0 Poles And Fixtures | 385,133 | 9,032 | 195,330 | (186,298) | -48.37% | -45.79% | -55.25% | -53.14% | -50.89% | -55.18% | | | | |
| 1993 | 355.0 Poles And Fixtures | 141,587 | 10,337 | 94,238 | (83,902) | -59.26% | -51.30% | -48.40% | -55.96% | -54.14% | | -55.71% | | | |
| 1994 | 355.0 Poles And Fixtures | 129,984 | 23,359 | 65,977 | (42,618) | -32.79% | -46.59% | -47.63% | -46.04% | -52.72% | -51.35% | -49.82% | -53.27% | | |
| 1995 | 355.0 Poles And Fixtures | 64,861 | 1,200 | 46,934 | (45,735) | -70.51% | -45.35% | -51.20% | -49.69% | -47.76% | -53.88% | -52.52% | -50.98% | -54.14% | |
| 1996 | 355.0 Poles And Fixtures | 94,466 | 2,858 | 56,927 | (54,069) | -57.24% | -62.64% | -49.23% | -52.52% | -50.56% | -48.63% | -54.17% | -52.91% | -51.46% | -54.35% |
| 1997 | 355.0 Poles And Fixtures | 134,482 | 255 | 15,904 | (15,649) | -11.64% | -30.45% | -39.30% | -37.30% | -42.80% | -45.06% | -44.33% | -49.49% | -48.60% | -47.59% |
| 1998 | 355.0 Poles And Fixtures | 68,951 | 42 | 27,281 | (27,239) | -39.50% | -21.08% | -32.55% | -39.33% | -37.61% | -42.44% | -44.68% | -44.05% | -48.96% | -48.14% |
| 1999 | 355.0 Poles And Fixtures | 45,860 | 0 | 187,831 | (187,831) | -409.57% | -187.33% | -92.55% | -82.85% | -80.89% | -69.28% | -67.19% | -60.39% | -57.25% | -61.32% |
| 2000 | 355.0 Poles And Fixtures | 71,829 | 0 | 36,226 | (36,226) | -50.43% | -190.38% | -134.64% | -83.13% | -77.24% | -76.33% | -67.06% | -65.59% | -59.76% | -56.89% |
| 2001 | 355.0 Poles And Fixtures | 12,060 | 0 | 9,106 | (9,106) | -75.51% | -54.04% | -179.70% | -131.05% | -82.85% | -77.19% | -76.31% | -67.23% | -65.75% | -59.93% |
| 2002 | 355.0 Poles And Fixtures | 89,797 | 1,141 | 42,748 | (41,607) | -46.33% | -49.79% | -50.06% | -125.15% | -104.68% | -75.10% | -71.84% | -71.69% | -64.59% | -63.71% |
| 2003 | 355.0 Poles And Fixtures | 197,367 | 12,328 | 251,883 | (239,555) | -121.38% | -97.91% | -97.01% | -87.99% | -123.36% | -111.46% | -89.82% | -85.52% | -84.27% | -76.91% |
| 2004 | 355.0 Poles And Fixtures | 60,854 | 32,656 | 25,246 | 7,410 | 12.18% | -89.90% | -78.66% | -78.55% | -73.88% | -106.10% | -97.70% | -80.71% | -77.85% | -77.29% |
| 2005 | 355.0 Poles And Fixtures | 679,865 | 68,483 | 192,737 | (124,255) | -18.28% | -15.77% | -37.99% | -38.72% | -39.15% | -39.88% | -54.52% | -53.68% | -49.52% | -50.02% |
| 2006 | 355.0 Poles And Fixtures | 17,780 | 4,059 | 3,701 | 358 | 2.01% | -17.76% | -15.36% | -37.25% | -38.03% | -38.46% | -39.22% | -53.67% | -52.88% | -48.86% |
| 2007 | 355.0 Poles And Fixtures | 1,249,840 | 0 | 436,667 | (436,667) | -34.94% | -34.42% | -28.78% | -27.54% | -35.94% | -36.35% | -36.55% | -36.97% | -44.02% | -43.89% |
| 2008 | 355.0 Poles And Fixtures | 26,477 | 0 | 5,952 | (5,952) | -22.48% | -34.68% | -34.18% | -28.70% | -27.48% | -35.78% | -36.19% | -36.39% | -36.81% | -43.78% |
| 2009 | 355.0 Poles And Fixtures | 157,790 | 18,634 | 91,047 | (72,413) | -45.89% | -42.53% | -35.91% | -35.45% | -29.97% | -28.80% | -36.45% | -36.81% | -36.99% | -37.37% |
| 2010 | 355.0 Poles And Fixtures | 95,660 | 502 | 142,734 | (142,231) | -148.68% | -84.69% | -78.80% | -42.96% | -42.45% | -35.07% | -33.81% | -40.77% | -40.96% | -41.12% |
| 2011 | 355.0 Poles And Fixtures | 237,795 | 6,594 | 218,275 | (211,681) | -89.02% | -106.13% | -86.78% | -83.50% | -49.16% | -48.65% | -40.27% | -39.01% | -44.98% | -45.02% |
| 2012 | 355.0 Poles And Fixtures | 24,369 | 0 | 38,899 | (38,899) | -159.62% | -95.58% | -109.78% | -90.23% | -86.92% | -50.66% | -50.15% | -41.44% | -40.16% | -46.00% |
| 2013 | 355.0 Poles And Fixtures | 38,229 | 0 | 32,326 | (32,326) | -84.56% | -113.78% | -94.18% | -107.34% | -89.84% | -86.76% | -51.37% | -50.86% | -42.09% | -40.82% |
| 2014 | 355.0 Poles And Fixtures | 2,812 | 0 | 0 | 0 | 0.00% | -78.77% | -108.89% | -93.31% | -106.59% | -89.38% | -86.34% | -51.29% | -50.78% | -42.05% |
| 2015 | 355.0 Poles And Fixtures | 356,300 | 0 | 257,259 | (257,259) | -72.20% | -71.64% | -72.88% | -77.89% | -81.90% | -90.36% | -82.68% | -80.98% | -54.70% | -54.24% |
| 2016 | 355.0 Poles And Fixtures | 2,230,396 | 153,516 | 2,757,351 | (2,603,835) | -116.74% | -110.61% | -110.49% | -110.11% | -110.57% | -108.79% | -110.07% | -106.85% | -106.14% | -86.01% |
| 2017 | 355.0 Poles And Fixtures | 1,195,361 | 1,393 | 2,128,433 | (2,127,040) | -177.94% | -138.10% | -131.89% | -131.79% | -131.32% | -131.50% | -129.03% | -129.48% | -126.44% | -125.81% |
| 2018 | 355.0 Poles And Fixtures | 469,089 | 81,873 | 516,043 | (434,170) | -92.56% | -153.88% | -132.61% | -127.55% | -127.46% | -127.08% | -127.27% | -125.27% | -125.75% | -123.13% |
| 2019 | 355.0 Poles And Fixtures | 261,223 | 0 | 177,200 | (177,200) | -67.83% | -83.71% | -142.21% | -128.54% | -124.09% | -124.02% | -123.68% | -123.88% | -122.15% | -122.67% |
| 2020 | 355.0 Poles And Fixtures | 905,427 | 0 | 1,049,868 | (1,049,868) | -115.95% | -105.18% | -101.56% | -133.81% | -126.29% | -122.73% | -122.67% | -122.40% | -122.57% | -121.17% |

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| Transaction Year | Description | Retirements | Gross Salvage | Cost of Removal | Net Salvage | Net Salv. % | 2- yr Net Salv. % | 3- yr Net Salv. % | 4- yr Net Salv. % | 5- yr Net Salv. % | 6- yr Net Salv. % | 7- yr Net Salv. % | 8- yr Net Salv. % | 9- yr Net Salv. % | 10- yr Net Salv. % |
|------------------|-------------------------------------|-------------|---------------|-----------------|-------------|-------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|--------------------|
| 1987 | 356.0 Overhead Conductors & Devices | 31,486 | 16,664 | 36,147 | (19,483) | -61.88% | | | | | | | | | |
| 1988 | 356.0 Overhead Conductors & Devices | 54,763 | 7,269 | 13,220 | (5,951) | -10.87% | -29.49% | | | | | | | | |
| 1989 | 356.0 Overhead Conductors & Devices | 251 | (12,994) | 4,426 | (17,419) | -6939.76% | -42.48% | -49.54% | | | | | | | |
| 1990 | 356.0 Overhead Conductors & Devices | 86,837 | 12,886 | 34,144 | (21,257) | -24.48% | -44.41% | -31.46% | -36.99% | | | | | | |
| 1991 | 356.0 Overhead Conductors & Devices | 53,509 | 13,129 | 26,959 | (13,830) | -25.85% | -25.00% | -37.35% | -29.92% | -34.36% | | | | | |
| 1992 | 356.0 Overhead Conductors & Devices | 149,815 | 9,013 | 52,586 | (43,573) | -29.08% | -28.23% | -27.11% | -33.08% | -29.56% | -32.26% | | | | |
| 1993 | 356.0 Overhead Conductors & Devices | 169,143 | 13,696 | 141,009 | (127,313) | -75.27% | -53.58% | -49.59% | -44.84% | -48.61% | -44.59% | -45.59% | | | |
| 1994 | 356.0 Overhead Conductors & Devices | 59,654 | 6,375 | 48,853 | (42,478) | -71.21% | -74.21% | -56.35% | -52.58% | -47.87% | -51.21% | -47.36% | -48.11% | | |
| 1995 | 356.0 Overhead Conductors & Devices | 4,293 | 506 | 3,249 | (2,742) | -63.88% | -70.72% | -74.02% | -56.44% | -52.69% | -48.01% | -51.31% | -47.48% | -48.22% | |
| 1996 | 356.0 Overhead Conductors & Devices | 59,546 | 4,074 | 12,598 | (8,524) | -14.31% | -17.65% | -43.52% | -61.87% | -50.77% | -48.08% | -44.56% | -47.53% | -44.38% | -45.21% |
| 1997 | 356.0 Overhead Conductors & Devices | 8,123 | 0 | 0 | 0 | 0.00% | -12.60% | -15.66% | -40.83% | -60.20% | -49.85% | -47.31% | -43.95% | -46.88% | -43.83% |
| 1998 | 356.0 Overhead Conductors & Devices | 54,889 | 0 | 3,185 | (3,185) | -5.80% | -5.05% | -9.55% | -11.39% | -30.52% | -51.80% | -45.07% | -43.23% | -40.71% | -43.39% |
| 1999 | 356.0 Overhead Conductors & Devices | 4,856 | 0 | 12,933 | (12,933) | -266.33% | -26.98% | -23.75% | -19.34% | -20.79% | -36.51% | -54.69% | -47.18% | -45.15% | -42.39% |
| 2000 | 356.0 Overhead Conductors & Devices | 0 | 0 | 0 | 0 | NA | -266.33% | -26.98% | -23.75% | -19.34% | -20.79% | -36.51% | -54.69% | -47.18% | -45.15% |
| 2001 | 356.0 Overhead Conductors & Devices | 3,956 | 0 | 1,725 | (1,725) | -43.61% | -43.61% | -166.34% | -28.01% | -24.84% | -20.07% | -21.46% | -36.65% | -54.57% | -47.15% |
| 2002 | 356.0 Overhead Conductors & Devices | 3,587 | 1,339 | 5,692 | (4,353) | -121.36% | -80.58% | -80.58% | -153.33% | -32.99% | -29.43% | -22.76% | -24.03% | -38.18% | -55.23% |
| 2003 | 356.0 Overhead Conductors & Devices | 19,217 | 0 | 19,581 | (19,581) | -101.89% | -104.95% | -95.89% | -95.89% | -122.07% | -48.29% | -44.15% | -32.63% | -33.47% | -43.79% |
| 2004 | 356.0 Overhead Conductors & Devices | 756,185 | 11,948 | 305,740 | (293,792) | -38.85% | -40.41% | -40.79% | -40.80% | -40.80% | -42.19% | -39.82% | -39.44% | -37.80% | -37.92% |
| 2005 | 356.0 Overhead Conductors & Devices | 360,640 | 46,508 | 52,794 | (6,287) | -1.74% | -26.87% | -28.14% | -28.43% | -28.48% | -28.48% | -29.49% | -28.41% | -28.22% | -27.57% |
| 2006 | 356.0 Overhead Conductors & Devices | 238 | 0 | 107 | (107) | -45.08% | -1.77% | -26.87% | -28.14% | -28.43% | -28.49% | -29.49% | -28.41% | -28.22% | |
| 2007 | 356.0 Overhead Conductors & Devices | 38,186 | 0 | 43,580 | (43,580) | -114.12% | -113.70% | -12.52% | -29.76% | -30.94% | -31.21% | -31.25% | -31.25% | -32.22% | -31.05% |
| 2008 | 356.0 Overhead Conductors & Devices | 115,882 | 0 | 116,213 | (116,213) | -100.29% | -103.72% | -103.63% | -32.27% | -36.19% | -37.40% | -37.42% | -37.42% | -38.27% | |
| 2009 | 356.0 Overhead Conductors & Devices | 34,490 | 0 | 8,217 | (8,217) | -23.82% | -82.75% | -89.10% | -89.05% | -31.74% | -35.86% | -36.82% | -37.05% | -37.07% | -37.07% |
| 2010 | 356.0 Overhead Conductors & Devices | 24,773 | 0 | 43,334 | (43,334) | -174.93% | -86.99% | -95.79% | -99.07% | -99.01% | -37.92% | -38.45% | -39.35% | -39.57% | -39.58% |
| 2011 | 356.0 Overhead Conductors & Devices | 3,806 | 70 | 2,609 | (2,539) | -66.71% | -160.52% | -85.76% | -95.17% | -98.50% | -98.44% | -38.11% | -38.53% | -39.43% | -39.65% |
| 2012 | 356.0 Overhead Conductors & Devices | 1,939 | 0 | 4,395 | (4,395) | -226.70% | -120.70% | -164.72% | -89.97% | -96.58% | -99.64% | -99.58% | -38.74% | -38.80% | -39.70% |
| 2013 | 356.0 Overhead Conductors & Devices | 4,615 | 0 | 2,263 | (2,263) | -49.03% | -101.59% | -88.77% | -149.52% | -87.25% | -95.39% | -98.59% | -98.53% | -38.82% | -38.84% |
| 2014 | 356.0 Overhead Conductors & Devices | 52 | 0 | 10,275 | (10,275) | -19785.75% | -268.64% | -256.33% | -187.01% | -178.50% | -101.94% | -100.91% | -103.16% | -103.10% | -40.57% |
| 2015 | 356.0 Overhead Conductors & Devices | 140,276 | 0 | 93,154 | (93,154) | -66.41% | -73.70% | -72.92% | -74.95% | -74.74% | -88.89% | -78.20% | -86.05% | -89.00% | -88.97% |
| 2016 | 356.0 Overhead Conductors & Devices | 664,734 | 119,001 | 329,084 | (210,083) | -31.60% | -37.67% | -38.94% | -39.00% | -39.45% | -39.58% | -43.57% | -42.79% | -49.51% | -51.91% |
| 2017 | 356.0 Overhead Conductors & Devices | 358,356 | 0 | 257,735 | (257,735) | -71.92% | -45.73% | -48.22% | -49.10% | -49.10% | -49.39% | -49.45% | -52.04% | -51.25% | -55.47% |
| 2018 | 356.0 Overhead Conductors & Devices | 152,082 | 9,268 | 108,063 | (98,794) | -64.96% | -69.85% | -48.22% | -50.16% | -50.93% | -50.93% | -51.19% | -51.23% | -53.50% | -52.76% |
| 2019 | 356.0 Overhead Conductors & Devices | 82,659 | 0 | 63,641 | (63,641) | -76.99% | -69.20% | -70.84% | -50.11% | -51.74% | -52.47% | -52.46% | -52.70% | -52.74% | -54.85% |
| 2020 | 356.0 Overhead Conductors & Devices | 475,072 | 0 | 885,545 | (885,545) | -186.40% | -170.19% | -147.64% | -122.24% | -87.47% | -85.89% | -86.44% | -86.35% | -86.49% | -86.45% |

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|--------------------|-------------|-------------|---------------|-----------------|-------------|-------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|-------------------|
| 1987 355.0 & 356.0 | | 160,644 | 45,727 | 171,594 | (125,868) | -78.35% | | | | | | | | | |
| 1988 355.0 & 356.0 | | 150,003 | 8,907 | 47,100 | (38,192) | -25.46% | -52.81% | | | | | | | | |
| 1989 355.0 & 356.0 | | 65,579 | (6,266) | 31,988 | (38,255) | -58.33% | -35.46% | -53.77% | | | | | | | |
| 1990 355.0 & 356.0 | | 154,449 | 25,596 | 140,020 | (114,423) | -74.08% | -69.39% | -51.58% | -59.69% | | | | | | |
| 1991 355.0 & 356.0 | | 258,473 | 28,294 | 126,035 | (97,742) | -37.82% | -51.38% | -52.33% | -45.92% | -52.52% | | | | | |
| 1992 355.0 & 356.0 | | 534,949 | 18,044 | 247,915 | (229,871) | -42.97% | -41.29% | -46.63% | -47.39% | -44.56% | -48.66% | | | | |
| 1993 355.0 & 356.0 | | 310,730 | 24,033 | 235,247 | (211,215) | -67.97% | -52.16% | -48.80% | -51.90% | -52.22% | -49.50% | -52.33% | | | |
| 1994 355.0 & 356.0 | | 189,638 | 29,733 | 114,829 | (85,096) | -44.87% | -59.22% | -50.82% | -48.22% | -50.98% | -51.30% | -48.97% | -51.56% | | |
| 1995 355.0 & 356.0 | | 69,153 | 1,706 | 50,183 | (48,477) | -70.10% | -51.61% | -60.54% | -52.03% | -49.33% | -51.85% | -52.12% | -49.81% | -52.24% | |
| 1996 355.0 & 356.0 | | 154,012 | 6,933 | 69,526 | (62,593) | -40.64% | -49.77% | -47.52% | -56.30% | -50.64% | -48.45% | -50.82% | -51.10% | -49.07% | -51.36% |
| 1997 355.0 & 356.0 | | 142,605 | 255 | 15,904 | (15,649) | -10.97% | -26.38% | -34.64% | -38.14% | -48.84% | -46.60% | -45.23% | -47.69% | -48.06% | -46.39% |
| 1998 355.0 & 356.0 | | 123,840 | 42 | 30,466 | (30,424) | -24.57% | -17.29% | -25.84% | -32.10% | -35.66% | -45.80% | -44.81% | -43.80% | -46.21% | -46.61% |
| 1999 355.0 & 356.0 | | 50,716 | 0 | 200,764 | (200,764) | -395.86% | -132.44% | -77.83% | -65.67% | -66.24% | -60.69% | -62.86% | -56.11% | -53.53% | -55.13% |
| 2000 355.0 & 356.0 | | 71,829 | 0 | 36,226 | (36,226) | -50.43% | -193.39% | -108.54% | -72.77% | -63.66% | -64.38% | -69.77% | -62.06% | -55.86% | -53.41% |
| 2001 355.0 & 356.0 | | 16,016 | 0 | 10,832 | (10,832) | -67.63% | -53.57% | -178.85% | -106.04% | -72.57% | -63.77% | -64.47% | -59.92% | -62.14% | -55.98% |
| 2002 355.0 & 356.0 | | 93,384 | 2,480 | 48,440 | (45,960) | -49.22% | -51.91% | -51.33% | -126.66% | -91.12% | -68.19% | -61.69% | -62.49% | -58.83% | -61.15% |
| 2003 355.0 & 356.0 | | 216,584 | 12,328 | 271,464 | (259,136) | -119.65% | -98.43% | -96.91% | -88.52% | -123.27% | -101.92% | -83.78% | -76.13% | -75.69% | -70.51% |
| 2004 355.0 & 356.0 | | 817,038 | 44,604 | 330,986 | (286,381) | -35.05% | -52.78% | -52.48% | -52.69% | -52.56% | -66.32% | -62.60% | -57.79% | -56.22% | -56.77% |
| 2005 355.0 & 356.0 | | 1,040,505 | 114,990 | 245,532 | (130,542) | -12.55% | -22.44% | -32.59% | -33.31% | -33.56% | -34.10% | -42.06% | -41.16% | -39.49% | -39.56% |
| 2006 355.0 & 356.0 | | 18,018 | 4,059 | 3,809 | 250 | 1.39% | -12.31% | -22.22% | -32.30% | -33.02% | -33.28% | -41.72% | -40.85% | -39.21% | |
| 2007 355.0 & 356.0 | | 1,288,027 | 0 | 480,247 | (480,247) | -37.29% | -36.75% | -26.02% | -28.35% | -34.20% | -34.60% | -34.76% | -35.07% | -40.14% | -39.62% |
| 2008 355.0 & 356.0 | | 142,359 | 0 | 122,165 | (122,165) | -85.81% | -42.12% | -41.57% | -29.44% | -30.83% | -36.29% | -36.62% | -36.76% | -37.02% | -41.87% |
| 2009 355.0 & 356.0 | | 192,280 | 18,634 | 99,264 | (80,630) | -41.93% | -60.60% | -42.09% | -41.62% | -30.33% | -31.44% | -36.58% | -36.89% | -37.02% | -37.27% |
| 2010 355.0 & 356.0 | | 120,432 | 502 | 186,068 | (185,565) | -154.08% | -85.12% | -85.34% | -49.83% | -49.31% | -35.65% | -35.52% | -40.27% | -40.48% | -40.59% |
| 2011 355.0 & 356.0 | | 241,601 | 6,664 | 220,884 | (214,220) | -88.67% | -110.43% | -86.67% | -86.49% | -54.56% | -54.06% | -39.86% | -38.84% | -43.14% | -43.27% |
| 2012 355.0 & 356.0 | | 26,308 | 0 | 43,294 | (43,294) | -164.57% | -96.12% | -114.10% | -90.20% | -89.33% | -56.00% | -55.49% | -40.93% | -39.70% | -43.92% |
| 2013 355.0 & 356.0 | | 42,844 | 0 | 34,589 | (34,589) | -80.73% | -112.63% | -94.00% | -110.78% | -89.55% | -88.85% | -56.51% | -56.01% | -41.48% | -40.14% |
| 2014 355.0 & 356.0 | | 2,864 | 0 | 10,275 | (10,275) | -358.80% | -98.15% | -122.41% | -96.42% | -112.42% | -90.78% | -89.86% | -56.93% | -56.43% | -41.77% |
| 2015 355.0 & 356.0 | | 496,576 | 0 | 350,413 | (350,413) | -70.57% | -72.22% | -72.89% | -77.13% | -80.57% | -90.09% | -81.84% | -82.29% | -59.59% | -59.16% |
| 2016 355.0 & 356.0 | | 2,895,130 | 272,517 | 3,086,435 | (2,813,918) | -97.19% | -93.30% | -93.52% | -93.36% | -93.90% | -93.56% | -95.47% | -92.90% | -92.66% | -79.57% |
| 2017 355.0 & 356.0 | | 1,553,716 | 1,393 | 2,386,168 | (2,384,775) | -153.49% | -116.85% | -112.21% | -112.35% | -112.08% | -112.35% | -111.27% | -112.22% | -109.80% | -109.20% |
| 2018 355.0 & 356.0 | | 621,170 | 91,141 | 624,105 | (532,964) | -85.80% | -134.16% | -113.05% | -109.26% | -109.39% | -109.17% | -109.43% | -108.58% | -109.49% | -107.39% |
| 2019 355.0 & 356.0 | | 343,881 | 0 | 240,841 | (240,841) | -70.04% | -80.18% | -125.40% | -110.32% | -106.98% | -107.10% | -106.91% | -107.16% | -106.45% | -107.35% |
| 2020 355.0 & 356.0 | | 1,380,500 | 0 | 1,935,413 | (1,935,413) | -140.20% | -126.20% | -115.50% | -130.64% | -116.39% | -113.27% | -113.36% | -113.17% | -113.36% | -112.57% |

**ALLETE
RETIREMENTS, GROSS SALVAGE, AND REMOVAL COST
TRANSMISSION AND DISTRIBUTION PROPERTY
AS ADJUSTED**

| Transaction Year | Description | Retirements | Gross Salvage | Cost of Removal | Net Salvage | Net Salv. % | 2-yr Net Salv. % | 3-yr Net Salv. % | 4-yr Net Salv. % | 5-yr Net Salv. % | 6-yr Net Salv. % | 7-yr Net Salv. % | 8-yr Net Salv. % | 9-yr Net Salv. % | 10-yr Net Salv. % |
|------------------|-------------------------------------|-------------|---------------|-----------------|-------------|-------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|-------------------|
| 1987 | 356.1 Clearing Land & Rights-Of-Way | 0 | 3,488 | 0 | 3,488 | NA | | | | | | | | | |
| 1988 | 356.1 Clearing Land & Rights-Of-Way | 0 | 0 | 0 | 0 | NA | NA | | | | | | | | |
| 1989 | 356.1 Clearing Land & Rights-Of-Way | 0 | 0 | 0 | 0 | NA | NA | NA | | | | | | | |
| 1990 | 356.1 Clearing Land & Rights-Of-Way | 0 | 0 | 0 | 0 | NA | NA | NA | NA | | | | | | |
| 1991 | 356.1 Clearing Land & Rights-Of-Way | 0 | 0 | 0 | 0 | NA | NA | NA | NA | NA | | | | | |
| 1992 | 356.1 Clearing Land & Rights-Of-Way | 34 | 0 | 9 | (9) | -25.72% | -25.72% | -25.72% | -25.72% | -25.72% | 10275.25% | | | | |
| 1993 | 356.1 Clearing Land & Rights-Of-Way | 1,951 | 0 | 1,037 | (1,037) | -53.16% | -52.70% | -52.70% | -52.70% | -52.70% | -52.70% | 123.05% | | | |
| 1994 | 356.1 Clearing Land & Rights-Of-Way | 0 | 0 | 0 | 0 | NA | -53.16% | -52.70% | -52.70% | -52.70% | -52.70% | | 123.05% | | |
| 1995 | 356.1 Clearing Land & Rights-Of-Way | 2,974 | 0 | 0 | 0 | 0.00% | 0.00% | -21.06% | -21.09% | -21.09% | -21.09% | -21.09% | -21.09% | 49.25% | |
| 1996 | 356.1 Clearing Land & Rights-Of-Way | 9,402 | 0 | 0 | 0 | 0.00% | 0.00% | 0.00% | -7.24% | -7.28% | -7.28% | -7.28% | -7.28% | -7.28% | 17.00% |
| 1997 | 356.1 Clearing Land & Rights-Of-Way | 0 | 0 | 0 | 0 | NA | 0.00% | 0.00% | 0.00% | -7.24% | -7.28% | -7.28% | -7.28% | -7.28% | -7.28% |
| 1998 | 356.1 Clearing Land & Rights-Of-Way | 0 | 0 | 0 | 0 | NA | NA | 0.00% | 0.00% | 0.00% | -7.24% | -7.28% | -7.28% | -7.28% | -7.28% |
| 1999 | 356.1 Clearing Land & Rights-Of-Way | 0 | 0 | 0 | 0 | NA | NA | NA | 0.00% | 0.00% | 0.00% | -7.24% | -7.28% | -7.28% | -7.28% |
| 2000 | 356.1 Clearing Land & Rights-Of-Way | 0 | 0 | 0 | 0 | NA | NA | NA | NA | 0.00% | 0.00% | 0.00% | -7.24% | -7.28% | -7.28% |
| 2001 | 356.1 Clearing Land & Rights-Of-Way | 0 | 0 | 0 | 0 | NA | NA | NA | NA | NA | 0.00% | 0.00% | 0.00% | -7.24% | -7.28% |
| 2002 | 356.1 Clearing Land & Rights-Of-Way | 0 | 0 | 0 | 0 | NA | NA | NA | NA | NA | NA | 0.00% | 0.00% | 0.00% | -7.24% |
| 2003 | 356.1 Clearing Land & Rights-Of-Way | 0 | 0 | 0 | 0 | NA | NA | NA | NA | NA | NA | NA | 0.00% | 0.00% | 0.00% |
| 2004 | 356.1 Clearing Land & Rights-Of-Way | 0 | 0 | 0 | 0 | NA | NA | NA | NA | NA | NA | NA | NA | 0.00% | 0.00% |
| 2005 | 356.1 Clearing Land & Rights-Of-Way | 0 | 0 | 0 | 0 | NA | NA | NA | NA | NA | NA | NA | NA | NA | 0.00% |
| 2006 | 356.1 Clearing Land & Rights-Of-Way | 84 | 0 | 44 | (44) | -52.64% | -52.64% | -52.64% | -52.64% | -52.64% | -52.64% | -52.64% | -52.64% | -52.64% | -52.64% |
| 2007 | 356.1 Clearing Land & Rights-Of-Way | 0 | 0 | 0 | 0 | NA | -52.64% | -52.64% | -52.64% | -52.64% | -52.64% | -52.64% | -52.64% | -52.64% | -52.64% |
| 2008 | 356.1 Clearing Land & Rights-Of-Way | 0 | 0 | 0 | 0 | NA | NA | -52.64% | -52.64% | -52.64% | -52.64% | -52.64% | -52.64% | -52.64% | -52.64% |
| 2009 | 356.1 Clearing Land & Rights-Of-Way | 0 | 0 | 0 | 0 | NA | NA | NA | -52.64% | -52.64% | -52.64% | -52.64% | -52.64% | -52.64% | -52.64% |
| 2010 | 356.1 Clearing Land & Rights-Of-Way | 0 | 0 | 19 | (19) | NA | NA | NA | NA | -74.94% | -74.94% | -74.94% | -74.94% | -74.94% | -74.94% |
| 2011 | 356.1 Clearing Land & Rights-Of-Way | 0 | 0 | 0 | 0 | NA | NA | NA | NA | NA | -74.94% | -74.94% | -74.94% | -74.94% | -74.94% |
| 2012 | 356.1 Clearing Land & Rights-Of-Way | 0 | 0 | 0 | 0 | NA | NA | NA | NA | NA | NA | -74.94% | -74.94% | -74.94% | -74.94% |
| 2013 | 356.1 Clearing Land & Rights-Of-Way | 120 | 0 | 52 | (52) | -43.11% | -43.11% | -43.11% | -58.59% | -58.59% | -58.59% | -58.59% | -56.15% | -56.15% | -56.15% |
| 2014 | 356.1 Clearing Land & Rights-Of-Way | 0 | 0 | 0 | 0 | NA | -43.11% | -43.11% | -43.11% | -58.59% | -58.59% | -58.59% | -58.59% | -56.15% | -56.15% |
| 2015 | 356.1 Clearing Land & Rights-Of-Way | 0 | 0 | 0 | 0 | NA | NA | -43.11% | -43.11% | -43.11% | -58.59% | -58.59% | -58.59% | -56.15% | -56.15% |
| 2016 | 356.1 Clearing Land & Rights-Of-Way | 174,016 | 34,409 | 66,538 | (32,129) | -18.46% | -18.46% | -18.46% | -18.48% | -18.48% | -18.48% | -18.49% | -18.49% | -18.49% | -18.49% |
| 2017 | 356.1 Clearing Land & Rights-Of-Way | 30,713 | 0 | 61,945 | (61,945) | -201.69% | -45.95% | -45.95% | -45.95% | -45.95% | -45.95% | -45.95% | -45.95% | -45.95% | -45.95% |
| 2018 | 356.1 Clearing Land & Rights-Of-Way | 437 | 0 | 479 | (479) | -109.42% | -200.40% | -46.09% | -46.09% | -46.09% | -46.08% | -46.08% | -46.08% | -46.09% | -46.09% |
| 2019 | 356.1 Clearing Land & Rights-Of-Way | 0 | 0 | 0 | 0 | NA | -109.42% | -200.40% | -46.09% | -46.09% | -46.08% | -46.08% | -46.08% | -46.08% | -46.09% |
| 2020 | 356.1 Clearing Land & Rights-Of-Way | 24,516 | 0 | 26,657 | (26,657) | -108.74% | -108.74% | -108.75% | -160.03% | -52.77% | -52.77% | -52.77% | -52.77% | -52.77% | -52.77% |
| 2011 | 358.0 Underground Conduit | 25,788 | 0 | 0 | 0 | 0.00% | | | | | | | | | |
| 2012 | 358.0 Underground Conduit | 0 | 0 | 0 | 0 | NA | 0.00% | | | | | | | | |
| 2013 | 358.0 Underground Conduit | 0 | 0 | 0 | 0 | NA | NA | 0.00% | | | | | | | |
| 2014 | 358.0 Underground Conduit | 0 | 0 | 0 | 0 | NA | NA | NA | 0.00% | | | | | | |
| 2015 | 358.0 Underground Conduit | 0 | 0 | 0 | 0 | NA | NA | NA | NA | 0.00% | | | | | |
| 2016 | 358.0 Underground Conduit | 0 | 0 | 0 | 0 | NA | NA | NA | NA | NA | 0.00% | | | | |
| 2017 | 358.0 Underground Conduit | 0 | 0 | 0 | 0 | NA | NA | NA | NA | NA | NA | 0.00% | | | |
| 2018 | 358.0 Underground Conduit | 0 | 0 | 0 | 0 | NA | NA | NA | NA | NA | NA | NA | 0.00% | | |
| 2019 | 358.0 Underground Conduit | 0 | 0 | 0 | 0 | NA | NA | NA | NA | NA | NA | NA | NA | 0.00% | |
| 2020 | 358.0 Underground Conduit | 0 | 0 | 0 | 0 | NA | NA | NA | NA | NA | NA | NA | NA | NA | 0.00% |

