

**David J. Tomassoni**  
State Senator  
District 6



**Senate**

**State of Minnesota**

December 13, 2017

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

Re: The Status of Energy- Intensive Trade-Exposed ("EITE") Legislation  
Docket No. E015/M-16-564 Dear Mr. Wolf:

Mining and forest products are the core of the economy in northern Minnesota. These industries are very energy intensive and both are subject to substantial competition from producers outside of Minnesota.

Our region has suffered significant economic harm, as both mining and paper manufacturing plants have closed temporarily or permanently or have been forced to reduce their work forces to attempt to remain or become competitive in their marketplaces. Mining operations at Mesabi Nugget and ERP Iron Ore, formerly Magnetation, remain shuttered. More recently, Blandin Paper Mill in Grand Rapids announced that it will be shutting down its PM5 paper machine and laying off 150 workers. This announcement underscores the importance of efforts like EITE, as the high costs of energy were denoted as one of the contributing factors in closing down this production line. Furthermore, as recently reported by various news outlets, when mining operations idle production, the State suffers with a lower level of production tax payments.

In our view, we need to do everything that we can to improve the competitive position of these industries. While none of us can control factors outside of the boundaries of Minnesota, there are factors within our state that we collectively, as citizens of our state, can decide. These include such basic and dominant cost factors as raw material costs, public education and training and energy costs to name a few.



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Sincerely,



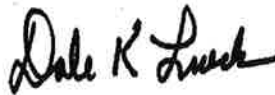
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Thomas M. Bakk  
State Senator



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State Representative

DT:lb