



AN ALLETE COMPANY

PUBLIC DOCUMENT
TRADE SECRET DATA
HAS BEEN EXCISED

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November 24, 2015

Mr. Daniel P. Wolf, Executive Secretary
MN Public Utilities Commission
121 7th Place East, Suite 350
St. Paul, MN 55101-2147

Re: Minnesota Power's Petition for Approval of an Amended and Restated Electric Service Agreement Between ArcelorMittal Minorca Mine Inc. and Minnesota Power
Docket. No. E015/M-15-_____

Dear Mr. Wolf:

Enclosed for filing with the Commission please find Minnesota Power's Petition for Approval ("Petition") of the Electric Service Agreement Between ArcelorMittal Minorca Mine Inc. and Minnesota Power (the "Agreement").

Certain portions of the Petition and the Agreement include trade secret information and are marked as such, pursuant to the Commission's Revised Procedures for Handling Trade Secret and Privileged Data, which procedures further the intent of Minn. Stat. §13.37 and Minn. Rule Part 7829.0500. As required by the Commission's Revised Procedures, a statement providing the justification for excising the Trade Secret Data is attached to this letter.

In accordance with Minn. Rule Part 7829.1300, Minnesota Power has included a Summary with this filing. As reflected in the attached Affidavit of Service, the Summary has been served on all parties on the service list utilized by Minnesota Power for Large Power contract filings.

If you have any questions regarding this letter, please do not hesitate to contact me at the number above.

Yours truly,

A handwritten signature in black ink that reads "David R. Moeller".

David R. Moeller

DRM:sr
Attach.

STATEMENT REGARDING JUSTIFICATION FOR EXCISING TRADE SECRET INFORMATION

Pursuant to the Commission's revised Procedures for Handling Trade Secret and Privileged Data in furtherance of the intent of Minn. Stat. 13.37 and Minn. Rule Part 7829.0500, Minnesota Power has designated portions of the attached Petition and exhibits thereto as Trade Secret.

The Petition describes the Amendment to the Electric Service Agreement between Minnesota Power and ArcelorMittal Minorca Mine Inc. This Amendment contains terms and conditions that are materially sensitive to Minnesota Power (due to the specific price and rate identification for electric service to this Large Power customer) and contains Minnesota Power's unique methods, techniques and process for supplying electric service to Ispat. The information regarding specific energy pricing methods and process Minnesota Power utilizes to provide its services, combined with the identification of levels of energy usage, is valuable commercial information to both Minnesota Power and Ispat, and because of the intensely competitive marketplace Ispat operates in, this information is also confidential and Trade Secret to ArcelorMittal Minorca. Minnesota Power and Ispat follow strict internal procedures to maintain the secrecy of this information in order to capitalize on the economic value of the information. Potential competitors of both parties would gain a commercial advantage if this information was publicly available, with severe competitive implications resulting.

Minnesota Power believes that this statement justifies why the information excised from the attached report should remain a trade secret under Minn. Stat. §13.37. Minnesota Power respectfully requests the opportunity to provide additional justification in the event of a challenge to the trade secret designation provided herein.

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

Docket No. E 015/M-15-_____

In the Matter of a Petition for Approval of
an Amended and Restated Electric Service
Agreement Between ArcelorMittal
Minorca Mine Inc. and Minnesota Power

**PETITION OF
MINNESOTA POWER**

SUMMARY OF FILING

Minnesota Power has filed a Petition for Approval of an Amended and Restated Electric Service Agreement (“Agreement”) between Minnesota Power and ArcelorMittal Minorca Mine Inc. (“ArcelorMittal”). The Agreement which extends the term of ArcelorMittal’s commitment to purchase all of its electric service requirements from Minnesota Power through at least 2025 and modifies other provisions related the customer’s operations. The Agreement provides ArcelorMittal with additional operating flexibility and cost reduction potential, while protecting Minnesota Power’s other customers through an extended full requirements contract. This Agreement also supports the business strategy of an important regional industrial employer. The Petition describes the Agreement and summarizes the benefits to both parties.

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

Docket No. E 015/M-15-_____

In the Matter of a Petition for Approval of
an Amended and Restated Electric Service
Agreement Between ArcelorMittal
Minorca Mine Inc. and Minnesota Power

**PETITION OF
MINNESOTA POWER**

I. INTRODUCTION

This Petition seeks Minnesota Public Utilities Commission (“Commission”) approval of an Amended and Restated Electric Service Agreement (“Agreement”) between Minnesota Power and ArcelorMittal Minorca Mine Inc. (“ArcelorMittal”). The Agreement which extends the term of ArcelorMittal’s commitment to purchase all of its electric service requirements from Minnesota Power through at least 2025 and modifies other provisions related the customer’s operations. The Agreement provides ArcelorMittal with additional operating flexibility and cost reduction potential, while protecting Minnesota Power’s other customers through an extended full requirements contract. This Agreement also supports the business strategy of an important regional industrial employer. The Petition describes the Agreement and summarizes the benefits to both parties, attached as Exhibit A.

In 2005, the Commission approved an electric service agreement for the same taconite mining facilities, the Minorca Mine in Docket No. E015/M-05-1496 (“2005 Restated Agreement”). If the Agreement is approved by the Commission, the 2005 Restated Agreement will be terminated and the new Agreement will become effective.

II. PROCEDURAL ISSUES

In compliance with Minn. Stat. § 216B.05 of the Minnesota Public Utilities Act and the Commission’s rules promulgated thereunder, Minnesota Power files this Petition for Approval of the Agreement in Minnesota Power’s tariff book in Volume II, Section VII thereunder “Contracts not on Standard Form.” This means that upon Commission approval, Minnesota Power will submit a compliance filing to the Commission so that the modified Agreement will become part of Minnesota Power’s tariff book. Minn. Stat. § 216B.05, subd. 2a requires that:

A contract for electric service entered into between a public utility and one of its customers, in which the public utility and the customer agree to customer-specific rates, terms, or service conditions not already contained in the approved schedules, tariffs, or rules of the utility, must be filed for approval by the commission pursuant to the commission’s rules of practice. Contracts between public utilities and customers that are necessitated by specific statutes in this chapter must be filed for approval under those statutes and any rules adopted by the commission pursuant to those statutes.

For this Petition, the customer-specific terms and service conditions under the Agreement are spelled out in Section III.¹ Under the Commission’s Rules of Practice and Procedure, filings that do not require a determination of a utility’s revenue requirement constitute “miscellaneous tariff filings” under Minn. Rules 7829.1300, and the Commission has treated all of Minnesota Power’s electric service agreements under the filing requirement, notice and comment provisions of this Rule. Additional information required by Minn. Rule 7829.1300 is provided below.

A. General Filing Information

1. Summary of Filing (Minn. Rules 7829.1300, subp. 1)

A one-paragraph summary accompanied the Petition.

¹ This Petition also intended to comply with the Commission’s February 26, 2009 Order in Docket No. E015/M-08-1344).

2. Service on Other Parties (Minn. Rules 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 of Commerce – Division of Energy Resources and serves a copy on the Minnesota Office of the 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 all parties on its Large Power Service list.

3. Name, Address and Telephone Number of Utility (Minn. Rules 7829.1300, subp. 4(A))

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

4. Name, Address and Telephone Number of Utility Attorney (Minn. Rules 7829.1300, subp. 4(B))

David R. Moeller
Senior Attorney
Minnesota Power
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Duluth, MN 55802
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5. Date of Filing and Date Proposed Rate Takes Effect (Minn. Rules 7829.1300, subp. 4(C))

The Petition is being filed on November 24, 2015. Minnesota Power requests that the Agreement be effective on the first day of the calendar month following Commission approval.

6. Statute Controlling Schedule for Processing the Filing (Minn. Rules 7829.1300, subp. 4(D))

This Petition is made in accordance with Minn. Stat. § 216B.05 and no statutorily imposed time frame for a Commission decision applies to this filing.

