



August 19, 2025

VIA E-FILING

Mike Bull
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 a Transmission Cost Recovery Rider
under Minn. Stat. § 216B.16, subd. 7b
Docket No. E015/M-24-382
Refiling of Petition**

Dear Mr. Bull:

Pursuant to Minn. Stat. § 216B.16, subd. 7b, Minnesota Power (or the "Company") submits this Petition to the Minnesota Public Utilities Commission ("Commission") for approval of the Company's 2025 rate adjustment mechanism ("2025 Transmission Factor") under its Rider for Transmission Cost Recovery ("TCR").

Please contact me at (218) 269-0712 or lhoyum@mnpower.com if you have any questions regarding this filing.

Yours truly,



Lori Hoyum
Rates Compliance Administrator

LMH:ah
Attach.

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

In the Matter of Minnesota Power's Petition for the
2025 Approval of a Transmission Cost Recovery
Rider under Minn. Stat. 216B.16, subd. 7b

Docket No. E015/M-24-382
PETITION FOR APPROVAL
(2025 TRANSMISSION FACTOR)
REFILING OF PETITION

SUMMARY

Pursuant to Minn. Stat. § 216B.16, subd. 7b, Minnesota Power (or the "Company") resubmits its petition to the Minnesota Public Utilities Commission ("Commission") seeking approval of Minnesota Power's 2025 rate adjustment mechanism under its Rider for Transmission Cost Recovery ("2025 TCR Petition").

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**PETITION FOR APPROVAL
(2025 TRANSMISSION FACTOR)**

I. INTRODUCTION

Minnesota Power (or the "Company") resubmits its petition ("August Petition") to the Minnesota Public Utilities Commission ("Commission") pursuant to Minn. Stat. § 216B.16, subd. 7b seeking approval of the Company's 2025 rate adjustment mechanism ("2025 Transmission Factor") under its Rider for Transmission Cost Recovery ("TCR" or "Rider"). On November 13, 2024, Minnesota Power petitioned the Commission seeking approval of its 2025 Transmission Factor under its TCR ("November Petition"). On April 8, 2025, Minnesota Power submitted its request to the Commission seeking approval to withdraw its November Petition due to the Company determining there may be an error in the alignment between costs and revenues associated with Multi-Value Projects ("MVP") in the proposed updates to the Rider for Transmission Cost Recovery. On April 23, 2025, the Commission issued an Order approving withdrawal of Minnesota Power's 2025 TCR Petition.

For Minnesota Power's 2025 Transmission Factor the Company is specifically seeking approval to:

- Recover costs related to its High Voltage Direct Current ("HVDC") Modernization Project ("HVDC Modernization Project" or "HVDC Project")¹ for which the Commission issued a Certificate of Need ("CoN") and a route permit on October 25, 2024.
- Recover costs net of revenues of transmission facilities that the Commission has approved under section 216B.243 or has certified or deemed to be certified under section 216B.2425; and

¹ Docket Nos. E015/CN-22-607 and E015/TL-22-611.

- Recover charges incurred under a federally approved Midcontinent Independent System Operator (“MISO”) tariff for other transmission owners’ regionally planned transmission facilities to be constructed that have been determined to benefit Minnesota Power and the integrated transmission system; and new transmission facilities approved by the regulatory commission of the state in which the facilities are being constructed that MISO has determined to benefit Minnesota Power or the integrated transmission system.

Additionally, this Petition serves as the Company’s annual filing per Order Point 7 of the Commission’s December 3, 2020 Order (“December 3, 2020 Order”) in Minnesota Power’s 2019 Transmission Rider Docket (Docket No. E015/M-19-440).

Included in Minnesota Power’s 2025 Transmission Factor are costs associated with the HVDC Modernization Project and Duluth Loop Reliability Project² described in detail on pages 14 and 18, respectively. Consistent with the 2008 legislative amendments to Minn. Stat. § 216B.16, subd 7b, and as approved in Minnesota Power’s 2010 Transmission Factor, MISO new transmission facility net revenues or expenses that stem from the MISO Transmission Expansion Plan (“MTEP”)³ and are derived from MISO’s Regional Expansion and Cost Benefit (“RECB”) allocation methodology are also included. Similarly, Minnesota Power included MISO Auction Revenue Rights (“ARR”) revenues⁴ for the MVP that the Company is not an owner of but is allocated a portion of any revenues as a MISO member. The MVP ARR revenues the Company receives are being credited to retail customers in Minnesota Power’s TCR Tracker.

Minnesota Power’s August Petition mirrors the Company’s request for approval in the November Petition with the exception that no revenue or expenses associated with the Northland Reliability Project (“NRP”) and Alexandria – Big Oaks 345 kilovolt (“kV”) Project

² Docket Nos. E015/CN-21-140 and E015/TL-21-141.

³ MTEP is an annual regional expansion plan issued by MISO with three primary objectives: 1) to perform a reliability assessment of the MISO integrated transmission system; 2) to review transmission owning members transmission plans and make sure that appropriate projects are reviewed and recommended to MISO Board of Directors for approval; and 3) to develop transmission upgrades to improve market performance.

⁴ ARR is a Market Participant’s entitlement to a share of revenue generated in annual Financial Transmission Rights (“FTR”) auctions. A Market Participant’s firm historical usage of MISO’s transmission system determines its share and depending upon the FTR auction clearing price of an ARR path, the share could result in revenue or a charge.

(“Alexandria-Big Oaks Project”) are included. Exclusion of these projects resolves the concerns about alignment between costs and revenues which triggered Minnesota Power’s April 8, 2025 request to the Commission for approval to withdraw its November Petition.

Specifically, the Company realized that the November Petition included MISO Schedule 26A revenue associated with NRP, but did not include the project’s revenue requirements, which would partially offset this revenue. This misalignment occurred because, at the time of the November filing, the NRP had not yet been approved by the Commission, which is a typical threshold for inclusion in a cost recovery rider. However, the MISO budget for Schedule 26A revenue did include the NRP. Also, as 2025 is the first year Minnesota Power is receiving Schedule 26A revenue for MISO’s Tranche 1 Long Range Transmission Planning (“LRTP”) projects, the Company spent additional time to reassess the long-term cost recovery options for these significant projects. Ultimately, the Company is excluding NRP and Alexandria-Big Oaks (currently the Company’s only LRTP projects) from this request.

Cost Recovery Treatment for NRP and Alexandria-Big Oaks Project

The primary reason for excluding the NRP and Alexandria-Big Oaks Project from Minnesota Power’s TCR is that these projects are more appropriately considered Federal Energy Regulatory Commission (“FERC”) jurisdictional projects than retail jurisdictional projects. As part of MISO’s Tranche 1 LRTP portfolio, these projects have been determined to have both significant costs and system-wide benefits.⁵ Costs associated with these projects are allocated to MISO North members through MISO’s Schedule 26A based on each entity’s share of energy consumed. Minnesota Power is approximately 2.5 percent of MISO North. Revenues and expenses for LRTP investments are billed and credited to utilities through MISO Schedule 26A. Beginning in 2025, Minnesota Power began receiving revenue from its investments in the NRP and Alexandria-Big Oaks, with the Company’s ownership share at approximately 50 percent and 16.5 percent, respectively. Given the substantial gap between the relatively small amount of allocated costs and the much larger investment share of Minnesota Power ownership, these projects are of a different nature than the transmission

⁵ On July 25, 2022, the MISO Board of Directors unanimously approved the Tranche 1 Long Range Transmission Planning (“LRTP”) portfolio of new transmission projects. The \$10.3 billion investment includes 18 transmission projects in MISO’s Midwest Sub-region that will result in more than 2,000 miles of additional transmission lines being built.

projects previously included in the TCR, which were more closely aligned with direct customer benefits.

As MISO's LRTP projects are intended to provide system-wide benefits, it is important to align any federal incentives administered through FERC with those bearing the risk associated with building the LRTP projects. Currently the FERC allows a higher return on equity ("ROE") than the ROE approved by the Commission. The Minnesota Supreme Court has determined that it is solely in the utility's discretion as to which projects are included in its TCR, and it stands to reason that investors in these types of projects are entitled to the FERC-allowed ROE. By removing the projects from the TCR, Minnesota Power's shareholders will retain the FERC-allowed ROE, which is a component of Schedule 26A Revenue. With this change, Minnesota Power's retail customers will not pay for these projects, as all cost recovery will be collected at the FERC-jurisdiction through MISO, but customers will still receive the system reliability, expanded capacity, and reduced congestion benefits associated with these projects.

Table 1 below shows the difference between the revenue requirements included in the August Petition and the November Petition. It is important to note that the difference is more pronounced when looking solely at 2025, since no revenue requirements were included for NRP in the November Petition. Had these costs been included in the November Petition, it would have added about \$2.6 million to revenue requirements (for a total of about \$17.9 million). This means an apples-to-apples comparison of the two filings would show an increase in customer costs of about \$2.4 million, as shown in Table 2.

Table 1 – Estimate without NRP

Estimated 2025 MN Jurisdictional Revenue Requirements			
	November	August	
(\$000)	Petition	Petition	Difference
Alexandria - Big Oaks	650	-	(650)
Northland Reliability Project (NRP)*	-	-	-
Schedule 26A Revenue (RECB)*	(5,749)	-	5,749
Schedule 26A Expenses (RECB)	14,676	14,549	(126)
Other (including Tracker Balance)	5,722	5,711	(10)
	\$ 15,298	\$ 20,261	\$ 4,963
* The November Petition included Schedule 26A revenues related to NRP, but no revenue requirements, due to timing of Commission approval. Estimated 2025 value is \$2.6M.			

Table 2 - Estimate Including NRP

Estimated 2025 MN Jurisdictional Revenue Requirements			
<i>Including estimate of NRP *</i>			
(\$000)	November Petition	August Petition	Difference
Alexandria - Big Oaks	650	-	(650)
Northland Reliability Project (NRP)*	2,600	-	(2,600)
Schedule 26A Revenue (RECB)	(5,749)	-	5,749
Schedule 26A Expenses (RECB)	14,676	14,549	(126)
Other (including Tracker Balance)	5,722	5,711	(10)
	\$ 17,898	\$ 20,261	\$ 2,363
* The November Petition included Schedule 26A revenues related to NRP, but no revenue requirements. This table shows a comparison if the \$2.6M NRP estimate had been added to the November Petition.			

TCR Factors

As shown in Exhibit B-1, the proposed 2025 TCR factors will increase an average of about 93 percent; or about 137 percent for the Large Power customers and about 58 percent for All Other customers. This differential increase reflects the negative 2023 projected tracker balance for the Large Power class included in the previous factors. Also, the previous 2024 factors represented a significant decline of about 75 percent over the 2023 factors because of moving the Great Northern Transmission Line (“GNTL”) project out of the TCR and into the Company’s last rate case. As shown below in Table 8, the overall rate impact for Residential customers will be about 0.74 percent or about \$0.76 per month and about a 1.53 percent increase for the Large Power customers.

A. Background of the TCR Rider

In 2005, the Minnesota Legislature enacted Minn. Stat. § 216B.16, subd. 7b, allowing the Commission to approve a tariff mechanism for the timely recovery through automatic annual adjustments of cost associated with new transmission facilities that have been approved by the Commission under Minn. Stat. §§ 216B.243 or 216B.2425. In addition, Minn. Stat. § 216B.16, subd. 7b(d) specifically provides for the Commission to approve the annual rate adjustments upon receipt of a filing for a rate adjustment pursuant to the tariff established in Minn. Stat. § 216B.16, subd. 7b(b), and thorough review of the associated costs and achieved transmission system improvements. Minn. Stat. § 216B.16, subd. 7b was amended in 2008 to also allow utilities timely recovery of charges for new transmission

facilities from other utilities through MISO and for new transmission facilities that are exempt from the requirements of Minn. Stat. § 216B.243. 2008 Minn. Laws. Ch. 296, Art. 1, § 5.

On December 7, 2007, the Commission issued an Order⁶ concurrently approving Minnesota Power's Transmission Rider effective January 1, 2008, and Minnesota Power's 2008 Transmission Factor. Table 3 provides a list of the TCR-related dockets to-date.

Table 3- List of Transmission Cost Recovery Dockets To-date

Title	Docket	Date Filed	Order Date	Notes:
Initial TCR	Docket No. E015/M-07-965	7/12/07	12/7/07	Established TCR tariff
2008 Factor	Docket No. E015/M-07-965	7/12/07	12/7/07	Badoura & Tower Projects recovery approved
2009 Factor	Docket No. E015/M-08-1176	9/30/08	6/23/09	MISO charges first included
2010 Factor	Docket No. E015/M-10-799	7/15/10	5/11/11	CAPX2020 Projects recovery approved; internal capitalized costs removed; 2009 Factor kept in place until 2011 Factor approved due to minimal difference to 2010 Factor
2011 Factor	Docket No. E015/M-11-695	6/29/11	11/12/13	2009 Factor remained in place at Company's request
2014 Factor	Docket No. E015/M-14-337	4/24/14	2/23/15	Savanna Project & MVP ARR recovery approved; NERC Alert Projects recovery denied
2015 Factor	Docket No. E015/M-15-472	5/22/15	2/3/16	Deer River & 39 Line Projects recovery denied *
2019 Factor	Docket No. E015/M-19-440	7/9/19	12/3/20	GNTL & Dog Lake Projects recovery approved; FERC audit & future TCR eligible projects reporting requirements
2021 Factor	Docket No. E015/M-20-900	12/28/20	3/24/22	GNTL & Dog Lake project costs; authorized MISO-related costs
2022 Factor	Docket No. E015/M-21-857	12/28/21	N/A	11/1/22 Withdrawal request by MP approved by MPUC on 11/16/22**
2023 Factor	Docket No. E015/M-22-573	10/31/22	5/2/23	GNTL project costs; authorized MISO-related costs
2024 Factor	Docket No. E015/M-23-460	10/24/23	3/5/24	Duluth Loop Project Added

* On November 29, 2018, Minnesota Power submitted a letter into Docket Nos. E015/GR-16-664 and E015/M-15-472 informing the Commission that coincident with implementation of final rates in the 2016 general rate case, the Company intends to zero out the TCR base rate sub-factors and continue the sub-factor rates as the new bill factors.

⁶ Docket No. E-015/M-07-965.

****** On November 16, 2022, Minnesota Power received Commission approval to immediately withdraw its 2022 TCR Petition due to the proposed 2022 TCR Factor being higher than the recently submitted proposed 2023 TCR Factor.

B. Updates to the TCR Tracker

The 2025 TCR revenue requirements include updates to the final actual 2023 tracker, updates to the projected 2024 tracker balance, and the 2025 projected revenue requirements. The 2024 and 2025 revenue requirements include recovery of cost for investments and expenditures incurred related to the Duluth Loop Project, and the HVDC Modernization Project for which the Commission approved a CoN and route permit on October 25, 2024.

C. Future Potentially Eligible TCR Projects

Order Point 7 of the December 3, 2020 Order also requires Minnesota Power to include in its TCR factor filing descriptions of all potentially eligible projects that the Company will seek recovery for in the future, and the impact those projects will have on the TCR factor. There are currently no potentially eligible projects to include.

On July 25, 2022, the MISO Board of Directors unanimously approved the Tranche 1 LRTP portfolio of new transmission projects. The \$10.3 billion investment includes 18 transmission projects in MISO's Midwest Sub-region that will result in more than 2,000 miles of additional transmission lines being built. Costs for these MVPs will be allocated across Northern MISO of which Minnesota Power is approximately 2.5 percent of MISO North. The Company is investing in the NRP and Alexandria – Big Stone Project based on existing ownership and Minnesota's Right of First Refusal statute. Minnesota Power is assigning these projects to the FERC jurisdiction and will not be seeking recovery of these costs through its TCR.

II. PROCEDURAL MATTERS

Pursuant to Minn. Stat. § 216B.16, subds. 1 and 7b and Minn. Rule 7829.1300, Minnesota Power provides the following required general filing information.

A. Summary of Filing (Minn. Rule 7829.1300, subp. 1)

A one-paragraph summary accompanies this Petition.

B. Service on Other Parties (Minn. Rule 7829.1300, subp. 2)

Pursuant to Minn. Stat. § 216.17, subd. 3 and Minn. Rules 7829.1300, subp. 2, Minnesota Power eFiles the Petition on the Department and the Office of Attorney General Antitrust and Utilities Division. A summary of the filing prepared in accordance with Minn. Rules 7829.1300, subp. 1 is being served on Minnesota Power's general service list.

C. Name, Address and Telephone Number of Utility (Minn. Rule 7829.1300, subp. 3(A))

Minnesota Power
30 West Superior Street
Duluth, MN 55802
(218) 722-2641

D. Name, Address and Telephone Number of Utility Attorney (Minn. Rule 7829.1300, subp. 3(B))

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E. Date of Filing and Date Proposed Rate Takes Effect (Minn. Rule 7829.1300, subp. 3(C))

This Petition is being filed on August 19, 2025. Minnesota Power proposes that the 2025 Transmission Factor take effect August 1, 2025,⁷ or the first of the month following Commission approval and no sooner than 90 days from the Petition filing date.

⁷ This date is the same as the proposed effective date in the November Petition and is necessary to show no other adjustments occurred other than the exclusion of project costs for the NRP and Alex-Big Oaks Project.

F. Statute Controlling Schedule for Processing the Filing (Minn. Rule 7829.1300, subp. 3(D))

This Petition is made pursuant to Minn. Stat. § 216B.16. Minn. Stat. § 216B.16, subd. 1 requires 60 days' notice to the Commission of a proposed rate change, after which time the proposed rate change takes effect unless suspended. Although Minn. Stat. § 216B.16, subd. 7b does not provide an overall timeframe for approval, it does provide direction for processing the annual filing. Specifically, under Minn. Stat. § 216B.16, subd. 7b(b) and (d) respectively, the Commission may act on this Petition and approve Minnesota Power's 2025 Transmission Factor only after notice and comment. Furthermore, Minnesota Power's proposed Transmission Rider falls within the definition of a "Miscellaneous Tariff Filing" under Minn. Rules 7829.0100, subp. 11 and 7829.1400, subp. 1 and 4 permitting comments in response to a miscellaneous filing to be filed within 30 days, and reply comments to be filed no later than 10 days thereafter.

G. Utility Employee Responsible for Filing (Minn. Rule 7829.1300, subp. 3(E))

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H. Impact on Rates and Services (Minn. Rule 7829.1300, subp. 3(F))

The 2025 Transmission Factor will have no effect on Minnesota Power's base rates. The additional information required under Minn. Rule 7829.1300, subp. 3(F) is included throughout this Petition.

I. Service List (Minn. Rule 7829.0700)

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III. TRANSMISSION RIDER AUTHORIZATION

Minn. Stat. § 216B.16, subd. 7b(a) allows the Commission to approve a tariff mechanism for the automatic annual adjustment of charges for the Minnesota jurisdictional costs of new transmission facilities that have been separately filed, reviewed and approved by the Commission under Minn. Stat. §§ 216B.243 or 216B.2425, and for charges incurred by a utility that accrue from other transmission owners' regionally planned transmission projects that have been determined by MISO to benefit the utility, as provided for under a federally approved tariff ("MISO charges"). Minn. Stat. § 216B.16, subd. 7b(b) allows a utility to recover on a timely basis the costs net of revenues of facilities approved under section 216B.243 or certified or deemed to be certified under section 216B.2425 or exempt from the requirements of section 216B.243, or MISO new transmission facility charges. The MISO charges must be reduced or offset by any MISO revenues received by the utility and by amounts the utility charges to other regional transmission owners for the new transmission facilities, to the extent those revenues and charges have not been otherwise offset. Minn. Stat. §216B.16, subd 7b(b)(2).

In this Petition, Minnesota Power provides the information required under Minn. Stat. §216B.16, subd. 7b(b) supporting its request for approval of the 2025 Transmission Factor. A copy of the revised Transmission Rider, with the rates as requested in this Petition, is attached as Exhibit A-1.

IV. 2025 TRANSMISSION FACTOR

Minn. Stat. § 216B.16, subd. 7b(d) specifically provides that upon receiving a filing for a rate adjustment pursuant to the established tariff, the Commission shall approve the annual rate adjustments provided that the costs were or are expected to be prudently incurred and achieve transmission system improvements at the lowest feasible and prudent cost to ratepayers. Minnesota Power provides the description, context, schedule, cost, rate calculation and rate impact information required under Minn. Stat. § 216B.16, subd. 7b(c) regarding Minnesota Power's 2025 Transmission Factor in the following sections.

A. Description and Context for Facilities – Minn. Stat. § 216B.16, subd. 7b(c)(1)

In its Petition for Approval of the 2025 Transmission Factor, Minnesota Power is seeking cost recovery of incurred charges, excluding internal capitalized costs and Allowance for Funds Used During Construction ("AFUDC") on internal capitalized costs, related to on-going transmission projects as identified in this section. Minnesota Power seeks cost recovery for investments and expenditures related to the HVDC Modernization, and Duluth Loop projects. Similarly, the Company is seeking recovery of its previously requested share of allocated cost of MTEP projects as a load serving entity within MISO.

1. HVDC Modernization Project

Minnesota Power is modernizing the converter stations for its 465-mile-HVDC transmission line that connects the plains of North Dakota to Northeastern Minnesota. With a planned completion by 2030, the HVDC modernization project accomplishes much needed updates for the nearly 50-year-old HVDC terminals. In recent years, the Company has experienced HVDC terminal outages due to failures in the control system, power electronics, transformers, and other components. Based on experience with other electric system components, the failure rate is expected to increase, which is of particular concern for the existing HVDC system because of limited parts availability.

The HVDC Modernization Project involves modernizing and upgrading both HVDC terminals for the 465-mile-long HVDC Line and interconnecting the upgraded HVDC terminals to the existing alternating-current transmission system. These HVDC terminals are currently located near the Arrowhead Substation in Hermantown, Minnesota and the Center Substation in Center, North Dakota. In addition to the replacement of the existing HVDC

terminals, the new Voltage Source Converter (“VSC”) HVDC technology implemented for the HVDC Project will be designed to provide voltage regulation, frequency response, blackstart capability, and bidirectional power transfer capability, all of which will enable Minnesota Power to continue providing reliable power within its service territory, position the HVDC transmission line for the future with expandable, modular technology, and establish the transmission corridor as a building block for a resilient grid across the Upper Midwest.

To modernize the terminals of the existing Square Butte HVDC Line and implement the latest VSC HVDC technology, new buildings and electrical infrastructure need to be constructed on a new site near the existing HVDC terminals. In Minnesota, the HVDC Project includes:

- Construction of a new St. Louis County 345 kV/230 kV substation located less than one mile west of the current Arrowhead Substation;
- A new 345 kV Large high voltage transmission line (“LHVTL”) less than one mile in length;
- Two new parallel 230 kV LHVTLs less than one mile in length; and
- Reconfiguring a short portion of the existing ± 250 kV HVDC Line to terminate at the new HVDC terminal.

In North Dakota, the HVDC Project includes:

- Expansion of the separately proposed Nelson Lake 230 kV Substation to add a 345 kV/230 kV transformer and 345 kV line entrance;
- A new HVDC Converter Station;
- A new 345 kV line from the Converter Station to the Nelson Lake Substation; and
- A ± 250 kV HVDC Line Extension from the new Converter Station to tie into the existing ± 250 kV HVDC Line.

Figure 1 shows the HVDC Modernization Project route approved by the Commission in its Order dated October 25, 2024.

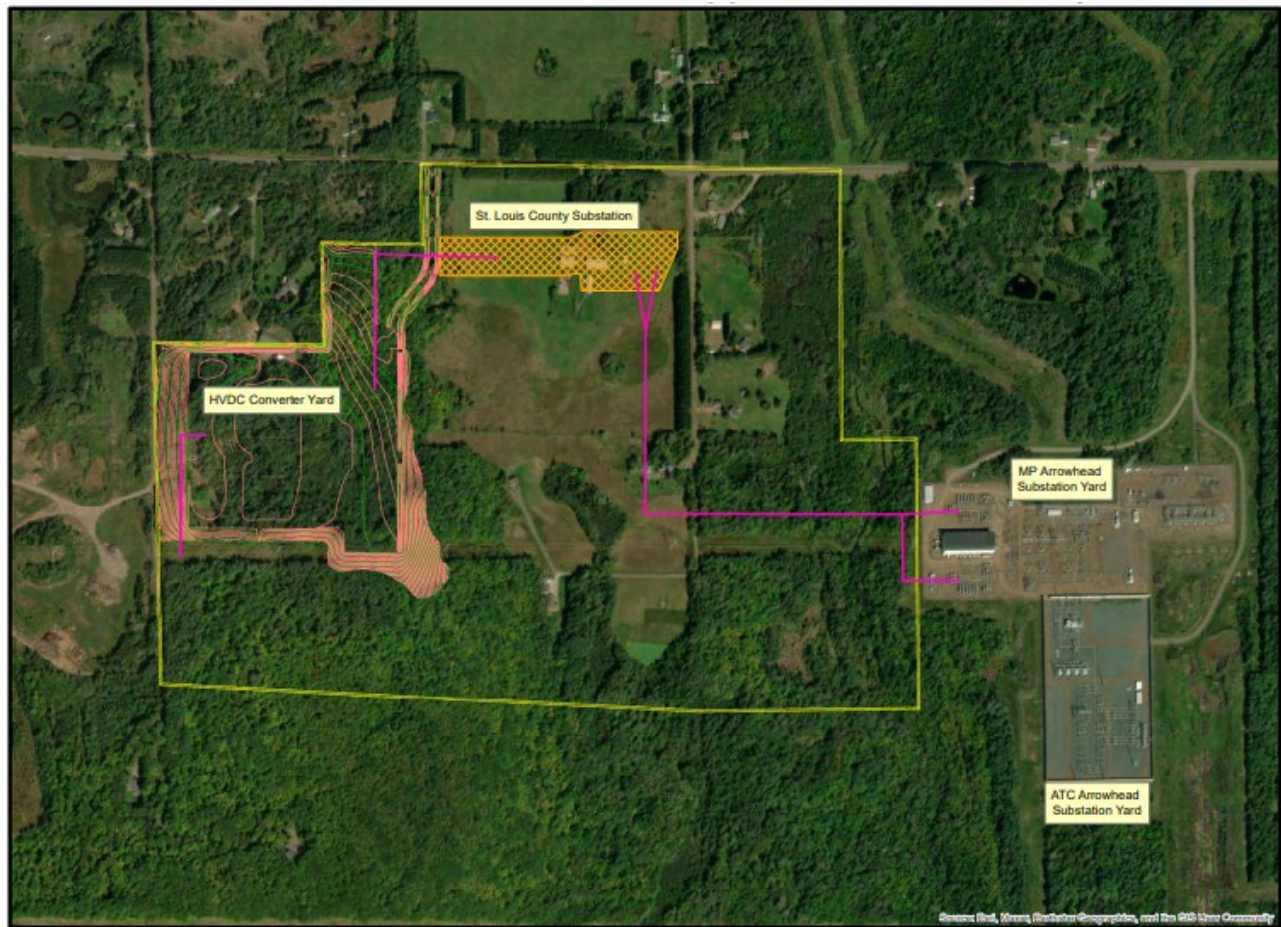


Figure 1 - HVDC Modernization Project Route

a. Substation and Terminal Facilities

The substations and terminals are the primary facilities and the short transmission line segments are ancillary facilities for interconnecting the HVDC terminal with the substation facilities. The Project will require a new HVDC terminal, a new St. Louis County 345 kV/230 kV substation, and upgrades to the existing Arrowhead Substation 230 kV bus. The HVDC terminal will convert the DC electricity into AC and will interconnect to the AC transmission system at 345 kV via a short 345 kV transmission line to the St. Louis County Substation.

b. Transmission Structure and Conductor Design

The transmission structures for the HVDC Project are anticipated to be tubular steel pole structures; however, steel lattice or wood pole structures could be used as necessary. Actual span lengths and structure heights may vary outside typical values as necessary. Tubular steel pole structures are anticipated to be supported on concrete drilled pier foundations;

however, other foundation types including but not limited to helical piles and direct embedment may also be used as appropriate.

The new ± 250 kV HVDC, 230 kV, and 345 kV steel pole structures will be approximately 60 to 180 feet tall with spans of approximately 200 to 1,000 feet. Structures may be configured as double circuit or double circuit-capable as appropriate to facilitate future development consistent with planning efforts at the terminals and substations.

The specific conductors for the 230 kV and 345 kV transmission lines will consist of aluminum conductor steel reinforced (“ACSR”) or possibly aluminum conductor steel supported (“ACSS”) wire and are likely to use bundled configurations (e.g., two subconductors per phase). The conductors are selected according to the near-term and long-term capacity needs of the proposed transmission lines while also considering electrical performance characteristics, such as electric and magnetic fields, audible noise, radio interference, and lifecycle operating and maintenance costs. The conductor for the short segment of new ± 250 kV HVDC line is anticipated to be 2839 ACSR to match the existing HVDC line conductor.

c. Design Options to Accommodate Future Expansion

Given the long-term significance of the HVDC Line for Minnesota Power and the region, design options to accommodate future expansion are a major consideration for the Project. The new VSC HVDC Converter Stations will be designed with a flexible, scalable approach that will enable their future expansion to accommodate bulk regional transfers of renewable energy. Minnesota Power is working with the HVDC supplier to procure the most current capacity and technology for the new VSC Converter Stations, as well as additional expandability features to enable staged development of additional HVDC capacity to meet future regional needs.

The new St Louis County 345 kV/230 kV Substation will be designed with room for several future 345 kV line additions to accommodate regional transmission development in conjunction with increasing capacity and utilization of the HVDC line. The new substation will also include space to accommodate a second 345 kV/230 kV transformer to facilitate expanded delivery of power to the local transmission system in northeastern Minnesota. New 345 kV and 230 kV transmission lines constructed for the Project will be designed with

sufficient capacity to accommodate reasonably foreseeable long-term needs, and Minnesota Power will consider making new transmission structures double-circuit capable where appropriate.

2. Duluth Loop Project

The Duluth Loop Project is needed to (1) resolve severe voltage stability concerns; (2) relieve transmission line overloads; and (3) enhance the reliability of Duluth area transmission sources. The transmission system in the Duluth area has historically been supported by several coal-fired baseload generators located along Minnesota's North Shore. For decades, these local generators have contributed to the reliability of the transmission system by delivering power to the local area and providing system support. As Minnesota Power and its customers have transitioned away from reliance on coal to increasingly lower carbon sources of energy, the idling of the generators on the North Shore has led to an increased reliance on the transmission system to deliver replacement power and system support to the Duluth area and along the North Shore. In order to maintain a continuous supply of safe and reliable electricity while replacing the support once provided by these local coal-fired generators, the Duluth area transmission system must be upgraded. To accomplish this, transmission lines in an area known as the Duluth Loop are being constructed, reconfigured, and improved to enhance system stability and reliability.

The Duluth Loop Project used a multi-stage, interactive routing process to identify route options for the proposed 115 kV line and the 230 kV line. The iterative process is designed to narrow the initial Study Area into Study Corridors, then into Route Alternatives, and finally into a Proposed Route. Throughout this process, Minnesota Power requested feedback from both stakeholders and the public through two public meetings, landowner mailings, stakeholder specific meetings, print and social media engagement and a project website. Taking into account this information, as well as the applicable Minnesota Statutes and Rules, potential state, federal, and local permits or approvals necessary for the Project, and the purpose and need for the Project, Minnesota Power identified the Proposed Route that was approved by the Commission in its Order dated April 3, 2023.

The Duluth Loop Project includes:

- 1) Construction of about 14 miles of new 115 kV transmission line between Minnesota Power's Ridgeview, Haines Road, and Hilltop substations;
- 2) Construction of a new approximate one-mile extension connecting an existing 230 kV transmission line to the Minnesota Power's Arrowhead substation;
- 3) Upgrades to the Ridgeview, Hilltop, and Arrowhead substations; and
- 4) Reconfiguration, rebuild, and upgrades to existing 115 kV and 230 kV transmission lines and communications infrastructure in the Project area.

The Commission-approved Project route shown in Figure 2 is the proposed route by the Company – no alternative routes or segments were required.

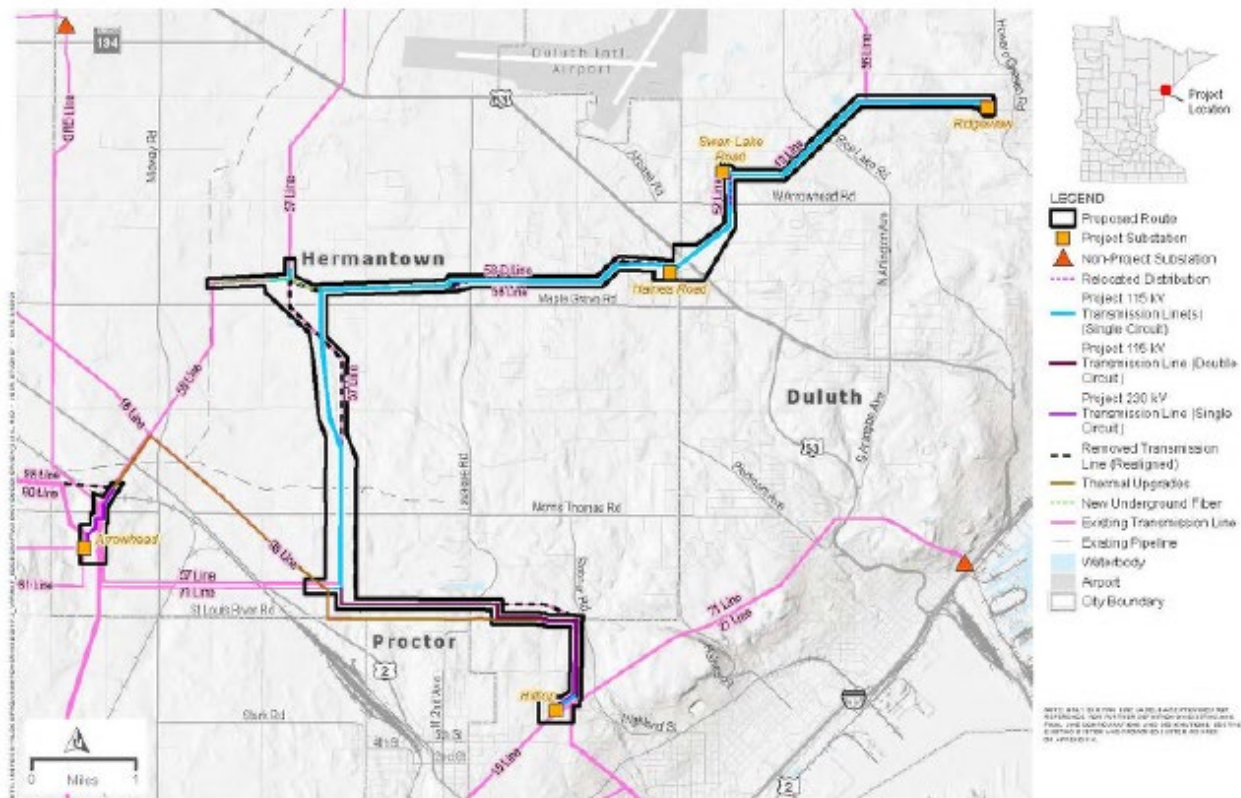


Figure 2 - Final approved route for the Duluth Loop Project

The Duluth Loop Reliability Project is a complex multi-year project involving three substations, several transmission lines, various distribution lines requiring relocation and relay protection upgrades at multiple endpoints within the system. The key elements of this work are described in detail in the following sections.

a. Required Substation Modifications

Arrowhead Substation

A new 230 kV transmission line entrance will be added within the existing Arrowhead Substation located in Hermantown, Minnesota to accommodate the proposed 230kV reconfiguration establishing the Arrowhead to Hilltop 230kV line (108 Line). This new 230kV transmission line entrance will include a substation dead-end structure, circuit breaker, two switches and bus work. The substation site footprint is not expanding. Existing wave traps, switches, instrument transformers, 115kV control house battery and numerous line panels will be replaced as asset renewal as a part of this project.

Hilltop Substation

The existing Hilltop Substation in Duluth, Minnesota will be expanded by approximately 0.06 acres on existing Minnesota Power property to accommodate the construction of a new 115kV transmission line entrance. This new line entrance will include a substation dead-end structure, circuit breaker, two switches and bus work. An existing 230/115kV transformer will be replaced with a higher MVA rated transformer. Existing substation equipment including 115kV circuit breaker, two switches and various substation conductors on the low side of the transformer will be replaced with higher ampacity equipment. A new 230kV circuit breaker will be added, and three existing 115kV transmission line circuit breakers will be replaced as asset renewal components of the Project.

Ridgeview Substation

The existing Ridgeview Substation in Duluth, Minnesota will be expanded by approximately 0.74 acres on existing Minnesota Power property to accommodate a new 115kV transmission line entrance, a future 115kV transmission line entrance, and a future capacitor bank in a ring bus configuration. The existing substation bus will be reconfigured and expanded to a six-position 115kV ring bus with three 115kV transmission line positions, two 115/14kV transformer positions, and a future 115kV transmission line position. An aging 115/14kV transformer will be replaced and relocated to a shared ring bus position with the future capacitor bank.

b. Required Transmission Line Modifications

The following reconfiguration, rebuild, and upgrades are required to existing transmission lines as part of the Duluth Loop Project.

230kV Transmission Line Work

- Existing 230kV Arrowhead – Iron Range Line No. 98/Tap to Hilltop (98 Line Tap) will be upgraded to a higher thermal rating.
- Existing 98 Line Tap will be disconnected from the existing 230kV Arrowhead – Iron Range Line No. 98 and extended into the Arrowhead Substation to become the 230kV Arrowhead – Hilltop Line No. 108 (108 Line).
- New poles for 230kV transmission line construction will primarily be steel monopoles.
- New conductor for 230kV transmission line construction will be 954 ACSR to match existing conductors.

115kV Transmission Line Work

- Reconductor of existing 115kV Haines Road – Swan Lake Road Line No. 52 (52 Line).
- Reconductor of existing 115kV Swan Lake Road – Ridgeview Line No. 19 (19 Line).
- A segment of existing 115kV Arrowhead – 15th Avenue West Line No. 71 (71 Line) will be reconstructed as a double-circuit line with the new 115kV Hilltop – Haines Road Line No. 176 (176 Line).
- Existing 115kV Arrowhead – Haines Road Line No. 58 (58 Line) will be uncrossed from existing 115kV Arrowhead – Colbyville Line No. 57 (57 Line) to become 115kV Arrowhead – Colbyville Line No. 58 (58 Line).
- Existing 115kV Arrowhead – Colbyville Line No. 57 (57 Line) will be uncrossed from existing 115kV Arrowhead – Haines Road Line No. 58 (58 Line) and connected to existing 115V Haines Road – Swan Lake Road Line No. 52 (52 Line) outside of

Haines Road substation to become 115KV Arrowhead – Swan Lake Road Line No. 57 (57 Line).

- New poles for 115kV transmission line work will primarily be wood H-frame structures, but some steel monopoles may be used where conditions favor.
- New conductor for 115kV transmission line construction will primarily be 666 ACSS, though 636 ACSR may be used in some areas to match existing conductor.

Related ancillary work to support the sequencing and phasing of construction includes removing distribution line crossings, relocation of distribution lines to new corridors, installation of alternative fiber communications paths to maintain communication while lines are being constructed, and relay protection panel upgrades at all three substations named above and at multiple remote ends.

3. MISO Transmission Projects

MISO is legally required to plan, develop and ensure construction of improvements to the regional transmission infrastructure. In order to accomplish this, MISO developed MTEP, a stakeholder-driven expansion planning process. Minnesota Power, among other members/participants, participates in this planning process and submits transmission projects which Minnesota Power believes will enhance the network to MISO. MISO conducts studies of all submitted projects, and those they determine enhance reliability or relieve transmission congestion are included in the next annual MTEP. This entire process is governed by Attachment FF of the MISO Open Access Transmission, Energy and Operating Reserve Markets Tariff.⁸

Section III of Attachment FF is MISO's FERC- approved Designation of Cost Responsibility for MTEP Projects which includes a methodology for allocating the cost of MTEP projects to all load-serving entities within the MISO footprint, including Minnesota Power. There are currently three FERC-approved processes, each with separate inclusion criteria and cost allocation methods, which allow MISO to allocate costs:

⁸ MISO OATT Attachment FF (<https://cdn.misoenergy.org/Attachment%20FF240221.pdf>).

1. Process for Baseline Reliability Projects (“BRP”) as well as generator interconnection projects
2. Process for economic projects with regional benefits identified as Market Efficiency Projects (“MEPs”)
3. Process for projects assigned the MVP designation are allocated across the entire MISO footprint based on a megawatt hour charge

Minnesota Power currently is allocated costs by MISO only for BRP that were approved by FERC during the first process.

Included in this Petition for Approval of the 2025 Transmission Factor are net MISO charges Minnesota Power incurs as a result of other transmission owners’ regionally planned transmission projects determined through the MTEP process to benefit Minnesota Power.⁹ In addition, several Minnesota Power projects have been included in various annual MTEPs and thus, beginning in 2010 Minnesota Power began to receive related RECB Schedule 26 revenues from other MISO utilities. Minnesota Power’s net revenues from other utilities as a result of the cost allocation process are included in the transmission rider revenue requirements. Minnesota Power also included MISO ARR revenues for the MVPs that the Company is not an owner of, but is allocated a portion of any revenues as a MISO member.

a. Incentive Rate Treatment

On March 13, 2024, MISO, on behalf of ALLETE, Inc., submitted a request under sections 205 and 219 of the Federal Power Act¹⁰ and section 35.35 of the FERC regulations¹¹ seeking incentive rate treatment for its approximately 16.5 percent investment in the Alexandria – Big Oaks Project and 47.7 percent investment in the Northland Reliability

⁹ Minn. Stat. § 216B.16, subd. 7b(c)(1) does not require utilities to provide a description and context for facilities that result in MISO RECB charges being incurred.

¹⁰ 16 U.S.C. §§ 824d, 824s.

¹¹ 18 C.F.R. § 35.35 (2023).

Project.¹² These projects are among the 18 LRTP Tranche 1 projects approved by the MISO Board of Directors.

FERC Order No. 679 established a policy that allows utilities to include, where appropriate, 100 percent of prudently incurred transmission-related CWIP in rate base. Order No. 679 was passed to advance the goals of section 219 by providing up-front regulatory certainty, rate stability, and improved cash flow, thereby reducing the financial pressure of investing in transmission projects.

On May 10, 2024, FERC issued an Order granting the requested incentives. The Company is assigning these two LRTP Tranche 1 projects to the FERC jurisdiction and are not including them in the August Petition. Therefore, the MISO Schedule 26A revenue for these two projects is excluded from the Net RECB revenue requirements in Exhibit B-2, page 4. The related Schedule 26A expenses MISO allocated to Minnesota Power customers for these two projects are also appropriately excluded as shown in Exhibit B-2, page 4.

b. Other Wholesale Transmission Revenues (Non-RECB)

In addition to the wholesale transmission revenues and expenses through MISO Schedules 26 and 26A for RECB projects, Minnesota Power receives other wholesale transmission revenues from third-party transmission customers who are charged the Company's FERC jurisdictional MISO tariff rate for the use of its non-RECB transmission system. Minnesota regulated electric utilities' transmission assets that are not considered to be RECB projects for MISO purposes are included in the utilities' base rates rather than a transmission rider.

Some costs and revenues from non-RECB transmission projects qualify for rider recovery. In those instances, a net credit is included in the utilities' TCR Rider to account for the amount of revenues it expects to receive from MISO for other utilities' use of the transmission asset. This net credit reflects the difference between what the utility pays MISO for using its own non-RECB transmission asset and what the utility receives from MISO for other utilities' use of the asset.

¹² ALLETE also requested d authorization to recover 100 percent of prudently incurred costs of the Projects that are cancelled or abandoned for reasons beyond ALLETE's control ("Abandoned Plant Incentive"). The Abandoned Plant Incentive as approved by FERC in its May 10, 2024, Order.

Minnesota Power included a net credit in the TCR Tracker up until December 31, 2021, to account for the amount of revenues the Company had and expected to receive from MISO for other utilities' use of its non-RECB transmission assets: the 500 kV GNTL and Dog Lake Project's new 115 kV transmission line. However, the Company filed a rate case in 2021 with a 2022 test year that included MISO revenue based on Attachment O revenue requirements that include both Dog Lake and GNTL. As a result, the credit appropriately ended as of January 1, 2022 (the start of the test year) because MISO revenue generated based on the capital expense for each project was included in the Company's base rates beginning on that date.

B. Project Update & Schedule for Implementation – Minn. Stat. §216B.16, subd. 7b(c)(2)

1. HVDC Modernization Project

The anticipated permitting and construction schedule for the Project is provided in Table 4.

Table 4 - HVDC Modernization Project Schedule

Activity	Timeline
Land Acquisition <i>*Completed</i>	Begins April 2022
Secure Manufacturing Slot Reservation with Preferred Supplier <i>*Completed</i>	January 2023
Kick off technical coordination and engagement with Preferred Supplier <i>*Completed</i>	March 2023
Begin Front End Studies & Engineering Design (FEED) with Preferred Supplier <i>*Completed</i>	January 2024
Certificate of Need and Route Permit Issued <i>*Completed</i>	October 2024
Other Federal, State, and Local Permits Issued July <i>*In Progress</i>	July 2024 – April 2026
Order Long Lead Time Equipment for AC Substations <i>*Completed</i>	November 2024
Clearing Begins <i>*In Progress</i>	January 2025
Construction of AC Interconnection Facilities Begins	May 2026
Receive Firm Proposal for HVDC converters from Preferred Supplier <i>*Completed</i>	January 2025- April 2025
Execute Firm EPC Contract and Give Final Notice to Proceed with HVDC Manufacturing & Delivery <i>*Completed</i>	May 2025
Construction of HVDC Converter Stations Begins	February 2026 – October 2026
Project In-Service	December 2028 – April 2030

2. Duluth Loop

The work of designing and constructing the Duluth Loop Reliability Project will span several years. In the October 21, 2021 CoN, the Company stated that it anticipated that construction of the Project will begin in the fall 2023 and be completed in December 2025. As shown in Table 5, construction commenced as anticipated in September 2023. Based on permitting

requirements, and more detailed engineering and planning, the Project is currently expected to be completed in December 2026. Table 5 presents the projected schedules for the various project components and status to-date.

Table 5 - Duluth Loop Project Schedule

Activity	Timeframe
Certificate of Need and Route Permit Application Filed <i>*Completed</i>	Fall 2021
Certificate of Need and Route Permit Issued <i>*Completed</i>	Spring 2023
Land Acquisition Begins <i>*In progress</i>	Spring 2023
Arrowhead Substation Construction Begins <i>*In progress</i>	September 2023
ACOE Wetland (404) Permit Issued <i>*Completed</i>	December 2024
Hilltop Substation Construction Begins <i>*In progress</i>	Summer 2024
Alternative fiber path for 230kV system constructed <i>*Completed</i>	Summer 2024
Right-of-Way Clearing Begins <i>*Completed</i>	January 2025
Ridgeview Substation Construction Begins <i>*In progress</i>	Spring 2025
230kV Transmission Line Construction Begins <i>*In progress</i>	Spring 2025
115kV Transmission Line Construction Begins (2025 / 2026 construction seasons)	Summer 2025
Project In-Service	December 2026

Federal requirements limit tree clearing in the summer months in areas that can be nesting for the endangered Northern Long-eared Bats. The Project permitting team is working with the relevant authorities with the Minnesota Department of Natural Resources as well as US Fish and Wildlife to identify when clearing can take place and under which provisions. The Company expects to receive the project Wetland Permit (US ACOE 404 Permit) in December 2024, which is during the allowable clearing season. The project cannot begin clearing without the wetland permit and will need to wait until January 2025 to commence clearing. Certain work can be done without clearing including work within substations, communication work within existing cleared easements and distribution crossing relocations also within existing cleared easements.

Certain materials continue to experience long lead-time issues in the post-Covid-19 supply chain environment. In particular, the ACSS conductor to be used for the 115kV transmission line work is estimated to have an 80-week lead time. Conductor for the 230kV transmission line has been proactively ordered. Construction work for the 115kV transmission line construction and reconfiguration will be substantially more segmented. Engineering for this project element is nearly complete, and its conductor has been ordered.

Land and right-of-way acquisition work has been advancing on all phases of the project. Long-lead-time permits (such as railroad crossing licenses) have also been completed where engineered drawings are available.

C. Minnesota Power's Costs - Minn. Stat. § 216B.16, subd. 7b(c)(3) & (4)

Minnesota Power has taken multiple steps to ensure the lowest costs to customers. Minn. Stat. § 216B.16, subd. 7b(c)(4). Minnesota Power utilized its standard purchasing procedures to obtain competitive quotations for major purchases and awarded contracts to the lowest bidder(s) for Minnesota Power managed projects, such as the Duluth Loop Project, unless the Company was able to obtain an overall better value. In some cases, contracts were awarded on a single source basis to qualified contractors based on utilizing existing partnering agreements or based upon original equipment manufacturer considerations.

Minnesota Power is committed to maximizing the benefits of the Infrastructure Investment and Jobs Act ("IIJA") and Inflation Reduction Act ("IRA") for its customers. While there have been fewer energy funding opportunities in the last year, the Company continues to actively monitor funding opportunity announcements and pursue applicable opportunities.

Over the last couple of years, Minnesota Power has applied for several federal funding opportunities, including those related to the HVDC Modernization project, long duration energy storage, EV infrastructure, distribution system modernization, and improvements to the Company's hydroelectric system. Preparing and submitting applications for federal funding demands a significant investment of time and resources and typically has matching fund and other requirements which need to be considered. To date, Minnesota Power has been selected for federal funding awards to support the HVDC Modernization Project and improvements to two hydroelectric facilities. On September 30, 2024, the Company finalized the award agreement with the Department of Energy for a \$50 million grant to support the HVDC Modernization Project and is currently in negotiations with the Department of Energy for \$3.1 million of incentive payments for hydro facility improvements. Additionally, the Minnesota Legislature appropriated \$15 million to support the HVDC Modernization Project of which Minnesota Power received \$14.9 million after the Department of Commerce

retained \$100,000 for administration.¹³ Finally, \$10 million has been reserved from Minnesota's State Competitiveness Fund to support the cost share requirements of the federal HVDC grant and negotiation of that agreement is currently underway. As of July 17, the Company has been reimbursed \$158,323 from DOE and \$37,124 from the Minnesota State Competitiveness Fund.

The Company continues to strategically identify federal funding opportunities to pursue in support of its EnergyForward strategy and keep impacts on rates for customers as affordable as possible during this time of energy transition. Minnesota Power is actively working with the Department of Commerce to align IRA incentives with existing Energy Conservation and Optimization ("ECO") program offerings. The Company will evaluate the opportunities associated with the IRA and IIJA in future filings, including future resource acquisitions, integrated resource plans, integrated distribution plans, and petitions for cost recovery through riders and rate cases. Additionally, the Company is evaluating implications stemming from recent changes in the One Big Beautiful Bill Act and executive order issued July 7, 2025, directing the U.S. Department of Treasury to release further guidance.

Lowering costs for customers through fully maximizing the benefits of funding resources, similar to the efforts made with the IRA and IIJA, is critical during this transformation period as utilities make pivotal decisions and investments to meet Minnesota's 100 percent carbon free energy standard by 2040.

Minnesota Power will provide any additional information deemed necessary, as part of notice and comment, for the Commission to conclude that "the utility's efforts to ensure that costs of the facilities are reasonable and were prudently incurred." Minn. Stat. § 216B.1645, subd. 2a(b)(4).

Overall cost summaries, as provided below, include internal capitalized costs and AFUDC on internal capitalized costs associated with the projects for comparison purposes only. Consistent with prior TCR submissions, internal capital costs and AFUDC on internal capitalized costs have been excluded from the revenue requirement calculation as shown

¹³ The credit to customers is reflected on pages 11-26 of Exhibit B-4.

in Exhibit B-3, pages 19 to 28 for the Duluth Loop Project, B-4, and pages 11 to 26 for the HVDC Modernization Project.

Minnesota Power defines capitalized internal costs to include capitalized labor (installation and engineering labor), associated labor overheads, and administrative and general costs. In order to properly exclude the capitalized internal costs from the revenue requirement calculation, budgeted and actual project costs for capitalized internal labor, overheads, and administrative and general costs are excluded for the purposes of calculating a return on construction work in progress (“CWIP”). Capitalized internal costs are also excluded when the projects are placed in-service and a return on rate base is included in the rider revenue requirement calculation. The same costs are also excluded when determining AFUDC.

Consistent with the treatment agreed to by the Company and the Department in Minnesota Power’s Renewable Resources Rider 2020 Renewable Factor docket,¹⁴ Minnesota Power has updated jurisdictional and class allocation factors and ROR from its 2023 retail rate case¹⁵ starting January 1, 2024 (the effective date of interim rates in that rate case).

In the sections below are cost summaries for the HVDC Modernization, and Duluth Loop projects, and MISO charges. Minn. Stat. § 216B.16, subd. 7b(c)(3).

1. HVDC Modernization Project

The Commission-approved estimated cost range to construct both the Minnesota and North Dakota terminal upgrades for the HVDC Modernization Project is approximately \$660-940 million (2022 \$). The cost estimates are based on preliminary engineering considerations, which includes all HVDC Converter Station costs (including engineering, materials, construction, permitting, and design costs) new transmission line costs (including engineering, materials, associated construction, permitting and design costs), substation construction costs (including engineering, materials, construction, permitting, and design costs), AFUDC, through CoN approval, and land and right-of-way costs. The main components are discussed briefly below.

¹⁴ Docket No. E015/M-19-523, Minnesota Power’s February 14, 2020, Reply Comments, pages 7-8 and footnote 9.

¹⁵ Docket No. E015/GR-23-155.

The cost of HVDC Converter Stations is based on the budgetary estimate provided by the HVDC supplier along with Minnesota Power's estimates for supporting internal and professional services and AFUDC. Due to the specialized nature of the technology, HVDC Converter Stations are typically delivered as turnkey projects by the original equipment manufacturer ("OEM"). Due to the scale and complexity of the Project, there are only two OEMs in the world capable of supplying the HVDC Converter Stations that can meet the size and cybersecurity requirements of the proposed design. Minnesota Power engaged in discussions with both OEMs over the course of approximately 12 months before issuing a competitive request for proposals ("RFP") to obtain a guaranteed manufacturing slot and an exclusivity agreement for further development of the Project. The OEM with the most favorable schedule proposal and lowest budgetary pricing was selected at the beginning of 2023, cementing a guaranteed latest in-service date in April 2030 and stabilizing the budgetary outlook for the Project through collaboration and ongoing engagement with the preferred OEM.

In this case, the OEM's estimate includes all engineering, procurement, construction, and installation for the Converter Stations themselves, up to the point of interconnection with the AC transmission system. Minnesota Power is responsible for bringing the existing HVDC line to the Converter Station and constructing a new 345 kV transmission line from the point of interconnection in the HVDC Converter Station to the new AC substations being constructed for the Project. The costs received from the OEM are budgetary and subject to change based on typical market forces, like inflation and commodities pricing, until such time as Minnesota Power is able to enter into a firm EPC contract with the OEM. Minnesota Power will execute a firm contract now that the Commission has approved the CoN for the Project. The HVDC Converter Station cost also includes Minnesota Power's internal and professional services and AFUDC associated with the HVDC Converter Stations. Internal and professional services include Minnesota Power's engineering, permitting, project management, and other resources contributing to the Project, as well as external consultants supporting system impact and design studies, engineering, permitting and environmental review, legal support, land, and right-of-way. The costs associated with Minnesota Power's HVDC Owner's Engineer, HVDC technical experts who will provide detailed technical review of all HVDC OEM work through project commissioning, are also included. The cost of AFUDC was calculated based on the anticipated cash flow for the Project. Accrual of AFUDC

will cease once the Commission grants a Certificate of Need for the Project, because the Project will then become eligible for current cost recovery under the Transmission Rider. Based on this, AFUDC accrual is assumed to stop by the end of 2024, well in advance of the most significant financial commitments for the Project.

The cost of Minnesota Interconnection Facilities is generally based on the 2022 MISO (“MTEP22”) cost estimating guide. Minnesota Interconnection Facilities include the short extension of the HVDC line to the Converter Station, as well as all 345 kV and 230 kV facilities from the HVDC Converter Station to the Arrowhead Substation. This includes the new St. Louis County 345/230 kV Substation, rebuilding existing 230 kV bus sections at Arrowhead, and constructing new 345 kV and 230 kV lines for the Project. Land acquisition costs in Minnesota for the Project are also included.

The cost of North Dakota Interconnection Facilities is generally based on the MTEP22 cost estimating guide. North Dakota Interconnection Facilities include the two-mile extension of the HVDC line to the new Converter Station, as well as all 345 kV and 230 kV facilities from the HVDC Converter Station to the separately planned Nelson Lake 230 kV Substation. This includes the addition of a 345 kV/230 kV transformer at Nelson Lake Substation, as well as constructing a short new 345 kV line segment from the HVDC Converter Station to Nelson Lake Substation. Land acquisition costs in North Dakota for the Project are also included.

a. Operations & Maintenance

Operations and Maintenance (“O&M”) Costs for the Project consist of three components: the new transmission lines, new AC substations, and new HVDC Converter Stations. Of the three components, the O&M costs for the HVDC Converter Stations are expected to be the most significant.

Once constructed, O&M costs associated with the new transmission lines will be minimal for several years since vegetation maintenance on the route corridor will occur prior to construction. Minnesota Power’s average vegetation management costs for all of its transmission lines (100 kV and above) on its system was approximately \$660 per line mile in 2020. In addition to vegetation management, Minnesota Power also performs other general maintenance on its transmission facilities such as repairing aged or worn equipment or facilities. Minnesota Power’s average maintenance costs, excluding vegetation

management, for its transmission lines (100 kV and above) was approximately \$520 per mile in 2020. The specific O&M costs for an individual transmission line varies based on the location of the line, the number of trees located along the right-of-way, the age and condition of the line, the voltage of the line, and other factors.

Over the life of the AC substation facilities, inspections will be performed regularly to maintain equipment and make necessary repairs. Transformers, circuit breakers, batteries, protective relays and other equipment need to be serviced periodically in accordance with the manufacturer's recommendation. The site itself must also be kept free of vegetation, and drainage maintained. Minnesota Power's substation maintenance costs typically range from \$50k to \$100K, annually.

The HVDC Converter Station is expected to be staffed during normal business hours and will also be supported by dedicated engineering staff to support normal operations. During scheduled outages, additional staff will be needed to support operations. Costs related to O&M will be less during the warranty period (i.e., the first three to five years of operation depending on final EPC contract terms) due to the limited scope of outages and parts will be replaced under warranty. After the warranty period, outages become more time intensive and additional maintenance is needed based on the age of equipment. Regular maintenance, regardless of age, includes periodic inspections (e.g., daily, weekly, monthly), equipment testing, cybersecurity, compliance support, and vegetation management. The annual HVDC O&M costs are anticipated to be between approximately \$4-5 million annually.

The HVDC Converter Station has more heating, ventilation, and air conditioning; programmable; and solid-state equipment than a standard AC substation and an effective O&M program includes inspection and maintenance of not only transformers, circuit breakers, batteries, and protective relays, but also includes converter valves, protection and control systems, valve cooling systems, and building services. Bi-directional capabilities of the HVDC Converter Station are not anticipated to have an appreciable impact on O&M cost, this capability is inherent to all modern HVDC Systems.

b. Efforts to Lessen Rate Impacts

Minnesota Power recognizes the value and importance of ensuring affordable rates for all customer classes while also delivering reliable service and executing state energy policy

goals and mandates. While approval of the HVDC Modernization Project will impact customer rates, the Company has taken steps to prepare to minimize that impact. As detailed in earlier sections of this petition, Minnesota Power has applied for several federal funding opportunities, including those related to the HVDC Modernization project. While approval of the HVDC Modernization Project will impact customer rates, the Company has taken steps to prepare to minimize that impact, as discussed in Section 2.2.5 of the CoN. On October 18, 2023, the U.S. Department of Energy awarded a \$50 million grant to Minnesota Power to modernize its HVDC transmission system so it is ready to expand to meet future energy needs while increasing the reliability and resilience of the regional grid. The Company was selected in a competitive process from among hundreds of applicants nationwide to receive the grant for its HVDC Terminal Expansion Capability Project from the Grid Resilience and Innovation Partnerships Program, part of the federal Bipartisan Infrastructure Law. On September 30, 2024, the Company finalized the award agreement with the Department of Energy for a \$50 million grant to support the HVDC Modernization Project. Additionally, Minnesota Power received a \$15 million appropriation from the Minnesota Legislature to support the HVDC Modernization Project and \$10 million has been reserved from Minnesota's State Competitiveness Fund to support the cost share requirements of the federal HVDC grant.¹⁶

Minnesota Power is committed to maximizing the benefits of the IIJA and IRA for its customers. The Company is actively monitoring funding opportunity announcements tracked and posted by the Minnesota Department of Commerce's Energy Division. The Company also monitors funding opportunity announcements from the Department of Energy's Office of Clean Energy Demonstrations and Grid Deployment Office, Department of Transportation, Environmental Protection Agency, Department of Agriculture as well as other resources which share IRA and IIJA funding opportunities, such as industry trade associations. Further, Minnesota Power is also assessing the Department of Energy's Loan Programs Office financing options.

¹⁶ The credit to customers is reflected on pages 11-26 of Exhibit B-4.

In an effort to provide reliable and increasingly clean electric service at affordable rates for customers Minnesota Power is exploring several options that could reduce the rate impact of the Project for its customers.

- **Earlier in-service date:** Because of the limited number of manufacturers of the type of equipment used in HVDC terminals and highly-constrained global HVDC market conditions, Minnesota Power has already secured a manufacturing slot reservation with a preferred supplier to obtain a guaranteed in-service date for the Project. In the midst of rapidly evolving global HVDC market conditions and supply constraints, this procurement strategy ensures schedule certainty for Minnesota Power's customers while stabilizing the budgetary outlook for the Project. Unfortunately, the earliest in-service date that could be guaranteed by any manufacturer capable of delivering the Project is April 2030. This is roughly three years later than the originally desired in-service date. With several years of delay, it is possible that the HVDC Line may experience an extended outage. Because of this, the Company is working with the supplier to secure an earlier in-service date. Those efforts include regular collaboration, early initiation of design activities, and ongoing discussions to secure an earlier manufacturing slot and in-service date guarantee. It is also possible that other projects with manufacturing reservations in the supplier's queue may experience delays, in which case the supplier may offer Minnesota Power an earlier manufacturing slot. Minnesota Power's early engagement with the supplier is intended to place the Project in a position to take advantage of such an opportunity, should it come to fruition, provided all regulatory approvals are in place.

An earlier in-service date may result in a slightly different capital cost and rate impact, but the overall rate impact customers pay over time will be lower if the in-service date is sooner.

- **MISO recognition of system support in North Dakota that is added with VSC technology:** The VSC technology brings additional benefits to the MISO system that should be recognized as MISO considers long-term reliability needs. Minnesota Power has initiated discussions with MISO regarding potential wholesale Tariff changes to investigate ways to create a method to compensate Minnesota Power for these broader system benefits. The Company is monitoring MISO's efforts to identify

sufficient resource attributes to determine if and/or how VSC HVDC can fit into resource adequacy to provide additional system support and benefits to the broader regional grid.

- **Federal Incentives for Shovel-Ready Project:** Minnesota Power has explored available opportunities for Federal Funding options through the IIJA and IRA as discussed above. Additionally, more Federal Funding Opportunity Announcements are expected over the coming years and Minnesota Power anticipates pursuing them when practical for the Project. If any are identified before the Project is placed in service and construction is completed, Minnesota Power will provide an update to the Commission in this docket as a compliance filing.
- **State funding:** As discussed above, the Company has sought funding from both the states of Minnesota and North Dakota to support the Project and further reduce its rate impact through state matching programs related to IIJA funding as well as state competitive and budgetary processes. Should any of the state funding be awarded before the Project is placed in service and construction is completed, Minnesota Power will provide an update to the Commission in this docket as a compliance filing.
- **Procurement processes:** Minnesota Power uses a competitive bidding process for all capital projects and other purchases over \$50,000, ensuring projects are delivered at the best value for customers. Minnesota Power procurement professionals manually track savings achieved through these competitive bidding processes, and the total cost savings for all projects averages approximately \$14 million per year. These proven procurement processes will be used on this Project to capture savings for customers wherever possible.

2. Duluth Loop

On October 21, 2021, Minnesota Power filed a CoN and Route Permit Application with the Commission for the Duluth Loop Project that received Commission approval in an Order dated April 3, 2023. The estimated cost range to construct the Project remains as presented in the CoN at between \$50 million and \$70 million (2021\$). The Project team estimates that the current level of contingency is sufficient to accommodate material and labor escalation costs expected in the event of up to a full year delay of the in-service date; change orders for items not included in the specifications; and scope items added to the project that were not considered during the initial concept. Minnesota Power's cost estimates shown in Table 6 are based on preliminary engineering considerations of the approved 115 kV Route and the 230 kV Route.¹⁷

¹⁷ See Section 2.2, pg. 2-9, of October 21, 2021 CoN in Docket No. E015/CN-21-140.

Table 6 – Duluth Loop Estimated Project Costs (2021\$)

Project Component	Low End (\$Millions)	High End (\$Millions)
115kV Transmission Lines	\$28.2	\$42.6
230kV Transmission Lines	\$5.5	\$8.3
Ridgeview Substation	\$9.1	\$10.6
Hilltop Substation	\$5.6	\$6.6
Arrowhead Substation	\$1.2	\$1.4
Haines Road Substation	\$0.4	\$0.5
Project Costs Total	\$50.0	\$70.0

Engineering has been completed and construction work awarded for work at the Arrowhead and Hilltop substations. Engineering is nearly complete for work at the Ridgeview substation, 230kV transmission line and 115kV transmission lines. Based on bids received to date and designs completed to date, the project is trending near the high end of the cost range (but still within the range) noted in Table 6.

To ensure the lowest overall cost for the Project, Minnesota Power uses best practices in industry supply chain management. The Company uses its purchasing procedures to obtain competitive bids for as many professional service, material procurement and construction packages as possible. The Company awards contracts to bidders based on the best overall economic value for its customers. Alternatively, where Project conditions allow, Minnesota Power may choose to work with certain Alliance contractors for either professional services or construction services. Alliance contractors have established rates and provide volume discounts or rebates for work across the Minnesota Power system.¹⁸ This method of project delivery is consistent with overall best economic value in terms of faster project completion (both from the removal of a bid phase and from working with staff who are knowledgeable of Minnesota Power design and construction standards), and from reduced mobilization costs. Contractor crews perform multiple subsequent assignments rather than intermittent assignments significantly reducing travel-related costs.

¹⁸ Alliance contractors provided services to other ALLETE, Inc. subsidiaries increasing the potential for a greater volumetric discount to the benefit of customers.

The Company also includes an appropriate contingency amount to cover costs of direct project related items such as bids coming in higher than estimated, change orders for items not included in the specifications, and scope items added to the project that were not considered during the initial concept.

3. MISO Charges and Credits

In the 2023 Transmission Factor and consistent with the 2008 legislative amendments to Minn. Stat. § 216B.16, Subd. 7b, Minnesota Power, a MISO member, is requesting current cost recovery on MISO new transmission facility charges.

a. RECB Charges

As discussed in Section IV.A.3 – Description and Context for Facilities – MISO Transmission Projects, MISO developed a FERC-approved methodology for allocating the cost of MTEP projects to all load-serving entities within the MISO footprint, including Minnesota Power, known as the RECB allocation methodology.¹⁹ Minnesota Power receives a cost allocation for RECB projects that MISO has determined enhance reliability and deliverability and are included in the MTEP. The Commission approved recovery of RECB charges in Minnesota Power's 2010 Transmission Factor in an Order dated May 11, 2011, pursuant to Minn. Stat. § 216B.16, Subd. 7b(b)(2). The Order also requires the Company to provide documentation of actual RECB charges and revenues. Historically Minnesota Power has provided the exchange between the Company and MISO specific to the confirmation by MISO of both revenue and expense. MISO declined to provide this service beginning with Minnesota Power's request for confirmation of revenues and expense for the 2022 TCR Factor Filing. As a result, Minnesota Power now conducts its own verification of actual costs; the Company verified actual costs through May 2023 in alignment with the 2024 budget used for this filing. RECB verification support is provided in Exhibit C-1.

In 2010, Minnesota Power began to receive Schedule 26 revenues as a result of the RECB cost allocation process due to the inclusion of Minnesota Power projects in the MTEP. Any Schedule 26 revenues Minnesota Power receives from other utilities as a result of the RECB

¹⁹ RECB, approved by the FERC in February 2006, applies to reliability projects as well as generator interconnection projects. This regional transmission cost allocation methodology has specific inclusion criteria and cost sharing calculations.

cost allocation process are credited against customer transmission rider revenue requirements. Similarly, the RECB Schedule 26 and 26A expenses cause an increase in customer revenue requirements. In 2025 Minnesota Power began receiving Schedule 26A revenue related to the Company's two MISO LRTP projects. As the Company has not included those projects in the August Petition, the related Schedule 26A revenue is excluded. Similarly, the Company has excluded the Schedule 26A expense allocated to Minnesota Power customers by MISO for the Company's two related LRTP projects. The projected 2025 net RECB revenue requirement of \$12.3 million is shown in detail in Exhibit B-2, page 4.

b. Auction Revenue Rights Revenues

Minnesota Power included ARR revenues for the MVPs that the Company is not an owner of but is allocated a portion of any revenues as a MISO member. The MVP ARR revenues the Company receives are being credited to retail customers in Minnesota Power's TCR Tracker. The Company projects the 2025 Minnesota jurisdictional credit to be approximately \$188,312 (refer to Exhibit B-2, page 3).

c. Other Wholesale Transmission Revenues (Non-RECB)

Per Order Point 3 of the December 3, 2020 Order, the 2021 calculation included revenue Minnesota Power receives from other utilities under MISO Schedule 9 for Dog Lake and GNTL. This was required because at that time, the offsetting MISO revenue was not built into customer base rates. However, the MISO revenue generated based on the capital expense for each project has been included in base rates since January 1, 2022; therefore, the credit appropriately ended as of December 31, 2021.

D. Revenue Requirements

The total recoverable retail revenue requirements proposed to be collected through the Refiled 2025 Transmission Factor for the twelve-month period ending December 31, 2025, are about \$20.3 million. Estimated amounts are shown in Table 7 below and in Exhibits B-1 and B-2. Compared to the November Petition, the August Petition revenue requirements increased \$4.9 million. The projected 2024 ending tracker decreased slightly by the removal of Alexandria – Big Oaks revenue requirements in November and December 2024, and 2025 revenue requirements decreased by \$649,507 by the removal of Alexandria - Big Oaks

revenue requirements. Schedule 26A Revenue was reversed for revenue related to Alexandria Big – Oaks and NRP. Schedule 26A Expenses were reduced by \$126,485 to exclude the Minnesota Power customer cost allocation from MISO related to the Alexandria – Big Oaks and NRP projects.

Table 7 - Estimated 2025 MN Jurisdictional Revenue Requirements

	Original	Refiled	Change
Projected Tracker Balance as of Dec. 31, 2024	\$1,974,535	\$1,964,299	\$(10,236)
Duluth Loop	\$3,676,303	\$3,676,303	\$0
HVDC Modernization	\$2,541,790	\$2,541,790	\$0
Alexandria – Big Oaks	\$649,507	\$0	\$(649,507)
Schedule 26 Revenue (RECB)	\$(14,323,648)	\$(14,323,648)	\$0
Schedule 26A Revenue (RECB)	\$(5,749,325)	\$0	\$5,749,325
Schedule 37 Revenue (RECB)	\$(157,679)	\$(157,679)	\$0
Schedule 38 Revenue (RECB)	\$(185,267)	\$(185,267)	\$0
Schedule 26 Expenses (RECB)	\$12,383,806	\$12,383,806	\$0
Schedule 26A Expenses (RECB)	\$14,675,843	\$14,549,358	\$(126,485)
Schedule 26E Expenses (RECB)	\$0	\$0	\$0
Net RECB Revenue & Expenses	\$6,643,731	\$12,266,750	\$5,622,840
ARR Credit	\$(188,312)	\$(188,312)	\$0
Total:	\$15,297,554	\$20,260,650	\$4,963,096

As shown in Exhibit B-1, the estimated 2024 ending tracker balance of \$1,964,299 million indicates a tracker balance for Large Power Class of \$616,337 and a tracker balance of \$1.3 million for All Other Classes. The 2025 TCR Factors shown in Exhibit A-1 are proposed to be effective August 1, 2025. Exhibit B-1, page 1, summarizes the revenue requirements, cost allocation, and rate design for all projects. Exhibit B-1, Page 2 provides a summary of the tracker balance leading up to 2025. Exhibit B-2, page 1 shows the 2023 ending tracker for GNTL and actual 2023 cash collection. Exhibit B-2 pages 2 to 3 show the summarized 2024 and 2025 projected trackers for each major project, the net REB revenue and

expenses and ARR credits. Additionally, Exhibit B-2, page 4 shows the 2023 actual and 2024 and 2025 projected RECB revenue and expenses.

Exhibit B-3 shows the 2023 to 2025 trackers for the Duluth Loop, the revenue requirements for each sub-project, and the capital expenditure details with internal costs being backed out of cost recovery calculations. Exhibits B-3 also provides other supporting rate of return and allocation calculations used throughout the filing. The 2024 and 2025 Duluth Loop trackers do include minor Prorata ADIT credits appropriately reflecting that some of the projected plant will be in-service.

Exhibit B-4 shows the projected 2024 and 2025 trackers for the HVDC Modernization Project, the revenue requirements for each sub-project, and the capital expenditure details with internal cost being backed out of the cost recovery calculations. The 2024 and 2025 HVDC Modernization trackers also include the ADITA related to government funding discussed below and the 2025 tracker includes the related Prorata ADIT adjustment.

A description of the revenue requirement components is provided below.

1. Revenue Requirements During Construction Work in Progress

Minnesota Power will record capital expenditures related to the TCR Rider in FERC Account 107 – CWIP. When appropriate, Minnesota Power requests a current return on CWIP on the components that are not yet placed in-service. Consistent with the terms of the 2011 Transmission Cost Recovery Factor Filing²⁰ and subsequent filings, internal capitalized costs are excluded from the CWIP balances as shown in capital expenditure details for each project as shown in Exhibits B-3 to B-5. In compliance with the terms of the 2013 Renewable Resources Factor Filing,²¹ AFUDC on internal capitalized costs is also excluded from CWIP balances as shown in Exhibits B-3 to B-4.

a. Allowance for Funds Used During Construction

The Company will calculate AFUDC for all projects and record an offsetting regulatory liability (referred to as a “contra” entry) equaling 100 percent of the projects’ AFUDC excluding AFUDC on internal costs and include that regulatory liability as a reduction to rate

²⁰ Docket No. E015/M-11-695.

²¹ Docket No. E015/M-13-410.

base through an entry to “Pre-funded AFUDC Regulatory Liability.” After the projects are placed in-service, the amount of the Pre-funded AFUDC Regulatory Liability will be amortized over the lives of the projects.

In a December 2010 Order, FERC prescribed specific accounting treatment, which requires the Company to record the Pre-funded AFUDC Regulatory Liability by debiting Account 407.3, Regulatory Debits, and crediting Account 254, Other Regulatory Liabilities, in accordance with the instructions of those accounts. In addition, the Company will amortize the Pre-funded AFUDC Regulatory Liability as an offset to depreciation expense by debiting Account 254 and crediting Account 407.4, Regulatory Credits. The Company will maintain all necessary controls to ensure the amount of the Pre-funded AFUDC Regulatory Liability recorded in Account 254 includes the total amount of AFUDC accrued on the projects excluding AFUDC on internal costs. This FERC-approved methodology for the application of AFUDC is currently being applied to all Minnesota Power current cost recovery rider projects.

b. Return on Investment – CWIP

Revenue requirements during the construction phase of the projects will be based on the average monthly CWIP balance of projects. The Return on Investment – CWIP will be calculated on the average of the beginning and ending monthly CWIP balance until the projects are placed in-service. The components of the revenue requirement will include an after-tax return on equity component, current and deferred income taxes, and interest expense. The total annual revenue requirements are the sum of the monthly current return on CWIP calculations until the projects are placed in-service. At that time, the ending CWIP balance is transferred to plant in-service and Minnesota Power will begin to recover full revenue requirements. Internal capitalized costs and AFUDC on internal costs are excluded from the CWIP balances as discussed above.

(i) Return on Equity Component

Beginning in 2024 the return on investment was updated based on Minnesota Power's last retail rate case.²² Minnesota Power will use the average monthly CWIP balance multiplied by the after-tax equity return rate and the equity percentage of the allowed capital structure from the last rate case to calculate the return on equity component of the revenue requirement calculation.

$$\text{[Return on Equity Component} = \text{Average Monthly CWIP Balance} \times \text{After-Tax Equity Return Rate} \times \text{Capital Structure Equity Percentage}]$$

(ii) Income Tax Expense Component

Minnesota Power will include a component of the revenue requirement calculation to recover the effective rate of taxes. This represents both current and deferred income taxes. The income tax amount will be based upon the Return on Equity component of the revenue requirement to equate it to a pretax amount.

$$\text{[Income Taxes} = \text{Return on Equity Component} \times 1/(1-28.742\%) \times 28.742\%]$$

(iii) Interest Expense Component

Minnesota Power will include a component of the revenue requirement calculation to recover the amount of interest expense that is incurred given the investment in the Transmission Projects. The interest component will be calculated based on the average monthly CWIP balance times the debt rate approved in the last rate case times the debt percentage of the allowed capital structure from the last rate case.

$$\text{[Interest Expense} = \text{Average Monthly CWIP Balance} \times \text{Debt Rate} \times \text{Capital Structure Debt Percentage}]$$

²² Minnesota Power's last completed rate case is in Docket No. E015/GR-23-155, which was approved by the Commission at a hearing on October 24, 2024.

c. Property Taxes – CWIP

Property taxes that Minnesota Power is required to pay on CWIP that is in-place are included in the project revenue requirements.

2. Full Revenue Requirements – In-service

Full revenue requirements are based on the OIC when the projects are placed in-service. Consistent with the terms of the 2011 Factor Filing, internal capitalized costs and AFUDC on capitalized internal costs are excluded from the OIC balances. As described in greater detail below, the in-service revenue requirements are calculated using the adjusted average monthly rate base for the Transmission Projects plus related expenses. The components of the revenue requirement include an after-tax return on investment, current and deferred income taxes, interest expense, depreciation expense, property taxes and other incremental O&M expenses related to the transmission projects. Similarly, when equipment is retired, a base rate revenue credit is calculated using the same components, and a monthly revenue credit is applied beginning with the month the project goes into service and remains until the project is incorporated into base rates.

a. Adjusted Average Rate Base

Adjusted average rate base will be calculated using the monthly balance of the Transmission Projects' OIC reduced by the accumulated depreciation for the Transmission Projects. The adjusted average rate base will also be adjusted for any differences between book and tax depreciation expense through accumulated deferred income taxes.

b. Return on Equity Component

The return on investment calculation will be based on Minnesota Power's last retail rate case.²³ Minnesota Power will use the average monthly adjusted rate base multiplied by the after-tax equity return rate and the equity percentage of the allowed capital structure from the last rate case to calculate the return on equity component of revenue requirements.

²³ Minnesota Power's last completed rate case was in Docket No. E015/GR-23-155

*[Return on Equity Component = Average Monthly Adjusted Rate Base X After-tax Equity
Return Rate X Capital Structure Equity Percentage]*

c. Income Tax Expense Component

Minnesota Power will include a component of the revenue requirement calculation to recover the effective rate of taxes. This represents both current and deferred income taxes. The income tax amount will be based upon the Return on Equity component of the revenue requirement to equate it to a pre-tax amount.

[Income Taxes = Return on Equity Component X 1/(1-28.742%) X 28.742%]

d. Interest Expense Component

Minnesota Power will include a component of the revenue requirement calculation to recover the amount of interest expense that is incurred given the investment in the Transmission Projects. The interest component will be calculated based on the average monthly adjusted rate base times the debt rate approved in the last rate case times the debt percentage of the allowed capital structure from the last rate case.

*[Interest Expense = Average Monthly Adjusted Rate Base X Debt Rate X
Capital Structure Debt Percentage]*

e. Depreciation Expense Component

Once the assets are placed in service, depreciation on the Transmission Projects will be recovered through the Rider. Depreciation expense will be calculated on a straight-line basis over the average lives of the projects on the components and will begin as the assets are placed in-service.

f. Property Tax Component

The property taxes on the Transmission Projects will be recovered through the Rider. For capped projects, only the portion of the property taxes attributed to the capped capital expenditures for the projects is included for recovery through the Rider.

g. O&M Expense Component

O&M expenses related to the Transmission Projects will also be recovered through the Rider. Major components of O&M expense for the Transmission Projects include costs related to line inspections and maintenance, vegetation management, utilities (electric, gas, and portable outhouses at remote sites), and snow plowing at the substation.

E. Rate Calculation and Impact - Minn. Stat. § 216B.16, subd. 7b(c)(5)

Consistent with the terms in Minnesota Power's last approved transmission factor filing docket,²⁴ Minnesota Power has calculated its 2025 Transmission Factor, as shown in Exhibit A-1. Minn. Stat. § 216B.16, subd. 7b(c)(5). Exhibit B-1 summarizes the revenue requirements, tracker balance, cost allocation, and rate design for the 2025 Transmission Factors. Minnesota Power has utilized the appropriate authorized rate of return and the jurisdictional Power Supply Transmission Demand allocators, based on those approved by the Commission in Minnesota Power's most recent rate case.²⁵ Refer to Exhibit B-2 for the 2023-2025 trackers.

1. Tracker Mechanism

In support of the Transmission Rider billing adjustment filings, Minnesota Power has implemented a tracker mechanism to account for the balance of actual revenue requirements and cash collected from customers. Refer to Exhibit B-2 for the 2023-2025 trackers. The trackers indicate the actual monthly Minnesota jurisdictional revenue requirements, actual cash collections, and over/under balances. Over/under balances for "Large Power" and "All Other Classes" are determined based upon revenue requirements and actual cash collections over the same periods. The projected year-ending 2024 tracker balance was determined and added to the projected 2025 revenue requirements to arrive at the total revenue requirements for "Large Power" and "All Other Classes" to be recovered by the 2025 billing factors. Refer to Exhibit B-1, page 1 of 2, for the total revenue requirements, Exhibit B-1, page 2 of 2, for the tracker balances, and Exhibit B-2, pages 2 and 3, for the 2024 and 2025 revenue requirements.

²⁴ Docket No. E-015/M-23-460.

²⁵ Docket No. E015/GR-23-155.

The Company also proposes to maintain the current Transmission Factor rate design for the Large Power (“LP”) rate class that incorporates demand (\$/kW-month) and energy (¢/kWh) adders that recover costs in a manner that preserves existing LP base rate design. Specifically, the LP revenue requirements, including any over/under tracker balance, are split between demand and energy based on LP’s base rate demand and energy revenue split of approximately 50 percent demand and 50 percent energy from Minnesota Power’s most recent retail rate case.²⁶ The LP demand rate adder will be calculated as 50 percent of the projected LP revenue requirement divided by the LP class Billing Demand (kW-month) from Minnesota Power’s most recent budget. The LP energy rate adder will be calculated as 50 percent of the projected LP revenue requirement divided by the LP energy (kilowatt-hour) sales from Minnesota Power’s most recent 2025 budget. Refer to Exhibit B-1, page 1 of 2, for a summary of the class revenue requirements and proposed rate design for the 2025 Factor. Refer to Exhibit A-1 for the proposed updated tariff that incorporates the rates shown in Exhibit B-1 page 1 of 2. The revenue requirements, subsequent tracker balances, and billing units for all classes will be updated in Minnesota Power’s future annual TCR Rider filings. In addition, Minnesota Power updated the 2024 revenue requirements, cost allocations and tracker as needed to reflect the outcome of the Company’s most recent rate case related to rate of return and allocation factors.

2. Deferred Taxes

Pro rata calculation

Under Internal Revenue Code Section 167, rate-regulated utilities that utilize accelerated tax depreciation are required to use a normalization method of accounting. If a future test year, or a part historical and part future test year are utilized when determining the reserve for deferred taxes for the reduction of rate base, then a specific pro rata calculation must be utilized to avoid a normalization violation. In this TCR current cost recovery filing, the Company is utilizing a 2025 test year. The Company is proposing rates under this 2025 Transmission Factor will take effect August 1, 2025. This results in 2025 being a future year and therefore the pro rata calculation is required for this TCR current cost recovery filing.

²⁶ Docket No. E015/GR-23-155.

Refer to Exhibit B-3, page 3, line C-15 and Exhibit B-3, page 30 for the amount included for the Duluth Loop Project and supporting calculations.

ADITA related to CIAC

Minnesota Power has been selected to receive government funding for the HVDC Modernization Project beginning in 2024. The funding is recorded as a contribution in aid of construction (CIAC), and the book basis of property in Exhibit B-4 is shown net of accumulated CIAC. The CIAC is subject to state and federal income tax in the year received, regardless of when the project goes into service. The company has recorded a deferred tax asset equal to the amount of accumulated CIAC multiplied by the tax rate. Once the projects go in service, the CIAC will be depreciated over the tax life of the property, which will reduce the ADITA related to CIAC.

3. Customer Impact

Table 8 below summarizes the rate impacts by customer class compared to current rates. Note that the current rates reflect the currently in effect 2024 TCR Factors. The information provided in Table 8 also reflects the final general base rates without riders in the Company's most recent completed rate case adjusted to include current rider rates.²⁷

²⁷ Docket No. E015/GR-23-155.

Table 8 - Estimated Customer Impact

Rate Class Impacts ^{1/}	SES-Paying Customers	SES-Exempt Customers
Residential		
Average Rate (¢/kWh)	14.961	
Increase (¢/kWh)	0.110	
Increase (%)	0.74%	
Average Impact (\$/month)	\$0.76	
General Service		
Average Rate (¢/kWh)	15.005	14.899
Increase (¢/kWh)	0.110	0.110
Increase (%)	0.73%	0.74%
Average Impact (\$/month)	\$2.80	\$12.45
Large Light & Power		
Average Rate (¢/kWh)	11.586	11.434
Increase (¢/kWh)	0.110	0.110
Increase (%)	0.95%	0.96%
Average Impact (\$/month)	\$254.98	\$485.40
Large Power		
Average Rate (¢/kWh)		8.937
Increase (demand + energy combined) (¢/kWh)		0.137
Increase (%)		1.53%
Average Impact (\$/month)		\$67,829
Lighting		
Average Rate (¢/kWh)	45.778	
Increase (¢/kWh)	0.110	
Increase (%)	0.24%	
Average Impact (\$/month)	\$0.14	

Notes:

1/ Average class rates are draft Final General Rates without riders per MPUC October 24, 2024 decision (E015/GR-23-155) adjusted to include current rider rates. Current rider rates include the Transmission Cost Recovery Rider rates, Renewable Resources Rider rates, Solar Renewable adjustment rates, Conservation Program Adjustment rates, expected Capacity Revenue and Expense adjustment, Solar Energy adjustment, and 2025 Fuel and Purchased Energy Adjustment with True-Up. The average increase (¢/kWh) shown above is the incremental decrease of the proposed 2025 factors compared to the existing in-place 2024 TCR factors. Due to different Solar Renewable billing factors included in General Service, Large Light & Power average rates, both the SES-Paying and SES-Exempt Customers' impacts are shown here for clarity.

V. CONCLUSION

Minnesota Power respectfully requests the Commission approve the Company's rate adjustment mechanism as proposed in the August Petition. The 2025 TCR Factor appropriately recovers the costs associated with new transmission facilities that will efficiently provide customers and the Midwest region with clean, emission-free energy, and MISO new facility charges. Minnesota Power looks forward to working with regulators and its stakeholders in the timely approval of its annual rate adjustment mechanism.

Dated: August 19, 2025

Respectfully submitted,

A handwritten signature in cursive script, reading "Lori Hoyum".

Lori Hoyum
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**MINNESOTA POWER
ELECTRIC RATE BOOK - VOLUME I**
SECTION V PAGE NO. 86.0
REVISION 910
RIDER FOR TRANSMISSION COST RECOVERY

Applicable to electric service under all Company's Retail Rate Schedules except Competitive Rate Schedules 73 and 79. In addition, this Rider is applicable to service under Company's Rider for Large Power Interruptible Service and Rider for Large Power Incremental Production Service.

The following charges are applicable in addition to all charges for service being taken under Company's standard rate schedules:

Large Power Customers	\$0. ~~8336~~ per kW-month for all Billing Demand kW
	and
	0. ~~117047~~ ¢ per kWh for all kWh
All other applicable Retail Rate Customers	0. ~~305195~~ ¢ per kWh for all kWh

Filing Date <u>October 24, 2023</u>	MPUC Docket No. <u>Docket No. E015/M-23-460</u>
Effective Date <u>January 1, 2024</u>	Order Date <u>December 19, 2023</u>

Approved by: Leah Peterson
Leah Peterson
Manager - Customer Analytics

Minnesota Power
Transmission Cost Recovery Rider: 2025 Factor Filing
Summary: Revenue Requirements, Cost Allocation and Rate Design

<u>Projected Year-End 2024 Tracker Balance (\$)</u>	<u>Total</u>
MN Jurisdiction	1,964,299
Large Power	616,337
All Other Classes	1,347,962

<u>2025 Revenue Requirements (\$)</u>	
MN Jurisdiction	18,296,351
Large Power	10,573,352
All Other Classes	7,722,999

<u>Total 2025 Factor Revenue Requirements (\$)</u>	<u>2025</u>
MN Jurisdiction	20,260,650
Large Power	11,189,688
All Other Classes	9,070,961

<u>Billing Units 1/</u>		
Large Power	kW - month	562,686
	kWh	4,768,666,000
All Other Classes	kWh	2,969,793,000

<u>Billing Factors 2/</u>		<u>Proposed (8/1/2025)</u>
Large Power	\$/kW - month	0.83
	¢/kWh	0.117
All Other Classes	¢/kWh	0.305

		<u>Current Rate</u>	<u>Proposed</u>	<u>Increase</u>
Large Power	(\$/kW - mo.)	0.36	0.83	0.47
	(¢/kWh)	0.047	0.117	0.070
All Other Classes	(¢/kWh)	0.195	0.305	0.110

Notes:

1/ 2025 Budget

2/ The LP rate design is a demand rate adder (\$/kW-month) and an energy adder (¢/kWh).

The LP allocated costs are to be split between demand and energy on the 2024 base rate demand and energy revenue split of approximately 50% demand and 50% energy per MP's draft compliance E-Schedules (Docket No. E015/GR-23-155). All other retail classes will have an energy adder (¢/kWh).

Minnesota Power
Transmission Cost Recovery Rider: 2025 Factor Filing
Tracker Summary

<u>Year-End 2022 Tracker Balance (\$) 1/</u>	
MN Jurisdiction	13,814,793
Large Power	5,764,661
All Other Classes	8,050,132
<u>2023 Actual Revenue Requirements - GNTL (\$) 2/</u>	
MN Jurisdiction	27,135,808
Large Power	16,124,320
All Other Classes	11,011,488
<u>2023 Actual Cash Collections (\$)</u>	
MN Jurisdiction	(42,638,479)
Large Power	(24,985,553)
All Other Classes	(17,652,926)
<u>Actual Year-End 2023 Tracker Balance - GNTL (\$) 2/</u>	
MN Jurisdiction	(1,687,877)
Large Power	(3,096,571)
All Other Classes	1,408,694
<u>2023 Actual Revenue Requirements - Duluth Loop (\$) 3/</u>	
MN Jurisdiction	193,100
Large Power	114,741
All Other Classes	78,358
<u>Final Year-End 2023 Tracker Balance (\$)</u>	
MN Jurisdiction	(1,494,777)
Large Power	(2,981,830)
All Other Classes	1,487,052
<u>2024 Projected Revenue Requirements (\$) 4/</u>	
MN Jurisdiction	14,455,525
Large Power	8,353,761
All Other Classes	6,101,764
<u>2024 Projected Cash Collections (\$) 4/</u>	
MN Jurisdiction	(10,996,449)
Large Power	(4,755,595)
All Other Classes	(6,240,854)
<u>2024 Projected Year-End Tracker Balance (\$) 4/</u>	
MN Jurisdiction	1,964,299
Large Power	616,337
All Other Classes	1,347,962

1/ Exhibit B-1, page 2, 2024 Transmission Factor Filing, Docket E015/M-23-460.

2/ Exhibit B-2, page 1.

3/ Exhibit B-3, page 1.

4/ Exhibit B-2, page 2.

