MINNESOTA
PUBLIC UTILITIES COMMISSION

REVISED DECISION OPTIONS

Proposed by Commissioner Partridge

September 25, 2025 and October 3, 2025

PUC DOCKET NUMBER	E-015/PA-24-198
ANALYSTS	Robert Manning, Godwin Ubani
DATE/TIME SUBMITTED	9/29/2025, 3:00 p.m.
TITLE	Partridge Revised Decision Options 30 and 31
ATTACHMENT	No
SUBJECT	In the Matter of the Petition of Minnesota Power for Acquisition of ALLETE by Canada Pension Plan Investment Board and Global Infrastructure Partners

Long-Term, Residential Energy Bill Mitigation Fund

Partridge Revised 30. Minnesota Power shall create a Long-term, Residential Energy Bill Mitigation ~~Weatherization~~ Fund as follows, using $10 million in funds provided by Alloy Parent that will be accounted for as a regulatory liability. The objective of the Long-term, Residential Energy Bill Mitigation Fund is to reduce space heating and cooling loads for eligible Minnesota Power electric customers. The Long-term, Residential Energy Bill Mitigation Fund is separate from, and additional to, Minnesota Power's Energy Conservation and Optimization portfolio, state weatherization programs, and the federal Weatherization Assistance Program.

a. Alloy Parent shall make $2 million installments to the Long-term, Residential Energy Bill Mitigation ~~Weatherization~~ Fund annually, beginning January 1, 2026, until the $10 million commitment is fulfilled. By January 10 of each year until the $10 million commitment is fulfilled, Minnesota Power shall make a filing with the Commission confirming that the annual payment to the Long-term, Residential Energy Bill Mitigation ~~Weatherization~~ Fund has been made.

b. Alloy Parent and Minnesota Power shall complete all annual contributions to the Long-term, Residential Energy Bill Mitigation ~~Weatherization~~ Fund totaling $10 million no later than January 1, 2030.

c. Neither contributions to the Long-term, Residential Energy Bill Mitigation ~~Weatherization~~ Fund nor portions of an investment or project financed with the Fund are eligible for cost recovery from Minnesota ratepayers.

d. Energy savings and the associated net benefits achieved through the Long-term, Residential Energy Bill Mitigation ~~Weatherization~~ Fund are not eligible to be included in the calculation of Minnesota Power's Energy Conservation and Optimization utility financial incentive.

e. ~~The objective of the Weatherization Fund is to reduce space and water~~[1] ~~heating and cooling loads in participating homes.~~ Energy savings resulting from the Long-term, Residential Energy Bill Mitigation Fund may be achieved and expressed in electricity, natural gas, propane, or heating oil savings.

f. The ~~Weatherization~~ Long-term, Residential Energy Bill Mitigation Fund will only be used to support investments in weatherization, ~~and~~ energy conservation, and ~~efficient fuel switching~~ electrification for Minnesota Power electric customers who qualify for low-income Energy Conservation and Optimization services, as determined by Minnesota Statutes § 216B.2402. Income-qualified multifamily buildings are also eligible for participation in the Long-term, Residential Energy Bill Mitigation ~~Weatherization~~ Fund. Among eligible customers, Minnesota Power shall prioritize those who use delivered fuel for heating.

g. The Long-term, Residential Energy Bill Mitigation ~~Weatherization~~ Fund shall be used to install measures in the following categories: pre-weatherization, building envelope energy efficiency~~, heat pump water heaters,~~ and air source heat pumps that can provide space heating and cooling.~~, and enabling technology for participation in load management programs.~~

~~h. No more than 5% of the total Weatherization Fund budget can be used for program administration and delivery.~~

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[1] Blue strikethrough text denotes proposed additions from the Resolving Parties' Sept. 24, 2025 filing which Commissioner Partridge has not accepted. Blue underline text denotes proposed additions from the Resolving Parties accepted by Commissioner Partridge. Red strikethrough/underline show Commissioner Partridge's additional changes since the Sept. 16 filing of Partridge New 30 and 31.

AND

Partridge Revised 31. Minnesota Power shall work with the Department of Commerce and other interested stakeholders to develop and submit a plan to the Commission ~~Department of Commerce~~ by June 1, 2026, detailing how it proposes to spend the Long-term, Residential Energy Bill Mitigation ~~Weatherization~~ Fund for the subsequent three calendar years (2027 through 2029) and every three years thereafter until the fund is fully depleted. The Commission ~~Department of Commerce~~ shall approve, modify, or deny the plan.

a. Minnesota Power shall submit an annual report each April 1, detailing Long-term, Residential Energy Bill Mitigation ~~Weatherization~~ Fund achievements compared to forecast for the prior calendar year. The report shall include at least the following data for each program:
   i. Planned and actual spending
   ii. Planned and actual participation
   iii. Types and number of measures installed
   iv. Planned and actual energy savings, expressed as kWh, Dth, or BTUs
   v. Planned and actual kW demand reduction
   vi. Discussion of additional participant, utility, and environmental benefits provided through the Long-term, Residential Energy Bill Mitigation ~~Weatherization~~ Fund.