7. Utility Employee Responsible for Filing (Minn. Rules 7829.1300, subp. 4(E))

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8. Impact on Rates and Services (Minn. Rules 7829.1300, subp. 4(F))

The Petition in and of itself will have no effect on Minnesota Power's base rates.

9. Service List (Minn. Rules 7829.0700)

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B. Trade Secret Designation (Minn. Rule 7825.0500)

Pursuant to Minn. Stat. §§ 13.01 et seq. and Minn. Rule 7829.0500, Minnesota Power has designated portions of the Petition and the attached Exhibit A as containing Trade Secret Information and these have been redacted as appropriate to reflect the Trade Secret nature of the documents. Trade Secret and Public copies of the Petition and Exhibit A are being eFiled in accordance with the Commission's Rules and Minn. Stat. §

216.17, subd. 3. A statement regarding justification for excising Trade Secret information accompanies this Petition.

III. THE AGREEMENT

Individual provisions of the Agreement are reviewed and explained below. This discussion addresses the Commission’s directive in Docket No. E015/M-08-1344 that Minnesota Power analyze how the terms of the Agreement integrate with Minnesota Power’s Large Power (“LP”) Service Schedule. First, and critically important to Minnesota Power and its other ratepayers, is ArcelorMittal’s agreement to purchase its electric service requirements for its Minorca Mine from Minnesota Power through at least December 31, 2025. Second, the Agreement provides ArcelorMittal with additional operating flexibility and cost reduction potential through modified nomination, maintenance shutdown, and energy efficiency provisions. Third, the Agreement provides updated contract language to reflect modifications to the LP Service Schedule and other updates stemming from Docket No. E015/M-08-1344.

1. Paragraph 2. Term of Agreement

The Agreement provides that the term shall be extended through December 31, 2025, without any prior right of termination. The LP Service Schedule sets forth that “Unless otherwise specifically approved by the Commission, each ESA shall have an initial minimum term of ten (10) years...” Besides ArcelorMittal’s long history as an industrial customer on Minnesota Power’s system, this Agreement meets the minimum term of ten years, subject to Commission approval.

The Agreement continues after December 31, 2025 on a rolling four-year basis until a cancellation notice is issued by either party. The four-year cancellation period complies with the standard LP Service Schedule that states electric service agreements “shall continue in force and effect until either party gives the other party written notice of cancellation at least four years prior to the time such cancellation shall be effective.”

This extension is significant considering the current 2005 Restated Agreement is in the “rolling” four-year notice of cancellation phase from the date of written notice, making the current earliest possible termination date November 30, 2019. With this new commitment from its sixth largest customer, Minnesota Power gains additional certainty regarding its ability to manage generating capacity and plan for future needs of all its ratepayers.

2. Paragraph 3(G) - All Electric Service Requirements

Paragraph 3(G) of the Agreement expressly provides that ArcelorMittal will purchase all of the power and energy required to operate its Minorca Mine facilities from Minnesota Power. The new Agreement provides additional clarity on what facilities are covered under this paragraph and new language allowing Minnesota Power and ArcelorMittal to collaboratively explore and develop potential on-site cogeneration projects that would provide for lower ongoing electric power costs for ArcelorMittal. The LP Service Schedule does not have a provision related to all electric service requirements except that customers who take service under the LP Service Schedule must abide by any terms agreed to in an electric service agreement, subject to Commission approval.

3. Paragraph 3. Large Power Service

(i) Demand

Paragraph 3(A) establishes a Minimum Firm Demand (take-or-pay) of **[TRADE SECRET DATA EXCISED]**. However, Minnesota Power expects ArcelorMittal will normally nominate as Firm Demand approximately **[TRADE SECRET DATA EXCISED]** per month, depending on operating plans. Based on this higher Firm Demand nomination, ArcelorMittal will purchase the vast majority of its power and energy requirements as firm service under the Firm and Excess Energy provisions of the LP Service Schedule.

Paragraph 3(C)(i) addresses ArcelorMittal's Firm Demand nominations. Consistent with the 2005 Restated Agreement and the Demand section of the LP Service Schedule, ArcelorMittal will continue a nominating procedure which will enable Minnesota Power to plan for its short-term capacity and energy needs while providing ArcelorMittal with a flexible mechanism for notifying Minnesota Power of its requirements. The Agreement specifies that the Summer Nomination Period is the four-month period from May 1 through August 31 and the Non-Summer Nomination Periods are the four-month periods from September 1 through December 31 and January 1 through April 30. ArcelorMittal will notify Minnesota Power on or before March 1 in advance of the Summer Nomination Period and on or before August 1 and December 1, respectively, for the Non-Summer Nomination Periods of the amount by which ArcelorMittal elects to increase its Firm Demand for all four billing months in a Nomination Period.

Paragraph 3(C)(ii) provides that ArcelorMittal will receive the benefit of Firm Demand pricing so long as it commits sufficiently in advance of a Nomination Period. In addition, if ArcelorMittal is unable to commit in advance to its requirements for each month during a Nomination Period, Paragraph 3(C)(ii) provides that ArcelorMittal may still obtain a higher Incremental Firm Demand by providing advance notice prior to the start of the applicable calendar month within a Nomination Period, but will pay the higher Excess Power Energy rates in accordance with the LP Service Schedule.

In the event ArcelorMittal has a Measured Demand (based on actual meter readings) which exceeds the demand level set by a nomination, Minnesota Power and ArcelorMittal have agreed to a provision in Paragraph 3(C)(iii) applying a demand ratchet for that billing month and for any remaining billing month(s) in the Nomination Period. This provision appropriately reflects the Nomination Period-based demand election structure contained in Paragraph 3 and will encourage ArcelorMittal to give Minnesota Power notification of its power needs prior to the start of a Nomination Period or billing month. Paragraph 3(C)(iv) adds further flexibility by allowing ArcelorMittal Incremental Firm Demand nomination decreases with advance notice by a maximum of **[TRADE SECRET DATA EXCISED]**.

(ii) Energy

The energy charges set forth in the Agreement do not differ significantly from the energy charges which ArcelorMittal and other LP customers currently pay under the LP Service Schedule. To the extent ArcelorMittal elects its Incremental Firm Demand sufficiently in advance of the Nomination Period, it will obtain the benefit of Firm Power Energy. If ArcelorMittal increases its Incremental Firm Demand amount during a Nomination Period, it then takes higher-cost Excess Power Energy. Finally, under Paragraph 3(E) any energy associated with service above the Incremental Production Service Threshold (“IPST”) will be billed in accordance with the Rider for Large Power Incremental Production Service (“the IPS Rider”).

4. Paragraph 3(D). Allowance for Scheduled Maintenance

This Agreement provides additional operating flexibility to ArcelorMittal by decreasing the minimum duration of a maintenance shutdown from [TRADE SECRET DATA EXCISED]. This increased flexibility provides ArcelorMittal with additional opportunities to reduce their monthly demand charges and reflect the operating environment of this taconite mine. Lower operating costs through better utilization of maintenance hours is a critical component of Minorca Mine’s long-term survival. The LP Service Schedule does not address allowance for scheduled maintenance.

5. Paragraph 3(F) Decreases in Minimum Firm Demand for Permanent Facility Shutdown

The demand nomination levels established in the Agreement reflects ArcelorMittal’s historic commitments. However, in the event of a permanent cessation of operations at the Minorca Mine, Paragraph 3(F) allows for reductions in the take-or-pay Minimum Firm Demand. ArcelorMittal must provide Minnesota Power at least [TRADE SECRET DATA EXCISED] advance notice to reduce the Minimum Firm Demand. In the extreme event that the Minorca Mine is permanently shutdown, ArcelorMittal’s Minimum Firm Demand is [TRADE SECRET DATA EXCISED] only

after at least **[TRADE SECRET DATA EXCISED]** advance notice. The LP Service Schedule does not address decreases in demand levels for permanent facility shutdowns.

