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## APPENDIX M: SOCIOECONOMIC IMPACTS

The Minnesota Public Utilities Commission’s Rules (Minn. R. 7843.0400, subp. 3(A)) state in part: “For a resource option that could meet a significant part of the need identified by the forecast, the supporting information must include a general evaluation of the option, including its availability, reliability, cost, socioeconomic effects, and environmental effects.” Minnesota Power has elected to examine the economic impacts of all resource decisions in its 2021 Plan regardless of whether or not the resource addition meets a significant portion of power supply needs.

### Economic Impact Studies Overview

Appendix M contains three distinct economic impact studies that assess the qualitative and quantitative effects of utility resource decisions on local economies. A summary description of each study is outlined below.

*Minnesota Power Economic Impact Study* was prepared by the Business Research Division of the University of Colorado as a component of the CEE Study. This analysis evaluated the economic impact of the retirement of the Boswell Energy Center (“BEC”) on Itasca County and the state of Minnesota by using the Regional Economic Model Inc. (“REMI”) software. Minnesota Power provided economic modeling inputs for a Baseline scenario where the BEC operates indefinitely, and two Alternative scenarios: one that retires BEC3 in 2030 and BEC4 in 2036 (“Scenario 1”), and another that retires BEC3 in 2035 and BEC4 in 2036 (“Scenario 2”).

*Minnesota’s Power Plant Communities: An Uncertain Future* was prepared by the Center for Energy and Environment (“CEE”) with input from Minnesota Power, Xcel Energy, and representatives of the power plant host communities. The study assessed the current social and economic effects of each power plant within its host community by conducting interviews and surveys with community stakeholders, reviewing case studies of communities after a power plant has closed, and reviewed the power plant’s contribution to the local tax base. This is the qualitative portion of CEE’s Host Community Study.

*Regional Economic Impacts of Minnesota Power’s 2021 Plan* was conducted solely by Minnesota Power, and includes an examination of the preferred Plan’s macroeconomic and demographic impacts on the northeastern Minnesota region using the REMI software. The distinct impacts of each resource action were estimated individually and then aggregated to identify the overall impacts of the Company’s preferred resource plan.