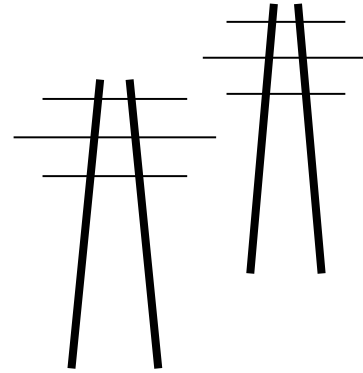


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April 8, 2026

Sasha Bergman
Executive Secretary
Public Utilities Commission
121 – 7th Place East
St. Paul, MN 55101

via eFiling only

RE: Data Center Interconnection
W.O.L.F. – EA-ER and Draft Permit Comment #1
Iron Range – Arrowhead Transmission Line
PUC Docket E015/CN-25-111, E015/TL-25-112

Dear Ms. Bergman:

This comment is submitted on behalf of World Organization for Landowner Freedom (W.O.L.F.), long-time intervenor in the Minnesota and Wisconsin Arrowhead-Weston transmission dockets, participant in MP's HVDC Modernization docket, and participant in several Power Plant Siting Act Annual Hearings.

The EA and ER must consider impact of plan to connect the Hermantown data center

The EA and ER must address impacts of plan to connect the Hermantown data center located in Block 1 of the Hermantown Industrial Center. Applicant MP has stated that the project was not designed with this data center in mind. If not, the large load of the data center would certainly have an impact on the project. See Electric Services Agreement, PUC eDocket M-26-159.

Both the St. Louis County and/or Arrowhead substation (MP and/or ATC) are to be connected to the data center – [20263-229694-01](#), Agreement, Attachment H, p. A-1 (p. 227 of 277 pdf):

Points of Interconnection (POI). The Points of Interconnection shall be at the point where the two new Arrowhead 230 kV Transmission Lines to Customer Site terminate at the Arrowhead 230 kV Substation and where the two new St. Louis County 230 kV Transmission Lines to Customer Site terminate at the St. Louis County 230 kV Substation, as shown in **Exhibit C2**.

Significant network upgrades will be required:

1.2.1 Transmission Owner Substation Network Upgrades:

- (a) **Blackberry 115 kV Single Point of Failure (“SPF”)** – The Blackberry 115 kV Substation will need additional redundancy in the relay panels and battery monitoring to eliminate single points of failure within the control and protection system at the substation.
- (b) **Arrowhead 230 kV Substation Interconnection** – The networked portion of the Arrowhead 230 kV Substation bus will need to be expanded to accommodate two 230 kV transmission line terminations for dedicated transmission lines to the Customer Site. This will include acquiring three 230 kV breakers to complete an existing breaker-and-a-half row and add a new row. One existing 230 kV bus connection will also need to be moved from its present position to an adjacent bus position to make space for one of the new interconnection transmission lines.
- (c) **St. Louis County 230 kV Substation Interconnection** – The networked portion of the St. Louis County 230 kV Substation bus will need to be expanded to accommodate two 230 kV transmission line terminations for dedicated transmission lines to the Customer Site. This will include acquiring two 230 kV breakers to complete the ring bus configuration.
- (d) **St. Louis County 345/230 kV Transformer Addition** – A second 345/230 kV St. Louis County transformer needs to be installed as identified in the System Impact Study. This would include acquiring three single phase 333.3 MVA top-rated 345/230 kV autotransformers, two 230 kV breakers, one 345 kV pre-insertion resistor (“PIR”) breaker to be operated at 230 kV, and two 345 kV breakers to expand the St. Louis County Substation.
- (e) **Arrowhead – Forbes 230 kV Transmission Line Upgrade** – To upgrade the capacity of the existing Arrowhead – Forbes 230 kV transmission line, wave traps and disconnect switches located at both the Arrowhead and Forbes 230 kV Substations will be replaced.

Id., Appendix H, p. A 2-3, p. 229-260 of pdf.

Transmission lines to the data center will be required and must be permitted either locally or through the PUC:

1.2.3 Transmission Owner Transmission Line Permitting:

It is anticipated that none of the required Interconnection Facilities or Network Upgrades would require a Certificate of Need from the MPUC. A Route Permit for the new Arrowhead and St. Louis County 230 kV Transmission Lines to Customer Site will be required due to the length and voltage of the interconnection lines. The new Arrowhead 230 kV Transmission Lines to Customer Site are located entirely within the City of Hermantown and therefore it is currently anticipated that they would be permitted locally by the City of Hermantown. The new St. Louis County 230 kV Transmission Lines to Customer Site, and the associated expansion of the St. Louis County Substation, are located partly in the City of Hermantown and partly in Solway Township. While it is possible to obtain a Route Permit locally through coordination between the two local jurisdictions, it may also become necessary to obtain this Route Permit from the Minnesota Public Utilities Commission (“MPUC”). The MPUC Route Permit process currently takes 12-18 months from submittal to approval.

Id.

With the redactions, it's hard to tell how many MW are needed to power the data center and what this will mean to the Iron Range – Arrowhead project:.

As discussed in more detail in the System Impact Study and the Facility Study (collectively, the “Studies”), which are incorporated by reference, Customer requested that Transmission Owner study up to [TRADE SECRET BEGINS ██████ TRADE SECRET ENDS] MW of load interconnected at the Arrowhead 230 kV and St. Louis County 230 kV Substation. Based on the findings of the Studies, Customer and Transmission Owner agreed that Interconnection Facilities and Network Upgrades would be developed for up to [TRADE SECRET BEGINS ██████ TRADE SECRET ENDS] MW of firm load. The following Interconnection Facilities and Network Upgrades are required to interconnect [TRADE SECRET BEGINS ██████ TRADE SECRET ENDS] MW of firm load: two new Arrowhead 230 kV Transmission Lines to Customer Site (“Phase 1 TOIF”), the Arrowhead 230 kV Substation Interconnection (Phase 1 Network Upgrade), the Blackberry 115 kV Single Point of Failure (SPF) Project (Phase 1 Network Upgrade) (collectively, the “Phase 1 Facilities”), two new St. Louis County 230 kV Transmission Lines to Customer Site, the St. Louis County 230 kV Substation Interconnection, a second St. Louis County 345/230 kV transformer, and the Arrowhead – Forbes 230 kV Transmission Line Upgrade. The scope of work for these facilities and their designation as either Interconnection Facilities or Network Upgrades is described below. The firm load level of the interconnection is also restricted to [TRADE SECRET BEGINS ██████ TRADE SECRET ENDS] MW or less post-completion of the Blackberry 115 kV Single Point of Failure (“SPF”) project and prior to the in-service of other contingent facilities identified in the System Impact Study, i.e., completion of the Phase 1 Facilities allows for interconnection of Customer’s Facility of up to [TRADE SECRET BEGINS ██████ TRADE SECRET ENDS] MW and up to [TRADE SECRET BEGINS ██████ TRADE SECRET ENDS] MW following in-service of other contingency facilities.

Appendix A-1, p. 227 of 277. The transmission additions will require MISO approval:

MISO approval of the Arrowhead 230 kV Transmission Lines to Customer Site, Arrowhead 230 kV Substation Interconnection, and Blackberry 115 kV SPF in Appendix A of MISO MTEP26 and the remaining interconnection and network upgrade facilities no later than Appendix A of MISO MTEP27.

Agreement, Appendix A-6.

The specifics of interconnection are top secret, all redacted:

Exhibit C2

Transmission line and/or Substation Network Upgrades and System Protection Facilities

CUI//CEII MATERIAL – DO NOT RELEASE

Figure C2-1: General Arrangement of Arrowhead 230 kV Substation Interconnection

CUI//CEII MATERIAL – DO NOT RELEASE

Figure C2-2: General Arrangement of St. Louis County 230 kV Substation Interconnection and St. Louis County 345/230 kV Transformer Network Upgrade

Despite this, the regulators do have access to this information, and it should be included and the impacts to the proposed project be considered.

The EA and ER must consider cumulative impacts, phased and connected actions, particularly as this proposed project is enabling the Hermantown data center.

As we say in transmission, “it’s all connected.” The interconnected nature of transmission is a given, but one not typically considered in the individual dockets, and it must be. In this case, the data center is planned to interconnect at the St. Louis County and Arrowhead substations.

This interconnected nature was addressed in the original Arrowhead-Weston project¹:

A: Hypothetically if the line came close to anywhere, it might be connected.
Jones, Tr. at 5913.

And:

A: If you connected all the systems together, they would be connected.
Jones, Tr. at 5918.

We now do know that the Iron Range – St. Louis County – Arrowhead transmission project IS connected to the Hermantown data center, or vice versa, despite denials along the way. See Commission docket M-26-159, Petition for Approval of an Electric Service Agreement between Google and Minnesota Power.

How does this interconnection fit with the stated purpose and need of the Iron Range – St. Louis Co. – Arrowhead transmission project and the repeated statements that this project is for REGIONAL need? Yes, it’s all connected, but are the statements of regional “need” credible?

The EA and ER must consider whether the costs of the data center interconnection are incorporated at any extent into the project or are properly attributed and separated.

**Exhibit C3
Estimated Cost of Transmission Owner’s Interconnection Facilities**

	Upgrade Type	Transmission Owner’s Facilities to be Constructed by Transmission Owner	Estimate in 2025 Dollars
1	Phase 1 TOIF*	Arrowhead 230 kV Transmission Lines	\$10,158,525 (2025)
2	Phase 2 TOIF	St. Louis County 230 kV Transmission Lines	\$10,919,025 (2025)
		Total Cost of TOIFs	\$21,077,550 (2025)

* completion of the Phase 1 Facilities allows for interconnection of Customer’s Facility of up to

[TRADE SECRET BEGINS [REDACTED] TRADE SECRET ENDS] MW.

¹ Transcript, Wisconsin PSC Docket 05-CE-113.

Exhibit C4
Estimated Cost of Transmission line and/or Substation Network Upgrades and System Protection Facilities (collectively, “Network Upgrades”)

	Upgrade Type	Firm Load Threshold¹	Network Upgrades to be Constructed by Transmission Owner	Estimate in 2025 Dollars
1	Phase 1 Network Upgrade*	N/A	Arrowhead 230 kV Substation Interconnection	\$8,492,280 (2025)
2	Phase 2 Network Upgrade	interconnect more than [TRADE SECRET BEGINS [REDACTED] TRADE SECRET ENDS] Customer Substations	St. Louis County 230 kV Substation Interconnection	\$5,352,474 (2025)
3	Phase 1 Network Upgrade*	N/A	Blackberry 115 kV Single Point of Failure	\$594,360 (2025)
4	Phase 2 Network Upgrade	[TRADE SECRET BEGINS [REDACTED] TRADE SECRET ENDS] MW	St. Louis County 345/230 kV Transformer Addition	\$41,976,922 (2025)
5	Phase 2 Network Upgrade	[TRADE SECRET BEGINS [REDACTED] TRADE SECRET ENDS] MW	Arrowhead – Forbes 230 kV Line Upgrade	\$19,917,788 (2025)
6			Subtotal: Phase 1 Network Upgrades	\$9,086,640
7			Subtotal: Phase 2 Network Upgrades	\$67,247,184
			Total Cost of NU	\$76,333,824 (2025)
			Previously Provided Security Under E&P	\$2,413,125 (2025)
			Additional NU Security Under FCA	\$73,920,699 (2025)

Attachment H, Exhibit C-3-4, p. 241-242 of 277.

Arrowhead 230 kV Substation Interconnection	Amount
Estimated Network Upgrade (“ENUC” or “Initial Capital Cost”)	\$8,492,280
Levelized Fixed Charge Rate	11.35%
Annual Revenue Requirement	\$963,589
Monthly Revenue Requirement (“Payment”)	\$80,299

St. Louis County 230 kV Substation Interconnection	Amount
Estimated Network Upgrade (“ENUC” or “Initial Capital Cost”)	\$5,352,474
Levelized Fixed Charge Rate	11.35%
Annual Revenue Requirement	\$607,326
Monthly Revenue Requirement (“Payment”)	\$50,611

Blackberry 115 kV	Amount
Estimated Network Upgrade (“ENUC” or “Initial Capital Cost”)	\$594,360
Levelized Fixed Charge Rate	11.35%
Annual Revenue Requirement	\$67,440
Monthly Revenue Requirement (“Payment”)	\$5,620

St. Louis County 345/230 kV Transformer Addition	Amount
Estimated Network Upgrade (“ENUC” or “Initial Capital Cost”)	\$41,976,922
Levelized Fixed Charge Rate	11.35%
Annual Revenue Requirement	\$4,762,973
Monthly Revenue Requirement (“Payment”)	\$396,914

Forbes 230 kV Line Upgrade	Amount
Estimated Network Upgrade (“ENUC” or “Initial Capital Cost”)	\$19,917,788
Levelized Fixed Charge Rate	11.35%
Annual Revenue Requirement	\$2,260,001
Monthly Revenue Requirement (“Payment”)	\$188,333

Attachment H, Facilities Services Agreement, p. 247 of 277.

Is this project for “regional” power or is it designed with the data center in mind?

In the April Fools’ Day comments of MISO² and then the reply of Minnesota Power/ATC,³ they both push the trope that this project is “regional.”

MISO states:

² MISO Comment, April 1, 2026, p. 2-3 ([20264-229888-01](#)).

³ Minnesota Power comment, April 2, 2026 ([20264-229971-01](#)),

MISO’s transmission planning focuses on meeting long-regional regional transmission system needs, not near-term local load service objectives that have been the subject of comments in this docket.⁴

However, the response of Minnesota Power, dated April 2, 2026, filed ONE WEEK AFTER the ESA filing, states that it is “in the process of constructing two other transmission projects in Duluth and Hermantown that the Commission has previously evaluated for more localized reliability purposes,” and drop the names of “The Duluth Loop Transmission Line Project” and “The HVDC Modernization Project.” See p. 2-3. This seems diversionary, because the Electric Services Agreement for the Google Data Center does not utilize either of these substations, and instead interconnects at St. Louis County and Arrowhead substations. MP/ATC would have known that at the time of this April 2, 206 filing. The “regional” claims of both MISO and MP/ATC, filed after the Google ESA agreement do protesth too much.

The EA and ER should look closely at the “regional” claim and compare that claim with the substations for interconnection and agreement to serve this local LARGE load.

Thank you for the opportunity to provide this comment. Others will be submitted – this one seemed important to send separately.

Very truly yours,



Carol A. Overland
Attorney for W.O.L.F.

Attached: MP & Harmony (Google) Electric Services Agreement

cc: Linda Hanson, World Organization for Landowner Freedom
Saarah Maxon, saarah.maxon@state.mn.us
Emily Johnson, Emily.Johnson1@state.mn.us
Craik Janezich, craig.janezich@state.mn.us

⁴ Id, p. 2-3 ([20264-229888-01](#)).



March 26, 2026

VIA E-FILING

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

Re: In the Matter of the Petition for Approval of an Electric Service Agreement between Google and Minnesota Power
Docket No. E015/M-26-_____
PETITION

Dear Ms. Bergman:

Minnesota Power (or, the “Company”) submits to the Minnesota Public Utilities Commission (“Commission”) this Petition for approval of a new Electric Service Agreement (“Agreement” or “ESA”) between Harmony Group, LLC, a subsidiary of Alphabet, Inc. (“Customer” or “Google”) and Minnesota Power. The 15-year Agreement establishes electric service for a new data center facility (“Google Data Center” or “Project”) to be located in Hermantown, Minnesota under the Company’s Large Power (“LP”) Service Schedule.

With this Petition, the Company respectfully requests Commission approval of the ESA and associated tariff and rider modifications described in this Petition, and recognition that the renewable energy supply actions to support the ESA are aligned with Minnesota Power’s 2025 Integrated Resource Plan.

Please contact me at (218) 355-3297 or jkuklenski@mnpower.com with any questions regarding this filing.

Respectfully,



Jennifer Kuklenski
Manager – Regulatory Strategy and Policy



Minnesota Power
30 W Superior Street
Duluth, MN 55802

JK:ah
cc: Service List

STATEMENT REGARDING JUSTIFICATION FOR EXCISING TRADE SECRET AND SECURITY INFORMATION

Pursuant to the Minnesota Public Utilities Commission's Revised Procedures for Handling Trade Secret and Privileged Data in furtherance of Minn. Stat. § 13.37 and Minn. Rule 7829.0500, Minnesota Power has designated portions of its Petition for Approval of an ESA between Minnesota Power and Google and associated Attachments as nonpublic data. The confidential information includes both Trade Secret information as defined by Minn. Stat. § 13.37, subd. 1, and critical energy infrastructure information ("CEII") as defined by 18 C.F.R. § 388.112.

Certain data in this Petition and Attachments has been deemed by Minnesota Power and Google to be Trade Secret or Security information. The filing contains confidential information designated as Trade Secret as defined by Minn. Stat. § 13.37, subd. 1(b) that is materially sensitive and commercially valuable to Minnesota Power and Google. Minnesota Power and Google follow strict internal procedures to maintain the secrecy of this information in order to capitalize on economic value of the information. Potential competitors and vendors would gain a commercial advantage if this information was publicly available.

The filing also contains confidential Security data designated as CEII as defined by 18 C.F.R. § 388.112. The CEII data is contained in the Facility Construction Agreement ("FCA") that was filed with the Federal Regulatory Commission and is included as attachment to this Petition for Approval. The data that is categorized as CEII is limited and not relevant to the Petition for Approval. Specifically, the data that is categorized as CEII is three one-line diagrams that contain detailed representations of Minnesota Power's transmission system. Minnesota Power has requested that these one-line diagrams be categorized as CEII pursuant to the procedures established by the Federal Energy Regulatory Commission. Pursuant to those regulations, Minnesota Power is prohibited from producing CEII in this docket, and requests for access to such information must be made pursuant to 18 C.F.R. § 388.113.

Minnesota Power believes that this statement justifies why the information excised from the attached filing should remain confidential Trade Secret under Minn. Stat. §13.37 or CEII under 18 C.F.R. § 388.113. 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**

In the Matter of the Petition for Approval of
an Electric Service Agreement between
Google and Minnesota Power

Docket No. E015/M-26-____
PETITION

SUMMARY OF FILING

On March 26, 2026, Minnesota Power (or “Company”) submitted to the Minnesota Public Utilities Commission (“Commission”) a Petition seeking approval of a new Electric Service Agreement (“Agreement” or “ESA”) between Harmony Group, LLC, a subsidiary of Alphabet, Inc. (“Customer” or “Google”) and Minnesota Power. The Agreement establishes electric service for a new data center facility to be located in Hermantown, Minnesota under the Company’s Large Power Service Schedule with an initial term of 15 years. The Petition describes the Agreement and summarizes the benefits to both parties, as well as Minnesota Power’s system and other customers. As set forth in the Petition, the Company respectfully requests that the Commission approve:

1. the ESA between Minnesota Power and Google;
2. the recognition of the renewable energy supply actions to support the ESA are aligned with the 2025 Integrated Resource Plan analysis, and any other approvals that may be needed;
3. modification to the Large Power Service Schedule to modernize Large Power Surcharge applicability language while still providing the important protections for Minnesota Power’s other customers; and
4. modification to the Rider for Conservation Program Adjustment to address data center participation in conservation improvement programs, consistent with recent Minnesota legislation amending Minn. Stat § 216B.241, Subd. 1a.

LIST OF FIGURES

Figure 1: Current Estimate of Google's Energy Need

Figure 2: How Google's Resources Planning Requirements are Met

Figure 3: 2025 IRP Base Preferred Plan + Google Energy Resources Needed to Serve Minnesota Power's System

Figure 4: Projected Change in Customer Cost When Google is Added as a Customer

LIST OF ATTACHMENTS

Attachment A: Electric Service Agreement ("ESA")

Attachment B: Rider for City of Hermantown Franchise Fee

Attachment C: Marginal Contribution Analysis – Rider for Business Expansion Incentive

Attachment D: Proposed Changes to Large Power Service Tariff – Redlined and Clean

Attachment E: Marginal Contribution Analysis – Large Power Surcharge

Attachment F: Proposed Changes to Rider for Conservation Program Adjustment – Redlined and Clean

Attachment G: Power Development Services Agreement ("PDSA")

Attachment H: Facilities Construction Agreement and Facilities Service Agreement (together, "FCA")

Attachment I: Compliance Notice of Contract with Affiliated Interest – ESA, FCA, PDSA

TABLE OF CONTENTS

I. INTRODUCTION	2
II. BACKGROUND.....	5
III. PROCEDURAL MATTERS	7
A. General Filing Information	8
B. Trade Secret Designation (Minn. R. 7825.0500)	11
IV. THE LARGE POWER ELECTRIC SERVICE AGREEMENT.....	11
A. Term of Agreement and Termination Provisions (Paragraphs 2 and 5.L).....	11
B. Service Requirement and Minimum Billing Demand (Paragraphs 3.A and 3.B) .	12
C. Increase and Decrease in Service Requirements (Paragraphs 3.C and 3.D).....	12
D. Electric Service (Paragraph 3.E)	13
E. Applicable Rates and Riders (Paragraph 3.F)	13
F. Business Expansion Incentive Rider (Paragraph 3.G).....	13
G. MISO Resource Adequacy and Demand Response Programs (Paragraph 3.H)	15
H. Security (Paragraph 4.A)	15
I. Social License (Paragraph 4.B).....	16
J. Customer Elective Termination or Capacity Reduction (Paragraph 4.C)	16
K. Additional Generation Resources (Paragraph 4.D)	17
L. Customer Obligation for Company Renewable Energy Credits (Paragraph 4.E)	18
M. Monthly Expedited Billing (Paragraph 5.C).....	18
V. PROPOSED TARIFF MODIFICATIONS	18
A. Large Power Service Tariff Modification	19
B. Rider for Conservation Program Adjustment Modification	21
VI. SYSTEM PLANNING FOR GOOGLE DATA CENTER DEMAND.....	21
A. Power Supply Evaluation.....	22
B. Customer Cost Impacts when Serving Google	27
VII. THE ESA IS CONSISTENT WITH THE PUBLIC INTEREST	29
A. Minn. Stat. § 216B.1622, subd. 2	29
B. Docket No. E015/M-14-130 Standard of Review	35
C. Public Interest.....	36
VIII. CONCLUSION.....	38

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

In the Matter of the Petition for Approval of
an Electric Service Agreement between
Google and Minnesota Power

Docket No. E015/M-26-_____
PETITION

I. INTRODUCTION

Minnesota Power (or “Company”) files this Petition for Minnesota Public Utilities Commission (“Commission”) approval of a new Electric Service Agreement (“Agreement” or “ESA”) between Harmony Group, LLC, a subsidiary of Alphabet, Inc. (“Customer” or “Google”) and Minnesota Power (together, the “Parties”). The Agreement establishes electric service for a new data center facility (“Google Data Center” or “Project”) to be located in Hermantown, Minnesota under the Company’s Large Power (“LP”) Service Schedule. Recognizing Minnesota’s statutory requirements for bringing new very large customers onto a utility’s system, the Agreement with Google offers more protections than ESAs with the Company’s other large industrial customers, including a longer contract term of 15 years.