6. Paragraph 3(I) Energy Efficiency Improvements

ArcelorMittal and Minnesota Power share a commitment to continue to improve the production efficiency at the Minorca Mine. New Paragraph 3(I) encourages continued energy efficiency by providing a flexible mechanism for ArcelorMittal to realize the benefits of continued electric energy efficiency investments. The LP Service Schedule does not address energy efficiency improvements.

IV. PUBLIC INTEREST

Minnesota Power's contractual arrangements with its LP customers have always created significant fixed cost recovery assurances upon which Minnesota Power and its ratepayers could depend. This Agreement continues and extends these fixed cost recovery assurances to a specific customer segment (iron ore recovery) that is struggling in the current iron ore market while also providing ArcelorMittal with competitive electric service and operational flexibility under the LP Schedule.

Under the Agreement, assuming for purposes of this Petition a January 1, 2016 effective date, Minnesota Power will realize a minimum of **[TRADE SECRET DATA EXCISED]** in demand revenues alone between January 2016 and December 2025. The commitments within the Agreement represent a major contribution toward fixed cost recovery on Minnesota Power's system. Through this commitment a critical aspect of previous electric service agreements has been maintained, namely that Minnesota Power and its ratepayers are not subject to the full brunt of cyclical changes in the market for taconite due to the use of Minnesota's vast iron resources.

As the preceding analysis demonstrates, ArcelorMittal's minimum service requirement commitments are very significant. When these commitments are coupled with ArcelorMittal's obligation to purchase all of its electric service needs from

Minnesota Power for at least ten additional years, as provided in the Agreement, all of Minnesota Power's other ratepayers will find themselves in a better situation than they would otherwise be without this Amendment. No one knows what events await Minnesota Power's other LP customers who play such a critical role in Minnesota Power's financial well-being. As is occurring today on the Iron Range, Minnesota Power is facing the shutdown of LP and LLP taconite customers, the scenario for all ratepayers would look even bleaker without this Agreement and the corresponding revenue assurances it provides.

The positive impacts that this Agreement will bring to all interested parties are significant and far reaching. Minnesota Power and its ratepayers stand to benefit from the long-term commitments that ArcelorMittal has provided regarding its electric service needs. ArcelorMittal stands to gain from continuing to receive electric service at competitive rates as well as maintaining operational flexibility. In addition to the parties directly affected, this Agreement is supportive of the regional economy in that it is beneficial to a major regional industrial operation and employer, especially in St. Louis County.

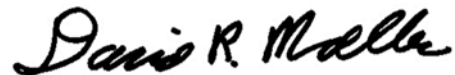
The benefits mentioned in the preceding paragraphs will be realized without any substantial changes to rates provided in Minnesota Power's approved tariffs. The terms of this Agreement are appropriate given Minnesota Power's and ArcelorMittal's needs and unique circumstances. In accordance with the requirements of Minn. Stat. §§ 216B.03, .06, and .07, Minnesota Power has always applied the LP Service Schedule and other applicable tariffs and the service agreements it enters into thereunder in a fair and equitable manner between and among its LP customers. Minnesota Power intends to continue this practice by ensuring similar terms and conditions are available to all LP customers who make similar commitments to Minnesota Power. Accordingly, the Amendment meets the public interest requirements of the Minnesota Public Utilities Act.

V. CONCLUSION

Minnesota Power and ArcelorMittal have reached agreement on an extension of a mutually beneficial contractual arrangement that provides Minnesota Power and its ratepayers with considerable revenue stability. This Agreement responds to ArcelorMittal's production environment and provides the Minorca Mine with competitive electric rates and operational flexibility. This Agreement, along with other similar electric service agreements approved in the last few years by the Commission, will provide a foundation from which Minnesota Power can develop and implement strategies for maintaining its position as an economic and reliable electric supplier into the next decade. For all of the reasons set forth in this Petition, Minnesota Power respectfully requests that the Commission issue an Order approving this Petition and the Agreement.

Dated: November 24, 2015

Respectfully submitted,



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**AMENDED AND RESTATED ELECTRIC SERVICE AGREEMENT BETWEEN
ARCELORMITTAL MINORCA MINE INC. AND MINNESOTA POWER**

THIS AGREEMENT, entered into this ____ day of _____, 2015 between ARCELORMITTAL MINORCA MINE INC. (“Customer”), and MINNESOTA POWER (“Company”), such parties also being hereinafter referred to individually as “Party” or collectively as “Parties.”

WHEREAS, Company and Customer entered into an Amended and Restated Agreement for Electric Service between Ispat Inland, Inc. and Minnesota Power dated August 9, 2005, (“2005 Restated Agreement”) in MPUC Docket No. E-015/M-05-1496 by which Company agreed to deliver and Customer agreed to purchase electric power and energy at Customer’s Minorca Facilities and Equipment as defined herein; and

WHEREAS, the Parties now desire to terminate the 2005 Restated Agreement for Electric Service, and therefore enter into an Amended and Restated Electric Service Agreement which includes extending the current termination date through December 31, 2025.

NOW THEREFORE, in consideration of these premises and of the mutual agreements previously made, the Parties hereby enter into this Amended and Restated Electric Service Agreement (“Agreement”) as follows:

1. **DEFINITIONS.**

A) **Commission** shall mean the Minnesota Public Utilities Commission.

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- B) Confidential Information** shall mean all disclosures, information and materials, whether oral, written or otherwise, about a Disclosing Party, as further defined in Paragraph 4(L).
- C) Demand** means the combined Power requirements of all of the Points of Delivery.
- D) Department** shall mean the Minnesota Department of Commerce - Division of Energy Resources or its successor organization.
- E) Derivative** shall mean: (i) for copyrightable or copyrighted material, any translation, abridgment, revision or other form in which existing work may be recast, transformed or adapted; (ii) for patentable or patented material, any improvements thereon; and (iii) for material which is protected by trade secret, any new material derived from such existing trade secret material, including new material which may be protected by copyright, patent and/or trade secret.
- F) Disclosing Party** shall mean a Party disclosing any Confidential Information.
- G) Energy** shall mean the electric consumption requirement measured in kilowatt-hours (“kWh”).
- H) Firm Demand** shall be the kW established in Paragraph 3(A) and shall be synonymous with Firm Demand in the Large Power Service Schedule.
- I) Holidays** shall mean New Year’s Day, Memorial Day, Independence Day, Labor Day, Thanksgiving, Christmas Eve Day, Christmas Day, and New Year’s Eve Day.
- J) Incremental Production Service (or “IPS”)** shall mean service provided under the Rider for Large Power Incremental Production Service as set forth therein and in Paragraph 3(E). The Rider for Large Power Incremental Production Service shall mean

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the Rider approved by the Commission on February 4, 1999 in Docket No. E-015/M-98-1414 or any Commission-approved rider, tariff, or schedule that later replaces or supersedes this Rider.

K) Incremental Production Service Threshold (or “IPST”) shall mean the Incremental Production Service Threshold as defined in the Rider for Large Power Incremental Production Service and Paragraph 3(E).

L) Incremental Firm Demand shall be the kW of established Service Requirement in the month in excess of the Minimum Firm Demand as specified in Paragraph 3(A).

M) kW-Day shall be the unit of measurement for the Allowance for Scheduled Maintenance, as described further in Paragraph 3(D), and shall be calculated by multiplying the number of kilowatts by which Customer’s Measured Demand is below the Total Firm Demand by the number of days which a maintenance shutdown lasts.

N) Large Power Service Schedule shall mean the Company’s Large Power Service Schedule as most recently approved by the Commission in Docket No. E-015/GR-08-415, or any Commission-approved tariff or schedule that replaces or supersedes the Large Power Service Schedule. The applicability of the Large Power Service Schedule to this Agreement shall be governed by Paragraph 4(G).

