



June 10, 2020

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 2019 Electric CIP Status Report
Docket Nos. E015/CI-16-117.03, M-20-428

Dear Mr. Seuffert:

Minnesota Power (the "Company") respectfully submits to the Minnesota Public Utilities Commission ("Commission") the following reply comments in response to the Commission's March 11, 2020, request for comments regarding Minnesota Power's 2019 Conservation Improvement Program ("CIP") Consolidated Filing ("Consolidated Filing").

Reply Comments

On May 1, 2020, Minnesota Power filed its 2019 CIP Consolidated Filing. On May 26, the Minnesota Department of Commerce, Division of Energy Resources ("Department") filed comments recommending that the Commission approve the Company's Consolidated Filing. Specifically, the Department recommended the Commission:

1. Approve Minnesota Power's 2019 CIP tracker account, as summarized in Table 1 above, with a December 31, 2019 tracker balance of **(\$5,384,063)**.
2. Approve MP's new monthly carrying charge rate of 0.2917 percent;
3. Approve a 2020/2021 CPA of **(\$0.000817)** per kWh, to be effective August 1, 2019, or on the first billing cycle in the next full month after Commission approval, whichever is later.
4. Approve a DSM financial incentive of \$2,353,720 for Minnesota Power's 2019 CIP achievements, to be included in the Company's CIP tracker account no sooner than the issue date of the Commission's *Order* in the present docket;
5. Approve Minnesota Power's following customer notice language:

Effective <DATE>, the Resource Adjustment line item on your bill has <increased/decreased> due to a change in the Conservation Improvement Program (CIP) billing factor. The CIP portion of the Resource Adjustment is <CPA Factor> per kilowatt-hour (kWh).

6. Grant Minnesota Power a variance to Minnesota Rules part 7820.3500 (K) and a variance to Minnesota Rules part 7825.2600 until issuance of the Commission's *Order* establishing MP's 2020/2021 CPA;
7. Require Minnesota Power to submit a compliance filing, within 10 days of the issue date of the Order in the present docket, with revised tariff sheets reflecting the Commission's determinations in this matter.

Minnesota Power thanks the Department for their thorough analysis of the Consolidated Filing, and looks forward to working with them in future dockets, stakeholder groups, and other processes.

If you have any questions regarding this filing, please contact me at 218.355.3602 or avang@mnpower.com.

Sincerely,

A handwritten signature in black ink, appearing to read 'Ana Vang', with a stylized flourish at the end.

Ana Vang
Public Policy Advisor

AMV:th

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

AFFIDAVIT OF SERVICE VIA
ELECTRONIC FILING

Tiana Heger of the City of Duluth, County of St. Louis, State of Minnesota, says that on the 10th day of June, 2020, she served Minnesota Power's Reply Comments in **Docket No. E015/CI-16-117.03** and **E-015/M-20-428** 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