Minnesota Power
Transmission Cost Recovery Rider
2023 Actual Tracker GNTL

Section	Line	Dec-22	Jan-23	Feb-23	Mar-23	Apr-23	May-23	Jun-23	Jul-23	Aug-23	Sep-23	Oct-23	Nov-23	Dec-23	Total
A	Book Basis of Property														
	0 CWIP	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	1 Plant in Service	300,252,481	300,252,481	300,208,604	300,204,999	300,204,999	300,204,999	300,204,999	300,204,999	300,209,469	300,209,469	300,112,196	300,112,196	300,112,196	300,112,196
	2 Accumulated Book Depreciation	19,064,829	19,690,355	20,315,836	20,941,266	21,566,693	22,192,121	22,817,548	23,442,975	24,068,406	24,693,843	25,319,178	25,944,412	26,569,645	26,569,645
	3 Net Plant	281,187,652	280,562,126	279,892,768	279,263,732	278,638,305	278,012,878	277,387,451	276,762,024	276,141,063	275,515,626	274,793,018	274,167,784	273,542,550	273,542,550
	4 Book Depreciation		625,526	625,480	625,431	625,427	625,427	625,427	625,427	625,432	625,436	625,335	625,234	625,234	7,504,816
	5 Book Depreciation Rate (40 year book life)		0.21%	0.21%	0.21%	0.21%	0.21%	0.21%	0.21%	0.21%	0.21%	0.21%	0.21%	0.21%	
B	Tax Basis of Property														
	1 Plant in Service	300,252,481	300,252,481	300,208,604	300,204,999	300,204,999	300,204,999	300,204,999	300,204,999	300,209,469	300,209,469	300,112,196	300,112,196	300,112,196	300,112,196
	2 Accumulated Tax Depreciation	69,633,035	71,556,117	73,478,999	75,401,863	77,324,727	79,247,591	81,170,455	83,093,319	85,016,227	86,939,136	88,862,045	90,784,953	92,707,862	92,707,862
	3 Net Plant	230,619,446	228,696,364	226,729,605	224,803,136	222,880,272	220,957,408	219,034,544	217,111,680	215,193,242	213,270,333	211,250,151	209,327,242	207,404,334	207,404,334
	4 Bonus Depreciation	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	5 Total Tax Depreciation (including bonus)		1,923,081	1,922,882	1,922,864	1,922,864	1,922,864	1,922,864	1,922,864	1,922,909	1,922,909	1,922,909	1,922,909	1,922,909	23,074,827
	6 Accumulated Tax Depreciation	69,633,035	71,556,117	73,478,999	75,401,863	77,324,727	79,247,591	81,170,455	83,093,319	85,016,227	86,939,136	88,862,045	90,784,953	92,707,862	92,707,862
	7 Tax Book Difference		51,865,567	53,163,163	54,460,596	55,758,033	57,055,470	58,352,907	59,650,344	60,947,821	62,245,293	63,542,867	64,840,542	66,138,217	66,138,217
	8 Income Tax Rate 1/		28.74%	28.74%	28.74%	28.74%	28.74%	28.74%	28.74%	28.74%	28.74%	28.74%	28.74%	28.74%	28.74%
	9 Accumulated Deferred Income Tax Liability	14,534,314	14,907,257	15,280,156	15,653,065	16,025,974	16,398,883	16,771,793	17,144,702	17,517,623	17,890,542	18,263,491	18,636,469	19,009,446	19,009,446
C	Revenue Requirements														
	1 Net Plant	281,187,652	280,562,126	279,892,768	279,263,732	278,638,305	278,012,878	277,387,451	276,762,024	276,141,063	275,515,626	274,793,018	274,167,784	273,542,550	273,542,550
	2 Less: ADITL - Def Taxes	(14,534,314)	(14,907,257)	(15,280,156)	(15,653,065)	(16,025,974)	(16,398,883)	(16,771,793)	(17,144,702)	(17,517,623)	(17,890,542)	(18,263,491)	(18,636,469)	(19,009,446)	(19,009,446)
	3 Rate Base	266,653,338	265,654,869	264,612,612	263,610,668	262,612,331	261,613,995	260,615,658	259,617,322	258,623,440	257,625,084	256,629,527	255,631,316	254,633,104	254,633,104
	4 Average Rate Base	267,183,077	266,154,103	265,133,740	264,111,640	263,111,499	262,113,163	261,114,827	260,116,490	259,120,381	258,124,262	257,077,306	256,030,421	255,032,210	260,603,337
	6 Current Return on CWIP														
	7 Return on Average Rate Base														
	8 After Tax Return on Equity		1,123,680	1,119,372	1,115,057	1,110,835	1,106,620	1,102,405	1,098,190	1,093,984	1,089,779	1,085,359	1,080,939	1,076,724	13,202,943
	9 Income Tax Component		453,194	451,456	449,716	448,013	446,313	444,613	442,913	441,217	439,521	437,738	435,956	434,256	5,324,908
	10 Interest Expense Component		455,656	453,909	452,159	450,447	448,738	447,029	445,319	443,614	441,909	440,116	438,324	436,615	5,353,835
	11 Total Return on Average Rate Base		2,032,530	2,024,738	2,016,932	2,009,295	2,001,671	1,994,047	1,986,423	1,978,816	1,971,209	1,963,213	1,955,219	1,947,596	23,881,686
	12 Operation & Maintenance Expense		68,346	79,770	115,286	(47,631)	(1,472)	23,689	11,027	18,101	10,873	28,422	30,681	26,791	363,882
	13 Depreciation Expense		625,526	625,480	625,431	625,427	625,427	625,427	625,427	625,432	625,436	625,335	625,234	625,234	7,504,816
	14 Property Tax		1,312,629	1,312,629	1,312,629	1,312,629	1,312,629	1,312,629	1,312,629	1,312,629	1,312,629	1,312,629	1,312,629	1,312,629	15,751,554
	15 Monthly Revenue Requirements		4,039,031	4,042,618	4,070,278	3,899,720	3,938,255	3,955,792	3,935,506	3,934,978	3,920,148	3,929,600	3,923,763	3,912,250	47,501,938
	16 Net RECB Revenue & Expenses 2/		987,419	1,386,692	1,813,855	2,053,140	1,098,346	1,244,977	1,525,351	1,184,368	941,554	1,063,307	1,344,991	1,871,884	16,515,884
	17 MVP Credit		(42,085)	(44,090)	(45,991)	(31,388)	(33,607)	(32,660)	(2,705)	(2,415)	(2,257)	(7,817)	(8,651)	(8,902)	(262,568)
	18 MH Joint Owner - Operating Expenses		(900,608)	(900,608)	(900,607)	(900,607)	(900,608)	(900,608)	(840,831)	(840,831)	(840,831)	(840,831)	(840,831)	(840,831)	(10,388,855)
	19 MH Must Take Fee (133 MW)		(1,715,824)	(1,715,825)	(1,715,824)	(1,715,824)	(1,715,825)	(1,647,088)	(1,647,088)	(1,647,088)	(1,647,088)	(1,647,088)	(1,647,088)	(1,647,088)	(20,108,738)
	20 Pro Rata ADIT		(16,438)	-	-	-	-	-	-	-	-	-	-	-	(16,438)
	21 Total Revenue Requirements		2,351,495	2,768,786	3,221,711	3,305,041	2,386,563	2,680,190	2,970,234	2,629,012	2,371,525	2,497,170	2,772,184	3,287,313	33,241,224
	22 MN Jurisdictional Allocator /3		0.81633	0.81633	0.81633	0.81633	0.81633	0.81633	0.81633	0.81633	0.81633	0.81633	0.81633	0.81633	0.81633
	23 MN Jurisdictional Revenue Requirement		1,919,596	2,260,243	2,629,979	2,698,004	1,948,223	2,187,920	2,424,691	2,146,141	1,935,947	2,038,515	2,263,017	2,683,532	27,135,808
D	Monthly Entry														
	1 MN Jurisdictional Rev. Requirement		1,919,596	2,260,243	2,629,979	2,698,004	1,948,223	2,187,920	2,424,691	2,146,141	1,935,947	2,038,515	2,263,017	2,683,532	27,135,808
	2 Monthly Entry Needed		1,919,596	2,260,243	2,629,979	2,698,004	1,948,223	2,187,920	2,424,691	2,146,141	1,935,947	2,038,515	2,263,017	2,683,532	27,135,808
	3 Cumulative YTD		1,919,596	4,179,839	6,809,818	9,507,822	11,456,045	13,643,964	16,068,655	18,214,797	20,150,744	22,189,259	24,452,276	27,135,808	27,135,808
E	Tracker														
	1 Actual Cash Collections		(3,960,250)	(3,599,801)	(3,691,453)	(3,464,724)	(3,436,713)	(3,441,183)	(3,533,205)	(3,489,279)	(3,445,234)	(3,442,335)	(3,513,093)	(3,621,209)	(42,638,479)
	2 Monthly (Over)/Under Collection		(2,040,654)	(1,339,558)	(1,061,474)	(766,720)	(1,488,490)	(1,253,263)	(1,108,514)	(1,343,138)	(1,509,286)	(1,403,820)	(1,250,076)	(937,677)	
	3 Cumulative (Over)/Under Balance	13,814,793	11,774,139	10,434,581	9,373,108	8,606,387	7,117,897	5,864,634	4,756,120	3,412,982	1,903,696	499,876	(750,200)	(1,687,877)	(1,687,877)

Notes: 1/ Minnesota Composite Income Tax Rate.

2/ Refer to Exhibit B-2, page 4 for details.

3/ CC-TRAN (D-02) Power Supply Transmission - Demand allocator is from MP's 2021 MPUC rate case (Docket No. E-015/GR-21-335). Refer to Exhibit B-3, pages 32 for details.

Minnesota Power
Transmission Cost Recovery Rider
2024 Projected Tracker - All Projects

Exhibit B-2
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2024 Projected Tracker Summary - All Projects

Section	Line	Dec-23	Jan-24	Feb-24	Mar-24	Apr-24	May-24	Jun-24	Jul-24	Aug-24	Sep-24	Oct-24	Nov-24	Dec-24	Total
A	MN Jurisdictional Revenue Requirements														
	1 Duluth Loop Project 1/		49,750	51,513	57,833	67,848	75,421	98,593	125,863	149,988	171,266	183,427	191,286	199,970	1,422,758
	2 HVDC Modernization Project 2/		-	-	-	-	-	-	527	1,581	350,336	284,184	281,663	278,571	1,196,862
	3 Net RECB Revenue & Expenses 3/		1,526,728	1,333,448	1,633,503	1,642,536	1,379,179	1,152,423	1,003,426	248,480	(89,736)	795,593	723,443	817,507	12,166,532
	4 MVP Credit 4/		(54,426)	(48,043)	(53,582)	(46,391)	(45,020)	(43,000)	(7,952)	(7,627)	(7,242)	(5,782)	(5,782)	(5,782)	(330,626)
	5 Total MN Jurisdictional Revenue Requirements		1,522,052	1,336,919	1,637,754	1,663,994	1,409,580	1,208,016	1,121,865	392,422	424,625	1,257,423	1,190,609	1,290,266	14,455,525
B	Monthly Entry														
	1 MN Jurisdictional Revenue Requirement		1,522,052	1,336,919	1,637,754	1,663,994	1,409,580	1,208,016	1,121,865	392,422	424,625	1,257,423	1,190,609	1,290,266	14,455,525
	2 Monthly Entry Needed		1,522,052	1,336,919	1,637,754	1,663,994	1,409,580	1,208,016	1,121,865	392,422	424,625	1,257,423	1,190,609	1,290,266	14,455,525
	3 Cumulative YTD		1,522,052	2,858,971	4,496,725	6,160,719	7,570,299	8,778,315	9,900,180	10,292,601	10,717,227	11,974,649	13,165,259	14,455,525	14,455,525
C	Tracker														
	1 Cash Collections 5/		(1,483,225)	(952,327)	(900,326)	(833,683)	(836,233)	(812,097)	(853,588)	(863,292)	(842,465)	(873,071)	(873,071)	(873,071)	(10,996,449)
	2 Monthly (Over)/Under Collection		38,828	384,592	737,428	830,311	573,347	395,919	268,276	(470,870)	(417,840)	384,352	317,538	417,195	
	3 Cumulative (Over)/Under Balance	(1,494,777)	(1,455,950)	(1,071,358)	(333,930)	496,381	1,069,728	1,465,647	1,733,923	1,263,053	845,213	1,229,565	1,547,103	1,964,299	1,964,299

Notes: 1/ Refer to Exhibit B-3, page 2 for details.
2/ Refer to Exhibit B-4, page 1 for details.
3/ Refer to Exhibit B-2, page 4 for details.
4/ January to September (actuals); October to December 2024 budget.
5/ January to September (actuals); October to December expected.

Minnesota Power
Transmission Cost Recovery Rider
2025 Projected Tracker - All Projects

Exhibit B-2
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2025 Projected Tracker Summary - All Projects

Section	Line	Dec-24	Jan-25	Feb-25	Mar-25	Apr-25	May-25	Jun-25	Jul-25	Aug-25	Sep-25	Oct-25	Nov-25	Dec-25	Total
A	MN Jurisdictional Revenue Requirements														
	1 Duluth Loop Project 1/		255,329	256,601	258,467	263,172	271,630	283,531	295,556	313,343	338,318	357,151	379,499	403,706	3,676,303
	2 HVDC Modernization Project 2/		211,189	207,510	207,497	207,484	207,470	207,457	207,444	207,430	207,417	207,404	207,390	256,097	2,541,790
	3 Net RECB Revenue & Expenses 3/		1,113,753	868,483	1,087,527	963,727	1,061,737	971,135	1,033,365	1,031,297	975,199	1,054,897	1,004,285	1,101,166	12,266,570
	4 MVP Credit 4/		(15,693)	(15,693)	(15,693)	(15,693)	(15,693)	(15,693)	(15,693)	(15,693)	(15,693)	(15,693)	(15,693)	(15,693)	(188,312)
	5 Total MN Jurisdictional Revenue Requirements		1,564,579	1,316,901	1,537,799	1,418,690	1,525,144	1,446,430	1,520,672	1,536,378	1,505,241	1,603,759	1,575,482	1,745,276	18,296,351
B	Monthly Entry														
	1 MN Jurisdictional Revenue Requirement		1,564,579	1,316,901	1,537,799	1,418,690	1,525,144	1,446,430	1,520,672	1,536,378	1,505,241	1,603,759	1,575,482	1,745,276	18,296,351
	2 Monthly Entry Needed		1,564,579	1,316,901	1,537,799	1,418,690	1,525,144	1,446,430	1,520,672	1,536,378	1,505,241	1,603,759	1,575,482	1,745,276	18,296,351
	3 Cumulative YTD		1,564,579	2,881,480	4,419,279	5,837,969	7,363,114	8,809,544	10,330,216	11,866,594	13,371,834	14,975,594	16,551,075	18,296,351	18,296,351
C	Tracker														
	1 Projected Cash Collections 5/		(873,071)	(873,071)	(873,071)	(873,071)	(873,071)	(873,071)	(873,071)	(1,688,387)	(1,688,387)	(1,688,387)	(1,688,387)	(1,688,387)	(14,553,434)
	2 Monthly (Over)/Under Collection		691,508	443,830	664,728	545,619	652,073	573,359	647,601	(152,009)	(183,147)	(84,628)	(112,906)	56,888	
	3 Cumulative (Over)/Under Balance	1,964,299	2,655,807	3,099,637	3,764,365	4,309,984	4,962,057	5,535,417	6,183,018	6,031,008	5,847,861	5,763,233	5,650,327	5,707,215	5,707,215

Notes: 1/ Refer to Exhibit B-3, page 3 for details.
2/ Refer to Exhibit B-4, page 2 for details.
3/ Refer to Exhibit B-2, page 4 for details.
4/ Per 2025 budget.
5/ Assumes existing 2024 TCR Factors through July 2025, with new 2025 Factors starting August 1, 2025.

Minnesota Power
Transmission Cost Recovery Rider
Revenue Requirements: RECB Revenue and Expenses

Exhibit B-2
Page 4 of 4

2023 RECB Revenue & Expenses	Jan-23	Feb-23	Mar-23	Apr-23	May-23	Jun-23	Jul-23	Aug-23	Sep-23	Oct-23	Nov-23	Dec-23	2023 Total
Schedule 26 Revenue (RECB)	(1,993,283)	(1,646,645)	(1,353,061)	(875,144)	(1,959,995)	(1,896,701)	(2,084,222)	(2,044,118)	(2,148,603)	(2,036,681)	(1,895,983)	(1,611,028)	(21,545,464)
Schedule 37 Revenue (RECB)	(14,525)	(17,166)	(17,166)	(17,166)	(17,166)	(17,166)	(17,191)	(17,191)	(17,191)	(17,191)	(17,191)	(17,191)	(203,501)
Schedule 38 Revenue (RECB)	(17,245)	(20,585)	(20,585)	(20,585)	(20,585)	(20,585)	(20,601)	(20,601)	(20,601)	(20,601)	(20,601)	(20,601)	(243,776)
Schedule 26 Expenses (RECB)	1,720,158	1,606,596	1,690,621	1,618,946	1,673,222	1,735,819	1,893,839	1,762,087	1,761,565	1,738,664	1,815,708	1,904,305	20,921,530
Schedule 26A Expenses (RECB)	1,292,260	1,463,759	1,513,310	1,346,345	1,422,100	1,442,845	1,752,780	1,503,444	1,365,636	1,398,372	1,462,297	1,615,640	17,578,788
Schedule 26E Expenses (RECB)	54	733	736	744	770	765	746	747	748	744	761	759	8,307
Net RECB Revenue Requirements	987,419	1,386,692	1,813,855	2,053,140	1,098,346	1,244,977	1,525,351	1,184,368	941,554	1,063,307	1,344,991	1,871,884	16,515,884
Jurisdictional and Retail Class Allocators 1/	0.81633	0.81633	0.81633	0.81633	0.81633	0.81633	0.81633	0.81633	0.81633	0.81633	0.81633	0.81633	0.81633
MN Jurisdictional Revenue Requirements	806,060	1,131,998	1,480,704	1,676,040	896,613	1,016,312	1,245,190	966,835	768,619	868,009	1,097,957	1,528,075	13,482,412
2024 RECB Revenue & Expenses 2/	Jan-24	Feb-24	Mar-24	Apr-24	May-24	Jun-24	Jul-24	Aug-24	Sep-24	Oct-24	Nov-24	Dec-24	2024 Total
Schedule 26 Revenue (RECB)	(1,441,385)	(1,529,791)	(1,248,607)	(1,302,045)	(1,332,458)	(1,667,603)	(1,794,438)	(1,880,540)	(1,969,743)	(1,514,673)	(1,687,679)	(1,741,862)	(19,110,825)
Schedule 37 Revenue (RECB)	(18,658)	(15,919)	(15,920)	(15,920)	(15,920)	(15,920)	(15,858)	(15,858)	(15,858)	(17,166)	(17,166)	(17,166)	(197,330)
Schedule 38 Revenue (RECB)	(21,986)	(18,644)	(18,644)	(18,644)	(18,644)	(18,644)	(18,937)	(18,937)	(18,937)	(20,585)	(20,585)	(20,585)	(233,771)
Schedule 26 Expenses (RECB)	1,597,226	1,688,239	1,669,920	1,723,663	1,547,993	1,561,040	1,508,463	608,742	437,737	1,253,201	1,305,458	1,364,733	16,266,415
Schedule 26A Expenses (RECB)	1,732,546	1,489,893	1,590,333	1,600,944	1,488,176	1,535,707	1,534,962	1,606,810	1,457,506	1,262,493	1,295,885	1,404,682	17,999,937
Schedule 26E Expenses (RECB)	753	703	692	713	703	723	713	632	647	-	-	-	6,279
Net RECB Revenue Requirements	1,848,496	1,614,481	1,977,774	1,988,711	1,669,850	1,395,303	1,214,905	300,849	(108,648)	963,270	875,913	989,802	14,730,706
Jurisdictional and Retail Class Allocators 3/	0.82593	0.82593	0.82593	0.82593	0.82593	0.82593	0.82593	0.82593	0.82593	0.82593	0.82593	0.82593	0.82593
MN Jurisdictional Revenue Requirements	1,526,728	1,333,448	1,633,503	1,642,536	1,379,179	1,152,423	1,003,426	248,480	(89,736)	795,593	723,443	817,507	12,166,532
2025 RECB Revenue & Expenses 4/	Jan-25	Feb-25	Mar-25	Apr-25	May-25	Jun-25	Jul-25	Aug-25	Sep-25	Oct-25	Nov-25	Dec-25	2025 Total
Schedule 26 Revenue (RECB)	(1,547,343)	(1,544,416)	(1,416,835)	(1,365,738)	(1,304,222)	(1,404,958)	(1,502,403)	(1,454,943)	(1,425,367)	(1,341,739)	(1,484,580)	(1,549,905)	(17,342,448)
Schedule 26A Revenue (RECB)	-	-	-	-	-	-	-	-	-	-	-	-	-
Schedule 37 Revenue (RECB)	(15,909)	(15,909)	(15,909)	(15,909)	(15,909)	(15,909)	(15,909)	(15,909)	(15,909)	(15,909)	(15,909)	(15,909)	(190,911)
Schedule 38 Revenue (RECB)	(18,693)	(18,693)	(18,693)	(18,693)	(18,693)	(18,693)	(18,693)	(18,693)	(18,693)	(18,693)	(18,693)	(18,693)	(224,313)
Schedule 26 Expenses (RECB)	1,347,074	1,194,411	1,257,643	1,177,396	1,215,832	1,210,812	1,309,742	1,267,163	1,215,013	1,213,957	1,254,808	1,329,922	14,993,772
Schedule 26A Expenses (RECB)	1,597,018	1,449,766	1,523,035	1,401,843	1,420,013	1,416,962	1,491,683	1,483,880	1,438,271	1,451,455	1,493,428	1,601,514	17,768,870
Schedule 26A Expenses (RECB) Excluded	(13,664)	(13,638)	(12,511)	(12,060)	(11,517)	(12,406)	(13,267)	(12,848)	(12,587)	(11,848)	(13,110)	(13,686)	(153,143)
Schedule 26E Expenses (RECB)	-	-	-	-	-	-	-	-	-	-	-	-	-
Net RECB Revenue Requirements	1,348,483	1,051,521	1,316,731	1,166,839	1,285,505	1,175,808	1,251,153	1,248,650	1,180,728	1,277,223	1,215,945	1,333,243	14,851,828
Jurisdictional and Retail Class Allocators 3/	0.82593	0.82593	0.82593	0.82593	0.82593	0.82593	0.82593	0.82593	0.82593	0.82593	0.82593	0.82593	0.82593
MN Jurisdictional Revenue Requirements	1,113,753	868,483	1,087,527	963,727	1,061,737	971,135	1,033,365	1,031,297	975,199	1,054,897	1,004,285	1,101,166	12,266,570

1/ CC-TRAN (D-02) Power Supply Transmission - Demand allocator is from MP's 2021 MPUC rate case (Docket No. E-015/GR-21-335). Refer to Exhibit B-3, pages 32 for details.

2/ January to July (Actuals); August to December projected per Minnesota Power's 2024 Budget.

3/ CC-TRAN (D-02) Power Supply Transmission - Demand allocator is from MP's 2023 MPUC rate case (Docket No. E-015/GR-23-155). Refer to Exhibit B-3, page 32 for details.

4/ Per Minnesota Power's 2025 Budget.

2023 Projected Tracker - Duluth Loop Projects 2/

Section	Line	Dec-22	Jan-23	Feb-23	Mar-23	Apr-23	May-23	Jun-23	Jul-23	Aug-23	Sep-23	Oct-23	Nov-23	Dec-23	Total
A	Book Basis of Property														
	0 CWIP		1,074,503	1,080,868	1,226,579	1,461,161	1,779,548	2,539,484	2,962,879	4,025,965	4,433,275	4,520,872	4,651,959	5,632,332	5,632,332
	1 Plant in Service		-	-	-	-	-	-	-	-	-	-	-	27,298	27,298
	2 Total Accumulated Depreciation		-	-	-	-	-	-	-	-	-	-	-	25	25
	3 Net Plant		-	-	-	-	-	-	-	-	-	-	-	27,273	27,273
	4 Total Depreciation		-	-	-	-	-	-	-	-	-	-	-	25	25
	5 Book Depreciation Rate (45.3 year book life)		0.18%	0.18%	0.18%	0.18%	0.18%	0.18%	0.18%	0.18%	0.18%	0.18%	0.18%	0.18%	0.18%
B	Tax Basis of Property														
	1 Plant in Service		-	-	-	-	-	-	-	-	-	-	-	27,298	27,298
	2 Accumulated Depreciation		-	-	-	-	-	-	-	-	-	-	-	1,365	1,365
	3 Net Plant		-	-	-	-	-	-	-	-	-	-	-	25,933	25,933
	4 Bonus Depreciation		-	-	-	-	-	-	-	-	-	-	-	-	-
	5 Total Tax Depreciation		-	-	-	-	-	-	-	-	-	-	-	1,365	1,365
	6 Accumulated Tax Depreciation		-	-	-	-	-	-	-	-	-	-	-	1,365	1,365
	7 Tax Book Difference		-	-	-	-	-	-	-	-	-	-	-	1,340	1,340
	8 Income Tax Rate 1/		28.74%	28.74%	28.74%	28.74%	28.74%	28.74%	28.74%	28.74%	28.74%	28.74%	28.74%	28.74%	28.74%
	9 Accumulated Deferred Income Tax Liability		-	-	-	-	-	-	-	-	-	-	-	385	385
	10 Deferred Tax Expense debit / (Credit)		-	-	-	-	-	-	-	-	-	-	-	385	385
C	Revenue Requirements														
	1 Net Plant		-	-	-	-	-	-	-	-	-	-	-	27,273	27,273
	2 Less: ADITL - Def Taxes		-	-	-	-	-	-	-	-	-	-	-	(385)	(385)
	3 Plus: ADITA - NOL		-	-	-	-	-	-	-	-	-	-	-	-	-
	4 Rate Base		-	-	-	-	-	-	-	-	-	-	-	26,888	26,888
	5 Average Rate Base		-	-	-	-	-	-	-	-	-	-	-	13,444	13,444
	6 Current Return on CWIP		-	-	8,811	10,263	12,374	16,492	21,010	26,686	32,300	34,190	35,025	39,269	236,418
	7 Return on Average Rate Base		-	-	-	-	-	-	-	-	-	-	-	57	57
	8 After Tax Return on Equity		-	-	-	-	-	-	-	-	-	-	-	23	23
	9 Income Tax Component		-	-	-	-	-	-	-	-	-	-	-	23	23
	10 Interest Expense Component		-	-	-	-	-	-	-	-	-	-	-	23	23
	11 Total Return on Average Rate Base		-	-	-	-	-	-	-	-	-	-	-	103	103
	12 Operation & Maintenance Expense		-	-	-	-	-	-	-	-	-	-	-	-	-
	13 Depreciation Expense		-	-	-	-	-	-	-	-	-	-	-	25	25
	14 Property Tax		-	-	-	-	-	-	-	-	-	-	-	-	-
	15 Monthly Revenue Requirements		-	-	8,811	10,263	12,374	16,492	21,010	26,686	32,300	34,190	35,025	39,397	236,546
	16 MN Jurisdictional Allocator		0.81633	0.81633	0.81633	0.81633	0.81633	0.81633	0.81633	0.81633	0.81633	0.81633	0.81633	0.81633	0.81633
	17 MN Jurisdictional Revenue Requirement		-	-	7,192	8,378	10,101	13,463	17,151	21,784	26,368	27,910	28,592	32,161	193,100
D	Monthly Entry														
	1 MN Jurisdictional Rev. Requirement		-	-	7,192	8,378	10,101	13,463	17,151	21,784	26,368	27,910	28,592	32,161	193,100
	2 Monthly Entry Needed		-	-	7,192	8,378	10,101	13,463	17,151	21,784	26,368	27,910	28,592	32,161	193,100
	3 Cumulative YTD		-	-	7,192	15,570	25,671	39,134	56,285	78,069	104,437	132,347	160,939	193,100	193,100

Notes: 1/ Minnesota Composite Income Tax Rate.
2/ Refer to Exhibit B-3 pages 4-18 for individual project information on the Duluth Loop Projects.

2024 Projected Tracker - Duluth Loop Projects 2/

Section	Line	Dec-23	Jan-24	Feb-24	Mar-24	Apr-24	May-24	Jun-24	Jul-24	Aug-24	Sep-24	Oct-24	Nov-24	Dec-24	Total
A	Book Basis of Property														
	0 CWIP		5,747,370	5,969,405	7,712,981	9,084,436	10,068,100	16,291,238	18,549,283	23,794,076	25,167,054	26,508,337	22,593,123	22,547,839	22,547,839
	1 Plant in Service		27,298	27,298	27,298	27,298	27,298	27,298	27,298	27,298	27,298	4,227,644	4,227,644	15,476,240	15,476,240
	2 Total Accumulated Depreciation		75	126	176	226	276	326	377	427	477	4,390	12,165	30,285	30,285
	3 Net Plant		27,223	27,173	27,122	27,072	27,022	26,972	26,922	26,871	26,821	4,223,254	4,215,479	15,445,956	15,445,956
	4 Total Depreciation		50	50	50	50	50	50	50	50	50	3,913	7,775	18,120	30,260
	5 Book Depreciation Rate (45.3 year book life)		0.18%	0.18%	0.18%	0.18%	0.18%	0.18%	0.18%	0.18%	0.18%	0.18%	0.18%	0.18%	0.18%
B	Tax Basis of Property														
	1 Plant in Service		27,298	27,298	27,298	27,298	27,298	27,298	27,298	27,298	27,298	4,227,644	4,227,644	15,476,240	15,476,240
	2 Accumulated Depreciation		1,581	1,797	2,013	2,229	2,445	2,662	2,878	3,094	3,310	73,532	143,754	776,405	776,405
	3 Net Plant		25,717	25,501	25,285	25,069	24,853	24,637	24,420	24,204	23,988	4,154,112	4,083,890	14,699,835	14,699,835
	4 Bonus Depreciation		-	-	-	-	-	-	-	-	-	-	-	-	-
	5 Total Tax Depreciation		216	216	216	216	216	216	216	216	216	70,222	70,222	632,652	775,040
	6 Accumulated Tax Depreciation		1,581	1,797	2,013	2,229	2,445	2,662	2,878	3,094	3,310	73,532	143,754	776,405	776,405
	7 Tax Book Difference		1,506	1,672	1,838	2,003	2,169	2,335	2,501	2,667	2,833	69,142	131,588	746,121	746,121
	8 Income Tax Rate 1/		28.74%	28.74%	28.74%	28.74%	28.74%	28.74%	28.74%	28.74%	28.74%	28.74%	28.74%	28.74%	28.74%
	9 Accumulated Deferred Income Tax Liability	385	433	480	528	576	623	671	719	767	814	19,871	37,819	214,435	214,435
	10 Deferred Tax Expense debit / (Credit)		48	48	48	48	48	48	48	48	48	19,057	17,947	176,617	214,050
C	Revenue Requirements														
	1 Net Plant		27,223	27,173	27,122	27,072	27,022	26,972	26,922	26,871	26,821	4,223,254	4,215,479	15,445,956	15,445,956
	2 Less: ADITL - Def Taxes		(433)	(480)	(528)	(576)	(623)	(671)	(719)	(767)	(814)	(19,871)	(37,819)	(214,435)	(214,435)
	3 Plus: ADITA - NOL		-	-	-	-	-	-	-	-	-	-	-	-	-
	4 Rate Base		26,790	26,692	26,594	26,496	26,398	26,301	26,203	26,105	26,007	4,203,383	4,177,660	15,231,521	15,231,521
	5 Average Rate Base		26,839	26,741	26,643	26,545	26,447	26,350	26,252	26,154	26,056	2,114,695	4,190,522	9,704,590	9,704,590
	6 Current Return on CWIP		44,303	45,615	53,267	65,395	74,563	102,620	135,639	164,848	190,612	185,211	174,700	131,936	1,368,710
	7 Return on Average Rate Base														
	8 After Tax Return on Equity		116	116	115	115	114	114	113	113	113	9,134	18,101	41,919	70,182
	9 Income Tax Component		47	47	46	46	46	46	46	46	45	3,684	7,300	16,906	28,305
	10 Interest Expense Component		46	46	46	46	46	45	45	45	45	3,647	7,227	16,737	28,022
	11 Total Return on Average Rate Base		209	208	207	207	206	205	204	204	203	16,466	32,629	75,563	126,510
	12 Operation & Maintenance Expense		-	-	-	-	-	-	-	-	-	-	-	-	-
	13 Depreciation Expense		50	50	50	50	50	50	50	50	50	3,913	7,775	18,120	30,260
	14 Property Tax		16,496	16,496	16,496	16,496	16,496	16,496	16,496	16,496	16,496	16,496	16,496	16,496	197,957
	15 Prorata ADIT		(823)												(823)
	16 Monthly Revenue Requirements		60,235	62,370	70,021	82,148	91,316	119,372	152,390	181,599	207,362	222,085	231,600	242,114	1,722,613
	17 MN Jurisdictional Allocator		0.82593	0.82593	0.82593	0.82593	0.82593	0.82593	0.82593	0.82593	0.82593	0.82593	0.82593	0.82593	0.82593
	18 MN Jurisdictional Revenue Requirement		49,750	51,513	57,833	67,848	75,421	98,593	125,863	149,988	171,266	183,427	191,286	199,970	1,422,758
D	Monthly Entry														
	1 MN Jurisdictional Rev. Requirement		49,750	51,513	57,833	67,848	75,421	98,593	125,863	149,988	171,266	183,427	191,286	199,970	1,422,758
	2 Monthly Entry Needed		49,750	51,513	57,833	67,848	75,421	98,593	125,863	149,988	171,266	183,427	191,286	199,970	1,422,758
	3 Cumulative YTD		49,750	101,263	159,096	226,944	302,365	400,958	526,821	676,809	848,075	1,031,502	1,222,788	1,422,758	1,422,758

Notes: 1/ Minnesota Composite Income Tax Rate.
2/ Refer to Exhibit B-3 pages 4-18 for individual project information on the Duluth Loop Projects.

Minnesota Power
Transmission Cost Recovery Rider
2025 Tracker - Duluth Loop Projects

Exhibit B-3
Page 3 of 34

2025 Projected Tracker - Duluth Loop Projects 2/

Section	Line	Dec-24	Jan-25	Feb-25	Mar-25	Apr-25	May-25	Jun-25	Jul-25	Aug-25	Sep-25	Oct-25	Nov-25	Dec-25	Total
A	Book Basis of Property														
	0 CWIP		11,259,081	11,218,831	11,950,378	12,793,022	14,691,759	16,605,183	18,542,515	22,247,951	26,420,481	28,216,173	31,326,401	22,107,808	22,107,808
	1 Plant in Service		15,476,240	15,476,240	15,476,240	15,476,240	15,476,240	15,476,240	15,476,240	15,476,240	15,476,240	15,476,240	24,929,693	34,943,182	34,943,182
	2 Total Accumulated Depreciation		58,748	87,212	115,676	144,139	172,603	201,066	229,530	257,994	286,457	314,921	352,078	407,136	407,136
	3 Net Plant		15,417,492	15,389,029	15,360,565	15,332,101	15,303,638	15,275,174	15,246,710	15,218,247	15,189,783	15,161,320	24,577,615	34,536,046	34,536,046
	4 Total Depreciation		28,464	28,464	28,464	28,464	28,464	28,464	28,464	28,464	28,464	28,464	37,157	55,059	376,852
	5 Book Depreciation Rate (45.3 year book life)		0.18%	0.18%	0.18%	0.18%	0.18%	0.18%	0.18%	0.18%	0.18%	0.18%	0.18%	0.18%	0.18%
B	Tax Basis of Property														
	1 Plant in Service		15,476,240	15,476,240	15,476,240	15,476,240	15,476,240	15,476,240	15,476,240	15,476,240	15,476,240	15,476,240	24,929,693	34,943,182	34,943,182
	2 Accumulated Depreciation		898,904	1,021,403	1,143,901	1,266,400	1,388,898	1,511,397	1,633,896	1,756,394	1,878,893	2,001,392	2,360,227	3,219,736	3,219,736
	3 Net Plant		14,577,336	14,454,838	14,332,339	14,209,841	14,087,342	13,964,843	13,842,345	13,719,846	13,597,347	13,474,849	22,569,467	31,723,446	31,723,446
	4 Bonus Depreciation		-	-	-	-	-	-	-	-	-	-	-	-	-
	5 Total Tax Depreciation		122,499	122,499	122,499	122,499	122,499	122,499	122,499	122,499	122,499	122,499	358,835	859,509	2,443,331
	6 Accumulated Tax Depreciation		898,904	1,021,403	1,143,901	1,266,400	1,388,898	1,511,397	1,633,896	1,756,394	1,878,893	2,001,392	2,360,227	3,219,736	3,219,736
	7 Tax Book Difference		840,156	934,191	1,028,226	1,122,261	1,216,296	1,310,331	1,404,366	1,498,401	1,592,436	1,686,471	2,008,149	2,812,600	2,812,600
	8 Income Tax Rate 1/		28.74%	28.74%	28.74%	28.74%	28.74%	28.74%	28.74%	28.74%	28.74%	28.74%	28.74%	28.74%	28.74%
	9 Accumulated Deferred Income Tax Liability	214,435	241,461	268,486	295,512	322,538	349,563	376,589	403,615	430,640	457,666	484,692	577,142	808,341	808,341
	10 Deferred Tax Expense debit / (Credit)		27,026	27,026	27,026	27,026	27,026	27,026	27,026	27,026	27,026	27,026	92,450	231,199	231,199
C	Revenue Requirements														
	1 Net Plant		15,417,492	15,389,029	15,360,565	15,332,101	15,303,638	15,275,174	15,246,710	15,218,247	15,189,783	15,161,320	24,577,615	34,536,046	34,536,046
	2 Less: ADITL - Def Taxes		(241,461)	(268,486)	(295,512)	(322,538)	(349,563)	(376,589)	(403,615)	(430,640)	(457,666)	(484,692)	(577,142)	(808,341)	(808,341)
	3 Plus: ADITA - NOL		-	-	-	-	-	-	-	-	-	-	-	-	-
	4 Rate Base		15,176,031	15,120,542	15,065,053	15,009,564	14,954,074	14,898,585	14,843,096	14,787,606	14,732,117	14,676,628	24,000,473	33,727,705	33,727,705
	5 Average Rate Base		15,203,776	15,148,287	15,092,797	15,037,308	14,981,819	14,926,330	14,870,840	14,815,351	14,759,862	14,704,373	19,338,551	28,864,089	28,864,089
	6 Current Return on CWIP		87,823	87,510	90,201	96,329	107,002	121,843	136,835	158,803	189,473	212,708	194,989	132,228	1,615,743
	7 Return on Average Rate Base														
	8 After Tax Return on Equity		65,673	65,433	65,193	64,954	64,714	64,474	64,235	63,995	63,755	63,515	83,533	124,678	854,152
	9 Income Tax Component		26,487	26,390	26,293	26,197	26,100	26,003	25,907	25,810	25,713	25,617	33,690	50,284	344,490
	10 Interest Expense Component		26,221	26,126	26,030	25,934	25,839	25,743	25,647	25,552	25,456	25,360	33,353	49,781	341,041
	11 Total Return on Average Rate Base		118,381	117,949	117,517	117,085	116,653	116,220	115,788	115,356	114,924	114,492	150,575	224,744	1,539,684
	12 Operation & Maintenance Expense		-	-	-	-	-	-	-	-	-	-	-	-	-
	13 Depreciation Expense		28,464	28,464	28,464	28,464	28,464	28,464	28,464	28,464	28,464	28,464	37,157	55,059	376,852
	14 Property Tax		76,759	76,759	76,759	76,759	76,759	76,759	76,759	76,759	76,759	76,759	76,759	76,759	921,114
	15 Prorata ADIT		(2,285)	-	-	-	-	-	-	-	-	-	-	-	(2,285)
	16 Monthly Revenue Requirements		309,142	310,681	312,941	318,637	328,878	343,287	357,846	379,382	409,620	432,423	459,481	488,789	4,451,107
	17 MN Jurisdictional Allocator		0.82593	0.82593	0.82593	0.82593	0.82593	0.82593	0.82593	0.82593	0.82593	0.82593	0.82593	0.82593	0.82593
	18 MN Jurisdictional Revenue Requirement		255,329	256,601	258,467	263,172	271,630	283,531	295,556	313,343	338,318	357,151	379,499	403,706	3,676,303
D	Monthly Entry														
	1 MN Jurisdictional Rev. Requirement		255,329	256,601	258,467	263,172	271,630	283,531	295,556	313,343	338,318	357,151	379,499	403,706	3,676,303
	2 Monthly Entry Needed		255,329	256,601	258,467	263,172	271,630	283,531	295,556	313,343	338,318	357,151	379,499	403,706	3,676,303
	3 Cumulative YTD		255,329	511,930	770,397	1,033,569	1,305,199	1,588,730	1,884,286	2,197,629	2,535,947	2,893,098	3,272,597	3,676,303	3,676,303

Notes: 1/ Minnesota Composite Income Tax Rate.
2/ Refer to Exhibit B-3 pages 4-18 for individual project information on the Duluth Loop Projects.

Minnesota Power
Transmission Cost Recovery Rider
Project Revenue Requirements

ID# 113305 Duluth Loop Reliability Project
In Service 9/30/2027

Section	Line	Jan-23	Feb-23	Mar-23	Apr-23	May-23	Jun-23	Jul-23	Aug-23	Sep-23	Oct-23	Nov-23	Dec-23
A	Book Basis of Property												
	0 CWIP	-	-	-	-	-	-	-	-	-	-	-	13
	1 Plant in Service												
	2 Total Accumulated Depreciation												
	3 Net Plant												
	4 Total Depreciation												
B	Tax Basis of Property												
	1 Plant in Service												
	2 Accumulated Depreciation												
	3 Net Plant												
	4 Bonus Depreciation												
	5 Total Tax Depreciation												
	6 Accumulated Tax Depreciation												
	7 Tax Book Difference												
	8 Income Tax Rate 1/												
	9 Accumulated Deferred Income Tax Liability												
	10 Deferred Tax Expense debit / (Credit)												
C	Revenue Requirements												
	1 Net Plant												
	2 Less: ADITL - Def Taxes												
	3 Plus: ADITA - NOL												
	4 Rate Base												
	5 Average Rate Base												
	6 Current Return on CWIP 2/			-	-	-	-	-	-	-	-	-	0
	7 Return on Average Rate Base 2/												
	8 After Tax Return on Equity	-	-	-	-	-	-	-	-	-	-	-	-
	9 Income Tax Component	-	-	-	-	-	-	-	-	-	-	-	-
	10 Interest Expense Component	-	-	-	-	-	-	-	-	-	-	-	-
	11 Total Return on Average Rate Base	-	-	-	-	-	-	-	-	-	-	-	-
	12 Operation & Maintenance Expense	-	-	-	-	-	-	-	-	-	-	-	-
	13 Depreciation Expense	-	-	-	-	-	-	-	-	-	-	-	-
	14 Property Tax	-	-	-	-	-	-	-	-	-	-	-	-
	15 Monthly Revenue Requirements	-	-	-	-	-	-	-	-	-	-	-	0
	16 MN Jurisdictional Allocator	0.81633	0.81633	0.81633	0.81633	0.81633	0.81633	0.81633	0.81633	0.81633	0.81633	0.81633	0.81633
	17 MN Jurisdictional Revenue Requirement	-	-	-	-	-	-	-	-	-	-	-	0

Notes: 1/ Minnesota Composite Income Tax Rate.

2/ Current Return on CWIP begins 3/1/2023. Rate of return based on Minnesota Power's 2021 rate case, Docket No. E015/GR-21-355.

Minnesota Power
Transmission Cost Recovery Rider
Project Revenue Requirements

ID# 113305 Duluth Loop Reliability Project
In Service 9/30/2027

Section	Line	Jan-24	Feb-24	Mar-24	Apr-24	May-24	Jun-24	Jul-24	Aug-24	Sep-24	Oct-24	Nov-24	Dec-24
A	Book Basis of Property												
	0 CWIP	54	116	37,582	45,054	44,909	4,271,693	4,316,260	4,360,827	4,405,394	4,449,961	4,425,088	4,399,403
	1 Plant in Service												
	2 Total Accumulated Depreciation												
	3 Net Plant												
	4 Total Depreciation												
B	Tax Basis of Property												
	1 Plant in Service												
	2 Accumulated Depreciation												
	3 Net Plant												
	4 Bonus Depreciation												
	5 Total Tax Depreciation												
	6 Accumulated Tax Depreciation												
	7 Tax Book Difference												
	8 Income Tax Rate 1/												
	9 Accumulated Deferred Income Tax Liability												
	10 Deferred Tax Expense debit / (Credit)												
C	Revenue Requirements												
	1 Net Plant												
	2 Less: ADITL - Def Taxes												
	3 Plus: ADITA - NOL												
	4 Rate Base												
	5 Average Rate Base												
	6 Current Return on CWIP 2/	0	1	147	322	350	16,805	33,434	33,781	34,128	34,475	34,552	34,355
	7 Return on Average Rate Base 2/												
	8 After Tax Return on Equity	-	-	-	-	-	-	-	-	-	-	-	-
	9 Income Tax Component	-	-	-	-	-	-	-	-	-	-	-	-
	10 Interest Expense Component	-	-	-	-	-	-	-	-	-	-	-	-
	11 Total Return on Average Rate Base	-	-	-	-	-	-	-	-	-	-	-	-
	12 Operation & Maintenance Expense	-	-	-	-	-	-	-	-	-	-	-	-
	13 Depreciation Expense	-	-	-	-	-	-	-	-	-	-	-	-
	14 Property Tax	8	8	8	8	8	8	8	8	8	8	8	8
	15 Monthly Revenue Requirements	8	9	155	330	358	16,813	33,442	33,789	34,136	34,483	34,560	34,363
	16 MN Jurisdictional Allocator	0.82593	0.82593	0.82593	0.82593	0.82593	0.82593	0.82593	0.82593	0.82593	0.82593	0.82593	0.82593
	17 MN Jurisdictional Revenue Requirement	7	7	128	272	296	13,886	27,621	27,907	28,194	28,481	28,544	28,381

Notes: 1/ Minnesota Composite Income Tax Rate.

2/ Beginning January 1, 2024 the rate of return is based on Minnesota Power's 2023 rate case, Docket No. E-015/GR-23-155.

Minnesota Power
Transmission Cost Recovery Rider
Project Revenue Requirements

ID# 113305 Duluth Loop Reliability Project
In Service 9/30/2027

Section	Line	Jan-25	Feb-25	Mar-25	Apr-25	May-25	Jun-25	Jul-25	Aug-25	Sep-25	Oct-25	Nov-25	Dec-25
A	Book Basis of Property												
	0 CWIP	4,373,163	4,346,924	4,597,909	4,848,612	6,156,205	7,461,438	8,765,271	10,067,706	11,368,743	11,611,284	11,853,543	12,094,319
	1 Plant in Service												
	2 Total Accumulated Depreciation												
	3 Net Plant												
	4 Total Depreciation												
B	5 Book Depreciation Rate (45.3 year book life)												
	Tax Basis of Property												
	1 Plant in Service												
	2 Accumulated Depreciation												
	3 Net Plant												
	4 Bonus Depreciation												
	5 Total Tax Depreciation												
	6 Accumulated Tax Depreciation												
	7 Tax Book Difference												
	8 Income Tax Rate 1/												
C	9 Accumulated Deferred Income Tax Liability												
	10 Deferred Tax Expense debit / (Credit)												
	Revenue Requirements												
	1 Net Plant												
	2 Less: ADITL - Def Taxes												
	3 Plus: ADITA - NOL												
	4 Rate Base												
	5 Average Rate Base												
	6 Current Return on CWIP 2/	34,153	33,948	34,823	36,777	42,843	53,015	63,173	73,319	83,455	89,464	91,352	93,232
	7 Return on Average Rate Base 2/												
	8 After Tax Return on Equity	-	-	-	-	-	-	-	-	-	-	-	-
	9 Income Tax Component	-	-	-	-	-	-	-	-	-	-	-	-
	10 Interest Expense Component	-	-	-	-	-	-	-	-	-	-	-	-
	11 Total Return on Average Rate Base	-	-	-	-	-	-	-	-	-	-	-	-
	12 Operation & Maintenance Expense	-	-	-	-	-	-	-	-	-	-	-	-
	13 Depreciation Expense	-	-	-	-	-	-	-	-	-	-	-	-
	14 Property Tax	11,931	11,931	11,931	11,931	11,931	11,931	11,931	11,931	11,931	11,931	11,931	11,931
	15 Monthly Revenue Requirements	46,083	45,879	46,754	48,707	54,774	64,946	75,103	85,250	95,386	101,395	103,282	105,163
	16 MN Jurisdictional Allocator	0.82593	0.82593	0.82593	0.82593	0.82593	0.82593	0.82593	0.82593	0.82593	0.82593	0.82593	0.82593
	17 MN Jurisdictional Revenue Requirement	38,062	37,893	38,616	40,229	45,239	53,641	62,030	70,410	78,782	83,745	85,304	86,857

Notes: 1/ Minnesota Composite Income Tax Rate.

2/ Beginning January 1, 2024 the rate of return is based on Minnesota Power's 2023 rate case, Docket No. E-015/GR-23-155.

Minnesota Power
Transmission Cost Recovery Rider
Project Revenue Requirements

ID# 113316 Ridgeview Sub - Duluth Loop
In Service 11/30/2025

Section	Line	Jan-23	Feb-23	Mar-23	Apr-23	May-23	Jun-23	Jul-23	Aug-23	Sep-23	Oct-23	Nov-23	Dec-23
A	Book Basis of Property												
	0 CWIP	171,565	172,584	228,485	307,943	396,822	483,313	744,658	955,210	955,212	956,416	1,003,408	1,016,919
	1 Plant in Service												
	2 Total Accumulated Depreciation												
	3 Net Plant												
	4 Total Depreciation												
B	Tax Basis of Property												
	1 Plant in Service												
	2 Accumulated Depreciation												
	3 Net Plant												
	4 Bonus Depreciation												
	5 Total Tax Depreciation												
	6 Accumulated Tax Depreciation												
	7 Tax Book Difference												
	8 Income Tax Rate 1/												
	9 Accumulated Deferred Income Tax Liability												
	10 Deferred Tax Expense debit / (Credit)												
C	Revenue Requirements												
	1 Net Plant												
	2 Less: ADITL - Def Taxes												
	3 Plus: ADITA - NOL												
	4 Rate Base												
	5 Average Rate Base												
	6 Current Return on CWIP 2/			1,531	2,048	2,691	3,361	4,689	6,491	7,295	7,299	7,483	7,714
	7 Return on Average Rate Base 2/												
	8 After Tax Return on Equity	-	-	-	-	-	-	-	-	-	-	-	-
	9 Income Tax Component	-	-	-	-	-	-	-	-	-	-	-	-
	10 Interest Expense Component	-	-	-	-	-	-	-	-	-	-	-	-
	11 Total Return on Average Rate Base	-	-	-	-	-	-	-	-	-	-	-	-
	12 Operation & Maintenance Expense	-	-	-	-	-	-	-	-	-	-	-	-
	13 Depreciation Expense	-	-	-	-	-	-	-	-	-	-	-	-
	14 Property Tax	-	-	-	-	-	-	-	-	-	-	-	-
	15 Monthly Revenue Requirements	-	-	1,531	2,048	2,691	3,361	4,689	6,491	7,295	7,299	7,483	7,714
	16 MN Jurisdictional Allocator	0.81633	0.81633	0.81633	0.81633	0.81633	0.81633	0.81633	0.81633	0.81633	0.81633	0.81633	0.81633
	17 MN Jurisdictional Revenue Requirement	-	-	1,250	1,672	2,197	2,743	3,828	5,299	5,955	5,959	6,109	6,297

Notes: 1/ Minnesota Composite Income Tax Rate.

2/ Current Return on CWIP begins 3/1/2023. Rate of return based on Minnesota Power's 2021 rate case, Docket No. E015/GR-21-355.

Minnesota Power
Transmission Cost Recovery Rider
Project Revenue Requirements

ID# 113316 Ridgeview Sub - Duluth Loop
In Service 11/30/2025

Section	Line	Jan-24	Feb-24	Mar-24	Apr-24	May-24	Jun-24	Jul-24	Aug-24	Sep-24	Oct-24	Nov-24	Dec-24
A	Book Basis of Property												
	0 CWIP	1,051,284	1,053,845	1,056,713	1,059,398	1,675,543	2,290,756	3,133,923	4,219,678	4,411,838	4,405,803	4,399,680	4,393,294
	1 Plant in Service												
	2 Total Accumulated Depreciation												
	3 Net Plant												
	4 Total Depreciation												
B	Tax Basis of Property												
	1 Plant in Service												
	2 Accumulated Depreciation												
	3 Net Plant												
	4 Bonus Depreciation												
	5 Total Tax Depreciation												
C	Revenue Requirements												
	1 Net Plant												
	2 Less: ADITL - Def Taxes												
	3 Plus: ADITA - NOL												
	4 Rate Base												
	5 Average Rate Base												
	6 Current Return on CWIP 2/	8,052	8,196	8,217	8,238	10,647	15,441	21,119	28,629	33,604	34,328	34,281	34,232
	7 Return on Average Rate Base 2/												
	8 After Tax Return on Equity	-	-	-	-	-	-	-	-	-	-	-	-
	9 Income Tax Component	-	-	-	-	-	-	-	-	-	-	-	-
	10 Interest Expense Component	-	-	-	-	-	-	-	-	-	-	-	-
	11 Total Return on Average Rate Base	-	-	-	-	-	-	-	-	-	-	-	-
	12 Operation & Maintenance Expense	-	-	-	-	-	-	-	-	-	-	-	-
	13 Depreciation Expense	-	-	-	-	-	-	-	-	-	-	-	-
	14 Property Tax	2,590	2,590	2,590	2,590	2,590	2,590	2,590	2,590	2,590	2,590	2,590	2,590
	15 Monthly Revenue Requirements	10,642	10,785	10,807	10,828	13,237	18,031	23,709	31,218	36,193	36,918	36,871	36,822
	16 MN Jurisdictional Allocator	0.82593	0.82593	0.82593	0.82593	0.82593	0.82593	0.82593	0.82593	0.82593	0.82593	0.82593	0.82593
	17 MN Jurisdictional Revenue Requirement	8,789	8,908	8,925	8,943	10,933	14,892	19,582	25,784	29,893	30,492	30,453	30,412

Notes: 1/ Minnesota Composite Income Tax Rate.

2/ Beginning January 1, 2024 the rate of return is based on Minnesota Power's 2023 rate case, Docket No. E-015/GR-23-155.

Minnesota Power
Transmission Cost Recovery Rider
Project Revenue Requirements

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ID# 113316 Ridgeview Sub - Duluth Loop
In Service 11/30/2025

Section	Line	Jan-25	Feb-25	Mar-25	Apr-25	May-25	Jun-25	Jul-25	Aug-25	Sep-25	Oct-25	Nov-25	Dec-25
A	Book Basis of Property												
	0 CWIP	4,386,677	4,379,971	4,867,837	5,467,091	6,065,556	6,681,342	7,311,169	8,149,471	9,457,943	9,461,032	9,453,453	
	1 Plant in Service											9,453,453	9,453,453
	2 Total Accumulated Depreciation											8,693	26,080
	3 Net Plant											9,444,759	9,427,373
	4 Total Depreciation											8,693	17,387
	5 Book Depreciation Rate (45.3 year book life)											0.18%	0.18%
B	Tax Basis of Property												
	1 Plant in Service											9,453,453	9,453,453
	2 Accumulated Depreciation											236,336	472,673
	3 Net Plant											9,217,116	8,980,780
	4 Bonus Depreciation												
	5 Total Tax Depreciation											236,336	236,336
	6 Accumulated Tax Depreciation											236,336	472,673
	7 Tax Book Difference											227,643	446,593
	8 Income Tax Rate 1/											28.74%	28.74%
	9 Accumulated Deferred Income Tax Liability											65,425	128,351
	10 Deferred Tax Expense debit / (Credit)											65,425	62,926
C	Revenue Requirements												
	1 Net Plant											9,444,759	9,427,373
	2 Less: ADITL - Def Taxes											(65,425)	(128,351)
	3 Plus: ADITA - NOL											-	-
	4 Rate Base											9,379,335	9,299,022
	5 Average Rate Base											4,689,667	9,339,178
	6 Current Return on CWIP 2/	34,182	34,130	36,003	40,235	44,898	49,625	54,475	60,190	68,548	73,654	36,818	
	7 Return on Average Rate Base 2/												
	8 After Tax Return on Equity	-	-	-	-	-	-	-	-	-	-	20,257	40,341
	9 Income Tax Component	-	-	-	-	-	-	-	-	-	-	8,170	16,270
	10 Interest Expense Component	-	-	-	-	-	-	-	-	-	-	8,088	16,107
	11 Total Return on Average Rate Base	-	-	-	-	-	-	-	-	-	-	36,515	72,717
	12 Operation & Maintenance Expense	-	-	-	-	-	-	-	-	-	-	-	-
	13 Depreciation Expense	-	-	-	-	-	-	-	-	-	-	8,693	17,387
	14 Property Tax	11,737	11,737	11,737	11,737	11,737	11,737	11,737	11,737	11,737	11,737	11,737	11,737
	15 Monthly Revenue Requirements	45,919	45,867	47,740	51,973	56,635	61,363	66,212	71,928	80,285	85,391	93,764	101,841
	16 MN Jurisdictional Allocator	0.82593	0.82593	0.82593	0.82593	0.82593	0.82593	0.82593	0.82593	0.82593	0.82593	0.82593	0.82593
	17 MN Jurisdictional Revenue Requirement	37,926	37,883	39,430	42,926	46,777	50,681	54,687	59,407	66,310	70,527	77,442	84,114

Notes: 1/ Minnesota Composite Income Tax Rate.

2/ Beginning January 1, 2024 the rate of return is based on Minnesota Power's 2023 rate case, Docket No. E-015/GR-23-155.

Minnesota Power
Transmission Cost Recovery Rider
Project Revenue Requirements

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ID# 113317 Arrowhead Sub - Duluth Loop

In Service 10/31/2024

Partial In-Service 12/2023

Section	Line	Jan-23	Feb-23	Mar-23	Apr-23	May-23	Jun-23	Jul-23	Aug-23	Sep-23	Oct-23	Nov-23	Dec-23
A	Book Basis of Property												
	0 CWIP	718,743	722,995	736,966	741,383	805,717	944,425	968,146	1,020,211	1,425,144	1,509,857	1,568,387	2,533,621
	1 Plant in Service												27,298
	2 Total Accumulated Depreciation												25
	3 Net Plant												27,273
	4 Total Depreciation												25
B	5 Book Depreciation Rate (45.3 year book life)												0.18%
	Tax Basis of Property												
	1 Plant in Service												27,298
	2 Accumulated Depreciation												1,365
	3 Net Plant												25,933
	4 Bonus Depreciation												
C	5 Total Tax Depreciation												1,365
	6 Accumulated Tax Depreciation												1,365
	7 Tax Book Difference												1,340
	8 Income Tax Rate 1/												28.74%
	9 Accumulated Deferred Income Tax Liability												385
	10 Deferred Tax Expense debit / (Credit)												385
C	Revenue Requirements												
	1 Net Plant												27,273
	2 Less: ADITL - Def Taxes												(385)
	3 Plus: ADITA - NOL												-
	4 Rate Base												26,888
	5 Average Rate Base												13,444
	6 Current Return on CWIP 2/			5,575	5,645	5,907	6,683	7,303	7,592	9,337	11,207	11,754	15,663
	7 Return on Average Rate Base 2/												
	8 After Tax Return on Equity	-	-	-	-	-	-	-	-	-	-	-	57
	9 Income Tax Component	-	-	-	-	-	-	-	-	-	-	-	23
	10 Interest Expense Component	-	-	-	-	-	-	-	-	-	-	-	23
	11 Total Return on Average Rate Base	-	-	-	-	-	-	-	-	-	-	-	103
	12 Operation & Maintenance Expense	-	-	-	-	-	-	-	-	-	-	-	-
	13 Depreciation Expense	-	-	-	-	-	-	-	-	-	-	-	25
	14 Property Tax	-	-	-	-	-	-	-	-	-	-	-	-
	15 Monthly Revenue Requirements	-	-	5,575	5,645	5,907	6,683	7,303	7,592	9,337	11,207	11,754	15,791
	16 MN Jurisdictional Allocator	0.81633	0.81633	0.81633	0.81633	0.81633	0.81633	0.81633	0.81633	0.81633	0.81633	0.81633	0.81633
	17 MN Jurisdictional Revenue Requirement	-	-	4,551	4,608	4,822	5,455	5,962	6,198	7,622	9,148	9,595	12,890

Notes: 1/ Minnesota Composite Income Tax Rate.

2/ Current Return on CWIP begins 3/1/2023. Rate of return based on Minnesota Power's 2021 rate case, Docket No. E015/GR-21-355.

Minnesota Power
Transmission Cost Recovery Rider
Project Revenue Requirements

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ID# 113317 Arrowhead Sub - Duluth Loop

In Service 10/31/2024

Partial In-Service 12/2023

Section	Line	Jan-24	Feb-24	Mar-24	Apr-24	May-24	Jun-24	Jul-24	Aug-24	Sep-24	Oct-24	Nov-24	Dec-24
A	Book Basis of Property												
	0 CWIP	2,575,960	2,584,146	2,827,999	2,907,775	3,095,073	3,383,634	3,686,569	3,885,549	3,975,836	4,227,644		
	1 Plant in Service	27,298	27,298	27,298	27,298	27,298	27,298	27,298	27,298	27,298	4,227,644	4,227,644	4,227,644
	2 Total Accumulated Depreciation	75	126	176	226	276	326	377	427	477	4,390	12,165	19,941
	3 Net Plant	27,223	27,173	27,122	27,072	27,022	26,972	26,922	26,871	26,821	4,223,254	4,215,479	4,207,703
	4 Total Depreciation	50	50	50	50	50	50	50	50	50	3,913	7,775	7,775
	5 Book Depreciation Rate (45.3 year book life)	0.18%	0.18%	0.18%	0.18%	0.18%	0.18%	0.18%	0.18%	0.18%	0.18%	0.18%	0.18%
B	Tax Basis of Property												
	1 Plant in Service	27,298	27,298	27,298	27,298	27,298	27,298	27,298	27,298	27,298	4,227,644	4,227,644	4,227,644
	2 Accumulated Depreciation	1,581	1,797	2,013	2,229	2,445	2,662	2,878	3,094	3,310	73,532	143,754	213,976
	3 Net Plant	25,717	25,501	25,285	25,069	24,853	24,637	24,420	24,204	23,988	4,154,112	4,083,890	4,013,668
	4 Bonus Depreciation												
	5 Total Tax Depreciation	216	216	216	216	216	216	216	216	216	70,222	70,222	70,222
	6 Accumulated Tax Depreciation	1,581	1,797	2,013	2,229	2,445	2,662	2,878	3,094	3,310	73,532	143,754	213,976
	7 Tax Book Difference	1,506	1,672	1,838	2,003	2,169	2,335	2,501	2,667	2,833	69,142	131,588	194,035
	8 Income Tax Rate 1/	28.74%	28.74%	28.74%	28.74%	28.74%	28.74%	28.74%	28.74%	28.74%	28.74%	28.74%	28.74%
	9 Accumulated Deferred Income Tax Liability	433	480	528	576	623	671	719	767	814	19,871	37,819	55,766
	10 Deferred Tax Expense debit / (Credit)	48	48	48	48	48	48	48	48	48	19,057	17,947	17,947
C	Revenue Requirements												
	1 Net Plant	27,223	27,173	27,122	27,072	27,022	26,972	26,922	26,871	26,821	4,223,254	4,215,479	4,207,703
	2 Less: ADITL - Def Taxes	(433)	(480)	(528)	(576)	(623)	(671)	(719)	(767)	(814)	(19,871)	(37,819)	(55,766)
	3 Plus: ADITA - NOL	-	-	-	-	-	-	-	-	-	-	-	-
	4 Rate Base	26,790	26,692	26,594	26,496	26,398	26,301	26,203	26,105	26,007	4,203,383	4,177,660	4,151,938
	5 Average Rate Base	26,839	26,741	26,643	26,545	26,447	26,350	26,252	26,154	26,056	2,114,695	4,190,522	4,164,799
	6 Current Return on CWIP 2/	19,892	20,089	21,070	22,330	23,370	25,222	27,525	29,479	30,605	15,969		
	7 Return on Average Rate Base 2/												
	8 After Tax Return on Equity	116	116	115	115	114	114	113	113	113	9,134	18,101	17,990
	9 Income Tax Component	47	47	46	46	46	46	46	46	45	3,684	7,300	7,256
	10 Interest Expense Component	46	46	46	46	46	45	45	45	45	3,647	7,227	7,183
	11 Total Return on Average Rate Base	209	208	207	207	206	205	204	204	203	16,466	32,629	32,428
	12 Operation & Maintenance Expense	-	-	-	-	-	-	-	-	-	-	-	-
	13 Depreciation Expense	50	50	50	50	50	50	50	50	50	3,913	7,775	7,775
	14 Property Tax	7,753	7,753	7,753	7,753	7,753	7,753	7,753	7,753	7,753	7,753	7,753	7,753
	15 Monthly Revenue Requirements	27,905	28,100	29,081	30,340	31,379	33,231	35,533	37,486	38,612	44,100	48,157	47,957
	16 MN Jurisdictional Allocator	0.82593	0.82593	0.82593	0.82593	0.82593	0.82593	0.82593	0.82593	0.82593	0.82593	0.82593	0.82593
	17 MN Jurisdictional Revenue Requirement	23,047	23,209	24,019	25,059	25,917	27,446	29,348	30,961	31,890	36,424	39,774	39,609

Notes: 1/ Minnesota Composite Income Tax Rate.

2/ Beginning January 1, 2024 the rate of return is based on Minnesota Power's 2023 rate case, Docket No. E-015/GR-23-155.

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Transmission Cost Recovery Rider
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ID# 113317 Arrowhead Sub - Duluth Loop

In Service 10/31/2024

Partial In-Service 12/2023

Section	Line	Jan-25	Feb-25	Mar-25	Apr-25	May-25	Jun-25	Jul-25	Aug-25	Sep-25	Oct-25	Nov-25	Dec-25
A	Book Basis of Property												
	0 CWIP												
	1 Plant in Service	4,227,644	4,227,644	4,227,644	4,227,644	4,227,644	4,227,644	4,227,644	4,227,644	4,227,644	4,227,644	4,227,644	4,227,644
	2 Total Accumulated Depreciation	27,716	35,491	43,267	51,042	58,818	66,593	74,368	82,144	89,919	97,695	105,470	113,245
	3 Net Plant	4,199,928	4,192,153	4,184,377	4,176,602	4,168,826	4,161,051	4,153,276	4,145,500	4,137,725	4,129,949	4,122,174	4,114,399
	4 Total Depreciation	7,775	7,775	7,775	7,775	7,775	7,775	7,775	7,775	7,775	7,775	7,775	7,775
B	5 Book Depreciation Rate (45.3 year book life)	0.18%	0.18%	0.18%	0.18%	0.18%	0.18%	0.18%	0.18%	0.18%	0.18%	0.18%	0.18%
	Tax Basis of Property												
	1 Plant in Service	4,227,644	4,227,644	4,227,644	4,227,644	4,227,644	4,227,644	4,227,644	4,227,644	4,227,644	4,227,644	4,227,644	4,227,644
	2 Accumulated Depreciation	247,423	280,870	314,317	347,764	381,212	414,659	448,106	481,553	515,001	548,448	581,895	615,342
	3 Net Plant	3,980,221	3,946,774	3,913,327	3,879,879	3,846,432	3,812,985	3,779,538	3,746,091	3,712,643	3,679,196	3,645,749	3,612,302
	4 Bonus Depreciation												
C	5 Total Tax Depreciation	33,447	33,447	33,447	33,447	33,447	33,447	33,447	33,447	33,447	33,447	33,447	33,447
	6 Accumulated Tax Depreciation	247,423	280,870	314,317	347,764	381,212	414,659	448,106	481,553	515,001	548,448	581,895	615,342
	7 Tax Book Difference	219,707	245,379	271,050	296,722	322,394	348,066	373,738	399,410	425,081	450,753	476,425	502,097
	8 Income Tax Rate 1/	28.74%	28.74%	28.74%	28.74%	28.74%	28.74%	28.74%	28.74%	28.74%	28.74%	28.74%	28.74%
	9 Accumulated Deferred Income Tax Liability	63,144	70,522	77,900	85,278	92,656	100,034	107,412	114,790	122,168	129,546	136,925	144,303
	10 Deferred Tax Expense debit / (Credit)	7,378	7,378	7,378	7,378	7,378	7,378	7,378	7,378	7,378	7,378	7,378	7,378
	Revenue Requirements												
	1 Net Plant	4,199,928	4,192,153	4,184,377	4,176,602	4,168,826	4,161,051	4,153,276	4,145,500	4,137,725	4,129,949	4,122,174	4,114,399
	2 Less: ADITL - Def Taxes	(63,144)	(70,522)	(77,900)	(85,278)	(92,656)	(100,034)	(107,412)	(114,790)	(122,168)	(129,546)	(136,925)	(144,303)
	3 Plus: ADITA - NOL	-	-	-	-	-	-	-	-	-	-	-	-
	4 Rate Base	4,136,784	4,121,631	4,106,477	4,091,324	4,076,170	4,061,017	4,045,863	4,030,710	4,015,556	4,000,403	3,985,249	3,970,096
	5 Average Rate Base	4,144,361	4,129,208	4,114,054	4,098,901	4,083,747	4,068,594	4,053,440	4,038,287	4,023,133	4,007,980	3,992,826	3,977,673
	6 Current Return on CWIP 2/												
	7 Return on Average Rate Base 2/												
	8 After Tax Return on Equity	17,902	17,836	17,771	17,705	17,640	17,574	17,509	17,443	17,378	17,312	17,247	17,182
	9 Income Tax Component	7,220	7,194	7,167	7,141	7,114	7,088	7,062	7,035	7,009	6,982	6,956	6,930
	10 Interest Expense Component	7,148	7,122	7,095	7,069	7,043	7,017	6,991	6,965	6,939	6,912	6,886	6,860
	11 Total Return on Average Rate Base	32,269	32,151	32,033	31,915	31,797	31,679	31,561	31,443	31,325	31,207	31,089	30,971
	12 Operation & Maintenance Expense	-	-	-	-	-	-	-	-	-	-	-	-
	13 Depreciation Expense	7,775	7,775	7,775	7,775	7,775	7,775	7,775	7,775	7,775	7,775	7,775	7,775
	14 Property Tax	13,395	13,395	13,395	13,395	13,395	13,395	13,395	13,395	13,395	13,395	13,395	13,395
	15 Monthly Revenue Requirements	53,440	53,322	53,204	53,086	52,968	52,850	52,732	52,614	52,496	52,378	52,260	52,142
	16 MN Jurisdictional Allocator	0.82593	0.82593	0.82593	0.82593	0.82593	0.82593	0.82593	0.82593	0.82593	0.82593	0.82593	0.82593
	17 MN Jurisdictional Revenue Requirement	44,137	44,040	43,942	43,845	43,748	43,650	43,553	43,455	43,358	43,260	43,163	43,065

Notes: 1/ Minnesota Composite Income Tax Rate.

2/ Beginning January 1, 2024 the rate of return is based on Minnesota Power's 2023 rate case, Docket No. E-015/GR-23-155.

Minnesota Power
Transmission Cost Recovery Rider
Project Revenue Requirements

ID# 113318 Hilltop Sub - Duluth Loop
In Service 12/31/2024

Section	Line	Jan-23	Feb-23	Mar-23	Apr-23	May-23	Jun-23	Jul-23	Aug-23	Sep-23	Oct-23	Nov-23	Dec-23
A	Book Basis of Property												
	0 CWIP	184,196	185,289	261,128	411,835	577,010	1,111,746	1,250,057	2,050,472	2,052,680	2,054,291	2,076,818	2,078,382
	1 Plant in Service												
	2 Total Accumulated Depreciation												
	3 Net Plant												
	4 Total Depreciation												
B	5 Book Depreciation Rate (45.3 year book life)												
	Tax Basis of Property												
	1 Plant in Service												
	2 Accumulated Depreciation												
	3 Net Plant												
	4 Bonus Depreciation												
	5 Total Tax Depreciation												
	6 Accumulated Tax Depreciation												
	7 Tax Book Difference												
	8 Income Tax Rate 1/												
C	9 Accumulated Deferred Income Tax Liability												
	10 Deferred Tax Expense debit / (Credit)												
	Revenue Requirements												
	1 Net Plant												
	2 Less: ADITL - Def Taxes												
	3 Plus: ADITA - NOL												
	4 Rate Base												
	5 Average Rate Base												
	6 Current Return on CWIP 2/			1,705	2,570	3,776	6,448	9,018	12,603	15,667	15,682	15,774	15,866
	7 Return on Average Rate Base 2/												
	8 After Tax Return on Equity	-	-	-	-	-	-	-	-	-	-	-	-
	9 Income Tax Component	-	-	-	-	-	-	-	-	-	-	-	-
	10 Interest Expense Component	-	-	-	-	-	-	-	-	-	-	-	-
	11 Total Return on Average Rate Base	-	-	-	-	-	-	-	-	-	-	-	-
	12 Operation & Maintenance Expense	-	-	-	-	-	-	-	-	-	-	-	-
	13 Depreciation Expense	-	-	-	-	-	-	-	-	-	-	-	-
	14 Property Tax	-	-	-	-	-	-	-	-	-	-	-	-
	15 Monthly Revenue Requirements	-	-	1,705	2,570	3,776	6,448	9,018	12,603	15,667	15,682	15,774	15,866
	16 MN Jurisdictional Allocator	0.81633	0.81633	0.81633	0.81633	0.81633	0.81633	0.81633	0.81633	0.81633	0.81633	0.81633	0.81633
	17 MN Jurisdictional Revenue Requirement	-	-	1,391	2,098	3,082	5,264	7,362	10,288	12,790	12,802	12,877	12,952

Notes: 1/ Minnesota Composite Income Tax Rate.

2/ Current Return on CWIP begins 5/1/2023. Rate of return based on Minnesota Power's 2021 rate case, Docket No. E015/GR-21-355.

Minnesota Power
Transmission Cost Recovery Rider
Project Revenue Requirements

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ID# 113318 Hilltop Sub - Duluth Loop

In Service 12/31/2024

Section	Line	Jan-24	Feb-24	Mar-24	Apr-24	May-24	Jun-24	Jul-24	Aug-24	Sep-24	Oct-24	Nov-24	Dec-24
A	Book Basis of Property												
	0 CWIP	2,116,662	2,327,745	3,667,655	4,683,850	4,853,456	5,095,038	6,168,018	9,765,653	10,494,119	11,227,921	11,254,567	11,248,596
	1 Plant in Service												11,248,596
	2 Total Accumulated Depreciation												10,344
	3 Net Plant												11,238,252
	4 Total Depreciation												10,344
	5 Book Depreciation Rate (45.3 year book life)												0.18%
B	Tax Basis of Property												
	1 Plant in Service												11,248,596
	2 Accumulated Depreciation												562,430
	3 Net Plant												10,686,167
	4 Bonus Depreciation												
	5 Total Tax Depreciation												562,430
	6 Accumulated Tax Depreciation												562,430
	7 Tax Book Difference												552,086
	8 Income Tax Rate 1/												28.74%
	9 Accumulated Deferred Income Tax Liability												158,669
	10 Deferred Tax Expense debit / (Credit)												158,669
C	Revenue Requirements												
	1 Net Plant												11,238,252
	2 Less: ADITL - Def Taxes												(158,669)
	3 Plus: ADITA - NOL												-
	4 Rate Base												11,079,583
	5 Average Rate Base												5,539,791
	6 Current Return on CWIP 2/	16,332	17,303	23,341	32,514	37,130	38,731	43,849	62,032	78,874	84,567	87,527	43,804
	7 Return on Average Rate Base 2/												
	8 After Tax Return on Equity	-	-	-	-	-	-	-	-	-	-	-	23,929
	9 Income Tax Component	-	-	-	-	-	-	-	-	-	-	-	9,651
	10 Interest Expense Component	-	-	-	-	-	-	-	-	-	-	-	9,554
	11 Total Return on Average Rate Base	-	-	-	-	-	-	-	-	-	-	-	43,134
	12 Operation & Maintenance Expense	-	-	-	-	-	-	-	-	-	-	-	-
	13 Depreciation Expense	-	-	-	-	-	-	-	-	-	-	-	10,344
	14 Property Tax	5,980	5,980	5,980	5,980	5,980	5,980	5,980	5,980	5,980	5,980	5,980	5,980
	15 Monthly Revenue Requirements	22,312	23,283	29,321	38,494	43,110	44,711	49,829	68,012	84,854	90,547	93,508	103,263
	16 MN Jurisdictional Allocator	0.82593	0.82593	0.82593	0.82593	0.82593	0.82593	0.82593	0.82593	0.82593	0.82593	0.82593	0.82593
	17 MN Jurisdictional Revenue Requirement	18,428	19,230	24,217	31,793	35,606	36,928	41,155	56,173	70,084	74,786	77,231	85,288

Notes: 1/ Minnesota Composite Income Tax Rate.

2/ Beginning January 1, 2024 the rate of return is based on Minnesota Power's 2023 rate case, Docket No. E-015/GR-23-155.

Minnesota Power
Transmission Cost Recovery Rider
Project Revenue Requirements

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ID# 113318 Hilltop Sub - Duluth Loop
In Service 12/31/2024

Section	Line	Jan-25	Feb-25	Mar-25	Apr-25	May-25	Jun-25	Jul-25	Aug-25	Sep-25	Oct-25	Nov-25	Dec-25
A	Book Basis of Property												
	0 CWIP												
	1 Plant in Service	11,248,596	11,248,596	11,248,596	11,248,596	11,248,596	11,248,596	11,248,596	11,248,596	11,248,596	11,248,596	11,248,596	11,248,596
	2 Total Accumulated Depreciation	31,032	51,721	72,409	93,097	113,785	134,473	155,162	175,850	196,538	217,226	237,914	258,603
	3 Net Plant	11,217,564	11,196,876	11,176,188	11,155,500	11,134,811	11,114,123	11,093,435	11,072,747	11,052,058	11,031,370	11,010,682	10,989,994
	4 Total Depreciation	20,688	20,688	20,688	20,688	20,688	20,688	20,688	20,688	20,688	20,688	20,688	20,688
	5 Book Depreciation Rate (45.3 year book life)	0.18%	0.18%	0.18%	0.18%	0.18%	0.18%	0.18%	0.18%	0.18%	0.18%	0.18%	0.18%
B	Tax Basis of Property												
	1 Plant in Service	11,248,596	11,248,596	11,248,596	11,248,596	11,248,596	11,248,596	11,248,596	11,248,596	11,248,596	11,248,596	11,248,596	11,248,596
	2 Accumulated Depreciation	651,481	740,533	829,584	918,635	1,007,687	1,096,738	1,185,790	1,274,841	1,363,892	1,452,944	1,541,995	1,631,046
	3 Net Plant	10,597,115	10,508,064	10,419,012	10,329,961	10,240,910	10,151,858	10,062,807	9,973,756	9,884,704	9,795,653	9,706,601	9,617,550
	4 Bonus Depreciation												
	5 Total Tax Depreciation	89,051	89,051	89,051	89,051	89,051	89,051	89,051	89,051	89,051	89,051	89,051	89,051
	6 Accumulated Tax Depreciation	651,481	740,533	829,584	918,635	1,007,687	1,096,738	1,185,790	1,274,841	1,363,892	1,452,944	1,541,995	1,631,046
	7 Tax Book Difference	620,449	688,812	757,175	825,538	893,902	962,265	1,030,628	1,098,991	1,167,354	1,235,717	1,304,081	1,372,444
	8 Income Tax Rate 1/	28.74%	28.74%	28.74%	28.74%	28.74%	28.74%	28.74%	28.74%	28.74%	28.74%	28.74%	28.74%
	9 Accumulated Deferred Income Tax Liability	178,317	197,965	217,612	237,260	256,907	276,555	296,202	315,850	335,498	355,145	374,793	394,440
	10 Deferred Tax Expense debit / (Credit)	19,648	19,648	19,648	19,648	19,648	19,648	19,648	19,648	19,648	19,648	19,648	19,648
C	Revenue Requirements												
	1 Net Plant	11,217,564	11,196,876	11,176,188	11,155,500	11,134,811	11,114,123	11,093,435	11,072,747	11,052,058	11,031,370	11,010,682	10,989,994
	2 Less: ADITL - Def Taxes	(178,317)	(197,965)	(217,612)	(237,260)	(256,907)	(276,555)	(296,202)	(315,850)	(335,498)	(355,145)	(374,793)	(394,440)
	3 Plus: ADITA - NOL	-	-	-	-	-	-	-	-	-	-	-	-
	4 Rate Base	11,039,247	10,998,911	10,958,576	10,918,240	10,877,904	10,837,568	10,797,232	10,756,897	10,716,561	10,676,225	10,635,889	10,595,553
	5 Average Rate Base	11,059,415	11,019,079	10,978,743	10,938,408	10,898,072	10,857,736	10,817,400	10,777,065	10,736,729	10,696,393	10,656,057	10,615,721
	6 Current Return on CWIP 2/												
	7 Return on Average Rate Base 2/												
	8 After Tax Return on Equity	47,771	47,597	47,423	47,248	47,074	46,900	46,726	46,551	46,377	46,203	46,029	45,855
	9 Income Tax Component	19,267	19,196	19,126	19,056	18,986	18,915	18,845	18,775	18,705	18,634	18,564	18,494
	10 Interest Expense Component	19,074	19,004	18,935	18,865	18,796	18,726	18,656	18,587	18,517	18,448	18,378	18,309
	11 Total Return on Average Rate Base	86,112	85,798	85,483	85,169	84,855	84,541	84,227	83,913	83,599	83,285	82,971	82,657
	12 Operation & Maintenance Expense	-	-	-	-	-	-	-	-	-	-	-	-
	13 Depreciation Expense	20,688	20,688	20,688	20,688	20,688	20,688	20,688	20,688	20,688	20,688	20,688	20,688
	14 Property Tax	32,808	32,808	32,808	32,808	32,808	32,808	32,808	32,808	32,808	32,808	32,808	32,808
	15 Monthly Revenue Requirements	139,608	139,294	138,980	138,666	138,352	138,038	137,724	137,410	137,096	136,782	136,468	136,154
	16 MN Jurisdictional Allocator	0.82593	0.82593	0.82593	0.82593	0.82593	0.82593	0.82593	0.82593	0.82593	0.82593	0.82593	0.82593
	17 MN Jurisdictional Revenue Requirement	115,307	115,047	114,788	114,528	114,269	114,010	113,750	113,491	113,231	112,972	112,713	112,453

Notes: 1/ Minnesota Composite Income Tax Rate.

2/ Beginning January 1, 2024 the rate of return is based on Minnesota Power's 2023 rate case, Docket No. E-015/GR-23-155.

Minnesota Power
Transmission Cost Recovery Rider
Project Revenue Requirements

ID# 113539 230kV Projects
In Service 12/31/2025

Section	Line	Jan-23	Feb-23	Mar-23	Apr-23	May-23	Jun-23	Jul-23	Aug-23	Sep-23	Oct-23	Nov-23	Dec-23
A	Book Basis of Property												
	0 CWIP			-	-	-	-	18	71	238	309	3,345	3,397
	1 Plant in Service												
	2 Total Accumulated Depreciation												
	3 Net Plant												
	4 Total Depreciation												
B	5 Book Depreciation Rate (45.3 year book life)												
	Tax Basis of Property												
	1 Plant in Service												
	2 Accumulated Depreciation												
	3 Net Plant												
	4 Bonus Depreciation												
	5 Total Tax Depreciation												
	6 Accumulated Tax Depreciation												
	7 Tax Book Difference												
	8 Income Tax Rate 1/												
C	9 Accumulated Deferred Income Tax Liability												
	10 Deferred Tax Expense debit / (Credit)												
	Revenue Requirements												
	1 Net Plant												
	2 Less: ADITL - Def Taxes												
	3 Plus: ADITA - NOL												
	4 Rate Base												
	5 Average Rate Base												
	6 Current Return on CWIP 2/			-	-	-	-	0	0	1	2	14	26
	7 Return on Average Rate Base 2/												
	8 After Tax Return on Equity	-	-	-	-	-	-	-	-	-	-	-	-
	9 Income Tax Component	-	-	-	-	-	-	-	-	-	-	-	-
	10 Interest Expense Component	-	-	-	-	-	-	-	-	-	-	-	-
	11 Total Return on Average Rate Base	-	-	-	-	-	-	-	-	-	-	-	-
	12 Operation & Maintenance Expense	-	-	-	-	-	-	-	-	-	-	-	-
	13 Depreciation Expense	-	-	-	-	-	-	-	-	-	-	-	-
	14 Property Tax	-	-	-	-	-	-	-	-	-	-	-	-
	15 Monthly Revenue Requirements	-	-	-	-	-	-	0	0	1	2	14	26
	16 MN Jurisdictional Allocator	0.81633	0.81633	0.81633	0.81633	0.81633	0.81633	0.81633	0.81633	0.81633	0.81633	0.81633	0.81633
	17 MN Jurisdictional Revenue Requirement	-	-	-	-	-	-	0	0	1	2	11	21

Notes: 1/ Minnesota Composite Income Tax Rate.

2/ Current Return on CWIP begins 5/1/2023. Rate of return based on Minnesota Power's 2021 rate case, Docket No. E015/GR-21-355.

Minnesota Power
Transmission Cost Recovery Rider
Project Revenue Requirements

ID# 113539 230kV Projects
In Service 12/31/2025

Section	Line	Jan-24	Feb-24	Mar-24	Apr-24	May-24	Jun-24	Jul-24	Aug-24	Sep-24	Oct-24	Nov-24	Dec-24
A	Book Basis of Property												
	0 CWIP	3,410	3,553	123,031	388,359	399,119	1,250,116	1,244,513	1,562,368	1,879,867	2,197,007	2,513,788	2,506,545
	1 Plant in Service												
	2 Total Accumulated Depreciation												
	3 Net Plant												
	4 Total Depreciation												
B	5 Book Depreciation Rate (45.3 year book life)												
	Tax Basis of Property												
	1 Plant in Service												
	2 Accumulated Depreciation												
	3 Net Plant												
	4 Bonus Depreciation												
	5 Total Tax Depreciation												
	6 Accumulated Tax Depreciation												
	7 Tax Book Difference												
	8 Income Tax Rate 1/												
C	9 Accumulated Deferred Income Tax Liability												
	10 Deferred Tax Expense debit / (Credit)												
	Revenue Requirements												
	1 Net Plant												
	2 Less: ADITL - Def Taxes												
	3 Plus: ADITA - NOL												
	4 Rate Base												
	5 Average Rate Base												
	6 Current Return on CWIP 2/	27	27	493	1,991	3,066	6,421	9,712	10,928	13,401	15,872	18,340	19,545
	7 Return on Average Rate Base 2/												
	8 After Tax Return on Equity	-	-	-	-	-	-	-	-	-	-	-	-
	9 Income Tax Component	-	-	-	-	-	-	-	-	-	-	-	-
	10 Interest Expense Component	-	-	-	-	-	-	-	-	-	-	-	-
	11 Total Return on Average Rate Base	-	-	-	-	-	-	-	-	-	-	-	-
	12 Operation & Maintenance Expense	-	-	-	-	-	-	-	-	-	-	-	-
	13 Depreciation Expense	-	-	-	-	-	-	-	-	-	-	-	-
	14 Property Tax	165	165	165	165	165	165	165	165	165	165	165	165
	15 Monthly Revenue Requirements	192	192	658	2,156	3,231	6,586	9,877	11,093	13,566	16,037	18,505	19,710
	16 MN Jurisdictional Allocator	0.82593	0.82593	0.82593	0.82593	0.82593	0.82593	0.82593	0.82593	0.82593	0.82593	0.82593	0.82593
	17 MN Jurisdictional Revenue Requirement	158	159	544	1,781	2,669	5,440	8,158	9,162	11,205	13,246	15,284	16,279

Notes: 1/ Minnesota Composite Income Tax Rate.

2/ Beginning January 1, 2024 the rate of return is based on Minnesota Power's 2023 rate case, Docket No. E-015/GR-23-155.

Minnesota Power
Transmission Cost Recovery Rider
Project Revenue Requirements

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ID# 113539 230kV Projects
In Service 12/31/2025

Section	Line	Jan-25	Feb-25	Mar-25	Apr-25	May-25	Jun-25	Jul-25	Aug-25	Sep-25	Oct-25	Nov-25	Dec-25
A	Book Basis of Property												
	0 CWIP	2,499,241	2,491,936	2,484,632	2,477,319	2,469,998	2,462,403	2,466,074	4,030,774	5,593,796	7,143,858	10,019,406	10,013,489
	1 Plant in Service												10,013,489
	2 Total Accumulated Depreciation												9,208
	3 Net Plant												10,004,281
	4 Total Depreciation												9,208
	5 Book Depreciation Rate (45.3 year book life)												0.18%
B	Tax Basis of Property												
	1 Plant in Service												10,013,489
	2 Accumulated Depreciation												500,674
	3 Net Plant												9,512,815
	4 Bonus Depreciation												
	5 Total Tax Depreciation												500,674
	6 Accumulated Tax Depreciation												500,674
	7 Tax Book Difference												491,466
	8 Income Tax Rate 1/												28.74%
	9 Accumulated Deferred Income Tax Liability												141,247
	10 Deferred Tax Expense debit / (Credit)												141,247
C	Revenue Requirements												
	1 Net Plant												10,004,281
	2 Less: ADITL - Def Taxes												(141,247)
	3 Plus: ADITA - NOL												-
	4 Rate Base												9,863,034
	5 Average Rate Base												4,931,517
	6 Current Return on CWIP 2/	19,488	19,431	19,374	19,318	19,261	19,203	19,187	25,293	37,470	49,589	66,819	38,995
	7 Return on Average Rate Base 2/												
	8 After Tax Return on Equity	-	-	-	-	-	-	-	-	-	-	-	21,302
	9 Income Tax Component	-	-	-	-	-	-	-	-	-	-	-	8,591
	10 Interest Expense Component	-	-	-	-	-	-	-	-	-	-	-	8,505
	11 Total Return on Average Rate Base	-	-	-	-	-	-	-	-	-	-	-	38,398
	12 Operation & Maintenance Expense	-	-	-	-	-	-	-	-	-	-	-	-
	13 Depreciation Expense	-	-	-	-	-	-	-	-	-	-	-	9,208
	14 Property Tax	6,888	6,888	6,888	6,888	6,888	6,888	6,888	6,888	6,888	6,888	6,888	6,888
	15 Monthly Revenue Requirements	26,376	26,319	26,263	26,206	26,149	26,091	26,075	32,181	44,358	56,478	73,707	93,490
	16 MN Jurisdictional Allocator	0.82593	0.82593	0.82593	0.82593	0.82593	0.82593	0.82593	0.82593	0.82593	0.82593	0.82593	0.82593
	17 MN Jurisdictional Revenue Requirement	21,785	21,738	21,691	21,644	21,597	21,549	21,536	26,579	36,636	46,646	60,877	77,216

Notes: 1/ Minnesota Composite Income Tax Rate.

2/ Beginning January 1, 2024 the rate of return is based on Minnesota Power's 2023 rate case, Docket No. E-015/GR-23-155.