ALLETE
RETIREMENTS, GROSS SALVAGE, AND REMOVAL COST
TRANSMISSION AND DISTRIBUTION PROPERTY
AS ADJUSTED

| Transaction Year | Description | Retirements | Gross Salvage | Cost of Removal | Net Salvage | Net Salv. % | 2- yr Net Salv. % | 3- yr Net Salv. % | 4- yr Net Salv. % | 5- yr Net Salv. % | 6- yr Net Salv. % | 7- yr Net Salv. % | 8- yr Net Salv. % | 9- yr Net Salv. % | 10- yr Net Salv. % |
|------------------|------------------------|-------------|---------------|-----------------|-------------|-------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|--------------------|
| 1987 | 359.0 Roads And Trails | 0 | 0 | 0 | 0 | NA | | | | | | | | | |
| 1988 | 359.0 Roads And Trails | 0 | 0 | 0 | 0 | NA | NA | | | | | | | | |
| 1989 | 359.0 Roads And Trails | 0 | 0 | 0 | 0 | NA | NA | NA | | | | | | | |
| 1990 | 359.0 Roads And Trails | 0 | 0 | 0 | 0 | NA | NA | NA | NA | | | | | | |
| 1991 | 359.0 Roads And Trails | 0 | 0 | 0 | 0 | NA | NA | NA | NA | NA | | | | | |
| 1992 | 359.0 Roads And Trails | 0 | 0 | 0 | 0 | NA | NA | NA | NA | NA | NA | | | | |
| 1993 | 359.0 Roads And Trails | 0 | 0 | 0 | 0 | NA | NA | NA | NA | NA | NA | NA | | | |
| 1994 | 359.0 Roads And Trails | 0 | 0 | 0 | 0 | NA | NA | NA | NA | NA | NA | NA | NA | | |
| 1995 | 359.0 Roads And Trails | 0 | 0 | 0 | 0 | NA | NA | NA | NA | NA | NA | NA | NA | NA | |
| 1996 | 359.0 Roads And Trails | 0 | 0 | 0 | 0 | NA | NA | NA | NA | NA | NA | NA | NA | NA | NA |
| 1997 | 359.0 Roads And Trails | 0 | 0 | 0 | 0 | NA | NA | NA | NA | NA | NA | NA | NA | NA | NA |
| 1998 | 359.0 Roads And Trails | 0 | 0 | 0 | 0 | NA | NA | NA | NA | NA | NA | NA | NA | NA | NA |
| 1999 | 359.0 Roads And Trails | 0 | 0 | 0 | 0 | NA | NA | NA | NA | NA | NA | NA | NA | NA | NA |
| 2000 | 359.0 Roads And Trails | 0 | 0 | 0 | 0 | NA | NA | NA | NA | NA | NA | NA | NA | NA | NA |
| 2001 | 359.0 Roads And Trails | 0 | 0 | 0 | 0 | NA | NA | NA | NA | NA | NA | NA | NA | NA | NA |
| 2002 | 359.0 Roads And Trails | 0 | 0 | 0 | 0 | NA | NA | NA | NA | NA | NA | NA | NA | NA | NA |
| 2003 | 359.0 Roads And Trails | 0 | 0 | 0 | 0 | NA | NA | NA | NA | NA | NA | NA | NA | NA | NA |
| 2004 | 359.0 Roads And Trails | 0 | 0 | 0 | 0 | NA | NA | NA | NA | NA | NA | NA | NA | NA | NA |
| 2005 | 359.0 Roads And Trails | 0 | 0 | 0 | 0 | NA | NA | NA | NA | NA | NA | NA | NA | NA | NA |
| 2006 | 359.0 Roads And Trails | 0 | 0 | 0 | 0 | NA | NA | NA | NA | NA | NA | NA | NA | NA | NA |
| 2007 | 359.0 Roads And Trails | 0 | 0 | 0 | 0 | NA | NA | NA | NA | NA | NA | NA | NA | NA | NA |
| 2008 | 359.0 Roads And Trails | 0 | 0 | 0 | 0 | NA | NA | NA | NA | NA | NA | NA | NA | NA | NA |
| 2009 | 359.0 Roads And Trails | 0 | 0 | 0 | 0 | NA | NA | NA | NA | NA | NA | NA | NA | NA | NA |
| 2010 | 359.0 Roads And Trails | 0 | 0 | 0 | 0 | NA | NA | NA | NA | NA | NA | NA | NA | NA | NA |
| 2011 | 359.0 Roads And Trails | 0 | 0 | 0 | 0 | NA | NA | NA | NA | NA | NA | NA | NA | NA | NA |
| 2012 | 359.0 Roads And Trails | 0 | 0 | 0 | 0 | NA | NA | NA | NA | NA | NA | NA | NA | NA | NA |
| 2013 | 359.0 Roads And Trails | 0 | 0 | 0 | 0 | NA | NA | NA | NA | NA | NA | NA | NA | NA | NA |
| 2014 | 359.0 Roads And Trails | 0 | 0 | 0 | 0 | NA | NA | NA | NA | NA | NA | NA | NA | NA | NA |
| 2015 | 359.0 Roads And Trails | 0 | 0 | 0 | 0 | NA | NA | NA | NA | NA | NA | NA | NA | NA | NA |
| 2016 | 359.0 Roads And Trails | 0 | 0 | 0 | 0 | NA | NA | NA | NA | NA | NA | NA | NA | NA | NA |
| 2017 | 359.0 Roads And Trails | 0 | 0 | 0 | 0 | NA | NA | NA | NA | NA | NA | NA | NA | NA | NA |
| 2018 | 359.0 Roads And Trails | 0 | 0 | 0 | 0 | NA | NA | NA | NA | NA | NA | NA | NA | NA | NA |
| 2019 | 359.0 Roads And Trails | 0 | 0 | 0 | 0 | NA | NA | NA | NA | NA | NA | NA | NA | NA | NA |
| 2020 | 359.0 Roads And Trails | 0 | 0 | 0 | 0 | NA | NA | NA | NA | NA | NA | NA | NA | NA | NA |

ALLETE
RETIREMENTS, GROSS SALVAGE, AND REMOVAL COST
TRANSMISSION AND DISTRIBUTION PROPERTY
AS ADJUSTED

| Transaction Year | Description | Retirements | Gross Salvage | Cost of Removal | Net Salvage | Net Salv. % | 2-yr Net Salv. % | 3-yr Net Salv. % | 4-yr Net Salv. % | 5-yr Net Salv. % | 6-yr Net Salv. % | 7-yr Net Salv. % | 8-yr Net Salv. % | 9-yr Net Salv. % | 10-yr Net Salv. % |
|------------------|--------------------------------|-------------|---------------|-----------------|-------------|-------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|-------------------|
| 1988 | 361.0 Structure & Improvements | 9,547 | 0 | 781 | (781) | -8.18% | | | | | | | | | |
| 1989 | 361.0 Structure & Improvements | 42,154 | 48,750 | 34,291 | 14,459 | 34.30% | 26.46% | | | | | | | | |
| 1990 | 361.0 Structure & Improvements | 8,860 | 0 | 12,258 | (12,258) | -138.35% | 4.32% | 2.34% | | | | | | | |
| 1991 | 361.0 Structure & Improvements | 3,248 | (0) | 15,000 | (15,001) | -461.81% | -225.12% | -23.59% | -21.28% | | | | | | |
| 1992 | 361.0 Structure & Improvements | 12,120 | 9 | 666 | (657) | -5.42% | -101.88% | -115.22% | -20.27% | -18.75% | | | | | |
| 1993 | 361.0 Structure & Improvements | 2,058 | 0 | 323 | (323) | -15.72% | -6.91% | -91.71% | -107.43% | -20.13% | -18.67% | | | | |
| 1994 | 361.0 Structure & Improvements | 0 | 0 | 0 | 0 | NA | -15.72% | -6.91% | -91.71% | -107.43% | -20.13% | -18.67% | | | |
| 1995 | 361.0 Structure & Improvements | 11,397 | (150) | 1,188 | (1,339) | -11.75% | -11.75% | -12.35% | -9.07% | -60.09% | -78.49% | -18.94% | -17.79% | | |
| 1996 | 361.0 Structure & Improvements | 2,636 | 0 | 1,114 | (1,114) | -42.25% | -17.48% | -17.48% | -17.25% | -12.17% | -58.59% | -76.12% | -19.68% | -18.49% | |
| 1997 | 361.0 Structure & Improvements | 0 | 0 | 0 | 0 | NA | -42.25% | -17.48% | -17.48% | -17.25% | -12.17% | -58.59% | -76.12% | -19.68% | -18.49% |
| 1998 | 361.0 Structure & Improvements | 3,930 | 509 | 142 | 367 | 9.33% | 9.33% | -11.38% | -11.61% | -11.61% | -12.03% | -9.54% | -51.05% | -68.53% | -18.36% |
| 1999 | 361.0 Structure & Improvements | 0 | 0 | 0 | 0 | NA | 9.33% | 9.33% | -11.38% | -11.61% | -11.61% | -12.03% | -9.54% | -51.05% | -68.53% |
| 2000 | 361.0 Structure & Improvements | 1,788 | 0 | 231 | (231) | -12.91% | -12.91% | 2.37% | 2.37% | -11.71% | -11.73% | -12.11% | -9.72% | -49.22% | |
| 2001 | 361.0 Structure & Improvements | 10,993 | 0 | 1,764 | (1,764) | -16.04% | -15.60% | -15.60% | -9.74% | -9.74% | -14.17% | -13.27% | -13.27% | -13.43% | -11.27% |
| 2002 | 361.0 Structure & Improvements | 2,098 | 0 | 150 | (150) | -7.17% | -14.62% | -14.42% | -14.42% | -9.45% | -13.49% | -12.88% | -12.88% | -13.05% | |
| 2003 | 361.0 Structure & Improvements | 0 | 0 | 0 | 0 | NA | -7.17% | -14.62% | -14.42% | -14.42% | -9.45% | -13.49% | -12.88% | -12.88% | |
| 2004 | 361.0 Structure & Improvements | 18,083 | 0 | 6,994 | (6,994) | -38.68% | -38.68% | -35.40% | -28.58% | -27.73% | -27.73% | -23.78% | -23.78% | -25.01% | -22.04% |
| 2005 | 361.0 Structure & Improvements | 1,640 | 0 | 457 | (457) | -27.89% | -37.78% | -37.78% | -34.84% | -28.54% | -27.73% | -27.73% | -23.95% | -23.95% | -25.13% |
| 2006 | 361.0 Structure & Improvements | 0 | 0 | 138 | (138) | NA | -36.28% | -38.48% | -38.48% | -35.47% | -28.96% | -28.13% | -28.13% | -24.31% | -24.31% |
| 2007 | 361.0 Structure & Improvements | 34,846 | 43 | 5,306 | (5,262) | -15.10% | -15.50% | -16.05% | -23.55% | -23.55% | -22.94% | -21.82% | -21.59% | -21.59% | -19.94% |
| 2008 | 361.0 Structure & Improvements | 17,759 | 0 | 48,327 | (48,327) | -272.13% | -101.87% | -102.13% | -99.89% | -84.59% | -84.59% | -82.40% | -73.86% | -72.61% | -72.61% |
| 2009 | 361.0 Structure & Improvements | 1,817 | 4 | 17,559 | (17,556) | -966.00% | -336.54% | -130.73% | -130.98% | -127.97% | -106.19% | -106.19% | -103.47% | -92.45% | -90.85% |
| 2010 | 361.0 Structure & Improvements | 0 | 0 | 363 | (363) | NA | -986.00% | -338.40% | -131.40% | -131.65% | -128.61% | -106.68% | -106.68% | -103.94% | -92.87% |
| 2011 | 361.0 Structure & Improvements | 10,481 | 0 | 391 | (391) | -3.73% | -7.20% | -148.89% | -221.70% | -110.78% | -110.99% | -108.94% | -93.93% | -93.93% | -91.83% |
| 2012 | 361.0 Structure & Improvements | 22,536 | 0 | 718 | (718) | -3.19% | -3.36% | -4.46% | -54.63% | -128.07% | -83.05% | -83.21% | -82.19% | -74.85% | -74.85% |
| 2013 | 361.0 Structure & Improvements | 7,844 | 0 | 3,789 | (3,789) | -48.30% | -14.84% | -11.99% | -12.88% | -53.46% | -117.72% | -80.19% | -80.33% | -79.45% | -73.04% |
| 2014 | 361.0 Structure & Improvements | 852 | 0 | 171 | (171) | -20.06% | -45.54% | -14.98% | -12.15% | -13.02% | -52.81% | -116.36% | -79.66% | -79.80% | -78.93% |
| 2015 | 361.0 Structure & Improvements | 27,621 | 0 | 12,921 | (12,921) | -46.78% | -45.98% | -46.48% | -29.90% | -25.95% | -26.47% | -50.47% | -94.74% | -72.32% | -72.43% |
| 2016 | 361.0 Structure & Improvements | 3,091 | 0 | 274 | (274) | -8.86% | -42.96% | -42.34% | -43.53% | -28.85% | -25.22% | -25.72% | -48.74% | -91.86% | -70.77% |
| 2017 | 361.0 Structure & Improvements | 2,581 | 0 | 1,361 | (1,361) | -52.74% | -28.82% | -43.72% | -43.13% | -44.10% | -29.81% | -26.16% | -26.65% | -48.87% | -90.79% |
| 2018 | 361.0 Structure & Improvements | 20,656 | 0 | 67,806 | (67,806) | -328.27% | -297.67% | -263.76% | -152.67% | -150.60% | -137.79% | -102.18% | -91.40% | -91.78% | -108.07% |
| 2019 | 361.0 Structure & Improvements | 2,279 | 0 | 33,366 | (33,366) | -1464.17% | -441.13% | -401.85% | -359.38% | -205.82% | -203.05% | -184.35% | -137.67% | -123.34% | -123.71% |
| 2020 | 361.0 Structure & Improvements | 60,734 | 0 | 93,908 | (93,908) | -154.62% | -201.98% | -233.16% | -227.76% | -220.18% | -179.23% | -178.08% | -169.98% | -144.62% | -135.31% |

**ALLETE
RETIREMENTS, GROSS SALVAGE, AND REMOVAL COST
TRANSMISSION AND DISTRIBUTION PROPERTY
AS ADJUSTED**

| Transaction Year | Description | Retirements | Gross Salvage | Cost of Removal | Net Salvage | Net Salv. % | 2-yr Net Salv. % | 3-yr Net Salv. % | 4-yr Net Salv. % | 5-yr Net Salv. % | 6-yr Net Salv. % | 7-yr Net Salv. % | 8-yr Net Salv. % | 9-yr Net Salv. % | 10-yr Net Salv. % |
|------------------|-------------------------|-------------|---------------|-----------------|-------------|-------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|-------------------|
| 1988 | 362.0 Station Equipment | 389,242 | 66,791 | 51,632 | 15,159 | 3.89% | | | | | | | | | |
| 1989 | 362.0 Station Equipment | 513,835 | 64,648 | 85,605 | (20,957) | -4.08% | -0.64% | | | | | | | | |
| 1990 | 362.0 Station Equipment | 279,967 | 74,052 | 53,377 | 20,675 | 7.38% | -0.04% | 1.26% | | | | | | | |
| 1991 | 362.0 Station Equipment | 359,511 | 247,513 | 37,180 | 210,333 | 58.51% | 36.12% | 18.21% | 14.60% | | | | | | |
| 1992 | 362.0 Station Equipment | 268,090 | 194,907 | 44,146 | 150,761 | 56.24% | 57.54% | 42.07% | 25.38% | 20.76% | | | | | |
| 1993 | 362.0 Station Equipment | 456,828 | 8,516 | 54,335 | (45,819) | -10.03% | 14.48% | 29.07% | 24.62% | 16.77% | 14.56% | | | | |
| 1994 | 362.0 Station Equipment | 163,390 | 13,229 | 37,470 | (24,241) | -14.84% | -11.30% | 9.08% | 23.32% | 20.40% | 14.24% | 12.58% | | | |
| 1995 | 362.0 Station Equipment | 194,256 | (2,276) | 31,294 | (33,571) | -17.28% | -17.28% | -12.72% | 4.35% | 17.85% | 16.15% | 11.50% | 10.37% | | |
| 1996 | 362.0 Station Equipment | 281,319 | 2,413 | 47,835 | (45,422) | -16.15% | -16.61% | -16.16% | -13.60% | 0.13% | 12.30% | 11.62% | 8.41% | 7.81% | |
| 1997 | 362.0 Station Equipment | 68,115 | 128 | 40,495 | (40,367) | -59.26% | -24.55% | -21.95% | -20.31% | -16.27% | -2.70% | 9.58% | 9.29% | 6.63% | 6.27% |
| 1998 | 362.0 Station Equipment | 84,193 | 5,382 | 12,658 | (7,276) | -8.64% | -31.28% | -21.46% | -20.17% | -19.07% | -15.76% | -3.03% | 8.76% | 8.59% | 6.15% |
| 1999 | 362.0 Station Equipment | 24,433 | 0 | 10,355 | (10,355) | -42.38% | -16.23% | -32.82% | -22.58% | -21.00% | -19.77% | -16.27% | -3.65% | 8.11% | 8.01% |
| 2000 | 362.0 Station Equipment | 152,612 | 0 | 38,390 | (38,390) | -25.16% | -27.53% | -21.44% | -29.27% | -23.22% | -21.79% | -20.62% | -17.22% | -5.59% | 5.63% |
| 2001 | 362.0 Station Equipment | 131,066 | 0 | 34,878 | (34,878) | -26.61% | -25.83% | -27.14% | -23.17% | -28.51% | -23.82% | -22.46% | -21.33% | -18.01% | -7.10% |
| 2002 | 362.0 Station Equipment | 238,335 | 0 | 45,405 | (45,405) | -19.05% | -21.73% | -22.73% | -23.61% | -21.61% | -25.28% | -22.66% | -21.77% | -20.92% | -18.15% |
| 2003 | 362.0 Station Equipment | 492,272 | 0 | 264,359 | (264,359) | -53.70% | -42.40% | -40.00% | -37.76% | -37.87% | -35.68% | -37.03% | -33.04% | -31.20% | -29.74% |
| 2004 | 362.0 Station Equipment | 481,710 | 0 | 118,549 | (118,549) | -24.61% | -39.31% | -35.33% | -34.48% | -33.53% | -33.67% | -32.36% | -33.45% | -30.96% | -29.72% |
| 2005 | 362.0 Station Equipment | 192,763 | 0 | 30,658 | (30,658) | -15.90% | -22.12% | -35.45% | -32.67% | -32.15% | -31.52% | -31.67% | -30.59% | -31.64% | -29.61% |
| 2006 | 362.0 Station Equipment | 247,623 | 14,000 | 69,569 | (55,569) | -22.44% | -19.58% | -22.21% | -33.17% | -31.13% | -30.80% | -30.36% | -30.51% | -29.61% | -30.56% |
| 2007 | 362.0 Station Equipment | 684,816 | 1,037 | 77,845 | (76,808) | -11.22% | -14.20% | -14.49% | -17.52% | -26.01% | -25.30% | -25.37% | -25.36% | -25.51% | -24.99% |
| 2008 | 362.0 Station Equipment | 89,717 | 0 | 104,678 | (104,678) | -116.68% | -23.43% | -23.19% | -22.04% | -22.77% | -29.72% | -28.68% | -28.57% | -28.38% | -28.50% |
| 2009 | 362.0 Station Equipment | 275,783 | 644 | 195,314 | (194,670) | -70.59% | -81.90% | -35.81% | -33.26% | -31.02% | -29.45% | -34.30% | -32.95% | -32.66% | -32.28% |
| 2010 | 362.0 Station Equipment | 197,043 | 16,875 | 93,301 | (76,426) | -38.79% | -57.34% | -66.80% | -36.28% | -33.99% | -31.92% | -30.30% | -34.63% | -33.35% | -33.06% |
| 2011 | 362.0 Station Equipment | 1,041,866 | 0 | 198,051 | (198,051) | -19.01% | -22.15% | -30.97% | -35.77% | -28.42% | -27.84% | -27.00% | -26.64% | -30.23% | -29.56% |
| 2012 | 362.0 Station Equipment | 187,376 | 0 | 15,963 | (15,963) | -8.52% | -17.41% | -20.36% | -28.50% | -32.92% | -26.92% | -26.51% | -25.81% | -25.64% | -29.19% |
| 2013 | 362.0 Station Equipment | 226,738 | 4 | 67,425 | (67,421) | -29.74% | -20.14% | -19.33% | -21.65% | -28.65% | -32.56% | -27.15% | -26.76% | -26.09% | -25.89% |
| 2014 | 362.0 Station Equipment | 139,897 | 0 | 102,651 | (102,651) | -73.38% | -46.39% | -33.58% | -24.07% | -25.68% | -31.67% | -35.20% | -29.43% | -28.87% | -28.11% |
| 2015 | 362.0 Station Equipment | 204,456 | 0 | 37,094 | (37,094) | -18.14% | -40.58% | -36.28% | -29.42% | -23.39% | -24.91% | -30.45% | -33.73% | -28.67% | -28.20% |
| 2016 | 362.0 Station Equipment | 319,301 | 0 | 44,992 | (44,992) | -14.09% | -15.67% | -27.84% | -28.32% | -24.88% | -21.99% | -23.42% | -28.44% | -31.39% | -27.29% |
| 2017 | 362.0 Station Equipment | 203,537 | 0 | 67,475 | (67,475) | -33.15% | -21.51% | -20.56% | -29.08% | -29.22% | -26.19% | -22.97% | -24.21% | -28.78% | -31.51% |
| 2018 | 362.0 Station Equipment | 710,850 | 0 | 340,856 | (340,856) | -47.95% | -44.66% | -36.75% | -34.10% | -37.58% | -36.60% | -33.96% | -28.82% | -29.43% | -32.67% |
| 2019 | 362.0 Station Equipment | 324,142 | 0 | 187,477 | (187,477) | -57.84% | -51.05% | -48.11% | -41.13% | -38.47% | -41.03% | -39.83% | -37.30% | -31.62% | -32.02% |
| 2020 | 362.0 Station Equipment | 1,000,122 | 0 | 186,074 | (186,074) | -18.61% | -28.21% | -35.10% | -34.93% | -32.33% | -31.28% | -33.31% | -33.05% | -31.66% | -28.64% |

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RETIREMENTS, GROSS SALVAGE, AND REMOVAL COST
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| Transaction Year | Description | Retirements | Gross Salvage | Cost of Removal | Net Salvage | Net Salv. % | 2-yr Net Salv. % | 3-yr Net Salv. % | 4-yr Net Salv. % | 5-yr Net Salv. % | 6-yr Net Salv. % | 7-yr Net Salv. % | 8-yr Net Salv. % | 9-yr Net Salv. % | 10-yr Net Salv. % |
|------------------|--------------------------------------|-------------|---------------|-----------------|-------------|-------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|-------------------|
| 1989 | 362.1 Station Equipment Reserve Equi | 0 | 0 | 0 | 0 | NA | | | | | | | | | |
| 1990 | 362.1 Station Equipment Reserve Equi | 11,511 | 884 | 580 | 304 | 2.64% | 2.64% | | | | | | | | |
| 1991 | 362.1 Station Equipment Reserve Equi | 48,943 | 6,028 | 0 | 6,028 | 12.32% | 10.47% | 10.47% | | | | | | | |
| 1992 | 362.1 Station Equipment Reserve Equi | 0 | 0 | 0 | 0 | 0.00% | 12.32% | 10.47% | 10.47% | | | | | | |
| 1993 | 362.1 Station Equipment Reserve Equi | 0 | 0 | 0 | 0 | NA | 0.00% | 12.32% | 10.47% | 10.47% | | | | | |
| 1994 | 362.1 Station Equipment Reserve Equi | 23,627 | 14,386 | 0 | 14,386 | 60.89% | 60.89% | 60.89% | 28.13% | 24.64% | 24.64% | | | | |
| 1995 | 362.1 Station Equipment Reserve Equi | 0 | 0 | 0 | 0 | NA | 60.89% | 60.89% | 60.89% | 28.13% | 24.64% | 24.64% | | | |
| 1996 | 362.1 Station Equipment Reserve Equi | 0 | 201 | 0 | 201 | 60796.97% | 60796.97% | 61.74% | 61.74% | 61.74% | 28.41% | 24.88% | 24.88% | | |
| 1997 | 362.1 Station Equipment Reserve Equi | 8,370 | 71 | 0 | 70 | 0.84% | 3.24% | 3.24% | 45.81% | 45.81% | 45.81% | 25.56% | 22.70% | 22.70% | |
| 1998 | 362.1 Station Equipment Reserve Equi | 11,177 | 255 | 0 | 255 | 2.28% | 1.66% | 2.69% | 2.69% | 34.54% | 34.54% | 34.54% | 22.73% | 20.50% | 20.50% |
| 1999 | 362.1 Station Equipment Reserve Equi | 0 | 0 | 0 | 0 | NA | 2.28% | 1.66% | 2.69% | 2.69% | 34.54% | 34.54% | 34.54% | 22.73% | 20.50% |
| 2000 | 362.1 Station Equipment Reserve Equi | 0 | 0 | 0 | 0 | NA | NA | 2.28% | 1.66% | 2.69% | 2.69% | 34.54% | 34.54% | 34.54% | 22.73% |
| 2001 | 362.1 Station Equipment Reserve Equi | 115,090 | 0 | 23,394 | (23,394) | -20.33% | -20.33% | -20.33% | -18.33% | -17.13% | -16.99% | -16.99% | -5.36% | -5.36% | -5.36% |
| 2002 | 362.1 Station Equipment Reserve Equi | 90,210 | 0 | 0 | 0 | 0.00% | -11.40% | -11.40% | -11.40% | -10.69% | -10.26% | -10.17% | -10.17% | -3.41% | -3.41% |
| 2003 | 362.1 Station Equipment Reserve Equi | 0 | 0 | 0 | 0 | NA | 0.00% | -11.40% | -11.40% | -11.40% | -10.69% | -10.26% | -10.17% | -10.17% | -3.41% |
| 2004 | 362.1 Station Equipment Reserve Equi | 29,999 | 850 | 447 | 404 | 1.35% | 1.35% | 0.34% | -9.77% | -9.77% | -9.77% | -9.22% | -8.89% | -8.82% | -8.82% |
| 2005 | 362.1 Station Equipment Reserve Equi | 4,275 | 0 | 5 | (5) | -0.11% | 1.16% | 1.16% | 0.32% | -9.60% | -9.60% | -9.60% | -9.07% | -8.75% | -8.67% |
| 2006 | 362.1 Station Equipment Reserve Equi | 230 | 0 | 0 | 0 | 0.00% | -0.10% | 1.16% | 1.16% | 0.32% | -9.59% | -9.59% | -9.59% | -9.06% | -8.74% |
| 2007 | 362.1 Station Equipment Reserve Equi | 0 | 0 | 0 | 0 | NA | 0.00% | -0.10% | 1.16% | 1.16% | 0.32% | -9.59% | -9.59% | -9.59% | -9.06% |
| 2008 | 362.1 Station Equipment Reserve Equi | 2,810 | 0 | 0 | 0 | 0.00% | 0.00% | 0.00% | -0.06% | 1.07% | 1.07% | 0.31% | -9.48% | -9.48% | -9.48% |
| 2009 | 362.1 Station Equipment Reserve Equi | 0 | 0 | 0 | (0) | NA | -0.01% | -0.01% | -0.01% | -0.07% | 1.07% | 1.07% | 0.31% | -9.48% | -9.48% |
| 2010 | 362.1 Station Equipment Reserve Equi | 0 | 0 | 0 | 0 | NA | NA | -0.01% | -0.01% | -0.01% | 1.07% | 1.07% | 1.07% | 0.31% | -9.48% |
| 2011 | 362.1 Station Equipment Reserve Equi | 0 | 0 | 0 | 0 | NA | NA | NA | -0.01% | -0.01% | -0.01% | -0.07% | 1.07% | 1.07% | 0.31% |
| 2012 | 362.1 Station Equipment Reserve Equi | 98,422 | 0 | 0 | 0 | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.29% | 0.29% |
| 2013 | 362.1 Station Equipment Reserve Equi | 0 | 0 | 0 | 0 | NA | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.29% |
| 2014 | 362.1 Station Equipment Reserve Equi | 0 | 0 | 0 | 0 | NA | NA | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| 2015 | 362.1 Station Equipment Reserve Equi | 0 | 0 | 0 | 0 | NA | NA | NA | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| 2016 | 362.1 Station Equipment Reserve Equi | 0 | 0 | 0 | 0 | NA | NA | NA | NA | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| 2017 | 362.1 Station Equipment Reserve Equi | 0 | 0 | 0 | 0 | NA | NA | NA | NA | NA | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| 2018 | 362.1 Station Equipment Reserve Equi | 0 | 0 | 0 | 0 | NA | NA | NA | NA | NA | NA | 0.00% | 0.00% | 0.00% | 0.00% |
| 2019 | 362.1 Station Equipment Reserve Equi | 0 | 0 | 0 | 0 | NA | NA | NA | NA | NA | NA | NA | 0.00% | 0.00% | 0.00% |
| 2020 | 362.1 Station Equipment Reserve Equi | 0 | 0 | 0 | 0 | NA | NA | NA | NA | NA | NA | NA | NA | 0.00% | 0.00% |