O) Measured Demand shall mean the kW of Demand measured at Customer’s meters during the 15-minute period of Customer’s highest Demand level during the month, increased by one kilowatt for each 20 kvar of excess reactive Demand measured as provided in the Tariff and as clarified in paragraph 3(E) below.

P) Minimum Firm Demand shall mean the minimum amount of Demand that Customer is committed to buy from Company as specified in Paragraph 3(A).

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Q) Nomination Period shall mean any of the four-month periods beginning January 1, May 1, and September 1.

R) Non-Summer Nomination Period shall mean either of the four-month periods from January 1 through April 30 or from September 1 through December 31. Non-Summer nominations are due by December 1 in the case of the January 1 through April 30 period and by August 1 in the case of the September 1 through December 31 period.

S) On-site Cogeneration shall mean a combined process whereby electrical and useful thermal energy are normally produced simultaneously within the existing Minorca Facilities and Equipment.

T) Paragraph shall mean a paragraph set forth in this Agreement unless the paragraph is specifically referenced as being contained in another document.

U) Points of Delivery shall be where Company's wires attach to Customer's wires at Customer's dead ends or the connection to the customers electrical distribution system at the following locations:

| Description | Location in St. Louis County Minnesota | Service Volts |
|--|---|----------------------|
| Customer's Main Substation | NE ¼ of NE ¼ of Section 32 T59N, R17W | 115,000 |
| Customer's Laurentian Mine Substation | SW ¼ of NE ¼ of Section 23 T58N, R17W City of Gilbert | 13,800 |
| Customer's Lincoln Pit Substation | NE ¼ of the SE ¼ of Section 5 T58N, R17W City of Virginia | 46,000 |
| Customer's McKinley Pit pumping station | SW ¼ of the SE ¼ of Section 8 T58N, R16W City of McKinley | 480 |
| Customer's Mary Ellen Pit pumping station | NW ¼ of the SE ¼ of Section 9 T58N, R16W Township of Biwabik | 480 |
| Customer's Mesabi Mountain Pit pumping station | SW ¼ of the SE ¼ of Section 5 T58N, R17W City of Virginia | 480 |
| Customer's East Pit Substation | SW ¼ of the NW ¼ of Section 8 T58N, R16W | 13,800 |

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| | | |
|--|--|--------|
| | Township of Biwabik | |
| Customer's Enterprise Pumping Barge (New) | SW ¼ of the NW ¼ of Section 5 T58N, R17W City of Virginia | 46,000 |
| Customer's Upland Tailings Basin Return Water Pump Station (New) | NE ¼ of the NE ¼ of Section 14 T59N, R17W Township of Wuori | 46,000 |

and any other points that Customer and Company may subsequently agree in writing to add to this definition.

V) Power shall mean the electric demand requirement measured in kilowatts ("kW").

W) Receiving Party shall mean a party receiving any Confidential Information.

X) Representatives shall mean directors, officers, agents, employees, contract workers, consultants, lenders, advisors or representatives of a Receiving Party or a subsidiary or other affiliated company of a Receiving Party.

Y) Summer Nomination Period shall mean the four-month period from May 1 through August 31. Nominations for summer period are due by March 1.

Z) Tariff shall mean the rates (and other terms and conditions of service) set forth in the Company's applicable Large Power Service Schedule, Riders applicable to service provided under the Large Power Service Schedule, and the Company's Electric Service Regulations and/or other supplementary or superseding rate schedules, riders, and regulations in effect from time to time during the term of this Agreement.

AA) Total Allowed Demand shall mean the sum of the Total Firm Demand and any allowed IPS usage in a billing month.

BB) Total Firm Demand shall mean the sum of the Minimum Firm Demand and the Incremental Firm Demand.

Other terms used in this Agreement which are not defined in this Paragraph shall have the definitions provided in the Large Power Service Schedule, any applicable riders thereto, the Company's Electric Service Regulations, applicable MISO tariffs, schedules or agreements, or any other applicable tariff or schedule as such terms may be defined therein.

2. TERM OF AGREEMENT

This Agreement shall be effective on the first day of the calendar month immediately following and contingent upon approval or acceptance by the Minnesota Public Utilities Commission, with the initial term of this Agreement extending through December 31, 2025 without any right of prior termination. Service shall continue thereafter until and unless this Agreement is terminated in accordance with its terms. Either party may terminate this Agreement by written notice to the other delivered at least four years prior to termination, provided, however, that termination shall not be effective prior to 11:59 p.m. on December 31, 2025 or a later date of termination specified four years in advance.

3. SERVICE UNDER THE LARGE POWER SERVICE SCHEDULE

A) Firm Demand and Minimum Firm Demand. Customer agrees that for the Term of this Agreement Customer will purchase and pay Company for a Minimum Firm Demand of at least [TRADE SECRET DATA EXCISED] kW, subject to the provisions of Paragraph 3(F). Customer will also be entitled to nominate additional Demand pursuant to Paragraph 3(C) for purposes of creating an Incremental Firm Demand under Paragraph 3(B). The Minimum Firm Demand plus the Incremental Firm Demand shall be the Total Firm Demand. Customer agrees that once established pursuant to the terms of Paragraph 3, Customer is obligated to pay Tariff demand charges associated

with the Total Firm Demand until the Firm Demand is again modified pursuant to Paragraph 3. Except as otherwise specifically provided in Paragraph 3(C), Energy taken by Customer during each billing month attributable to the Total Firm Demand shall be considered Firm Power Energy and billed in accordance with the applicable provisions of the Large Power Service Schedule.

B) Incremental Firm Demand. During the Term of this Agreement the Incremental Firm Demand shall be that amount of Power nominated by Customer pursuant to Paragraph 3(C), and subject to adjustment under Paragraph 3(C) that is in excess of the Minimum Firm Demand.

C) Changes in Firm Demand.

i) Nomination of Incremental Firm Demand. Customer may elect Incremental Firm Demand in 1,000 kW increments for the billing months in a Nomination Period by providing Company with written notice on or before each successive March 1, August 1, and December 1 for subsequent Summer and Non-Summer Nomination Periods, respectively. Such an election will be considered a Demand Nomination. Upon receipt of a Demand Nomination notice from Customer, the Incremental Firm Demand level for each billing month in such Nomination Period will be set at the level specified in such notice.

ii) Firm Demand Increases. Should Customer determine, after providing the notice required in Paragraph 3(C)(i) or (ii) which sets the Incremental Firm Demand for a Nomination Period, that a higher level of Incremental Firm Demand is necessary for all or for a portion of the Nomination Period, Customer may elect to set a higher Incremental Firm Demand level for one or more billing months within that Nomination Period by providing Company with written notice prior to the start of the calendar month in which the higher Incremental Firm Demand is needed. Upon receipt of such notice from Customer, the Incremental Firm Demand for such billing month(s) will be set at the kW level specified in Customer's notice and will be billed as Firm Power Billing Demand.

