

Staff Briefing Papers – Amended Decision Alternatives

Meeting Date February 24, 2022 Agenda Item 3*

Company Minnesota Power

Docket No. **E-015/M-20-900**

In the Matter of Minnesota Power’s Request for Approval of its 2021 Transmission Factors under its Transmission Cost Recovery Rider

Issues 1. Should the proposed charges under the Transmission Cost Recovery Rider be approved?

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The attached materials are work papers of the Commission Staff. They are intended for use by the Public Utilities Commission and are based upon information already in the record unless noted otherwise.

Decision Alternatives

1. Approve MP's petition as filed, ~~backing out~~ excluding internal cost recovery for the Iron Range Material Storage Building and Certain Other Non-Manitoba Ltd. Charges from the overall capital recovery calculation as agreed by both parties in Response Comments. (MP)

2. Approve MP's petition with the following modifications:
 - a) Require MP to update the RECB expenses to actuals before implementing the TCRR. (Department)
 - b) Require MP to modify its cost of debt from the 4.517% approved in the last rate case to 4.37% for 2021 and 4.43% for 2020. (Department)
 - c) Require MP to implement its updated Transmission Factor effective January 1, 2022, or the first day of the month following the Commission's Order in this docket. (Department)
 - d) Require MP to exclude internal cost recovery for the Iron Range Material Storage Building and Certain Other Non-Manitoba Ltd. Charges from the overall capital recovery calculation as agreed by both parties in Response Comments. (Department, MP)

3. Require MP to file compliance tariffs reflecting the modifications adopted in the order.

4. Take any alternative action as ruled by the Commission.