The Google Data Center is a facility located near a regional energy hub with connections to a reliable and diverse power system that includes a high level of wind, solar, and hydroelectric power sources. The proposed facility will include data center buildings and supporting infrastructure, enable new renewable energy, energy storage and demand side resources to be brought online, and support online services that people use every day, including Google Workspace, Search, YouTube and Maps. The Google Data Center has the potential to bring hundreds of millions of dollars in capital investment to the surrounding communities and generate significant commercial tax revenue, in addition to employing hundreds of local workers during construction. Additionally, there is potential

for at least 40 full-time positions associated with the initial building and possibly 100 or more skilled technical roles at full buildout.¹

Minnesota Power's longstanding history of serving industrial customers and its experience developing ESAs for very large customers, along with state policy that protects existing customers, informed the development of this robust ESA. Providing electric service to this new customer will benefit Minnesota Power's other existing customers by allowing fixed costs of the system to be spread more widely² and will result in the addition of new renewable energy resources on the Company's system, including 300 MW of wind energy and 400 MW of battery storage, supporting Minnesota's Carbon Free Standard ("CFS") and resiliency of the system.³ Minnesota Power is committed to ensuring reliability and affordability for all customers and the ESA will require new power infrastructure development that will help advance the needed power supply and protect reliability for all customers. Through this Agreement, Google will also contribute \$5 million in energy impact funding to support affordability and efficiency programs for low to moderate-income residential customers. Additionally, Minnesota Power's customer cost evaluation estimates that, with the addition of this new Customer, there will be significant benefits for existing customers -- an estimated range of \$600 million to \$800 million over the 15-year contract period. These benefits will not necessarily remove the need for future rate increases as Minnesota Power transitions away from coal generation and prepares the system to meet the Minnesota Carbon Free Standard; however, if the Google Data Center is taking energy service any rising costs in future rates cases are moderated. Once the Project is fully permitted and operational, customers would see an estimated range of \$600 million to \$800 million in benefit over the 15-year ESA term, which will help moderate rate increases over time.

More details about the Google Data Center and long-term community benefits are expected as Project plans are further developed in the coming months, and as the Project

¹ More information about the Google Data Center can be found on the City of Hermantown website: [Project - City of Hermantown](#).

² See details in Section VI.B of this Petition.

³ See details in Section IV.A of this Petition.

moves through the public permitting process. Overall, the ESA satisfies all applicable laws and regulatory requirements of Minnesota Power and is firmly in the public interest.

The Company respectfully requests approval of the ESA and associated tariff revisions described in this Petition. Specifically, the Company requests that the Commission approve:

1. the ESA between Minnesota Power and Google;
2. the recognition of the renewable energy supply actions to support the ESA are aligned with the 2025 Integrated Resource Plan (“IRP”) analysis, and any other approvals that may be needed;
3. modification to the Large Power Service Schedule to modernize Large Power Surcharge applicability language while still providing the important protections for Minnesota Power’s other customers; and
4. modification to the Rider for Conservation Program Adjustment to address data center participation in conservation improvement programs, consistent with recent Minnesota legislation amending Minn. Stat § 216B.241, Subd. 1a.

In addition to the ESA, two additional agreements have been signed with the Customer that will enable the Company to provide electric service to the Google Data Center while ensuring protections for the Company’s other customers both prior to the Project reaching commercial operation as well as during the term of the ESA. Thus, the Company is providing these two agreements with this Petition, namely, the Power Development Services Agreement (“PDSA”) between the Customer and ALLETE Enterprises, Inc. (“ALLETE Enterprises”), an affiliate of Minnesota Power (see Attachment G to this Petition), and information related to it, as well as the Facilities Construction Agreement between the Customer and Minnesota Power (“FCA”) (see Attachment H to this Petition).⁴ Together, these agreements along with the strong ESA provisions further ensure that

⁴ Alongside the FCA is a Facility Services Agreement (“FSA”) that contains payment terms for the Network Upgrades that are placed into service. Both the FCA and the FSA are FERC jurisdictional documents that will be submitted to FERC for approval in the same docket at the same time. The two agreements will be referred collectively as the FCA in this petition.

Minnesota Power's other customers benefit from the Google Data Center and mitigate any concerns about stranded costs or adverse rate impacts, consistent with Minnesota state law.

Finally, the Company is also submitting as Attachment I to this Petition the required Notice of Contract with Affiliated Interest associated with the ESA and the FCA in compliance with the Commission's December 10, 2025 Order Approving Petition for Acquisition with Conditions and Establishing Other Requirements ("Acquisition Order") in Docket No. E015/PA-24-198.⁵

II. BACKGROUND

Among the applicable statutory requirements, Minnesota law was enacted in June 2025 aimed at encouraging and managing data center investments in Minnesota. Specifically, Minn. Stat. § 216B.02 was amended to define "data center" and require that the Commission establish by December 15, 2026, the definition and appropriate characteristics of a very large customer class or subclass for each public utility providing electric service. On February 18, 2026, in Docket No. E015/M-26-126, Minnesota Power filed with the Commission its petition for approval to accommodate very large customers within its existing LP Service Schedule. As described in that petition, given the Company's longstanding experience serving large industrial customers with significant and complex energy needs, the Company's current LP class is uniquely structured to accommodate the needs and characteristics of very large customers while ensuring compliance with statutory requirements and protecting the interests of all customers.

Further, the new law requires that in considering a tariff or energy supply agreement for very large customers (such as qualified data centers), the Commission must consider cost assignment, achievement of the state's electricity standards, and other protections

⁵ MPUC Docket No. E015/PA-24-198, *In the Matter of the Petition of Minnesota Power for Acquisition of ALLETE by Canada Pension Plan Investment Board and Global Infrastructure Partners*, December 10, 2025 Order Approving Petition for Acquisition with Conditions and Establishing Other Requirements, Order Point 2, and July 11, 2025 Settlement Stipulation, Section 1.29, as amended by the September 24, 2025 Addendum and the September 30, 2025 Second Addendum.

against the potential for stranded asset costs. It also exempts large-scale data centers from contributing to a utility’s environmental conservation plan.⁶

Key parameters of the ESA include, among other things, the initial term of the agreement, service requirement and minimum billing demand, termination charges in the event the Customer elects early termination, consideration for extending the initial term, Customer security obligations, and regulatory approval conditions. The ESA also addresses the Customer’s eligibility under Minnesota Power’s Business Expansion Incentive Rider as well as the Customer’s annual contribution to support the Company’s energy affordability and efficiency programs to benefit low and moderate-income residential customers. The ESA also addresses the Company’s need to acquire additional renewable generation resources and other related infrastructure sufficient to serve the Customer and comply with the CFS, and references the associated PDSA between the Customer and ALLETE Enterprises,⁷ which obligates the Customer to pay for any stranded costs experienced with early development of additional renewable generation resources.

This Petition supports the Company’s request for approval of the ESA, providing information on how the ESA complies with all statutory and regulatory requirements and is in the public interest. To support the Commission’s review of this Petition, the Company is also providing the associated agreements between Google and Minnesota Power or its affiliate ALLETE Enterprises, which work in conjunction with the ESA. These agreements, which are the PDSA and the FCA, are discussed in further detail in Section VII.A.3 below. The Company is requesting approval of the renewable energy supply plan, which is supported by the Company’s 2025 IRP. Additionally, while Minnesota Power is not requesting approval of the FCA with this petition, the FCA outlines Google’s responsibility to pay for system upgrades needed to provide service to the Customer’s new facility and is therefore provided to support the Company’s request for approval of the ESA. The FCA will be filed for regulatory approval with the Federal Energy Regulatory Commission (“FERC”) on or before March 26, 2026.

⁶ Minn. Stat. § 216B.1622, subd. 2

⁷ Minnesota Power is a division of ALLETE, Inc., and is not a separate legal entity. ALLETE Enterprises, Inc. is a separate Minnesota corporation that is directly and wholly owned by ALLETE, Inc.

The Company's agreements with Google were negotiated with consideration of the requirements of the new legislation addressing service to very large customers, as well as its Large Customer Tariff, all other applicable laws and regulatory requirements, and Minnesota Power's overall dedication to sustainable and reliable customer service.

III. PROCEDURAL MATTERS

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 ESA in Minnesota Power's tariff book in Volume II, Section VII thereunder "Contracts not on Standard Form." This means that upon Commission approval, the 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.

Additionally, new Minnesota law was enacted in June 2025 to encourage and manage data center investments in Minnesota. As a result, Minn. Stat. § 216B.02 was amended by adding subdivision 11 defining "data center" as a facility that is designed to have a load of 100 megawatts ("MW") or more and whose primary purpose is the storage, management, and processing of digital data via the interconnection and operation of information technology and network telecommunications equipment, including all related facilities and infrastructure for backup of electricity generation, power distribution, environmental control, cooling, and security.

The new law also requires that the Commission establish appropriate characteristics of a very large customer class or subclass for each public utility providing electric service. In February 2026, Minnesota Power filed its petition for approval to accommodate very large customers within its existing LP Service Schedule, which already includes multiple customers larger than 100 MW.⁸

Further, the new law requires that the Commission consider cost assignment, achievement of the state’s electricity standards, and other protections against the potential for stranded costs when approving energy supply agreements for very large load customers (such as data centers), and it exempts large-scale data centers from contributing to a utility’s environmental conservation plan; however, Minnesota Statute requires a facility to pay an annual fee of [TRADE SECRET DATA BEGINS ■ TRADE SECRET DATA ENDS] million, which will be deposited in the energy and conservation account established in Minn. Stat. § 216B.241, subd. 2a. These requirements for Commission consideration are included in Minn. Stat. § 216B.1622, subd. 2.

The remainder of this Section of the Petition provides the requirements for a miscellaneous tariff filing under Minn. R. 7829.1300. Next, the customer-specific terms and service conditions under the Agreement are provided in Section IV. Section V of this Petition identifies proposed tariff modifications. Section VI addresses system planning matters, and Section VII provides information required for Commission consideration under the new Minn. Stat. § 216B.1622, subd. 2 described above, provides information to comply with prior Commission Orders, and addresses the ESA’s consistency with the public interest.

A. General Filing Information

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

⁸ MPUC Docket No. E015/M-26-126, *In the Matter of Minnesota Power’s Petition for Approval of Modifications to its Large Power Tariff*, February 18, 2026 Petition.

of this Rule. Pursuant to Minn. R. 7829.1300, Minnesota Power provides the following general information:

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

A one-paragraph summary accompanies this Petition.

2. Service of Filing (Minn. R. 7829.1300, subp. 2)

Pursuant to Minn. Stat. § 216.17, subd. 3 and Minn. R. 7829.1300, subp. 2, Minnesota Power eFiles the Petition on the Minnesota Department of Commerce, Division of Energy Resources and the Minnesota Office of the Attorney General – Antitrust and Utilities Division. A summary of the filing prepared in accordance with Minn. R. 7829.1300, subp. 1 is being served on Minnesota Power’s Large Power Service list.

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

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

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

Matthew R. Brodin
Senior Regulatory Counsel
Minnesota Power
30 West Superior Street
Duluth, MN 55802
(218) 279-5000
mbrodin@allete.com

5. Date of Filing and Date Proposed Rate or Service Change Takes Effect (Minn. Rule 7829.1300, subp. 3(C))

This Petition is being filed on March 26, 2026. Minnesota Power requests that the Agreement be effective on the first day of the month following receipt of a written Order from the Commission approving this Agreement.

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

Jennifer Kuklenski
Manager – Regulatory Strategy and Policy
30 W Superior Street
Duluth, MN 55802
(218) 355-3297
jkuklenski@mnpower.com

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

The Petition in and of itself will have no effect on Minnesota Power's base rates. A description of the filing is included in the aforementioned Summary, and the impact of the Petition and reasons for filing are described throughout this Petition.

9. Service List (Minn. Rule 7829.0700)

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Minnesota Power's Discovery Manager
discoverymanager@mnpower.com

B. Trade Secret Designation (Minn. R. 7825.0500)

Pursuant to Minn. Stat. §§ 13.01 et seq. and Minn. Rule 7829.0500, Minnesota Power has designated portions of the Petition and Attachments A, G, and H as containing Trade Secret and critical energy infrastructure (“CEII”) information and these have been redacted as appropriate to reflect the Trade Secret and CEII nature of the documents. Trade Secret and Public copies of the Petition and Attachments 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 and CEII information accompanies this Petition.

IV. THE LARGE POWER ELECTRIC SERVICE 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 an ESA integrate with Minnesota Power’s LP Service Schedule. The Google ESA complete with all exhibits is provided as Attachment A to this Petition. The LP Service Schedule itself also provides a list of information that shall be included in each ESA (at a minimum), and these requirements are also addressed below where applicable. The LP Service Schedule is provided as Attachment D to this Petition.

A. Term of Agreement and Termination Provisions (Paragraphs 2 and 5.L)

The LP Service Schedule sets forth that “[u]nless otherwise specifically approved by the Commission, each ESA shall have an initial minimum term of ten (10) years and shall continue in force until either party gives the other party written notice of cancellation at least four years prior to the time such cancellation shall be effective.” The Initial Term of the Agreement is 15 years after the end of the Commissioning Period, unless otherwise terminated as provided in the Agreement. This total contract term is five years longer than required by the current Tariff. If approved, the Agreement continues in full force unless a written cancellation notice is issued by either party at least four years prior to the date of termination set forth in the notice, which may be provided during the Initial Term.

Customer elective termination and fees during and after the Initial Terms are further discussed in Section IV.J.

B. Service Requirement and Minimum Billing Demand (Paragraphs 3.A and 3.B)

For every calendar month during the term, except during the Commissioning Period, the Customer's Minimum Billing Demand shall be the greatest of 10,000 kW, or the Customer Facility's measured Demand, as adjusted for Incremental Production Service ("IPS"), or 80 percent of the Contract Capacity. The 80 percent Minimum Billing Demand during the Ramp Period shall be adjusted in accordance with the Ramp Schedule in Exhibit A. After the Ramp Period is complete, the 80 percent Minimum Billing Demand will apply to the [TRADE SECRET DATA BEGINS ██████████ TRADE SECRET DATA ENDS] kW of Contract Capacity on the LP Service Schedule.

The Agreement also addresses ongoing load forecasting and operational planning, requiring that on an annual basis, the Customer will provide the Company with a confidential forecast of the expected monthly peak demand over the next five years, through the Initial Term. The Company may also request up to three times per calendar year that the Customer provide additional insight into its anticipated near-term energy consumption, and the Customer will make reasonable efforts to provide such supplemental information as it is able. The Agreement also provides that upon written request by either party, the Company and the Customer agree to meet once per quarter to coordinate and align on operational planning matters or any other matters pertaining to this Agreement.

C. Increase and Decrease in Service Requirements (Paragraphs 3.C and 3.D)

The Measured Demands in Excess of Established Minimum Billing Demand and Large Power IPS paragraphs provide details regarding how energy taken by the Customer Facility in excess of established billing demand in a month will be billed and the Customer's right to purchase IPS from the Company under the terms of the Rider for Larger Power IPS. Note that under this ESA, increases in service requirements are limited to the Contract Capacity of [TRADE SECRET DATA BEGINS ██████████ TRADE SECRET DATA ENDS] kW. Examples of how these paragraphs will be applied are set forth on Exhibit B to the ESA.

D. Electric Service (Paragraph 3.E)

The Electric Service section acknowledges that occasionally, the Company and the Customer may meet to consider possible changes to the Customer Facility's electric service needs. Any modification of the service provided under this Agreement shall be subject to the mutual written consent of the Parties and applicable regulatory approvals, but failure by the Parties to reach agreement or obtain regulatory approval on any proposed additional service shall not affect this Agreement.

E. Applicable Rates and Riders (Paragraph 3.F)

The LP Service Schedule is applicable to electric service where the Customer and Company have executed an ESA agreeing to the purchase and sale of LP Service and supplementing the terms and conditions set forth in the LP Service Schedule. Service under the LP Service Schedule is also subject to Minnesota Power's Electric Service Regulations and all riders and other tariffs applicable to LP service. The ESA includes the minimum components specified in the ELECTRIC SERVICE AGREEMENTS section of the LP Service Schedule. With the exception of provisions otherwise specified in the Agreement as described herein, the standard rates, terms, and conditions of the LP Service Schedule will apply to the Customer. The LP Service Schedule and all applicable riders are attached to the Agreement as Exhibit C, with the exception of the Hermantown Franchise Rider, which was inadvertently excluded from Exhibit C and is submitted as Attachment B with this petition.

F. Business Expansion Incentive Rider (Paragraph 3.G)

As part of this agreement and the terms and conditions of the existing Rider for Business Expansion Incentive ("BEI Rider" or "BEI"), the Customer is eligible for a demand charge discount as a new industrial customer that has at least 250 kW of new or expanding load. The Customer meets the required New Customer Qualifications in the BEI Rider primarily because the new customer load is associated with initial permanent service and business has not been conducted at the premises for more than three months prior to application for BEI Rider eligibility.

The Customer's Qualified Billing Demand under the BEI Rider is based upon the commencement of the Initial Term, [TRADE SECRET DATA BEGINS [REDACTED]

[REDACTED]

[REDACTED] TRADE SECRET DATA ENDS]. The LP Service Schedule Demand Reduction Percent as specified in the BEI Rider for years one through five shall apply to the Customer's Qualified Billing Demand for each block.

The Rider for Business Expansion Incentive requires the following to be included in the Electric Service Agreements:

- a. Every ESA and every amendment or modification of an ESA shall be approved by the Minnesota Public Utilities Commission;
- b. every new or amended ESA shall be filed with the Commission within 30 days after signing the agreement with the Customer;
- c. every ESA filing shall include the incremental revenue and the incremental costs associated with the new ESA;
- d. if no party objects to the ESA within 30 days of the filing date, the ESA is deemed approved.

In compliance with parts (a) and (b) attached hereto as Attachment A is the ESA between Minnesota Power and the Customer executed on February 25, 2026. This compliance filing is being submitted on March 26, 2026, within 30 days of signing the agreement.

In compliance with part (c), Minnesota Power proposes to submit the Business Expansion Incentive marginal cost analysis for each block associated with this ESA. For the first load block, the Company will request approval at least six months prior to the planned load expansion in-service date. If Google's electric revenue is not more than incremental costs, the BEI discount would not be applied. For the remaining blocks, the Company will submit

the marginal cost analysis at least 30 days prior to planned load expansion in-service date. Therefore, Minnesota Power will submit supplemental analysis to this Agreement for approval by the Commission as Project details become further refined through the public permitting process. An example of the marginal cost analysis is included as Attachment C to this Petition.

According to part (d), the ESA is deemed approved if no party objects to the ESA within 30 days of the filing date. However, there are several additional components of the ESA that require Commission review, and as part of that process the Company seeks confirmation of the applicability of the BEI incentive and discount for each block as outlined above in part (c).

G. MISO Resource Adequacy and Demand Response Programs (Paragraph 3.H)

Beginning in [TRADE SECRET DATA BEGINS ██████████ TRADE SECRET DATA ENDS], the Customer agrees to work with the Company to provide an increasing amount of demand response to meet the Company's resource adequacy requirements, with the target of providing up to [TRADE SECRET DATA BEGINS ██████████ TRADE SECRET DATA ENDS] kW of MISO Zonal Resource Credits by the second quarter of [TRADE SECRET DATA BEGINS ██████████ TRADE SECRET DATA ENDS]. The Customer may satisfy this requirement through Customer-provided demand response or an alternative that provides the equivalent MISO Zonal Resource Credits, as mutually agreed upon by the Parties. The Parties agree to work upon the method and terms of the chosen compliance path and acknowledge that MISO resource adequacy rules are subject to change and agree to work in good faith to adapt the terms of this requirement to conform to any such future requirements.

H. Security (Paragraph 4.A)

The Customer shall post Security for the Customer's obligations under this Agreement. The amount of the Security is provided in Exhibit G to the ESA, and the form of the Security is set forth in Exhibit H. Where any amendment to this Agreement increases the Company's exposure for costs in excess of the amount of the Security as set forth on Exhibit G, the Company may require, as part of any such amendment, that the Customer

provide replacement Security for the amended Customer obligations to cover any such increased cost exposure on the part of the Company.

I. Social License (Paragraph 4.B)

Beginning as of the date of the Commission’s approval of this Agreement and continuing for a period of five years thereafter, as an indication of the Customer’s continuing commitment to the local communities within the Company’s service territory, the Customer will contribute \$1,000,000 per year to support the Company’s affordability and efficiency programs focused programs to benefit low and moderate income residential customers.

J. Customer Elective Termination or Capacity Reduction (Paragraph 4.C)

The Agreement includes provisions and fees related to the Customer elective termination of the Agreement either during the Initial Term or after the Initial Term, or the Customer election to reduce the Contract Capacity.

Beginning 36 months after the first day of the Initial Term, the Customer may elect to terminate the Agreement by providing written notice to the Company not less than four years (48 months) prior to the effective date of the termination specified in the notice. If the Agreement is terminated prior to the end of the Initial Term, the Customer shall pay the Company a termination fee in an amount [TRADE SECRET DATA BEGINS

[REDACTED]

[REDACTED] TRADE SECRET DATA ENDS]. A sample calculation of the Termination Fee is set forth on Exhibit F to the ESA. After the Initial 15-year Term, the Customer may elect to terminate this Agreement with the same four-year notice requirement, but no termination fee would be required.

Likewise, the Agreement provides that beginning 36 months after the first day of the Initial Term, the Customer may elect to reduce the Contract Capacity by written notice to Company not less than four years prior to the effective date of the capacity reduction, with parameters around allowed capacity reduction during the term of the Agreement. If the Customer elects to reduce the Contract Capacity, the Customer shall pay the Company

a capacity reduction fee [TRADE SECRET DATA BEGINS [REDACTED]
[REDACTED]
[REDACTED]
[REDACTED] TRADE SECRET DATA ENDS]. The Customer may not reduce the Contract Capacity under the agreement by more than [TRADE SECRET DATA BEGINS [REDACTED] TRADE SECRET DATA ENDS] kW per Capacity Reduction Notice, or more than [TRADE SECRET DATA BEGINS [REDACTED] TRADE SECRET DATA ENDS] kW in aggregate during the Term.

