

Verso Minnesota Wisconsin LLC and Minnesota Power  
October 10, 2018

These comments are in reference to the Petition for Approval of an Amendment to Electric Service Agreement between Verso Minnesota Wisconsin LLC and Minnesota Power.

My name is Mary J. Tourville. I have worked at the Verso Duluth Paper Mill for nearly 30 years. My current position is the Manager of our PS&D (Production Services and Distribution) Department.

Being a part of the Verso Duluth Mill team has been a truly rewarding experience. It has allowed a very fine place to work by providing a challenging and fulfilling career which has helped me with the financial support needed to raise my family in the City of Duluth, where I was born and raised.

Our facility is an important part of the NE MN economy. We employ 225 fulltime employees and have a payroll that exceeds \$25MM per year. Our mill contributes more than \$100MM annually to the economy of NE MN. We have a synergistic relationship with the MN Power Hibbard Renewable Energy Center. We purchase steam from this facility and supply bark as fuel to burn in their boilers. Our annual mill energy purchases approach \$40 million dollars. We are the largest customer of the City of Duluth for both Water and Electricity and the second largest customer of the Western Lake Superior Sanitary District. Each of our 225 manufacturing jobs support another 3-4 jobs within our community.

We manufacture both Recycle Pulp and Super Calendar Paper at the Duluth Mill. Since this is a commodity market, profit margins are low and we are not able to pass along any manufacturing cost increases to our customers due to our challenging market conditions. We compete globally with manufacturers in Canada, Europe and Scandinavia who often hold competitive advantages in manufacturing costs.

This amendment provides our mill with critical operating flexibility and energy cost reduction. It allows us to be more cost competitive in this very challenging global market. It also protects MN Power's other customers through an extended contract with a corporate guarantee and expedited weekly billing. Finally it supports the retention of an important MN Power customer and regional industrial employer. Please approve this amendment to ensure that the Verso Duluth Mill remains a viable part of the City of Duluth and landscape of West Duluth community for many years to come.