**ALLETE
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AS ADJUSTED**

| Transaction Year | Description | Retirements | Gross Salvage | Cost of Removal | Net Salvage | Net Salv. % | 2-yr Net Salv. % | 3-yr Net Salv. % | 4-yr Net Salv. % | 5-yr Net Salv. % | 6-yr Net Salv. % | 7-yr Net Salv. % | 8-yr Net Salv. % | 9-yr Net Salv. % | 10-yr Net Salv. % |
|------------------|----------------------------------|-------------|---------------|-----------------|-------------|-------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|-------------------|
| 1988 | 364.0 Poles, Towers And Fixtures | 284,324 | 110,369 | 142,171 | (31,801) | -11.18% | | | | | | | | | |
| 1989 | 364.0 Poles, Towers And Fixtures | 288,791 | 119,805 | 124,109 | (4,304) | -1.49% | -6.30% | | | | | | | | |
| 1990 | 364.0 Poles, Towers And Fixtures | 269,961 | 87,305 | 137,083 | (49,778) | -18.44% | -9.68% | -10.19% | | | | | | | |
| 1991 | 364.0 Poles, Towers And Fixtures | 379,471 | 83,570 | 193,470 | (109,900) | -28.96% | -24.59% | -17.48% | -16.01% | | | | | | |
| 1992 | 364.0 Poles, Towers And Fixtures | 341,137 | 103,150 | 166,015 | (62,865) | -18.43% | -23.97% | -22.47% | -17.73% | -16.54% | | | | | |
| 1993 | 364.0 Poles, Towers And Fixtures | 428,763 | 90,117 | 176,192 | (86,075) | -20.08% | -19.35% | -22.52% | -21.74% | -18.32% | -17.30% | | | | |
| 1994 | 364.0 Poles, Towers And Fixtures | 294,935 | 97,013 | 136,442 | (39,430) | -13.37% | -17.34% | -17.69% | -20.65% | -20.30% | -17.59% | -16.79% | | | |
| 1995 | 364.0 Poles, Towers And Fixtures | 255,884 | 95,069 | 183,239 | (88,169) | -34.46% | -23.17% | -21.81% | -20.94% | -22.73% | -22.14% | -19.50% | -18.57% | | |
| 1996 | 364.0 Poles, Towers And Fixtures | 185,830 | 60,362 | 121,174 | (60,812) | -32.72% | -33.73% | -25.58% | -23.55% | -22.39% | -23.71% | -23.05% | -20.51% | -19.54% | |
| 1997 | 364.0 Poles, Towers And Fixtures | 233,600 | 47,012 | 72,675 | (25,663) | -10.99% | -20.62% | -25.86% | -22.06% | -21.45% | -20.86% | -22.31% | -21.87% | -19.68% | -18.86% |
| 1998 | 364.0 Poles, Towers And Fixtures | 299,801 | 59,499 | 80,717 | (21,218) | -7.08% | -8.79% | -14.97% | -20.09% | -18.53% | -18.92% | -18.84% | -20.42% | -20.22% | -18.41% |
| 1999 | 364.0 Poles, Towers And Fixtures | 158,530 | 8,679 | 217,013 | (208,334) | -131.42% | -50.08% | -36.88% | -36.00% | -35.65% | -31.05% | -28.52% | -26.95% | -27.25% | -26.41% |
| 2000 | 364.0 Poles, Towers And Fixtures | 135,942 | 92,268 | 119,289 | (27,021) | -19.88% | -79.92% | -43.17% | -34.09% | -33.84% | -33.97% | -30.08% | -27.93% | -26.54% | -26.88% |
| 2001 | 364.0 Poles, Towers And Fixtures | 806 | 2,727 | 38,714 | (35,987) | -4463.17% | -46.08% | -91.89% | -49.16% | -38.40% | -37.36% | -36.78% | -32.37% | -29.72% | -28.07% |
| 2002 | 364.0 Poles, Towers And Fixtures | 36,326 | 32,239 | 252,817 | (220,579) | -607.22% | -690.95% | -163.85% | -148.35% | -81.27% | -62.29% | -57.06% | -52.63% | -45.40% | -40.06% |
| 2003 | 364.0 Poles, Towers And Fixtures | 52,135 | 155,120 | 492,564 | (337,443) | -647.25% | -630.81% | -665.43% | -275.76% | -216.13% | -124.44% | -95.54% | -84.96% | -75.45% | -64.38% |
| 2004 | 364.0 Poles, Towers And Fixtures | 22,623 | 98,575 | 370,861 | (272,287) | -1203.58% | -815.61% | -747.46% | -774.24% | -360.45% | -271.10% | -159.01% | -122.22% | -107.44% | -93.92% |
| 2005 | 364.0 Poles, Towers And Fixtures | 35,335 | 118,158 | 385,492 | (267,335) | -756.57% | -931.06% | -796.66% | -749.66% | -770.00% | -409.88% | -309.94% | -187.49% | -145.20% | -127.20% |
| 2006 | 364.0 Poles, Towers And Fixtures | 55,144 | 126,835 | 466,750 | (339,915) | -616.41% | -671.15% | -777.65% | -736.51% | -713.21% | -728.15% | -443.55% | -343.95% | -217.18% | -170.42% |
| 2007 | 364.0 Poles, Towers And Fixtures | 95,943 | 92,497 | 864,174 | (771,677) | -804.31% | -735.73% | -739.68% | -789.89% | -761.41% | -742.59% | -752.64% | -523.25% | -418.46% | -280.29% |
| 2008 | 364.0 Poles, Towers And Fixtures | 193,728 | 76,203 | 903,610 | (827,407) | -427.10% | -552.03% | -562.33% | -580.39% | -615.39% | -619.04% | -618.17% | -624.47% | -493.59% | -420.59% |
| 2009 | 364.0 Poles, Towers And Fixtures | 106,936 | 31,418 | 321,365 | (289,947) | -271.14% | -371.63% | -476.30% | -493.40% | -512.49% | -543.17% | -552.83% | -556.13% | -561.39% | -461.22% |
| 2010 | 364.0 Poles, Towers And Fixtures | 119,762 | 78,691 | 782,227 | (703,536) | -587.44% | -438.24% | -433.11% | -502.08% | -513.11% | -527.28% | -551.59% | -558.91% | -561.35% | -565.73% |
| 2011 | 364.0 Poles, Towers And Fixtures | 168,131 | 233,849 | 1,553,643 | (1,319,793) | -784.98% | -702.81% | -585.89% | -533.62% | -571.56% | -574.91% | -583.19% | -600.79% | -603.64% | -603.79% |
| 2012 | 364.0 Poles, Towers And Fixtures | 156,785 | 0 | 32,238 | (32,238) | -20.56% | -416.12% | -462.26% | -425.21% | -425.70% | -468.88% | -477.95% | -488.52% | -505.47% | -512.81% |
| 2013 | 364.0 Poles, Towers And Fixtures | 559,058 | 45,261 | 923,357 | (878,096) | -157.07% | -127.17% | -252.28% | -292.27% | -290.24% | -310.57% | -344.39% | -354.70% | -364.23% | -376.77% |
| 2014 | 364.0 Poles, Towers And Fixtures | 466,650 | 37,182 | 524,647 | (487,465) | -104.46% | -133.13% | -118.21% | -201.21% | -232.67% | -235.28% | -256.26% | -284.42% | -293.95% | -302.30% |
| 2015 | 364.0 Poles, Towers And Fixtures | 254,239 | 16,760 | 620,527 | (603,767) | -237.48% | -151.37% | -153.86% | -139.31% | -206.96% | -233.38% | -235.58% | -253.90% | -278.80% | -287.35% |
| 2016 | 364.0 Poles, Towers And Fixtures | 636,106 | 22,833 | 508,663 | (485,830) | -76.38% | -122.38% | -116.22% | -128.14% | -120.00% | -169.89% | -191.07% | -194.54% | -211.47% | -232.10% |
| 2017 | 364.0 Poles, Towers And Fixtures | 597,627 | 23,088 | 1,535,982 | (1,512,894) | -253.15% | -162.01% | -174.90% | -158.08% | -157.86% | -149.80% | -187.42% | -203.61% | -205.97% | -219.11% |
| 2018 | 364.0 Poles, Towers And Fixtures | 640,464 | 30,273 | 957,238 | (926,965) | -144.73% | -197.07% | -156.10% | -165.82% | -154.79% | -155.19% | -148.82% | -179.56% | -193.13% | -195.39% |
| 2019 | 364.0 Poles, Towers And Fixtures | 578,702 | 16,556 | 1,028,886 | (1,012,330) | -174.93% | -159.07% | -190.02% | -160.55% | -167.77% | -158.46% | -158.25% | -152.70% | -178.90% | -190.61% |
| 2020 | 364.0 Poles, Towers And Fixtures | 689,241 | 27,533 | 1,338,858 | (1,311,325) | -190.26% | -183.26% | -170.33% | -190.08% | -167.06% | -172.33% | -164.13% | -163.24% | -158.36% | -180.55% |

**ALLETE
RETIREMENTS, GROSS SALVAGE, AND REMOVAL COST
TRANSMISSION AND DISTRIBUTION PROPERTY
AS ADJUSTED**

| Transaction Year | Description | Retirements | Gross Salvage | Cost of Removal | Net Salvage | Net Salv. % | 2- yr Net Salv. % | 3- yr Net Salv. % | 4- yr Net Salv. % | 5- yr Net Salv. % | 6- yr Net Salv. % | 7- yr Net Salv. % | 8- yr Net Salv. % | 9- yr Net Salv. % | 10- yr Net Salv. % |
|------------------|-------------------------------------|-------------|---------------|-----------------|-------------|-------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|--------------------|
| 1988 | 365.0 Overhead Conductors & Devices | 311,237 | 126,295 | 148,923 | (22,628) | -7.27% | | | | | | | | | |
| 1989 | 365.0 Overhead Conductors & Devices | 312,397 | 154,762 | 131,080 | 23,682 | 7.58% | 0.17% | | | | | | | | |
| 1990 | 365.0 Overhead Conductors & Devices | 213,373 | 101,342 | 120,957 | (19,615) | -9.19% | 0.77% | -2.22% | | | | | | | |
| 1991 | 365.0 Overhead Conductors & Devices | 295,718 | 79,992 | 111,487 | (31,495) | -10.65% | -10.04% | -3.34% | -4.42% | | | | | | |
| 1992 | 365.0 Overhead Conductors & Devices | 186,602 | 100,810 | 108,555 | (7,745) | -4.15% | -8.14% | -8.46% | -3.49% | -4.38% | | | | | |
| 1993 | 365.0 Overhead Conductors & Devices | 261,853 | 80,982 | 120,781 | (39,799) | -15.20% | -10.60% | -10.62% | -10.30% | -5.90% | -6.17% | | | | |
| 1994 | 365.0 Overhead Conductors & Devices | 270,717 | 92,128 | 107,984 | (15,856) | -5.86% | -10.45% | -8.82% | -9.35% | -9.32% | -5.90% | -6.13% | | | |
| 1995 | 365.0 Overhead Conductors & Devices | 191,353 | 130,195 | 97,180 | 33,016 | 17.25% | 3.71% | -3.13% | -3.34% | -5.13% | -5.74% | -3.94% | | | |
| 1996 | 365.0 Overhead Conductors & Devices | 118,427 | 45,308 | 73,839 | (28,531) | -24.09% | 1.45% | -1.96% | -6.07% | -5.73% | -6.83% | -7.15% | -4.67% | -5.04% | |
| 1997 | 365.0 Overhead Conductors & Devices | 287,663 | 58,914 | 61,995 | (3,081) | -1.07% | -7.78% | 0.23% | -1.66% | -4.80% | -4.71% | -5.80% | -6.20% | -4.18% | -4.57% |
| 1998 | 365.0 Overhead Conductors & Devices | 218,642 | 67,911 | 45,602 | 22,310 | 10.20% | 3.80% | -1.49% | 2.91% | 0.72% | -2.37% | -2.58% | -3.89% | -4.44% | -2.85% |
| 1999 | 365.0 Overhead Conductors & Devices | 130,799 | 5,602 | 82,472 | (76,870) | -58.77% | -15.61% | -9.05% | -11.41% | -5.61% | -5.67% | -7.35% | -7.00% | -7.55% | -7.71% |
| 2000 | 365.0 Overhead Conductors & Devices | 153,988 | 0 | 111,467 | (111,467) | -72.39% | -66.13% | -32.98% | -21.38% | -21.73% | -14.95% | -13.16% | -13.49% | -12.53% | -12.27% |
| 2001 | 365.0 Overhead Conductors & Devices | 3,423 | 5,873 | 33,452 | (27,579) | -805.73% | -88.33% | -74.92% | -38.20% | -24.76% | -24.67% | -17.40% | -15.13% | -15.14% | -14.02% |
| 2002 | 365.0 Overhead Conductors & Devices | 73,108 | 3,405 | 121,170 | (117,765) | -161.08% | -189.92% | -111.41% | -92.35% | -53.69% | -36.24% | -34.78% | -26.33% | -22.50% | -21.38% |
| 2003 | 365.0 Overhead Conductors & Devices | 110,718 | 38,467 | 289,343 | (250,875) | -226.59% | -200.54% | -211.60% | -148.78% | -123.84% | -81.41% | -57.78% | -54.15% | -43.54% | -37.00% |
| 2004 | 365.0 Overhead Conductors & Devices | 67,410 | 12,451 | 214,608 | (202,157) | -299.89% | -254.33% | -227.20% | -234.97% | -173.71% | -145.84% | -100.83% | -73.39% | -68.38% | -56.29% |
| 2005 | 365.0 Overhead Conductors & Devices | 60,491 | 13,560 | 213,294 | (199,734) | -330.19% | -314.22% | -273.56% | -247.18% | -253.25% | -193.88% | -164.43% | -117.78% | -87.43% | -81.31% |
| 2006 | 365.0 Overhead Conductors & Devices | 82,997 | 27,694 | 346,703 | (319,008) | -384.36% | -361.52% | -341.82% | -302.15% | -276.03% | -280.58% | -222.52% | -191.15% | -142.32% | -108.16% |
| 2007 | 365.0 Overhead Conductors & Devices | 96,300 | 22,518 | 713,030 | (690,512) | -717.04% | -563.04% | -504.30% | -459.45% | -397.76% | -362.52% | -365.59% | -295.96% | -256.14% | -197.79% |
| 2008 | 365.0 Overhead Conductors & Devices | 167,871 | (4,324) | 436,397 | (440,721) | -262.54% | -428.22% | -417.73% | -404.74% | -389.87% | -359.01% | -337.05% | -339.47% | -289.09% | -257.28% |
| 2009 | 365.0 Overhead Conductors & Devices | 61,692 | 19,489 | 110,427 | (90,938) | -147.41% | -231.60% | -375.06% | -376.95% | -370.92% | -362.00% | -338.84% | -320.81% | -323.10% | -279.13% |
| 2010 | 365.0 Overhead Conductors & Devices | 106,020 | 30,502 | 213,707 | (183,205) | -172.80% | -163.46% | -213.02% | -325.41% | -334.91% | -334.41% | -330.79% | -315.48% | -301.83% | -303.90% |
| 2011 | 365.0 Overhead Conductors & Devices | 174,709 | 60,052 | 549,768 | (489,716) | -280.30% | -239.71% | -223.08% | -236.06% | -312.42% | -321.08% | -321.81% | -320.00% | -308.86% | -298.07% |
| 2012 | 365.0 Overhead Conductors & Devices | 98,679 | 0 | 14,849 | (14,849) | -15.05% | -184.56% | -181.27% | -176.54% | -200.24% | -270.81% | -282.77% | -286.15% | -287.16% | -280.63% |
| 2013 | 365.0 Overhead Conductors & Devices | 972,443 | 4,561 | 308,227 | (303,666) | -31.23% | -29.74% | -64.87% | -73.34% | -76.57% | -96.31% | -131.94% | -143.84% | -150.03% | -155.38% |
| 2014 | 365.0 Overhead Conductors & Devices | 562,451 | 3,363 | 247,359 | (243,996) | -43.38% | -35.68% | -34.43% | -58.19% | -64.54% | -67.12% | -82.43% | -109.71% | -119.52% | -124.86% |
| 2015 | 365.0 Overhead Conductors & Devices | 206,249 | 1,680 | 246,429 | (244,749) | -118.67% | -63.58% | -45.51% | -43.88% | -64.38% | -69.80% | -72.00% | -85.61% | -110.46% | -119.45% |
| 2016 | 365.0 Overhead Conductors & Devices | 968,502 | 2,894 | 301,934 | (299,040) | -30.88% | -46.29% | -45.35% | -40.28% | -39.39% | -53.50% | -57.60% | -59.36% | -69.63% | -87.89% |
| 2017 | 365.0 Overhead Conductors & Devices | 641,200 | 13,286 | 840,138 | (826,852) | -128.95% | -69.94% | -75.48% | -67.89% | -57.25% | -56.04% | -66.85% | -69.86% | -71.12% | -79.24% |
| 2018 | 365.0 Overhead Conductors & Devices | 975,187 | 2,241 | 332,267 | (330,026) | -33.84% | -71.57% | -56.32% | -60.93% | -57.99% | -51.97% | -51.15% | -59.85% | -62.40% | -63.50% |
| 2019 | 365.0 Overhead Conductors & Devices | 603,309 | 5,539 | 276,977 | (271,438) | -44.99% | -38.10% | -64.35% | -54.18% | -58.10% | -56.01% | -51.12% | -50.41% | -58.13% | -60.42% |
| 2020 | 365.0 Overhead Conductors & Devices | 499,014 | 2,014 | 500,537 | (498,524) | -99.90% | -69.85% | -52.95% | -70.87% | -60.37% | -63.46% | -60.92% | -55.60% | -54.88% | -61.79% |

**ALLETE
RETIREMENTS, GROSS SALVAGE, AND REMOVAL COST
TRANSMISSION AND DISTRIBUTION PROPERTY
AS ADJUSTED**

| Transaction Year | Description | Retirements | Gross Salvage | Cost of Removal | Net Salvage | Net Salv. % | 2- yr Net Salv. % | 3- yr Net Salv. % | 4- yr Net Salv. % | 5- yr Net Salv. % | 6- yr Net Salv. % | 7- yr Net Salv. % | 8- yr Net Salv. % | 9- yr Net Salv. % | 10- yr Net Salv. % |
|------------------|-------------------------------|-------------|---------------|-----------------|-------------|-------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|--------------------|
| 1988 365.1 | Clearing Land & Rights-Of-Way | 0 | 0 | 0 | 0 | NA | | | | | | | | | |
| 1989 365.1 | Clearing Land & Rights-Of-Way | 1,255 | 1,921 | 732 | 1,189 | 94.77% | 94.77% | | | | | | | | |
| 1990 365.1 | Clearing Land & Rights-Of-Way | 0 | 0 | 0 | 0 | NA | 94.77% | 94.77% | | | | | | | |
| 1991 365.1 | Clearing Land & Rights-Of-Way | 0 | 183 | 0 | 183 | NA | NA | 109.35% | | | | | | | |
| 1992 365.1 | Clearing Land & Rights-Of-Way | 0 | (92) | 0 | (92) | NA | NA | 102.05% | 102.05% | | | | | | |
| 1993 365.1 | Clearing Land & Rights-Of-Way | 0 | 0 | 0 | 0 | NA | NA | NA | 102.05% | 102.05% | | | | | |
| 1994 365.1 | Clearing Land & Rights-Of-Way | 0 | 0 | 0 | 0 | NA | NA | NA | NA | 102.05% | 102.05% | | | | |
| 1995 365.1 | Clearing Land & Rights-Of-Way | 0 | 0 | 0 | 0 | NA | NA | NA | NA | NA | 102.05% | 102.05% | | | |
| 1996 365.1 | Clearing Land & Rights-Of-Way | 0 | 0 | 0 | 0 | NA | NA | NA | NA | NA | NA | 102.05% | 102.05% | | |
| 1997 365.1 | Clearing Land & Rights-Of-Way | 0 | 0 | 0 | 0 | NA | NA | NA | NA | NA | NA | NA | 102.05% | 102.05% | |
| 1998 365.1 | Clearing Land & Rights-Of-Way | 0 | 0 | 0 | 0 | NA | NA | NA | NA | NA | NA | NA | NA | 102.05% | 102.05% |
| 1999 365.1 | Clearing Land & Rights-Of-Way | 0 | 0 | 0 | 0 | NA | NA | NA | NA | NA | NA | NA | NA | NA | NA |
| 2000 365.1 | Clearing Land & Rights-Of-Way | 0 | 0 | 0 | 0 | NA | NA | NA | NA | NA | NA | NA | NA | NA | NA |
| 2001 365.1 | Clearing Land & Rights-Of-Way | 0 | 0 | 0 | 0 | NA | NA | NA | NA | NA | NA | NA | NA | NA | NA |
| 2002 365.1 | Clearing Land & Rights-Of-Way | 0 | 0 | 0 | 0 | NA | NA | NA | NA | NA | NA | NA | NA | NA | NA |
| 2003 365.1 | Clearing Land & Rights-Of-Way | 0 | 0 | 0 | 0 | NA | NA | NA | NA | NA | NA | NA | NA | NA | NA |
| 2004 365.1 | Clearing Land & Rights-Of-Way | 0 | 0 | 0 | 0 | NA | NA | NA | NA | NA | NA | NA | NA | NA | NA |
| 2005 365.1 | Clearing Land & Rights-Of-Way | 0 | 0 | 0 | 0 | NA | NA | NA | NA | NA | NA | NA | NA | NA | NA |
| 2006 365.1 | Clearing Land & Rights-Of-Way | 0 | 0 | 0 | 0 | NA | NA | NA | NA | NA | NA | NA | NA | NA | NA |
| 2007 365.1 | Clearing Land & Rights-Of-Way | 0 | 0 | 0 | 0 | NA | NA | NA | NA | NA | NA | NA | NA | NA | NA |
| 2008 365.1 | Clearing Land & Rights-Of-Way | 0 | 0 | 0 | 0 | NA | NA | NA | NA | NA | NA | NA | NA | NA | NA |
| 2009 365.1 | Clearing Land & Rights-Of-Way | 0 | 0 | 0 | 0 | NA | NA | NA | NA | NA | NA | NA | NA | NA | NA |
| 2010 365.1 | Clearing Land & Rights-Of-Way | 0 | 0 | 0 | 0 | NA | NA | NA | NA | NA | NA | NA | NA | NA | NA |
| 2011 365.1 | Clearing Land & Rights-Of-Way | 0 | 0 | 0 | 0 | NA | NA | NA | NA | NA | NA | NA | NA | NA | NA |
| 2012 365.1 | Clearing Land & Rights-Of-Way | 0 | 0 | 0 | 0 | NA | NA | NA | NA | NA | NA | NA | NA | NA | NA |
| 2013 365.1 | Clearing Land & Rights-Of-Way | 0 | 0 | 0 | 0 | NA | NA | NA | NA | NA | NA | NA | NA | NA | NA |
| 2014 365.1 | Clearing Land & Rights-Of-Way | 1,599 | 0 | 0 | 0 | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| 2015 365.1 | Clearing Land & Rights-Of-Way | 0 | 0 | 0 | 0 | NA | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| 2016 365.1 | Clearing Land & Rights-Of-Way | 0 | 0 | 0 | 0 | NA | NA | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| 2017 365.1 | Clearing Land & Rights-Of-Way | 0 | 0 | 0 | 0 | NA | NA | NA | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| 2018 365.1 | Clearing Land & Rights-Of-Way | 0 | 0 | 0 | 0 | NA | NA | NA | NA | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| 2019 365.1 | Clearing Land & Rights-Of-Way | 0 | 0 | 0 | 0 | NA | NA | NA | NA | NA | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| 2020 365.1 | Clearing Land & Rights-Of-Way | 0 | 0 | 0 | 0 | NA | NA | NA | NA | NA | NA | 0.00% | 0.00% | 0.00% | 0.00% |