K. Additional Generation Resources (Paragraph 4.D)

As discussed above, the Company will need to acquire additional generation resources and other related infrastructure sufficient to fulfill the Contract Capacity in accordance with the Ramp Schedule in the Agreement. As a result, the Customer is entering into the PDSA with ALLETE Enterprises. The PDSA provides that the Customer will be liable for the early development costs incurred by ALLETE Enterprises to develop additional generation resources and other related infrastructure in order to adequately protect against any stranded costs for early development on the part of the Company. Additional information on system planning for the Google data center demand is provided in Section VI.

The ESA itself acknowledges that the Customer and the Company's affiliate, ALLETE Enterprises, have entered into the PDSA and provides that, except in accordance with the PDSA, during the period prior to the Effective Date, or except in the event of (i) the Commission's approval of the Company's full cost recovery of the generation assets that began development under the Power Development Services Agreement and (ii) the satisfaction or Customer's full waiver of the Customer Conditions Precedent prior to December 31, 2027, neither the Company nor its affiliate(s) are obligated to acquire any additional generation resources or other related infrastructure to fulfill the Contract Capacity and the Ramp Schedule, nor would the Customer be responsible for the associated costs.

L. Customer Obligation for Company Renewable Energy Credits (Paragraph 4.E)

The addition of the Customer to Minnesota Power's system will necessitate acquisition of new renewable resources, which will support the Company's compliance with the CFS requirements. The Agreement provides protections for Minnesota Power's other customers in the event that renewable energy credits ("RECs") or energy attribute credits ("EACs") are needed for CFS compliance purposes beyond those provided by the Customer's load-ratio share of system resources. The Agreement requires that the Customer will be responsible for (i) providing RECs or EACs to the Company or (ii) reimbursing the Company for acquiring RECs or EACs if needed to fulfill Company's renewable energy obligations under Minnesota Statutes §216B.1691 associated with the amount of metered kWh of electric energy supplied to the Customer by Company during each calendar year. The net amount of the Customer obligation will be calculated such that other customers will not be responsible for any costs of the RECs or EACs associated with provision of service to the Customer.

M. Monthly Expedited Billing (Paragraph 5.C)

The Agreement provides that the Customer agrees to monthly billing under the terms and conditions of the Company's Rider for Expedited Billing Procedures, except as modified. Under this Agreement, the Customer's monthly bills will be based on estimated electric service usage, including the Minimum Demand Charge. All payments for Monthly Estimated Billing will be reconciled against the charges for actual electric service usage at the end of each month and reflected on the Monthly Bill. Time value of money interest credits will be paid to the Customer to reflect the monthly billing payments made earlier than under the Company's standard monthly billing cycle. The monthly expedited billing program beneficially reduces the Company's payment risk.

V. PROPOSED TARIFF MODIFICATIONS

The Company proposes modifications to two of its existing tariffs, including (1) the Large Power Service tariff and (2) the Rider for Conservation Program Adjustment. The proposed modifications and information and data supporting these modifications are presented in the following sections.

A. Large Power Service Tariff Modification

The Company proposes revisions to the Large Power Service tariff to modernize the existing Large Power Surcharge language, while maintaining the important protection for Minnesota Power's existing customers as new customer load serving costs is added to the system. The proposed changes to the Large Power Service tariff are shown in clean and redlined versions of the tariff provided in Attachment D to this Petition.

The updated tariff language includes a margin contribution analysis, as shown for the initial and annual calculations in Attachment E to this Petition. The margin contribution analysis is proposed to be performed for customers with Firm Demand load growth in excess of 50,000 kW. The initial calculation will be completed for evaluation approximately six months prior to reaching load growth of 50,000 kW and will be calculated with an outlook period of five years. For example, if a large power customer comes online January 1, 2028, the marginal contribution analysis will evaluate a period from 2028 through the end of 2032. After the initial margin contribution analysis, the Company will perform the margin contribution analysis on an annual basis until no surcharge is demonstrated for a rolling consecutive five-year period. This proposed timing for the analysis aligns with the need to ensure there are additional details available for the actual customer load ramp, revenue, and the type, timing, and cost of new generation resources needed to serve the Customer. Additionally, while the Company understands a true-up mechanism may be needed for recovery and/or reimbursement of the LP surcharge, Minnesota Power is open to working with stakeholders to determine the appropriate timing and details of such a true-up mechanism.

Based on the margin contribution analysis, if the net present value of revenues from the customer are in excess of costs to serve, this confirms that system customers will receive positive benefits from having this new load on the system. In other words, this would indicate that the customer is demonstrating that they will pay for all costs attributable to them and would provide additional revenues to contribute to the recovery of system fixed costs attributed to serving existing customers energy needs – resulting in benefits for existing customers. If the net present value of the margin contribution analysis shows projected revenues to be lower than costs, then the necessary LP Surcharge will be

applied to the customer's bill. The LP Surcharge is applied to bring additional revenue such that costs are paid for and to ensure no harm to other customers. The margin contribution analysis appropriately captures both marginal costs and revenues to understand the impact to existing system customers.

In the initial margin contribution analysis revenue will include estimated base rate revenue (including interim revenue if applicable), and rider revenue⁹. Margin contribution analysis costs to serve the new large power customer will include estimated energy- and capacity-related costs. For this ESA and the Google load ramp, the margin contribution analysis costs will be based on forecasted fuel and purchased power costs, and the customer's estimated usage. The capacity costs for this ESA customer will be determined based on the need for the mix of wind generation, energy storage resource additions, and capacity purchases identified, and will be available after resource selection is completed and approved by the Commission. The net of the increase in revenue and the aforementioned costs is the result of the margin contribution analysis. As discussed previously, all

⁹ Current riders include Rider for Fuel and Purchased Energy Charge, Rider for Capacity Revenue and Expense Adjustment, Rider for Large Power Incremental Production Service, Rider for Renewable Resources, Rider for Transmission Cost Recovery, Rider for Customer Affordability of Residential Electricity, Rider for Business Expansion Incentive, Rider for Large Power Demand Response Service, and Rider for Renewable Resources – Solar Factor Adjustment.

transmission network upgrades required to reliably and safely serve the Google Data Center are all paid for by Google through the FCA.

B. Rider for Conservation Program Adjustment Modification

Consistent with recent Minnesota legislation amending Minn. Stat § 216B.241, Subd. 1a, the Company proposes revisions to the Rider for Conservation Adjustment to address data center participation in conservation improvement programs.

The recent Minnesota legislation exempts qualified large-scale data centers from contributing to a utility's energy conservation plan by paying a fee to a state program which uses those funds to support energy conservation and weatherization for low-income customers anywhere in Minnesota per Minn. Stat. § 216B.241, Subd. 2a(c), as amended. The fee is based on the qualified facility's peak demand and for the Google Data Center, will result in a [TRADE SECRET DATA BEGINS [REDACTED] TRADE SECRET DATA ENDS] million annual fee. Additionally, through this Agreement, Google will contribute \$5 million in energy impact funding to support affordability and efficiency programs for Minnesota Power's low- to moderate-income residential customers. The resulting proposed changes to the Rider for Conservation Program Adjustment are shown in clean and redlined versions of the tariff provided in Attachment F to this Petition.

VI. SYSTEM PLANNING FOR GOOGLE DATA CENTER DEMAND

Minnesota Power's resource planning is guided by a set of core principles designed to ensure reliable, affordable, and sustainable energy service as the Company transitions away from coal and adapts to increasing levels of renewable energy and intermittent resources, while planning the system to comply with state policy objectives and future uncertainties. These core principles are used to plan for base demand outlook and to meet new customer demand, such as that from the Google Data Center. The potential addition of the Google facility and the ramp included in Schedule A of the ESA agreement is consistent with the scenarios evaluated in the 2025 IRP. Minnesota Power's 2025 IRP includes both a Base Plan and a Growth Plan evaluation, the latter of which evaluated load growth sensitivities ranging from +500 MW to +1500 MW. The load growth sensitivities were conducted in anticipation of electricity demand from new industrial customers and in recognition of an industry experiencing rapid changes and

development. The 2025 IRP evaluation is sufficient for informing the resource additions required to serve the incremental demand from the Google Data Center. The evaluation of the power supply need will be refined as Google finalizes the Project plans and the energy generation needs become more defined. Future updates on the power supply needs will occur in future IRPs and/or future resource acquisition petitions.

Minnesota Power's request for the Commission to approve the Agreement does not impact Minnesota Power's steadfast commitment to its *EnergyForward* decarbonization strategy and the Base Plan proposed in the 2025 IRP. The Company is committed to ceasing coal operations at Boswell Unit 3 by 2030 and Boswell Unit 4 by 2035, as approved in the 2021 IRP and re-affirmed in the 2025 IRP. The ESA will enable the potential development of 700 MW of new clean energy resources, including 300 MW of wind and 400 MW of battery storage – pending Commission approval in future resource acquisition proceedings – further supporting progress toward the CFS and strengthening system resilience for all customers.

A. Power Supply Evaluation

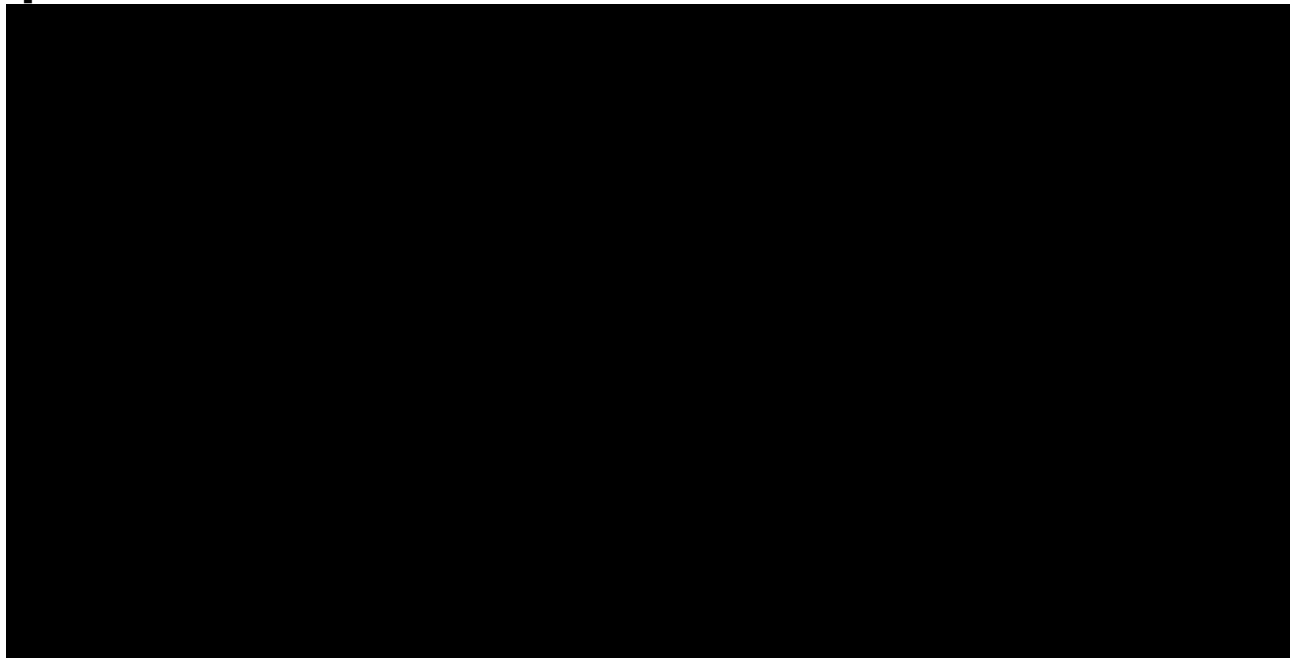
Minnesota Power identified the additional power supply needs to serve the Customer by reviewing the capacity expansion analysis results from “Step 2: Pathways for Industrial Demand Scenarios” from the 2025 IRP. The “Pathways for Industrial Demand Scenarios” evaluation identified the resource alternative mix needed to meet multiple demand forecasts ranging from +500 MW to +1500 MW and was performed on the following environmental futures: The Reference Case, High Carbon Regulation Cost and High Environmental Costs, Low Carbon Regulation Cost and Low Environmental Costs, and No Carbon Regulation Costs and No Environmental Costs as required for integrated resource planning Minnesota. After reviewing the extensive 2025 IRP analysis, the Company determined this body of work is sufficient to provide insights into the resources needed to augment its portfolio to serve the Google Data Center.

Before discussing the capacity expansion results from the 2025 IRP, it is important to understand which growth scenarios studied in the IRP best align with the current expectation for Google's energy needs and timing. While the total energy requirements and timing can change as Google finalizes its facility design and schedule for the Project

in Hermantown, the current projection for Google’s demand is approximately [TRADE SECRET DATA BEGINS [REDACTED] TRADE SECRET DATA ENDS]. Figure 1 provides a comparison of the preliminary Google ramp schedule compared to the [TRADE SECRET DATA BEGINS [REDACTED] TRADE SECRET DATA ENDS] in the IRP. Both load outlooks reach [TRADE SECRET DATA BEGINS [REDACTED] TRADE SECRET DATA ENDS] demand growth in the early 2030s. This comparison demonstrates that the capacity expansion analysis for the [TRADE SECRET DATA BEGINS [REDACTED] TRADE SECRET DATA ENDS] is sufficient for identifying the resource needs to serve incremental Google demand.

Figure 1: Current Estimate of Google's Energy Need

[TRADE SECRET DATA BEGINS



TRADE SECRET DATA ENDS]

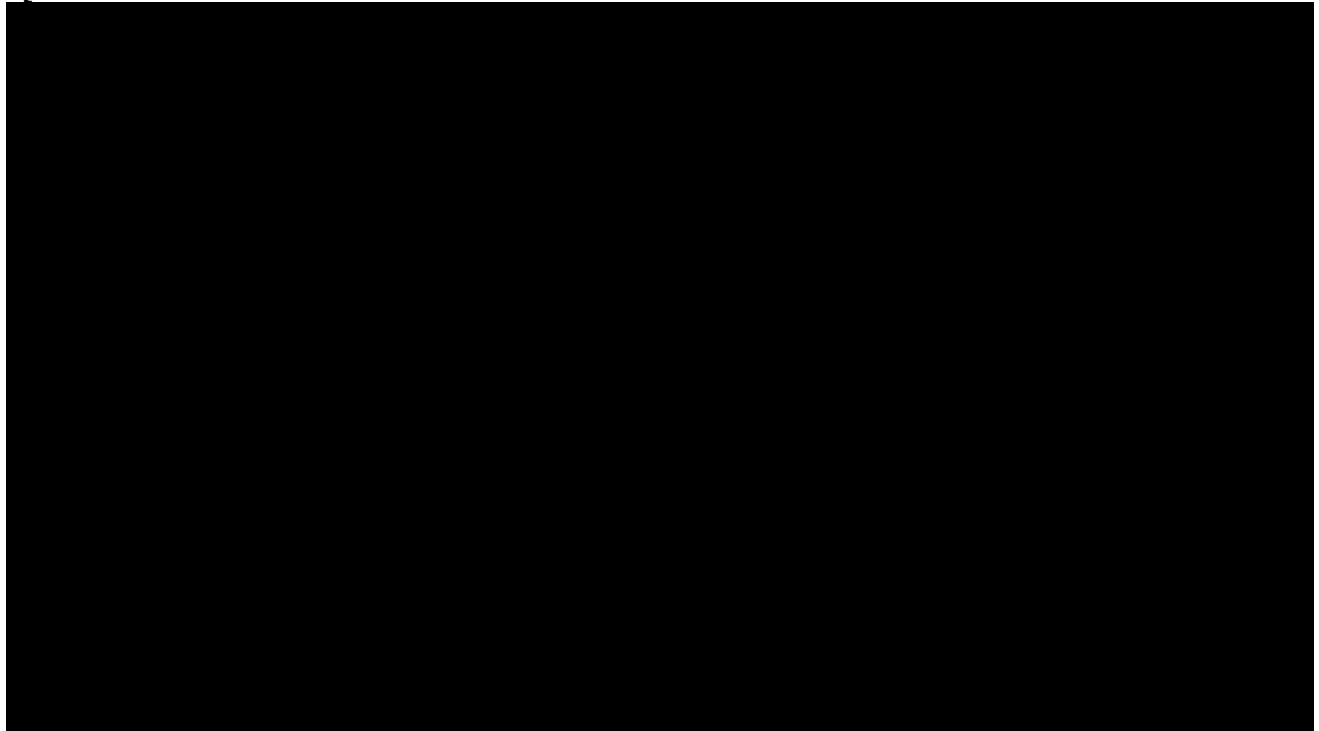
1. Power Supply Planning for Google

To identify the incremental resources needed to serve the Google data center, Minnesota Power compared the capacity expansion analysis results for the [TRADE SECRET DATA BEGINS [REDACTED] TRADE SECRET DATA ENDS] to the Base IRP Plan. That Growth Scenario shows an incremental resource need of [TRADE SECRET DATA BEGINS [REDACTED] TRADE SECRET DATA ENDS] MW of peaking type capacity and energy and [TRADE SECRET DATA BEGINS [REDACTED] TRADE SECRET DATA ENDS]

MW of wind energy. The results of this capacity expansion analysis are shown in Minnesota Power's March 2025 IRP filing in Appendix K: Detailed Analysis Section. The 400 MW of batteries was selected to meet the peaking capacity and energy needs identified in the capacity expansion analysis. The 300 MW of wind energy was selected as the [TRADE SECRET DATA BEGINS ██████████ TRADE SECRET DATA ENDS] MW of wind identified in the capacity expansion analysis. Along with the additional wind and battery storage being added, Google will provide up to [TRADE SECRET DATA BEGINS ██████████ TRADE SECRET DATA ENDS] per the ESA terms. Figure 2 shows how the accredited capacity from the battery storage, wind, and DR resources work together to address demand and planning reserve margin requirements for Google when they reach full demand levels. This is an estimate and expected to change due to on-going MISO Resource Adequacy reform and as Google finalizes their data center plans. There will be a small portion that will fluctuate with the planning environment and resource adequacy programs. Minnesota Power will continue to refine this comparison in Figure 2 as planning and permitting for the Google Data Center are finalized, these additions represent a strong strategy, backed with IRP expansion planning analysis to establish new resources needed for the potential load

Figure 2: How Google's Resources Planning Requirements are Met

[TRADE SECRET DATA BEGINS

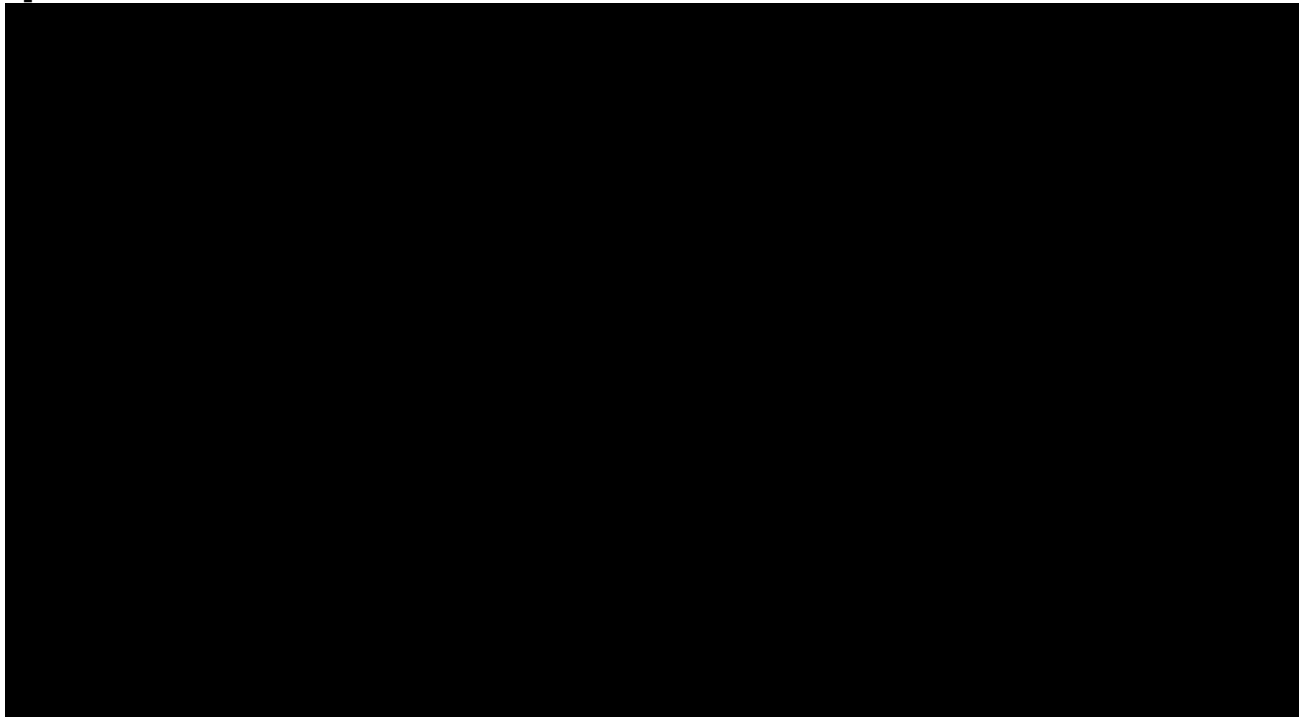


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With the addition of the new Customer demand combined with new battery storage, wind and DR added to its portfolio, Minnesota Power can reasonably meet the energy needs of existing customers and Google. Figure 3 provides the long-term look at Minnesota Power's total system expected energy position with the additional electricity demand from the Google Data Center and the additional 300 MW of wind, 400 MW of battery storage, and [TRADE SECRET DATA BEGINS [REDACTED] TRADE SECRET DATA ENDS] MW of DR added to the existing system. The Company will continue its plan to reduce reliance on coal generation as committed in its 2025 IRP and ensure additional generation from renewable resources and battery storage are incorporated to meet the increased industrial demand through continued IRP processes and resource acquisitions.

