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April 16, 2025

Will Seuffert
Executive Secretary
Minnesota Public Utilities Commission
121 7th Place East, Suite 350
St. Paul, MN 55101-2147

**PUBLIC DOCUMENT –
NOT PUBLIC (OR PRIVILEGED)
DATA HAS BEEN EXCISED**

**RE: In the Matter of Otter Tail Power Company's Petition for Approval of the Annual Update to its Energy-Intensive, Trade-Exposed Rider Surcharge Rate, Rate Schedule 13.09
Docket No. E017/M-25-
Initial Filing**

Dear Mr. Seuffert:

Otter Tail Power Company (Otter Tail Power) hereby submits its Petition to the Minnesota Public Utilities Commission (Commission) for approval of its Energy-Intensive, Trade-Exposed (EITE) Rider Surcharge Rate under Otter Tail Power's Rate Schedule 13.09.

This Petition contains information that is protected by the Minnesota Data Practices Act. That information has economic value, actual or potential, from not being generally known to, and not being readily ascertainable by proper means by other persons and is subject to efforts by Otter Tail Power to protect the information from public disclosure.

Otter Tail Power maintains this information as a trade secret based on its economic value from not being generally known and not being readily ascertainable by proper means by other persons who can obtain economic value from its disclosure or use. For this reason, Otter Tail Power asks that the data be treated as non-public data pursuant to Minn. Stat. § 13.37, subd. 1(b). The enclosed are marked as **NOT PUBLIC DOCUMENT – NOT FOR PUBLIC DISCLOSURE** and **PUBLIC – NOT PUBLIC (OR PRIVILEGED) DATA HAS BEEN EXCISED.**

The information designated as non-public herein includes confidential information from Otter Tail Power's three EITE customers to whom the Petition pertains. This includes customer energy usage data (Petition pp. 7-8) protected by standards adopted in Dockets No. E,G999/CI-12-1344 and No. E,G-999/19-505, as noted more fully below.

The information designated as non-public herein also includes confidential EITE customer information concerning market positions, potential competitive rate impacts, and company operations (Petition pp. 8-13).

The information designated as non-public herein also includes portions of affidavits and attachments thereto provided by the EITE customers and others, which are designated as Attachments 10, 11, 12 and 13 to the Petition. This includes sensitive information concerning payrolls, budgets, plant production, production costs, competitive rate impacts, and operational investment data, the unauthorized disclosure of which would risk significant harm the competitive position of Otter Tail Power's EITE customers.

Attachments 5 and 6 contain historical and/or projected energy usage information on individual customers (the "Protected Data"). The Protected Data is nonpublic data pursuant to Minn. Stat. § 13.02, subd. 9 due to the Commission's January 19, 2017, Order in Docket No. E,G999/CI-12-1344, which requires Otter Tail Power to refrain from disclosing this data without the customers' consent. As nonpublic data, the Protected Data also constitutes not public data, as defined in Minn. Stat. § 13.02, subd. 8a and is protected data under Minn. R. 7829.0100, subp. 19a(A).

Attachment 9 is the live version of Otter Tail Power's Energy-Intensive, Trade-Exposed Tracker ("the Model"), which derives independent economic value, actual or potential, from not being generally known to, and not being readily ascertainable by proper means by, other persons who can obtain economic value from its disclosure or use. The Model therefore is (1) "trade secret information", as defined in Minn. Stat. § 13.37, subd. 1(b); (2) is classified as nonpublic data pursuant to Minn. Stat. § 13.37, subd. 2; (3) is also not public data, as defined in Minn. Stat. § 13.02, subd. 8a; and (4) is protected data under Minn. R. 7829.0100, subp. 19a(A). To be clear, Otter Tail Power is not requesting that the data used in the Model be treated as "trade secret information" or protected data. Instead, Otter Tail Power is requesting that the live version of the Model be treated as trade secret information and protected data.

Otter Tail Power has electronically filed this document with the Commission which, in compliance with Minn. Rule 7829.1300, subp. 2, also constitutes service on the Department of Commerce, Division of Energy Resources and the Office of Attorney General, Residential Utilities Division. A Summary of the filing has been served on all persons on Otter Tail Power's general service list. A Certificate of Service is also enclosed.

If you have any questions regarding this filing, please contact me at 218-739-8406 or at jsillerud@otpco.com.

Sincerely,

/s/JORDAN SILLERUD
Rates Analyst
Regulatory Economics

lcd
Enclosures
By electronic filing
c: Service List

STATE OF MINNESOTA
BEFORE THE
MINNESOTA PUBLIC UTILITIES COMMISSION

In the Matter of Otter Tail Power Company's Petition for Approval of the Annual Update to its Energy-Intensive, Trade-Exposed Rider Surcharge Rate, Rate Schedule 13.09

Docket No. E017/M-25-

SUMMARY OF FILING

On April 16, 2025, Otter Tail Power Company (Otter Tail Power or Company) filed a petition with the Minnesota Public Utilities Commission for approval of its renewal of customer eligibility and annual update to the Energy-Intensive, Trade-Exposed (EITE) Rider Surcharge Rate under Otter Tail Power's Rate Schedule 13.09.

STATE OF MINNESOTA
BEFORE THE
MINNESOTA PUBLIC UTILITIES COMMISSION

In the Matter of Otter Tail Power Company's Petition for Approval of the Annual Update to its Energy-Intensive, Trade-Exposed Rider Surcharge Rate, Rate Schedule 13.09	**Docket No. E017/M-25-** **PETITION**

I. INTRODUCTION

Otter Tail Power Company (Otter Tail Power or the Company) submits this Petition to the Minnesota Public Utilities Commission (Commission) under Minn. Stat. § 216B.1696 (EITE Statute) for approval of its renewal of four-year customer eligibility, and its annual update (Update) to its Energy-Intensive, Trade-Exposed (EITE) Rider (EITE Rider) Surcharge Rate under Otter Tail Power's Rate Schedule 13.09.

This filing is Otter Tail Power's second renewal of four-year customer EITE eligibility. The current four-year eligibility expires on November 30, 2025, and the proposed new eligibility period is effective on December 1, 2025.

In Docket No. E-017/M-22-174, the Commission approved Otter Tail Power's request to transition to a calendar year collection period and to provide EITE updates every two years instead of annually.[1] In this filing, Otter Tail Power proposes to return to an annual filing schedule for the EITE updates for simplicity and transparency.

This filing is Otter Tail Power's sixth Update to the EITE Surcharge Rate and reflects the EITE Rider revenue requirements for the next proposed recovery period of December 1, 2025, through November 30, 2026. The Update includes the tracker balance estimated for the end of the current recovery period to minimize the over-or-under-recovery of the EITE Rider costs. The proposed effective date of the updated EITE Surcharge Rate is December 1, 2025.

The proposed revenue requirement for the recovery period is $1,010,352 which includes the projected tracker balance at the end of November 2025 of ($113,265). This Update results in a change to the EITE Surcharge Rate from $0.00045 per kWh to $0.00038 per kWh for the recovery period beginning December 1, 2025. For a

[1] Docket No. E-017/M-22-174, Commission Order November 21, 2022, and Erratum Notice Commission Order, November 29, 2022.

residential customer using 1,000 kWh per month, the bill impact is a decrease of approximately $0.06 per month, or $0.78 annually.

Also included in this filing is the 2023 and 2024 annual report of sales to, and revenue from, Otter Tail Power's EITE customers. This information is provided in Attachments 4 through 6.

II. SUMMARY OF FILING

Pursuant to Minn. Rules 7829.1300, subp. 1, a one-paragraph summary of the filing accompanies this Petition.

III. GENERAL FILING INFORMATION

Pursuant to Minn. Rules 7829.1300, subp. 3, the following information is provided.

A. Name, address, and telephone number of utility

(Minn. Rules 7829.1300, subp. 3(A))

Otter Tail Power Company
215 South Cascade Street
P.O. Box 496
Fergus Falls, Minnesota 56538-0496
(218) 739-8200

B. Name, address, and telephone number of utility attorney

(Minn. Rules 7829.1300, subp. 3(B))

Cary Stephenson
Associate General Counsel
Otter Tail Power Company
215 South Cascade Street
P.O. Box 496
Fergus Falls, Minnesota 56538-0496
(218) 739-8956

C. Date of filing and proposed effective date of rates

(Minn. Rules 7829.1300, subp. 3(C))

The date of this filing is April 16, 2025. Otter Tail Power requests that the proposed EITE Surcharge Rate become effective December 1, 2025, or on the first day of the month following Commission approval, should its decision be thereafter.

D. Statutes controlling schedule for processing the filing

(Minn. Rules 7829.1300, subp. 3(D))

Minn. Stat. § 216B.16 permits a utility to implement a proposed rate change after giving the Commission a 60-day notice. This filing is a "miscellaneous tariff filing" as defined by the Commission's rules at Minn. Rules 7829.0100, subp. 11. No determination of Otter Tail Power's overall revenue requirement is necessary (or required under the Statute). Minn. Rules 7829.1400, Subps. 1 and 4 permit comments in response to a miscellaneous tariff filing to be filed within 30 days and reply comments to be filed no later than 10 days thereafter. Minn. Stat. § 216B.1696 Subd. 2(c) provides that a final determination shall be made in an EITE proceeding within 90 days of a miscellaneous rate filing by the electric utility.

E. Title of utility employee responsible for filing

(Minn. Rules 7829.1300, subp. 3(E))

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F. Impact on rates

(Minn. Rules 7829.1300, subp. 4(F))

The EITE Rider has no effect on Otter Tail Power's base rates. The additional information required under this Rule is included throughout the Petition.

G. Service List

(Minn. Rules 7829.0700)

Otter Tail Power requests that the following persons be placed on the Commission's official service list for this matter and that any trade secret comments, requests, or information be provided to the following on behalf of Otter Tail Power:

Paula Foster
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H. Service on other parties

(Minn. Rules 7829.1300, subp. 2; Minn. Rules 7829.0600)

Pursuant to Minn. Rule 7829.1300, subp. 2, Otter Tail Power served a copy of this Petition on the Division of Energy Resources of the Department of Commerce and the Residential Utilities Division of the Office of the Attorney General. A summary of the filing prepared in accordance with Minn. Rule 7829.1300, subp. 1 was served on all parties on Otter Tail Power's general service list.

IV. DESCRIPTION AND PURPOSE OF FILING

A. Background

Otter Tail Power's EITE Rider was established in Docket No. E-017/M-17-257. The Commission approved the EITE discount for three EITE customers in its November 17, 2017 Order in that proceeding.[2] The discount for the three EITE customers commenced on December 1, 2017. The Commission approved Otter Tail Power's cost-recovery proposal, including its proposal to refund any increased revenues resulting from the EITE discount to EITE-paying customers in its May 29, 2018 Order (2018 Order).[3] The first EITE Surcharge Rate went into effect June 1, 2018. The Commission approved the four-year renewal of the EITE discount for the three EITE customers in its April 22, 2021 Order in Docket No. E017/M-21-099. Otter Tail Power provides Table 1 with the subsequent filings and Commission approvals.

Table 1:
EITE Surcharge Rate History

Revision	Docket	Surcharge Rate per kWh
1st	E017/M-19-199	$0.00038
2nd	E017/M-20-338	$0.00033
3rd	E017/M-21-099	$0.00039
4th	E017/M-22-174	$0.00034
5th	E017/M-23-162	$0.00045
6th (Current Filing)	E017/M-25-XX	$0.00038

In Docket No. E-017/M-22-174 the Commission approved Otter Tail Power's request to move to both a calendar year and biennial filing schedule. In this Update, Otter Tail Power requests approval to transition back to an annual recovery period beginning with the recovery period of December 1, 2025, through November 30, 2026. The December 1 implementation date for updated rates adds complexity to the calendar year basis biennial filing. Otter Tail Power proposes returning to the annual filing schedule to simplify the filing and

[2] Tymberline Wood Products (previously Cass Forest Products), West Fraser US EWP LLC (Previously Norbord, Inc.), and PotlatchDeltic Corporation.
[3] Docket No. E-017/M-17-257, Minnesota Public Utilities Commission Order dated May 29, 2018, In the Matter of Otter Tail Power Company's Petition for Approval of an Energy-Intensive, Trade-Exposed Rate.

increase transparency. The Company also provides the required customer information for the approval of the next four-year EITE eligibility period.

Norbord Inc, a current EITE customer, was purchased by West Fraser US EWP LLC (West Fraser) and is now doing business under the name of West Fraser Mill. Otter Tail Power submits the attached affidavit to show that West Fraser Mill continues to meet all criteria for the EITE credit.

B. EITE Customer Eligibility

1. Availability of Statute to Otter Tail Power

Minn. Stat. § 216B.1696 is available to an investor-owned electric utility that has at least 50,000 retail electric customers, but no more than 200,000 retail electric customers.[4] Otter Tail Power has approximately 134,000 total retail electric customers with over 62,000 retail electric customers located in Minnesota.

2. EITE Statute Applicability to EITE Customers

Minn. Stat. § 216B.1696, subd. 1(c) defines an EITE Customer to include:

> (1) an iron mining extraction and processing facility, including a scram mining facility as defined in Minnesota Rules, part 6130.0100, subpart 16;
> (2) a paper mill, wood products manufacturer, sawmill, or oriented strand board manufacturer;
> (3) a steel mill and related facilities; and
> (4) a retail customer of an investor-owned electric utility that has facilities under a single electric service agreement that: (i) collectively imposes a peak electrical demand of at least 10,000 kilowatts on the electric utility's system, (ii) has a combined annual average load factor in excess of 80 percent, and (iii) is subject to globally competitive pressures and whose electric energy costs are at least ten percent of the customer's overall cost of production.

[4] Minn. Stat. §216B.1696, subd. 2(a).

The EITE Customers that are the subject of this Petition all qualify under Minn. Stat. § 216B.1696, subd. 1(c)(2). The following provides a summary of each EITE Customer's business and why Otter Tail Power believes each has the ability to request a renewal of the four-year customer eligibility of the EITE Rate under the EITE Statute.

a. West Fraser Profile

West Fraser is an international producer of lumber and wood-based panels that is based in Vancouver, British Columbia, Canada. West Fraser's US Operations Office is in Cordova, Tennessee. Located in the United States, Europe, and Canada, West Fraser has thirty-two lumber mills, fifteen oriented strand board (OSB) mills, three medium density fiberboard (MDF) mills, one particleboard mill, one Laminated Veneer Lumber (LVL) mill, four plywood mills, 2 pulp and paper mills, and one "other" mill. Its North American Industry Classification System (NAICS) code for the OSB mills is 321219 (Reconstituted Wood Product Manufacturing). One of West Fraser's OSB mills is located in Solway, Minnesota, just outside of Bemidji. West Fraser's OSB mill in Solway, Minnesota produces approximately 525,000,000 board-feet (on a 3/8-inch basis) of OSB per year. West Fraser's OSB mill weather normalized three-year average consumption is **[PROTECTED DATA BEGINS... ...PROTECTED DATA ENDS]**. As an OSB manufacturer, West Fraser's Solway, Minnesota mill fits within the EITE Customer definition in Minn. Stat. § 216B.1696, subdivision 1(c)(2).

b. PotlatchDeltic Profile

PotlatchDeltic's mill in Bemidji, Minnesota produces approximately 152,000,000 board-feet of cut studs per year. Its NAICS code is 321113 (Sawmills). The PotlatchDeltic mill weather normalized three-year average consumption is **[PROTECTED DATA BEGINS... ...PROTECTED DATA ENDS]**. As a sawmill, PotlatchDeltic's Bemidji, Minnesota mill fits within the EITE Customer definition in Minn. Stat. § 216B.1696, subdivision 1(c)(2).

c. Timberlyne Wood Products Profile

Timberlyne Wood Products (TWP) is a wood products manufacturing company with two locations in Cass Lake, Minnesota, and one location just outside Aitkin, Minnesota. Its NAICS codes are 321912 (Cut Stock, Resawing Lumber, and Planing), 321113 (Sawmills) and 321918 (Millwork and Flooring Manufacturing). Otter Tail Power provides electric service to the two locations in Cass Lake, Minnesota. These mills produce timbers, lumber, 4”x4” squares, finger jointed cut stock parts, heat treat squares and lumber, among other custom products. TWP sells its product wholesale. The Cass Lake sawmills produce approximately 6,000,000 board-feet of wood products per year. TWP's sawmill weather normalized three-year (33 months in operation) average consumption is **[PROTECTED DATA BEGINS... ...PROTECTED DATA ENDS].** As a sawmill, TWP's Cass Lake, Minnesota mill fits within the EITE Customer definition in Minn. Stat. § 216B.1696, subdivision 1(c)(2).

3. EITE Customer Rate

a. EITE Rate Design

The Commission approved the current EITE rate of 20 percent for three EITE customers in its November 17, 2017 Order in Docket No. E017/M-17-257.[5] The EITE Customers claim that a rate reduction of 20 percent continues to be necessary to make each of the rates they pay competitive.

b. Support for EITE Rate

All three Otter Tail Power EITE Customers have represented to the Company that they need the existing EITE rate discount to continue to maintain a reasonable average delivered cost of energy, at an average level of competitiveness when compared to other facilities. Not only does this rate provide an opportunity for the facilities to remain competitive, but it also helps facilitate efficiency and other plant investments to maintain facility viability. Support for each EITE Customer's request is provided by each of the EITE Customers in the Affidavits that were filed with this Petition. Those affidavits provide customer specific data supporting the EITE rate including the customer contributions to the state, examples of how the electric rates are currently uncompetitive, how the customers are subject to global and other pressures and

[5] *In the matter of Otter Tail Power Company's Petition for Approval of an Energy-Intensive Trade-Exposed Customer Rate,* Docket No. E017/M/17-257, Order Approving EITE Rate and Establishing Cost-Recovery Proceeding, Order Point 1.

consequences of letting the EITE rate discount expire. In addition, Rick Horton, Executive Vice President of Minnesota Forest Industries (MFI) provided additional support for West Fraser and Potlatch who are members of MFI in his affidavit.

Otter Tail Power provides separate information regarding each EITE customer below. The annual impact of the proposed surcharge on non-EITE customers is provided in Table 2. The annual impact of the proposed surcharge attributable to each individual eligible EITE customer is provided in Tables 3, 4, and 5.

Table 2:
Non-EITE Customer Total Rate Impact

Class	Average Annual Electricity Cost ($)	Annual Cost Increase
Residential	$ 896	$ 3.68
Farms	$ 3,098	$ 12.58
General Service	$ 3,196	$ 12.68
Large General Service	$ 238,281	$ 1,514.45
Irrigation	$ 1,926	$ 7.41
Lighting	$ 143	$ 0.25
OPA	$ 2,975	$ 13.88
Controlled Service Water Heating	$ 307	$ 1.52
Controlled Service Interruptible	$ 94	$ 0.64
Controlled Service Deferred	$ 2,449	$ 25.86

West Fraser Request

West Fraser has explained its request for an EITE Rate is based on a comparison of the electricity prices charged on a per-kWh basis at each of its North American operations (which include OSB facilities in Alabama, Georgia, Mississippi, South Carolina, and Texas in the United States and Alberta, British Columbia, Ontario, and Quebec in Canada. With the current EITE credit, in 2024, the West Fraser Mill's electric rates are ranked **[PROTECTED DATA BEGINS...**

...PROTECTED DATA ENDS]. Without the EITE credit, the West Fraser Mill's electric rates would be ranked **[PROTECTED DATA BEGINS...**

...PROTECTED DATA ENDS].

To remain competitive, West Fraser explains that they are always making efforts to reduce costs and improve cost position through their "Margin Improvement Program." West Fraser has invested **[PROTECTED DATA BEGINS... ...PROTECTED DATA ENDS]** to upgrade and modernize the West Fraser Mill. West Fraser discusses, in the Affidavit of Mr. Jeremy Buck filed by the EITE customers concurrently with this Petition, other steps the West Fraser Mill has taken to reduce its overall cost of production.

West Fraser has affirmatively stated an EITE Rate that provides a 20 percent reduction "would be one of the factors that will keep the West Fraser Mill viable."[6] Table 3 summarizes the rate impact to Otter Tail Power's customer classes at the 20 percent rate reduction for West Fraser.

Table 3:
Non-EITE Customer Rate Impact for West Fraser Rate Reduction

Class	Average Annual Electricity Cost ($)	Average Annual Usage (kWh)	20% Rate Reduction Annual Cost Increase ($)
		[PROTECTED DATA BEGINS…	
Residential	$ 896		
Farms	$ 3,098		
General Service	$ 3,196		
Large General Service	$ 238,281		
Irrigation	$ 1,926		
Lighting	$ 143		
OPA	$ 2,975		
Controlled Service Water Heating	$ 307		
Controlled Service Interruptible	$ 94		
Controlled Service Deferred	$ 2,449		

…PROTECTED DATA ENDS]

[6] Affidavit of Mr. Buck filed by the EITE Customers concurrently with this filing.

PotlachDeltic Request

PotlatchDeltic has explained its request is rooted in the results of a 2021 study of various lumber mills throughout the United States conducted by the Beck Group (Competitiveness Study). A copy of the Competitiveness Study is attached to the Affidavit of Mr. Andy Craner and the EITE Customers' filing in this Docket. Page 28 of the Competitiveness Study shows the various mills' average electrical power rate. To put the PotlatchDeltic Mill's rates in comparison, it was paying a rate of approximately **[PROTECTED DATA BEGINS…**

…PROTECTED DATA ENDS] in 2021, resulting in a ranking tied with mills **[PROTECTED DATA BEGINS… …PROTECTED DATA ENDS]** out of 19 mills. Since the Competitiveness Study was completed, the PotlatchDeltic Mill's rates have benefited from participating in EITE.

No stud mill benchmark reports have been conducted since 2021. However, using company internal data as a proxy, the PotlatchDeltic Mill's rate in 2024, in the absence of participating in EITE, would have been **[PROTECTED DATA BEGINS… …PROTECTED DATA ENDS]**. That rate would have made the PotlatchDeltic Mill's rate **[PROTECTED DATA BEGINS… …PROTECTED DATA ENDS]** out of PotlatchDeltic Corporation's six sawmills nationwide.

PotlatchDeltic has affirmatively stated an EITE Rate that provides a 20 percent reduction from the Large General Service rate "would be one of the factors that will keep the PotlatchDeltic Mill viable."[7] Table 4 summarizes Potlach's rate impact to Otter Tail Power's customer classes at the 20 percent rate reduction level.

[7] Affidavit of Mr. Craner filed by the EITE Customers concurrently with this Petition.