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However, Energy taken by Customer during each billing month attributable to any increase in the Incremental Firm Demand established under this Paragraph 3(C)(iii), shall be billed as Excess Power Energy in accordance with the Large Power Service Schedule.

iii) Total Measured Demand In Excess of the Allowed Total Demand. In the event Customer has a Measured Demand for a billing month which exceeds the Allowed Total Demand Level established under any of the provisions of Paragraph 3 for such billing month, Customer's Total Firm Demand Level for that billing month and all subsequent billing months in that Nomination Period will be increased accordingly to reflect the new Total Measured Demand Level. Energy taken by Customer during each billing month attributable to any increase in the Incremental Firm Demand established under this Paragraph 3(C) (iii) shall be billed as Excess Power Energy in accordance with the Large Power Service Schedule.

iv) Firm Demand Decreases. Should Customer determine, after providing the notice required in Paragraph 3(C) (i) or (ii), that a lower Incremental Firm Demand level is required, Customer may elect to decrease the amount of Incremental Firm Demand by a maximum of [TRADE SECRET DATA EXCISED] by providing Company with written notice by the 25th of the month prior to the start of the calendar month in which the decreased Incremental Firm Demand is required. Upon timely receipt of such notice from Customer, the Incremental Firm Demand for such billing month(s) will be decreased to the kW level specified in Customer's notice.

v) Examples. Hypothetical examples of how this Paragraph 3(C) will be applied are contained in Exhibit A to this Agreement. Should there be any discrepancy between Exhibit A and the language of the Agreement, the language of the Agreement shall prevail.

D) Allowance for Scheduled Maintenance. Customer may elect to be billed at Customer's Measured Demand instead of at the Total Firm Demand for an unlimited

number of annual occurrences greater than [TRADE SECRET DATA EXCISED] hours duration with [TRADE SECRET DATA EXCISED] prior notice to the Customer's maintenance shutdowns. The reduction in kW-Days resulting from any such elections shall not exceed [TRADE SECRET DATA EXCISED] kW-Days in any calendar year, and under no circumstances can the provisions of this Paragraph be utilized to reduce Customer's Total Firm Demand to a level below the Minimum Firm Demand Level of [TRADE SECRET DATA EXCISED] kW. A kW-Day shall be calculated by multiplying the number of kilowatts by which Customer's Measured Demand is below the Total Firm Demand established pursuant to Paragraph 3 by the number of days that a maintenance shutdown lasts.

For example:, if Customer's maintenance shutdown reduces Measured Demand to [TRADE SECRET DATA EXCISED] kW in a month in which Customer has established [TRADE SECRET DATA EXCISED] kW Total Firm Demand, and the shutdown lasts for three and one-half days (84 hours), Customer would have utilized [TRADE SECRET DATA EXCISED] kW-Days of the [TRADE SECRET DATA EXCISED] kW-Day allowance for that calendar year. Company must receive written notice no later than 12:00 noon [TRADE SECRET DATA EXCISED] (excluding weekends and Holidays) prior to the start of each scheduled maintenance period. The billing months that include such maintenance periods will be prorated accordingly. If after issuing notice under the terms of this Paragraph, Customer wishes to reschedule the maintenance shutdowns, Customer may do so at the sole discretion of Company, which permission shall not be unreasonably withheld.

E) Large Power Incremental Production Service. Customer shall have the right to purchase Incremental Production Service from the Company whenever the Customer's Measured Demand exceeds the IPST under the terms of the Rider for Large Power Incremental Production Service (the "IPS Rider"). Energy attributable to any Measured Demand in excess of the IPST shall be billed as provided in the Rider for Large Power Incremental Production Service. The IPST shall initially be set at [TRADE SECRET DATA EXCISED] kW and shall remain at this level unless the Total Firm

Demand is adjusted upward under Paragraph 3(C) or pursuant to the IPS Rider. If the Total Firm Demand is adjusted upward the IPST shall be increased by an amount equivalent to the corresponding increase in the Total Firm Demand for the applicable month(s) in the Nomination Period.

Excess reactive Demand will be calculated as indicated in the Large Power Service Schedule; provided, however, Company will not bill the Customer for any excess reactive Demand adjustments associated with metered Demands above the IPST as long as such adjustments do not exceed [TRADE SECRET DATA EXCISED] kW. If such adjustments exceed [TRADE SECRET DATA EXCISED] kW, Company may, at its sole discretion, bill the Customer and Customer shall pay, for any excess reactive Demand above [TRADE SECRET DATA EXCISED] kW at the Excess Power Billing Demand charge.

F) Decreases in Minimum Firm Demand for Permanent Facility Shutdown. In the event of a permanent cessation of operations at Customer's Facilities and Equipment, Customer may notify Company in writing [TRADE SECRET DATA EXCISED] that Customer is invoking its right to reduce the Minimum Firm Demand to [TRADE SECRET DATA EXCISED] kW which reduction shall become effective on the [TRADE SECRET DATA EXCISED] of such notice. In no event shall the provisions of this Paragraph be effective prior to [TRADE SECRET DATA EXCISED] after the date of such notification. Customer's rescission or modification of such notice shall be permitted only at the sole discretion of Company.

G) All Requirements. During the Term of this Agreement, Customer agrees and shall be obligated to purchase solely from Company all of the Power and Energy required to operate the Customer's Minorca Mine, Laurentian Mine, Lincoln Pit, East Pit, Mesabi Mountain Pumping, McKinley Pumping, Mary Ellen Pumping, as well as future Enterprise Pumping and Upland Basin Pumping facilities located in and around Virginia, Minnesota, including but not limited to, mining, processing and production machinery

CONFIDENTIAL CONTRACT

and equipment along with all appurtenant facilities and equipment (“Minorca Facilities and Equipment”). To the extent Customer requires electric service for any newly acquired or constructed equipment at the Minorca Facilities and Equipment which exceeds the caps for service under this Agreement or applicable Schedules and for which rates are not established under the terms of this Agreement or an applicable rate schedule, Customer and Company agree to enter into good faith negotiations to reach agreement on appropriate terms and conditions for the purchase of such electric service which shall be subject to any applicable regulatory approval; provided, however, that failure to reach agreement on such terms or obtain regulatory approval thereof shall not affect any other aspect of this Agreement. During the Term of this Agreement the Parties shall have the right to collaboratively explore and develop potential On-site Cogeneration projects as well as the various business arrangements governing the ownership and operation of all On-site Cogeneration facilities that could provide for lower ongoing total electric power costs to Customer or create value to the Company. Should joint exploratory efforts regarding On-site Cogeneration projects prove unsuccessful at adequately containing Customer’s total electric power costs and Company’s tariff rate structures become more costly than the net total electric power costs Customer will incur from an On-site Cogeneration project without Company participation then Company agrees to consider in good faith Customer proposals for On-site Cogeneration that may be permitted by law, with or without Company participation, such that Customer can remain a more viable business enterprise than would otherwise be the case should the Customer continue to take service under the current terms and conditions contained herein. These exceptions notwithstanding, Customer agrees that the entire electric service requirement commitment provided in this Paragraph precludes any right to construct, operate or utilize self-generating capacity or to purchase electric service from any other person or party to meet the Power and Energy requirements of the Minorca Facilities and Equipment during the term of this Agreement regardless of any changes in applicable law. The entire electric service requirement commitment provided in this Paragraph shall be in addition to, and not in replacement of, any other obligation arising under this Agreement.

H) Applicable Rate Schedule(s).

i) Customer will pay for all service in accordance with the Tariff, except as otherwise provided in this Agreement. The Tariff is attached hereto as Exhibit B and is incorporated by reference and made a part hereof. The Tariff shall be replaced by any applicable superseding schedules and riders and such new schedules and riders or other new rates or prices shall become effective as soon as permitted by any regulatory body having jurisdiction, and such replacement will not require concurrence or acceptance by Customer unless otherwise provided in this Agreement.

ii) In the event that the Commission's regulatory responsibilities are altered and/or the Commission ceases to regulate the bundled retail electric service rates of Customer during the term of this Agreement, Customer and Company agree that all of the rates, terms, conditions and other provisions applicable to Company's sale of electric service to Customer then contained in any rate schedule, tariff, rider or electric service regulation shall, to the extent necessary to effectuate enforcement of this Agreement, be incorporated within and become part of this Agreement.

iii) With respect to rates and charges that are adjusted on a monthly or annual basis pursuant to Commission and/or Department oversight and which cannot continue to be adjusted by applying the existing rate schedules, riders, tariffs or service regulations absent such regulatory oversight, Customer and Company agree to use good faith efforts to promptly determine an appropriate substitute adjustment mechanism which most closely tracks the adjustment mechanism that can no longer be applied. Such adjustment mechanisms would include by way of example and not limitation, the Conservation Program and Fuel and Purchased Power Adjustments. In the event the Parties are unable to reach an agreement on an appropriate substitute adjustment mechanism which most closely tracks the discontinued adjustment mechanism within 60 days of the date legislation or administrative action invalidating the adjustment mechanism became effective, the matter shall be submitted for arbitration in accordance with the Commercial Arbitration Rules of the American Arbitration

Association. The Parties agree that such Commercial Arbitration Rules will be varied if necessary to provide for three arbitrators, with one arbitrator to be selected by each Party and the third arbitrator to be selected by the other two arbitrators so chosen. The decision of the arbitrators shall apply retroactively to the date the adjustment mechanism ceased to be in effect.