Figure 3: 2025 IRP Base Preferred Plan + Google Energy Resources Needed to Serve Minnesota Power's System

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2. Planning to Serve Google Reliably

Minnesota Power is committed to providing safe, reliable, and increasingly clean energy for customers at a reasonable cost. Planning for reliability requires dependable and continuous electric service to all customers located within its service territory. The Company emphasizes that reliable energy service will be unchanged as the Company plans for serving the Customer's energy needs. Minnesota Power included reliability criteria in the 2025 IRP that evaluated the resiliency and reliability of the plan and identified any modifications that are needed to improve resiliency and reliability. This reliability criteria evaluation included reviewing system performance during extreme system events, unserved energy risk (i.e. Loss of Load Expectation study), and dispatchable energy need to serve customers during winter peak conditions. Google's final design of the data center, along with the generation attributes on a project-by-project basis, will influence the reliability metric outcome. Minnesota Power will monitor the reliability criteria elements in future IRPs and resource acquisition proceedings as Project

plans are confirmed and finalized, and as resource petitions are brought forward to the Commission for evaluation.

3. Generation Resource Procurement Plan

Per Minnesota Power's best practices for procuring generation resources, and as Ordered by the Commission in Docket No. E-015/RP-21-33, *In the Matter of Minnesota Power's 2021- 2035 Integrated Resource Plan*, the Company will utilize a competitive bidding process and issue RFPs to evaluate the addition of the 300 MW of wind and 400 MW of battery storage. The RFP will request both Power Purchase Agreements and Build Own Transfers. If Minnesota Power or affiliate owned wind and battery projects are submitted into the RFP, Minnesota Power will engage an independent evaluator to oversee the bid process and provide a report for the Commission to review.

B. Customer Cost Impacts when Serving Google

Keeping bills as low as possible while maintaining system reliability and sustainability is an objective of long-term system planning for Minnesota Power. The addition of large industrial demand, including the Google Data Center, can help electricity rates be more affordable for all customers by spreading fixed costs from existing infrastructure over more energy sales and improving the utilization of the grid. Diversifying Minnesota Power's customer mix results in additional rate stability for customers, by minimizing the impact to rates when existing large industrial customers are idled or shutdown due to industry-specific economic cycles. Minnesota Power has significant exposure to the economic condition of the iron ore and paper industry with approximately 70 percent of energy sales going to these customers.

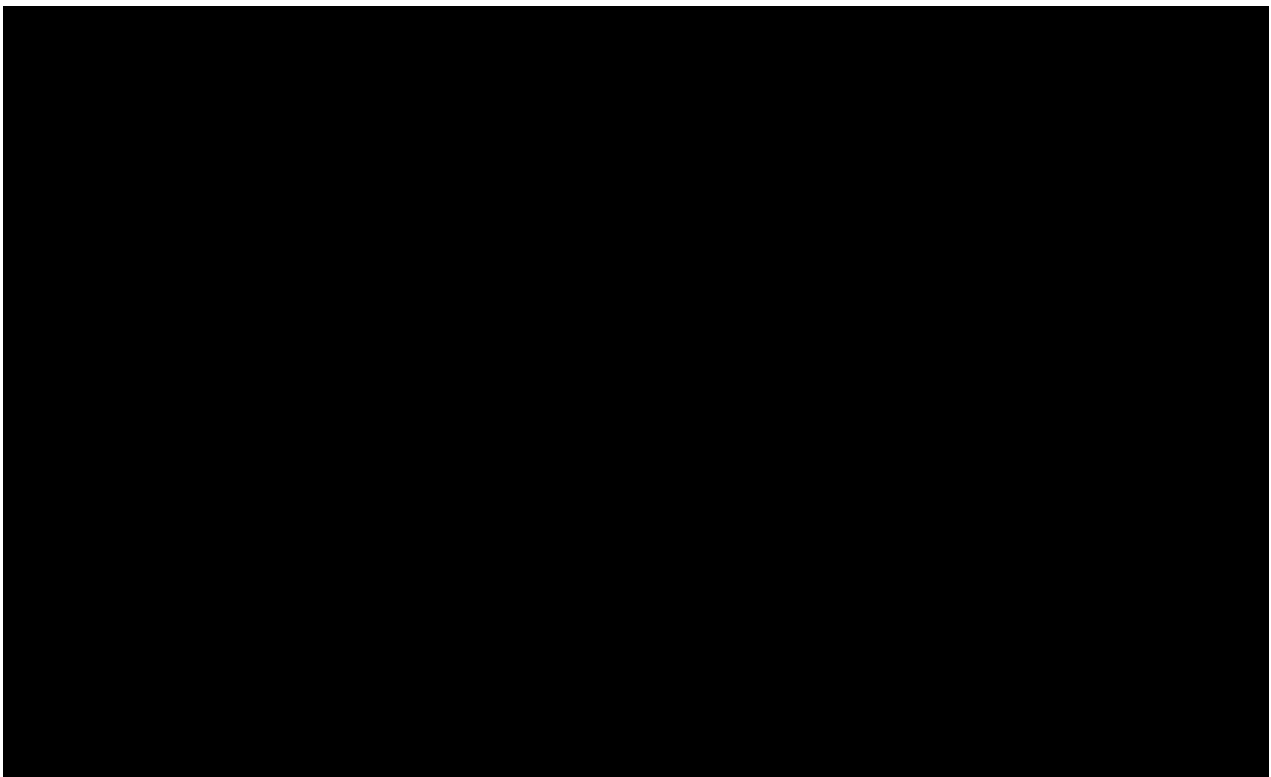
Minnesota Power performed an evaluation estimating the change in customer costs over the 15-year term of the Google ESA using the EnCompass model from the 2025 IRP.¹⁰ The analysis compared the change in customer cost between the recommended 2025 IRP Base Plan and a scenario where Google demand is added along with the 300 MW of wind, 400 MW of battery storage, and [TRADE SECRET DATA BEGINS ■ TRADE

¹⁰ Minnesota Power used the EnCompass models developed for the Clean Firm Plan evaluation that was filed in January 2026.

SECRET DATA ENDS] MW of DR. To stress test the customer cost impact, the analysis included sensitivities that increased capital costs for all new generation resources added during the study period and removed the availability of production tax credits for new wind. Figure 4 shows with the new energy sales to Google, after the inclusion of which, Minnesota Power estimates a holistic¹¹ future cost decrease for existing customers up to \$15/MWh annually. Based on this evaluation, the total rate benefit to customers over the 15-year period is expected to range from \$600 million to \$800 million (15-year NPV) over the ESA term. Minnesota Power stressed capital cost for new generation resources and availability of Production Tax Credits for wind.

Figure 4: Projected Change in Customer Cost When Google is Added as a Customer

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¹¹ This cost projection includes all cost in base rates (i.e. Generation/Transmission/Distribution/Customer Programs), riders, and Fuel Adjustment Clause today adjusted for changes in power supply cost modeled in the 2025 IRP Encompass modeling and revenue requirements for the HVDC modernization project. While this estimate provides a holistic cost projection based on current modeling and assumptions, it does not include all factors that influence customer cost.

These customer benefits shown above are largely driven by Google paying Minnesota Power's large power tariff rates, which includes Google paying for a share of the cost of Minnesota Power's existing system, along with future investments in reliability and decarbonization efforts. If the ESA is not approved, these costs would be paid for by existing customers only, resulting in higher rates for customers than if Google were a new customer added to the system. The estimated customer benefits are based on current modeling and assumptions and do not reflect final costs. Minnesota Power will continue to evaluate and refine the resource needs and estimated cost impacts to customers as Google finalizes data center design plans, timeline, and applicability of the BEI offered by Minnesota Power.

As discussed previously, Minnesota Power's customers have multiple protection mechanisms included in the LP Service Schedule, ESA terms, and Minnesota law that protect them from cost and risk attributable serving the Google Data Center. Additionally, as a public investor-owned utility, Minnesota Power is subject to the Commission's regulatory authority over activities that impact customer rates.

VII. THE ESA IS CONSISTENT WITH THE PUBLIC INTEREST

This section provides information required for Commission consideration of a tariff or energy supply agreement under new Minn. Stat. § 216B.1622, subd. 2. This section also provides information related to the standard of review to be applied to ESAs as clarified by the Commission in Docket No. E015/M-14-130,¹² specifically that an ESA should be approved if the terms and conditions are consistent with the public interest and are not discriminatory. Finally, this section addresses how the ESA is consistent with the public interest.

A. Minn. Stat. § 216B.1622, subd. 2

Minn. Stat. § 216B.1622, subd. 2, states:

Tariff or energy supply agreement. The commission may approve, modify, or reject a tariff or electric service agreement proposed between a public utility and a very

¹² MPUC Docket No. E015/M-14-130, *In the Matter of Minnesota Power's Petition for Approval of an Electric Service Agreement Between Magnetation and Minnesota Power*, May 6, 2014 Order.

large customer establishing the terms and conditions under which the utility will provide electric service to the customer. As it evaluates a tariff or agreement under this section, the commission must consider how best to achieve the following required outcomes:

(1) all costs attributable to the utility's very large customers not exempt under subdivision 3 are assigned to the very large customer class or subclass determined by the commission under paragraph (a);

(2) the electricity to be provided by the utility to a very large customer achieves each quantitative benchmark of the state's electricity standards under section 216B.1691, as demonstrated by a plan submitted by the utility to serve the additional load without recourse to requesting a delay or modification of these standards;

(3) the tariff or agreement contains protections necessary to ensure that other customers of the public utility are not placed at risk for paying stranded costs associated with the utility serving the very large customer; and

(4) any other outcome deemed important by the commission to ensure the tariff or agreement is in the public interest.

Each of these requirements is addressed in the following sections.

1. Cost Assignment

Minn. Stat. § 216B.1622, subd. 2 states that: (1) all costs attributable to the utility's very large customers not exempt under subdivision 3 are assigned to the very large customer class or subclass determined by the commission under paragraph (a).

The proper interpretation of “costs attributable” under the statute is critical to ensuring both fairness and accuracy in the ratemaking process. “Costs” in this context should be understood as the net increased costs imposed on all other customers, rather than all actual costs associated with building any specific new resources or facilities needed because of the increased demand from a new very large customer.

First, statutory language does not require that every dollar spent on new infrastructure be assigned solely to the very large customer class entity. Rather, it requires that only those costs “attributable” to the very large customer be assigned. In a highly integrated utility system, generation and transmission assets serve all customers collectively, not individually. It is neither practical nor technically feasible to isolate the use of a specific asset to a single customer or class. Therefore, the only costs that can reasonably be “attributed” to a very large customer are those that result in a net increase in costs to other customers—costs that would not have been incurred but for the presence of the very large customer.

Second, interpreting “costs” as all actual costs associated with specific new facilities may lead to unfair cost allocation. Many infrastructure investments provide system-wide benefits, such as increased reliability or capacity, that accrue to all customers. Assigning the full cost of such investments to the very large customer class or a specific very large customer ignores the shared nature of utility service and the fact that all customers benefit from a robust and reliable system.

This interpretation aligns with established ratemaking principles, which seek to allocate costs based on cost causation and to avoid cross-subsidization among customer classes. By focusing on net increased costs, the statute ensures that very large customers pay their fair share of the costs they impose on the system, without overburdening them with costs that benefit the entire customer base. This approach also provides clear guidance for utilities and regulators, who must make complex cost allocation decisions in the context of integrated utility operations.

Ultimately, the phrase “all costs attributable” in Minn. Stat. 216B.1622, subd. 2, should be interpreted to mean the net increased costs to all other customers. This interpretation is consistent with the integrated nature of utility systems, avoids unfair cost allocation, and upholds the principles of cost causation and equity in ratemaking. Assigning only the net increased costs to the very large customer class customer ensures that all customers pay their fair share and that the statute is implemented in a manner that is both practical and just.

To ensure that the net costs attributable to the addition of the Google Data Center are attributable to that customer, Minnesota Power is proposing to calculate a margin contribution analysis per its current tariff LP Surcharge mechanism. If revenues are greater than the costs during the evaluation period, this confirms that system customers will receive positive benefits from having new load on the system. Conversely, if revenues are lower than the costs during the evaluation period, then the LP Surcharge will be applied to ensure no harm to other customers.

2. State Renewable Energy Objectives

Minn. Stat. § 216B.1622, subd. 2 states that: (2) the electricity to be provided by the utility to a very large customer achieves each quantitative benchmark of the state's electricity standards under section 216B.1691, as demonstrated by a plan submitted by the utility to serve the additional load without recourse to requesting a delay or modification of these standards. Minnesota Power's 2025 IRP includes both a Base Plan and a Growth Plan evaluation, the latter of which evaluated load growth sensitivities ranging from +500 MW to +1500 MW. As discussed in greater detail in Section VI, the addition of the very large customer load within this evaluation range does not alter Minnesota Power's commitment to meeting the CFS.

Minn. Stat. § 216B.1691, referenced above, sets forth Minnesota's renewable energy objectives, requiring, among other things, that each utility generate sufficient electricity, or procure sufficient RECs or AECs, from carbon-free energy technology to provide percentages of total retail electric sales on a schedule, with the objective of 100 percent of retail sales to customers be served by carbon-free generation by the end of 2040.¹³ Minnesota Power is committed to meeting the CFS requirements. The 2025 IRP Base Plan results in an annual energy portfolio that is compliant with the CFS requirement that 90 percent of electricity sales to customers be served by eligible carbon-free energy technologies by 2035. If any shortfalls result from the additional energy demand from the Customer, Google will be responsible for acquiring and paying for the REC/AEC procurement to remain compliant with the CFS milestones. Minnesota Power will continue

¹³ Minn. Stat. § [216B.1691](#), subd 2g.

to evaluate in future IRPs if additional renewables beyond the 300 MW of wind is economical for customers when evaluating CFS compliance requirements.

As described above, additional wind generation and battery storage will be developed or procured to ensure the Company's system can meet the requirements to serve this new customer. Therefore, bringing this customer to the Company's system will not impact Minnesota Power's commitments or ability to achieve Minnesota's renewable energy objectives and the Company is not seeking a modification or delay of the CFS as a result of this new Customer. Any such request would be brought forward according to the process established by the Commission in Docket No. E-999/CI-23-151, *In the Matter of an Investigation into Implementing Changes to the Renewable Energy Standard and the Newly Created Carbon Free Standard under Minn. Stat. § 216B.1691*.

3. Protection Against Stranded Costs

Minn. Stat. § 216B.1622, subd. 2 states that: (3) the tariff or agreement contains protections necessary to ensure that other customers of the public utility are not placed at risk for paying stranded costs associated with the utility serving the very large customer. In addition to the ESA provisions, including minimum billing, the length of the contract term, and termination fees, and proposed tariff modifications discussed previously, the PDSA and FCA offer layered protections against stranded costs contemplated by the new Minnesota statute.

The PDSA provides that, upon execution by both the Customer and the Company of a notice to proceed, the Company will begin development or procurement of additional generation and capacity resources including wind generation and battery storage assets, according to the schedule and parameters in the PDSA. The PDSA includes termination provisions and options, [TRADE SECRET DATA BEGINS

TRADE SECRET DATA ENDS]. The PDSA itself is provided with this Petition to support the Company's request for approval of the ESA because the PDSA provides protections for the Company and its other customers related to these development costs. Further, the ESA termination provisions described earlier in this petition clarify the robust protections that are provided

once the customer is online. The Company will request approval of the development or procurement of the wind and battery storage assets through the appropriate resource acquisition petition process.

The FCA addresses the system transmission upgrades needed to provide service to the Customer's new facility. To interconnect the Customer's new facility to the transmission system, the Company will need to make additions, modifications, and upgrades to certain facilities on its transmission system. Under the FCA, Google is responsible for all costs associated with these future upgrades. The FCA includes provisions related to the future construction of necessary upgrades to the transmission system, Customer obligations in the event of termination by the Customer related to payment of Company's costs, including costs related to removal and site restoration, and a payment schedule for after the upgrades are placed into service. Under the FCA, if the Customer terminates the agreement prior to the in-service date of the upgrade, the Customer is responsible for all costs the Company has incurred. If a Network Upgrade is placed into service, then the Customer will pay for that upgrade over the course of 20 years. Under no circumstances will retail customers be responsible for the cost of an upgrade.

Because the FCA is related to construction on the interstate transmission system, the FCA is required to be filed with the FERC as a service agreement under the Midcontinent Independent System Operator, Inc. ("MISO") FERC Tariff. Like the PDSA, the FCA is provided with this Petition to support the Company's request for approval of the ESA because the FCA provides protections for the Company and its other customers associated with transmission system investments in the event the Customer's data center project does not move forward.

4. Other Considerations

Minn. Stat. § 216B.1622, subd. 2 states that: (4) any other outcome deemed important by the commission to ensure the tariff or agreement is in the public interest. Public interest considerations are further discussed in Section VII.C.

B. Docket No. E015/M-14-130 Standard of Review

In Docket No. E015/M-14-130, the Commission clarified the standard of review to be applied to ESAs, explaining that an ESA should be approved only if the terms and conditions are consistent with the public interest and non-discriminatory, specifically that:

- (1) no party affected by the ESA should be worse off as a result of the ESA; and
- (2) the rates under the ESA must not be discriminatory, namely, the rate would be available to any other large power customer of Minnesota Power facing similar circumstances.

As discussed below, the ESA meets these two criteria, and is in the public interest.

5. No Party Negatively Affected Due To the ESA

The parties that could be affected under the ESA are the Company, the new Customer, and Minnesota Power's existing customers. The Company and the Customer entered into the ESA voluntarily, and have determined they will not be worse off as a result of entering into the Agreement.

Additionally, the ESA will not harm Minnesota Power's existing customers. As discussed in Section VI.B, Minnesota Power performed an evaluation estimating the change in customer costs over the term of the Google ESA, which shows that with the new energy sales to Google, Minnesota Power estimates benefits for existing customers rates over the initial term of the agreement could range from \$600 million to \$800 million over the 15 year ESA term after the project is fully permitted and operating. Further, as discussed in Section V.A., to ensure that the net costs attributable to the addition of the Google Data Center are attributable to that customer, Minnesota Power is proposing to calculate a margin contribution analysis on a regular basis and prior to the load ramp. If revenues are greater than the costs, this confirms that system customers will receive positive benefits from having new load on the system. Conversely, if revenues are lower than the costs, then the LP Surcharge will be applied to ensure no harm to other customers.

6. Rate is Not Discriminatory

The rates offered to the data center under the ESA are non-discriminatory. The ESA provides that the Customer will take service under the current LP Service Schedule. Service under the LP Service Schedule is also subject to the Company's Electric Service Regulations and all riders and other tariffs applicable to LP service. These rates are offered to other similarly situated customers and have been approved by the Commission via multiple proceedings. Thus, the rates and terms under the ESA are not discriminatory.

C. Public Interest

For the reasons outlined throughout this Petition, approval of the ESA is in the public interest. The Agreement supports economic development and diversification in northern Minnesota, advances the state's clean energy goals, and together with the PDSA, FCA, and LP Service Schedule provisions, provides layered protections for existing customers. Minnesota Power's contractual arrangements with its large industrial customers have historically created significant fixed cost recovery assurances upon which Minnesota Power and its other customers could depend, and the terms and conditions outlined in this current agreement with the Customer is expected to provide even more benefits for Minnesota Power customers.

Bringing a very large customer such as the Google Data Center onto Minnesota Power's system provides significant benefits to the Company's overall system and to all existing customers. The addition of a high-load, high-capacity customer allows Minnesota Power to spread the fixed costs of its system infrastructure over a larger customer base, which leads to more stable rates and may help moderate customer rate increases over time. The development of the data center will also bring substantial economic benefits to the local community and the broader region. The project is expected to create new jobs, expand the local tax base, and drive industry diversification. The presence of a global technology leader like Google also signals the region's attractiveness for further investment and innovation.

Recognizing the statutory requirements for bringing new very large customers onto a utility's system, the Agreement with Google offers more protections than ESAs with the Company's other large industrial customers and a longer contract term of 15 years. The

ESA and related PDSA and FCA contain robust, layered protections to ensure that Minnesota Power's other customers are not exposed to stranded costs if the data center is not built or does not operate as planned. The PDSA specifically requires the Customer to provide financial assurance for all costs associated with the early-stage development or procurement of generation and storage assets needed to serve the facility, and, at ALLETE Enterprises' election, the Customer would be responsible for any termination costs if the project does not proceed. This structure ensures that Minnesota Power's existing customers are insulated from financial risk related to the new facility. The FCA is structured so that all costs associated with connecting and serving the new data center are borne by the customer, not by existing ratepayers.

The Agreement also includes provisions for new power infrastructure development to protect reliability for all customers. It will enable the development of 700 MW of new clean energy resources, including 300 MW of wind energy and 400 MW of battery storage, to support the data center's needs. These new system assets will help Minnesota Power continue to make progress toward the CFS and will strengthen the resilience of the grid for all customers. The Agreement also includes efforts for the Customer to deploy demand flexibility capabilities, which can help reduce grid strain during peak times and further enhance system reliability.

The Customer will be served under Minnesota Power's existing regulated LP Service Schedule, with tariff modifications to the LP Surcharge section to include a margin contribution analysis that calculates either a benefit to all customers or determines if an LP Surcharge shall apply. The proposed tariff changes modernize the LP Surcharge to ensure service to the Customer is compliant with Minnesota law that provides protections for existing customers from potentially adverse impacts associated with the addition of new very large customers. The Company's longstanding experience serving large industrial customers provides Minnesota Power with a strong and unique foundation for serving new customers with significant and complex energy needs.

The Company is confident that its existing LP Service Schedule is well-suited to accommodate new very large customers while upholding cost causation principles and includes mechanisms to help safeguard other customers from adverse impacts. Serving

the Customer under the existing LP Service Schedule and associated riders ensures transparency, regulatory consistency, and fairness. This approach leverages an established customer class and tariff structure that is already subject to Commission oversight, providing a clear framework for rates, terms, and conditions. The ESA also includes eligibility for the Business Expansion Incentive Rider, which is designed to encourage large-scale economic development while maintaining protections for other customers.

VIII. CONCLUSION

Minnesota Power respectfully requests Commission approval of the ESA establishing electric service for a new Google Data Center facility to be located in Hermantown, Minnesota under the Company's LP Service Schedule, as well as associated tariff revisions described in this Petition. Specifically, the Company requests that the Commission approve:

1. the ESA between Minnesota Power and Google;
2. the recognition of the renewable energy supply actions to support the ESA are aligned with the 2025 IRP analysis, and any other approvals that may be needed;
3. modification to the Large Power Service Schedule to modernize Large Power Surcharge applicability language while still providing the important protections for Minnesota Power's other customers; and
4. modification to the Rider for Conservation Program Adjustment to address data center participation in conservation improvement programs, consistent with recent Minnesota legislation amending Minn. Stat § 216B.241, Subd. 1a.