Table 4:
Non-EITE Customer Rate Impact for Potlatch Rate Reduction

Class	Average Annual Electricity Cost ($)	Average Annual Usage (kWh)	20% Rate Reduction Annual Cost Increase ($)
		[PROTECTED DATA BEGINS…	
Residential	$ 896		
Farms	$ 3,098		
General Service	$ 3,196		
Large General Service	$ 238,281		
Irrigation	$ 1,926		
Lighting	$ 143		
OPA	$ 2,975		
Controlled Service Water Heating	$ 307		
Controlled Service Interruptible	$ 94		
Controlled Service Deferred	$ 2,449		

…PROTECTED DATA ENDS]

Timberlyne Wood Products Request

Timberlyne Wood Products explains that electric energy costs are a significant component of Timberlyne Wood Products operations, representing approximately **[PROTECTED DATA BEGINS… …PROTECTED DATA ENDS]** of Timberlyne Wood Product's cost of production. Timberlyne Wood Products has stated that, in an effort to reduce electricity costs, it invested in **[PROTECTED DATA BEGINS…. …PROTECTED DATA ENDS].** Timberlyne Wood Products has stated an EITE rate that provides a 20 percent reduction "would be one of the factors that will keep Timberlyne Wood Products viable." [8] Table 5 summarizes the rate impact to Otter Tail Power's customer classes at the 20 percent rate reduction level for Timberlyne Wood Products.

[8] Affidavit of Ms. Geisert filed by the EITE Customers concurrently with this Petition.

Table 5:
Non-EITE Customer Rate Impact
for Timberlyne Wood Products Rate Reduction

Class	Average Annual Electricity Cost ($)	Average Annual Usage (kWh)	20% Rate Reduction Annual Cost Increase ($)
		[PROTECTED DATA BEGINS…	
Residential	$ 896		
Farms	$ 3,098		
General Service	$ 3,196		
Large General Service	$ 238,281		
Irrigation	$ 1,926		
Lighting	$ 143		
OPA	$ 2,975		
Controlled Service Water Heating	$ 307		
Controlled Service Interruptible	$ 94		
Controlled Service Deferred	$ 2,449		

…PROTECTED DATA ENDS]

Other EITE Eligibility

No other Otter Tail Power customers have requested inclusion in this Petition for the Commission to determine eligibility for the EITE Rate. Otter Tail Power proposes to limit the applicability of the EITE Rate to the three customers detailed in this Petition. The Company proposes that any changes in the customers eligible for the EITE Rate shall be submitted to the Commission for review and approval under a separate future docket.

a. Net Benefit to Utility or State

In the November 17, 2017 Order in Docket No. E017/M-17-257 the Commission found that Otter Tail Power made the necessary showing of a net benefit to the utility. The Company estimated that, if the EITE customers were to shut down and leave the system, it would experience an annual revenue shortfall derived from the expected EITE customer sales net of avoided EITE customer costs. In the short run, this cost would be borne by Otter Tail Power; in the longer term, it would be distributed among the Company's remaining customers in a rate case.

The current estimated shortfall for 2023 and 2024 is $2,978,289 and $2,963,298 respectively and are provided on Attachment 5, Line No. 6.

C. EITE Tracker

The EITE Tracker includes the following attachments:

1. Summary of Revenue Requirements

Attachment 1 is a summary of the proposed $1,010,352 net revenue requirement calculated for the December 1, 2025, through November 30, 2026, recovery period. The total revenue requirement is $1,127,443 before the carrying charge adjustment of ($3,826) and the projected under-recovery adjustment for the current period of ($113,265). The proposed EITE Surcharge Rate for this Update, based on the net revenue requirement of $1,010,352 is $0.00038 per kWh, a decrease of approximately $0.0006 per kWh from the current rate of $0.00045 per kWh.

2. Tracker Balance

Otter Tail Power maintains a tracker account worksheet and accounting system to track and account for the revenue requirement and amount billed to eligible customers. When submitting annual filings, the tracker account is updated so that any over/under recovered amount at the end of the previous year is reflected in the EITE Rider adjustment for the upcoming year. This approach helps mitigate under/over recovery. The tracker summary balance is included in Attachment 2.

If the effective date of the updated EITE Surcharge Rate is more than 45 days after December 1, 2025, Otter Tail Power respectfully requests the option to recalculate the rates to implement rates that recover the total revenue requirement for the recovery period.

3. Rate Design

Otter Tail Power uses the per kWh rate design approved in previous EITE Commission Orders. The rate design is shown in Attachment 3 and is equal to the total revenue requirement divided by projected kWh sales for the recovery period. Projected kWh sales used in this rate design calculation do not include customers approved for the Low-Income Home Energy Assistance Program (LIHEAP) or the EITE recipients.

In the previous EITE filing, the recovery period spanned two years. In this filing, Otter Tail Power proposes a single-year recovery period going forward for simplicity and transparency.

The proposed rate of $0.00038 per kWh is based on the assumption that the surcharge rate will be in effect beginning December 1, 2025.

4. Revenue Requirements, Rate Application, and Impact

Otter Tail Power proposes that the EITE Surcharge Rate continue to be applicable to electric service under Otter Tail Power's retail rate schedules as defined in Rate Schedule 13.09. The charge will continue to be included as part of the Resource Adjustment line on customer bills.

The total revenue requirement for the proposed recovery period, as shown on Line 7 in Attachment 1, is $1,010,352.

5. Annual Sales to and Revenue from EITE Customers – 2023 and 2024

As required by the Commission's 2018 Order Point 6, and in accordance with the approval for a biennial filing in the Commission's Order dated June 27, 2023, in Docket No. E-017/M-23-162, Otter Tail Power provides the 2023 and 2024 annual sales to and revenue from EITE customers in Attachment 4 (Line No. 1 and Line No. 2, respectively). Column A and Column B provide the actual 2023 and 2024 sales to and revenue from, and Column C provides the approved baseline kWh sales to the EITE customers. Line No. 7 provides the calculated difference between weather normalized kWh sales, as derived in Attachment 6, and the approved baseline. Line No. 9 provides the calculated total weather normalized revenue from the EITE customers over/under the approved baseline.

Applying the 2023 and 2024 weather normalization factor for the EITE customers results in slightly lower energy usage as a result of production operations of the plant.[9] The revenue margin (Attachment 4, Line No. 12) is used to compute the approximate total additional weather normalized marginal revenue above the approved baseline (Attachment 4, Line No. 14)

[9] Otter Tail Power's weather normalization process utilizes the current year plus the prior 20 years of Otter Tail Power hourly weather data, monthly revenue, and monthly kWh data. A statistical regression procedure is used to determine weather normalization models for each of 40 different rate groups within the Minnesota jurisdiction. The EITE customers are part of rate groups 31 (changed from 41 in February 2019), 42, and 43.

of about 55.56 percent for 2023 and 57.87 percent for 2024.[10] The total refund to EITE surcharge rate paying customers including carrying charges is approximately $270,996 for 2023 and $484,955 for 2024. In accordance with Order Point 5,[11] Otter Tail Power will include the refund amount derived from any increased EITE-customer revenues from expanded operations to EITE-surcharge rate paying customers after the four-year discount term.

6. Savings Credit to Customers

In Docket No. E-017/M-22-174, the Commission directed Otter Tail Power to report cost savings associated from switching from an annual filing to a biennial filing at the end of each two-year period. In Reply Comments filed May 25, 2023, Otter Tail Power detailed the savings associated with switching to a biennial filing. These savings included Otter Tail Power internal labor that could be reallocated to other tasks and filings, and the average avoided invoice amount of $5,224. The Order dated November 29, 2022, requires the Company to include a credit to reduce the revenue requirement used to calculate the EITE surcharge rate. This credit can be found on Line 3 of Attachment 2 to this filing.

Table 6:
Credit To Customers Breakdown

	2023	2024	Credit to Customers
EITE Labor*	$ 6,500.00	$ 3,985.49	$ (2,514.51)
Average Avoided Invoice Amount	$ 5,224.00		$ (5,224.00)
Totals	$ 11,724.00	$ 3,985.49	$ (7,738.51)

7. Customer Notification and Billing

Attachment 7 is the proposed notice to customers that will be included with customer bills in the month that the new EITE Surcharge Rate is implemented. Otter Tail Power will work with the Minnesota Consumer Affairs Office relating to this notice.

[10] Attachment 5 provides the Lost Margin calculation. This calculation was provided as Attachment 7 to Otter Tail Power's Initial Filing in Docket No. E017/ M-17-257 updated to reflect 2023 and 2024 data where appropriate.

[11] *In the matter of Otter Tail Power Company's Petition for Approval of an Energy-Intensive Trade-Exposed Customer Rate,* Docket No. E017/M/17-257, Order Approving EITE Rate and Establishing Cost-Recovery Proceeding, Order Point 5.

D. Low Income Outreach

As outlined in Minn. Stat. § 216B.1696, subd. 3, Otter Tail Power will deposit $10,000 into an account devoted to funding a program approved by the Commission under Minn. Stat. § 216B.16, subd. 15. The funds will be used to expand the outreach of the Company's Commission-approved Uplift program.

V. ENERGY-INTENSIVE, TRADE-EXPOSED RIDER RATE SCHEDULE

Otter Tail Power's updated rate schedule Section 13.09 is provided in Attachment 8 to this Petition in both redline and clean versions. In addition to updating the rate, Otter Tail Power is taking this opportunity to replace the name and title of Otter Tail Power retiree Bruce G. Gerhardson with the name and title of the Manager of Regulation & Retail Energy Solutions, Stuart D. Tommerdahl, in the footer on page 1 of the Rate Schedule.

VI. CONCLUSION

For the reasons set forth in this Petition, Otter Tail Power requests Commission approval of the updated revenue requirement included in this filing and to implement the associated updated EITE Surcharge Rate, Section 13.09, effective for usage on and after December 1, 2025.

Dated: April 16, 2025

Respectfully Submitted,

OTTER TAIL POWER COMPANY

By: /s/ JORDAN SILLERUD
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OTTER TAIL POWER COMPANY
EITE FILING ATTACHMENTS

Attachment 1	Summary of Revenue Requirements
Attachment 2	EITE Tracker Summary
Attachment 3	Rate Design
Attachment 4	2023 and 2024 Annual Sales to and Revenue from EITE Customers – Summary
Attachment 5	Calculation of Marginal Revenue Percent
Attachment 6	2023 and 2024 Annual Sales to and Revenue from EITE Customers – Detail
Attachment 7	Notice to Customers
Attachment 8	Energy-Intensive, Trade-Exposed Rider, Electric Rate Schedule 13.09
Attachment 9	Excel version of Energy-Intensive, Trade-Exposed Rider Tracker
Attachment 10	Affidavit of Jeremy Buck of West Fraser US EWP LLC
Attachment 11	Affidavit of Andrew Craner of PotlatchDeltic
Attachment 12	Affidavit of Jaima Geisert of Timberlyne Wood Products
Attachment 13	Affidavit of Rick Horton of Minnesota Forest Industries

Otter Tail Power Company
Minnesota Energy-Intensive, Trade-Exposed Rider
Summary of Revenue Requirements

Line No.	**2025 -2026 Revenue Requirement**		
1	Revenue Requirement (Dec 2025- Nov 2026)	$	1,127,443
2			
3	Carrying (Credit)/Charge		(3,826)
4			
5	True-Up		(113,265)
6			
7	Net Revenue Requirement	$	1,010,352

Otter Tail Power Company
Minnesota Energy-Intensive, Trade-Exposed Rider
EITE Tracker Summary

Line No.	*TRACKER SUMMARY* *Requirements Compared to Billed:*	2022 December Actual	2022 YE Actual	2023 January Actual	2023 February Actual	2023 March Actual	2023 April Actual	2023 May Actual	2023 June Actual	2023 July Actual	2023 August Actual	2023 September Actual	2023 October Actual	2023 November Actual	2023 December Actual	2023 YE Actual	Dec22-Dec23 Collection Period
1	EITE Customer Revenue Requirement	89,929	1,034,958	82,643	96,064	96,245	98,705	80,172	84,679	100,508	81,598	93,660	79,996	86,248	91,663	1,072,180	1,162,108
2	Refund due to increased EITE-customer Revenues	(5,671)	(5,671)	(5,671)	(5,671)	(5,671)	(5,671)	(5,671)	(5,671)	(5,671)	(5,671)	(5,671)	(5,671)	(5,671)	(5,671)	(68,055)	(73,726)
3	Credit for Savings from Bienniel Filing																
4																	
5	**Net Revenue Requirement**	84,257	1,029,287	76,971	90,393	90,574	93,034	74,501	79,007	94,837	75,927	87,989	74,324	80,577	85,991	1,004,125	1,088,382
6																	
7	Billed (Projected $ x rate)	93,260	1,032,035	89,667	86,569	80,288	77,588	66,892	75,423	71,666	82,366	62,053	66,843	75,118	80,472	914,946	1,008,205
8																	
9	Monthly Revenue Difference	(9,002)	(2,748)	(12,696)	3,824	10,286	15,445	7,609	3,585	23,171	(6,439)	25,936	7,481	5,459	5,519	89,179	80,177
10	Carrying Charge	328	2,487	276	202	226	289	383	431	455	596	561	720	769	806	5,711	6,039
11	Life-to-Date Revenue Requirement (Cumulative Difference)	46,124	46,124	33,704	37,730	48,241	63,975	71,967	75,982	99,607	93,764	120,261	128,461	134,689	141,014	141,014	141,014
12																	
13	Carrying Charge/Credit Calculation	276		202	226	289	383	431	455	596	561	720	769	806	844		
14	Cumulative Carrying Charge	28,982		29,183	29,409	29,698	30,081	30,511	30,966	31,562	32,123	32,842	33,611	34,417	35,260		
15	Carrying cost	0.60%		0.60%	0.60%	0.60%	0.60%	0.60%	0.60%	0.60%	0.60%	0.60%	0.60%	0.60%	0.60%		
16																	
17																	
18	Projecteded Sales (kWh)	242,766,756	2,641,434,937	263,653,352	240,225,821	230,556,790	211,885,441	198,110,432	194,369,598	204,618,542	210,824,532	202,018,104	197,415,509	210,956,408	228,422,933	2,593,057,463	2,835,824,218

Approved by MN PUC Novemeber 29, 2022 E-017/M-22-174

SUMMARY	Dec 2022 - Dec 2023
Net Revenue Requirement	$968,379
Carrying Charge	(1,057)
True-up	3,842
Total Requirements	$971,164
Dec 2022 - Dec 2023	2,856,430,031
Rate per kWh	$0.00034

Otter Tail Power Company
Minnesota Energy-Intensive, Trade-Exposed Rider
EITE Tracker Summary

Line No.	***TRACKER SUMMARY*** ***Requirements Compared to Billed:***	**2024 January Actual**	**2024 February Actual**	**2024 March Actual**	**2024 April Actual**	**2024 May Actual**	**2024 June Actual**	**2024 July Actual**	**2024 August Actual**	**2024 September Actual**	**2024 October Actual**	**2024 November Actual**	**2024 December Actual**	**2024 YE Actual**
1	EITE Customer Revenue Requirement	104,332	97,832	100,254	93,658	88,247	88,580	80,968	77,764	76,227	65,755	71,810	78,659	1,024,085
2	Refund due to increased EITE-customer Revenues													
3	Credit for Savings from Bienniel Filing													
4														
5	**Net Revenue Requirement**	104,332	97,832	100,254	93,658	88,247	88,580	80,968	77,764	76,227	65,755	71,810	78,659	1,024,085
6														
7	Billed (Projected $ x rate)	92,940	107,494	100,937	95,689	91,613	89,846	96,930	100,022	93,711	85,859	94,978	101,661	1,151,679
8														
9	Monthly Revenue Difference	11,392	(9,662)	(683)	(2,031)	(3,366)	(1,266)	(15,962)	(22,258)	(17,484)	(20,103)	(23,168)	(23,002)	(127,594)
10	Carrying Charge	844	917	865	866	859	844	841	751	622	521	404	268	8,600
11	Life-to-Date Revenue Requirement (Cumulative Difference)	153,250	144,505	144,686	143,521	141,014	140,592	125,471	103,963	87,101	67,519	44,755	22,020	22,020
12														
13	Carrying Charge/Credit Calculation	917	865	866	859	844	841	751	622	521	404	268	132	
14	Cumulative Carrying Charge	917	1,781	2,647	3,506	4,349	5,191	5,941	6,563	7,084	7,488	7,756	7,888	
15	Carrying cost	0.60%	0.60%	0.60%	0.60%	0.60%	0.60%	0.60%	0.60%	0.60%	0.60%	0.60%	0.60%	
16														
17														
18	Projecteded Sales (kWh)	244,924,667	237,736,102	224,909,871	206,732,478	191,986,261	188,704,051	200,411,594	206,922,940	194,311,932	210,560,392	231,397,269	259,706,697	2,598,304,253

Otter Tail Power Company
Minnesota Energy-Intensive, Trade-Exposed Rider
EITE Tracker Summary

Line No.	*TRACKER SUMMARY* *Requirements Compared to Billed:*	2025 January Actual	2025 February Actual	2025 March Projected	2025 April Projected	2025 May Projected	2025 June Projected	2025 July Projected	2025 August Projected	2025 September Projected	2025 October Projected	2025 November Projected	Jan24 - Nov25 Collection Period
1	EITE Customer Revenue Requirement	86,099	79,683	99,677	93,961	94,393	86,290	82,856	81,210	70,023	76,456	83,817	1,958,549
2	Refund due to increased EITE-customer Revenues												
3	Credit for Savings from Bienniel Filing												
4													
5	**Net Revenue Requirement**	86,099	79,683	99,677	93,961	94,393	86,290	82,856	81,210	70,023	76,456	83,817	1,958,549
6													
7	Billed (Projected $ x rate)	122,240	119,580	106,319	92,214	90,145	90,678	86,526	85,208	79,974	90,287	103,057	2,217,908
8													
9	Monthly Revenue Difference	(36,141)	(39,898)	(6,643)	1,747	4,247	(4,388)	(3,670)	(3,998)	(9,950)	(13,831)	(19,240)	(259,359)
10	Carrying Charge	132	(84)	(323)	(365)	(356)	(333)	(361)	(385)	(412)	(474)	(559)	5,080
11	Life-to-Date Revenue Requirement (Cumulative Difference)	(13,989)	(53,970)	(60,936)	(59,553)	(55,663)	(60,384)	(64,415)	(68,798)	(79,160)	(93,465)	(113,265)	
12													
13	Carrying Charge/Credit Calculation	(84)	(323)	(365)	(356)	(333)	(361)	(385)	(412)	(474)	(559)	(678)	
14	Cumulative Carrying Charge	7,804	7,481	7,117	6,760	6,427	6,066	5,681	5,269	4,796	4,236	3,559	
15	Carrying cost	0.60%	0.60%	0.60%	0.60%	0.60%	0.60%	0.60%	0.60%	0.60%	0.60%	0.60%	
16													
17													
18	Projecteded Sales (kWh)	265,673,122	241,678,178	237,295,923	205,813,686	201,196,605	202,385,703	193,117,967	190,176,813	178,494,823	201,512,661	230,014,611	4,945,664,345

Approved by MN PUC June 27, 2023 E-017/M-23-162

SUMMARY	Jan 2024 - Nov 2025
Net Revenue Requirement	$2,092,846
Carrying Charge	1,509
True-up	63,437
Total Requirements	$2,157,791
Jan 2024 - Nov 2025	4,816,005,021
Rate per kWh	$0.00045

Otter Tail Power Company
Minnesota Energy-Intensive, Trade-Exposed Rider
EITE Tracker Summary

Line No.	***TRACKER SUMMARY*** ***Requirements Compared to Billed:***	2025 December Projected	2025 YE Projected	2026 January Projected	2026 February Projected	2026 March Projected	2026 April Projected	2026 May Projected	2026 June Projected	2026 July Projected	2026 August Projected	2026 September Projected	2026 October Projected	2026 November Projected	Dec25 - Nov26 Collection Period
1	EITE Customer Revenue Requirement	91,774	1,026,238	110,868	113,631	106,152	100,095	100,586	91,955	88,283	86,524	74,583	81,427	89,302	1,135,181
2	Refund due to increased EITE-customer Revenues														
3	Credit for Savings from Bienniel Filing	(645)		(645)	(645)	(645)	(645)	(645)	(645)	(645)	(645)	(645)	(645)	(645)	(7,739)
4															
5	**Net Revenue Requirement**	91,129	1,026,238	110,223	112,987	105,507	99,450	99,941	91,310	87,638	85,880	73,939	80,782	88,657	1,127,443
6															
7	Billed (Projected $ x rate)	98,369	1,164,598	101,549	93,140	89,725	78,244	75,732	75,144	78,893	77,156	72,477	79,415	90,509	1,010,352
8															
9	Monthly Revenue Difference	(7,240)	(139,005)	8,675	19,847	15,782	21,206	24,210	16,167	8,745	8,723	1,461	1,367	(1,852)	117,091
10	Carrying Charge	(678)	(4,198)	(725)	(677)	(563)	(472)	(348)	(205)	(109)	(58)	(6)	3	11	(3,826)
11	Life-to-Date Revenue Requirement (Cumulative Difference)	(121,182)		(113,232)	(94,063)	(78,843)	(58,109)	(34,247)	(18,286)	(9,650)	(984)	471	1,841	(0)	(0)
12															
13	Carrying Charge/Credit Calculation	(725)		(677)	(563)	(472)	(348)	(205)	(109)	(58)	(6)	3	11	(0)	
14	Cumulative Carrying Charge	2,834		2,156	1,593	1,122	774	569	460	402	396	399	410	410	
15	Carrying cost	0.60%		0.60%	0.60%	0.60%	0.60%	0.60%	0.60%	0.60%	0.60%	0.60%	0.60%	0.60%	
16															
17															
18	Projecteded Sales (kWh)	256,561,771	2,603,921,862	264,854,402	242,922,372	234,016,620	204,072,898	197,519,943	195,986,743	205,764,615	201,235,022	189,032,136	207,126,330	236,062,039	2,635,154,890

SUMMARY	**Dec 2025 - Nov 2026**
Net Revenue Requirement	$1,127,443
Carrying Charge	(3,826)
True-up	(113,265)
Total Requirements	$1,010,352
Dec 2025 - Nov 2026	2,635,154,890
Rate per kWh	$0.00038

Otter Tail Power Company
Minnesota Energy-Intensive, Trade-Exposed Rider
Rate Design

Line No.	**Rate per kWh**	
1		
2	Forecasted Retail Sales, all classes (Dec 2025 - Nov 2026)	2,635,154,890
3		
4	Minnesota 12-month Revenue Requirement	$1,010,352
5		
6	Rate per kWh	$0.00038
7		

Otter Tail Power Company
Minnesota Energy-Intensive, Trade-Exposed Rider
2023 and 2024 Annual Sales to and Revenue from EITE Customers - Summary

		A	B	C
Line No.	**EITE**	**2023 Total**	**2024 Total**	**Approved Annual Baseline**
1	kWh Sales To	67,075,757	68,471,913	64,503,000
2	Revenue From	$ 5,360,900	$ 5,120,427	
3				
4	Average Cost per kWh	$ 0.07992	$ 0.07478	
5				
6	Weather Normalized kWh Sales To	66,882,805	68,825,939	
7	Over/(Under) Baseline	2,379,805	4,322,939	
8				
9	Total Revenue Over/(Under) Baseline	$ 190,201	$ 323,275	
10				
11	Fixed Cost	44.44%	42.13%	
12	Revenue Margin	55.56%	57.87%	
13				
14	Total Current Year Additional Revenue Margin	$ 105,668	$ 187,086	
15	Prior Years Additional Revenue Margin	$ 146,237	$ 251,905	
16	Total Additional Revenue Margin	$ 251,905	$ 438,991	
17	Cummulative Carrying Charge/Credit	$ 19,091	$ 45,964	
18	Total Projected Due Back to EITE Surcharge Rate Paying Customers	$ 270,996	$ 484,955	

Otter Tail Power Company
Minnesota Energy-Intensive, Trade Exposed Rider
Calculation of Marginal Revenue Percent

	2023									
	A	**B**	**C**	**D**	**E**	**F**	**G**	**H**	**I**	**J**
Line No.	**EITE Customers**	**Average Overall Rate $/kWh [1] (F/E)**	**kW**	**Load Factor**	**kWh**	**Revenue**	**Fixed Costs (D*Fixed Costs)**	**Cost of Energy**	**Total Avoided Costs (G+H)**	**Lost Margin (F-I)**
		[PROTECTED DATA BEGINS...								
1	West Fraser									
2	Potlatch Corporation									
3	Timberlyne Wood Products									
4	Timberlyne Wood Products									
5										
6	**EITE Customer Total**									
7										**...PROTECTED DATA ENDS]**
8										
9	**Components**								**Marginal Revenue Percent**	**55.56%**
10	Cost of Energy		2.4903 cents/kWh							
11	Fixed Costs [2] **[PROTECTED DATA BEGINS...**				**...PROTECTED DATA ENDS]**					

[1] Based on Total Bill divided by kWh.
[2] Represents the average fixed costs per kW for the three customers eligible for the EITE discount.