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| Transaction Year | Description | Retirements | Gross Salvage | Cost of Removal | Net Salvage | Net Salv. % | 2-yr Net Salv. % | 3-yr Net Salv. % | 4-yr Net Salv. % | 5-yr Net Salv. % | 6-yr Net Salv. % | 7-yr Net Salv. % | 8-yr Net Salv. % | 9-yr Net Salv. % | 10-yr Net Salv. % |
|------------------|---------------------------|-------------|---------------|-----------------|-------------|-------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|-------------------|
| 1988 | 366.0 Underground Conduit | 17,744 | (5,315) | 4,945 | (10,260) | -57.82% | | | | | | | | | |
| 1989 | 366.0 Underground Conduit | 560 | (1,258) | 209 | (1,467) | -261.84% | -64.07% | | | | | | | | |
| 1990 | 366.0 Underground Conduit | 8,640 | 13,679 | 3,656 | 10,023 | 116.01% | 93.00% | -6.32% | | | | | | | |
| 1991 | 366.0 Underground Conduit | 5,711 | 27,256 | 1,362 | 25,894 | 453.45% | 250.29% | 231.05% | 74.08% | | | | | | |
| 1992 | 366.0 Underground Conduit | 0 | (1,783) | 0 | (1,783) | NA | 422.23% | 237.87% | 219.09% | 68.62% | | | | | |
| 1993 | 366.0 Underground Conduit | 85 | 30,092 | 34 | 30,059 | 35172.64% | 33086.50% | 934.61% | 444.68% | 418.28% | 160.25% | | | | |
| 1994 | 366.0 Underground Conduit | 0 | 23,982 | 0 | 23,982 | NA | 63234.39% | 61148.24% | 1348.38% | 610.80% | 578.20% | 233.50% | | | |
| 1995 | 366.0 Underground Conduit | 28 | (10,513) | 11 | (10,525) | -37308.15% | 47702.73% | 38282.29% | 36713.87% | 1161.14% | 536.85% | 507.07% | 201.18% | | |
| 1996 | 366.0 Underground Conduit | 2,033 | 874 | 599 | 275 | 13.51% | -497.25% | 666.15% | 2039.78% | 1956.74% | 864.18% | 472.35% | 448.24% | 190.21% | |
| 1997 | 366.0 Underground Conduit | 593,687 | 24,991 | 23,569 | 1,422 | 0.24% | 0.28% | -1.48% | 2.54% | 7.59% | 7.29% | 11.52% | 13.00% | 12.75% | 10.76% |
| 1998 | 366.0 Underground Conduit | 1,960 | 142 | 167 | (24) | -1.23% | 0.23% | 0.28% | -1.48% | 2.53% | 7.56% | 7.26% | 11.48% | 12.96% | 12.71% |
| 1999 | 366.0 Underground Conduit | 15,633 | 268 | 712 | (445) | -2.84% | -2.66% | 0.16% | 0.20% | -1.52% | 2.39% | 7.29% | 7.00% | 11.12% | 12.56% |
| 2000 | 366.0 Underground Conduit | 0 | 0 | 0 | 0 | NA | -2.84% | -2.66% | 0.16% | 0.20% | -1.52% | 2.39% | 7.29% | 7.00% | 11.12% |
| 2001 | 366.0 Underground Conduit | 0 | 0 | 0 | 0 | NA | NA | -2.84% | -2.66% | 0.16% | 0.20% | -1.52% | 2.39% | 7.29% | 7.00% |
| 2002 | 366.0 Underground Conduit | 0 | 0 | 128 | (128) | NA | NA | NA | -3.66% | -3.39% | 0.14% | 0.18% | -1.54% | 2.37% | 7.27% |
| 2003 | 366.0 Underground Conduit | 393 | 0 | 953 | (953) | -242.33% | -274.79% | -274.79% | -274.79% | -9.51% | -8.61% | -0.02% | 0.02% | -1.69% | 2.22% |
| 2004 | 366.0 Underground Conduit | 0 | 0 | 0 | 0 | NA | -242.33% | -274.79% | -274.79% | -274.79% | -9.51% | -8.61% | -0.02% | 0.02% | -1.69% |
| 2005 | 366.0 Underground Conduit | 267 | 0 | 466 | (466) | -174.93% | -174.93% | -215.09% | -234.43% | -234.43% | -234.43% | -12.22% | -11.04% | -0.10% | -0.05% |
| 2006 | 366.0 Underground Conduit | 0 | 0 | 0 | 0 | NA | -174.93% | -174.93% | -215.09% | -234.43% | -234.43% | -234.43% | -12.22% | -11.04% | -0.10% |
| 2007 | 366.0 Underground Conduit | 0 | 0 | 1,072 | (1,072) | NA | NA | -577.08% | -577.08% | -377.62% | -396.96% | -396.96% | -396.96% | -18.80% | -16.92% |
| 2008 | 366.0 Underground Conduit | 3,521 | 0 | 0 | 0 | 0.00% | -30.46% | -30.46% | -40.63% | -40.63% | -59.59% | -62.65% | -62.65% | -62.65% | -15.46% |
| 2009 | 366.0 Underground Conduit | 6,351 | 0 | 2,782 | (2,782) | -43.80% | -28.18% | -39.04% | -39.04% | -42.62% | -42.62% | -60.07% | -51.28% | -51.28% | -51.28% |
| 2010 | 366.0 Underground Conduit | 37,880 | 0 | 113,954 | (113,954) | -300.83% | -263.92% | -244.46% | -246.71% | -246.71% | -246.31% | -246.31% | -246.28% | -246.54% | -246.54% |
| 2011 | 366.0 Underground Conduit | 998 | 0 | 28,158 | (28,158) | -2821.90% | -365.53% | -320.36% | -297.22% | -299.42% | -299.42% | -298.74% | -298.74% | -298.29% | -298.55% |
| 2012 | 366.0 Underground Conduit | 0 | 0 | 0 | 0 | NA | -2821.90% | -365.53% | -320.36% | -297.22% | -299.42% | -299.42% | -298.74% | -298.74% | -298.29% |
| 2013 | 366.0 Underground Conduit | 71,987 | 0 | 343 | (343) | -0.48% | -0.48% | -39.05% | -128.49% | -123.91% | -120.29% | -121.18% | -121.18% | -121.30% | -121.30% |
| 2014 | 366.0 Underground Conduit | 36,924 | 0 | 0 | 0 | 0.00% | -0.31% | -0.31% | -25.93% | -96.39% | -94.22% | -92.12% | -92.80% | -92.80% | -92.94% |
| 2015 | 366.0 Underground Conduit | 4,188 | 0 | 6,217 | (6,217) | -148.42% | -15.12% | -5.80% | -5.80% | -30.43% | -97.83% | -95.66% | -93.58% | -94.24% | -94.24% |
| 2016 | 366.0 Underground Conduit | 4,127 | 0 | 74,672 | (74,672) | -1809.54% | -972.80% | -178.80% | -69.30% | -69.30% | -92.53% | -143.07% | -139.19% | -136.24% | -136.89% |
| 2017 | 366.0 Underground Conduit | 10,542 | 0 | 360 | (360) | -3.41% | -511.51% | -430.86% | -145.66% | -63.86% | -63.86% | -85.23% | -134.24% | -130.92% | -128.31% |
| 2018 | 366.0 Underground Conduit | 4,127 | 7 | 5,043 | (5,036) | -122.05% | -36.79% | -426.00% | -375.42% | -144.03% | -65.68% | -65.68% | -86.38% | -133.94% | -130.71% |
| 2019 | 366.0 Underground Conduit | 0 | 0 | 0 | 0 | NA | -122.05% | -36.79% | -426.00% | -375.42% | -144.03% | -65.68% | -65.68% | -86.38% | -133.94% |
| 2020 | 366.0 Underground Conduit | 19,726 | 0 | 2,509 | (2,509) | -12.72% | -12.72% | -31.63% | -22.98% | -214.36% | -207.90% | -111.50% | -58.79% | -58.79% | -76.85% |

**ALLETE
RETIREMENTS, GROSS SALVAGE, AND REMOVAL COST
TRANSMISSION AND DISTRIBUTION PROPERTY
AS ADJUSTED**

| Transaction Year | Description | Retirements | Gross Salvage | Cost of Removal | Net Salvage | Net Salv. % | 2-yr Net Salv. % | 3-yr Net Salv. % | 4-yr Net Salv. % | 5-yr Net Salv. % | 6-yr Net Salv. % | 7-yr Net Salv. % | 8-yr Net Salv. % | 9-yr Net Salv. % | 10-yr Net Salv. % |
|------------------|--------------------------------------|-------------|---------------|-----------------|-------------|-------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|-------------------|
| 1988 | 367.0 Underground Conductors & Devic | 274,391 | 63,005 | 50,175 | 12,829 | 4.68% | | | | | | | | | |
| 1989 | 367.0 Underground Conductors & Devic | 154,613 | 50,996 | 51,324 | (328) | -0.21% | 2.91% | | | | | | | | |
| 1990 | 367.0 Underground Conductors & Devic | 252,273 | 42,816 | 42,246 | 569 | 0.23% | 0.06% | 1.92% | | | | | | | |
| 1991 | 367.0 Underground Conductors & Devic | 283,991 | 114,842 | 45,442 | 69,400 | 24.44% | 13.05% | 10.08% | 8.54% | | | | | | |
| 1992 | 367.0 Underground Conductors & Devic | 133,014 | 26,881 | 26,167 | 714 | 0.54% | 16.81% | 10.56% | 8.54% | 7.57% | | | | | |
| 1993 | 367.0 Underground Conductors & Devic | 264,346 | 111,916 | 50,633 | 61,283 | 23.18% | 15.60% | 19.28% | 14.13% | 12.10% | 10.60% | | | | |
| 1994 | 367.0 Underground Conductors & Devic | 312,161 | 35,064 | 69,808 | (34,745) | -11.13% | 4.60% | 3.84% | 9.73% | 7.80% | 6.92% | 6.55% | | | |
| 1995 | 367.0 Underground Conductors & Devic | 282,577 | 50,766 | 74,812 | (24,047) | -8.51% | -9.89% | 0.29% | 0.32% | 5.69% | 4.79% | 4.33% | 4.38% | | |
| 1996 | 367.0 Underground Conductors & Devic | 188,277 | 30,470 | 84,125 | (53,655) | -28.50% | -16.50% | -14.36% | -4.89% | -4.27% | 1.29% | 1.14% | 1.03% | 1.49% | |
| 1997 | 367.0 Underground Conductors & Devic | 262,517 | 29,110 | 44,087 | (14,976) | -5.70% | -15.22% | -12.64% | -12.19% | -5.05% | -4.53% | 0.23% | 0.23% | 0.20% | 0.71% |
| 1998 | 367.0 Underground Conductors & Devic | 399,141 | 34,292 | 63,638 | (29,346) | -7.35% | -6.70% | -11.53% | -10.77% | -10.85% | -5.59% | -5.14% | -1.19% | -1.04% | -0.99% |
| 1999 | 367.0 Underground Conductors & Devic | 126,983 | 8,753 | 35,127 | (26,374) | -20.77% | -10.59% | -8.96% | -12.73% | -11.78% | -11.65% | -6.64% | -6.15% | -2.30% | -2.04% |
| 2000 | 367.0 Underground Conductors & Devic | 61,961 | 0 | 12,904 | (12,904) | -20.83% | -20.79% | -11.67% | -9.83% | -13.21% | -12.21% | -12.00% | -7.10% | -6.60% | -2.79% |
| 2001 | 367.0 Underground Conductors & Devic | 2,544 | 18 | 4,527 | (4,509) | -177.25% | -27.00% | -22.87% | -12.38% | -10.33% | -13.61% | -12.52% | -12.26% | -7.33% | -6.81% |
| 2002 | 367.0 Underground Conductors & Devic | 153,374 | 263 | 51,175 | (50,912) | -33.19% | -35.54% | -31.36% | -27.46% | -16.67% | -13.81% | -16.13% | -14.67% | -14.05% | -9.26% |
| 2003 | 367.0 Underground Conductors & Devic | 90,654 | 13,184 | 56,988 | (43,804) | -48.32% | -38.81% | -40.24% | -36.34% | -31.80% | -20.11% | -16.66% | -18.40% | -16.61% | -15.70% |
| 2004 | 367.0 Underground Conductors & Devic | 197,010 | 3,583 | 49,071 | (45,488) | -23.09% | -31.04% | -31.79% | -32.62% | -31.18% | -29.09% | -20.68% | -17.64% | -19.02% | -17.34% |
| 2005 | 367.0 Underground Conductors & Devic | 183,096 | 3,494 | 50,386 | (46,893) | -25.61% | -24.30% | -28.93% | -29.98% | -30.57% | -29.70% | -28.31% | -21.42% | -18.63% | -19.74% |
| 2006 | 367.0 Underground Conductors & Devic | 88,494 | 9,422 | 43,806 | (34,384) | -38.85% | -29.93% | -27.05% | -30.50% | -31.08% | -31.60% | -30.74% | -29.34% | -22.61% | -19.77% |
| 2007 | 367.0 Underground Conductors & Devic | 141,205 | 14,868 | 46,068 | (31,200) | -22.10% | -28.55% | -27.25% | -25.90% | -28.81% | -29.59% | -30.03% | -29.41% | -28.36% | -22.56% |
| 2008 | 367.0 Underground Conductors & Devic | 441,830 | 28,016 | 37,157 | (9,141) | -2.07% | -6.92% | -11.13% | -14.23% | -15.89% | -18.46% | -20.21% | -20.52% | -20.53% | -20.55% |
| 2009 | 367.0 Underground Conductors & Devic | 218,413 | 11,971 | 55,092 | (43,120) | -19.74% | -7.92% | -10.41% | -13.24% | -15.35% | -16.55% | -18.67% | -20.14% | -20.40% | -20.42% |
| 2010 | 367.0 Underground Conductors & Devic | 538,331 | 3,510 | 147,040 | (143,530) | -26.66% | -24.66% | -16.34% | -16.94% | -18.30% | -19.13% | -19.56% | -20.93% | -21.85% | -22.04% |
| 2011 | 367.0 Underground Conductors & Devic | 329,844 | 16,596 | 181,649 | (165,053) | -50.04% | -35.54% | -32.37% | -23.61% | -23.48% | -24.25% | -24.38% | -24.26% | -25.24% | -25.75% |
| 2012 | 367.0 Underground Conductors & Devic | 139,817 | 0 | 422 | (422) | -0.30% | -35.23% | -30.66% | -28.71% | -21.66% | -21.69% | -22.49% | -22.76% | -22.79% | -23.77% |
| 2013 | 367.0 Underground Conductors & Devic | 311,474 | 1,374 | 90,385 | (89,011) | -28.58% | -19.82% | -32.58% | -30.16% | -28.68% | -22.74% | -22.70% | -23.35% | -23.52% | -23.49% |
| 2014 | 367.0 Underground Conductors & Devic | 485,379 | 182 | 38,579 | (38,397) | -7.91% | -15.99% | -13.65% | -23.13% | -24.18% | -23.70% | -19.82% | -19.95% | -20.57% | -20.89% |
| 2015 | 367.0 Underground Conductors & Devic | 131,668 | 1,102 | 84,802 | (83,700) | -63.57% | -19.79% | -22.74% | -19.80% | -26.93% | -26.86% | -26.14% | -22.04% | -22.04% | -22.57% |
| 2016 | 367.0 Underground Conductors & Devic | 347,084 | 257 | 64,022 | (63,766) | -18.37% | -30.80% | -19.28% | -21.55% | -19.45% | -25.23% | -25.57% | -25.06% | -21.61% | -21.63% |
| 2017 | 367.0 Underground Conductors & Devic | 438,630 | 1,037 | 286,824 | (285,787) | -65.15% | -44.49% | -47.23% | -33.62% | -32.71% | -30.26% | -33.25% | -31.95% | -31.04% | -27.26% |
| 2018 | 367.0 Underground Conductors & Devic | 565,545 | 1,011 | 165,638 | (164,627) | -29.11% | -44.85% | -38.05% | -40.32% | -32.33% | -31.81% | -29.99% | -32.40% | -31.46% | -30.73% |
| 2019 | 367.0 Underground Conductors & Devic | 668,520 | 532 | 82,795 | (82,263) | -12.31% | -20.01% | -31.85% | -29.53% | -31.61% | -27.25% | -27.39% | -26.16% | -28.47% | -28.22% |
| 2020 | 367.0 Underground Conductors & Devic | 517,856 | 16,878 | 553,517 | (536,640) | -103.63% | -52.17% | -44.72% | -48.81% | -44.65% | -45.58% | -39.79% | -38.78% | -37.29% | -38.36% |

ALLETE
RETIREMENTS, GROSS SALVAGE, AND REMOVAL COST
TRANSMISSION AND DISTRIBUTION PROPERTY
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| Transaction Year | Description | Retirements | Gross Salvage | Cost of Removal | Net Salvage | Net Salv. % | 2-yr Net Salv. % | 3-yr Net Salv. % | 4-yr Net Salv. % | 5-yr Net Salv. % | 6-yr Net Salv. % | 7-yr Net Salv. % | 8-yr Net Salv. % | 9-yr Net Salv. % | 10-yr Net Salv. % |
|------------------|-------------------------|-------------|---------------|-----------------|-------------|-------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|-------------------|
| 1988 | 368.0 Line Transformers | 189,697 | 28,784 | 21,860 | 6,924 | 3.65% | | | | | | | | | |
| 1989 | 368.0 Line Transformers | 204,975 | 43,188 | 15,111 | 28,077 | 13.70% | 8.87% | | | | | | | | |
| 1990 | 368.0 Line Transformers | 263,749 | 35,618 | 25,934 | 9,684 | 3.67% | 8.06% | 6.79% | | | | | | | |
| 1991 | 368.0 Line Transformers | 217,444 | 27,247 | 18,166 | 9,081 | 4.18% | 3.90% | 6.83% | 6.14% | | | | | | |
| 1992 | 368.0 Line Transformers | 247,222 | 39,021 | 21,516 | 17,505 | 7.08% | 5.72% | 4.98% | 6.89% | 6.35% | | | | | |
| 1993 | 368.0 Line Transformers | 292,104 | 33,864 | 24,248 | 9,616 | 3.29% | 5.03% | 4.78% | 4.50% | 6.04% | 5.72% | | | | |
| 1994 | 368.0 Line Transformers | 325,953 | 40,586 | 29,626 | 10,960 | 3.36% | 3.33% | 4.40% | 4.36% | 4.22% | 5.47% | 5.28% | | | |
| 1995 | 368.0 Line Transformers | 231,223 | 28,891 | 30,861 | (1,970) | -0.85% | 1.61% | 2.19% | 3.29% | 3.44% | 3.48% | 4.65% | 4.56% | | |
| 1996 | 368.0 Line Transformers | 330,954 | 79,534 | 21,251 | 58,283 | 17.61% | 10.02% | 7.57% | 6.51% | 6.61% | 6.29% | 5.93% | 6.68% | 6.43% | |
| 1997 | 368.0 Line Transformers | 235,327 | 38,297 | 9,962 | 28,335 | 12.04% | 15.30% | 10.61% | 8.51% | 7.43% | 7.38% | 7.01% | 6.60% | 7.22% | 6.95% |
| 1998 | 368.0 Line Transformers | 275,800 | 40,321 | 10,495 | 29,826 | 10.81% | 11.38% | 13.83% | 10.67% | 8.96% | 7.98% | 7.87% | 7.50% | 7.08% | 7.60% |
| 1999 | 368.0 Line Transformers | 202,932 | 623 | (377) | 1,000 | 0.49% | 6.44% | 8.29% | 11.24% | 9.05% | 7.89% | 7.18% | 7.17% | 6.89% | 6.57% |
| 2000 | 368.0 Line Transformers | 54,375 | 5 | 41,516 | (41,511) | -76.34% | -15.74% | -2.00% | 2.30% | 6.91% | 5.56% | 5.13% | 4.85% | 5.10% | 5.02% |
| 2001 | 368.0 Line Transformers | 498,543 | 4,597 | 30,565 | (25,967) | -5.21% | -12.20% | -8.80% | -3.55% | -0.66% | 3.13% | 2.62% | 2.74% | 2.80% | 3.19% |
| 2002 | 368.0 Line Transformers | 358,001 | 906 | 50,398 | (49,492) | -13.82% | -8.81% | -12.84% | -10.41% | -6.20% | -3.56% | 0.02% | -0.07% | 0.38% | 0.68% |
| 2003 | 368.0 Line Transformers | 275,230 | 9,035 | 87,012 | (77,977) | -28.33% | -20.13% | -13.56% | -16.44% | -13.96% | -9.86% | -7.15% | -3.47% | -3.23% | -2.46% |
| 2004 | 368.0 Line Transformers | 336,116 | 24,450 | 67,463 | (43,013) | -12.80% | -19.79% | -17.59% | -13.38% | -15.63% | -13.74% | -10.35% | -8.00% | -4.69% | -4.38% |
| 2005 | 368.0 Line Transformers | 364,915 | 15,524 | 82,878 | (67,354) | -18.46% | -15.74% | -19.29% | -17.83% | -14.39% | -16.18% | -14.56% | -11.60% | -9.46% | -6.41% |
| 2006 | 368.0 Line Transformers | 23,864 | 4,289 | 51,339 | (47,050) | -197.15% | -29.43% | -21.72% | -23.54% | -20.98% | -16.74% | -18.44% | -16.62% | -13.45% | -11.17% |
| 2007 | 368.0 Line Transformers | 926,325 | 6,003 | 90,857 | (84,854) | -9.16% | -13.88% | -15.15% | -14.67% | -16.62% | -16.19% | -14.22% | -15.41% | -14.35% | -12.26% |
| 2008 | 368.0 Line Transformers | 1,094,558 | 5,891 | 79,557 | (73,666) | -6.73% | -7.84% | -10.05% | -11.33% | -11.51% | -13.04% | -13.12% | -12.10% | -12.99% | -12.33% |
| 2009 | 368.0 Line Transformers | 649,423 | 6,586 | 4,629 | 1,957 | 0.30% | -4.11% | -5.86% | -7.56% | -8.86% | -9.25% | -10.68% | -10.96% | -10.33% | -11.11% |
| 2010 | 368.0 Line Transformers | 731,544 | 86,212 | 83,387 | 2,825 | 0.39% | 0.35% | -2.78% | -4.52% | -5.86% | -7.07% | -7.54% | -8.84% | -9.21% | -8.84% |
| 2011 | 368.0 Line Transformers | 978,340 | 185,899 | 388,194 | (202,295) | -20.68% | -11.67% | -8.37% | -7.85% | -8.13% | -9.15% | -9.86% | -10.06% | -10.99% | -11.17% |
| 2012 | 368.0 Line Transformers | 704,229 | 137,007 | 34,279 | 102,728 | 14.59% | -5.92% | -4.01% | -3.09% | -4.05% | -4.98% | -5.88% | -6.72% | -7.07% | -8.03% |
| 2013 | 368.0 Line Transformers | 659,487 | 120,371 | 231,580 | (111,210) | -16.86% | -0.62% | -9.00% | -6.77% | -5.53% | -5.81% | -6.35% | -7.14% | -7.81% | -8.07% |
| 2014 | 368.0 Line Transformers | 1,029,203 | 94,500 | 120,894 | (26,394) | -2.56% | -8.15% | -1.46% | -7.04% | -5.71% | -4.89% | -5.23% | -5.77% | -6.44% | -7.06% |
| 2015 | 368.0 Line Transformers | 658,108 | 21,145 | 94,665 | (73,521) | -11.17% | -5.92% | -9.00% | -3.55% | -7.71% | -6.47% | -5.65% | -5.84% | -6.25% | -6.86% |
| 2016 | 368.0 Line Transformers | 957,708 | 92,651 | 100,823 | (8,172) | -0.85% | -5.06% | -4.09% | -6.64% | -2.91% | -6.39% | -5.53% | -4.93% | -5.20% | -5.63% |
| 2017 | 368.0 Line Transformers | 740,045 | 125,594 | 203,703 | (78,109) | -10.55% | -5.08% | -6.78% | -5.50% | -7.35% | -4.10% | -6.93% | -6.10% | -5.52% | -5.68% |
| 2018 | 368.0 Line Transformers | 510,697 | 75,079 | 92,033 | (16,954) | -3.32% | -7.60% | -4.67% | -6.17% | -5.21% | -6.90% | -4.02% | -6.64% | -5.90% | -5.37% |
| 2019 | 368.0 Line Transformers | 355,211 | 71,723 | 84,139 | (12,416) | -3.50% | -3.39% | -6.69% | -4.51% | -5.87% | -5.07% | -6.65% | -3.99% | -6.47% | -5.78% |
| 2020 | 368.0 Line Transformers | 663,598 | 63,486 | 76,746 | (13,260) | -2.00% | -2.52% | -2.79% | -5.32% | -3.99% | -5.21% | -4.66% | -6.10% | -3.78% | -6.06% |

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| Transaction Year | Description | Retirements | Gross Salvage | Cost of Removal | Net Salvage | Net Salv. % | 2-yr Net Salv. % | 3-yr Net Salv. % | 4-yr Net Salv. % | 5-yr Net Salv. % | 6-yr Net Salv. % | 7-yr Net Salv. % | 8-yr Net Salv. % | 9-yr Net Salv. % | 10-yr Net Salv. % |
|------------------|---------------------|-------------|---------------|-----------------|-------------|-------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|-------------------|
| 1988 369.1 | Services - Overhead | 69,351 | 10,844 | 25,224 | (14,380) | -20.74% | | | | | | | | | |
| 1989 369.1 | Services - Overhead | 78,182 | 12,407 | 27,781 | (15,374) | -19.66% | -20.17% | | | | | | | | |
| 1990 369.1 | Services - Overhead | 109,937 | 15,321 | 38,105 | (22,785) | -20.73% | -20.28% | -20.41% | | | | | | | |
| 1991 369.1 | Services - Overhead | 87,926 | 9,894 | 24,887 | (14,993) | -17.05% | -19.09% | -19.25% | -19.55% | | | | | | |
| 1992 369.1 | Services - Overhead | 89,451 | 6,569 | 34,418 | (27,850) | -31.13% | -24.15% | -22.84% | -22.16% | -21.93% | | | | | |
| 1993 369.1 | Services - Overhead | 109,722 | 6,386 | 32,556 | (26,170) | -23.85% | -27.12% | -24.04% | -23.12% | -22.55% | -22.32% | | | | |
| 1994 369.1 | Services - Overhead | 102,024 | 6,303 | 38,494 | (32,191) | -31.55% | -27.56% | -28.62% | -26.01% | -24.84% | -24.14% | -23.78% | | | |
| 1995 369.1 | Services - Overhead | 72,537 | 6,310 | 31,419 | (25,108) | -34.61% | -32.82% | -29.36% | -29.79% | -27.36% | -26.08% | -25.31% | -24.87% | | |
| 1996 369.1 | Services - Overhead | 130,879 | 3,659 | 54,650 | (50,991) | -38.96% | -37.41% | -35.45% | -32.39% | -32.17% | -29.92% | -28.48% | -27.60% | -27.04% | |
| 1997 369.1 | Services - Overhead | 420,883 | 13,709 | 25,427 | (11,718) | -2.78% | -11.37% | -14.07% | -16.52% | -17.48% | -18.80% | -18.65% | -18.85% | -18.91% | -19.01% |
| 1998 369.1 | Services - Overhead | 21,036 | 1,751 | (2,587) | 4,337 | 20.62% | -1.67% | -10.19% | -12.94% | -15.48% | -16.55% | -17.93% | -17.85% | -18.13% | -18.23% |
| 1999 369.1 | Services - Overhead | 24,257 | 1,471 | 23,610 | (22,139) | -91.27% | -39.30% | -6.33% | -13.48% | -15.77% | -17.86% | -18.61% | -19.76% | -19.54% | -19.65% |
| 2000 369.1 | Services - Overhead | 134,193 | 0 | 38,096 | (38,096) | -28.39% | -38.02% | -31.14% | -11.26% | -16.22% | -17.88% | -19.42% | -19.90% | -20.81% | -20.53% |
| 2001 369.1 | Services - Overhead | 76 | 211 | 4,651 | (4,440) | -5819.69% | -31.68% | -40.80% | -33.60% | -12.00% | -16.83% | -18.43% | -19.91% | -20.33% | -21.21% |
| 2002 369.1 | Services - Overhead | 4,791 | 1,374 | 250,061 | (248,687) | -5190.72% | -5200.58% | -209.42% | -191.87% | -167.63% | -52.99% | -50.50% | -49.07% | -47.11% | -44.61% |
| 2003 369.1 | Services - Overhead | 7,875 | 5,572 | (60,424) | 65,996 | 838.04% | -1442.38% | -1468.59% | -153.28% | -144.50% | -126.43% | -41.55% | -41.09% | -40.52% | -39.52% |
| 2004 369.1 | Services - Overhead | 2,315 | 4,982 | 90,968 | (85,986) | -3714.31% | -196.18% | -1793.46% | -1813.86% | -208.52% | -192.13% | -169.12% | -55.37% | -52.49% | -50.91% |
| 2005 369.1 | Services - Overhead | 4,934 | 4,926 | 84,118 | (79,193) | -1605.04% | -2278.64% | -655.80% | -1746.78% | -1762.32% | -253.21% | -231.19% | -204.64% | -67.69% | -62.69% |
| 2006 369.1 | Services - Overhead | 2,644 | 3,479 | 104,357 | (100,877) | -3815.65% | -2376.29% | -2689.40% | -1125.97% | -1989.24% | -2002.15% | -313.26% | -283.53% | -251.87% | -83.60% |
| 2007 369.1 | Services - Overhead | 63,883 | 1,700 | 90,776 | (89,076) | -139.44% | -285.53% | -376.64% | -481.37% | -354.11% | -622.18% | -626.77% | -262.95% | -245.95% | -224.87% |
| 2008 369.1 | Services - Overhead | 6,416 | 1,047 | 99,843 | (98,797) | -1539.74% | -267.25% | -395.86% | -472.47% | -566.05% | -440.50% | -685.59% | -689.80% | -299.02% | -278.97% |
| 2009 369.1 | Services - Overhead | 8,489 | 233 | 38,252 | (38,020) | -447.87% | -917.89% | -286.71% | -401.28% | -470.05% | -554.74% | -441.15% | -665.67% | -669.55% | -304.38% |
| 2010 369.1 | Services - Overhead | 1,222 | 1,857 | 78,431 | (76,574) | -6265.43% | -1180.01% | -1323.13% | -378.03% | -487.99% | -550.91% | -632.37% | -513.95% | -732.40% | -736.18% |
| 2011 369.1 | Services - Overhead | 942 | 7,516 | 203,426 | (195,910) | -20793.08% | -12589.64% | -2914.59% | -2397.80% | -615.64% | -716.84% | -766.34% | -841.47% | -707.49% | -915.00% |
| 2012 369.1 | Services - Overhead | 45,637 | 0 | 861 | (861) | -1.89% | -422.44% | -571.83% | -553.14% | -654.09% | -394.37% | -464.36% | -506.31% | -560.73% | -484.42% |
| 2013 369.1 | Services - Overhead | 100,430 | 264 | 87,177 | (86,913) | -86.54% | -60.09% | -192.97% | -243.04% | -254.13% | -304.70% | -258.19% | -299.15% | -326.61% | -359.71% |
| 2014 369.1 | Services - Overhead | 106,114 | 1,439 | 70,701 | (69,261) | -65.27% | -75.61% | -62.27% | -139.44% | -168.87% | -177.88% | -210.34% | -196.74% | -225.23% | -245.22% |
| 2015 369.1 | Services - Overhead | 90,396 | 365 | 33,164 | (32,799) | -36.28% | -51.94% | -63.64% | -55.41% | -112.29% | -134.11% | -141.65% | -166.59% | -162.49% | -185.16% |
| 2016 369.1 | Services - Overhead | 83,164 | 850 | 39,328 | (38,478) | -46.27% | -41.07% | -50.25% | -59.84% | -53.63% | -99.42% | -117.03% | -123.47% | -143.99% | -143.42% |
| 2017 369.1 | Services - Overhead | 73,869 | 185 | 67,992 | (67,807) | -91.79% | -67.68% | -56.21% | -58.93% | -65.04% | -59.27% | -98.30% | -113.32% | -118.88% | -136.53% |
| 2018 369.1 | Services - Overhead | 109,090 | 1,229 | 33,657 | (32,429) | -29.73% | -54.79% | -52.12% | -48.11% | -52.04% | -58.20% | -53.98% | -86.03% | -98.39% | -103.18% |
| 2019 369.1 | Services - Overhead | 53,695 | 0 | 24,213 | (24,213) | -45.09% | -34.80% | -52.59% | -50.94% | -47.71% | -51.32% | -57.06% | -53.26% | -82.71% | -94.08% |
| 2020 369.1 | Services - Overhead | 195,029 | 942 | 27,090 | (26,148) | -13.41% | -20.25% | -23.14% | -34.89% | -36.72% | -36.66% | -40.93% | -46.57% | -44.19% | -66.97% |

