



December 30, 2024

VIA E-FILING

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

Re: In the Matter of Minnesota Power's
2024 Remaining Life Depreciation Petition
Docket No. E015/D-24-324
Reply Comments

Dear Mr. Seuffert:

Minnesota Power (or the "Company") submits to the Minnesota Public Utilities Commission ("Commission") these Reply Comments in response to the Department of Commerce, Division of Energy Resources ("Department") Initial Comments filed on December 20, 2024, in the above-referenced Docket. Minnesota Power appreciates the time and effort by the Department to review the Company's 2024 Remaining Life Depreciation Petition and agrees with the recommendations of the Department, with one exception. The Company is requesting approval of the proposed net salvage rates for all facilities including Boswell Energy Center Unit 3, Boswell Energy Center Common, and Laskin Energy Center.

The Department requested that Minnesota Power "*provide additional discussion in reply comments about potentially delaying recognition of expense related to the Legacy CCR Rule until it has more information about the potential costs, and can provide that information to the Department and the Commission.*" Concurrently with the submittal of these Reply Comments, the Company is submitting its Petition for Approval to Track and Defer Costs Resulting from The CCR [Coal Combustion Rule] Legacy Impoundment Rule ("CCR Legacy Rule" or "Rule"). Minnesota Power is seeking approval for the deferred accounting treatment of the increased depreciation expense that will be incurred by the Company to comply with the CCR Legacy Rule. These costs would be deferred for recovery to Minnesota Power's next rate case or other appropriate proceeding. In the Petition, the Company describes how the newly enacted Rules affect Minnesota Power including the financial impacts associated with each of the eight compliance pathways.

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The Company looks forward to a hearing on its 2024 Remaining Life Depreciation Petition in the near future and would support utilizing the consent calendar process for this non-contentious Docket. Please contact me at (218) 355-3601 or lhoyum@mnpower.com with any questions related to this matter.

Yours truly,

A handwritten signature in cursive script, appearing to read "Lori Hoyum".

Lori Hoyum
Rates Compliance Administrator

LH:sr

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

AFFIDAVIT OF SERVICE VIA
ELECTRONIC FILING

Susan Romans of the City of Duluth, County of St. Louis, State of Minnesota, says that on the 30th day of December, 2024, she served Minnesota Power's Reply Comments In Docket No.: E015/D-24-324 on the Minnesota Public Utilities Commission and the Energy Resources Division of the Minnesota Department of Commerce via electronic filing. The persons on the Official Service List were served as requested.



Susan Romans