

October 2, 2015

Daniel P. Wolf  
Executive Summary  
Minnesota Public Utilities Commission  
121 7<sup>th</sup> Place East, Suite 350  
St. Paul, Minnesota 55101-2147

RE: Reply Comments on Minnesota Power's Petition for Approval of an Electric Service Agreement between Magnetation, LLC and Minnesota Power – Docket No. E-015/M-15-699

Dear Mr. Wolf:

Fresh Energy respectfully submits these reply comments regarding Minnesota Power's petition for approval of an electric service agreement (ESA) between the utility and Magnetation, LLC, filed on July 24, 2015. The Minnesota Department of Commerce filed comments in this docket on September 23, 2015. Fresh Energy appreciates the Department's thorough analysis and consideration of the recommendations included in Fresh Energy's initial comments filed on August 24, 2015. Fresh Energy offers the following responses to the Department's comments:

#### **Clarification of the intent of the recommended ESA language changes**

In initial comments Fresh Energy recommended that the ESA language be changed to state that "both parties agree to identify and analyze energy savings opportunities including but not limited to, self-generating and cogeneration capacity at the Plant 2 Facilities, Plant 4 Facilities, and the Jesse Loadout Facilities during the term of this Agreement..." The Department has interpreted that to mean "that Magnetation be required to complete a study as a condition of receiving service on the proposed ESA..."<sup>1</sup> While that is not an unfounded interpretation, that specific level of detail, action, and requirement was not Fresh Energy's intention in recommending the language change. Fresh Energy simply intended that the two parties agree to work together within an approved ESA to identify potential savings opportunities and not rule out the possibility of self-generating and cogeneration potential at Magnetation's industrial sites.

#### **Support for the Department's recommendations to the Commission**

Fresh Energy supports both of the Department's recommendations on page 7 of the public comments filed on September 23, 2015. Fresh Energy looks forward to working with parties to find opportunities for self-generation and cogeneration that benefit both Minnesota Power and its customers.

Please feel free to contact me at the information below with any questions.

Sincerely,

/s/ Will Nissen

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<sup>1</sup> Public Comments from the Minnesota Department of Commerce, page 5. Docket No. E-015/M-15-699