Providing electric service to this new customer will benefit Minnesota Power's other customers by allowing fixed costs of the system to be spread more widely and will result in the addition of new renewable energy resources on the Company's system, supporting Minnesota's CFS and resiliency on the system. The ESA includes new power infrastructure development funded by Google, and through this Agreement, Google will contribute \$5 million in energy impact funding to support affordability and efficiency

programs for Minnesota Power’s low- to moderate-income residential customers. Overall, for the reasons discussed in this Petition, the ESA satisfies all applicable laws and regulatory requirements and is firmly in the public interest. Minnesota Power looks forward to working with the Commission and other parties interested in this matter.

Dated: March 26, 2026

Respectfully submitted,

A handwritten signature in black ink that reads "Jennifer Kuklenski". The signature is written in a cursive style and is positioned above the typed name and contact information.

Jennifer Kuklenski
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jkuklenski@mnpower.com

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EXECUTION VERSION

ELECTRIC SERVICE AGREEMENT

between

HARMONY GROUP LLC

and

MINNESOTA POWER

Entered as of February 25, 2026

CONFIDENTIAL CONTRACT

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**ELECTRIC SERVICE AGREEMENT BETWEEN
HARMONY GROUP LLC AND MINNESOTA POWER**

THIS ELECTRIC SERVICE AGREEMENT (“Agreement”), entered into this 25th day of February 2026 (“Execution Date”), between Harmony Group LLC (“Customer”), and MINNESOTA POWER, an operating division of ALLETE, Inc. (“Company” or “MP”), such parties also being hereinafter referred to individually as “Party” and collectively as the “Parties.”

WHEREAS, Customer is developing and will construct and operate a large communication services facility in MP’s service territory; and

WHEREAS, the Parties desire to enter into this Agreement to govern the provision of retail electric service by MP to the Customer Facility.

NOW THEREFORE, in consideration of these premises and of the mutual agreements previously made, the Parties hereby enter into this Agreement as follows:

1. DEFINITIONS

Definitions of terms to be used throughout this Agreement are as follows:

A. Affiliate means any entity that directly or indirectly through one of more intermediaries, controls or is controlled by or is under common control with the entity specified. For purposes of this definition, control of an entity means the power, direct or indirect, to direct or cause the direction of the management and policies of such entity whether by contract or otherwise, or ownership of fifty percent (50%) or more of the voting securities or interests of another entity.

B. Applicable Transmission Rules shall mean the rules, orders, regulations, practices, procedures and protocols established by regional transmission organizations (such as the Midcontinent Independent Transmission System Operator, Inc.), electric reliability organizations (such as the North American Electric Reliability Corporation and the Midwest Reliability Organization) and comparable organizations applicable to the provision of retail electric service to the Customer Facility.

C. Business Expansion Incentive Rider shall mean the Company’s Business Expansion Incentive as contained in the Minnesota Power Electric Rate Book or another applicable tariff or schedule

D. Commission shall mean the Minnesota Public Utilities Commission or any successor regulatory authority.

E. Contract Capacity shall mean (i) during the Ramp Period, the amount of capacity in kW to which Customer is contractually obligated under this Agreement in the Ramp Schedule as set forth on Exhibit A, and (ii) after the Ramp Period, [REDACTED] or such other amount as expressly allowed under this Agreement.

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F. Creditworthy Entity shall mean an Entity with United States based assets of at least [REDACTED] or higher from S&P; provided, if such Entity is rated by both Moody's and S&P, the lower rating shall govern.

G. Facilities Construction Agreement shall mean that certain Facilities Construction Agreement between the Parties dated as of February 25, 2026, governing the construction of transmission interconnection facilities and network upgrades necessary for the provision of the electric service by Company to the Customer Facility.

H. Customer Facility shall mean the large communication services buildings operated by Customer, located on or about the intersection of Midway Road and Morris Thomas Road in Hermantown, MN, on the parcel legally described as set forth on Exhibit E. If mutually agreed by the Parties, a different location within MP's service territory where Customer plans to operate comparable large communication services buildings or facilities may be substituted for the Customer Facility.

I. Department shall mean the Minnesota Department of Commerce - Division of Energy Resources.

J. Electric Service Regulations shall mean the Electric Service Regulations of Minnesota Power as contained in the Minnesota Power Electric Rate Book.

K. Energy shall mean the electric consumption requirement measured in kilowatt-hours ("kWh").

L. Entity shall mean a corporation, limited liability company, voluntary association, joint stock company, business trust, partnership, governmental authority, or other entity.

M. Good Utility Practice shall mean any of the practices, methods and acts engaged in or approved by a significant proportion of the electric utility industry in the relevant region during the relevant time period, or any of the practices, methods and acts that, in the exercise of reasonable judgment in light of the facts known at the time the decision was made, could have been expected to accomplish the desired result at a reasonable cost consistent with good business practices, reliability, safety and expedition in a manner that: (i) is consistent with applicable law, Company's Electric Service Regulations and Applicable Transmission Rules, (ii) makes due consideration for reliability, safety and protection of equipment, and (iii) is consistent with relevant manufacturer's written recommendations and written warranties. Good Utility Practice is not intended to be limited to the optimum practice, method or act to the exclusion of all others, but rather to be a range of acceptable practices, methods or acts generally accepted in the region.

N. 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.

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O. Incremental Production Service (“IPS”) shall mean service provided under the Rider for Large Power Incremental Production Service as set forth therein and in Paragraph 3(D). The Rider for Large Power Incremental Production Service shall mean the rider as contained in the Minnesota Power Electric Rate Book or another applicable tariff or schedule.

P. Incremental Production Service Threshold (“IPST”) shall mean the Incremental Production Service Threshold as defined in the Rider for Large Power Incremental Production Service and Paragraph 3(D) of this Agreement.

Q. Large Power Service Schedule (“Schedule 74”) shall mean the Company’s Large Power Service Schedule as contained in the Minnesota Power Electric Rate Book or another applicable service schedule that supersedes or replaces it and is applicable to the Customer Facility. The applicability of the Large Power Service Schedule to this Agreement shall be governed by Paragraph 3(F).

R. Measured Demand shall mean the kilowatts (kW) measured during the 15-minute period of the Customer Facility’s greatest use at all of the points of Delivery during the month.

S. Minimum Billing Demand shall be the kW established in Paragraph 3(B). Minimum Billing Demand shall be synonymous with “Firm Demand” for purposes of applying the Large Power Service Schedule.

T. MISO shall mean the Midcontinent Independent System Operator or its successor organization.

U. MISO Zonal Resource Credits shall have the meaning ascribed to it in the MISO Open Access Transmission, Energy and Operating Reserve Markets Tariff.

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

W. Power Development Services Agreement or PDSA shall mean that certain Power Development Services Agreement, between ALLETE Enterprises, Inc. and Customer, dated as of February 25, 2026.

X. Point(s) of Delivery shall mean the 230kV side of Customer’s portion of the Customer owned substation at the locations set forth on Exhibit A.

Y. Power shall mean the electric demand requirement measured in kilowatts (“kW”).

Z. Qualified Issuer shall mean a U.S. chartered bank with United States based assets of at least [REDACTED] or higher from S&P; provided, if such Entity is rated by both Moody’s and S&P, the lower rating shall govern.

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AA. Ramp Period shall mean the period starting on the first day indicated in the “Ramp Schedule” set forth on Exhibit A and ending on the earlier to occur of (i) the last day of the “Ramp Schedule” set forth on Exhibit A or (ii) the date when Customer’s Measured Demand first reaches [REDACTED]. The Parties acknowledge that the Ramp Schedule is currently indicative, as of the Execution Date, of Customer’s projection of the Contract Capacity which will be required by the Customer Facility over the Ramp Period. Following satisfaction or waiver by the Customer of the Conditions Precedent set forth in Paragraph 2(B), Customer will provide the Company with a proposed revised Ramp Schedule, if and as necessary, which revised Ramp Schedule shall be subject to Company’s reasonable approval. If the Effective Date occurs after [REDACTED], the Parties may revise the Ramp Schedule, if and as necessary, to provide sufficient time to test and energize equipment within the Customer Facility prior to the commencement of commercial operations, consistent with Paragraph 3(A).

BB. Renewable Energy Credits (RECs) or Energy Attribute Credits (EACs) shall mean allowances, certificates, green tags, or other transferable indicia, including any environmental attributes, associated with the generation of a particular quantity of electric energy from renewable energy generation facilities (in the case of RECs) or other electric generation resources, in the United States, that qualify as “carbon-free,” and that otherwise comply with all applicable requirements under Minn. Stat. §216B.1691, as the same may be amended from time to time, and all implementing rules of the Commission. RECs and EACs do not include federal or state tax credits relating to the construction, ownership or production of energy.

CC. Security shall mean (i) cash, (ii) a parent guaranty from a Creditworthy Entity, (iii) a letter of credit from a Qualified Issuer or (iv), a surety bond from a Qualified Issuer, in each case in form, amount, and substance reasonably acceptable to Company.

DD. Tracking System shall mean M-RETS, the tracking system operated by Midwest Renewable Energy Tracking System, Inc. (aka, CleanCounts) or, in the event that M-RETS is no longer available, any successor system.

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. In the event of a conflict between the definitions herein and the definitions found in any other relevant document, the definitions in this Agreement shall control.

2. TERM OF AGREEMENT; TERMINATION

A. This Agreement shall become effective as of the Effective Date first defined in Paragraph 5(L) of this Agreement. The “Commissioning Period” shall begin on the Effective Date and will continue until the first day of the Ramp Period as set forth on Exhibit A, unless otherwise mutually agreed upon by the Parties in writing. The “Initial Term” of this Agreement shall begin on the first day of the Ramp Period and extend for fifteen (15) years unless otherwise terminated as provided in this Agreement. The Initial Term and the period following the Initial Term are jointly referred to herein as the “Term.”

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B. Company may terminate this Agreement upon written notice to Customer [REDACTED]

[REDACTED]

Customer may terminate this Agreement upon written notice to Company [REDACTED]

[REDACTED]

C. [REDACTED]

D. This Agreement shall continue to be in full force and effect after the Initial Term unless terminated by either Party providing written notice to the other Party at least four (4) years prior to the date of termination set forth in the notice, which may be provided during the Initial Term. During each billing month, Customer shall be obligated to purchase from the Company the electric service described herein from Company under the terms of this Agreement. The Agreement includes the commitments for a Minimum Billing Demand and other commitments made in Paragraph 3 below.

E. Notwithstanding any other provision of this Agreement, Customer shall have the right to terminate this Agreement by notice to Company in the event [REDACTED]

[REDACTED]

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[REDACTED]

3. **SERVICE UNDER THE LARGE POWER SERVICE SCHEDULE**

A. **Service Requirement.**

i. **Commissioning Period.** The Parties acknowledge that the Commissioning Period is required to test and energize equipment within the Customer Facility prior to the commencement of commercial operations. During the Commissioning Period, Customer will take electric service from the company as stated in this Paragraph 3(A)(i). Service provided during the Commissioning Period shall be billed in accordance with Paragraph 5(C). For avoidance of doubt, Minimum Billing Demand will be billed in accordance with Paragraph 3(B). Energy taken by Customer during each billing month of the Commissioning Period shall be billed in accordance with the applicable provisions of the Large Power Service Schedule. Prior to and during the Commissioning Period, Customer shall provide Company with a non-binding schedule of its planned commissioning activities, including information with respect to equipment testing that may result in significant but temporary electric service requirements at the Customer Facility. The Parties acknowledge such information is for planning purposes only and does not create any binding obligation of the Customer.

ii. **Load Forecasting/Operational Planning.**

[REDACTED]

[REDACTED]

iii. **Planning Meetings.** Upon the written request of either Party, Company and Customer agree to meet (including virtually) up to once each calendar quarter during the Initial Term, at a time and place to be mutually agreed. During each planning meeting, the Parties will coordinate and align on matters related to this Agreement, in support of the

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Company's and Customer's business relationship, and such other matters as the Parties mutually agree, including RECs as contemplated in Paragraph 4.E. Each Party will designate, as may be updated from time to time by written notice, two employees to participate in the planning meetings and to be primarily responsible for such other ongoing communications regarding operations of the Customer Facility that may impact electric service.

B. Minimum Billing Demand.

During the Commissioning Period and through the Term, Customer will purchase and pay Company monthly for a "Minimum Billing Demand". Minimum Billing Demand shall mean the greatest of the following values measured each month: (i) [REDACTED], (ii) the Customer Facility's Measured Demand, as adjusted for the IPS as defined in Paragraph 3(D), or (iii) 80% of the Contract Capacity.

In addition, each month during the Commissioning Period and through the Term, Customer shall pay (i) the Large Power Service Schedule Demand Charge (as defined in the Large Power Service Schedule), (ii) the Transmission Demand Charge (as defined in the Large Power Service Schedule), and (iii) all applicable riders that are billed by the Company on a demand basis and which are associated with the Minimum Billing Demand ((i), (ii), and (iii) collectively referred to as the "Minimum Demand Charge"). Energy taken by Customer during each billing month attributable to the Minimum Billing Demand shall be considered Firm Energy and billed in accordance with the applicable provisions of the Large Power Service Schedule.

C. Measured Demands in Excess of Established Minimum Billing Demand.

In the event the Customer Facility's Measured Demand for a billing month exceeds the Monthly Contract Capacity plus the allowable IPS for such billing month, the Minimum Billing Demand for that billing month will be increased to match the Measured Demand adjusted for IPS as defined in Paragraph 3(D). Energy taken by the Customer Facility during each billing month attributable to Measured Demand that exceeds the Monthly Contract Capacity plus the allowable IPS as defined in Paragraph 3(D) shall be considered Excess Energy and billed at the Excess Energy Charge in accordance with the Large Power Service Schedule. Examples of how this Paragraph 3(C) will be applied are set forth on Exhibit B to this Agreement. Should there be any discrepancy between Exhibit B and the language of this Agreement, the language of this Agreement shall prevail.

D. Large Power Incremental Production Service.

Following the end of the Ramp Period, Customer shall have the right to purchase IPS from the Company under the terms of the Rider for Large Power Incremental Production Service whenever the Measured Demand exceeds the IPST. Energy attributable to any Measured Demand in excess of the IPST, but in no event greater than the percent of IPST set forth in the Rider for Large Power Incremental Production Service, shall be billed

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as provided in the Rider for Large Power Incremental Production Service. Customer shall be eligible for IPS energy only when monthly Measured Demand has reached an IPST level equal to the Contract Capacity following the Ramp Period. Examples of how this Paragraph 3(D) will be applied are set forth on Exhibit B to this Agreement.

E. Electric Service.

Following the Effective Date, and subject to the provisions of this Agreement, Company shall deliver and sell to Customer, and Customer shall receive and purchase from Company, the electric power and energy as set forth in this Agreement.

From time to time, Customer and Company will meet to consider possible changes in the Customer Facility's electric service needs, including electric service requirements that may be in excess of the Contract Capacity. The Parties agree that any new service or modification of the service provided under this Agreement shall be subject to the mutual written consent of the Parties and applicable regulatory approvals. Failure by the Parties to reach agreement or obtain regulatory approval on any proposed additional service shall not affect this Agreement. The Parties agree that any future solutions at the Customer Facility that require interconnection with the Company's electrical system shall be governed by separate agreement(s), including an interconnection agreement and the Company's applicable tariffs.

F. Applicable Rates, Riders, and Rules.

i. Customer will pay for service in accordance with Company's Large Power Service Schedule and any applicable riders thereto in effect from time to time, except as otherwise provided in this Agreement. The Large Power Service Schedule and all applicable riders and rules are attached hereto as Exhibit C and are incorporated by reference and made a part hereof. Said schedules, riders and rules shall be replaced by any applicable superseding schedules applicable to the Customer Facility, riders, and rules that replace or that are a successor to the Large Power Service Schedule, and such new schedules, riders, and rules shall become effective as soon as permitted by the Commission.

ii. In the event that the Commission's regulatory responsibilities are altered and/or the Commission ceases to regulate the retail electric service rates applicable to the Customer Facility, 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, under existing or modified rate schedules, riders, tariffs or service regulations, and which cannot continue to be adjusted by applying the rate schedules, riders, tariffs or service regulations because of a change in applicable law, including a change resulting in the absence of regulatory

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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, adjustments under Company’s Rider for Fuel and Purchased Energy Adjustments. In the event the parties are unable to reach an agreement on an appropriate substitute adjustment mechanism which most closely tracks the inapplicable adjustment mechanism within 60 days of the date that the change in law (which may include a change in legislation or administrative action invalidating the regulatory oversight) 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.

G. Business Expansion Incentive Rider. Subject to the Commission’s approval of this Agreement, Customer shall be eligible for a demand charge discount per the terms and conditions of Company’s Rider for Business Expansion Incentive (“BEI”) and according to the following schedule:

	Years 1-3	Year 4	Year 5
Demand Charge Discount [REDACTED]	30%	15%	5%

[REDACTED]

[REDACTED] In addition to any provisions contained herein, service for the Qualified Billing Demand shall also be subject to the provision of the BEI as it appears in the Minnesota Power Electric Rate Book. An example calculation of the demand charge discount is set forth on Exhibit D. Should there be any discrepancy between Exhibit D and the language of this Agreement, the language of this Agreement shall prevail.

H. MISO Resource Adequacy; Demand Response Programs. Beginning in calendar year [REDACTED], Customer agrees to work with Company to provide an increasing amount of demand response to meet the Company’s resource adequacy requirements, with the target of providing up to [REDACTED] MW of MISO Zonal Resource Credits by [REDACTED]. Customer may satisfy this requirement through one or a combination of the following, as mutually agreed upon by the Parties:

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- (i) Customer-provided demand response with mutually defined operational parameters; or
- (ii) an alternative product, program, or mechanism that provides the equivalent MISO Zonal Resource Credits.

The Parties agree to work in good faith to agree upon the method and terms of the chosen compliance path no later than [REDACTED] years from the Execution Date. The Parties acknowledge that MISO resource adequacy rules are subject to change and agree to work in good faith to adapt the terms of this Paragraph to conform to any such future requirements.

I. Additional Services. Customer may engage Company to perform additional services pursuant to the execution of a separate, mutually acceptable written agreement. Unless otherwise agreed to by the Parties in writing, any engineering, construction, repair, or maintenance work performed on the Customer Facility or any related equipment shall be subject to Company's standard Master Services Agreement and will be separately charged to Customer in accordance with the terms and conditions of the Master Services Agreement.

4. SERVICE CONDITIONS

A. Security. Customer shall post Security for Customer's obligations under this Agreement, including any amendments thereto. Where any amendment to this Agreement increases the Company's exposure for costs in excess of the amount of the Security as set forth on Exhibit G, the Company may require, as part of any such amendment, that Customer provide replacement Security for the amended Customer obligations with the amount of the Security set forth on Exhibit G increased to cover any such increased cost exposure on the part of the Company. For the avoidance of doubt, the Security amount shall remain unchanged provided that any such Amendment: (i) does not result in a Contract Capacity exceeding [REDACTED] kW; and (ii) does not involve any other material commercial modifications to this Agreement.

Customer shall deliver such Security as required under this paragraph 4(A) to the Company within 30 calendar days following the date the Commission approves this Agreement substantially in form and substance as set forth on Exhibit H. Customer shall maintain such Security for Company's benefit until the end of the Term. Customer may, at any time and from time to time, replace the form of Security in effect with any other form of Security permitted hereunder so long as Customer maintains Security with a value in the amount then required to be posted by the Customer at such time.

The amount of Security shall be as set forth on Exhibit G. For avoidance of doubt, "Year One" of the Initial Term as set forth on Exhibit G shall begin on the date of delivery of the Security and extend through the end of the first year of the Initial Term.

No sooner than the third anniversary of the Initial Term, either Party may request that the other Party review the need for Security and the Parties may agree in writing to adjust the provision of Security upon other commercially reasonable terms. Customer shall be exempt from providing Security to Company if Customer meets the definition of Creditworthy Entity.

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B. Social License. Beginning as of the date of the Commission’s approval of this Agreement and continuing for a period of five (5) years thereafter, as an indication of Customer’s continuing commitment to the local communities within Company’s service territory, Customer will contribute \$1,000,000 per year to support the Company’s energy focused programs to benefit low and moderate income residential customers.

C. Customer Elective Termination; Termination Fee; Capacity Reduction

i. **Termination During the Initial Term.** Beginning thirty-six (36) months after the first day of the Initial Term, Customer may elect to terminate this Agreement for any reason by providing written notice to Company (the “Termination Notice”) not less than forty-eight (48) months prior to the effective date of the termination specified in the notice (the “Termination Date”).

ii. **Termination Fee During the Initial Term.** If this Agreement is terminated prior to the expiration of the Initial Term, Customer shall pay to Company, as Company’s sole and exclusive remedy, a termination fee in an amount [REDACTED] [REDACTED] (the “Termination Fee”). A sample calculation of the Termination Fee is set forth on Exhibit F, should there be any discrepancy between Exhibit F and the language of this Agreement, the language of this Agreement shall prevail. Customer shall pay the Termination Fee promptly, and in any event not more than sixty (60) days following the Termination Date.

iii. **Termination After the Initial Term.** During the period following the Initial Term, Customer may elect to terminate this Agreement for any reason by providing to Company written notice of such termination not less than [REDACTED] prior to the effective date of the date of termination set forth in the notice. For any termination by Company under this Paragraph 4(C)(iii), Company shall pay no Termination Fee or any other termination fee or penalty.

iv. **Reduction in Contract Capacity.** Beginning [REDACTED] after the first day of the Initial Term, Customer may elect to reduce the Contract Capacity by delivery of written notice (“Capacity Reduction Notice”) to Company not less than [REDACTED] prior to the effective date of the capacity reduction set forth in the notice; provided that Customer may not reduce the Contract Capacity under this Paragraph 4(C)(iv) by more than [REDACTED] kW per Capacity Reduction Notice, or more than [REDACTED] kW in aggregate during the Term.

If Customer elects to reduce the Contract Capacity, Customer shall pay Company a capacity reduction fee (“Capacity Reduction Fee”) [REDACTED]

[REDACTED] Customer shall pay the Capacity Reduction Fee promptly, and in any event not more than sixty (60) days following the Reduction Date.