Minnesota Power
Transmission Cost Recovery Rider
Plant Additions, AFUDC and Return on CWIP - Duluth Loop Projects

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	<u>Total</u>	<u>Jan-23</u>	<u>Feb-23</u>	<u>Mar-23</u>	<u>Apr-23</u>	<u>May-23</u>	<u>Jun-23</u>	<u>Jul-23</u>	<u>Aug-23</u>	<u>Sep-23</u>	<u>Oct-23</u>	<u>Nov-23</u>	<u>Dec-23</u>
ID# 113305 Duluth Loop Reliability Project													
In Service 9/30/2027	\$ 31,849,642.18			<u>CWIP</u>									
BOM		-	-	-	-	-	-	-	-	-	-	-	-
Capital Expenditures	\$ 31,937,713.34	-	-	-	-	-	-	-	-	-	-	-	2,971.87
Less Internal Costs	\$ (88,071.16)	-	-	-	-	-	-	-	-	-	-	-	(2,958.84)
AFUDC	\$ -	-	-	-	-	-	-	-	-	-	-	-	-
Less AFUDC on Internal Costs	\$ -	-	-	-	-	-	-	-	-	-	-	-	-
EOM		-	-	-	-	-	-	-	-	-	-	-	13.03
<u>Return on CWIP 1/</u>													
After Tax Return on Equity				-	-	-	-	-	-	-	-	-	0.03
Income Tax Component				-	-	-	-	-	-	-	-	-	0.01
Interest Expense Component				-	-	-	-	-	-	-	-	-	0.01
Total Return on CWIP				-	-	-	-	-	-	-	-	-	0.05
ID# 113316 Ridgeview Sub - Duluth Loop													
In Service 11/30/2025	\$ 9,453,452.70			<u>CWIP</u>									
BOM		110,149.59	171,564.76	172,584.16	228,485.26	307,943.35	396,821.78	483,313.11	744,658.35	955,210.36	955,212.37	956,415.90	1,003,408.47
Capital Expenditures	\$ 9,688,947.58	62,986.11	2,071.75	60,877.92	80,611.55	91,356.56	89,218.30	264,890.25	211,736.92	1,029.03	2,218.18	47,995.67	20,757.13
Less Internal Costs	\$ (237,683.82)	(2,401.50)	(2,062.53)	(4,976.82)	(1,153.46)	(2,478.13)	(2,726.97)	(3,545.01)	(1,184.91)	(1,027.02)	(1,014.65)	(1,003.10)	(7,246.25)
AFUDC	\$ 2,696.40	974.68	1,167.53	-	-	-	-	-	-	-	-	-	-
Less AFUDC on Internal Costs	\$ (507.46)	(144.12)	(157.35)	-	-	-	-	-	-	-	-	-	-
EOM		171,564.76	172,584.16	228,485.26	307,943.35	396,821.78	483,313.11	744,658.35	955,210.36	955,212.37	956,415.90	1,003,408.47	1,016,919.35
<u>Return on CWIP 1/</u>													
After Tax Return on Equity				846.64	1,132.38	1,487.73	1,857.93	2,592.20	3,588.35	4,032.82	4,035.37	4,137.11	4,264.83
Income Tax Component				341.46	456.70	600.02	749.32	1,045.46	1,447.23	1,626.49	1,627.51	1,668.55	1,720.06
Interest Expense Component				343.32	459.18	603.28	753.40	1,051.14	1,455.09	1,635.32	1,636.35	1,677.61	1,729.40
Total Return on CWIP				1,531.42	2,048.26	2,691.03	3,360.65	4,688.80	6,490.66	7,294.63	7,299.23	7,483.26	7,714.28
ID# 113317 Arrowhead Sub - Duluth Loop													
In Service 10/31/2024	\$ 4,254,942.03			<u>CWIP</u>									
BOM		405,534.55	718,742.70	722,995.22	736,965.96	741,382.94	805,716.55	944,425.44	968,145.67	1,020,210.94	1,425,144.42	1,509,856.63	1,568,386.88
Capital Expenditures	\$ 4,790,606.57	328,039.41	10,859.77	26,858.59	20,490.88	74,032.88	158,148.00	35,015.74	60,633.62	441,546.16	116,013.71	63,569.07	1,007,040.59
Less Internal Costs	\$ (544,365.17)	(18,146.92)	(10,841.48)	(12,887.85)	(16,073.90)	(9,699.27)	(19,439.11)	(11,295.51)	(8,568.35)	(36,612.68)	(31,301.50)	(5,038.82)	(14,508.87)
AFUDC	\$ 11,122.68	3,947.22	4,951.71	-	-	-	-	-	-	-	-	-	-
Less AFUDC on Internal Costs	\$ (2,422.05)	(631.56)	(717.48)	-	-	-	-	-	-	-	-	-	-
Partial In Service	\$ (27,298.07)	-	-	-	-	-	-	-	-	-	-	-	(27,298.07)
EOM		718,742.70	722,995.22	736,965.96	741,382.94	805,716.55	944,425.44	968,145.67	1,020,210.94	1,425,144.42	1,509,856.63	1,568,386.88	2,533,620.53
<u>Return on CWIP 1/</u>													
After Tax Return on Equity				3,081.92	3,120.73	3,265.86	3,694.48	4,037.36	4,197.34	5,162.04	6,195.66	6,498.04	8,659.16
Income Tax Component				1,242.97	1,258.63	1,317.16	1,490.03	1,628.32	1,692.84	2,081.91	2,498.79	2,620.74	3,492.35
Interest Expense Component				1,249.73	1,265.47	1,324.32	1,498.12	1,637.16	1,702.03	2,093.22	2,512.36	2,634.98	3,511.32
Total Return on CWIP				5,574.62	5,644.83	5,907.34	6,682.62	7,302.83	7,592.21	9,337.18	11,206.81	11,753.76	15,662.83
ID# 113318 Hilltop Sub - Duluth Loop													
In Service 12/31/2024	\$ 11,248,596.49			<u>CWIP</u>									
BOM		88,179.82	184,195.85	185,288.97	261,127.67	411,834.73	577,009.54	1,111,745.62	1,250,056.93	2,050,471.88	2,052,680.04	2,054,290.51	2,076,818.43
Capital Expenditures	\$ 11,558,727.45	99,069.18	1,438.08	81,231.23	154,274.72	176,893.98	547,928.86	149,702.77	809,241.95	3,498.98	9,887.66	28,417.27	9,427.52
Less Internal Costs	\$ (312,286.97)	(3,856.54)	(1,430.58)	(5,392.53)	(3,567.66)	(11,719.17)	(13,192.78)	(11,391.46)	(8,827.00)	(1,290.82)	(8,277.19)	(5,889.35)	(7,864.15)
AFUDC	\$ 2,674.93	933.40	1,231.30	-	-	-	-	-	-	-	-	-	-
Less AFUDC on Internal Costs	\$ (518.92)	(130.01)	(145.68)	-	-	-	-	-	-	-	-	-	-
EOM		184,195.85	185,288.97	261,127.67	411,834.73	577,009.54	1,111,745.62	1,250,056.93	2,050,471.88	2,052,680.04	2,054,290.51	2,076,818.43	2,078,381.80
<u>Return on CWIP 1/</u>													
After Tax Return on Equity				942.37	1,420.60	2,087.41	3,564.89	4,985.67	6,967.28	8,661.58	8,669.64	8,720.60	8,771.45
Income Tax Component				380.07	572.94	841.88	1,437.76	2,010.78	2,809.99	3,493.32	3,496.57	3,517.12	3,537.63
Interest Expense Component				382.13	576.06	846.45	1,445.57	2,021.70	2,825.25	3,512.30	3,515.57	3,536.23	3,556.85
Total Return on CWIP				1,704.57	2,569.59	3,775.74	6,448.23	9,018.15	12,602.52	15,667.20	15,681.78	15,773.95	15,865.94

Minnesota Power
Transmission Cost Recovery Rider
Plant Additions, AFUDC and Return on CWIP - Duluth Loop Projects

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	<u>Total</u>	<u>Jan-24</u>	<u>Feb-24</u>	<u>Mar-24</u>	<u>Apr-24</u>	<u>May-24</u>	<u>Jun-24</u>	<u>Jul-24</u>	<u>Aug-24</u>	<u>Sep-24</u>	<u>Oct-24</u>	<u>Nov-24</u>	<u>Dec-24</u>
ID# 113305 Duluth Loop Reliability Project													
In Service 9/30/2027	\$ 31,849,642.18												
BOM		13.03	54.20	116.14	37,582.11	45,054.48	44,909.48	4,271,693.35	4,316,260.26	4,360,827.17	4,405,394.08	4,449,960.99	4,425,087.90
Capital Expenditures	\$ 31,937,713.34	6,853.09	19,370.39	56,343.28	47,587.01	(145.00)	4,226,783.87	44,566.91	44,566.91	44,566.91	44,566.91	(24,873.09)	(25,684.75)
Less Internal Costs	\$ (88,071.16)	(6,811.92)	(19,308.45)	(18,877.31)	(40,114.64)	-	-	-	-	-	-	-	-
AFUDC	\$ -	-	-	-	-	-	-	-	-	-	-	-	-
Less AFUDC on Internal Costs	\$ -	-	-	-	-	-	-	-	-	-	-	-	-
EOM		54.20	116.14	37,582.11	45,054.48	44,909.48	4,271,693.35	4,316,260.26	4,360,827.17	4,405,394.08	4,449,960.99	4,425,087.90	4,399,403.15
Return on CWIP 1/													
After Tax Return on Equity		0.15	0.37	81.42	178.47	194.30	9,322.78	18,547.82	18,740.33	18,932.83	19,125.34	19,167.87	19,058.68
Income Tax Component		0.06	0.15	32.84	71.98	78.36	3,759.99	7,480.57	7,558.21	7,635.85	7,713.49	7,730.65	7,686.61
Interest Expense Component		0.06	0.15	32.51	71.26	77.58	3,722.35	7,405.68	7,482.54	7,559.40	7,636.27	7,653.25	7,609.65
Total Return on CWIP		0.26	0.66	146.76	321.72	350.24	16,805.12	33,434.07	33,781.08	34,128.09	34,475.10	34,551.77	34,354.94
ID# 113316 Ridgeview Sub - Duluth Loop													
In Service 11/30/2025	\$ 9,453,452.70												
BOM		1,016,919.35	1,051,283.81	1,053,845.47	1,056,712.65	1,059,397.89	1,675,542.51	2,290,756.11	3,133,923.43	4,219,678.19	4,411,838.45	4,405,803.48	4,399,680.45
Capital Expenditures	\$ 9,688,947.58	42,123.37	9,396.78	7,010.64	8,534.26	623,069.12	622,138.10	850,091.82	1,092,679.26	199,084.76	889.53	801.47	538.38
Less Internal Costs	\$ (237,683.82)	(7,758.91)	(6,835.12)	(4,143.46)	(5,849.02)	(6,924.50)	(6,924.50)	(6,924.50)	(6,924.50)	(6,924.50)	(6,924.50)	(6,924.50)	(6,924.50)
AFUDC	\$ 2,696.40	-	-	-	-	-	-	-	-	-	-	-	-
Less AFUDC on Internal Costs	\$ (507.46)	-	-	-	-	-	-	-	-	-	-	-	-
EOM		1,051,283.81	1,053,845.47	1,056,712.65	1,059,397.89	1,675,542.51	2,290,756.11	3,133,923.43	4,219,678.19	4,411,838.45	4,405,803.48	4,399,680.45	4,393,294.33
Return on CWIP 1/													
After Tax Return on Equity		4,466.80	4,546.55	4,558.27	4,570.27	5,906.78	8,566.21	11,715.94	15,881.93	18,641.91	19,043.89	19,017.63	18,990.61
Income Tax Component		1,801.52	1,833.68	1,838.41	1,843.25	2,382.28	3,454.86	4,725.19	6,405.39	7,518.52	7,680.64	7,670.05	7,659.16
Interest Expense Component		1,783.48	1,815.32	1,820.00	1,824.79	2,358.43	3,420.27	4,677.88	6,341.26	7,443.24	7,603.75	7,593.26	7,582.48
Total Return on CWIP		8,051.80	8,195.55	8,216.69	8,238.31	10,647.50	15,441.34	21,119.02	28,628.57	33,603.67	34,328.28	34,280.95	34,232.25
ID# 113317 Arrowhead Sub - Duluth Loop													
In Service 10/31/2024	\$ 4,254,942.03												
BOM		2,533,620.53	2,575,959.80	2,584,145.80	2,827,999.43	2,907,774.84	3,095,072.95	3,383,634.49	3,686,568.58	3,885,549.11	3,975,835.62	4,227,643.96	4,227,643.96
Capital Expenditures	\$ 4,790,606.57	55,973.56	12,177.73	267,877.34	108,350.37	220,535.71	316,259.54	347,250.89	243,297.33	112,444.91	262,887.54	-	-
Less Internal Costs	\$ (544,365.17)	(13,634.29)	(3,991.73)	(24,023.71)	(28,574.96)	(33,237.60)	(27,698.00)	(44,316.80)	(44,316.80)	(22,158.40)	(11,079.20)	-	-
AFUDC	\$ 11,122.68	-	-	-	-	-	-	-	-	-	-	-	-
Less AFUDC on Internal Costs	\$ (2,422.05)	-	-	-	-	-	-	-	-	-	-	-	-
Partial In Service	\$ (27,298.07)	-	-	-	-	-	-	-	-	-	-	-	-
EOM		2,575,959.80	2,584,145.80	2,827,999.43	2,907,774.84	3,095,072.95	3,383,634.49	3,686,568.58	3,885,549.11	3,975,835.62	4,227,643.96	4,227,643.96	4,227,643.96
Return on CWIP 1/													
After Tax Return on Equity		11,035.41	11,144.53	11,688.87	12,387.83	12,964.64	13,992.38	15,269.86	16,353.87	16,978.61	8,858.73	-	-
Income Tax Component		4,450.72	4,494.73	4,714.27	4,996.17	5,228.81	5,643.31	6,158.53	6,595.72	6,847.69	3,572.84	-	-
Interest Expense Component		4,406.16	4,449.73	4,667.07	4,946.15	5,176.46	5,586.81	6,096.87	6,529.69	6,779.13	3,537.07	-	-
Total Return on CWIP		19,892.29	20,088.99	21,070.22	22,330.15	23,369.90	25,222.49	27,525.26	29,479.28	30,605.44	15,968.63	-	-
ID# 113318 Hilltop Sub - Duluth Loop													
In Service 12/31/2024	\$ 11,248,596.49												In-Service
BOM		2,078,381.80	2,116,662.27	2,327,744.62	3,667,655.24	4,683,850.15	4,853,455.97	5,095,037.52	6,168,017.83	9,765,653.45	10,494,118.96	11,227,920.95	11,254,567.18
Capital Expenditures	\$ 11,558,727.45	66,654.16	241,945.63	1,356,038.40	1,035,608.75	183,454.82	255,430.55	1,086,829.31	3,611,484.62	735,390.01	768,424.49	40,495.23	(1,815.99)
Less Internal Costs	\$ (312,286.97)	(28,373.69)	(30,863.28)	(16,127.78)	(19,413.84)	(13,849.00)	(13,849.00)	(13,849.00)	(13,849.00)	(6,924.50)	(34,622.50)	(13,849.00)	(4,154.70)
AFUDC	\$ 2,674.93	-	-	-	-	-	-	-	-	-	-	-	-
Less AFUDC on Internal Costs	\$ (518.92)	-	-	-	-	-	-	-	-	-	-	-	-
EOM		2,116,662.27	2,327,744.62	3,667,655.24	4,683,850.15	4,853,455.97	5,095,037.52	6,168,017.83	9,765,653.45	10,494,118.96	11,227,920.95	11,254,567.18	11,248,596.49
Return on CWIP 1/													
After Tax Return on Equity		9,060.24	9,598.80	12,948.56	18,037.15	20,598.18	21,486.24	24,325.37	34,412.72	43,756.01	46,914.14	48,556.52	24,300.59
Income Tax Component		3,654.11	3,871.32	5,222.32	7,274.61	8,307.51	8,665.68	9,810.73	13,879.09	17,647.36	18,921.07	19,583.46	9,800.74
Interest Expense Component		3,617.53	3,832.56	5,170.03	7,201.78	8,224.34	8,578.92	9,712.51	13,740.14	17,470.68	18,731.64	19,387.40	9,702.61
Total Return on CWIP		16,331.88	17,302.68	23,340.91	32,513.55	37,130.03	38,730.84	43,848.61	62,031.95	78,874.05	84,566.86	87,527.38	43,803.94

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	Total	Jan-25	Feb-25	Mar-25	Apr-25	May-25	Jun-25	Jul-25	Aug-25	Sep-25	Oct-25	Nov-25	Dec-25
ID# 113305 Duluth Loop Reliability Project													
In Service 9/30/2027	\$ 31,849,642.18												
BOM		4,399,403.15	4,373,163.37	4,346,923.59	4,597,909.36	4,848,612.23	6,156,205.27	7,461,437.75	8,765,271.46	10,067,706.40	11,368,742.55	11,611,283.86	11,853,542.57
Capital Expenditures	\$ 31,937,713.34	(26,239.78)	(26,239.78)	250,985.77	250,702.87	1,307,593.04	1,305,232.48	1,303,833.71	1,302,434.94	1,301,036.15	242,541.31	242,258.71	240,775.98
Less Internal Costs	\$ (88,071.16)	-	-	-	-	-	-	-	-	-	-	-	-
AFUDC	\$ -	-	-	-	-	-	-	-	-	-	-	-	-
Less AFUDC on Internal Costs	\$ -	-	-	-	-	-	-	-	-	-	-	-	-
EOM		4,373,163.37	4,346,923.59	4,597,909.36	4,848,612.23	6,156,205.27	7,461,437.75	8,765,271.46	10,067,706.40	11,368,742.55	11,611,283.86	11,853,542.57	12,094,318.55
Return on CWIP 1/													
After Tax Return on Equity		18,946.54	18,833.19	19,318.59	20,402.11	23,767.64	29,410.68	35,045.61	40,674.50	46,297.34	49,631.08	50,678.12	51,721.36
Income Tax Component		7,641.38	7,595.67	7,791.43	8,228.43	9,585.79	11,861.70	14,134.34	16,404.54	18,672.31	20,016.85	20,439.13	20,859.88
Interest Expense Component		7,564.88	7,519.62	7,713.43	8,146.05	9,489.82	11,742.95	13,992.83	16,240.30	18,485.36	19,816.44	20,234.50	20,651.04
Total Return on CWIP		34,152.79	33,948.48	34,823.45	36,776.59	42,843.25	53,015.34	63,172.79	73,319.34	83,455.01	89,464.37	91,351.76	93,232.28
ID# 113316 Ridgeview Sub - Duluth Loop													
In Service 11/30/2025	\$ 9,453,452.70											In-Service	
BOM		4,393,294.33	4,386,677.19	4,379,970.69	4,867,837.08	5,467,090.92	6,065,555.62	6,681,342.04	7,311,169.24	8,149,471.34	9,457,943.29	9,461,031.66	9,453,452.70
Capital Expenditures	\$ 9,688,947.58	307.36	218.00	494,790.89	606,178.34	605,389.20	622,710.92	643,676.20	859,075.60	1,322,320.95	16,937.37	(7,578.96)	-
Less Internal Costs	\$ (237,683.82)	(6,924.50)	(6,924.50)	(6,924.50)	(6,924.50)	(6,924.50)	(6,924.50)	(13,849.00)	(20,773.50)	(13,849.00)	(13,849.00)	-	-
AFUDC	\$ 2,696.40	-	-	-	-	-	-	-	-	-	-	-	-
Less AFUDC on Internal Costs	\$ (507.46)	-	-	-	-	-	-	-	-	-	-	-	-
EOM		4,386,677.19	4,379,970.69	4,867,837.08	5,467,090.92	6,065,555.62	6,681,342.04	7,311,169.24	8,149,471.34	9,457,943.29	9,461,031.66	9,453,452.70	9,453,452.70
Return on CWIP 1/													
After Tax Return on Equity		18,962.53	18,933.75	19,972.94	22,320.85	24,907.62	27,530.09	30,220.31	33,391.10	38,027.59	40,860.23	20,425.26	
Income Tax Component		7,647.83	7,636.23	8,055.34	9,002.28	10,045.56	11,103.24	12,188.24	13,467.06	15,337.01	16,479.45	8,237.77	
Interest Expense Component		7,571.26	7,559.77	7,974.69	8,912.15	9,944.99	10,992.07	12,066.21	13,332.23	15,183.46	16,314.46	8,155.30	
Total Return on CWIP		34,181.62	34,129.75	36,002.97	40,235.28	44,898.16	49,625.41	54,474.75	60,190.38	68,548.06	73,654.14	36,818.33	
ID# 113317 Arrowhead Sub - Duluth Loop													
In Service 10/31/2024	\$ 4,254,942.03												
BOM		4,227,643.96	4,227,643.96	4,227,643.96	4,227,643.96	4,227,643.96	4,227,643.96	4,227,643.96	4,227,643.96	4,227,643.96	4,227,643.96	4,227,643.96	4,227,643.96
Capital Expenditures	\$ 4,790,606.57	-	-	-	-	-	-	-	-	-	-	-	-
Less Internal Costs	\$ (544,365.17)	-	-	-	-	-	-	-	-	-	-	-	-
AFUDC	\$ 11,122.68	-	-	-	-	-	-	-	-	-	-	-	-
Less AFUDC on Internal Costs	\$ (2,422.05)	-	-	-	-	-	-	-	-	-	-	-	-
Partial In Service	\$ (27,298.07)	-	-	-	-	-	-	-	-	-	-	-	-
EOM		4,227,643.96	4,227,643.96	4,227,643.96	4,227,643.96	4,227,643.96	4,227,643.96	4,227,643.96	4,227,643.96	4,227,643.96	4,227,643.96	4,227,643.96	4,227,643.96
Return on CWIP 1/													
After Tax Return on Equity													
Income Tax Component													
Interest Expense Component													
Total Return on CWIP													
ID# 113318 Hilltop Sub - Duluth Loop													
In Service 12/31/2024	\$ 11,248,596.49												
BOM		11,248,596.49	11,248,596.49	11,248,596.49	11,248,596.49	11,248,596.49	11,248,596.49	11,248,596.49	11,248,596.49	11,248,596.49	11,248,596.49	11,248,596.49	11,248,596.49
Capital Expenditures	\$ 11,558,727.45	-	-	-	-	-	-	-	-	-	-	-	-
Less Internal Costs	\$ (312,286.97)	-	-	-	-	-	-	-	-	-	-	-	-
AFUDC	\$ 2,674.93	-	-	-	-	-	-	-	-	-	-	-	-
Less AFUDC on Internal Costs	\$ (518.92)	-	-	-	-	-	-	-	-	-	-	-	-
EOM		11,248,596.49	11,248,596.49	11,248,596.49	11,248,596.49	11,248,596.49	11,248,596.49	11,248,596.49	11,248,596.49	11,248,596.49	11,248,596.49	11,248,596.49	11,248,596.49
Return on CWIP 1/													
After Tax Return on Equity													
Income Tax Component													
Interest Expense Component													
Total Return on CWIP													

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	<u>Total</u>	<u>Jan-23</u>	<u>Feb-23</u>	<u>Mar-23</u>	<u>Apr-23</u>	<u>May-23</u>	<u>Jun-23</u>	<u>Jul-23</u>	<u>Aug-23</u>	<u>Sep-23</u>	<u>Oct-23</u>	<u>Nov-23</u>	<u>Dec-23</u>
ID# 113539 230kV Projects													
In Service 12/31/2025	\$ 10,013,489.22			<u>CWIP</u>									
BOM		-	-	-	-	-	-	-	17.90	71.46	238.49	308.73	3,345.44
Capital Expenditures	\$ 10,097,076.92							3,831.77	7,463.65	10,577.04	9,064.62	19,838.01	10,900.13
Less Internal Costs	\$ (83,587.70)							(3,813.87)	(7,410.09)	(10,410.01)	(8,994.38)	(16,801.30)	(10,848.53)
AFUDC	\$ -							-	-	-	-	-	-
Less AFUDC on Internal Costs	\$ -							-	-	-	-	-	-
EOM		-	-	-	-	-	-	17.90	71.46	238.49	308.73	3,345.44	3,397.04
<u>Return on CWIP 1/</u>													
After Tax Return on Equity				-	-	-	-	0.04	0.19	0.65	1.16	7.71	14.23
Income Tax Component				-	-	-	-	0.02	0.08	0.26	0.47	3.11	5.74
Interest Expense Component				-	-	-	-	0.02	0.08	0.27	0.47	3.13	5.77
Total Return on CWIP				-	-	-	-	0.07	0.34	1.18	2.09	13.95	25.75
<u>Total Duluth Loop Projects</u>													
BOM	-	603,863.96	1,074,503.31	<u>CWIP</u> 1,080,868.35	1,226,578.89	1,461,161.02	1,779,547.87	2,539,484.17	2,962,878.85	4,025,964.64	4,433,275.32	4,520,871.77	4,651,959.22
Capital Expenditures	68,073,071.86	490,094.70	14,369.60	168,967.74	255,377.15	342,283.42	795,295.16	453,440.53	1,089,076.14	456,651.21	137,184.17	159,820.02	1,051,097.24
Less Internal Costs	(1,265,994.82)	(24,404.96)	(14,334.59)	(23,257.20)	(20,795.02)	(23,896.57)	(35,358.86)	(30,045.85)	(25,990.35)	(49,340.53)	(49,587.72)	(28,732.57)	(43,426.64)
AFUDC	16,494.01	5,855.30	7,350.54	-	-	-	-	-	-	-	-	-	-
Less AFUDC on Internal Costs	(3,448.43)	(905.69)	(1,020.51)	-	-	-	-	-	-	-	-	-	-
Partial in Service	(27,298.07)	-	-	-	-	-	-	-	-	-	-	-	(27,298.07)
EOM	66,792,824.55	1,074,503.31	1,080,868.35	1,226,578.89	1,461,161.02	1,779,547.87	2,539,484.17	2,962,878.85	4,025,964.64	4,433,275.32	4,520,871.77	4,651,959.22	5,632,331.75
<u>Return on CWIP 1/</u>													
After Tax Return on Equity				4,870.92	5,673.71	6,841.00	9,117.29	11,615.26	14,753.15	17,857.10	18,901.83	19,363.46	21,709.70
Income Tax Component				1,964.50	2,288.27	2,759.06	3,677.12	4,684.57	5,950.13	7,201.99	7,623.34	7,809.52	8,755.79
Interest Expense Component				1,975.17	2,300.71	2,774.05	3,697.09	4,710.02	5,982.45	7,241.11	7,664.75	7,851.94	8,803.35
Total Return on CWIP				8,810.60	10,262.69	12,374.10	16,491.50	21,009.85	26,685.73	32,300.19	34,189.91	35,024.92	39,268.85

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	<u>Total</u>	<u>Jan-24</u>	<u>Feb-24</u>	<u>Mar-24</u>	<u>Apr-24</u>	<u>May-24</u>	<u>Jun-24</u>	<u>Jul-24</u>	<u>Aug-24</u>	<u>Sep-24</u>	<u>Oct-24</u>	<u>Nov-24</u>	<u>Dec-24</u>
ID# 113539 230kV Projects													
In Service 12/31/2025	\$ 10,013,489.22												
BOM		3,397.04	3,410.21	3,552.62	123,031.46	388,359.00	399,118.86	1,250,116.37	1,244,513.00	1,562,368.49	1,879,867.13	2,197,007.16	2,513,787.78
Capital Expenditures	\$ 10,097,076.92	4,581.04	5,061.79	127,257.70	271,639.81	10,759.86	850,997.51	(5,603.37)	317,855.49	318,364.21	318,005.60	316,780.62	(7,242.46)
Less Internal Costs	\$ (83,587.70)	(4,567.87)	(4,919.38)	(7,778.86)	(6,312.27)	-	-	-	-	(865.57)	(865.57)	-	-
AFUDC	\$ -	-	-	-	-	-	-	-	-	-	-	-	-
Less AFUDC on Internal Costs	\$ -	-	-	-	-	-	-	-	-	-	-	-	-
EOM		3,410.21	3,552.62	123,031.46	388,359.00	399,118.86	1,250,116.37	1,244,513.00	1,562,368.49	1,879,867.13	2,197,007.16	2,513,787.78	2,506,545.32
<u>Return on CWIP 1/</u>													
After Tax Return on Equity		14.70	15.04	273.39	1,104.47	1,700.75	3,561.93	5,387.77	6,062.16	7,434.36	8,805.02	10,174.13	10,842.66
Income Tax Component		5.93	6.07	110.26	445.45	685.94	1,436.57	2,172.96	2,444.95	2,998.37	3,551.18	4,103.36	4,372.98
Interest Expense Component		<u>5.87</u>	<u>6.00</u>	<u>109.16</u>	<u>440.99</u>	<u>679.07</u>	<u>1,422.19</u>	<u>2,151.20</u>	<u>2,420.47</u>	<u>2,968.35</u>	<u>3,515.62</u>	<u>4,062.28</u>	<u>4,329.20</u>
Total Return on CWIP		26.50	27.11	492.81	1,990.91	3,065.76	6,420.70	9,711.93	10,927.57	13,401.09	15,871.83	18,339.77	19,544.84
<u>Total Duluth Loop Projects</u>													
BOM	-	5,632,331.75	5,747,370.29	5,969,404.65	7,712,980.89	9,084,436.36	10,068,099.77	16,291,237.84	18,549,283.10	23,794,076.41	25,167,054.24	26,508,336.54	26,820,767.27
Capital Expenditures	68,073,071.86	176,185.22	287,952.32	1,814,527.36	1,471,720.20	1,037,674.51	6,271,609.57	2,323,135.56	5,309,883.61	1,409,850.80	1,394,774.07	333,204.23	(34,204.82)
Less Internal Costs	(1,265,994.82)	(61,146.68)	(65,917.96)	(70,951.12)	(100,264.73)	(54,011.10)	(48,471.50)	(65,090.30)	(65,090.30)	(36,872.97)	(53,491.77)	(20,773.50)	(11,079.20)
AFUDC	16,494.01	-	-	-	-	-	-	-	-	-	-	-	-
Less AFUDC on Internal Costs	(3,448.43)	-	-	-	-	-	-	-	-	-	-	-	-
Partial in Service	(27,298.07)	-	-	-	-	-	-	-	-	-	-	-	-
EOM	66,792,824.55	5,747,370.29	5,969,404.65	7,712,980.89	9,084,436.36	10,068,099.77	16,291,237.84	18,549,283.10	23,794,076.41	25,167,054.24	26,508,336.54	26,820,767.27	26,775,483.25
<u>Return on CWIP 1/</u>													
After Tax Return on Equity		24,577.29	25,305.29	29,550.51	36,278.20	41,364.66	56,929.54	75,246.76	91,451.01	105,743.73	102,747.12	96,916.16	73,192.54
Income Tax Component		9,912.34	10,205.95	11,918.10	14,631.46	16,682.90	22,960.41	30,347.98	36,883.36	42,647.80	41,439.23	39,087.52	29,519.49
Interest Expense Component		<u>9,813.10</u>	<u>10,103.77</u>	<u>11,798.78</u>	<u>14,484.97</u>	<u>16,515.87</u>	<u>22,730.54</u>	<u>30,044.14</u>	<u>36,514.09</u>	<u>42,220.81</u>	<u>41,024.35</u>	<u>38,696.19</u>	<u>29,223.94</u>
Total Return on CWIP		44,302.73	45,615.00	53,267.39	65,394.63	74,563.43	102,620.49	135,638.89	164,848.46	190,612.34	185,210.69	174,699.87	131,935.97

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ID# 113539 230kV Projects													
In Service 12/31/2025	\$ 10,013,489.22												In-Service
BOM		2,506,545.32	2,499,240.85	2,491,936.38	2,484,631.91	2,477,319.08	2,469,997.90	2,462,403.45	2,466,074.39	4,030,773.62	5,593,795.62	7,143,857.62	10,019,405.77
Capital Expenditures	\$ 10,097,076.92	(7,304.47)	(7,304.47)	(7,304.47)	(7,312.83)	(7,321.18)	(7,594.45)	3,670.94	1,564,699.23	1,563,022.00	1,550,062.00	2,875,548.15	(5,916.55)
Less Internal Costs	\$ (83,587.70)	-	-	-	-	-	-	-	-	-	-	-	-
AFUDC	\$ -	-	-	-	-	-	-	-	-	-	-	-	-
Less AFUDC on Internal Costs	\$ -	-	-	-	-	-	-	-	-	-	-	-	-
EOM		2,499,240.85	2,491,936.38	2,484,631.91	2,477,319.08	2,469,997.90	2,462,403.45	2,466,074.39	4,030,773.62	5,593,795.62	7,143,857.62	10,019,405.77	10,013,489.22
<u>Return on CWIP 1/</u>													
After Tax Return on Equity		10,811.24	10,779.69	10,748.14	10,716.57	10,684.96	10,652.75	10,644.27	14,031.56	20,786.65	27,510.13	37,068.33	21,633.01
Income Tax Component		4,360.31	4,347.59	4,334.86	4,322.13	4,309.38	4,296.39	4,292.97	5,659.11	8,383.52	11,095.19	14,950.13	8,724.87
Interest Expense Component		<u>4,316.66</u>	<u>4,304.06</u>	<u>4,291.46</u>	<u>4,278.86</u>	<u>4,266.24</u>	<u>4,253.37</u>	<u>4,249.99</u>	<u>5,602.45</u>	<u>8,299.59</u>	<u>10,984.10</u>	<u>14,800.45</u>	<u>8,637.52</u>
Total Return on CWIP		19,488.21	19,431.33	19,374.46	19,317.55	19,260.58	19,202.51	19,187.23	25,293.11	37,469.76	49,589.42	66,818.92	38,995.39
<u>Total Duluth Loop Projects</u>													
BOM	-	26,775,483.25	26,735,321.86	26,695,071.11	27,426,618.80	28,269,262.68	30,167,999.24	32,081,423.69	34,018,755.54	37,724,191.81	41,896,721.91	43,692,413.59	46,802,641.49
Capital Expenditures	68,073,071.86	(33,236.89)	(33,326.25)	738,472.19	849,568.38	1,905,661.06	1,920,348.95	1,951,180.85	3,726,209.77	4,186,379.10	1,809,540.68	3,110,227.90	234,859.43
Less Internal Costs	(1,265,994.82)	(6,924.50)	(6,924.50)	(6,924.50)	(6,924.50)	(6,924.50)	(6,924.50)	(13,849.00)	(20,773.50)	(13,849.00)	(13,849.00)	-	-
AFUDC	16,494.01	-	-	-	-	-	-	-	-	-	-	-	-
Less AFUDC on Internal Costs	(3,448.43)	-	-	-	-	-	-	-	-	-	-	-	-
Partial in Service	(27,298.07)	-	-	-	-	-	-	-	-	-	-	-	-
EOM	66,792,824.55	26,735,321.86	26,695,071.11	27,426,618.80	28,269,262.68	30,167,999.24	32,081,423.69	34,018,755.54	37,724,191.81	41,896,721.91	43,692,413.59	46,802,641.49	47,037,500.92
<u>Return on CWIP 1/</u>													
After Tax Return on Equity		48,720.31	48,546.64	50,039.67	53,439.52	59,360.22	67,593.52	75,910.19	88,097.15	105,111.58	118,001.43	108,171.72	73,354.37
Income Tax Component		19,649.52	19,579.48	20,181.64	21,552.84	23,940.73	27,261.33	30,615.55	35,530.71	42,392.84	47,591.49	43,627.04	29,584.75
Interest Expense Component		<u>19,452.79</u>	<u>19,383.45</u>	<u>19,979.58</u>	<u>21,337.06</u>	<u>23,701.04</u>	<u>26,988.40</u>	<u>30,309.03</u>	<u>35,174.98</u>	<u>41,968.41</u>	<u>47,115.01</u>	<u>43,190.25</u>	<u>29,288.56</u>
Total Return on CWIP		87,822.62	87,509.57	90,200.88	96,329.42	107,001.99	121,843.25	136,834.77	158,802.83	189,472.83	212,707.93	194,989.01	132,227.67

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	<u>Total</u>	<u>Jan-26</u>	<u>Feb-26</u>	<u>Mar-26</u>	<u>Apr-26</u>	<u>May-26</u>	<u>Jun-26</u>	<u>Jul-26</u>	<u>Aug-26</u>	<u>Sep-26</u>	<u>Oct-26</u>	<u>Nov-26</u>	<u>Dec-26</u>
<u>ID# 113539 230kV Projects</u>													
In Service 12/31/2025	\$ 10,013,489.22												
BOM		10,013,489.22	10,013,489.22	10,013,489.22	10,013,489.22	10,013,489.22	10,013,489.22	10,013,489.22	10,013,489.22	10,013,489.22	10,013,489.22	10,013,489.22	10,013,489.22
Capital Expenditures	\$ 10,097,076.92	-	-	-	-	-	-	-	-	-	-	-	-
Less Internal Costs	\$ (83,587.70)	-	-	-	-	-	-	-	-	-	-	-	-
AFUDC	\$ -	-	-	-	-	-	-	-	-	-	-	-	-
Less AFUDC on Internal Costs	\$ -	-	-	-	-	-	-	-	-	-	-	-	-
EOM		10,013,489.22	10,013,489.22	10,013,489.22	10,013,489.22	10,013,489.22	10,013,489.22	10,013,489.22	10,013,489.22	10,013,489.22	10,013,489.22	10,013,489.22	10,013,489.22
<u>Return on CWIP 1/</u>													
After Tax Return on Equity													
Income Tax Component													
Interest Expense Component													
Total Return on CWIP													
<u>Total Duluth Loop Projects</u>													
BOM	-	47,037,500.92	47,000,691.45	46,963,881.98	47,787,726.61	48,613,593.91	50,302,134.90	51,987,554.05	53,671,185.48	55,353,059.20	57,048,705.23	58,742,593.55	60,450,254.18
Capital Expenditures	68,073,071.86	(36,809.47)	(36,809.47)	823,844.63	825,867.30	1,688,540.99	1,685,419.15	1,683,631.43	1,681,873.72	1,695,646.03	1,693,888.32	1,707,660.63	1,704,195.48
Less Internal Costs	(1,265,994.82)	-	-	-	-	-	-	-	-	-	-	-	-
AFUDC	16,494.01	-	-	-	-	-	-	-	-	-	-	-	-
Less AFUDC on Internal Costs	(3,448.43)	-	-	-	-	-	-	-	-	-	-	-	-
Partial in Service	(27,298.07)	-	-	-	-	-	-	-	-	-	-	-	-
EOM	66,792,824.55	47,000,691.45	46,963,881.98	47,787,726.61	48,613,593.91	50,302,134.90	51,987,554.05	53,671,185.48	55,353,059.20	57,048,705.23	58,742,593.55	60,450,254.18	62,154,449.66
<u>Return on CWIP 1/</u>													
After Tax Return on Equity		52,161.87	52,002.88	53,702.67	57,265.64	62,696.13	69,983.03	77,259.33	84,527.98	91,822.57	99,143.11	106,489.60	113,858.36
Income Tax Component		21,037.55	20,973.42	21,658.97	23,095.96	25,286.15	28,225.05	31,159.68	34,091.21	37,033.22	39,985.68	42,948.62	45,920.53
Interest Expense Component		20,826.93	20,763.44	21,442.13	22,864.73	25,032.99	27,942.47	30,847.71	33,749.90	36,662.45	39,585.35	42,518.62	45,460.78
Total Return on CWIP		94,026.35	93,739.74	96,803.78	103,226.33	113,015.26	126,150.55	139,266.72	152,369.09	165,518.23	178,714.15	191,956.85	205,239.67

1/ CON approved 2/16/2023, Docket E015/CN-21-140

Minnesota Power
Transmission Cost Recovery Rider
Plant Additions, AFUDC and Return on CWIP - Duluth Loop Projects

Exhibit B-3
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	<u>Total</u>	<u>Jan-27</u>	<u>Feb-27</u>	<u>Mar-27</u>	<u>Apr-27</u>	<u>May-27</u>	<u>Jun-27</u>	<u>Jul-27</u>	<u>Aug-27</u>	<u>Sep-27</u>	<u>Oct-27</u>	<u>Nov-27</u>	<u>Dec-27</u>
ID# 113539 230kV Projects													
In Service 12/31/2025	\$ 10,013,489.22												
BOM		10,013,489.22	10,013,489.22	10,013,489.22	10,013,489.22	10,013,489.22	10,013,489.22	10,013,489.22	10,013,489.22	10,013,489.22	10,013,489.22	10,013,489.22	10,013,489.22
Capital Expenditures	\$ 10,097,076.92	-	-	-	-	-	-	-	-	-	-	-	-
Less Internal Costs	\$ (83,587.70)	-	-	-	-	-	-	-	-	-	-	-	-
AFUDC	\$ -	-	-	-	-	-	-	-	-	-	-	-	-
Less AFUDC on Internal Costs	\$ -	-	-	-	-	-	-	-	-	-	-	-	-
EOM		10,013,489.22	10,013,489.22	10,013,489.22	10,013,489.22	10,013,489.22	10,013,489.22	10,013,489.22	10,013,489.22	10,013,489.22	10,013,489.22	10,013,489.22	10,013,489.22
<u>Return on CWIP 1/</u>													
After Tax Return on Equity													
Income Tax Component													
Interest Expense Component													
Total Return on CWIP													
<u>Total Duluth Loop Projects</u>													
BOM	-	62,154,449.66	63,778,903.63	65,401,649.27	66,238,525.40	67,074,488.51	67,013,549.11	66,950,484.96	66,887,420.80	66,824,356.64	66,792,824.55	66,792,824.55	66,792,824.55
Capital Expenditures	68,073,071.86	1,624,453.97	1,622,745.64	836,876.13	835,963.11	(60,939.40)	(63,064.15)	(63,064.16)	(63,064.16)	(31,532.09)	-	-	-
Less Internal Costs	(1,265,994.82)	-	-	-	-	-	-	-	-	-	-	-	-
AFUDC	16,494.01	-	-	-	-	-	-	-	-	-	-	-	-
Less AFUDC on Internal Costs	(3,448.43)	-	-	-	-	-	-	-	-	-	-	-	-
Partial in Service	(27,298.07)	-	-	-	-	-	-	-	-	-	-	-	-
EOM	66,792,824.55	63,778,903.63	65,401,649.27	66,238,525.40	67,074,488.51	67,013,549.11	66,950,484.96	66,887,420.80	66,824,356.64	66,792,824.55	66,792,824.55	66,792,824.55	66,792,824.55
<u>Return on CWIP 1/</u>													
After Tax Return on Equity		121,047.40	128,060.54	133,372.70	136,985.61	138,659.47	138,391.65	138,119.25	137,846.84	68,821.27	-	-	-
Income Tax Component		48,819.96	51,648.45	53,790.91	55,248.05	55,923.13	55,815.12	55,705.26	55,595.39	27,756.50	-	-	-
Interest Expense Component		48,331.19	51,131.35	53,252.37	54,694.91	55,363.24	55,256.31	55,147.55	55,038.78	27,478.60	-	-	-
Total Return on CWIP		218,198.55	230,840.34	240,415.98	246,928.57	249,945.85	249,463.08	248,972.05	248,481.01	124,056.37	-	-	-

1/ CON approved 2/16/2023, Docket E015/CN-21-140

Minnesota Power
Projected 2024 Pro Rata ADIT
Year Ended December 31, 2024

Rate Year = 2024

1	Days in Period					Averaging with Proration - Projected		
2	A	B	C	D	E	F	G	H
	Month	Days in the Month	Number of Days Prorated	Total Days in Future Portion of Test Period	Proration Amount (C / D)	Projected Monthly Activity /2	Prorated Projected Monthly Activity (E x F)	Prorated Projected Balance (Cumulative Sum of G)
3								
4								
5	December 31st balance Prorated Items							385 1/
6	January	31	336	366	91.80%	17,838	16,375	16,760
7	February	29	307	366	83.88%	17,838	14,962	31,723
8	March	31	276	366	75.41%	17,838	13,451	45,174
9	April	30	246	366	67.21%	17,838	11,989	57,163
10	May	31	215	366	58.74%	17,838	10,478	67,641
11	June	30	185	366	50.55%	17,838	9,016	76,657
12	July	31	154	366	42.08%	17,838	7,505	84,163
13	August	31	123	366	33.61%	17,838	5,995	90,157
14	September	30	93	366	25.41%	17,838	4,532	94,690
15	October	31	62	366	16.94%	17,838	3,022	97,712
16	November	30	32	366	8.74%	17,838	1,560	99,271
17	December	31	1	366	0.27%	17,838	49	99,320
18	Total					214,050	98,935	
19	Beginning Balance							385
20	Less Non Prorated Items					(Line 19 less line 21)		-
21	Beginning Balance of Prorated items					(Line 5, Col H)		385
22	Ending Balance							99,320
23	Less Non Prorated Items					(Line 22 less line 24)		-
24	Ending Balance of Prorated items					(Line 17, Col H)		99,320
25	Average Balance					Line 24 + (Lines 20 +23)/2		99,320
26	Less FASB 106 and 109 Items							-
27	Less Other Adjustments:							-
28	Total Adjustments							-
29	Ending Prorated Average ADIT (Line 25 less line 28)							99,320
30	Ending Average ADIT BEFORE Prorata Adjustment							107,410 3/
31	Impact of Prorata Adjustment on ADIT Balance (Line 29 less Line 30)							(8,090)
32	Rate of Return							7.2530% 4/
33	Return on Rate Base					(Line 31 x Line 32)		(587)
34	Gross-Up							1.4033 4/
35	Annual Prorata ADIT Revenue Requirement					(Line 33 x Line 34)		(823)
36	MN Jurisdictional allocator							0.82593 5/
37	Prorata ADIT Revenue Requirements in Projected Rates					(Line 35 x Line 36)		(680)

Notes:

- 1/ Refer to Exhibit B-3, page 2 of 34, line B-9, December 2023.
- 2/ Refer to Exhibit B-3, page 2 of 34, line B-9, (December 2023 + December 2024)/12.
- 3/ Refer to Exhibit B-3, page 2 of 34, line B-9, (December 2023 + December 2024)/2.
- 4/ Refer to Exhibit B-3, page 31.
- 5/ Refer to Exhibit B-3, page 32.

Minnesota Power
Projected 2025 Pro Rata ADIT
Year Ended December 31, 2025

Rate Year = 2025

1	Days in Period					Averaging with Proration - Projected		
2	A	B	C	D	E	F	G	H
3	Month	Days in the Month	Number of Days Prorated	Total Days in Future Portion of Test Period	Proration Amount (C / D)	Projected Monthly Activity /2	Prorated Projected Monthly Activity (E x F)	Prorated Projected Balance (Cumulative Sum of G)
4								
5	December 31st balance Prorated Items							214,435 1/
6	January	31	336	366	91.80%	49,492	45,435	259,871
7	February	29	307	366	83.88%	49,492	41,514	301,384
8	March	31	276	366	75.41%	49,492	37,322	338,706
9	April	30	246	366	67.21%	49,492	33,265	371,972
10	May	31	215	366	58.74%	49,492	29,073	401,045
11	June	30	185	366	50.55%	49,492	25,017	426,061
12	July	31	154	366	42.08%	49,492	20,825	446,886
13	August	31	123	366	33.61%	49,492	16,633	463,519
14	September	30	93	366	25.41%	49,492	12,576	476,095
15	October	31	62	366	16.94%	49,492	8,384	484,478
16	November	30	32	366	8.74%	49,492	4,327	488,806
17	December	31	1	366	0.27%	49,492	135	488,941
18	Total					593,906	274,506	
19	Beginning Balance							214,435
20	Less Non Prorated Items					(Line 19 less line 21)		-
21	Beginning Balance of Prorated items					(Line 5, Col H)		214,435
22	Ending Balance							488,941
23	Less Non Prorated Items					(Line 22 less line 24)		-
24	Ending Balance of Prorated items					(Line 17, Col H)		488,941
25	Average Balance					Line 24 + (Lines 20 +23)/2		488,941
26	Less FASB 106 and 109 Items							-
27	Less Other Adjustments:							-
28	Total Adjustments							-
29	Ending Prorated Average ADIT (Line 25 less line 28)							488,941
30	Ending Average ADIT BEFORE Prorata Adjustment							511,388 3/
31	Impact of Prorata Adjustment on ADIT Balance (Line 29 less Line 30)							(22,447)
32	Rate of Return							7.2530% 4/
33	Return on Rate Base					(Line 31 x Line 32)		(1,628)
34	Gross-Up							1.4033 4/
35	Annual Prorata ADIT Revenue Requirement					(Line 33 x Line 34)		(2,285)
36	MN Jurisdictional allocator							0.82593 5/
37	Prorata ADIT Revenue Requirements in Projected Rates					(Line 35 x Line 36)		(1,887)

Notes:

- 1/ Refer to Exhibit B-3, page 3 of 34, line B-9, December 2024.
- 2/ Refer to Exhibit B-3, page 3 of 34, line B-9, (December 2024 + December 2025)/12.
- 3/ Refer to Exhibit B-3, page 3 of 34, line B-9, (December 2024 + December 2025)/2.
- 4/ Refer to Exhibit B-3, page 31,
- 5/ Refer to Exhibit B-3, page 32.

Minnesota Power
MPUC Docket E015/GR-21-355
Rate of Return / Cost of Capital Summary
Commission Decision (1/24/2023) 1/
Applied to Riders Beginning 1/1/2022

	Capital Structure	Component Cost	Weighted Cost	Pre-tax Rate	After-Tax Rate
Long Term Debt	47.500%	4.325%	2.0544%	2.0544%	1.4600%
Common Equity	52.500%	9.650%	5.0663%	7.1096%	5.0663%
	<u>100.000%</u>		<u>7.1207%</u>	<u>9.1640%</u>	<u>6.5263%</u>
Federal & State Income Tax Rate					28.74%
Pretax "Gross-up" Factor					1.40330
After Tax Return on Equity					5.0663% 3/
Income Tax Component					2.0433% 4/
Interest Expense Component					<u>2.0544%</u>
Pre-tax Return					<u>9.1640%</u>

Minnesota Power
MPUC Docket E015/GR-23-155
Rate of Return / Cost of Capital Summary
Executed Settlement Agreement, May 3, 2024 2/
Applied to Riders Beginning 1/1/2024

	Capital Structure	Component Cost	Weighted Cost	Pre-tax Rate	After-Tax Rate
Long Term Debt	47.000%	4.404%	2.0696%	2.0696%	1.4700%
Common Equity	53.000%	9.780%	5.1834%	7.2739%	5.1834%
	<u>100.000%</u>		<u>7.2530%</u>	<u>9.3435%</u>	<u>6.6534%</u>
Federal & State Income Tax Rate					28.74%
Pretax "Gross-up" Factor					1.40330
After Tax Return on Equity					5.1834% 3/
Income Tax Component					2.0905% 4/
Interest Expense Component					<u>2.0696%</u>
Pre-tax Return					<u>9.3435%</u>

1/ MPUC 2-28-2023 Order Point 31, and Table 6, page 46.

2/ MPUC approved Decision Option 1, October 24, 2024.

3/ Rounding forced to equity.

4/ Shown here as a component of the pretax rate of return. Can also be computed as 70.56% gross up on After Tax Return on Equity.

Minnesota Power
2021 Rate Case Transmission 1/
Allocation Factors

Allocation factors used beginning 1/1/2022

	CC-TRAN (D-02)	
	Rate Case	Normalized
MN Jurisdiction	0.81633	1.0000
Residential	0.11683	0.1431
General Service	0.07653	0.0937
Large Light & Power	0.13694	0.1678
Large Power	0.48507	0.5942
Lighting	0.00096	0.0012
check	-	-

Minnesota Power
2024 Rate Case Transmission 2/
Allocation Factors

Allocation factors used beginning 1/1/2024

	CC-TRAN (D-02)	
	Rate Case	Normalized
MN Jurisdiction	0.82593	1.0000
Residential	0.12001	0.1453
General Service	0.09304	0.1126
Large Light & Power	0.13485	0.1633
Large Power	0.47730	0.5779
Lighting	0.00073	0.0009
check	-	-

1/ The 2022 CC-TRAN (D-02) allocator from MP's 2022 MPUC rate case Docket No. E-015/GR-21-335. Refer to Exhibit B-3, page 33.

2/ The 2024 CC-TRAN (D-02) allocator from MP's 2023 MPUC rate case Docket No. E-015/GR-23-155. Refer to Exhibit B-3, page 34.

Because the tracker amounts are 100% MN Jurisdictional, the factors are normalized to obtain class allocations.

Allete, Inc., d/b/a Minnesota Power
Docket No. E-015/GR-21-335
Demand Responsibility for Transmission Based on 12-month Average Coincident Peak Methodology: D-02
2022 Test Year 1/

		<u>Total Retail</u>	<u>Residential</u>	<u>General Service</u>	<u>Large Light & Power</u>	<u>Large Power</u>	<u>Lighting</u>
1	Avg 12CP Demand (loss adjusted)	1,042,347	149,178	97,722	174,854	619,373	1,221
2	Peak Factor (as percentage)	100.000	14.312	9.375	16.775	59.421	0.117
3	Power Supply Transmission - D-02 Adjusted for Jurisdictional Split (Line 10 x .81633)	81.6330	11.683	7.653	13.694	48.507	0.096

Notes:

Residential, General Service, and Large Light and Power CP demands per customer from load research multiplied by number of customers and adjusted for losses. Large Power CP demand estimated based on 2022 budgeted average demand and the ratio of Large Power CP demand to Large Power average demand from 2011 -2020. Lighting CP is average load based on 2022 Test Year energy and 4,200 burning hours, adjusted for losses and multiplied by the probability that lighting will be on during peak events (based on 2011 - 2020 observations).

1/ Volume IV, Allocation Factors Workpapers, AF-1, page 18 of 39, updated to reflect MPUC 1/23/2023 Decision Options 3001, 3002, and 3005.

Allete, Inc., d/b/a Minnesota Power
Docket No. E-015/GR-23-155
Demand Responsibility for Transmission Based on 12-month Average Coincident Peak Methodology: D-02
2024 Test Year /1

		<u>Total Retail</u>	<u>Residential</u>	<u>General Service</u>	<u>Large Light & Power</u>	<u>Large Power</u>	<u>Lighting</u>
1	Avg 12CP Demand (loss adjusted)	1,022,782	148,619	115,210	166,988	591,055	910
2	Peak Factor (as percentage)	100.000	14.531	11.264	16.327	57.789	0.089
3	Power Supply Transmission - D-02 Adjusted for Jurisdictional Split (Line 2 x .82593 0.82593	82.593	12.001	9.304	13.485	47.730	0.073

Notes:

Residential, General Service, Large Light & Power, and Large Power CP demands per customer are derived from 2022 actual demands scaled to 2024 projected usage and multiplied by number of customers and adjusted for losses. Lighting CP is average load based on 2024 projected energy and 4,200 burning hours, adjusted for losses and multiplied by the probability that lighting will be on during peak events (based on 2011 - 2020 observations).

1/ Volume IV, Allocation Factors Workpapers, AF-1, page 14 of 20.

Minnesota Power
Transmission Cost Recovery Rider
2024 Projected Tracker - HVDC Projects

Exhibit B-4
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2024 Projected Tracker - HVDC Projects 2/

Section	Line	Jan-24	Feb-24	Mar-24	Apr-24	May-24	Jun-24	Jul-24	Aug-24	Sep-24	Oct-24	Nov-24	Dec-24	Total
A	Book Basis of Property													
	0 CWIP	32,387,368	32,730,598	33,162,627	33,162,627	33,162,627	33,162,627	32,592,299	32,021,970	22,315,762	21,745,435	21,175,107	20,491,851	20,491,851
	1 Plant in Service	-	-	-	-	-	-	-	-	-	-	-	-	-
	2 Total Accumulated Depreciation	-	-	-	-	-	-	-	-	-	-	-	-	-
	3 Net Plant	-	-	-	-	-	-	-	-	-	-	-	-	-
	4 Total Depreciation	-	-	-	-	-	-	-	-	-	-	-	-	-
	5 Book Depreciation Rate (Avg 45.3 year book life)	0.18%	0.18%	0.18%	0.18%	0.18%	0.18%	0.18%	0.18%	0.18%	0.18%	0.18%	0.18%	0.18%
B	Tax Basis of Property													
	1 Accumulated CIAC	-	-	-	-	-	-	570,329	1,140,657	16,710,986	17,331,315	17,951,643	18,521,972	18,521,972
	2 Plant in Service	-	-	-	-	-	-	-	-	-	-	-	-	-
	3 Accumulated Depreciation	-	-	-	-	-	-	-	-	-	-	-	-	-
	4 Net Plant	-	-	-	-	-	-	-	-	-	-	-	-	-
	5 Bonus Depreciation	-	-	-	-	-	-	-	-	-	-	-	-	-
	6 Total Tax Depreciation	-	-	-	-	-	-	-	-	-	-	-	-	-
	7 Accumulated Tax Depreciation	-	-	-	-	-	-	-	-	-	-	-	-	-
	8 Tax Book Difference	-	-	-	-	-	-	-	-	-	-	-	-	-
	9 Income Tax Rate 1/	28.74%	28.74%	28.74%	28.74%	28.74%	28.74%	28.74%	28.74%	28.74%	28.74%	28.74%	28.74%	28.74%
	10 Deferred Tax Asset - CIAC DTA/(DTL)	-	-	-	-	-	-	163,912	327,825	4,802,737	4,981,020	5,159,302	5,323,215	5,323,215
	11 Net ADITL DTL/(DTA)	-	-	-	-	-	-	-	-	-	-	-	-	-
	12 Deferred Tax Expense debit / (Credit)	-	-	-	-	-	-	-	-	-	-	-	-	-
C	Revenue Requirements													
	1 Net Plant	-	-	-	-	-	-	-	-	-	-	-	-	-
	2 Less: ADITL - (DTA/(DTL)	-	-	-	-	-	-	-	-	-	-	-	-	-
	3 Plus: ADITA - CIAC (DTA/(DTL)	-	-	-	-	-	-	163,912	327,825	4,802,737	4,981,020	5,159,302	5,323,215	5,323,215
	4 Rate Base	-	-	-	-	-	-	163,912	327,825	4,802,737	4,981,020	5,159,302	5,323,215	5,323,215
	5 Average Rate Base	-	-	-	-	-	-	81,956	245,869	2,565,281	4,891,879	5,070,161	5,241,259	5,241,259
	6 Current Return on CWIP	-	-	-	-	-	-	-	-	272,162	173,951	169,511	164,436	780,059
	7 Return on Average Rate Base	-	-	-	-	-	-	-	-	-	-	-	-	-
	8 After Tax Return on Equity	-	-	-	-	-	-	354	1,062	11,081	21,130	21,901	22,640	78,167
	9 Income Tax Component	-	-	-	-	-	-	143	428	4,469	8,522	8,833	9,131	31,526
	10 Interest Expense Component	-	-	-	-	-	-	141	424	4,424	8,437	8,744	9,039	31,210
	11 Total Return on Average Rate Base	-	-	-	-	-	-	638	1,914	19,974	38,089	39,478	40,810	140,904
	12 Operation & Maintenance Expense	-	-	-	-	-	-	-	-	-	-	-	-	-
	13 Depreciation Expense	-	-	-	-	-	-	-	-	-	-	-	-	-
	14 Property Tax	-	-	-	-	-	-	-	-	132,037	132,037	132,037	132,037	528,146
	15 Monthly Revenue Requirements	-	-	-	-	-	-	638	1,914	424,172	344,077	341,025	337,282	1,449,108
	16 MN Jurisdictional Allocator	0.82593	0.82593	0.82593	0.82593	0.82593	0.82593	0.82593	0.82593	0.82593	0.82593	0.82593	0.82593	0.82593
	17 MN Jurisdictional Revenue Requirement	-	-	-	-	-	-	527	1,581	350,336	284,184	281,663	278,571	1,196,862
D	Monthly Entry													
	1 MN Jurisdictional Rev. Requirement	-	-	-	-	-	-	527	1,581	350,336	284,184	281,663	278,571	1,196,862
	2 Monthly Entry Needed	-	-	-	-	-	-	527	1,581	350,336	284,184	281,663	278,571	1,196,862
	3 Cumulative YTD	-	-	-	-	-	-	527	2,108	352,445	636,628	918,291	1,196,862	1,196,862

Notes: 1/ Minnesota Composite Income Tax Rate.

2/ Refer to Exhibit B-4, pages 3 to 10 for individual project information on the HVDC Modernization Projects.

Minnesota Power
Transmission Cost Recovery Rider
2025 Projected Tracker - HVDC Projects

Exhibit B-4
Page 2 of 27

2025 Projected Tracker - HVDC Projects 2/

Section	Line	Jan-25	Feb-25	Mar-25	Apr-25	May-25	Jun-25	Jul-25	Aug-25	Sep-25	Oct-25	Nov-25	Dec-25	Total
A	Book Basis of Property													
	0 CWIP	20,482,112	20,472,372	20,462,633	20,452,894	20,443,154	20,433,423	20,423,692	20,413,960	20,404,229	20,394,498	20,384,766	30,770,724	30,770,724
	1 Plant in Service	-	-	-	-	-	-	-	-	-	-	-	-	-
	2 Total Accumulated Depreciation	-	-	-	-	-	-	-	-	-	-	-	-	-
	3 Net Plant	-	-	-	-	-	-	-	-	-	-	-	-	-
	4 Total Depreciation	-	-	-	-	-	-	-	-	-	-	-	-	-
	5 Book Depreciation Rate (Avg 45.3 year book life)	0.18%	0.18%	0.18%	0.18%	0.18%	0.18%	0.18%	0.18%	0.18%	0.18%	0.18%	0.18%	0.00%
B	Tax Basis of Property													
	1 Accumulated CIAC	18,548,628	18,575,283	18,601,939	18,628,594	18,655,250	18,681,905	18,708,561	18,735,216	18,761,872	18,788,527	18,815,183	22,536,196	22,536,196
	2 Plant in Service	-	-	-	-	-	-	-	-	-	-	-	-	-
	3 Accumulated Depreciation	-	-	-	-	-	-	-	-	-	-	-	-	-
	4 Net Plant	-	-	-	-	-	-	-	-	-	-	-	-	-
	5 Bonus Depreciation	-	-	-	-	-	-	-	-	-	-	-	-	-
	6 Total Tax Depreciation	-	-	-	-	-	-	-	-	-	-	-	-	-
	7 Accumulated Tax Depreciation	-	-	-	-	-	-	-	-	-	-	-	-	-
	8 Tax Book Difference	-	-	-	-	-	-	-	-	-	-	-	-	-
	9 Income Tax Rate 1/	28.74%	28.74%	28.74%	28.74%	28.74%	28.74%	28.74%	28.74%	28.74%	28.74%	28.74%	28.74%	28.74%
	10 Deferred Tax Asset - CIAC DTA/(DTL)	5,330,876	5,338,536	5,346,197	5,353,858	5,361,519	5,369,179	5,376,840	5,384,501	5,392,162	5,399,823	5,407,483	6,476,903	6,476,903
	11 Net ADITL DTL/(DTA)	-	-	-	-	-	-	-	-	-	-	-	-	-
	12 Deferred Tax Expense debit / (Credit)	-	-	-	-	-	-	-	-	-	-	-	-	-
C	Revenue Requirements													
	1 Net Plant	-	-	-	-	-	-	-	-	-	-	-	-	-
	2 Less: ADITL - (DTA/(DTL)	-	-	-	-	-	-	-	-	-	-	-	-	-
	3 Plus: ADITA - CIAC (DTA/(DTL)	5,330,876	5,338,536	5,346,197	5,353,858	5,361,519	5,369,179	5,376,840	5,384,501	5,392,162	5,399,823	5,407,483	6,476,903	6,476,903
	4 Rate Base	5,330,876	5,338,536	5,346,197	5,353,858	5,361,519	5,369,179	5,376,840	5,384,501	5,392,162	5,399,823	5,407,483	6,476,903	6,476,903
	5 Average Rate Base	5,327,045	5,334,706	5,342,367	5,350,028	5,357,688	5,365,349	5,373,010	5,380,671	5,388,331	5,395,992	5,403,653	5,942,193	5,942,193
	6 Current Return on CWIP	159,621	159,545	159,469	159,393	159,318	159,242	159,166	159,090	159,015	158,939	158,863	213,642	1,965,303
	7 Return on Average Rate Base													
	8 After Tax Return on Equity	23,010	23,043	23,076	23,109	23,143	23,176	23,209	23,242	23,275	23,308	23,341	25,667	280,599
	9 Income Tax Component	9,280	9,294	9,307	9,320	9,334	9,347	9,360	9,374	9,387	9,400	9,414	10,352	113,169
	10 Interest Expense Component	9,187	9,201	9,214	9,227	9,240	9,253	9,267	9,280	9,293	9,306	9,320	10,248	112,036
	11 Total Return on Average Rate Base	41,478	41,537	41,597	41,657	41,716	41,776	41,836	41,895	41,955	42,015	42,074	46,268	505,804
	12 Operation & Maintenance Expense	-	-	-	-	-	-	-	-	-	-	-	-	-
	13 Depreciation Expense	-	-	-	-	-	-	-	-	-	-	-	-	-
	14 Property Tax	50,162	50,162	50,162	50,162	50,162	50,162	50,162	50,162	50,162	50,162	50,162	50,162	601,943
	15 Prorata ADIT	4,438	-	-	-	-	-	-	-	-	-	-	-	4,438
	16 Monthly Revenue Requirements	255,699	251,245	251,228	251,212	251,196	251,180	251,164	251,148	251,131	251,115	251,099	310,071	3,077,488
	17 MN Jurisdictional Allocator	0.82593	0.82593	0.82593	0.82593	0.82593	0.82593	0.82593	0.82593	0.82593	0.82593	0.82593	0.82593	0.82593
	18 MN Jurisdictional Revenue Requirement	211,189	207,510	207,497	207,484	207,470	207,457	207,444	207,430	207,417	207,404	207,390	256,097	2,541,790
D	Monthly Entry													
	1 MN Jurisdictional Rev. Requirement	211,189	207,510	207,497	207,484	207,470	207,457	207,444	207,430	207,417	207,404	207,390	256,097	2,541,790
	2 Monthly Entry Needed	211,189	207,510	207,497	207,484	207,470	207,457	207,444	207,430	207,417	207,404	207,390	256,097	2,541,790
	3 Cumulative YTD	211,189	418,700	626,197	833,680	1,041,151	1,248,608	1,456,051	1,663,482	1,870,899	2,078,302	2,285,693	2,541,790	2,541,790

Notes: 1/ Minnesota Composite Income Tax Rate.

2/ Refer to Exhibit B-4, pages 3 to 10 for individual project information on the HVDC Modernization Projects.

Minnesota Power
Transmission Cost Recovery Rider
Project Revenue Requirements

ID# 113372 HVDC Modernization - ND

In Service 12/31/2030

Section	Line	Jan-24	Feb-24	Mar-24	Apr-24	May-24	Jun-24	Jul-24	Aug-24	Sep-24	Oct-24	Nov-24	Dec-24
A	Book Basis of Property												
	0 CWIP	16,257,807	16,427,459	16,684,266	16,684,266	16,684,266	16,684,266	16,684,266	16,684,266	16,684,266	16,684,266	16,684,266	16,478,977
	1 Plant in Service												
	2 Total Accumulated Depreciation												
	3 Net Plant												
	4 Total Depreciation												
B	Tax Basis of Property												
	1 Accumulated CIAC	-	-	-	-	-	-	-	-	-	-	-	-
	2 Plant in Service												
	3 Accumulated Depreciation												
	4 Net Plant												
	5 Bonus Depreciation												
	6 Total Tax Depreciation												
	7 Accumulated Tax Depreciation												
	8 Tax Book Difference												
	9 Income Tax Rate 1/	28.74%	28.74%	28.74%	28.74%	28.74%	28.74%	28.74%	28.74%	28.74%	28.74%	28.74%	28.74%
	10 Deferred Tax Asset - CIAC DTA/(DTL)	-	-	-	-	-	-	-	-	-	-	-	-
	11 Net ADITL DTL/(DTA)												
	12 Deferred Tax Expense debit / (Credit)												
C	Revenue Requirements												
	1 Net Plant	-	-	-	-	-	-	-	-	-	-	-	-
	2 Less: ADITL - (DTA/(DTL)	-	-	-	-	-	-	-	-	-	-	-	-
	3 Plus: ADITA - CIAC (DTA/(DTL)	-	-	-	-	-	-	-	-	-	-	-	-
	4 Rate Base	-	-	-	-	-	-	-	-	-	-	-	-
	5 Average Rate Base	-	-	-	-	-	-	-	-	-	-	-	-
	6 Current Return on CWIP 2/								129,908		129,908	129,908	129,109
	7 Return on Average Rate Base 2/												
	8 After Tax Return on Equity	-	-	-	-	-	-	-	-	-	-	-	-
	9 Income Tax Component	-	-	-	-	-	-	-	-	-	-	-	-
	10 Interest Expense Component	-	-	-	-	-	-	-	-	-	-	-	-
	11 Total Return on Average Rate Base	-	-	-	-	-	-	-	-	-	-	-	-
	12 Operation & Maintenance Expense	-	-	-	-	-	-	-	-	-	-	-	-
	13 Depreciation Expense	-	-	-	-	-	-	-	-	-	-	-	-
	14 Property Tax	-	-	-	-	-	-	-	-	-	-	-	-
	15 Monthly Revenue Requirements	-	-	-	-	-	-	-	129,908		129,908	129,908	129,109
	16 MN Jurisdictional Allocator	0.82593	0.82593	0.82593	0.82593	0.82593	0.82593	0.82593	0.82593	0.82593	0.82593	0.82593	0.82593
	17 MN Jurisdictional Revenue Requirement	-	-	-	-	-	-	-	107,295		107,295	107,295	106,635

Notes: 1/ Minnesota Composite Income Tax Rate.

2/ Current Return on CWIP begins 9/1/2024. Rate of return based on Minnesota Power's 2023 rate case, Docket No. E015/GR-23-155.

Minnesota Power
Transmission Cost Recovery Rider
Project Revenue Requirements

ID# 113372 HVDC Modernization - ND

In Service 12/31/2030

Section	Line	Jan-25	Feb-25	Mar-25	Apr-25	May-25	Jun-25	Jul-25	Aug-25	Sep-25	Oct-25	Nov-25	Dec-25
A	Book Basis of Property												
	0 CWIP	16,479,006	16,479,036	16,479,066	16,479,095	16,479,125	16,479,155	16,479,186	16,479,217	16,479,247	16,479,278	16,479,309	23,249,325
	1 Plant in Service												
	2 Total Accumulated Depreciation												
	3 Net Plant												
	4 Total Depreciation												
B	Tax Basis of Property												
	1 Accumulated CIAC	-	-	-	-	-	-	-	-	-	-	-	-
	2 Plant in Service												
	3 Accumulated Depreciation												
	4 Net Plant												
	5 Bonus Depreciation												
	6 Total Tax Depreciation												
	7 Accumulated Tax Depreciation												
	8 Tax Book Difference												
	9 Income Tax Rate 1/	28.74%	28.74%	28.74%	28.74%	28.74%	28.74%	28.74%	28.74%	28.74%	28.74%	28.74%	28.74%
	10 Deferred Tax Asset - CIAC DTA/(DTL)	-	-	-	-	-	-	-	-	-	-	-	-
	11 Net ADITL DTL/(DTA)												
	12 Deferred Tax Expense debit / (Credit)												
C	Revenue Requirements												
	1 Net Plant	-	-	-	-	-	-	-	-	-	-	-	-
	2 Less: ADITL - (DTA/(DTL)	-	-	-	-	-	-	-	-	-	-	-	-
	3 Plus: ADITA - CIAC (DTA/(DTL)	-	-	-	-	-	-	-	-	-	-	-	-
	4 Rate Base	-	-	-	-	-	-	-	-	-	-	-	-
	5 Average Rate Base	-	-	-	-	-	-	-	-	-	-	-	-
	6 Current Return on CWIP 2/	128,310	128,310	128,310	128,311	128,311	128,311	128,311	128,312	128,312	128,312	128,312	154,669
	7 Return on Average Rate Base 2/												
	8 After Tax Return on Equity	-	-	-	-	-	-	-	-	-	-	-	-
	9 Income Tax Component	-	-	-	-	-	-	-	-	-	-	-	-
	10 Interest Expense Component	-	-	-	-	-	-	-	-	-	-	-	-
	11 Total Return on Average Rate Base	-	-	-	-	-	-	-	-	-	-	-	-
	12 Operation & Maintenance Expense	-	-	-	-	-	-	-	-	-	-	-	-
	13 Depreciation Expense	-	-	-	-	-	-	-	-	-	-	-	-
	14 Property Tax	-	-	-	-	-	-	-	-	-	-	-	-
	15 Monthly Revenue Requirements	128,310	128,310	128,310	128,311	128,311	128,311	128,311	128,312	128,312	128,312	128,312	154,669
	16 MN Jurisdictional Allocator	0.82593	0.82593	0.82593	0.82593	0.82593	0.82593	0.82593	0.82593	0.82593	0.82593	0.82593	0.82593
	17 MN Jurisdictional Revenue Requirement	105,975	105,975	105,975	105,976	105,976	105,976	105,976	105,976	105,977	105,977	105,977	127,746

Notes: 1/ Minnesota Composite Income Tax Rate.

2/ Current Return on CWIP begins 9/1/2024. Rate of return based on Minnesota Power's 2023 rate case, Docket No. E015/GR-23-155.

Minnesota Power
Transmission Cost Recovery Rider
Project Revenue Requirements

ID# 113373 HVDC Modernization - MN
In Service 12/31/2030

Section	Line	Jan-24	Feb-24	Mar-24	Apr-24	May-24	Jun-24	Jul-24	Aug-24	Sep-24	Oct-24	Nov-24	Dec-24
A	Book Basis of Property												
	0 CWIP	16,129,562	16,303,139	16,478,361	16,478,361	16,478,361	16,478,361	16,478,361	16,478,361	1,478,361	1,428,361	1,378,361	1,261,248
	1 Plant in Service												
	2 Total Accumulated Depreciation												
	3 Net Plant												
	4 Total Depreciation												
B	Tax Basis of Property												
	1 Accumulated CIAC	-	-	-	-	-	-	-	-	15,000,000	15,050,000	15,100,000	15,100,000
	2 Plant in Service												
	3 Accumulated Depreciation												
	4 Net Plant												
	5 Bonus Depreciation												
	6 Total Tax Depreciation												
	7 Accumulated Tax Depreciation												
	8 Tax Book Difference												
	9 Income Tax Rate 1/	28.74%	28.74%	28.74%	28.74%	28.74%	28.74%	28.74%	28.74%	28.74%	28.74%	28.74%	28.74%
	10 Deferred Tax Asset - CIAC DTA/(DTL)	-	-	-	-	-	-	-	-	4,311,000	4,325,370	4,339,740	4,339,740
	11 Net ADITL DTL/(DTA)												
C	Revenue Requirements												
	1 Net Plant	-	-	-	-	-	-	-	-	-	-	-	-
	2 Less: ADITL - (DTA/(DTL)	-	-	-	-	-	-	-	-	-	-	-	-
	3 Plus: ADITA - CIAC (DTA/(DTL)	-	-	-	-	-	-	-	-	4,311,000	4,325,370	4,339,740	4,339,740
	4 Rate Base	-	-	-	-	-	-	-	-	4,311,000	4,325,370	4,339,740	4,339,740
	5 Average Rate Base	-	-	-	-	-	-	-	-	2,155,500	4,318,185	4,332,555	4,339,740
	6 Current Return on CWIP 2/									128,305	11,511	11,122	10,276
	7 Return on Average Rate Base 2/												
	8 After Tax Return on Equity	-	-	-	-	-	-	-	-	9,311	18,652	18,714	18,745
	9 Income Tax Component	-	-	-	-	-	-	-	-	3,755	7,523	7,548	7,560
	10 Interest Expense Component	-	-	-	-	-	-	-	-	3,718	7,447	7,472	7,485
	11 Total Return on Average Rate Base	-	-	-	-	-	-	-	-	16,783	33,623	33,734	33,790
	12 Operation & Maintenance Expense	-	-	-	-	-	-	-	-	-	-	-	-
	13 Depreciation Expense	-	-	-	-	-	-	-	-	-	-	-	-
	14 Property Tax	-	-	-	-	-	-	-	-	132,037	132,037	132,037	132,037
	15 Monthly Revenue Requirements	-	-	-	-	-	-	-	-	277,125	177,170	176,893	176,103
	16 MN Jurisdictional Allocator	0.82593	0.82593	0.82593	0.82593	0.82593	0.82593	0.82593	0.82593	0.82593	0.82593	0.82593	0.82593
	17 MN Jurisdictional Revenue Requirement	-	-	-	-	-	-	-	-	228,886	146,330	146,101	145,449

Notes: 1/ Minnesota Composite Income Tax Rate.

2/ Current Return on CWIP begins 9/1/2024. Rate of return based on Minnesota Power's 2023 rate case, Docket No. E015/GR-23-155.

Minnesota Power
Transmission Cost Recovery Rider
Project Revenue Requirements

Exhibit B-4
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ID# 113373 HVDC Modernization - MN
In Service 12/31/2030

Section	Line	Jan-25	Feb-25	Mar-25	Apr-25	May-25	Jun-25	Jul-25	Aug-25	Sep-25	Oct-25	Nov-25	Dec-25
A	Book Basis of Property												
	0 CWIP	1,261,467	1,261,687	1,261,906	1,262,125	1,262,345	1,262,571	1,262,798	1,263,025	1,263,251	1,263,478	1,263,704	4,958,281
	1 Plant in Service												
	2 Total Accumulated Depreciation												
	3 Net Plant												
	4 Total Depreciation												
B	Tax Basis of Property												
	1 Accumulated CIAC	15,100,000	15,100,000	15,100,000	15,100,000	15,100,000	15,100,000	15,100,000	15,100,000	15,100,000	15,100,000	15,100,000	18,794,358
	2 Plant in Service												
	3 Accumulated Depreciation												
	4 Net Plant												
	5 Bonus Depreciation												
	6 Total Tax Depreciation												
	7 Accumulated Tax Depreciation												
	8 Tax Book Difference												
	9 Income Tax Rate 1/	28.74%	28.74%	28.74%	28.74%	28.74%	28.74%	28.74%	28.74%	28.74%	28.74%	28.74%	28.74%
	10 Deferred Tax Asset - CIAC DTA/(DTL)	4,339,740	4,339,740	4,339,740	4,339,740	4,339,740	4,339,740	4,339,740	4,339,740	4,339,740	4,339,740	4,339,740	5,401,498
	11 Net ADITL DTL/(DTA)												
	12 Deferred Tax Expense debit / (Credit)												
C	Revenue Requirements												
	1 Net Plant	-	-	-	-	-	-	-	-	-	-	-	-
	2 Less: ADITL - (DTA/(DTL)	-	-	-	-	-	-	-	-	-	-	-	-
	3 Plus: ADITA - CIAC (DTA/(DTL)	4,339,740	4,339,740	4,339,740	4,339,740	4,339,740	4,339,740	4,339,740	4,339,740	4,339,740	4,339,740	4,339,740	5,401,498
	4 Rate Base	4,339,740	4,339,740	4,339,740	4,339,740	4,339,740	4,339,740	4,339,740	4,339,740	4,339,740	4,339,740	4,339,740	5,401,498
	5 Average Rate Base	4,339,740	4,339,740	4,339,740	4,339,740	4,339,740	4,339,740	4,339,740	4,339,740	4,339,740	4,339,740	4,339,740	4,870,619
	6 Current Return on CWIP 2/	9,821	9,823	9,825	9,826	9,828	9,830	9,832	9,833	9,835	9,837	9,839	38,606
	7 Return on Average Rate Base 2/												
	8 After Tax Return on Equity	18,745	18,745	18,745	18,745	18,745	18,745	18,745	18,745	18,745	18,745	18,745	21,039
	9 Income Tax Component	7,560	7,560	7,560	7,560	7,560	7,560	7,560	7,560	7,560	7,560	7,560	8,485
	10 Interest Expense Component	7,485	7,485	7,485	7,485	7,485	7,485	7,485	7,485	7,485	7,485	7,485	8,400
	11 Total Return on Average Rate Base	33,790	33,790	33,790	33,790	33,790	33,790	33,790	33,790	33,790	33,790	33,790	37,924
	12 Operation & Maintenance Expense	-	-	-	-	-	-	-	-	-	-	-	-
	13 Depreciation Expense	-	-	-	-	-	-	-	-	-	-	-	-
	14 Property Tax	45,668	45,668	45,668	45,668	45,668	45,668	45,668	45,668	45,668	45,668	45,668	45,668
	15 Monthly Revenue Requirements	89,280	89,282	89,283	89,285	89,287	89,288	89,290	89,292	89,294	89,295	89,297	122,198
	16 MN Jurisdictional Allocator	0.82593	0.82593	0.82593	0.82593	0.82593	0.82593	0.82593	0.82593	0.82593	0.82593	0.82593	0.82593
	17 MN Jurisdictional Revenue Requirement	73,739	73,740	73,742	73,743	73,745	73,746	73,747	73,749	73,750	73,752	73,753	100,927

Notes: 1/ Minnesota Composite Income Tax Rate.

2/ Current Return on CWIP begins 9/1/2024. Rate of return based on Minnesota Power's 2023 rate case, Docket No. E015/GR-23-155.

Minnesota Power
Transmission Cost Recovery Rider
Project Revenue Requirements

Exhibit B-4
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ID# 114425 HTEC Project - MN
In Service 12/31/2028

Section	Line	Jan-24	Feb-24	Mar-24	Apr-24	May-24	Jun-24	Jul-24	Aug-24	Sep-24	Oct-24	Nov-24	Dec-24
A	Book Basis of Property												
	0 CWIP	-	-	-	-	-	-	(276,205)	(552,409)	2,032,544	1,781,339	1,530,135	1,322,143
	1 Plant in Service												
	2 Total Accumulated Depreciation												
	3 Net Plant												
	4 Total Depreciation												
B	Tax Basis of Property												
	1 Accumulated CIAC	-	-	-	-	-	-	276,205	552,409	828,614	1,104,819	1,381,023	1,657,228
	2 Plant in Service												
	3 Accumulated Depreciation												
	4 Net Plant												
	5 Bonus Depreciation												
	6 Total Tax Depreciation												
	7 Accumulated Tax Depreciation												
	8 Tax Book Difference												
	9 Income Tax Rate 1/	28.74%	28.74%	28.74%	28.74%	28.74%	28.74%	28.74%	28.74%	28.74%	28.74%	28.74%	28.74%
	10 Deferred Tax Asset - CIAC DTA/(DTL)	-	-	-	-	-	-	79,381	158,762	238,144	317,525	396,906	476,287
	11 Net ADITL DTL/(DTA)												
	12 Deferred Tax Expense debit / (Credit)												
C	Revenue Requirements												
	1 Net Plant	-	-	-	-	-	-	-	-	-	-	-	-
	2 Less: ADITL - (DTA/(DTL)	-	-	-	-	-	-	-	-	-	-	-	-
	3 Plus: ADITA - CIAC (DTA/(DTL)	-	-	-	-	-	-	79,381	158,762	238,144	317,525	396,906	476,287
	4 Rate Base	-	-	-	-	-	-	79,381	158,762	238,144	317,525	396,906	476,287
	5 Average Rate Base	-	-	-	-	-	-	39,691	119,072	198,453	277,834	357,215	436,597
	6 Current Return on CWIP 2/									6,838	15,923	13,967	12,180
	7 Return on Average Rate Base 2/												
	8 After Tax Return on Equity	-	-	-	-	-	-	171	514	857	1,200	1,543	1,886
	9 Income Tax Component	-	-	-	-	-	-	69	207	346	484	622	761
	10 Interest Expense Component	-	-	-	-	-	-	68	205	342	479	616	753
	11 Total Return on Average Rate Base	-	-	-	-	-	-	309	927	1,545	2,163	2,781	3,399
	12 Operation & Maintenance Expense	-	-	-	-	-	-	-	-	-	-	-	-
	13 Depreciation Expense	-	-	-	-	-	-	-	-	-	-	-	-
	14 Property Tax	-	-	-	-	-	-	-	-	-	-	-	-
	15 Monthly Revenue Requirements	-	-	-	-	-	-	309	927	8,383	18,087	16,749	15,579
	16 MN Jurisdictional Allocator	0.82593	0.82593	0.82593	0.82593	0.82593	0.82593	0.82593	0.82593	0.82593	0.82593	0.82593	0.82593
	17 MN Jurisdictional Revenue Requirement	-	-	-	-	-	-	255	766	6,924	14,938	13,833	12,867

Notes: 1/ Minnesota Composite Income Tax Rate.

2/ Current Return on CWIP begins 9/1/2024. Rate of return based on Minnesota Power's 2023 rate case, Docket No. E015/GR-23-155.

Minnesota Power
Transmission Cost Recovery Rider
Project Revenue Requirements

ID# 114425 HTEC Project - MN
In Service 12/31/2028

Section	Line	Jan-25	Feb-25	Mar-25	Apr-25	May-25	Jun-25	Jul-25	Aug-25	Sep-25	Oct-25	Nov-25	Dec-25
A	Book Basis of Property												
	0 CWIP	1,317,204	1,312,265	1,307,326	1,302,387	1,297,448	1,292,509	1,287,570	1,282,631	1,277,692	1,272,753	1,267,814	1,227,246
	1 Plant in Service												
	2 Total Accumulated Depreciation												
	3 Net Plant												
	4 Total Depreciation												
B	Tax Basis of Property												
	1 Accumulated CIAC	1,670,501	1,683,773	1,697,046	1,710,318	1,723,591	1,736,863	1,750,136	1,763,408	1,776,681	1,789,953	1,803,226	1,816,498
	2 Plant in Service												
	3 Accumulated Depreciation												
	4 Net Plant												
	5 Bonus Depreciation												
	6 Total Tax Depreciation												
	7 Accumulated Tax Depreciation												
	8 Tax Book Difference												
	9 Income Tax Rate 1/	28.74%	28.74%	28.74%	28.74%	28.74%	28.74%	28.74%	28.74%	28.74%	28.74%	28.74%	28.74%
	10 Deferred Tax Asset - CIAC DTA/(DTL)	480,102	483,916	487,731	491,545	495,360	499,174	502,989	506,803	510,618	514,432	518,247	522,062
	11 Net ADITL DTL/(DTA)												
	12 Deferred Tax Expense debit / (Credit)												
C	Revenue Requirements												
	1 Net Plant	-	-	-	-	-	-	-	-	-	-	-	-
	2 Less: ADITL - (DTA/(DTL)	-	-	-	-	-	-	-	-	-	-	-	-
	3 Plus: ADITA - CIAC (DTA/(DTL)	480,102	483,916	487,731	491,545	495,360	499,174	502,989	506,803	510,618	514,432	518,247	522,062
	4 Rate Base	480,102	483,916	487,731	491,545	495,360	499,174	502,989	506,803	510,618	514,432	518,247	522,062
	5 Average Rate Base	478,195	482,009	485,824	489,638	493,453	497,267	501,082	504,896	508,711	512,525	516,340	520,154
	6 Current Return on CWIP 2/	10,327	10,289	10,250	10,212	10,173	10,135	10,096	10,058	10,019	9,981	9,942	9,765
	7 Return on Average Rate Base 2/												
	8 After Tax Return on Equity	2,066	2,082	2,099	2,115	2,131	2,148	2,164	2,181	2,197	2,214	2,230	2,247
	9 Income Tax Component	833	840	846	853	860	866	873	880	886	893	900	906
	10 Interest Expense Component	825	831	838	844	851	858	864	871	877	884	891	897
	11 Total Return on Average Rate Base	3,723	3,753	3,783	3,812	3,842	3,872	3,902	3,931	3,961	3,991	4,020	4,050
	12 Operation & Maintenance Expense	-	-	-	-	-	-	-	-	-	-	-	-
	13 Depreciation Expense	-	-	-	-	-	-	-	-	-	-	-	-
	14 Property Tax	4,494	4,494	4,494	4,494	4,494	4,494	4,494	4,494	4,494	4,494	4,494	4,494
	15 Monthly Revenue Requirements	18,544	18,535	18,527	18,518	18,509	18,500	18,492	18,483	18,474	18,465	18,457	18,309
	16 MN Jurisdictional Allocator	0.82593	0.82593	0.82593	0.82593	0.82593	0.82593	0.82593	0.82593	0.82593	0.82593	0.82593	0.82593
	17 MN Jurisdictional Revenue Requirement	15,316	15,309	15,302	15,294	15,287	15,280	15,273	15,266	15,258	15,251	15,244	15,122

Notes: 1/ Minnesota Composite Income Tax Rate.

2/ Current Return on CWIP begins 9/1/2024. Rate of return based on Minnesota Power's 2023 rate case, Docket No. E015/GR-23-155.

Minnesota Power
Transmission Cost Recovery Rider
Project Revenue Requirements

ID# 114426 HTEC Project - ND
In Service 12/31/2028

Section	Line	Jan-24	Feb-24	Mar-24	Apr-24	May-24	Jun-24	Jul-24	Aug-24	Sep-24	Oct-24	Nov-24	Dec-24
A	Book Basis of Property												
	0 CWIP	-	-	-	-	-	-	(294,124)	(588,248)	2,120,592	1,851,468	1,582,345	1,429,484
	1 Plant in Service												
	2 Total Accumulated Depreciation												
	3 Net Plant												
	4 Total Depreciation												
B	Tax Basis of Property												
	1 Accumulated CIAC	-	-	-	-	-	-	294,124	588,248	882,372	1,176,496	1,470,620	1,764,744
	2 Plant in Service												
	3 Accumulated Depreciation												
	4 Net Plant												
	5 Bonus Depreciation												
	6 Total Tax Depreciation												
	7 Accumulated Tax Depreciation												
	8 Tax Book Difference												
	9 Income Tax Rate 1/	28.74%	28.74%	28.74%	28.74%	28.74%	28.74%	28.74%	28.74%	28.74%	28.74%	28.74%	28.74%
	10 Deferred Tax Asset - CIAC DTA/(DTL)	-	-	-	-	-	-	84,531	169,062	253,594	338,125	422,656	507,187
	11 Net ADITL DTL/(DTA)												
	12 Deferred Tax Expense debit / (Credit)												
C	Revenue Requirements												
	1 Net Plant	-	-	-	-	-	-	-	-	-	-	-	-
	2 Less: ADITL - (DTA/(DTL)	-	-	-	-	-	-	-	-	-	-	-	-
	3 Plus: ADITA - CIAC (DTA/(DTL)	-	-	-	-	-	-	84,531	169,062	253,594	338,125	422,656	507,187
	4 Rate Base	-	-	-	-	-	-	84,531	169,062	253,594	338,125	422,656	507,187
	5 Average Rate Base	-	-	-	-	-	-	42,266	126,797	211,328	295,859	380,391	464,922
	6 Current Return on CWIP 2/									7,111	16,609	14,513	12,871
	7 Return on Average Rate Base 2/												
	8 After Tax Return on Equity	-	-	-	-	-	-	183	548	913	1,278	1,643	2,008
	9 Income Tax Component	-	-	-	-	-	-	74	221	368	515	663	810
	10 Interest Expense Component	-	-	-	-	-	-	73	219	364	510	656	802
	11 Total Return on Average Rate Base	-	-	-	-	-	-	329	987	1,645	2,304	2,962	3,620
	12 Operation & Maintenance Expense	-	-	-	-	-	-	-	-	-	-	-	-
	13 Depreciation Expense	-	-	-	-	-	-	-	-	-	-	-	-
	14 Property Tax	-	-	-	-	-	-	-	-	-	-	-	-
	15 Monthly Revenue Requirements	-	-	-	-	-	-	329	987	8,756	18,912	17,475	16,491
	16 MN Jurisdictional Allocator	0.82593	0.82593	0.82593	0.82593	0.82593	0.82593	0.82593	0.82593	0.82593	0.82593	0.82593	0.82593
	17 MN Jurisdictional Revenue Requirement	-	-	-	-	-	-	272	815	7,232	15,620	14,433	13,620

Notes: 1/ Minnesota Composite Income Tax Rate.

2/ Current Return on CWIP begins 9/1/2024. Rate of return based on Minnesota Power's 2023 rate case, Docket No. E015/GR-23-155.