**ALLETE
RETIREMENTS, GROSS SALVAGE, AND REMOVAL COST
TRANSMISSION AND DISTRIBUTION PROPERTY
AS ADJUSTED**

| Transaction Year | Description | Retirements | Gross Salvage | Cost of Removal | Net Salvage | Net Salv. % | 2-yr Net Salv. % | 3-yr Net Salv. % | 4-yr Net Salv. % | 5-yr Net Salv. % | 6-yr Net Salv. % | 7-yr Net Salv. % | 8-yr Net Salv. % | 9-yr Net Salv. % | 10-yr Net Salv. % |
|------------------|------------------------------|-------------|---------------|-----------------|-------------|-------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|-------------------|
| 1988 | 369.2 Services - Underground | 8,186 | 651 | 2,266 | (1,615) | -19.72% | | | | | | | | | |
| 1989 | 369.2 Services - Underground | 6,873 | 477 | 3,229 | (2,752) | -40.04% | -29.00% | | | | | | | | |
| 1990 | 369.2 Services - Underground | 32,672 | 681 | 8,441 | (7,760) | -23.75% | -26.58% | -25.41% | | | | | | | |
| 1991 | 369.2 Services - Underground | 24,735 | 2,302 | 6,738 | (4,436) | -17.93% | -21.25% | -23.25% | -22.86% | | | | | | |
| 1992 | 369.2 Services - Underground | 16,300 | 498 | 6,577 | (6,079) | -37.29% | -25.62% | -24.79% | -26.09% | -25.51% | | | | | |
| 1993 | 369.2 Services - Underground | 15,088 | 9,786 | 4,573 | 5,213 | 34.55% | -2.76% | -9.45% | -14.71% | -16.53% | -16.78% | | | | |
| 1994 | 369.2 Services - Underground | 14,164 | 2,663 | 5,492 | (2,829) | -19.97% | 8.15% | -8.11% | -11.57% | -15.43% | -16.97% | -17.16% | | | |
| 1995 | 369.2 Services - Underground | 18,002 | 4,689 | 5,805 | (1,116) | -6.20% | -12.27% | 2.68% | -7.57% | -10.47% | -14.06% | -15.46% | -15.71% | | |
| 1996 | 369.2 Services - Underground | 15,766 | (296) | 7,665 | (7,960) | -50.49% | -26.88% | -24.84% | -10.62% | -16.10% | -16.54% | -18.26% | -19.30% | -19.33% | |
| 1997 | 369.2 Services - Underground | 445,819 | 20,081 | 31,811 | (11,730) | -2.63% | -4.27% | -4.34% | -4.79% | -3.62% | -4.67% | -5.26% | -6.30% | -6.69% | -6.87% |
| 1998 | 369.2 Services - Underground | 238,275 | 10,978 | 15,306 | (4,327) | -1.82% | -2.35% | -3.43% | -3.50% | -3.82% | -3.05% | -3.78% | -4.22% | -5.00% | -5.29% |
| 1999 | 369.2 Services - Underground | 0 | 282 | 2,953 | (2,670) | NA | -2.94% | -2.74% | -3.81% | -3.87% | -4.18% | -3.40% | -4.13% | -4.56% | -5.32% |
| 2000 | 369.2 Services - Underground | 0 | 0 | 1,523 | (1,523) | NA | NA | -3.58% | -2.96% | -4.03% | -4.09% | -4.39% | -3.61% | -4.33% | -4.75% |
| 2001 | 369.2 Services - Underground | 0 | 0 | 151 | (151) | NA | NA | NA | -3.64% | -2.98% | -4.05% | -4.11% | -4.41% | -3.63% | -4.35% |
| 2002 | 369.2 Services - Underground | 56,422 | 13 | 2,600 | (2,587) | -4.58% | -4.85% | -7.55% | -12.28% | -3.82% | -3.10% | -4.09% | -4.14% | -4.43% | -3.69% |
| 2003 | 369.2 Services - Underground | 43,927 | 1,850 | 7,277 | (5,427) | -12.36% | -7.99% | -8.14% | -9.65% | -12.32% | -4.93% | -3.62% | -4.55% | -4.58% | -4.84% |
| 2004 | 369.2 Services - Underground | 18,585 | 17 | 4,444 | (4,427) | -23.82% | -15.76% | -10.46% | -10.59% | -11.87% | -14.11% | -5.91% | -4.09% | -4.98% | -5.01% |
| 2005 | 369.2 Services - Underground | 28,178 | 53 | 7,035 | (6,983) | -24.78% | -24.40% | -18.57% | -13.20% | -13.31% | -14.34% | -16.16% | -7.29% | -4.79% | -5.64% |
| 2006 | 369.2 Services - Underground | 12,529 | 933 | (6,699) | 7,632 | 60.91% | 1.60% | -6.37% | -8.92% | -7.39% | -7.48% | -8.43% | -10.11% | -5.14% | -3.82% |
| 2007 | 369.2 Services - Underground | 638,757 | 1 | 7,098 | (7,096) | -1.11% | 0.08% | -0.95% | -1.56% | -2.20% | -2.37% | -2.38% | -2.58% | -2.91% | -2.66% |
| 2008 | 369.2 Services - Underground | 118,930 | 99 | 5,877 | (5,778) | -4.86% | -1.70% | -0.68% | -1.53% | -2.04% | -2.56% | -2.69% | -2.71% | -2.87% | -3.16% |
| 2009 | 369.2 Services - Underground | 31,723 | 22 | 1,625 | (1,603) | -5.05% | -4.90% | -1.83% | -0.85% | -1.67% | -2.15% | -2.65% | -2.77% | -2.78% | -2.94% |
| 2010 | 369.2 Services - Underground | 17,502 | 558 | 6,268 | (5,710) | -32.63% | -14.86% | -7.78% | -2.50% | -1.53% | -2.30% | -2.77% | -3.23% | -3.31% | -3.32% |
| 2011 | 369.2 Services - Underground | 29,613 | 254 | 22,604 | (22,350) | -75.47% | -59.56% | -37.62% | -17.92% | -5.08% | -4.11% | -4.77% | -5.17% | -5.51% | -5.45% |
| 2012 | 369.2 Services - Underground | 20,273 | 0 | 0 | 0 | 0.00% | -44.80% | -41.64% | -29.93% | -16.25% | -4.96% | -4.02% | -4.67% | -5.06% | -5.39% |
| 2013 | 369.2 Services - Underground | 46,943 | 0 | 10,224 | (10,224) | -21.78% | -15.21% | -33.64% | -33.48% | -27.31% | -17.23% | -5.84% | -4.93% | -5.52% | -5.87% |
| 2014 | 369.2 Services - Underground | 94,326 | 0 | 11,771 | (11,771) | -12.48% | -15.57% | -13.62% | -23.20% | -23.99% | -21.49% | -15.98% | -6.47% | -5.63% | -6.15% |
| 2015 | 369.2 Services - Underground | 19,001 | 0 | 9,284 | (9,284) | -48.86% | -18.58% | -19.52% | -17.32% | -25.52% | -26.06% | -23.49% | -17.64% | -7.26% | -6.43% |
| 2016 | 369.2 Services - Underground | 53,537 | 0 | 9,819 | (9,819) | -18.34% | -26.33% | -18.50% | -19.22% | -17.56% | -24.06% | -24.59% | -22.61% | -17.72% | -7.81% |
| 2017 | 369.2 Services - Underground | 23,649 | 0 | 8,220 | (8,220) | -34.76% | -23.37% | -28.41% | -20.52% | -20.77% | -19.14% | -24.94% | -25.38% | -23.47% | -18.61% |
| 2018 | 369.2 Services - Underground | 64,815 | 0 | 4,960 | (4,960) | -7.65% | -14.90% | -16.20% | -20.05% | -17.25% | -17.96% | -16.83% | -21.76% | -22.27% | -20.91% |
| 2019 | 369.2 Services - Underground | 11,954 | 0 | 2,614 | (2,614) | -21.87% | -9.87% | -15.73% | -16.64% | -20.18% | -17.46% | -18.11% | -17.01% | -21.76% | -22.26% |
| 2020 | 369.2 Services - Underground | 44,962 | 0 | 13,935 | (13,935) | -30.99% | -29.08% | -17.67% | -20.45% | -19.88% | -22.41% | -19.41% | -19.72% | -18.67% | -22.78% |

ALLETE
RETIREMENTS, GROSS SALVAGE, AND REMOVAL COST
TRANSMISSION AND DISTRIBUTION PROPERTY
AS ADJUSTED

| Transaction Year | Description | Retirements | Gross Salvage | Cost of Removal | Net Salvage | Net Salv. % | 2-yr Net Salv. % | 3-yr Net Salv. % | 4-yr Net Salv. % | 5-yr Net Salv. % | 6-yr Net Salv. % | 7-yr Net Salv. % | 8-yr Net Salv. % | 9-yr Net Salv. % | 10-yr Net Salv. % |
|------------------|--------------|-------------|---------------|-----------------|-------------|-------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|-------------------|
| 1988 | 370.0 Meters | 92,886 | 6,216 | 0 | 6,216 | 6.69% | | | | | | | | | |
| 1989 | 370.0 Meters | 91,400 | 1,858 | 0 | 1,858 | 2.03% | 4.38% | | | | | | | | |
| 1990 | 370.0 Meters | 195,455 | 7,923 | 0 | 7,923 | 4.05% | 3.41% | 4.21% | | | | | | | |
| 1991 | 370.0 Meters | 279,176 | 1,248 | 0 | 1,248 | 0.45% | 1.93% | 1.95% | 2.62% | | | | | | |
| 1992 | 370.0 Meters | 126,198 | 3,932 | 706 | 3,226 | 2.56% | 1.10% | 2.06% | 2.06% | 2.61% | | | | | |
| 1993 | 370.0 Meters | 237,856 | 1,221 | 353 | 868 | 0.36% | 1.12% | 0.83% | 1.58% | 1.63% | 2.09% | | | | |
| 1994 | 370.0 Meters | 313,297 | 5,192 | 0 | 5,192 | 1.66% | 1.10% | 1.37% | 1.10% | 1.60% | 1.63% | 1.99% | | | |
| 1995 | 370.0 Meters | 240,082 | 10,321 | 628 | 9,694 | 4.04% | 2.69% | 1.99% | 2.07% | 1.69% | 2.02% | 2.02% | 2.30% | | |
| 1996 | 370.0 Meters | 258,714 | 2,740 | 0 | 2,740 | 1.06% | 2.49% | 2.17% | 1.76% | 1.85% | 1.58% | 1.87% | 1.88% | 2.12% | |
| 1997 | 370.0 Meters | 129,817 | 1,212 | 18 | 1,194 | 0.92% | 1.01% | 2.17% | 2.00% | 1.67% | 1.75% | 1.52% | 1.80% | 1.81% | 2.04% |
| 1998 | 370.0 Meters | 193,254 | 1,756 | 6 | 1,750 | 0.91% | 0.91% | 0.98% | 1.87% | 1.81% | 1.56% | 1.65% | 1.46% | 1.71% | 1.73% |
| 1999 | 370.0 Meters | 143,969 | 14,225 | 365 | 13,860 | 9.63% | 4.63% | 3.60% | 2.69% | 3.03% | 2.69% | 2.33% | 2.34% | 2.07% | 2.25% |
| 2000 | 370.0 Meters | 207,425 | 0 | 2,867 | (2,867) | -1.38% | 3.13% | 2.34% | 2.07% | 1.79% | 2.25% | 2.12% | 1.88% | 1.93% | 1.73% |
| 2001 | 370.0 Meters | 173,885 | 2,873 | (1,692) | 4,565 | 2.63% | 0.45% | 2.96% | 2.41% | 2.18% | 1.92% | 2.30% | 2.18% | 1.95% | 1.99% |
| 2002 | 370.0 Meters | 561,482 | 530 | 1,020 | (491) | -0.09% | 0.55% | 0.13% | 1.39% | 1.31% | 1.28% | 1.24% | 1.60% | 1.60% | 1.48% |
| 2003 | 370.0 Meters | 471,806 | 2,589 | 5,490 | (2,901) | -0.61% | -0.33% | 0.10% | -0.12% | 0.78% | 0.79% | 0.80% | 0.83% | 1.16% | 1.22% |
| 2004 | 370.0 Meters | 252,120 | 2,479 | 2,724 | (245) | -0.10% | -0.43% | -0.28% | 0.06% | -0.12% | 0.66% | 0.68% | 0.70% | 0.74% | 1.04% |
| 2005 | 370.0 Meters | 329,483 | 1,321 | (1,324) | 2,645 | 0.80% | 0.41% | -0.05% | -0.06% | 0.20% | 0.04% | 0.68% | 0.70% | 0.71% | 0.74% |
| 2006 | 370.0 Meters | 44,882 | 3,930 | 15,737 | (11,807) | -26.31% | -2.45% | -1.50% | -1.12% | -0.77% | -0.45% | -0.54% | 0.13% | 0.19% | 0.23% |
| 2007 | 370.0 Meters | 1,662,449 | 1,615 | 2,496 | (881) | -0.05% | -0.74% | -0.49% | -0.45% | -0.48% | -0.41% | -0.26% | -0.32% | 0.05% | 0.09% |
| 2008 | 370.0 Meters | 1,289,127 | 3,403 | 5,069 | (1,666) | -0.13% | -0.09% | -0.48% | -0.35% | -0.33% | -0.37% | -0.33% | -0.23% | -0.27% | 0.00% |
| 2009 | 370.0 Meters | 210,811 | 385 | 4,220 | (3,835) | -1.82% | -0.37% | -0.20% | -0.57% | -0.44% | -0.42% | -0.44% | -0.40% | -0.29% | -0.34% |
| 2010 | 370.0 Meters | 505,513 | 16,681 | 27,708 | (11,027) | -2.18% | -2.07% | -0.82% | -0.47% | -0.79% | -0.66% | -0.62% | -0.62% | -0.57% | -0.47% |
| 2011 | 370.0 Meters | 537,723 | 2,306 | 14,359 | (12,053) | -2.24% | -2.21% | -2.15% | -1.12% | -0.70% | -0.97% | -0.84% | -0.80% | -0.79% | -0.72% |
| 2012 | 370.0 Meters | 588,843 | 0 | 0 | 0 | 0.00% | -1.07% | -1.41% | -1.46% | -0.91% | -0.61% | -0.85% | -0.75% | -0.72% | -0.71% |
| 2013 | 370.0 Meters | 1,298,340 | 30,803 | 19,043 | 11,761 | 0.91% | 0.62% | -0.01% | -0.39% | -0.48% | -0.38% | -0.29% | -0.48% | -0.42% | -0.40% |
| 2014 | 370.0 Meters | 2,012,123 | 44,558 | 8,607 | 35,951 | 1.79% | 1.44% | 1.22% | 0.80% | 0.50% | 0.40% | 0.30% | 0.23% | 0.08% | 0.11% |
| 2015 | 370.0 Meters | 30,189 | 14,328 | 9,627 | 4,701 | 15.57% | 1.99% | 1.57% | 1.33% | 0.90% | 0.59% | 0.49% | 0.37% | 0.28% | 0.14% |
| 2016 | 370.0 Meters | 2,611,491 | 1,411 | 6,727 | (5,316) | -0.20% | -0.02% | 0.76% | 0.79% | 0.72% | 0.50% | 0.32% | 0.26% | 0.20% | 0.16% |
| 2017 | 370.0 Meters | 1,853,618 | 1,239 | 89,130 | (87,891) | -4.74% | -2.09% | -1.97% | -0.81% | -0.52% | -0.49% | -0.59% | -0.68% | -0.70% | -0.63% |
| 2018 | 370.0 Meters | 2,586,097 | 2,687 | 5,866 | (3,178) | -0.12% | -2.05% | -1.37% | -1.29% | -0.61% | -0.42% | -0.40% | -0.49% | -0.56% | -0.58% |
| 2019 | 370.0 Meters | 1,968,812 | 2,055 | 10,956 | (8,901) | -0.45% | -0.27% | -1.56% | -1.17% | -1.11% | -0.58% | -0.43% | -0.41% | -0.48% | -0.54% |
| 2020 | 370.0 Meters | 7,102,234 | 1,606 | 46,390 | (44,784) | -0.63% | -0.59% | -0.49% | -1.07% | -0.93% | -0.90% | -0.60% | -0.50% | -0.49% | -0.53% |

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AS ADJUSTED**

| Transaction Year | Description | Retirements | Gross Salvage | Cost of Removal | Net Salvage | Net Salv. % | 2- yr Net Salv. % | 3- yr Net Salv. % | 4- yr Net Salv. % | 5- yr Net Salv. % | 6- yr Net Salv. % | 7- yr Net Salv. % | 8- yr Net Salv. % | 9- yr Net Salv. % | 10- yr Net Salv. % |
|------------------|--------------------------------------|-------------|---------------|-----------------|-------------|-------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|--------------------|
| 1988 | 372.2 Leased Prop On Cust Pr,Lightng | 38,685 | 9,711 | 12,316 | (2,604) | -6.73% | | | | | | | | | |
| 1989 | 372.2 Leased Prop On Cust Pr,Lightng | 40,665 | 6,952 | 14,171 | (7,218) | -17.75% | -12.38% | | | | | | | | |
| 1990 | 372.2 Leased Prop On Cust Pr,Lightng | 49,472 | 7,570 | 17,516 | (9,946) | -20.10% | -19.04% | -15.35% | | | | | | | |
| 1991 | 372.2 Leased Prop On Cust Pr,Lightng | 59,220 | 8,837 | 16,883 | (8,047) | -13.59% | -16.55% | -16.88% | -14.79% | | | | | | |
| 1992 | 372.2 Leased Prop On Cust Pr,Lightng | 38,526 | 7,356 | 17,729 | (10,374) | -26.93% | -18.85% | -19.27% | -18.94% | -16.86% | | | | | |
| 1993 | 372.2 Leased Prop On Cust Pr,Lightng | 41,399 | 6,540 | 13,462 | (6,922) | -16.72% | -21.64% | -18.21% | -18.71% | -18.54% | -16.83% | | | | |
| 1994 | 372.2 Leased Prop On Cust Pr,Lightng | 41,071 | 6,910 | 12,048 | (5,138) | -12.51% | -14.62% | -18.54% | -16.91% | -17.60% | -17.62% | -16.26% | | | |
| 1995 | 372.2 Leased Prop On Cust Pr,Lightng | 38,564 | 6,982 | 16,468 | (9,486) | -24.60% | -18.36% | -17.80% | -20.00% | -18.27% | -18.61% | -18.49% | -17.18% | | |
| 1996 | 372.2 Leased Prop On Cust Pr,Lightng | 51,566 | 7,499 | 19,560 | (12,061) | -23.39% | -23.91% | -20.34% | -19.47% | -20.83% | -19.24% | -19.38% | -19.19% | -17.99% | |
| 1997 | 372.2 Leased Prop On Cust Pr,Lightng | 50,289 | 3,152 | 4,745 | (1,593) | -3.17% | -13.41% | -16.48% | -15.58% | -15.79% | -17.43% | -16.72% | -17.18% | -17.23% | -16.33% |
| 1998 | 372.2 Leased Prop On Cust Pr,Lightng | 54,707 | 5,698 | 11,758 | (6,060) | -11.08% | -7.29% | -12.59% | -14.97% | -14.54% | -14.86% | -16.33% | -15.90% | -16.39% | -16.51% |
| 1999 | 372.2 Leased Prop On Cust Pr,Lightng | 20,110 | 1,011 | 7,798 | (6,788) | -33.75% | -17.17% | -11.54% | -15.00% | -16.72% | -16.05% | -16.14% | -17.38% | -16.81% | -17.17% |
| 2000 | 372.2 Leased Prop On Cust Pr,Lightng | 25,892 | 0 | 16,199 | (16,199) | -62.56% | -49.97% | -28.84% | -20.29% | -21.08% | -21.64% | -20.31% | -19.85% | -20.61% | -19.62% |
| 2001 | 372.2 Leased Prop On Cust Pr,Lightng | 1,218 | 117 | 1,555 | (1,437) | -118.02% | -65.05% | -51.72% | -29.91% | -21.07% | -21.66% | -22.13% | -20.73% | -20.22% | -20.93% |
| 2002 | 372.2 Leased Prop On Cust Pr,Lightng | 38,159 | 5,036 | 17,818 | (12,782) | -33.50% | -36.11% | -46.60% | -43.58% | -30.88% | -23.56% | -23.53% | -23.67% | -22.25% | -21.62% |
| 2003 | 372.2 Leased Prop On Cust Pr,Lightng | 50,512 | 11,523 | 40,995 | (29,472) | -58.35% | -47.65% | -48.61% | -51.73% | -49.07% | -38.16% | -30.86% | -29.54% | -28.96% | -27.15% |
| 2004 | 372.2 Leased Prop On Cust Pr,Lightng | 25,787 | 7,957 | 30,422 | (22,465) | -87.12% | -68.07% | -56.54% | -57.19% | -58.17% | -55.14% | -44.00% | -36.30% | -34.21% | -33.17% |
| 2005 | 372.2 Leased Prop On Cust Pr,Lightng | 25,549 | 5,263 | 29,771 | (24,508) | -95.93% | -91.50% | -75.06% | -63.73% | -64.20% | -63.95% | -60.70% | -49.48% | -41.51% | -38.79% |
| 2006 | 372.2 Leased Prop On Cust Pr,Lightng | 54,432 | 8,416 | 29,908 | (21,491) | -39.48% | -57.51% | -64.73% | -62.67% | -56.94% | -57.32% | -57.94% | -55.92% | -47.64% | -41.19% |
| 2007 | 372.2 Leased Prop On Cust Pr,Lightng | 44,861 | 4,493 | 24,406 | (19,913) | -44.39% | -41.70% | -52.80% | -58.67% | -58.59% | -54.59% | -54.91% | -55.65% | -54.12% | -47.22% |
| 2008 | 372.2 Leased Prop On Cust Pr,Lightng | 42,068 | 4,580 | 31,597 | (27,017) | -64.22% | -53.99% | -48.40% | -55.68% | -59.88% | -59.56% | -56.03% | -56.30% | -56.82% | -55.41% |
| 2009 | 372.2 Leased Prop On Cust Pr,Lightng | 36,321 | 1,601 | 7,183 | (5,582) | -15.37% | -41.59% | -42.61% | -41.65% | -48.47% | -52.82% | -53.82% | -51.38% | -51.64% | -52.46% |
| 2010 | 372.2 Leased Prop On Cust Pr,Lightng | 28,321 | 5,866 | 41,509 | (35,643) | -125.86% | -63.77% | -63.95% | -58.16% | -53.23% | -57.94% | -60.86% | -60.45% | -57.48% | -57.69% |
| 2011 | 372.2 Leased Prop On Cust Pr,Lightng | 30,050 | 11,279 | 68,705 | (57,425) | -191.10% | -159.44% | -104.18% | -91.89% | -80.16% | -70.78% | -73.23% | -74.48% | -72.07% | -68.15% |
| 2012 | 372.2 Leased Prop On Cust Pr,Lightng | 39,567 | 0 | 0 | 0 | 0.00% | -82.49% | -95.03% | -73.48% | -71.27% | -65.82% | -60.62% | -63.61% | -65.47% | -64.51% |
| 2013 | 372.2 Leased Prop On Cust Pr,Lightng | 63,873 | 703 | 38,263 | (37,560) | -58.80% | -36.31% | -71.16% | -80.73% | -68.75% | -67.95% | -64.25% | -60.28% | -62.77% | -64.38% |
| 2014 | 372.2 Leased Prop On Cust Pr,Lightng | 75,610 | 521 | 38,242 | (37,721) | -49.89% | -53.97% | -42.04% | -63.47% | -70.91% | -63.54% | -63.63% | -61.24% | -58.38% | -60.56% |
| 2015 | 372.2 Leased Prop On Cust Pr,Lightng | 45,677 | 521 | 17,928 | (17,407) | -38.11% | -45.45% | -50.06% | -41.24% | -58.92% | -65.62% | -59.90% | -60.40% | -58.64% | -56.37% |
| 2016 | 372.2 Leased Prop On Cust Pr,Lightng | 93,745 | 920 | 23,449 | (22,529) | -24.03% | -28.64% | -36.11% | -41.31% | -36.18% | -49.54% | -55.27% | -51.76% | -52.91% | -52.15% |
| 2017 | 372.2 Leased Prop On Cust Pr,Lightng | 71,638 | 0 | 39,399 | (39,399) | -55.00% | -37.45% | -37.59% | -40.83% | -44.11% | -39.63% | -50.47% | -55.23% | -52.24% | -53.20% |
| 2018 | 372.2 Leased Prop On Cust Pr,Lightng | 79,632 | 74 | 27,254 | (27,180) | -34.13% | -44.01% | -36.37% | -36.64% | -39.38% | -42.26% | -38.70% | -47.86% | -52.05% | -49.69% |
| 2019 | 372.2 Leased Prop On Cust Pr,Lightng | 38,378 | 303 | 22,029 | (21,725) | -56.61% | -41.44% | -46.56% | -39.11% | -38.97% | -41.01% | -43.44% | -40.05% | -48.49% | -52.36% |
| 2020 | 372.2 Leased Prop On Cust Pr,Lightng | 48,378 | 238 | 25,519 | (25,281) | -52.26% | -54.18% | -44.59% | -47.72% | -41.03% | -40.67% | -42.21% | -44.26% | -41.11% | -48.80% |