Otter Tail Power Company
Minnesota Energy-Intensive, Trade Exposed Rider
Calculation of Marginal Revenue Percent

	2024									
	A	B	C	D	E	F	G	H	I	J
Line No.	**EITE Customers**	**Average Overall Rate $/kWh [1] (F/E)**	**kW**	**Load Factor**	**kWh**	**Revenue**	**Fixed Costs (D*Fixed Costs)**	**Cost of Energy**	**Total Avoided Costs (G+H)**	**Lost Margin (F-I)**
		[PROTECTED DATA BEGINS...								
1	West Fraser									
2	Potlatch Corporation									
3	Timberlyne Wood Products									
4	Timberlyne Wood Products									
5										
6	**EITE Customer Total**									
7										**...PROTECTED DATA ENDS]**
8										
9	**Components**								**Marginal Revenue Percent**	**57.87%**
10	Cost of Energy		2.1102 cents/kWh							
11	Fixed Costs [2]	**[PROTECTED DATA BEGINS...**		**...PROTECTED DATA ENDS]**						

[1] Based on Total Bill divided by kWh.
[2] Represents the average fixed costs per kW for the three customers eligible for the EITE discount.

Otter Tail Power Company
Minnesota Energy-Intensive, Trade-Exposed Rider
Annual Sales to and Revenue from EITE Customers - Detail

Line No.		2023 Actual January	Actual February	Actual March	Actual April	Actual May	Actual June	Actual July	Actual August	Actual September	Actual October	Actual November	Actual December	Actual Total
	[PROTECTED DATA BEGINS...													
1	**West Fraser**													
2	kWh													
3	Revenue without tax													
4	Energy Adjustment Rider													
5	Discount Percent													
6	West Fraser Revenue Discount													
7														
8	Percent above/(below) normal degree days													
9	Weather Normalized kWh - Rate Group 42													
10														
11														
12	**Potlatch**													
13	kWh													
14	Revenue without tax													
15	Energy Adjustment Rider													
16	Discount Percent													
17	Potlatch Revenue Discount													
18														
19	Percent above/(below) normal degree days													
20	Weather Normalized kWh - Rate Group 43													
21														
22														
23	**Timberlyne Wood Products**													
24	kWh													
25	Revenue without tax													
26	Energy Adjustment Rider													
27	Discount Percent													
28	Timberlyne Products Revenue Discount													
29														
30	Percent above/(below) normal degree days													
31	Weather Normalized kWh - Rate Group 43													
32														
33	**Timberlyne Wood Products**													
34	kWh													
35	Revenue without tax													
36	Energy Adjustment Rider													
37	Discount Percent													
38	Timberlyne Products Revenue Discount													
39														
40	Percent above/(below) normal degree days													
41	Weather Normalized kWh - Rate Group 41/31													
42	(Moved from rate group 41 to 31 in Feb. 2019)													
43													...PROTECTED DATA ENDS]	
44	**Total**													
45	kWh	5,001,682	5,434,833	5,595,571	6,153,964	5,265,041	5,692,818	6,892,507	5,094,625	5,996,526	4,957,326	5,468,599	5,522,265	67,075,757
46	Revenue without tax	$ 413,213	$ 480,322	$ 481,225	$ 493,525	$ 400,859	$ 423,393	$ 502,540	$ 407,990	$ 468,301	$ 399,978	$ 431,242	$ 458,313	$ 5,360,900
47	Energy Adjustment Rider	$ 131,560	$ 186,526	$ 177,400	$ 175,012	$ 110,991	$ 120,675	$ 146,150	$ 99,644	$ 126,839	$ 103,706	$ 133,760	$ 158,128	$ 1,670,392
48	Revenue Discount	$ 82,643	$ 96,064	$ 96,245	$ 98,705	$ 80,172	$ 84,679	$ 100,508	$ 81,598	$ 93,660	$ 79,996	$ 86,248	$ 91,663	$ 1,072,180
49														
50	Total Weather Normalized kWh	5,026,405	5,414,839	5,718,189	6,074,117	5,129,591	5,373,278	7,185,056	5,053,312	5,906,004	4,898,634	5,491,824	5,611,557	66,882,805
51	Total Baseline kWh	5,694,364	4,868,294	5,876,390	5,208,153	4,914,072	5,863,095	5,404,373	5,290,832	5,586,186	5,230,259	5,170,461	5,396,522	64,503,000

Otter Tail Power Company
Minnesota Energy-Intensive, Trade-Exposed Rider
Annual Sales to and Revenue from EITE Customers - Detail

		2024												
Line No.		Actual January	Actual February	Actual March	Actual April	Actual May	Actual June	Actual July	Actual August	Actual September	Actual October	Actual November	Actual December	Actual Total
	[PROTECTED DATA BEGINS...													
1	**West Fraser**													
2	kWh													
3	Revenue without tax													
4	Energy Adjustment Rider													
5	Discount Percent													
6	West Fraser Revenue Discount													
7														
8	Percent above/(below) normal degree days													
9	Weather Normalized kWh - Rate Group 42													
10														
11														
12	**Potlatch**													
13	kWh													
14	Revenue without tax													
15	Energy Adjustment Rider													
16	Discount Percent													
17	Potlatch Revenue Discount													
18														
19	Percent above/(below) normal degree days													
20	Weather Normalized kWh - Rate Group 43													
21														
22														
23	**Timberlyne Wood Products**													
24	kWh													
25	Revenue without tax													
26	Energy Adjustment Rider													
27	Discount Percent													
28	Timberlyne Products Revenue Discount													
29														
30	Percent above/(below) normal degree days													
31	Weather Normalized kWh - Rate Group 43													
32														
33	**Timberlyne Wood Products**													
34	kWh													
35	Revenue without tax													
36	Energy Adjustment Rider													
37	Discount Percent													
38	Timberlyne Products Revenue Discount													
39														
40	Percent above/(below) normal degree days													
41	Weather Normalized kWh - Rate Group 41/31													
42	(Moved from rate group 41 to 31 in Feb. 2019)													
43													...PROTECTED DATA ENDS]	
44	**Total**													
45	kWh	6,318,753	5,589,375	5,740,660	5,926,146	5,761,055	5,901,623	5,505,796	5,649,115	5,662,509	4,888,713	5,590,343	5,937,825	68,471,913
46	Revenue without tax	$ 521,662	$ 489,158	$ 501,272	$ 468,291	$ 441,233	$ 442,900	$ 404,838	$ 388,818	$ 381,136	$ 328,776	$ 359,049	$ 393,295	$ 5,120,427
47	Energy Adjustment Rider	$ 194,251	$ 185,353	$ 188,935	$ 151,090	$ 132,194	$ 128,959	$ 100,881	$ 77,835	$ 71,028	$ 54,112	$ 67,692	$ 92,581	$ 1,444,910
48	Revenue Discount	$ 104,332	$ 97,832	$ 100,254	$ 93,658	$ 88,247	$ 88,580	$ 80,968	$ 77,764	$ 76,227	$ 65,755	$ 71,810	$ 78,659	$ 1,024,085
49														
50	Total Weather Normalized kWh	6,357,514	5,685,194	5,755,591	5,956,811	5,839,644	6,068,561	5,505,644	5,657,879	5,495,003	4,928,251	5,608,169	5,967,679	68,825,939
51	Total Baseline kWh	5,694,364	4,868,294	5,876,390	5,208,153	4,914,072	5,863,095	5,404,373	5,290,832	5,586,186	5,230,259	5,170,461	5,396,522	64,503,000

Otter Tail Power Company
Minnesota Energy-Intensive, Trade-Exposed Rider
Annual Sales to and Revenue from EITE Customers - Detail

		2025												
Line No.		Actual January	Actual February	Projected March	Projected April	Projected May	Projected June	Projected July	Projected August	Projected September	Projected October	Projected November	Projected December	Projected Total
	[PROTECTED DATA BEGINS...													
1	**West Fraser**													
2	kWh													
3	Revenue without tax													
4	Energy Adjustment Rider													
5	Discount Percent													
6	West Fraser Revenue Discount													
7														
8	Percent above/(below) normal degree days													
9	Weather Normalized kWh - Rate Group 42													
10														
11														
12	**Potlatch**													
13	kWh													
14	Revenue without tax													
15	Energy Adjustment Rider													
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17	Potlatch Revenue Discount													
18														
19	Percent above/(below) normal degree days													
20	Weather Normalized kWh - Rate Group 43													
21														
22														
23	**Timberlyne Wood Products**													
24	kWh													
25	Revenue without tax													
26	Energy Adjustment Rider													
27	Discount Percent													
28	Timberlyne Products Revenue Discount													
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32														
33	**Timberlyne Wood Products**													
34	kWh													
35	Revenue without tax													
36	Energy Adjustment Rider													
37	Discount Percent													
38	Timberlyne Products Revenue Discount													
39														
40	Percent above/(below) normal degree days													
41	Weather Normalized kWh - Rate Group 41/31													
42	(Moved from rate group 41 to 31 in Feb. 2019)													
43													...PROTECTED DATA ENDS]	
44	**Total**													
45	kWh	6,354,601	5,706,525	6,102,630	6,000,473	6,149,874	5,736,835	5,883,799	5,897,665	5,087,744	5,818,370	6,186,802	6,621,192	71,546,511
46	Revenue without tax	$ 430,495	$ 398,413	$ 498,384	$ 469,805	$ 471,963	$ 431,450	$ 414,280	$ 406,048	$ 350,117	$ 382,279	$ 419,085	$ 458,871	$ 5,131,189
47	Energy Adjustment Rider	$ 118,662	$ 81,644	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 223,188
48	Revenue Discount	$ 86,099	$ 79,683	$ 99,677	$ 93,961	$ 94,393	$ 86,290	$ 82,856	$ 81,210	$ 70,023	$ 76,456	$ 83,817	$ 91,774	$ 1,026,238
49														
50	Total Weather Normalized kWh	6,344,581	5,684,296	6,102,630	6,000,473	6,149,874	5,736,835	5,883,799	5,897,665	5,087,744	5,818,370	6,186,802	6,621,192	71,514,261
51	Total Baseline kWh	5,694,364	4,868,294	5,876,390	5,208,153	4,914,072	5,863,095	5,404,373	5,290,832	5,586,186	5,230,259	5,170,461	5,396,522	64,503,000

Otter Tail Power Company
Minnesota Energy-Intensive, Trade-Exposed Rider
Annual Sales to and Revenue from EITE Customers - Detail

		2026												
Line No.		**Projected January**	**Projected February**	**Projected March**	**Projected April**	**Projected May**	**Projected June**	**Projected July**	**Projected August**	**Projected September**	**Projected October**	**Projected November**	**Projected December**	**Projected Total**
	[PROTECTED DATA BEGINS...													
1	**West Fraser**													
2	kWh													
3	Revenue without tax													
4	Energy Adjustment Rider													
5	Discount Percent													
6	West Fraser Revenue Discount													
7														
8	Percent above/(below) normal degree days													
9	Weather Normalized kWh - Rate Group 42													
10														
11														
12	**Potlatch**													
13	kWh													
14	Revenue without tax													
15	Energy Adjustment Rider													
16	Discount Percent													
17	Potlatch Revenue Discount													
18														
19	Percent above/(below) normal degree days													
20	Weather Normalized kWh - Rate Group 43													
21														
22														
23	**Timberlyne Wood Products**													
24	kWh													
25	Revenue without tax													
26	Energy Adjustment Rider													
27	Discount Percent													
28	Timberlyne Products Revenue Discount													
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30	Percent above/(below) normal degree days													
31	Weather Normalized kWh - Rate Group 43													
32														
33	**Timberlyne Wood Products**													
34	kWh													
35	Revenue without tax													
36	Energy Adjustment Rider													
37	Discount Percent													
38	Timberlyne Products Revenue Discount													
39														
40	Percent above/(below) normal degree days													
41	Weather Normalized kWh - Rate Group 41/31													
42	(Moved from rate group 41 to 31 in Feb. 2019)													
43														**...PROTECTED DATA ENDS]**
44	**Total**													
45	kWh	6,077,063	6,245,939	6,380,136	6,274,350	6,432,946	6,000,777	6,152,841	6,167,308	5,317,949	6,082,056	6,470,532	6,925,249	74,527,147
46	Revenue without tax	$ 554,341	$ 568,157	$ 530,761	$ 500,473	$ 502,930	$ 459,776	$ 441,415	$ 432,622	$ 372,917	$ 407,133	$ 446,510	$ 488,921	$ 5,705,957
47	Energy Adjustment Rider	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
48	Revenue Discount	$ 110,868	$ 113,631	$ 106,152	$ 100,095	$ 100,586	$ 91,955	$ 88,283	$ 86,524	$ 74,583	$ 81,427	$ 89,302	$ 97,784	$ 1,141,191
49														
50	Total Weather Normalized kWh	6,077,063	6,245,939	6,380,136	6,274,350	6,432,946	6,000,777	6,152,841	6,167,308	5,317,949	6,082,056	6,470,532	6,925,249	74,527,147
51	Total Baseline kWh	5,694,364	4,868,294	5,876,390	5,208,153	4,914,072	5,863,095	5,404,373	5,290,832	5,586,186	5,230,259	5,170,461	5,396,522	64,503,000

Customer notice

The Minnesota Public Utilities Commission approved our request to increase our Energy-Intensive Trade-Exposed (EITE) Rider Surcharge Rate. The approved rate of $0.00038 per kilowatt-hour begins December 1, 2025, for all classes of customers subject to the charge.

This rider recovers costs associated with the State of Minnesota's energy policy to ensure competitive electric rates for EITE customers.

For more information, contact us at 800-257-4044 or visit otpco.com.

Attachment 8
Redline and Clean Versions of
Section 13.09 – Energy-Intensive, Trade-Exposed
(EITE) Rider, Electric Rate Schedule

ENERGY-INTENSIVE, TRADE-EXPOSED (EITE) RIDER

DESCRIPTION	RATE CODE
EITE Surcharge	MEITE
EITE Exemption Adjustment	MEITA

RULES AND REGULATIONS: Terms and conditions of this electric rate schedule and the General Rules and Regulations govern use of this rider.

APPLICATION OF RIDER: This rider is applicable to any electric service under all of the Company's retail rate schedules pursuant to Minn. Stat. 216B.1696 Competitive Rate for Energy-Intensive, Trade-Exposed Electric Utility Customer, except for those Customers with Low-Income Home Energy Assistance Program (LIHEAP) designation in the Company's billing system at the time of billing, as defined in Minn. Stat. 216B.16, Subd. 15, and the EITE Customers pursuant to Minn. Stat. 216B.1696, Subd.2(d). The exemptions are as follows:

EITE and LIHEAP Customers will be exempted from the Company's EITE charges (EITE Surcharge) pursuant to Minn. Stat. 216B.1696, Subd. 2(d) Competitive Rate for Energy-Intensive, Trade-Exposed Electric Utility Customer. LIHEAP Customer designations will be reset each September 1. Residential Customers must annually reapply for such designation and be granted assistance from a LIHEAP to continue to be exempt from the EITE Surcharge.

EITE SURCHARGE AND EXEMPTION ADJUSTMENT: There shall be added to each non-exempt Customer's bill an EITE Surcharge, which shall be the EITE Surcharge Rate multiplied by the Customer's billing kWh for electric service. The EITE Surcharge will be included in the Resource Adjustment line item on the Customer's bill.

The EITE Surcharge shall not be applied to Customer Account(s) granted exemption by the Commission from EITE costs pursuant to Minn. Stat. 216B.1696, Subd. 2(d).

The EITE Surcharge Rate is $0.00038~~45~~ per kWh.

DETERMINATION OF EITE SURCHARGE RATE: The EITE Surcharge Rate shall be the forecasted Recoverable EITE Tracker Balance divided by projected Minnesota non-exempt retail kWh sales for a designated 12-month recovery period. The EITE Surcharge Rate shall be rounded to the nearest $0.00001. The EITE Surcharge Rate may be adjusted annually by approval of the Minnesota Public Utilities Commission (Commission). The Recoverable EITE Tracker Balance is determined as described below, starting with the Commission-accepted EITE Tracker account balance as of the end of the prior year.

ENERGY-INTENSIVE, TRADE-EXPOSED (EITE) RIDER

DESCRIPTION	RATE CODE
EITE Surcharge	MEITE
EITE Exemption Adjustment	MEITA

<u>RULES AND REGULATIONS</u>: Terms and conditions of this electric rate schedule and the General Rules and Regulations govern use of this rider.

<u>APPLICATION OF RIDER</u>: This rider is applicable to any electric service under all of the Company's retail rate schedules pursuant to Minn. Stat. 216B.1696 Competitive Rate for Energy-Intensive, Trade-Exposed Electric Utility Customer, except for those Customers with Low-Income Home Energy Assistance Program (LIHEAP) designation in the Company’s billing system at the time of billing, as defined in Minn. Stat. 216B.16, Subd. 15, and the EITE Customers pursuant to Minn. Stat. 216B.1696, Subd.2(d). The exemptions are as follows:

EITE and LIHEAP Customers will be exempted from the Company’s EITE charges (EITE Surcharge) pursuant to Minn. Stat. 216B.1696, Subd. 2(d) Competitive Rate for Energy-Intensive, Trade-Exposed Electric Utility Customer. LIHEAP Customer designations will be reset each September 1. Residential Customers must annually reapply for such designation and be granted assistance from a LIHEAP to continue to be exempt from the EITE Surcharge.

<u>EITE SURCHARGE AND EXEMPTION ADJUSTMENT</u>: There shall be added to each non-exempt Customer's bill an EITE Surcharge, which shall be the EITE Surcharge Rate multiplied by the Customer's billing kWh for electric service. The EITE Surcharge will be included in the Resource Adjustment line item on the Customer’s bill.

The EITE Surcharge shall not be applied to Customer Account(s) granted exemption by the Commission from EITE costs pursuant to Minn. Stat. 216B.1696, Subd. 2(d).

The EITE Surcharge Rate is $0.00038 per kWh. **R**

<u>DETERMINATION OF EITE SURCHARGE RATE</u>: The EITE Surcharge Rate shall be the forecasted Recoverable EITE Tracker Balance divided by projected Minnesota non-exempt retail kWh sales for a designated 12-month recovery period. The EITE Surcharge Rate shall be rounded to the nearest $0.00001. The EITE Surcharge Rate may be adjusted annually by approval of the Minnesota Public Utilities Commission (Commission). The Recoverable EITE Tracker Balance is determined as described below, starting with the Commission-accepted EITE Tracker account balance as of the end of the prior year.

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CONTAINS TRADE SECRET DATA

BEFORE THE MINNESOTA PUBLIC UTILITIES COMMISSION
121 7th Place East, Suite 350
St. Paul, MN 55101-2147

In the Matter of Otter Tail Power's Petition to Ensure Competitive Electric Rates for Energy-Intensive Trade-Exposed Customers	PUC Docket No. **AFFIDAVIT OF JEREMY BUCK**

STATE OF MINNESOTA)
) ss.
COUNTY OF BELTRAMI)

I, Jeremy Buck, being first duly sworn upon oath, state as follows:

1. I am the General Manager at the West Fraser US EWP LLC ("West Fraser") oriented strand board ("OSB") mill in Solway, Minnesota (the "West Fraser Mill"). OSB is a reconstituted wood product. This mill operated under the Norbord name until February 1, 2021, when it was purchased by West Fraser. It is the same mill, using the same processes and equipment, and serving the same customers as it was prior to the West Fraser purchase.

<u>The West Fraser Mill's Contributions to Minnesota</u>

2. The West Fraser Mill is a major employer in northwest Minnesota, employing 143 people as of 2024. The West Fraser Mill's total payroll in 2024, including benefits, was over **[TRADE SECRET DATA BEGINS... ...TRADE SECRET DATA ENDS]**.

3. According to the DNR Publication entitle "Minnesota's Forest Products Industry at a Glance", dated January 2025, a copy of which is attached to the affidavit of Rick Horton,

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CONTAINS TRADE SECRET DATA

71,650 jobs are created by the Minnesota Forest Products Industry. These Industries contribute $10.8 billion to Minnesota's economy and generate $282.7 million in state income taxes paid.