Minnesota Power
Transmission Cost Recovery Rider
Project Revenue Requirements

ID# 114426 HTEC Project - ND
In Service 12/31/2028

Section	Line	Jan-25	Feb-25	Mar-25	Apr-25	May-25	Jun-25	Jul-25	Aug-25	Sep-25	Oct-25	Nov-25	Dec-25
A	Book Basis of Property												
	0 CWIP	1,424,435	1,419,385	1,414,336	1,409,286	1,404,237	1,399,187	1,394,138	1,389,088	1,384,039	1,378,989	1,373,940	1,335,872
	1 Plant in Service												
	2 Total Accumulated Depreciation												
	3 Net Plant												
	4 Total Depreciation												
B	Tax Basis of Property												
	1 Accumulated CIAC	1,778,127	1,791,510	1,804,893	1,818,276	1,831,659	1,845,042	1,858,425	1,871,808	1,885,191	1,898,574	1,911,957	1,925,340
	2 Plant in Service												
	3 Accumulated Depreciation												
	4 Net Plant												
	5 Bonus Depreciation												
	6 Total Tax Depreciation												
	7 Accumulated Tax Depreciation												
	8 Tax Book Difference												
	9 Income Tax Rate 1/	28.74%	28.74%	28.74%	28.74%	28.74%	28.74%	28.74%	28.74%	28.74%	28.74%	28.74%	28.74%
	10 Deferred Tax Asset - CIAC DTA/(DTL)	511,034	514,880	518,726	522,573	526,419	530,265	534,111	537,958	541,804	545,650	549,496	553,343
	11 Net ADITL DTL/(DTA)												
	12 Deferred Tax Expense debit / (Credit)												
C	Revenue Requirements												
	1 Net Plant	-	-	-	-	-	-	-	-	-	-	-	-
	2 Less: ADITL - (DTA/(DTL)	-	-	-	-	-	-	-	-	-	-	-	-
	3 Plus: ADITA - CIAC (DTA/(DTL)	511,034	514,880	518,726	522,573	526,419	530,265	534,111	537,958	541,804	545,650	549,496	553,343
	4 Rate Base	511,034	514,880	518,726	522,573	526,419	530,265	534,111	537,958	541,804	545,650	549,496	553,343
	5 Average Rate Base	509,111	512,957	516,803	520,649	524,496	528,342	532,188	536,034	539,881	543,727	547,573	551,420
	6 Current Return on CWIP 2/	11,163	11,123	11,084	11,045	11,006	10,966	10,927	10,888	10,848	10,809	10,770	10,602
	7 Return on Average Rate Base 2/												
	8 After Tax Return on Equity	2,199	2,216	2,232	2,249	2,266	2,282	2,299	2,315	2,332	2,349	2,365	2,382
	9 Income Tax Component	887	894	900	907	914	920	927	934	941	947	954	961
	10 Interest Expense Component	878	885	891	898	905	911	918	924	931	938	944	951
	11 Total Return on Average Rate Base	3,964	3,994	4,024	4,054	4,084	4,114	4,144	4,174	4,204	4,234	4,264	4,294
	12 Operation & Maintenance Expense	-	-	-	-	-	-	-	-	-	-	-	-
	13 Depreciation Expense	-	-	-	-	-	-	-	-	-	-	-	-
	14 Property Tax	-	-	-	-	-	-	-	-	-	-	-	-
	15 Monthly Revenue Requirements	15,127	15,117	15,108	15,099	15,089	15,080	15,071	15,061	15,052	15,043	15,033	14,895
	16 MN Jurisdictional Allocator	0.82593	0.82593	0.82593	0.82593	0.82593	0.82593	0.82593	0.82593	0.82593	0.82593	0.82593	0.82593
	17 MN Jurisdictional Revenue Requirement	12,494	12,486	12,478	12,471	12,463	12,455	12,447	12,440	12,432	12,424	12,416	12,302

Notes: 1/ Minnesota Composite Income Tax Rate.

2/ Current Return on CWIP begins 9/1/2024. Rate of return based on Minnesota Power's 2023 rate case, Docket No. E015/GR-23-155.

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Minnesota Power
Transmission Cost Recovery Rider
Plant Additions, AFUDC and Return on CWIP - HVDC Modernization Project

	Total	Jan-24	Feb-24	Mar-24	Apr-24	May-24	Jun-24	Jul-24	Aug-24	Sep-24	Oct-24	Nov-24	Dec-24
ID# 113372 HVDC Modernization - ND													
In Service 12/31/2030	\$ 342,451,553.96									CWIP			
BOM		16,000,278.19	16,257,806.81	16,427,458.55	16,684,266.37	16,684,266.37	16,684,266.37	16,684,266.37	16,684,266.37	16,684,266.37	16,684,266.37	16,684,266.37	16,684,266.37
Capital Expenditures	\$ 341,706,469.94	228,435.02	127,937.97	224,623.74	-	-	-	-	-	-	-	-	(205,289.75)
Grant/CIAC	\$ -	-	-	-	-	-	-	-	-	-	-	-	-
Less Internal Costs	\$ (437,103.02)	(65,357.75)	(53,441.98)	(63,669.78)	-	-	-	-	-	-	-	-	-
AFUDC	\$ 1,190,728.85	96,162.35	97,218.99	98,264.34	-	-	-	-	-	-	-	-	0.00
Less AFUDC on Interna.	\$ (8,541.81)	(1,711.00)	(2,063.24)	(2,410.48)	-	-	-	-	-	-	-	-	-
EOM		16,257,806.81	16,427,458.55	16,684,266.37	16,684,266.37	16,684,266.37	16,684,266.37	16,684,266.37	16,684,266.37	16,684,266.37	16,684,266.37	16,684,266.37	16,478,976.62
Return on CWIP 1/													
After Tax Return on Equity										72,067.64	72,067.64	72,067.64	71,624.27
Income Tax Component										29,065.80	29,065.80	29,065.80	28,886.98
Interest Expense Component										28,774.80	28,774.80	28,774.80	28,597.77
Total Return on CWIP										129,908.24	129,908.24	129,908.24	129,109.02
ID# 113373 HVDC Modernization - MN													
In Service 12/31/2030	\$ 320,167,930.02												
BOM		15,992,980.90	16,129,561.65	16,303,139.36	16,478,361.07	16,478,361.07	16,478,361.07	16,478,361.07	16,478,361.07	16,478,361.07	1,478,361.07	1,428,361.07	1,378,361.07
Capital Expenditures	\$ 344,496,659.34	90,297.48	159,711.79	186,843.11	-	-	-	-	-	-	-	-	(117,113.33)
Grant/CIAC	\$ (25,000,000.00)	-	-	-	-	-	-	-	-	(15,000,000.00)	(50,000.00)	(50,000.00)	-
Less Internal Costs	\$ (445,568.54)	(48,153.75)	(80,929.63)	(106,887.63)	-	-	-	-	-	-	-	-	-
AFUDC	\$ 1,124,596.54	95,829.84	96,571.11	97,598.66	-	-	-	-	-	-	-	-	0.00
Less AFUDC on Interna.	\$ (7,757.32)	(1,392.82)	(1,775.56)	(2,332.43)	-	-	-	-	-	-	-	-	-
EOM		16,129,561.65	16,303,139.36	16,478,361.07	16,478,361.07	16,478,361.07	16,478,361.07	16,478,361.07	16,478,361.07	1,478,361.07	1,428,361.07	1,378,361.07	1,261,247.74
Return on CWIP 1/													
After Tax Return on Equity										71,178.23	6,385.78	6,169.80	5,700.89
Income Tax Component										28,707.09	2,575.47	2,488.36	2,299.24
Interest Expense Component										28,419.68	2,549.68	2,463.45	2,276.22
Total Return on CWIP										128,305.00	11,510.92	11,121.61	10,276.36
ID# 114425 HTEC Project - MN													
In Service 12/31/2028	\$ 24,359,687.00												
BOM		-	-	-	-	-	-	-	(276,204.65)	(552,409.32)	2,032,543.51	1,781,339.34	1,530,135.17
Capital Expenditures	\$ 49,669,584.00	-	-	-	-	-	-	-	-	2,944,251.50	108,094.50	108,094.50	151,306.50
Grant/CIAC	\$ (23,897,299.00)	-	-	-	-	-	-	-	-	(276,204.67)	(276,204.67)	(276,204.67)	(276,204.67)
Less Internal Costs	\$ (1,412,598.00)	-	-	-	-	-	-	-	-	(83,094.00)	(83,094.00)	(83,094.00)	(83,094.00)
AFUDC	\$ -	-	-	-	-	-	-	-	-	-	-	-	-
Less AFUDC on Interna.	\$ -	-	-	-	-	-	-	-	-	-	-	-	-
EOM		-	-	-	-	-	-	(276,204.65)	(552,409.32)	2,032,543.51	1,781,339.34	1,530,135.17	1,322,143.00
Return on CWIP 1/													
After Tax Return on Equity										3,793.25	8,833.56	7,748.48	6,756.74
Income Tax Component										1,529.87	3,562.69	3,125.06	2,725.08
Interest Expense Component										1,514.55	3,527.02	3,093.78	2,697.80
Total Return on CWIP										6,837.67	15,923.27	13,967.32	12,179.61
ID# 114426 HTEC Project - ND													
In Service 12/31/2028	\$ 26,777,125.00												
BOM		-	-	-	-	-	-	-	(294,124.00)	(588,248.00)	2,120,591.50	1,851,468.00	1,582,344.50
Capital Expenditures	\$ 54,387,882.00	-	-	-	-	-	-	-	-	3,086,057.50	108,094.50	108,094.50	224,357.50
Grant/CIAC	\$ (26,198,159.00)	-	-	-	-	-	-	-	-	(294,124.00)	(294,124.00)	(294,124.00)	(294,124.00)
Less Internal Costs	\$ (1,412,598.00)	-	-	-	-	-	-	-	-	(83,094.00)	(83,094.00)	(83,094.00)	(83,094.00)
AFUDC	\$ -	-	-	-	-	-	-	-	-	-	-	-	-
Less AFUDC on Interna.	\$ -	-	-	-	-	-	-	-	-	-	-	-	-
EOM		-	-	-	-	-	-	(294,124.00)	(588,248.00)	2,120,591.50	1,851,468.00	1,582,344.50	1,429,484.00
Return on CWIP 1/													
After Tax Return on Equity										3,944.71	9,213.88	8,051.41	7,140.03
Income Tax Component										1,590.95	3,716.08	3,247.23	2,879.66
Interest Expense Component										1,575.02	3,678.87	3,214.72	2,850.83
Total Return on CWIP										7,110.69	16,608.83	14,513.36	12,870.52

Minnesota Power
Transmission Cost Recovery Rider
Plant Additions, AFUDC and Return on CWIP - HVDC Modernization Project

	Total	Jan-25	Feb-25	Mar-25	Apr-25	May-25	Jun-25	Jul-25	Aug-25	Sep-25	Oct-25	Nov-25	Dec-25
ID# 113372 HVDC Modernization - ND													
In Service 12/31/2030	\$ 342,451,553.96												
BOM		16,478,976.62	16,479,006.27	16,479,035.92	16,479,065.57	16,479,095.22	16,479,124.87	16,479,155.49	16,479,186.11	16,479,216.73	16,479,247.35	16,479,277.97	16,479,308.59
Capital Expenditures	\$ 341,706,469.94	29.65	29.65	29.65	29.65	29.65	30.62	30.62	30.62	30.62	30.62	30.62	6,770,016.71
Grant/CIAC	\$ -	-	-	-	-	-	-	-	-	-	-	-	-
Less Internal Costs	\$ (437,103.02)	-	-	-	-	-	-	-	-	-	-	-	-
AFUDC	\$ 1,190,728.85	-	0.00	-	-	-	(0.00)	-	(0.00)	-	-	(0.00)	-
Less AFUDC on Interna.	\$ (8,541.81)	-	-	-	-	-	-	-	-	-	-	-	-
EOM		16,479,006.27	16,479,035.92	16,479,065.57	16,479,095.22	16,479,124.87	16,479,155.49	16,479,186.11	16,479,216.73	16,479,247.35	16,479,277.97	16,479,308.59	23,249,325.30
Return on CWIP 1/													
After Tax Return on Equity		71,180.96	71,181.08	71,181.21	71,181.34	71,181.47	71,181.60	71,181.73	71,181.86	71,181.99	71,182.13	71,182.26	85,803.86
Income Tax Component		28,708.19	28,708.24	28,708.29	28,708.34	28,708.39	28,708.45	28,708.50	28,708.55	28,708.61	28,708.66	28,708.71	34,605.79
Interest Expense Component		28,420.77	28,420.82	28,420.87	28,420.92	28,420.97	28,421.02	28,421.08	28,421.13	28,421.18	28,421.24	28,421.29	34,259.33
Total Return on CWIP		128,309.91	128,310.14	128,310.37	128,310.60	128,310.83	128,311.07	128,311.31	128,311.55	128,311.78	128,312.02	128,312.26	154,668.98
ID# 113373 HVDC Modernization - MN													
In Service 12/31/2030	\$ 320,167,930.02												
BOM		1,261,247.74	1,261,467.15	1,261,686.56	1,261,905.97	1,262,125.38	1,262,344.79	1,262,571.37	1,262,797.95	1,263,024.53	1,263,251.11	1,263,477.69	1,263,704.27
Capital Expenditures	\$ 344,496,659.34	219.41	219.41	219.41	219.41	219.41	226.58	226.58	226.58	226.58	226.58	226.58	7,388,934.63
Grant/CIAC	\$ (25,000,000.00)	-	-	-	-	-	-	-	-	-	-	-	(3,694,358.00)
Less Internal Costs	\$ (445,568.54)	-	-	-	-	-	-	-	-	-	-	-	-
AFUDC	\$ 1,124,596.54	-	(0.00)	-	-	0.00	(0.00)	-	-	-	-	-	-
Less AFUDC on Interna.	\$ (7,757.32)	-	-	-	-	-	-	-	-	-	-	-	-
EOM		1,261,467.15	1,261,686.56	1,261,905.97	1,262,125.38	1,262,344.79	1,262,571.37	1,262,797.95	1,263,024.53	1,263,251.11	1,263,477.69	1,263,704.27	4,958,280.90
Return on CWIP 1/													
After Tax Return on Equity		5,448.43	5,449.38	5,450.33	5,451.27	5,452.22	5,453.18	5,454.16	5,455.14	5,456.12	5,457.10	5,458.08	21,416.81
Income Tax Component		2,197.42	2,197.80	2,198.19	2,198.57	2,198.95	2,199.34	2,199.73	2,200.13	2,200.52	2,200.92	2,201.31	8,637.67
Interest Expense Component		2,175.42	2,175.80	2,176.18	2,176.56	2,176.93	2,177.32	2,177.71	2,178.10	2,178.49	2,178.88	2,179.27	8,551.19
Total Return on CWIP		9,821.27	9,822.98	9,824.69	9,826.40	9,828.11	9,829.84	9,831.61	9,833.37	9,835.13	9,836.90	9,838.66	38,605.67
ID# 114425 HTEC Project - MN													
In Service 12/31/2028	\$ 24,359,687.00												
BOM		1,322,143.00	1,317,204.00	1,312,265.00	1,307,326.00	1,302,387.00	1,297,448.00	1,292,509.00	1,287,570.00	1,282,631.00	1,277,692.00	1,272,753.00	1,267,814.00
Capital Expenditures	\$ 49,669,584.00	29,107.00	29,107.00	29,107.00	29,107.00	29,107.00	29,107.00	29,107.00	29,107.00	29,107.00	29,107.00	29,107.00	(6,522.00)
Grant/CIAC	\$ (23,897,299.00)	(13,272.50)	(13,272.50)	(13,272.50)	(13,272.50)	(13,272.50)	(13,272.50)	(13,272.50)	(13,272.50)	(13,272.50)	(13,272.50)	(13,272.50)	(13,272.50)
Less Internal Costs	\$ (1,412,598.00)	(20,773.50)	(20,773.50)	(20,773.50)	(20,773.50)	(20,773.50)	(20,773.50)	(20,773.50)	(20,773.50)	(20,773.50)	(20,773.50)	(20,773.50)	(20,773.50)
AFUDC	\$ -	-	-	-	-	-	-	-	-	-	-	-	-
Less AFUDC on Interna.	\$ -	-	-	-	-	-	-	-	-	-	-	-	-
EOM		1,317,204.00	1,312,265.00	1,307,326.00	1,302,387.00	1,297,448.00	1,292,509.00	1,287,570.00	1,282,631.00	1,277,692.00	1,272,753.00	1,267,814.00	1,227,246.00
Return on CWIP 1/													
After Tax Return on Equity		5,728.99	5,707.66	5,686.32	5,664.99	5,643.66	5,622.32	5,600.99	5,579.65	5,558.32	5,536.99	5,515.65	5,417.37
Income Tax Component		2,310.58	2,301.97	2,293.37	2,284.76	2,276.16	2,267.55	2,258.95	2,250.35	2,241.74	2,233.14	2,224.53	2,184.89
Interest Expense Component		2,287.44	2,278.92	2,270.41	2,261.89	2,253.37	2,244.85	2,236.33	2,227.82	2,219.30	2,210.78	2,202.26	2,163.02
Total Return on CWIP		10,327.01	10,288.55	10,250.10	10,211.64	10,173.18	10,134.73	10,096.27	10,057.81	10,019.36	9,980.90	9,942.44	9,765.28
ID# 114426 HTEC Project - ND													
In Service 12/31/2028	\$ 26,777,125.00												
BOM		1,429,484.00	1,424,434.50	1,419,385.00	1,414,335.50	1,409,286.00	1,404,236.50	1,399,187.00	1,394,137.50	1,389,088.00	1,384,038.50	1,378,989.00	1,373,939.50
Capital Expenditures	\$ 54,387,882.00	29,107.00	29,107.00	29,107.00	29,107.00	29,107.00	29,107.00	29,107.00	29,107.00	29,107.00	29,107.00	29,107.00	(3,911.00)
Grant/CIAC	\$ (26,198,159.00)	(13,383.00)	(13,383.00)	(13,383.00)	(13,383.00)	(13,383.00)	(13,383.00)	(13,383.00)	(13,383.00)	(13,383.00)	(13,383.00)	(13,383.00)	(13,383.00)
Less Internal Costs	\$ (1,412,598.00)	(20,773.50)	(20,773.50)	(20,773.50)	(20,773.50)	(20,773.50)	(20,773.50)	(20,773.50)	(20,773.50)	(20,773.50)	(20,773.50)	(20,773.50)	(20,773.50)
AFUDC	\$ -	-	-	-	-	-	-	-	-	-	-	-	-
Less AFUDC on Interna.	\$ -	-	-	-	-	-	-	-	-	-	-	-	-
EOM		1,424,434.50	1,419,385.00	1,414,335.50	1,409,286.00	1,404,236.50	1,399,187.00	1,394,137.50	1,389,088.00	1,384,038.50	1,378,989.00	1,373,939.50	1,335,872.00
Return on CWIP 1/													
After Tax Return on Equity		6,192.65	6,170.84	6,149.03	6,127.22	6,105.40	6,083.59	6,061.78	6,039.97	6,018.16	5,996.35	5,974.54	5,881.42
Income Tax Component		2,497.57	2,488.78	2,479.98	2,471.18	2,462.39	2,453.59	2,444.79	2,436.00	2,427.20	2,418.40	2,409.61	2,372.05
Interest Expense Component		2,472.57	2,463.86	2,455.15	2,446.44	2,437.73	2,429.03	2,420.32	2,411.61	2,402.90	2,394.19	2,385.48	2,348.30
Total Return on CWIP		11,162.79	11,123.48	11,084.16	11,044.84	11,005.53	10,966.21	10,926.89	10,887.58	10,848.26	10,808.94	10,769.63	10,601.77

Minnesota Power
Transmission Cost Recovery Rider
Plant Additions, AFUDC and Return on CWIP - HVDC Modernization Project

Exhibit B-4
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	<u>Total</u>	<u>Jan-26</u>	<u>Feb-26</u>	<u>Mar-26</u>	<u>Apr-26</u>	<u>May-26</u>	<u>Jun-26</u>	<u>Jul-26</u>	<u>Aug-26</u>	<u>Sep-26</u>	<u>Oct-26</u>	<u>Nov-26</u>	<u>Dec-26</u>
ID# 113372 HVDC Modernization - ND													
In Service 12/31/2030	\$ 342,451,553.96												
BOM		23,249,325.30	23,249,357.01	23,249,388.72	23,249,420.43	23,249,452.14	23,249,483.85	23,249,516.69	23,249,549.53	23,249,582.37	23,249,615.21	23,249,648.05	23,249,680.89
Capital Expenditures	\$ 341,706,469.94	31.71	31.71	31.71	31.71	31.71	32.84	32.84	32.84	32.84	32.84	32.84	22,500,034.01
Grant/CIAC	\$ -	-	-	-	-	-	-	-	-	-	-	-	-
Less Internal Costs	\$ (437,103.02)	-	-	-	-	-	-	-	-	-	-	-	-
AFUDC	\$ 1,190,728.85	-	-	-	-	0.00	0.00	-	(0.00)	-	-	-	-
Less AFUDC on Interna	\$ (8,541.81)	-	-	-	-	-	-	-	-	-	-	-	-
EOM		23,249,357.01	23,249,388.72	23,249,420.43	23,249,452.14	23,249,483.85	23,249,516.69	23,249,549.53	23,249,582.37	23,249,615.21	23,249,648.05	23,249,680.89	45,749,714.90
Return on CWIP 1/													
After Tax Return on Equity		100,425.46	100,425.60	100,425.73	100,425.87	100,426.01	100,426.15	100,426.29	100,426.43	100,426.57	100,426.72	100,426.86	149,021.34
Income Tax Component		40,502.87	40,502.93	40,502.98	40,503.04	40,503.09	40,503.15	40,503.21	40,503.26	40,503.32	40,503.38	40,503.43	60,102.21
Interest Expense Component		40,097.36	40,097.42	40,097.47	40,097.53	40,097.58	40,097.64	40,097.69	40,097.75	40,097.81	40,097.86	40,097.92	59,500.48
Total Return on CWIP		181,025.70	181,025.94	181,026.19	181,026.44	181,026.68	181,026.93	181,027.19	181,027.45	181,027.70	181,027.96	181,028.21	268,624.03
ID# 113373 HVDC Modernization - MN													
In Service 12/31/2030	\$ 320,167,930.02												
BOM		4,958,280.90	4,958,515.53	4,958,750.16	4,958,984.79	4,959,219.42	4,959,454.05	4,959,697.03	4,959,940.01	4,960,182.99	4,960,425.97	4,960,668.95	4,960,911.93
Capital Expenditures	\$ 344,496,659.34	234.63	234.63	234.63	234.63	234.63	242.98	242.98	242.98	242.98	242.98	242.98	22,500,251.62
Grant/CIAC	\$ (25,000,000.00)	-	-	-	-	-	-	-	-	-	-	-	(6,205,642.00)
Less Internal Costs	\$ (445,568.54)	-	-	-	-	-	-	-	-	-	-	-	-
AFUDC	\$ 1,124,596.54	0.00	0.00	-	-	-	-	-	(0.00)	-	0.00	(0.00)	0.00
Less AFUDC on Interna	\$ (7,757.32)	-	-	-	-	-	-	-	-	-	-	-	-
EOM		4,958,515.53	4,958,750.16	4,958,984.79	4,959,219.42	4,959,454.05	4,959,697.03	4,959,940.01	4,960,182.99	4,960,425.97	4,960,668.95	4,960,911.93	21,255,521.55
Return on CWIP 1/													
After Tax Return on Equity		21,417.79	21,418.80	21,419.81	21,420.83	21,421.84	21,422.87	21,423.92	21,424.97	21,426.02	21,427.07	21,428.12	70,023.53
Income Tax Component		8,638.07	8,638.48	8,638.88	8,639.29	8,639.70	8,640.12	8,640.54	8,640.96	8,641.39	8,641.81	8,642.23	28,241.38
Interest Expense Component		8,551.58	8,551.99	8,552.39	8,552.80	8,553.20	8,553.61	8,554.03	8,554.45	8,554.87	8,555.29	8,555.71	27,958.64
Total Return on CWIP		38,607.44	38,609.26	38,611.09	38,612.92	38,614.75	38,616.60	38,618.50	38,620.39	38,622.28	38,624.17	38,626.06	126,223.55
ID# 114425 HTEC Project - MN													
In Service 12/31/2028	\$ 24,359,687.00												
BOM		1,227,246.00	1,107,628.50	988,011.00	868,393.50	3,536,783.00	3,417,165.50	3,297,548.00	3,177,930.50	3,058,313.00	2,938,695.50	2,819,078.00	2,699,460.50
Capital Expenditures	\$ 49,669,584.00	25,982.00	25,982.00	25,982.00	2,813,989.00	25,982.00	25,982.00	25,982.00	25,982.00	25,982.00	25,982.00	25,982.00	(89,458.00)
Grant/CIAC	\$ (23,897,299.00)	(124,826.00)	(124,826.00)	(124,826.00)	(124,826.00)	(124,826.00)	(124,826.00)	(124,826.00)	(124,826.00)	(124,826.00)	(124,826.00)	(124,826.00)	(124,826.00)
Less Internal Costs	\$ (1,412,598.00)	(20,773.50)	(20,773.50)	(20,773.50)	(20,773.50)	(20,773.50)	(20,773.50)	(20,773.50)	(20,773.50)	(20,773.50)	(20,773.50)	(20,773.50)	(20,773.50)
AFUDC	\$ -	-	-	-	-	-	-	-	-	-	-	-	-
Less AFUDC on Interna	\$ -	-	-	-	-	-	-	-	-	-	-	-	-
EOM		1,107,628.50	988,011.00	868,393.50	3,536,783.00	3,417,165.50	3,297,548.00	3,177,930.50	3,058,313.00	2,938,695.50	2,819,078.00	2,699,460.50	2,464,403.00
Return on CWIP 1/													
After Tax Return on Equity		5,312.33	4,795.65	4,278.96	9,783.67	15,288.37	14,771.69	14,255.00	13,738.31	13,221.62	12,704.94	12,188.25	11,422.24
Income Tax Component		2,142.53	1,934.15	1,725.76	3,945.88	6,166.00	5,957.61	5,749.22	5,540.84	5,332.45	5,124.06	4,915.68	4,606.74
Interest Expense Component		2,121.08	1,914.78	1,708.48	3,906.37	6,104.26	5,897.96	5,691.66	5,485.36	5,279.06	5,072.76	4,866.46	4,560.61
Total Return on CWIP		9,575.95	8,644.57	7,713.20	17,635.92	27,558.63	26,627.26	25,695.88	24,764.51	23,833.13	22,901.76	21,970.39	20,589.59
ID# 114426 HTEC Project - ND													
In Service 12/31/2028	\$ 26,777,125.00												
BOM		1,335,872.00	1,201,206.63	1,066,541.30	931,875.97	3,724,617.64	3,589,952.31	3,455,286.98	3,320,621.65	3,185,956.32	3,051,290.99	2,916,625.66	2,781,960.33
Capital Expenditures	\$ 54,387,882.00	25,982.00	25,982.00	25,982.00	2,953,389.00	25,982.00	25,982.00	25,982.00	25,982.00	25,982.00	25,982.00	25,982.00	130,906.00
Grant/CIAC	\$ (26,198,159.00)	(139,873.87)	(139,873.83)	(139,873.83)	(139,873.83)	(139,873.83)	(139,873.83)	(139,873.83)	(139,873.83)	(139,873.83)	(139,873.83)	(139,873.83)	(139,873.83)
Less Internal Costs	\$ (1,412,598.00)	(20,773.50)	(20,773.50)	(20,773.50)	(20,773.50)	(20,773.50)	(20,773.50)	(20,773.50)	(20,773.50)	(20,773.50)	(20,773.50)	(20,773.50)	(20,773.50)
AFUDC	\$ -	-	-	-	-	-	-	-	-	-	-	-	-
Less AFUDC on Interna	\$ -	-	-	-	-	-	-	-	-	-	-	-	-
EOM		1,201,206.63	1,066,541.30	931,875.97	3,724,617.64	3,589,952.31	3,455,286.98	3,320,621.65	3,185,956.32	3,051,290.99	2,916,625.66	2,781,960.33	2,752,219.00
Return on CWIP 1/													
After Tax Return on Equity		5,781.54	5,199.86	4,618.17	10,358.95	16,099.72	15,518.04	14,936.35	14,354.66	13,772.98	13,191.29	12,609.61	12,254.53
Income Tax Component		2,331.77	2,097.17	1,862.57	4,177.90	6,493.22	6,258.62	6,024.02	5,789.42	5,554.82	5,320.22	5,085.61	4,942.41
Interest Expense Component		2,308.43	2,076.17	1,843.92	4,136.07	6,428.22	6,195.96	5,963.71	5,731.46	5,499.20	5,266.95	5,034.70	4,892.93
Total Return on CWIP		10,421.74	9,373.20	8,324.66	18,672.91	29,021.16	27,972.62	26,924.08	25,875.54	24,827.00	23,778.46	22,729.92	22,089.86

Minnesota Power
Transmission Cost Recovery Rider
Plant Additions, AFUDC and Return on CWIP - HVDC Modernization Project

Exhibit B-4
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	<u>Total</u>	<u>Jan-27</u>	<u>Feb-27</u>	<u>Mar-27</u>	<u>Apr-27</u>	<u>May-27</u>	<u>Jun-27</u>	<u>Jul-27</u>	<u>Aug-27</u>	<u>Sep-27</u>	<u>Oct-27</u>	<u>Nov-27</u>	<u>Dec-27</u>
ID# 113372 HVDC Modernization - ND													
In Service 12/31/2030	\$ 342,451,553.96												
BOM		45,749,714.90	45,749,748.91	45,749,782.92	45,749,816.93	45,749,850.94	45,749,884.95	45,749,920.17	45,749,955.39	45,749,990.61	45,750,025.83	45,750,061.05	45,750,096.27
Capital Expenditures	\$ 341,706,469.94	34.01	34.01	34.01	34.01	34.01	35.22	35.22	35.22	35.22	35.22	35.22	101,500,036.46
Grant/CIAC	\$ -	-	-	-	-	-	-	-	-	-	-	-	-
Less Internal Costs	\$ (437,103.02)	-	-	-	-	-	-	-	-	-	-	-	-
AFUDC	\$ 1,190,728.85	-	0.00	-	0.00	0.00	-	-	(0.00)	-	-	-	0.00
Less AFUDC on Interna	\$ (8,541.81)	-	-	-	-	-	-	-	-	-	-	-	-
EOM		45,749,748.91	45,749,782.92	45,749,816.93	45,749,850.94	45,749,884.95	45,749,920.17	45,749,955.39	45,749,990.61	45,750,025.83	45,750,061.05	45,750,096.27	147,250,132.73
Return on CWIP 1/													
After Tax Return on Equity		197,615.83	197,615.98	197,616.13	197,616.27	197,616.42	197,616.57	197,616.72	197,616.87	197,617.03	197,617.18	197,617.33	416,831.96
Income Tax Component		79,700.99	79,701.05	79,701.11	79,701.17	79,701.23	79,701.29	79,701.35	79,701.41	79,701.47	79,701.53	79,701.59	168,113.65
Interest Expense Component		78,903.04	78,903.10	78,903.15	78,903.21	78,903.27	78,903.33	78,903.39	78,903.45	78,903.51	78,903.57	78,903.64	166,430.53
Total Return on CWIP		356,219.86	356,220.12	356,220.39	356,220.65	356,220.92	356,221.19	356,221.46	356,221.74	356,222.01	356,222.28	356,222.56	751,376.14
ID# 113373 HVDC Modernization - MN													
In Service 12/31/2030	\$ 320,167,930.02												
BOM		21,255,521.55	21,255,773.17	21,256,024.79	21,256,276.41	21,256,528.03	21,256,779.65	21,257,040.22	21,257,300.79	21,257,561.36	21,257,821.93	21,258,082.50	21,258,343.07
Capital Expenditures	\$ 344,496,659.34	251.62	251.62	251.62	251.62	251.62	260.57	260.57	260.57	260.57	260.57	260.57	101,500,269.85
Grant/CIAC	\$ (25,000,000.00)	-	-	-	-	-	-	-	-	-	-	-	-
Less Internal Costs	\$ (445,568.54)	-	-	-	-	-	-	-	-	-	-	-	-
AFUDC	\$ 1,124,596.54	-	-	-	-	-	(0.00)	-	(0.00)	-	-	-	-
Less AFUDC on Interna	\$ (7,757.32)	-	-	-	-	-	-	-	-	-	-	-	-
EOM		21,255,773.17	21,256,024.79	21,256,276.41	21,256,528.03	21,256,779.65	21,257,040.22	21,257,300.79	21,257,561.36	21,257,821.93	21,258,082.50	21,258,343.07	122,758,612.92
Return on CWIP 1/													
After Tax Return on Equity		91,813.71	91,814.79	91,815.88	91,816.97	91,818.05	91,819.16	91,820.29	91,821.41	91,822.54	91,823.66	91,824.79	311,040.41
Income Tax Component		37,029.64	37,030.08	37,030.52	37,030.96	37,031.39	37,031.84	37,032.29	37,032.75	37,033.20	37,033.66	37,034.11	125,446.57
Interest Expense Component		36,658.91	36,659.34	36,659.77	36,660.21	36,660.64	36,661.08	36,661.53	36,661.98	36,662.43	36,662.88	36,663.33	124,190.62
Total Return on CWIP		165,502.25	165,504.21	165,506.17	165,508.13	165,510.09	165,512.08	165,514.11	165,516.14	165,518.17	165,520.20	165,522.23	560,677.60
ID# 114425 HTEC Project - MN													
In Service 12/31/2028	\$ 24,359,687.00												
BOM		2,464,403.00	1,820,483.62	1,176,564.20	532,644.78	15,620,716.36	14,976,796.94	14,332,877.52	13,688,958.10	13,045,038.68	12,401,119.26	11,757,199.84	11,113,280.42
Capital Expenditures	\$ 49,669,584.00	32,906.50	32,906.50	32,906.50	15,764,897.50	32,906.50	32,906.50	32,906.50	32,906.50	32,906.50	32,906.50	32,906.50	(528,176.50)
Grant/CIAC	\$ (23,897,299.00)	(649,127.88)	(649,127.92)	(649,127.92)	(649,127.92)	(649,127.92)	(649,127.92)	(649,127.92)	(649,127.92)	(649,127.92)	(649,127.92)	(649,127.92)	(649,127.92)
Less Internal Costs	\$ (1,412,598.00)	(27,698.00)	(27,698.00)	(27,698.00)	(27,698.00)	(27,698.00)	(27,698.00)	(27,698.00)	(27,698.00)	(27,698.00)	(27,698.00)	(27,698.00)	(27,698.00)
AFUDC	\$ -	-	-	-	-	-	-	-	-	-	-	-	-
Less AFUDC on Interna	\$ -	-	-	-	-	-	-	-	-	-	-	-	-
EOM		1,820,483.62	1,176,564.20	532,644.78	15,620,716.36	14,976,796.94	14,332,877.52	13,688,958.10	13,045,038.68	12,401,119.26	11,757,199.84	11,113,280.42	9,908,278.00
Return on CWIP 1/													
After Tax Return on Equity		10,656.23	7,874.82	5,093.41	36,289.15	67,484.89	64,703.48	61,922.07	59,140.66	56,359.26	53,577.85	50,796.44	46,803.23
Income Tax Component		4,297.79	3,176.02	2,054.24	14,635.88	27,217.52	26,095.74	24,973.96	23,852.18	22,730.41	21,608.63	20,486.85	18,876.34
Interest Expense Component		4,254.77	3,144.22	2,033.67	14,489.35	26,945.02	25,834.47	24,723.93	23,613.38	22,502.83	21,392.29	20,281.74	18,687.36
Total Return on CWIP		19,208.79	14,195.06	9,181.33	65,414.38	121,647.42	116,633.69	111,619.96	106,606.23	101,592.50	96,578.77	91,565.03	84,366.93
ID# 114426 HTEC Project - ND													
In Service 12/31/2028	\$ 26,777,125.00												
BOM		2,752,219.00	2,035,468.37	1,318,717.70	601,967.03	16,403,807.36	15,687,056.69	14,970,306.02	14,253,555.35	13,536,804.68	12,820,054.01	12,103,303.34	11,386,552.67
Capital Expenditures	\$ 54,387,882.00	32,906.50	32,906.50	32,906.50	16,551,497.50	32,906.50	32,906.50	32,906.50	32,906.50	32,906.50	32,906.50	32,906.50	417,183.50
Grant/CIAC	\$ (26,198,159.00)	(721,959.13)	(721,959.17)	(721,959.17)	(721,959.17)	(721,959.17)	(721,959.17)	(721,959.17)	(721,959.17)	(721,959.17)	(721,959.17)	(721,959.17)	(721,959.17)
Less Internal Costs	\$ (1,412,598.00)	(27,698.00)	(27,698.00)	(27,698.00)	(27,698.00)	(27,698.00)	(27,698.00)	(27,698.00)	(27,698.00)	(27,698.00)	(27,698.00)	(27,698.00)	(27,698.00)
AFUDC	\$ -	-	-	-	-	-	-	-	-	-	-	-	-
Less AFUDC on Interna	\$ -	-	-	-	-	-	-	-	-	-	-	-	-
EOM		2,035,468.37	1,318,717.70	601,967.03	16,403,807.36	15,687,056.69	14,970,306.02	14,253,555.35	13,536,804.68	12,820,054.01	12,103,303.34	11,386,552.67	11,054,079.00
Return on CWIP 1/													
After Tax Return on Equity		11,899.45	8,803.45	5,707.45	38,287.45	70,867.45	67,771.44	64,675.44	61,579.44	58,483.44	55,387.43	52,291.43	50,025.37
Income Tax Component		4,799.20	3,550.54	2,301.89	15,441.82	28,581.75	27,333.09	26,084.43	24,835.77	23,587.12	22,338.46	21,089.80	20,175.87
Interest Expense Component		4,751.15	3,515.00	2,278.84	15,287.22	28,295.59	27,059.44	25,823.28	24,587.12	23,350.97	22,114.81	20,878.66	19,973.87
Total Return on CWIP		21,449.80	15,868.99	10,288.17	69,016.48	127,744.78	122,163.97	116,583.15	111,002.34	105,421.52	99,840.71	94,259.89	90,175.12

Minnesota Power
Transmission Cost Recovery Rider
Plant Additions, AFUDC and Return on CWIP - HVDC Modernization Project

Exhibit B-4
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	<u>Total</u>	<u>Jan-28</u>	<u>Feb-28</u>	<u>Mar-28</u>	<u>Apr-28</u>	<u>May-28</u>	<u>Jun-28</u>	<u>Jul-28</u>	<u>Aug-28</u>	<u>Sep-28</u>	<u>Oct-28</u>	<u>Nov-28</u>	<u>Dec-28</u>
ID# 113372 HVDC Modernization - ND													
In Service 12/31/2030	\$ 342,451,553.96												
BOM		147,250,132.73	147,250,169.19	147,250,205.65	147,250,242.11	147,250,278.57	147,250,315.03	147,250,352.80	147,250,390.57	147,250,428.34	147,250,466.11	147,250,503.88	147,250,541.65
Capital Expenditures	\$ 341,706,469.94	36.46	36.46	36.46	36.46	36.46	37.77	37.77	37.77	37.77	37.77	37.77	142,700,039.10
Grant/CIAC	\$ -	-	-	-	-	-	-	-	-	-	-	-	-
Less Internal Costs	\$ (437,103.02)	-	-	-	-	-	-	-	-	-	-	-	-
AFUDC	\$ 1,190,728.85	-	-	-	-	(0.00)	0.00	-	-	-	-	-	-
Less AFUDC on Interna.	\$ (8,541.81)	-	-	-	-	-	-	-	-	-	-	-	-
EOM		147,250,169.19	147,250,205.65	147,250,242.11	147,250,278.57	147,250,315.03	147,250,352.80	147,250,390.57	147,250,428.34	147,250,466.11	147,250,503.88	147,250,541.65	289,950,580.75
Return on CWIP 1/													
After Tax Return on Equity		636,046.59	636,046.75	636,046.91	636,047.07	636,047.22	636,047.38	636,047.55	636,047.71	636,047.87	636,048.04	636,048.20	944,244.48
Income Tax Component		256,525.72	256,525.78	256,525.84	256,525.91	256,525.97	256,526.03	256,526.10	256,526.17	256,526.23	256,526.30	256,526.36	380,825.86
Interest Expense Component		253,957.43	253,957.49	253,957.55	253,957.62	253,957.68	253,957.74	253,957.81	253,957.87	253,957.94	253,958.00	253,958.07	377,013.10
Total Return on CWIP		1,146,529.74	1,146,530.02	1,146,530.30	1,146,530.59	1,146,530.87	1,146,531.16	1,146,531.45	1,146,531.75	1,146,532.04	1,146,532.34	1,146,532.63	1,702,083.44
ID# 113373 HVDC Modernization - MN													
In Service 12/31/2030	\$ 320,167,930.02												
BOM		122,758,612.92	122,758,882.77	122,759,152.62	122,759,422.47	122,759,692.32	122,759,962.17	122,760,241.61	122,760,521.05	122,760,800.49	122,761,079.93	122,761,359.37	122,761,638.81
Capital Expenditures	\$ 344,496,659.34	269.85	269.85	269.85	269.85	269.85	279.44	279.44	279.44	279.44	279.44	279.44	145,000,289.38
Grant/CIAC	\$ (25,000,000.00)	-	-	-	-	-	-	-	-	-	-	-	-
Less Internal Costs	\$ (445,568.54)	-	-	-	-	-	-	-	-	-	-	-	-
AFUDC	\$ 1,124,596.54	-	-	-	-	-	-	-	-	(0.00)	0.00	-	-
Less AFUDC on Interna.	\$ (7,757.32)	-	-	-	-	-	-	-	-	-	-	-	-
EOM		122,758,882.77	122,759,152.62	122,759,422.47	122,759,692.32	122,759,962.17	122,760,241.61	122,760,521.05	122,760,800.49	122,761,079.93	122,761,359.37	122,761,638.81	267,761,928.19
Return on CWIP 1/													
After Tax Return on Equity		530,256.05	530,257.22	530,258.38	530,259.55	530,260.71	530,261.90	530,263.11	530,264.31	530,265.52	530,266.73	530,267.93	843,432.70
Income Tax Component		213,859.04	213,859.51	213,859.98	213,860.45	213,860.92	213,861.40	213,861.88	213,862.37	213,862.86	213,863.34	213,863.83	340,167.18
Interest Expense Component		211,717.92	211,718.39	211,718.85	211,719.32	211,719.78	211,720.26	211,720.74	211,721.22	211,721.70	211,722.18	211,722.67	336,761.49
Total Return on CWIP		955,833.01	955,835.11	955,837.21	955,839.31	955,841.41	955,843.55	955,845.73	955,847.90	955,850.08	955,852.25	955,854.43	1,520,361.37
ID# 114425 HTEC Project - MN													
In Service 12/31/2028	\$ 24,359,687.00												In-Service
BOM		9,908,278.00	8,848,415.13	7,788,552.30	6,728,689.47	33,312,675.64	32,252,812.81	31,192,949.98	30,133,087.15	29,073,224.32	28,013,361.49	26,953,498.66	25,893,635.83
Capital Expenditures	\$ 49,669,584.00	27,023.50	27,023.50	27,023.50	27,670,872.50	27,023.50	27,023.50	27,023.50	27,023.50	27,023.50	27,023.50	27,023.50	(447,062.50)
Grant/CIAC	\$ (23,897,299.00)	(1,066,112.87)	(1,066,112.83)	(1,066,112.83)	(1,066,112.83)	(1,066,112.83)	(1,066,112.83)	(1,066,112.83)	(1,066,112.83)	(1,066,112.83)	(1,066,112.83)	(1,066,112.83)	(1,066,112.83)
Less Internal Costs	\$ (1,412,598.00)	(20,773.50)	(20,773.50)	(20,773.50)	(20,773.50)	(20,773.50)	(20,773.50)	(20,773.50)	(20,773.50)	(20,773.50)	(20,773.50)	(20,773.50)	(20,773.50)
AFUDC	\$ -	-	-	-	-	-	-	-	-	-	-	-	-
Less AFUDC on Interna.	\$ -	-	-	-	-	-	-	-	-	-	-	-	-
EOM		8,848,415.13	7,788,552.30	6,728,689.47	33,312,675.64	32,252,812.81	31,192,949.98	30,133,087.15	29,073,224.32	28,013,361.49	26,953,498.66	25,893,635.83	24,359,687.00
Return on CWIP 1/													
After Tax Return on Equity		42,812.28	38,234.20	33,656.13	88,781.81	143,907.50	139,329.43	134,751.35	130,173.28	125,595.21	121,017.13	116,439.06	55,418.54
Income Tax Component		17,266.74	15,420.34	13,573.95	35,806.84	58,039.73	56,193.34	54,346.94	52,500.55	50,654.15	48,807.75	46,961.36	22,351.00
Interest Expense Component		17,093.87	15,265.96	13,438.05	35,448.35	57,458.65	55,630.74	53,802.83	51,974.92	50,147.01	48,319.10	46,491.19	22,127.23
Total Return on CWIP		77,172.88	68,920.50	60,668.12	160,037.00	259,405.89	251,153.51	242,901.13	234,648.75	226,396.37	218,143.99	209,891.61	99,896.77
ID# 114426 HTEC Project - ND													
In Service 12/31/2028	\$ 26,777,125.00												In-Service
BOM		11,054,079.00	9,899,427.12	8,744,775.20	7,590,123.28	35,461,511.36	34,306,859.44	33,152,207.52	31,997,555.60	30,842,903.68	29,688,251.76	28,533,599.84	27,378,947.92
Capital Expenditures	\$ 54,387,882.00	27,023.50	27,023.50	27,023.50	29,053,063.50	27,023.50	27,023.50	27,023.50	27,023.50	27,023.50	27,023.50	27,023.50	579,852.50
Grant/CIAC	\$ (26,198,159.00)	(1,160,901.88)	(1,160,901.92)	(1,160,901.92)	(1,160,901.92)	(1,160,901.92)	(1,160,901.92)	(1,160,901.92)	(1,160,901.92)	(1,160,901.92)	(1,160,901.92)	(1,160,901.92)	(1,160,901.92)
Less Internal Costs	\$ (1,412,598.00)	(20,773.50)	(20,773.50)	(20,773.50)	(20,773.50)	(20,773.50)	(20,773.50)	(20,773.50)	(20,773.50)	(20,773.50)	(20,773.50)	(20,773.50)	(20,773.50)
AFUDC	\$ -	-	-	-	-	-	-	-	-	-	-	-	-
Less AFUDC on Interna.	\$ -	-	-	-	-	-	-	-	-	-	-	-	-
EOM		9,899,427.12	8,744,775.20	7,590,123.28	35,461,511.36	34,306,859.44	33,152,207.52	31,997,555.60	30,842,903.68	29,688,251.76	28,533,599.84	27,378,947.92	26,777,125.00
Return on CWIP 1/													
After Tax Return on Equity		47,761.56	42,774.04	37,786.53	95,487.96	153,189.39	148,201.88	143,214.36	138,226.85	133,239.33	128,251.81	123,264.30	59,735.38
Income Tax Component		19,262.85	17,251.32	15,239.79	38,511.51	61,783.24	59,771.71	57,760.18	55,748.65	53,737.12	51,725.59	49,714.07	24,092.04
Interest Expense Component		19,069.99	17,078.60	15,087.21	38,125.94	61,164.68	59,173.29	57,181.90	55,190.51	53,199.12	51,207.73	49,216.34	23,850.84
Total Return on CWIP		86,094.40	77,103.96	68,113.53	172,125.42	276,137.31	267,146.87	258,156.44	249,166.01	240,175.57	231,185.14	222,194.70	107,678.25

	Total	Jan-29	Feb-29	Mar-29	Apr-29	May-29	Jun-29	Jul-29	Aug-29	Sep-29	Oct-29	Nov-29	Dec-29
ID# 113372 HVDC Modernization - ND													
In Service 12/31/2030	\$ 342,451,553.96												
BOM		289,950,580.75	289,950,619.85	289,950,658.95	289,950,698.05	289,950,737.15	289,950,776.25	289,950,816.75	289,950,857.25	289,950,897.75	289,950,938.25	289,950,978.75	289,951,019.25
Capital Expenditures	\$ 341,706,469.94	39.10	39.10	39.10	39.10	39.10	40.50	40.50	40.50	40.50	40.50	40.50	27,800,041.94
Grant/CIAC	\$ -	-	-	-	-	-	-	-	-	-	-	-	-
Less Internal Costs	\$ (437,103.02)	-	-	-	-	-	-	-	-	-	-	-	-
AFUDC	\$ 1,190,728.85	-	-	-	-	-	-	-	-	-	-	-	-
Less AFUDC on Interna.	\$ (8,541.81)	-	-	-	-	-	-	-	-	-	-	-	-
EOM		289,950,619.85	289,950,658.95	289,950,698.05	289,950,737.15	289,950,776.25	289,950,816.75	289,950,857.25	289,950,897.75	289,950,938.25	289,950,978.75	289,951,019.25	317,751,061.19
Return on CWIP 1/													
After Tax Return on Equity		1,252,440.76	1,252,440.93	1,252,441.10	1,252,441.27	1,252,441.44	1,252,441.61	1,252,441.79	1,252,441.96	1,252,442.14	1,252,442.31	1,252,442.49	1,312,483.67
Income Tax Component		505,125.36	505,125.43	505,125.49	505,125.56	505,125.63	505,125.70	505,125.77	505,125.84	505,125.91	505,125.98	505,126.05	529,341.43
Interest Expense Component		500,068.14	500,068.20	500,068.27	500,068.34	500,068.41	500,068.47	500,068.54	500,068.61	500,068.68	500,068.75	500,068.82	524,041.76
Total Return on CWIP		2,257,634.26	2,257,634.56	2,257,634.87	2,257,635.17	2,257,635.47	2,257,635.78	2,257,636.10	2,257,636.41	2,257,636.73	2,257,637.05	2,257,637.36	2,365,866.86
ID# 113373 HVDC Modernization - MN													
In Service 12/31/2030	\$ 320,167,930.02												
BOM		267,761,928.19	267,762,217.57	267,762,506.95	267,762,796.33	267,763,085.71	267,763,375.09	267,763,674.77	267,763,974.45	267,764,274.13	267,764,573.81	267,764,873.49	267,765,173.17
Capital Expenditures	\$ 344,496,659.34	289.38	289.38	289.38	289.38	289.38	299.68	299.68	299.68	299.68	299.68	299.68	27,699,110.35
Grant/CIAC	\$ (25,000,000.00)	-	-	-	-	-	-	-	-	-	-	-	-
Less Internal Costs	\$ (445,568.54)	-	-	-	-	-	-	-	-	-	-	-	-
AFUDC	\$ 1,124,596.54	-	-	-	-	-	-	-	-	-	-	-	-
Less AFUDC on Interna.	\$ (7,757.32)	-	-	-	-	-	-	-	-	-	-	-	-
EOM		267,762,217.57	267,762,506.95	267,762,796.33	267,763,085.71	267,763,375.09	267,763,674.77	267,763,974.45	267,764,274.13	267,764,573.81	267,764,873.49	267,765,173.17	295,464,283.52
Return on CWIP 1/													
After Tax Return on Equity		1,156,597.49	1,156,598.74	1,156,599.99	1,156,601.24	1,156,602.49	1,156,603.76	1,156,605.05	1,156,606.35	1,156,607.64	1,156,608.94	1,156,610.23	1,216,433.99
Income Tax Component		466,470.54	466,471.04	466,471.55	466,472.05	466,472.56	466,473.07	466,473.59	466,474.11	466,474.63	466,475.16	466,475.68	490,603.37
Interest Expense Component		461,800.32	461,800.82	461,801.32	461,801.82	461,802.32	461,802.83	461,803.34	461,803.86	461,804.38	461,804.89	461,805.41	485,691.53
Total Return on CWIP		2,084,868.35	2,084,870.60	2,084,872.85	2,084,875.11	2,084,877.36	2,084,879.65	2,084,881.99	2,084,884.32	2,084,886.65	2,084,888.99	2,084,891.32	2,192,728.89

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	Total	Jan-30	Feb-30	Mar-30	Apr-30	May-30	Jun-30	Jul-30	Aug-30	Sep-30	Oct-30	Nov-30	Dec-30
ID# 113372 HVDC Modernization - ND													
In Service 12/31/2030	\$ 342,451,553.96												In-Service
BOM		317,751,061.19	317,751,103.13	317,751,145.07	317,751,187.01	317,751,228.95	317,751,270.89	317,751,314.32	317,751,357.75	317,751,401.18	317,751,444.61	317,751,488.04	317,751,531.47
Capital Expenditures	\$ 341,706,469.94	41.94	41.94	41.94	41.94	41.94	43.43	43.43	43.43	43.43	43.43	43.43	24,700,022.49
Grant/CIAC	\$ -	-	-	-	-	-	-	-	-	-	-	-	-
Less Internal Costs	\$ (437,103.02)	-	-	-	-	-	-	-	-	-	-	-	-
AFUDC	\$ 1,190,728.85	-	-	-	-	-	-	-	-	-	-	-	-
Less AFUDC on Interna.	\$ (8,541.81)	-	-	-	-	-	-	-	-	-	-	-	-
EOM		317,751,103.13	317,751,145.07	317,751,187.01	317,751,228.95	317,751,270.89	317,751,314.32	317,751,357.75	317,751,401.18	317,751,444.61	317,751,488.04	317,751,531.47	342,451,553.96
Return on CWIP 1/													
After Tax Return on Equity		1,372,524.86	1,372,525.04	1,372,525.23	1,372,525.41	1,372,525.59	1,372,525.77	1,372,525.96	1,372,526.15	1,372,526.34	1,372,526.52	1,372,526.71	712,936.32
Income Tax Component		553,556.81	553,556.88	553,556.95	553,557.03	553,557.10	553,557.17	553,557.25	553,557.33	553,557.40	553,557.48	553,557.55	287,536.32
Interest Expense Component		548,014.70	548,014.77	548,014.84	548,014.92	548,014.99	548,015.06	548,015.14	548,015.21	548,015.29	548,015.36	548,015.44	284,657.56
Total Return on CWIP		2,474,096.37	2,474,096.70	2,474,097.02	2,474,097.35	2,474,097.68	2,474,098.01	2,474,098.35	2,474,098.69	2,474,099.02	2,474,099.36	2,474,099.70	1,285,130.21
ID# 113373 HVDC Modernization - MN													
In Service 12/31/2030	\$ 320,167,930.02												In-Service
BOM		295,464,283.52	295,464,593.87	295,464,904.22	295,465,214.57	295,465,524.92	295,465,835.27	295,466,156.66	295,466,478.05	295,466,799.44	295,467,120.83	295,467,442.22	295,467,763.61
Capital Expenditures	\$ 344,496,659.34	310.35	310.35	310.35	310.35	310.35	321.39	321.39	321.39	321.39	321.39	321.39	24,700,166.41
Grant/CIAC	\$ (25,000,000.00)	-	-	-	-	-	-	-	-	-	-	-	-
Less Internal Costs	\$ (445,568.54)	-	-	-	-	-	-	-	-	-	-	-	-
AFUDC	\$ 1,124,596.54	-	-	-	-	-	-	-	-	-	-	-	-
Less AFUDC on Interna.	\$ (7,757.32)	-	-	-	-	-	-	-	-	-	-	-	-
EOM		295,464,593.87	295,464,904.22	295,465,214.57	295,465,524.92	295,465,835.27	295,466,156.66	295,466,478.05	295,466,799.44	295,467,120.83	295,467,442.22	295,467,763.61	320,167,930.02
Return on CWIP 1/													
After Tax Return on Equity		1,276,257.77	1,276,259.11	1,276,260.45	1,276,261.79	1,276,263.14	1,276,264.50	1,276,265.89	1,276,267.28	1,276,268.66	1,276,270.05	1,276,271.44	664,809.14
Income Tax Component		514,731.06	514,731.60	514,732.14	514,732.68	514,733.22	514,733.77	514,734.33	514,734.89	514,735.45	514,736.01	514,736.57	268,126.02
Interest Expense Component		509,577.67	509,578.20	509,578.74	509,579.27	509,579.81	509,580.35	509,580.91	509,581.46	509,582.02	509,582.57	509,583.13	265,441.59
Total Return on CWIP		2,300,566.50	2,300,568.92	2,300,571.34	2,300,573.75	2,300,576.17	2,300,578.63	2,300,581.13	2,300,583.63	2,300,586.13	2,300,588.64	2,300,591.14	1,198,376.75
ID# 114425 HTEC Project - MN													
In Service 12/31/2028	\$ 24,359,687.00												
BOM		24,359,687.00	24,359,687.00	24,359,687.00	24,359,687.00	24,359,687.00	24,359,687.00	24,359,687.00	24,359,687.00	24,359,687.00	24,359,687.00	24,359,687.00	24,359,687.00
Capital Expenditures	\$ 49,669,584.00	-	-	-	-	-	-	-	-	-	-	-	-
Grant/CIAC	\$ (23,897,299.00)	-	-	-	-	-	-	-	-	-	-	-	-
Less Internal Costs	\$ (1,412,598.00)	-	-	-	-	-	-	-	-	-	-	-	-
AFUDC	\$ -	-	-	-	-	-	-	-	-	-	-	-	-
Less AFUDC on Interna.	\$ -	-	-	-	-	-	-	-	-	-	-	-	-
EOM		24,359,687.00	24,359,687.00	24,359,687.00	24,359,687.00	24,359,687.00	24,359,687.00	24,359,687.00	24,359,687.00	24,359,687.00	24,359,687.00	24,359,687.00	24,359,687.00
Return on CWIP 1/													
After Tax Return on Equity													
Income Tax Component													
Interest Expense Component													
Total Return on CWIP													
ID# 114426 HTEC Project - ND													
In Service 12/31/2028	\$ 26,777,125.00												
BOM		26,777,125.00	26,777,125.00	26,777,125.00	26,777,125.00	26,777,125.00	26,777,125.00	26,777,125.00	26,777,125.00	26,777,125.00	26,777,125.00	26,777,125.00	26,777,125.00
Capital Expenditures	\$ 54,387,882.00	-	-	-	-	-	-	-	-	-	-	-	-
Grant/CIAC	\$ (26,198,159.00)	-	-	-	-	-	-	-	-	-	-	-	-
Less Internal Costs	\$ (1,412,598.00)	-	-	-	-	-	-	-	-	-	-	-	-
AFUDC	\$ -	-	-	-	-	-	-	-	-	-	-	-	-
Less AFUDC on Interna.	\$ -	-	-	-	-	-	-	-	-	-	-	-	-
EOM		26,777,125.00	26,777,125.00	26,777,125.00	26,777,125.00	26,777,125.00	26,777,125.00	26,777,125.00	26,777,125.00	26,777,125.00	26,777,125.00	26,777,125.00	26,777,125.00
Return on CWIP 1/													
After Tax Return on Equity													
Income Tax Component													
Interest Expense Component													
Total Return on CWIP													

Minnesota Power
Transmission Cost Recovery Rider
Plant Additions, AFUDC and Return on CWIP - HVDC Modernization Project

	<u>Total</u>	<u>Jan-23</u>	<u>Feb-23</u>	<u>Mar-23</u>	<u>Apr-23</u>	<u>May-23</u>	<u>Jun-23</u>	<u>Jul-23</u>	<u>Aug-23</u>	<u>Sep-23</u>	<u>Oct-23</u>	<u>Nov-23</u>	<u>Dec-23</u>
Total HVDC Upgrade Project													
BOM	-	-	-	26,077,064.00	26,231,192.00	26,385,320.00	26,564,522.10	26,721,996.59	26,879,471.08	27,036,945.57	27,194,420.06	27,358,189.35	28,105,834.35
Capital Expenditures	790,260,595.28	-	26,012,504.06	-	-	25,029.52	-	-	-	1,129.98	176,949.77	660,585.52	3,852,224.78
Grant/CIAC	(75,095,458.00)	-	-	-	-	-	-	-	-	-	-	-	-
Less Internal Costs	(3,707,867.56)	-	(12,504.06)	-	-	(29.52)	-	-	-	(1,129.98)	(170,673.58)	(72,196.18)	(207,697.72)
AFUDC	2,315,325.39	-	77,101.07	154,202.12	154,202.12	154,276.30	157,550.32	157,550.32	157,550.32	157,553.67	158,081.51	160,563.94	245,048.41
Less AFUDC on Intern.	(16,299.13)	-	(37.07)	(74.12)	(74.12)	(74.20)	(75.83)	(75.83)	(75.83)	(79.18)	(588.41)	(1,308.28)	(2,150.73)
EOM	713,756,295.98	-	26,077,064.00	26,231,192.00	26,385,320.00	26,564,522.10	26,721,996.59	26,879,471.08	27,036,945.57	27,194,420.06	27,358,189.35	28,105,834.35	31,993,259.09
<u>Return on CWIP 1/</u>													
After Tax Return on Equity													
Income Tax Component													
Interest Expense Component													
Total Return on CWIP													

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Minnesota Power
Transmission Cost Recovery Rider
Plant Additions, AFUDC and Return on CWIP - HVDC Modernization Project

	<u>Total</u>	<u>Jan-24</u>	<u>Feb-24</u>	<u>Mar-24</u>	<u>Apr-24</u>	<u>May-24</u>	<u>Jun-24</u>	<u>Jul-24</u>	<u>Aug-24</u>	<u>Sep-24</u>	<u>Oct-24</u>	<u>Nov-24</u>	<u>Dec-24</u>
Total HVDC Upgrade Project													
BOM	-	31,993,259.09	32,387,368.46	32,730,597.91	33,162,627.44	33,162,627.44	33,162,627.44	33,162,627.44	32,592,298.79	32,021,970.12	22,315,762.45	21,745,434.78	21,175,107.11
Capital Expenditures	790,260,595.28	318,732.50	287,649.76	411,466.85	-	-	-	-	-	6,030,309.00	216,189.00	216,189.00	53,260.92
Grant/CIAC	(75,095,458.00)	-	-	-	-	-	-	(570,328.65)	(570,328.67)	(15,570,328.67)	(620,328.67)	(620,328.67)	(570,328.67)
Less Internal Costs	(3,707,867.56)	(113,511.50)	(134,371.61)	(170,557.41)	-	-	-	-	-	(166,188.00)	(166,188.00)	(166,188.00)	(166,188.00)
AFUDC	2,315,325.39	191,992.19	193,790.10	195,863.00	-	-	-	-	-	-	-	-	0.00
Less AFUDC on Intern.	(16,299.13)	(3,103.82)	(3,838.80)	(4,742.91)	-	-	-	-	-	-	-	-	-
EOM	713,756,295.98	32,387,368.46	32,730,597.91	33,162,627.44	33,162,627.44	33,162,627.44	33,162,627.44	32,592,298.79	32,021,970.12	22,315,762.45	21,745,434.78	21,175,107.11	20,491,851.36
<u>Return on CWIP 1/</u>													
After Tax Return on Equity										150,983.83	96,500.86	94,037.33	91,221.92
Income Tax Component										60,893.71	38,920.03	37,926.46	36,790.96
Interest Expense Component										60,284.05	38,530.37	37,546.74	36,422.62
Total Return on CWIP										272,161.59	173,951.26	169,510.53	164,435.50

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Minnesota Power
Transmission Cost Recovery Rider
Plant Additions, AFUDC and Return on CWIP - HVDC Modernization Project

	<u>Total</u>	<u>Jan-25</u>	<u>Feb-25</u>	<u>Mar-25</u>	<u>Apr-25</u>	<u>May-25</u>	<u>Jun-25</u>	<u>Jul-25</u>	<u>Aug-25</u>	<u>Sep-25</u>	<u>Oct-25</u>	<u>Nov-25</u>	<u>Dec-25</u>
Total HVDC Upgrade Project													
BOM	-	20,491,851.36	20,482,111.92	20,472,372.48	20,462,633.04	20,452,893.60	20,443,154.16	20,433,422.86	20,423,691.56	20,413,960.26	20,404,228.96	20,394,497.66	20,384,766.36
Capital Expenditures	790,260,595.28	58,463.06	58,463.06	58,463.06	58,463.06	58,463.06	58,471.20	58,471.20	58,471.20	58,471.20	58,471.20	58,471.20	14,148,518.34
Grant/CIAC	(75,095,458.00)	(26,655.50)	(26,655.50)	(26,655.50)	(26,655.50)	(26,655.50)	(26,655.50)	(26,655.50)	(26,655.50)	(26,655.50)	(26,655.50)	(26,655.50)	(3,721,013.50)
Less Internal Costs	(3,707,867.56)	(41,547.00)	(41,547.00)	(41,547.00)	(41,547.00)	(41,547.00)	(41,547.00)	(41,547.00)	(41,547.00)	(41,547.00)	(41,547.00)	(41,547.00)	(41,547.00)
AFUDC	2,315,325.39	-	0.00	-	-	0.00	(0.00)	-	(0.00)	-	-	(0.00)	-
Less AFUDC on Intern.	(16,299.13)	-	-	-	-	-	-	-	-	-	-	-	-
EOM	713,756,295.98	20,482,111.92	20,472,372.48	20,462,633.04	20,452,893.60	20,443,154.16	20,433,422.86	20,423,691.56	20,413,960.26	20,404,228.96	20,394,497.66	20,384,766.36	30,770,724.20
<u>Return on CWIP 1/</u>													
After Tax Return on Equity		88,551.03	88,508.96	88,466.89	88,424.82	88,382.75	88,340.70	88,298.66	88,256.63	88,214.59	88,172.56	88,130.52	118,519.45
Income Tax Component		35,713.76	35,696.79	35,679.83	35,662.86	35,645.89	35,628.93	35,611.98	35,595.03	35,578.07	35,561.12	35,544.17	47,800.41
Interest Expense Component		35,356.20	35,339.40	35,322.61	35,305.81	35,289.01	35,272.22	35,255.44	35,238.65	35,221.87	35,205.09	35,188.30	47,321.84
Total Return on CWIP		159,620.99	159,545.15	159,469.32	159,393.48	159,317.65	159,241.85	159,166.08	159,090.31	159,014.54	158,938.77	158,863.00	213,641.70

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Plant Additions, AFUDC and Return on CWIP - HVDC Modernization Project

	<u>Total</u>	<u>Jan-26</u>	<u>Feb-26</u>	<u>Mar-26</u>	<u>Apr-26</u>	<u>May-26</u>	<u>Jun-26</u>	<u>Jul-26</u>	<u>Aug-26</u>	<u>Sep-26</u>	<u>Oct-26</u>	<u>Nov-26</u>	<u>Dec-26</u>
Total HVDC Upgrade Project													
BOM	-	30,770,724.20	30,516,707.67	30,262,691.18	30,008,674.69	35,470,072.20	35,216,055.71	34,962,048.70	34,708,041.69	34,454,034.68	34,200,027.67	33,946,020.66	33,692,013.65
Capital Expenditures	790,260,595.28	52,230.34	52,230.34	52,230.34	5,767,644.34	52,230.34	52,239.82	52,239.82	52,239.82	52,239.82	52,239.82	52,239.82	45,041,733.63
Grant/CIAC	(75,095,458.00)	(264,699.87)	(264,699.83)	(264,699.83)	(264,699.83)	(264,699.83)	(264,699.83)	(264,699.83)	(264,699.83)	(264,699.83)	(264,699.83)	(264,699.83)	(6,470,341.83)
Less Internal Costs	(3,707,867.56)	(41,547.00)	(41,547.00)	(41,547.00)	(41,547.00)	(41,547.00)	(41,547.00)	(41,547.00)	(41,547.00)	(41,547.00)	(41,547.00)	(41,547.00)	(41,547.00)
AFUDC	2,315,325.39	0.00	0.00	-	-	0.00	0.00	-	(0.00)	-	0.00	(0.00)	0.00
Less AFUDC on Intern.	(16,299.13)	-	-	-	-	-	-	-	-	-	-	-	-
EOM	713,756,295.98	30,516,707.67	30,262,691.18	30,008,674.69	35,470,072.20	35,216,055.71	34,962,048.70	34,708,041.69	34,454,034.68	34,200,027.67	33,946,020.66	33,692,013.65	72,221,858.45
<u>Return on CWIP 1/</u>													
After Tax Return on Equity		132,937.13	131,839.90	130,742.68	141,989.31	153,235.95	152,138.74	151,041.56	149,944.38	148,847.20	147,750.01	146,652.83	242,721.64
Income Tax Component		53,615.24	53,172.72	52,730.19	57,266.10	61,802.01	61,359.50	60,916.99	60,474.48	60,031.97	59,589.47	59,146.96	97,892.74
Interest Expense Component		53,078.45	52,640.36	52,202.27	56,692.77	61,183.26	60,745.18	60,307.10	59,869.02	59,430.95	58,992.87	58,554.79	96,912.65
Total Return on CWIP		239,630.82	237,652.98	235,675.14	255,948.18	276,221.22	274,243.42	272,265.65	270,287.88	268,310.12	266,332.35	264,354.58	437,527.03

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Plant Additions, AFUDC and Return on CWIP - HVDC Modernization Project

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	<u>Total</u>	<u>Jan-27</u>	<u>Feb-27</u>	<u>Mar-27</u>	<u>Apr-27</u>	<u>May-27</u>	<u>Jun-27</u>	<u>Jul-27</u>	<u>Aug-27</u>	<u>Sep-27</u>	<u>Oct-27</u>	<u>Nov-27</u>	<u>Dec-27</u>
Total HVDC Upgrade Project													
BOM	-	72,221,858.45	70,861,474.07	69,501,089.61	68,140,705.15	99,030,902.69	97,670,518.23	96,310,143.93	94,949,769.63	93,589,395.33	92,229,021.03	90,868,646.73	89,508,272.43
Capital Expenditures	790,260,595.28	66,098.63	66,098.63	66,098.63	32,316,680.63	66,098.63	66,108.79	66,108.79	66,108.79	66,108.79	66,108.79	66,108.79	202,889,313.31
Grant/CIAC	(75,095,458.00)	(1,371,087.01)	(1,371,087.09)	(1,371,087.09)	(1,371,087.09)	(1,371,087.09)	(1,371,087.09)	(1,371,087.09)	(1,371,087.09)	(1,371,087.09)	(1,371,087.09)	(1,371,087.09)	(1,371,087.09)
Less Internal Costs	(3,707,867.56)	(55,396.00)	(55,396.00)	(55,396.00)	(55,396.00)	(55,396.00)	(55,396.00)	(55,396.00)	(55,396.00)	(55,396.00)	(55,396.00)	(55,396.00)	(55,396.00)
AFUDC	2,315,325.39	-	0.00	-	0.00	0.00	(0.00)	-	(0.00)	-	-	-	0.00
Less AFUDC on Intern.	(16,299.13)	-	-	-	-	-	-	-	-	-	-	-	-
EOM	713,756,295.98	70,861,474.07	69,501,089.61	68,140,705.15	99,030,902.69	97,670,518.23	96,310,143.93	94,949,769.63	93,589,395.33	92,229,021.03	90,868,646.73	89,508,272.43	290,971,102.65
<u>Return on CWIP 1/</u>													
After Tax Return on Equity		311,985.22	306,109.04	300,232.87	364,009.84	427,786.81	421,910.65	416,034.52	410,158.39	404,282.25	398,406.12	392,529.99	824,700.97
Income Tax Component		125,827.62	123,457.69	121,087.75	146,809.82	172,531.88	170,161.96	167,792.04	165,422.12	163,052.20	160,682.28	158,312.36	332,612.44
Interest Expense Component		<u>124,567.86</u>	<u>122,221.65</u>	<u>119,875.44</u>	<u>145,339.98</u>	<u>170,804.53</u>	<u>168,458.33</u>	<u>166,112.13</u>	<u>163,765.94</u>	<u>161,419.75</u>	<u>159,073.56</u>	<u>156,727.36</u>	<u>329,282.38</u>
Total Return on CWIP		562,380.71	551,788.38	541,196.06	656,159.64	771,123.22	760,530.93	749,938.69	739,346.44	728,754.20	718,161.96	707,569.71	1,486,595.79

1/ MPUC approved project CON 8/1/2024.

Minnesota Power
Transmission Cost Recovery Rider
Plant Additions, AFUDC and Return on CWIP - HVDC Modernization Project

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	<u>Total</u>	<u>Jan-28</u>	<u>Feb-28</u>	<u>Mar-28</u>	<u>Apr-28</u>	<u>May-28</u>	<u>Jun-28</u>	<u>Jul-28</u>	<u>Aug-28</u>	<u>Sep-28</u>	<u>Oct-28</u>	<u>Nov-28</u>	<u>Dec-28</u>
Total HVDC Upgrade Project													
BOM	-	290,971,102.65	288,756,894.21	286,542,685.77	284,328,477.33	338,784,157.89	336,569,949.45	334,355,751.91	332,141,554.37	329,927,356.83	327,713,159.29	325,498,961.75	323,284,764.21
Capital Expenditures	790,260,595.28	54,353.31	54,353.31	54,353.31	56,724,242.31	54,353.31	54,364.21	54,364.21	54,364.21	54,364.21	54,364.21	54,364.21	287,833,118.48
Grant/CIAC	(75,095,458.00)	(2,227,014.75)	(2,227,014.75)	(2,227,014.75)	(2,227,014.75)	(2,227,014.75)	(2,227,014.75)	(2,227,014.75)	(2,227,014.75)	(2,227,014.75)	(2,227,014.75)	(2,227,014.75)	(2,227,014.75)
Less Internal Costs	(3,707,867.56)	(41,547.00)	(41,547.00)	(41,547.00)	(41,547.00)	(41,547.00)	(41,547.00)	(41,547.00)	(41,547.00)	(41,547.00)	(41,547.00)	(41,547.00)	(41,547.00)
AFUDC	2,315,325.39	-	-	-	-	(0.00)	0.00	-	-	(0.00)	0.00	-	-
Less AFUDC on Intern.	(16,299.13)	-	-	-	-	-	-	-	-	-	-	-	-
EOM	713,756,295.98	288,756,894.21	286,542,685.77	284,328,477.33	338,784,157.89	336,569,949.45	334,355,751.91	332,141,554.37	329,927,356.83	327,713,159.29	325,498,961.75	323,284,764.21	608,849,320.94
<u>Return on CWIP 1/</u>													
After Tax Return on Equity		1,256,876.48	1,247,312.21	1,237,747.95	1,350,576.39	1,463,404.83	1,453,840.59	1,444,276.37	1,434,712.15	1,425,147.93	1,415,583.71	1,406,019.49	1,902,831.09
Income Tax Component		506,914.34	503,056.95	499,199.56	544,704.71	590,209.86	586,352.48	582,495.11	578,637.73	574,780.36	570,922.99	567,065.62	767,436.08
Interest Expense Component		<u>501,839.21</u>	<u>498,020.43</u>	<u>494,201.66</u>	<u>539,251.22</u>	<u>584,300.79</u>	<u>580,482.03</u>	<u>576,663.27</u>	<u>572,844.52</u>	<u>569,025.77</u>	<u>565,207.01</u>	<u>561,388.26</u>	<u>759,752.66</u>
Total Return on CWIP		2,265,630.02	2,248,389.59	2,231,149.16	2,434,532.32	2,637,915.48	2,620,675.09	2,603,434.75	2,586,194.40	2,568,954.06	2,551,713.71	2,534,473.37	3,430,019.84

1/ MPUC approved project CON 8/1/2024.

Minnesota Power
Transmission Cost Recovery Rider
Plant Additions, AFUDC and Return on CWIP - HVDC Modernization Project

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	<u>Total</u>	<u>Jan-29</u>	<u>Feb-29</u>	<u>Mar-29</u>	<u>Apr-29</u>	<u>May-29</u>	<u>Jun-29</u>	<u>Jul-29</u>	<u>Aug-29</u>	<u>Sep-29</u>	<u>Oct-29</u>	<u>Nov-29</u>	<u>Dec-29</u>
Total HVDC Upgrade Project													
BOM	-	608,849,320.94	608,849,649.42	608,849,977.90	608,850,306.38	608,850,634.86	608,850,963.34	608,851,303.52	608,851,643.70	608,851,983.88	608,852,324.06	608,852,664.24	608,853,004.42
Capital Expenditures	790,260,595.28	328.48	328.48	328.48	328.48	328.48	340.18	340.18	340.18	340.18	340.18	340.18	55,499,152.29
Grant/CIAC	(75,095,458.00)	-	-	-	-	-	-	-	-	-	-	-	-
Less Internal Costs	(3,707,867.56)	-	-	-	-	-	-	-	-	-	-	-	-
AFUDC	2,315,325.39	-	-	-	-	-	-	-	-	-	-	-	-
Less AFUDC on Intern.	(16,299.13)	-	-	-	-	-	-	-	-	-	-	-	-
EOM	713,756,295.98	608,849,649.42	608,849,977.90	608,850,306.38	608,850,634.86	608,850,963.34	608,851,303.52	608,851,643.70	608,851,983.88	608,852,324.06	608,852,664.24	608,853,004.42	664,352,156.71
<u>Return on CWIP 1/</u>													
After Tax Return on Equity		2,409,038.25	2,409,039.67	2,409,041.09	2,409,042.51	2,409,043.93	2,409,045.37	2,409,046.84	2,409,048.31	2,409,049.78	2,409,051.25	2,409,052.72	2,528,917.66
Income Tax Component		971,595.90	971,596.47	971,597.04	971,597.61	971,598.18	971,598.77	971,599.36	971,599.95	971,600.54	971,601.14	971,601.73	1,019,944.79
Interest Expense Component		961,868.46	961,869.02	961,869.59	961,870.16	961,870.72	961,871.30	961,871.89	961,872.47	961,873.06	961,873.65	961,874.23	1,009,733.30
Total Return on CWIP		4,342,502.60	4,342,505.16	4,342,507.72	4,342,510.28	4,342,512.83	4,342,515.44	4,342,518.08	4,342,520.73	4,342,523.38	4,342,526.03	4,342,528.68	4,558,595.75

1/ MPUC approved project CON 8/1/2024.

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Transmission Cost Recovery Rider
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Exhibit B-4
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	<u>Total</u>	<u>Jan-30</u>	<u>Feb-30</u>	<u>Mar-30</u>	<u>Apr-30</u>	<u>May-30</u>	<u>Jun-30</u>	<u>Jul-30</u>	<u>Aug-30</u>	<u>Sep-30</u>	<u>Oct-30</u>	<u>Nov-30</u>	<u>Dec-30</u>
Total HVDC Upgrade Project													
BOM	-	664,352,156.71	664,352,509.00	664,352,861.29	664,353,213.58	664,353,565.87	664,353,918.16	664,354,282.98	664,354,647.80	664,355,012.62	664,355,377.44	664,355,742.26	664,356,107.08
Capital Expenditures	790,260,595.28	352.29	352.29	352.29	352.29	352.29	364.82	364.82	364.82	364.82	364.82	364.82	49,400,188.90
Grant/CIAC	(75,095,458.00)	-	-	-	-	-	-	-	-	-	-	-	-
Less Internal Costs	(3,707,867.56)	-	-	-	-	-	-	-	-	-	-	-	-
AFUDC	2,315,325.39	-	-	-	-	-	-	-	-	-	-	-	-
Less AFUDC on Intern.	(16,299.13)	-	-	-	-	-	-	-	-	-	-	-	-
EOM	713,756,295.98	664,352,509.00	664,352,861.29	664,353,213.58	664,353,565.87	664,353,918.16	664,354,282.98	664,354,647.80	664,355,012.62	664,355,377.44	664,355,742.26	664,356,107.08	713,756,295.98
<u>Return on CWIP 1/</u>													
After Tax Return on Equity	2,648,782.64	2,648,784.16	2,648,785.68	2,648,787.20	2,648,788.72	2,648,790.27	2,648,791.85	2,648,793.42	2,648,795.00	2,648,796.58	2,648,798.15	2,648,798.15	1,377,745.46
Income Tax Component	1,068,287.87	1,068,288.48	1,068,289.10	1,068,289.71	1,068,290.32	1,068,290.95	1,068,291.58	1,068,292.22	1,068,292.86	1,068,293.49	1,068,294.13	1,068,294.13	555,662.34
Interest Expense Component	<u>1,057,592.37</u>	<u>1,057,592.98</u>	<u>1,057,593.58</u>	<u>1,057,594.19</u>	<u>1,057,594.80</u>	<u>1,057,595.42</u>	<u>1,057,596.05</u>	<u>1,057,596.68</u>	<u>1,057,597.30</u>	<u>1,057,597.93</u>	<u>1,057,598.56</u>	<u>1,057,598.56</u>	<u>550,099.15</u>
Total Return on CWIP	4,774,662.87	4,774,665.62	4,774,668.36	4,774,671.10	4,774,673.85	4,774,676.64	4,774,679.48	4,774,682.32	4,774,685.16	4,774,688.00	4,774,690.84	4,774,690.84	2,483,506.96

1/ MPUC approved project CON 8/1/2024.

Minnesota Power
Projected 2025 Pro Rata ADIT
Year Ended December 31, 2025

Rate Year = 2025

1	Days in Period					Averaging with Proration - Projected		
2	A	B	C	D	E	F	G	H
	Month	Days in the Month	Number of Days Prorated	Total Days in Future Portion of Test Period	Proration Amount (C / D)	Projected Monthly Activity /2	Prorated Projected Monthly Activity (E x F)	Prorated Projected Balance (Cumulative Sum of G)
3								
4								
5	December 31st balance Prorated Items							5,323,215 1/
6	January	31	336	366	91.80%	96,141	88,260	5,411,475
7	February	29	307	366	83.88%	96,141	80,643	5,492,118
8	March	31	276	366	75.41%	96,141	72,500	5,564,617
9	April	30	246	366	67.21%	96,141	64,619	5,629,236
10	May	31	215	366	58.74%	96,141	56,476	5,685,712
11	June	30	185	366	50.55%	96,141	48,596	5,734,308
12	July	31	154	366	42.08%	96,141	40,453	5,774,761
13	August	31	123	366	33.61%	96,141	32,310	5,807,070
14	September	30	93	366	25.41%	96,141	24,429	5,831,499
15	October	31	62	366	16.94%	96,141	16,286	5,847,786
16	November	30	32	366	8.74%	96,141	8,406	5,856,191
17	December	31	1	366	0.27%	96,141	263	5,856,454
18	Total					1,153,688	533,239	
19	Beginning Balance							5,323,215
20	Less Non Prorated Items					(Line 19 less line 21)		-
21	Beginning Balance of Prorated items					(Line 5, Col H)		5,323,215
22	Ending Balance							5,856,454
23	Less Non Prorated Items					(Line 22 less line 24)		-
24	Ending Balance of Prorated items					(Line 17, Col H)		5,856,454
25	Average Balance					Line 24 + (Lines 20 +23)/2		5,856,454
26	Less FASB 106 and 109 Items							-
27	Less Other Adjustments:							-
28	Total Adjustments							-
29	Ending Prorated Average ADIT (Line 25 less line 28)							5,856,454
30	Ending Average ADIT BEFORE Prorata Adjustment							5,900,059 3/
31	Impact of Prorata Adjustment on ADIT Balance (Line 29 less Line 30)							(43,605)
32	Rate of Return							7.2530% 4/
33	Return on Rate Base					(Line 31 x Line 32)		(3,163)
34	Gross-Up							1.4033 4/
35	Annual Prorata ADIT Revenue Requirement					(Line 33 x Line 34)		(4,438)
36	MN Jurisdictional allocator							0.82593 5/
37	Prorata ADIT Revenue Requirements in Projected Rates					(Line 35 x Line 36)		(3,666)

Notes:

- 1/ Refer to Exhibit B-4, page 1, line B-10, December 2024.
- 2/ Refer to Exhibit B-4, pages 1 & 2, line B-10, (December 2024 + December 2025)/12.
- 3/ Refer to Exhibit B-4, pages 1 & 2, line B-10, (December 2024 + December 2025)/2.
- 4/ Refer to Exhibit B-3, page 31.
- 5/ Refer to Exhibit B-3, page 32.

Minnesota Power
Transmission Cost Recovery Rider
RECB Confirmation Information

Exhibit C-1
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MISO REVENUE CONFIRMATION					Sch 37					Sch 38				
MISO Month	Confirm	GL Period	GL Amount	Variance	MISO Month	Confirm	GL Period	GL Amount	Variance	MISO Month	Confirm	GL Period	GL Amount	Variance
May-23	1,835,563.70	Jun-23	1,835,563.70	-	May-23	17,166.26	Jun-23	17,166.26	-	May-23	20,584.73	Jun-23	20,584.73	-
Jun-23	1,950,152.05	Jul-23	1,950,152.05	-	Jun-23	17,191.29	Jul-23	17,191.29	-	Jun-23	20,600.84	Jul-23	20,600.84	-
Jul-23	2,170,012.27	Aug-23	2,170,012.27	-	Jul-23	17,191.29	Aug-23	17,191.29	-	Jul-23	20,600.84	Aug-23	20,600.84	-
Aug-23	2,214,460.34	Sep-23	2,214,460.34	-	Aug-23	17,191.29	Sep-23	17,191.29	-	Aug-23	20,600.84	Sep-23	20,600.84	-
Sep-23	2,046,525.23	Oct-23	2,046,525.23	-	Sep-23	17,191.29	Oct-23	17,191.29	-	Sep-23	20,600.84	Oct-23	20,600.84	-
Oct-23	1,765,391.57	Nov-23	1,765,391.57	-	Oct-23	17,191.29	Nov-23	17,191.29	-	Oct-23	20,600.84	Nov-23	20,600.84	-
Nov-23	1,540,428.93	Dec-23	1,540,428.93	-	Nov-23	17,191.29	Dec-23	17,191.29	-	Nov-23	20,600.84	Dec-23	20,600.84	-
Dec-23	1,583,431.34	Jan-24	1,583,431.34	-	Dec-23	17,191.29	Jan-24	17,191.29	-	Dec-23	20,600.84	Jan-24	20,600.84	-
Jan-24	1,606,465.93	Feb-24	1,606,465.93	-	Jan-24	15,919.54	Feb-24	15,919.54	-	Jan-24	18,643.82	Feb-24	18,643.82	-
Feb-24	1,337,048.34	Mar-24	1,337,048.34	-	Feb-24	15,919.54	Mar-24	15,919.54	-	Feb-24	18,643.82	Mar-24	18,643.82	-
Mar-24	1,386,924.90	Apr-24	1,386,924.90	-	Mar-24	15,919.54	Apr-24	15,919.54	-	Mar-24	18,643.82	Apr-24	18,643.82	-
Apr-24	1,290,573.67	May-24	1,290,573.67	-	Apr-24	15,919.54	May-24	15,919.54	-	Apr-24	18,643.82	May-24	18,643.82	-
May-24	1,494,315.95	Jun-24	1,494,315.95	-	May-24	15,919.54	Jun-24	15,919.54	-	May-24	18,643.82	Jun-24	18,643.82	-
Jun-24	1,827,761.16	Jul-24	1,827,761.16	-	Jun-24	15,857.59	Jul-24	15,857.59	-	Jun-24	18,937.45	Jul-24	18,937.45	-
Jul-24	1,943,323.37	Aug-24	1,943,323.37	-	Jul-24	15,857.59	Aug-24	15,857.59	-	Jul-24	18,937.45	Aug-24	18,937.45	-
Aug-24	2,027,505.68	Sep-24	2,027,505.68	-	Aug-24	15,857.59	Sep-24	15,857.59	-	Aug-24	18,937.45	Sep-24	18,937.45	-
28,019,884.43		28,019,884.43		-	264,675.76		264,675.76		-	314,822.06		314,822.06		-
Total Change Required to tie to Confirms				-	Total Change Required to tie to Confirms				-	Total Change Required to tie to Confirms				-

True up Entry needed

Sch 26	100.0000.45620.3200.0000	-
Sch 37	100.0000.45620.3201.0000	-
Sch 38	100.0000.45620.3202.0000	-
PLUG	100.0000.45620.3100.0000	-

MISO EXPENSE CONFIRMATION

Sch 26 & MC File Passthru Adjustments (excludes Oconto)					MR File Passthru				
MISO Month	Confirm	GL Month	GL Amount	Variation	MISO Month	Confirm	GL Month	GL Amount	Variation
5/1/2023	1,743,194.87	6/1/2023	1,743,194.87	-	5/1/2023	-	6/1/2023		-
6/1/2023	1,729,830.67	7/1/2023	1,729,830.67	-	6/1/2023	-	7/1/2023		-
7/1/2023	1,817,541.71	8/1/2023	1,817,541.71	-	7/1/2023	10,318.95	8/1/2023		10,318.95
8/1/2023	1,856,315.94	9/1/2023	1,856,315.94	-	8/1/2023	(7,754.84)	9/1/2023	(7,754.84)	-
9/1/2023	1,732,644.93	10/1/2023	1,732,644.93	-	9/1/2023	-	10/1/2023		-
10/1/2023	1,785,552.98	11/1/2023	1,785,552.98	-	10/1/2023	(938.08)	11/1/2023	(938.08)	-
11/1/2023	1,795,496.70	12/1/2023	1,795,496.70	-	11/1/2023	(2,908.06)	12/1/2023	(2,908.06)	-
12/1/2023	1,839,836.89	1/1/2024	1,839,836.89	-	12/1/2023	-	1/1/2024		-
1/1/2024	1,842,241.34	2/1/2024	1,842,241.34	-	1/1/2024	-	2/1/2024		-
2/1/2024	1,629,252.46	3/1/2024	1,629,252.46	-	2/1/2024	(2,902.70)	3/1/2024	(2,902.70)	-
3/1/2024	1,772,576.75	4/1/2024	1,772,576.75	-	3/1/2024	-	4/1/2024	-	-
4/1/2024	1,472,881.69	5/1/2024	1,472,881.69	-	4/1/2024	(967.57)	5/1/2024	(967.57)	-
5/1/2024	1,534,556.07	6/1/2024	1,534,556.07	-	5/1/2024	-	6/1/2024		-
6/1/2024	1,489,721.40	7/1/2024	1,489,721.40	-	6/1/2024	(967.57)	7/1/2024	(967.57)	-
7/1/2024	1,664,193.27	8/1/2024	1,664,193.27	-	7/1/2024	(1,005,119.94)	8/1/2024	(1,005,119.94)	-
8/1/2024	1,653,550.17	9/1/2024	1,653,550.17	-	8/1/2024	(1,144,855.99)	9/1/2024	(1,144,855.99)	-
				-					-
	27,359,387.84		27,359,387.84	-		(2,156,095.80)		(2,166,414.75)	10,318.95
off by MC File Passthrough adjustments									
TOTAL CHANGE REQUIRED				-	TOTAL CHANGE REQUIRED				10,318.95

Total Change Required to tie to Confirms 10,318.95

Transmission Cost Recovery Rider
RECB Confirmation Information

Exhibit C-1
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Sch 26A & Passthru Adjustments					MC File Charge and File Credit Adjustments				
MISO Month	Confirm	GL Month	GL Amount	Variation	MISO Month	Confirm	GL Month	GL Amount	Variation
5/1/2023	1,483,864.52	6/1/2023	1,483,864.52	-	5/1/2023	28,618.70	6/1/2023	(2,063.93)	30,682.63
6/1/2023	1,486,222.23	7/1/2023	1,486,222.23	-	6/1/2023	14,489.61	7/1/2023	-	14,489.61
7/1/2023	1,517,872.62	8/1/2023	1,517,872.62	-	7/1/2023	5,402.34	8/1/2023	-	5,402.34
8/1/2023	1,433,845.33	9/1/2023	1,433,845.33	-	8/1/2023	(3,280.54)	9/1/2023	(6,582.78)	3,302.24
9/1/2023	1,373,363.55	10/1/2023	1,373,363.55	-	9/1/2023	12,814.53	10/1/2023	(157.78)	12,972.31
10/1/2023	1,442,095.51	11/1/2023	1,442,095.51	-	10/1/2023	8,844.50	11/1/2023	(1,108.21)	9,952.71
11/1/2023	1,508,654.19	12/1/2023	1,508,654.19	-	11/1/2023	2,530.51	12/1/2023	(695.55)	3,226.06
12/1/2023	1,678,965.52	1/1/2024	1,678,965.52	-	12/1/2023	14,783.97	1/1/2024	-	14,783.97
1/1/2024	1,600,840.24	2/1/2024	1,600,840.24	-	1/1/2024	21,458.14	2/1/2024	-	21,458.14
2/1/2024	1,545,050.41	3/1/2024	1,545,050.41	-	2/1/2024	7,987.25	3/1/2024	-	7,987.25
3/1/2024	1,711,954.55	4/1/2024	1,711,954.55	-	3/1/2024	24,448.37	4/1/2024	-	24,448.37
4/1/2024	1,492,207.71	5/1/2024	1,492,207.71	-	4/1/2024	32,444.30	5/1/2024	-	32,444.30
5/1/2024	1,525,977.02	6/1/2024	1,525,977.02	-	5/1/2024	31,842.32	6/1/2024	-	31,842.32
6/1/2024	1,454,300.95	7/1/2024	1,454,300.95	-	6/1/2024	26,042.41	7/1/2024	-	26,042.41
7/1/2024	1,613,671.05	8/1/2024	1,613,671.05	-	7/1/2024	34,481.92	8/1/2024	-	34,481.92
8/1/2024	1,511,424.04	9/1/2024	1,511,424.04	-	8/1/2024	911.88	9/1/2024	3,760.68	(2,848.80)
				-					-
	24,380,309.44		24,380,309.44	-		263,820.21		(6,847.57)	270,667.78
off by Passthrough adjustments					off by MISO MPM Transfer entry				
TOTAL CHANGE REQUIRED				-	TOTAL CHANGE REQUIRED				270,667.78

Total Change Required to tie to Confirms 270,667.78

No True up Entry needed, since all GL strings are the same. Will make the adjustment between these three in October 2024 on Trans Expense Page.

Sch 26	100.0549.56500.41000.0360	10,318.95
Sch 26A	100.0549.56500.41000.0360	270,667.78
Sch 7 (PLUG)	100.0549.56500.41000.0360	(280,986.73)

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

AFFIDAVIT OF SERVICE VIA
ELECTRONIC FILING

I, Amy M. Honkala of the City of Duluth, County of St. Louis, State of Minnesota, hereby certify that on the 19th day of August, 2025, I electronically filed a true and correct copy of Minnesota Power's **Petition for Approval in Docket No. E015/M-24-382** on the Minnesota Public Utilities Commission and the Energy Resources Division of the Minnesota Department of Commerce via electronic filing. The persons on eDocket's Official Service List for this Docket were served as requested.