**ALLETE
RETIREMENTS, GROSS SALVAGE, AND REMOVAL COST
TRANSMISSION AND DISTRIBUTION PROPERTY
AS ADJUSTED**

| Transaction Year | Description | Retirements | Gross Salvage | Cost of Removal | Net Salvage | Net Salv. % | 2-yr Net Salv. % | 3-yr Net Salv. % | 4-yr Net Salv. % | 5-yr Net Salv. % | 6-yr Net Salv. % | 7-yr Net Salv. % | 8-yr Net Salv. % | 9-yr Net Salv. % | 10-yr Net Salv. % |
|------------------|--------------------------------------|-------------|---------------|-----------------|-------------|-------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|-------------------|
| 1988 | 373.0 Street Lighting And Signal Sys | 17,205 | 6,150 | 4,738 | 1,412 | 8.21% | | | | | | | | | |
| 1989 | 373.0 Street Lighting And Signal Sys | 59,049 | 15,393 | 8,810 | 6,583 | 11.15% | 10.48% | | | | | | | | |
| 1990 | 373.0 Street Lighting And Signal Sys | 33,474 | 9,935 | 4,833 | 5,102 | 15.24% | 12.63% | 11.94% | | | | | | | |
| 1991 | 373.0 Street Lighting And Signal Sys | 44,746 | 8,634 | 5,740 | 2,894 | 6.47% | 10.22% | 10.62% | 10.35% | | | | | | |
| 1992 | 373.0 Street Lighting And Signal Sys | 9,436 | 1,430 | 5,059 | (3,629) | -38.46% | -1.36% | 4.98% | 7.46% | 7.54% | | | | | |
| 1993 | 373.0 Street Lighting And Signal Sys | 8,983 | 542 | 3,108 | (2,566) | -28.56% | -33.63% | -5.23% | 1.86% | 5.39% | 5.67% | | | | |
| 1994 | 373.0 Street Lighting And Signal Sys | 11,934 | 1,156 | 3,594 | (2,438) | -20.43% | -23.92% | -28.44% | -7.64% | -0.59% | 3.55% | 3.98% | | | |
| 1995 | 373.0 Street Lighting And Signal Sys | 12,608 | 1,332 | 5,507 | (4,175) | -33.11% | -26.94% | -27.38% | -29.81% | -11.30% | -3.97% | 0.98% | 1.61% | | |
| 1996 | 373.0 Street Lighting And Signal Sys | 95,136 | 10,319 | 26,755 | (16,436) | -17.28% | -19.13% | -19.26% | -19.91% | -21.18% | -14.41% | -9.82% | -5.33% | -4.53% | |
| 1997 | 373.0 Street Lighting And Signal Sys | 28,860 | 1,821 | 3,388 | (1,567) | -5.43% | -14.52% | -16.23% | -16.57% | -17.26% | -18.45% | -13.19% | -9.31% | -5.34% | -4.61% |
| 1998 | 373.0 Street Lighting And Signal Sys | 12,841 | 2,784 | 2,797 | (13) | -0.10% | -3.79% | -13.17% | -14.85% | -15.26% | -15.96% | -17.14% | -12.44% | -8.85% | -5.12% |
| 1999 | 373.0 Street Lighting And Signal Sys | 6,408 | 224 | 2,323 | (2,099) | -32.76% | -10.98% | -7.65% | -14.04% | -15.59% | -15.93% | -16.57% | -17.68% | -13.00% | -9.43% |
| 2000 | 373.0 Street Lighting And Signal Sys | 5,326 | 0 | 4,828 | (4,828) | -90.64% | -59.03% | -28.24% | -15.92% | -16.79% | -18.07% | -18.23% | -18.74% | -19.71% | -14.75% |
| 2001 | 373.0 Street Lighting And Signal Sys | 0 | (61) | 395 | (456) | NA | -99.21% | -62.92% | -30.10% | -16.77% | -17.10% | -18.35% | -18.49% | -18.99% | -19.95% |
| 2002 | 373.0 Street Lighting And Signal Sys | 21,458 | 2,841 | 3,742 | (900) | -4.20% | -6.32% | -23.09% | -24.96% | -18.02% | -13.17% | -15.47% | -16.69% | -16.92% | -17.43% |
| 2003 | 373.0 Street Lighting And Signal Sys | 10,006 | 9,907 | 27,107 | (17,200) | -171.90% | -57.53% | -58.98% | -63.56% | -58.99% | -45.50% | -31.88% | -24.16% | -24.75% | -24.50% |
| 2004 | 373.0 Street Lighting And Signal Sys | 2,820 | 1,615 | 3,260 | (1,646) | -58.36% | -146.94% | -57.60% | -58.93% | -63.19% | -58.95% | -46.12% | -32.73% | -24.69% | -25.23% |
| 2005 | 373.0 Street Lighting And Signal Sys | 6,119 | 5,852 | 6,253 | (401) | -6.55% | -22.90% | -101.60% | -49.87% | -51.00% | -55.61% | -52.80% | -42.39% | -31.02% | -24.10% |
| 2006 | 373.0 Street Lighting And Signal Sys | 4,801 | 1,962 | 6,377 | (4,415) | -91.96% | -44.10% | -47.03% | -99.65% | -54.34% | -55.35% | -59.07% | -56.11% | -45.80% | -33.99% |
| 2007 | 373.0 Street Lighting And Signal Sys | 26,416 | 4,275 | 15,157 | (10,882) | -41.19% | -49.00% | -42.04% | -43.19% | -68.86% | -49.49% | -50.13% | -52.93% | -51.38% | -44.54% |
| 2008 | 373.0 Street Lighting And Signal Sys | 5,554 | 2,900 | 20,072 | (17,172) | -309.20% | -87.75% | -88.30% | -76.64% | -75.51% | -92.82% | -68.18% | -68.77% | -70.18% | -67.49% |
| 2009 | 373.0 Street Lighting And Signal Sys | 8,907 | 0 | 3,348 | (3,348) | -37.59% | -141.90% | -76.82% | -78.41% | -69.92% | -69.33% | -85.21% | -65.01% | -65.54% | -67.01% |
| 2010 | 373.0 Street Lighting And Signal Sys | 4,647 | 549 | 32,036 | (31,487) | -677.58% | -257.00% | -272.17% | -138.14% | -133.74% | -119.95% | -117.02% | -124.95% | -96.39% | -96.89% |
| 2011 | 373.0 Street Lighting And Signal Sys | 8,283 | 6,745 | 31,023 | (24,278) | -293.11% | -431.29% | -270.70% | -278.51% | -162.00% | -156.26% | -142.11% | -138.61% | -142.91% | -112.85% |
| 2012 | 373.0 Street Lighting And Signal Sys | 9,550 | 0 | 468 | (468) | -4.90% | -138.77% | -250.15% | -189.82% | -207.77% | -138.32% | -135.05% | -124.47% | -122.05% | -127.78% |
| 2013 | 373.0 Street Lighting And Signal Sys | 20,627 | 62 | 26,677 | (26,615) | -129.03% | -89.75% | -133.54% | -192.19% | -165.72% | -179.56% | -136.04% | -133.65% | -125.46% | -123.52% |
| 2014 | 373.0 Street Lighting And Signal Sys | 27,721 | 0 | 18,966 | (18,966) | -68.42% | -94.28% | -79.53% | -106.26% | -143.75% | -131.89% | -143.43% | -119.26% | -118.13% | -112.56% |
| 2015 | 373.0 Street Lighting And Signal Sys | 13,181 | 53 | 11,934 | (11,882) | -90.14% | -75.42% | -93.39% | -81.50% | -103.59% | -135.34% | -125.97% | -136.30% | -116.18% | -115.29% |
| 2016 | 373.0 Street Lighting And Signal Sys | 59,448 | 454 | 8,727 | (8,273) | -13.92% | -27.75% | -38.98% | -54.34% | -50.72% | -65.18% | -85.02% | -82.25% | -90.23% | -83.20% |
| 2017 | 373.0 Street Lighting And Signal Sys | 76,439 | 0 | 63,085 | (63,085) | -82.53% | -52.51% | -55.84% | -57.81% | -65.25% | -62.47% | -71.34% | -84.16% | -82.34% | -87.72% |
| 2018 | 373.0 Street Lighting And Signal Sys | 84,321 | 519 | 23,092 | (22,572) | -26.77% | -53.28% | -42.66% | -45.34% | -47.79% | -53.74% | -52.13% | -58.80% | -68.25% | -67.38% |
| 2019 | 373.0 Street Lighting And Signal Sys | 33,002 | 214 | 22,722 | (22,508) | -68.20% | -38.42% | -55.82% | -45.99% | -48.17% | -50.08% | -55.25% | -53.77% | -59.73% | -68.24% |
| 2020 | 373.0 Street Lighting And Signal Sys | 51,353 | 690 | 14,848 | (14,158) | -27.57% | -43.47% | -35.12% | -49.90% | -42.88% | -44.84% | -46.73% | -51.37% | -50.19% | -55.43% |

**ALLETE
RETIREMENTS, GROSS SALVAGE, AND REMOVAL COST
INTANGIBLE AND GENERAL PROPERTY
PER BOOK**

| Transaction Year | Description | Retirements | Gross Salvage | Cost of Removal | Net Salvage | Net Salv. % | 2-yr Net Salv. % | 3-yr Net Salv. % | 4-yr Net Salv. % | 5-yr Net Salv. % | 6-yr Net Salv. % | 7-yr Net Salv. % | 8-yr Net Salv. % | 9-yr Net Salv. % | 10-yr Net Salv. % |
|------------------|-------------|-------------|---------------|-----------------|-------------|-------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|-------------------|
| 2003 | 3020 (30) | 0 | 0 | 0 | 0 | NA | | | | | | | | | |
| 2004 | 3020 (30) | 0 | 0 | 0 | 0 | NA | NA | | | | | | | | |
| 2005 | 3020 (30) | 0 | 0 | 0 | 0 | NA | NA | NA | | | | | | | |
| 2006 | 3020 (30) | 0 | 0 | 0 | 0 | NA | NA | NA | NA | | | | | | |
| 2007 | 3020 (30) | 0 | 0 | 0 | 0 | NA | NA | NA | NA | NA | | | | | |
| 2008 | 3020 (30) | 0 | 0 | 0 | 0 | NA | NA | NA | NA | NA | NA | | | | |
| 2009 | 3020 (30) | 0 | 0 | 0 | 0 | NA | NA | NA | NA | NA | NA | NA | | | |
| 2010 | 3020 (30) | 0 | 0 | 0 | 0 | NA | NA | NA | NA | NA | NA | NA | NA | | |
| 2011 | 3020 (30) | 0 | 0 | 0 | 0 | NA | NA | NA | NA | NA | NA | NA | NA | NA | |
| 2012 | 3020 (30) | 0 | 0 | 0 | 0 | NA | NA | NA | NA | NA | NA | NA | NA | NA | NA |
| 2013 | 3020 (30) | 0 | 0 | 0 | 0 | NA | NA | NA | NA | NA | NA | NA | NA | NA | NA |
| 2014 | 3020 (30) | 0 | 0 | 0 | 0 | NA | NA | NA | NA | NA | NA | NA | NA | NA | NA |
| 2015 | 3020 (30) | 0 | 0 | 0 | 0 | NA | NA | NA | NA | NA | NA | NA | NA | NA | NA |
| 2016 | 3020 (30) | 0 | 0 | 0 | 0 | NA | NA | NA | NA | NA | NA | NA | NA | NA | NA |
| 2017 | 3020 (30) | 0 | 0 | 0 | 0 | NA | NA | NA | NA | NA | NA | NA | NA | NA | NA |
| 2018 | 3020 (30) | 0 | 0 | 0 | 0 | NA | NA | NA | NA | NA | NA | NA | NA | NA | NA |
| 2019 | 3020 (30) | 0 | 0 | 0 | 0 | NA | NA | NA | NA | NA | NA | NA | NA | NA | NA |
| 2003 | 3020 (40) | 0 | 0 | 0 | 0 | NA | | | | | | | | | |
| 2004 | 3020 (30) | 0 | 0 | 0 | 0 | NA | NA | | | | | | | | |
| 2005 | 3020 (30) | 0 | 0 | 0 | 0 | NA | NA | NA | | | | | | | |
| 2006 | 3020 (30) | 0 | 0 | 0 | 0 | NA | NA | NA | NA | | | | | | |
| 2007 | 3020 (30) | 0 | 0 | 0 | 0 | NA | NA | NA | NA | NA | | | | | |
| 2008 | 3020 (30) | 0 | 0 | 0 | 0 | NA | NA | NA | NA | NA | NA | | | | |
| 2009 | 3020 (30) | 0 | 0 | 0 | 0 | NA | NA | NA | NA | NA | NA | NA | | | |
| 2010 | 3020 (30) | 0 | 0 | 0 | 0 | NA | NA | NA | NA | NA | NA | NA | NA | | |
| 2011 | 3020 (30) | 0 | 0 | 0 | 0 | NA | NA | NA | NA | NA | NA | NA | NA | NA | |
| 2012 | 3020 (30) | 0 | 0 | 0 | 0 | NA | NA | NA | NA | NA | NA | NA | NA | NA | NA |
| 2013 | 3020 (30) | 0 | 0 | 0 | 0 | NA | NA | NA | NA | NA | NA | NA | NA | NA | NA |
| 2014 | 3020 (30) | 0 | 0 | 0 | 0 | NA | NA | NA | NA | NA | NA | NA | NA | NA | NA |
| 2015 | 3020 (30) | 0 | 0 | 0 | 0 | NA | NA | NA | NA | NA | NA | NA | NA | NA | NA |
| 2016 | 3020 (30) | 0 | 0 | 0 | 0 | NA | NA | NA | NA | NA | NA | NA | NA | NA | NA |
| 2017 | 3020 (30) | 0 | 0 | 0 | 0 | NA | NA | NA | NA | NA | NA | NA | NA | NA | NA |
| 2018 | 3020 (30) | 0 | 0 | 0 | 0 | NA | NA | NA | NA | NA | NA | NA | NA | NA | NA |
| 2019 | 3020 (30) | 0 | 0 | 0 | 0 | NA | NA | NA | NA | NA | NA | NA | NA | NA | NA |
| 2020 | 3020 (30) | 0 | 0 | 0 | 0 | NA | NA | NA | NA | NA | NA | NA | NA | NA | NA |
| 2003 | 3030 | 916,183 | 0 | 0 | 0 | 0.00% | | | | | | | | | |
| 2004 | 3030 | 0 | 0 | 0 | 0 | NA | 0.00% | | | | | | | | |
| 2005 | 3030 | 0 | 0 | 0 | 0 | NA | NA | 0.00% | | | | | | | |
| 2006 | 3030 | 0 | 0 | 0 | 0 | NA | NA | NA | 0.00% | | | | | | |
| 2007 | 3030 | 0 | 0 | 0 | 0 | NA | NA | NA | NA | 0.00% | | | | | |
| 2008 | 3030 | 0 | 0 | 0 | 0 | NA | NA | NA | NA | NA | 0.00% | | | | |
| 2009 | 3030 | 0 | 0 | 0 | 0 | NA | NA | NA | NA | NA | NA | 0.00% | | | |
| 2010 | 3030 | 0 | 0 | 0 | 0 | NA | NA | NA | NA | NA | NA | NA | 0.00% | | |
| 2011 | 3030 | 0 | 0 | 0 | 0 | NA | NA | NA | NA | NA | NA | NA | NA | 0.00% | |
| 2012 | 3030 | 0 | 0 | 0 | 0 | NA | NA | NA | NA | NA | NA | NA | NA | NA | 0.00% |
| 2013 | 3030 | 0 | 0 | 0 | 0 | NA | NA | NA | NA | NA | NA | NA | NA | NA | NA |
| 2014 | 3030 | 0 | 0 | 0 | 0 | NA | NA | NA | NA | NA | NA | NA | NA | NA | NA |
| 2015 | 3030 | 0 | 0 | 0 | 0 | NA | NA | NA | NA | NA | NA | NA | NA | NA | NA |
| 2016 | 3030 | 4,417,543 | 0 | 0 | 0 | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| 2017 | 3030 | 0 | 0 | 0 | 0 | NA | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| 2018 | 3030 | 1,254,312 | 0 | 0 | 0 | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| 2019 | 3030 | 20,797,366 | 0 | 0 | 0 | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| 2020 | 3030 | 0 | 0 | 0 | 0 | NA | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |

**ALLETE
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| Transaction Year | Description | Retirements | Gross Salvage | Cost of Removal | Net Salvage | Net Salv. % | 2-yr Net Salv. % | 3-yr Net Salv. % | 4-yr Net Salv. % | 5-yr Net Salv. % | 6-yr Net Salv. % | 7-yr Net Salv. % | 8-yr Net Salv. % | 9-yr Net Salv. % | 10-yr Net Salv. % |
|------------------|-------------|-------------|---------------|-----------------|-------------|-------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|-------------------|
| 2003 | 3031 | 0 | 0 | 0 | 0 | NA | | | | | | | | | |
| 2004 | 3031 | 0 | 0 | 0 | 0 | NA | NA | | | | | | | | |
| 2005 | 3031 | 0 | 0 | 0 | 0 | NA | NA | NA | | | | | | | |
| 2006 | 3031 | 0 | 0 | 0 | 0 | NA | NA | NA | NA | | | | | | |
| 2007 | 3031 | 0 | 0 | 0 | 0 | NA | NA | NA | NA | NA | | | | | |
| 2008 | 3031 | 0 | 0 | 0 | 0 | NA | NA | NA | NA | NA | NA | | | | |
| 2009 | 3031 | 0 | 0 | 0 | 0 | NA | NA | NA | NA | NA | NA | NA | | | |
| 2010 | 3031 | 0 | 0 | 0 | 0 | NA | NA | NA | NA | NA | NA | NA | NA | | |
| 2011 | 3031 | 0 | 0 | 0 | 0 | NA | NA | NA | NA | NA | NA | NA | NA | NA | |
| 2012 | 3031 | 0 | 0 | 0 | 0 | NA | NA | NA | NA | NA | NA | NA | NA | NA | NA |
| 2013 | 3031 | 0 | 0 | 0 | 0 | NA | NA | NA | NA | NA | NA | NA | NA | NA | NA |
| 2014 | 3031 | 0 | 0 | 0 | 0 | NA | NA | NA | NA | NA | NA | NA | NA | NA | NA |
| 2015 | 3031 | 0 | 0 | 0 | 0 | NA | NA | NA | NA | NA | NA | NA | NA | NA | NA |
| 2016 | 3031 | 0 | 0 | 0 | 0 | NA | NA | NA | NA | NA | NA | NA | NA | NA | NA |
| 2017 | 3031 | 0 | 0 | 0 | 0 | NA | NA | NA | NA | NA | NA | NA | NA | NA | NA |
| 2018 | 3031 | 0 | 0 | 0 | 0 | NA | NA | NA | NA | NA | NA | NA | NA | NA | NA |
| 2019 | 3031 | 0 | 0 | 0 | 0 | NA | NA | NA | NA | NA | NA | NA | NA | NA | NA |
| 2020 | 3031 | 0 | 0 | 0 | 0 | NA | NA | NA | NA | NA | NA | NA | NA | NA | NA |
| 2003 | 3910 | 1,716,369 | 2184.84 | 83 | 2,102 | 0.12% | | | | | | | | | |
| 2004 | 3910 | 142,246 | (136) | 13 | (149) | -0.11% | 0.11% | | | | | | | | |
| 2005 | 3910 | 200,199 | 4,053 | 3,384 | 669 | 0.33% | 0.15% | 0.13% | | | | | | | |
| 2006 | 3910 | 331,112 | 0 | 2,122 | (2,122) | -0.64% | -0.27% | -0.24% | 0.02% | | | | | | |
| 2007 | 3910 | 351,705 | 0 | 10,519 | (10,519) | -2.99% | -1.85% | -1.36% | -1.18% | -0.37% | | | | | |
| 2008 | 3910 | 774,230 | 0 | 6,267 | (6,267) | -0.81% | -1.49% | -1.30% | -1.10% | -1.02% | -0.46% | | | | |
| 2009 | 3910 | 500,992 | 0 | 5,061 | (5,061) | -1.01% | -0.89% | -1.34% | -1.22% | -1.08% | -1.02% | -0.53% | | | |
| 2010 | 3910 | 320,405 | 0 | 153 | (153) | -0.05% | -0.63% | -0.72% | -1.13% | -1.06% | -0.95% | -0.90% | -0.50% | | |
| 2011 | 3910 | 763,175 | 0 | 0 | 0 | 0.00% | -0.01% | -0.33% | -0.49% | -0.81% | -0.79% | -0.72% | -0.70% | -0.42% | |
| 2012 | 3910 | 472,832 | 0 | 0 | 0 | 0.00% | 0.00% | -0.01% | -0.25% | -0.41% | -0.69% | -0.69% | -0.63% | -0.61% | -0.39% |
| 2013 | 3910 | 282,950 | 16,181 | (16) | 16,197 | 5.72% | 2.14% | 1.07% | 0.87% | 0.47% | 0.15% | -0.17% | -0.21% | -0.18% | -0.18% |
| 2014 | 3910 | 408,553 | 0 | 0 | 0 | 0.00% | 2.34% | 1.39% | 0.84% | 0.71% | 0.40% | 0.13% | -0.15% | -0.19% | -0.16% |
| 2015 | 3910 | 256,132 | 0 | 0 | 0 | 0.00% | 0.00% | 1.71% | 1.14% | 0.74% | 0.64% | 0.37% | 0.12% | -0.14% | -0.18% |
| 2016 | 3910 | 369,731 | 0 | 5,797 | (5,797) | -1.57% | -0.93% | -0.56% | 0.79% | 0.58% | 0.41% | 0.36% | 0.15% | -0.03% | -0.26% |
| 2017 | 3910 | 99,456 | 0 | 268 | (268) | -0.27% | -1.29% | -0.84% | -0.53% | 0.72% | 0.54% | 0.38% | 0.34% | 0.14% | -0.03% |
| 2018 | 3910 | 599,054 | 0 | 6,601 | (6,601) | -1.10% | -0.98% | -1.19% | -0.96% | -0.73% | 0.18% | 0.14% | 0.11% | 0.09% | -0.04% |
| 2019 | 3910 | 664,946 | 49,160 | 2,894 | 46,266 | 6.96% | 3.14% | 2.89% | 1.94% | 1.69% | 1.40% | 1.86% | 1.58% | 1.27% | 1.17% |
| 2020 | 3910 | 376,327 | 1,000 | 3,767 | (2,767) | -0.74% | 4.18% | 2.25% | 2.11% | 1.46% | 1.30% | 1.11% | 1.54% | 1.33% | 1.10% |
| 2003 | 3911 | 524,549 | 4101.65 | (65) | 4,166 | 0.79% | | | | | | | | | |
| 2004 | 3911 | 74,493 | 19,877 | (193) | 20,070 | 26.94% | 4.05% | | | | | | | | |
| 2005 | 3911 | 68,339 | 0 | 0 | 0 | 0.00% | 14.05% | 3.63% | | | | | | | |
| 2006 | 3911 | 0 | 0 | 0 | 0 | NA | 0.00% | 14.05% | 3.63% | | | | | | |
| 2007 | 3911 | 0 | 0 | (2) | 2 | NA | NA | 0.00% | 14.05% | 3.63% | | | | | |
| 2008 | 3911 | 604,896 | 0 | 0 | 0 | 0.00% | 0.00% | 0.00% | 0.00% | 2.68% | 1.91% | | | | |
| 2009 | 3911 | 248,595 | 0 | 0 | 0 | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 2.01% | 1.59% | | | |
| 2010 | 3911 | 107,054 | 0 | 0 | 0 | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 1.82% | 1.49% | | |
| 2011 | 3911 | 1,101,472 | 0 | 0 | (0) | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.91% | 0.89% | |
| 2012 | 3911 | 493,408 | 0 | 0 | 0 | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.74% | 0.75% |
| 2013 | 3911 | 0 | 0 | 0 | 0 | NA | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.74% | |
| 2014 | 3911 | 1,925,569 | 0 | 372 | (372) | -0.02% | -0.02% | -0.02% | -0.01% | -0.01% | -0.01% | -0.01% | -0.01% | -0.01% | -0.01% |
| 2015 | 3911 | 428,292 | 0 | 565 | (565) | -0.13% | -0.04% | -0.04% | -0.03% | -0.02% | -0.02% | -0.02% | -0.02% | -0.02% | -0.02% |
| 2016 | 3911 | 2,309,985 | 0 | 1,366 | (1,366) | -0.06% | -0.07% | -0.05% | -0.05% | -0.04% | -0.04% | -0.04% | -0.03% | -0.03% | -0.03% |
| 2017 | 3911 | 630,178 | 0 | 0 | 0 | 0.00% | -0.05% | -0.06% | -0.04% | -0.04% | -0.04% | -0.03% | -0.03% | -0.03% | -0.03% |
| 2018 | 3911 | 746,901 | 750 | 0 | 750 | 0.10% | 0.05% | -0.02% | -0.03% | -0.03% | -0.03% | -0.02% | -0.02% | -0.02% | -0.02% |
| 2019 | 3911 | 310,710 | 0 | 0 | 0 | 0.00% | 0.07% | 0.04% | -0.02% | -0.03% | -0.02% | -0.02% | -0.02% | -0.02% | -0.02% |

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| Transaction Year | Description | Retirements | Gross Salvage | Cost of Removal | Net Salvage | Net Salv. % | 2-yr Net Salv. % | 3-yr Net Salv. % | 4-yr Net Salv. % | 5-yr Net Salv. % | 6-yr Net Salv. % | 7-yr Net Salv. % | 8-yr Net Salv. % | 9-yr Net Salv. % | 10-yr Net Salv. % |
|------------------|-------------|-------------|---------------|-----------------|-------------|-------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|-------------------|
| 2020 | 3911 | 155,879 | 0 | 2,104 | (2,104) | -1.35% | -0.45% | -0.11% | -0.07% | -0.07% | -0.07% | -0.06% | -0.06% | -0.05% | -0.05% |
| 2003 | 3914 | 1,495,280 | 0 | 0 | 0 | 0.00% | | | | | | | | | |
| 2004 | 3914 | 346,758 | 0 | 0 | 0 | 0.00% | 0.00% | | | | | | | | |
| 2005 | 3914 | 62,774 | 8,167 | 0 | 8,167 | 13.01% | 1.99% | 0.43% | | | | | | | |
| 2006 | 3914 | 0 | 2,324 | 0 | 2,324 | NA | 16.71% | 2.56% | 0.55% | | | | | | |
| 2007 | 3914 | 0 | 0 | 0 | 0 | NA | NA | 16.71% | 2.56% | 0.55% | | | | | |
| 2008 | 3914 | 117,702 | 0 | 0 | 0 | 0.00% | 0.00% | 1.97% | 5.81% | 1.99% | 0.52% | | | | |
| 2009 | 3914 | 42,754 | 0 | 0 | 0 | 0.00% | 0.00% | 0.00% | 1.45% | 4.70% | 1.84% | 0.51% | | | |
| 2010 | 3914 | 26,949 | 270 | 0 | 270 | 1.00% | 0.39% | 0.14% | 0.14% | 1.38% | 4.30% | 1.80% | 0.51% | | |
| 2011 | 3914 | 661,675 | 0 | 0 | 0 | 0.00% | 0.04% | 0.04% | 0.03% | 0.03% | 0.31% | 1.18% | 0.85% | 0.39% | |
| 2012 | 3914 | 10,209 | 0 | 0 | 0 | 0.00% | 0.00% | 0.04% | 0.04% | 0.03% | 0.03% | 0.30% | 1.17% | 0.85% | 0.39% |
| 2013 | 3914 | 0 | 0 | 0 | 0 | NA | 0.00% | 0.00% | 0.04% | 0.04% | 0.03% | 0.03% | 0.30% | 1.17% | 0.85% |
| 2014 | 3914 | 245,300 | 0 | 0 | 0 | 0.00% | 0.00% | 0.00% | 0.04% | 0.03% | 0.03% | 0.02% | 0.02% | 0.23% | 0.92% |
| 2015 | 3914 | 0 | 0 | 0 | 0 | NA | 0.00% | 0.00% | 0.00% | 0.00% | 0.03% | 0.03% | 0.02% | 0.02% | 0.23% |
| 2016 | 3914 | 0 | 0 | 0 | 0 | NA | NA | 0.00% | 0.00% | 0.00% | 0.00% | 0.03% | 0.03% | 0.02% | 0.02% |
| 2017 | 3914 | 0 | 0 | 0 | 0 | NA | NA | NA | 0.00% | 0.00% | 0.00% | 0.00% | 0.03% | 0.03% | 0.02% |
| 2018 | 3914 | 0 | 0 | 0 | 0 | NA | NA | NA | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.03% | 0.03% |
| 2019 | 3914 | 0 | 0 | 0 | 0 | NA | NA | NA | NA | NA | 0.00% | 0.00% | 0.00% | 0.00% | 0.03% |
| 2020 | 3914 | 0 | 0 | 0 | 0 | NA | NA | NA | NA | NA | NA | 0.00% | 0.00% | 0.00% | 0.00% |
| 2003 | 3920 | 33,555 | 6665.88 | 719 | 5,947 | 17.72% | | | | | | | | | |
| 2004 | 3920 | 48,516 | 5,524 | 1,804 | 3,720 | 7.67% | 11.78% | | | | | | | | |
| 2005 | 3920 | 76,675 | 21,570 | (27,453) | 49,024 | 63.94% | 42.13% | 36.97% | | | | | | | |
| 2006 | 3920 | 134,397 | 24,946 | 35,542 | (10,596) | -7.88% | 18.21% | 16.24% | 16.41% | | | | | | |
| 2007 | 3920 | 70,105 | 36,579 | 387 | 36,192 | 51.63% | 12.52% | 26.54% | 23.76% | 23.20% | | | | | |
| 2008 | 3920 | 0 | 0 | 594 | (594) | NA | 50.78% | 12.23% | 26.33% | 23.58% | 23.04% | | | | |
| 2009 | 3920 | 0 | 0 | 392 | (392) | NA | NA | 50.22% | 12.03% | 26.19% | 23.46% | 22.93% | | | |
| 2010 | 3920 | 0 | 0 | 0 | 0 | NA | NA | NA | 50.22% | 12.03% | 26.19% | 23.46% | 22.93% | | |
| 2011 | 3920 | 0 | 0 | (583) | 583 | NA | NA | NA | NA | 51.05% | 12.32% | 26.39% | 23.64% | 23.09% | |
| 2012 | 3920 | 0 | 0 | 0 | 0 | NA | NA | NA | NA | NA | 51.05% | 12.32% | 26.39% | 23.64% | 23.09% |
| 2013 | 3920 | 0 | 0 | 0 | 0 | NA | NA | NA | NA | NA | 51.05% | 12.32% | 26.39% | 23.64% | 23.09% |
| 2014 | 3920 | 0 | 0 | 0 | 0 | NA | NA | NA | NA | NA | NA | NA | 51.05% | 12.32% | 26.39% |
| 2015 | 3920 | 292,092 | 0 | 0 | 0 | 0.00% | 0.00% | 0.00% | 0.00% | 0.20% | 0.20% | 0.07% | -0.14% | 9.88% | 5.07% |
| 2016 | 3920 | 6 | 114,922 | (5,601) | 120,523 | 2008714.00% | 41.26% | 41.26% | 41.26% | 41.26% | 41.46% | 41.46% | 41.33% | 41.12% | 43.16% |
| 2017 | 3920 | 0 | 0 | 0 | 0 | NA | 2008714.00% | 41.26% | 41.26% | 41.26% | 41.26% | 41.46% | 41.46% | 41.33% | 41.12% |
| 2018 | 3920 | 92,265 | 0 | 261 | (261) | -0.28% | -0.28% | 130.34% | 31.29% | 31.29% | 31.29% | 31.29% | 31.44% | 31.44% | 31.34% |
| 2019 | 3920 | 0 | 0 | 0 | 0 | NA | -0.28% | -0.28% | 130.34% | 31.29% | 31.29% | 31.29% | 31.29% | 31.44% | 31.44% |
| 2020 | 3920 | 0 | 0 | 0 | 0 | NA | NA | -0.28% | -0.28% | 130.34% | 31.29% | 31.29% | 31.29% | 31.29% | 31.44% |
| 2003 | 3921 | 3006.01 | 16308 | -3537.85 | 19,846 | 660.21% | | | | | | | | | |
| 2004 | 3921 | 1490.9 | 2007 | 7977.52 | (5,971) | -400.46% | 308.55% | | | | | | | | |
| 2005 | 3921 | 0 | 0 | 2042.68 | (2,043) | NA | -537.47% | 263.13% | | | | | | | |
| 2006 | 3921 | 0 | 0 | 0 | 0 | NA | NA | -537.47% | 263.13% | | | | | | |
| 2007 | 3921 | 0 | 0 | 141.57 | (142) | NA | NA | NA | -546.97% | 259.98% | | | | | |
| 2008 | 3921 | 0 | 0 | 0 | 0 | NA | NA | NA | NA | -546.97% | 259.98% | | | | |
| 2009 | 3921 | 0 | 0 | 0 | 0 | NA | NA | NA | NA | NA | -546.97% | 259.98% | | | |
| 2010 | 3921 | 0 | 0 | 0 | 0 | NA | NA | NA | NA | NA | NA | -546.97% | 259.98% | | |
| 2011 | 3921 | 0 | 0 | 0 | 0 | NA | NA | NA | NA | NA | NA | NA | -546.97% | 259.98% | |
| 2012 | 3921 | 0 | 0 | 0 | 0 | NA | NA | NA | NA | NA | NA | NA | NA | -546.97% | 259.98% |
| 2013 | 3921 | 0 | 0 | 0 | 0 | NA | NA | NA | NA | NA | NA | NA | NA | NA | -546.97% |
| 2014 | 3921 | 0 | 0 | 0 | 0 | NA | NA | NA | NA | NA | NA | NA | NA | NA | NA |
| 2015 | 3921 | 0 | 0 | 0 | 0 | NA | NA | NA | NA | NA | NA | NA | NA | NA | NA |
| 2016 | 3921 | 0 | 0 | 0 | 0 | NA | NA | NA | NA | NA | NA | NA | NA | NA | NA |
| 2017 | 3921 | 0 | 0 | 0 | 0 | NA | NA | NA | NA | NA | NA | NA | NA | NA | NA |

