



AN ALLETE COMPANY

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July 31, 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 Petition for Approval of the Annual Forecast of Automatic Adjustment Charges for the period of January 2025 through December 2025**
Docket No. E015/AA-24-64
REPLY COMMENTS

Dear Mr. Seuffert:

Minnesota Power respectfully submits these Reply Comments in response to the July 1, 2024 Comments of the Minnesota Department of Commerce in the above referenced Docket.

Please contact me at (218) 355-3082 or cvatalaro@allete.com if you have any questions regarding this filing.

Kind Regards,

A handwritten signature in cursive script that reads 'Claire Vatalaro'.

Claire Vatalaro
Regulatory Compliance Specialist

CMRV:th
Attach.

I AM
ZERO INJURY.

*Together we choose to work safely for our families, each other, and the public.
We commit to be injury-free through continuous learning and improvement.*

**STATE OF MINNESOTA
BEFORE THE
MINNESOTA PUBLIC UTILITIES COMMISSION**

In the Matter of Minnesota Power’s Petition for
Approval of the Annual Automatic Adjustment Charges
for the period of January 2025 through December 2025

Docket No. E015/AA-24-64
**MINNESOTA POWER’S
REPLY COMMENTS**

I. INTRODUCTION

On July 1, 2024, the Minnesota Department of Commerce, Division of Energy Resources (“Department”) submitted its Comments in the above-referenced Docket. In its Comments, The Department recommended that the Minnesota Public Utilities Commission (“Commission”) accept Minnesota Power’s (“Company”) Annual Forecast of Automatic Adjustment Charges for the period of January 2025 through December 2025, pending Minnesota Power providing in Reply Comments the results of the Midcontinent Independent System Operator (“MISO”) Planning Resource Auction (“PRA”) and its impact, if any, on the 2025 Fuel and Purchased Energy Forecast.

In these Reply Comments, Minnesota Power provides responses to the Department’s requested information.

II. RESPONSES TO REQUESTED INFORMATION

A. Results of the MISO Planning Resource Auction

This year’s MISO Planning Resource Auction capacity prices came in lower than what the Company forecasted. From January to December 2025, the Company forecasted PRA results to be \$190,477, but the lower actuals from January – May 2025 reduces the revenue to \$89,445 for 2025. The biggest difference falls in January and February of 2025, where Minnesota Power forecasted \$55,000 in revenue per month, and the actual results were closer to \$4,000 per month. Because of the lower actual PRA results, an increase of around \$0.06 and \$0.07 will be seen for those months. The June – December 2025 PRA remains unchanged at this time as it is still a forecast. Overall, the actual PRA

results from January – May 2025 increases the 2025 average FPE rate by \$0.01, which is immaterial and does not necessitate an update to the 2025 FPE Forecast.

III. CONCLUSION

Minnesota Power appreciates the time and diligent work of the Department during this regulatory review process for the 2025 Fuel and Purchased Energy Forecast and looks forward to a Commission hearing on this Docket.

Dated: July 31, 2024

Sincerely,

Claire Vatalaro

Claire Rajala Vatalaro
Regulatory Compliance Specialist
Minnesota Power
30 W. Superior Street
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(218) 355-3082
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STATE OF MINNESOTA)
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COUNTY OF ST. LOUIS)

AFFIDAVIT OF SERVICE VIA
ELECTRONIC FILING

Tiana Heger of the City of Duluth, County of St. Louis, State of Minnesota, says that on the 31st day of July, 2024, she served Minnesota Power’s Reply Comments in **Docket No. E015/AA-24-64** on the Minnesota Public Utilities Commission and the Energy Resources Division of the Minnesota Department of Commerce via electronic filing. The persons on E-Docket’s Official Service List for this Docket were served as requested.



Tiana Heger