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D. Additional Generation Resources. Customer acknowledges that Customer's Conditions Precedent set forth in Paragraph 2(B) impact the Company's ability to acquire additional generation resources and other related infrastructure sufficient to fulfill the Contract Capacity in accordance with the Ramp Schedule. To help ensure achievement of the Ramp Schedule, the Customer is entering into the Power Development Services Agreement with Company or an Affiliate of the Company. Pursuant to the Power Development Services Agreement, Customer will be liable for the early development costs incurred by an Affiliate of the Company to develop additional generation resources and other related infrastructure in order to adequately protect against any stranded costs for early development on the part of the Company. Except in accordance with the Power Development Services Agreement, during the period prior to the Effective Date, or except in the event of (i) the Commission's approval of the Company's full cost recovery of the generation assets that began development under the Power Development Services Agreement and (ii) the satisfaction or Customer's full waiver of the Customer Conditions Precedent prior to [REDACTED], neither the Company nor its Affiliate(s) shall be obligated to acquire, and Customer shall not be liable for Company's associated costs of acquiring, any additional generation resources and other related infrastructure beyond which the Company currently owns or controls, as may be needed to fulfill the Contract Capacity and the Ramp Schedule.

E. Customer Obligation for Company Renewable Energy Credits. Customer shall be responsible for (i) providing RECs or EACs to Company or (ii) reimbursing the Company for acquiring RECs or EACs to fulfill Company's renewable energy obligations under Minnesota Statutes §216B.1691, as the same may be amended from time to time, and all implementing rules of the Commission, due to the amount of metered kWh of electric energy supplied to Customer by Company during each calendar year ("Customer's Annual REC Obligation"), net of the Company's RECs or EACs provided by system resources based on the load ratio share of Customer's load, each year of the Term (the "Customer's Net Annual REC Obligation"). To the extent the Company does not have sufficient RECs or EACs generated from its system resources, the Customer will be responsible for (i) acquiring RECs or EACs or (ii) reimbursing the Company for acquiring RECs or EACs to fulfill the remainder of the Customer's Net Annual REC Obligation. Company shall notify Customer of the Customer's Net Annual REC Obligation no later than ninety (90) days following the end of each calendar year. Customer shall satisfy Customer's Net Annual REC Obligation within thirty (30) days of the date of Company's notice on an annual basis from the Effective Date through the end of the Term by either (a) transferring to Company, via the Tracking System, the Customer's Net Annual REC Obligation, or (b) reimbursing Company for its reasonable and documented costs to purchase and retire an amount of RECs or EACs necessary to fulfill the Customer's Net Annual REC Obligation. RECs or EACs shall have been generated in the same calendar year as the then-applicable Customer's Annual REC Obligation. Customer shall provide advance notice to Company of no less than one full calendar quarter of any request to Company to purchase RECs in connection with Customer's energy usage. The Customer's Annual REC Obligation will not exceed the Company's renewable energy obligations under Minnesota Statutes §216B.1691 as it relates to the total Customer metered kWh of electric energy in a given year.

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Within sixty (60) days following the end of each calendar year, Company will provide a provisional annual attestation letter that sets forth the amount of RECs and/or EACs that Company expects to retire on behalf of the Customer Facility's electricity consumption in the prior calendar year. No later than one hundred and fifty (150) days following the end of each calendar year, Company will provide Customer an annual attestation letter that sets forth the amount of RECs and/or EACs that Company retired on behalf of the Customer Facility's electricity consumption in the prior calendar year. The attestation shall delineate all RECs and/or EACs that originated from new clean energy resources that were placed in service following the Effective Date. Company agrees to reasonably collaborate with Customer on ways to share hourly energy supply resource mix data, including hourly generation or charge and discharge data from all new carbon free energy (CFE) resources supported by Customer's purchase of electric service under this Agreement at no cost to Company.

5. GENERAL

A. Operating Practices. Operating practices and standards of performance under this Agreement shall conform to Good Utility Practice. In its delivery of power to the Customer Facility, Company shall exercise such care as is consistent with Good Utility Practice and the use of all available facilities to minimize the effects of sudden load fluctuation or other voltage or current characteristics as may be detrimental to operation of the Customer Facility. Customer shall not purchase capacity or energy from the Company for purposes of resale of said capacity or energy to any other Entity. Company acknowledges that a lease or similar arrangement by Customer for third party space within the Customer Facility that includes electricity for the tenant's use on a pass through basis and without mark-up is not considered resale of capacity or energy.

B. Metering. All electric power and energy delivered under this Agreement by Company to Customer shall be metered on Company's equipment installed at the Point of Delivery.

C. Monthly Expedited Billing. Beginning on the Effective Date, service provided under this Agreement shall be billed under the terms and conditions set forth in the Company's Rider for Expedited Billing Procedures, except as modified herein. Notwithstanding any provision in the Rider for Expedited Billing Procedures to the contrary, all estimated bills shall be rendered on a monthly basis (calendar month), and Customer shall only be required to make a single payment for such estimated charges each month. Monthly billing shall be based on estimated electric service usage, including the Minimum Demand Charge, and not on an actual meter reading ("Monthly Estimated Billing"). The Monthly Estimated Billing for each period shall be determined by using the applicable monthly Contract Capacity. All payments for Monthly Estimated Billing will be reconciled against the charges for actual electric service usage at the end of each month and reflected on the Monthly Bill. The Parties may adjust the Monthly Estimated Billing by mutual agreement to account for operational changes. Customer will receive credit for advance monthly billing payment reflecting the time value of funds made available to Company earlier than such funds otherwise would have been available under the Company's standard monthly billing cycle. The credit will be applied to the monthly bill following the due date of the standard monthly billing cycle.

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D. Billing Disputes. In the event Customer desires to dispute all or any part of the charges submitted by Company, Customer shall 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 set forth in the statement are disputed and the amount in dispute; provided, however, no dispute as to the accuracy of the charges will be entertained or considered unless Customer provides written notice of the disputed charges 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.

E. Reserved.

F. Indemnification. Except as provided herein or otherwise at law, each Party agrees to defend, indemnify, and hold harmless the other Party against any and all claims, liability, loss, damage, or expense caused by or resulting from the negligent acts or omissions or breach of this Agreement by the indemnifying Party, its employees, or its agents.

G. Assignment. This Agreement may be assigned by either Party only with the written consent of the other Party; provided that, [REDACTED]

[REDACTED]


H. Electric Service Regulations. Company’s Electric Service Regulations attached as Exhibit C are made a part of this Agreement. In the event of a conflict between the Electric Service Regulations and this Agreement, the Agreement shall prevail.

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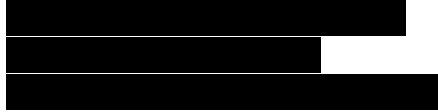
I. Regulation and Administrative Approval. Customer acknowledges that the rates to be charged to Customer are not fixed by the terms of this Agreement, but rather that the electric service made available by Company under the terms of this Agreement is provided pursuant to the rates and other terms and conditions of service as set forth in 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 applicable to the Customer Facility and in effect from time to time, all of which are subject to change upon the approval of the Commission. Company and Customer agree that Company is free to propose to the Commission at any time any change in the level of rates or modification to the applicable rate design of Company's rates that Company 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. 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 agrees to seek Commission approval of this Agreement within a reasonable time after the Execution Date. Company will coordinate with Customer as reasonably appropriate in Company's discretion in preparing Company's application to the Commission. Company and Customer agree that by executing this Agreement, Customer is not, and should not be construed as, forfeiting or relinquishing any right Customer has under applicable law and regulations to: (a) oppose any petition or application by Company to propose any new or modification of 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 propose any new or modification of 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 applicable law or regulation governing the provision of electric service by Company; 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 Company.

J. Notices. Any notice, election or other correspondence required or permitted under this Agreement shall become effective upon receipt and, except for 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, or nationally recognized overnight courier, transmitted by electronic mail to the address set forth below, with receipt confirmed, and addressed to the authorized representative of the parties designated below at their specified address:

TO: Minnesota Power
Vice President – Customer Experience
30 West Superior Street
Duluth, MN 55802
CustomerService@mnpower.com

TO: Harmony Group LLC


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K. Confidentiality and Non-Disclosure. No Party hereto shall disclose any confidential information regarding any part of this Agreement not otherwise included in Company’s Trade Secret Petition for Approval filed with the Commission (“Confidential Information”) except to the extent that disclosure is required by law, required for evidentiary purposes in any legal proceeding relating to enforcement of this Agreement, required for filing reports with or furnishing information to the regulatory authorities having jurisdiction over Company and other appropriate governmental authorities, required for purposes of obtaining financing or internal Company or Customer governance approvals, or upon mutual written consent of the Parties. Each Party agrees to request the Commission and any other regulatory or governmental authorities or financing parties to respect the confidentiality of this Agreement before either Party makes any disclosure to such bodies or authorities.

In the event that a Party is required to disclose Confidential Information of the other Party (the “Information Owner”) for any reason not described in the preceding paragraph, unless legally prohibited from doing so, the disclosing Party shall notify the Information Owner as soon as reasonably possible prior to the disclosure to allow the Information Owner to pursue the opportunity to independently contest such disclosure. In addition, if a Party is required to disclose the Information Owner’s Confidential Information in a regulatory proceeding in which the Information Owner is not a party, that Party shall reasonably consult with the Information Owner and, at the Information Owner’s expense, seek appropriate protection for such Confidential Information. This obligation shall not apply to Company regulatory filings containing Customer usage, rates, or revenue information (or any combination or derivative thereof) where such information is aggregated with other customers’ information or filed pursuant to customer data privacy requirements.

L. Effective Date. This Agreement shall be effective beginning the first day of the month following the later to occur of (i) receipt of a written order from the Commission approving this Agreement and (ii) the first date on which the Company’s Phase 1 Facilities, referenced in Exhibit Appendix A, Table 2, Milestone 6 of the Facilities Construction Agreement are capable of being energized (the “Effective Date”). 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 within 90 days of such event to renegotiate the terms of this Agreement in a manner that preserves the respective economic benefits and risk allocation of the Parties under this Agreement. In the event the Parties are unable to reach agreement on such modifications or revisions resulting from a regulatory denial or approval that is subject to material modifications to this Agreement, this Agreement shall be null and void.

M. Representations and Warranties. Company and Customer represent and warrant to the other that: (i) they are duly organized and validly exist in good standing under the laws of their state of incorporation/formation and have all requisite power and authority to enter into this

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Agreement and to carry out the terms and provisions thereof and hereof; and (ii) there is no action, proceeding, or investigation current or pending, and no term or provision of any charter, by-law, certificate, license, mortgage, indenture, contract, agreement, judgment, decree, order, statute, rule or regulation (except the regulatory approval requirements of Minn. Stat. §216B.01 *et. seq.*) which in any way prevents, hinders or otherwise adversely affects or would be violated by entering into and performing this Agreement.

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

HARMONY GROUP LLC

Signed by:
By: Margot Wickman 2/25/2026
Name: Margot Wickman
Title: Authorized Signatory

MINNESOTA POWER

Signed by:
By: Joshua J. Skelton 2/25/2026
Name: Joshua J. Skelton
Title: ALLETE VP and COO Minnesota Power



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EXHIBIT A

POINT(S) OF DELIVERY; RAMP SCHEDULE

Point(s) of Delivery shall be where Company’s wires attach to Customer’s wires at Customer’s dead ends on Customer’s substation located in the legal description set forth on Exhibit E.

Ramp Schedule:

Year	Date	Contract Capacity (kW)
████	████	████
████	████	████
████	████	████
████	████	████
████	████	████
████	████	████
████	████	████
████	████	████
████	████	████
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Example 2: Measured Demands Short of Established Minimum Billing Demand Post-Ramp

- Harmony Group LLC contracts a monthly demand of [REDACTED] kW, post-ramp period.
- In the event the Customer Facility’s Measured Demand for a billing month is less than the Monthly Contracted Capacity, Minimum Billing Demand shall mean the greatest of any of the following values measured each month (i) 10,000 kW, (ii) Customer’s Measured Demand adjusted for IPS as defined in Paragraph 3(D), or (iii) 80% of the Contract Capacity.

Actual Monthly Measured Demand = [REDACTED] kW

Demand: Minimum Billing Demand = [REDACTED] kW ([REDACTED] % of [REDACTED] kW Contract Capacity)

Excess Demand = 0 kW

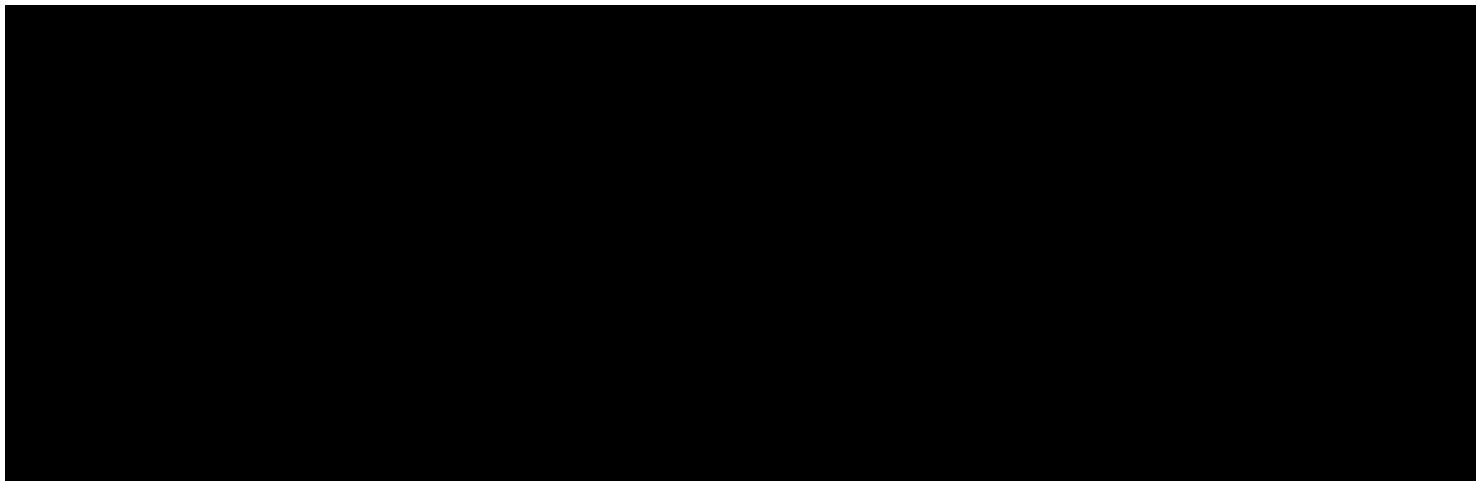
Total Billed Demand = [REDACTED] kW

Energy: Firm Energy = [REDACTED] kWh/hr

IPS Energy = [REDACTED] kWh/hr

Excess Energy = [REDACTED] kWh/hr

Total Billed Energy = [REDACTED] kWh/hr



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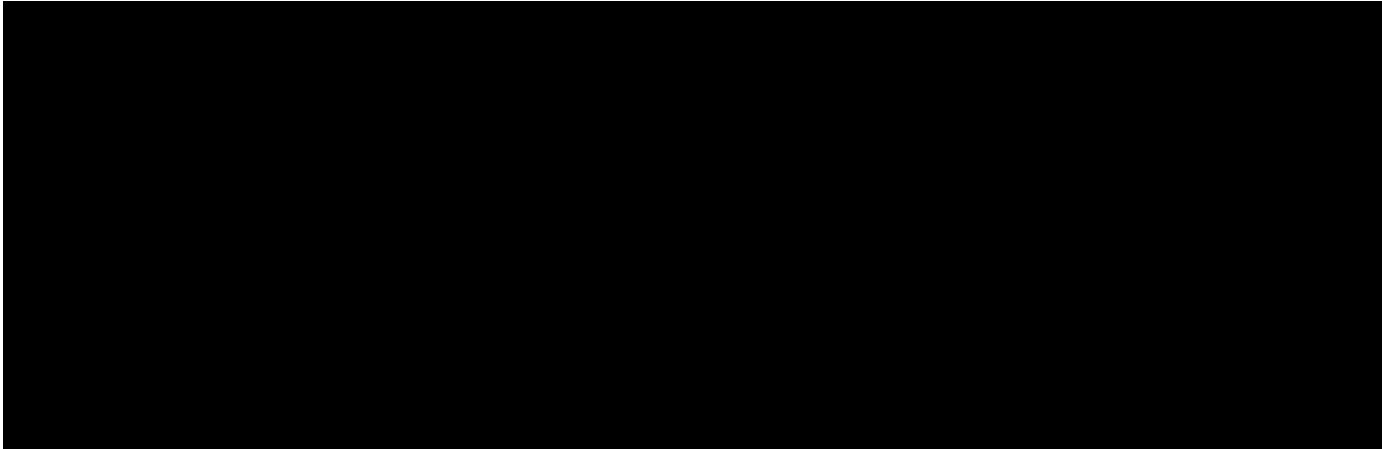
Example 4: Large Power Incremental Production Service

- Harmony Group LLC contracts a monthly demand of [REDACTED] kW, post-ramp period.
- Following the Ramp Period, Customer shall have the right to purchase IPS from the Company under the terms of the Rider for Large Power Incremental Production Service whenever the Measured Demand exceeds the IPST. Customer shall be eligible for IPS energy only when monthly Measured Demand has reached an IPST level equal to the Contract Capacity following the Ramp Period as defined in Paragraph 3(D).

Actual monthly Measured Demand = [REDACTED] kW

Demand: Minimum Billing Demand = [REDACTED] kW

Energy: Firm Energy = [REDACTED] kWh/hr
 IPS Energy = [REDACTED] kWh/hr
 Excess Energy = [REDACTED] kWh/hr
 Total Billed Energy = [REDACTED] kWh/hr



PUBLIC DOCUMENT – TRADE SECRET DATA EXCISED
TRADE SECRET DATA is marked in black boxes.

EXHIBIT C

APPLICABLE SERVICE SCHEDULES, RIDERS AND RULES

Base Rate Tariff:

Large Power Service Schedule

Riders:

- Rider for Fuel and Purchased Energy Charge
- Rider for Expedited Billing Procedures
- Rider for Large Power Incremental Production Service
- Rider for Released Energy
- Rider for Distributed Generation Service
- Rider for Renewable Resources
- Rider for Transmission Cost Recovery
- Rider for Customer Affordability of Residential Electricity (CARE)
- Rider for Business Expansion Incentive
- Rider for Large Power Demand Response Service
- Rider for Renewable Resources – Solar Factor Adjustment
- Rider for Capacity Revenue and Expense Adjustment

Rules:

- Electric Service Regulations of Minnesota Power

LARGE POWER SERVICE

RATE CODES

74

APPLICATION

The Large Power Service Schedule (“LP Schedule”) applies to electric service delivered from existing Company facilities of adequate type and capacity, where Customer and Company have executed an Electric Service Agreement (“ESA”) agreeing to the purchase and sale of Large Power Service and supplementing the terms and conditions of Large Power Service set forth in this LP Schedule.

Service under this LP Schedule is also subject to Company’s Electric Service Regulations as well as all riders and other tariffs applicable to Large Power Service.

Customer shall not be entitled to purchase any service from the Company under this LP Schedule for purposes of resale to any other entity or to the Company.

ELECTRIC SERVICE AGREEMENTS

Every ESA and every amendment or modification of an ESA must be approved by the Minnesota Public Utilities Commission (“Commission”) as a supplemental addition to this LP Schedule.

At a minimum, every ESA shall include the following:

- (a) The connection point(s) of Company’s and Customer’s equipment at which Customer takes service (“Points of Delivery”);
- (b) The voltage level(s) at which service will be supplied;
- (c) A method for determining Firm Demand (as defined below) in each month of the term of the ESA;
- (d) An Incremental Production Service Threshold as defined in the Rider for Large Power Incremental Production Service, as applicable;
- (e) A confidentiality agreement; and
- (f) Any terms or conditions that differ from or are additional to the terms and conditions specified in this LP Schedule or in any rider or tariff applicable to Large Power Service.

Unless otherwise specifically approved by the Commission, each ESA shall have an initial minimum term of ten (10) years and shall continue in force until either party gives the other party written notice of cancellation at least four years prior to the time such cancellation shall be effective.

Filing Date: December 16, 2025 MPUC Docket No.: E015/PA-24-198
 Effective Date: January 1, 2026 Order Date: December 10, 2025

Approved by: Leah N. Peterson
Leah N. Peterson
 Director – Customer Analytics and Market Settlements

LARGE POWER SERVICE

The effective date of each ESA shall be subject to approval by the Commission.

No Commission approval of any ESA shall act to prevent the Commission from later increasing or decreasing any of the rates or charges contained in this LP Schedule, any Rider or any other tariff applicable to Large Power Service. Nor shall any Commission approval of any ESA exempt any Customer from the applicability of any such increased or decreased charges.

An ESA shall be binding upon the Company and the Customer and their successors and assigns, on and after the effective date of the ESA; provided, however, that neither party may assign that ESA or any rights or obligations under the ESA without the prior written consent of the other party, which consent shall not unreasonably be withheld.

Inasmuch as all ESAs will contain confidential information with respect to Customer electric usage levels and other proprietary information of both the Customer and the Company (“Confidential Information”), all ESAs are to be marked as trade secret in their entirety for purposes of the Minnesota Government Data Practices Act. For this purpose, Confidential Information includes all disclosures, information and materials, whether oral, written, electronic or otherwise, relating to the business of either the Customer or the Company, that is not generally available to the trade or the public. The ESA may specifically expand this definition to ensure Customer-specific and/or Company-specific protections are in place. Because use and disclosure of Confidential Information requires a written agreement, the Company and the Customer will agree to such use and disclosure in each ESA.

For purposes of ESAs capitalized terms used in this LP Schedule shall have the same meaning as capitalized terms in the ESA.

For purposes of ESAs, the term “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.

For purposes of ESAs, the term “Office” shall mean the Minnesota Office of Energy Security or its successor organization.

TYPE OF SERVICE

Unless otherwise agreed in an ESA, Large Power Service shall be three phase, 60 hertz, at Company's available transmission voltage of at least 115,000 volts. Customer may specifically request to take all or any portion of its Large Power Service at Company's available high voltage of 13,000 through 69,000 volts, and such lower voltage deliveries may be subject to a Service Voltage Adjustment as described below.

