

December 6, 2018

VIA ELECTRONIC FILING

Mr. Daniel P. Wolf
Executive Secretary
Minnesota Public Utilities Commission
121 Seventh Place East, Suite 350
Saint Paul, MN 55101-2147

**Re: Supplemental Response
In the Matter of Minnesota Power's Petition for Approval of a 250 MW
Nobles 2 Power Purchase Agreement
MPUC Docket No. EO15/M-18-545**

Dear Mr. Wolf:

Nobles 2 Power Partners, LLC ("Nobles 2") provides this brief response to the Minnesota Department of Commerce, Division of Energy Resources' ("DOC-DER") November 15, 2018 Supplemental Comments in this docket. Nobles 2 appreciates the DOC-DER's consideration and further analysis of the information provided by Minnesota Power and Nobles 2 in their October 5th reply comments. The purpose of this filing is to confirm Nobles 2's position as to the new recommendations included in DOC-DER's Supplemental Comments.

Nobles 2 agrees with DOC-DER's recommendation that the Commission should approve the Power Purchase Agreement between Minnesota Power and Nobles 2 (the "PPA") and Nobles 2's Certificate of Need Application. Specifically, Nobles 2 agrees that minor amendments to Sections 11.4 and 11.5.3 to the PPA are appropriate to clarify the intent of the parties.¹ Nobles 2 appreciates DOC-DER's careful review of the PPA language and asks that the Commission approve Minnesota Power's request for approval of the PPA, subject to the parties filing an executed amendment including the recommended changes as a compliance filing.

¹ Nobles 2 takes no position as to DOC-DER's additional recommendations on page 14 of DOC-DER's Supplemental Comments related to additional reporting and request for proposal procedures applicable to Minnesota Power.

Attorneys & Advisors
main 612.492.7000
fax 612.492.7077
www.fredlaw.com

Fredrikson & Byron, P.A.
200 South Sixth Street, Suite 4000
Minneapolis, Minnesota
55402-1425

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Nobles 2 also agrees with DOC-DER's assessment of transmission risk included on pages 13-14 of its Supplemental Comments that "...given the large number of projects that have withdrawn from the 2016-Aug-West study...it would appear that transmission network upgrade costs for Nobles 2 are more likely to decrease than increase in the on-going 2016-Aug-West phase two study. In addition, the transmission network upgrades cost cap provided in section 1.2.4 of the Amended PPA provides additional risk protection regarding transmission network upgrade costs."

Nobles 2 continues to receive encouraging updates from MISO indicating that Nobles 2's estimated network upgrade costs are likely to decrease given the number of projects that have withdrawn from the August 2016 DPP West study group, and Nobles 2's estimated share of the remaining costs continues to be very competitive as compared to the projects remaining in the group. While there continues to be uncertainty as to the timing of completion of MISO's phase 2 study work, if MISO finalizes updated cost estimates for Nobles 2 prior to the Commission's consideration of this matter, Nobles 2 will provide any such updates to the Commission.

A copy of this filing has been e-filed today through www.edockets.state.mn.us and is also being served upon the persons on the Official Service List of record.

Sincerely,

/s/ Christina K. Brusven

Christina K. Brusven
Attorney at Law
Direct Dial: 612.492.7412
Email: cbrusven@fredlaw.com

65379245.

AFFIDAVIT OF SERVICE

**In the Matter of Minnesota Power's Petition for
Approval of a 250 MW Nobles 2 Power Purchase
Agreement**

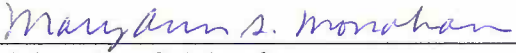
MPUC Docket No. EO15/M-18-545

STATE OF MINNESOTA)
) SS.
COUNTY OF HENNEPIN)

Mary Ann S. Monahan, of the City of Minneapolis, the County of Hennepin, State of Minnesota, being duly sworn on oath, deposes and states that on the 6th day of December, 2018, she e-filed with the Minnesota Public Utilities Commission the following:


- 1. Nobles 2 Power Partners, LLC Supplemental Response to DOC-DER; and
- 2. Affidavit of Service.

A copy has also been served in accordance with the attached service list of record.



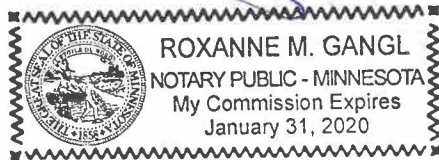
Mary Ann S. Monahan

Subscribed and sworn to before me
this 6th day of December, 2018.