I. Energy Efficiency Improvements In the event of planned production efficiency improvements at Customer's Facility and Equipment that will result in a permanent demand reduction greater than [TRADE SECRET DATA EXCISED] kW, including but not limited to conversion to production of a standard acid pellet, Customer shall notify Company of such proposed permanent demand reduction and both Parties agree to discuss, in good faith, necessary Agreement modifications, and upon validation of permanent demand reduction in a manner suitable to the Parties shall amend the Agreement, if necessary, to reflect the Customers' changed operating conditions.

J. Service Extension Costs

Total service extension costs for the two new Points of Delivery denoted in Paragraph 1 (U) shall be paid by Company according to provisions of Company's Extension Rules. The Customer will own all electrical distribution facilities beyond the Points of Delivery.

4. GENERAL

A) Operating Practices. Operating practices and standards of performance shall conform to those recognized as sound practices within the utility industry. In making delivery of power, Company shall exercise such care as is consistent with normal operating practice through the use of all available facilities to minimize and smooth out the effects of sudden load fluctuation or other voltage or current characteristics as may be detrimental to Customer's operations. Customer shall not purchase any service from the Company for purposes of resale of said service to any other entity or to the Company.

B) Metering. All electric power and energy delivered under this contract by Company to Customer shall be metered on Company's equipment installed on: the 115,000 volt side of Customer's Minorca Substation; on the 4,160 volt side of Customer's Lincoln Pit substation; on the 13,800 volt side of Company's substation transformer at Customer's Laurentian Mine site; on the 480 volt side of Company's pole mounted transformer bank at the McKinley Pit Pumping site; on the 480 volt side of Company's pole mounted transformer bank at the Mary Ellen Pit Pumping site; on the 480 volt side of Company's pole mounted transformer bank at the Mesabi Mountain Pit Pumping site. Except as otherwise provided herein, all electric service provided by Company during the term of this agreement to existing customer sites and any new meter(s) or facility(s) shall be billed in accordance with the terms defined in the Company's rate schedule for Large Power Service. Metering at the Lincoln Pit and Laurentian Mine substations will be calibrated to compensate for Company's distribution system losses. Loss compensation will be 2% at a loading of 50% of the historical peak values in 1995 for the Laurentian Mine and at 2% at a loading of 50% of the historical peak values in 2003 for the Lincoln Pit. Except as otherwise provided herein, all electric service provided by Company during the term of this Agreement to existing customer sites and any new meter(s) or facility(s) shall be billed in accordance with the terms defined in the Large Power Service Schedule. The Company shall provide, and Customer shall approve, details on the proposed metering and loss compensation, if such is required, for the two new Points of Delivery listed in Paragraph 1(U), and such compensation shall be incorporated by reference into this and any future Agreements.

C) Billing. Billing shall be under the terms and conditions set forth in the Rider for Expedited Billing Procedures.

In the event Customer desires to dispute all or any part of the charges submitted by Company, Customer shall nevertheless pay the full amount of the charges when due and give notification in writing within sixty (60) days from the date of the statement, stating the grounds on which the charges are disputed and the amount in dispute; provided, however, no dispute as to the accuracy of the charges will be entertained or

CONFIDENTIAL CONTRACT

considered unless written complaint with respect thereto is submitted by Customer to the Company within sixty (60) days from the date upon which the statement for charges is presented; and Customer will not be entitled to any adjustment on account of any disputed charges which are not brought to the attention of the Company within the time and in the manner herein specified.

D) Successors and Assigns. This Agreement shall be binding upon the respective parties, their successors and assigns, on and after the effective date hereof; provided, however, that neither party may assign this Agreement or any rights or obligations hereunder without the prior written consent of the other party, which consent shall not unreasonably be withheld.

E) Electric Service Regulations. Company's Electric Service Regulations attached hereto as Exhibit C, are made a part of this Agreement insofar as they are appropriate and applicable to and not inconsistent with this Agreement. In the event of a difference between the tariff or the Electric Service Regulations and this Agreement which is not specifically approved by the Commission, the language of the tariff shall prevail.

F) Regulation and Administrative Approval. Customer acknowledges that the rates to be charged to Customer are not fixed by the terms of this Agreement, but rather that the electric service made available by Company under the terms of this Agreement is provided pursuant to the rates (and other terms and conditions of service) set forth in the Company's applicable Large Power Service Schedule, Riders applicable to service provided under the Large Power Service Schedule, and the Company's Electric Service Regulations and/or other supplementary or superseding rate schedules, riders, and regulations in effect from time to time during the term of this Agreement. All Tariffs are subject to change at any time during the term of this Agreement upon the approval of the Commission. Company and Customer agree that Company is free to propose to the Commission at any time during the term of this Agreement any change in the level of rates or modification to the applicable rate design of Company's rates that Company

CONFIDENTIAL CONTRACT

deems appropriate. Both Parties agree that they shall be bound by any new level of rates or rate design approved by the Commission and applicable to the electric service to be rendered by Company to Customer under this Agreement. In the event that any term or condition of service covered by this Agreement is not deemed to be subject to Commission regulation and approval, then any change or modification of that term or condition of service shall only be made by mutual agreement of the parties. The parties also acknowledge that this Agreement itself is considered by the Commission to be a tariff and is subject to approval by the Commission pursuant to Minnesota Statutes Section 216B.05, subdivision 2a. Company and Customer agree that by executing this Agreement, Customer is not, and should not be construed as, forfeiting or relinquishing any right that Customer has under applicable laws and regulations to: (a) oppose any petition or application by the Company to add any new, or modify any existing, tariff, rate, schedule, rider or regulation that is or may become applicable to service under this Agreement; (b) file any petition or application with the Commission seeking to add any new, or modify any existing tariff, rate, schedule, rider or regulation that is or may become applicable to service under this Agreement; (c) file any petition or application with the Commission seeking an interpretation or abrogation of any provision of this Agreement as being contrary to public policy or any specific law or regulation governing the provision of electric service by Company to Customer; or (d) otherwise participate in any proceeding before the Commission that may affect Customer's interests under this Agreement or its interests as a customer of the Company.

G) New Rates & Services. If Company offers new or lower rates, services, and/or other terms or conditions ("New Rates") to other present or future members of the Large Power Class (or a successor class of service), including any changes allowed by Minnesota legislative action, with such legislative changes being deemed applicable to Customer, and such New Rates are approved by the Commission, Company shall, within thirty (30) days of such approval, provide Customer with notice of the availability of such New Rates. Unless the circumstances under which the Customer takes service from Company are materially different (resulting in more expense to Company to provide the service to Customer) than those pertaining to the customer for whom the

CONFIDENTIAL CONTRACT

New Rates were designed and the parties are not able to agree to reasonable accommodations to address any marginal costs for Company to provide the services under such materially different circumstances, the Company will make the New Rates available to Customer, either through a change in the Tariff or in an amendment to this Agreement, whichever is appropriate to the circumstances. The provisions of this Paragraph shall apply throughout the entire term of this Agreement notwithstanding any changes in the Minnesota Public Utilities Act or significant alteration of the Commission's regulatory responsibilities.