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|------------------|-------------|-------------|---------------|-----------------|-------------|-------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|-------------------|
| 2018 | 3921 | 0 | 0 | 0 | 0 | NA | NA | NA | NA | NA | NA | NA | NA | NA | NA |
| 2019 | 3921 | 0 | 0 | 0 | 0 | NA | NA | NA | NA | NA | NA | NA | NA | NA | NA |
| 2020 | 3921 | 0 | 0 | 0 | 0 | NA | NA | NA | NA | NA | NA | NA | NA | NA | NA |
| 2003 | 3922 | 0 | 0 | 7,077 | (7,077) | NA | | | | | | | | | |
| 2004 | 3922 | 0 | 0 | 0 | 0 | NA | NA | | | | | | | | |
| 2005 | 3922 | 0 | 0 | 0 | 0 | NA | NA | NA | | | | | | | |
| 2006 | 3922 | 0 | 0 | 0 | 0 | NA | NA | NA | NA | | | | | | |
| 2007 | 3922 | 0 | 0 | 0 | 0 | NA | NA | NA | NA | NA | | | | | |
| 2008 | 3922 | 0 | 0 | 0 | 0 | NA | NA | NA | NA | NA | NA | | | | |
| 2009 | 3922 | 0 | 0 | 0 | 0 | NA | NA | NA | NA | NA | NA | NA | | | |
| 2010 | 3922 | 0 | 0 | 0 | 0 | NA | NA | NA | NA | NA | NA | NA | NA | | |
| 2011 | 3922 | 0 | 0 | 0 | 0 | NA | NA | NA | NA | NA | NA | NA | NA | NA | |
| 2012 | 3922 | 0 | 0 | 0 | 0 | NA | NA | NA | NA | NA | NA | NA | NA | NA | NA |
| 2013 | 3922 | 0 | 0 | 0 | 0 | NA | NA | NA | NA | NA | NA | NA | NA | NA | NA |
| 2014 | 3922 | 0 | 0 | 0 | 0 | NA | NA | NA | NA | NA | NA | NA | NA | NA | NA |
| 2015 | 3922 | 0 | 0 | 0 | 0 | NA | NA | NA | NA | NA | NA | NA | NA | NA | NA |
| 2016 | 3922 | 0 | 0 | 0 | 0 | NA | NA | NA | NA | NA | NA | NA | NA | NA | NA |
| 2017 | 3922 | 0 | 0 | 0 | 0 | NA | NA | NA | NA | NA | NA | NA | NA | NA | NA |
| 2018 | 3922 | 0 | 0 | 0 | 0 | NA | NA | NA | NA | NA | NA | NA | NA | NA | NA |
| 2019 | 3922 | 0 | 0 | 0 | 0 | NA | NA | NA | NA | NA | NA | NA | NA | NA | NA |
| 2020 | 3922 | 0 | 0 | 0 | 0 | NA | NA | NA | NA | NA | NA | NA | NA | NA | NA |
| 2003 | 3923 | 149,186 | 44,185.64 | 4,712 | 39,474 | 26.46% | | | | | | | | | |
| 2004 | 3923 | 113,507 | 18,195 | 2,352 | 15,843 | 13.96% | 21.06% | | | | | | | | |
| 2005 | 3923 | 121,181 | 15,240 | 8,362 | 6,878 | 5.68% | 9.68% | 16.20% | | | | | | | |
| 2006 | 3923 | 18,832 | 14,347 | 630 | 13,717 | 72.84% | 14.71% | 14.37% | 18.85% | | | | | | |
| 2007 | 3923 | 791 | 4,868 | 387 | 4,481 | 566.56% | 92.74% | 17.81% | 16.09% | 19.92% | | | | | |
| 2008 | 3923 | 0 | 0 | 491 | (491) | NA | 504.52% | 90.24% | 17.46% | 15.90% | 19.80% | | | | |
| 2009 | 3923 | 0 | 0 | 0 | 0 | NA | NA | 504.52% | 90.24% | 17.46% | 15.90% | 19.80% | | | |
| 2010 | 3923 | 0 | 0 | 0 | 0 | NA | NA | NA | 504.52% | 90.24% | 17.46% | 15.90% | 19.80% | | |
| 2011 | 3923 | 0 | 0 | 0 | 0 | NA | NA | NA | NA | 504.52% | 90.24% | 17.46% | 15.90% | 19.80% | |
| 2012 | 3923 | 0 | 0 | 0 | 0 | NA | NA | NA | NA | NA | 504.52% | 90.24% | 17.46% | 15.90% | 19.80% |
| 2013 | 3923 | 0 | 0 | 0 | 0 | NA | NA | NA | NA | NA | NA | 504.52% | 90.24% | 17.46% | 15.90% |
| 2014 | 3923 | 0 | 0 | 0 | 0 | NA | NA | NA | NA | NA | NA | NA | 504.52% | 90.24% | 17.46% |
| 2015 | 3923 | 0 | 0 | 0 | 0 | NA | NA | NA | NA | NA | NA | NA | NA | 504.52% | 90.24% |
| 2016 | 3923 | 0 | 0 | 0 | 0 | NA | NA | NA | NA | NA | NA | NA | NA | NA | 504.52% |
| 2017 | 3923 | 0 | 0 | 0 | 0 | NA | NA | NA | NA | NA | NA | NA | NA | NA | NA |
| 2018 | 3923 | 0 | 0 | 0 | 0 | NA | NA | NA | NA | NA | NA | NA | NA | NA | NA |
| 2019 | 3923 | 0 | 0 | 0 | 0 | NA | NA | NA | NA | NA | NA | NA | NA | NA | NA |
| 2020 | 3923 | 0 | 0 | 0 | 0 | NA | NA | NA | NA | NA | NA | NA | NA | NA | NA |
| 2003 | 3925 | 0 | 0 | 3,936 | (3,936) | NA | | | | | | | | | |
| 2004 | 3925 | 0 | 0 | 0 | 0 | NA | NA | | | | | | | | |
| 2005 | 3925 | 0 | 0 | 0 | 0 | NA | NA | NA | | | | | | | |
| 2006 | 3925 | 0 | 0 | 0 | 0 | NA | NA | NA | NA | | | | | | |
| 2007 | 3925 | 0 | 0 | 0 | 0 | NA | NA | NA | NA | NA | | | | | |
| 2008 | 3925 | 0 | 0 | 0 | 0 | NA | NA | NA | NA | NA | NA | | | | |
| 2009 | 3925 | 0 | 0 | 0 | 0 | NA | NA | NA | NA | NA | NA | NA | | | |
| 2010 | 3925 | 0 | 0 | 0 | 0 | NA | NA | NA | NA | NA | NA | NA | NA | | |
| 2011 | 3925 | 0 | 0 | 0 | 0 | NA | NA | NA | NA | NA | NA | NA | NA | NA | |
| 2012 | 3925 | 0 | 0 | 0 | 0 | NA | NA | NA | NA | NA | NA | NA | NA | NA | NA |
| 2013 | 3925 | 0 | 0 | 0 | 0 | NA | NA | NA | NA | NA | NA | NA | NA | NA | NA |
| 2014 | 3925 | 0 | 0 | 0 | 0 | NA | NA | NA | NA | NA | NA | NA | NA | NA | NA |
| 2015 | 3925 | 0 | 0 | 0 | 0 | NA | NA | NA | NA | NA | NA | NA | NA | NA | NA |
| 2016 | 3925 | 0 | 0 | 0 | 0 | NA | NA | NA | NA | NA | NA | NA | NA | NA | NA |

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| Transaction Year | Description | Retirements | Gross Salvage | Cost of Removal | Net Salvage | Net Salv. % | 2-yr Net Salv. % | 3-yr Net Salv. % | 4-yr Net Salv. % | 5-yr Net Salv. % | 6-yr Net Salv. % | 7-yr Net Salv. % | 8-yr Net Salv. % | 9-yr Net Salv. % | 10-yr Net Salv. % |
|------------------|-------------|-------------|---------------|-----------------|-------------|-------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|-------------------|
| 2017 | 3925 | 0 | 0 | 0 | 0 | NA | NA | NA | NA | NA | NA | NA | NA | NA | NA |
| 2018 | 3925 | 0 | 0 | 0 | 0 | NA | NA | NA | NA | NA | NA | NA | NA | NA | NA |
| 2019 | 3925 | 0 | 0 | 0 | 0 | NA | NA | NA | NA | NA | NA | NA | NA | NA | NA |
| 2020 | 3925 | 0 | 0 | 0 | 0 | NA | NA | NA | NA | NA | NA | NA | NA | NA | NA |
| 2003 | 3926 | 854,180 | 47252.03 | 2,775 | 44,477 | 5.21% | | | | | | | | | |
| 2004 | 3926 | 1,386,842 | 64,046 | 34,781 | 29,266 | 2.11% | 3.29% | | | | | | | | |
| 2005 | 3926 | 1,200,444 | 65,715 | 3,338 | 62,377 | 5.20% | 3.54% | 3.96% | | | | | | | |
| 2006 | 3926 | 238,670 | 22,060 | 0 | 22,060 | 9.24% | 5.87% | 4.02% | 4.30% | | | | | | |
| 2007 | 3926 | 45,628 | 15,300 | 583 | 14,717 | 32.25% | 12.94% | 6.68% | 4.47% | 4.64% | | | | | |
| 2008 | 3926 | 181,681 | 12,000 | 399 | 11,601 | 6.39% | 11.58% | 10.38% | 6.65% | 4.59% | 4.72% | | | | |
| 2009 | 3926 | 0 | 30,500 | 0 | 30,500 | NA | 23.17% | 25.00% | 16.93% | 8.48% | 5.58% | 5.50% | | | |
| 2010 | 3926 | 0 | 0 | 0 | 0 | NA | NA | 23.17% | 25.00% | 16.93% | 8.48% | 5.58% | 5.50% | | |
| 2011 | 3926 | 73,807 | 0 | 0 | 0 | 0.00% | 0.00% | 41.32% | 16.48% | 18.87% | 14.61% | 8.12% | 5.45% | 5.40% | |
| 2012 | 3926 | 0 | 0 | 0 | 0 | NA | 0.00% | 0.00% | 41.32% | 16.48% | 18.87% | 14.61% | 8.12% | 5.45% | 5.40% |
| 2013 | 3926 | 0 | 0 | 0 | 0 | NA | NA | 0.00% | 0.00% | 41.32% | 16.48% | 18.87% | 14.61% | 8.12% | 5.45% |
| 2014 | 3926 | 0 | 0 | 0 | 0 | NA | NA | NA | 0.00% | 0.00% | 41.32% | 16.48% | 18.87% | 14.61% | 8.12% |
| 2015 | 3926 | 0 | 0 | 0 | 0 | NA | NA | NA | NA | 0.00% | 0.00% | 41.32% | 16.48% | 18.87% | 14.61% |
| 2016 | 3926 | 0 | 0 | 0 | 0 | NA | NA | NA | NA | NA | 0.00% | 0.00% | 41.32% | 16.48% | 18.87% |
| 2017 | 3926 | 0 | 0 | 0 | 0 | NA | NA | NA | NA | NA | NA | 0.00% | 0.00% | 41.32% | 18.87% |
| 2018 | 3926 | 0 | 0 | 0 | 0 | NA | NA | NA | NA | NA | NA | NA | 0.00% | 0.00% | 41.32% |
| 2019 | 3926 | 0 | 0 | 0 | 0 | NA | NA | NA | NA | NA | NA | NA | NA | 0.00% | 0.00% |
| 2020 | 3926 | 0 | 0 | 0 | 0 | NA | NA | NA | NA | NA | NA | NA | NA | NA | 0.00% |
| 2003 | 3930 | 20,678 | 0 | 0 | 0 | 0.00% | | | | | | | | | |
| 2004 | 3930 | 446,365 | 0 | 0 | 0 | 0.00% | 0.00% | | | | | | | | |
| 2005 | 3930 | 2,492 | 0 | 0 | 0 | 0.00% | 0.00% | 0.00% | | | | | | | |
| 2006 | 3930 | 32,011 | 0 | 0 | 0 | 0.00% | 0.00% | 0.00% | 0.00% | | | | | | |
| 2007 | 3930 | 32,892 | 0 | 0 | 0 | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | | | | | |
| 2008 | 3930 | 45,028 | 0 | 0 | 0 | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | | | | |
| 2009 | 3930 | 24,399 | 0 | 0 | 0 | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | | | |
| 2010 | 3930 | 18,580 | 0 | 0 | 0 | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | | |
| 2011 | 3930 | 102,475 | 0 | 0 | 0 | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | |
| 2012 | 3930 | 160,724 | 0 | 0 | 0 | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| 2013 | 3930 | 9,537 | 0 | 0 | 0 | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| 2014 | 3930 | 0 | 0 | 0 | 0 | NA | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| 2015 | 3930 | 0 | 0 | 0 | 0 | NA | NA | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| 2016 | 3930 | 0 | 0 | 0 | 0 | NA | NA | NA | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| 2017 | 3930 | 0 | 0 | 0 | 0 | NA | NA | NA | NA | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| 2018 | 3930 | 0 | 0 | 0 | 0 | NA | NA | NA | NA | NA | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| 2019 | 3930 | 0 | 0 | 0 | 0 | NA | NA | NA | NA | NA | NA | 0.00% | 0.00% | 0.00% | 0.00% |
| 2020 | 3930 | 0 | 0 | 0 | 0 | NA | NA | NA | NA | NA | NA | NA | 0.00% | 0.00% | 0.00% |
| 2003 | 3940 | 97,230 | 11371.22 | (4,309) | 15,680 | 16.13% | | | | | | | | | |
| 2004 | 3940 | 99,003 | 0 | 328 | (328) | -0.33% | 7.82% | | | | | | | | |
| 2005 | 3940 | 103,081 | 1,480 | 168 | 1,312 | 1.27% | 0.49% | 5.57% | | | | | | | |
| 2006 | 3940 | 150,451 | 0 | 0 | 0 | 0.00% | 0.52% | 0.28% | 3.71% | | | | | | |
| 2007 | 3940 | 148,276 | 0 | 0 | 0 | 0.00% | 0.00% | 0.33% | 0.20% | 2.79% | | | | | |
| 2008 | 3940 | 191,298 | 364 | 0 | 364 | 0.19% | 0.11% | 0.07% | 0.28% | 0.19% | 2.16% | | | | |
| 2009 | 3940 | 50,918 | 0 | 0 | 0 | 0.00% | 0.15% | 0.09% | 0.07% | 0.26% | 0.18% | 2.03% | | | |
| 2010 | 3940 | 134,408 | 0 | 0 | 0 | 0.00% | 0.00% | 0.10% | 0.07% | 0.22% | 0.15% | | 1.75% | | |
| 2011 | 3940 | 210,543 | 0 | 0 | 0 | 0.00% | 0.00% | 0.00% | 0.06% | 0.05% | 0.04% | 0.17% | 0.12% | 1.44% | |
| 2012 | 3940 | 68,448 | 0 | 0 | 0 | 0.00% | 0.00% | 0.00% | 0.00% | 0.06% | 0.05% | 0.04% | 0.16% | 0.12% | 1.36% |
| 2013 | 3940 | 117,490 | 0 | 0 | 0 | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.05% | 0.04% | 0.03% | 0.14% | 0.11% |
| 2014 | 3940 | 76,709 | 0 | 0 | 0 | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.04% | 0.04% | 0.03% | 0.13% |
| 2015 | 3940 | 26,357 | 0 | 0 | 0 | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.04% | 0.04% | 0.03% |

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| Transaction Year | Description | Retirements | Gross Salvage | Cost of Removal | Net Salvage | Net Salv. % | 2-yr Net Salv. % | 3-yr Net Salv. % | 4-yr Net Salv. % | 5-yr Net Salv. % | 6-yr Net Salv. % | 7-yr Net Salv. % | 8-yr Net Salv. % | 9-yr Net Salv. % | 10-yr Net Salv. % |
|------------------|-------------|-------------|---------------|-----------------|-------------|-------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|-------------------|
| 2016 | 3940 | 44,595 | 0 | 0 | 0 | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.03% |
| 2017 | 3940 | 44,189 | 0 | 0 | 0 | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.04% |
| 2018 | 3940 | 23,326 | 0 | 0 | 0 | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| 2019 | 3940 | 200,826 | 0 | 1,820 | (1,820) | -0.91% | -0.81% | -0.68% | -0.58% | -0.54% | -0.44% | -0.34% | -0.30% | -0.22% | -0.19% |
| 2020 | 3940 | 76,197 | 0 | 205 | (205) | -0.27% | -0.73% | -0.67% | -0.59% | -0.52% | -0.49% | -0.41% | -0.33% | -0.30% | -0.23% |
| 2003 | 3950 | 128,549 | 0 | 0 | 0 | 0.00% | | | | | | | | | |
| 2004 | 3950 | 239,547 | 0 | 0 | 0 | 0.00% | 0.00% | | | | | | | | |
| 2005 | 3950 | 258,454 | 3,500 | 0 | 3,500 | 1.35% | 0.70% | 0.56% | | | | | | | |
| 2006 | 3950 | 160,524 | 0 | 0 | 0 | 0.00% | 0.84% | 0.53% | 0.44% | | | | | | |
| 2007 | 3950 | 215,318 | 0 | 2,083 | (2,083) | -0.97% | -0.55% | 0.22% | 0.16% | 0.14% | | | | | |
| 2008 | 3950 | 188,977 | 0 | 0 | 0 | 0.00% | -0.52% | -0.37% | 0.17% | 0.13% | 0.12% | | | | |
| 2009 | 3950 | 73,721 | 0 | 0 | 0 | 0.00% | 0.00% | -0.44% | -0.33% | 0.16% | 0.12% | 0.11% | | | |
| 2010 | 3950 | 153,786 | 0 | 0 | 0 | 0.00% | 0.00% | 0.00% | -0.33% | -0.26% | 0.13% | 0.11% | 0.10% | | |
| 2011 | 3950 | 336,693 | 0 | 0 | 0 | 0.00% | 0.00% | 0.00% | 0.00% | -0.22% | -0.18% | 0.10% | 0.09% | 0.08% | |
| 2012 | 3950 | 324,077 | 0 | 0 | 0 | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | -0.16% | -0.14% | 0.08% | 0.07% | 0.07% |
| 2013 | 3950 | 169,225 | 0 | 0 | 0 | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | -0.14% | -0.13% | 0.08% | 0.07% |
| 2014 | 3950 | 169,742 | 0 | 0 | 0 | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | -0.13% | -0.12% | 0.07% |
| 2015 | 3950 | 225,810 | 0 | 0 | 0 | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | -0.11% | -0.10% |
| 2016 | 3950 | 231,961 | 0 | 0 | 0 | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | -0.10% |
| 2017 | 3950 | 84,096 | 0 | 0 | 0 | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| 2018 | 3950 | 149,598 | 0 | 0 | 0 | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| 2019 | 3950 | 51,029 | 0 | 0 | 0 | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| 2020 | 3950 | 108,946 | 0 | 0 | 0 | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| 2003 | 3960 | 0 | 0 | 0 | 0 | NA | | | | | | | | | |
| 2004 | 3960 | 0 | 11,300 | 0 | 11,300 | NA | NA | | | | | | | | |
| 2005 | 3960 | 54,325 | 4,110 | 1,216 | 2,894 | 5.33% | 26.13% | 26.13% | | | | | | | |
| 2006 | 3960 | 82,167 | 23,668 | 418 | 23,250 | 28.30% | 19.15% | 27.43% | 27.43% | | | | | | |
| 2007 | 3960 | 236,007 | 29,407 | 871 | 28,536 | 12.09% | 16.28% | 14.68% | 17.71% | 17.71% | | | | | |
| 2008 | 3960 | 233,366 | 0 | 0 | 0 | 0.00% | 6.08% | 9.39% | 9.03% | 10.89% | 10.89% | | | | |
| 2009 | 3960 | 6,997 | 0 | 0 | 0 | 0.00% | 0.00% | 5.99% | 9.27% | 8.92% | 10.77% | 10.77% | | | |
| 2010 | 3960 | 39,855 | 0 | 0 | 0 | 0.00% | 0.00% | 0.00% | 5.53% | 8.65% | 8.38% | 10.11% | 10.11% | | |
| 2011 | 3960 | 0 | 0 | 0 | 0 | NA | 0.00% | 0.00% | 0.00% | 5.53% | 8.65% | 8.38% | 10.11% | 10.11% | |
| 2012 | 3960 | 0 | 0 | 0 | 0 | NA | NA | 0.00% | 0.00% | 0.00% | 5.53% | 8.65% | 8.38% | 10.11% | 10.11% |
| 2013 | 3960 | 0 | 0 | 0 | 0 | NA | NA | NA | 0.00% | 0.00% | 0.00% | 5.53% | 8.65% | 8.38% | 10.11% |
| 2014 | 3960 | 11,946 | 0 | 0 | 0 | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 5.40% | 8.48% | 8.23% |
| 2015 | 3960 | 0 | 0 | 0 | 0 | NA | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 5.40% | 8.48% |
| 2016 | 3960 | 0 | 0 | 0 | 0 | NA | NA | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 5.40% |
| 2017 | 3960 | 0 | 0 | 0 | 0 | NA | NA | NA | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| 2018 | 3960 | 7,088 | 0 | 0 | 0 | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| 2019 | 3960 | 0 | 0 | 0 | 0 | NA | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| 2020 | 3960 | 0 | 0 | 0 | 0 | NA | NA | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| 2003 | 3970 | 385,127 | 0 | 0 | 0 | 0.00% | | | | | | | | | |
| 2004 | 3970 | 167,752 | 0 | 0 | 0 | 0.00% | 0.00% | | | | | | | | |
| 2005 | 3970 | 25,075 | 0 | 2,494 | (2,494) | -9.95% | -1.29% | -0.43% | | | | | | | |
| 2006 | 3970 | 11,932 | 0 | 1,917 | (1,917) | -16.07% | -11.92% | -2.15% | -0.75% | | | | | | |
| 2007 | 3970 | 12,553 | 0 | 2,376 | (2,376) | -18.92% | -17.53% | -13.69% | -3.12% | -1.13% | | | | | |
| 2008 | 3970 | 430,814 | 0 | 0 | 0 | 0.00% | -0.54% | -0.94% | -1.41% | -1.05% | -0.66% | | | | |
| 2009 | 3970 | 730,730 | 0 | 4,488 | (4,488) | -0.61% | -0.39% | -0.58% | -0.74% | -0.93% | -0.82% | -0.64% | | | |
| 2010 | 3970 | 675,662 | 0 | (0) | 0 | 0.00% | -0.32% | -0.24% | -0.37% | -0.47% | -0.60% | -0.55% | -0.46% | | |
| 2011 | 3970 | 1,317,959 | 0 | 2,956 | (2,956) | -0.22% | -0.15% | -0.27% | -0.24% | -0.31% | -0.37% | -0.44% | -0.42% | -0.38% | |
| 2012 | 3970 | 159,367 | 0 | 238 | (238) | -0.15% | -0.22% | -0.15% | -0.27% | -0.23% | -0.30% | -0.36% | -0.43% | -0.41% | -0.37% |
| 2013 | 3970 | 214,190 | 0 | 0 | 0 | 0.00% | -0.06% | -0.19% | -0.13% | -0.25% | -0.22% | -0.28% | -0.34% | -0.40% | -0.39% |
| 2014 | 3970 | 811,734 | 0 | 13,015 | (13,015) | -1.60% | -1.27% | -1.12% | -0.65% | -0.51% | -0.53% | -0.48% | -0.53% | -0.57% | -0.63% |

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|------------------|-------------|-------------|---------------|-----------------|-------------|-------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|-------------------|
| 2015 | 3970 | 192,002 | 0 | 0 | 0 | 0.00% | -1.30% | -1.07% | -0.96% | -0.60% | -0.48% | -0.50% | -0.46% | -0.51% | -0.55% |
| 2016 | 3970 | 171,838 | 0 | (2,280) | 2,280 | 1.33% | 0.63% | -0.91% | -0.77% | -0.71% | -0.49% | -0.39% | -0.43% | -0.39% | -0.44% |
| 2017 | 3970 | 211,897 | 0 | 2,250 | (2,250) | -1.06% | 0.01% | 0.01% | -0.94% | -0.81% | -0.75% | -0.53% | -0.43% | -0.46% | -0.42% |
| 2018 | 3970 | 273,236 | 0 | 14,074 | (14,074) | -5.15% | -3.36% | -2.14% | -1.65% | -1.63% | -1.44% | -1.34% | -0.90% | -0.75% | -0.73% |
| 2019 | 3970 | 386,183 | 0 | 5,536 | (5,536) | -1.43% | -2.97% | -2.51% | -1.88% | -1.59% | -1.59% | -1.44% | -1.36% | -0.96% | -0.81% |
| 2020 | 3970 | 198,568 | 0 | 62,187 | (62,187) | -31.32% | -11.58% | -9.53% | -7.86% | -6.58% | -5.70% | -4.22% | -3.85% | -3.63% | -2.49% |
| 2003 | 3971 | 762,254 | 12,589 | 23,235 | (10,646) | -1.40% | | | | | | | | | |
| 2004 | 3971 | 135,292 | 0 | 5,993 | (5,993) | -4.43% | -1.85% | | | | | | | | |
| 2005 | 3971 | 282,575 | 0 | 17,821 | (17,821) | -6.31% | | -2.92% | | | | | | | |
| 2006 | 3971 | 110,157 | 0 | 964 | (964) | -0.88% | -4.78% | -4.69% | -2.75% | | | | | | |
| 2007 | 3971 | 115,560 | 0 | 0 | 0 | 0.00% | -0.43% | -3.70% | -3.85% | -2.52% | | | | | |
| 2008 | 3971 | 162,440 | 0 | 5,731 | (5,731) | -3.53% | -2.06% | -1.72% | -3.66% | -3.79% | -2.62% | | | | |
| 2009 | 3971 | 118,615 | 0 | (1,948) | 1,948 | 1.64% | -1.35% | -0.95% | -0.94% | -2.86% | -3.09% | -2.32% | | | |
| 2010 | 3971 | 274,177 | 0 | 4,458 | (4,458) | -1.63% | -0.64% | -1.48% | -1.23% | -1.18% | -2.54% | -2.75% | -2.23% | | |
| 2011 | 3971 | 1,236,735 | 0 | 34,947 | (34,947) | -2.83% | -2.61% | -2.30% | -2.41% | -2.26% | -2.19% | -2.69% | -2.79% | -2.46% | |
| 2012 | 3971 | 243,154 | 908 | 18,832 | (17,923) | -7.37% | -3.57% | -3.27% | -2.96% | -3.00% | -2.84% | -2.75% | -3.14% | -3.21% | -2.81% |
| 2013 | 3971 | 196,537 | 0 | 10,699 | (10,699) | -5.44% | -6.51% | -3.79% | -3.49% | -3.19% | -3.22% | -3.06% | -2.96% | -3.31% | -3.36% |
| 2014 | 3971 | 451,729 | 0 | 8,634 | (8,634) | -1.91% | -2.98% | -4.18% | -3.39% | -3.19% | -2.96% | -3.00% | -2.87% | -2.80% | -3.11% |
| 2015 | 3971 | 466,000 | 0 | 9,372 | (9,372) | -2.01% | -1.96% | -2.58% | -3.44% | -3.14% | -3.00% | -2.82% | -2.85% | -2.75% | -2.69% |
| 2016 | 3971 | 295,160 | 0 | 8,357 | (8,357) | -2.83% | -2.33% | -2.17% | -2.63% | -3.33% | -3.11% | -2.98% | -2.82% | -2.85% | -2.76% |
| 2017 | 3971 | 340,072 | 0 | 22,206 | (22,206) | -6.53% | -4.81% | -3.63% | -3.13% | -3.39% | -3.87% | -3.47% | -3.33% | -3.17% | -3.18% |
| 2018 | 3971 | 106,451 | 0 | 9,451 | (9,451) | -8.88% | -7.09% | -5.40% | -4.09% | -3.50% | -3.70% | -4.13% | -3.64% | -3.49% | -3.33% |
| 2019 | 3971 | 64,858 | 0 | 15,472 | (15,472) | -23.86% | -14.55% | -9.22% | -6.88% | -5.10% | -4.26% | -4.38% | -4.72% | -4.03% | -3.85% |
| 2020 | 3971 | 211,066 | 0 | 2,907 | (2,907) | -1.38% | -6.66% | -7.28% | -6.93% | -5.74% | -4.57% | -3.95% | -4.09% | -4.42% | -3.88% |
| 2003 | 3972 | 459,430 | 0 | 788 | (788) | -0.17% | | | | | | | | | |
| 2004 | 3972 | 86,377 | 0 | 0 | 0 | 0.00% | -0.14% | | | | | | | | |
| 2005 | 3972 | 153,346 | 0 | 0 | 0 | 0.00% | 0.00% | -0.11% | | | | | | | |
| 2006 | 3972 | 106,550 | 0 | 0 | 0 | 0.00% | 0.00% | 0.00% | -0.10% | | | | | | |
| 2007 | 3972 | 0 | 0 | 0 | 0 | NA | 0.00% | 0.00% | 0.00% | -0.10% | | | | | |
| 2008 | 3972 | 17,902 | 0 | 0 | 0 | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | -0.10% | | | | |
| 2009 | 3972 | 17,256 | 0 | 0 | 0 | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | -0.09% | | | |
| 2010 | 3972 | 75,004 | 0 | 0 | 0 | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | -0.09% | | |
| 2011 | 3972 | 0 | 0 | 0 | 0 | NA | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | -0.09% | |
| 2012 | 3972 | 217,329 | 0 | 0 | 0 | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | -0.07% |
| 2013 | 3972 | 91,935 | 0 | 84 | (84) | -0.09% | -0.03% | -0.03% | -0.02% | -0.02% | -0.02% | -0.02% | -0.02% | -0.01% | -0.01% |
| 2014 | 3972 | 395,930 | 0 | 154 | (154) | -0.04% | -0.05% | -0.03% | -0.03% | -0.03% | -0.03% | -0.03% | -0.03% | -0.03% | -0.02% |
| 2015 | 3972 | 115,588 | 0 | 190 | (190) | -0.16% | -0.07% | -0.07% | -0.05% | -0.05% | -0.05% | -0.05% | -0.05% | -0.05% | -0.04% |
| 2016 | 3972 | 72,530 | 0 | (1,161) | 1,161 | 1.60% | 0.52% | 0.14% | 0.11% | 0.08% | 0.08% | 0.08% | 0.07% | 0.07% | 0.07% |
| 2017 | 3972 | 74,759 | 0 | 967 | (967) | -1.29% | 0.13% | 0.00% | -0.02% | -0.03% | -0.02% | -0.02% | -0.02% | -0.02% | -0.02% |
| 2018 | 3972 | 85,268 | 0 | 22,145 | (22,145) | -25.97% | -14.44% | -9.44% | -6.36% | -3.00% | -2.68% | -2.12% | -2.12% | -1.98% | -1.95% |
| 2019 | 3972 | 133,841 | 0 | 16,965 | (16,965) | -12.68% | -17.85% | -13.64% | -10.62% | -8.11% | -4.47% | -4.06% | -3.31% | -3.31% | -3.12% |
| 2020 | 3972 | 31,367 | 0 | 0 | 0 | 0.00% | -10.27% | -15.61% | -12.32% | -9.78% | -7.62% | -4.32% | -3.93% | -3.23% | -3.23% |
| 2003 | 3973 | 170,981 | 0 | 438 | (438) | -0.26% | | | | | | | | | |
| 2004 | 3973 | 112,817 | 0 | 0 | 0 | 0.00% | -0.15% | | | | | | | | |
| 2005 | 3973 | 108,275 | 0 | 0 | 0 | 0.00% | 0.00% | -0.11% | | | | | | | |
| 2006 | 3973 | 60,765 | 0 | 0 | 0 | 0.00% | 0.00% | 0.00% | -0.10% | | | | | | |
| 2007 | 3973 | 0 | 0 | 0 | 0 | NA | 0.00% | 0.00% | 0.00% | -0.10% | | | | | |
| 2008 | 3973 | 129,527 | 0 | 0 | 0 | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | -0.08% | | | | |
| 2009 | 3973 | 0 | 0 | 0 | 0 | NA | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | -0.08% | | | |
| 2010 | 3973 | 51,427 | 0 | 0 | 0 | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | -0.07% | | |
| 2011 | 3973 | 45,113 | 0 | 12,948 | (12,948) | -28.70% | -13.41% | -13.41% | -5.73% | -5.73% | -4.51% | -3.28% | -2.55% | -1.97% | |
| 2012 | 3973 | 56,834 | 0 | 9,832 | (9,832) | -17.30% | -22.34% | -14.85% | -14.85% | -8.05% | -8.05% | -6.63% | -5.04% | -4.03% | -3.16% |
| 2013 | 3973 | 22,094 | 0 | 677 | (677) | -3.06% | -13.31% | -18.91% | -13.37% | -13.37% | -7.69% | -7.69% | -6.41% | -4.95% | -4.00% |