4. Specific to West Fraser and using a multiplier effect of 3.5 from the Labovitz DNR Study, the West Fraser Mill's direct and indirect contributions to regional employment is 500 persons.

5. The West Fraser Mill spends nearly **[TRADE SECRET DATA BEGINS…** **…TRADE SECRET DATA ENDS]** directly in northwest Minnesota each year in the form of wood and timber purchases, contract labor, power purchases, payroll, and other expenses. The West Fraser Mill consumes approximately **[TRADE SECRET DATA BEGINS…** **…TRADE SECRET DATA ENDS]** annually.

6. In the years 2022 and 2023, the West Fraser Mill paid approximately **[TRADE SECRET DATA BEGINS…** **..TRADE SECRET DATA ENDS]** in State taxes.

7. The West Fraser Mill also actively supports our community. Over the past 10 years, the West Fraser Mill and its employees have contributed approximately $426,000 in local donations and volunteered across the community.

8. The West Fraser Mill is committed to sustainable forest management practices and demonstrates this commitment through its continued certification in the Sustainable Forestry Initiative's (SFI) Fiber Sourcing Standard. The SFI Fiber Sourcing Standard is for organizations that do not own or manage land but do procure wood directly from forests. Program Participants must show that the raw material in their supply chain comes from

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legal and responsible sources, whether the forests are certified or not. SFI Program Participants must also invest in forestry research, science and technology, and develop verifiable monitoring systems to evaluate the use of best management practices across the wood and fiber supply area. The standard holds the West Fraser Mill, which bears all the costs to certify, accountable for promoting responsible forestry.

<u>The West Fraser Mill's Electric Rates</u>

9. Electric energy costs are a significant component of the West Fraser Mill's operations, representing approximately **[TRADE SECRET DATA BEGINS...**

...TRADE SECRET DATA ENDS] of the West Fraser Mill's overall cost of production.

10. West Fraser's other North American OSB facilities are located in Georgia, Mississippi, Alabama, Texas, South Carolina, British Columbia, Ontario, Alberta, and Quebec. Even with the current EITE credit, in 2024, the West Fraser Mill's electric rates are ranked **[TRADE SECRET DATA BEGINS...**

...TRADE SECRET DATA ENDS]. Without the EITE credit, the West Fraser Mill's electric rates would be ranked **[TRADE SECRET DATA BEGINS...**

...TRADE SECRET DATA ENDS].

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CONTAINS TRADE SECRET DATA

11. Prior to receipt of the existing EITE credit, the West Fraser Mill's electricity rates in 2016 were **[TRADE SECRET DATA BEGINS… …TRADE SECRET DATA ENDS]** above the average rates of West Fraser's other North American facilities, without considering the results of Otter Tail Power's 2016 rate case.

12. The West Fraser Mill is the only North American West Fraser facility **[TRADE SECRET DATA BEGINS…**

…TRADE SECRET DATA ENDS].

13. If Otter Tail Power's Petition were approved and West Fraser continues receiving a 20% discount in rates, the West Fraser Mill's ranking would still only be **[TRADE SECRET DATA BEGINS… …TRADE SECRET DATA ENDS]** in electricity costs, barely maintaining its competitiveness.

<u>The West Fraser Mill is Subject to Global Pressures</u>

14. To remain competitive, the West Fraser Mill is always making efforts to reduce costs and improve our cost position through our "Margin Improvement Program." West Fraser considers continuous improvement so important that we measure it every month and report on our progress to investors each quarter.

15. The main cost drivers to the West Fraser Mill's operations are raw materials, and in the following 2 years we are investing in a significant change to our process to reestablish our cost benchmark. We expect this effort to deliver **[TRADE SECRET DATA BEGINS…**

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CONTAINS TRADE SECRET DATA

...TRADE SECRET DATA ENDS].

16. Furthermore, we have invested **[TRADE SECRET DATA BEGINS... ...TRADE SECRET DATA ENDS]** to upgrade and modernize the West Fraser Mill. For example, in 2019 we invested **[TRADE SECRET DATA BEGINS... ...TRADE SECRET DATA ENDS]** to completely replace all of the lighting in the plant with LED. The West Fraser Mill has spent **[TRADE SECRET DATA BEGINS... ...TRADE SECRET DATA ENDS]** on electric forklifts. These critical projects and investments demonstrate that West Fraser uses the existing EITE-rate savings to support projects that improve our carbon footprint and bring additional efficiencies.

17. We will continue to evaluate any and all other mechanisms to reduce costs and strive to remain competitive.

Consequences of Inaction

18. **[TRADE SECRET DATA BEGINS...**

...TRADE SECRET DATA ENDS].

19. There would be significant costs to the region and the State if the West Fraser Mill were to shut down, including lost jobs, decreased tax revenue, and lower community investment.

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CONTAINS TRADE SECRET DATA

20. If the West Fraser Mill continues to receive a 20% rate reduction as a result of the EITE tariff, it is reasonably likely that this discount would be one of the factors that will keep the West Fraser Mill viable.

FURTHER YOUR AFFIANT SAYETH NOT.

Dated: April 9th, 2025

Jeremy Buck
Jeremy Buck, General Manager
West Fraser US EWP LLC

Subscribed and sworn to before me
this 10th day of April 2025.

Jennifer J. Caouette
Notary Public

My commission expires: Jan 31., 2028

JENNIFER JEAN CAOUETTE
NOTARY PUBLIC - MINNESOTA
My Commission Expires Jan. 31, 2028

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CONTANS TRADE SECRET DATA

BEFORE THE MINNESOTA PUBLIC UTILITIES COMMISSION

121 7th Place East, Suite 350
St. Paul, MN 55101-2147

In the Matter of Otter Tail Power's Petition to PUC Docket No.
Competitive Electric Rates for
Energy-Intensive Trade-Exposed Customers

AFFIDAVIT OF ANDREW CRANER

STATE OF MINNESOTA)

COUNTY OF HUBBARD)

I, Andrew Craner, being first duly sworn upon oath, state as follows:

1. I am the Lumbermill Manager at the PotlatchDeltic lumber mill in Bemidji, Minnesota (the "PotlatchDeltic Mill"), the largest lumber producer in the State. The PotlatchDeltic Mill produces precision cut studs (in 2"x4" and 2"x6" sizes, 7' to 9' in length).

<u>The PotlatchDeltic Mill's Contributions to Minnesota</u>

2. The PotlatchDeltic Mill is a large employer in northwest Minnesota, employing 1 10 people on average during 2024. The total wages for these employees are close to **[TRADE SECRET DATA BEGINS... ...TRADE SECRET DATA ENDS]**, the total benefits are approximately **[TRADE SECRET DATA BEGINS... . . . TRADE SECRET DATA ENDS]**, and the payroll for the PotlatchDeltic Mill is roughly **[TRADE SECRET DATA BEGINS... ...TRADE SECRET DATA ENDS]**. Average compensation at the PotlatchDeltic Mill is **[TRADE SECRET DATA BEGINS... ...TRADE SECRET DATA ENDS]** per year, and turnover averages around 14.5%. Our starting hourly wage for an entry level mill position is over $27 per hour, plus a substantial benefits package that includes, among other benefits, paid vacation, paid sick leave, medical, dental, and vision insurance, 401k match, short- and long-term disability insurance.

3. According to the DNR Publication entitle "Minnesota's Forest Products Industry at a Glance", dated January 2025, a copy of which is attached to the affidavit of Rick

Horton, 71,650 jobs are created by the Minnesota Forest Products Industry. These Industries contribute $10.8 billion to Minnesota's economy and generate $282.7 million in state income taxes paid.

4. In 2024, we estimate the PotlatchDeltic Mill paid in excess of **[TRADE SECRET DATA BEGINS... ...TRADE SECRET DATA ENDS]** in property and corporate franchise taxes **[TRADE SECRET DATA BEGINS... ...TRADE SECRET DATA ENDS].**

5. For 2024, the annual revenue generated by the PotlatchDeltic Mill was approximately **[TRADE SECRET DATA BEGINS... ... TRADE SECRET DATA ENDS].**

6. The PotlatchDeltic Mill's operations also directly support the community. Attached as Exhibit A to my affidavit is a Minnesota Forest Industries PowerPoint presentation detailing the State revenues collected from the Minnesota forest products industry. Approximately 65% of the PotlatchDeltic Mill's raw material comes from public forests, and revenue from these sales contributes to school trust funds and the State general fund. In addition, the economic activity generated by timber sales is significant. For every dollar spent to purchase timber, $41 dollars of economic activity are generated. The PotlatchDeltic Mill spends approximately **[TRADE SECRET DATA BEGINS... ...TRADE SECRET DATA ENDS]** on standing timber annually. Therefore, the PotlatchDeltic Mill's contribution from this activity is about **[TRADE SECRET DATA BEGINS... ...TRADE SECRET DATA ENDS]** dollars annually.

7. Without the PotlatchDeltic Mill, the average market for red pine (spread across sawtimber, pulp and bolts, and pulpwood) could be dramatically reduced, resulting in a decrease in value of the State's red pine forests. Attached as Exhibit B to my affidavit is the 2021 All Public Agencies Average Sold Prices Summary dated August 3, 2022. The summary table details the prices for various species of wood sold by Minnesota public agencies. Of import here is the value of red pine, and the level of the PotlatchDeltic Mill's consumption. The PotlatchDeltic Mill consumes approximately **[TRADE SECRET DATA BEGINS... ...TRADE SECRET DATA**

ENDS] annually, of which approximately **[TRADE SECRET DATA BEGINS... ...TRADE SECRET DATA ENDS]** is red pine. Of the red pine sold by Minnesota public agencies, the PotlatchDeltic Mill purchases the vast majority, nearly **[TRADE SECRET DATA BEGINS... ...TRADE SECRET DATA ENDS]**, or over **[TRADE SECRET DATA BEGINS... ...TRADE SECRET DATA ENDS]**. If the PotlatchDeltic Mill were not operating, that red pine would be valued as pulpwood, which could have two detrimental impacts. First, the dollar multiplier for money spent on public stumpage could significantly decrease because of the drop in value from $39.81 per cord to $9.52 per cord. Second, and more broadly speaking, the value of the State's pine forest could drop precipitously. Current prices for red pine pulpwood are approximately 27% of the value of sawbolts. If the State's red pine forests were valued as pulpwood, the resource could lose approximately 73% of its value. Given the fact that PotlatchDeltic uses approximately **[TRADE SECRET DATA BEGINS... ..TRADE SECRET DATA ENDS]** of the red pine in the state that is used for pulp and bolts, a closure of the PotlatchDeltic Mill could result in more than a **[TRADE SECRET DATA BEGINS... . . .TRADE SECRET DATA ENDS]** decrease in the value of the State's red pine forests (private, State, county, and federal).[1]

8. As a result of the market the PotlatchDeltic Mill provides, pine forests on private and public lands are managed for a variety of forest uses such as wildlife, recreation, and forest products Minnesotans use every day.

9. The PotlatchDeltic Mill takes its forest stewardship role very seriously. In the past decade, the PotlatchDeltic Mill has been instrumental in the cleanup of hundreds of thousands of acres following several significant windstorms and forest fires that devastated public lands by providing a market for damaged lumber that other mills could not or would not use. At the time, public officials such as Senator Al Franken, National Forest Service Supervisor Darla Lenz, and State Forester Forrest Boe recognized the PotlatchDeltic Mill's contributions to this vital effort.

1 **[TRADE SECRET DATA BEGINS... ...TRADE SECRET DATA ENDS]** of an 83% reduction is approximately **[TRADE SECRET DATA BEGINS... . . . TRADE SECRET DATA ENDS].**

10. In addition to the PotlatchDeltic Mill's forest stewardship, our employees are active in the local community. Our employees volunteer as youth sports coaches, church leaders, and with other civic organizations. Our leaders hold leadership positions in many organizations including the Greater Bemidji economic development organization, Northwest Technical College Foundation and Business Advisory Councils, Eagle's Club, and Knights of

    Columbus, to name a few. Our company matches all employee contributions to local United Way chapters at 50%. Our company matches employee gifts to educational institutions of their choice at 100% up to $1,500 annually per employee. In addition, the PotlatchDeltic Mill annually donates $26,000 to a variety of organizations such as the Boys and Girls Clubs of Bemidji.

Electric Rates for the PotlatchDeltic Mill are Uncompetitive

11. One of the major challenges in the PotlatchDeltic Mill's operations is electric energy costs, which represent approximately **[TRADE SECRET DATA BEGINS... . . .TRADE SECRET DATA ENDS]** of the PotlatchDeltic Mill's cost of production. When the cost of wood is removed from the equation, electric energy costs represent **[TRADE SECRET DATA BEGINS... ...TRADE SECRET DATA ENDS]** of the cost of production.

12. The PotlatchDeltic Mill is serious about conserving electricity. Through Otter Tail Power's Conservation Improvement Program, the PotlatchDeltic Mill invested **[TRADE SECRET DATA BEGINS... ...TRADE SECRET DATA ENDS]** annually in our facility from 2021 - 2024, which included **[TRADE SECRET DATA BEGINS... ...TRADE SECRET DATA ENDS]** for conservation programs such as energy efficient motors, utilization of frequency drives to manage loads, roof replacement, efficient mini-split air conditioner system and utilizing independent professional audits on compressed air utilization and efficiency. The PotlatchDeltic Mill has been able to increase production by **[TRADE**

SECRET DATA BEGINS... ...TRADE SECRET DATA ENDS] while reducing our electricity consumption by **[TRADE SECRET DATA BEGINS... ...TRADE SECRET DATA ENDS].** Since 2020, our kWh per unit of lumber produced has dropped from **[TRADE SECRET DATA BEGINS...**

...TRADE SECRET DATA ENDS].

13. Because electric energy is a significant cost to our operations, it is important to compare our electric energy costs to our competitors in order to understand our overall competitiveness. Attached as Exhibit C to my affidavit is a true and correct copy of pertinent portions of a 2021 study on competitiveness of various lumber mills conducted by the Beck Group (the "Competitiveness Study"). The other stud mills in the study are located in Oregon, Washington, Colorado, California, and Canada.

14. Page 28 of the Competitiveness Study shows the various mills' average electrical power rate. To put the PotlatchDeltic Mill's rates in comparison, it was paying a rate of approximately **[TRADE SECRET DATA BEGINS...**

...TRADE SECRET DATA ENDS] in 2021, resulting in a ranking tied with mills **[TRADE SECRET DATA BEGINS... ...TRADE SECRET DATA ENDS]** out of 19 mills. Since the Competitiveness Study was completed, the PotlatchDeltic Mill's rates have benefitted from participating in EITE.

15. No more recent stud mill benchmark reports have been conducted since 2021. However, using company internal data as a proxy, the PotlatchDeltic Mill's rate in 2024, in the absence of participating in EITE, would have been **[TRADE SECRET DATA BEGINS... ...TRADE SECRET DATA ENDS].** That rate would have made the PotlatchDeltic Mill's rate **[TRADE SECRET DATA BEGINS...**

...TRADE SECRET DATA ENDS] out of PotlatchDeltic Corporation's six sawmills nationwide. Exhibit D is a chart from US Energy Information Administration which shows average retail industrial electricity rates by state from 2002 to 2019. The chart clearly shows that Minnesota's rate of growth in energy cost has outstripped most timber producing states and the nationwide price significantly since 2016.

The PotlatchDeltic Mill is Subject to Global Pressures

16. In addition to high electric rates, the PotlatchDeltic Mill faces intense competition from Canadian mills that have many advantages beyond the PotlatchDeltic Mill's control, including weaker Canadian currency, the absence of quotas, lower environmental standards, and subsidies from the Canadian government. Without quotas to protect the market, as well as the currency exchange imbalance, it is not unreasonable to expect that Canadian mills will continue to increase shipments of lumber into the US market as evidenced by the chart in Exhibit E which shows Canadian lumber producers have increased their share of production to the US from 41% to 57% over the last decade.

17. These pressures from the global market are real and have recently claimed several casualties: since October 2015, three mills in the Pacific Northwest included in the 2012 Competitiveness Study have ceased operations.

Consequences of Inaction are Significant

18. **[TRADE SECRET DATA BEGINS...**

... TRADE SECRET DATA ENDS].

19. There would be significant costs to the region and the State if the PotlatchDeltic Mill were to shut down, including lost jobs, decreased tax revenue, lower community investment, and diminished forest stewardship.

20. If the PotlatchDeltic Mill continues receiving a 20% rate reduction as a result of a new EITE tariff, it is reasonably likely that this discount would be one of the factors that will keep the PotlatchDeltic Mill viable.

NONPUBLIC DOCUMENT
CONTANS TRADE SECRET DATA

Consequences of Inaction are Significant

21. **[TRADE SECRET DATA BEGINS...**

.. TRADE SECRET DATA ENDS].

22. There would be significant costs to the region and the State if the PotlatchDeltic Mill were to shut down, including lost jobs, decreased tax revenue, lower community investment, and diminished forest stewardship.

23. If the PotlatchDeltic Mill continues receiving a 20% rate reduction as a result of a new EITE tariff, it is reasonably likely that this discount would be one of the factors that will keep the PotlatchDeltic Mill viable.

FURTHER YOUR AFFIANT SAYETH NOT.

Dated: April 9th, 2025

Signature: Andrew Craner
Andrew Craner, Lumbermill Manager
PotlatchDeltic Land & Lumber, LLC

Subscribed and sworn to before me
on this 9th day of April 2025.

Kelsey Boe
Notary Public
My commission expires: 01/31/2027.

KELSEY RAE BOE
Notary Public
State of Minnesota
My Commission Expires 01/31/2027

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MINNESOTA'S FOREST PRODUCTS INDUSTRY

REFERENCE GUIDE FOR FY 2023/24 BIENNIUM

MFI

MINNESOTA FOREST INDUSTRIES

MinnesotaForests.com

EXHIBIT A

GREETINGS, MINNESOTA LEGISLATORS!

Rick Horton

This publication is intended to serve as a desk reference as **you consider legislation and policy related to forest management** during the Fiscal Year 23/24 Biennium.

Our organization, **Minnesota Forest Industries (MFI), represents the state's large, primary wood-consuming mills.** Our goals are to provide solid data as you make decisions on issues that affect the forest products industry, to foster cooperation among all forest stakeholders and to educate citizens on forestry topics through public engagement.

From the paper used in national magazines and catalogs, to the lumber and oriented strand board used in government buildings and your own home, **the forest products industry's 68,000 employees make products you and all Minnesotans use every day.**

Please take a look at these pages to learn more **about Minnesota's fifth largest industry**, visit **www.MinnesotaForests.com** for further details or **call me any time** at the number below. Thank you for your interest.

Sincerely,

Rick Horton

Rick Horton

Executive Vice President
Minnesota Forest Industries
218-244-5207
rhorton@minnesotaforests.com

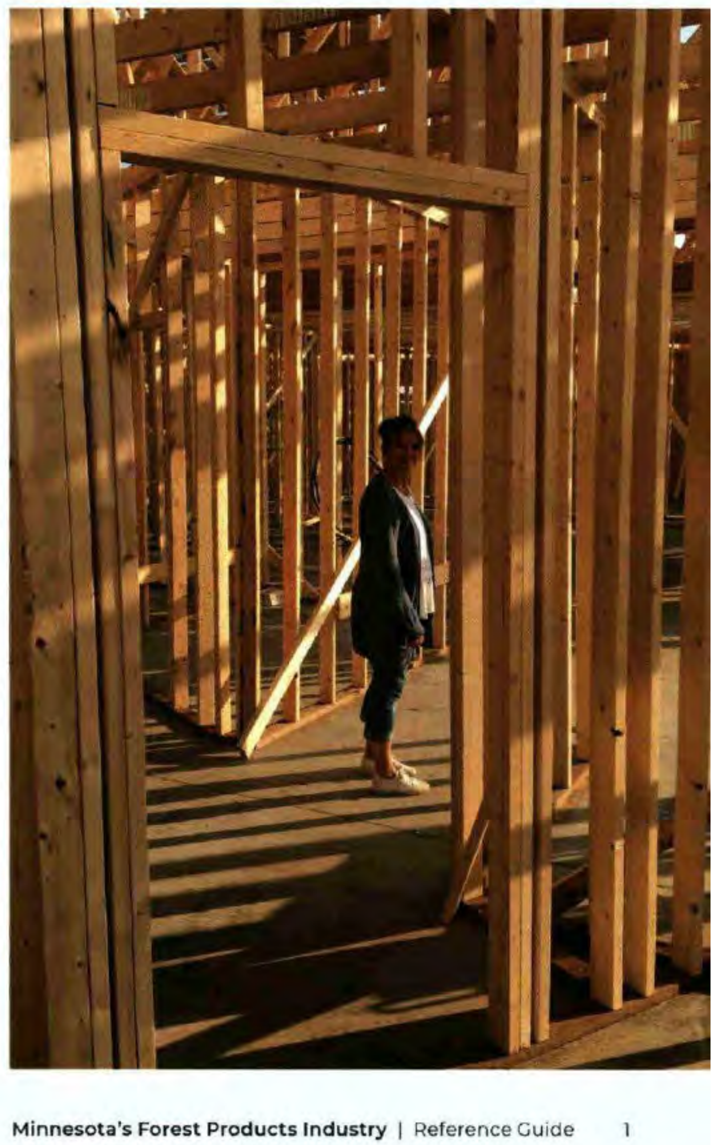


EXHIBIT A

This woman's shirt, as well as smartphone screens and other everyday products, are now made from Specialised Cellulose that comes from Minnesota trees!

TABLE OF CONTENTS

EXHIBIT A

ABOUT MFI

Minnesota Forest Industries (MFI) is an association representing the state's major forest products companies. MFI members encourage conservation, proper forest management and industry development that foster sound environmental stewardship, multiple use of timberlands and sustainable, long-term timber supplies.

For additional information, please log on to **www.MinnesotaForests.com**.