H) Post Effective Date Liabilities. Notwithstanding any provision in any Rate Schedule, Rider, Electric Service Regulation, or tariff to the contrary, Company shall not seek, and Customer shall have no obligation to pay, any exit fee or other charge attributable to recovering stranded costs or stranded investments after the effective date of this Agreement except to the limited extent that any such costs or investments are currently being recovered through the Large Power Service Schedule. Stranded costs shall include, but shall not be limited to fees, assessments and other charges, for the recovery of deferred regulatory charges, which shall include any and all expenses or costs which have been incurred by the Company or which may hereafter be incurred by the Company pursuant to regulatory or legislative action as well as all costs for which deferred rate recovery has been or is subsequently authorized.

I) Effective Date. This Agreement shall be effective on the first day of the calendar month immediately following and contingent upon approval or acceptance by the Minnesota Public Utilities Commission. In the event this Agreement is not approved by the Commission, is approved subject to terms or conditions to which either party objects, or is revised or modified in any material respect by the Commission, Company and Customer agree to immediately make a good faith effort to renegotiate the terms of this Agreement to accommodate regulatory requirements while maintaining the respective economic benefits to each party as set forth in this Agreement. In the event that the parties are unable to reach agreement on such modifications or revisions resulting from a regulatory denial, conditioned regulatory approval or material regulatory

CONFIDENTIAL CONTRACT

modification of this Agreement, this Agreement shall be null and void, and electric service shall continue under the terms of the 2005 Restated Agreement.

J) Notices. Any notice, election or other correspondence required or permitted under this Agreement shall become effective upon receipt and, except invoices and payments, shall be deemed to have been properly given or delivered when made in writing and delivered personally to the authorized representative of the parties designated below, or when sent by mail, telegram or telecopy, and addressed to the authorized representative of the parties designated below at its specified address:

TO: Minnesota Power
Vice President – Marketing & Corporate Communications
Minnesota Power
30 West Superior Street
Duluth, MN 55802

TO: ArcelorMittal Minorca Mine Inc.
Vice President
ArcelorMittal Minorca Mine Inc.
5950 Old Highway 53
PO Box 1
Virginia, MN 55792

TO: ArcelorMittal USA LLC
3300 Dickey Road MC 4-442
East Chicago, IN 46312
Attn: Vice President of Procurement and Supply chain

With a copy via e-mail to:
AMUSAPurchasing.ContractAdministration@arcelormittal.com

Further a copy of required notices (excluding notices in the ordinary course of performance) to:

ArcelorMittal USA LLC
1 South Dearborn, 19th Floor
Chicago, IL 60603
Attn: General Counsel

With a copy via e-mail to:
AMUSALawDepartment@arcelormittal.com

K) Confidentiality and Non-Disclosure.

i) Confidential Information. “Confidential Information” includes all disclosures, information and materials, whether oral, written or otherwise, about a Disclosing Party (including but not limited to information learned by the Receiving Party from the Disclosing Party, its employees or agents, or through inspection of property owned or controlled by the Disclosing Party, including software and documents) which have already been or will be accessed by, furnished to or obtained by a Receiving Party, including, without limitation: (i) information of a business nature (including, without limitation, business concerns, unpublished corporate records, internal memos, e-mails, personnel files, personal information, asset and liability information, business plans, costs, customer lists, financial statements, forecasts, market information, prices, product information, projections, purchasing information, sales information and supplier lists); (ii) information of a technical nature (including, without limitation, computer software, programs, source or object code, user manuals, actions, ideas, concepts, documentation, designs, discoveries, drawings, formulas, inventions, know-how, labeling, manufacturing information, methods, packaging, processes, proprietary information, specifications, techniques, testing data and trade secrets) experience, knowledge, supporting documents, whether in print form or electronic, materials, files, electronic files regardless of format, including but not limited to documents suffixed with: .pdf, .tiff, .jpg, .mp3, .wav, .doc, .exe, .wpd, .xls, .ppt or any other suffix used in the creation of electronic data, recordings, computer systems, websites, software applications, firewalls, logins, passwords, computer code regardless of language, and any and all documents and information, whether written or electronic; (iii) information related to future developments (including, without limitation, future marketing or merchandising plans or ideas, new product ideas, and research and development); and (iv) the Customer-specific terms and conditions of this Agreement. Confidential Information does not include information: (i) that is generally available to the trade or to the public through no fault or breach on the part of the Receiving Party; (ii) that subsequently becomes available to the trade or to the public through no fault or breach on the part of the Receiving Party, and then only after said later date; (iii) that the

CONFIDENTIAL CONTRACT

Receiving Party can demonstrate by written or other tangible evidence it rightfully possessed such information prior to disclosure to Receiving Party; (iv) that is independently developed by the Receiving Party without the use of any Confidential Information; or (v) that Receiving Party obtains in good faith from a third party who has the independent right to transfer or disclose such information.

ii) Use/Disclosure. Neither a Receiving Party nor any of his, her or its Representatives will disclose, publish, or disseminate the Confidential Information of Disclosing Party to anyone, and each party agrees as the Receiving Party to take reasonable precautions to prevent any unauthorized use, disclosure, publication, or dissemination of the Confidential Information. Receiving Party agrees to receive the Confidential Information of Disclosing Party only for the purposes of coordinating the provision of services under this Agreement. Except in connection with such purposes, Receiving Party agrees not to use the Confidential Information of Disclosing Party for its own benefit or that of any third party, or to the detriment of Disclosing Party or any third party, without prior written approval of an authorized Representative of Disclosing Party in each instance. In the event Receiving Party is required by law to disclose any Confidential Information, Receiving Party agrees that to the extent permitted by law, it will notify Disclosing Party and provide Disclosing Party with the opportunity to seek a protective order or other legal protection before making such disclosure, and reasonable cooperation at Disclosing Party's expense with Disclosing Party's efforts to obtain such protection. The Parties agree that this Agreement must be filed for approval with the Commission and be accompanied by a Petition for Approval. Therefore, Company agrees to seek protection of the confidentiality of the terms of the contract under the Commission's Rule 7829.0500 governing Trade Secret and Proprietary Information and to limit Trade Secret designations in accordance with Commission policy and the Minnesota Data Practices Act. In addition, in the event that either Party deems that it is necessary to disclose the Agreement or any terms of the Agreement in any other filing with any other federal or state regulatory agency, the parties shall jointly confer on the contents of such filing. The Parties also agree that in making such filings they will seek

CONFIDENTIAL CONTRACT

to preserve the confidentiality of the Agreement to the extent feasible under the laws, rules and regulations governing such regulatory filings.

iii) Return. Upon the request of Disclosing Party at any time, Receiving Party agrees to immediately deliver to Disclosing Party all of its Confidential Information (including, without limitation, all analyses, copies, extracts or summaries thereof or based thereon and all other like documents or information related to or derived from such Confidential Information) in the Receiving Party's possession or in the possession of any of its Representatives. Redelivery shall not relieve either party of its obligations of confidentiality under this Agreement.

iv) Ownership. All Confidential Information disclosed by Disclosing Party, and any Derivative thereof; whether created by Company, Customer or third parties, remains the property of Disclosing Party; and no license or other right in or to any of the foregoing is granted or implied hereby.

v) Equitable Relief. Parties hereby acknowledge that unauthorized disclosure or use of Confidential Information would cause irreparable harm and significant injury to Disclosing Party in an amount that may be difficult to ascertain. Accordingly, Parties agree that Disclosing Party will have the right to obtain immediate injunctive relief to enforce obligations under this Agreement in addition to any other rights and remedies it may have.