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LARGE POWER SERVICE

BASE RATES (MONTHLY)

The following charges (as modified by the Adjustments described below) shall apply to all service under this LP Schedule and the ESAs (collectively, the “Base Rates”):

Demand Charge

A single application for the first 10,000 kW or less of Firm Demand \$244,334

All additional kW of Firm Demand (\$/kW) \$24.00

Transmission Demand Charge

All kW of Firm Demand (\$/kW) \$8.49

Energy Charge

All Firm Energy kWh (¢/kWh) (All On-Peak and Off-Peak) 1.164¢

Excess Energy Charge

All kWh of Excess Energy shall be billed at 110% of the Company's Incremental Energy Cost as described more fully in paragraphs 2 and 3 under "ENERGY."

ADJUSTMENTS

Company may modify Base Rates by the following adjustments:

1. Service Voltage Adjustment. Unless otherwise agreed in the ESA, where service delivery voltage is at Company’s available high voltage of 13,000 through 69,000 volts, Company will increase the Demand Charge by \$1.75 per kW of Firm Demand for that portion of Firm Demand taken at 13,000 through 69,000 volts.
2. Fuel and Purchased Energy Adjustment. A fuel and purchased energy adjustment will be determined in accordance with the Rider for Fuel and Purchased Energy Charge.
3. Capacity Revenue and Expense Adjustment. A capacity revenue and expense adjustment will be determined in accordance with the Rider for Capacity Revenue and Expense Adjustment.
4. Conservation Adjustment. Adjustment will be determined in accordance with the Rider for Conservation Program Adjustment.
5. Transmission Adjustment. A transmission investment adjustment will be determined in accordance with the Rider for Transmission Cost Recovery.

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LARGE POWER SERVICE

6. Renewable Resource Adjustment. A renewable resources adjustment will be determined in accordance with the Rider for Renewable Resources.
7. CARE Low-Income Affordability Program Surcharge. There shall be added to the monthly bill, as computed above, a Low-Income Affordability Program Surcharge determined in accordance with the Rider for Customer Affordability of Residential Electricity (CARE).
8. Solar Energy Adjustment. There shall be added to or deducted from the monthly billing, as computed above, a solar energy adjustment determined in accordance with the Rider for Solar Energy Adjustment.
9. Minnesota Policy Adjustment. The combination of Conservation, Transmission, Renewable Resource, and Solar Energy Adjustments may be shown on Customer's bills as the Minnesota Policy Adjustment.
10. Taxes and Assessments. An adjustment for the applicable proportionate part of any taxes and assessments imposed by any governmental authority which are assessed on the basis of meters or customers, or the price of or revenues from electric energy or service sold, or the volume of energy generated, transmitted or purchased for sale or sold.
11. Franchise Fee. An adjustment for customers located within the corporate limits of the applicable city as specified in the applicable Rider for the city's Franchise Fee.

MEASURED AND ADJUSTED DEMAND

The measured demand ("Measured Demand") in the month shall be the sum of kW measured from all of the Points of Delivery specified in the ESA during the 15-minute period of Customer's greatest use during the month.

The adjusted demand ("Adjusted Demand") in the month shall be the Measured Demand increased by one kilowatt for each 20 kvar of excess reactive demand. Excess reactive demand means the amount by which the maximum 15-minute measured kvar during the month exceeds 50% of the first 20,000 kW of Measured Demand plus 25% of all additional kW of Measured Demand.

This provision shall supersede all references to Metered Demand, Measured Demand, and Adjusted Demand in the Customers' ESAs.

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LARGE POWER SERVICE

DEMAND

1. Firm Demand. The Customer’s ESA specifies the amount of Firm Demand in any billing month. In general, the Firm Demand will be based on amount specified, selected, nominated, determined or agreed upon in the Customer’s ESA. Regardless of how the ESA describes or calculates the Customer’s contractual demand in any billing month for purposes of applying the Demand Charge, this amount shall be deemed to be the Customer’s Firm Demand for purposes of this LP Schedule and the application of the Demand Charge.
2. Demands in Excess of Firm Demand. Company will endeavor to serve Customer requirements for power in excess of Firm Demand, but Company has no responsibility or liability whatsoever for failing to provide any power in excess of Firm Demand.

DEMAND NOMINATIONS

1. Demand Nomination increases. For all Customers who notify the Company periodically throughout the year per the terms of their respective ESAs, need to be made by the last business day excluding weekends and Holidays prior to the nominating deadlines specified in the Customers’ ESAs. This provision shall supersede all references to all language in Customers’ ESAs relating to nomination notice deadlines.

ENERGY

1. Firm Energy. Firm Energy shall mean the total electric consumption of the Customer measured in kilowatt-hours (“kWh”) in each hour of the billing month, regardless of whether it is taken during peak or off peak hours, but limited to no more than the Customer’s Firm Demand in any hour. In general, the amount of Firm Energy billed in each hour of the billing month will be equal to the amount of Firm Demand in that month unless modified by terms in the Customer’s ESA.
2. Excess Energy. Excess Energy shall be the kWh of energy taken by Customer in each hour of the month in excess of the allowable Firm Energy levels specified in the Customer’s ESA in that hour, unless the Customer takes such energy under the Rider for Large Power Incremental Production Service or another Rider applicable to Large Power Service and available to the Customer pursuant to its ESA.
3. Excess Energy shall be billed at 110% of the Company’s Incremental Energy Cost in month. Company’s Incremental Energy Cost shall be determined each hour of the month and shall include fuel costs and variable operation and maintenance expenses for generating or purchasing the excess energy. Company’s Incremental Energy Cost will be the highest cost energy after assigning lower cost energy to: all firm retail and wholesale customer requirements; all intersystem (pool) sales that involve capacity on a firm or

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Director – Customer Analytics and Market Settlements

LARGE POWER SERVICE

participation basis; and all interruptible sales to Large Power, Large Light and Power, and General Service customers; but not including sales for Incremental Production Service.

PAYMENT

All bills for Large Power Service are due and payable at any office of Minnesota Power 15 days following the date the Company renders the bill or such later date as may be specified on the bill unless the Customer is subject to the Rider for Expedited Billing Procedures—Large Power Class or Customer specifically agrees to be subject to the Rider for Expedited Billing Procedures—Large Power Class in the ESA. Payments must be received by Minnesota Power on or before such due date and shall not be considered as payment received until the funds are usable or collectible by Minnesota Power. If Company does not receive payment on or before the due date printed on the bill, the bill shall be past due and delinquent.

LARGE POWER SURCHARGE

For new customers with Firm Demand in excess of 50,000 kW in any twenty-four month period, or for existing customers with increases in Firm Demand of more than 50,000 kW in any twenty-four month period, the additional Firm Demand in excess of 50,000 kW will be subject to a Large Power Surcharge. The Company will assess the Large Power Surcharge for a period of five years from the date the Customer executes a binding Commitment Agreement to take the power. The Large Power Surcharge will cover the additional cost to Company of obtaining the necessary power supply. The Large Power Surcharge shall be the sum of a Capacity Portion and Energy Portion as described below. If the sum is negative then the Large Power Surcharge shall be zero.

Capacity Portion

For each kW of Firm Demand subject to surcharge Company shall add to the Demand Charge the excess of Company's Large Power Surcharge Supply Capacity Costs per kW over Company's Basic Capacity Cost. Company's Large Power Surcharge Supply Capacity Costs per kW will be: 1) Company's cost per kW as purchased from its power suppliers with appropriate adjustments for reserve requirements/replacement power, transmission losses and coincidence factor; 2) The Company's estimated annual Revenue Requirements per kW associated with Company's power production facilities added or refurbished to supply the power; or 3) A blend of the above costs if more than one source is used to supply the power. Company's Basic Capacity Costs per kW will be Company's estimated annual Revenue Requirements associated with Company-owned power production facilities and with Company firm power purchases, exclusive of the estimated annual Revenue Requirements associated with any such purchases or Company-owned power facilities which are covered by a Large Power Surcharge, divided by the aggregate coincidental kilowatts of all customer loads serviced by such generating capacity and purchased capacity, adjusted for estimated transmission losses and load coincidence factor.

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 Effective Date: January 1, 2026 Order Date: December 10, 2025

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 Director – Customer Analytics and Market Settlements

LARGE POWER SERVICE

Company will advise Customer of the Large Power Surcharge Supply Capacity Costs as soon the Company has made arrangements for the capacity and Company will advise Customer of the Company’s Basic Capacity Costs 30 days prior to the beginning of each calendar year in which the surcharge may be applied.

Energy Portion

For each kWh delivered to Customer subject to surcharge, Company shall add to the Energy Charge the excess of Company's Actual Large Power Surcharge Supply Energy Costs per kWh over the Company's Basic Energy Costs.

Company's Actual Large Power Surcharge Supply Energy Costs per kWh will be determined monthly as Company's actual cost per kWh for the energy: 1) Generated by and associated with the Purchased Capacity, adjusted for estimated transmission losses; 2) Generated by and associated with Company’s power production facilities added or refurbished to supply the power; or 3) A blend of the above costs if more than one source is used to supply the power. Company's Basic Energy Costs per kWh will be Company's estimated annual Revenue Requirements for fuel and associated operation and maintenance expenses at Company-owned power production facilities, and for energy associated with power purchases and economy purchases (but exclusive of all emergency and scheduled outage energy, and exclusive of any energy associated with Purchased Capacity and exclusive of energy provided by Company-owned power facilities covered by a Large Power Surcharge) divided by the aggregate associated kilowatt-hours, adjusted for estimated transmission losses.

Company will advise Customer of the approximate Large Power Surcharge Supply Energy Costs and Company's Basic Energy Costs 30 days prior to the beginning of each calendar year in which the surcharge may be applied.

Where the above surcharge is applicable to only a portion of the electric service taken at one point of delivery, the kWh subject to surcharge shall be the total kWh delivered in the month multiplied by the ratio of the Capacity subject to surcharge over the total Firm Demand at that point of delivery.

OPERATING PRACTICES

The Company shall employ operating practices and standards of performance in providing service under this LP Schedule that conform to those recognized as sound practices within the utility industry. In making deliveries of power under this LP Schedule, Company shall exercise such care as is consistent with normal operating practice by using all available facilities to minimize and smooth out the effects of sudden load fluctuations or other variance in voltage or current characteristics that may be detrimental to Customer’s operations.

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Leah N. Peterson
Director – Customer Analytics and Market Settlements

RIDER FOR FUEL AND PURCHASED ENERGY CHARGE

APPLICATION

Applicable to electric service under all Company's Retail Rate Schedules except Competitive Rate Schedules Rate Codes 73 and 79.

FUEL AND PURCHASED ENERGY CHARGE

The Forecasted System Average Fuel and Purchased Energy (FPE) Charge for each month shall be the forecasted FPE Charge for the current month divided by the forecasted Kilowatt-Hour Sales. The applicable Forecasted FPE Charge shall be added to customers' monthly bill according to each customer's rate class and Fuel and Purchased Energy Adjustment (FPEA) Factor.

In addition, subject to Commission approval, there shall be an annual true-up for any amount collected over or under the actual cost of energy for the twelve months ending December 31 of each year as reported in the Annual Automatic Adjustment True-up report to be filed by March 1 following the most recent reporting period. The annual true-up shall be based on a historic twelve-month period, comparing actual costs to the forecasted costs and shall be applied to the subsequent twelve months. The annual true-up will be effective on billings beginning the first of the month following Commission approval of the true-up, or as ordered by the Commission. In years when the over- or under- recovery amount is small (resulting in a true-up rate rounded to less than 0.001¢), the true-up balance will carry over to the next year's true-up.

The annual true-up rate for each rate class shall be calculated as follows. The over- or under- recovery amount as shown in the current year Annual Automatic Adjustment True-up report will be divided by the forecasted Kilowatt-Hours subject to the fuel adjustment clause for the proposed twelve month recovery period the true-up rate will be in effect and then multiplied by the applicable FPEA Factor. This calculation will produce a true-up rate per Kilowatt-Hour (rounded to the nearest 0.001¢) for each rate class that will be applied to Customers' bills in the same manner as the forecasted monthly FPE Charge.

FORECASTED SYSTEM AVERAGE FUEL AND PURCHASED ENERGY CHARGE

The monthly Forecasted Average Fuel and Purchased Energy Charge shall be the **sum** of the following:

- (a) The fossil and nuclear fuel forecasted to be consumed in Company's generating stations,
- (b) The forecasted net energy cost of energy purchases, exclusive of capacity or demand charges (irrespective of the designation assigned to such transaction) when such

Filing Date: November 1, 2023 & May 1, 2025 **MPUC Docket No.:** E015/GR-23-155 & E015/AA-25-64

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Approved by: Leah N. Peterson
Leah N. Peterson
Director – Customer Analytics and Market Settlements

RIDER FOR FUEL AND PURCHASED ENERGY CHARGE

energy is to be purchased on an economic dispatch basis, this encompasses energy being purchased to substitute for Company's own higher cost energy,

- (c) The forecasted identifiable fossil and nuclear fuel costs associated with energy purchased for reasons other than identified in (b) above,
- (d) The forecasted cost of steam from other sources to be used in the generation of electricity at the Company's generating stations,
- (e) The forecasted cost of the Released Energy Credit to be paid to Customer(s) for avoided energy purchases under the Rider for Released Energy,
- (f) The forecasted cost of the Buyback Energy Credit to be paid to Customer(s) for avoided energy purchases under the Rider for Voluntary Energy Buyback,
- (g) Forecasted fuel and purchased energy expenses to be incurred by the Company over the duration of any Commission approved contract, as provided for by Minnesota Statutes, Section 216B.1645, to satisfy the renewable energy obligations set forth in Minnesota Statutes, Section 216B.1691 excluding the cost of fuel and purchased energy related to meeting the Solar Energy Standard,
- (h) All forecasted RTO (Regional Transmission Organization) energy market costs net of revenues, excluding administrative costs,
- (i) The forecasted cost of the purchase of SO₂ and NO_x allowances,
- (j) The forecasted Time of Generation Adjustment as calculated in the Rider for Solar Energy Adjustment
- (k) Reagent and chemical costs for environmental compliance

and **less**

- (l) Forecasted revenues from the sale of SO₂ and NO_x allowances,
- (m) The forecasted cost of fossil and nuclear fuel and the cost of steam from other sources recovered through inter-system sales including the fuel and steam costs related to economy energy sales and other energy sold on an economic dispatch basis,
- (n) Forecasted net revenues from the sale of environmental attributes from any Commission approved contract, and

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RIDER FOR FUEL AND PURCHASED ENERGY CHARGE

(o) Forecasted net revenues (margins) from asset-based wholesale energy sales and capacity sales greater than three years.

The Forecasted Kilowatt-Hour Sales shall be Company's total forecasted kilowatt-hour Sales of Electricity, excluding inter-system sales referred to in (m) above and solar energy production and purchases referred to in (g) above.

FUEL AND PURCHASED ENERGY ADJUSTMENT (FPEA) FACTORS

A separate FPEA Factor shall be applied to calculate the Forecasted FPE Charge for each Rate Class. A Class Cost Factor shall be calculated for each Rate Class. For Residential Time-Of-Day (TOD) and Large Light & Power Time-Of-Use (TOU) customers a TOD or TOU Factor shall also be calculated for each TOD or TOU period. The FPEA Factor is the Class Cost Factor multiplied by the corresponding TOD or TOU Factor.

Rate Class	Class Cost Factor	TOD / TOU Factor	FPEA Factor
Residential	1.05841	1.00000	1.05841
Residential On-Peak	1.05841	1.17042	1.23878
Residential Off-Peak	1.05841	1.03330	1.09366
Residential Super Off-Peak	1.05841	0.75930	0.80365
General Service	1.02995	1.00000	1.02995
Large Light & Power	0.99451	1.00000	0.99451
Large Light & Power On-Peak	0.99451	1.17042	1.16399
Large Light & Power Off-Peak	0.99451	1.03330	1.02763
Large Light & Power Super Off-Peak	0.99451	0.75930	0.75513
Large Power	0.98328	1.00000	0.98328
Lighting	0.89264	1.00000	0.89264

2026 FORECASTED FPE RATE and 2024 TRUE-UP FPE RATE

The monthly forecasted 2026 FPE Rate was approved by the Minnesota Public Utilities Commission (“Commission”) Order issued on November 13, 2025, in Docket No. E015/AA-25-64.

Filing Date: November 1, 2023 & May 1, 2025 **MPUC Docket No.:** E015/GR-23-155 & E015/AA-25-64

Effective Date: March 1, 2025 & January 1, 2026 **Order Date:** November 25, 2024 & November 13, 2025

Approved by: Leah N. Peterson
Leah N. Peterson
Director – Customer Analytics and Market Settlements

RIDER FOR FUEL AND PURCHASED ENERGY CHARGE

The 2024 FPE True-up Rate was approved in the Commission Order issued on August 7, 2025, in Docket No. E015/AA-23-180.

Applicable Month	FPE 2026 Forecasted Rate (¢/kWh)	FPE 2024 True-up Rate (¢/kWh)
January 2026	3.532	0.047
February 2026	3.215	0.052
March 2026	2.988	0.049
April 2026	2.825	0.054
May 2026	2.934	0.052
June 2026	2.724	0.054
July 2026	3.154	0.051
August 2026	3.259	0.051
September 2026	3.428	
October 2026	2.889	
November 2026	2.858	
December 2026	3.344	

A breakdown by month and Rate Class can be found on Minnesota Power’s website at <https://www.mnpower.com/CustomerService/YourBill>

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Approved by: Leah N. Peterson
Leah N. Peterson
 Director – Customer Analytics and Market Settlements

RIDER FOR EXPEDITED BILLING PROCEDURES

APPLICATION

Applicable to taconite producing customers taking Large Power Service under Schedule 74 under Non-Contract Large Power Service Schedule 78, and under any other Large Power rate schedules in effect from time to time.

Service received under Large Light and Power Schedule 75 by a taconite producing Large Power customer may also be billed in accordance with this Rider, at the option of Minnesota Power.

Non-taconite customers taking service under a Large Power Service rate schedule may, at their option, be billed in accordance with the terms of this Rider.

The monthly billing requirement of Minnesota Rule 7820.3300 is modified to permit expedited weekly billing of a customer’s electric service in accordance with the terms of this Rider.

TERMS

1. After instituting weekly billing, the bill payment is due in “same day funds” seven (7) days following issuance of the bill, the “Due Date” for payment. “Same day funds” means funds that are available for the Company’s use on the same day as the Due Date. Bills not paid in “same day funds” on or before such Due Date as printed on the bill are “past due”, or “delinquent.” The weekly billing is based on estimated weekly electric service usage, including the minimum demand charge, not on an actual meter reading. Weekly billing payments received and charges for actual electric service usage will be reconciled each month (“actual billing true-up”). The monthly actual billing true-up shall be reflected on the first weekly billing rendered after such true-up amount has been determined. See Exhibit 1 to this Rider.
2. Customers subject to this Rider will receive credit for expedited billing payments reflecting the time value of funds made available to Minnesota Power earlier than such funds otherwise would have been available under the Company’s standard monthly billing cycle. When the customer makes its first payment under the expedited cycle, the time value of money associated with that payment will be determined from the due date of that payment to the customer’s due date under the standard monthly billing cycle, using prime plus two and one-half percent (2.5%) as the interest rate.
3. This time value of money credit (“TVMC”) will be determined for each of the succeeding expedited payments. If the customer has not made timely payment of the estimated bills in full in “same day funds” as they become due on the expedited due dates, no time value of money associated with such late payment will be included in the TVMC. The total TVMC determined in a month shall be given by Minnesota Power

Filing Date: November 2, 2016 MPUC Docket No.: E015/GR-16-664
 Effective Date: December 1, 2018 Order Date: May 29, 2018

Approved by: Marcia A. Podratz
Marcia A. Podratz
 Director – Rates

RIDER FOR EXPEDITED BILLING PROCEDURES

to the customer as a credit on the weekly bill that falls on the same week as the due date under the standard monthly billing cycle. If the credit exceeds \$100,000, the customer has the option to have Minnesota Power wire the credit to the customer's bank account. The mechanics of this credit are shown on Exhibit 1 of this Rider. The prime rate is defined as the average of the daily prime lending rates offered to preferred customers at the largest bank in the Ninth Federal Reserve District in effect during the month preceding the bill.

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Effective Date: December 1, 2018 **Order Date:** May 29, 2018

Approved by: Marcia A. Podratz
Marcia A. Podratz
Director – Rates

RIDER FOR EXPEDITED BILLING PROCEDURES

Exhibit 1
Page 1 of 3

MINNESOTA POWER
 Sample Weekly Billing Procedure
 Assuming Procedure Commences January 1

Jan	Tue	1	
	Wed	2	
	Thu	3	
	Fri	4	Bill #1 Issued = 4/31 x Estimated Monthly Billing (EMB) for January
	Fri	11	Bill #2 Issued = 7/31 x EMB for January Bill #1 Due
	Fri	18	Bill #3 Issued = 7/31 x EMB for January Bill #2 Due
	Fri	25	Bill #4 Issued = 7/31 x EMB for January Bill #3 Due
Jan	Thu	31	Meter Read
Feb	Fri	1	Bill #5 Issued = 6/31 x EMB for January + 1/28 x EMB for February Bill #4 Due
	Mon	4	Charges for actual January usage determined January TVMC calculated to February 19th
	Fri	8	Bill #6 Issued = 7/28 x EMB for February Bill #5 Due January Actual Billing True-Up amount determined
	Fri	15	Bill #7 Issued = 7/28 x EMB for February + Actual Billing True-Up amount for January Bill #6 Due
	Tue	19	January TVMC is applied to bill or wire transferred
	Fri	22	Bill #8 Issued = 7/28 x EMB for February Bill #7 Due
Feb	Thu	28	Meter Read
Mar	Fri	1	Bill #9 Issued = 6/28 x EMB for February + 1/31 x EMB for March Bill #8 Due
	Mon	4	Charges for actual February usage determined February TVMC calculated to March 19th
	Fri	8	Bill #10 Issued = 7/31 x EMB for March Bill #9 Due February Actual Billing True-Up amount determined
	Fri	15	Bill #11 Issued = 7/31 x EMB for March + Actual Billing True-Up amount for February Bill #10 Due
	Tue	19	February TVMC is applied to bill or wire transferred

Filing Date: November 2, 2016 **MPUC Docket No.:** E015/GR-16-664
Effective Date: December 1, 2018 **Order Date:** May 29, 2018

Approved by: Marcia A. Podratz
Marcia A. Podratz
Director – Rates

RIDER FOR EXPEDITED BILLING PROCEDURES

Exhibit 1
 Page 2 of 3

MINNESOTA POWER
 Sample Monthly Adjustments

January Time Value of Money Credit (TVMC from page 1) assuming Bill #'s 1 thru 5 are paid in full and when due:

January TVMC =

Bill #1 x [(# days from Jan 11 to Feb 19)/365] x (Avg. Daily Prime Rate in December + 2.5%) +

Bill #2 x [(# days from Jan 18 to Feb 19)/365] x (Avg. Daily Prime Rate in December + 2.5%) +

Bill #3 x [(# days from Jan 25 to Feb 19)/365] x (Avg. Daily Prime Rate in December + 2.5%) +

Bill #4 x [(# days from Feb 1 to Feb 19)/365] x (Avg. Daily Prime Rate in December + 2.5%) +

Jan portion of Bill #5 x [(# days from Feb 8 to Feb 19)/365] x (Avg. Daily Prime Rate in December + 2.5%)

January Actual Billing True-Up Adjustment =

Sum of Payments for January service received on or before Feb 19 - Actual Charges for January usage

February Time Value of Money Credit (TVMC from page 1) assuming only Bill #'s 5 and 6 are paid in full and when due:

February TVMC =

Feb portion of Bill #5 x [(# days from Feb 8 to Mar 19)/365] x (Avg. Daily Prime Rate in January + 2.5%) +

Bill #6 x [(# days from Feb 15 to Mar 19)/365] x (Avg. Daily Prime Rate in January + 2.5%)

February Actual Billing True-Up Adjustment =

Sum of Payments for February service received on or before Mar 19 - Actual Charges for February usage

- Note: 1) Time Value of Money Credit will not be reflected for any Weekly Billing which has not been received in same day funds, in full and on or before the Due Date.
 2) The TVMC is calculated to (and applied to bill or wire transferred on) the standard monthly billing cycle due date which is 15 days from the date customer is notified of the charges for actual monthly usage.