Amy M. Honkala

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

In the Matter of Minnesota Power's Petition for the
2025 Approval of a Transmission Cost Recovery
Rider under Minn. Stat. 216B.16, subd. 7b

Docket No. E015/M-24-382
PETITION FOR APPROVAL
(2025 TRANSMISSION FACTOR)
REFILING OF PETITION

SUMMARY

Pursuant to Minn. Stat. § 216B.16, subd. 7b, Minnesota Power (or the "Company") resubmits its petition to the Minnesota Public Utilities Commission ("Commission") seeking approval of Minnesota Power's 2025 rate adjustment mechanism under its Rider for Transmission Cost Recovery ("2025 TCR Petition").

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Exhibits

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Exhibit B-1 - Revenue Requirements, Cost Allocation, and Rate Design v2
Exhibit B-2 - 2023 – 2025 Trackers and RECB Revenue & Expenses v2
Exhibit B-3 - Duluth Loop
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Exhibit C-1 - RECB Confirmation Information

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

In the Matter of Minnesota Power's Petition for the
2025 Approval of a Transmission Cost Recovery
Rider under Minn. Stat. 216B.16, subd. 7b

Docket No. E015/M-24-382
**PETITION FOR APPROVAL
(2025 TRANSMISSION FACTOR)**

I. INTRODUCTION

Minnesota Power (or the "Company") resubmits its petition ("August Petition") to the Minnesota Public Utilities Commission ("Commission") pursuant to Minn. Stat. § 216B.16, subd. 7b seeking approval of the Company's 2025 rate adjustment mechanism ("2025 Transmission Factor") under its Rider for Transmission Cost Recovery ("TCR" or "Rider"). On November 13, 2024, Minnesota Power petitioned the Commission seeking approval of its 2025 Transmission Factor under its TCR ("November Petition"). On April 8, 2025, Minnesota Power submitted its request to the Commission seeking approval to withdraw its November Petition due to the Company determining there may be an error in the alignment between costs and revenues associated with Multi-Value Projects ("MVP") in the proposed updates to the Rider for Transmission Cost Recovery. On April 23, 2025, the Commission issued an Order approving withdrawal of Minnesota Power's 2025 TCR Petition.

For Minnesota Power's 2025 Transmission Factor the Company is specifically seeking approval to:

- Recover costs related to its High Voltage Direct Current ("HVDC") Modernization Project ("HVDC Modernization Project" or "HVDC Project")¹ for which the Commission issued a Certificate of Need ("CoN") and a route permit on October 25, 2024.
- Recover costs net of revenues of transmission facilities that the Commission has approved under section 216B.243 or has certified or deemed to be certified under section 216B.2425; and

¹ Docket Nos. E015/CN-22-607 and E015/TL-22-611.

- Recover charges incurred under a federally approved Midcontinent Independent System Operator (“MISO”) tariff for other transmission owners’ regionally planned transmission facilities to be constructed that have been determined to benefit Minnesota Power and the integrated transmission system; and new transmission facilities approved by the regulatory commission of the state in which the facilities are being constructed that MISO has determined to benefit Minnesota Power or the integrated transmission system.

Additionally, this Petition serves as the Company’s annual filing per Order Point 7 of the Commission’s December 3, 2020 Order (“December 3, 2020 Order”) in Minnesota Power’s 2019 Transmission Rider Docket (Docket No. E015/M-19-440).

Included in Minnesota Power’s 2025 Transmission Factor are costs associated with the HVDC Modernization Project and Duluth Loop Reliability Project² described in detail on pages 14 and 18, respectively. Consistent with the 2008 legislative amendments to Minn. Stat. § 216B.16, subd 7b, and as approved in Minnesota Power’s 2010 Transmission Factor, MISO new transmission facility net revenues or expenses that stem from the MISO Transmission Expansion Plan (“MTEP”)³ and are derived from MISO’s Regional Expansion and Cost Benefit (“RECB”) allocation methodology are also included. Similarly, Minnesota Power included MISO Auction Revenue Rights (“ARR”) revenues⁴ for the MVP that the Company is not an owner of but is allocated a portion of any revenues as a MISO member. The MVP ARR revenues the Company receives are being credited to retail customers in Minnesota Power’s TCR Tracker.

Minnesota Power’s August Petition mirrors the Company’s request for approval in the November Petition with the exception that no revenue or expenses associated with the Northland Reliability Project (“NRP”) and Alexandria – Big Oaks 345 kilovolt (“kV”) Project

² Docket Nos. E015/CN-21-140 and E015/TL-21-141.

³ MTEP is an annual regional expansion plan issued by MISO with three primary objectives: 1) to perform a reliability assessment of the MISO integrated transmission system; 2) to review transmission owning members transmission plans and make sure that appropriate projects are reviewed and recommended to MISO Board of Directors for approval; and 3) to develop transmission upgrades to improve market performance.

⁴ ARR is a Market Participant’s entitlement to a share of revenue generated in annual Financial Transmission Rights (“FTR”) auctions. A Market Participant’s firm historical usage of MISO’s transmission system determines its share and depending upon the FTR auction clearing price of an ARR path, the share could result in revenue or a charge.

("Alexandria-Big Oaks Project") are included. Exclusion of these projects resolves the concerns about alignment between costs and revenues which triggered Minnesota Power's April 8, 2025 request to the Commission for approval to withdraw its November Petition.

Specifically, the Company realized that the November Petition included MISO Schedule 26A revenue associated with NRP, but did not include the project's revenue requirements, which would partially offset this revenue. This misalignment occurred because, at the time of the November filing, the NRP had not yet been approved by the Commission, which is a typical threshold for inclusion in a cost recovery rider. However, the MISO budget for Schedule 26A revenue did include the NRP. Also, as 2025 is the first year Minnesota Power is receiving Schedule 26A revenue for MISO's Tranche 1 Long Range Transmission Planning ("LRTP") projects, the Company spent additional time to reassess the long-term cost recovery options for these significant projects. Ultimately, the Company is excluding NRP and Alexandria-Big Oaks (currently the Company's only LRTP projects) from this request.

Cost Recovery Treatment for NRP and Alexandria-Big Oaks Project

The primary reason for excluding the NRP and Alexandria-Big Oaks Project from Minnesota Power's TCR is that these projects are more appropriately considered Federal Energy Regulatory Commission ("FERC") jurisdictional projects than retail jurisdictional projects. As part of MISO's Tranche 1 LRTP portfolio, these projects have been determined to have both significant costs and system-wide benefits.⁵ Costs associated with these projects are allocated to MISO North members through MISO's Schedule 26A based on each entity's share of energy consumed. Minnesota Power is approximately 2.5 percent of MISO North. Revenues and expenses for LRTP investments are billed and credited to utilities through MISO Schedule 26A. Beginning in 2025, Minnesota Power began receiving revenue from its investments in the NRP and Alexandria-Big Oaks, with the Company's ownership share at approximately 50 percent and 16.5 percent, respectively. Given the substantial gap between the relatively small amount of allocated costs and the much larger investment share of Minnesota Power ownership, these projects are of a different nature than the transmission

⁵ On July 25, 2022, the MISO Board of Directors unanimously approved the Tranche 1 Long Range Transmission Planning ("LRTP") portfolio of new transmission projects. The \$10.3 billion investment includes 18 transmission projects in MISO's Midwest Sub-region that will result in more than 2,000 miles of additional transmission lines being built.

projects previously included in the TCR, which were more closely aligned with direct customer benefits.

As MISO's LRTP projects are intended to provide system-wide benefits, it is important to align any federal incentives administered through FERC with those bearing the risk associated with building the LRTP projects. Currently the FERC allows a higher return on equity ("ROE") than the ROE approved by the Commission. The Minnesota Supreme Court has determined that it is solely in the utility's discretion as to which projects are included in its TCR, and it stands to reason that investors in these types of projects are entitled to the FERC-allowed ROE. By removing the projects from the TCR, Minnesota Power's shareholders will retain the FERC-allowed ROE, which is a component of Schedule 26A Revenue. With this change, Minnesota Power's retail customers will not pay for these projects, as all cost recovery will be collected at the FERC-jurisdiction through MISO, but customers will still receive the system reliability, expanded capacity, and reduced congestion benefits associated with these projects.

Table 1 below shows the difference between the revenue requirements included in the August Petition and the November Petition. It is important to note that the difference is more pronounced when looking solely at 2025, since no revenue requirements were included for NRP in the November Petition. Had these costs been included in the November Petition, it would have added about \$2.6 million to revenue requirements (for a total of about \$17.9 million). This means an apples-to-apples comparison of the two filings would show an increase in customer costs of about \$2.4 million, as shown in Table 2.

Table 1 – Estimate without NRP

Estimated 2025 MN Jurisdictional Revenue Requirements			
	November	August	
(\$000)	Petition	Petition	Difference
Alexandria - Big Oaks	650	-	(650)
Northland Reliability Project (NRP)*	-	-	-
Schedule 26A Revenue (RECB)*	(5,749)	-	5,749
Schedule 26A Expenses (RECB)	14,676	14,549	(126)
Other (including Tracker Balance)	5,722	5,711	(10)
	\$ 15,298	\$ 20,261	\$ 4,963
* The November Petition included Schedule 26A revenues related to NRP, but no revenue requirements, due to timing of Commission approval. Estimated 2025 value is \$2.6M.			

Table 2 - Estimate Including NRP

Estimated 2025 MN Jurisdictional Revenue Requirements			
<i>Including estimate of NRP *</i>			
(\$000)	November Petition	August Petition	Difference
Alexandria - Big Oaks	650	-	(650)
Northland Reliability Project (NRP)*	2,600	-	(2,600)
Schedule 26A Revenue (RECB)	(5,749)	-	5,749
Schedule 26A Expenses (RECB)	14,676	14,549	(126)
Other (including Tracker Balance)	5,722	5,711	(10)
	\$ 17,898	\$ 20,261	\$ 2,363
* The November Petition included Schedule 26A revenues related to NRP, but no revenue requirements. This table shows a comparison if the \$2.6M NRP estimate had been added to the November Petition.			

TCR Factors

As shown in Exhibit B-1, the proposed 2025 TCR factors will increase an average of about 93 percent; or about 137 percent for the Large Power customers and about 58 percent for All Other customers. This differential increase reflects the negative 2023 projected tracker balance for the Large Power class included in the previous factors. Also, the previous 2024 factors represented a significant decline of about 75 percent over the 2023 factors because of moving the Great Northern Transmission Line (“GNTL”) project out of the TCR and into the Company’s last rate case. As shown below in Table 8, the overall rate impact for Residential customers will be about 0.74 percent or about \$0.76 per month and about a 1.53 percent increase for the Large Power customers.

A. Background of the TCR Rider

In 2005, the Minnesota Legislature enacted Minn. Stat. § 216B.16, subd. 7b, allowing the Commission to approve a tariff mechanism for the timely recovery through automatic annual adjustments of cost associated with new transmission facilities that have been approved by the Commission under Minn. Stat. §§ 216B.243 or 216B.2425. In addition, Minn. Stat. § 216B.16, subd. 7b(d) specifically provides for the Commission to approve the annual rate adjustments upon receipt of a filing for a rate adjustment pursuant to the tariff established in Minn. Stat. § 216B.16, subd. 7b(b), and thorough review of the associated costs and achieved transmission system improvements. Minn. Stat. § 216B.16, subd. 7b was amended in 2008 to also allow utilities timely recovery of charges for new transmission

facilities from other utilities through MISO and for new transmission facilities that are exempt from the requirements of Minn. Stat. § 216B.243. 2008 Minn. Laws. Ch. 296, Art. 1, § 5.

On December 7, 2007, the Commission issued an Order⁶ concurrently approving Minnesota Power's Transmission Rider effective January 1, 2008, and Minnesota Power's 2008 Transmission Factor. Table 3 provides a list of the TCR-related dockets to-date.

Table 3- List of Transmission Cost Recovery Dockets To-date

Title	Docket	Date Filed	Order Date	Notes:
Initial TCR	Docket No. E015/M-07-965	7/12/07	12/7/07	Established TCR tariff
2008 Factor	Docket No. E015/M-07-965	7/12/07	12/7/07	Badoura & Tower Projects recovery approved
2009 Factor	Docket No. E015/M-08-1176	9/30/08	6/23/09	MISO charges first included
2010 Factor	Docket No. E015/M-10-799	7/15/10	5/11/11	CAPX2020 Projects recovery approved; internal capitalized costs removed; 2009 Factor kept in place until 2011 Factor approved due to minimal difference to 2010 Factor
2011 Factor	Docket No. E015/M-11-695	6/29/11	11/12/13	2009 Factor remained in place at Company's request
2014 Factor	Docket No. E015/M-14-337	4/24/14	2/23/15	Savanna Project & MVP ARR recovery approved; NERC Alert Projects recovery denied
2015 Factor	Docket No. E015/M-15-472	5/22/15	2/3/16	Deer River & 39 Line Projects recovery denied *
2019 Factor	Docket No. E015/M-19-440	7/9/19	12/3/20	GNTL & Dog Lake Projects recovery approved; FERC audit & future TCR eligible projects reporting requirements
2021 Factor	Docket No. E015/M-20-900	12/28/20	3/24/22	GNTL & Dog Lake project costs; authorized MISO-related costs
2022 Factor	Docket No. E015/M-21-857	12/28/21	N/A	11/1/22 Withdrawal request by MP approved by MPUC on 11/16/22**
2023 Factor	Docket No. E015/M-22-573	10/31/22	5/2/23	GNTL project costs; authorized MISO-related costs
2024 Factor	Docket No. E015/M-23-460	10/24/23	3/5/24	Duluth Loop Project Added

* On November 29, 2018, Minnesota Power submitted a letter into Docket Nos. E015/GR-16-664 and E015/M-15-472 informing the Commission that coincident with implementation of final rates in the 2016 general rate case, the Company intends to zero out the TCR base rate sub-factors and continue the sub-factor rates as the new bill factors.

⁶ Docket No. E-015/M-07-965.

** On November 16, 2022, Minnesota Power received Commission approval to immediately withdraw its 2022 TCR Petition due to the proposed 2022 TCR Factor being higher than the recently submitted proposed 2023 TCR Factor.

B. Updates to the TCR Tracker

The 2025 TCR revenue requirements include updates to the final actual 2023 tracker, updates to the projected 2024 tracker balance, and the 2025 projected revenue requirements. The 2024 and 2025 revenue requirements include recovery of cost for investments and expenditures incurred related to the Duluth Loop Project, and the HVDC Modernization Project for which the Commission approved a CoN and route permit on October 25, 2024.

C. Future Potentially Eligible TCR Projects

Order Point 7 of the December 3, 2020 Order also requires Minnesota Power to include in its TCR factor filing descriptions of all potentially eligible projects that the Company will seek recovery for in the future, and the impact those projects will have on the TCR factor. There are currently no potentially eligible projects to include.

On July 25, 2022, the MISO Board of Directors unanimously approved the Tranche 1 LRTP portfolio of new transmission projects. The \$10.3 billion investment includes 18 transmission projects in MISO's Midwest Sub-region that will result in more than 2,000 miles of additional transmission lines being built. Costs for these MVPs will be allocated across Northern MISO of which Minnesota Power is approximately 2.5 percent of MISO North. The Company is investing in the NRP and Alexandria – Big Stone Project based on existing ownership and Minnesota's Right of First Refusal statute. Minnesota Power is assigning these projects to the FERC jurisdiction and will not be seeking recovery of these costs through its TCR.

II. PROCEDURAL MATTERS

Pursuant to Minn. Stat. § 216B.16, subds. 1 and 7b and Minn. Rule 7829.1300, Minnesota Power provides the following required general filing information.

A. Summary of Filing (Minn. Rule 7829.1300, subp. 1)

A one-paragraph summary accompanies this Petition.

B. Service on Other Parties (Minn. Rule 7829.1300, subp. 2)

Pursuant to Minn. Stat. § 216.17, subd. 3 and Minn. Rules 7829.1300, subp. 2, Minnesota Power eFiles the Petition on the Department and the Office of Attorney General Antitrust and Utilities Division. A summary of the filing prepared in accordance with Minn. Rules 7829.1300, subp. 1 is being served on Minnesota Power's general service list.

C. Name, Address and Telephone Number of Utility (Minn. Rule 7829.1300, subp. 3(A))

Minnesota Power
30 West Superior Street
Duluth, MN 55802
(218) 722-2641

D. Name, Address and Telephone Number of Utility Attorney (Minn. Rule 7829.1300, subp. 3(B))

Matt Brodin
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(218) 355-3152
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E. Date of Filing and Date Proposed Rate Takes Effect (Minn. Rule 7829.1300, subp. 3(C))

This Petition is being filed on August 19, 2025. Minnesota Power proposes that the 2025 Transmission Factor take effect August 1, 2025,⁷ or the first of the month following Commission approval and no sooner than 90 days from the Petition filing date.

⁷ This date is the same as the proposed effective date in the November Petition and is necessary to show no other adjustments occurred other than the exclusion of project costs for the NRP and Alex-Big Oaks Project.

F. Statute Controlling Schedule for Processing the Filing (Minn. Rule 7829.1300, subp. 3(D))

This Petition is made pursuant to Minn. Stat. § 216B.16. Minn. Stat. § 216B.16, subd. 1 requires 60 days' notice to the Commission of a proposed rate change, after which time the proposed rate change takes effect unless suspended. Although Minn. Stat. § 216B.16, subd. 7b does not provide an overall timeframe for approval, it does provide direction for processing the annual filing. Specifically, under Minn. Stat. § 216B.16, subd. 7b(b) and (d) respectively, the Commission may act on this Petition and approve Minnesota Power's 2025 Transmission Factor only after notice and comment. Furthermore, Minnesota Power's proposed Transmission Rider falls within the definition of a "Miscellaneous Tariff Filing" under Minn. Rules 7829.0100, subp. 11 and 7829.1400, subp. 1 and 4 permitting comments in response to a miscellaneous filing to be filed within 30 days, and reply comments to be filed no later than 10 days thereafter.

G. Utility Employee Responsible for Filing (Minn. Rule 7829.1300, subp. 3(E))

Lori Hoyum
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H. Impact on Rates and Services (Minn. Rule 7829.1300, subp. 3(F))

The 2025 Transmission Factor will have no effect on Minnesota Power's base rates. The additional information required under Minn. Rule 7829.1300, subp. 3(F) is included throughout this Petition.

I. Service List (Minn. Rule 7829.0700)

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III. TRANSMISSION RIDER AUTHORIZATION

Minn. Stat. § 216B.16, subd. 7b(a) allows the Commission to approve a tariff mechanism for the automatic annual adjustment of charges for the Minnesota jurisdictional costs of new transmission facilities that have been separately filed, reviewed and approved by the Commission under Minn. Stat. §§ 216B.243 or 216B.2425, and for charges incurred by a utility that accrue from other transmission owners' regionally planned transmission projects that have been determined by MISO to benefit the utility, as provided for under a federally approved tariff ("MISO charges"). Minn. Stat. § 216B.16, subd. 7b(b) allows a utility to recover on a timely basis the costs net of revenues of facilities approved under section 216B.243 or certified or deemed to be certified under section 216B.2425 or exempt from the requirements of section 216B.243, or MISO new transmission facility charges. The MISO charges must be reduced or offset by any MISO revenues received by the utility and by amounts the utility charges to other regional transmission owners for the new transmission facilities, to the extent those revenues and charges have not been otherwise offset. Minn. Stat. §216B.16, subd 7b(b)(2).

In this Petition, Minnesota Power provides the information required under Minn. Stat. §216B.16, subd. 7b(b) supporting its request for approval of the 2025 Transmission Factor. A copy of the revised Transmission Rider, with the rates as requested in this Petition, is attached as Exhibit A-1.

IV. 2025 TRANSMISSION FACTOR

Minn. Stat. § 216B.16, subd. 7b(d) specifically provides that upon receiving a filing for a rate adjustment pursuant to the established tariff, the Commission shall approve the annual rate adjustments provided that the costs were or are expected to be prudently incurred and achieve transmission system improvements at the lowest feasible and prudent cost to ratepayers. Minnesota Power provides the description, context, schedule, cost, rate calculation and rate impact information required under Minn. Stat. § 216B.16, subd. 7b(c) regarding Minnesota Power's 2025 Transmission Factor in the following sections.

A. Description and Context for Facilities – Minn. Stat. § 216B.16, subd. 7b(c)(1)

In its Petition for Approval of the 2025 Transmission Factor, Minnesota Power is seeking cost recovery of incurred charges, excluding internal capitalized costs and Allowance for Funds Used During Construction ("AFUDC") on internal capitalized costs, related to on-going transmission projects as identified in this section. Minnesota Power seeks cost recovery for investments and expenditures related to the HVDC Modernization, and Duluth Loop projects. Similarly, the Company is seeking recovery of its previously requested share of allocated cost of MTEP projects as a load serving entity within MISO.

1. HVDC Modernization Project

Minnesota Power is modernizing the converter stations for its 465-mile-HVDC transmission line that connects the plains of North Dakota to Northeastern Minnesota. With a planned completion by 2030, the HVDC modernization project accomplishes much needed updates for the nearly 50-year-old HVDC terminals. In recent years, the Company has experienced HVDC terminal outages due to failures in the control system, power electronics, transformers, and other components. Based on experience with other electric system components, the failure rate is expected to increase, which is of particular concern for the existing HVDC system because of limited parts availability.

The HVDC Modernization Project involves modernizing and upgrading both HVDC terminals for the 465-mile-long HVDC Line and interconnecting the upgraded HVDC terminals to the existing alternating-current transmission system. These HVDC terminals are currently located near the Arrowhead Substation in Hermantown, Minnesota and the Center Substation in Center, North Dakota. In addition to the replacement of the existing HVDC

terminals, the new Voltage Source Converter (“VSC”) HVDC technology implemented for the HVDC Project will be designed to provide voltage regulation, frequency response, blackstart capability, and bidirectional power transfer capability, all of which will enable Minnesota Power to continue providing reliable power within its service territory, position the HVDC transmission line for the future with expandable, modular technology, and establish the transmission corridor as a building block for a resilient grid across the Upper Midwest.

To modernize the terminals of the existing Square Butte HVDC Line and implement the latest VSC HVDC technology, new buildings and electrical infrastructure need to be constructed on a new site near the existing HVDC terminals. In Minnesota, the HVDC Project includes:

- Construction of a new St. Louis County 345 kV/230 kV substation located less than one mile west of the current Arrowhead Substation;
- A new 345 kV Large high voltage transmission line (“LHVTL”) less than one mile in length;
- Two new parallel 230 kV LHVTLs less than one mile in length; and
- Reconfiguring a short portion of the existing ± 250 kV HVDC Line to terminate at the new HVDC terminal.

In North Dakota, the HVDC Project includes:

- Expansion of the separately proposed Nelson Lake 230 kV Substation to add a 345 kV/230 kV transformer and 345 kV line entrance;
- A new HVDC Converter Station;
- A new 345 kV line from the Converter Station to the Nelson Lake Substation; and
- A ± 250 kV HVDC Line Extension from the new Converter Station to tie into the existing ± 250 kV HVDC Line.

Figure 1 shows the HVDC Modernization Project route approved by the Commission in its Order dated October 25, 2024.

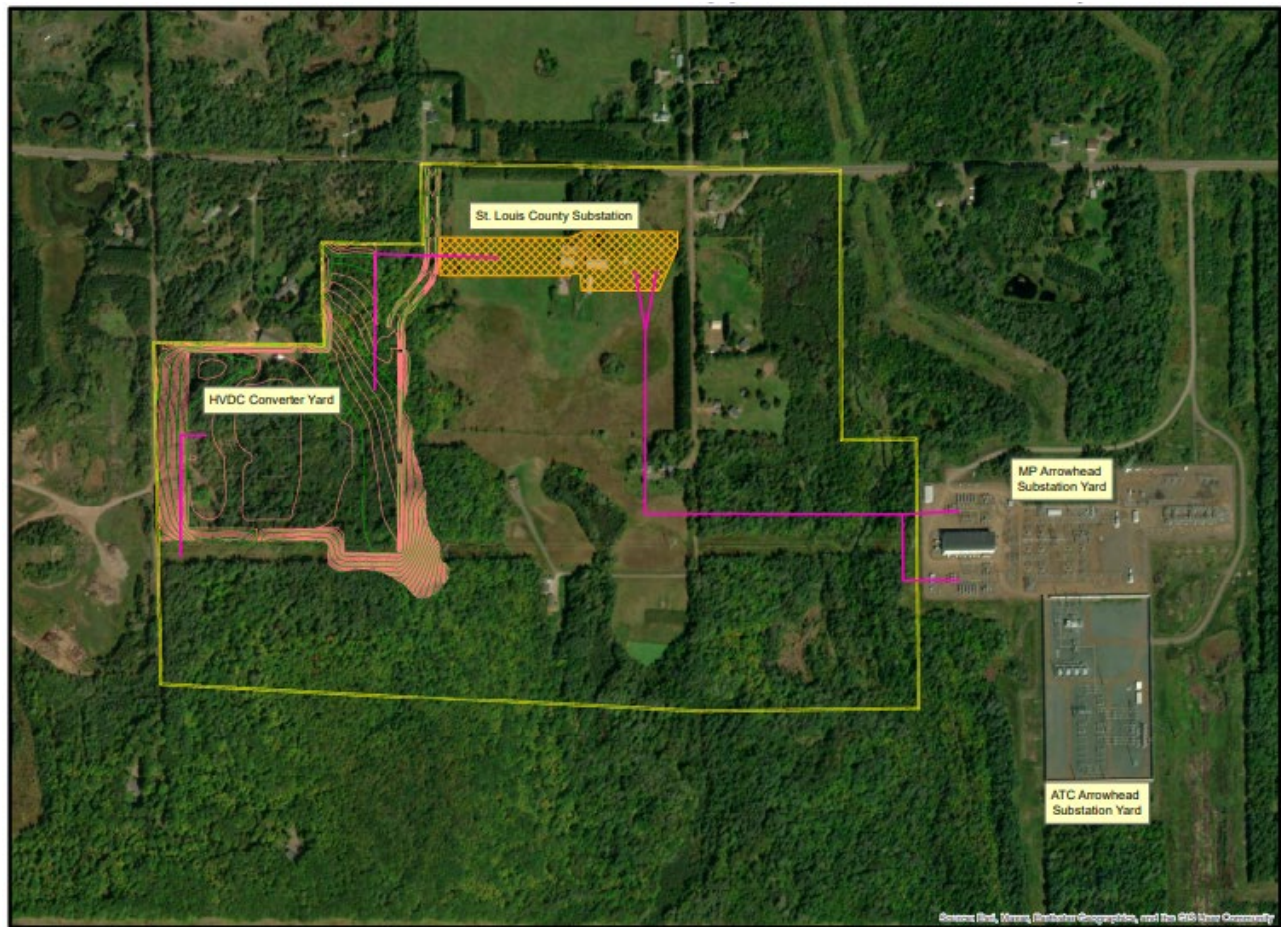


Figure 1 - HVDC Modernization Project Route

a. Substation and Terminal Facilities

The substations and terminals are the primary facilities and the short transmission line segments are ancillary facilities for interconnecting the HVDC terminal with the substation facilities. The Project will require a new HVDC terminal, a new St. Louis County 345 kV/230 kV substation, and upgrades to the existing Arrowhead Substation 230 kV bus. The HVDC terminal will convert the DC electricity into AC and will interconnect to the AC transmission system at 345 kV via a short 345 kV transmission line to the St. Louis County Substation.

b. Transmission Structure and Conductor Design

The transmission structures for the HVDC Project are anticipated to be tubular steel pole structures; however, steel lattice or wood pole structures could be used as necessary. Actual span lengths and structure heights may vary outside typical values as necessary. Tubular steel pole structures are anticipated to be supported on concrete drilled pier foundations;

however, other foundation types including but not limited to helical piles and direct embedment may also be used as appropriate.

The new ± 250 kV HVDC, 230 kV, and 345 kV steel pole structures will be approximately 60 to 180 feet tall with spans of approximately 200 to 1,000 feet. Structures may be configured as double circuit or double circuit-capable as appropriate to facilitate future development consistent with planning efforts at the terminals and substations.

The specific conductors for the 230 kV and 345 kV transmission lines will consist of aluminum conductor steel reinforced (“ACSR”) or possibly aluminum conductor steel supported (“ACSS”) wire and are likely to use bundled configurations (e.g., two subconductors per phase). The conductors are selected according to the near-term and long-term capacity needs of the proposed transmission lines while also considering electrical performance characteristics, such as electric and magnetic fields, audible noise, radio interference, and lifecycle operating and maintenance costs. The conductor for the short segment of new ± 250 kV HVDC line is anticipated to be 2839 ACSR to match the existing HVDC line conductor.

c. Design Options to Accommodate Future Expansion

Given the long-term significance of the HVDC Line for Minnesota Power and the region, design options to accommodate future expansion are a major consideration for the Project. The new VSC HVDC Converter Stations will be designed with a flexible, scalable approach that will enable their future expansion to accommodate bulk regional transfers of renewable energy. Minnesota Power is working with the HVDC supplier to procure the most current capacity and technology for the new VSC Converter Stations, as well as additional expandability features to enable staged development of additional HVDC capacity to meet future regional needs.

The new St Louis County 345 kV/230 kV Substation will be designed with room for several future 345 kV line additions to accommodate regional transmission development in conjunction with increasing capacity and utilization of the HVDC line. The new substation will also include space to accommodate a second 345 kV/230 kV transformer to facilitate expanded delivery of power to the local transmission system in northeastern Minnesota. New 345 kV and 230 kV transmission lines constructed for the Project will be designed with

sufficient capacity to accommodate reasonably foreseeable long-term needs, and Minnesota Power will consider making new transmission structures double-circuit capable where appropriate.

2. Duluth Loop Project

The Duluth Loop Project is needed to (1) resolve severe voltage stability concerns; (2) relieve transmission line overloads; and (3) enhance the reliability of Duluth area transmission sources. The transmission system in the Duluth area has historically been supported by several coal-fired baseload generators located along Minnesota's North Shore. For decades, these local generators have contributed to the reliability of the transmission system by delivering power to the local area and providing system support. As Minnesota Power and its customers have transitioned away from reliance on coal to increasingly lower carbon sources of energy, the idling of the generators on the North Shore has led to an increased reliance on the transmission system to deliver replacement power and system support to the Duluth area and along the North Shore. In order to maintain a continuous supply of safe and reliable electricity while replacing the support once provided by these local coal-fired generators, the Duluth area transmission system must be upgraded. To accomplish this, transmission lines in an area known as the Duluth Loop are being constructed, reconfigured, and improved to enhance system stability and reliability.

The Duluth Loop Project used a multi-stage, interactive routing process to identify route options for the proposed 115 kV line and the 230 kV line. The iterative process is designed to narrow the initial Study Area into Study Corridors, then into Route Alternatives, and finally into a Proposed Route. Throughout this process, Minnesota Power requested feedback from both stakeholders and the public through two public meetings, landowner mailings, stakeholder specific meetings, print and social media engagement and a project website. Taking into account this information, as well as the applicable Minnesota Statutes and Rules, potential state, federal, and local permits or approvals necessary for the Project, and the purpose and need for the Project, Minnesota Power identified the Proposed Route that was approved by the Commission in its Order dated April 3, 2023.

The Duluth Loop Project includes:

- 1) Construction of about 14 miles of new 115 kV transmission line between Minnesota Power's Ridgeview, Haines Road, and Hilltop substations;
- 2) Construction of a new approximate one-mile extension connecting an existing 230 kV transmission line to the Minnesota Power's Arrowhead substation;
- 3) Upgrades to the Ridgeview, Hilltop, and Arrowhead substations; and
- 4) Reconfiguration, rebuild, and upgrades to existing 115 kV and 230 kV transmission lines and communications infrastructure in the Project area.

The Commission-approved Project route shown in Figure 2 is the proposed route by the Company – no alternative routes or segments were required.

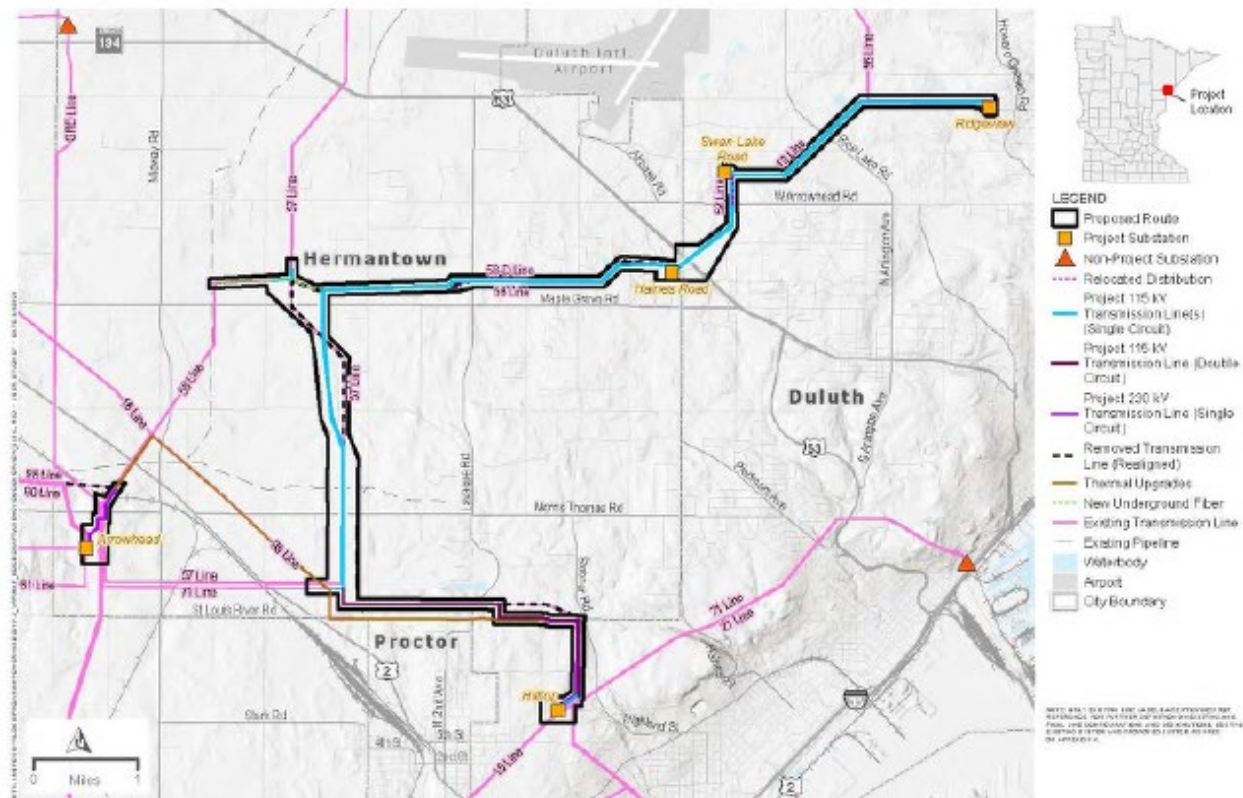


Figure 2 - Final approved route for the Duluth Loop Project

The Duluth Loop Reliability Project is a complex multi-year project involving three substations, several transmission lines, various distribution lines requiring relocation and relay protection upgrades at multiple endpoints within the system. The key elements of this work are described in detail in the following sections.

a. Required Substation Modifications

Arrowhead Substation

A new 230 kV transmission line entrance will be added within the existing Arrowhead Substation located in Hermantown, Minnesota to accommodate the proposed 230kV reconfiguration establishing the Arrowhead to Hilltop 230kV line (108 Line). This new 230kV transmission line entrance will include a substation dead-end structure, circuit breaker, two switches and bus work. The substation site footprint is not expanding. Existing wave traps, switches, instrument transformers, 115kV control house battery and numerous line panels will be replaced as asset renewal as a part of this project.

Hilltop Substation

The existing Hilltop Substation in Duluth, Minnesota will be expanded by approximately 0.06 acres on existing Minnesota Power property to accommodate the construction of a new 115kV transmission line entrance. This new line entrance will include a substation dead-end structure, circuit breaker, two switches and bus work. An existing 230/115kV transformer will be replaced with a higher MVA rated transformer. Existing substation equipment including 115kV circuit breaker, two switches and various substation conductors on the low side of the transformer will be replaced with higher ampacity equipment. A new 230kV circuit breaker will be added, and three existing 115kV transmission line circuit breakers will be replaced as asset renewal components of the Project.

Ridgeview Substation

The existing Ridgeview Substation in Duluth, Minnesota will be expanded by approximately 0.74 acres on existing Minnesota Power property to accommodate a new 115kV transmission line entrance, a future 115kV transmission line entrance, and a future capacitor bank in a ring bus configuration. The existing substation bus will be reconfigured and expanded to a six-position 115kV ring bus with three 115kV transmission line positions, two 115/14kV transformer positions, and a future 115kV transmission line position. An aging 115/14kV transformer will be replaced and relocated to a shared ring bus position with the future capacitor bank.

b. Required Transmission Line Modifications

The following reconfiguration, rebuild, and upgrades are required to existing transmission lines as part of the Duluth Loop Project.

230kV Transmission Line Work

- Existing 230kV Arrowhead – Iron Range Line No. 98/Tap to Hilltop (98 Line Tap) will be upgraded to a higher thermal rating.
- Existing 98 Line Tap will be disconnected from the existing 230kV Arrowhead – Iron Range Line No. 98 and extended into the Arrowhead Substation to become the 230kV Arrowhead – Hilltop Line No. 108 (108 Line).
- New poles for 230kV transmission line construction will primarily be steel monopoles.
- New conductor for 230kV transmission line construction will be 954 ACSR to match existing conductors.

115kV Transmission Line Work

- Reconductor of existing 115kV Haines Road – Swan Lake Road Line No. 52 (52 Line).
- Reconductor of existing 115kV Swan Lake Road – Ridgeview Line No. 19 (19 Line).
- A segment of existing 115kV Arrowhead – 15th Avenue West Line No. 71 (71 Line) will be reconstructed as a double-circuit line with the new 115kV Hilltop – Haines Road Line No. 176 (176 Line).
- Existing 115kV Arrowhead – Haines Road Line No. 58 (58 Line) will be uncrossed from existing 115kV Arrowhead – Colbyville Line No. 57 (57 Line) to become 115kV Arrowhead – Colbyville Line No. 58 (58 Line).
- Existing 115kV Arrowhead – Colbyville Line No. 57 (57 Line) will be uncrossed from existing 115kV Arrowhead – Haines Road Line No. 58 (58 Line) and connected to existing 115V Haines Road – Swan Lake Road Line No. 52 (52 Line) outside of

Haines Road substation to become 115KV Arrowhead – Swan Lake Road Line No. 57 (57 Line).

- New poles for 115kV transmission line work will primarily be wood H-frame structures, but some steel monopoles may be used where conditions favor.
- New conductor for 115kV transmission line construction will primarily be 666 ACSS, though 636 ACSR may be used in some areas to match existing conductor.

Related ancillary work to support the sequencing and phasing of construction includes removing distribution line crossings, relocation of distribution lines to new corridors, installation of alternative fiber communications paths to maintain communication while lines are being constructed, and relay protection panel upgrades at all three substations named above and at multiple remote ends.

3. MISO Transmission Projects

MISO is legally required to plan, develop and ensure construction of improvements to the regional transmission infrastructure. In order to accomplish this, MISO developed MTEP, a stakeholder-driven expansion planning process. Minnesota Power, among other members/participants, participates in this planning process and submits transmission projects which Minnesota Power believes will enhance the network to MISO. MISO conducts studies of all submitted projects, and those they determine enhance reliability or relieve transmission congestion are included in the next annual MTEP. This entire process is governed by Attachment FF of the MISO Open Access Transmission, Energy and Operating Reserve Markets Tariff.⁸

Section III of Attachment FF is MISO's FERC- approved Designation of Cost Responsibility for MTEP Projects which includes a methodology for allocating the cost of MTEP projects to all load-serving entities within the MISO footprint, including Minnesota Power. There are currently three FERC-approved processes, each with separate inclusion criteria and cost allocation methods, which allow MISO to allocate costs:

⁸ MISO OATT Attachment FF (<https://cdn.misoenergy.org/Attachment%20FF240221.pdf>).

1. Process for Baseline Reliability Projects (“BRP”) as well as generator interconnection projects
2. Process for economic projects with regional benefits identified as Market Efficiency Projects (“MEPs”)
3. Process for projects assigned the MVP designation are allocated across the entire MISO footprint based on a megawatt hour charge

Minnesota Power currently is allocated costs by MISO only for BRP that were approved by FERC during the first process.

Included in this Petition for Approval of the 2025 Transmission Factor are net MISO charges Minnesota Power incurs as a result of other transmission owners’ regionally planned transmission projects determined through the MTEP process to benefit Minnesota Power.⁹ In addition, several Minnesota Power projects have been included in various annual MTEPs and thus, beginning in 2010 Minnesota Power began to receive related RECB Schedule 26 revenues from other MISO utilities. Minnesota Power’s net revenues from other utilities as a result of the cost allocation process are included in the transmission rider revenue requirements. Minnesota Power also included MISO ARR revenues for the MVPs that the Company is not an owner of, but is allocated a portion of any revenues as a MISO member.

a. Incentive Rate Treatment

On March 13, 2024, MISO, on behalf of ALLETE, Inc., submitted a request under sections 205 and 219 of the Federal Power Act¹⁰ and section 35.35 of the FERC regulations¹¹ seeking incentive rate treatment for its approximately 16.5 percent investment in the Alexandria – Big Oaks Project and 47.7 percent investment in the Northland Reliability

⁹ Minn. Stat. § 216B.16, subd. 7b(c)(1) does not require utilities to provide a description and context for facilities that result in MISO RECB charges being incurred.

¹⁰ 16 U.S.C. §§ 824d, 824s.

¹¹ 18 C.F.R. § 35.35 (2023).

Project.¹² These projects are among the 18 LRTP Tranche 1 projects approved by the MISO Board of Directors.

FERC Order No. 679 established a policy that allows utilities to include, where appropriate, 100 percent of prudently incurred transmission-related CWIP in rate base. Order No. 679 was passed to advance the goals of section 219 by providing up-front regulatory certainty, rate stability, and improved cash flow, thereby reducing the financial pressure of investing in transmission projects.

On May 10, 2024, FERC issued an Order granting the requested incentives. The Company is assigning these two LRTP Tranche 1 projects to the FERC jurisdiction and are not including them in the August Petition. Therefore, the MISO Schedule 26A revenue for these two projects is excluded from the Net RECB revenue requirements in Exhibit B-2, page 4. The related Schedule 26A expenses MISO allocated to Minnesota Power customers for these two projects are also appropriately excluded as shown in Exhibit B-2, page 4.

b. Other Wholesale Transmission Revenues (Non-RECB)

In addition to the wholesale transmission revenues and expenses through MISO Schedules 26 and 26A for RECB projects, Minnesota Power receives other wholesale transmission revenues from third-party transmission customers who are charged the Company's FERC jurisdictional MISO tariff rate for the use of its non-RECB transmission system. Minnesota regulated electric utilities' transmission assets that are not considered to be RECB projects for MISO purposes are included in the utilities' base rates rather than a transmission rider.

Some costs and revenues from non-RECB transmission projects qualify for rider recovery. In those instances, a net credit is included in the utilities' TCR Rider to account for the amount of revenues it expects to receive from MISO for other utilities' use of the transmission asset. This net credit reflects the difference between what the utility pays MISO for using its own non-RECB transmission asset and what the utility receives from MISO for other utilities' use of the asset.

¹² ALLETE also requested d authorization to recover 100 percent of prudently incurred costs of the Projects that are cancelled or abandoned for reasons beyond ALLETE's control ("Abandoned Plant Incentive"). The Abandoned Plant Incentive as approved by FERC in its May 10, 2024, Order.

Minnesota Power included a net credit in the TCR Tracker up until December 31, 2021, to account for the amount of revenues the Company had and expected to receive from MISO for other utilities' use of its non-RECB transmission assets: the 500 kV GNTL and Dog Lake Project's new 115 kV transmission line. However, the Company filed a rate case in 2021 with a 2022 test year that included MISO revenue based on Attachment O revenue requirements that include both Dog Lake and GNTL. As a result, the credit appropriately ended as of January 1, 2022 (the start of the test year) because MISO revenue generated based on the capital expense for each project was included in the Company's base rates beginning on that date.

B. Project Update & Schedule for Implementation – Minn. Stat. §216B.16, subd. 7b(c)(2)

1. HVDC Modernization Project

The anticipated permitting and construction schedule for the Project is provided in Table 4.

Table 4 - HVDC Modernization Project Schedule

Activity	Timeline
Land Acquisition <i>*Completed</i>	Begins April 2022
Secure Manufacturing Slot Reservation with Preferred Supplier <i>*Completed</i>	January 2023
Kick off technical coordination and engagement with Preferred Supplier <i>*Completed</i>	March 2023
Begin Front End Studies & Engineering Design (FEED) with Preferred Supplier <i>*Completed</i>	January 2024
Certificate of Need and Route Permit Issued <i>*Completed</i>	October 2024
Other Federal, State, and Local Permits Issued July <i>*In Progress</i>	July 2024 – April 2026
Order Long Lead Time Equipment for AC Substations <i>*Completed</i>	November 2024
Clearing Begins <i>*In Progress</i>	January 2025
Construction of AC Interconnection Facilities Begins	May 2026
Receive Firm Proposal for HVDC converters from Preferred Supplier <i>*Completed</i>	January 2025- April 2025
Execute Firm EPC Contract and Give Final Notice to Proceed with HVDC Manufacturing & Delivery <i>*Completed</i>	May 2025
Construction of HVDC Converter Stations Begins	February 2026 – October 2026
Project In-Service	December 2028 – April 2030

2. Duluth Loop

The work of designing and constructing the Duluth Loop Reliability Project will span several years. In the October 21, 2021 CoN, the Company stated that it anticipated that construction of the Project will begin in the fall 2023 and be completed in December 2025. As shown in Table 5, construction commenced as anticipated in September 2023. Based on permitting

requirements, and more detailed engineering and planning, the Project is currently expected to be completed in December 2026. Table 5 presents the projected schedules for the various project components and status to-date.

Table 5 - Duluth Loop Project Schedule

Activity	Timeframe
Certificate of Need and Route Permit Application Filed <i>*Completed</i>	Fall 2021
Certificate of Need and Route Permit Issued <i>*Completed</i>	Spring 2023
Land Acquisition Begins <i>*In progress</i>	Spring 2023
Arrowhead Substation Construction Begins <i>*In progress</i>	September 2023
ACOE Wetland (404) Permit Issued <i>*Completed</i>	December 2024
Hilltop Substation Construction Begins <i>*In progress</i>	Summer 2024
Alternative fiber path for 230kV system constructed <i>*Completed</i>	Summer 2024
Right-of-Way Clearing Begins <i>*Completed</i>	January 2025
Ridgeview Substation Construction Begins <i>*In progress</i>	Spring 2025
230kV Transmission Line Construction Begins <i>*In progress</i>	Spring 2025
115kV Transmission Line Construction Begins (2025 / 2026 construction seasons)	Summer 2025
Project In-Service	December 2026

Federal requirements limit tree clearing in the summer months in areas that can be nesting for the endangered Northern Long-eared Bats. The Project permitting team is working with the relevant authorities with the Minnesota Department of Natural Resources as well as US Fish and Wildlife to identify when clearing can take place and under which provisions. The Company expects to receive the project Wetland Permit (US ACOE 404 Permit) in December 2024, which is during the allowable clearing season. The project cannot begin clearing without the wetland permit and will need to wait until January 2025 to commence clearing. Certain work can be done without clearing including work within substations, communication work within existing cleared easements and distribution crossing relocations also within existing cleared easements.

Certain materials continue to experience long lead-time issues in the post-Covid-19 supply chain environment. In particular, the ACSS conductor to be used for the 115kV transmission line work is estimated to have an 80-week lead time. Conductor for the 230kV transmission line has been proactively ordered. Construction work for the 115kV transmission line construction and reconfiguration will be substantially more segmented. Engineering for this project element is nearly complete, and its conductor has been ordered.

Land and right-of-way acquisition work has been advancing on all phases of the project. Long-lead-time permits (such as railroad crossing licenses) have also been completed where engineered drawings are available.

C. Minnesota Power's Costs - Minn. Stat. § 216B.16, subd. 7b(c)(3) & (4)

Minnesota Power has taken multiple steps to ensure the lowest costs to customers. Minn. Stat. § 216B.16, subd. 7b(c)(4). Minnesota Power utilized its standard purchasing procedures to obtain competitive quotations for major purchases and awarded contracts to the lowest bidder(s) for Minnesota Power managed projects, such as the Duluth Loop Project, unless the Company was able to obtain an overall better value. In some cases, contracts were awarded on a single source basis to qualified contractors based on utilizing existing partnering agreements or based upon original equipment manufacturer considerations.

Minnesota Power is committed to maximizing the benefits of the Infrastructure Investment and Jobs Act ("IIJA") and Inflation Reduction Act ("IRA") for its customers. While there have been fewer energy funding opportunities in the last year, the Company continues to actively monitor funding opportunity announcements and pursue applicable opportunities.

Over the last couple of years, Minnesota Power has applied for several federal funding opportunities, including those related to the HVDC Modernization project, long duration energy storage, EV infrastructure, distribution system modernization, and improvements to the Company's hydroelectric system. Preparing and submitting applications for federal funding demands a significant investment of time and resources and typically has matching fund and other requirements which need to be considered. To date, Minnesota Power has been selected for federal funding awards to support the HVDC Modernization Project and improvements to two hydroelectric facilities. On September 30, 2024, the Company finalized the award agreement with the Department of Energy for a \$50 million grant to support the HVDC Modernization Project and is currently in negotiations with the Department of Energy for \$3.1 million of incentive payments for hydro facility improvements. Additionally, the Minnesota Legislature appropriated \$15 million to support the HVDC Modernization Project of which Minnesota Power received \$14.9 million after the Department of Commerce

retained \$100,000 for administration.¹³ Finally, \$10 million has been reserved from Minnesota's State Competitiveness Fund to support the cost share requirements of the federal HVDC grant and negotiation of that agreement is currently underway. As of July 17, the Company has been reimbursed \$158,323 from DOE and \$37,124 from the Minnesota State Competitiveness Fund.

The Company continues to strategically identify federal funding opportunities to pursue in support of its EnergyForward strategy and keep impacts on rates for customers as affordable as possible during this time of energy transition. Minnesota Power is actively working with the Department of Commerce to align IRA incentives with existing Energy Conservation and Optimization ("ECO") program offerings. The Company will evaluate the opportunities associated with the IRA and IIJA in future filings, including future resource acquisitions, integrated resource plans, integrated distribution plans, and petitions for cost recovery through riders and rate cases. Additionally, the Company is evaluating implications stemming from recent changes in the One Big Beautiful Bill Act and executive order issued July 7, 2025, directing the U.S. Department of Treasury to release further guidance.

Lowering costs for customers through fully maximizing the benefits of funding resources, similar to the efforts made with the IRA and IIJA, is critical during this transformation period as utilities make pivotal decisions and investments to meet Minnesota's 100 percent carbon free energy standard by 2040.

Minnesota Power will provide any additional information deemed necessary, as part of notice and comment, for the Commission to conclude that "the utility's efforts to ensure that costs of the facilities are reasonable and were prudently incurred." Minn. Stat. § 216B.1645, subd. 2a(b)(4).

Overall cost summaries, as provided below, include internal capitalized costs and AFUDC on internal capitalized costs associated with the projects for comparison purposes only. Consistent with prior TCR submissions, internal capital costs and AFUDC on internal capitalized costs have been excluded from the revenue requirement calculation as shown

¹³ The credit to customers is reflected on pages 11-26 of Exhibit B-4.

in Exhibit B-3, pages 19 to 28 for the Duluth Loop Project, B-4, and pages 11 to 26 for the HVDC Modernization Project.

Minnesota Power defines capitalized internal costs to include capitalized labor (installation and engineering labor), associated labor overheads, and administrative and general costs. In order to properly exclude the capitalized internal costs from the revenue requirement calculation, budgeted and actual project costs for capitalized internal labor, overheads, and administrative and general costs are excluded for the purposes of calculating a return on construction work in progress (“CWIP”). Capitalized internal costs are also excluded when the projects are placed in-service and a return on rate base is included in the rider revenue requirement calculation. The same costs are also excluded when determining AFUDC.

Consistent with the treatment agreed to by the Company and the Department in Minnesota Power’s Renewable Resources Rider 2020 Renewable Factor docket,¹⁴ Minnesota Power has updated jurisdictional and class allocation factors and ROR from its 2023 retail rate case¹⁵ starting January 1, 2024 (the effective date of interim rates in that rate case).

In the sections below are cost summaries for the HVDC Modernization, and Duluth Loop projects, and MISO charges. Minn. Stat. § 216B.16, subd. 7b(c)(3).

1. HVDC Modernization Project

The Commission-approved estimated cost range to construct both the Minnesota and North Dakota terminal upgrades for the HVDC Modernization Project is approximately \$660-940 million (2022 \$). The cost estimates are based on preliminary engineering considerations, which includes all HVDC Converter Station costs (including engineering, materials, construction, permitting, and design costs) new transmission line costs (including engineering, materials, associated construction, permitting and design costs), substation construction costs (including engineering, materials, construction, permitting, and design costs), AFUDC, through CoN approval, and land and right-of-way costs. The main components are discussed briefly below.

¹⁴ Docket No. E015/M-19-523, Minnesota Power’s February 14, 2020, Reply Comments, pages 7-8 and footnote 9.

¹⁵ Docket No. E015/GR-23-155.

The cost of HVDC Converter Stations is based on the budgetary estimate provided by the HVDC supplier along with Minnesota Power's estimates for supporting internal and professional services and AFUDC. Due to the specialized nature of the technology, HVDC Converter Stations are typically delivered as turnkey projects by the original equipment manufacturer ("OEM"). Due to the scale and complexity of the Project, there are only two OEMs in the world capable of supplying the HVDC Converter Stations that can meet the size and cybersecurity requirements of the proposed design. Minnesota Power engaged in discussions with both OEMs over the course of approximately 12 months before issuing a competitive request for proposals ("RFP") to obtain a guaranteed manufacturing slot and an exclusivity agreement for further development of the Project. The OEM with the most favorable schedule proposal and lowest budgetary pricing was selected at the beginning of 2023, cementing a guaranteed latest in-service date in April 2030 and stabilizing the budgetary outlook for the Project through collaboration and ongoing engagement with the preferred OEM.

In this case, the OEM's estimate includes all engineering, procurement, construction, and installation for the Converter Stations themselves, up to the point of interconnection with the AC transmission system. Minnesota Power is responsible for bringing the existing HVDC line to the Converter Station and constructing a new 345 kV transmission line from the point of interconnection in the HVDC Converter Station to the new AC substations being constructed for the Project. The costs received from the OEM are budgetary and subject to change based on typical market forces, like inflation and commodities pricing, until such time as Minnesota Power is able to enter into a firm EPC contract with the OEM. Minnesota Power will execute a firm contract now that the Commission has approved the CoN for the Project. The HVDC Converter Station cost also includes Minnesota Power's internal and professional services and AFUDC associated with the HVDC Converter Stations. Internal and professional services include Minnesota Power's engineering, permitting, project management, and other resources contributing to the Project, as well as external consultants supporting system impact and design studies, engineering, permitting and environmental review, legal support, land, and right-of-way. The costs associated with Minnesota Power's HVDC Owner's Engineer, HVDC technical experts who will provide detailed technical review of all HVDC OEM work through project commissioning, are also included. The cost of AFUDC was calculated based on the anticipated cash flow for the Project. Accrual of AFUDC

will cease once the Commission grants a Certificate of Need for the Project, because the Project will then become eligible for current cost recovery under the Transmission Rider. Based on this, AFUDC accrual is assumed to stop by the end of 2024, well in advance of the most significant financial commitments for the Project.

The cost of Minnesota Interconnection Facilities is generally based on the 2022 MISO (“MTEP22”) cost estimating guide. Minnesota Interconnection Facilities include the short extension of the HVDC line to the Converter Station, as well as all 345 kV and 230 kV facilities from the HVDC Converter Station to the Arrowhead Substation. This includes the new St. Louis County 345/230 kV Substation, rebuilding existing 230 kV bus sections at Arrowhead, and constructing new 345 kV and 230 kV lines for the Project. Land acquisition costs in Minnesota for the Project are also included.

The cost of North Dakota Interconnection Facilities is generally based on the MTEP22 cost estimating guide. North Dakota Interconnection Facilities include the two-mile extension of the HVDC line to the new Converter Station, as well as all 345 kV and 230 kV facilities from the HVDC Converter Station to the separately planned Nelson Lake 230 kV Substation. This includes the addition of a 345 kV/230 kV transformer at Nelson Lake Substation, as well as constructing a short new 345 kV line segment from the HVDC Converter Station to Nelson Lake Substation. Land acquisition costs in North Dakota for the Project are also included.

a. Operations & Maintenance

Operations and Maintenance (“O&M”) Costs for the Project consist of three components: the new transmission lines, new AC substations, and new HVDC Converter Stations. Of the three components, the O&M costs for the HVDC Converter Stations are expected to be the most significant.

Once constructed, O&M costs associated with the new transmission lines will be minimal for several years since vegetation maintenance on the route corridor will occur prior to construction. Minnesota Power’s average vegetation management costs for all of its transmission lines (100 kV and above) on its system was approximately \$660 per line mile in 2020. In addition to vegetation management, Minnesota Power also performs other general maintenance on its transmission facilities such as repairing aged or worn equipment or facilities. Minnesota Power’s average maintenance costs, excluding vegetation

management, for its transmission lines (100 kV and above) was approximately \$520 per mile in 2020. The specific O&M costs for an individual transmission line varies based on the location of the line, the number of trees located along the right-of-way, the age and condition of the line, the voltage of the line, and other factors.

Over the life of the AC substation facilities, inspections will be performed regularly to maintain equipment and make necessary repairs. Transformers, circuit breakers, batteries, protective relays and other equipment need to be serviced periodically in accordance with the manufacturer's recommendation. The site itself must also be kept free of vegetation, and drainage maintained. Minnesota Power's substation maintenance costs typically range from \$50k to \$100K, annually.

The HVDC Converter Station is expected to be staffed during normal business hours and will also be supported by dedicated engineering staff to support normal operations. During scheduled outages, additional staff will be needed to support operations. Costs related to O&M will be less during the warranty period (i.e., the first three to five years of operation depending on final EPC contract terms) due to the limited scope of outages and parts will be replaced under warranty. After the warranty period, outages become more time intensive and additional maintenance is needed based on the age of equipment. Regular maintenance, regardless of age, includes periodic inspections (e.g., daily, weekly, monthly), equipment testing, cybersecurity, compliance support, and vegetation management. The annual HVDC O&M costs are anticipated to be between approximately \$4-5 million annually.

The HVDC Converter Station has more heating, ventilation, and air conditioning; programmable; and solid-state equipment than a standard AC substation and an effective O&M program includes inspection and maintenance of not only transformers, circuit breakers, batteries, and protective relays, but also includes converter valves, protection and control systems, valve cooling systems, and building services. Bi-directional capabilities of the HVDC Converter Station are not anticipated to have an appreciable impact on O&M cost, this capability is inherent to all modern HVDC Systems.

b. Efforts to Lessen Rate Impacts

Minnesota Power recognizes the value and importance of ensuring affordable rates for all customer classes while also delivering reliable service and executing state energy policy

goals and mandates. While approval of the HVDC Modernization Project will impact customer rates, the Company has taken steps to prepare to minimize that impact. As detailed in earlier sections of this petition, Minnesota Power has applied for several federal funding opportunities, including those related to the HVDC Modernization project. While approval of the HVDC Modernization Project will impact customer rates, the Company has taken steps to prepare to minimize that impact, as discussed in Section 2.2.5 of the CoN. On October 18, 2023, the U.S. Department of Energy awarded a \$50 million grant to Minnesota Power to modernize its HVDC transmission system so it is ready to expand to meet future energy needs while increasing the reliability and resilience of the regional grid. The Company was selected in a competitive process from among hundreds of applicants nationwide to receive the grant for its HVDC Terminal Expansion Capability Project from the Grid Resilience and Innovation Partnerships Program, part of the federal Bipartisan Infrastructure Law. On September 30, 2024, the Company finalized the award agreement with the Department of Energy for a \$50 million grant to support the HVDC Modernization Project. Additionally, Minnesota Power received a \$15 million appropriation from the Minnesota Legislature to support the HVDC Modernization Project and \$10 million has been reserved from Minnesota's State Competitiveness Fund to support the cost share requirements of the federal HVDC grant.¹⁶

Minnesota Power is committed to maximizing the benefits of the IIJA and IRA for its customers. The Company is actively monitoring funding opportunity announcements tracked and posted by the Minnesota Department of Commerce's Energy Division. The Company also monitors funding opportunity announcements from the Department of Energy's Office of Clean Energy Demonstrations and Grid Deployment Office, Department of Transportation, Environmental Protection Agency, Department of Agriculture as well as other resources which share IRA and IIJA funding opportunities, such as industry trade associations. Further, Minnesota Power is also assessing the Department of Energy's Loan Programs Office financing options.

¹⁶ The credit to customers is reflected on pages 11-26 of Exhibit B-4.

In an effort to provide reliable and increasingly clean electric service at affordable rates for customers Minnesota Power is exploring several options that could reduce the rate impact of the Project for its customers.

- **Earlier in-service date:** Because of the limited number of manufacturers of the type of equipment used in HVDC terminals and highly-constrained global HVDC market conditions, Minnesota Power has already secured a manufacturing slot reservation with a preferred supplier to obtain a guaranteed in-service date for the Project. In the midst of rapidly evolving global HVDC market conditions and supply constraints, this procurement strategy ensures schedule certainty for Minnesota Power's customers while stabilizing the budgetary outlook for the Project. Unfortunately, the earliest in-service date that could be guaranteed by any manufacturer capable of delivering the Project is April 2030. This is roughly three years later than the originally desired in-service date. With several years of delay, it is possible that the HVDC Line may experience an extended outage. Because of this, the Company is working with the supplier to secure an earlier in-service date. Those efforts include regular collaboration, early initiation of design activities, and ongoing discussions to secure an earlier manufacturing slot and in-service date guarantee. It is also possible that other projects with manufacturing reservations in the supplier's queue may experience delays, in which case the supplier may offer Minnesota Power an earlier manufacturing slot. Minnesota Power's early engagement with the supplier is intended to place the Project in a position to take advantage of such an opportunity, should it come to fruition, provided all regulatory approvals are in place.

An earlier in-service date may result in a slightly different capital cost and rate impact, but the overall rate impact customers pay over time will be lower if the in-service date is sooner.

- **MISO recognition of system support in North Dakota that is added with VSC technology:** The VSC technology brings additional benefits to the MISO system that should be recognized as MISO considers long-term reliability needs. Minnesota Power has initiated discussions with MISO regarding potential wholesale Tariff changes to investigate ways to create a method to compensate Minnesota Power for these broader system benefits. The Company is monitoring MISO's efforts to identify

sufficient resource attributes to determine if and/or how VSC HVDC can fit into resource adequacy to provide additional system support and benefits to the broader regional grid.

- **Federal Incentives for Shovel-Ready Project:** Minnesota Power has explored available opportunities for Federal Funding options through the IIJA and IRA as discussed above. Additionally, more Federal Funding Opportunity Announcements are expected over the coming years and Minnesota Power anticipates pursuing them when practical for the Project. If any are identified before the Project is placed in service and construction is completed, Minnesota Power will provide an update to the Commission in this docket as a compliance filing.
- **State funding:** As discussed above, the Company has sought funding from both the states of Minnesota and North Dakota to support the Project and further reduce its rate impact through state matching programs related to IIJA funding as well as state competitive and budgetary processes. Should any of the state funding be awarded before the Project is placed in service and construction is completed, Minnesota Power will provide an update to the Commission in this docket as a compliance filing.
- **Procurement processes:** Minnesota Power uses a competitive bidding process for all capital projects and other purchases over \$50,000, ensuring projects are delivered at the best value for customers. Minnesota Power procurement professionals manually track savings achieved through these competitive bidding processes, and the total cost savings for all projects averages approximately \$14 million per year. These proven procurement processes will be used on this Project to capture savings for customers wherever possible.

2. Duluth Loop

On October 21, 2021, Minnesota Power filed a CoN and Route Permit Application with the Commission for the Duluth Loop Project that received Commission approval in an Order dated April 3, 2023. The estimated cost range to construct the Project remains as presented in the CoN at between \$50 million and \$70 million (2021\$). The Project team estimates that the current level of contingency is sufficient to accommodate material and labor escalation costs expected in the event of up to a full year delay of the in-service date; change orders for items not included in the specifications; and scope items added to the project that were not considered during the initial concept. Minnesota Power's cost estimates shown in Table 6 are based on preliminary engineering considerations of the approved 115 kV Route and the 230 kV Route.¹⁷

¹⁷ See Section 2.2, pg. 2-9, of October 21, 2021 CoN in Docket No. E015/CN-21-140.

Table 6 – Duluth Loop Estimated Project Costs (2021\$)

Project Component	Low End (\$Millions)	High End (\$Millions)
115kV Transmission Lines	\$28.2	\$42.6
230kV Transmission Lines	\$5.5	\$8.3
Ridgeview Substation	\$9.1	\$10.6
Hilltop Substation	\$5.6	\$6.6
Arrowhead Substation	\$1.2	\$1.4
Haines Road Substation	\$0.4	\$0.5
Project Costs Total	\$50.0	\$70.0

Engineering has been completed and construction work awarded for work at the Arrowhead and Hilltop substations. Engineering is nearly complete for work at the Ridgeview substation, 230kV transmission line and 115kV transmission lines. Based on bids received to date and designs completed to date, the project is trending near the high end of the cost range (but still within the range) noted in Table 6.

To ensure the lowest overall cost for the Project, Minnesota Power uses best practices in industry supply chain management. The Company uses its purchasing procedures to obtain competitive bids for as many professional service, material procurement and construction packages as possible. The Company awards contracts to bidders based on the best overall economic value for its customers. Alternatively, where Project conditions allow, Minnesota Power may choose to work with certain Alliance contractors for either professional services or construction services. Alliance contractors have established rates and provide volume discounts or rebates for work across the Minnesota Power system.¹⁸ This method of project delivery is consistent with overall best economic value in terms of faster project completion (both from the removal of a bid phase and from working with staff who are knowledgeable of Minnesota Power design and construction standards), and from reduced mobilization costs. Contractor crews perform multiple subsequent assignments rather than intermittent assignments significantly reducing travel-related costs.

¹⁸ Alliance contractors provided services to other ALLETE, Inc. subsidiaries increasing the potential for a greater volumetric discount to the benefit of customers.

The Company also includes an appropriate contingency amount to cover costs of direct project related items such as bids coming in higher than estimated, change orders for items not included in the specifications, and scope items added to the project that were not considered during the initial concept.

3. MISO Charges and Credits

In the 2023 Transmission Factor and consistent with the 2008 legislative amendments to Minn. Stat. § 216B.16, Subd. 7b, Minnesota Power, a MISO member, is requesting current cost recovery on MISO new transmission facility charges.

a. RECB Charges

As discussed in Section IV.A.3 – Description and Context for Facilities – MISO Transmission Projects, MISO developed a FERC-approved methodology for allocating the cost of MTEP projects to all load-serving entities within the MISO footprint, including Minnesota Power, known as the RECB allocation methodology.¹⁹ Minnesota Power receives a cost allocation for RECB projects that MISO has determined enhance reliability and deliverability and are included in the MTEP. The Commission approved recovery of RECB charges in Minnesota Power's 2010 Transmission Factor in an Order dated May 11, 2011, pursuant to Minn. Stat. § 216B.16, Subd. 7b(b)(2). The Order also requires the Company to provide documentation of actual RECB charges and revenues. Historically Minnesota Power has provided the exchange between the Company and MISO specific to the confirmation by MISO of both revenue and expense. MISO declined to provide this service beginning with Minnesota Power's request for confirmation of revenues and expense for the 2022 TCR Factor Filing. As a result, Minnesota Power now conducts its own verification of actual costs; the Company verified actual costs through May 2023 in alignment with the 2024 budget used for this filing. RECB verification support is provided in Exhibit C-1.

In 2010, Minnesota Power began to receive Schedule 26 revenues as a result of the RECB cost allocation process due to the inclusion of Minnesota Power projects in the MTEP. Any Schedule 26 revenues Minnesota Power receives from other utilities as a result of the RECB

¹⁹ RECB, approved by the FERC in February 2006, applies to reliability projects as well as generator interconnection projects. This regional transmission cost allocation methodology has specific inclusion criteria and cost sharing calculations.

cost allocation process are credited against customer transmission rider revenue requirements. Similarly, the RECB Schedule 26 and 26A expenses cause an increase in customer revenue requirements. In 2025 Minnesota Power began receiving Schedule 26A revenue related to the Company's two MISO LRTP projects. As the Company has not included those projects in the August Petition, the related Schedule 26A revenue is excluded. Similarly, the Company has excluded the Schedule 26A expense allocated to Minnesota Power customers by MISO for the Company's two related LRTP projects. The projected 2025 net RECB revenue requirement of \$12.3 million is shown in detail in Exhibit B-2, page 4.

b. Auction Revenue Rights Revenues

Minnesota Power included ARR revenues for the MVPs that the Company is not an owner of but is allocated a portion of any revenues as a MISO member. The MVP ARR revenues the Company receives are being credited to retail customers in Minnesota Power's TCR Tracker. The Company projects the 2025 Minnesota jurisdictional credit to be approximately \$188,312 (refer to Exhibit B-2, page 3).

c. Other Wholesale Transmission Revenues (Non-RECB)

Per Order Point 3 of the December 3, 2020 Order, the 2021 calculation included revenue Minnesota Power receives from other utilities under MISO Schedule 9 for Dog Lake and GNTL. This was required because at that time, the offsetting MISO revenue was not built into customer base rates. However, the MISO revenue generated based on the capital expense for each project has been included in base rates since January 1, 2022; therefore, the credit appropriately ended as of December 31, 2021.

D. Revenue Requirements

The total recoverable retail revenue requirements proposed to be collected through the Refiled 2025 Transmission Factor for the twelve-month period ending December 31, 2025, are about \$20.3 million. Estimated amounts are shown in Table 7 below and in Exhibits B-1 and B-2. Compared to the November Petition, the August Petition revenue requirements increased \$4.9 million. The projected 2024 ending tracker decreased slightly by the removal of Alexandria – Big Oaks revenue requirements in November and December 2024, and 2025 revenue requirements decreased by \$649,507 by the removal of Alexandria - Big Oaks

revenue requirements. Schedule 26A Revenue was reversed for revenue related to Alexandria Big – Oaks and NRP. Schedule 26A Expenses were reduced by \$126,485 to exclude the Minnesota Power customer cost allocation from MISO related to the Alexandria – Big Oaks and NRP projects.

Table 7 - Estimated 2025 MN Jurisdictional Revenue Requirements

	Original	Refiled	Change
Projected Tracker Balance as of Dec. 31, 2024	\$1,974,535	\$1,964,299	\$(10,236)
Duluth Loop	\$3,676,303	\$3,676,303	\$0
HVDC Modernization	\$2,541,790	\$2,541,790	\$0
Alexandria – Big Oaks	\$649,507	\$0	\$(649,507)
Schedule 26 Revenue (RECB)	\$(14,323,648)	\$(14,323,648)	\$0
Schedule 26A Revenue (RECB)	\$(5,749,325)	\$0	\$5,749,325
Schedule 37 Revenue (RECB)	\$(157,679)	\$(157,679)	\$0
Schedule 38 Revenue (RECB)	\$(185,267)	\$(185,267)	\$0
Schedule 26 Expenses (RECB)	\$12,383,806	\$12,383,806	\$0
Schedule 26A Expenses (RECB)	\$14,675,843	\$14,549,358	\$(126,485)
Schedule 26E Expenses (RECB)	\$0	\$0	\$0
Net RECB Revenue & Expenses	\$6,643,731	\$12,266,750	\$5,622,840
ARR Credit	\$(188,312)	\$(188,312)	\$0
Total:	\$15,297,554	\$20,260,650	\$4,963,096

As shown in Exhibit B-1, the estimated 2024 ending tracker balance of \$1,964,299 million indicates a tracker balance for Large Power Class of \$616,337 and a tracker balance of \$1.3 million for All Other Classes. The 2025 TCR Factors shown in Exhibit A-1 are proposed to be effective August 1, 2025. Exhibit B-1, page 1, summarizes the revenue requirements, cost allocation, and rate design for all projects. Exhibit B-1, Page 2 provides a summary of the tracker balance leading up to 2025. Exhibit B-2, page 1 shows the 2023 ending tracker for GNTL and actual 2023 cash collection. Exhibit B-2 pages 2 to 3 show the summarized 2024 and 2025 projected trackers for each major project, the net REB revenue and

expenses and ARR credits. Additionally, Exhibit B-2, page 4 shows the 2023 actual and 2024 and 2025 projected RECB revenue and expenses.

Exhibit B-3 shows the 2023 to 2025 trackers for the Duluth Loop, the revenue requirements for each sub-project, and the capital expenditure details with internal costs being backed out of cost recovery calculations. Exhibits B-3 also provides other supporting rate of return and allocation calculations used throughout the filing. The 2024 and 2025 Duluth Loop trackers do include minor Prorata ADIT credits appropriately reflecting that some of the projected plant will be in-service.

Exhibit B-4 shows the projected 2024 and 2025 trackers for the HVDC Modernization Project, the revenue requirements for each sub-project, and the capital expenditure details with internal cost being backed out of the cost recovery calculations. The 2024 and 2025 HVDC Modernization trackers also include the ADITA related to government funding discussed below and the 2025 tracker includes the related Prorata ADIT adjustment.

A description of the revenue requirement components is provided below.

1. Revenue Requirements During Construction Work in Progress

Minnesota Power will record capital expenditures related to the TCR Rider in FERC Account 107 – CWIP. When appropriate, Minnesota Power requests a current return on CWIP on the components that are not yet placed in-service. Consistent with the terms of the 2011 Transmission Cost Recovery Factor Filing²⁰ and subsequent filings, internal capitalized costs are excluded from the CWIP balances as shown in capital expenditure details for each project as shown in Exhibits B-3 to B-5. In compliance with the terms of the 2013 Renewable Resources Factor Filing,²¹ AFUDC on internal capitalized costs is also excluded from CWIP balances as shown in Exhibits B-3 to B-4.

a. Allowance for Funds Used During Construction

The Company will calculate AFUDC for all projects and record an offsetting regulatory liability (referred to as a “contra” entry) equaling 100 percent of the projects’ AFUDC excluding AFUDC on internal costs and include that regulatory liability as a reduction to rate

²⁰ Docket No. E015/M-11-695.

²¹ Docket No. E015/M-13-410.

base through an entry to “Pre-funded AFUDC Regulatory Liability.” After the projects are placed in-service, the amount of the Pre-funded AFUDC Regulatory Liability will be amortized over the lives of the projects.

In a December 2010 Order, FERC prescribed specific accounting treatment, which requires the Company to record the Pre-funded AFUDC Regulatory Liability by debiting Account 407.3, Regulatory Debits, and crediting Account 254, Other Regulatory Liabilities, in accordance with the instructions of those accounts. In addition, the Company will amortize the Pre-funded AFUDC Regulatory Liability as an offset to depreciation expense by debiting Account 254 and crediting Account 407.4, Regulatory Credits. The Company will maintain all necessary controls to ensure the amount of the Pre-funded AFUDC Regulatory Liability recorded in Account 254 includes the total amount of AFUDC accrued on the projects excluding AFUDC on internal costs. This FERC-approved methodology for the application of AFUDC is currently being applied to all Minnesota Power current cost recovery rider projects.

b. Return on Investment – CWIP

Revenue requirements during the construction phase of the projects will be based on the average monthly CWIP balance of projects. The Return on Investment – CWIP will be calculated on the average of the beginning and ending monthly CWIP balance until the projects are placed in-service. The components of the revenue requirement will include an after-tax return on equity component, current and deferred income taxes, and interest expense. The total annual revenue requirements are the sum of the monthly current return on CWIP calculations until the projects are placed in-service. At that time, the ending CWIP balance is transferred to plant in-service and Minnesota Power will begin to recover full revenue requirements. Internal capitalized costs and AFUDC on internal costs are excluded from the CWIP balances as discussed above.

(i) Return on Equity Component

Beginning in 2024 the return on investment was updated based on Minnesota Power's last retail rate case.²² Minnesota Power will use the average monthly CWIP balance multiplied by the after-tax equity return rate and the equity percentage of the allowed capital structure from the last rate case to calculate the return on equity component of the revenue requirement calculation.

$$\text{[Return on Equity Component} = \text{Average Monthly CWIP Balance} \times \text{After-Tax Equity Return Rate} \times \text{Capital Structure Equity Percentage}]$$

(ii) Income Tax Expense Component

Minnesota Power will include a component of the revenue requirement calculation to recover the effective rate of taxes. This represents both current and deferred income taxes. The income tax amount will be based upon the Return on Equity component of the revenue requirement to equate it to a pretax amount.

$$\text{[Income Taxes} = \text{Return on Equity Component} \times 1/(1-28.742\%) \times 28.742\%]$$

(iii) Interest Expense Component

Minnesota Power will include a component of the revenue requirement calculation to recover the amount of interest expense that is incurred given the investment in the Transmission Projects. The interest component will be calculated based on the average monthly CWIP balance times the debt rate approved in the last rate case times the debt percentage of the allowed capital structure from the last rate case.

$$\text{[Interest Expense} = \text{Average Monthly CWIP Balance} \times \text{Debt Rate} \times \text{Capital Structure Debt Percentage}]$$

²² Minnesota Power's last completed rate case is in Docket No. E015/GR-23-155, which was approved by the Commission at a hearing on October 24, 2024.

c. Property Taxes – CWIP

Property taxes that Minnesota Power is required to pay on CWIP that is in-place are included in the project revenue requirements.

2. Full Revenue Requirements – In-service

Full revenue requirements are based on the OIC when the projects are placed in-service. Consistent with the terms of the 2011 Factor Filing, internal capitalized costs and AFUDC on capitalized internal costs are excluded from the OIC balances. As described in greater detail below, the in-service revenue requirements are calculated using the adjusted average monthly rate base for the Transmission Projects plus related expenses. The components of the revenue requirement include an after-tax return on investment, current and deferred income taxes, interest expense, depreciation expense, property taxes and other incremental O&M expenses related to the transmission projects. Similarly, when equipment is retired, a base rate revenue credit is calculated using the same components, and a monthly revenue credit is applied beginning with the month the project goes into service and remains until the project is incorporated into base rates.

a. Adjusted Average Rate Base

Adjusted average rate base will be calculated using the monthly balance of the Transmission Projects' OIC reduced by the accumulated depreciation for the Transmission Projects. The adjusted average rate base will also be adjusted for any differences between book and tax depreciation expense through accumulated deferred income taxes.

b. Return on Equity Component

The return on investment calculation will be based on Minnesota Power's last retail rate case.²³ Minnesota Power will use the average monthly adjusted rate base multiplied by the after-tax equity return rate and the equity percentage of the allowed capital structure from the last rate case to calculate the return on equity component of revenue requirements.

²³ Minnesota Power's last completed rate case was in Docket No. E015/GR-23-155

*[Return on Equity Component = Average Monthly Adjusted Rate Base X After-tax Equity
Return Rate X Capital Structure Equity Percentage]*

c. Income Tax Expense Component

Minnesota Power will include a component of the revenue requirement calculation to recover the effective rate of taxes. This represents both current and deferred income taxes. The income tax amount will be based upon the Return on Equity component of the revenue requirement to equate it to a pre-tax amount.

[Income Taxes = Return on Equity Component X 1/(1-28.742%) X 28.742%]

d. Interest Expense Component

Minnesota Power will include a component of the revenue requirement calculation to recover the amount of interest expense that is incurred given the investment in the Transmission Projects. The interest component will be calculated based on the average monthly adjusted rate base times the debt rate approved in the last rate case times the debt percentage of the allowed capital structure from the last rate case.

*[Interest Expense = Average Monthly Adjusted Rate Base X Debt Rate X
Capital Structure Debt Percentage]*

e. Depreciation Expense Component

Once the assets are placed in service, depreciation on the Transmission Projects will be recovered through the Rider. Depreciation expense will be calculated on a straight-line basis over the average lives of the projects on the components and will begin as the assets are placed in-service.

f. Property Tax Component

The property taxes on the Transmission Projects will be recovered through the Rider. For capped projects, only the portion of the property taxes attributed to the capped capital expenditures for the projects is included for recovery through the Rider.

g. O&M Expense Component

O&M expenses related to the Transmission Projects will also be recovered through the Rider. Major components of O&M expense for the Transmission Projects include costs related to line inspections and maintenance, vegetation management, utilities (electric, gas, and portable outhouses at remote sites), and snow plowing at the substation.

E. Rate Calculation and Impact - Minn. Stat. § 216B.16, subd. 7b(c)(5)

Consistent with the terms in Minnesota Power's last approved transmission factor filing docket,²⁴ Minnesota Power has calculated its 2025 Transmission Factor, as shown in Exhibit A-1. Minn. Stat. § 216B.16, subd. 7b(c)(5). Exhibit B-1 summarizes the revenue requirements, tracker balance, cost allocation, and rate design for the 2025 Transmission Factors. Minnesota Power has utilized the appropriate authorized rate of return and the jurisdictional Power Supply Transmission Demand allocators, based on those approved by the Commission in Minnesota Power's most recent rate case.²⁵ Refer to Exhibit B-2 for the 2023-2025 trackers.

1. Tracker Mechanism

In support of the Transmission Rider billing adjustment filings, Minnesota Power has implemented a tracker mechanism to account for the balance of actual revenue requirements and cash collected from customers. Refer to Exhibit B-2 for the 2023-2025 trackers. The trackers indicate the actual monthly Minnesota jurisdictional revenue requirements, actual cash collections, and over/under balances. Over/under balances for "Large Power" and "All Other Classes" are determined based upon revenue requirements and actual cash collections over the same periods. The projected year-ending 2024 tracker balance was determined and added to the projected 2025 revenue requirements to arrive at the total revenue requirements for "Large Power" and "All Other Classes" to be recovered by the 2025 billing factors. Refer to Exhibit B-1, page 1 of 2, for the total revenue requirements, Exhibit B-1, page 2 of 2, for the tracker balances, and Exhibit B-2, pages 2 and 3, for the 2024 and 2025 revenue requirements.

²⁴ Docket No. E-015/M-23-460.

²⁵ Docket No. E015/GR-23-155.

The Company also proposes to maintain the current Transmission Factor rate design for the Large Power (“LP”) rate class that incorporates demand (\$/kW-month) and energy (¢/kWh) adders that recover costs in a manner that preserves existing LP base rate design. Specifically, the LP revenue requirements, including any over/under tracker balance, are split between demand and energy based on LP’s base rate demand and energy revenue split of approximately 50 percent demand and 50 percent energy from Minnesota Power’s most recent retail rate case.²⁶ The LP demand rate adder will be calculated as 50 percent of the projected LP revenue requirement divided by the LP class Billing Demand (kW-month) from Minnesota Power’s most recent budget. The LP energy rate adder will be calculated as 50 percent of the projected LP revenue requirement divided by the LP energy (kilowatt-hour) sales from Minnesota Power’s most recent 2025 budget. Refer to Exhibit B-1, page 1 of 2, for a summary of the class revenue requirements and proposed rate design for the 2025 Factor. Refer to Exhibit A-1 for the proposed updated tariff that incorporates the rates shown in Exhibit B-1 page 1 of 2. The revenue requirements, subsequent tracker balances, and billing units for all classes will be updated in Minnesota Power’s future annual TCR Rider filings. In addition, Minnesota Power updated the 2024 revenue requirements, cost allocations and tracker as needed to reflect the outcome of the Company’s most recent rate case related to rate of return and allocation factors.

2. Deferred Taxes

Pro rata calculation

Under Internal Revenue Code Section 167, rate-regulated utilities that utilize accelerated tax depreciation are required to use a normalization method of accounting. If a future test year, or a part historical and part future test year are utilized when determining the reserve for deferred taxes for the reduction of rate base, then a specific pro rata calculation must be utilized to avoid a normalization violation. In this TCR current cost recovery filing, the Company is utilizing a 2025 test year. The Company is proposing rates under this 2025 Transmission Factor will take effect August 1, 2025. This results in 2025 being a future year and therefore the pro rata calculation is required for this TCR current cost recovery filing.

²⁶ Docket No. E015/GR-23-155.

Refer to Exhibit B-3, page 3, line C-15 and Exhibit B-3, page 30 for the amount included for the Duluth Loop Project and supporting calculations.

ADITA related to CIAC

Minnesota Power has been selected to receive government funding for the HVDC Modernization Project beginning in 2024. The funding is recorded as a contribution in aid of construction (CIAC), and the book basis of property in Exhibit B-4 is shown net of accumulated CIAC. The CIAC is subject to state and federal income tax in the year received, regardless of when the project goes into service. The company has recorded a deferred tax asset equal to the amount of accumulated CIAC multiplied by the tax rate. Once the projects go in service, the CIAC will be depreciated over the tax life of the property, which will reduce the ADITA related to CIAC.

3. Customer Impact

Table 8 below summarizes the rate impacts by customer class compared to current rates. Note that the current rates reflect the currently in effect 2024 TCR Factors. The information provided in Table 8 also reflects the final general base rates without riders in the Company's most recent completed rate case adjusted to include current rider rates.²⁷

²⁷ Docket No. E015/GR-23-155.

Table 8 - Estimated Customer Impact

Rate Class Impacts ^{1/}	SES-Paying Customers	SES-Exempt Customers
Residential		
Average Rate (¢/kWh)	14.961	
Increase (¢/kWh)	0.110	
Increase (%)	0.74%	
Average Impact (\$/month)	\$0.76	
General Service		
Average Rate (¢/kWh)	15.005	14.899
Increase (¢/kWh)	0.110	0.110
Increase (%)	0.73%	0.74%
Average Impact (\$/month)	\$2.80	\$12.45
Large Light & Power		
Average Rate (¢/kWh)	11.586	11.434
Increase (¢/kWh)	0.110	0.110
Increase (%)	0.95%	0.96%
Average Impact (\$/month)	\$254.98	\$485.40
Large Power		
Average Rate (¢/kWh)		8.937
Increase (demand + energy combined) (¢/kWh)		0.137
Increase (%)		1.53%
Average Impact (\$/month)		\$67,829
Lighting		
Average Rate (¢/kWh)	45.778	
Increase (¢/kWh)	0.110	
Increase (%)	0.24%	
Average Impact (\$/month)	\$0.14	

Notes:

1/ Average class rates are draft Final General Rates without riders per MPUC October 24, 2024 decision (E015/GR-23-155) adjusted to include current rider rates. Current rider rates include the Transmission Cost Recovery Rider rates, Renewable Resources Rider rates, Solar Renewable adjustment rates, Conservation Program Adjustment rates, expected Capacity Revenue and Expense adjustment, Solar Energy adjustment, and 2025 Fuel and Purchased Energy Adjustment with True-Up. The average increase (¢/kWh) shown above is the incremental decrease of the proposed 2025 factors compared to the existing in-place 2024 TCR factors. Due to different Solar Renewable billing factors included in General Service, Large Light & Power average rates, both the SES-Paying and SES-Exempt Customers' impacts are shown here for clarity.

V. CONCLUSION

Minnesota Power respectfully requests the Commission approve the Company's rate adjustment mechanism as proposed in the August Petition. The 2025 TCR Factor appropriately recovers the costs associated with new transmission facilities that will efficiently provide customers and the Midwest region with clean, emission-free energy, and MISO new facility charges. Minnesota Power looks forward to working with regulators and its stakeholders in the timely approval of its annual rate adjustment mechanism.

Dated: August 19, 2025

Respectfully submitted,

A handwritten signature in cursive script, reading "Lori Hoyum".

Lori Hoyum
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**MINNESOTA POWER
ELECTRIC RATE BOOK - VOLUME I**
SECTION V PAGE NO. 86.0
REVISION 910
RIDER FOR TRANSMISSION COST RECOVERY

Applicable to electric service under all Company's Retail Rate Schedules except Competitive Rate Schedules 73 and 79. In addition, this Rider is applicable to service under Company's Rider for Large Power Interruptible Service and Rider for Large Power Incremental Production Service.

The following charges are applicable in addition to all charges for service being taken under Company's standard rate schedules:

Large Power Customers	\$0. ~~8336~~ per kW-month for all Billing Demand kW
	and
	0. ~~117047~~ ¢ per kWh for all kWh
All other applicable Retail Rate Customers	0. ~~305195~~ ¢ per kWh for all kWh

Filing Date <u>October 24, 2023</u>	MPUC Docket No. <u>Docket No. E015/M-23-460</u>
Effective Date <u>January 1, 2024</u>	Order Date <u>December 19, 2023</u>

Approved by: Leah Peterson
Leah Peterson
Manager - Customer Analytics

Minnesota Power
Transmission Cost Recovery Rider: 2025 Factor Filing
Summary: Revenue Requirements, Cost Allocation and Rate Design

<u>Projected Year-End 2024 Tracker Balance (\$)</u>	<u>Total</u>
MN Jurisdiction	1,964,299
Large Power	616,337
All Other Classes	1,347,962

<u>2025 Revenue Requirements (\$)</u>	
MN Jurisdiction	18,296,351
Large Power	10,573,352
All Other Classes	7,722,999

<u>Total 2025 Factor Revenue Requirements (\$)</u>	<u>2025</u>
MN Jurisdiction	20,260,650
Large Power	11,189,688
All Other Classes	9,070,961

<u>Billing Units 1/</u>		
Large Power	kW - month	562,686
	kWh	4,768,666,000
All Other Classes	kWh	2,969,793,000

<u>Billing Factors 2/</u>		<u>Proposed (8/1/2025)</u>
Large Power	\$/kW - month	0.83
	¢/kWh	0.117
All Other Classes	¢/kWh	0.305

		<u>Current Rate</u>	<u>Proposed</u>	<u>Increase</u>
Large Power	(\$/kW - mo.)	0.36	0.83	0.47
	(¢/kWh)	0.047	0.117	0.070
All Other Classes	(¢/kWh)	0.195	0.305	0.110

Notes:

1/ 2025 Budget

2/ The LP rate design is a demand rate adder (\$/kW-month) and an energy adder (¢/kWh).

The LP allocated costs are to be split between demand and energy on the 2024 base rate demand and energy revenue split of approximately 50% demand and 50% energy per MP's draft compliance E-Schedules (Docket No. E015/GR-23-155). All other retail classes will have an energy adder (¢/kWh).

Minnesota Power
Transmission Cost Recovery Rider: 2025 Factor Filing
Tracker Summary

<u>Year-End 2022 Tracker Balance (\$) 1/</u>	
MN Jurisdiction	13,814,793
Large Power	5,764,661
All Other Classes	8,050,132
<u>2023 Actual Revenue Requirements - GNTL (\$) 2/</u>	
MN Jurisdiction	27,135,808
Large Power	16,124,320
All Other Classes	11,011,488
<u>2023 Actual Cash Collections (\$)</u>	
MN Jurisdiction	(42,638,479)
Large Power	(24,985,553)
All Other Classes	(17,652,926)
<u>Actual Year-End 2023 Tracker Balance - GNTL (\$) 2/</u>	
MN Jurisdiction	(1,687,877)
Large Power	(3,096,571)
All Other Classes	1,408,694
<u>2023 Actual Revenue Requirements - Duluth Loop (\$) 3/</u>	
MN Jurisdiction	193,100
Large Power	114,741
All Other Classes	78,358
<u>Final Year-End 2023 Tracker Balance (\$)</u>	
MN Jurisdiction	(1,494,777)
Large Power	(2,981,830)
All Other Classes	1,487,052
<u>2024 Projected Revenue Requirements (\$) 4/</u>	
MN Jurisdiction	14,455,525
Large Power	8,353,761
All Other Classes	6,101,764
<u>2024 Projected Cash Collections (\$) 4/</u>	
MN Jurisdiction	(10,996,449)
Large Power	(4,755,595)
All Other Classes	(6,240,854)
<u>2024 Projected Year-End Tracker Balance (\$) 4/</u>	
MN Jurisdiction	1,964,299
Large Power	616,337
All Other Classes	1,347,962

1/ Exhibit B-1, page 2, 2024 Transmission Factor Filing, Docket E015/M-23-460.

2/ Exhibit B-2, page 1.