L) Representation and Warranties. Each individual executing this Agreement on behalf of the Company and Customer expressly represents and warrants that he or she is authorized and empowered to execute this Agreement on behalf of and to bind the party for which he or she is signing.

M) Previous Agreements, Amendments, Waiver and Captions. Upon Commission approval, this Agreement supersedes and replaces the 2005 Restated Agreement in its entirety. All other previous communications related to this Agreement

CONFIDENTIAL CONTRACT

between Company and Customer, either verbal or written, are also abrogated. No amendment, modification or waiver of, or consent with respect to any provision of this Agreement shall be effective unless the same shall be in writing and signed and delivered by both parties and then any such amendment, modification, waiver or consent shall be effective only in the specific instance and for the specific purpose for which given and shall not be deemed a waiver with respect to any subsequent default or other matter. The captions and headings appearing in this Agreement are inserted merely to facilitate reference and shall have no bearing upon the interpretation of the provisions contained in this Agreement.

IN WITNESS WHEREOF, the Parties have executed this Agreement by their duly authorized officers as of the date first written above.

ARCELORMITTAL MINORCA MINE INC.

MINNESOTA POWER

By: _____

By: _____

Title: _____

Title: _____

By: _____

Title: _____

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

AFFIDAVIT OF SERVICE VIA
ELECTRONIC FILING

Susan Romans of the City of Duluth, County of St. Louis, State of Minnesota, says that on the **24th** day of **November, 2015**, she served Minnesota Power's Petition for Approval of an Amended and Restated Electric Service Agreement Between ArcelorMittal Minorca Mine Inc. and Minnesota Power on the Minnesota Public Utilities Commission and the Energy Resources Division of the Minnesota Department of Commerce via electronic filing. The persons on the attached service list were served the Summary.



Susan Romans

| First Name | Last Name | Email | Company Name | Address | Delivery Method | View Trade Secret | Service List Name |
|------------|-----------|---------------------------------|--|--|--------------------|-------------------|---|
| Gary | Anderson | N/A | Stora Enso | Duluth Paper Mill 100 N. Central Avenue Duluth, MN 55807 | Paper Service | No | GEN_SL_Minnesota Power_Large Power Service List |
| William | Bond | william.bond@arcelormittal.com | ArcelorMittal USA - Minorca Mine Inc. | PO Box 1 5950 Old Highway 53 Virginia, MN 55792 | Electronic Service | No | GEN_SL_Minnesota Power_Large Power Service List |
| Greg | Chandler | greg.chandler@upm-kymmene.com | UPM Blandin Paper | 115 SW First St Grand Rapids, MN 55744 | Electronic Service | No | GEN_SL_Minnesota Power_Large Power Service List |
| Jack | Croswell | N/A | Hibbing Taconite | P O Box 589 Hibbing, MN 55746 | Paper Service | No | GEN_SL_Minnesota Power_Large Power Service List |
| Emma | Fazio | emma.fazio@stoel.com | Stoel Rives LLP | 33 South Sixth Street Suite 4200 Minneapolis, MN 55402 | Electronic Service | No | GEN_SL_Minnesota Power_Large Power Service List |
| Sharon | Ferguson | sharon.ferguson@state.mn.us | Department of Commerce | 85 7th Place E Ste 500 Saint Paul, MN 551012198 | Electronic Service | Yes | GEN_SL_Minnesota Power_Large Power Service List |
| Shane | Henriksen | shane.henriksen@enbridge.com | Enbridge Energy Company, Inc. | 1409 Hammond Ave FL 2 Superior, WI 54880 | Electronic Service | No | GEN_SL_Minnesota Power_Large Power Service List |
| James | Jarvi | N/A | Minnesota Ore Operations - U S Steel | P O Box 417 Mountain Iron, MN 55768 | Paper Service | No | GEN_SL_Minnesota Power_Large Power Service List |
| Michael | Krikava | mkrikava@briggs.com | Briggs And Morgan, P.A. | 2200 IDS Center 80 S 8th St Minneapolis, MN 55402 | Electronic Service | No | GEN_SL_Minnesota Power_Large Power Service List |
| John | Lindell | agorud.ecf@ag.state.mn.us | Office of the Attorney General-RUD | 1400 BRM Tower 445 Minnesota St St. Paul, MN 551012130 | Electronic Service | Yes | GEN_SL_Minnesota Power_Large Power Service List |
| Patrick | Loupin | PatrickLoupin@PackagingCorp.com | Packaging Corporation of America | PO Box 990050 Boise, ID 83799-0050 | Electronic Service | No | GEN_SL_Minnesota Power_Large Power Service List |

| First Name | Last Name | Email | Company Name | Address | Delivery Method | View Trade Secret | Service List Name |
|------------|------------|--------------------------------|--------------------------------|--|--------------------|-------------------|---|
| Sarah | Manchester | N/A | Sappi Fine Paper North America | 255 State St Fl 4 Boston, MA 02109-2617 | Paper Service | No | GEN_SL_Minnesota Power_Large Power Service List |
| Keith | Matzdorf | keith.matzdorf@sappi.com | Sappi Fine Paper North America | PO Box 511 2201 Avenue B Cloquet, MN 55720 | Electronic Service | No | GEN_SL_Minnesota Power_Large Power Service List |
| David | Moeller | dmoeller@allete.com | Minnesota Power | 30 W Superior St Duluth, MN 558022093 | Electronic Service | Yes | GEN_SL_Minnesota Power_Large Power Service List |
| Andrew | Moratzka | apmoratzka@stoel.com | Stoel Rives LLP | 33 South Sixth Street Suite 4200 Minneapolis, MN 55402 | Electronic Service | No | GEN_SL_Minnesota Power_Large Power Service List |
| Ralph | Riberich | rriberich@uss.com | United States Steel Corp | 600 Grant St Ste 2028 Pittsburgh, PA 15219 | Electronic Service | No | GEN_SL_Minnesota Power_Large Power Service List |
| Santi | Romani | N/A | United Taconite | P O Box 180 Eveleth, MN 55734 | Paper Service | No | GEN_SL_Minnesota Power_Large Power Service List |
| Susan | Romans | sromans@allete.com | Minnesota Power | 30 West Superior Street Legal Dept Duluth, MN 55802 | Electronic Service | No | GEN_SL_Minnesota Power_Large Power Service List |
| Thomas | Scharff | thomas.scharff@newpagecorp.com | New Page Corporation | P.O. Box 8050 610 High Street Wisconsin Rapids, WI 544958050 | Electronic Service | No | GEN_SL_Minnesota Power_Large Power Service List |
| William | Schmidt | | USG Interiors, Inc. | 35 Arch Street Cloquet, MN 55720 | Paper Service | No | GEN_SL_Minnesota Power_Large Power Service List |
| Joe | Scipioni | | PolyMet Mining, Inc. | P.O. Box 475 County Highway 666 Hoyt Lakes, MN 55750 | Paper Service | No | GEN_SL_Minnesota Power_Large Power Service List |

| First Name | Last Name | Email | Company Name | Address | Delivery Method | View Trade Secret | Service List Name |
|------------|-----------|------------------------------------|-----------------------------|---|--------------------|-------------------|---|
| Eric | Swanson | eswanson@winthrop.com | Winthrop Weinstine | 225 S 6th St Ste 3500 Capella Tower Minneapolis, MN 554024629 | Electronic Service | No | GEN_SL_Minnesota Power_Large Power Service List |
| Karen | Turnboom | karen.turnboom@newpage corp.com | NewPage Corporation | 100 Central Avenue Duluth, MN 55807 | Electronic Service | No | GEN_SL_Minnesota Power_Large Power Service List |
| Daniel P | Wolf | dan.wolf@state.mn.us | Public Utilities Commission | 121 7th Place East Suite 350 St. Paul, MN 551012147 | Electronic Service | Yes | GEN_SL_Minnesota Power_Large Power Service List |