MFI MEMBERS & PRODUCTS

Bell Lumber & Pole Company, New Brighton

Wood utility poles, log home components and other products

Hedstrom Lumber Company, Grand Marais

Hardwood and softwood lumber, specialty pattern work

Louisiana Pacific Corporation, Two Harbors

SmartSide engineered wood siding

Packaging Corporation of America, International Falls

Boise Paper brand – communication, printing and converting grades

PotlatchDeltic, Bemidji

Dimensional Lumber

Sappi North America, Cloquet

Coated freesheet paper, packaging paper, Specialised Cellulose

Savanna Pallets, McGregor & Remer

Pallets, specialty crates, skids and other components

UPM-Blandin, Grand Rapids

Lightweight coated publication papers

West Fraser, Solway

Oriented Strand Board (OSB)

68,000 INDUSTRY JOBS

68,000 INDUSTRY JOBS

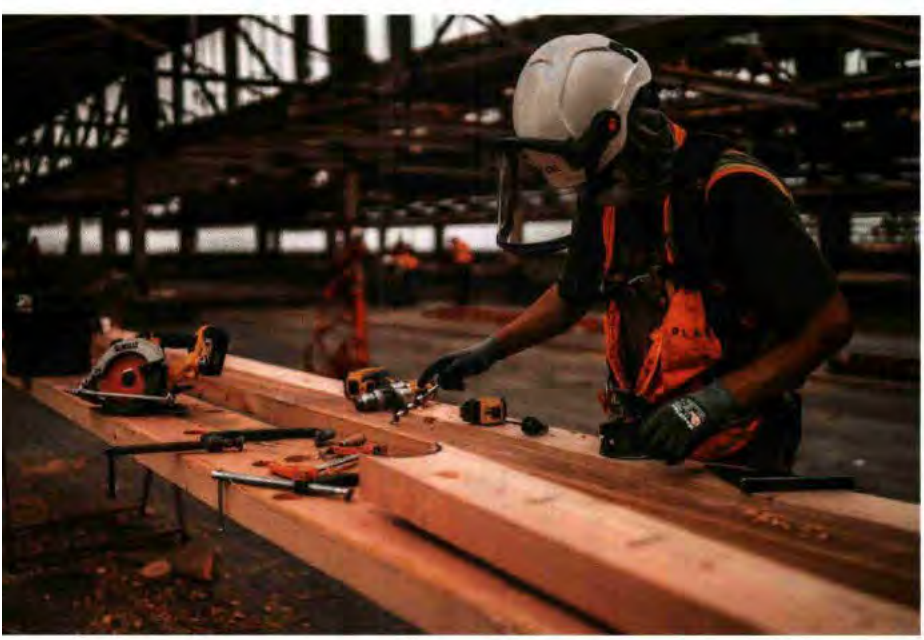
31,780
jobs in mills, woods and trucking

15,058
jobs in contractors, suppliers, etc.

21,117
jobs created by household spending

67,956 MINNESOTA JOBS RESULTING FROM A HEALTHY AND PRODUCTIVE FOREST PRODUCTS INDUSTRY!

Source: 2020 Economic Contribution Study of Minnesota Agriculture and Forestry



- The forest products industry is the 5th largest manufacturing sector in Minnesota by payroll employment.
- These jobs are primarily in small towns and rural areas and provide family-supporting income in counties with some of the highest poverty rates in Minnesota.

$9.9 BILLION ECONOMIC IMPACT

IMPORTANCE OF FOREST INDUSTRY

- $9.9 billion in direct industry sales, $7.3 billion in value added.
- Supports economically disadvantaged communities in rural northern Minnesota.
- Every job in a paper mill creates an additional 3.5 - 4.5 jobs, and every job in a sawmill or engineered wood product mill creates an additional 1.5 to 2 jobs.
- The industry generates nearly **$5 million in total state and local tax** payments.
- Timber Management in Minnesota generates millions of dollars **in income for landowners.** Many public entities rely upon this to fund education, taxpayer relief and other programs.
- From 2006-2021 State of Minnesota timber sale revenues **have averaged nearly $21.0 million annually.** Total State revenue from 2005-2021 was $356.8 million.

MFI LEGISLATIVE PRIORITIES – FY23/24 BIENNIUM

As Minnesota Legislators, you play an important role in helping the forest products industry meet the needs of a modern competitive environment. These are the priorities we wish to draw to your attention.

1. DNR FUNDING FOR...

- Reforestation, forest roads & bridges, and forest inventory through either bonding or budget appropriation.
- Tree nursery improvements and/or expansion, including improved seed collection practices.
- Private forest management, including additional private lands foresters, funding for Soil & Water Conservation Districts and other initiatives.

2. LEGISLATION TO...

- Increase some log truck load widths from 102" to 114" under permit to meet industry needs. No increase in log truck weights.
- Provide a 10-year state income tax holiday on timber payments received by non-industrial private landowners.

3. FUNDING AND POLICIES TO...

- Address industrial workforce shortages, especially truck driving and positions in rural Minnesota.
- Determine the impact of private forest carbon market programs upon fiber supplies, forest landowner rights and future forest conditions.
- Increase funding for the AGRI Bio Incentives Fund as a means to attract businesses to manufacture liquid transportation fuels and/or electricity generation using feedstock from underutilized woody biomass.

4. SUPPORT FOR...

- State energy policy that holds industrial electric rates at least five percent below the national average. Support decarbonization in a manner that maintains competitive electric rates. Maintain electric rate exemptions for energy-intensive industries.

HOW YOU AS A MINNESOTA LEGISLATOR CAN HELP

We thank you for your interest in maintaining **the strength of a major Minnesota industry.** Here are ways you can help make that happen.

- Support legislation that improves **sustainable and professional forest management** in Minnesota. The DNR needs funding for reforestation, growing seedlings, improving forest road infrastructure and providing assistance to private forest landowners.
- The industry needs **help remaining competitive in a global industry.** Help us increase our fiber supply, safely transport it to the mills, keep energy rates in check, recruit new workers, and provide rapid yet thorough environmental review and permitting processes.
- Recognize that we have come a long way in the past 25 years. We have **educated foresters and highly trained logging professionals** sustainably managing a renewable resource to meet a wide array of social, ecological and economic expectations of the public.
- Acknowledge that **current harvest levels are far below the minimum sustainable level** evaluated during the Generic Environmental Impact Statement (GEIS). Across the landscape we now have more forestland, more old forest, and more big trees than we had just 45 years ago.
- Question when you are told that forest management is "bad for wildlife." Every forest management action, including inaction, has positive and negative consequences for different suites of wildlife.
- Support the forest products industry! It is a huge economic engine for Minnesota – providing **good-paying jobs in rural communities.** It is also the vehicle that allows us to manage forests for multiple goals, from fire prevention, to addressing climate change, to maintaining biodiversity!

EXHIBIT A

OTHER POSITIVE IMPACTS

SCHOOL TRUST LANDS

- Established by U.S. Congress when new states joined the Union. Minnesota entered the Union in 1858.
- MN has nearly 2.5 million acres of School Trust Land, most in the 10 northern counties.
- 60% of School Trust Land is commercial forest land. School trust timber sales account for approximately 46% of all DNR timber revenues annually.
- Income earned from the School Trust Principal is distributed to schools. In FY2021 $37 million was distributed to public schools - $46/student.

- Revenue generated by School Trust Land timber harvest exceeded $14 million in FY19, a portion of this revenue is returned to the trust account.
- Opportunities to increase revenues from School Trust Lands is possible through improved forest management.

Source: Minnesota Office of School Trust Lands

COUNTY TAXPAYER RELIEF

- Minnesota counties manage over 2.8 million acres of forestland
- In 2019 Minnesota counties sold 658,036 cords of timber valued at approximately $16.4 million
- By statute, these funds pay for county timber program administration, then the proceeds are divided into:
  - Up to 30% for maintenance of Memorial Forests
  - Up to 20% for acquisition and maintenance of county parks
  - Remaining balance is apportioned to the taxing jurisdictions where the revenue was generated as follows:
    - 40% school district.
    - 40% county
    - 20% township, city, or unorganized township fund.

Source: Public Stumpage Review

CHALLENGES OF GLOBAL COMPETITION

The Minnesota Forest Resources Council has periodically commissioned **studies of our forest products industry's competitiveness compared to other comparable states.** They looked at wood fiber availability and cost, cost of energy, workforce development, environmental review and permitting, taxation and transportation. These factors contribute to decisions on mill investments and operations.

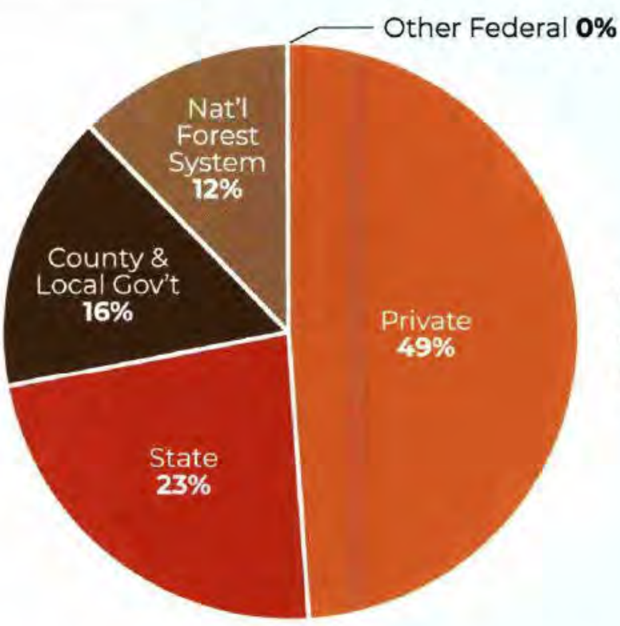
Minnesota Forest Resources Council

A detailed report may be accessed at **www.mn.gov/frc/reports.**

WOOD FIBER AVAILABILITY AND COST is a key factor for the industry. **We simply must have a sustainable supply of raw materials at a competitive rate.** Wood fiber cost is a large proportion of industry expense for all products. Supply uncertainties, "boom and bust" availability, and excessive pricing lead to problems. And, while we harvest 60% of our wood in winter, summer wood is critical to operations.

TIMBERLAND OWNERSHIP

15.8 MILLION ACRES TOTAL

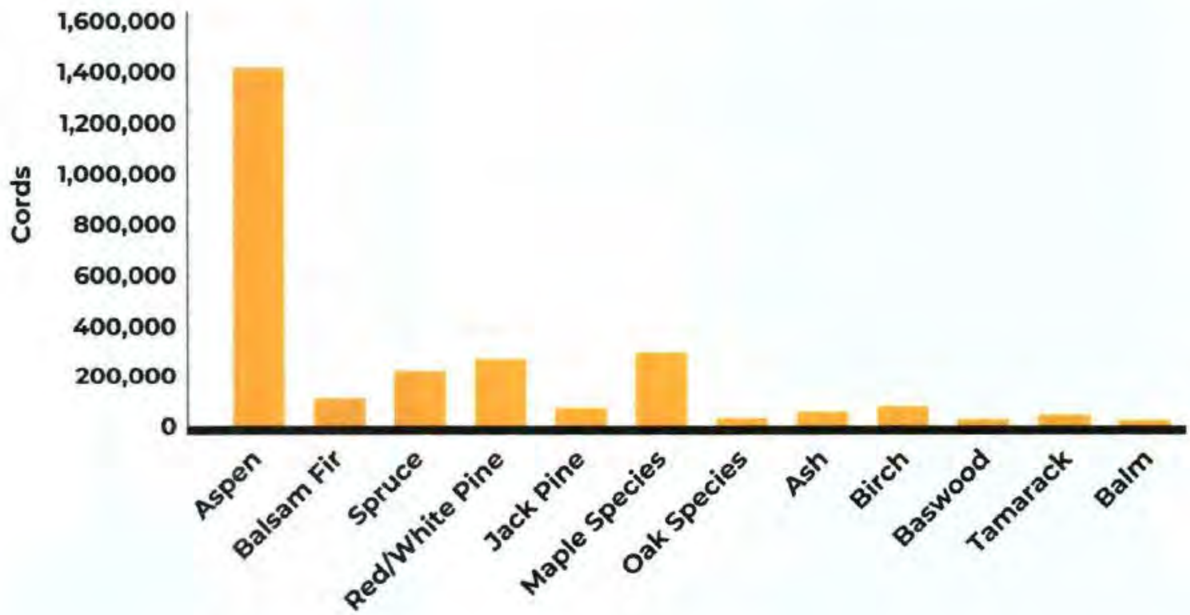


51% Public
42% Family Forests
7% Industry, REIT, TIMO

Source: MN DNR Forest Resources Report, 2019

COST OF INDUSTRIAL ELECTRIC ENERGY is higher in Minnesota than in all other competing states. While we self-generate 47.3% of our needs using renewable sources, we still purchase over 600,000 Mwh of electricity annually. Minnesota has a policy of holding industrial energy rates 5% below the national average, but has never met that standard.

MFI MEMBER WOOD USE BY SPECIES 2020



WORKFORCE DEVELOPMENT is crippling every industry right now. In our case it threatens our very survival. We need mill workers, logging equipment operators and log truck drivers. We need industry-focused, specialized training programs. **Attracting workers to small towns in northern Minnesota is difficult** and is exacerbated by a lack of affordable housing and daycare.

ENVIRONMENTAL REVIEW AND PERMITTING takes too long, creates uncertainty and is too expensive in Minnesota. There are many instances where businesses opted to develop in surrounding states due to this issue. We must have reforms that give prospective businesses firm timelines and reasonable costs, while protecting the environment.

TAXATION – While Minnesota is better than foreign competitors, the Minnesota Chamber's 2023 Business Benchmarks report includes a projection that **our corporate tax rate is set to be the nation's highest by 2024.**

EXHIBIT A

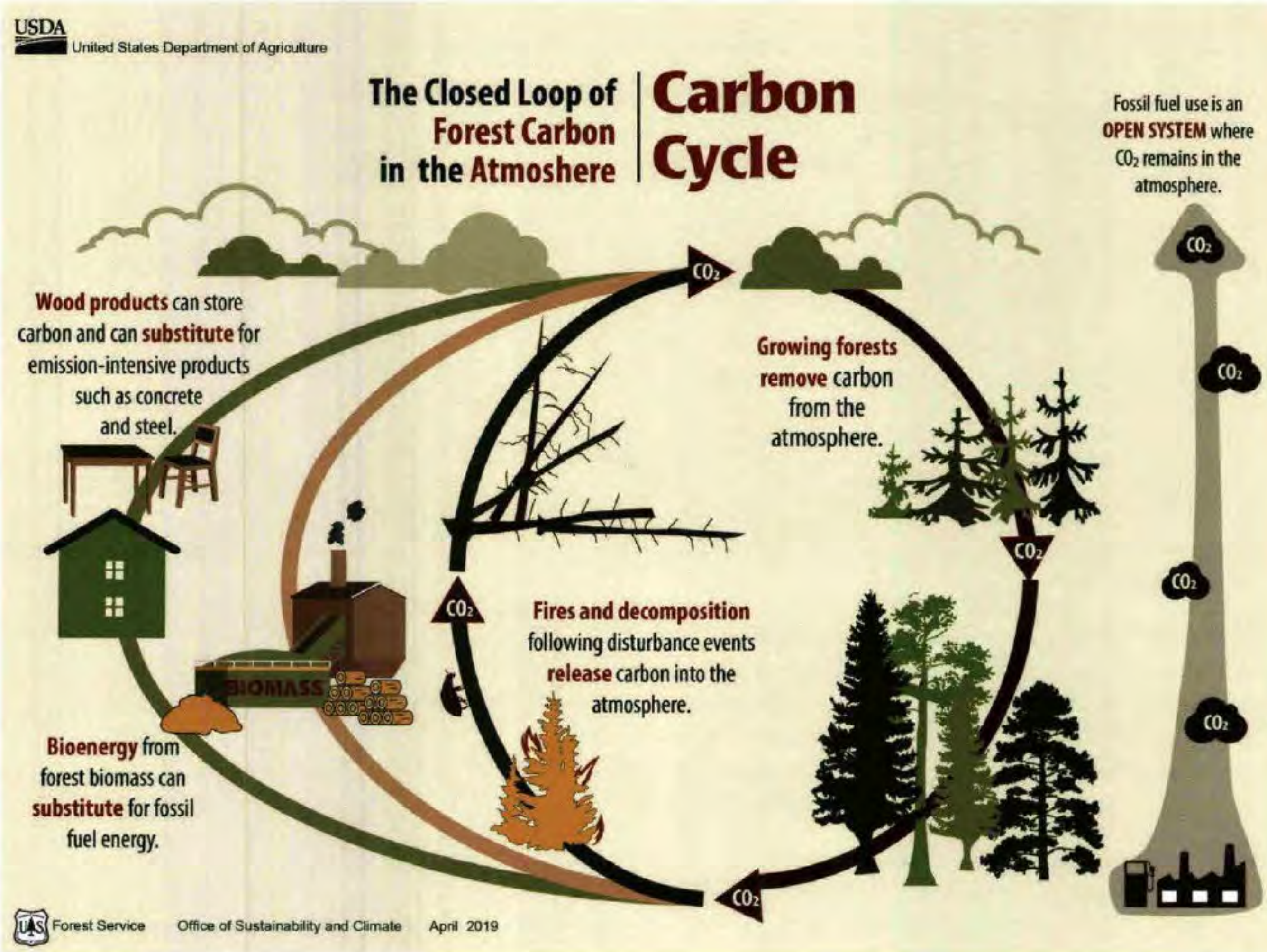
TRANSPORTATION distances of raw materials is **farther in Minnesota than in competing states** because there are fewer mills here. And due to raw material supplies, we often have to truck wood in from surrounding states and provinces. (Yes, we are a net importer of wood.)

When we aren't competitive, we lose out on opportunities for good paying jobs in rural northern Minnesota. Decisions are often made far from Minnesota about which facilities will locate here, which will see improvements, which will change hands, and which will close down. In the past 20 years we have had 14 significant mill closures and scaled back operations in the state that cost 2,558 direct jobs and as many indirect and induced positions.

But we also lose the ability to properly manage the forest. For example, when Verso Duluth closed in 2020, we lost the market for most of the highly flammable balsam fir and spruce in the northeast. It should not have been a surprise when the Greenwood fire broke out the following summer.

FORESTS & CLIMATE CHANGE

Forests are part of the solution to climate change! Trees absorb atmospheric CO2, split it during photosynthesis and release the oxygen back into the air. The carbon is used to make wood. It will remain in the tree until it burns or decomposes and is released back into the air.



When a tree is cut down and made into products the carbon is locked up for the life of those products. This can be just a few years for paper products, or longer if it is recycled. Or it can be hundreds of years for building materials or furniture. And **using wood instead of fossil fuel-derived materials prevents fossil carbon from being released.**

MINNESOTA CARBON FACTS:

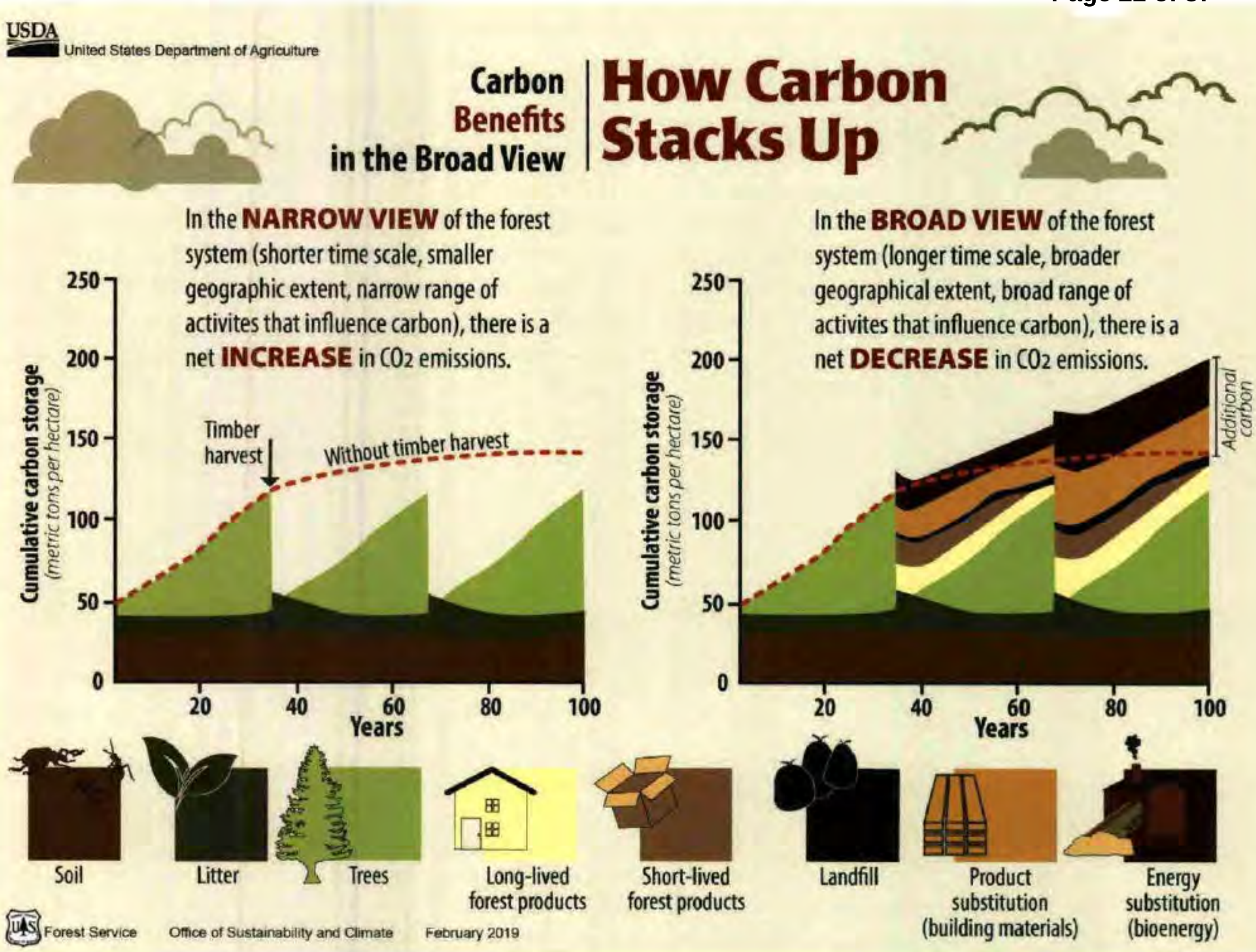
FORESTS REMOVE **14%** OF ALL ANNUAL CO2 EMISSIONS IN THE STATE.	FORESTS STORE THE EQUIVALENT OF **50 YEARS** OF ALL CO2 EMISSIONS PRODUCED IN THE STATE.	MINNESOTA FOREST CARBON STOCKS HAVE INCREASED BY **8%** FROM 1990 TO 2019.	AVERAGE CARBON DENSITY IN ABOVE GROUND TREES ACROSS MINNESOTA FORESTS IS **15.5** US TONS PER ACRE.