3/ Exhibit B-3, page 1.

4/ Exhibit B-2, page 2.

Minnesota Power
Transmission Cost Recovery Rider
2023 Actual Tracker GNTL

Section	Line	Dec-22	Jan-23	Feb-23	Mar-23	Apr-23	May-23	Jun-23	Jul-23	Aug-23	Sep-23	Oct-23	Nov-23	Dec-23	Total
A	Book Basis of Property														
	0 CWIP	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	1 Plant in Service	300,252,481	300,252,481	300,208,604	300,204,999	300,204,999	300,204,999	300,204,999	300,204,999	300,209,469	300,209,469	300,112,196	300,112,196	300,112,196	300,112,196
	2 Accumulated Book Depreciation	19,064,829	19,690,355	20,315,836	20,941,266	21,566,693	22,192,121	22,817,548	23,442,975	24,068,406	24,693,843	25,319,178	25,944,412	26,569,645	26,569,645
	3 Net Plant	281,187,652	280,562,126	279,892,768	279,263,732	278,638,305	278,012,878	277,387,451	276,762,024	276,141,063	275,515,626	274,793,018	274,167,784	273,542,550	273,542,550
	4 Book Depreciation		625,526	625,480	625,431	625,427	625,427	625,427	625,427	625,432	625,436	625,335	625,234	625,234	7,504,816
	5 Book Depreciation Rate (40 year book life)		0.21%	0.21%	0.21%	0.21%	0.21%	0.21%	0.21%	0.21%	0.21%	0.21%	0.21%	0.21%	
B	Tax Basis of Property														
	1 Plant in Service	300,252,481	300,252,481	300,208,604	300,204,999	300,204,999	300,204,999	300,204,999	300,204,999	300,209,469	300,209,469	300,112,196	300,112,196	300,112,196	300,112,196
	2 Accumulated Tax Depreciation	69,633,035	71,556,117	73,478,999	75,401,863	77,324,727	79,247,591	81,170,455	83,093,319	85,016,227	86,939,136	88,862,045	90,784,953	92,707,862	92,707,862
	3 Net Plant	230,619,446	228,696,364	226,729,605	224,803,136	222,880,272	220,957,408	219,034,544	217,111,680	215,193,242	213,270,333	211,250,151	209,327,242	207,404,334	207,404,334
	4 Bonus Depreciation	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	5 Total Tax Depreciation (including bonus)		1,923,081	1,922,882	1,922,864	1,922,864	1,922,864	1,922,864	1,922,864	1,922,909	1,922,909	1,922,909	1,922,909	1,922,909	23,074,827
	6 Accumulated Tax Depreciation	69,633,035	71,556,117	73,478,999	75,401,863	77,324,727	79,247,591	81,170,455	83,093,319	85,016,227	86,939,136	88,862,045	90,784,953	92,707,862	92,707,862
	7 Tax Book Difference		51,865,567	53,163,163	54,460,596	55,758,033	57,055,470	58,352,907	59,650,344	60,947,821	62,245,293	63,542,867	64,840,542	66,138,217	66,138,217
	8 Income Tax Rate 1/		28.74%	28.74%	28.74%	28.74%	28.74%	28.74%	28.74%	28.74%	28.74%	28.74%	28.74%	28.74%	28.74%
	9 Accumulated Deferred Income Tax Liability	14,534,314	14,907,257	15,280,156	15,653,065	16,025,974	16,398,883	16,771,793	17,144,702	17,517,623	17,890,542	18,263,491	18,636,469	19,009,446	19,009,446
C	Revenue Requirements														
	1 Net Plant	281,187,652	280,562,126	279,892,768	279,263,732	278,638,305	278,012,878	277,387,451	276,762,024	276,141,063	275,515,626	274,793,018	274,167,784	273,542,550	273,542,550
	2 Less: ADITL - Def Taxes	(14,534,314)	(14,907,257)	(15,280,156)	(15,653,065)	(16,025,974)	(16,398,883)	(16,771,793)	(17,144,702)	(17,517,623)	(17,890,542)	(18,263,491)	(18,636,469)	(19,009,446)	(19,009,446)
	3 Rate Base	266,653,338	265,654,869	264,612,612	263,610,668	262,612,331	261,613,995	260,615,658	259,617,322	258,623,440	257,625,084	256,629,527	255,631,316	254,633,104	254,633,104
	4 Average Rate Base	267,183,077	266,154,103	265,133,740	264,111,640	263,111,499	262,113,163	261,114,827	260,116,490	259,120,381	258,124,262	257,077,306	256,030,421	255,032,210	260,603,337
	6 Current Return on CWIP														
	7 Return on Average Rate Base														
	8 After Tax Return on Equity		1,123,680	1,119,372	1,115,057	1,110,835	1,106,620	1,102,405	1,098,190	1,093,984	1,089,779	1,085,359	1,080,939	1,076,724	13,202,943
	9 Income Tax Component		453,194	451,456	449,716	448,013	446,313	444,613	442,913	441,217	439,521	437,738	435,956	434,256	5,324,908
	10 Interest Expense Component		455,656	453,909	452,159	450,447	448,738	447,029	445,319	443,614	441,909	440,116	438,324	436,615	5,353,835
	11 Total Return on Average Rate Base		2,032,530	2,024,738	2,016,932	2,009,295	2,001,671	1,994,047	1,986,423	1,978,816	1,971,209	1,963,213	1,955,219	1,947,596	23,881,686
	12 Operation & Maintenance Expense		68,346	79,770	115,286	(47,631)	(1,472)	23,689	11,027	18,101	10,873	28,422	30,681	26,791	363,882
	13 Depreciation Expense		625,526	625,480	625,431	625,427	625,427	625,427	625,427	625,432	625,436	625,335	625,234	625,234	7,504,816
	14 Property Tax		1,312,629	1,312,629	1,312,629	1,312,629	1,312,629	1,312,629	1,312,629	1,312,629	1,312,629	1,312,629	1,312,629	1,312,629	15,751,554
	15 Monthly Revenue Requirements		4,039,031	4,042,618	4,070,278	3,899,720	3,938,255	3,955,792	3,935,506	3,934,978	3,920,148	3,929,600	3,923,763	3,912,250	47,501,938
	16 Net RECB Revenue & Expenses 2/		987,419	1,386,692	1,813,855	2,053,140	1,098,346	1,244,977	1,525,351	1,184,368	941,554	1,063,307	1,344,991	1,871,884	16,515,884
	17 MVP Credit		(42,085)	(44,090)	(45,991)	(31,388)	(33,607)	(32,660)	(2,705)	(2,415)	(2,257)	(7,817)	(8,651)	(8,902)	(262,568)
	18 MH Joint Owner - Operating Expenses		(900,608)	(900,608)	(900,607)	(900,607)	(900,608)	(840,831)	(840,831)	(840,831)	(840,831)	(840,831)	(840,831)	(840,831)	(10,388,855)
	19 MH Must Take Fee (133 MW)		(1,715,824)	(1,715,825)	(1,715,824)	(1,715,824)	(1,715,825)	(1,647,088)	(1,647,088)	(1,647,088)	(1,647,088)	(1,647,088)	(1,647,088)	(1,647,088)	(20,108,738)
	20 Pro Rata ADIT		(16,438)	-	-	-	-	-	-	-	-	-	-	-	(16,438)
	21 Total Revenue Requirements		2,351,495	2,768,786	3,221,711	3,305,041	2,386,563	2,680,190	2,970,234	2,629,012	2,371,525	2,497,170	2,772,184	3,287,313	33,241,224
	22 MN Jurisdictional Allocator /3		0.81633	0.81633	0.81633	0.81633	0.81633	0.81633	0.81633	0.81633	0.81633	0.81633	0.81633	0.81633	0.81633
	23 MN Jurisdictional Revenue Requirement		1,919,596	2,260,243	2,629,979	2,698,004	1,948,223	2,187,920	2,424,691	2,146,141	1,935,947	2,038,515	2,263,017	2,683,532	27,135,808
D	Monthly Entry														
	1 MN Jurisdictional Rev. Requirement		1,919,596	2,260,243	2,629,979	2,698,004	1,948,223	2,187,920	2,424,691	2,146,141	1,935,947	2,038,515	2,263,017	2,683,532	27,135,808
	2 Monthly Entry Needed		1,919,596	2,260,243	2,629,979	2,698,004	1,948,223	2,187,920	2,424,691	2,146,141	1,935,947	2,038,515	2,263,017	2,683,532	27,135,808
	3 Cumulative YTD		1,919,596	4,179,839	6,809,818	9,507,822	11,456,045	13,643,964	16,068,655	18,214,797	20,150,744	22,189,259	24,452,276	27,135,808	27,135,808
E	Tracker														
	1 Actual Cash Collections		(3,960,250)	(3,599,801)	(3,691,453)	(3,464,724)	(3,436,713)	(3,441,183)	(3,533,205)	(3,489,279)	(3,445,234)	(3,442,335)	(3,513,093)	(3,621,209)	(42,638,479)
	2 Monthly (Over)/Under Collection		(2,040,654)	(1,339,558)	(1,061,474)	(766,720)	(1,488,490)	(1,253,263)	(1,108,514)	(1,343,138)	(1,509,286)	(1,403,820)	(1,250,076)	(937,677)	
	3 Cumulative (Over)/Under Balance	13,814,793	11,774,139	10,434,581	9,373,108	8,606,387	7,117,897	5,864,634	4,756,120	3,412,982	1,903,696	499,876	(750,200)	(1,687,877)	(1,687,877)

Notes: 1/ Minnesota Composite Income Tax Rate.

2/ Refer to Exhibit B-2, page 4 for details.

3/ CC-TRAN (D-02) Power Supply Transmission - Demand allocator is from MP's 2021 MPUC rate case (Docket No. E-015/GR-21-335). Refer to Exhibit B-3, pages 32 for details.

Minnesota Power
Transmission Cost Recovery Rider
2024 Projected Tracker - All Projects

2024 Projected Tracker Summary - All Projects

Section	Line	Dec-23	Jan-24	Feb-24	Mar-24	Apr-24	May-24	Jun-24	Jul-24	Aug-24	Sep-24	Oct-24	Nov-24	Dec-24	Total
A	MN Jurisdictional Revenue Requirements														
	1 Duluth Loop Project 1/		49,750	51,513	57,833	67,848	75,421	98,593	125,863	149,988	171,266	183,427	191,286	199,970	1,422,758
	2 HVDC Modernization Project 2/		-	-	-	-	-	-	527	1,581	350,336	284,184	281,663	278,571	1,196,862
	3 Net RECB Revenue & Expenses 3/		1,526,728	1,333,448	1,633,503	1,642,536	1,379,179	1,152,423	1,003,426	248,480	(89,736)	795,593	723,443	817,507	12,166,532
	4 MVP Credit 4/		(54,426)	(48,043)	(53,582)	(46,391)	(45,020)	(43,000)	(7,952)	(7,627)	(7,242)	(5,782)	(5,782)	(5,782)	(330,626)
	5 Total MN Jurisdictional Revenue Requirements		1,522,052	1,336,919	1,637,754	1,663,994	1,409,580	1,208,016	1,121,865	392,422	424,625	1,257,423	1,190,609	1,290,266	14,455,525
B	Monthly Entry														
	1 MN Jurisdictional Revenue Requirement		1,522,052	1,336,919	1,637,754	1,663,994	1,409,580	1,208,016	1,121,865	392,422	424,625	1,257,423	1,190,609	1,290,266	14,455,525
	2 Monthly Entry Needed		1,522,052	1,336,919	1,637,754	1,663,994	1,409,580	1,208,016	1,121,865	392,422	424,625	1,257,423	1,190,609	1,290,266	14,455,525
	3 Cumulative YTD		1,522,052	2,858,971	4,496,725	6,160,719	7,570,299	8,778,315	9,900,180	10,292,601	10,717,227	11,974,649	13,165,259	14,455,525	14,455,525
C	Tracker														
	1 Cash Collections 5/		(1,483,225)	(952,327)	(900,326)	(833,683)	(836,233)	(812,097)	(853,588)	(863,292)	(842,465)	(873,071)	(873,071)	(873,071)	(10,996,449)
	2 Monthly (Over)/Under Collection		38,828	384,592	737,428	830,311	573,347	395,919	268,276	(470,870)	(417,840)	384,352	317,538	417,195	
	3 Cumulative (Over)/Under Balance	(1,494,777)	(1,455,950)	(1,071,358)	(333,930)	496,381	1,069,728	1,465,647	1,733,923	1,263,053	845,213	1,229,565	1,547,103	1,964,299	1,964,299

Notes: 1/ Refer to Exhibit B-3, page 2 for details.
2/ Refer to Exhibit B-4, page 1 for details.
3/ Refer to Exhibit B-2, page 4 for details.
4/ January to September (actuals); October to December 2024 budget.
5/ January to September (actuals); October to December expected.

Minnesota Power
Transmission Cost Recovery Rider
2025 Projected Tracker - All Projects

Exhibit B-2
Page 3 of 4

2025 Projected Tracker Summary - All Projects

Section	Line	Dec-24	Jan-25	Feb-25	Mar-25	Apr-25	May-25	Jun-25	Jul-25	Aug-25	Sep-25	Oct-25	Nov-25	Dec-25	Total
A	MN Jurisdictional Revenue Requirements														
	1 Duluth Loop Project 1/		255,329	256,601	258,467	263,172	271,630	283,531	295,556	313,343	338,318	357,151	379,499	403,706	3,676,303
	2 HVDC Modernization Project 2/		211,189	207,510	207,497	207,484	207,470	207,457	207,444	207,430	207,417	207,404	207,390	256,097	2,541,790
	3 Net RECB Revenue & Expenses 3/		1,113,753	868,483	1,087,527	963,727	1,061,737	971,135	1,033,365	1,031,297	975,199	1,054,897	1,004,285	1,101,166	12,266,570
	4 MVP Credit 4/		(15,693)	(15,693)	(15,693)	(15,693)	(15,693)	(15,693)	(15,693)	(15,693)	(15,693)	(15,693)	(15,693)	(15,693)	(188,312)
	5 Total MN Jurisdictional Revenue Requirements		1,564,579	1,316,901	1,537,799	1,418,690	1,525,144	1,446,430	1,520,672	1,536,378	1,505,241	1,603,759	1,575,482	1,745,276	18,296,351
B	Monthly Entry														
	1 MN Jurisdictional Revenue Requirement		1,564,579	1,316,901	1,537,799	1,418,690	1,525,144	1,446,430	1,520,672	1,536,378	1,505,241	1,603,759	1,575,482	1,745,276	18,296,351
	2 Monthly Entry Needed		1,564,579	1,316,901	1,537,799	1,418,690	1,525,144	1,446,430	1,520,672	1,536,378	1,505,241	1,603,759	1,575,482	1,745,276	18,296,351
	3 Cumulative YTD		1,564,579	2,881,480	4,419,279	5,837,969	7,363,114	8,809,544	10,330,216	11,866,594	13,371,834	14,975,594	16,551,075	18,296,351	18,296,351
C	Tracker														
	1 Projected Cash Collections 5/		(873,071)	(873,071)	(873,071)	(873,071)	(873,071)	(873,071)	(873,071)	(1,688,387)	(1,688,387)	(1,688,387)	(1,688,387)	(1,688,387)	(14,553,434)
	2 Monthly (Over)/Under Collection		691,508	443,830	664,728	545,619	652,073	573,359	647,601	(152,009)	(183,147)	(84,628)	(112,906)	56,888	
	3 Cumulative (Over)/Under Balance	1,964,299	2,655,807	3,099,637	3,764,365	4,309,984	4,962,057	5,535,417	6,183,018	6,031,008	5,847,861	5,763,233	5,650,327	5,707,215	5,707,215

Notes: 1/ Refer to Exhibit B-3, page 3 for details.
2/ Refer to Exhibit B-4, page 2 for details.
3/ Refer to Exhibit B-2, page 4 for details.
4/ Per 2025 budget.
5/ Assumes existing 2024 TCR Factors through July 2025, with new 2025 Factors starting August 1, 2025.

Minnesota Power
Transmission Cost Recovery Rider
Revenue Requirements: RECB Revenue and Expenses

Exhibit B-2
Page 4 of 4

2023 RECB Revenue & Expenses	Jan-23	Feb-23	Mar-23	Apr-23	May-23	Jun-23	Jul-23	Aug-23	Sep-23	Oct-23	Nov-23	Dec-23	2023 Total
Schedule 26 Revenue (RECB)	(1,993,283)	(1,646,645)	(1,353,061)	(875,144)	(1,959,995)	(1,896,701)	(2,084,222)	(2,044,118)	(2,148,603)	(2,036,681)	(1,895,983)	(1,611,028)	(21,545,464)
Schedule 37 Revenue (RECB)	(14,525)	(17,166)	(17,166)	(17,166)	(17,166)	(17,166)	(17,191)	(17,191)	(17,191)	(17,191)	(17,191)	(17,191)	(203,501)
Schedule 38 Revenue (RECB)	(17,245)	(20,585)	(20,585)	(20,585)	(20,585)	(20,585)	(20,601)	(20,601)	(20,601)	(20,601)	(20,601)	(20,601)	(243,776)
Schedule 26 Expenses (RECB)	1,720,158	1,606,596	1,690,621	1,618,946	1,673,222	1,735,819	1,893,839	1,762,087	1,761,565	1,738,664	1,815,708	1,904,305	20,921,530
Schedule 26A Expenses (RECB)	1,292,260	1,463,759	1,513,310	1,346,345	1,422,100	1,442,845	1,752,780	1,503,444	1,365,636	1,398,372	1,462,297	1,615,640	17,578,788
Schedule 26E Expenses (RECB)	54	733	736	744	770	765	746	747	748	744	761	759	8,307
Net RECB Revenue Requirements	987,419	1,386,692	1,813,855	2,053,140	1,098,346	1,244,977	1,525,351	1,184,368	941,554	1,063,307	1,344,991	1,871,884	16,515,884
Jurisdictional and Retail Class Allocators 1/	0.81633	0.81633	0.81633	0.81633	0.81633	0.81633	0.81633	0.81633	0.81633	0.81633	0.81633	0.81633	0.81633
MN Jurisdictional Revenue Requirements	806,060	1,131,998	1,480,704	1,676,040	896,613	1,016,312	1,245,190	966,835	768,619	868,009	1,097,957	1,528,075	13,482,412
2024 RECB Revenue & Expenses 2/	Jan-24	Feb-24	Mar-24	Apr-24	May-24	Jun-24	Jul-24	Aug-24	Sep-24	Oct-24	Nov-24	Dec-24	2024 Total
Schedule 26 Revenue (RECB)	(1,441,385)	(1,529,791)	(1,248,607)	(1,302,045)	(1,332,458)	(1,667,603)	(1,794,438)	(1,880,540)	(1,969,743)	(1,514,673)	(1,687,679)	(1,741,862)	(19,110,825)
Schedule 37 Revenue (RECB)	(18,658)	(15,919)	(15,920)	(15,920)	(15,920)	(15,920)	(15,858)	(15,858)	(15,858)	(17,166)	(17,166)	(17,166)	(197,330)
Schedule 38 Revenue (RECB)	(21,986)	(18,644)	(18,644)	(18,644)	(18,644)	(18,644)	(18,937)	(18,937)	(18,937)	(20,585)	(20,585)	(20,585)	(233,771)
Schedule 26 Expenses (RECB)	1,597,226	1,688,239	1,669,920	1,723,663	1,547,993	1,561,040	1,508,463	608,742	437,737	1,253,201	1,305,458	1,364,733	16,266,415
Schedule 26A Expenses (RECB)	1,732,546	1,489,893	1,590,333	1,600,944	1,488,176	1,535,707	1,534,962	1,606,810	1,457,506	1,262,493	1,295,885	1,404,682	17,999,937
Schedule 26E Expenses (RECB)	753	703	692	713	703	723	713	632	647	-	-	-	6,279
Net RECB Revenue Requirements	1,848,496	1,614,481	1,977,774	1,988,711	1,669,850	1,395,303	1,214,905	300,849	(108,648)	963,270	875,913	989,802	14,730,706
Jurisdictional and Retail Class Allocators 3/	0.82593	0.82593	0.82593	0.82593	0.82593	0.82593	0.82593	0.82593	0.82593	0.82593	0.82593	0.82593	0.82593
MN Jurisdictional Revenue Requirements	1,526,728	1,333,448	1,633,503	1,642,536	1,379,179	1,152,423	1,003,426	248,480	(89,736)	795,593	723,443	817,507	12,166,532
2025 RECB Revenue & Expenses 4/	Jan-25	Feb-25	Mar-25	Apr-25	May-25	Jun-25	Jul-25	Aug-25	Sep-25	Oct-25	Nov-25	Dec-25	2025 Total
Schedule 26 Revenue (RECB)	(1,547,343)	(1,544,416)	(1,416,835)	(1,365,738)	(1,304,222)	(1,404,958)	(1,502,403)	(1,454,943)	(1,425,367)	(1,341,739)	(1,484,580)	(1,549,905)	(17,342,448)
Schedule 26A Revenue (RECB)	-	-	-	-	-	-	-	-	-	-	-	-	-
Schedule 37 Revenue (RECB)	(15,909)	(15,909)	(15,909)	(15,909)	(15,909)	(15,909)	(15,909)	(15,909)	(15,909)	(15,909)	(15,909)	(15,909)	(190,911)
Schedule 38 Revenue (RECB)	(18,693)	(18,693)	(18,693)	(18,693)	(18,693)	(18,693)	(18,693)	(18,693)	(18,693)	(18,693)	(18,693)	(18,693)	(224,313)
Schedule 26 Expenses (RECB)	1,347,074	1,194,411	1,257,643	1,177,396	1,215,832	1,210,812	1,309,742	1,267,163	1,215,013	1,213,957	1,254,808	1,329,922	14,993,772
Schedule 26A Expenses (RECB)	1,597,018	1,449,766	1,523,035	1,401,843	1,420,013	1,416,962	1,491,683	1,483,880	1,438,271	1,451,455	1,493,428	1,601,514	17,768,870
Schedule 26A Expenses (RECB) Excluded	(13,664)	(13,638)	(12,511)	(12,060)	(11,517)	(12,406)	(13,267)	(12,848)	(12,587)	(11,848)	(13,110)	(13,686)	(153,143)
Schedule 26E Expenses (RECB)	-	-	-	-	-	-	-	-	-	-	-	-	-
Net RECB Revenue Requirements	1,348,483	1,051,521	1,316,731	1,166,839	1,285,505	1,175,808	1,251,153	1,248,650	1,180,728	1,277,223	1,215,945	1,333,243	14,851,828
Jurisdictional and Retail Class Allocators 3/	0.82593	0.82593	0.82593	0.82593	0.82593	0.82593	0.82593	0.82593	0.82593	0.82593	0.82593	0.82593	0.82593
MN Jurisdictional Revenue Requirements	1,113,753	868,483	1,087,527	963,727	1,061,737	971,135	1,033,365	1,031,297	975,199	1,054,897	1,004,285	1,101,166	12,266,570

1/ CC-TRAN (D-02) Power Supply Transmission - Demand allocator is from MP's 2021 MPUC rate case (Docket No. E-015/GR-21-335). Refer to Exhibit B-3, pages 32 for details.

2/ January to July (Actuals); August to December projected per Minnesota Power's 2024 Budget.

3/ CC-TRAN (D-02) Power Supply Transmission - Demand allocator is from MP's 2023 MPUC rate case (Docket No. E-015/GR-23-155). Refer to Exhibit B-3, page 32 for details.

4/ Per Minnesota Power's 2025 Budget.

2023 Projected Tracker - Duluth Loop Projects 2/

Section	Line	Dec-22	Jan-23	Feb-23	Mar-23	Apr-23	May-23	Jun-23	Jul-23	Aug-23	Sep-23	Oct-23	Nov-23	Dec-23	Total
A	Book Basis of Property														
	0 CWIP		1,074,503	1,080,868	1,226,579	1,461,161	1,779,548	2,539,484	2,962,879	4,025,965	4,433,275	4,520,872	4,651,959	5,632,332	5,632,332
	1 Plant in Service		-	-	-	-	-	-	-	-	-	-	-	27,298	27,298
	2 Total Accumulated Depreciation		-	-	-	-	-	-	-	-	-	-	-	25	25
	3 Net Plant		-	-	-	-	-	-	-	-	-	-	-	27,273	27,273
	4 Total Depreciation		-	-	-	-	-	-	-	-	-	-	-	25	25
	5 Book Depreciation Rate (45.3 year book life)		0.18%	0.18%	0.18%	0.18%	0.18%	0.18%	0.18%	0.18%	0.18%	0.18%	0.18%	0.18%	0.18%
B	Tax Basis of Property														
	1 Plant in Service		-	-	-	-	-	-	-	-	-	-	-	27,298	27,298
	2 Accumulated Depreciation		-	-	-	-	-	-	-	-	-	-	-	1,365	1,365
	3 Net Plant		-	-	-	-	-	-	-	-	-	-	-	25,933	25,933
	4 Bonus Depreciation		-	-	-	-	-	-	-	-	-	-	-	-	-
	5 Total Tax Depreciation		-	-	-	-	-	-	-	-	-	-	-	1,365	1,365
	6 Accumulated Tax Depreciation		-	-	-	-	-	-	-	-	-	-	-	1,365	1,365
	7 Tax Book Difference		-	-	-	-	-	-	-	-	-	-	-	1,340	1,340
	8 Income Tax Rate 1/		28.74%	28.74%	28.74%	28.74%	28.74%	28.74%	28.74%	28.74%	28.74%	28.74%	28.74%	28.74%	28.74%
	9 Accumulated Deferred Income Tax Liability		-	-	-	-	-	-	-	-	-	-	-	385	385
	10 Deferred Tax Expense debit / (Credit)		-	-	-	-	-	-	-	-	-	-	-	385	385
C	Revenue Requirements														
	1 Net Plant		-	-	-	-	-	-	-	-	-	-	-	27,273	27,273
	2 Less: ADITL - Def Taxes		-	-	-	-	-	-	-	-	-	-	-	(385)	(385)
	3 Plus: ADITA - NOL		-	-	-	-	-	-	-	-	-	-	-	-	-
	4 Rate Base		-	-	-	-	-	-	-	-	-	-	-	26,888	26,888
	5 Average Rate Base		-	-	-	-	-	-	-	-	-	-	-	13,444	13,444
	6 Current Return on CWIP		-	-	8,811	10,263	12,374	16,492	21,010	26,686	32,300	34,190	35,025	39,269	236,418
	7 Return on Average Rate Base		-	-	-	-	-	-	-	-	-	-	-	57	57
	8 After Tax Return on Equity		-	-	-	-	-	-	-	-	-	-	-	23	23
	9 Income Tax Component		-	-	-	-	-	-	-	-	-	-	-	23	23
	10 Interest Expense Component		-	-	-	-	-	-	-	-	-	-	-	23	23
	11 Total Return on Average Rate Base		-	-	-	-	-	-	-	-	-	-	-	103	103
	12 Operation & Maintenance Expense		-	-	-	-	-	-	-	-	-	-	-	-	-
	13 Depreciation Expense		-	-	-	-	-	-	-	-	-	-	-	25	25
	14 Property Tax		-	-	-	-	-	-	-	-	-	-	-	-	-
	15 Monthly Revenue Requirements		-	-	8,811	10,263	12,374	16,492	21,010	26,686	32,300	34,190	35,025	39,397	236,546
	16 MN Jurisdictional Allocator		0.81633	0.81633	0.81633	0.81633	0.81633	0.81633	0.81633	0.81633	0.81633	0.81633	0.81633	0.81633	0.81633
	17 MN Jurisdictional Revenue Requirement		-	-	7,192	8,378	10,101	13,463	17,151	21,784	26,368	27,910	28,592	32,161	193,100
D	Monthly Entry														
	1 MN Jurisdictional Rev. Requirement		-	-	7,192	8,378	10,101	13,463	17,151	21,784	26,368	27,910	28,592	32,161	193,100
	2 Monthly Entry Needed		-	-	7,192	8,378	10,101	13,463	17,151	21,784	26,368	27,910	28,592	32,161	193,100
	3 Cumulative YTD		-	-	7,192	15,570	25,671	39,134	56,285	78,069	104,437	132,347	160,939	193,100	193,100

Notes: 1/ Minnesota Composite Income Tax Rate.
2/ Refer to Exhibit B-3 pages 4-18 for individual project information on the Duluth Loop Projects.

2024 Projected Tracker - Duluth Loop Projects 2/

Section	Line	Dec-23	Jan-24	Feb-24	Mar-24	Apr-24	May-24	Jun-24	Jul-24	Aug-24	Sep-24	Oct-24	Nov-24	Dec-24	Total
A	Book Basis of Property														
	0 CWIP		5,747,370	5,969,405	7,712,981	9,084,436	10,068,100	16,291,238	18,549,283	23,794,076	25,167,054	26,508,337	22,593,123	22,547,839	22,547,839
	1 Plant in Service		27,298	27,298	27,298	27,298	27,298	27,298	27,298	27,298	27,298	4,227,644	4,227,644	15,476,240	15,476,240
	2 Total Accumulated Depreciation		75	126	176	226	276	326	377	427	477	4,390	12,165	30,285	30,285
	3 Net Plant		27,223	27,173	27,122	27,072	27,022	26,972	26,922	26,871	26,821	4,223,254	4,215,479	15,445,956	15,445,956
	4 Total Depreciation		50	50	50	50	50	50	50	50	50	3,913	7,775	18,120	30,260
	5 Book Depreciation Rate (45.3 year book life)		0.18%	0.18%	0.18%	0.18%	0.18%	0.18%	0.18%	0.18%	0.18%	0.18%	0.18%	0.18%	0.18%
B	Tax Basis of Property														
	1 Plant in Service		27,298	27,298	27,298	27,298	27,298	27,298	27,298	27,298	27,298	4,227,644	4,227,644	15,476,240	15,476,240
	2 Accumulated Depreciation		1,581	1,797	2,013	2,229	2,445	2,662	2,878	3,094	3,310	73,532	143,754	776,405	776,405
	3 Net Plant		25,717	25,501	25,285	25,069	24,853	24,637	24,420	24,204	23,988	4,154,112	4,083,890	14,699,835	14,699,835
	4 Bonus Depreciation		-	-	-	-	-	-	-	-	-	-	-	-	-
	5 Total Tax Depreciation		216	216	216	216	216	216	216	216	216	70,222	70,222	632,652	775,040
	6 Accumulated Tax Depreciation		1,581	1,797	2,013	2,229	2,445	2,662	2,878	3,094	3,310	73,532	143,754	776,405	776,405
	7 Tax Book Difference		1,506	1,672	1,838	2,003	2,169	2,335	2,501	2,667	2,833	69,142	131,588	746,121	746,121
	8 Income Tax Rate 1/		28.74%	28.74%	28.74%	28.74%	28.74%	28.74%	28.74%	28.74%	28.74%	28.74%	28.74%	28.74%	28.74%
	9 Accumulated Deferred Income Tax Liability	385	433	480	528	576	623	671	719	767	814	19,871	37,819	214,435	214,435
	10 Deferred Tax Expense debit / (Credit)		48	48	48	48	48	48	48	48	48	19,057	17,947	176,617	214,050
C	Revenue Requirements														
	1 Net Plant		27,223	27,173	27,122	27,072	27,022	26,972	26,922	26,871	26,821	4,223,254	4,215,479	15,445,956	15,445,956
	2 Less: ADITL - Def Taxes		(433)	(480)	(528)	(576)	(623)	(671)	(719)	(767)	(814)	(19,871)	(37,819)	(214,435)	(214,435)
	3 Plus: ADITA - NOL		-	-	-	-	-	-	-	-	-	-	-	-	-
	4 Rate Base		26,790	26,692	26,594	26,496	26,398	26,301	26,203	26,105	26,007	4,203,383	4,177,660	15,231,521	15,231,521
	5 Average Rate Base		26,839	26,741	26,643	26,545	26,447	26,350	26,252	26,154	26,056	2,114,695	4,190,522	9,704,590	9,704,590
	6 Current Return on CWIP		44,303	45,615	53,267	65,395	74,563	102,620	135,639	164,848	190,612	185,211	174,700	131,936	1,368,710
	7 Return on Average Rate Base														
	8 After Tax Return on Equity		116	116	115	115	114	114	113	113	113	9,134	18,101	41,919	70,182
	9 Income Tax Component		47	47	46	46	46	46	46	46	45	3,684	7,300	16,906	28,305
	10 Interest Expense Component		46	46	46	46	46	45	45	45	45	3,647	7,227	16,737	28,022
	11 Total Return on Average Rate Base		209	208	207	207	206	205	204	204	203	16,466	32,629	75,563	126,510
	12 Operation & Maintenance Expense		-	-	-	-	-	-	-	-	-	-	-	-	-
	13 Depreciation Expense		50	50	50	50	50	50	50	50	50	3,913	7,775	18,120	30,260
	14 Property Tax		16,496	16,496	16,496	16,496	16,496	16,496	16,496	16,496	16,496	16,496	16,496	16,496	197,957
	15 Prorata ADIT		(823)												(823)
	16 Monthly Revenue Requirements		60,235	62,370	70,021	82,148	91,316	119,372	152,390	181,599	207,362	222,085	231,600	242,114	1,722,613
	17 MN Jurisdictional Allocator		0.82593	0.82593	0.82593	0.82593	0.82593	0.82593	0.82593	0.82593	0.82593	0.82593	0.82593	0.82593	0.82593
	18 MN Jurisdictional Revenue Requirement		49,750	51,513	57,833	67,848	75,421	98,593	125,863	149,988	171,266	183,427	191,286	199,970	1,422,758
D	Monthly Entry														
	1 MN Jurisdictional Rev. Requirement		49,750	51,513	57,833	67,848	75,421	98,593	125,863	149,988	171,266	183,427	191,286	199,970	1,422,758
	2 Monthly Entry Needed		49,750	51,513	57,833	67,848	75,421	98,593	125,863	149,988	171,266	183,427	191,286	199,970	1,422,758
	3 Cumulative YTD		49,750	101,263	159,096	226,944	302,365	400,958	526,821	676,809	848,075	1,031,502	1,222,788	1,422,758	1,422,758

Notes: 1/ Minnesota Composite Income Tax Rate.
2/ Refer to Exhibit B-3 pages 4-18 for individual project information on the Duluth Loop Projects.

2025 Projected Tracker - Duluth Loop Projects 2/

Section	Line	Dec-24	Jan-25	Feb-25	Mar-25	Apr-25	May-25	Jun-25	Jul-25	Aug-25	Sep-25	Oct-25	Nov-25	Dec-25	Total
A	Book Basis of Property														
	0 CWIP		11,259,081	11,218,831	11,950,378	12,793,022	14,691,759	16,605,183	18,542,515	22,247,951	26,420,481	28,216,173	31,326,401	22,107,808	22,107,808
	1 Plant in Service		15,476,240	15,476,240	15,476,240	15,476,240	15,476,240	15,476,240	15,476,240	15,476,240	15,476,240	15,476,240	24,929,693	34,943,182	34,943,182
	2 Total Accumulated Depreciation		58,748	87,212	115,676	144,139	172,603	201,066	229,530	257,994	286,457	314,921	352,078	407,136	407,136
	3 Net Plant		15,417,492	15,389,029	15,360,565	15,332,101	15,303,638	15,275,174	15,246,710	15,218,247	15,189,783	15,161,320	24,577,615	34,536,046	34,536,046
	4 Total Depreciation		28,464	28,464	28,464	28,464	28,464	28,464	28,464	28,464	28,464	28,464	37,157	55,059	376,852
	5 Book Depreciation Rate (45.3 year book life)		0.18%	0.18%	0.18%	0.18%	0.18%	0.18%	0.18%	0.18%	0.18%	0.18%	0.18%	0.18%	0.18%
B	Tax Basis of Property														
	1 Plant in Service		15,476,240	15,476,240	15,476,240	15,476,240	15,476,240	15,476,240	15,476,240	15,476,240	15,476,240	15,476,240	24,929,693	34,943,182	34,943,182
	2 Accumulated Depreciation		898,904	1,021,403	1,143,901	1,266,400	1,388,898	1,511,397	1,633,896	1,756,394	1,878,893	2,001,392	2,360,227	3,219,736	3,219,736
	3 Net Plant		14,577,336	14,454,838	14,332,339	14,209,841	14,087,342	13,964,843	13,842,345	13,719,846	13,597,347	13,474,849	22,569,467	31,723,446	31,723,446
	4 Bonus Depreciation		-	-	-	-	-	-	-	-	-	-	-	-	-
	5 Total Tax Depreciation		122,499	122,499	122,499	122,499	122,499	122,499	122,499	122,499	122,499	122,499	358,835	859,509	2,443,331
	6 Accumulated Tax Depreciation		898,904	1,021,403	1,143,901	1,266,400	1,388,898	1,511,397	1,633,896	1,756,394	1,878,893	2,001,392	2,360,227	3,219,736	3,219,736
	7 Tax Book Difference		840,156	934,191	1,028,226	1,122,261	1,216,296	1,310,331	1,404,366	1,498,401	1,592,436	1,686,471	2,008,149	2,812,600	2,812,600
	8 Income Tax Rate 1/		28.74%	28.74%	28.74%	28.74%	28.74%	28.74%	28.74%	28.74%	28.74%	28.74%	28.74%	28.74%	28.74%
	9 Accumulated Deferred Income Tax Liability	214,435	241,461	268,486	295,512	322,538	349,563	376,589	403,615	430,640	457,666	484,692	577,142	808,341	808,341
	10 Deferred Tax Expense debit / (Credit)		27,026	27,026	27,026	27,026	27,026	27,026	27,026	27,026	27,026	27,026	92,450	231,199	231,199
C	Revenue Requirements														
	1 Net Plant		15,417,492	15,389,029	15,360,565	15,332,101	15,303,638	15,275,174	15,246,710	15,218,247	15,189,783	15,161,320	24,577,615	34,536,046	34,536,046
	2 Less: ADITL - Def Taxes		(241,461)	(268,486)	(295,512)	(322,538)	(349,563)	(376,589)	(403,615)	(430,640)	(457,666)	(484,692)	(577,142)	(808,341)	(808,341)
	3 Plus: ADITA - NOL		-	-	-	-	-	-	-	-	-	-	-	-	-
	4 Rate Base		15,176,031	15,120,542	15,065,053	15,009,564	14,954,074	14,898,585	14,843,096	14,787,606	14,732,117	14,676,628	24,000,473	33,727,705	33,727,705
	5 Average Rate Base		15,203,776	15,148,287	15,092,797	15,037,308	14,981,819	14,926,330	14,870,840	14,815,351	14,759,862	14,704,373	19,338,551	28,864,089	28,864,089
	6 Current Return on CWIP		87,823	87,510	90,201	96,329	107,002	121,843	136,835	158,803	189,473	212,708	194,989	132,228	1,615,743
	7 Return on Average Rate Base														
	8 After Tax Return on Equity		65,673	65,433	65,193	64,954	64,714	64,474	64,235	63,995	63,755	63,515	83,533	124,678	854,152
	9 Income Tax Component		26,487	26,390	26,293	26,197	26,100	26,003	25,907	25,810	25,713	25,617	33,690	50,284	344,490
	10 Interest Expense Component		26,221	26,126	26,030	25,934	25,839	25,743	25,647	25,552	25,456	25,360	33,353	49,781	341,041
	11 Total Return on Average Rate Base		118,381	117,949	117,517	117,085	116,653	116,220	115,788	115,356	114,924	114,492	150,575	224,744	1,539,684
	12 Operation & Maintenance Expense		-	-	-	-	-	-	-	-	-	-	-	-	-
	13 Depreciation Expense		28,464	28,464	28,464	28,464	28,464	28,464	28,464	28,464	28,464	28,464	37,157	55,059	376,852
	14 Property Tax		76,759	76,759	76,759	76,759	76,759	76,759	76,759	76,759	76,759	76,759	76,759	76,759	921,114
	15 Prorata ADIT		(2,285)	-	-	-	-	-	-	-	-	-	-	-	(2,285)
	16 Monthly Revenue Requirements		309,142	310,681	312,941	318,637	328,878	343,287	357,846	379,382	409,620	432,423	459,481	488,789	4,451,107
	17 MN Jurisdictional Allocator		0.82593	0.82593	0.82593	0.82593	0.82593	0.82593	0.82593	0.82593	0.82593	0.82593	0.82593	0.82593	0.82593
	18 MN Jurisdictional Revenue Requirement		255,329	256,601	258,467	263,172	271,630	283,531	295,556	313,343	338,318	357,151	379,499	403,706	3,676,303
D	Monthly Entry														
	1 MN Jurisdictional Rev. Requirement		255,329	256,601	258,467	263,172	271,630	283,531	295,556	313,343	338,318	357,151	379,499	403,706	3,676,303
	2 Monthly Entry Needed		255,329	256,601	258,467	263,172	271,630	283,531	295,556	313,343	338,318	357,151	379,499	403,706	3,676,303
	3 Cumulative YTD		255,329	511,930	770,397	1,033,569	1,305,199	1,588,730	1,884,286	2,197,629	2,535,947	2,893,098	3,272,597	3,676,303	3,676,303

Notes: 1/ Minnesota Composite Income Tax Rate.
2/ Refer to Exhibit B-3 pages 4-18 for individual project information on the Duluth Loop Projects.

Minnesota Power
Transmission Cost Recovery Rider
Project Revenue Requirements

ID# 113305 Duluth Loop Reliability Project
In Service 9/30/2027

Section	Line	Jan-23	Feb-23	Mar-23	Apr-23	May-23	Jun-23	Jul-23	Aug-23	Sep-23	Oct-23	Nov-23	Dec-23
A	Book Basis of Property												
	0 CWIP	-	-	-	-	-	-	-	-	-	-	-	13
	1 Plant in Service												
	2 Total Accumulated Depreciation												
	3 Net Plant												
	4 Total Depreciation												
B	Tax Basis of Property												
	1 Plant in Service												
	2 Accumulated Depreciation												
	3 Net Plant												
	4 Bonus Depreciation												
	5 Total Tax Depreciation												
	6 Accumulated Tax Depreciation												
	7 Tax Book Difference												
	8 Income Tax Rate 1/												
	9 Accumulated Deferred Income Tax Liability												
	10 Deferred Tax Expense debit / (Credit)												
C	Revenue Requirements												
	1 Net Plant												
	2 Less: ADITL - Def Taxes												
	3 Plus: ADITA - NOL												
	4 Rate Base												
	5 Average Rate Base												
	6 Current Return on CWIP 2/			-	-	-	-	-	-	-	-	-	0
	7 Return on Average Rate Base 2/												
	8 After Tax Return on Equity	-	-	-	-	-	-	-	-	-	-	-	-
	9 Income Tax Component	-	-	-	-	-	-	-	-	-	-	-	-
	10 Interest Expense Component	-	-	-	-	-	-	-	-	-	-	-	-
	11 Total Return on Average Rate Base	-	-	-	-	-	-	-	-	-	-	-	-
	12 Operation & Maintenance Expense	-	-	-	-	-	-	-	-	-	-	-	-
	13 Depreciation Expense	-	-	-	-	-	-	-	-	-	-	-	-
	14 Property Tax	-	-	-	-	-	-	-	-	-	-	-	-
	15 Monthly Revenue Requirements	-	-	-	-	-	-	-	-	-	-	-	0
	16 MN Jurisdictional Allocator	0.81633	0.81633	0.81633	0.81633	0.81633	0.81633	0.81633	0.81633	0.81633	0.81633	0.81633	0.81633
	17 MN Jurisdictional Revenue Requirement	-	-	-	-	-	-	-	-	-	-	-	0

Notes: 1/ Minnesota Composite Income Tax Rate.

2/ Current Return on CWIP begins 3/1/2023. Rate of return based on Minnesota Power's 2021 rate case, Docket No. E015/GR-21-355.

Minnesota Power
Transmission Cost Recovery Rider
Project Revenue Requirements

ID# 113305 Duluth Loop Reliability Project
In Service 9/30/2027

Section	Line	Jan-24	Feb-24	Mar-24	Apr-24	May-24	Jun-24	Jul-24	Aug-24	Sep-24	Oct-24	Nov-24	Dec-24
A	Book Basis of Property												
	0 CWIP	54	116	37,582	45,054	44,909	4,271,693	4,316,260	4,360,827	4,405,394	4,449,961	4,425,088	4,399,403
	1 Plant in Service												
	2 Total Accumulated Depreciation												
	3 Net Plant												
	4 Total Depreciation												
B	Tax Basis of Property												
	1 Plant in Service												
	2 Accumulated Depreciation												
	3 Net Plant												
	4 Bonus Depreciation												
	5 Total Tax Depreciation												
	6 Accumulated Tax Depreciation												
	7 Tax Book Difference												
	8 Income Tax Rate 1/												
	9 Accumulated Deferred Income Tax Liability												
	10 Deferred Tax Expense debit / (Credit)												
C	Revenue Requirements												
	1 Net Plant												
	2 Less: ADITL - Def Taxes												
	3 Plus: ADITA - NOL												
	4 Rate Base												
	5 Average Rate Base												
	6 Current Return on CWIP 2/	0	1	147	322	350	16,805	33,434	33,781	34,128	34,475	34,552	34,355
	7 Return on Average Rate Base 2/												
	8 After Tax Return on Equity	-	-	-	-	-	-	-	-	-	-	-	-
	9 Income Tax Component	-	-	-	-	-	-	-	-	-	-	-	-
	10 Interest Expense Component	-	-	-	-	-	-	-	-	-	-	-	-
	11 Total Return on Average Rate Base	-	-	-	-	-	-	-	-	-	-	-	-
	12 Operation & Maintenance Expense	-	-	-	-	-	-	-	-	-	-	-	-
	13 Depreciation Expense	-	-	-	-	-	-	-	-	-	-	-	-
	14 Property Tax	8	8	8	8	8	8	8	8	8	8	8	8
	15 Monthly Revenue Requirements	8	9	155	330	358	16,813	33,442	33,789	34,136	34,483	34,560	34,363
	16 MN Jurisdictional Allocator	0.82593	0.82593	0.82593	0.82593	0.82593	0.82593	0.82593	0.82593	0.82593	0.82593	0.82593	0.82593
	17 MN Jurisdictional Revenue Requirement	7	7	128	272	296	13,886	27,621	27,907	28,194	28,481	28,544	28,381

Notes: 1/ Minnesota Composite Income Tax Rate.

2/ Beginning January 1, 2024 the rate of return is based on Minnesota Power's 2023 rate case, Docket No. E-015/GR-23-155.

Minnesota Power
Transmission Cost Recovery Rider
Project Revenue Requirements

ID# 113305 Duluth Loop Reliability Project
In Service 9/30/2027

Section	Line	Jan-25	Feb-25	Mar-25	Apr-25	May-25	Jun-25	Jul-25	Aug-25	Sep-25	Oct-25	Nov-25	Dec-25
A	Book Basis of Property												
	0 CWIP	4,373,163	4,346,924	4,597,909	4,848,612	6,156,205	7,461,438	8,765,271	10,067,706	11,368,743	11,611,284	11,853,543	12,094,319
	1 Plant in Service												
	2 Total Accumulated Depreciation												
	3 Net Plant												
	4 Total Depreciation												
B	5 Book Depreciation Rate (45.3 year book life)												
	Tax Basis of Property												
	1 Plant in Service												
	2 Accumulated Depreciation												
	3 Net Plant												
	4 Bonus Depreciation												
	5 Total Tax Depreciation												
	6 Accumulated Tax Depreciation												
	7 Tax Book Difference												
	8 Income Tax Rate 1/												
C	9 Accumulated Deferred Income Tax Liability												
	10 Deferred Tax Expense debit / (Credit)												
	Revenue Requirements												
	1 Net Plant												
	2 Less: ADITL - Def Taxes												
	3 Plus: ADITA - NOL												
	4 Rate Base												
	5 Average Rate Base												
	6 Current Return on CWIP 2/	34,153	33,948	34,823	36,777	42,843	53,015	63,173	73,319	83,455	89,464	91,352	93,232
	7 Return on Average Rate Base 2/												
	8 After Tax Return on Equity	-	-	-	-	-	-	-	-	-	-	-	-
	9 Income Tax Component	-	-	-	-	-	-	-	-	-	-	-	-
	10 Interest Expense Component	-	-	-	-	-	-	-	-	-	-	-	-
	11 Total Return on Average Rate Base	-	-	-	-	-	-	-	-	-	-	-	-
	12 Operation & Maintenance Expense	-	-	-	-	-	-	-	-	-	-	-	-
	13 Depreciation Expense	-	-	-	-	-	-	-	-	-	-	-	-
	14 Property Tax	11,931	11,931	11,931	11,931	11,931	11,931	11,931	11,931	11,931	11,931	11,931	11,931
	15 Monthly Revenue Requirements	46,083	45,879	46,754	48,707	54,774	64,946	75,103	85,250	95,386	101,395	103,282	105,163
	16 MN Jurisdictional Allocator	0.82593	0.82593	0.82593	0.82593	0.82593	0.82593	0.82593	0.82593	0.82593	0.82593	0.82593	0.82593
	17 MN Jurisdictional Revenue Requirement	38,062	37,893	38,616	40,229	45,239	53,641	62,030	70,410	78,782	83,745	85,304	86,857

Notes: 1/ Minnesota Composite Income Tax Rate.

2/ Beginning January 1, 2024 the rate of return is based on Minnesota Power's 2023 rate case, Docket No. E-015/GR-23-155.

Minnesota Power
Transmission Cost Recovery Rider
Project Revenue Requirements

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ID# 113316 Ridgeview Sub - Duluth Loop
In Service 11/30/2025

Section	Line	Jan-23	Feb-23	Mar-23	Apr-23	May-23	Jun-23	Jul-23	Aug-23	Sep-23	Oct-23	Nov-23	Dec-23
A	Book Basis of Property												
	0 CWIP	171,565	172,584	228,485	307,943	396,822	483,313	744,658	955,210	955,212	956,416	1,003,408	1,016,919
	1 Plant in Service												
	2 Total Accumulated Depreciation												
	3 Net Plant												
	4 Total Depreciation												
B	Tax Basis of Property												
	1 Plant in Service												
	2 Accumulated Depreciation												
	3 Net Plant												
	4 Bonus Depreciation												
	5 Total Tax Depreciation												
	6 Accumulated Tax Depreciation												
	7 Tax Book Difference												
	8 Income Tax Rate 1/												
	9 Accumulated Deferred Income Tax Liability												
	10 Deferred Tax Expense debit / (Credit)												
C	Revenue Requirements												
	1 Net Plant												
	2 Less: ADITL - Def Taxes												
	3 Plus: ADITA - NOL												
	4 Rate Base												
	5 Average Rate Base												
	6 Current Return on CWIP 2/			1,531	2,048	2,691	3,361	4,689	6,491	7,295	7,299	7,483	7,714
	7 Return on Average Rate Base 2/												
	8 After Tax Return on Equity	-	-	-	-	-	-	-	-	-	-	-	-
	9 Income Tax Component	-	-	-	-	-	-	-	-	-	-	-	-
	10 Interest Expense Component	-	-	-	-	-	-	-	-	-	-	-	-
	11 Total Return on Average Rate Base	-	-	-	-	-	-	-	-	-	-	-	-
	12 Operation & Maintenance Expense	-	-	-	-	-	-	-	-	-	-	-	-
	13 Depreciation Expense	-	-	-	-	-	-	-	-	-	-	-	-
	14 Property Tax	-	-	-	-	-	-	-	-	-	-	-	-
	15 Monthly Revenue Requirements	-	-	1,531	2,048	2,691	3,361	4,689	6,491	7,295	7,299	7,483	7,714
	16 MN Jurisdictional Allocator	0.81633	0.81633	0.81633	0.81633	0.81633	0.81633	0.81633	0.81633	0.81633	0.81633	0.81633	0.81633
	17 MN Jurisdictional Revenue Requirement	-	-	1,250	1,672	2,197	2,743	3,828	5,299	5,955	5,959	6,109	6,297

Notes: 1/ Minnesota Composite Income Tax Rate.

2/ Current Return on CWIP begins 3/1/2023. Rate of return based on Minnesota Power's 2021 rate case, Docket No. E015/GR-21-355.

Minnesota Power
Transmission Cost Recovery Rider
Project Revenue Requirements

ID# 113316 Ridgeview Sub - Duluth Loop
In Service 11/30/2025

Section	Line	Jan-24	Feb-24	Mar-24	Apr-24	May-24	Jun-24	Jul-24	Aug-24	Sep-24	Oct-24	Nov-24	Dec-24
A	Book Basis of Property												
	0 CWIP	1,051,284	1,053,845	1,056,713	1,059,398	1,675,543	2,290,756	3,133,923	4,219,678	4,411,838	4,405,803	4,399,680	4,393,294
	1 Plant in Service												
	2 Total Accumulated Depreciation												
	3 Net Plant												
	4 Total Depreciation												
B	Tax Basis of Property												
	1 Plant in Service												
	2 Accumulated Depreciation												
	3 Net Plant												
	4 Bonus Depreciation												
	5 Total Tax Depreciation												
C	Revenue Requirements												
	1 Net Plant												
	2 Less: ADITL - Def Taxes												
	3 Plus: ADITA - NOL												
	4 Rate Base												
	5 Average Rate Base												
	6 Current Return on CWIP 2/	8,052	8,196	8,217	8,238	10,647	15,441	21,119	28,629	33,604	34,328	34,281	34,232
	7 Return on Average Rate Base 2/												
	8 After Tax Return on Equity	-	-	-	-	-	-	-	-	-	-	-	-
	9 Income Tax Component	-	-	-	-	-	-	-	-	-	-	-	-
	10 Interest Expense Component	-	-	-	-	-	-	-	-	-	-	-	-
	11 Total Return on Average Rate Base	-	-	-	-	-	-	-	-	-	-	-	-
	12 Operation & Maintenance Expense	-	-	-	-	-	-	-	-	-	-	-	-
	13 Depreciation Expense	-	-	-	-	-	-	-	-	-	-	-	-
	14 Property Tax	2,590	2,590	2,590	2,590	2,590	2,590	2,590	2,590	2,590	2,590	2,590	2,590
	15 Monthly Revenue Requirements	10,642	10,785	10,807	10,828	13,237	18,031	23,709	31,218	36,193	36,918	36,871	36,822
	16 MN Jurisdictional Allocator	0.82593	0.82593	0.82593	0.82593	0.82593	0.82593	0.82593	0.82593	0.82593	0.82593	0.82593	0.82593
	17 MN Jurisdictional Revenue Requirement	8,789	8,908	8,925	8,943	10,933	14,892	19,582	25,784	29,893	30,492	30,453	30,412

Notes: 1/ Minnesota Composite Income Tax Rate.

2/ Beginning January 1, 2024 the rate of return is based on Minnesota Power's 2023 rate case, Docket No. E-015/GR-23-155.

Minnesota Power
Transmission Cost Recovery Rider
Project Revenue Requirements

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ID# 113316 Ridgeview Sub - Duluth Loop
In Service 11/30/2025

Section	Line	Jan-25	Feb-25	Mar-25	Apr-25	May-25	Jun-25	Jul-25	Aug-25	Sep-25	Oct-25	Nov-25	Dec-25
A	Book Basis of Property												
	0 CWIP	4,386,677	4,379,971	4,867,837	5,467,091	6,065,556	6,681,342	7,311,169	8,149,471	9,457,943	9,461,032	9,453,453	
	1 Plant in Service											9,453,453	9,453,453
	2 Total Accumulated Depreciation											8,693	26,080
	3 Net Plant											9,444,759	9,427,373
	4 Total Depreciation											8,693	17,387
	5 Book Depreciation Rate (45.3 year book life)											0.18%	0.18%
B	Tax Basis of Property												
	1 Plant in Service											9,453,453	9,453,453
	2 Accumulated Depreciation											236,336	472,673
	3 Net Plant											9,217,116	8,980,780
	4 Bonus Depreciation												
	5 Total Tax Depreciation											236,336	236,336
	6 Accumulated Tax Depreciation											236,336	472,673
	7 Tax Book Difference											227,643	446,593
	8 Income Tax Rate 1/											28.74%	28.74%
	9 Accumulated Deferred Income Tax Liability											65,425	128,351
	10 Deferred Tax Expense debit / (Credit)											65,425	62,926
C	Revenue Requirements												
	1 Net Plant											9,444,759	9,427,373
	2 Less: ADITL - Def Taxes											(65,425)	(128,351)
	3 Plus: ADITA - NOL											-	-
	4 Rate Base											9,379,335	9,299,022
	5 Average Rate Base											4,689,667	9,339,178
	6 Current Return on CWIP 2/	34,182	34,130	36,003	40,235	44,898	49,625	54,475	60,190	68,548	73,654	36,818	
	7 Return on Average Rate Base 2/												
	8 After Tax Return on Equity	-	-	-	-	-	-	-	-	-	-	20,257	40,341
	9 Income Tax Component	-	-	-	-	-	-	-	-	-	-	8,170	16,270
	10 Interest Expense Component	-	-	-	-	-	-	-	-	-	-	8,088	16,107
	11 Total Return on Average Rate Base	-	-	-	-	-	-	-	-	-	-	36,515	72,717
	12 Operation & Maintenance Expense	-	-	-	-	-	-	-	-	-	-	-	-
	13 Depreciation Expense	-	-	-	-	-	-	-	-	-	-	8,693	17,387
	14 Property Tax	11,737	11,737	11,737	11,737	11,737	11,737	11,737	11,737	11,737	11,737	11,737	11,737
	15 Monthly Revenue Requirements	45,919	45,867	47,740	51,973	56,635	61,363	66,212	71,928	80,285	85,391	93,764	101,841
	16 MN Jurisdictional Allocator	0.82593	0.82593	0.82593	0.82593	0.82593	0.82593	0.82593	0.82593	0.82593	0.82593	0.82593	0.82593
	17 MN Jurisdictional Revenue Requirement	37,926	37,883	39,430	42,926	46,777	50,681	54,687	59,407	66,310	70,527	77,442	84,114

Notes: 1/ Minnesota Composite Income Tax Rate.

2/ Beginning January 1, 2024 the rate of return is based on Minnesota Power's 2023 rate case, Docket No. E-015/GR-23-155.

Minnesota Power
Transmission Cost Recovery Rider
Project Revenue Requirements

ID# 113317 Arrowhead Sub - Duluth Loop

In Service 10/31/2024

Partial In-Service 12/2023

Section	Line	Jan-23	Feb-23	Mar-23	Apr-23	May-23	Jun-23	Jul-23	Aug-23	Sep-23	Oct-23	Nov-23	Dec-23
A	Book Basis of Property												
	0 CWIP	718,743	722,995	736,966	741,383	805,717	944,425	968,146	1,020,211	1,425,144	1,509,857	1,568,387	2,533,621
	1 Plant in Service												27,298
	2 Total Accumulated Depreciation												25
	3 Net Plant												27,273
	4 Total Depreciation												25
B	5 Book Depreciation Rate (45.3 year book life)												0.18%
	Tax Basis of Property												
	1 Plant in Service												27,298
	2 Accumulated Depreciation												1,365
	3 Net Plant												25,933
	4 Bonus Depreciation												
C	5 Total Tax Depreciation												1,365
	6 Accumulated Tax Depreciation												1,365
	7 Tax Book Difference												1,340
	8 Income Tax Rate 1/												28.74%
	9 Accumulated Deferred Income Tax Liability												385
	10 Deferred Tax Expense debit / (Credit)												385
C	Revenue Requirements												
	1 Net Plant												27,273
	2 Less: ADITL - Def Taxes												(385)
	3 Plus: ADITA - NOL												-
	4 Rate Base												26,888
	5 Average Rate Base												13,444
	6 Current Return on CWIP 2/			5,575	5,645	5,907	6,683	7,303	7,592	9,337	11,207	11,754	15,663
	7 Return on Average Rate Base 2/												
	8 After Tax Return on Equity	-	-	-	-	-	-	-	-	-	-	-	57
	9 Income Tax Component	-	-	-	-	-	-	-	-	-	-	-	23
	10 Interest Expense Component	-	-	-	-	-	-	-	-	-	-	-	23
	11 Total Return on Average Rate Base	-	-	-	-	-	-	-	-	-	-	-	103
	12 Operation & Maintenance Expense	-	-	-	-	-	-	-	-	-	-	-	-
	13 Depreciation Expense	-	-	-	-	-	-	-	-	-	-	-	25
	14 Property Tax	-	-	-	-	-	-	-	-	-	-	-	-
	15 Monthly Revenue Requirements	-	-	5,575	5,645	5,907	6,683	7,303	7,592	9,337	11,207	11,754	15,791
	16 MN Jurisdictional Allocator	0.81633	0.81633	0.81633	0.81633	0.81633	0.81633	0.81633	0.81633	0.81633	0.81633	0.81633	0.81633
	17 MN Jurisdictional Revenue Requirement	-	-	4,551	4,608	4,822	5,455	5,962	6,198	7,622	9,148	9,595	12,890

Notes: 1/ Minnesota Composite Income Tax Rate.

2/ Current Return on CWIP begins 3/1/2023. Rate of return based on Minnesota Power's 2021 rate case, Docket No. E015/GR-21-355.

Minnesota Power
Transmission Cost Recovery Rider
Project Revenue Requirements

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ID# 113317 Arrowhead Sub - Duluth Loop

In Service 10/31/2024

Partial In-Service 12/2023

Section	Line	Jan-24	Feb-24	Mar-24	Apr-24	May-24	Jun-24	Jul-24	Aug-24	Sep-24	Oct-24	Nov-24	Dec-24
A	Book Basis of Property												
	0 CWIP	2,575,960	2,584,146	2,827,999	2,907,775	3,095,073	3,383,634	3,686,569	3,885,549	3,975,836	4,227,644		
	1 Plant in Service	27,298	27,298	27,298	27,298	27,298	27,298	27,298	27,298	27,298	4,227,644	4,227,644	4,227,644
	2 Total Accumulated Depreciation	75	126	176	226	276	326	377	427	477	4,390	12,165	19,941
	3 Net Plant	27,223	27,173	27,122	27,072	27,022	26,972	26,922	26,871	26,821	4,223,254	4,215,479	4,207,703
	4 Total Depreciation	50	50	50	50	50	50	50	50	50	3,913	7,775	7,775
	5 Book Depreciation Rate (45.3 year book life)	0.18%	0.18%	0.18%	0.18%	0.18%	0.18%	0.18%	0.18%	0.18%	0.18%	0.18%	0.18%
B	Tax Basis of Property												
	1 Plant in Service	27,298	27,298	27,298	27,298	27,298	27,298	27,298	27,298	27,298	4,227,644	4,227,644	4,227,644
	2 Accumulated Depreciation	1,581	1,797	2,013	2,229	2,445	2,662	2,878	3,094	3,310	73,532	143,754	213,976
	3 Net Plant	25,717	25,501	25,285	25,069	24,853	24,637	24,420	24,204	23,988	4,154,112	4,083,890	4,013,668
	4 Bonus Depreciation												
	5 Total Tax Depreciation	216	216	216	216	216	216	216	216	216	70,222	70,222	70,222
	6 Accumulated Tax Depreciation	1,581	1,797	2,013	2,229	2,445	2,662	2,878	3,094	3,310	73,532	143,754	213,976
	7 Tax Book Difference	1,506	1,672	1,838	2,003	2,169	2,335	2,501	2,667	2,833	69,142	131,588	194,035
	8 Income Tax Rate 1/	28.74%	28.74%	28.74%	28.74%	28.74%	28.74%	28.74%	28.74%	28.74%	28.74%	28.74%	28.74%
	9 Accumulated Deferred Income Tax Liability	433	480	528	576	623	671	719	767	814	19,871	37,819	55,766
	10 Deferred Tax Expense debit / (Credit)	48	48	48	48	48	48	48	48	48	19,057	17,947	17,947
C	Revenue Requirements												
	1 Net Plant	27,223	27,173	27,122	27,072	27,022	26,972	26,922	26,871	26,821	4,223,254	4,215,479	4,207,703
	2 Less: ADITL - Def Taxes	(433)	(480)	(528)	(576)	(623)	(671)	(719)	(767)	(814)	(19,871)	(37,819)	(55,766)
	3 Plus: ADITA - NOL	-	-	-	-	-	-	-	-	-	-	-	-
	4 Rate Base	26,790	26,692	26,594	26,496	26,398	26,301	26,203	26,105	26,007	4,203,383	4,177,660	4,151,938
	5 Average Rate Base	26,839	26,741	26,643	26,545	26,447	26,350	26,252	26,154	26,056	2,114,695	4,190,522	4,164,799
	6 Current Return on CWIP 2/	19,892	20,089	21,070	22,330	23,370	25,222	27,525	29,479	30,605	15,969		
	7 Return on Average Rate Base 2/												
	8 After Tax Return on Equity	116	116	115	115	114	114	113	113	113	9,134	18,101	17,990
	9 Income Tax Component	47	47	46	46	46	46	46	46	45	3,684	7,300	7,256
	10 Interest Expense Component	46	46	46	46	46	45	45	45	45	3,647	7,227	7,183
	11 Total Return on Average Rate Base	209	208	207	207	206	205	204	204	203	16,466	32,629	32,428
	12 Operation & Maintenance Expense	-	-	-	-	-	-	-	-	-	-	-	-
	13 Depreciation Expense	50	50	50	50	50	50	50	50	50	3,913	7,775	7,775
	14 Property Tax	7,753	7,753	7,753	7,753	7,753	7,753	7,753	7,753	7,753	7,753	7,753	7,753
	15 Monthly Revenue Requirements	27,905	28,100	29,081	30,340	31,379	33,231	35,533	37,486	38,612	44,100	48,157	47,957
	16 MN Jurisdictional Allocator	0.82593	0.82593	0.82593	0.82593	0.82593	0.82593	0.82593	0.82593	0.82593	0.82593	0.82593	0.82593
	17 MN Jurisdictional Revenue Requirement	23,047	23,209	24,019	25,059	25,917	27,446	29,348	30,961	31,890	36,424	39,774	39,609

Notes: 1/ Minnesota Composite Income Tax Rate.

2/ Beginning January 1, 2024 the rate of return is based on Minnesota Power's 2023 rate case, Docket No. E-015/GR-23-155.

Minnesota Power
Transmission Cost Recovery Rider
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ID# 113317 Arrowhead Sub - Duluth Loop

In Service 10/31/2024

Partial In-Service 12/2023

Section	Line	Jan-25	Feb-25	Mar-25	Apr-25	May-25	Jun-25	Jul-25	Aug-25	Sep-25	Oct-25	Nov-25	Dec-25
A	Book Basis of Property												
	0 CWIP												
	1 Plant in Service	4,227,644	4,227,644	4,227,644	4,227,644	4,227,644	4,227,644	4,227,644	4,227,644	4,227,644	4,227,644	4,227,644	4,227,644
	2 Total Accumulated Depreciation	27,716	35,491	43,267	51,042	58,818	66,593	74,368	82,144	89,919	97,695	105,470	113,245
	3 Net Plant	4,199,928	4,192,153	4,184,377	4,176,602	4,168,826	4,161,051	4,153,276	4,145,500	4,137,725	4,129,949	4,122,174	4,114,399
	4 Total Depreciation	7,775	7,775	7,775	7,775	7,775	7,775	7,775	7,775	7,775	7,775	7,775	7,775
	5 Book Depreciation Rate (45.3 year book life)	0.18%	0.18%	0.18%	0.18%	0.18%	0.18%	0.18%	0.18%	0.18%	0.18%	0.18%	0.18%
B	Tax Basis of Property												
	1 Plant in Service	4,227,644	4,227,644	4,227,644	4,227,644	4,227,644	4,227,644	4,227,644	4,227,644	4,227,644	4,227,644	4,227,644	4,227,644
	2 Accumulated Depreciation	247,423	280,870	314,317	347,764	381,212	414,659	448,106	481,553	515,001	548,448	581,895	615,342
	3 Net Plant	3,980,221	3,946,774	3,913,327	3,879,879	3,846,432	3,812,985	3,779,538	3,746,091	3,712,643	3,679,196	3,645,749	3,612,302
	4 Bonus Depreciation												
	5 Total Tax Depreciation	33,447	33,447	33,447	33,447	33,447	33,447	33,447	33,447	33,447	33,447	33,447	33,447
	6 Accumulated Tax Depreciation	247,423	280,870	314,317	347,764	381,212	414,659	448,106	481,553	515,001	548,448	581,895	615,342
	7 Tax Book Difference	219,707	245,379	271,050	296,722	322,394	348,066	373,738	399,410	425,081	450,753	476,425	502,097
	8 Income Tax Rate 1/	28.74%	28.74%	28.74%	28.74%	28.74%	28.74%	28.74%	28.74%	28.74%	28.74%	28.74%	28.74%
	9 Accumulated Deferred Income Tax Liability	63,144	70,522	77,900	85,278	92,656	100,034	107,412	114,790	122,168	129,546	136,925	144,303
	10 Deferred Tax Expense debit / (Credit)	7,378	7,378	7,378	7,378	7,378	7,378	7,378	7,378	7,378	7,378	7,378	7,378
C	Revenue Requirements												
	1 Net Plant	4,199,928	4,192,153	4,184,377	4,176,602	4,168,826	4,161,051	4,153,276	4,145,500	4,137,725	4,129,949	4,122,174	4,114,399
	2 Less: ADITL - Def Taxes	(63,144)	(70,522)	(77,900)	(85,278)	(92,656)	(100,034)	(107,412)	(114,790)	(122,168)	(129,546)	(136,925)	(144,303)
	3 Plus: ADITA - NOL	-	-	-	-	-	-	-	-	-	-	-	-
	4 Rate Base	4,136,784	4,121,631	4,106,477	4,091,324	4,076,170	4,061,017	4,045,863	4,030,710	4,015,556	4,000,403	3,985,249	3,970,096
	5 Average Rate Base	4,144,361	4,129,208	4,114,054	4,098,901	4,083,747	4,068,594	4,053,440	4,038,287	4,023,133	4,007,980	3,992,826	3,977,673
	6 Current Return on CWIP 2/												
	7 Return on Average Rate Base 2/												
	8 After Tax Return on Equity	17,902	17,836	17,771	17,705	17,640	17,574	17,509	17,443	17,378	17,312	17,247	17,182
	9 Income Tax Component	7,220	7,194	7,167	7,141	7,114	7,088	7,062	7,035	7,009	6,982	6,956	6,930
	10 Interest Expense Component	7,148	7,122	7,095	7,069	7,043	7,017	6,991	6,965	6,939	6,912	6,886	6,860
	11 Total Return on Average Rate Base	32,269	32,151	32,033	31,915	31,797	31,679	31,561	31,443	31,325	31,207	31,089	30,971
	12 Operation & Maintenance Expense	-	-	-	-	-	-	-	-	-	-	-	-
	13 Depreciation Expense	7,775	7,775	7,775	7,775	7,775	7,775	7,775	7,775	7,775	7,775	7,775	7,775
	14 Property Tax	13,395	13,395	13,395	13,395	13,395	13,395	13,395	13,395	13,395	13,395	13,395	13,395
	15 Monthly Revenue Requirements	53,440	53,322	53,204	53,086	52,968	52,850	52,732	52,614	52,496	52,378	52,260	52,142
	16 MN Jurisdictional Allocator	0.82593	0.82593	0.82593	0.82593	0.82593	0.82593	0.82593	0.82593	0.82593	0.82593	0.82593	0.82593
	17 MN Jurisdictional Revenue Requirement	44,137	44,040	43,942	43,845	43,748	43,650	43,553	43,455	43,358	43,260	43,163	43,065

Notes: 1/ Minnesota Composite Income Tax Rate.

2/ Beginning January 1, 2024 the rate of return is based on Minnesota Power's 2023 rate case, Docket No. E-015/GR-23-155.

Minnesota Power
Transmission Cost Recovery Rider
Project Revenue Requirements

ID# 113318 Hilltop Sub - Duluth Loop
In Service 12/31/2024

Section	Line	Jan-23	Feb-23	Mar-23	Apr-23	May-23	Jun-23	Jul-23	Aug-23	Sep-23	Oct-23	Nov-23	Dec-23
A	Book Basis of Property												
	0 CWIP	184,196	185,289	261,128	411,835	577,010	1,111,746	1,250,057	2,050,472	2,052,680	2,054,291	2,076,818	2,078,382
	1 Plant in Service												
	2 Total Accumulated Depreciation												
	3 Net Plant												
	4 Total Depreciation												
B	5 Book Depreciation Rate (45.3 year book life)												
	Tax Basis of Property												
	1 Plant in Service												
	2 Accumulated Depreciation												
	3 Net Plant												
	4 Bonus Depreciation												
	5 Total Tax Depreciation												
	6 Accumulated Tax Depreciation												
	7 Tax Book Difference												
	8 Income Tax Rate 1/												
C	9 Accumulated Deferred Income Tax Liability												
	10 Deferred Tax Expense debit / (Credit)												
	Revenue Requirements												
	1 Net Plant												
	2 Less: ADITL - Def Taxes												
	3 Plus: ADITA - NOL												
	4 Rate Base												
	5 Average Rate Base												
	6 Current Return on CWIP 2/			1,705	2,570	3,776	6,448	9,018	12,603	15,667	15,682	15,774	15,866
	7 Return on Average Rate Base 2/												
	8 After Tax Return on Equity	-	-	-	-	-	-	-	-	-	-	-	-
	9 Income Tax Component	-	-	-	-	-	-	-	-	-	-	-	-
	10 Interest Expense Component	-	-	-	-	-	-	-	-	-	-	-	-
	11 Total Return on Average Rate Base	-	-	-	-	-	-	-	-	-	-	-	-
	12 Operation & Maintenance Expense	-	-	-	-	-	-	-	-	-	-	-	-
	13 Depreciation Expense	-	-	-	-	-	-	-	-	-	-	-	-
	14 Property Tax	-	-	-	-	-	-	-	-	-	-	-	-
	15 Monthly Revenue Requirements	-	-	1,705	2,570	3,776	6,448	9,018	12,603	15,667	15,682	15,774	15,866
	16 MN Jurisdictional Allocator	0.81633	0.81633	0.81633	0.81633	0.81633	0.81633	0.81633	0.81633	0.81633	0.81633	0.81633	0.81633
	17 MN Jurisdictional Revenue Requirement	-	-	1,391	2,098	3,082	5,264	7,362	10,288	12,790	12,802	12,877	12,952

Notes: 1/ Minnesota Composite Income Tax Rate.

2/ Current Return on CWIP begins 5/1/2023. Rate of return based on Minnesota Power's 2021 rate case, Docket No. E015/GR-21-355.

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Transmission Cost Recovery Rider
Project Revenue Requirements

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ID# 113318 Hilltop Sub - Duluth Loop

In Service 12/31/2024

Section	Line	Jan-24	Feb-24	Mar-24	Apr-24	May-24	Jun-24	Jul-24	Aug-24	Sep-24	Oct-24	Nov-24	Dec-24
A	Book Basis of Property												
	0 CWIP	2,116,662	2,327,745	3,667,655	4,683,850	4,853,456	5,095,038	6,168,018	9,765,653	10,494,119	11,227,921	11,254,567	11,248,596
	1 Plant in Service												11,248,596
	2 Total Accumulated Depreciation												10,344
	3 Net Plant												11,238,252
	4 Total Depreciation												10,344
B	5 Book Depreciation Rate (45.3 year book life)												0.18%
	Tax Basis of Property												
	1 Plant in Service												11,248,596
	2 Accumulated Depreciation												562,430
	3 Net Plant												10,686,167
	4 Bonus Depreciation												
	5 Total Tax Depreciation												562,430
	6 Accumulated Tax Depreciation												562,430
	7 Tax Book Difference												552,086
	8 Income Tax Rate 1/												28.74%
C	9 Accumulated Deferred Income Tax Liability												158,669
	10 Deferred Tax Expense debit / (Credit)												158,669
	Revenue Requirements												
	1 Net Plant												11,238,252
	2 Less: ADITL - Def Taxes												(158,669)
	3 Plus: ADITA - NOL												-
	4 Rate Base												11,079,583
	5 Average Rate Base												5,539,791
	6 Current Return on CWIP 2/	16,332	17,303	23,341	32,514	37,130	38,731	43,849	62,032	78,874	84,567	87,527	43,804
	7 Return on Average Rate Base 2/												
	8 After Tax Return on Equity	-	-	-	-	-	-	-	-	-	-	-	23,929
	9 Income Tax Component	-	-	-	-	-	-	-	-	-	-	-	9,651
	10 Interest Expense Component	-	-	-	-	-	-	-	-	-	-	-	9,554
	11 Total Return on Average Rate Base	-	-	-	-	-	-	-	-	-	-	-	43,134
	12 Operation & Maintenance Expense	-	-	-	-	-	-	-	-	-	-	-	-
	13 Depreciation Expense	-	-	-	-	-	-	-	-	-	-	-	10,344
	14 Property Tax	5,980	5,980	5,980	5,980	5,980	5,980	5,980	5,980	5,980	5,980	5,980	5,980
	15 Monthly Revenue Requirements	22,312	23,283	29,321	38,494	43,110	44,711	49,829	68,012	84,854	90,547	93,508	103,263
	16 MN Jurisdictional Allocator	0.82593	0.82593	0.82593	0.82593	0.82593	0.82593	0.82593	0.82593	0.82593	0.82593	0.82593	0.82593
	17 MN Jurisdictional Revenue Requirement	18,428	19,230	24,217	31,793	35,606	36,928	41,155	56,173	70,084	74,786	77,231	85,288

Notes: 1/ Minnesota Composite Income Tax Rate.

2/ Beginning January 1, 2024 the rate of return is based on Minnesota Power's 2023 rate case, Docket No. E-015/GR-23-155.

Minnesota Power
Transmission Cost Recovery Rider
Project Revenue Requirements

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ID# 113318 Hilltop Sub - Duluth Loop
In Service 12/31/2024

Section	Line	Jan-25	Feb-25	Mar-25	Apr-25	May-25	Jun-25	Jul-25	Aug-25	Sep-25	Oct-25	Nov-25	Dec-25
A	Book Basis of Property												
	0 CWIP												
	1 Plant in Service	11,248,596	11,248,596	11,248,596	11,248,596	11,248,596	11,248,596	11,248,596	11,248,596	11,248,596	11,248,596	11,248,596	11,248,596
	2 Total Accumulated Depreciation	31,032	51,721	72,409	93,097	113,785	134,473	155,162	175,850	196,538	217,226	237,914	258,603
	3 Net Plant	11,217,564	11,196,876	11,176,188	11,155,500	11,134,811	11,114,123	11,093,435	11,072,747	11,052,058	11,031,370	11,010,682	10,989,994
	4 Total Depreciation	20,688	20,688	20,688	20,688	20,688	20,688	20,688	20,688	20,688	20,688	20,688	20,688
	5 Book Depreciation Rate (45.3 year book life)	0.18%	0.18%	0.18%	0.18%	0.18%	0.18%	0.18%	0.18%	0.18%	0.18%	0.18%	0.18%
B	Tax Basis of Property												
	1 Plant in Service	11,248,596	11,248,596	11,248,596	11,248,596	11,248,596	11,248,596	11,248,596	11,248,596	11,248,596	11,248,596	11,248,596	11,248,596
	2 Accumulated Depreciation	651,481	740,533	829,584	918,635	1,007,687	1,096,738	1,185,790	1,274,841	1,363,892	1,452,944	1,541,995	1,631,046
	3 Net Plant	10,597,115	10,508,064	10,419,012	10,329,961	10,240,910	10,151,858	10,062,807	9,973,756	9,884,704	9,795,653	9,706,601	9,617,550
	4 Bonus Depreciation												
	5 Total Tax Depreciation	89,051	89,051	89,051	89,051	89,051	89,051	89,051	89,051	89,051	89,051	89,051	89,051
	6 Accumulated Tax Depreciation	651,481	740,533	829,584	918,635	1,007,687	1,096,738	1,185,790	1,274,841	1,363,892	1,452,944	1,541,995	1,631,046
	7 Tax Book Difference	620,449	688,812	757,175	825,538	893,902	962,265	1,030,628	1,098,991	1,167,354	1,235,717	1,304,081	1,372,444
	8 Income Tax Rate 1/	28.74%	28.74%	28.74%	28.74%	28.74%	28.74%	28.74%	28.74%	28.74%	28.74%	28.74%	28.74%
	9 Accumulated Deferred Income Tax Liability	178,317	197,965	217,612	237,260	256,907	276,555	296,202	315,850	335,498	355,145	374,793	394,440
	10 Deferred Tax Expense debit / (Credit)	19,648	19,648	19,648	19,648	19,648	19,648	19,648	19,648	19,648	19,648	19,648	19,648
C	Revenue Requirements												
	1 Net Plant	11,217,564	11,196,876	11,176,188	11,155,500	11,134,811	11,114,123	11,093,435	11,072,747	11,052,058	11,031,370	11,010,682	10,989,994
	2 Less: ADITL - Def Taxes	(178,317)	(197,965)	(217,612)	(237,260)	(256,907)	(276,555)	(296,202)	(315,850)	(335,498)	(355,145)	(374,793)	(394,440)
	3 Plus: ADITA - NOL	-	-	-	-	-	-	-	-	-	-	-	-
	4 Rate Base	11,039,247	10,998,911	10,958,576	10,918,240	10,877,904	10,837,568	10,797,232	10,756,897	10,716,561	10,676,225	10,635,889	10,595,553
	5 Average Rate Base	11,059,415	11,019,079	10,978,743	10,938,408	10,898,072	10,857,736	10,817,400	10,777,065	10,736,729	10,696,393	10,656,057	10,615,721
	6 Current Return on CWIP 2/												
	7 Return on Average Rate Base 2/												
	8 After Tax Return on Equity	47,771	47,597	47,423	47,248	47,074	46,900	46,726	46,551	46,377	46,203	46,029	45,855
	9 Income Tax Component	19,267	19,196	19,126	19,056	18,986	18,915	18,845	18,775	18,705	18,634	18,564	18,494
	10 Interest Expense Component	19,074	19,004	18,935	18,865	18,796	18,726	18,656	18,587	18,517	18,448	18,378	18,309
	11 Total Return on Average Rate Base	86,112	85,798	85,483	85,169	84,855	84,541	84,227	83,913	83,599	83,285	82,971	82,657
	12 Operation & Maintenance Expense	-	-	-	-	-	-	-	-	-	-	-	-
	13 Depreciation Expense	20,688	20,688	20,688	20,688	20,688	20,688	20,688	20,688	20,688	20,688	20,688	20,688
	14 Property Tax	32,808	32,808	32,808	32,808	32,808	32,808	32,808	32,808	32,808	32,808	32,808	32,808
	15 Monthly Revenue Requirements	139,608	139,294	138,980	138,666	138,352	138,038	137,724	137,410	137,096	136,782	136,468	136,154
	16 MN Jurisdictional Allocator	0.82593	0.82593	0.82593	0.82593	0.82593	0.82593	0.82593	0.82593	0.82593	0.82593	0.82593	0.82593
	17 MN Jurisdictional Revenue Requirement	115,307	115,047	114,788	114,528	114,269	114,010	113,750	113,491	113,231	112,972	112,713	112,453

Notes: 1/ Minnesota Composite Income Tax Rate.

2/ Beginning January 1, 2024 the rate of return is based on Minnesota Power's 2023 rate case, Docket No. E-015/GR-23-155.

Minnesota Power
Transmission Cost Recovery Rider
Project Revenue Requirements

ID# 113539 230kV Projects
In Service 12/31/2025

Section	Line	Jan-23	Feb-23	Mar-23	Apr-23	May-23	Jun-23	Jul-23	Aug-23	Sep-23	Oct-23	Nov-23	Dec-23
A	Book Basis of Property												
	0 CWIP			-	-	-	-	18	71	238	309	3,345	3,397
	1 Plant in Service												
	2 Total Accumulated Depreciation												
	3 Net Plant												
	4 Total Depreciation												
B	Tax Basis of Property												
	1 Plant in Service												
	2 Accumulated Depreciation												
	3 Net Plant												
	4 Bonus Depreciation												
	5 Total Tax Depreciation												
C	Revenue Requirements												
	1 Net Plant												
	2 Less: ADITL - Def Taxes												
	3 Plus: ADITA - NOL												
	4 Rate Base												
	5 Average Rate Base												
	6 Current Return on CWIP 2/			-	-	-	-	0	0	1	2	14	26
	7 Return on Average Rate Base 2/												
	8 After Tax Return on Equity	-	-	-	-	-	-	-	-	-	-	-	-
	9 Income Tax Component	-	-	-	-	-	-	-	-	-	-	-	-
	10 Interest Expense Component	-	-	-	-	-	-	-	-	-	-	-	-
	11 Total Return on Average Rate Base	-	-	-	-	-	-	-	-	-	-	-	-
	12 Operation & Maintenance Expense	-	-	-	-	-	-	-	-	-	-	-	-
	13 Depreciation Expense	-	-	-	-	-	-	-	-	-	-	-	-
	14 Property Tax	-	-	-	-	-	-	-	-	-	-	-	-
	15 Monthly Revenue Requirements	-	-	-	-	-	-	0	0	1	2	14	26
	16 MN Jurisdictional Allocator	0.81633	0.81633	0.81633	0.81633	0.81633	0.81633	0.81633	0.81633	0.81633	0.81633	0.81633	0.81633
	17 MN Jurisdictional Revenue Requirement	-	-	-	-	-	-	0	0	1	2	11	21

Notes: 1/ Minnesota Composite Income Tax Rate.

2/ Current Return on CWIP begins 5/1/2023. Rate of return based on Minnesota Power's 2021 rate case, Docket No. E015/GR-21-355.

Minnesota Power
Transmission Cost Recovery Rider
Project Revenue Requirements

ID# 113539 230kV Projects
In Service 12/31/2025

Section	Line	Jan-24	Feb-24	Mar-24	Apr-24	May-24	Jun-24	Jul-24	Aug-24	Sep-24	Oct-24	Nov-24	Dec-24
A	Book Basis of Property												
	0 CWIP	3,410	3,553	123,031	388,359	399,119	1,250,116	1,244,513	1,562,368	1,879,867	2,197,007	2,513,788	2,506,545
	1 Plant in Service												
	2 Total Accumulated Depreciation												
	3 Net Plant												
	4 Total Depreciation												
B	5 Book Depreciation Rate (45.3 year book life)												
	Tax Basis of Property												
	1 Plant in Service												
	2 Accumulated Depreciation												
	3 Net Plant												
	4 Bonus Depreciation												
	5 Total Tax Depreciation												
	6 Accumulated Tax Depreciation												
	7 Tax Book Difference												
	8 Income Tax Rate 1/												
C	9 Accumulated Deferred Income Tax Liability												
	10 Deferred Tax Expense debit / (Credit)												
	Revenue Requirements												
	1 Net Plant												
	2 Less: ADITL - Def Taxes												
	3 Plus: ADITA - NOL												
	4 Rate Base												
	5 Average Rate Base												
	6 Current Return on CWIP 2/	27	27	493	1,991	3,066	6,421	9,712	10,928	13,401	15,872	18,340	19,545
	7 Return on Average Rate Base 2/												
	8 After Tax Return on Equity	-	-	-	-	-	-	-	-	-	-	-	-
	9 Income Tax Component	-	-	-	-	-	-	-	-	-	-	-	-
	10 Interest Expense Component	-	-	-	-	-	-	-	-	-	-	-	-
	11 Total Return on Average Rate Base	-	-	-	-	-	-	-	-	-	-	-	-
	12 Operation & Maintenance Expense	-	-	-	-	-	-	-	-	-	-	-	-
	13 Depreciation Expense	-	-	-	-	-	-	-	-	-	-	-	-
	14 Property Tax	165	165	165	165	165	165	165	165	165	165	165	165
	15 Monthly Revenue Requirements	192	192	658	2,156	3,231	6,586	9,877	11,093	13,566	16,037	18,505	19,710
	16 MN Jurisdictional Allocator	0.82593	0.82593	0.82593	0.82593	0.82593	0.82593	0.82593	0.82593	0.82593	0.82593	0.82593	0.82593
	17 MN Jurisdictional Revenue Requirement	158	159	544	1,781	2,669	5,440	8,158	9,162	11,205	13,246	15,284	16,279

Notes: 1/ Minnesota Composite Income Tax Rate.

2/ Beginning January 1, 2024 the rate of return is based on Minnesota Power's 2023 rate case, Docket No. E-015/GR-23-155.

Minnesota Power
Transmission Cost Recovery Rider
Project Revenue Requirements

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ID# 113539 230kV Projects
In Service 12/31/2025

Section	Line	Jan-25	Feb-25	Mar-25	Apr-25	May-25	Jun-25	Jul-25	Aug-25	Sep-25	Oct-25	Nov-25	Dec-25
A	Book Basis of Property												
	0 CWIP	2,499,241	2,491,936	2,484,632	2,477,319	2,469,998	2,462,403	2,466,074	4,030,774	5,593,796	7,143,858	10,019,406	10,013,489
	1 Plant in Service												10,013,489
	2 Total Accumulated Depreciation												9,208
	3 Net Plant												10,004,281
	4 Total Depreciation												9,208
	5 Book Depreciation Rate (45.3 year book life)												0.18%
B	Tax Basis of Property												
	1 Plant in Service												10,013,489
	2 Accumulated Depreciation												500,674
	3 Net Plant												9,512,815
	4 Bonus Depreciation												
	5 Total Tax Depreciation												500,674
	6 Accumulated Tax Depreciation												500,674
	7 Tax Book Difference												491,466
	8 Income Tax Rate 1/												28.74%
	9 Accumulated Deferred Income Tax Liability												141,247
	10 Deferred Tax Expense debit / (Credit)												141,247
C	Revenue Requirements												
	1 Net Plant												10,004,281
	2 Less: ADITL - Def Taxes												(141,247)
	3 Plus: ADITA - NOL												-
	4 Rate Base												9,863,034
	5 Average Rate Base												4,931,517
	6 Current Return on CWIP 2/	19,488	19,431	19,374	19,318	19,261	19,203	19,187	25,293	37,470	49,589	66,819	38,995
	7 Return on Average Rate Base 2/												
	8 After Tax Return on Equity	-	-	-	-	-	-	-	-	-	-	-	21,302
	9 Income Tax Component	-	-	-	-	-	-	-	-	-	-	-	8,591
	10 Interest Expense Component	-	-	-	-	-	-	-	-	-	-	-	8,505
	11 Total Return on Average Rate Base	-	-	-	-	-	-	-	-	-	-	-	38,398
	12 Operation & Maintenance Expense	-	-	-	-	-	-	-	-	-	-	-	-
	13 Depreciation Expense	-	-	-	-	-	-	-	-	-	-	-	9,208
	14 Property Tax	6,888	6,888	6,888	6,888	6,888	6,888	6,888	6,888	6,888	6,888	6,888	6,888
	15 Monthly Revenue Requirements	26,376	26,319	26,263	26,206	26,149	26,091	26,075	32,181	44,358	56,478	73,707	93,490
	16 MN Jurisdictional Allocator	0.82593	0.82593	0.82593	0.82593	0.82593	0.82593	0.82593	0.82593	0.82593	0.82593	0.82593	0.82593
	17 MN Jurisdictional Revenue Requirement	21,785	21,738	21,691	21,644	21,597	21,549	21,536	26,579	36,636	46,646	60,877	77,216

Notes: 1/ Minnesota Composite Income Tax Rate.

2/ Beginning January 1, 2024 the rate of return is based on Minnesota Power's 2023 rate case, Docket No. E-015/GR-23-155.