**ALLETE
RETIREMENTS, GROSS SALVAGE, AND REMOVAL COST
INTANGIBLE AND GENERAL PROPERTY
PER BOOK**

| Transaction Year | Description | Retirements | Gross Salvage | Cost of Removal | Net Salvage | Net Salv. % | 2-yr Net Salv. % | 3-yr Net Salv. % | 4-yr Net Salv. % | 5-yr Net Salv. % | 6-yr Net Salv. % | 7-yr Net Salv. % | 8-yr Net Salv. % | 9-yr Net Salv. % | 10-yr Net Salv. % |
|------------------|-------------|-------------|---------------|-----------------|-------------|-------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|-------------------|
| 2014 | 3973 | 79,959 | 0 | 328 | (328) | -0.41% | -0.98% | -6.82% | -11.66% | -9.31% | -9.31% | -6.18% | -6.18% | -5.34% | -4.29% |
| 2015 | 3973 | 34,432 | 0 | 0 | 0 | 0.00% | -0.29% | -0.74% | -5.61% | -9.98% | -8.21% | -8.21% | -5.67% | -5.67% | -4.95% |
| 2016 | 3973 | 5,357 | 0 | 0 | 0 | 0.00% | 0.00% | -0.27% | -0.71% | -5.45% | -9.76% | -8.06% | -8.06% | -5.60% | -5.60% |
| 2017 | 3973 | 9,704 | 0 | 23 | (23) | -0.23% | -0.15% | -0.05% | -0.27% | -0.68% | -5.21% | -9.39% | -7.81% | -7.81% | -5.48% |
| 2018 | 3973 | 0 | 0 | 0 | 0 | NA | -0.23% | -0.15% | -0.05% | -0.27% | -0.68% | -5.21% | -9.39% | -7.81% | -7.81% |
| 2019 | 3973 | 0 | 0 | 0 | 0 | NA | NA | -0.23% | -0.15% | -0.05% | -0.27% | -0.68% | -5.21% | -9.39% | -7.81% |
| 2020 | 3973 | 0 | 0 | 0 | 0 | NA | NA | NA | -0.23% | -0.15% | -0.05% | -0.27% | -0.68% | -5.21% | -9.39% |
| 2003 | 3974 | 135,704 | 0 | 0 | 0 | 0.00% | | | | | | | | | |
| 2004 | 3974 | 510,074 | 0 | 0 | 0 | 0.00% | 0.00% | | | | | | | | |
| 2005 | 3974 | 81,610 | 0 | 0 | 0 | 0.00% | 0.00% | 0.00% | | | | | | | |
| 2006 | 3974 | 106,767 | 0 | 0 | 0 | 0.00% | 0.00% | 0.00% | 0.00% | | | | | | |
| 2007 | 3974 | 0 | 0 | 0 | 0 | NA | 0.00% | 0.00% | 0.00% | 0.00% | | | | | |
| 2008 | 3974 | 20,308 | 0 | 0 | 0 | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | | | | |
| 2009 | 3974 | 0 | 0 | 0 | 0 | NA | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | | | |
| 2010 | 3974 | 0 | 0 | 0 | 0 | NA | NA | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | | | |
| 2011 | 3974 | 0 | 0 | 1,143 | (1,143) | NA | NA | NA | -5.63% | -5.63% | -0.90% | -0.55% | -0.16% | -0.13% | |
| 2012 | 3974 | 0 | 0 | 0 | 0 | NA | NA | NA | NA | -5.63% | -5.63% | -0.90% | -0.55% | -0.16% | -0.13% |
| 2013 | 3974 | 128,111 | 0 | 194 | (194) | -0.15% | -0.15% | -1.04% | -1.04% | -1.04% | -0.90% | -0.90% | -0.52% | -0.40% | -0.16% |
| 2014 | 3974 | 32,399 | 0 | 82 | (82) | -0.25% | -0.17% | -0.17% | -0.88% | -0.88% | -0.88% | -0.78% | -0.78% | -0.49% | -0.38% |
| 2015 | 3974 | 202,017 | 0 | 0 | 0 | 0.00% | -0.04% | -0.08% | -0.08% | -0.39% | -0.39% | -0.39% | -0.37% | -0.37% | -0.29% |
| 2016 | 3974 | 66,669 | 0 | 0 | 0 | 0.00% | 0.00% | -0.03% | -0.06% | -0.33% | -0.33% | -0.33% | -0.32% | -0.32% | -0.32% |
| 2017 | 3974 | 85,812 | 0 | 0 | 0 | 0.00% | 0.00% | 0.00% | -0.02% | -0.05% | -0.05% | -0.28% | -0.28% | -0.28% | -0.27% |
| 2018 | 3974 | 0 | 0 | 0 | 0 | NA | 0.00% | 0.00% | 0.00% | -0.02% | -0.05% | -0.05% | -0.28% | -0.28% | -0.28% |
| 2019 | 3974 | 0 | 0 | 0 | 0 | NA | NA | 0.00% | 0.00% | 0.00% | -0.02% | -0.05% | -0.28% | -0.28% | -0.28% |
| 2020 | 3974 | 0 | 0 | 0 | 0 | NA | NA | NA | 0.00% | 0.00% | 0.00% | -0.02% | -0.05% | -0.05% | -0.28% |
| 2003 | 3975 | 758,611 | (267) | 3,008 | (3,275) | -0.43% | | | | | | | | | |
| 2004 | 3975 | 0 | 0 | 0 | 0 | NA | -0.43% | | | | | | | | |
| 2005 | 3975 | 143,663 | 0 | 0 | 0 | 0.00% | 0.00% | -0.36% | | | | | | | |
| 2006 | 3975 | 385,681 | 0 | 0 | 0 | 0.00% | 0.00% | 0.00% | -0.25% | | | | | | |
| 2007 | 3975 | 0 | 0 | 0 | 0 | NA | 0.00% | 0.00% | 0.00% | -0.25% | | | | | |
| 2008 | 3975 | 438,999 | 0 | 0 | 0 | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | -0.19% | | | | |
| 2009 | 3975 | 186,021 | 0 | 0 | 0 | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | -0.17% | | | |
| 2010 | 3975 | 142,308 | 0 | 1,313 | (1,313) | -0.92% | -0.40% | -0.17% | -0.17% | -0.11% | -0.10% | -0.10% | -0.22% | | |
| 2011 | 3975 | 1,112,972 | 20,049 | 13,107 | 6,942 | 0.62% | 0.45% | 0.39% | 0.30% | 0.30% | 0.25% | 0.23% | 0.23% | 0.07% | |
| 2012 | 3975 | 175,844 | 0 | 2,966 | (2,966) | -1.69% | 0.31% | 0.19% | 0.16% | 0.13% | 0.13% | 0.11% | 0.10% | 0.10% | -0.02% |
| 2013 | 3975 | 317,946 | 0 | 14,127 | (14,127) | -4.44% | -3.46% | -0.63% | -0.66% | -0.59% | -0.48% | -0.48% | -0.42% | -0.39% | -0.39% |
| 2014 | 3975 | 264,661 | 0 | 133 | (133) | -0.05% | -2.45% | -2.27% | -0.55% | -0.58% | -0.53% | -0.44% | -0.44% | -0.38% | -0.37% |
| 2015 | 3975 | 158,007 | 0 | 66 | (66) | -0.04% | -0.05% | -1.93% | -1.89% | -0.51% | -0.54% | -0.49% | -0.42% | -0.42% | -0.37% |
| 2016 | 3975 | 120,023 | 0 | 0 | 0 | 0.00% | -0.02% | -0.04% | -1.66% | -1.67% | -0.48% | -0.51% | -0.47% | -0.40% | -0.40% |
| 2017 | 3975 | 106,784 | 0 | 310 | (310) | -0.29% | -0.14% | -0.10% | -0.08% | -1.51% | -1.54% | -0.47% | -0.50% | -0.46% | -0.40% |
| 2018 | 3975 | 65,786 | 0 | 7,298 | (7,298) | -11.09% | -4.41% | -2.60% | -1.70% | -1.09% | -2.12% | -2.06% | -0.77% | -0.78% | -0.73% |
| 2019 | 3975 | 172,192 | 0 | 0 | 0 | 0.00% | -3.07% | -2.21% | -1.64% | -1.23% | -0.88% | -1.82% | -1.80% | -0.72% | -0.73% |
| 2020 | 3975 | 223,115 | 0 | 0 | 0 | 0.00% | 0.00% | -1.58% | -1.34% | -1.11% | -0.91% | -0.70% | -1.54% | -1.55% | -0.66% |
| 2003 | 3976 | 30,615 | 0 | 0 | 0 | 0.00% | | | | | | | | | |
| 2004 | 3976 | 0 | 0 | 0 | 0 | NA | 0.00% | | | | | | | | |
| 2005 | 3976 | 0 | 0 | 0 | 0 | NA | NA | 0.00% | | | | | | | |
| 2006 | 3976 | 0 | 0 | 0 | 0 | NA | NA | NA | 0.00% | | | | | | |
| 2007 | 3976 | 0 | 0 | 0 | 0 | NA | NA | NA | NA | 0.00% | | | | | |
| 2008 | 3976 | 0 | 0 | 0 | 0 | NA | NA | NA | NA | NA | 0.00% | | | | |
| 2009 | 3976 | 0 | 0 | 0 | 0 | NA | NA | NA | NA | NA | 0.00% | | | | |
| 2010 | 3976 | 0 | 0 | 0 | 0 | NA | NA | NA | NA | NA | NA | 0.00% | | | |
| 2011 | 3976 | 0 | 0 | 0 | 0 | NA | NA | NA | NA | NA | NA | NA | 0.00% | | |
| 2012 | 3976 | 0 | 0 | 0 | 0 | NA | NA | NA | NA | NA | NA | NA | NA | 0.00% | 0.00% |

**ALLETE
RETIREMENTS, GROSS SALVAGE, AND REMOVAL COST
INTANGIBLE AND GENERAL PROPERTY
PER BOOK**

| Transaction Year | Description | Retirements | Gross Salvage | Cost of Removal | Net Salvage | Net Salv. % | 2-yr Net Salv. % | 3-yr Net Salv. % | 4-yr Net Salv. % | 5-yr Net Salv. % | 6-yr Net Salv. % | 7-yr Net Salv. % | 8-yr Net Salv. % | 9-yr Net Salv. % | 10-yr Net Salv. % |
|------------------|-------------|-------------|---------------|-----------------|-------------|-------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|-------------------|
| 2013 | 3976 | 30,750 | 0 | 0 | 0 | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| 2014 | 3976 | 32,575 | 0 | 0 | 0 | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| 2015 | 3976 | 9,118 | 0 | 0 | 0 | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| 2016 | 3976 | 90,147 | 0 | 0 | 0 | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| 2017 | 3976 | 47,139 | 0 | 120 | (120) | -0.25% | -0.09% | -0.08% | -0.07% | -0.06% | -0.06% | -0.05% | -0.05% | -0.05% | -0.05% |
| 2018 | 3976 | 9,460 | 0 | 0 | 0 | 0.00% | -0.21% | -0.08% | -0.08% | -0.06% | -0.05% | -0.05% | -0.05% | -0.05% | -0.05% |
| 2019 | 3976 | 37,028 | 0 | 0 | 0 | 0.00% | 0.00% | -0.13% | -0.07% | -0.06% | -0.05% | -0.05% | -0.05% | -0.05% | -0.05% |
| 2020 | 3976 | 83,837 | 0 | 0 | 0 | 0.00% | 0.00% | 0.00% | -0.07% | -0.04% | -0.04% | -0.04% | -0.04% | -0.04% | -0.04% |
| 2003 | 3980 | 114,771 | 0 | 0 | 0 | 0.00% | | | | | | | | | |
| 2004 | 3980 | 1,929 | 0 | 0 | 0 | 0.00% | 0.00% | | | | | | | | |
| 2005 | 3980 | 1,965 | 0 | 0 | 0 | 0.00% | 0.00% | 0.00% | | | | | | | |
| 2006 | 3980 | 0 | 0 | 0 | 0 | NA | 0.00% | 0.00% | 0.00% | | | | | | |
| 2007 | 3980 | 0 | 0 | 0 | 0 | NA | NA | 0.00% | 0.00% | 0.00% | | | | | |
| 2008 | 3980 | 22,648 | 0 | (398) | 398 | 1.76% | 1.76% | 1.76% | 1.62% | 1.50% | 0.28% | | | | |
| 2009 | 3980 | 0 | 0 | 0 | 0 | NA | 1.76% | 1.76% | 1.62% | 1.50% | 0.28% | | | | |
| 2010 | 3980 | 1,459 | 0 | 0 | 0 | 0.00% | 0.00% | 1.65% | 1.65% | 1.65% | 1.53% | 1.42% | 0.28% | | |
| 2011 | 3980 | 9,486 | 0 | 0 | 0 | 0.00% | 0.00% | 0.00% | 1.18% | 1.18% | 1.18% | 1.12% | 1.06% | 0.26% | |
| 2012 | 3980 | 0 | 0 | 0 | 0 | NA | 0.00% | 0.00% | 1.18% | 1.18% | 1.18% | 1.12% | 1.06% | 1.06% | 0.26% |
| 2013 | 3980 | 0 | 0 | 0 | 0 | NA | NA | 0.00% | 0.00% | 0.00% | 1.18% | 1.18% | 1.18% | 1.12% | 1.06% |
| 2014 | 3980 | 81,504 | 0 | 0 | 0 | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.35% | 0.35% | 0.35% | 0.34% |
| 2015 | 3980 | 0 | 0 | 0 | 0 | NA | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.35% | 0.35% | 0.35% |
| 2016 | 3980 | 0 | 0 | 0 | 0 | NA | NA | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.35% | 0.35% |
| 2017 | 3980 | 19,407 | 0 | 0 | 0 | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.30% |
| 2018 | 3980 | 8,482 | 0 | 0 | 0 | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| 2019 | 3980 | 5,462 | 0 | 0 | 0 | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| 2020 | 3980 | 4,794 | 0 | 0 | 0 | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| 2003 | 3981 | 0 | 0 | 0 | 0 | NA | | | | | | | | | |
| 2004 | 3981 | 0 | 0 | 0 | 0 | NA | NA | | | | | | | | |
| 2005 | 3981 | 0 | 0 | 0 | 0 | NA | NA | NA | | | | | | | |
| 2006 | 3981 | 0 | 0 | 0 | 0 | NA | NA | NA | NA | | | | | | |
| 2007 | 3981 | 0 | 0 | 0 | 0 | NA | NA | NA | NA | NA | | | | | |
| 2008 | 3981 | 0 | 0 | 0 | 0 | NA | NA | NA | NA | NA | NA | | | | |
| 2009 | 3981 | 0 | 0 | 0 | 0 | NA | NA | NA | NA | NA | NA | NA | | | |
| 2010 | 3981 | 0 | 0 | 0 | 0 | NA | NA | NA | NA | NA | NA | NA | NA | | |
| 2011 | 3981 | 0 | 0 | 0 | 0 | NA | NA | NA | NA | NA | NA | NA | NA | NA | |
| 2012 | 3981 | 0 | 0 | 0 | 0 | NA | NA | NA | NA | NA | NA | NA | NA | NA | NA |
| 2013 | 3981 | 0 | 0 | 0 | 0 | NA | NA | NA | NA | NA | NA | NA | NA | NA | NA |
| 2014 | 3981 | 0 | 0 | 0 | 0 | NA | NA | NA | NA | NA | NA | NA | NA | NA | NA |
| 2015 | 3981 | 0 | 0 | 0 | 0 | NA | NA | NA | NA | NA | NA | NA | NA | NA | NA |
| 2016 | 3981 | 0 | 0 | 0 | 0 | NA | NA | NA | NA | NA | NA | NA | NA | NA | NA |
| 2017 | 3981 | 0 | 0 | 0 | 0 | NA | NA | NA | NA | NA | NA | NA | NA | NA | NA |
| 2018 | 3981 | 0 | 0 | 0 | 0 | NA | NA | NA | NA | NA | NA | NA | NA | NA | NA |
| 2019 | 3981 | 0 | 0 | 0 | 0 | NA | NA | NA | NA | NA | NA | NA | NA | NA | NA |
| 2020 | 3981 | 0 | 0 | 0 | 0 | NA | NA | NA | NA | NA | NA | NA | NA | NA | NA |

**DATA FROM FLEET DEPARTMENT
SALVAGE PROCEEDS 2018-2020**

| Description | Salvage | Purchase Price | Net Salvage % |
|---------------------------------|----------------|-----------------------|----------------------|
| 3920 - Trailers | \$6,526.00 | \$61,437.00 | 10.62% |
| 3921 - Class 1 & 2 | \$153,900.00 | \$653,931.38 | 23.53% |
| 3923 - Class 3 & 4 | \$239,650.00 | \$1,241,178.26 | 19.31% |
| 3925 - Class 5 | \$165,000.00 | \$738,864.00 | 22.33% |
| 3926 - Class 6 - 8 | \$694,000.00 | \$4,346,750.36 | 15.97% |
| 3960 - Power Operated Equipment | \$65,500.00 | \$281,407.22 | 23.28% |

APPENDIX E
Comparison of Book and Reallocated Accumulated
Depreciation by Account
Excel files included with initial filing

Minnesota Power
Comparison of Reallocated Accumulated Depreciation and Per Book Accumulated Depreciation
At December 31, 2020

| Account | Description | Surviving | Reallocated | Per Book | Difference |
|-----------|--------------------------------------|------------------|----------------|----------------|-----------------|
| | | Balance | Accumulated | Accumulated | |
| | | 12/31/2020 | 12/31/2020 | 12/31/2020 | |
| 3020 (30) | Hydro License 30 year | 1,731,705.29 | 1,247,400.18 | 1,211,227.73 | (36,172.45) |
| 3020 (40) | Hydro License 40 year | 2,945,354.26 | 1,991,736.84 | 2,042,757.28 | 51,020.44 |
| 3030 | Miscellaneous Intangible Plant | 17,806,631.91 | 12,451,764.88 | 12,315,742.85 | (136,022.03) |
| 3031 | Intangible Software 10 Yr | 25,558,138.88 | 15,872,969.20 | 15,994,143.24 | 121,174.04 |
| | Total Intangible | 48,041,830.34 | 31,563,871.10 | 31,563,871.10 | 0.00 |
| 3520 | Structures and Improvements | 34,811,923.44 | 5,702,858.08 | 6,361,307.99 | 658,449.91 |
| 3530 | Station Equipment | 381,378,223.71 | 122,350,754.62 | 123,104,895.32 | 754,140.70 |
| 3531 | Reserve Station Transformers | 2,178,236.77 | 1,484,455.46 | 1,914,862.80 | 430,407.34 |
| 3540 | Towers & Fixtures | 162,901,146.04 | 15,037,491.17 | 20,309,402.38 | 5,271,911.21 |
| 3550 | Poles & Fixtures | 293,908,352.98 | 80,095,114.31 | 74,974,310.30 | (5,120,804.01) |
| 3560 | Overhead Conductors & Devices | 204,790,855.87 | 51,861,708.93 | 47,935,271.06 | (3,926,437.87) |
| 3561 | Clearing Land & Rights of Way | 68,160,426.36 | 6,016,433.65 | 7,991,385.82 | 1,974,952.17 |
| 3580 | Underground Conductors & Devices | 2,988,454.59 | 690,646.01 | 647,437.02 | (43,208.99) |
| 3590 | Roads and Trails | 58,613.63 | 31,337.80 | 31,927.34 | 589.54 |
| | Total Transmission | 1,151,176,233.39 | 283,270,800.03 | 283,270,800.03 | 0.00 |
| 3610 | Structures and Improvements | 10,470,160.05 | 3,732,998.00 | 3,970,067.04 | 237,069.04 |
| 3620 | Station Equipment | 92,429,048.60 | 22,432,905.37 | 36,287,632.52 | 13,854,727.15 |
| 3621 | Reserve Station Transformers | 1,364,886.02 | 558,234.92 | 825,511.80 | 267,276.88 |
| 3640 | Poles, Towers and Fixtures | 124,436,836.84 | 94,937,601.01 | 76,628,794.68 | (18,308,806.33) |
| 3650 | Overhead Conductors & Devices | 95,710,873.47 | 69,627,205.79 | 65,130,395.73 | (4,496,810.06) |
| 3651 | Clearing Land & Rights of Way | 5,332,726.76 | 2,989,481.74 | 3,285,835.15 | 296,353.41 |
| 3660 | Underground Conduit | 14,483,654.90 | 3,668,377.14 | 4,734,437.15 | 1,066,060.01 |
| 3670 | Underground Conductors & Devices | 109,013,710.24 | 43,091,914.32 | 43,082,197.14 | (9,717.18) |
| 3680 | Line Transformers | 97,144,741.80 | 32,235,826.88 | 38,747,868.24 | 6,512,041.36 |
| 3691 | Services- Overhead | 6,223,281.40 | 2,931,099.14 | 5,001,119.17 | 2,070,020.03 |
| 3692 | Services- Underground | 12,346,603.06 | 5,127,453.84 | 7,498,620.72 | 2,371,166.88 |
| 3700 | Meters | 67,032,898.53 | 26,187,910.12 | 20,773,359.52 | (5,414,550.60) |
| 3722 | Leased Property on Cust. Prem- Light | 3,222,812.92 | 1,544,792.07 | 2,205,200.35 | 660,408.28 |
| 3730 | Street Lighting and Signal Systems | 6,428,951.22 | 2,052,020.71 | 2,946,781.85 | 894,761.14 |
| | Total Distribution | 645,641,185.81 | 311,117,821.06 | 311,117,821.06 | 0.00 |

Minnesota Power
Comparison of Reallocated Accumulated Depreciation and Per Book Accumulated Depreciation
At December 31, 2020

| Account | Description | Surviving Balance | Reallocated Accumulated Depreciation | Per Book Accumulated Depreciation | Difference |
|---------|--|----------------------|--|---|----------------|
| 3910 | Office Furniture & Equipment | 8,490,401.85 | 3,922,452.55 | (577,394.37) | (4,499,846.92) |
| 3911 | Office Furniture & Equipment, Comp. | 5,908,185.34 | 5,144,238.59 | 5,061,728.69 | (82,509.90) |
| 3914 | Office Furniture & Equipment, PCs | 25,453.77 | 21,910.10 | (92,053.95) | (113,964.05) |
| 3920 | Transportation Equip, General | 3,169,081.78 | 1,274,944.85 | 806,411.56 | (468,533.29) |
| 3921 | Transportation Equip, Vehicle Class 1 | 0.00 | 0.00 | 15,842.80 | 15,842.80 |
| 3922 | Transportation Equip, Veh Class 2 | 0.00 | 0.00 | (7,076.50) | (7,076.50) |
| 3923 | Transportation Equip, Vehicle Class-3 | 4,676,855.28 | 1,127,884.18 | 1,135,349.59 | 7,465.41 |
| 3925 | Transportation Equip, Veh Class 5 | 0.00 | 0.00 | (3,936.46) | (3,936.46) |
| 3926 | Transportation Equip, Vehicle Class 6 | 9,478,193.74 | 3,058,718.55 | 2,112,342.96 | (946,375.59) |
| 3930 | Stores Equipment | 1,306,643.74 | 434,296.11 | 88,067.21 | (346,228.90) |
| 3940 | Tools, Shop & Garage Equipment | 7,011,650.14 | 3,581,922.61 | 1,777,563.21 | (1,804,359.40) |
| 3950 | Laboratory Equipment | 3,560,846.78 | 2,488,547.57 | 1,662,701.93 | (825,845.64) |
| 3960 | Power Operated Equipment | 7,350,378.94 | 1,804,600.82 | 2,480,437.06 | 675,836.24 |
| 3970 | Communication Equip, General | 18,540,574.20 | 9,183,528.45 | 10,075,035.49 | 891,507.04 |
| 3971 | Communication Equip, Microwave | 10,559,588.62 | 7,852,001.49 | 6,697,826.39 | (1,154,175.10) |
| 3972 | Communication Equip, Telephone | 1,959,691.57 | 1,568,511.11 | 1,500,727.68 | (67,783.43) |
| 3973 | Communication Equip, Mobile Radio | 11,115,299.38 | 9,126,271.47 | 7,350,165.97 | (1,776,105.50) |
| 3974 | Communication Equip, Data Comm. | 1,847,895.95 | 857,204.89 | 1,399,755.18 | 542,550.29 |
| 3975 | Communication Equip, Fiber Optic | 4,692,678.40 | 1,143,561.34 | 1,310,181.76 | 166,620.42 |
| 3976 | Communication Equip, Fiber Optic Cable | 31,668,736.69 | 12,316,420.80 | 22,145,405.92 | 9,828,985.12 |
| 3977 | Communication Equip, Towers | 734,682.64 | 679,756.71 | 724,746.72 | 44,990.01 |
| 3980 | Miscellaneous Equipment | 205,357.82 | 98,971.79 | 31,823.24 | (67,148.55) |
| 3981 | Miscellaneous Equipment 10 Yr | 55,802.25 | 15,950.19 | 6,042.09 | (9,908.10) |
| | Total General | 132,357,998.88 | 65,701,694.17 | 65,701,694.17 | (0.00) |
| | Total Company | 1,977,217,248.42 | 691,654,186.36 | 691,654,186.36 | 0.00 |

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 1st day of April, 2021, she served Minnesota Power's 2021 Intangible, Transmission, Distribution, and General Plant Depreciation Petition in **Docket No. E015/D-21-__** 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