There are some who advocate for no tree cutting in the name of climate change. They contend that the best thing we can do is store carbon on the stump. There are problems with that simplistic view. **Trees release carbon when they die from fire, wind, disease, insects and old age.** Recent California fires released more carbon than all of that year's man-made sources combined! Also, old forests absorb carbon at a much lower rate than young forests.

WE LOOK AT THE BIG PICTURE AND HOW WE CAN USE THE FULL FOREST CARBON CYCLE TO MAXIMIZE FORESTS' ABILITY TO REDUCE ATMOSPHERIC CARBON.

- Plant trees in urban areas and unforested areas not used for agriculture.
- Make sure existing forests are fully stocked with trees.
- Harvest old forests at least when stand growth begins to decline and put them in a young condition.
- Maximize growth rates of young forests by ensuring they have the best mix of sunlight and nutrients for the species.
- Routinely thin growing stands before the canopy closes to the degree that it slows growth.
- Use harvested trees and tree parts to make products. Track the carbon stored in products.
- Use wood instead of fossil fuel-derived or intensive products like plastics, concrete, steel and liquid fuels. Account for those carbon benefits.
- At end-of-useful-life wood products should be burned for energy production if possible, or landfilled in a way that minimizes carbon release.

EXHIBIT A



Carbon Markets can help address climate change, but we need to fully understand their potential tradeoffs. There are two primary types of carbon markets – regulatory and voluntary.

Regulatory Markets involve "Cap-and-trade", where a carbon emitter purchases an amount of annual emissions allowances (a cap). If they release carbon below the cap, they can sell the remaining allowances. But if they release above the cap, must purchase carbon allowances from elsewhere. These are for large landowners and are highly regulated.

Voluntary markets are where companies can offset their carbon emissions by voluntarily buying carbon credits. These are better for small forest landowners, but are less regulated and less verified.

Most forest carbon credits are generated by delaying carbon emissions by **paying landowners to not cut trees** for a specified period. The industry feels that this ignores the fact that post-harvest carbon is stored in durable products and substitutes for higher carbon-emitting products, and the resulting young forest absorbs carbon at a much higher rate.

Tradeoffs that must be considered include the economic implications of restricting wood fiber availability to existing industries, as well as lost income for private landowners. What are the impacts to landowners when the land changes hands and land values are lower due to harvest restrictions? How will these market pressures change future forest ecosystems? What are the implications of large companies purchasing forestland to manage solely for carbon?

HISTORY OF FORESTS & COLLABORATION

Minnesota's forests are legendary. While the forests were diverse, early visitors reported veritable seas of huge pine trees in some areas. Other areas showed evidence of huge fires and the resulting young and disturbance-dependent forests.

Logging began when **the first sawmill was built in 1839**, grew throughout the century, peaked in 1900 and was essentially over by 1929. There was no thought of conservation during this time – logging was all about meeting the needs of a burgeoning country. The Moose Lake and Hinckley fires put an exclamation mark on nearly a century of rabid consumption and are etched on Minnesota's collective memory.

The forest that grew back was made up of sun-loving, fast growing pioneer trees – oaks, birch, aspen and jack pine. Some of this was cut for pulp for paper mills, but it was small scale and close to mills and roads. The rest grew up until it shaded out the forest floor, leaving nothing to eat for wildlife like deer.

Winters here have always been harsh, but in the late 1960s back-to-back killing winters, coupled with the lack of available forage, decimated deer populations to the degree that they closed the deer season in 1971. Foresters and wildlife managers alike concluded that the state needed to attract more industry to the state so they could create a more balanced forest with young age classes.

The industry responded by building new paper mills and mills that glued wood chips into durable panels called oriented strand board. Harvesting ramped up to about 4 million cords annually over the next 20 years, and deer numbers rapidly recovered.

But some became concerned about whether or not the pace was sustainable. So, the state commissioned a reputable outside firm to conduct a Generic Environmental Impact Statement Study on Timber Harvesting and Forest Management in Minnesota (GEIS), released in 1994. The comprehensive GEIS explored environmental, economic and social impacts of current and future timber harvest levels and offered mitigation strategies for potential adverse impacts.

It found that the **sustainable level of harvest was 5.5 million cords per year**. But due to changes in global economics we never exceeded 4.1 million cords, and currently harvest around 2.8 million annually.

Nonetheless, the State Legislature incorporated many of the GEIS recommendations into the Sustainable Forest Resources Act (SFRA) of 1995.

CHIEF RECOMMENDATIONS OF MINNESOTA'S 1995 SUSTAINABLE FOREST RESOURCES ACT

- Formation of the 17-member **Minnesota Forest Resources Council** dedicated to providing recommendations to the Governor and Legislature on forest policy.

  For over 25 years, the Council has played an integral role in depoliticizing complex forest issues and helping Minnesota's citizens, lawmakers and forest professionals make sound decisions regarding the stewardship of public and private forest lands. The Council acts as a catalyst for new landscape-level cooperative models and champions long-term ecosystem integrity.

- Formation of the **Minnesota Forest Resources Partnership**, made up of the large landowning entities in the state.

- Development of **Timber Harvesting and Forest Management Guidelines** designed to protect ecological, cultural and social elements during timber harvesting. Annual monitoring to ensure compliance.

- Establishing a framework of **Landscape-Level Forest Resource** planning and coordination.

- Encouraging timber harvesters and forest resource professionals to maintain **continuing education programs** that promote sustainable forest management.

In the late 1990s consumers of forest products also sought confirmation that they were sourcing raw materials from **sustainably managed forests.** Two forest certification bodies emerged: the Sustainable Forestry Initiative and the Forest Stewardship Council. They set standards for forest management and fiber procurement to **ensure resources are protected** and are acquired from lands managed sustainably.

SUSTAINABLE FORESTRY INITIATIVE MINNESOTA
SFI-01129

FSC®

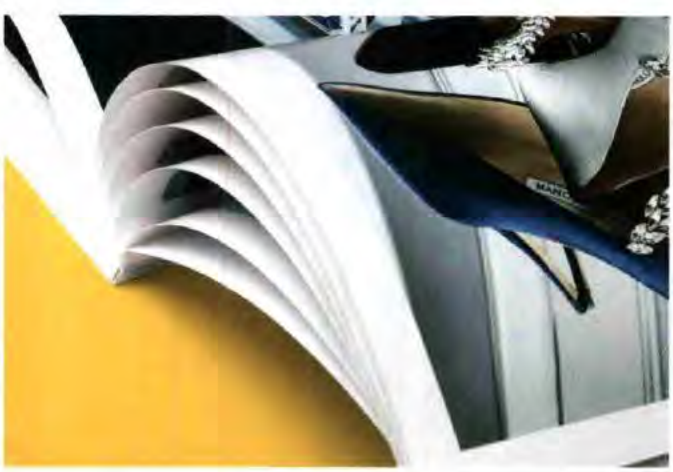
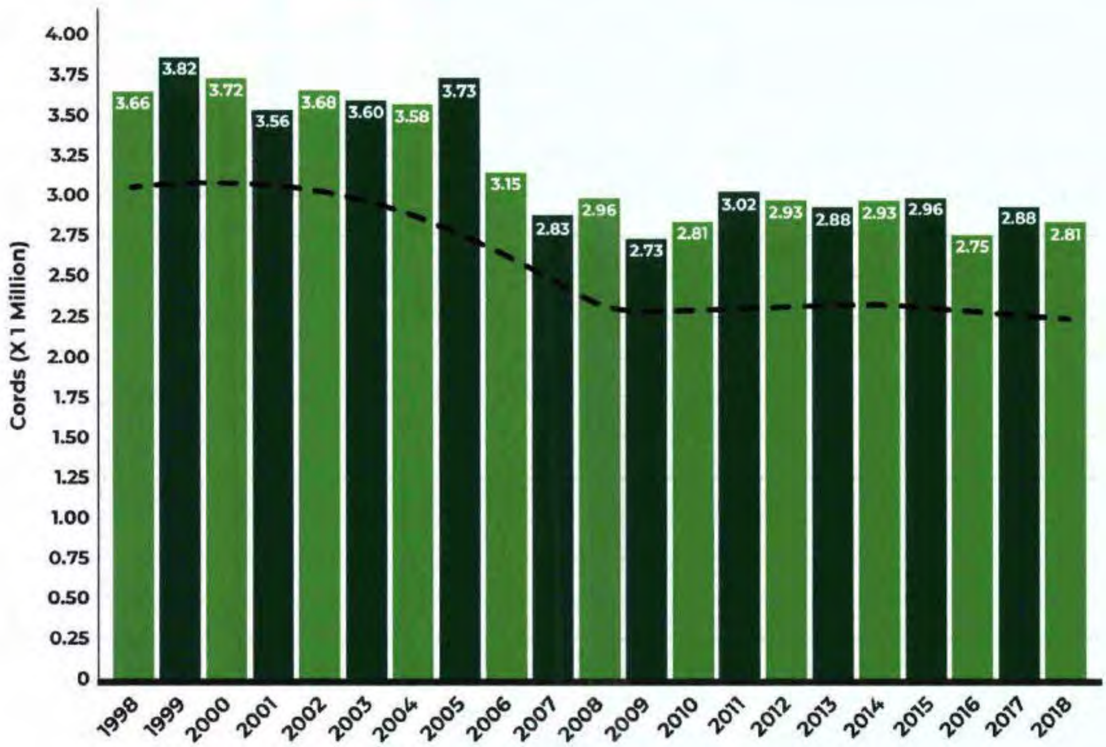


EXHIBIT A

Certified organizations are routinely third-party audited to ensure compliance with the Standards. **Minnesota was an early adopter of forest certification and has the second-most certified land in the country.** All state lands and most county forestlands are certified to one or both standards, and most of the large mills are also certified.

TOTAL ROUND WOOD HARVEST FROM MINNESOTA TIMBERLANDS (1988-2018)



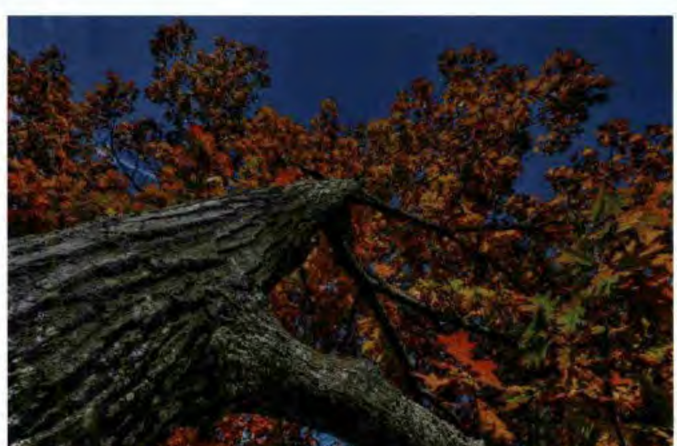


EXHIBIT A

MODERN ADVANCES AND NEW PRODUCTS FROM THE FOREST

Forest management in Minnesota has come a long way since the days of lumberjacks and log drives. **Mechanization and modern technology** mean fewer machines on a site and more efficient use of the resource. Forest Management Guidelines are in place to protect water resources, soil health, cultural sites, wildlife habitat, biodiversity and overall forest health.

Loggers undergo annual training on following the guidelines and performing their tasks safely. Forest management planning at the site and landscape scale ensure that what occurs in the woods is sustainable for future generations. All of these elements contribute to the industry's "social license" to do business. Citizens of the state can be assured that **our forests are in good hands, now and into the future.**

Today the forest products industry makes writing paper, siding, construction lumber, pallets, telephone poles and oriented strand board. We also make a pulp product that is spun into textiles to make clothing and linens!

In the future we expect that forest products will include substitutes for plastic, mass timber for large buildings, biochemicals, biofuels and many more products! We will also increasingly be managing our forests to increase the rate that they absorb and store carbon in our ongoing effort to combat climate change.

CONDITION OF TODAY'S FORESTS

Minnesota's forests have always been dynamic and with a high level of disturbance. They change as a result of a continuous cycle of growth, death and regeneration. We sit at the confluence of the boreal forests of the north, the deciduous forests of the east and the prairies of the west. Those boundaries have shifted for millennia.

Disturbance creates diversity. Windstorms and fires kill older trees and sun-loving pioneer trees move in. The resulting matrix of different types of forest in different ages creates a diversity of habitat for wildlife. Suites of species have adapted that require these varied forest types.

Therefore, everything that's done in the forest, including doing nothing at all, benefits some species and is detrimental to others. It's about balance.

We can no longer allow wildfires to shape our forested landscapes. The risk to human life, structures and livelihoods is too great. Now we create young forest habitat through active forestry. Logging can mimic the effects of windstorms, medium intensity fires and high intensity fires. Forest science now tailors those applications to the appropriate soil types and historic disturbance regimes.

EXHIBIT A

MINNESOTA HAS GAINED

2.15 MILLION

ACRES OF TIMBERLAND IN **45 YEARS.**

WE HAVE

19 MILLION

MORE LARGE TREES (>19" DIAMETER) THAN **45 YEARS AGO.**

WE HAVE

2.75 MILLION

MORE ACRES OF FOREST OVER **80 YEARS OLD** THAN WE DID IN 1977.

MINNESOTA HARVESTS ONLY

30%

OF THE ANNUAL GROWTH OF OUR FORESTS.

41%

MORE TREES DIE OF NATURAL CAUSES THAN ARE HARVESTED ANNUALLY.

Our forests do face major threats. Holding trees well beyond their natural life exposes them to insects, diseases and windthrow. And they are also far less resilient to the vagaries of climate change. Predictions are that Minnesota will face more extreme storm events, more intensive rainstorms, longer drought, and shorter winters in the future. Healthy trees are better equipped to withstand these conditions than overmature ones.

Thank you

for your interest
in Minnesota's forest
products industry!

EXHIBIT A

EXHIBIT B

report Dated ~~8/3/22~~ 8/3/22

The following tables were produced using Microsoft Access reporting tools.

2021 All Public Agencies Average Sold Prices Summary

All Agencies — Reporting Period: Multiple — Reporting Basis: Multiple

	Sawtimber		Pulp and Bolts		Pulpwood		Fuelwood		Biomass	
Species Name	MBF	Avg Price	Cords	Avg Price	Cords	Avg Price	Cords	Avg Price	Tons	Avg Price
Aspen	0.0	$0.00	0.0	$0.00	858,809.8	$30.73	5.0	$2.50	0.0	$0.00
Balm of Gilead	0.0	$0.00	25.0	$42.60	33,346.2	$26.25	0.0	$0.00	0.0	$0.00
Birch Species	17.9	$80.54	31,380.9	$17.28	39,334.8	$8.82	181.1	$2.81	0.0	$0.00
Ash Species	10.9	$89.96	24,128.6	$10.32	20,345.3	$6.75	63.9	$3.38	0.0	$0.00
Elm Species	2.8	$43.99	5.7	$15.00	187.2	$7.74	0.0	$0.00	0.0	$0.00
Oak Species	544.1	$108.64	39,930.8	$29.63	5,436.4	$15.02	350.2	$3.63	0.0	$0.00
Basswood	459.1	$76.32	23,366.8	$12.89	3,623.0	$7.67	86.4	$4.15	0.0	$0.00
Mixed/Other Hdwds	7.4	$72.59	22,627.0	$16.13	13,489.0	$8.90	512.9	$4.41	0.0	$0.00
Balsam fir	0.0	$0.00	14,892.7	$12.03	40,092.2	$6.68	129.4	$1.28	0.0	$0.00
White Spruce	58.0	$96.89	22,425.1	$19.62	10,759.8	$13.22	116.6	$2.00	0.0	$0.00
Black Spruce	0.0	$0.00	1,676.5	$28.23	77,726.8	$17.38	21.6	$2.50	0.0	$0.00
Tamarack	0.0	$0.00	7,423.7	$7.27	36,911.2	$5.94	4,055.1	$2.03	0.0	$0.00
White Cedar	0.0	$0.00	1,055.2	$10.77	6,124.9	$5.39	0.0	$0.00	0.0	$0.00
Jack Pine	4,326.0	$103.91	33,358.2	$24.78	2,051.6	$7.51	508.2	$2.43	0.0	$0.00
160,716.1 Red Pine	28,619.9	$149.11	116,747.5	$39.81	13,522.6	$9.52	1,826.1	$1.62	0.0	$0.00
White Pine	818.9	$109.09	4,855.6	$33.24	24.8	$5.99	0.0	$0.00	0.0	$0.00
Maple Species	82.8	$110.28	18,661.4	$16.22	35,330.0	$9.96	0.0	$0.00	0.0	$0.00
Mixed Species	0.0	$0.00	691.0	$8.68	4,547.3	$2.89	196.0	$1.98	18,141.2	$0.80
All Agencies All Species	**34,947.8**	**$140.73**	**363,251.7**	**$25.65**	**1,201,662.9**	**$25.39**	**8,052.5**	**$2.22**	**18,141.2**	**$0.80**

EXHIBIT C

[PROTECTED DATA BEGINS...

...PROTECTED DATA ENDS]

EXHIBIT D

Average retail price of electricity
Sun Feb 23 2025 22:37:37 GMT-0600 (Central Standard Time)
Source: U.S. Energy Information Administration

description	units	source key	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Average retail price of electricity	cents per kilowatthour												
All sectors		ELEC.PRICE.US-ALL.A											
Industrial	cents per kilowatthour	ELEC.PRICE.US-IND.A											
Industrial : United States	cents per kilowatthour	ELEC.PRICE.US-IND.A	5.05	4.88	5.11	5.25	5.73	6.16	6.39	6.96	6.83	6.77	6.82
Industrial : New England	cents per kilowatthour	ELEC.PRICE.NEW-IND.A	8.48	8.02	8.34	8.22	9.1	11.58	12.74	13.47	13.44	12.98	12.55
Industrial : Connecticut	cents per kilowatthour	ELEC.PRICE.CT-IND.A	7.62	7.68	7.99	7.89	9.4	11.71	12.92	14.93	14.99	14.51	13.24
Industrial : Maine	cents per kilowatthour	ELEC.PRICE.ME-IND.A	7.15	7.05	6.35	6.56	7.28	8.83	14.11	11.56	10.03	9.17	8.88
Industrial : Massachusetts	cents per kilowatthour	ELEC.PRICE.MA-IND.A	9.37	8.34	8.93	8.48	9.22	13.04	13.03	14.14	14.07	13.71	13.38
Industrial : New Hampshire	cents per kilowatthour	ELEC.PRICE.NH-IND.A	9.11	9.09	9.75	10.01	11.48	11.62	12.27	13.13	13.73	12.76	12.27
Industrial : Rhode Island	cents per kilowatthour	ELEC.PRICE.RI-IND.A	9.36	7.96	8.88	9.37	10.01	12.51	12.04	14.23	12.22	11.83	11.27
Industrial : Vermont	cents per kilowatthour	ELEC.PRICE.VT-IND.A	7.89	7.9	8.05	7.96	7.77	8.33	8.92	9.19	9.21	9.53	9.83
Industrial : Middle Atlantic	cents per kilowatthour	ELEC.PRICE.MAT-IND.A	6.08	5.89	6.49	6.62	7.29	7.77	7.78	8.3	8.04	8.4	8.17
Industrial : New Jersey	cents per kilowatthour	ELEC.PRICE.NJ-IND.A	8.33	7.72	7.99	9.03	9.76	10.42	10.08	12.54	11.89	11.81	11.43
Industrial : New York	cents per kilowatthour	ELEC.PRICE.NY-IND.A	5.56	5.18	7.14	7.04	8.23	9.39	8.71	9.39	8.37	8.79	7.83
Industrial : Pennsylvania	cents per kilowatthour	ELEC.PRICE.PA-IND.A	5.76	5.83	5.8	5.87	6.29	6.63	6.87	7.03	7.21	7.66	7.73
Industrial : East North Central	cents per kilowatthour	ELEC.PRICE.ENC-IND.A	4.46	4.63	4.63	4.68	4.91	5.36	5.9	6.39	6.61	6.53	6.53
Industrial : Illinois	cents per kilowatthour	ELEC.PRICE.IL-IND.A	4.65	4.89	4.86	4.65	4.61	4.69	6.61	7.34	7.01	6.82	6.42
Industrial : Indiana	cents per kilowatthour	ELEC.PRICE.IN-IND.A	4.11	3.95	3.92	4.13	4.42	4.95	4.89	5.46	5.81	5.87	6.17
Industrial : Michigan	cents per kilowatthour	ELEC.PRICE.MI-IND.A	5.08	5.02	4.96	4.92	5.32	6.05	6.47	6.73	6.98	7.08	7.32
Industrial : Ohio	cents per kilowatthour	ELEC.PRICE.OH-IND.A	4.27	4.87	4.79	4.89	5.1	5.61	5.76	6.2	6.72	6.4	6.12
Industrial : Wisconsin	cents per kilowatthour	ELEC.PRICE.WI-IND.A	4.36	4.43	4.71	4.93	5.39	5.85	6.16	6.51	6.73	6.85	7.33
Industrial : West North Central	cents per kilowatthour	ELEC.PRICE.WNC-IND.A	4.28	4.19	4.34	4.51	4.71	4.94	5.08	5.32	5.72	5.86	6.08
Industrial : Iowa	cents per kilowatthour	ELEC.PRICE.IA-IND.A	4.18	4.06	4.16	4.33	4.56	4.92	4.74	4.81	5.27	5.36	5.21
Industrial : Kansas	cents per kilowatthour	ELEC.PRICE.KS-IND.A	4.55	4.53	4.61	4.69	4.85	5.2	5.13	5.69	6.1	6.23	6.71
Industrial : Minnesota	cents per kilowatthour	ELEC.PRICE.MN-IND.A	4.34	4.07	4.36	4.63	5.02	5.29	5.69	5.87	6.26	6.29	6.47
Industrial : Missouri	cents per kilowatthour	ELEC.PRICE.MO-IND.A	4.39	4.42	4.49	4.62	4.54	4.58	4.76	4.92	5.42	5.5	5.85
Industrial : Nebraska	cents per kilowatthour	ELEC.PRICE.NE-IND.A	3.76	3.89	4.18	4.28	4.43	4.56	4.78	5.16	5.75	6	6.43
Industrial : North Dakota	cents per kilowatthour	ELEC.PRICE.ND-IND.A	3.98	3.98	3.96	4.13	4.32	5	5.24	5.59	5.25	5.81	6.24
Industrial : South Dakota	cents per kilowatthour	ELEC.PRICE.SD-IND.A	4.46	4.54	4.51	4.59	4.95	4.84	5.09	5.31	5.65	6.07	6.2
Industrial : South Atlantic	cents per kilowatthour	ELEC.PRICE.SAT-IND.A	4.34	4.25	4.47	4.78	5.3	5.45	5.67	6.28	6.69	6.66	6.66
Industrial : Delaware	cents per kilowatthour	ELEC.PRICE.DE-IND.A	4.81	4.85	5.15	6.06	6.21	7.67	8.93	10.49	9.51	9.57	8.91
Industrial : District Of Columbia	cents per kilowatthour	ELEC.PRICE.DC-IND.A	4.81	4.95	5.57	4.74	14.13	17.43	9.32	10.65	8.38	7.74	6.89
Industrial : Florida	cents per kilowatthour	ELEC.PRICE.FL-IND.A	5.18	5.23	5.41	5.84	6.46	7.71	7.76	8.25	9.32	8.85	8.55
Industrial : Georgia	cents per kilowatthour	ELEC.PRICE.GA-IND.A	4.28	3.95	4.02	4.43	5.28	5.38	5.53	6.67	6.12	6.22	6.6
Industrial : Maryland	cents per kilowatthour	ELEC.PRICE.MD-IND.A	4.37	4.01	4.89	5.99	7.01	8.14	9.41	10.38	9.96	9.58	8.76
Industrial : North Carolina	cents per kilowatthour	ELEC.PRICE.NC-IND.A	4.61	4.7	4.79	4.88	5.04	5.23	5.47	5.54	5.99	6.17	6.01
Industrial : South Carolina	cents per kilowatthour	ELEC.PRICE.SC-IND.A	3.86	3.85	4	4.13	4.55	4.71	4.83	5.37	5.79	5.74	5.94
Industrial : Virginia	cents per kilowatthour	ELEC.PRICE.VA-IND.A	4.16	4.13	4.23	4.27	4.46	4.69	5.07	5.82	6.91	6.66	6.49
Industrial : West Virginia	cents per kilowatthour	ELEC.PRICE.WV-IND.A	3.74	3.81	3.81	3.83	3.85	3.71	3.95	4.2	5.24	5.86	6.18
Industrial : East South Central	cents per kilowatthour	ELEC.PRICE.ESC-IND.A	3.69	3.71	3.86	4.04	4.37	4.81	5.04	5.75	5.83	5.83	6.19
Industrial : Alabama	cents per kilowatthour	ELEC.PRICE.AL-IND.A	3.79	3.82	3.98	4.15	4.52	4.9	5.27	6.11	5.96	6.01	6.25