Minnesota Power
Transmission Cost Recovery Rider
Plant Additions, AFUDC and Return on CWIP - Duluth Loop Projects

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	<u>Total</u>	<u>Jan-23</u>	<u>Feb-23</u>	<u>Mar-23</u>	<u>Apr-23</u>	<u>May-23</u>	<u>Jun-23</u>	<u>Jul-23</u>	<u>Aug-23</u>	<u>Sep-23</u>	<u>Oct-23</u>	<u>Nov-23</u>	<u>Dec-23</u>
ID# 113305 Duluth Loop Reliability Project													
In Service 9/30/2027	\$ 31,849,642.18			<u>CWIP</u>									
BOM		-	-	-	-	-	-	-	-	-	-	-	-
Capital Expenditures	\$ 31,937,713.34	-	-	-	-	-	-	-	-	-	-	-	2,971.87
Less Internal Costs	\$ (88,071.16)	-	-	-	-	-	-	-	-	-	-	-	(2,958.84)
AFUDC	\$ -	-	-	-	-	-	-	-	-	-	-	-	-
Less AFUDC on Internal Costs	\$ -	-	-	-	-	-	-	-	-	-	-	-	-
EOM		-	-	-	-	-	-	-	-	-	-	-	13.03
<u>Return on CWIP 1/</u>													
After Tax Return on Equity				-	-	-	-	-	-	-	-	-	0.03
Income Tax Component				-	-	-	-	-	-	-	-	-	0.01
Interest Expense Component				-	-	-	-	-	-	-	-	-	0.01
Total Return on CWIP				-	-	-	-	-	-	-	-	-	0.05
ID# 113316 Ridgeview Sub - Duluth Loop													
In Service 11/30/2025	\$ 9,453,452.70			<u>CWIP</u>									
BOM		110,149.59	171,564.76	172,584.16	228,485.26	307,943.35	396,821.78	483,313.11	744,658.35	955,210.36	955,212.37	956,415.90	1,003,408.47
Capital Expenditures	\$ 9,688,947.58	62,986.11	2,071.75	60,877.92	80,611.55	91,356.56	89,218.30	264,890.25	211,736.92	1,029.03	2,218.18	47,995.67	20,757.13
Less Internal Costs	\$ (237,683.82)	(2,401.50)	(2,062.53)	(4,976.82)	(1,153.46)	(2,478.13)	(2,726.97)	(3,545.01)	(1,184.91)	(1,027.02)	(1,014.65)	(1,003.10)	(7,246.25)
AFUDC	\$ 2,696.40	974.68	1,167.53	-	-	-	-	-	-	-	-	-	-
Less AFUDC on Internal Costs	\$ (507.46)	(144.12)	(157.35)	-	-	-	-	-	-	-	-	-	-
EOM		171,564.76	172,584.16	228,485.26	307,943.35	396,821.78	483,313.11	744,658.35	955,210.36	955,212.37	956,415.90	1,003,408.47	1,016,919.35
<u>Return on CWIP 1/</u>													
After Tax Return on Equity				846.64	1,132.38	1,487.73	1,857.93	2,592.20	3,588.35	4,032.82	4,035.37	4,137.11	4,264.83
Income Tax Component				341.46	456.70	600.02	749.32	1,045.46	1,447.23	1,626.49	1,627.51	1,668.55	1,720.06
Interest Expense Component				343.32	459.18	603.28	753.40	1,051.14	1,455.09	1,635.32	1,636.35	1,677.61	1,729.40
Total Return on CWIP				1,531.42	2,048.26	2,691.03	3,360.65	4,688.80	6,490.66	7,294.63	7,299.23	7,483.26	7,714.28
ID# 113317 Arrowhead Sub - Duluth Loop													
In Service 10/31/2024	\$ 4,254,942.03			<u>CWIP</u>									
BOM		405,534.55	718,742.70	722,995.22	736,965.96	741,382.94	805,716.55	944,425.44	968,145.67	1,020,210.94	1,425,144.42	1,509,856.63	1,568,386.88
Capital Expenditures	\$ 4,790,606.57	328,039.41	10,859.77	26,858.59	20,490.88	74,032.88	158,148.00	35,015.74	60,633.62	441,546.16	116,013.71	63,569.07	1,007,040.59
Less Internal Costs	\$ (544,365.17)	(18,146.92)	(10,841.48)	(12,887.85)	(16,073.90)	(9,699.27)	(19,439.11)	(11,295.51)	(8,568.35)	(36,612.68)	(31,301.50)	(5,038.82)	(14,508.87)
AFUDC	\$ 11,122.68	3,947.22	4,951.71	-	-	-	-	-	-	-	-	-	-
Less AFUDC on Internal Costs	\$ (2,422.05)	(631.56)	(717.48)	-	-	-	-	-	-	-	-	-	-
Partial In Service	\$ (27,298.07)	-	-	-	-	-	-	-	-	-	-	-	(27,298.07)
EOM		718,742.70	722,995.22	736,965.96	741,382.94	805,716.55	944,425.44	968,145.67	1,020,210.94	1,425,144.42	1,509,856.63	1,568,386.88	2,533,620.53
<u>Return on CWIP 1/</u>													
After Tax Return on Equity				3,081.92	3,120.73	3,265.86	3,694.48	4,037.36	4,197.34	5,162.04	6,195.66	6,498.04	8,659.16
Income Tax Component				1,242.97	1,258.63	1,317.16	1,490.03	1,628.32	1,692.84	2,081.91	2,498.79	2,620.74	3,492.35
Interest Expense Component				1,249.73	1,265.47	1,324.32	1,498.12	1,637.16	1,702.03	2,093.22	2,512.36	2,634.98	3,511.32
Total Return on CWIP				5,574.62	5,644.83	5,907.34	6,682.62	7,302.83	7,592.21	9,337.18	11,206.81	11,753.76	15,662.83
ID# 113318 Hilltop Sub - Duluth Loop													
In Service 12/31/2024	\$ 11,248,596.49			<u>CWIP</u>									
BOM		88,179.82	184,195.85	185,288.97	261,127.67	411,834.73	577,009.54	1,111,745.62	1,250,056.93	2,050,471.88	2,052,680.04	2,054,290.51	2,076,818.43
Capital Expenditures	\$ 11,558,727.45	99,069.18	1,438.08	81,231.23	154,274.72	176,893.98	547,928.86	149,702.77	809,241.95	3,498.98	9,887.66	28,417.27	9,427.52
Less Internal Costs	\$ (312,286.97)	(3,856.54)	(1,430.58)	(5,392.53)	(3,567.66)	(11,719.17)	(13,192.78)	(11,391.46)	(8,827.00)	(1,290.82)	(8,277.19)	(5,889.35)	(7,864.15)
AFUDC	\$ 2,674.93	933.40	1,231.30	-	-	-	-	-	-	-	-	-	-
Less AFUDC on Internal Costs	\$ (518.92)	(130.01)	(145.68)	-	-	-	-	-	-	-	-	-	-
EOM		184,195.85	185,288.97	261,127.67	411,834.73	577,009.54	1,111,745.62	1,250,056.93	2,050,471.88	2,052,680.04	2,054,290.51	2,076,818.43	2,078,381.80
<u>Return on CWIP 1/</u>													
After Tax Return on Equity				942.37	1,420.60	2,087.41	3,564.89	4,985.67	6,967.28	8,661.58	8,669.64	8,720.60	8,771.45
Income Tax Component				380.07	572.94	841.88	1,437.76	2,010.78	2,809.99	3,493.32	3,496.57	3,517.12	3,537.63
Interest Expense Component				382.13	576.06	846.45	1,445.57	2,021.70	2,825.25	3,512.30	3,515.57	3,536.23	3,556.85
Total Return on CWIP				1,704.57	2,569.59	3,775.74	6,448.23	9,018.15	12,602.52	15,667.20	15,681.78	15,773.95	15,865.94

Minnesota Power
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Plant Additions, AFUDC and Return on CWIP - Duluth Loop Projects

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	<u>Total</u>	<u>Jan-24</u>	<u>Feb-24</u>	<u>Mar-24</u>	<u>Apr-24</u>	<u>May-24</u>	<u>Jun-24</u>	<u>Jul-24</u>	<u>Aug-24</u>	<u>Sep-24</u>	<u>Oct-24</u>	<u>Nov-24</u>	<u>Dec-24</u>
ID# 113305 Duluth Loop Reliability Project													
In Service 9/30/2027	\$ 31,849,642.18												
BOM		13.03	54.20	116.14	37,582.11	45,054.48	44,909.48	4,271,693.35	4,316,260.26	4,360,827.17	4,405,394.08	4,449,960.99	4,425,087.90
Capital Expenditures	\$ 31,937,713.34	6,853.09	19,370.39	56,343.28	47,587.01	(145.00)	4,226,783.87	44,566.91	44,566.91	44,566.91	44,566.91	(24,873.09)	(25,684.75)
Less Internal Costs	\$ (88,071.16)	(6,811.92)	(19,308.45)	(18,877.31)	(40,114.64)	-	-	-	-	-	-	-	-
AFUDC	\$ -	-	-	-	-	-	-	-	-	-	-	-	-
Less AFUDC on Internal Costs	\$ -	-	-	-	-	-	-	-	-	-	-	-	-
EOM		54.20	116.14	37,582.11	45,054.48	44,909.48	4,271,693.35	4,316,260.26	4,360,827.17	4,405,394.08	4,449,960.99	4,425,087.90	4,399,403.15
Return on CWIP 1/													
After Tax Return on Equity		0.15	0.37	81.42	178.47	194.30	9,322.78	18,547.82	18,740.33	18,932.83	19,125.34	19,167.87	19,058.68
Income Tax Component		0.06	0.15	32.84	71.98	78.36	3,759.99	7,480.57	7,558.21	7,635.85	7,713.49	7,730.65	7,686.61
Interest Expense Component		0.06	0.15	32.51	71.26	77.58	3,722.35	7,405.68	7,482.54	7,559.40	7,636.27	7,653.25	7,609.65
Total Return on CWIP		0.26	0.66	146.76	321.72	350.24	16,805.12	33,434.07	33,781.08	34,128.09	34,475.10	34,551.77	34,354.94
ID# 113316 Ridgeview Sub - Duluth Loop													
In Service 11/30/2025	\$ 9,453,452.70												
BOM		1,016,919.35	1,051,283.81	1,053,845.47	1,056,712.65	1,059,397.89	1,675,542.51	2,290,756.11	3,133,923.43	4,219,678.19	4,411,838.45	4,405,803.48	4,399,680.45
Capital Expenditures	\$ 9,688,947.58	42,123.37	9,396.78	7,010.64	8,534.26	623,069.12	622,138.10	850,091.82	1,092,679.26	199,084.76	889.53	801.47	538.38
Less Internal Costs	\$ (237,683.82)	(7,758.91)	(6,835.12)	(4,143.46)	(5,849.02)	(6,924.50)	(6,924.50)	(6,924.50)	(6,924.50)	(6,924.50)	(6,924.50)	(6,924.50)	(6,924.50)
AFUDC	\$ 2,696.40	-	-	-	-	-	-	-	-	-	-	-	-
Less AFUDC on Internal Costs	\$ (507.46)	-	-	-	-	-	-	-	-	-	-	-	-
EOM		1,051,283.81	1,053,845.47	1,056,712.65	1,059,397.89	1,675,542.51	2,290,756.11	3,133,923.43	4,219,678.19	4,411,838.45	4,405,803.48	4,399,680.45	4,393,294.33
Return on CWIP 1/													
After Tax Return on Equity		4,466.80	4,546.55	4,558.27	4,570.27	5,906.78	8,566.21	11,715.94	15,881.93	18,641.91	19,043.89	19,017.63	18,990.61
Income Tax Component		1,801.52	1,833.68	1,838.41	1,843.25	2,382.28	3,454.86	4,725.19	6,405.39	7,518.52	7,680.64	7,670.05	7,659.16
Interest Expense Component		1,783.48	1,815.32	1,820.00	1,824.79	2,358.43	3,420.27	4,677.88	6,341.26	7,443.24	7,603.75	7,593.26	7,582.48
Total Return on CWIP		8,051.80	8,195.55	8,216.69	8,238.31	10,647.50	15,441.34	21,119.02	28,628.57	33,603.67	34,328.28	34,280.95	34,232.25
ID# 113317 Arrowhead Sub - Duluth Loop													
In Service 10/31/2024	\$ 4,254,942.03												
BOM		2,533,620.53	2,575,959.80	2,584,145.80	2,827,999.43	2,907,774.84	3,095,072.95	3,383,634.49	3,686,568.58	3,885,549.11	3,975,835.62	4,227,643.96	4,227,643.96
Capital Expenditures	\$ 4,790,606.57	55,973.56	12,177.73	267,877.34	108,350.37	220,535.71	316,259.54	347,250.89	243,297.33	112,444.91	262,887.54	-	-
Less Internal Costs	\$ (544,365.17)	(13,634.29)	(3,991.73)	(24,023.71)	(28,574.96)	(33,237.60)	(27,698.00)	(44,316.80)	(44,316.80)	(22,158.40)	(11,079.20)	-	-
AFUDC	\$ 11,122.68	-	-	-	-	-	-	-	-	-	-	-	-
Less AFUDC on Internal Costs	\$ (2,422.05)	-	-	-	-	-	-	-	-	-	-	-	-
Partial In Service	\$ (27,298.07)	-	-	-	-	-	-	-	-	-	-	-	-
EOM		2,575,959.80	2,584,145.80	2,827,999.43	2,907,774.84	3,095,072.95	3,383,634.49	3,686,568.58	3,885,549.11	3,975,835.62	4,227,643.96	4,227,643.96	4,227,643.96
Return on CWIP 1/													
After Tax Return on Equity		11,035.41	11,144.53	11,688.87	12,387.83	12,964.64	13,992.38	15,269.86	16,353.87	16,978.61	8,858.73	-	-
Income Tax Component		4,450.72	4,494.73	4,714.27	4,996.17	5,228.81	5,643.31	6,158.53	6,595.72	6,847.69	3,572.84	-	-
Interest Expense Component		4,406.16	4,449.73	4,667.07	4,946.15	5,176.46	5,586.81	6,096.87	6,529.69	6,779.13	3,537.07	-	-
Total Return on CWIP		19,892.29	20,088.99	21,070.22	22,330.15	23,369.90	25,222.49	27,525.26	29,479.28	30,605.44	15,968.63	-	-
ID# 113318 Hilltop Sub - Duluth Loop													
In Service 12/31/2024	\$ 11,248,596.49												In-Service
BOM		2,078,381.80	2,116,662.27	2,327,744.62	3,667,655.24	4,683,850.15	4,853,455.97	5,095,037.52	6,168,017.83	9,765,653.45	10,494,118.96	11,227,920.95	11,254,567.18
Capital Expenditures	\$ 11,558,727.45	66,654.16	241,945.63	1,356,038.40	1,035,608.75	183,454.82	255,430.55	1,086,829.31	3,611,484.62	735,390.01	768,424.49	40,495.23	(1,815.99)
Less Internal Costs	\$ (312,286.97)	(28,373.69)	(30,863.28)	(16,127.78)	(19,413.84)	(13,849.00)	(13,849.00)	(13,849.00)	(13,849.00)	(6,924.50)	(34,622.50)	(13,849.00)	(4,154.70)
AFUDC	\$ 2,674.93	-	-	-	-	-	-	-	-	-	-	-	-
Less AFUDC on Internal Costs	\$ (518.92)	-	-	-	-	-	-	-	-	-	-	-	-
EOM		2,116,662.27	2,327,744.62	3,667,655.24	4,683,850.15	4,853,455.97	5,095,037.52	6,168,017.83	9,765,653.45	10,494,118.96	11,227,920.95	11,254,567.18	11,248,596.49
Return on CWIP 1/													
After Tax Return on Equity		9,060.24	9,598.80	12,948.56	18,037.15	20,598.18	21,486.24	24,325.37	34,412.72	43,756.01	46,914.14	48,556.52	24,300.59
Income Tax Component		3,654.11	3,871.32	5,222.32	7,274.61	8,307.51	8,665.68	9,810.73	13,879.09	17,647.36	18,921.07	19,583.46	9,800.74
Interest Expense Component		3,617.53	3,832.56	5,170.03	7,201.78	8,224.34	8,578.92	9,712.51	13,740.14	17,470.68	18,731.64	19,387.40	9,702.61
Total Return on CWIP		16,331.88	17,302.68	23,340.91	32,513.55	37,130.03	38,730.84	43,848.61	62,031.95	78,874.05	84,566.86	87,527.38	43,803.94

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	Total	Jan-25	Feb-25	Mar-25	Apr-25	May-25	Jun-25	Jul-25	Aug-25	Sep-25	Oct-25	Nov-25	Dec-25
ID# 113305 Duluth Loop Reliability Project													
In Service 9/30/2027	\$ 31,849,642.18												
BOM		4,399,403.15	4,373,163.37	4,346,923.59	4,597,909.36	4,848,612.23	6,156,205.27	7,461,437.75	8,765,271.46	10,067,706.40	11,368,742.55	11,611,283.86	11,853,542.57
Capital Expenditures	\$ 31,937,713.34	(26,239.78)	(26,239.78)	250,985.77	250,702.87	1,307,593.04	1,305,232.48	1,303,833.71	1,302,434.94	1,301,036.15	242,541.31	242,258.71	240,775.98
Less Internal Costs	\$ (88,071.16)	-	-	-	-	-	-	-	-	-	-	-	-
AFUDC	\$ -	-	-	-	-	-	-	-	-	-	-	-	-
Less AFUDC on Internal Costs	\$ -	-	-	-	-	-	-	-	-	-	-	-	-
EOM		4,373,163.37	4,346,923.59	4,597,909.36	4,848,612.23	6,156,205.27	7,461,437.75	8,765,271.46	10,067,706.40	11,368,742.55	11,611,283.86	11,853,542.57	12,094,318.55
Return on CWIP 1/													
After Tax Return on Equity		18,946.54	18,833.19	19,318.59	20,402.11	23,767.64	29,410.68	35,045.61	40,674.50	46,297.34	49,631.08	50,678.12	51,721.36
Income Tax Component		7,641.38	7,595.67	7,791.43	8,228.43	9,585.79	11,861.70	14,134.34	16,404.54	18,672.31	20,016.85	20,439.13	20,859.88
Interest Expense Component		7,564.88	7,519.62	7,713.43	8,146.05	9,489.82	11,742.95	13,992.83	16,240.30	18,485.36	19,816.44	20,234.50	20,651.04
Total Return on CWIP		34,152.79	33,948.48	34,823.45	36,776.59	42,843.25	53,015.34	63,172.79	73,319.34	83,455.01	89,464.37	91,351.76	93,232.28
ID# 113316 Ridgeview Sub - Duluth Loop													
In Service 11/30/2025	\$ 9,453,452.70											In-Service	
BOM		4,393,294.33	4,386,677.19	4,379,970.69	4,867,837.08	5,467,090.92	6,065,555.62	6,681,342.04	7,311,169.24	8,149,471.34	9,457,943.29	9,461,031.66	9,453,452.70
Capital Expenditures	\$ 9,688,947.58	307.36	218.00	494,790.89	606,178.34	605,389.20	622,710.92	643,676.20	859,075.60	1,322,320.95	16,937.37	(7,578.96)	-
Less Internal Costs	\$ (237,683.82)	(6,924.50)	(6,924.50)	(6,924.50)	(6,924.50)	(6,924.50)	(6,924.50)	(13,849.00)	(20,773.50)	(13,849.00)	(13,849.00)	-	-
AFUDC	\$ 2,696.40	-	-	-	-	-	-	-	-	-	-	-	-
Less AFUDC on Internal Costs	\$ (507.46)	-	-	-	-	-	-	-	-	-	-	-	-
EOM		4,386,677.19	4,379,970.69	4,867,837.08	5,467,090.92	6,065,555.62	6,681,342.04	7,311,169.24	8,149,471.34	9,457,943.29	9,461,031.66	9,453,452.70	9,453,452.70
Return on CWIP 1/													
After Tax Return on Equity		18,962.53	18,933.75	19,972.94	22,320.85	24,907.62	27,530.09	30,220.31	33,391.10	38,027.59	40,860.23	20,425.26	
Income Tax Component		7,647.83	7,636.23	8,055.34	9,002.28	10,045.56	11,103.24	12,188.24	13,467.06	15,337.01	16,479.45	8,237.77	
Interest Expense Component		7,571.26	7,559.77	7,974.69	8,912.15	9,944.99	10,992.07	12,066.21	13,332.23	15,183.46	16,314.46	8,155.30	
Total Return on CWIP		34,181.62	34,129.75	36,002.97	40,235.28	44,898.16	49,625.41	54,474.75	60,190.38	68,548.06	73,654.14	36,818.33	
ID# 113317 Arrowhead Sub - Duluth Loop													
In Service 10/31/2024	\$ 4,254,942.03												
BOM		4,227,643.96	4,227,643.96	4,227,643.96	4,227,643.96	4,227,643.96	4,227,643.96	4,227,643.96	4,227,643.96	4,227,643.96	4,227,643.96	4,227,643.96	4,227,643.96
Capital Expenditures	\$ 4,790,606.57	-	-	-	-	-	-	-	-	-	-	-	-
Less Internal Costs	\$ (544,365.17)	-	-	-	-	-	-	-	-	-	-	-	-
AFUDC	\$ 11,122.68	-	-	-	-	-	-	-	-	-	-	-	-
Less AFUDC on Internal Costs	\$ (2,422.05)	-	-	-	-	-	-	-	-	-	-	-	-
Partial In Service	\$ (27,298.07)	-	-	-	-	-	-	-	-	-	-	-	-
EOM		4,227,643.96	4,227,643.96	4,227,643.96	4,227,643.96	4,227,643.96	4,227,643.96	4,227,643.96	4,227,643.96	4,227,643.96	4,227,643.96	4,227,643.96	4,227,643.96
Return on CWIP 1/													
After Tax Return on Equity													
Income Tax Component													
Interest Expense Component													
Total Return on CWIP													
ID# 113318 Hilltop Sub - Duluth Loop													
In Service 12/31/2024	\$ 11,248,596.49												
BOM		11,248,596.49	11,248,596.49	11,248,596.49	11,248,596.49	11,248,596.49	11,248,596.49	11,248,596.49	11,248,596.49	11,248,596.49	11,248,596.49	11,248,596.49	11,248,596.49
Capital Expenditures	\$ 11,558,727.45	-	-	-	-	-	-	-	-	-	-	-	-
Less Internal Costs	\$ (312,286.97)	-	-	-	-	-	-	-	-	-	-	-	-
AFUDC	\$ 2,674.93	-	-	-	-	-	-	-	-	-	-	-	-
Less AFUDC on Internal Costs	\$ (518.92)	-	-	-	-	-	-	-	-	-	-	-	-
EOM		11,248,596.49	11,248,596.49	11,248,596.49	11,248,596.49	11,248,596.49	11,248,596.49	11,248,596.49	11,248,596.49	11,248,596.49	11,248,596.49	11,248,596.49	11,248,596.49
Return on CWIP 1/													
After Tax Return on Equity													
Income Tax Component													
Interest Expense Component													
Total Return on CWIP													

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Minnesota Power
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	<u>Total</u>	<u>Jan-23</u>	<u>Feb-23</u>	<u>Mar-23</u>	<u>Apr-23</u>	<u>May-23</u>	<u>Jun-23</u>	<u>Jul-23</u>	<u>Aug-23</u>	<u>Sep-23</u>	<u>Oct-23</u>	<u>Nov-23</u>	<u>Dec-23</u>
ID# 113539 230kV Projects													
In Service 12/31/2025	\$ 10,013,489.22			<u>CWIP</u>									
BOM		-	-	-	-	-	-	-	17.90	71.46	238.49	308.73	3,345.44
Capital Expenditures	\$ 10,097,076.92							3,831.77	7,463.65	10,577.04	9,064.62	19,838.01	10,900.13
Less Internal Costs	\$ (83,587.70)							(3,813.87)	(7,410.09)	(10,410.01)	(8,994.38)	(16,801.30)	(10,848.53)
AFUDC	\$ -							-	-	-	-	-	-
Less AFUDC on Internal Costs	\$ -							-	-	-	-	-	-
EOM		-	-	-	-	-	-	17.90	71.46	238.49	308.73	3,345.44	3,397.04
<u>Return on CWIP 1/</u>													
After Tax Return on Equity				-	-	-	-	0.04	0.19	0.65	1.16	7.71	14.23
Income Tax Component				-	-	-	-	0.02	0.08	0.26	0.47	3.11	5.74
Interest Expense Component				-	-	-	-	0.02	0.08	0.27	0.47	3.13	5.77
Total Return on CWIP				-	-	-	-	0.07	0.34	1.18	2.09	13.95	25.75
<u>Total Duluth Loop Projects</u>													
BOM	-	603,863.96	1,074,503.31	<u>CWIP</u> 1,080,868.35	1,226,578.89	1,461,161.02	1,779,547.87	2,539,484.17	2,962,878.85	4,025,964.64	4,433,275.32	4,520,871.77	4,651,959.22
Capital Expenditures	68,073,071.86	490,094.70	14,369.60	168,967.74	255,377.15	342,283.42	795,295.16	453,440.53	1,089,076.14	456,651.21	137,184.17	159,820.02	1,051,097.24
Less Internal Costs	(1,265,994.82)	(24,404.96)	(14,334.59)	(23,257.20)	(20,795.02)	(23,896.57)	(35,358.86)	(30,045.85)	(25,990.35)	(49,340.53)	(49,587.72)	(28,732.57)	(43,426.64)
AFUDC	16,494.01	5,855.30	7,350.54	-	-	-	-	-	-	-	-	-	-
Less AFUDC on Internal Costs	(3,448.43)	(905.69)	(1,020.51)	-	-	-	-	-	-	-	-	-	-
Partial in Service	(27,298.07)	-	-	-	-	-	-	-	-	-	-	-	(27,298.07)
EOM	66,792,824.55	1,074,503.31	1,080,868.35	1,226,578.89	1,461,161.02	1,779,547.87	2,539,484.17	2,962,878.85	4,025,964.64	4,433,275.32	4,520,871.77	4,651,959.22	5,632,331.75
<u>Return on CWIP 1/</u>													
After Tax Return on Equity				4,870.92	5,673.71	6,841.00	9,117.29	11,615.26	14,753.15	17,857.10	18,901.83	19,363.46	21,709.70
Income Tax Component				1,964.50	2,288.27	2,759.06	3,677.12	4,684.57	5,950.13	7,201.99	7,623.34	7,809.52	8,755.79
Interest Expense Component				1,975.17	2,300.71	2,774.05	3,697.09	4,710.02	5,982.45	7,241.11	7,664.75	7,851.94	8,803.35
Total Return on CWIP				8,810.60	10,262.69	12,374.10	16,491.50	21,009.85	26,685.73	32,300.19	34,189.91	35,024.92	39,268.85

1/ CON approved 2/16/2023, Docket E015/CN-21-140

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	<u>Total</u>	<u>Jan-24</u>	<u>Feb-24</u>	<u>Mar-24</u>	<u>Apr-24</u>	<u>May-24</u>	<u>Jun-24</u>	<u>Jul-24</u>	<u>Aug-24</u>	<u>Sep-24</u>	<u>Oct-24</u>	<u>Nov-24</u>	<u>Dec-24</u>
ID# 113539 230kV Projects													
In Service 12/31/2025	\$ 10,013,489.22												
BOM		3,397.04	3,410.21	3,552.62	123,031.46	388,359.00	399,118.86	1,250,116.37	1,244,513.00	1,562,368.49	1,879,867.13	2,197,007.16	2,513,787.78
Capital Expenditures	\$ 10,097,076.92	4,581.04	5,061.79	127,257.70	271,639.81	10,759.86	850,997.51	(5,603.37)	317,855.49	318,364.21	318,005.60	316,780.62	(7,242.46)
Less Internal Costs	\$ (83,587.70)	(4,567.87)	(4,919.38)	(7,778.86)	(6,312.27)	-	-	-	-	(865.57)	(865.57)	-	-
AFUDC	\$ -	-	-	-	-	-	-	-	-	-	-	-	-
Less AFUDC on Internal Costs	\$ -	-	-	-	-	-	-	-	-	-	-	-	-
EOM		3,410.21	3,552.62	123,031.46	388,359.00	399,118.86	1,250,116.37	1,244,513.00	1,562,368.49	1,879,867.13	2,197,007.16	2,513,787.78	2,506,545.32
<u>Return on CWIP 1/</u>													
After Tax Return on Equity		14.70	15.04	273.39	1,104.47	1,700.75	3,561.93	5,387.77	6,062.16	7,434.36	8,805.02	10,174.13	10,842.66
Income Tax Component		5.93	6.07	110.26	445.45	685.94	1,436.57	2,172.96	2,444.95	2,998.37	3,551.18	4,103.36	4,372.98
Interest Expense Component		<u>5.87</u>	<u>6.00</u>	<u>109.16</u>	<u>440.99</u>	<u>679.07</u>	<u>1,422.19</u>	<u>2,151.20</u>	<u>2,420.47</u>	<u>2,968.35</u>	<u>3,515.62</u>	<u>4,062.28</u>	<u>4,329.20</u>
Total Return on CWIP		26.50	27.11	492.81	1,990.91	3,065.76	6,420.70	9,711.93	10,927.57	13,401.09	15,871.83	18,339.77	19,544.84
<u>Total Duluth Loop Projects</u>													
BOM	-	5,632,331.75	5,747,370.29	5,969,404.65	7,712,980.89	9,084,436.36	10,068,099.77	16,291,237.84	18,549,283.10	23,794,076.41	25,167,054.24	26,508,336.54	26,820,767.27
Capital Expenditures	68,073,071.86	176,185.22	287,952.32	1,814,527.36	1,471,720.20	1,037,674.51	6,271,609.57	2,323,135.56	5,309,883.61	1,409,850.80	1,394,774.07	333,204.23	(34,204.82)
Less Internal Costs	(1,265,994.82)	(61,146.68)	(65,917.96)	(70,951.12)	(100,264.73)	(54,011.10)	(48,471.50)	(65,090.30)	(65,090.30)	(36,872.97)	(53,491.77)	(20,773.50)	(11,079.20)
AFUDC	16,494.01	-	-	-	-	-	-	-	-	-	-	-	-
Less AFUDC on Internal Costs	(3,448.43)	-	-	-	-	-	-	-	-	-	-	-	-
Partial in Service	(27,298.07)	-	-	-	-	-	-	-	-	-	-	-	-
EOM	66,792,824.55	5,747,370.29	5,969,404.65	7,712,980.89	9,084,436.36	10,068,099.77	16,291,237.84	18,549,283.10	23,794,076.41	25,167,054.24	26,508,336.54	26,820,767.27	26,775,483.25
<u>Return on CWIP 1/</u>													
After Tax Return on Equity		24,577.29	25,305.29	29,550.51	36,278.20	41,364.66	56,929.54	75,246.76	91,451.01	105,743.73	102,747.12	96,916.16	73,192.54
Income Tax Component		9,912.34	10,205.95	11,918.10	14,631.46	16,682.90	22,960.41	30,347.98	36,883.36	42,647.80	41,439.23	39,087.52	29,519.49
Interest Expense Component		<u>9,813.10</u>	<u>10,103.77</u>	<u>11,798.78</u>	<u>14,484.97</u>	<u>16,515.87</u>	<u>22,730.54</u>	<u>30,044.14</u>	<u>36,514.09</u>	<u>42,220.81</u>	<u>41,024.35</u>	<u>38,696.19</u>	<u>29,223.94</u>
Total Return on CWIP		44,302.73	45,615.00	53,267.39	65,394.63	74,563.43	102,620.49	135,638.89	164,848.46	190,612.34	185,210.69	174,699.87	131,935.97

1/ CON approved 2/16/2023, Docket E015/CN-21-140

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	<u>Total</u>	<u>Jan-25</u>	<u>Feb-25</u>	<u>Mar-25</u>	<u>Apr-25</u>	<u>May-25</u>	<u>Jun-25</u>	<u>Jul-25</u>	<u>Aug-25</u>	<u>Sep-25</u>	<u>Oct-25</u>	<u>Nov-25</u>	<u>Dec-25</u>
ID# 113539 230kV Projects													
In Service 12/31/2025	\$ 10,013,489.22												In-Service
BOM		2,506,545.32	2,499,240.85	2,491,936.38	2,484,631.91	2,477,319.08	2,469,997.90	2,462,403.45	2,466,074.39	4,030,773.62	5,593,795.62	7,143,857.62	10,019,405.77
Capital Expenditures	\$ 10,097,076.92	(7,304.47)	(7,304.47)	(7,304.47)	(7,312.83)	(7,321.18)	(7,594.45)	3,670.94	1,564,699.23	1,563,022.00	1,550,062.00	2,875,548.15	(5,916.55)
Less Internal Costs	\$ (83,587.70)	-	-	-	-	-	-	-	-	-	-	-	-
AFUDC	\$ -	-	-	-	-	-	-	-	-	-	-	-	-
Less AFUDC on Internal Costs	\$ -	-	-	-	-	-	-	-	-	-	-	-	-
EOM		2,499,240.85	2,491,936.38	2,484,631.91	2,477,319.08	2,469,997.90	2,462,403.45	2,466,074.39	4,030,773.62	5,593,795.62	7,143,857.62	10,019,405.77	10,013,489.22
<u>Return on CWIP 1/</u>													
After Tax Return on Equity		10,811.24	10,779.69	10,748.14	10,716.57	10,684.96	10,652.75	10,644.27	14,031.56	20,786.65	27,510.13	37,068.33	21,633.01
Income Tax Component		4,360.31	4,347.59	4,334.86	4,322.13	4,309.38	4,296.39	4,292.97	5,659.11	8,383.52	11,095.19	14,950.13	8,724.87
Interest Expense Component		<u>4,316.66</u>	<u>4,304.06</u>	<u>4,291.46</u>	<u>4,278.86</u>	<u>4,266.24</u>	<u>4,253.37</u>	<u>4,249.99</u>	<u>5,602.45</u>	<u>8,299.59</u>	<u>10,984.10</u>	<u>14,800.45</u>	<u>8,637.52</u>
Total Return on CWIP		19,488.21	19,431.33	19,374.46	19,317.55	19,260.58	19,202.51	19,187.23	25,293.11	37,469.76	49,589.42	66,818.92	38,995.39
<u>Total Duluth Loop Projects</u>													
BOM	-	26,775,483.25	26,735,321.86	26,695,071.11	27,426,618.80	28,269,262.68	30,167,999.24	32,081,423.69	34,018,755.54	37,724,191.81	41,896,721.91	43,692,413.59	46,802,641.49
Capital Expenditures	68,073,071.86	(33,236.89)	(33,326.25)	738,472.19	849,568.38	1,905,661.06	1,920,348.95	1,951,180.85	3,726,209.77	4,186,379.10	1,809,540.68	3,110,227.90	234,859.43
Less Internal Costs	(1,265,994.82)	(6,924.50)	(6,924.50)	(6,924.50)	(6,924.50)	(6,924.50)	(6,924.50)	(13,849.00)	(20,773.50)	(13,849.00)	(13,849.00)	-	-
AFUDC	16,494.01	-	-	-	-	-	-	-	-	-	-	-	-
Less AFUDC on Internal Costs	(3,448.43)	-	-	-	-	-	-	-	-	-	-	-	-
Partial in Service	(27,298.07)	-	-	-	-	-	-	-	-	-	-	-	-
EOM	66,792,824.55	26,735,321.86	26,695,071.11	27,426,618.80	28,269,262.68	30,167,999.24	32,081,423.69	34,018,755.54	37,724,191.81	41,896,721.91	43,692,413.59	46,802,641.49	47,037,500.92
<u>Return on CWIP 1/</u>													
After Tax Return on Equity		48,720.31	48,546.64	50,039.67	53,439.52	59,360.22	67,593.52	75,910.19	88,097.15	105,111.58	118,001.43	108,171.72	73,354.37
Income Tax Component		19,649.52	19,579.48	20,181.64	21,552.84	23,940.73	27,261.33	30,615.55	35,530.71	42,392.84	47,591.49	43,627.04	29,584.75
Interest Expense Component		<u>19,452.79</u>	<u>19,383.45</u>	<u>19,979.58</u>	<u>21,337.06</u>	<u>23,701.04</u>	<u>26,988.40</u>	<u>30,309.03</u>	<u>35,174.98</u>	<u>41,968.41</u>	<u>47,115.01</u>	<u>43,190.25</u>	<u>29,288.56</u>
Total Return on CWIP		87,822.62	87,509.57	90,200.88	96,329.42	107,001.99	121,843.25	136,834.77	158,802.83	189,472.83	212,707.93	194,989.01	132,227.67

1/ CON approved 2/16/2023, Docket E015/CN-21-140

Minnesota Power
Transmission Cost Recovery Rider
Plant Additions, AFUDC and Return on CWIP - Duluth Loop Projects

Exhibit B-3
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	<u>Total</u>	<u>Jan-26</u>	<u>Feb-26</u>	<u>Mar-26</u>	<u>Apr-26</u>	<u>May-26</u>	<u>Jun-26</u>	<u>Jul-26</u>	<u>Aug-26</u>	<u>Sep-26</u>	<u>Oct-26</u>	<u>Nov-26</u>	<u>Dec-26</u>
ID# 113539 230kV Projects													
In Service 12/31/2025	\$ 10,013,489.22												
BOM		10,013,489.22	10,013,489.22	10,013,489.22	10,013,489.22	10,013,489.22	10,013,489.22	10,013,489.22	10,013,489.22	10,013,489.22	10,013,489.22	10,013,489.22	10,013,489.22
Capital Expenditures	\$ 10,097,076.92	-	-	-	-	-	-	-	-	-	-	-	-
Less Internal Costs	\$ (83,587.70)	-	-	-	-	-	-	-	-	-	-	-	-
AFUDC	\$ -	-	-	-	-	-	-	-	-	-	-	-	-
Less AFUDC on Internal Costs	\$ -	-	-	-	-	-	-	-	-	-	-	-	-
EOM		10,013,489.22	10,013,489.22	10,013,489.22	10,013,489.22	10,013,489.22	10,013,489.22	10,013,489.22	10,013,489.22	10,013,489.22	10,013,489.22	10,013,489.22	10,013,489.22
<u>Return on CWIP 1/</u>													
After Tax Return on Equity													
Income Tax Component													
Interest Expense Component													
Total Return on CWIP													
<u>Total Duluth Loop Projects</u>													
BOM	-	47,037,500.92	47,000,691.45	46,963,881.98	47,787,726.61	48,613,593.91	50,302,134.90	51,987,554.05	53,671,185.48	55,353,059.20	57,048,705.23	58,742,593.55	60,450,254.18
Capital Expenditures	68,073,071.86	(36,809.47)	(36,809.47)	823,844.63	825,867.30	1,688,540.99	1,685,419.15	1,683,631.43	1,681,873.72	1,695,646.03	1,693,888.32	1,707,660.63	1,704,195.48
Less Internal Costs	(1,265,994.82)	-	-	-	-	-	-	-	-	-	-	-	-
AFUDC	16,494.01	-	-	-	-	-	-	-	-	-	-	-	-
Less AFUDC on Internal Costs	(3,448.43)	-	-	-	-	-	-	-	-	-	-	-	-
Partial in Service	(27,298.07)	-	-	-	-	-	-	-	-	-	-	-	-
EOM	66,792,824.55	47,000,691.45	46,963,881.98	47,787,726.61	48,613,593.91	50,302,134.90	51,987,554.05	53,671,185.48	55,353,059.20	57,048,705.23	58,742,593.55	60,450,254.18	62,154,449.66
<u>Return on CWIP 1/</u>													
After Tax Return on Equity		52,161.87	52,002.88	53,702.67	57,265.64	62,696.13	69,983.03	77,259.33	84,527.98	91,822.57	99,143.11	106,489.60	113,858.36
Income Tax Component		21,037.55	20,973.42	21,658.97	23,095.96	25,286.15	28,225.05	31,159.68	34,091.21	37,033.22	39,985.68	42,948.62	45,920.53
Interest Expense Component		20,826.93	20,763.44	21,442.13	22,864.73	25,032.99	27,942.47	30,847.71	33,749.90	36,662.45	39,585.35	42,518.62	45,460.78
Total Return on CWIP		94,026.35	93,739.74	96,803.78	103,226.33	113,015.26	126,150.55	139,266.72	152,369.09	165,518.23	178,714.15	191,956.85	205,239.67

1/ CON approved 2/16/2023, Docket E015/CN-21-140

Minnesota Power
Transmission Cost Recovery Rider
Plant Additions, AFUDC and Return on CWIP - Duluth Loop Projects

Exhibit B-3
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	<u>Total</u>	<u>Jan-27</u>	<u>Feb-27</u>	<u>Mar-27</u>	<u>Apr-27</u>	<u>May-27</u>	<u>Jun-27</u>	<u>Jul-27</u>	<u>Aug-27</u>	<u>Sep-27</u>	<u>Oct-27</u>	<u>Nov-27</u>	<u>Dec-27</u>
ID# 113539 230kV Projects													
In Service 12/31/2025	\$ 10,013,489.22												
BOM		10,013,489.22	10,013,489.22	10,013,489.22	10,013,489.22	10,013,489.22	10,013,489.22	10,013,489.22	10,013,489.22	10,013,489.22	10,013,489.22	10,013,489.22	10,013,489.22
Capital Expenditures	\$ 10,097,076.92	-	-	-	-	-	-	-	-	-	-	-	-
Less Internal Costs	\$ (83,587.70)	-	-	-	-	-	-	-	-	-	-	-	-
AFUDC	\$ -	-	-	-	-	-	-	-	-	-	-	-	-
Less AFUDC on Internal Costs	\$ -	-	-	-	-	-	-	-	-	-	-	-	-
EOM		10,013,489.22	10,013,489.22	10,013,489.22	10,013,489.22	10,013,489.22	10,013,489.22	10,013,489.22	10,013,489.22	10,013,489.22	10,013,489.22	10,013,489.22	10,013,489.22
<u>Return on CWIP 1/</u>													
After Tax Return on Equity													
Income Tax Component													
Interest Expense Component													
Total Return on CWIP													
<u>Total Duluth Loop Projects</u>													
BOM	-	62,154,449.66	63,778,903.63	65,401,649.27	66,238,525.40	67,074,488.51	67,013,549.11	66,950,484.96	66,887,420.80	66,824,356.64	66,792,824.55	66,792,824.55	66,792,824.55
Capital Expenditures	68,073,071.86	1,624,453.97	1,622,745.64	836,876.13	835,963.11	(60,939.40)	(63,064.15)	(63,064.16)	(63,064.16)	(31,532.09)	-	-	-
Less Internal Costs	(1,265,994.82)	-	-	-	-	-	-	-	-	-	-	-	-
AFUDC	16,494.01	-	-	-	-	-	-	-	-	-	-	-	-
Less AFUDC on Internal Costs	(3,448.43)	-	-	-	-	-	-	-	-	-	-	-	-
Partial in Service	(27,298.07)	-	-	-	-	-	-	-	-	-	-	-	-
EOM	66,792,824.55	63,778,903.63	65,401,649.27	66,238,525.40	67,074,488.51	67,013,549.11	66,950,484.96	66,887,420.80	66,824,356.64	66,792,824.55	66,792,824.55	66,792,824.55	66,792,824.55
<u>Return on CWIP 1/</u>													
After Tax Return on Equity		121,047.40	128,060.54	133,372.70	136,985.61	138,659.47	138,391.65	138,119.25	137,846.84	68,821.27	-	-	-
Income Tax Component		48,819.96	51,648.45	53,790.91	55,248.05	55,923.13	55,815.12	55,705.26	55,595.39	27,756.50	-	-	-
Interest Expense Component		48,331.19	51,131.35	53,252.37	54,694.91	55,363.24	55,256.31	55,147.55	55,038.78	27,478.60	-	-	-
Total Return on CWIP		218,198.55	230,840.34	240,415.98	246,928.57	249,945.85	249,463.08	248,972.05	248,481.01	124,056.37	-	-	-

1/ CON approved 2/16/2023, Docket E015/CN-21-140

Minnesota Power
Projected 2024 Pro Rata ADIT
Year Ended December 31, 2024

Rate Year = 2024

1	Days in Period					Averaging with Proration - Projected		
2	A	B	C	D	E	F	G	H
	Month	Days in the Month	Number of Days Prorated	Total Days in Future Portion of Test Period	Proration Amount (C / D)	Projected Monthly Activity /2	Prorated Projected Monthly Activity (E x F)	Prorated Projected Balance (Cumulative Sum of G)
3								
4								
5	December 31st balance Prorated Items							385 1/
6	January	31	336	366	91.80%	17,838	16,375	16,760
7	February	29	307	366	83.88%	17,838	14,962	31,723
8	March	31	276	366	75.41%	17,838	13,451	45,174
9	April	30	246	366	67.21%	17,838	11,989	57,163
10	May	31	215	366	58.74%	17,838	10,478	67,641
11	June	30	185	366	50.55%	17,838	9,016	76,657
12	July	31	154	366	42.08%	17,838	7,505	84,163
13	August	31	123	366	33.61%	17,838	5,995	90,157
14	September	30	93	366	25.41%	17,838	4,532	94,690
15	October	31	62	366	16.94%	17,838	3,022	97,712
16	November	30	32	366	8.74%	17,838	1,560	99,271
17	December	31	1	366	0.27%	17,838	49	99,320
18	Total					214,050	98,935	
19	Beginning Balance							385
20	Less Non Prorated Items					(Line 19 less line 21)		-
21	Beginning Balance of Prorated items					(Line 5, Col H)		385
22	Ending Balance							99,320
23	Less Non Prorated Items					(Line 22 less line 24)		-
24	Ending Balance of Prorated items					(Line 17, Col H)		99,320
25	Average Balance					Line 24 + (Lines 20 +23)/2		99,320
26	Less FASB 106 and 109 Items							-
27	Less Other Adjustments:							-
28	Total Adjustments							-
29	Ending Prorated Average ADIT (Line 25 less line 28)							99,320
30	Ending Average ADIT BEFORE Prorata Adjustment							107,410 3/
31	Impact of Prorata Adjustment on ADIT Balance (Line 29 less Line 30)							(8,090)
32	Rate of Return							7.2530% 4/
33	Return on Rate Base					(Line 31 x Line 32)		(587)
34	Gross-Up							1.4033 4/
35	Annual Prorata ADIT Revenue Requirement					(Line 33 x Line 34)		(823)
36	MN Jurisdictional allocator							0.82593 5/
37	Prorata ADIT Revenue Requirements in Projected Rates					(Line 35 x Line 36)		(680)

Notes:

- 1/ Refer to Exhibit B-3, page 2 of 34, line B-9, December 2023.
- 2/ Refer to Exhibit B-3, page 2 of 34, line B-9, (December 2023 + December 2024)/12.
- 3/ Refer to Exhibit B-3, page 2 of 34, line B-9, (December 2023 + December 2024)/2.
- 4/ Refer to Exhibit B-3, page 31.
- 5/ Refer to Exhibit B-3, page 32.

Minnesota Power
Projected 2025 Pro Rata ADIT
Year Ended December 31, 2025

Rate Year = 2025

1	Days in Period					Averaging with Proration - Projected		
2	A	B	C	D	E	F	G	H
3	Month	Days in the Month	Number of Days Prorated	Total Days in Future Portion of Test Period	Proration Amount (C / D)	Projected Monthly Activity /2	Prorated Projected Monthly Activity (E x F)	Prorated Projected Balance (Cumulative Sum of G)
4								
5	December 31st balance Prorated Items							214,435 1/
6	January	31	336	366	91.80%	49,492	45,435	259,871
7	February	29	307	366	83.88%	49,492	41,514	301,384
8	March	31	276	366	75.41%	49,492	37,322	338,706
9	April	30	246	366	67.21%	49,492	33,265	371,972
10	May	31	215	366	58.74%	49,492	29,073	401,045
11	June	30	185	366	50.55%	49,492	25,017	426,061
12	July	31	154	366	42.08%	49,492	20,825	446,886
13	August	31	123	366	33.61%	49,492	16,633	463,519
14	September	30	93	366	25.41%	49,492	12,576	476,095
15	October	31	62	366	16.94%	49,492	8,384	484,478
16	November	30	32	366	8.74%	49,492	4,327	488,806
17	December	31	1	366	0.27%	49,492	135	488,941
18	Total					593,906	274,506	
19	Beginning Balance							214,435
20	Less Non Prorated Items					(Line 19 less line 21)		-
21	Beginning Balance of Prorated items					(Line 5, Col H)		214,435
22	Ending Balance							488,941
23	Less Non Prorated Items					(Line 22 less line 24)		-
24	Ending Balance of Prorated items					(Line 17, Col H)		488,941
25	Average Balance					Line 24 + (Lines 20 +23)/2		488,941
26	Less FASB 106 and 109 Items							-
27	Less Other Adjustments:							-
28	Total Adjustments							-
29	Ending Prorated Average ADIT (Line 25 less line 28)							488,941
30	Ending Average ADIT BEFORE Prorata Adjustment							511,388 3/
31	Impact of Prorata Adjustment on ADIT Balance (Line 29 less Line 30)							(22,447)
32	Rate of Return							7.2530% 4/
33	Return on Rate Base					(Line 31 x Line 32)		(1,628)
34	Gross-Up							1.4033 4/
35	Annual Prorata ADIT Revenue Requirement					(Line 33 x Line 34)		(2,285)
36	MN Jurisdictional allocator							0.82593 5/
37	Prorata ADIT Revenue Requirements in Projected Rates					(Line 35 x Line 36)		(1,887)

Notes:

- 1/ Refer to Exhibit B-3, page 3 of 34, line B-9, December 2024.
- 2/ Refer to Exhibit B-3, page 3 of 34, line B-9, (December 2024 + December 2025)/12.
- 3/ Refer to Exhibit B-3, page 3 of 34, line B-9, (December 2024 + December 2025)/2.
- 4/ Refer to Exhibit B-3, page 31,
- 5/ Refer to Exhibit B-3, page 32.

Minnesota Power
MPUC Docket E015/GR-21-355
Rate of Return / Cost of Capital Summary
Commission Decision (1/24/2023) 1/
Applied to Riders Beginning 1/1/2022

	Capital Structure	Component Cost	Weighted Cost	Pre-tax Rate	After-Tax Rate
Long Term Debt	47.500%	4.325%	2.0544%	2.0544%	1.4600%
Common Equity	52.500%	9.650%	5.0663%	7.1096%	5.0663%
	<u>100.000%</u>		<u>7.1207%</u>	<u>9.1640%</u>	<u>6.5263%</u>
Federal & State Income Tax Rate					28.74%
Pretax "Gross-up" Factor					1.40330
After Tax Return on Equity					5.0663% 3/
Income Tax Component					2.0433% 4/
Interest Expense Component					<u>2.0544%</u>
Pre-tax Return					<u>9.1640%</u>

Minnesota Power
MPUC Docket E015/GR-23-155
Rate of Return / Cost of Capital Summary
Executed Settlement Agreement, May 3, 2024 2/
Applied to Riders Beginning 1/1/2024

	Capital Structure	Component Cost	Weighted Cost	Pre-tax Rate	After-Tax Rate
Long Term Debt	47.000%	4.404%	2.0696%	2.0696%	1.4700%
Common Equity	53.000%	9.780%	5.1834%	7.2739%	5.1834%
	<u>100.000%</u>		<u>7.2530%</u>	<u>9.3435%</u>	<u>6.6534%</u>
Federal & State Income Tax Rate					28.74%
Pretax "Gross-up" Factor					1.40330
After Tax Return on Equity					5.1834% 3/
Income Tax Component					2.0905% 4/
Interest Expense Component					<u>2.0696%</u>
Pre-tax Return					<u>9.3435%</u>

1/ MPUC 2-28-2023 Order Point 31, and Table 6, page 46.

2/ MPUC approved Decision Option 1, October 24, 2024.

3/ Rounding forced to equity.

4/ Shown here as a component of the pretax rate of return. Can also be computed as 70.56% gross up on After Tax Return on Equity.

Minnesota Power
2021 Rate Case Transmission 1/
Allocation Factors

Allocation factors used beginning 1/1/2022

	CC-TRAN (D-02)	
	Rate Case	Normalized
MN Jurisdiction	0.81633	1.0000
Residential	0.11683	0.1431
General Service	0.07653	0.0937
Large Light & Power	0.13694	0.1678
Large Power	0.48507	0.5942
Lighting	0.00096	0.0012
check	-	-

Minnesota Power
2024 Rate Case Transmission 2/
Allocation Factors

Allocation factors used beginning 1/1/2024

	CC-TRAN (D-02)	
	Rate Case	Normalized
MN Jurisdiction	0.82593	1.0000
Residential	0.12001	0.1453
General Service	0.09304	0.1126
Large Light & Power	0.13485	0.1633
Large Power	0.47730	0.5779
Lighting	0.00073	0.0009
check	-	-

1/ The 2022 CC-TRAN (D-02) allocator from MP's 2022 MPUC rate case Docket No. E-015/GR-21-335. Refer to Exhibit B-3, page 33.

2/ The 2024 CC-TRAN (D-02) allocator from MP's 2023 MPUC rate case Docket No. E-015/GR-23-155. Refer to Exhibit B-3, page 34.

Because the tracker amounts are 100% MN Jurisdictional, the factors are normalized to obtain class allocations.

Allete, Inc., d/b/a Minnesota Power
Docket No. E-015/GR-21-335
Demand Responsibility for Transmission Based on 12-month Average Coincident Peak Methodology: D-02
2022 Test Year 1/

		<u>Total Retail</u>	<u>Residential</u>	<u>General Service</u>	<u>Large Light & Power</u>	<u>Large Power</u>	<u>Lighting</u>
1	Avg 12CP Demand (loss adjusted)	1,042,347	149,178	97,722	174,854	619,373	1,221
2	Peak Factor (as percentage)	100.000	14.312	9.375	16.775	59.421	0.117
3	Power Supply Transmission - D-02 Adjusted for Jurisdictional Split (Line 10 x .81633)	81.6330	11.683	7.653	13.694	48.507	0.096

Notes:

Residential, General Service, and Large Light and Power CP demands per customer from load research multiplied by number of customers and adjusted for losses. Large Power CP demand estimated based on 2022 budgeted average demand and the ratio of Large Power CP demand to Large Power average demand from 2011 -2020. Lighting CP is average load based on 2022 Test Year energy and 4,200 burning hours, adjusted for losses and multiplied by the probability that lighting will be on during peak events (based on 2011 - 2020 observations).

1/ Volume IV, Allocation Factors Workpapers, AF-1, page 18 of 39, updated to reflect MPUC 1/23/2023 Decision Options 3001, 3002, and 3005.

Allete, Inc., d/b/a Minnesota Power
Docket No. E-015/GR-23-155
Demand Responsibility for Transmission Based on 12-month Average Coincident Peak Methodology: D-02
2024 Test Year /1

		<u>Total Retail</u>	<u>Residential</u>	<u>General Service</u>	<u>Large Light & Power</u>	<u>Large Power</u>	<u>Lighting</u>
1	Avg 12CP Demand (loss adjusted)	1,022,782	148,619	115,210	166,988	591,055	910
2	Peak Factor (as percentage)	100.000	14.531	11.264	16.327	57.789	0.089
3	Power Supply Transmission - D-02 Adjusted for Jurisdictional Split (Line 2 x .82593 0.82593	82.593	12.001	9.304	13.485	47.730	0.073

Notes:

Residential, General Service, Large Light & Power, and Large Power CP demands per customer are derived from 2022 actual demands scaled to 2024 projected usage and multiplied by number of customers and adjusted for losses. Lighting CP is average load based on 2024 projected energy and 4,200 burning hours, adjusted for losses and multiplied by the probability that lighting will be on during peak events (based on 2011 - 2020 observations).

1/ Volume IV, Allocation Factors Workpapers, AF-1, page 14 of 20.

Minnesota Power
Transmission Cost Recovery Rider
2024 Projected Tracker - HVDC Projects

Exhibit B-4
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2024 Projected Tracker - HVDC Projects 2/

Section	Line	Jan-24	Feb-24	Mar-24	Apr-24	May-24	Jun-24	Jul-24	Aug-24	Sep-24	Oct-24	Nov-24	Dec-24	Total
A	Book Basis of Property													
	0 CWIP	32,387,368	32,730,598	33,162,627	33,162,627	33,162,627	33,162,627	32,592,299	32,021,970	22,315,762	21,745,435	21,175,107	20,491,851	20,491,851
	1 Plant in Service	-	-	-	-	-	-	-	-	-	-	-	-	-
	2 Total Accumulated Depreciation	-	-	-	-	-	-	-	-	-	-	-	-	-
	3 Net Plant	-	-	-	-	-	-	-	-	-	-	-	-	-
	4 Total Depreciation	-	-	-	-	-	-	-	-	-	-	-	-	-
	5 Book Depreciation Rate (Avg 45.3 year book life)	0.18%	0.18%	0.18%	0.18%	0.18%	0.18%	0.18%	0.18%	0.18%	0.18%	0.18%	0.18%	0.18%
B	Tax Basis of Property													
	1 Accumulated CIAC	-	-	-	-	-	-	570,329	1,140,657	16,710,986	17,331,315	17,951,643	18,521,972	18,521,972
	2 Plant in Service	-	-	-	-	-	-	-	-	-	-	-	-	-
	3 Accumulated Depreciation	-	-	-	-	-	-	-	-	-	-	-	-	-
	4 Net Plant	-	-	-	-	-	-	-	-	-	-	-	-	-
	5 Bonus Depreciation	-	-	-	-	-	-	-	-	-	-	-	-	-
	6 Total Tax Depreciation	-	-	-	-	-	-	-	-	-	-	-	-	-
	7 Accumulated Tax Depreciation	-	-	-	-	-	-	-	-	-	-	-	-	-
	8 Tax Book Difference	-	-	-	-	-	-	-	-	-	-	-	-	-
	9 Income Tax Rate 1/	28.74%	28.74%	28.74%	28.74%	28.74%	28.74%	28.74%	28.74%	28.74%	28.74%	28.74%	28.74%	28.74%
	10 Deferred Tax Asset - CIAC DTA/(DTL)	-	-	-	-	-	-	163,912	327,825	4,802,737	4,981,020	5,159,302	5,323,215	5,323,215
	11 Net ADITL DTL/(DTA)	-	-	-	-	-	-	-	-	-	-	-	-	-
	12 Deferred Tax Expense debit / (Credit)	-	-	-	-	-	-	-	-	-	-	-	-	-
C	Revenue Requirements													
	1 Net Plant	-	-	-	-	-	-	-	-	-	-	-	-	-
	2 Less: ADITL - (DTA/(DTL)	-	-	-	-	-	-	-	-	-	-	-	-	-
	3 Plus: ADITA - CIAC (DTA/(DTL)	-	-	-	-	-	-	163,912	327,825	4,802,737	4,981,020	5,159,302	5,323,215	5,323,215
	4 Rate Base	-	-	-	-	-	-	163,912	327,825	4,802,737	4,981,020	5,159,302	5,323,215	5,323,215
	5 Average Rate Base	-	-	-	-	-	-	81,956	245,869	2,565,281	4,891,879	5,070,161	5,241,259	5,241,259
	6 Current Return on CWIP	-	-	-	-	-	-	-	-	272,162	173,951	169,511	164,436	780,059
	7 Return on Average Rate Base	-	-	-	-	-	-	-	-	-	-	-	-	-
	8 After Tax Return on Equity	-	-	-	-	-	-	354	1,062	11,081	21,130	21,901	22,640	78,167
	9 Income Tax Component	-	-	-	-	-	-	143	428	4,469	8,522	8,833	9,131	31,526
	10 Interest Expense Component	-	-	-	-	-	-	141	424	4,424	8,437	8,744	9,039	31,210
	11 Total Return on Average Rate Base	-	-	-	-	-	-	638	1,914	19,974	38,089	39,478	40,810	140,904
	12 Operation & Maintenance Expense	-	-	-	-	-	-	-	-	-	-	-	-	-
	13 Depreciation Expense	-	-	-	-	-	-	-	-	-	-	-	-	-
	14 Property Tax	-	-	-	-	-	-	-	-	132,037	132,037	132,037	132,037	528,146
	15 Monthly Revenue Requirements	-	-	-	-	-	-	638	1,914	424,172	344,077	341,025	337,282	1,449,108
	16 MN Jurisdictional Allocator	0.82593	0.82593	0.82593	0.82593	0.82593	0.82593	0.82593	0.82593	0.82593	0.82593	0.82593	0.82593	0.82593
	17 MN Jurisdictional Revenue Requirement	-	-	-	-	-	-	527	1,581	350,336	284,184	281,663	278,571	1,196,862
D	Monthly Entry													
	1 MN Jurisdictional Rev. Requirement	-	-	-	-	-	-	527	1,581	350,336	284,184	281,663	278,571	1,196,862
	2 Monthly Entry Needed	-	-	-	-	-	-	527	1,581	350,336	284,184	281,663	278,571	1,196,862
	3 Cumulative YTD	-	-	-	-	-	-	527	2,108	352,445	636,628	918,291	1,196,862	1,196,862

Notes: 1/ Minnesota Composite Income Tax Rate.

2/ Refer to Exhibit B-4, pages 3 to 10 for individual project information on the HVDC Modernization Projects.

Minnesota Power
Transmission Cost Recovery Rider
2025 Projected Tracker - HVDC Projects

Exhibit B-4
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2025 Projected Tracker - HVDC Projects 2/

Section	Line	Jan-25	Feb-25	Mar-25	Apr-25	May-25	Jun-25	Jul-25	Aug-25	Sep-25	Oct-25	Nov-25	Dec-25	Total
A	Book Basis of Property													
	0 CWIP	20,482,112	20,472,372	20,462,633	20,452,894	20,443,154	20,433,423	20,423,692	20,413,960	20,404,229	20,394,498	20,384,766	30,770,724	30,770,724
	1 Plant in Service	-	-	-	-	-	-	-	-	-	-	-	-	-
	2 Total Accumulated Depreciation	-	-	-	-	-	-	-	-	-	-	-	-	-
	3 Net Plant	-	-	-	-	-	-	-	-	-	-	-	-	-
	4 Total Depreciation	-	-	-	-	-	-	-	-	-	-	-	-	-
	5 Book Depreciation Rate (Avg 45.3 year book life)	0.18%	0.18%	0.18%	0.18%	0.18%	0.18%	0.18%	0.18%	0.18%	0.18%	0.18%	0.18%	0.00%
B	Tax Basis of Property													
	1 Accumulated CIAC	18,548,628	18,575,283	18,601,939	18,628,594	18,655,250	18,681,905	18,708,561	18,735,216	18,761,872	18,788,527	18,815,183	22,536,196	22,536,196
	2 Plant in Service	-	-	-	-	-	-	-	-	-	-	-	-	-
	3 Accumulated Depreciation	-	-	-	-	-	-	-	-	-	-	-	-	-
	4 Net Plant	-	-	-	-	-	-	-	-	-	-	-	-	-
	5 Bonus Depreciation	-	-	-	-	-	-	-	-	-	-	-	-	-
	6 Total Tax Depreciation	-	-	-	-	-	-	-	-	-	-	-	-	-
	7 Accumulated Tax Depreciation	-	-	-	-	-	-	-	-	-	-	-	-	-
	8 Tax Book Difference	-	-	-	-	-	-	-	-	-	-	-	-	-
	9 Income Tax Rate 1/	28.74%	28.74%	28.74%	28.74%	28.74%	28.74%	28.74%	28.74%	28.74%	28.74%	28.74%	28.74%	28.74%
	10 Deferred Tax Asset - CIAC DTA/(DTL)	5,330,876	5,338,536	5,346,197	5,353,858	5,361,519	5,369,179	5,376,840	5,384,501	5,392,162	5,399,823	5,407,483	6,476,903	6,476,903
	11 Net ADITL DTL/(DTA)	-	-	-	-	-	-	-	-	-	-	-	-	-
	12 Deferred Tax Expense debit / (Credit)	-	-	-	-	-	-	-	-	-	-	-	-	-
C	Revenue Requirements													
	1 Net Plant	-	-	-	-	-	-	-	-	-	-	-	-	-
	2 Less: ADITL - (DTA/(DTL)	-	-	-	-	-	-	-	-	-	-	-	-	-
	3 Plus: ADITA - CIAC (DTA/(DTL)	5,330,876	5,338,536	5,346,197	5,353,858	5,361,519	5,369,179	5,376,840	5,384,501	5,392,162	5,399,823	5,407,483	6,476,903	6,476,903
	4 Rate Base	5,330,876	5,338,536	5,346,197	5,353,858	5,361,519	5,369,179	5,376,840	5,384,501	5,392,162	5,399,823	5,407,483	6,476,903	6,476,903
	5 Average Rate Base	5,327,045	5,334,706	5,342,367	5,350,028	5,357,688	5,365,349	5,373,010	5,380,671	5,388,331	5,395,992	5,403,653	5,942,193	5,942,193
	6 Current Return on CWIP	159,621	159,545	159,469	159,393	159,318	159,242	159,166	159,090	159,015	158,939	158,863	213,642	1,965,303
	7 Return on Average Rate Base													
	8 After Tax Return on Equity	23,010	23,043	23,076	23,109	23,143	23,176	23,209	23,242	23,275	23,308	23,341	25,667	280,599
	9 Income Tax Component	9,280	9,294	9,307	9,320	9,334	9,347	9,360	9,374	9,387	9,400	9,414	10,352	113,169
	10 Interest Expense Component	9,187	9,201	9,214	9,227	9,240	9,253	9,267	9,280	9,293	9,306	9,320	10,248	112,036
	11 Total Return on Average Rate Base	41,478	41,537	41,597	41,657	41,716	41,776	41,836	41,895	41,955	42,015	42,074	46,268	505,804
	12 Operation & Maintenance Expense	-	-	-	-	-	-	-	-	-	-	-	-	-
	13 Depreciation Expense	-	-	-	-	-	-	-	-	-	-	-	-	-
	14 Property Tax	50,162	50,162	50,162	50,162	50,162	50,162	50,162	50,162	50,162	50,162	50,162	50,162	601,943
	15 Prorata ADIT	4,438	-	-	-	-	-	-	-	-	-	-	-	4,438
	16 Monthly Revenue Requirements	255,699	251,245	251,228	251,212	251,196	251,180	251,164	251,148	251,131	251,115	251,099	310,071	3,077,488
	17 MN Jurisdictional Allocator	0.82593	0.82593	0.82593	0.82593	0.82593	0.82593	0.82593	0.82593	0.82593	0.82593	0.82593	0.82593	0.82593
	18 MN Jurisdictional Revenue Requirement	211,189	207,510	207,497	207,484	207,470	207,457	207,444	207,430	207,417	207,404	207,390	256,097	2,541,790
D	Monthly Entry													
	1 MN Jurisdictional Rev. Requirement	211,189	207,510	207,497	207,484	207,470	207,457	207,444	207,430	207,417	207,404	207,390	256,097	2,541,790
	2 Monthly Entry Needed	211,189	207,510	207,497	207,484	207,470	207,457	207,444	207,430	207,417	207,404	207,390	256,097	2,541,790
	3 Cumulative YTD	211,189	418,700	626,197	833,680	1,041,151	1,248,608	1,456,051	1,663,482	1,870,899	2,078,302	2,285,693	2,541,790	2,541,790

Notes: 1/ Minnesota Composite Income Tax Rate.

2/ Refer to Exhibit B-4, pages 3 to 10 for individual project information on the HVDC Modernization Projects.

Minnesota Power
Transmission Cost Recovery Rider
Project Revenue Requirements

ID# 113372 HVDC Modernization - ND

In Service 12/31/2030

Section	Line	Jan-24	Feb-24	Mar-24	Apr-24	May-24	Jun-24	Jul-24	Aug-24	Sep-24	Oct-24	Nov-24	Dec-24
A	Book Basis of Property												
	0 CWIP	16,257,807	16,427,459	16,684,266	16,684,266	16,684,266	16,684,266	16,684,266	16,684,266	16,684,266	16,684,266	16,684,266	16,478,977
	1 Plant in Service												
	2 Total Accumulated Depreciation												
	3 Net Plant												
	4 Total Depreciation												
B	Tax Basis of Property												
	1 Accumulated CIAC	-	-	-	-	-	-	-	-	-	-	-	-
	2 Plant in Service												
	3 Accumulated Depreciation												
	4 Net Plant												
	5 Bonus Depreciation												
	6 Total Tax Depreciation												
	7 Accumulated Tax Depreciation												
	8 Tax Book Difference												
	9 Income Tax Rate 1/	28.74%	28.74%	28.74%	28.74%	28.74%	28.74%	28.74%	28.74%	28.74%	28.74%	28.74%	28.74%
	10 Deferred Tax Asset - CIAC DTA/(DTL)	-	-	-	-	-	-	-	-	-	-	-	-
	11 Net ADITL DTL/(DTA)												
	12 Deferred Tax Expense debit / (Credit)												
C	Revenue Requirements												
	1 Net Plant	-	-	-	-	-	-	-	-	-	-	-	-
	2 Less: ADITL - (DTA/(DTL)	-	-	-	-	-	-	-	-	-	-	-	-
	3 Plus: ADITA - CIAC (DTA/(DTL)	-	-	-	-	-	-	-	-	-	-	-	-
	4 Rate Base	-	-	-	-	-	-	-	-	-	-	-	-
	5 Average Rate Base	-	-	-	-	-	-	-	-	-	-	-	-
	6 Current Return on CWIP 2/								129,908		129,908	129,908	129,109
	7 Return on Average Rate Base 2/												
	8 After Tax Return on Equity	-	-	-	-	-	-	-	-	-	-	-	-
	9 Income Tax Component	-	-	-	-	-	-	-	-	-	-	-	-
	10 Interest Expense Component	-	-	-	-	-	-	-	-	-	-	-	-
	11 Total Return on Average Rate Base	-	-	-	-	-	-	-	-	-	-	-	-
	12 Operation & Maintenance Expense	-	-	-	-	-	-	-	-	-	-	-	-
	13 Depreciation Expense	-	-	-	-	-	-	-	-	-	-	-	-
	14 Property Tax	-	-	-	-	-	-	-	-	-	-	-	-
	15 Monthly Revenue Requirements	-	-	-	-	-	-	-	129,908		129,908	129,908	129,109
	16 MN Jurisdictional Allocator	0.82593	0.82593	0.82593	0.82593	0.82593	0.82593	0.82593	0.82593	0.82593	0.82593	0.82593	0.82593
	17 MN Jurisdictional Revenue Requirement	-	-	-	-	-	-	-	107,295		107,295	107,295	106,635

Notes: 1/ Minnesota Composite Income Tax Rate.

2/ Current Return on CWIP begins 9/1/2024. Rate of return based on Minnesota Power's 2023 rate case, Docket No. E015/GR-23-155.

Minnesota Power
Transmission Cost Recovery Rider
Project Revenue Requirements

ID# 113372 HVDC Modernization - ND

In Service 12/31/2030

Section	Line	Jan-25	Feb-25	Mar-25	Apr-25	May-25	Jun-25	Jul-25	Aug-25	Sep-25	Oct-25	Nov-25	Dec-25
A	Book Basis of Property												
	0 CWIP	16,479,006	16,479,036	16,479,066	16,479,095	16,479,125	16,479,155	16,479,186	16,479,217	16,479,247	16,479,278	16,479,309	23,249,325
	1 Plant in Service												
	2 Total Accumulated Depreciation												
	3 Net Plant												
	4 Total Depreciation												
B	Tax Basis of Property												
	1 Accumulated CIAC	-	-	-	-	-	-	-	-	-	-	-	-
	2 Plant in Service												
	3 Accumulated Depreciation												
	4 Net Plant												
	5 Bonus Depreciation												
	6 Total Tax Depreciation												
	7 Accumulated Tax Depreciation												
	8 Tax Book Difference												
	9 Income Tax Rate 1/	28.74%	28.74%	28.74%	28.74%	28.74%	28.74%	28.74%	28.74%	28.74%	28.74%	28.74%	28.74%
	10 Deferred Tax Asset - CIAC DTA/(DTL)	-	-	-	-	-	-	-	-	-	-	-	-
	11 Net ADITL DTL/(DTA)												
	12 Deferred Tax Expense debit / (Credit)												
C	Revenue Requirements												
	1 Net Plant	-	-	-	-	-	-	-	-	-	-	-	-
	2 Less: ADITL - (DTA/(DTL)	-	-	-	-	-	-	-	-	-	-	-	-
	3 Plus: ADITA - CIAC (DTA/(DTL)	-	-	-	-	-	-	-	-	-	-	-	-
	4 Rate Base	-	-	-	-	-	-	-	-	-	-	-	-
	5 Average Rate Base	-	-	-	-	-	-	-	-	-	-	-	-
	6 Current Return on CWIP 2/	128,310	128,310	128,310	128,311	128,311	128,311	128,311	128,312	128,312	128,312	128,312	154,669
	7 Return on Average Rate Base 2/												
	8 After Tax Return on Equity	-	-	-	-	-	-	-	-	-	-	-	-
	9 Income Tax Component	-	-	-	-	-	-	-	-	-	-	-	-
	10 Interest Expense Component	-	-	-	-	-	-	-	-	-	-	-	-
	11 Total Return on Average Rate Base	-	-	-	-	-	-	-	-	-	-	-	-
	12 Operation & Maintenance Expense	-	-	-	-	-	-	-	-	-	-	-	-
	13 Depreciation Expense	-	-	-	-	-	-	-	-	-	-	-	-
	14 Property Tax	-	-	-	-	-	-	-	-	-	-	-	-
	15 Monthly Revenue Requirements	128,310	128,310	128,310	128,311	128,311	128,311	128,311	128,312	128,312	128,312	128,312	154,669
	16 MN Jurisdictional Allocator	0.82593	0.82593	0.82593	0.82593	0.82593	0.82593	0.82593	0.82593	0.82593	0.82593	0.82593	0.82593
	17 MN Jurisdictional Revenue Requirement	105,975	105,975	105,975	105,976	105,976	105,976	105,976	105,976	105,977	105,977	105,977	127,746

Notes: 1/ Minnesota Composite Income Tax Rate.

2/ Current Return on CWIP begins 9/1/2024. Rate of return based on Minnesota Power's 2023 rate case, Docket No. E015/GR-23-155.

Minnesota Power
Transmission Cost Recovery Rider
Project Revenue Requirements

ID# 113373 HVDC Modernization - MN
In Service 12/31/2030

Section	Line	Jan-24	Feb-24	Mar-24	Apr-24	May-24	Jun-24	Jul-24	Aug-24	Sep-24	Oct-24	Nov-24	Dec-24
A	Book Basis of Property												
	0 CWIP	16,129,562	16,303,139	16,478,361	16,478,361	16,478,361	16,478,361	16,478,361	16,478,361	1,478,361	1,428,361	1,378,361	1,261,248
	1 Plant in Service												
	2 Total Accumulated Depreciation												
	3 Net Plant												
	4 Total Depreciation												
B	Tax Basis of Property												
	1 Accumulated CIAC	-	-	-	-	-	-	-	-	15,000,000	15,050,000	15,100,000	15,100,000
	2 Plant in Service												
	3 Accumulated Depreciation												
	4 Net Plant												
	5 Bonus Depreciation												
	6 Total Tax Depreciation												
	7 Accumulated Tax Depreciation												
	8 Tax Book Difference												
	9 Income Tax Rate 1/	28.74%	28.74%	28.74%	28.74%	28.74%	28.74%	28.74%	28.74%	28.74%	28.74%	28.74%	28.74%
	10 Deferred Tax Asset - CIAC DTA/(DTL)	-	-	-	-	-	-	-	-	4,311,000	4,325,370	4,339,740	4,339,740
	11 Net ADITL DTL/(DTA)												
C	Revenue Requirements												
	1 Net Plant	-	-	-	-	-	-	-	-	-	-	-	-
	2 Less: ADITL - (DTA/(DTL)	-	-	-	-	-	-	-	-	-	-	-	-
	3 Plus: ADITA - CIAC (DTA/(DTL)	-	-	-	-	-	-	-	-	4,311,000	4,325,370	4,339,740	4,339,740
	4 Rate Base	-	-	-	-	-	-	-	-	4,311,000	4,325,370	4,339,740	4,339,740
	5 Average Rate Base	-	-	-	-	-	-	-	-	2,155,500	4,318,185	4,332,555	4,339,740
	6 Current Return on CWIP 2/									128,305	11,511	11,122	10,276
	7 Return on Average Rate Base 2/												
	8 After Tax Return on Equity	-	-	-	-	-	-	-	-	9,311	18,652	18,714	18,745
	9 Income Tax Component	-	-	-	-	-	-	-	-	3,755	7,523	7,548	7,560
	10 Interest Expense Component	-	-	-	-	-	-	-	-	3,718	7,447	7,472	7,485
	11 Total Return on Average Rate Base	-	-	-	-	-	-	-	-	16,783	33,623	33,734	33,790
	12 Operation & Maintenance Expense	-	-	-	-	-	-	-	-	-	-	-	-
	13 Depreciation Expense	-	-	-	-	-	-	-	-	-	-	-	-
	14 Property Tax	-	-	-	-	-	-	-	-	132,037	132,037	132,037	132,037
	15 Monthly Revenue Requirements	-	-	-	-	-	-	-	-	277,125	177,170	176,893	176,103
	16 MN Jurisdictional Allocator	0.82593	0.82593	0.82593	0.82593	0.82593	0.82593	0.82593	0.82593	0.82593	0.82593	0.82593	0.82593
	17 MN Jurisdictional Revenue Requirement	-	-	-	-	-	-	-	-	228,886	146,330	146,101	145,449

Notes: 1/ Minnesota Composite Income Tax Rate.

2/ Current Return on CWIP begins 9/1/2024. Rate of return based on Minnesota Power's 2023 rate case, Docket No. E015/GR-23-155.

Minnesota Power
Transmission Cost Recovery Rider
Project Revenue Requirements

Exhibit B-4
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ID# 113373 HVDC Modernization - MN

In Service 12/31/2030

Section	Line	Jan-25	Feb-25	Mar-25	Apr-25	May-25	Jun-25	Jul-25	Aug-25	Sep-25	Oct-25	Nov-25	Dec-25
A	Book Basis of Property												
	0 CWIP	1,261,467	1,261,687	1,261,906	1,262,125	1,262,345	1,262,571	1,262,798	1,263,025	1,263,251	1,263,478	1,263,704	4,958,281
	1 Plant in Service												
	2 Total Accumulated Depreciation												
	3 Net Plant												
	4 Total Depreciation												
B	Tax Basis of Property												
	1 Accumulated CIAC	15,100,000	15,100,000	15,100,000	15,100,000	15,100,000	15,100,000	15,100,000	15,100,000	15,100,000	15,100,000	15,100,000	18,794,358
	2 Plant in Service												
	3 Accumulated Depreciation												
	4 Net Plant												
	5 Bonus Depreciation												
	6 Total Tax Depreciation												
	7 Accumulated Tax Depreciation												
	8 Tax Book Difference												
	9 Income Tax Rate 1/	28.74%	28.74%	28.74%	28.74%	28.74%	28.74%	28.74%	28.74%	28.74%	28.74%	28.74%	28.74%
	10 Deferred Tax Asset - CIAC DTA/(DTL)	4,339,740	4,339,740	4,339,740	4,339,740	4,339,740	4,339,740	4,339,740	4,339,740	4,339,740	4,339,740	4,339,740	5,401,498
	11 Net ADITL DTL/(DTA)												
	12 Deferred Tax Expense debit / (Credit)												
C	Revenue Requirements												
	1 Net Plant	-	-	-	-	-	-	-	-	-	-	-	-
	2 Less: ADITL - (DTA/(DTL)	-	-	-	-	-	-	-	-	-	-	-	-
	3 Plus: ADITA - CIAC (DTA/(DTL)	4,339,740	4,339,740	4,339,740	4,339,740	4,339,740	4,339,740	4,339,740	4,339,740	4,339,740	4,339,740	4,339,740	5,401,498
	4 Rate Base	4,339,740	4,339,740	4,339,740	4,339,740	4,339,740	4,339,740	4,339,740	4,339,740	4,339,740	4,339,740	4,339,740	5,401,498
	5 Average Rate Base	4,339,740	4,339,740	4,339,740	4,339,740	4,339,740	4,339,740	4,339,740	4,339,740	4,339,740	4,339,740	4,339,740	4,870,619
	6 Current Return on CWIP 2/	9,821	9,823	9,825	9,826	9,828	9,830	9,832	9,833	9,835	9,837	9,839	38,606
	7 Return on Average Rate Base 2/												
	8 After Tax Return on Equity	18,745	18,745	18,745	18,745	18,745	18,745	18,745	18,745	18,745	18,745	18,745	21,039
	9 Income Tax Component	7,560	7,560	7,560	7,560	7,560	7,560	7,560	7,560	7,560	7,560	7,560	8,485
	10 Interest Expense Component	7,485	7,485	7,485	7,485	7,485	7,485	7,485	7,485	7,485	7,485	7,485	8,400
	11 Total Return on Average Rate Base	33,790	33,790	33,790	33,790	33,790	33,790	33,790	33,790	33,790	33,790	33,790	37,924
	12 Operation & Maintenance Expense	-	-	-	-	-	-	-	-	-	-	-	-
	13 Depreciation Expense	-	-	-	-	-	-	-	-	-	-	-	-
	14 Property Tax	45,668	45,668	45,668	45,668	45,668	45,668	45,668	45,668	45,668	45,668	45,668	45,668
	15 Monthly Revenue Requirements	89,280	89,282	89,283	89,285	89,287	89,288	89,290	89,292	89,294	89,295	89,297	122,198
	16 MN Jurisdictional Allocator	0.82593	0.82593	0.82593	0.82593	0.82593	0.82593	0.82593	0.82593	0.82593	0.82593	0.82593	0.82593
	17 MN Jurisdictional Revenue Requirement	73,739	73,740	73,742	73,743	73,745	73,746	73,747	73,749	73,750	73,752	73,753	100,927

Notes: 1/ Minnesota Composite Income Tax Rate.

2/ Current Return on CWIP begins 9/1/2024. Rate of return based on Minnesota Power's 2023 rate case, Docket No. E015/GR-23-155.

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ID# 114425 HTEC Project - MN
In Service 12/31/2028

Section	Line	Jan-24	Feb-24	Mar-24	Apr-24	May-24	Jun-24	Jul-24	Aug-24	Sep-24	Oct-24	Nov-24	Dec-24
A	Book Basis of Property												
	0 CWIP	-	-	-	-	-	-	(276,205)	(552,409)	2,032,544	1,781,339	1,530,135	1,322,143
	1 Plant in Service												
	2 Total Accumulated Depreciation												
	3 Net Plant												
	4 Total Depreciation												
B	Tax Basis of Property												
	1 Accumulated CIAC	-	-	-	-	-	-	276,205	552,409	828,614	1,104,819	1,381,023	1,657,228
	2 Plant in Service												
	3 Accumulated Depreciation												
	4 Net Plant												
	5 Bonus Depreciation												
	6 Total Tax Depreciation												
	7 Accumulated Tax Depreciation												
	8 Tax Book Difference												
	9 Income Tax Rate 1/	28.74%	28.74%	28.74%	28.74%	28.74%	28.74%	28.74%	28.74%	28.74%	28.74%	28.74%	28.74%
	10 Deferred Tax Asset - CIAC DTA/(DTL)	-	-	-	-	-	-	79,381	158,762	238,144	317,525	396,906	476,287
	11 Net ADITL DTL/(DTA)												
	12 Deferred Tax Expense debit / (Credit)												
C	Revenue Requirements												
	1 Net Plant	-	-	-	-	-	-	-	-	-	-	-	-
	2 Less: ADITL - (DTA/(DTL)	-	-	-	-	-	-	-	-	-	-	-	-
	3 Plus: ADITA - CIAC (DTA/(DTL)	-	-	-	-	-	-	79,381	158,762	238,144	317,525	396,906	476,287
	4 Rate Base	-	-	-	-	-	-	79,381	158,762	238,144	317,525	396,906	476,287
	5 Average Rate Base	-	-	-	-	-	-	39,691	119,072	198,453	277,834	357,215	436,597
	6 Current Return on CWIP 2/									6,838	15,923	13,967	12,180
	7 Return on Average Rate Base 2/												
	8 After Tax Return on Equity	-	-	-	-	-	-	171	514	857	1,200	1,543	1,886
	9 Income Tax Component	-	-	-	-	-	-	69	207	346	484	622	761
	10 Interest Expense Component	-	-	-	-	-	-	68	205	342	479	616	753
	11 Total Return on Average Rate Base	-	-	-	-	-	-	309	927	1,545	2,163	2,781	3,399
	12 Operation & Maintenance Expense	-	-	-	-	-	-	-	-	-	-	-	-
	13 Depreciation Expense	-	-	-	-	-	-	-	-	-	-	-	-
	14 Property Tax	-	-	-	-	-	-	-	-	-	-	-	-
	15 Monthly Revenue Requirements	-	-	-	-	-	-	309	927	8,383	18,087	16,749	15,579
	16 MN Jurisdictional Allocator	0.82593	0.82593	0.82593	0.82593	0.82593	0.82593	0.82593	0.82593	0.82593	0.82593	0.82593	0.82593
	17 MN Jurisdictional Revenue Requirement	-	-	-	-	-	-	255	766	6,924	14,938	13,833	12,867

Notes: 1/ Minnesota Composite Income Tax Rate.

2/ Current Return on CWIP begins 9/1/2024. Rate of return based on Minnesota Power's 2023 rate case, Docket No. E015/GR-23-155.

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ID# 114425 HTEC Project - MN
In Service 12/31/2028

Section	Line	Jan-25	Feb-25	Mar-25	Apr-25	May-25	Jun-25	Jul-25	Aug-25	Sep-25	Oct-25	Nov-25	Dec-25
A	Book Basis of Property												
	0 CWIP	1,317,204	1,312,265	1,307,326	1,302,387	1,297,448	1,292,509	1,287,570	1,282,631	1,277,692	1,272,753	1,267,814	1,227,246
	1 Plant in Service												
	2 Total Accumulated Depreciation												
	3 Net Plant												
	4 Total Depreciation												
B	Tax Basis of Property												
	1 Accumulated CIAC	1,670,501	1,683,773	1,697,046	1,710,318	1,723,591	1,736,863	1,750,136	1,763,408	1,776,681	1,789,953	1,803,226	1,816,498
	2 Plant in Service												
	3 Accumulated Depreciation												
	4 Net Plant												
	5 Bonus Depreciation												
	6 Total Tax Depreciation												
	7 Accumulated Tax Depreciation												
	8 Tax Book Difference												
	9 Income Tax Rate 1/	28.74%	28.74%	28.74%	28.74%	28.74%	28.74%	28.74%	28.74%	28.74%	28.74%	28.74%	28.74%
	10 Deferred Tax Asset - CIAC DTA/(DTL)	480,102	483,916	487,731	491,545	495,360	499,174	502,989	506,803	510,618	514,432	518,247	522,062
	11 Net ADITL DTL/(DTA)												
	12 Deferred Tax Expense debit / (Credit)												
C	Revenue Requirements												
	1 Net Plant	-	-	-	-	-	-	-	-	-	-	-	-
	2 Less: ADITL - (DTA/(DTL)	-	-	-	-	-	-	-	-	-	-	-	-
	3 Plus: ADITA - CIAC (DTA/(DTL)	480,102	483,916	487,731	491,545	495,360	499,174	502,989	506,803	510,618	514,432	518,247	522,062
	4 Rate Base	480,102	483,916	487,731	491,545	495,360	499,174	502,989	506,803	510,618	514,432	518,247	522,062
	5 Average Rate Base	478,195	482,009	485,824	489,638	493,453	497,267	501,082	504,896	508,711	512,525	516,340	520,154
	6 Current Return on CWIP 2/	10,327	10,289	10,250	10,212	10,173	10,135	10,096	10,058	10,019	9,981	9,942	9,765
	7 Return on Average Rate Base 2/												
	8 After Tax Return on Equity	2,066	2,082	2,099	2,115	2,131	2,148	2,164	2,181	2,197	2,214	2,230	2,247
	9 Income Tax Component	833	840	846	853	860	866	873	880	886	893	900	906
	10 Interest Expense Component	825	831	838	844	851	858	864	871	877	884	891	897
	11 Total Return on Average Rate Base	3,723	3,753	3,783	3,812	3,842	3,872	3,902	3,931	3,961	3,991	4,020	4,050
	12 Operation & Maintenance Expense	-	-	-	-	-	-	-	-	-	-	-	-
	13 Depreciation Expense	-	-	-	-	-	-	-	-	-	-	-	-
	14 Property Tax	4,494	4,494	4,494	4,494	4,494	4,494	4,494	4,494	4,494	4,494	4,494	4,494
	15 Monthly Revenue Requirements	18,544	18,535	18,527	18,518	18,509	18,500	18,492	18,483	18,474	18,465	18,457	18,309
	16 MN Jurisdictional Allocator	0.82593	0.82593	0.82593	0.82593	0.82593	0.82593	0.82593	0.82593	0.82593	0.82593	0.82593	0.82593
	17 MN Jurisdictional Revenue Requirement	15,316	15,309	15,302	15,294	15,287	15,280	15,273	15,266	15,258	15,251	15,244	15,122

Notes: 1/ Minnesota Composite Income Tax Rate.

2/ Current Return on CWIP begins 9/1/2024. Rate of return based on Minnesota Power's 2023 rate case, Docket No. E015/GR-23-155.

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ID# 114426 HTEC Project - ND
In Service 12/31/2028

Section	Line	Jan-24	Feb-24	Mar-24	Apr-24	May-24	Jun-24	Jul-24	Aug-24	Sep-24	Oct-24	Nov-24	Dec-24
A	Book Basis of Property												
	0 CWIP	-	-	-	-	-	-	(294,124)	(588,248)	2,120,592	1,851,468	1,582,345	1,429,484
	1 Plant in Service												
	2 Total Accumulated Depreciation												
	3 Net Plant												
	4 Total Depreciation												
B	Tax Basis of Property												
	1 Accumulated CIAC	-	-	-	-	-	-	294,124	588,248	882,372	1,176,496	1,470,620	1,764,744
	2 Plant in Service												
	3 Accumulated Depreciation												
	4 Net Plant												
	5 Bonus Depreciation												
	6 Total Tax Depreciation												
	7 Accumulated Tax Depreciation												
	8 Tax Book Difference												
	9 Income Tax Rate 1/	28.74%	28.74%	28.74%	28.74%	28.74%	28.74%	28.74%	28.74%	28.74%	28.74%	28.74%	28.74%
	10 Deferred Tax Asset - CIAC DTA/(DTL)	-	-	-	-	-	-	84,531	169,062	253,594	338,125	422,656	507,187
	11 Net ADITL DTL/(DTA)												
	12 Deferred Tax Expense debit / (Credit)												
C	Revenue Requirements												
	1 Net Plant	-	-	-	-	-	-	-	-	-	-	-	-
	2 Less: ADITL - (DTA/(DTL)	-	-	-	-	-	-	-	-	-	-	-	-
	3 Plus: ADITA - CIAC (DTA/(DTL)	-	-	-	-	-	-	84,531	169,062	253,594	338,125	422,656	507,187
	4 Rate Base	-	-	-	-	-	-	84,531	169,062	253,594	338,125	422,656	507,187
	5 Average Rate Base	-	-	-	-	-	-	42,266	126,797	211,328	295,859	380,391	464,922
	6 Current Return on CWIP 2/									7,111	16,609	14,513	12,871
	7 Return on Average Rate Base 2/												
	8 After Tax Return on Equity	-	-	-	-	-	-	183	548	913	1,278	1,643	2,008
	9 Income Tax Component	-	-	-	-	-	-	74	221	368	515	663	810
	10 Interest Expense Component	-	-	-	-	-	-	73	219	364	510	656	802
	11 Total Return on Average Rate Base	-	-	-	-	-	-	329	987	1,645	2,304	2,962	3,620
	12 Operation & Maintenance Expense	-	-	-	-	-	-	-	-	-	-	-	-
	13 Depreciation Expense	-	-	-	-	-	-	-	-	-	-	-	-
	14 Property Tax	-	-	-	-	-	-	-	-	-	-	-	-
	15 Monthly Revenue Requirements	-	-	-	-	-	-	329	987	8,756	18,912	17,475	16,491
	16 MN Jurisdictional Allocator	0.82593	0.82593	0.82593	0.82593	0.82593	0.82593	0.82593	0.82593	0.82593	0.82593	0.82593	0.82593
	17 MN Jurisdictional Revenue Requirement	-	-	-	-	-	-	272	815	7,232	15,620	14,433	13,620

Notes: 1/ Minnesota Composite Income Tax Rate.

2/ Current Return on CWIP begins 9/1/2024. Rate of return based on Minnesota Power's 2023 rate case, Docket No. E015/GR-23-155.