Notary Public

65388506.1



First Name	Last Name	Email	Company Name	Address	Delivery Method	View Trade Secret	Service List Name
Greg	Chandler	greg.chandler@upm.com	UPM Blandin Paper	115 SW First St Grand Rapids, MN 55744	Paper Service	No	OFF_SL_18-545_M-18-545
David	Chura	dchura@mnpower.com	Minnesota Power	30 West Superior Street Duluth, MN 55802	Electronic Service	No	OFF_SL_18-545_M-18-545
Paul	Ciesielski	Paul.Ciesielski@arcelormittal.com	ArcelorMittal	3300 Dickey Road East Chicago, IN 46312	Electronic Service	No	OFF_SL_18-545_M-18-545
Generic Notice	Commerce Attorneys	commerce.attorneys@ag.state.mn.us	Office of the Attorney General-DOC	445 Minnesota Street Suite 1800 St. Paul, MN 55101	Electronic Service	Yes	OFF_SL_18-545_M-18-545
Riley	Conlin	riley.conlin@stoel.com	Stoel Rives LLP	33 S. 6th Street Suite 4200 Minneapolis, MN 55402	Electronic Service	No	OFF_SL_18-545_M-18-545
Ian	Dobson	residential.utilities@ag.state.mn.us	Office of the Attorney General-RUD	1400 BRM Tower 445 Minnesota St St. Paul, MN 551012130	Electronic Service	Yes	OFF_SL_18-545_M-18-545
Sharon	Ferguson	sharon.ferguson@state.mn.us	Department of Commerce	85 7th Place E Ste 280 Saint Paul, MN 551012198	Electronic Service	No	OFF_SL_18-545_M-18-545
Kimberly	Hellwig	kimberly.hellwig@stoel.com	Stoel Rives LLP	33 South Sixth Street Suite 4200 Minneapolis, MN 55402	Electronic Service	No	OFF_SL_18-545_M-18-545
Shane	Henriksen	shane.henriksen@enbridge.com	Enbridge Energy Company, Inc.	1409 Hammond Ave FL 2 Superior, WI 54880	Electronic Service	No	OFF_SL_18-545_M-18-545
James	Jarvi	N/A	Minnesota Ore Operations - U S Steel	P O Box 417 Mountain Iron, MN 55768	Paper Service	No	OFF_SL_18-545_M-18-545

First Name	Last Name	Email	Company Name	Address	Delivery Method	View Trade Secret	Service List Name
Michael	Krikava	mkrikava@briggs.com	Briggs And Morgan, P.A.	2200 IDS Center 80 S 8th St Minneapolis, MN 55402	Electronic Service	No	OFF_SL_18-545_M-18-545
David	Langmo	david.langmo@sappi.com	Sappi North America	P O Box 511 2201 Avenue B Cloquet, MN 55720	Electronic Service	No	OFF_SL_18-545_M-18-545
Patrick	Loupin	PatrickLoupin@Packaging Corp.com	Packaging Corporation of America	PO Box 990050 Boise, ID 83799-0050	Electronic Service	No	OFF_SL_18-545_M-18-545
Susan	Ludwig	sludwig@mnpower.com	Minnesota Power	30 West Superior Street Duluth, MN 55802	Electronic Service	Yes	OFF_SL_18-545_M-18-545
Sarah	Manchester	sarah.manchester@sappi.com	Sappi North American	255 State Street Floor 4 Boston, MA 02109-2617	Electronic Service	No	OFF_SL_18-545_M-18-545
Keith	Matzdorf	keith.matzdorf@sappi.com	Sappi Fine Paper North America	PO Box 511 2201 Avenue B Cloquet, MN 55720	Electronic Service	No	OFF_SL_18-545_M-18-545
Matthew	McClincy	MMcClincy@usg.com	USG	35 Arch Street Clouquet, MN 55720	Electronic Service	No	OFF_SL_18-545_M-18-545
David	Moeller	dmoeller@allete.com	Minnesota Power	30 W Superior St Duluth, MN 558022093	Electronic Service	No	OFF_SL_18-545_M-18-545
Andrew	Moratzka	andrew.moratzka@stoel.com	Stoel Rives LLP	33 South Sixth St Ste 4200 Minneapolis, MN 55402	Electronic Service	No	OFF_SL_18-545_M-18-545
Ralph	Riberich	rriberich@uss.com	United States Steel Corp	600 Grant St Ste 2028 Pittsburgh, PA 15219	Electronic Service	No	OFF_SL_18-545_M-18-545

First Name	Last Name	Email	Company Name	Address	Delivery Method	View Trade Secret	Service List Name
Santi	Romani	N/A	United Taconite	P O Box 180 Eveleth, MN 55734	Paper Service	No	OFF_SL_18-545_M-18-545
Susan	Romans	sromans@allete.com	Minnesota Power	30 West Superior Street Legal Dept Duulth, MN 55802	Electronic Service	No	OFF_SL_18-545_M-18-545
Thomas	Scharff	thomas.scharff@versoco.com	Verso Corp	600 High Street Wisconsin Rapids, WI 54495	Electronic Service	No	OFF_SL_18-545_M-18-545
Eric	Swanson	eswanson@winthrop.com	Winthrop & Weinstine	225 S 6th St Ste 3500 Capella Tower Minneapolis, MN 554024629	Electronic Service	No	OFF_SL_18-545_M-18-545
Jim	Tieberg	jtieberg@polymetmining.com	PolyMet Mining, Inc.	PO Box 475 County Highway 666 Hoyt Lakes, MN 55750	Electronic Service	No	OFF_SL_18-545_M-18-545
Karen	Turnboom	karen.turnboom@versoco.com	Verso Corporation	100 Central Avenue Duluth, MN 55807	Electronic Service	No	OFF_SL_18-545_M-18-545
Daniel P	Wolf	dan.wolf@state.mn.us	Public Utilities Commission	121 7th Place East Suite 350 St. Paul, MN 551012147	Electronic Service	Yes	OFF_SL_18-545_M-18-545