EXHIBIT D

Average retail price of electricity
Sun Feb 23 2025 22:37:37 GMT-0600 (Central Standard Time)
Source: U.S. Energy Information Administration

description	units	source key	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Average retail price of electricity	cents per kilowatthour												
Industrial : Kentucky	cents per kilowatthour	ELEC.PRICE.KY-IND.A	3.04	3.09	3.21	3.34	3.6	4.05	4.47	4.82	4.92	5.05	5.33
Industrial : Mississippi	cents per kilowatthour	ELEC.PRICE.MS-IND.A	4.4	4.4	4.48	4.83	5.37	5.94	5.75	6.56	6.61	6.32	6.53
Industrial : Tennessee	cents per kilowatthour	ELEC.PRICE.TN-IND.A	4.05	4.15	4.29	4.46	4.73	5.17	5.19	6.29	6.76	6.58	7.23
Industrial : West South Central	cents per kilowatthour	ELEC.PRICE.WSC-IND.A	5.15	4.48	5.14	5.58	6.6	7.17	7.14	8.08	6.21	6.12	6
Industrial : Arkansas	cents per kilowatthour	ELEC.PRICE.AR-IND.A	4.43	4.01	4.04	4.16	4.74	5.24	5.25	5.89	5.76	5.44	5.63
Industrial : Louisiana	cents per kilowatthour	ELEC.PRICE.LA-IND.A	5.58	4.42	5.57	5.82	6.71	6.87	6.77	7.94	5.25	5.84	5.69
Industrial : Oklahoma	cents per kilowatthour	ELEC.PRICE.OK-IND.A	4.29	3.81	4.59	4.76	5.11	5.46	5.41	5.9	4.82	5.35	5.46
Industrial : Texas	cents per kilowatthour	ELEC.PRICE.TX-IND.A	5.27	4.66	5.27	5.87	7.14	7.82	7.79	8.79	6.74	6.44	6.24
Industrial : Mountain	cents per kilowatthour	ELEC.PRICE.MTN-IND.A	4.84	4.86	5.01	5.05	5.46	5.51	5.68	6.05	6.09	6.13	6.08
Industrial : Arizona	cents per kilowatthour	ELEC.PRICE.AZ-IND.A	5.24	5.2	5.37	5.35	5.85	5.69	6.05	6.57	6.65	6.63	6.55
Industrial : Colorado	cents per kilowatthour	ELEC.PRICE.CO-IND.A	4.48	4.52	5.1	5.11	5.74	5.88	5.97	6.65	6.39	6.9	7.06
Industrial : Idaho	cents per kilowatthour	ELEC.PRICE.ID-IND.A	3.71	4.34	4.16	3.82	3.91	3.61	3.87	4.48	5.17	5.15	5.1
Industrial : Montana	cents per kilowatthour	ELEC.PRICE.MT-IND.A	6.59	3.71	4.03	4.15	4.83	5.12	5.16	5.9	5.46	5.55	5.27
Industrial : Nevada	cents per kilowatthour	ELEC.PRICE.NV-IND.A	6.56	7.25	7.3	7.24	7.71	8.03	8.28	7.98	7.97	7.37	6.65
Industrial : New Mexico	cents per kilowatthour	ELEC.PRICE.NM-IND.A	5.45	4.48	4.95	5.22	5.61	5.57	5.6	6.38	5.72	6.01	6.06
Industrial : Utah	cents per kilowatthour	ELEC.PRICE.UT-IND.A	3.53	3.84	3.79	4.01	4.24	4.21	4.52	4.59	4.81	4.93	5.1
Industrial : Wyoming	cents per kilowatthour	ELEC.PRICE.WY-IND.A	3.43	3.55	3.65	3.91	3.99	4.04	4.1	4.47	4.83	4.98	5.41
Industrial : Pacific Contiguous	cents per kilowatthour	ELEC.PRICE.PCC-IND.A	7.64	7.97	7.75	7.35	7.47	7.85	7.89	7.97	8.01	7.47	7.62
Industrial : California	cents per kilowatthour	ELEC.PRICE.CA-IND.A	9.23	9.81	9.59	9.27	9.55	10.09	9.98	10.09	10.42	9.8	10.11
Industrial : Oregon	cents per kilowatthour	ELEC.PRICE.OR-IND.A	4.21	4.72	4.63	4.43	4.83	4.85	5.06	5.26	5.4	5.4	5.47
Industrial : Washington	cents per kilowatthour	ELEC.PRICE.WA-IND.A	4.75	4.88	4.76	4.28	4.27	4.44	4.57	4.52	4.4	4.08	4.09
Industrial : Pacific Noncontiguous	cents per kilowatthour	ELEC.PRICE.PCN-IND.A	10.78	10.26	11.23	12.23	14.31	16.41	16.86	22.95	16.83	19.88	25.02
Industrial : Alaska	cents per kilowatthour	ELEC.PRICE.AK-IND.A	7.61	7.65	7.86	8.33	9.29	11.54	12.63	14.17	13.15	14.14	15.71
Industrial : Hawaii	cents per kilowatthour	ELEC.PRICE.HI-IND.A	11.68	11.02	12.2	13.35	15.79	17.96	18.38	26.05	18.14	21.94	28.4

EXHIBIT D

Average retail price of electricity
Sun Feb 23 2025 22:37:37 GMT-0600 (Central Standard Time)
Source: U.S. Energy Information Administration

description	units	source key	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Average retail price of electricity	cents per kilowatthour													
All sectors		ELEC.PRICE.US-ALL.A												
Industrial	cents per kilowatthour	ELEC.PRICE.US-IND.A												
Industrial : United States	cents per kilowatthour	ELEC.PRICE.US-IND.A	6.67	6.89	7.1	6.91	6.76	6.88	6.92	6.81	6.67	7.18	8.32	8.04
Industrial : New England	cents per kilowatthour	ELEC.PRICE.NEW-IND.A	11.83	12.25	11.84	12.34	12.2	12.54	13.19	13.07	12.89	12.8	15.02	15.81
Industrial : Connecticut	cents per kilowatthour	ELEC.PRICE.CT-IND.A	12.67	12.61	12.92	12.95	12.81	13.1	13.77	13.44	13.07	9.63	15.07	15.69
Industrial : Maine	cents per kilowatthour	ELEC.PRICE.ME-IND.A	7.98	8.34	8.95	9.05	8.96	9.2	9.32	9.22	8.86	9.55	11.03	12.3
Industrial : Massachusetts	cents per kilowatthour	ELEC.PRICE.MA-IND.A	12.57	13.18	12.74	13.54	13.38	13.88	14.89	14.76	14.51	15.18	17.06	17.88
Industrial : New Hampshire	cents per kilowatthour	ELEC.PRICE.NH-IND.A	11.83	11.4	11.93	12.74	12.34	12.34	13.42	13.09	13.11	13.81	15.15	15.76
Industrial : Rhode Island	cents per kilowatthour	ELEC.PRICE.RI-IND.A	10.68	11.82	12.86	13.76	13.48	14.57	15.39	15.59	15.76	16.06	17.96	18.98
Industrial : Vermont	cents per kilowatthour	ELEC.PRICE.VT-IND.A	9.98	10.84	10.23	10.27	10.23	10.21	10.66	11.05	11.2	11.38	11.88	11.27
Industrial : Middle Atlantic	cents per kilowatthour	ELEC.PRICE.MAT-IND.A	7.49	7.27	7.61	7.32	7.03	6.9	6.96	6.57	6.38	6.87	8.42	7.91
Industrial : New Jersey	cents per kilowatthour	ELEC.PRICE.NJ-IND.A	10.52	10.8	11.38	10.64	10.16	10.12	10.07	10.16	10.01	10.7	12.12	11.68
Industrial : New York	cents per kilowatthour	ELEC.PRICE.NY-IND.A	6.7	6.58	6.58	6.31	6.03	5.92	6.02	5.61	5.54	6.34	7.55	6.87
Industrial : Pennsylvania	cents per kilowatthour	ELEC.PRICE.PA-IND.A	7.23	6.97	7.41	7.2	6.92	6.77	6.84	6.41	6.16	6.54	8.21	7.75
Industrial : East North Central	cents per kilowatthour	ELEC.PRICE.ENC-IND.A	6.51	6.65	7.07	6.97	6.92	7.08	7.1	6.91	6.78	7.22	8.24	7.94
Industrial : Illinois	cents per kilowatthour	ELEC.PRICE.IL-IND.A	5.8	5.94	6.85	6.67	6.51	6.47	6.8	6.52	6.7	7.3	8.57	8.2
Industrial : Indiana	cents per kilowatthour	ELEC.PRICE.IN-IND.A	6.34	6.7	6.97	6.86	6.97	7.54	7.38	7.36	6.98	7.39	8.65	8.24
Industrial : Michigan	cents per kilowatthour	ELEC.PRICE.MI-IND.A	7.62	7.72	7.68	7.02	6.91	7.19	7.1	7.07	7.24	7.69	8.33	8.16
Industrial : Ohio	cents per kilowatthour	ELEC.PRICE.OH-IND.A	6.24	6.22	6.77	7.02	6.98	6.92	7.01	6.55	6.16	6.55	7.45	7.03
Industrial : Wisconsin	cents per kilowatthour	ELEC.PRICE.WI-IND.A	7.34	7.4	7.52	7.58	7.49	7.49	7.33	7.31	7.29	7.63	8.49	8.68
Industrial : West North Central	cents per kilowatthour	ELEC.PRICE.WNC-IND.A	6.28	6.67	6.73	6.88	7.12	7.17	7.28	7.27	7.11	7.35	7.82	7.77
Industrial : Iowa	cents per kilowatthour	ELEC.PRICE.IA-IND.A	5.3	5.62	5.71	5.9	6.05	6.21	6.45	6.6	6.43	6.63	7.06	6.91
Industrial : Kansas	cents per kilowatthour	ELEC.PRICE.KS-IND.A	7.09	7.39	7.8	7.61	7.49	7.54	7.6	7.35	7.3	7.38	8.3	7.64
Industrial : Minnesota	cents per kilowatthour	ELEC.PRICE.MN-IND.A	6.54	6.98	6.72	7.02	7.37	7.37	7.52	7.53	7.67	8.29	9.25	9.2
Industrial : Missouri	cents per kilowatthour	ELEC.PRICE.MO-IND.A	5.89	6.29	6.36	6.44	7.12	7.33	7.22	7.11	6.84	7.11	7.67	7.9
Industrial : Nebraska	cents per kilowatthour	ELEC.PRICE.NE-IND.A	7.01	7.44	7.47	7.59	7.69	7.66	7.6	7.65	7.38	7.26	7.21	7.63
Industrial : North Dakota	cents per kilowatthour	ELEC.PRICE.ND-IND.A	6.55	7.13	7.62	8.07	7.98	7.63	7.98	7.94	7.26	7.37	7.28	7.37
Industrial : South Dakota	cents per kilowatthour	ELEC.PRICE.SD-IND.A	6.57	6.97	6.99	7.37	7.57	7.84	7.77	7.81	7.79	8.02	8.04	8.01
Industrial : South Atlantic	cents per kilowatthour	ELEC.PRICE.SAT-IND.A	6.55	6.55	6.75	6.58	6.45	6.5	6.52	6.5	6.25	6.51	7.79	7.58
Industrial : Delaware	cents per kilowatthour	ELEC.PRICE.DE-IND.A	8.36	8.43	8.58	8.28	8.11	7.78	7.95	7.7	6.7	7.6	8.79	7.85
Industrial : District Of Columbia	cents per kilowatthour	ELEC.PRICE.DC-IND.A	5.46	5.54	8.41	8.78	8.8	8.23	8.3	8.22	7.99	7.87	7.74	10.85
Industrial : Florida	cents per kilowatthour	ELEC.PRICE.FL-IND.A	8.04	7.61	7.9	8.22	7.69	7.83	7.65	7.65	7.15	7.65	9.16	9.39
Industrial : Georgia	cents per kilowatthour	ELEC.PRICE.GA-IND.A	5.98	6.27	6.64	5.87	5.84	5.96	6	6.17	5.77	6.49	8.65	6.88
Industrial : Maryland	cents per kilowatthour	ELEC.PRICE.MD-IND.A	8.09	8.36	9.04	8.53	7.89	8.37	8.23	7.8	7.81	8.46	10.01	9.94
Industrial : North Carolina	cents per kilowatthour	ELEC.PRICE.NC-IND.A	6.42	6.45	6.5	6.51	6.31	6.2	6.33	6.3	6.31	6.14	6.54	7.15
Industrial : South Carolina	cents per kilowatthour	ELEC.PRICE.SC-IND.A	6.02	6.01	6.29	6.05	6.09	6.19	6.1	6.11	5.98	6.07	7.13	6.68
Industrial : Virginia	cents per kilowatthour	ELEC.PRICE.VA-IND.A	6.72	6.63	6.89	6.95	6.56	6.51	6.86	6.85	6.28	6.49	7.99	8.92
Industrial : West Virginia	cents per kilowatthour	ELEC.PRICE.WV-IND.A	6.33	6.2	5.87	6.09	6.57	6.64	6.4	6.02	6.09	6.07	6.74	7.24
Industrial : East South Central	cents per kilowatthour	ELEC.PRICE.ESC-IND.A	6.11	5.98	6.13	5.98	5.81	5.93	5.85	5.76	5.55	5.97	7.2	6.72
Industrial : Alabama	cents per kilowatthour	ELEC.PRICE.AL-IND.A	6.22	5.95	6.15	6.03	6.04	6.16	6.01	5.95	5.87	6.33	7.72	7.1

EXHIBIT D

Average retail price of electricity
Sun Feb 23 2025 22:37:37 GMT-0600 (Central Standard Time)
Source: U.S. Energy Information Administration

description	units	source key	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Average retail price of electricity	cents per kilowatthour													
Industrial : Kentucky	cents per kilowatthour	ELEC.PRICE.KY-IND.A	5.35	5.66	5.68	5.48	5.67	5.72	5.68	5.57	5.31	5.95	7.41	6.55
Industrial : Mississippi	cents per kilowatthour	ELEC.PRICE.MS-IND.A	6.24	6.34	6.6	6.56	5.79	5.99	6	5.85	5.63	5.95	6.71	6.96
Industrial : Tennessee	cents per kilowatthour	ELEC.PRICE.TN-IND.A	7.08	6.29	6.4	6.17	5.68	5.83	5.68	5.68	5.33	5.51	6.55	6.23
Industrial : West South Central	cents per kilowatthour	ELEC.PRICE.WSC-IND.A	5.39	5.82	6.1	5.59	5.31	5.45	5.4	5.43	5.06	6.12	7.21	6.47
Industrial : Arkansas	cents per kilowatthour	ELEC.PRICE.AR-IND.A	5.76	6.04	6.02	6.23	6.08	6.07	5.64	6.13	5.89	6.57	7.38	6.87
Industrial : Louisiana	cents per kilowatthour	ELEC.PRICE.LA-IND.A	4.76	5.92	6.05	5.41	5.08	5.48	5.35	5.23	4.88	6.21	7.54	5.88
Industrial : Oklahoma	cents per kilowatthour	ELEC.PRICE.OK-IND.A	5.09	5.49	5.85	5.35	5.02	5.42	5.34	5.07	4.61	5.5	6.96	6.26
Industrial : Texas	cents per kilowatthour	ELEC.PRICE.TX-IND.A	5.57	5.81	6.16	5.59	5.33	5.35	5.39	5.45	5.07	6.12	7.13	6.6
Industrial : Mountain	cents per kilowatthour	ELEC.PRICE.MTN-IND.A	6.18	6.48	6.68	6.59	6.38	6.55	6.45	6.33	6.25	6.68	7.56	7.84
Industrial : Arizona	cents per kilowatthour	ELEC.PRICE.AZ-IND.A	6.53	6.66	6.46	6.26	6.07	6.45	6.55	6.28	6.07	6.79	7.86	8.11
Industrial : Colorado	cents per kilowatthour	ELEC.PRICE.CO-IND.A	6.95	7.34	7.47	7.4	7.35	7.5	7.47	7.4	7.48	8.01	8.63	8.5
Industrial : Idaho	cents per kilowatthour	ELEC.PRICE.ID-IND.A	5.48	6.09	6.4	6.6	6.55	6.66	6.47	6.08	6.23	6.39	6.71	7.17
Industrial : Montana	cents per kilowatthour	ELEC.PRICE.MT-IND.A	5.1	5.43	5.49	5.32	5.06	5.25	5.19	5.45	5.18	6.24	7.49	7.8
Industrial : Nevada	cents per kilowatthour	ELEC.PRICE.NV-IND.A	6.48	6.52	7.12	6.75	5.88	6.15	6.1	6.14	5.61	6.02	8.5	10.36
Industrial : New Mexico	cents per kilowatthour	ELEC.PRICE.NM-IND.A	5.83	6.36	6.61	6.33	5.84	6.15	5.84	5.48	5.58	6.16	6.56	5.75
Industrial : Utah	cents per kilowatthour	ELEC.PRICE.UT-IND.A	5.62	5.87	6.08	6.17	6.33	6.13	5.9	5.98	5.9	6.19	6.84	6.99
Industrial : Wyoming	cents per kilowatthour	ELEC.PRICE.WY-IND.A	6.03	6.42	6.61	6.76	6.92	6.92	6.71	6.73	6.88	6.83	6.89	7.06
Industrial : Pacific Contiguous	cents per kilowatthour	ELEC.PRICE.PCC-IND.A	7.78	8.61	9.08	9.03	8.94	9.36	9.64	9.67	10.3	10.81	12.22	13.38
Industrial : California	cents per kilowatthour	ELEC.PRICE.CA-IND.A	10.49	11.44	12.34	12.17	11.92	12.73	13.2	13.4	14.27	14.82	17.09	18.64
Industrial : Oregon	cents per kilowatthour	ELEC.PRICE.OR-IND.A	5.59	5.8	5.97	5.97	6.05	5.98	5.86	5.86	5.7	5.97	6.81	7.52
Industrial : Washington	cents per kilowatthour	ELEC.PRICE.WA-IND.A	4.13	4.23	4.32	4.35	4.43	4.6	4.71	4.8	5.08	5.81	6.17	6.35
Industrial : Pacific Noncontiguous	cents per kilowatthour	ELEC.PRICE.PCN-IND.A	26.99	26.08	26.3	20.77	19.21	21.06	23.64	23.5	22.01	24.19	31.5	30.55
Industrial : Alaska	cents per kilowatthour	ELEC.PRICE.AK-IND.A	16.82	15.83	15.66	14.53	15.22	16.34	17.1	16.94	15.88	16.85	18.43	18.7
Industrial : Hawaii	cents per kilowatthour	ELEC.PRICE.HI-IND.A	30.82	29.87	30.22	23.06	20.69	22.92	26.1	25.76	24.45	27.12	36.71	35.28

EXHIBIT E


Canadian Lumber Shipments to U.S.
16
14
12
10
8
6
4
2
0
60%
50%
40%
30%
20%
10%
0%
2010
2011
2012
2013
2014
2015
2016
2017
2018
2019
2020
CA Lumber Shipments to US (BBF)
Share of CA Production Shipped to US

NONPUBLIC DOCUMENT
CONTAINS TRADE SECRET DATA

BEFORE THE MINNESOTA PUBLIC UTILITIES COMMISSION
121 7th Place East, Suite 350
St. Paul, MN 55101-2147

In the Matter of Otter Tail Power's Petition to Ensure Competitive Electric Rates for Energy-Intensive Trade-Exposed Customers	PUC Docket No. **AFFIDAVIT OF Timberlyne Wood Products**

STATE OF MINNESOTA)
) ss.
COUNTY OF CASS)

I, Jaima Geisert, being first duly sworn upon oath, state as follows:

1. I am the Chief Financial Officer of Timberlyne Wood Products ("TWP"), which has one sawmill and dimension plant in Cass Lake, Minnesota and one wood manufacturing operation in Aitkin, Minnesota.

<u>TWP's Contributions to Minnesota</u>

2. Our Cass Lake location employs 30 people and our Aitkin location employs 5 people. For 2024, the total payroll, including benefits, was approximately **[TRADE SECRET DATA BEGINS… …TRADE SECRET DATA ENDS]**.