Minnesota Power
Transmission Cost Recovery Rider
Project Revenue Requirements

ID# 114426 HTEC Project - ND
In Service 12/31/2028

Section	Line	Jan-25	Feb-25	Mar-25	Apr-25	May-25	Jun-25	Jul-25	Aug-25	Sep-25	Oct-25	Nov-25	Dec-25
A	Book Basis of Property												
	0 CWIP	1,424,435	1,419,385	1,414,336	1,409,286	1,404,237	1,399,187	1,394,138	1,389,088	1,384,039	1,378,989	1,373,940	1,335,872
	1 Plant in Service												
	2 Total Accumulated Depreciation												
	3 Net Plant												
	4 Total Depreciation												
B	Tax Basis of Property												
	1 Accumulated CIAC	1,778,127	1,791,510	1,804,893	1,818,276	1,831,659	1,845,042	1,858,425	1,871,808	1,885,191	1,898,574	1,911,957	1,925,340
	2 Plant in Service												
	3 Accumulated Depreciation												
	4 Net Plant												
	5 Bonus Depreciation												
	6 Total Tax Depreciation												
	7 Accumulated Tax Depreciation												
	8 Tax Book Difference												
	9 Income Tax Rate 1/	28.74%	28.74%	28.74%	28.74%	28.74%	28.74%	28.74%	28.74%	28.74%	28.74%	28.74%	28.74%
	10 Deferred Tax Asset - CIAC DTA/(DTL)	511,034	514,880	518,726	522,573	526,419	530,265	534,111	537,958	541,804	545,650	549,496	553,343
	11 Net ADITL DTL/(DTA)												
	12 Deferred Tax Expense debit / (Credit)												
C	Revenue Requirements												
	1 Net Plant	-	-	-	-	-	-	-	-	-	-	-	-
	2 Less: ADITL - (DTA/(DTL)	-	-	-	-	-	-	-	-	-	-	-	-
	3 Plus: ADITA - CIAC (DTA/(DTL)	511,034	514,880	518,726	522,573	526,419	530,265	534,111	537,958	541,804	545,650	549,496	553,343
	4 Rate Base	511,034	514,880	518,726	522,573	526,419	530,265	534,111	537,958	541,804	545,650	549,496	553,343
	5 Average Rate Base	509,111	512,957	516,803	520,649	524,496	528,342	532,188	536,034	539,881	543,727	547,573	551,420
	6 Current Return on CWIP 2/	11,163	11,123	11,084	11,045	11,006	10,966	10,927	10,888	10,848	10,809	10,770	10,602
	7 Return on Average Rate Base 2/												
	8 After Tax Return on Equity	2,199	2,216	2,232	2,249	2,266	2,282	2,299	2,315	2,332	2,349	2,365	2,382
	9 Income Tax Component	887	894	900	907	914	920	927	934	941	947	954	961
	10 Interest Expense Component	878	885	891	898	905	911	918	924	931	938	944	951
	11 Total Return on Average Rate Base	3,964	3,994	4,024	4,054	4,084	4,114	4,144	4,174	4,204	4,234	4,264	4,294
	12 Operation & Maintenance Expense	-	-	-	-	-	-	-	-	-	-	-	-
	13 Depreciation Expense	-	-	-	-	-	-	-	-	-	-	-	-
	14 Property Tax	-	-	-	-	-	-	-	-	-	-	-	-
	15 Monthly Revenue Requirements	15,127	15,117	15,108	15,099	15,089	15,080	15,071	15,061	15,052	15,043	15,033	14,895
	16 MN Jurisdictional Allocator	0.82593	0.82593	0.82593	0.82593	0.82593	0.82593	0.82593	0.82593	0.82593	0.82593	0.82593	0.82593
	17 MN Jurisdictional Revenue Requirement	12,494	12,486	12,478	12,471	12,463	12,455	12,447	12,440	12,432	12,424	12,416	12,302

Notes: 1/ Minnesota Composite Income Tax Rate.

2/ Current Return on CWIP begins 9/1/2024. Rate of return based on Minnesota Power's 2023 rate case, Docket No. E015/GR-23-155.

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Minnesota Power
Transmission Cost Recovery Rider
Plant Additions, AFUDC and Return on CWIP - HVDC Modernization Project

	Total	Jan-24	Feb-24	Mar-24	Apr-24	May-24	Jun-24	Jul-24	Aug-24	Sep-24	Oct-24	Nov-24	Dec-24
ID# 113372 HVDC Modernization - ND													
In Service 12/31/2030	\$ 342,451,553.96									CWIP			
BOM		16,000,278.19	16,257,806.81	16,427,458.55	16,684,266.37	16,684,266.37	16,684,266.37	16,684,266.37	16,684,266.37	16,684,266.37	16,684,266.37	16,684,266.37	16,684,266.37
Capital Expenditures	\$ 341,706,469.94	228,435.02	127,937.97	224,623.74	-	-	-	-	-	-	-	-	(205,289.75)
Grant/CIAC	\$ -	-	-	-	-	-	-	-	-	-	-	-	-
Less Internal Costs	\$ (437,103.02)	(65,357.75)	(53,441.98)	(63,669.78)	-	-	-	-	-	-	-	-	-
AFUDC	\$ 1,190,728.85	96,162.35	97,218.99	98,264.34	-	-	-	-	-	-	-	-	0.00
Less AFUDC on Interna.	\$ (8,541.81)	(1,711.00)	(2,063.24)	(2,410.48)	-	-	-	-	-	-	-	-	-
EOM		16,257,806.81	16,427,458.55	16,684,266.37	16,684,266.37	16,684,266.37	16,684,266.37	16,684,266.37	16,684,266.37	16,684,266.37	16,684,266.37	16,684,266.37	16,478,976.62
Return on CWIP 1/													
After Tax Return on Equity										72,067.64	72,067.64	72,067.64	71,624.27
Income Tax Component										29,065.80	29,065.80	29,065.80	28,886.98
Interest Expense Component										28,774.80	28,774.80	28,774.80	28,597.77
Total Return on CWIP										129,908.24	129,908.24	129,908.24	129,109.02
ID# 113373 HVDC Modernization - MN													
In Service 12/31/2030	\$ 320,167,930.02												
BOM		15,992,980.90	16,129,561.65	16,303,139.36	16,478,361.07	16,478,361.07	16,478,361.07	16,478,361.07	16,478,361.07	16,478,361.07	1,478,361.07	1,428,361.07	1,378,361.07
Capital Expenditures	\$ 344,496,659.34	90,297.48	159,711.79	186,843.11	-	-	-	-	-	-	-	-	(117,113.33)
Grant/CIAC	\$ (25,000,000.00)	-	-	-	-	-	-	-	-	(15,000,000.00)	(50,000.00)	(50,000.00)	-
Less Internal Costs	\$ (445,568.54)	(48,153.75)	(80,929.63)	(106,887.63)	-	-	-	-	-	-	-	-	-
AFUDC	\$ 1,124,596.54	95,829.84	96,571.11	97,598.66	-	-	-	-	-	-	-	-	0.00
Less AFUDC on Interna.	\$ (7,757.32)	(1,392.82)	(1,775.56)	(2,332.43)	-	-	-	-	-	-	-	-	-
EOM		16,129,561.65	16,303,139.36	16,478,361.07	16,478,361.07	16,478,361.07	16,478,361.07	16,478,361.07	16,478,361.07	1,478,361.07	1,428,361.07	1,378,361.07	1,261,247.74
Return on CWIP 1/													
After Tax Return on Equity										71,178.23	6,385.78	6,169.80	5,700.89
Income Tax Component										28,707.09	2,575.47	2,488.36	2,299.24
Interest Expense Component										28,419.68	2,549.68	2,463.45	2,276.22
Total Return on CWIP										128,305.00	11,510.92	11,121.61	10,276.36
ID# 114425 HTEC Project - MN													
In Service 12/31/2028	\$ 24,359,687.00												
BOM		-	-	-	-	-	-	-	(276,204.65)	(552,409.32)	2,032,543.51	1,781,339.34	1,530,135.17
Capital Expenditures	\$ 49,669,584.00	-	-	-	-	-	-	-	-	2,944,251.50	108,094.50	108,094.50	151,306.50
Grant/CIAC	\$ (23,897,299.00)	-	-	-	-	-	-	-	-	(276,204.67)	(276,204.67)	(276,204.67)	(276,204.67)
Less Internal Costs	\$ (1,412,598.00)	-	-	-	-	-	-	-	-	(83,094.00)	(83,094.00)	(83,094.00)	(83,094.00)
AFUDC	\$ -	-	-	-	-	-	-	-	-	-	-	-	-
Less AFUDC on Interna.	\$ -	-	-	-	-	-	-	-	-	-	-	-	-
EOM		-	-	-	-	-	-	(276,204.65)	(552,409.32)	2,032,543.51	1,781,339.34	1,530,135.17	1,322,143.00
Return on CWIP 1/													
After Tax Return on Equity										3,793.25	8,833.56	7,748.48	6,756.74
Income Tax Component										1,529.87	3,562.69	3,125.06	2,725.08
Interest Expense Component										1,514.55	3,527.02	3,093.78	2,697.80
Total Return on CWIP										6,837.67	15,923.27	13,967.32	12,179.61
ID# 114426 HTEC Project - ND													
In Service 12/31/2028	\$ 26,777,125.00												
BOM		-	-	-	-	-	-	-	(294,124.00)	(588,248.00)	2,120,591.50	1,851,468.00	1,582,344.50
Capital Expenditures	\$ 54,387,882.00	-	-	-	-	-	-	-	-	3,086,057.50	108,094.50	108,094.50	224,357.50
Grant/CIAC	\$ (26,198,159.00)	-	-	-	-	-	-	-	-	(294,124.00)	(294,124.00)	(294,124.00)	(294,124.00)
Less Internal Costs	\$ (1,412,598.00)	-	-	-	-	-	-	-	-	(83,094.00)	(83,094.00)	(83,094.00)	(83,094.00)
AFUDC	\$ -	-	-	-	-	-	-	-	-	-	-	-	-
Less AFUDC on Interna.	\$ -	-	-	-	-	-	-	-	-	-	-	-	-
EOM		-	-	-	-	-	-	(294,124.00)	(588,248.00)	2,120,591.50	1,851,468.00	1,582,344.50	1,429,484.00
Return on CWIP 1/													
After Tax Return on Equity										3,944.71	9,213.88	8,051.41	7,140.03
Income Tax Component										1,590.95	3,716.08	3,247.23	2,879.66
Interest Expense Component										1,575.02	3,678.87	3,214.72	2,850.83
Total Return on CWIP										7,110.69	16,608.83	14,513.36	12,870.52

Minnesota Power
Transmission Cost Recovery Rider
Plant Additions, AFUDC and Return on CWIP - HVDC Modernization Project

	Total	Jan-25	Feb-25	Mar-25	Apr-25	May-25	Jun-25	Jul-25	Aug-25	Sep-25	Oct-25	Nov-25	Dec-25
ID# 113372 HVDC Modernization - ND													
In Service 12/31/2030	\$ 342,451,553.96												
BOM		16,478,976.62	16,479,006.27	16,479,035.92	16,479,065.57	16,479,095.22	16,479,124.87	16,479,155.49	16,479,186.11	16,479,216.73	16,479,247.35	16,479,277.97	16,479,308.59
Capital Expenditures	\$ 341,706,469.94	29.65	29.65	29.65	29.65	29.65	30.62	30.62	30.62	30.62	30.62	30.62	6,770,016.71
Grant/CIAC	\$ -	-	-	-	-	-	-	-	-	-	-	-	-
Less Internal Costs	\$ (437,103.02)	-	-	-	-	-	-	-	-	-	-	-	-
AFUDC	\$ 1,190,728.85	-	0.00	-	-	-	(0.00)	-	(0.00)	-	-	(0.00)	-
Less AFUDC on Interna.	\$ (8,541.81)	-	-	-	-	-	-	-	-	-	-	-	-
EOM		16,479,006.27	16,479,035.92	16,479,065.57	16,479,095.22	16,479,124.87	16,479,155.49	16,479,186.11	16,479,216.73	16,479,247.35	16,479,277.97	16,479,308.59	23,249,325.30
Return on CWIP 1/													
After Tax Return on Equity		71,180.96	71,181.08	71,181.21	71,181.34	71,181.47	71,181.60	71,181.73	71,181.86	71,181.99	71,182.13	71,182.26	85,803.86
Income Tax Component		28,708.19	28,708.24	28,708.29	28,708.34	28,708.39	28,708.45	28,708.50	28,708.55	28,708.61	28,708.66	28,708.71	34,605.79
Interest Expense Component		28,420.77	28,420.82	28,420.87	28,420.92	28,420.97	28,421.02	28,421.08	28,421.13	28,421.18	28,421.24	28,421.29	34,259.33
Total Return on CWIP		128,309.91	128,310.14	128,310.37	128,310.60	128,310.83	128,311.07	128,311.31	128,311.55	128,311.78	128,312.02	128,312.26	154,668.98
ID# 113373 HVDC Modernization - MN													
In Service 12/31/2030	\$ 320,167,930.02												
BOM		1,261,247.74	1,261,467.15	1,261,686.56	1,261,905.97	1,262,125.38	1,262,344.79	1,262,571.37	1,262,797.95	1,263,024.53	1,263,251.11	1,263,477.69	1,263,704.27
Capital Expenditures	\$ 344,496,659.34	219.41	219.41	219.41	219.41	219.41	226.58	226.58	226.58	226.58	226.58	226.58	7,388,934.63
Grant/CIAC	\$ (25,000,000.00)	-	-	-	-	-	-	-	-	-	-	-	(3,694,358.00)
Less Internal Costs	\$ (445,568.54)	-	-	-	-	-	-	-	-	-	-	-	-
AFUDC	\$ 1,124,596.54	-	(0.00)	-	-	0.00	(0.00)	-	-	-	-	-	-
Less AFUDC on Interna.	\$ (7,757.32)	-	-	-	-	-	-	-	-	-	-	-	-
EOM		1,261,467.15	1,261,686.56	1,261,905.97	1,262,125.38	1,262,344.79	1,262,571.37	1,262,797.95	1,263,024.53	1,263,251.11	1,263,477.69	1,263,704.27	4,958,280.90
Return on CWIP 1/													
After Tax Return on Equity		5,448.43	5,449.38	5,450.33	5,451.27	5,452.22	5,453.18	5,454.16	5,455.14	5,456.12	5,457.10	5,458.08	21,416.81
Income Tax Component		2,197.42	2,197.80	2,198.19	2,198.57	2,198.95	2,199.34	2,199.73	2,200.13	2,200.52	2,200.92	2,201.31	8,637.67
Interest Expense Component		2,175.42	2,175.80	2,176.18	2,176.56	2,176.93	2,177.32	2,177.71	2,178.10	2,178.49	2,178.88	2,179.27	8,551.19
Total Return on CWIP		9,821.27	9,822.98	9,824.69	9,826.40	9,828.11	9,829.84	9,831.61	9,833.37	9,835.13	9,836.90	9,838.66	38,605.67
ID# 114425 HTEC Project - MN													
In Service 12/31/2028	\$ 24,359,687.00												
BOM		1,322,143.00	1,317,204.00	1,312,265.00	1,307,326.00	1,302,387.00	1,297,448.00	1,292,509.00	1,287,570.00	1,282,631.00	1,277,692.00	1,272,753.00	1,267,814.00
Capital Expenditures	\$ 49,669,584.00	29,107.00	29,107.00	29,107.00	29,107.00	29,107.00	29,107.00	29,107.00	29,107.00	29,107.00	29,107.00	29,107.00	(6,522.00)
Grant/CIAC	\$ (23,897,299.00)	(13,272.50)	(13,272.50)	(13,272.50)	(13,272.50)	(13,272.50)	(13,272.50)	(13,272.50)	(13,272.50)	(13,272.50)	(13,272.50)	(13,272.50)	(13,272.50)
Less Internal Costs	\$ (1,412,598.00)	(20,773.50)	(20,773.50)	(20,773.50)	(20,773.50)	(20,773.50)	(20,773.50)	(20,773.50)	(20,773.50)	(20,773.50)	(20,773.50)	(20,773.50)	(20,773.50)
AFUDC	\$ -	-	-	-	-	-	-	-	-	-	-	-	-
Less AFUDC on Interna.	\$ -	-	-	-	-	-	-	-	-	-	-	-	-
EOM		1,317,204.00	1,312,265.00	1,307,326.00	1,302,387.00	1,297,448.00	1,292,509.00	1,287,570.00	1,282,631.00	1,277,692.00	1,272,753.00	1,267,814.00	1,227,246.00
Return on CWIP 1/													
After Tax Return on Equity		5,728.99	5,707.66	5,686.32	5,664.99	5,643.66	5,622.32	5,600.99	5,579.65	5,558.32	5,536.99	5,515.65	5,417.37
Income Tax Component		2,310.58	2,301.97	2,293.37	2,284.76	2,276.16	2,267.55	2,258.95	2,250.35	2,241.74	2,233.14	2,224.53	2,184.89
Interest Expense Component		2,287.44	2,278.92	2,270.41	2,261.89	2,253.37	2,244.85	2,236.33	2,227.82	2,219.30	2,210.78	2,202.26	2,163.02
Total Return on CWIP		10,327.01	10,288.55	10,250.10	10,211.64	10,173.18	10,134.73	10,096.27	10,057.81	10,019.36	9,980.90	9,942.44	9,765.28
ID# 114426 HTEC Project - ND													
In Service 12/31/2028	\$ 26,777,125.00												
BOM		1,429,484.00	1,424,434.50	1,419,385.00	1,414,335.50	1,409,286.00	1,404,236.50	1,399,187.00	1,394,137.50	1,389,088.00	1,384,038.50	1,378,989.00	1,373,939.50
Capital Expenditures	\$ 54,387,882.00	29,107.00	29,107.00	29,107.00	29,107.00	29,107.00	29,107.00	29,107.00	29,107.00	29,107.00	29,107.00	29,107.00	(3,911.00)
Grant/CIAC	\$ (26,198,159.00)	(13,383.00)	(13,383.00)	(13,383.00)	(13,383.00)	(13,383.00)	(13,383.00)	(13,383.00)	(13,383.00)	(13,383.00)	(13,383.00)	(13,383.00)	(13,383.00)
Less Internal Costs	\$ (1,412,598.00)	(20,773.50)	(20,773.50)	(20,773.50)	(20,773.50)	(20,773.50)	(20,773.50)	(20,773.50)	(20,773.50)	(20,773.50)	(20,773.50)	(20,773.50)	(20,773.50)
AFUDC	\$ -	-	-	-	-	-	-	-	-	-	-	-	-
Less AFUDC on Interna.	\$ -	-	-	-	-	-	-	-	-	-	-	-	-
EOM		1,424,434.50	1,419,385.00	1,414,335.50	1,409,286.00	1,404,236.50	1,399,187.00	1,394,137.50	1,389,088.00	1,384,038.50	1,378,989.00	1,373,939.50	1,335,872.00
Return on CWIP 1/													
After Tax Return on Equity		6,192.65	6,170.84	6,149.03	6,127.22	6,105.40	6,083.59	6,061.78	6,039.97	6,018.16	5,996.35	5,974.54	5,881.42
Income Tax Component		2,497.57	2,488.78	2,479.98	2,471.18	2,462.39	2,453.59	2,444.79	2,436.00	2,427.20	2,418.40	2,409.61	2,372.05
Interest Expense Component		2,472.57	2,463.86	2,455.15	2,446.44	2,437.73	2,429.03	2,420.32	2,411.61	2,402.90	2,394.19	2,385.48	2,348.30
Total Return on CWIP		11,162.79	11,123.48	11,084.16	11,044.84	11,005.53	10,966.21	10,926.89	10,887.58	10,848.26	10,808.94	10,769.63	10,601.77

Minnesota Power
Transmission Cost Recovery Rider
Plant Additions, AFUDC and Return on CWIP - HVDC Modernization Project

Exhibit B-4
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	<u>Total</u>	<u>Jan-26</u>	<u>Feb-26</u>	<u>Mar-26</u>	<u>Apr-26</u>	<u>May-26</u>	<u>Jun-26</u>	<u>Jul-26</u>	<u>Aug-26</u>	<u>Sep-26</u>	<u>Oct-26</u>	<u>Nov-26</u>	<u>Dec-26</u>
ID# 113372 HVDC Modernization - ND													
In Service 12/31/2030	\$ 342,451,553.96												
BOM		23,249,325.30	23,249,357.01	23,249,388.72	23,249,420.43	23,249,452.14	23,249,483.85	23,249,516.69	23,249,549.53	23,249,582.37	23,249,615.21	23,249,648.05	23,249,680.89
Capital Expenditures	\$ 341,706,469.94	31.71	31.71	31.71	31.71	31.71	32.84	32.84	32.84	32.84	32.84	32.84	22,500,034.01
Grant/CIAC	\$ -	-	-	-	-	-	-	-	-	-	-	-	-
Less Internal Costs	\$ (437,103.02)	-	-	-	-	-	-	-	-	-	-	-	-
AFUDC	\$ 1,190,728.85	-	-	-	-	0.00	0.00	-	(0.00)	-	-	-	-
Less AFUDC on Interna	\$ (8,541.81)	-	-	-	-	-	-	-	-	-	-	-	-
EOM		23,249,357.01	23,249,388.72	23,249,420.43	23,249,452.14	23,249,483.85	23,249,516.69	23,249,549.53	23,249,582.37	23,249,615.21	23,249,648.05	23,249,680.89	45,749,714.90
Return on CWIP 1/													
After Tax Return on Equity		100,425.46	100,425.60	100,425.73	100,425.87	100,426.01	100,426.15	100,426.29	100,426.43	100,426.57	100,426.72	100,426.86	149,021.34
Income Tax Component		40,502.87	40,502.93	40,502.98	40,503.04	40,503.09	40,503.15	40,503.21	40,503.26	40,503.32	40,503.38	40,503.43	60,102.21
Interest Expense Component		40,097.36	40,097.42	40,097.47	40,097.53	40,097.58	40,097.64	40,097.69	40,097.75	40,097.81	40,097.86	40,097.92	59,500.48
Total Return on CWIP		181,025.70	181,025.94	181,026.19	181,026.44	181,026.68	181,026.93	181,027.19	181,027.45	181,027.70	181,027.96	181,028.21	268,624.03
ID# 113373 HVDC Modernization - MN													
In Service 12/31/2030	\$ 320,167,930.02												
BOM		4,958,280.90	4,958,515.53	4,958,750.16	4,958,984.79	4,959,219.42	4,959,454.05	4,959,697.03	4,959,940.01	4,960,182.99	4,960,425.97	4,960,668.95	4,960,911.93
Capital Expenditures	\$ 344,496,659.34	234.63	234.63	234.63	234.63	234.63	242.98	242.98	242.98	242.98	242.98	242.98	22,500,251.62
Grant/CIAC	\$ (25,000,000.00)	-	-	-	-	-	-	-	-	-	-	-	(6,205,642.00)
Less Internal Costs	\$ (445,568.54)	-	-	-	-	-	-	-	-	-	-	-	-
AFUDC	\$ 1,124,596.54	0.00	0.00	-	-	-	-	-	(0.00)	-	0.00	(0.00)	0.00
Less AFUDC on Interna	\$ (7,757.32)	-	-	-	-	-	-	-	-	-	-	-	-
EOM		4,958,515.53	4,958,750.16	4,958,984.79	4,959,219.42	4,959,454.05	4,959,697.03	4,959,940.01	4,960,182.99	4,960,425.97	4,960,668.95	4,960,911.93	21,255,521.55
Return on CWIP 1/													
After Tax Return on Equity		21,417.79	21,418.80	21,419.81	21,420.83	21,421.84	21,422.87	21,423.92	21,424.97	21,426.02	21,427.07	21,428.12	70,023.53
Income Tax Component		8,638.07	8,638.48	8,638.88	8,639.29	8,639.70	8,640.12	8,640.54	8,640.96	8,641.39	8,641.81	8,642.23	28,241.38
Interest Expense Component		8,551.58	8,551.99	8,552.39	8,552.80	8,553.20	8,553.61	8,554.03	8,554.45	8,554.87	8,555.29	8,555.71	27,958.64
Total Return on CWIP		38,607.44	38,609.26	38,611.09	38,612.92	38,614.75	38,616.60	38,618.50	38,620.39	38,622.28	38,624.17	38,626.06	126,223.55
ID# 114425 HTEC Project - MN													
In Service 12/31/2028	\$ 24,359,687.00												
BOM		1,227,246.00	1,107,628.50	988,011.00	868,393.50	3,536,783.00	3,417,165.50	3,297,548.00	3,177,930.50	3,058,313.00	2,938,695.50	2,819,078.00	2,699,460.50
Capital Expenditures	\$ 49,669,584.00	25,982.00	25,982.00	25,982.00	2,813,989.00	25,982.00	25,982.00	25,982.00	25,982.00	25,982.00	25,982.00	25,982.00	(89,458.00)
Grant/CIAC	\$ (23,897,299.00)	(124,826.00)	(124,826.00)	(124,826.00)	(124,826.00)	(124,826.00)	(124,826.00)	(124,826.00)	(124,826.00)	(124,826.00)	(124,826.00)	(124,826.00)	(124,826.00)
Less Internal Costs	\$ (1,412,598.00)	(20,773.50)	(20,773.50)	(20,773.50)	(20,773.50)	(20,773.50)	(20,773.50)	(20,773.50)	(20,773.50)	(20,773.50)	(20,773.50)	(20,773.50)	(20,773.50)
AFUDC	\$ -	-	-	-	-	-	-	-	-	-	-	-	-
Less AFUDC on Interna	\$ -	-	-	-	-	-	-	-	-	-	-	-	-
EOM		1,107,628.50	988,011.00	868,393.50	3,536,783.00	3,417,165.50	3,297,548.00	3,177,930.50	3,058,313.00	2,938,695.50	2,819,078.00	2,699,460.50	2,464,403.00
Return on CWIP 1/													
After Tax Return on Equity		5,312.33	4,795.65	4,278.96	9,783.67	15,288.37	14,771.69	14,255.00	13,738.31	13,221.62	12,704.94	12,188.25	11,422.24
Income Tax Component		2,142.53	1,934.15	1,725.76	3,945.88	6,166.00	5,957.61	5,749.22	5,540.84	5,332.45	5,124.06	4,915.68	4,606.74
Interest Expense Component		2,121.08	1,914.78	1,708.48	3,906.37	6,104.26	5,897.96	5,691.66	5,485.36	5,279.06	5,072.76	4,866.46	4,560.61
Total Return on CWIP		9,575.95	8,644.57	7,713.20	17,635.92	27,558.63	26,627.26	25,695.88	24,764.51	23,833.13	22,901.76	21,970.39	20,589.59
ID# 114426 HTEC Project - ND													
In Service 12/31/2028	\$ 26,777,125.00												
BOM		1,335,872.00	1,201,206.63	1,066,541.30	931,875.97	3,724,617.64	3,589,952.31	3,455,286.98	3,320,621.65	3,185,956.32	3,051,290.99	2,916,625.66	2,781,960.33
Capital Expenditures	\$ 54,387,882.00	25,982.00	25,982.00	25,982.00	2,953,389.00	25,982.00	25,982.00	25,982.00	25,982.00	25,982.00	25,982.00	25,982.00	130,906.00
Grant/CIAC	\$ (26,198,159.00)	(139,873.87)	(139,873.83)	(139,873.83)	(139,873.83)	(139,873.83)	(139,873.83)	(139,873.83)	(139,873.83)	(139,873.83)	(139,873.83)	(139,873.83)	(139,873.83)
Less Internal Costs	\$ (1,412,598.00)	(20,773.50)	(20,773.50)	(20,773.50)	(20,773.50)	(20,773.50)	(20,773.50)	(20,773.50)	(20,773.50)	(20,773.50)	(20,773.50)	(20,773.50)	(20,773.50)
AFUDC	\$ -	-	-	-	-	-	-	-	-	-	-	-	-
Less AFUDC on Interna	\$ -	-	-	-	-	-	-	-	-	-	-	-	-
EOM		1,201,206.63	1,066,541.30	931,875.97	3,724,617.64	3,589,952.31	3,455,286.98	3,320,621.65	3,185,956.32	3,051,290.99	2,916,625.66	2,781,960.33	2,752,219.00
Return on CWIP 1/													
After Tax Return on Equity		5,781.54	5,199.86	4,618.17	10,358.95	16,099.72	15,518.04	14,936.35	14,354.66	13,772.98	13,191.29	12,609.61	12,254.53
Income Tax Component		2,331.77	2,097.17	1,862.57	4,177.90	6,493.22	6,258.62	6,024.02	5,789.42	5,554.82	5,320.22	5,085.61	4,942.41
Interest Expense Component		2,308.43	2,076.17	1,843.92	4,136.07	6,428.22	6,195.96	5,963.71	5,731.46	5,499.20	5,266.95	5,034.70	4,892.93
Total Return on CWIP		10,421.74	9,373.20	8,324.66	18,672.91	29,021.16	27,972.62	26,924.08	25,875.54	24,827.00	23,778.46	22,729.92	22,089.86

Minnesota Power
Transmission Cost Recovery Rider
Plant Additions, AFUDC and Return on CWIP - HVDC Modernization Project

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	<u>Total</u>	<u>Jan-27</u>	<u>Feb-27</u>	<u>Mar-27</u>	<u>Apr-27</u>	<u>May-27</u>	<u>Jun-27</u>	<u>Jul-27</u>	<u>Aug-27</u>	<u>Sep-27</u>	<u>Oct-27</u>	<u>Nov-27</u>	<u>Dec-27</u>
ID# 113372 HVDC Modernization - ND													
In Service 12/31/2030	\$ 342,451,553.96												
BOM		45,749,714.90	45,749,748.91	45,749,782.92	45,749,816.93	45,749,850.94	45,749,884.95	45,749,920.17	45,749,955.39	45,749,990.61	45,750,025.83	45,750,061.05	45,750,096.27
Capital Expenditures	\$ 341,706,469.94	34.01	34.01	34.01	34.01	34.01	35.22	35.22	35.22	35.22	35.22	35.22	101,500,036.46
Grant/CIAC	\$ -	-	-	-	-	-	-	-	-	-	-	-	-
Less Internal Costs	\$ (437,103.02)	-	-	-	-	-	-	-	-	-	-	-	-
AFUDC	\$ 1,190,728.85	-	0.00	-	0.00	0.00	-	-	(0.00)	-	-	-	0.00
Less AFUDC on Interna.	\$ (8,541.81)	-	-	-	-	-	-	-	-	-	-	-	-
EOM		45,749,748.91	45,749,782.92	45,749,816.93	45,749,850.94	45,749,884.95	45,749,920.17	45,749,955.39	45,749,990.61	45,750,025.83	45,750,061.05	45,750,096.27	147,250,132.73
Return on CWIP 1/													
After Tax Return on Equity		197,615.83	197,615.98	197,616.13	197,616.27	197,616.42	197,616.57	197,616.72	197,616.87	197,617.03	197,617.18	197,617.33	416,831.96
Income Tax Component		79,700.99	79,701.05	79,701.11	79,701.17	79,701.23	79,701.29	79,701.35	79,701.41	79,701.47	79,701.53	79,701.59	168,113.65
Interest Expense Component		78,903.04	78,903.10	78,903.15	78,903.21	78,903.27	78,903.33	78,903.39	78,903.45	78,903.51	78,903.57	78,903.64	166,430.53
Total Return on CWIP		356,219.86	356,220.12	356,220.39	356,220.65	356,220.92	356,221.19	356,221.46	356,221.74	356,222.01	356,222.28	356,222.56	751,376.14
ID# 113373 HVDC Modernization - MN													
In Service 12/31/2030	\$ 320,167,930.02												
BOM		21,255,521.55	21,255,773.17	21,256,024.79	21,256,276.41	21,256,528.03	21,256,779.65	21,257,040.22	21,257,300.79	21,257,561.36	21,257,821.93	21,258,082.50	21,258,343.07
Capital Expenditures	\$ 344,496,659.34	251.62	251.62	251.62	251.62	251.62	260.57	260.57	260.57	260.57	260.57	260.57	101,500,269.85
Grant/CIAC	\$ (25,000,000.00)	-	-	-	-	-	-	-	-	-	-	-	-
Less Internal Costs	\$ (445,568.54)	-	-	-	-	-	-	-	-	-	-	-	-
AFUDC	\$ 1,124,596.54	-	-	-	-	-	(0.00)	-	(0.00)	-	-	-	-
Less AFUDC on Interna.	\$ (7,757.32)	-	-	-	-	-	-	-	-	-	-	-	-
EOM		21,255,773.17	21,256,024.79	21,256,276.41	21,256,528.03	21,256,779.65	21,257,040.22	21,257,300.79	21,257,561.36	21,257,821.93	21,258,082.50	21,258,343.07	122,758,612.92
Return on CWIP 1/													
After Tax Return on Equity		91,813.71	91,814.79	91,815.88	91,816.97	91,818.05	91,819.16	91,820.29	91,821.41	91,822.54	91,823.66	91,824.79	311,040.41
Income Tax Component		37,029.64	37,030.08	37,030.52	37,030.96	37,031.39	37,031.84	37,032.29	37,032.75	37,033.20	37,033.66	37,034.11	125,446.57
Interest Expense Component		36,658.91	36,659.34	36,659.77	36,660.21	36,660.64	36,661.08	36,661.53	36,661.98	36,662.43	36,662.88	36,663.33	124,190.62
Total Return on CWIP		165,502.25	165,504.21	165,506.17	165,508.13	165,510.09	165,512.08	165,514.11	165,516.14	165,518.17	165,520.20	165,522.23	560,677.60
ID# 114425 HTEC Project - MN													
In Service 12/31/2028	\$ 24,359,687.00												
BOM		2,464,403.00	1,820,483.62	1,176,564.20	532,644.78	15,620,716.36	14,976,796.94	14,332,877.52	13,688,958.10	13,045,038.68	12,401,119.26	11,757,199.84	11,113,280.42
Capital Expenditures	\$ 49,669,584.00	32,906.50	32,906.50	32,906.50	15,764,897.50	32,906.50	32,906.50	32,906.50	32,906.50	32,906.50	32,906.50	32,906.50	(528,176.50)
Grant/CIAC	\$ (23,897,299.00)	(649,127.88)	(649,127.92)	(649,127.92)	(649,127.92)	(649,127.92)	(649,127.92)	(649,127.92)	(649,127.92)	(649,127.92)	(649,127.92)	(649,127.92)	(649,127.92)
Less Internal Costs	\$ (1,412,598.00)	(27,698.00)	(27,698.00)	(27,698.00)	(27,698.00)	(27,698.00)	(27,698.00)	(27,698.00)	(27,698.00)	(27,698.00)	(27,698.00)	(27,698.00)	(27,698.00)
AFUDC	\$ -	-	-	-	-	-	-	-	-	-	-	-	-
Less AFUDC on Interna.	\$ -	-	-	-	-	-	-	-	-	-	-	-	-
EOM		1,820,483.62	1,176,564.20	532,644.78	15,620,716.36	14,976,796.94	14,332,877.52	13,688,958.10	13,045,038.68	12,401,119.26	11,757,199.84	11,113,280.42	9,908,278.00
Return on CWIP 1/													
After Tax Return on Equity		10,656.23	7,874.82	5,093.41	36,289.15	67,484.89	64,703.48	61,922.07	59,140.66	56,359.26	53,577.85	50,796.44	46,803.23
Income Tax Component		4,297.79	3,176.02	2,054.24	14,635.88	27,217.52	26,095.74	24,973.96	23,852.18	22,730.41	21,608.63	20,486.85	18,876.34
Interest Expense Component		4,254.77	3,144.22	2,033.67	14,489.35	26,945.02	25,834.47	24,723.93	23,613.38	22,502.83	21,392.29	20,281.74	18,687.36
Total Return on CWIP		19,208.79	14,195.06	9,181.33	65,414.38	121,647.42	116,633.69	111,619.96	106,606.23	101,592.50	96,578.77	91,565.03	84,366.93
ID# 114426 HTEC Project - ND													
In Service 12/31/2028	\$ 26,777,125.00												
BOM		2,752,219.00	2,035,468.37	1,318,717.70	601,967.03	16,403,807.36	15,687,056.69	14,970,306.02	14,253,555.35	13,536,804.68	12,820,054.01	12,103,303.34	11,386,552.67
Capital Expenditures	\$ 54,387,882.00	32,906.50	32,906.50	32,906.50	16,551,497.50	32,906.50	32,906.50	32,906.50	32,906.50	32,906.50	32,906.50	32,906.50	417,183.50
Grant/CIAC	\$ (26,198,159.00)	(721,959.13)	(721,959.17)	(721,959.17)	(721,959.17)	(721,959.17)	(721,959.17)	(721,959.17)	(721,959.17)	(721,959.17)	(721,959.17)	(721,959.17)	(721,959.17)
Less Internal Costs	\$ (1,412,598.00)	(27,698.00)	(27,698.00)	(27,698.00)	(27,698.00)	(27,698.00)	(27,698.00)	(27,698.00)	(27,698.00)	(27,698.00)	(27,698.00)	(27,698.00)	(27,698.00)
AFUDC	\$ -	-	-	-	-	-	-	-	-	-	-	-	-
Less AFUDC on Interna.	\$ -	-	-	-	-	-	-	-	-	-	-	-	-
EOM		2,035,468.37	1,318,717.70	601,967.03	16,403,807.36	15,687,056.69	14,970,306.02	14,253,555.35	13,536,804.68	12,820,054.01	12,103,303.34	11,386,552.67	11,054,079.00
Return on CWIP 1/													
After Tax Return on Equity		11,899.45	8,803.45	5,707.45	38,287.45	70,867.45	67,771.44	64,675.44	61,579.44	58,483.44	55,387.43	52,291.43	50,025.37
Income Tax Component		4,799.20	3,550.54	2,301.89	15,441.82	28,581.75	27,333.09	26,084.43	24,835.77	23,587.12	22,338.46	21,089.80	20,175.87
Interest Expense Component		4,751.15	3,515.00	2,278.84	15,287.22	28,295.59	27,059.44	25,823.28	24,587.12	23,350.97	22,114.81	20,878.66	19,973.87
Total Return on CWIP		21,449.80	15,868.99	10,288.17	69,016.48	127,744.78	122,163.97	116,583.15	111,002.34	105,421.52	99,840.71	94,259.89	90,175.12

Minnesota Power
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	<u>Total</u>	<u>Jan-28</u>	<u>Feb-28</u>	<u>Mar-28</u>	<u>Apr-28</u>	<u>May-28</u>	<u>Jun-28</u>	<u>Jul-28</u>	<u>Aug-28</u>	<u>Sep-28</u>	<u>Oct-28</u>	<u>Nov-28</u>	<u>Dec-28</u>
ID# 113372 HVDC Modernization - ND													
In Service 12/31/2030	\$ 342,451,553.96												
BOM		147,250,132.73	147,250,169.19	147,250,205.65	147,250,242.11	147,250,278.57	147,250,315.03	147,250,352.80	147,250,390.57	147,250,428.34	147,250,466.11	147,250,503.88	147,250,541.65
Capital Expenditures	\$ 341,706,469.94	36.46	36.46	36.46	36.46	36.46	37.77	37.77	37.77	37.77	37.77	37.77	142,700,039.10
Grant/CIAC	\$ -	-	-	-	-	-	-	-	-	-	-	-	-
Less Internal Costs	\$ (437,103.02)	-	-	-	-	-	-	-	-	-	-	-	-
AFUDC	\$ 1,190,728.85	-	-	-	-	(0.00)	0.00	-	-	-	-	-	-
Less AFUDC on Interna.	\$ (8,541.81)	-	-	-	-	-	-	-	-	-	-	-	-
EOM		147,250,169.19	147,250,205.65	147,250,242.11	147,250,278.57	147,250,315.03	147,250,352.80	147,250,390.57	147,250,428.34	147,250,466.11	147,250,503.88	147,250,541.65	289,950,580.75
Return on CWIP 1/													
After Tax Return on Equity		636,046.59	636,046.75	636,046.91	636,047.07	636,047.22	636,047.38	636,047.55	636,047.71	636,047.87	636,048.04	636,048.20	944,244.48
Income Tax Component		256,525.72	256,525.78	256,525.84	256,525.91	256,525.97	256,526.03	256,526.10	256,526.17	256,526.23	256,526.30	256,526.36	380,825.86
Interest Expense Component		253,957.43	253,957.49	253,957.55	253,957.62	253,957.68	253,957.74	253,957.81	253,957.87	253,957.94	253,958.00	253,958.07	377,013.10
Total Return on CWIP		1,146,529.74	1,146,530.02	1,146,530.30	1,146,530.59	1,146,530.87	1,146,531.16	1,146,531.45	1,146,531.75	1,146,532.04	1,146,532.34	1,146,532.63	1,702,083.44
ID# 113373 HVDC Modernization - MN													
In Service 12/31/2030	\$ 320,167,930.02												
BOM		122,758,612.92	122,758,882.77	122,759,152.62	122,759,422.47	122,759,692.32	122,759,962.17	122,760,241.61	122,760,521.05	122,760,800.49	122,761,079.93	122,761,359.37	122,761,638.81
Capital Expenditures	\$ 344,496,659.34	269.85	269.85	269.85	269.85	269.85	279.44	279.44	279.44	279.44	279.44	279.44	145,000,289.38
Grant/CIAC	\$ (25,000,000.00)	-	-	-	-	-	-	-	-	-	-	-	-
Less Internal Costs	\$ (445,568.54)	-	-	-	-	-	-	-	-	-	-	-	-
AFUDC	\$ 1,124,596.54	-	-	-	-	-	-	-	-	(0.00)	0.00	-	-
Less AFUDC on Interna.	\$ (7,757.32)	-	-	-	-	-	-	-	-	-	-	-	-
EOM		122,758,882.77	122,759,152.62	122,759,422.47	122,759,692.32	122,759,962.17	122,760,241.61	122,760,521.05	122,760,800.49	122,761,079.93	122,761,359.37	122,761,638.81	267,761,928.19
Return on CWIP 1/													
After Tax Return on Equity		530,256.05	530,257.22	530,258.38	530,259.55	530,260.71	530,261.90	530,263.11	530,264.31	530,265.52	530,266.73	530,267.93	843,432.70
Income Tax Component		213,859.04	213,859.51	213,859.98	213,860.45	213,860.92	213,861.40	213,861.88	213,862.37	213,862.86	213,863.34	213,863.83	340,167.18
Interest Expense Component		211,717.92	211,718.39	211,718.85	211,719.32	211,719.78	211,720.26	211,720.74	211,721.22	211,721.70	211,722.18	211,722.67	336,761.49
Total Return on CWIP		955,833.01	955,835.11	955,837.21	955,839.31	955,841.41	955,843.55	955,845.73	955,847.90	955,850.08	955,852.25	955,854.43	1,520,361.37
ID# 114425 HTEC Project - MN													
In Service 12/31/2028	\$ 24,359,687.00												In-Service
BOM		9,908,278.00	8,848,415.13	7,788,552.30	6,728,689.47	33,312,675.64	32,252,812.81	31,192,949.98	30,133,087.15	29,073,224.32	28,013,361.49	26,953,498.66	25,893,635.83
Capital Expenditures	\$ 49,669,584.00	27,023.50	27,023.50	27,023.50	27,670,872.50	27,023.50	27,023.50	27,023.50	27,023.50	27,023.50	27,023.50	27,023.50	(447,062.50)
Grant/CIAC	\$ (23,897,299.00)	(1,066,112.87)	(1,066,112.83)	(1,066,112.83)	(1,066,112.83)	(1,066,112.83)	(1,066,112.83)	(1,066,112.83)	(1,066,112.83)	(1,066,112.83)	(1,066,112.83)	(1,066,112.83)	(1,066,112.83)
Less Internal Costs	\$ (1,412,598.00)	(20,773.50)	(20,773.50)	(20,773.50)	(20,773.50)	(20,773.50)	(20,773.50)	(20,773.50)	(20,773.50)	(20,773.50)	(20,773.50)	(20,773.50)	(20,773.50)
AFUDC	\$ -	-	-	-	-	-	-	-	-	-	-	-	-
Less AFUDC on Interna.	\$ -	-	-	-	-	-	-	-	-	-	-	-	-
EOM		8,848,415.13	7,788,552.30	6,728,689.47	33,312,675.64	32,252,812.81	31,192,949.98	30,133,087.15	29,073,224.32	28,013,361.49	26,953,498.66	25,893,635.83	24,359,687.00
Return on CWIP 1/													
After Tax Return on Equity		42,812.28	38,234.20	33,656.13	88,781.81	143,907.50	139,329.43	134,751.35	130,173.28	125,595.21	121,017.13	116,439.06	55,418.54
Income Tax Component		17,266.74	15,420.34	13,573.95	35,806.84	58,039.73	56,193.34	54,346.94	52,500.55	50,654.15	48,807.75	46,961.36	22,351.00
Interest Expense Component		17,093.87	15,265.96	13,438.05	35,448.35	57,458.65	55,630.74	53,802.83	51,974.92	50,147.01	48,319.10	46,491.19	22,127.23
Total Return on CWIP		77,172.88	68,920.50	60,668.12	160,037.00	259,405.89	251,153.51	242,901.13	234,648.75	226,396.37	218,143.99	209,891.61	99,896.77
ID# 114426 HTEC Project - ND													
In Service 12/31/2028	\$ 26,777,125.00												In-Service
BOM		11,054,079.00	9,899,427.12	8,744,775.20	7,590,123.28	35,461,511.36	34,306,859.44	33,152,207.52	31,997,555.60	30,842,903.68	29,688,251.76	28,533,599.84	27,378,947.92
Capital Expenditures	\$ 54,387,882.00	27,023.50	27,023.50	27,023.50	29,053,063.50	27,023.50	27,023.50	27,023.50	27,023.50	27,023.50	27,023.50	27,023.50	579,852.50
Grant/CIAC	\$ (26,198,159.00)	(1,160,901.88)	(1,160,901.92)	(1,160,901.92)	(1,160,901.92)	(1,160,901.92)	(1,160,901.92)	(1,160,901.92)	(1,160,901.92)	(1,160,901.92)	(1,160,901.92)	(1,160,901.92)	(1,160,901.92)
Less Internal Costs	\$ (1,412,598.00)	(20,773.50)	(20,773.50)	(20,773.50)	(20,773.50)	(20,773.50)	(20,773.50)	(20,773.50)	(20,773.50)	(20,773.50)	(20,773.50)	(20,773.50)	(20,773.50)
AFUDC	\$ -	-	-	-	-	-	-	-	-	-	-	-	-
Less AFUDC on Interna.	\$ -	-	-	-	-	-	-	-	-	-	-	-	-
EOM		9,899,427.12	8,744,775.20	7,590,123.28	35,461,511.36	34,306,859.44	33,152,207.52	31,997,555.60	30,842,903.68	29,688,251.76	28,533,599.84	27,378,947.92	26,777,125.00
Return on CWIP 1/													
After Tax Return on Equity		47,761.56	42,774.04	37,786.53	95,487.96	153,189.39	148,201.88	143,214.36	138,226.85	133,239.33	128,251.81	123,264.30	59,735.38
Income Tax Component		19,262.85	17,251.32	15,239.79	38,511.51	61,783.24	59,771.71	57,760.18	55,748.65	53,737.12	51,725.59	49,714.07	24,092.04
Interest Expense Component		19,069.99	17,078.60	15,087.21	38,125.94	61,164.68	59,173.29	57,181.90	55,190.51	53,199.12	51,207.73	49,216.34	23,850.84
Total Return on CWIP		86,094.40	77,103.96	68,113.53	172,125.42	276,137.31	267,146.87	258,156.44	249,166.01	240,175.57	231,185.14	222,194.70	107,678.25

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	Total	Jan-29	Feb-29	Mar-29	Apr-29	May-29	Jun-29	Jul-29	Aug-29	Sep-29	Oct-29	Nov-29	Dec-29
ID# 113372 HVDC Modernization - ND													
In Service 12/31/2030	\$ 342,451,553.96												
BOM		289,950,580.75	289,950,619.85	289,950,658.95	289,950,698.05	289,950,737.15	289,950,776.25	289,950,816.75	289,950,857.25	289,950,897.75	289,950,938.25	289,950,978.75	289,951,019.25
Capital Expenditures	\$ 341,706,469.94	39.10	39.10	39.10	39.10	39.10	40.50	40.50	40.50	40.50	40.50	40.50	27,800,041.94
Grant/CIAC	\$ -	-	-	-	-	-	-	-	-	-	-	-	-
Less Internal Costs	\$ (437,103.02)	-	-	-	-	-	-	-	-	-	-	-	-
AFUDC	\$ 1,190,728.85	-	-	-	-	-	-	-	-	-	-	-	-
Less AFUDC on Interna.	\$ (8,541.81)	-	-	-	-	-	-	-	-	-	-	-	-
EOM		289,950,619.85	289,950,658.95	289,950,698.05	289,950,737.15	289,950,776.25	289,950,816.75	289,950,857.25	289,950,897.75	289,950,938.25	289,950,978.75	289,951,019.25	317,751,061.19
Return on CWIP 1/													
After Tax Return on Equity		1,252,440.76	1,252,440.93	1,252,441.10	1,252,441.27	1,252,441.44	1,252,441.61	1,252,441.79	1,252,441.96	1,252,442.14	1,252,442.31	1,252,442.49	1,312,483.67
Income Tax Component		505,125.36	505,125.43	505,125.49	505,125.56	505,125.63	505,125.70	505,125.77	505,125.84	505,125.91	505,125.98	505,126.05	529,341.43
Interest Expense Component		500,068.14	500,068.20	500,068.27	500,068.34	500,068.41	500,068.47	500,068.54	500,068.61	500,068.68	500,068.75	500,068.82	524,041.76
Total Return on CWIP		2,257,634.26	2,257,634.56	2,257,634.87	2,257,635.17	2,257,635.47	2,257,635.78	2,257,636.10	2,257,636.41	2,257,636.73	2,257,637.05	2,257,637.36	2,365,866.86
ID# 113373 HVDC Modernization - MN													
In Service 12/31/2030	\$ 320,167,930.02												
BOM		267,761,928.19	267,762,217.57	267,762,506.95	267,762,796.33	267,763,085.71	267,763,375.09	267,763,674.77	267,763,974.45	267,764,274.13	267,764,573.81	267,764,873.49	267,765,173.17
Capital Expenditures	\$ 344,496,659.34	289.38	289.38	289.38	289.38	289.38	299.68	299.68	299.68	299.68	299.68	299.68	27,699,110.35
Grant/CIAC	\$ (25,000,000.00)	-	-	-	-	-	-	-	-	-	-	-	-
Less Internal Costs	\$ (445,568.54)	-	-	-	-	-	-	-	-	-	-	-	-
AFUDC	\$ 1,124,596.54	-	-	-	-	-	-	-	-	-	-	-	-
Less AFUDC on Interna.	\$ (7,757.32)	-	-	-	-	-	-	-	-	-	-	-	-
EOM		267,762,217.57	267,762,506.95	267,762,796.33	267,763,085.71	267,763,375.09	267,763,674.77	267,763,974.45	267,764,274.13	267,764,573.81	267,764,873.49	267,765,173.17	295,464,283.52
Return on CWIP 1/													
After Tax Return on Equity		1,156,597.49	1,156,598.74	1,156,599.99	1,156,601.24	1,156,602.49	1,156,603.76	1,156,605.05	1,156,606.35	1,156,607.64	1,156,608.94	1,156,610.23	1,216,433.99
Income Tax Component		466,470.54	466,471.04	466,471.55	466,472.05	466,472.56	466,473.07	466,473.59	466,474.11	466,474.63	466,475.16	466,475.68	490,603.37
Interest Expense Component		461,800.32	461,800.82	461,801.32	461,801.82	461,802.32	461,802.83	461,803.34	461,803.86	461,804.38	461,804.89	461,805.41	485,691.53
Total Return on CWIP		2,084,868.35	2,084,870.60	2,084,872.85	2,084,875.11	2,084,877.36	2,084,879.65	2,084,881.99	2,084,884.32	2,084,886.65	2,084,888.99	2,084,891.32	2,192,728.89

	Total	Jan-30	Feb-30	Mar-30	Apr-30	May-30	Jun-30	Jul-30	Aug-30	Sep-30	Oct-30	Nov-30	Dec-30
ID# 113372 HVDC Modernization - ND													
In Service 12/31/2030	\$ 342,451,553.96												In-Service
BOM		317,751,061.19	317,751,103.13	317,751,145.07	317,751,187.01	317,751,228.95	317,751,270.89	317,751,314.32	317,751,357.75	317,751,401.18	317,751,444.61	317,751,488.04	317,751,531.47
Capital Expenditures	\$ 341,706,469.94	41.94	41.94	41.94	41.94	41.94	43.43	43.43	43.43	43.43	43.43	43.43	24,700,022.49
Grant/CIAC	\$ -	-	-	-	-	-	-	-	-	-	-	-	-
Less Internal Costs	\$ (437,103.02)	-	-	-	-	-	-	-	-	-	-	-	-
AFUDC	\$ 1,190,728.85	-	-	-	-	-	-	-	-	-	-	-	-
Less AFUDC on Interna.	\$ (8,541.81)	-	-	-	-	-	-	-	-	-	-	-	-
EOM		317,751,103.13	317,751,145.07	317,751,187.01	317,751,228.95	317,751,270.89	317,751,314.32	317,751,357.75	317,751,401.18	317,751,444.61	317,751,488.04	317,751,531.47	342,451,553.96
Return on CWIP 1/													
After Tax Return on Equity		1,372,524.86	1,372,525.04	1,372,525.23	1,372,525.41	1,372,525.59	1,372,525.77	1,372,525.96	1,372,526.15	1,372,526.34	1,372,526.52	1,372,526.71	712,936.32
Income Tax Component		553,556.81	553,556.88	553,556.95	553,557.03	553,557.10	553,557.17	553,557.25	553,557.33	553,557.40	553,557.48	553,557.55	287,536.32
Interest Expense Component		548,014.70	548,014.77	548,014.84	548,014.92	548,014.99	548,015.06	548,015.14	548,015.21	548,015.29	548,015.36	548,015.44	284,657.56
Total Return on CWIP		2,474,096.37	2,474,096.70	2,474,097.02	2,474,097.35	2,474,097.68	2,474,098.01	2,474,098.35	2,474,098.69	2,474,099.02	2,474,099.36	2,474,099.70	1,285,130.21
ID# 113373 HVDC Modernization - MN													
In Service 12/31/2030	\$ 320,167,930.02												In-Service
BOM		295,464,283.52	295,464,593.87	295,464,904.22	295,465,214.57	295,465,524.92	295,465,835.27	295,466,156.66	295,466,478.05	295,466,799.44	295,467,120.83	295,467,442.22	295,467,763.61
Capital Expenditures	\$ 344,496,659.34	310.35	310.35	310.35	310.35	310.35	321.39	321.39	321.39	321.39	321.39	321.39	24,700,166.41
Grant/CIAC	\$ (25,000,000.00)	-	-	-	-	-	-	-	-	-	-	-	-
Less Internal Costs	\$ (445,568.54)	-	-	-	-	-	-	-	-	-	-	-	-
AFUDC	\$ 1,124,596.54	-	-	-	-	-	-	-	-	-	-	-	-
Less AFUDC on Interna.	\$ (7,757.32)	-	-	-	-	-	-	-	-	-	-	-	-
EOM		295,464,593.87	295,464,904.22	295,465,214.57	295,465,524.92	295,465,835.27	295,466,156.66	295,466,478.05	295,466,799.44	295,467,120.83	295,467,442.22	295,467,763.61	320,167,930.02
Return on CWIP 1/													
After Tax Return on Equity		1,276,257.77	1,276,259.11	1,276,260.45	1,276,261.79	1,276,263.14	1,276,264.50	1,276,265.89	1,276,267.28	1,276,268.66	1,276,270.05	1,276,271.44	664,809.14
Income Tax Component		514,731.06	514,731.60	514,732.14	514,732.68	514,733.22	514,733.77	514,734.33	514,734.89	514,735.45	514,736.01	514,736.57	268,126.02
Interest Expense Component		509,577.67	509,578.20	509,578.74	509,579.27	509,579.81	509,580.35	509,580.91	509,581.46	509,582.02	509,582.57	509,583.13	265,441.59
Total Return on CWIP		2,300,566.50	2,300,568.92	2,300,571.34	2,300,573.75	2,300,576.17	2,300,578.63	2,300,581.13	2,300,583.63	2,300,586.13	2,300,588.64	2,300,591.14	1,198,376.75
ID# 114425 HTEC Project - MN													
In Service 12/31/2028	\$ 24,359,687.00												
BOM		24,359,687.00	24,359,687.00	24,359,687.00	24,359,687.00	24,359,687.00	24,359,687.00	24,359,687.00	24,359,687.00	24,359,687.00	24,359,687.00	24,359,687.00	24,359,687.00
Capital Expenditures	\$ 49,669,584.00	-	-	-	-	-	-	-	-	-	-	-	-
Grant/CIAC	\$ (23,897,299.00)	-	-	-	-	-	-	-	-	-	-	-	-
Less Internal Costs	\$ (1,412,598.00)	-	-	-	-	-	-	-	-	-	-	-	-
AFUDC	\$ -	-	-	-	-	-	-	-	-	-	-	-	-
Less AFUDC on Interna.	\$ -	-	-	-	-	-	-	-	-	-	-	-	-
EOM		24,359,687.00	24,359,687.00	24,359,687.00	24,359,687.00	24,359,687.00	24,359,687.00	24,359,687.00	24,359,687.00	24,359,687.00	24,359,687.00	24,359,687.00	24,359,687.00
Return on CWIP 1/													
After Tax Return on Equity													
Income Tax Component													
Interest Expense Component													
Total Return on CWIP													
ID# 114426 HTEC Project - ND													
In Service 12/31/2028	\$ 26,777,125.00												
BOM		26,777,125.00	26,777,125.00	26,777,125.00	26,777,125.00	26,777,125.00	26,777,125.00	26,777,125.00	26,777,125.00	26,777,125.00	26,777,125.00	26,777,125.00	26,777,125.00
Capital Expenditures	\$ 54,387,882.00	-	-	-	-	-	-	-	-	-	-	-	-
Grant/CIAC	\$ (26,198,159.00)	-	-	-	-	-	-	-	-	-	-	-	-
Less Internal Costs	\$ (1,412,598.00)	-	-	-	-	-	-	-	-	-	-	-	-
AFUDC	\$ -	-	-	-	-	-	-	-	-	-	-	-	-
Less AFUDC on Interna.	\$ -	-	-	-	-	-	-	-	-	-	-	-	-
EOM		26,777,125.00	26,777,125.00	26,777,125.00	26,777,125.00	26,777,125.00	26,777,125.00	26,777,125.00	26,777,125.00	26,777,125.00	26,777,125.00	26,777,125.00	26,777,125.00
Return on CWIP 1/													
After Tax Return on Equity													
Income Tax Component													
Interest Expense Component													
Total Return on CWIP													

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	<u>Total</u>	<u>Jan-23</u>	<u>Feb-23</u>	<u>Mar-23</u>	<u>Apr-23</u>	<u>May-23</u>	<u>Jun-23</u>	<u>Jul-23</u>	<u>Aug-23</u>	<u>Sep-23</u>	<u>Oct-23</u>	<u>Nov-23</u>	<u>Dec-23</u>
Total HVDC Upgrade Project													
BOM	-	-	-	26,077,064.00	26,231,192.00	26,385,320.00	26,564,522.10	26,721,996.59	26,879,471.08	27,036,945.57	27,194,420.06	27,358,189.35	28,105,834.35
Capital Expenditures	790,260,595.28	-	26,012,504.06	-	-	25,029.52	-	-	-	1,129.98	176,949.77	660,585.52	3,852,224.78
Grant/CIAC	(75,095,458.00)	-	-	-	-	-	-	-	-	-	-	-	-
Less Internal Costs	(3,707,867.56)	-	(12,504.06)	-	-	(29.52)	-	-	-	(1,129.98)	(170,673.58)	(72,196.18)	(207,697.72)
AFUDC	2,315,325.39	-	77,101.07	154,202.12	154,202.12	154,276.30	157,550.32	157,550.32	157,550.32	157,553.67	158,081.51	160,563.94	245,048.41
Less AFUDC on Intern.	(16,299.13)	-	(37.07)	(74.12)	(74.12)	(74.20)	(75.83)	(75.83)	(75.83)	(79.18)	(588.41)	(1,308.28)	(2,150.73)
EOM	713,756,295.98	-	26,077,064.00	26,231,192.00	26,385,320.00	26,564,522.10	26,721,996.59	26,879,471.08	27,036,945.57	27,194,420.06	27,358,189.35	28,105,834.35	31,993,259.09
<u>Return on CWIP 1/</u>													
After Tax Return on Equity													
Income Tax Component													
Interest Expense Component													
Total Return on CWIP													

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	<u>Total</u>	<u>Jan-24</u>	<u>Feb-24</u>	<u>Mar-24</u>	<u>Apr-24</u>	<u>May-24</u>	<u>Jun-24</u>	<u>Jul-24</u>	<u>Aug-24</u>	<u>Sep-24</u>	<u>Oct-24</u>	<u>Nov-24</u>	<u>Dec-24</u>
Total HVDC Upgrade Project													
BOM	-	31,993,259.09	32,387,368.46	32,730,597.91	33,162,627.44	33,162,627.44	33,162,627.44	33,162,627.44	32,592,298.79	32,021,970.12	22,315,762.45	21,745,434.78	21,175,107.11
Capital Expenditures	790,260,595.28	318,732.50	287,649.76	411,466.85	-	-	-	-	-	6,030,309.00	216,189.00	216,189.00	53,260.92
Grant/CIAC	(75,095,458.00)	-	-	-	-	-	-	(570,328.65)	(570,328.67)	(15,570,328.67)	(620,328.67)	(620,328.67)	(570,328.67)
Less Internal Costs	(3,707,867.56)	(113,511.50)	(134,371.61)	(170,557.41)	-	-	-	-	-	(166,188.00)	(166,188.00)	(166,188.00)	(166,188.00)
AFUDC	2,315,325.39	191,992.19	193,790.10	195,863.00	-	-	-	-	-	-	-	-	0.00
Less AFUDC on Intern.	(16,299.13)	(3,103.82)	(3,838.80)	(4,742.91)	-	-	-	-	-	-	-	-	-
EOM	713,756,295.98	32,387,368.46	32,730,597.91	33,162,627.44	33,162,627.44	33,162,627.44	33,162,627.44	32,592,298.79	32,021,970.12	22,315,762.45	21,745,434.78	21,175,107.11	20,491,851.36
<u>Return on CWIP 1/</u>													
After Tax Return on Equity										150,983.83	96,500.86	94,037.33	91,221.92
Income Tax Component										60,893.71	38,920.03	37,926.46	36,790.96
Interest Expense Component										60,284.05	38,530.37	37,546.74	36,422.62
Total Return on CWIP										272,161.59	173,951.26	169,510.53	164,435.50

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Plant Additions, AFUDC and Return on CWIP - HVDC Modernization Project

	<u>Total</u>	<u>Jan-25</u>	<u>Feb-25</u>	<u>Mar-25</u>	<u>Apr-25</u>	<u>May-25</u>	<u>Jun-25</u>	<u>Jul-25</u>	<u>Aug-25</u>	<u>Sep-25</u>	<u>Oct-25</u>	<u>Nov-25</u>	<u>Dec-25</u>
Total HVDC Upgrade Project													
BOM	-	20,491,851.36	20,482,111.92	20,472,372.48	20,462,633.04	20,452,893.60	20,443,154.16	20,433,422.86	20,423,691.56	20,413,960.26	20,404,228.96	20,394,497.66	20,384,766.36
Capital Expenditures	790,260,595.28	58,463.06	58,463.06	58,463.06	58,463.06	58,463.06	58,471.20	58,471.20	58,471.20	58,471.20	58,471.20	58,471.20	14,148,518.34
Grant/CIAC	(75,095,458.00)	(26,655.50)	(26,655.50)	(26,655.50)	(26,655.50)	(26,655.50)	(26,655.50)	(26,655.50)	(26,655.50)	(26,655.50)	(26,655.50)	(26,655.50)	(3,721,013.50)
Less Internal Costs	(3,707,867.56)	(41,547.00)	(41,547.00)	(41,547.00)	(41,547.00)	(41,547.00)	(41,547.00)	(41,547.00)	(41,547.00)	(41,547.00)	(41,547.00)	(41,547.00)	(41,547.00)
AFUDC	2,315,325.39	-	0.00	-	-	0.00	(0.00)	-	(0.00)	-	-	(0.00)	-
Less AFUDC on Intern.	(16,299.13)	-	-	-	-	-	-	-	-	-	-	-	-
EOM	713,756,295.98	20,482,111.92	20,472,372.48	20,462,633.04	20,452,893.60	20,443,154.16	20,433,422.86	20,423,691.56	20,413,960.26	20,404,228.96	20,394,497.66	20,384,766.36	30,770,724.20
<u>Return on CWIP 1/</u>													
After Tax Return on Equity		88,551.03	88,508.96	88,466.89	88,424.82	88,382.75	88,340.70	88,298.66	88,256.63	88,214.59	88,172.56	88,130.52	118,519.45
Income Tax Component		35,713.76	35,696.79	35,679.83	35,662.86	35,645.89	35,628.93	35,611.98	35,595.03	35,578.07	35,561.12	35,544.17	47,800.41
Interest Expense Component		35,356.20	35,339.40	35,322.61	35,305.81	35,289.01	35,272.22	35,255.44	35,238.65	35,221.87	35,205.09	35,188.30	47,321.84
Total Return on CWIP		159,620.99	159,545.15	159,469.32	159,393.48	159,317.65	159,241.85	159,166.08	159,090.31	159,014.54	158,938.77	158,863.00	213,641.70

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Plant Additions, AFUDC and Return on CWIP - HVDC Modernization Project

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	<u>Total</u>	<u>Jan-26</u>	<u>Feb-26</u>	<u>Mar-26</u>	<u>Apr-26</u>	<u>May-26</u>	<u>Jun-26</u>	<u>Jul-26</u>	<u>Aug-26</u>	<u>Sep-26</u>	<u>Oct-26</u>	<u>Nov-26</u>	<u>Dec-26</u>
Total HVDC Upgrade Project													
BOM	-	30,770,724.20	30,516,707.67	30,262,691.18	30,008,674.69	35,470,072.20	35,216,055.71	34,962,048.70	34,708,041.69	34,454,034.68	34,200,027.67	33,946,020.66	33,692,013.65
Capital Expenditures	790,260,595.28	52,230.34	52,230.34	52,230.34	5,767,644.34	52,230.34	52,239.82	52,239.82	52,239.82	52,239.82	52,239.82	52,239.82	45,041,733.63
Grant/CIAC	(75,095,458.00)	(264,699.87)	(264,699.83)	(264,699.83)	(264,699.83)	(264,699.83)	(264,699.83)	(264,699.83)	(264,699.83)	(264,699.83)	(264,699.83)	(264,699.83)	(6,470,341.83)
Less Internal Costs	(3,707,867.56)	(41,547.00)	(41,547.00)	(41,547.00)	(41,547.00)	(41,547.00)	(41,547.00)	(41,547.00)	(41,547.00)	(41,547.00)	(41,547.00)	(41,547.00)	(41,547.00)
AFUDC	2,315,325.39	0.00	0.00	-	-	0.00	0.00	-	(0.00)	-	0.00	(0.00)	0.00
Less AFUDC on Intern.	(16,299.13)	-	-	-	-	-	-	-	-	-	-	-	-
EOM	713,756,295.98	30,516,707.67	30,262,691.18	30,008,674.69	35,470,072.20	35,216,055.71	34,962,048.70	34,708,041.69	34,454,034.68	34,200,027.67	33,946,020.66	33,692,013.65	72,221,858.45
<u>Return on CWIP 1/</u>													
After Tax Return on Equity		132,937.13	131,839.90	130,742.68	141,989.31	153,235.95	152,138.74	151,041.56	149,944.38	148,847.20	147,750.01	146,652.83	242,721.64
Income Tax Component		53,615.24	53,172.72	52,730.19	57,266.10	61,802.01	61,359.50	60,916.99	60,474.48	60,031.97	59,589.47	59,146.96	97,892.74
Interest Expense Component		53,078.45	52,640.36	52,202.27	56,692.77	61,183.26	60,745.18	60,307.10	59,869.02	59,430.95	58,992.87	58,554.79	96,912.65
Total Return on CWIP		239,630.82	237,652.98	235,675.14	255,948.18	276,221.22	274,243.42	272,265.65	270,287.88	268,310.12	266,332.35	264,354.58	437,527.03

1/ MPUC approved project CON 8/1/2024.

Minnesota Power
Transmission Cost Recovery Rider
Plant Additions, AFUDC and Return on CWIP - HVDC Modernization Project

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	<u>Total</u>	<u>Jan-27</u>	<u>Feb-27</u>	<u>Mar-27</u>	<u>Apr-27</u>	<u>May-27</u>	<u>Jun-27</u>	<u>Jul-27</u>	<u>Aug-27</u>	<u>Sep-27</u>	<u>Oct-27</u>	<u>Nov-27</u>	<u>Dec-27</u>
Total HVDC Upgrade Project													
BOM	-	72,221,858.45	70,861,474.07	69,501,089.61	68,140,705.15	99,030,902.69	97,670,518.23	96,310,143.93	94,949,769.63	93,589,395.33	92,229,021.03	90,868,646.73	89,508,272.43
Capital Expenditures	790,260,595.28	66,098.63	66,098.63	66,098.63	32,316,680.63	66,098.63	66,108.79	66,108.79	66,108.79	66,108.79	66,108.79	66,108.79	202,889,313.31
Grant/CIAC	(75,095,458.00)	(1,371,087.01)	(1,371,087.09)	(1,371,087.09)	(1,371,087.09)	(1,371,087.09)	(1,371,087.09)	(1,371,087.09)	(1,371,087.09)	(1,371,087.09)	(1,371,087.09)	(1,371,087.09)	(1,371,087.09)
Less Internal Costs	(3,707,867.56)	(55,396.00)	(55,396.00)	(55,396.00)	(55,396.00)	(55,396.00)	(55,396.00)	(55,396.00)	(55,396.00)	(55,396.00)	(55,396.00)	(55,396.00)	(55,396.00)
AFUDC	2,315,325.39	-	0.00	-	0.00	0.00	(0.00)	-	(0.00)	-	-	-	0.00
Less AFUDC on Intern.	(16,299.13)	-	-	-	-	-	-	-	-	-	-	-	-
EOM	713,756,295.98	70,861,474.07	69,501,089.61	68,140,705.15	99,030,902.69	97,670,518.23	96,310,143.93	94,949,769.63	93,589,395.33	92,229,021.03	90,868,646.73	89,508,272.43	290,971,102.65
<u>Return on CWIP 1/</u>													
After Tax Return on Equity		311,985.22	306,109.04	300,232.87	364,009.84	427,786.81	421,910.65	416,034.52	410,158.39	404,282.25	398,406.12	392,529.99	824,700.97
Income Tax Component		125,827.62	123,457.69	121,087.75	146,809.82	172,531.88	170,161.96	167,792.04	165,422.12	163,052.20	160,682.28	158,312.36	332,612.44
Interest Expense Component		<u>124,567.86</u>	<u>122,221.65</u>	<u>119,875.44</u>	<u>145,339.98</u>	<u>170,804.53</u>	<u>168,458.33</u>	<u>166,112.13</u>	<u>163,765.94</u>	<u>161,419.75</u>	<u>159,073.56</u>	<u>156,727.36</u>	<u>329,282.38</u>
Total Return on CWIP		562,380.71	551,788.38	541,196.06	656,159.64	771,123.22	760,530.93	749,938.69	739,346.44	728,754.20	718,161.96	707,569.71	1,486,595.79

1/ MPUC approved project CON 8/1/2024.

Minnesota Power
Transmission Cost Recovery Rider
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	<u>Total</u>	<u>Jan-28</u>	<u>Feb-28</u>	<u>Mar-28</u>	<u>Apr-28</u>	<u>May-28</u>	<u>Jun-28</u>	<u>Jul-28</u>	<u>Aug-28</u>	<u>Sep-28</u>	<u>Oct-28</u>	<u>Nov-28</u>	<u>Dec-28</u>
Total HVDC Upgrade Project													
BOM	-	290,971,102.65	288,756,894.21	286,542,685.77	284,328,477.33	338,784,157.89	336,569,949.45	334,355,751.91	332,141,554.37	329,927,356.83	327,713,159.29	325,498,961.75	323,284,764.21
Capital Expenditures	790,260,595.28	54,353.31	54,353.31	54,353.31	56,724,242.31	54,353.31	54,364.21	54,364.21	54,364.21	54,364.21	54,364.21	54,364.21	287,833,118.48
Grant/CIAC	(75,095,458.00)	(2,227,014.75)	(2,227,014.75)	(2,227,014.75)	(2,227,014.75)	(2,227,014.75)	(2,227,014.75)	(2,227,014.75)	(2,227,014.75)	(2,227,014.75)	(2,227,014.75)	(2,227,014.75)	(2,227,014.75)
Less Internal Costs	(3,707,867.56)	(41,547.00)	(41,547.00)	(41,547.00)	(41,547.00)	(41,547.00)	(41,547.00)	(41,547.00)	(41,547.00)	(41,547.00)	(41,547.00)	(41,547.00)	(41,547.00)
AFUDC	2,315,325.39	-	-	-	-	(0.00)	0.00	-	-	(0.00)	0.00	-	-
Less AFUDC on Intern.	(16,299.13)	-	-	-	-	-	-	-	-	-	-	-	-
EOM	713,756,295.98	288,756,894.21	286,542,685.77	284,328,477.33	338,784,157.89	336,569,949.45	334,355,751.91	332,141,554.37	329,927,356.83	327,713,159.29	325,498,961.75	323,284,764.21	608,849,320.94
<u>Return on CWIP 1/</u>													
After Tax Return on Equity		1,256,876.48	1,247,312.21	1,237,747.95	1,350,576.39	1,463,404.83	1,453,840.59	1,444,276.37	1,434,712.15	1,425,147.93	1,415,583.71	1,406,019.49	1,902,831.09
Income Tax Component		506,914.34	503,056.95	499,199.56	544,704.71	590,209.86	586,352.48	582,495.11	578,637.73	574,780.36	570,922.99	567,065.62	767,436.08
Interest Expense Component		<u>501,839.21</u>	<u>498,020.43</u>	<u>494,201.66</u>	<u>539,251.22</u>	<u>584,300.79</u>	<u>580,482.03</u>	<u>576,663.27</u>	<u>572,844.52</u>	<u>569,025.77</u>	<u>565,207.01</u>	<u>561,388.26</u>	<u>759,752.66</u>
Total Return on CWIP		2,265,630.02	2,248,389.59	2,231,149.16	2,434,532.32	2,637,915.48	2,620,675.09	2,603,434.75	2,586,194.40	2,568,954.06	2,551,713.71	2,534,473.37	3,430,019.84

1/ MPUC approved project CON 8/1/2024.

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Transmission Cost Recovery Rider
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	<u>Total</u>	<u>Jan-29</u>	<u>Feb-29</u>	<u>Mar-29</u>	<u>Apr-29</u>	<u>May-29</u>	<u>Jun-29</u>	<u>Jul-29</u>	<u>Aug-29</u>	<u>Sep-29</u>	<u>Oct-29</u>	<u>Nov-29</u>	<u>Dec-29</u>
Total HVDC Upgrade Project													
BOM	-	608,849,320.94	608,849,649.42	608,849,977.90	608,850,306.38	608,850,634.86	608,850,963.34	608,851,303.52	608,851,643.70	608,851,983.88	608,852,324.06	608,852,664.24	608,853,004.42
Capital Expenditures	790,260,595.28	328.48	328.48	328.48	328.48	328.48	340.18	340.18	340.18	340.18	340.18	340.18	55,499,152.29
Grant/CIAC	(75,095,458.00)	-	-	-	-	-	-	-	-	-	-	-	-
Less Internal Costs	(3,707,867.56)	-	-	-	-	-	-	-	-	-	-	-	-
AFUDC	2,315,325.39	-	-	-	-	-	-	-	-	-	-	-	-
Less AFUDC on Intern.	(16,299.13)	-	-	-	-	-	-	-	-	-	-	-	-
EOM	713,756,295.98	608,849,649.42	608,849,977.90	608,850,306.38	608,850,634.86	608,850,963.34	608,851,303.52	608,851,643.70	608,851,983.88	608,852,324.06	608,852,664.24	608,853,004.42	664,352,156.71
<u>Return on CWIP 1/</u>													
After Tax Return on Equity		2,409,038.25	2,409,039.67	2,409,041.09	2,409,042.51	2,409,043.93	2,409,045.37	2,409,046.84	2,409,048.31	2,409,049.78	2,409,051.25	2,409,052.72	2,528,917.66
Income Tax Component		971,595.90	971,596.47	971,597.04	971,597.61	971,598.18	971,598.77	971,599.36	971,599.95	971,600.54	971,601.14	971,601.73	1,019,944.79
Interest Expense Component		961,868.46	961,869.02	961,869.59	961,870.16	961,870.72	961,871.30	961,871.89	961,872.47	961,873.06	961,873.65	961,874.23	1,009,733.30
Total Return on CWIP		4,342,502.60	4,342,505.16	4,342,507.72	4,342,510.28	4,342,512.83	4,342,515.44	4,342,518.08	4,342,520.73	4,342,523.38	4,342,526.03	4,342,528.68	4,558,595.75

1/ MPUC approved project CON 8/1/2024.

Minnesota Power
Transmission Cost Recovery Rider
Plant Additions, AFUDC and Return on CWIP - HVDC Modernization Project

Exhibit B-4
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	<u>Total</u>	<u>Jan-30</u>	<u>Feb-30</u>	<u>Mar-30</u>	<u>Apr-30</u>	<u>May-30</u>	<u>Jun-30</u>	<u>Jul-30</u>	<u>Aug-30</u>	<u>Sep-30</u>	<u>Oct-30</u>	<u>Nov-30</u>	<u>Dec-30</u>
Total HVDC Upgrade Project													
BOM	-	664,352,156.71	664,352,509.00	664,352,861.29	664,353,213.58	664,353,565.87	664,353,918.16	664,354,282.98	664,354,647.80	664,355,012.62	664,355,377.44	664,355,742.26	664,356,107.08
Capital Expenditures	790,260,595.28	352.29	352.29	352.29	352.29	352.29	364.82	364.82	364.82	364.82	364.82	364.82	49,400,188.90
Grant/CIAC	(75,095,458.00)	-	-	-	-	-	-	-	-	-	-	-	-
Less Internal Costs	(3,707,867.56)	-	-	-	-	-	-	-	-	-	-	-	-
AFUDC	2,315,325.39	-	-	-	-	-	-	-	-	-	-	-	-
Less AFUDC on Intern.	(16,299.13)	-	-	-	-	-	-	-	-	-	-	-	-
EOM	713,756,295.98	664,352,509.00	664,352,861.29	664,353,213.58	664,353,565.87	664,353,918.16	664,354,282.98	664,354,647.80	664,355,012.62	664,355,377.44	664,355,742.26	664,356,107.08	713,756,295.98
<u>Return on CWIP 1/</u>													
After Tax Return on Equity	2,648,782.64	2,648,784.16	2,648,785.68	2,648,787.20	2,648,788.72	2,648,790.27	2,648,791.85	2,648,793.42	2,648,795.00	2,648,796.58	2,648,798.15	2,648,798.15	1,377,745.46
Income Tax Component	1,068,287.87	1,068,288.48	1,068,289.10	1,068,289.71	1,068,290.32	1,068,290.95	1,068,291.58	1,068,292.22	1,068,292.86	1,068,293.49	1,068,294.13	1,068,294.13	555,662.34
Interest Expense Component	<u>1,057,592.37</u>	<u>1,057,592.98</u>	<u>1,057,593.58</u>	<u>1,057,594.19</u>	<u>1,057,594.80</u>	<u>1,057,595.42</u>	<u>1,057,596.05</u>	<u>1,057,596.68</u>	<u>1,057,597.30</u>	<u>1,057,597.93</u>	<u>1,057,598.56</u>	<u>1,057,598.56</u>	<u>550,099.15</u>
Total Return on CWIP	4,774,662.87	4,774,665.62	4,774,668.36	4,774,671.10	4,774,673.85	4,774,676.64	4,774,679.48	4,774,682.32	4,774,685.16	4,774,688.00	4,774,690.84	4,774,690.84	2,483,506.96

1/ MPUC approved project CON 8/1/2024.

Minnesota Power
Projected 2025 Pro Rata ADIT
Year Ended December 31, 2025

Rate Year = 2025

1	Days in Period					Averaging with Proration - Projected		
2	A	B	C	D	E	F	G	H
	Month	Days in the Month	Number of Days Prorated	Total Days in Future Portion of Test Period	Proration Amount (C / D)	Projected Monthly Activity /2	Prorated Projected Monthly Activity (E x F)	Prorated Projected Balance (Cumulative Sum of G)
3								
4								
5	December 31st balance Prorated Items							5,323,215 1/
6	January	31	336	366	91.80%	96,141	88,260	5,411,475
7	February	29	307	366	83.88%	96,141	80,643	5,492,118
8	March	31	276	366	75.41%	96,141	72,500	5,564,617
9	April	30	246	366	67.21%	96,141	64,619	5,629,236
10	May	31	215	366	58.74%	96,141	56,476	5,685,712
11	June	30	185	366	50.55%	96,141	48,596	5,734,308
12	July	31	154	366	42.08%	96,141	40,453	5,774,761
13	August	31	123	366	33.61%	96,141	32,310	5,807,070
14	September	30	93	366	25.41%	96,141	24,429	5,831,499
15	October	31	62	366	16.94%	96,141	16,286	5,847,786
16	November	30	32	366	8.74%	96,141	8,406	5,856,191
17	December	31	1	366	0.27%	96,141	263	5,856,454
18	Total					1,153,688	533,239	
19	Beginning Balance							5,323,215
20	Less Non Prorated Items					(Line 19 less line 21)		-
21	Beginning Balance of Prorated items					(Line 5, Col H)		5,323,215
22	Ending Balance							5,856,454
23	Less Non Prorated Items					(Line 22 less line 24)		-
24	Ending Balance of Prorated items					(Line 17, Col H)		5,856,454
25	Average Balance					Line 24 + (Lines 20 +23)/2		5,856,454
26	Less FASB 106 and 109 Items							-
27	Less Other Adjustments:							-
28	Total Adjustments							-
29	Ending Prorated Average ADIT (Line 25 less line 28)							5,856,454
30	Ending Average ADIT BEFORE Prorata Adjustment							5,900,059 3/
31	Impact of Prorata Adjustment on ADIT Balance (Line 29 less Line 30)							(43,605)
32	Rate of Return							7.2530% 4/
33	Return on Rate Base					(Line 31 x Line 32)		(3,163)
34	Gross-Up							1.4033 4/
35	Annual Prorata ADIT Revenue Requirement					(Line 33 x Line 34)		(4,438)
36	MN Jurisdictional allocator							0.82593 5/
37	Prorata ADIT Revenue Requirements in Projected Rates					(Line 35 x Line 36)		(3,666)

Notes:

- 1/ Refer to Exhibit B-4, page 1, line B-10, December 2024.
- 2/ Refer to Exhibit B-4, pages 1 & 2, line B-10, (December 2024 + December 2025)/12.
- 3/ Refer to Exhibit B-4, pages 1 & 2, line B-10, (December 2024 + December 2025)/2.
- 4/ Refer to Exhibit B-3, page 31.
- 5/ Refer to Exhibit B-3, page 32.

Minnesota Power
Transmission Cost Recovery Rider
RECB Confirmation Information

Exhibit C-1
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MISO REVENUE CONFIRMATION					Sch 37					Sch 38				
MISO Month	Confirm	GL Period	GL Amount	Variance	MISO Month	Confirm	GL Period	GL Amount	Variance	MISO Month	Confirm	GL Period	GL Amount	Variance
May-23	1,835,563.70	Jun-23	1,835,563.70	-	May-23	17,166.26	Jun-23	17,166.26	-	May-23	20,584.73	Jun-23	20,584.73	-
Jun-23	1,950,152.05	Jul-23	1,950,152.05	-	Jun-23	17,191.29	Jul-23	17,191.29	-	Jun-23	20,600.84	Jul-23	20,600.84	-
Jul-23	2,170,012.27	Aug-23	2,170,012.27	-	Jul-23	17,191.29	Aug-23	17,191.29	-	Jul-23	20,600.84	Aug-23	20,600.84	-
Aug-23	2,214,460.34	Sep-23	2,214,460.34	-	Aug-23	17,191.29	Sep-23	17,191.29	-	Aug-23	20,600.84	Sep-23	20,600.84	-
Sep-23	2,046,525.23	Oct-23	2,046,525.23	-	Sep-23	17,191.29	Oct-23	17,191.29	-	Sep-23	20,600.84	Oct-23	20,600.84	-
Oct-23	1,765,391.57	Nov-23	1,765,391.57	-	Oct-23	17,191.29	Nov-23	17,191.29	-	Oct-23	20,600.84	Nov-23	20,600.84	-
Nov-23	1,540,428.93	Dec-23	1,540,428.93	-	Nov-23	17,191.29	Dec-23	17,191.29	-	Nov-23	20,600.84	Dec-23	20,600.84	-
Dec-23	1,583,431.34	Jan-24	1,583,431.34	-	Dec-23	17,191.29	Jan-24	17,191.29	-	Dec-23	20,600.84	Jan-24	20,600.84	-
Jan-24	1,606,465.93	Feb-24	1,606,465.93	-	Jan-24	15,919.54	Feb-24	15,919.54	-	Jan-24	18,643.82	Feb-24	18,643.82	-
Feb-24	1,337,048.34	Mar-24	1,337,048.34	-	Feb-24	15,919.54	Mar-24	15,919.54	-	Feb-24	18,643.82	Mar-24	18,643.82	-
Mar-24	1,386,924.90	Apr-24	1,386,924.90	-	Mar-24	15,919.54	Apr-24	15,919.54	-	Mar-24	18,643.82	Apr-24	18,643.82	-
Apr-24	1,290,573.67	May-24	1,290,573.67	-	Apr-24	15,919.54	May-24	15,919.54	-	Apr-24	18,643.82	May-24	18,643.82	-
May-24	1,494,315.95	Jun-24	1,494,315.95	-	May-24	15,919.54	Jun-24	15,919.54	-	May-24	18,643.82	Jun-24	18,643.82	-
Jun-24	1,827,761.16	Jul-24	1,827,761.16	-	Jun-24	15,857.59	Jul-24	15,857.59	-	Jun-24	18,937.45	Jul-24	18,937.45	-
Jul-24	1,943,323.37	Aug-24	1,943,323.37	-	Jul-24	15,857.59	Aug-24	15,857.59	-	Jul-24	18,937.45	Aug-24	18,937.45	-
Aug-24	2,027,505.68	Sep-24	2,027,505.68	-	Aug-24	15,857.59	Sep-24	15,857.59	-	Aug-24	18,937.45	Sep-24	18,937.45	-
28,019,884.43		28,019,884.43		-	264,675.76		264,675.76		-	314,822.06		314,822.06		-
Total Change Required to tie to Confirms				-	Total Change Required to tie to Confirms				-	Total Change Required to tie to Confirms				-

True up Entry needed

Sch 26	100.0000.45620.3200.0000	-
Sch 37	100.0000.45620.3201.0000	-
Sch 38	100.0000.45620.3202.0000	-
PLUG	100.0000.45620.3100.0000	-

MISO EXPENSE CONFIRMATION

Sch 26 & MC File Passthru Adjustments (excludes Oconto)					MR File Passthru				
MISO Month	Confirm	GL Month	GL Amount	Variation	MISO Month	Confirm	GL Month	GL Amount	Variation
5/1/2023	1,743,194.87	6/1/2023	1,743,194.87	-	5/1/2023	-	6/1/2023		-
6/1/2023	1,729,830.67	7/1/2023	1,729,830.67	-	6/1/2023	-	7/1/2023		-
7/1/2023	1,817,541.71	8/1/2023	1,817,541.71	-	7/1/2023	10,318.95	8/1/2023		10,318.95
8/1/2023	1,856,315.94	9/1/2023	1,856,315.94	-	8/1/2023	(7,754.84)	9/1/2023	(7,754.84)	-
9/1/2023	1,732,644.93	10/1/2023	1,732,644.93	-	9/1/2023	-	10/1/2023		-
10/1/2023	1,785,552.98	11/1/2023	1,785,552.98	-	10/1/2023	(938.08)	11/1/2023	(938.08)	-
11/1/2023	1,795,496.70	12/1/2023	1,795,496.70	-	11/1/2023	(2,908.06)	12/1/2023	(2,908.06)	-
12/1/2023	1,839,836.89	1/1/2024	1,839,836.89	-	12/1/2023	-	1/1/2024		-
1/1/2024	1,842,241.34	2/1/2024	1,842,241.34	-	1/1/2024	-	2/1/2024		-
2/1/2024	1,629,252.46	3/1/2024	1,629,252.46	-	2/1/2024	(2,902.70)	3/1/2024	(2,902.70)	-
3/1/2024	1,772,576.75	4/1/2024	1,772,576.75	-	3/1/2024	-	4/1/2024	-	-
4/1/2024	1,472,881.69	5/1/2024	1,472,881.69	-	4/1/2024	(967.57)	5/1/2024	(967.57)	-
5/1/2024	1,534,556.07	6/1/2024	1,534,556.07	-	5/1/2024	-	6/1/2024		-
6/1/2024	1,489,721.40	7/1/2024	1,489,721.40	-	6/1/2024	(967.57)	7/1/2024	(967.57)	-
7/1/2024	1,664,193.27	8/1/2024	1,664,193.27	-	7/1/2024	(1,005,119.94)	8/1/2024	(1,005,119.94)	-
8/1/2024	1,653,550.17	9/1/2024	1,653,550.17	-	8/1/2024	(1,144,855.99)	9/1/2024	(1,144,855.99)	-
				-					-
	27,359,387.84		27,359,387.84	-		(2,156,095.80)		(2,166,414.75)	10,318.95
off by MC File Passthrough adjustments									
TOTAL CHANGE REQUIRED				-	TOTAL CHANGE REQUIRED				10,318.95

Total Change Required to tie to Confirms 10,318.95

Transmission Cost Recovery Rider
RECB Confirmation Information

Exhibit C-1
Page 3 of 3

Sch 26A & Passthru Adjustments					MC File Charge and File Credit Adjustments				
MISO Month	Confirm	GL Month	GL Amount	Variation	MISO Month	Confirm	GL Month	GL Amount	Variation
5/1/2023	1,483,864.52	6/1/2023	1,483,864.52	-	5/1/2023	28,618.70	6/1/2023	(2,063.93)	30,682.63
6/1/2023	1,486,222.23	7/1/2023	1,486,222.23	-	6/1/2023	14,489.61	7/1/2023	-	14,489.61
7/1/2023	1,517,872.62	8/1/2023	1,517,872.62	-	7/1/2023	5,402.34	8/1/2023	-	5,402.34
8/1/2023	1,433,845.33	9/1/2023	1,433,845.33	-	8/1/2023	(3,280.54)	9/1/2023	(6,582.78)	3,302.24
9/1/2023	1,373,363.55	10/1/2023	1,373,363.55	-	9/1/2023	12,814.53	10/1/2023	(157.78)	12,972.31
10/1/2023	1,442,095.51	11/1/2023	1,442,095.51	-	10/1/2023	8,844.50	11/1/2023	(1,108.21)	9,952.71
11/1/2023	1,508,654.19	12/1/2023	1,508,654.19	-	11/1/2023	2,530.51	12/1/2023	(695.55)	3,226.06
12/1/2023	1,678,965.52	1/1/2024	1,678,965.52	-	12/1/2023	14,783.97	1/1/2024	-	14,783.97
1/1/2024	1,600,840.24	2/1/2024	1,600,840.24	-	1/1/2024	21,458.14	2/1/2024	-	21,458.14
2/1/2024	1,545,050.41	3/1/2024	1,545,050.41	-	2/1/2024	7,987.25	3/1/2024	-	7,987.25
3/1/2024	1,711,954.55	4/1/2024	1,711,954.55	-	3/1/2024	24,448.37	4/1/2024	-	24,448.37
4/1/2024	1,492,207.71	5/1/2024	1,492,207.71	-	4/1/2024	32,444.30	5/1/2024	-	32,444.30
5/1/2024	1,525,977.02	6/1/2024	1,525,977.02	-	5/1/2024	31,842.32	6/1/2024	-	31,842.32
6/1/2024	1,454,300.95	7/1/2024	1,454,300.95	-	6/1/2024	26,042.41	7/1/2024	-	26,042.41
7/1/2024	1,613,671.05	8/1/2024	1,613,671.05	-	7/1/2024	34,481.92	8/1/2024	-	34,481.92
8/1/2024	1,511,424.04	9/1/2024	1,511,424.04	-	8/1/2024	911.88	9/1/2024	3,760.68	(2,848.80)
				-					-
	24,380,309.44		24,380,309.44	-		263,820.21		(6,847.57)	270,667.78
off by Passthrough adjustments					off by MISO MPM Transfer entry				
TOTAL CHANGE REQUIRED				-	TOTAL CHANGE REQUIRED				270,667.78

Total Change Required to tie to Confirms 270,667.78

No True up Entry needed, since all GL strings are the same. Will make the adjustment between these three in October 2024 on Trans Expense Page.

Sch 26	100.0549.56500.41000.0360	10,318.95
Sch 26A	100.0549.56500.41000.0360	270,667.78
Sch 7 (PLUG)	100.0549.56500.41000.0360	(280,986.73)

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

AFFIDAVIT OF SERVICE VIA
ELECTRONIC FILING

I, Amy M. Honkala of the City of Duluth, County of St. Louis, State of Minnesota, hereby certify that on the 19th day of August, 2025, I electronically filed a true and correct copy of Minnesota Power's **Petition for Approval in Docket No. E015/M-24-382** on the Minnesota Public Utilities Commission and the Energy Resources Division of the Minnesota Department of Commerce via electronic filing. The persons on eDocket's Official Service List for this Docket were served as requested.



Amy M. Honkala