3. According to the DNR Publication entitle "Minnesota's Forest Products Industry at a Glance", dated January 2025, a copy of which is attached to the affidavit of Rick Horton, 71,650 jobs are created by the Minnesota Forest Products Industry. These Industries contribute $10.8 billion to Minnesota's economy and generate $282.7 million in state income taxes paid.

4. TWP paid approximately **[TRADE SECRET DATA BEGINS… ..TRADE SECRET DATA ENDS]** in 2024 taxes **[TRADE SECRET DATA BEGINS…**

…TRADE SECRET DATA ENDS].

NONPUBLIC DOCUMENT
CONTAINS TRADE SECRET DATA

5. TWP's annual budget is over **[TRADE SECRET DATA BEGINS…**

…TRADE SECRET DATA ENDS].

6. TWP is also an active contributor to our community. We have contributed $1000 to numerous local associations, including the local chamber and Leech Lake communities.

<u>TWP's Electric Rates are Currently Uncompetitive</u>

7. Electric energy costs are a significant component of TWP's operations, representing approximately **[TRADE SECRET DATA BEGINS…** **…TRADE SECRET DATA ENDS]** of TWP's overall cost of production.

8. Because electric energy costs are such a significant portion of our cost of production, we constantly work to reduce our energy consumption. Some projects we have undertaken to become more efficient are **[TRADE SECRET DATA BEGINS…**

..TRADE SECRET DATA ENDS].

9. Even with the EITE credit, TWP has lost its competitive advantage in electrical rates over states where our competitors are located. As of 2024, TWP's effective electric rate was approximately **[TRADE SECRET DATA BEGINS… … TRADE SECRET DATA ENDS]**. Looking ahead to 2026, TWP projects paying an electric rate of approximately **[TRADE SECRET DATA BEGINS… …TRADE SECRET DATA ENDS]** with a continuation of the existing EITE credit, and **[TRADE SECRET DATA BEGINS.. …TRADE SECRET DATA ENDS]** should the EITE credit be dissolved.

<u>TWP is Subject to Global and other Pressures</u>

10. Although there are other methods to treat red pine like alkaline copper quaternary (ACQ) and copper azole (CA), they require the addition of an enhancer to reach similar penetration levels. ACQ is also more corrosive to common steel fasteners so fasteners tend to be more expensive. These enhancers also work with MCA but do increase the cost of treating.

NONPUBLIC DOCUMENT
CONTAINS TRADE SECRET DATA

11. Due to this competitive pressure, TWP is always looking for ways to reduce costs in all aspects of our business. For example, we recently spent **[TRADE SECRET DATA BEGINS… …TRADE SECRET DATA ENDS]**, to fixing our boiler that was damaged in a fire in order to continue to use our wood shavings to heat our kiln. We also spent **[TRADE SECRET DATA BEGINS… …TRADE SECRET DATA ENDS]** to improve efficiencies of our mill operations.

12. We will continue to evaluate any and all other mechanisms to reduce costs and strive to remain competitive.

<u>Consequences of Inaction</u>

13. **[TRADE SECRET DATA BEGINS… …TRADE SECRET DATA ENDS].**

14. There would be significant costs to the region and the State if TWP were to shut down, including lost jobs and decreased tax revenue.

15. If TWP continues to receive a 20% rate reduction as a result of the EITE tariff, it is reasonably likely that this discount would be one of the factors that will keep TWP viable.

NONPUBLIC DOCUMENT
CONTAINS TRADE SECRET DATA

FURTHER YOUR AFFIANT SAYETH NOT.

Jaima Geisert, CFO
Timberlyne Wood Products

Subscribed and sworn to before me
this 9 day of April 2025.

Morgan R. Erwin
Notary Public

My commission expires: 2/24/2027

GENERAL NOTARY - State of Nebraska
MORGAN R ERWIN

BEFORE THE MINNESOTA PUBLIC UTILITIES COMMISSION
121 7th Place East, Suite 350
St. Paul, MN 55101-2147

In the Matter of Otter Tail Power Company's Petition for Approval of the Customer Eligibility, Updated Baseline and Annual Update to its Energy-Intensive, Trade-Exposed Rider Surcharge Rate

PUC Docket No.

AFFIDAVIT OF RICK HORTON

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

I, Rick Horton, being first duly sworn upon oath, state as follows:

1. I am the Executive Vice President of Minnesota Forest Industries ("MFI"). MFI is an association representing the state's forest products companies. MFI members encourage conservation, proper forest management, and industry development that fosters sound environmental stewardship, multiple use of timber lands and sustainable, long-term timber supply.

2. Otter Tail Power's Energy-Intensive, Trade-Exposed Customers West Fraser US EWP LLC ("West Fraser") and PotlatchDeltic Land & Lumber, LLC ("PotlatchDeltic") are members of MFI.

3. Attached as Exhibit A is a DNR publication entitled, "Minnesota's Forest Products Industry at a Glance", dated January 2025. The publication is based on IMPLAN analysis, and estimates the economic impacts of logging, forest products manufacturing, and related industries in Minnesota.

4. Attached as Exhibit B are three charts prepared by MFI showing Minnesota's industrial electric rates as compared to states with major forest products industries ("Electric Rates Charts") and other industry energy statistics.

<u>Forest Industry Contributions to Minnesota</u>

5. The forest products industry is the 5th largest manufacturing industry in Minnesota, and the total value of the primary and secondary forest sector manufacturing gross sales in 2022 was $25.3 billion. These industries contribute $10.8 billion to Minnesota's economy (value added). The primary and secondary forest products industry is credited with providing 71,650 Minnesota jobs.

6. The forest products manufacturing industry is directly valued at $14 billion and employs approximately 31,151 people.

7. Minnesota's forest industry is also a clean energy producer. Nearly 588,000 tons of wood waste are used to generate electricity. Mills with co-generation facilities can meet 73-92% of their energy needs, and 47% of the industry's total electricity consumption is met through self-generated biomass, by-product recovery boilers or hydroelectric facilities.

<u>Forest Industry Concerns with Electric Rates</u>

8. Electric energy costs are an increasing concern for my members, including West Fraser and PotlatchDeltic.

9. As it pertains to this proceeding, I have been informed by West Fraser and PotlatchDeltic that their specific electric rates are becoming increasingly uncompetitive and would be uncompetitive in the absence of the EITE credit. The Electric Rates Charts show that

Minnesota has lost its competitive industrial electricity price advantage over North Carolina, Oregon, Wisconsin and Washington, which are states where major competitors of West Fraser and PotlatchDeltic are located, and that Minnesota is above the national average for industrial rates.

10. As one of the factors we can control under section 216B.1696 of the Minnesota Statutes, it is critical for the state to strive for competitive electric rates for West Fraser and PotlatchDeltic.

Potential Dire Consequences of Inaction

11. Taken together, and rounding to preserve proprietary business information, West Fraser and PotlatchDeltic contribute the following to the state of Minnesota:

    a. Direct Employment: 250 persons

    b. Total Payroll: $25 million

    c. State taxes: in excess of $4 million

    d. Contributions to the Community: $430,000

12. Furthermore, a properly managed forest is a healthy forest. Continued deterioration of the health of the forest products industry will have an equally detrimental impact on Minnesota forests.

13. As the fifth largest sector of Minnesota's manufacturing industry, the health of the forest products industry is vital to the state's economy. And given the economics of West Fraser

and PotlatchDeltic, referenced above, these facilities are critical to Minnesota's North-Central economy.

14. The health of the forest products industry is also vital to the state's forests.

15. To help ensure the continued competitiveness of my members' operations to the benefit of the state and regional economies, as documented in detail in the Exhibits to my affidavit, MFI strongly supports the proposal of Otter Tail Power Company in its petition for approval of an Energy-Intensive, Trade-Exposed rate.

FURTHER YOUR AFFIANT SAYETH NOT.

Rick Horton, Executive Vice President
Minnesota Forest Industries

Subscribed and sworn to before me
this 24th day of March 2025.

Notary Public

My commission expires: 1/31/2027

JEFF J SAUER
NOTARY PUBLIC
MINNESOTA
My Commission Expires Jan. 31, 2027

EXHIBIT A

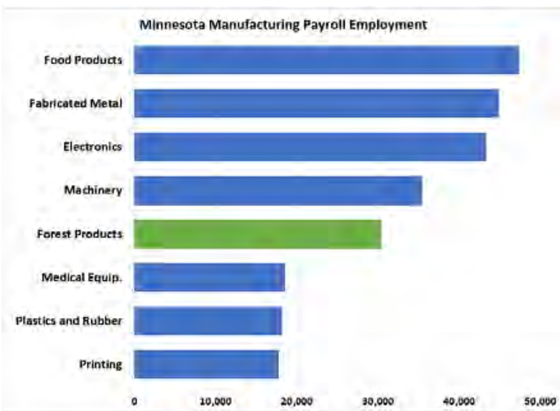
DEPARTMENT OF NATURAL RESOURCES

Minnesota's Forest Products Industry at a Glance

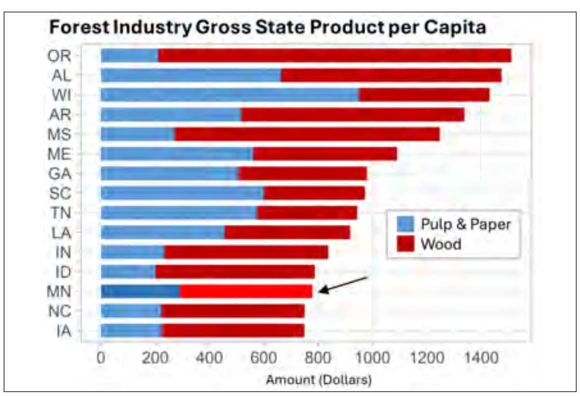
January 2025

The forest products industry is a cornerstone of the state's economy:

- **$25.3 billion value of shipments (gross sales) effect and 8.4 percent of all manufacturing payroll employment**
- **5th largest manufacturing sector in Minnesota by payroll employment**



- **71,650 jobs total employment effect**
- **$283 million total state & local tax payments effect**
- **13th ranked nationally in forest industry value added (Gross State Product) per capita**



Contact: Samantha Grover, Division of Forestry
Fiscal & Administration Manager
Email: samantha.grover@state.mn.us
Desk: (651) 259-5254

Updated annually when value of shipments data is released. Data compiled for the DNR by Steigerwaldt Land Services.

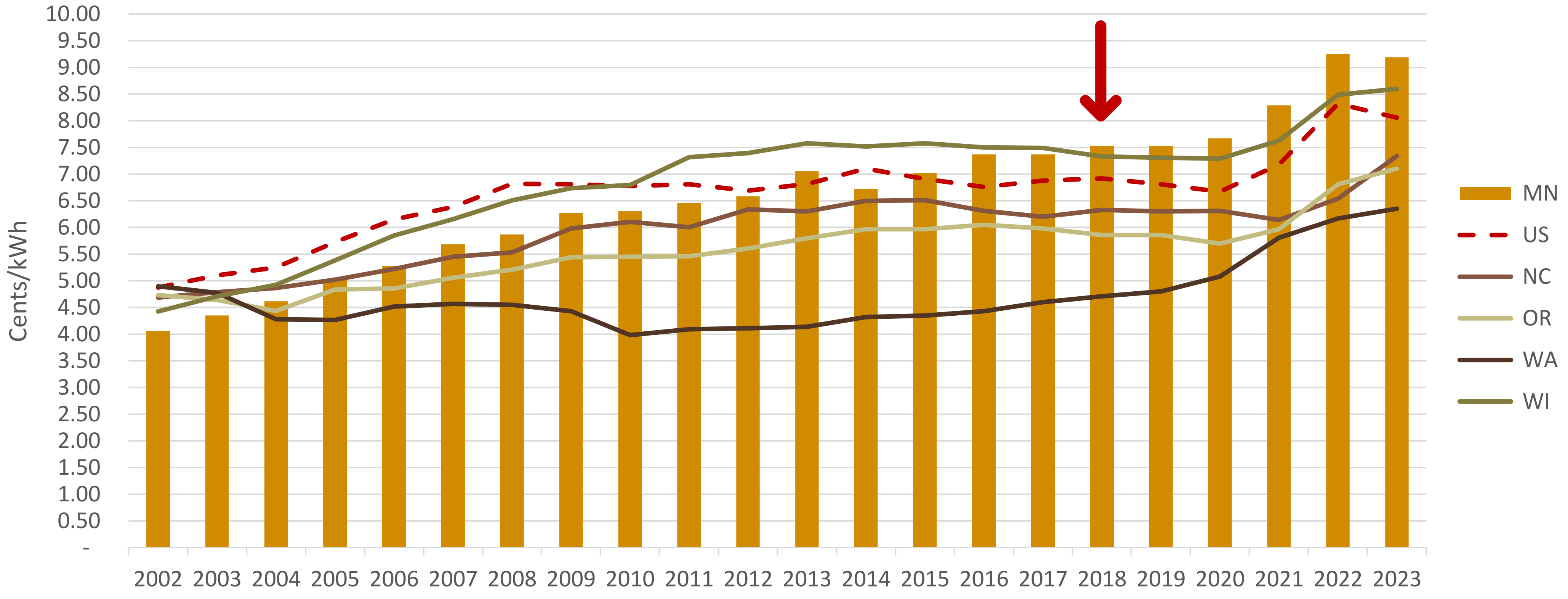
Pulp, Paper, Oriented Strand Board (OSB) Sheathing and Siding, Pallets, Railroad Ties, Utility Poles, Cabinets, Millwork, Wood Furniture, Veneer, Specialty Products, Bio-Energy, Bio-Chemicals, Logging, and Forestry

Direct Economic Effect [1]	**2022**	**2021**
Payroll & Self-Employed	31,151 jobs	30,005 jobs
Labor Income	$2.1 billion	$1.9 billion
Value of Shipments (Gross Sales)	$14.0 billion	$12.2 billion
Value Added (Gross State Product)	$4.9 billion	$4.3 billion
State Income Taxes Paid	$128.5 million	$118 million
Total Economic Effect [2]	**2022**	**2021**
Payroll & Self-Employed	**71,650 jobs**	**69,010 jobs**
Labor Income	$4.6 billion	$4.2 billion
Value of Shipments (Gross Sales)	**$25.3 billion**	**$22.0 billion**
Value Added (Gross State Product)	$10.8 billion	$9.4 billion
State Income Taxes Paid	$282.7 million	$261 million
Number of Facilities	**2022**	**2021**
Primary Pulp & Paper Mills [3]	3	3
Recycled Pulp & Paper Mills	3	3
Converted Paper Products	84	89
Lumber & Wood Products	350	337
Millwork & Wood Furniture	375	366
Timber Harvest (1,000s of cords) [4]	**2022**	**% Harvest**
Pulpwood	1,786.5	66.30%
Sawlogs & Specialty Products	651.9	24.20%
Fuelwood	255.9	9.5%
Total	2,694.4	100.00%
Timberland (1,000s of acres) [5]	**2022**	**% Acres**
National Forest System	1,810	11.5%
Other Federal	18	0.1%
State	3,716	23.6%
County & Local Govt.	2,517	16.0%
Private & Tribal	7,690	48.8%
Total	15,752	100.00%

Table Notes:
Abbreviations: (d) = draft, (r) = revised.
[1]Data sources: MN Dept. of Employment and Economic Development, MN Dept. of Revenue, U.S. Census, U.S. Dept. of Commerce, BEA, and U.S. EIA.
[2]Economic multipliers: direct, indirect, and induced effects.
[3]Verso Duluth paper mill closed in mid-2020 resulting in statewide pulpwood demand reduction of about 160,000 cords per year.
[4]Standard cord = 79 cubic feet of solid wood. Decorative products, e.g. spruce tops, balsam boughs, and birch bark not included.
[5]Timberland = acres capable of growing commercial forest products and not reserved from harvest. Data sources: USDA Forest Service FIA, Minnesota DNR, and Minnesota Association of County Land Commissioners.

EXHIBIT B

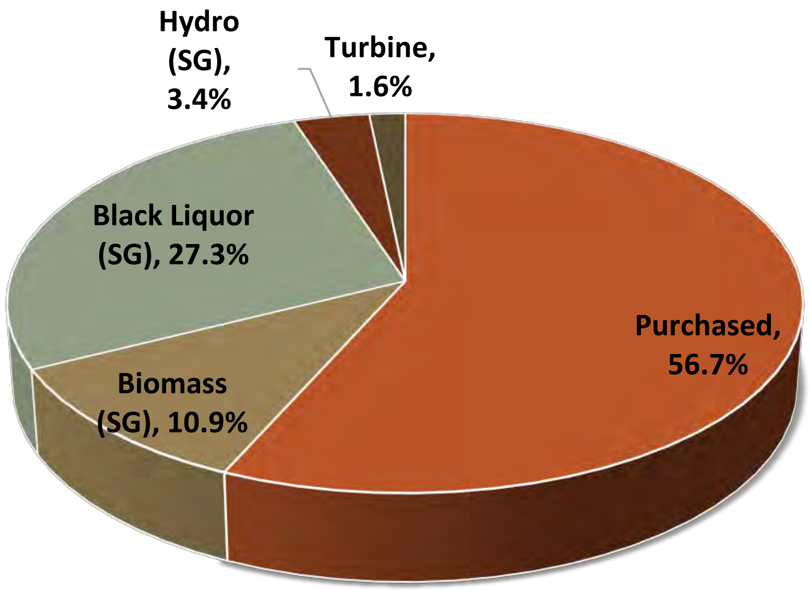
Average Industrial Electricity Cost



Minnesota has the highest industrial electricity price among competing states since 2018.

Energy Costs

- Industry has made capital investments of more than $500 million in co-generation facilities.
- 27.4% of Industry energy is from renewable sources!
- 47.3% of electrical energy needs are self-generated!
- More than 588,000 tons of wood waste are used to generate electricity.
- Mills with co-generation facilities meet 73% and 92% of their energy needs internally.



CERTIFICATE OF SERVICE

RE: In the Matter of Otter Tail Power Company's Petition for Approval of the Annual Update to its Energy-Intensive, Trade-Exposed Rider Surcharge Rate, Rate Schedule 13.09
Docket No. E017/M-25-

I, Laura Dewey, hereby certify that I have this day served a copy of the following, or a summary thereof, on Will Seuffert and Sharon Ferguson by e-filing, and to all other persons on the attached service list by electronic service or by First Class Mail.

Otter Tail Power Company
Initial Filing

Dated this **16th** day of **April, 2025**.

/s/ LAURA DEWEY

Laura Dewey
Regulatory Filing Coordinator
Otter Tail Power Company
215 South Cascade Street
Fergus Falls MN 56537
(218) 739-8268

#	First Name	Last Name	Email	Organization	Agency	Address	Delivery Method	Alternate Delivery Method	View Trade Secret	Service List Name
1	Ray	Choquette	rchoquette@agp.com	Ag Processing Inc.		12700 West Dodge Road PO Box 2047 Omaha NE, 68103-2047 United States	Electronic Service		No	MN 2025 Otter Tail Power EITE
2	Generic	Commerce Attorneys	commerce.attorneys@ag.state.mn.us		Office of the Attorney General - Department of Commerce	445 Minnesota Street Suite 1400 St. Paul MN, 55101 United States	Electronic Service		No	MN 2025 Otter Tail Power EITE
3	Sharon	Ferguson	sharon.ferguson@state.mn.us		Department of Commerce	85 7th Place E Ste 280 Saint Paul MN, 55101-2198 United States	Electronic Service		No	MN 2025 Otter Tail Power EITE
4	Jessica	Fyhrie	jfyhrie@otpco.com	Otter Tail Power Company		PO Box 496 Fergus Falls MN, 56538-0496 United States	Electronic Service		No	MN 2025 Otter Tail Power EITE
5	Amber	Grenier	agrenier@otpco.com	Otter Tail Power Company		215 S. Cascade St. Fergus Falls MN, 56537 United States	Electronic Service		No	MN 2025 Otter Tail Power EITE
6	Adam	Heinen	aheinen@dakotaelectric.com	Dakota Electric Association		4300 220th St W Farmington MN, 55024 United States	Electronic Service		No	MN 2025 Otter Tail Power EITE
7	Nick	Kaneski	nick.kaneski@enbridge.com	Enbridge Energy Company, Inc.		11 East Superior St Ste 125 Duluth MN, 55802 United States	Electronic Service		No	MN 2025 Otter Tail Power EITE
8	James D.	Larson	james.larson@avantenergy.com	Avant Energy Services		220 S 6th St Ste 1300 Minneapolis MN, 55402 United States	Electronic Service		No	MN 2025 Otter Tail Power EITE
9	Kavita	Maini	kmaini@wi.rr.com	KM Energy Consulting, LLC		961 N Lost Woods Rd Oconomowoc WI, 53066 United States	Electronic Service		No	MN 2025 Otter Tail Power EITE
10	Andrew	Moratzka	andrew.moratzka@stoel.com	Stoel Rives LLP		33 South Sixth St Ste 4200 Minneapolis MN, 55402 United States	Electronic Service		No	MN 2025 Otter Tail Power EITE
11	Matthew	Olsen	molsen@otpco.com	Otter Tail Power Company		215 South Cascade Street Fergus Falls MN, 56537 United States	Electronic Service		No	MN 2025 Otter Tail Power EITE
12	Generic Notice	Regulatory	regulatory_filing_coordinators@otpco.com	Otter Tail Power Company		215 S. Cascade Street Fergus Falls MN, 56537 United States	Electronic Service		No	MN 2025 Otter Tail Power EITE
13	Generic Notice	Residential Utilities Division	residential.utilities@ag.state.mn.us		Office of the Attorney General - Residential Utilities Division	1400 BRM Tower 445 Minnesota St St. Paul MN, 55101-2131 United States	Electronic Service		No	MN 2025 Otter Tail Power EITE

#	First Name	Last Name	Email	Organization	Agency	Address	Delivery Method	Alternate Delivery Method	View Trade Secret	Service List Name
14	Will	Seuffert	will.seuffert@state.mn.us		Public Utilities Commission	121 7th Pl E Ste 350 Saint Paul MN, 55101 United States	Electronic Service		No	MN 2025 Otter Tail Power EITE
15	Cary	Stephenson	cstephenson@otpco.com	Otter Tail Power Company		215 South Cascade Street Fergus Falls MN, 56537 United States	Electronic Service		No	MN 2025 Otter Tail Power EITE
16	Stuart	Tommerdahl	stommerdahl@otpco.com	Otter Tail Power Company		215 S Cascade St PO Box 496 Fergus Falls MN, 56537 United States	Electronic Service		No	MN 2025 Otter Tail Power EITE