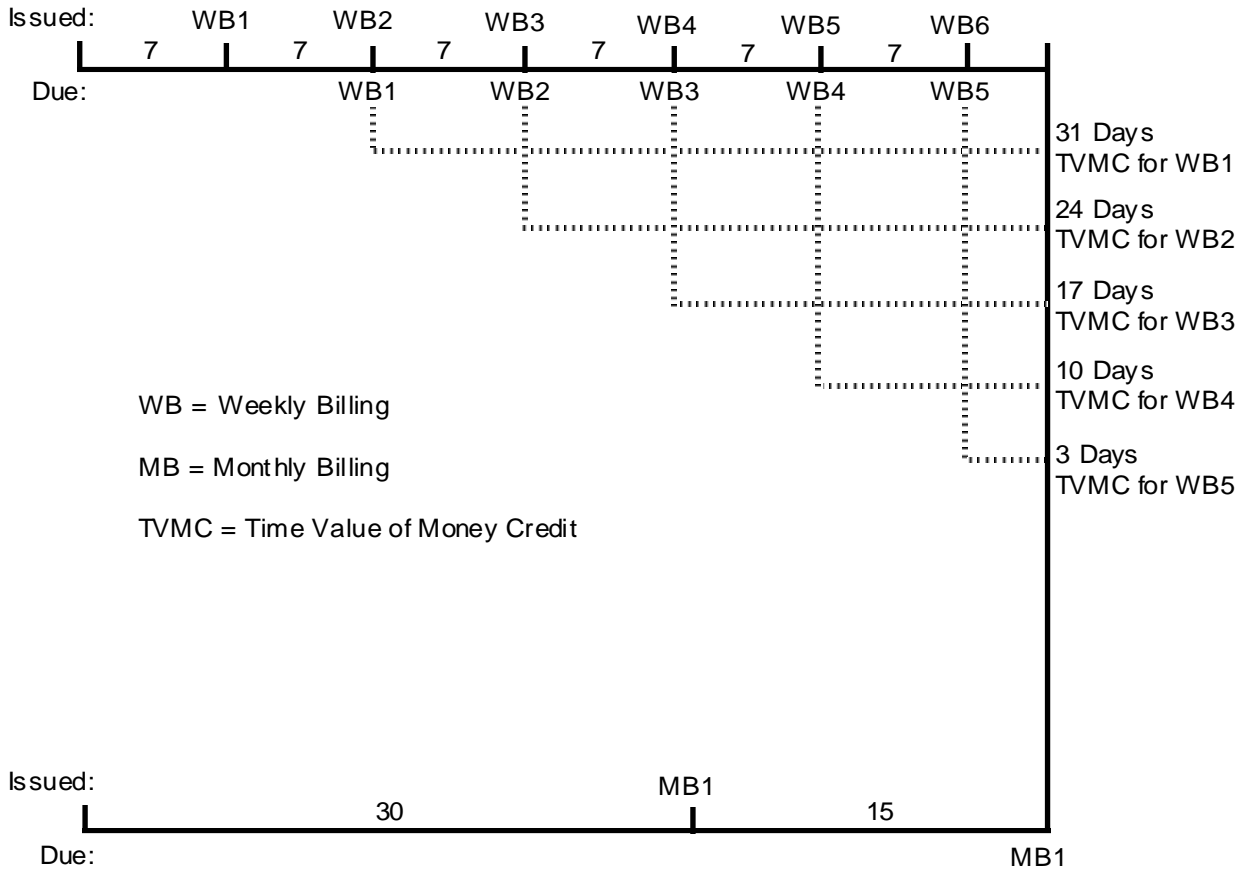
Filing Date: November 2, 2016 **MPUC Docket No.:** E015/GR-16-664
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Approved by: Marcia A. Podratz
Marcia A. Podratz
Director – Rates

RIDER FOR EXPEDITED BILLING PROCEDURES

Exhibit 1
 Page 3 of 3

MINNESOTA POWER
 METHOD FOR DETERMINING
 TIME VALUE OF MONEY CREDIT



Note: This example assumes a 30 day month and the due date under the standard monthly billing cycle to be the 15th of the following month.

Filing Date: November 2, 2016 MPUC Docket No.: E015/GR-16-664
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Approved by: Marcia A. Podratz
Marcia A. Podratz
 Director – Rates

RIDER FOR LARGE POWER INCREMENTAL PRODUCTION SERVICE

APPLICATION

Applicable to any Customer taking service under Large Power Service Schedule 74, whose Electric Service Agreement has a minimum term of at least four (4) years beyond the initiation of Incremental Production Service hereunder and which provides for the sale by the Company and the purchase by the Customer of Incremental Production Service, subject to the conditions set forth in the Customer’s Electric Service Agreement and this Rider. Application of this Rider and establishment of an Incremental Production Service Threshold (“IPST”) for those Customers with self-generation and whose Electric Service Agreement allows for purchase of Economy Energy shall be at the sole discretion of the Company.

DEFINITIONS

Real-time Buy-through Period: Period called by the Company where Company will re-price Incremental Production Service (“IPS”) energy and where Customer will respond through curtailing IPS load or buying-through at the real-time locational marginal price (“LMP”).

Curtailment Period: Period called by the Company where Customer is required to curtail load.

Renewable Surplus Period: Period called by the Company during times of high renewable generation, low system load or low LMPs where Customer may exceed 110% of the IPST.

RATE MODIFICATIONS

Demand Charge

During any Billing Month in which the Customer has Measured Demand in excess of the IPST but not greater than 110% of the IPST or has Measured Demand in excess of the IPST during a Renewable Surplus Period, the Customer’s Measured Demand above the IPST shall not be subject to any demand charges or ratchet provisions associated with Contract Demand and Incremental Service Requirements under the Large Power Service Schedule and the Customer’s Electric Service Agreement unless otherwise provided in this Rider or the Customer’s Electric Service Agreement. If Customer has Measured Demand in excess of the IPST during a Curtailment Period, the Customer’s Billed Demand will be increased by the amount the Measured Demand exceeded the IPST, and the Customer will be subject to any penalties imposed upon Company by the Midcontinent Independent System Operator (“MISO”) or a successor entity relating specifically to Customer’s failure to curtail IPS service.

Energy Charge

During any Billing Month in which the Customer has Measured Demand in excess of the IPST, the energy associated with the Customer’s Measured Demand above the IPST shall

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Approved by: Leah N. Peterson
Leah N. Peterson
Manager – Customer Analytics

RIDER FOR LARGE POWER INCREMENTAL PRODUCTION SERVICE

be subject to an energy charge equal to the Incremental Production Rate, the Real-time Buy-through Period Rate or the Curtailment Period Rate.

Incremental Production Rate

The Incremental Production Rate shall consist of an energy surcharge of \$0.01 per kWh plus the greater of the hourly day-ahead LMP at the Company’s load node, MP.MP, during the time of the sale plus MISO costs incurred by the Company or the current year average Large Power forecasted fuel and purchased energy rate, unless the adjusted forecasted rate is reduced at the sole discretion of the Company.

Real-time Buy-through Period Rate

The Real-time Buy-through Period Rate shall consist of an energy surcharge of \$0.01 per kWh plus the greater of the hourly real-time LMP at the Company’s load node, MP.MP, during the time of the sale plus MISO costs incurred by the Company or the current year average Large Power forecasted fuel and purchased energy rate, unless the adjusted forecasted rate is reduced at the sole discretion of the Company .

Curtailment Period Rate

The Curtailment Period rate shall consist of an energy surcharge of \$0.01 per kWh plus the greater of the hourly real-time LMP at the Company’s load node, MP.MP, during the time of the sale plus MISO costs incurred by the Company or the current year average Large Power forecasted fuel and purchased energy rate, unless the adjusted forecasted rate is reduced at the sole discretion of the Company.

Renewable Surplus Period Rate

The Renewable Surplus Period rate shall consist of an energy surcharge of \$0.01 per kWh plus the greater of the hourly real-time LMP at the Company’s load node, MP.MP, during the time of the sale plus MISO costs incurred by the Company or the current year average Large Power forecasted fuel and purchased energy rate, unless the adjusted forecasted rate is reduced at the sole discretion of the Company.

Excess Reactive Demand

Whenever a Customer’s metered demand exceeds the IPST, the Company shall not bill the Customer for any excess reactive demand adjustments below the level specified in the Customer’s Electric Service Agreement. However, the Company may, at its sole discretion, bill the Customer for any excess reactive demand adjustments above the specified level at the Excess Power Demand Charge, with excess reactive demand calculated as indicated in the Large Power Service Schedule.

SERVICE CONDITIONS

1. All curtailments, buy-throughs, or Company declarations of Curtailment Periods or Renewable Surplus Periods can be superseded by Company requests of Customer to

Filing Date: November 1, 2023 MPUC Docket No.: E015/GR-23-155
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Leah N. Peterson
Manager – Customer Analytics

RIDER FOR LARGE POWER INCREMENTAL PRODUCTION SERVICE

curtail load as soon as reasonably possible for purposes of grid stability, in accordance with Company’s Service Regulations.

2. The Customer shall be permitted to purchase Incremental Production Service from the Company, for service above the IPST established in the Electric Service Agreement, whenever the Customer’s Measured Demand during any Billing Month exceeds the IPST, with the exception of during Curtailment Periods.

The Customer’s Measured Demand shall not exceed 110% of the IPST without the Company declaration of a Renewable Surplus Period or Company’s prior written consent, which consent shall not be unreasonably withheld. In the event that the Customer exceeds this level without Company consent or outside of Renewable Surplus Periods, the Company may increase the Customer’s contractual requirements, including Contract Demand, IPST, or other related terms, by that amount for the duration of the Customer’s Electric Service Agreement.

Additional Service Conditions for Real-time Buy-through Periods

3. Upon notification from the Company of a Real-time Buy-through Period, the Customer has the option of reducing its metered demand to the IPST by the time given by the Company or have the Incremental Production Service energy repriced at the Real-time Buy-through Rate. The Customer shall be given 30 minutes or greater notice of a Curtailment Period.
4. Real-time Buy-through Periods will not be called for greater than 170 hours per calendar year, excluding MISO capacity event curtailments.
5. The duration and frequency of Real-time Buy-through Periods shall be at the sole discretion of the Company. Real-time Buy-through Periods shall normally occur during times of high or volatile real-time LMPs or low generation.

Additional Service Conditions for Curtailment Periods

6. Upon notification from the Company of a Curtailment Period, the Customer shall reduce its metered demand to the IPST by the time given by the Company, and for a duration as required by the Company. The curtailment shall be for the entire amount of Incremental Production Service unless otherwise notified by the Company. The Company shall give Customer 30 minutes or greater notice of a Curtailment Period. Thirty (30) minute notification under this Rider shall be via automatic control unless otherwise provided in the Customer’s Electric Service Agreement.
7. Curtailment Periods will not be called for more than 170 hours per calendar year, excluding MISO capacity event curtailments.
8. Curtailment Periods will not be called for more than eight hours per day and no more than four hours per Curtailment Period.

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Manager – Customer Analytics

RIDER FOR LARGE POWER INCREMENTAL PRODUCTION SERVICE

9. The duration and frequency of Curtailment Periods shall be at the sole discretion of the Company. Curtailments shall normally occur for reasonable testing requirements, at such times when the Company expects to incur a system peak in excess of its MISO (or successor organization) accredited generating capability (less the required planning reserve) and at such other times when, in the Company’s opinion, the reliability of the Company or MISO systems are endangered. Curtailments shall normally not occur due to high energy costs. Curtailments shall normally occur for capacity related needs before interruptions for any certified interruptible loads for Large Power, Large Light and Power, and General Service Customers (those loads that meet the requirements as specified in the MISO (or successor organization) procedure for the certification of interruptible demand). Unless agreed to in advance by the Customer, the Company shall not make additional non-firm off-system energy sales that would, if made, require curtailment of Incremental Production Service.

10. The Customer shall pay any and all penalties or other costs incurred by the Company if the Customer fails to reduce its metered demand to the IPST or the requested reduction level (but not less than the IPST) within 30 minutes of receiving such notice from the Company. The penalties or other costs shall be divided pro rata between those Customers that did not curtail service as requested by the Company.

11. The Company shall reserve the right to discontinue service under this Rider to Customers who fail to curtail service as requested by the Company.

12. The Company shall not be liable for any loss or damage, including consequential damages, caused by or resulting from any curtailment of service.

Additional Service Conditions for Renewable Surplus Periods

13. Upon notification from the Company, Customer may exceed 110% of the IPST for a duration determined at the sole discretion of the Company. The Customer shall be given, whenever possible, information regarding the probable time and duration of Renewable Surplus Periods the calendar day prior to any such period. Notice may also be given with at least a 30 minute notice.

14. The duration and frequency of Renewable Surplus Periods shall be at the sole discretion of the Company. Renewable Surplus Periods may occur during times of high renewable generation or low MP system load.

15. The Company may cancel Renewable Surplus Periods with 30 minutes notice if MISO or MP system conditions change.

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RIDER FOR RELEASED ENERGY

APPLICATION

Applicable to any customer taking service under Large Power Service Schedule 74. Application of this Rider and establishment of Released Energy Credit shall be at the sole discretion of Company and participation by Customer is voluntary.

RATE MODIFICATIONS

Energy Credit for Off-System Sales

Customer shall receive a credit during any Billing Month in which Customer and Company have cooperated to make an off-system energy sale. If the energy made available for sale is associated with Customer’s Firm Large Power Service requirement, the Released Energy Credit shall equal a negotiated amount based on the off-system energy sale price, less (i) Company’s highest firm energy costs, (ii) and all Midcontinent Independent System Operator (MISO) costs for each hour that such sales opportunity occurs.

Energy Credit for Avoided Energy Purchases

Company may request, and Customer may voluntarily reduce, Customer’s energy requirement during times when Company anticipates purchasing energy to serve Firm Energy requirements, thereby enabling Company and its customers to avoid higher-cost energy purchases. Company shall provide Customer a Released Energy Credit for the reduced energy usage, such credit to not exceed the avoided cost for the hours of the release. The Released Energy Credit shall equal a fair market value for the hours of the release.

The Released Energy Credit shall be allowed as a recoverable cost for Fuel and Purchased Energy Rider purposes.

CONDITIONS

1. Customer may not purchase Large Power Incremental Production Service (“IPS”) as established under the Rider for Large Power Incremental Production Service while participating in Released Energy Credit opportunities.
2. If Customer makes energy available for sale and the identified released energy sale or avoided energy purchase is not actually completed (for example, due to transmission constraints), the Released Energy Credit shall be zero. In the event that a scheduled released energy sale or avoided energy purchase is not completed or the terms and conditions change, Company shall notify Customer of such change as soon as possible.
3. Company shall establish and administer procedures to ensure actual and verifiable Customer load reductions occur when energy is released for sale or an avoided energy purchase is completed.

Filing Date: November 1, 2021 MPUC Docket No.: E015/GR-21-335
 Effective Date: October 1, 2023 Order Date: May 15, 2023

Approved by: Leah N. Peterson
Leah N. Peterson
Manager – Customer Analytics

RIDER FOR RELEASED ENERGY

4. When Released Energy Credit opportunities are anticipated, Company shall provide advance notice, if possible, of the approximate margins or available energy purchase costs and hours of sale or purchase opportunity available to Customers who have indicated interest. Opportunities for voluntary load reductions will be communicated to customers primarily via email, and when possible, notice shall also be made via phone calls to individuals designated by Customer. If two or more notified customers make energy available for sale for the same time period, Company will prorate the Released Energy Credit among those customers. Released Energy Credits shall be determined for each Customer according to the amount of capacity made available for sale by each in proportion to the total amount of capacity made available by all Customers for a given time period.

5. In the event that additional released energy sales or avoided energy purchase opportunities arise during a day, Company shall provide Customers with as much advance notice as possible (via email and phone calls) to enable their participation. Credits associated with such opportunities shall be allocated to Customers on a first-come, first-served basis.

6. Customer may notify Company when Customer desires to reduce energy requirements for released energy sales or avoided energy purchase opportunities. Customer may have a “standing agreement” with Company regarding the conditions for Released Energy Credit opportunities, allowable duration, required margins, margin sharing, etc. These agreements, may be made on a customer by customer basis and shall be considered by Company without notice to other customers.

7. Energy shall be made available for sale in increments of 5 MW with a 10 MW minimum and shall be associated with actual reduced power requirements.

PENALTY FOR INSUFFICIENT LOAD CONTROL

In the event that Company has entered into a sale or purchase agreement for energy made available by a Customer, and Customer subsequently fails to maintain sufficient load control during the time(s) of the released energy sale or avoided energy purchase, Customer shall receive no credit for the time that load exceeded the specified level and shall be responsible for any and all costs incurred by Company due to such failure to control load.

Filing Date: November 1, 2021 MPUC Docket No.: E015/GR-21-335
 Effective Date: October 1, 2023 Order Date: May 15, 2023

Approved by: Leah N. Peterson
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 Manager – Customer Analytics

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SECTION V PAGE NO. 82.0

ELECTRIC RATE BOOK - VOLUME I

REVISION 6

RIDER FOR DISTRIBUTED GENERATION SERVICE

APPLICATION

To any Customer taking service under one of Company’s following standard rate schedules: Residential Service (Schedule 20), Residential Dual Fuel Interruptible (Schedule 21), Commercial/Industrial Dual Fuel Interruptible (Schedule 26), General Service (Schedule 25), Large Light and Power Service (Schedule 55, 75), Municipal Pumping Service (Schedule 87) and Large Power Service (Schedule 54, 74) and who has entered into Minnesota Power’s standard interconnection agreement with the Company for the operation of the on-site interconnection of a Distributed Energy Resource operating in parallel with the Company’s distribution system. The Distributed Energy Resource must be:

- a. an operable, permanently installed or mobile generation facility serving the customer receiving retail electric service at the same site; and
- b. fueled by natural gas or a renewable fuel, or another similarly clean fuel or combination of fuels of no more than 10 MW of interconnected capacity at a point of common coupling to Company’s distribution system. The interconnection and operation of Distributed Energy Resources at each point of common coupling shall be considered as a separate application of the Rider.

Service under this Rider shall be required for any Customer who meets the Application criteria in the previous paragraph, subject to the following exceptions: (i) any Customer who takes service, as applicable, under Company’s Rider for Parallel Generation as established under Minnesota Rules Chapter 7835 – Cogeneration and Small Power Production; or (ii) any Customer, in lieu of service under this Rider, who pursues reasonable transactions outside this Rider as agreed to by Company and Customer.

Customer shall execute an electric service agreement and a power purchase agreement with Company for service under this Rider. The minimum term of service taken under this Rider shall be one (1) year or such longer period as may be required under the electric service agreement. Service under this Rider is subject to Company’s Electric Service Regulations and any other rules as applicable. All provisions of the applicable standard rate schedule shall apply to service under this Rider except as noted below.

TYPE OF SERVICE

Output of the Distributed Energy Resource shall be provided at 60 hertz and at the voltage and phase relationship specified under Company’s applicable standard rate schedule for service to Customer or as agreed to by Company and Customer.

Filing Date: <u> August 31, 2023 </u>	MPUC Docket No.: <u> E015/M-18-713 </u>
Effective Date: <u> September 1, 2023 </u>	Order Date: <u> April 19, 2019 </u>

Approved by: Leah N. Peterson
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Manager – Customer Analytics

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ELECTRIC RATE BOOK - VOLUME I

SECTION V **PAGE NO.** 82.1
REVISION 6

RIDER FOR DISTRIBUTED GENERATION SERVICE

RATE (Monthly)

The following charges and credits are applicable in addition to all charges for service being taken under Company’s standard rate schedule:

Service Charge: \$15.83

Capacity/Energy Credits:

Customer may sell all the energy produced by the Distributed Energy Resource to Company, use all the Distributed Energy Resource energy to meet its own electric load requirements or use a portion of the energy from the Distributed Energy Resource and sell the remaining to Company.

Company shall purchase all capacity and energy made available by Customer from the Distributed Energy Resource. Such capacity and energy shall be purchased by Company under the rates, terms and conditions for such purchases as established by Company in a power purchase agreement with Customer.

Capacity Credits shall only be provided on that capacity available to Company which meets the accreditation requirements of the Midcontinent Independent System Operator (MISO) or successor organization.

Capacity and Energy Credits shall be based on Company’s calculation of avoided capacity and energy costs. The Capacity Credits in effect at the time Customer enters into a power purchase agreement with Company shall remain in effect for the length of the agreement. Energy Credits for use under the power purchase agreement shall vary by month and time period (on-peak and off-peak) and shall be updated annually for the upcoming calendar year. Upon written request by Customer and after Customer signs a confidentiality agreement, Company shall provide Customer the current schedule of Capacity and Energy Credits.

Delivery Charge (\$/kw):

Company may require any Customer with a Distributed Energy Resource of 1 MW or greater nameplate capacity rating to pay a Delivery Charge for all capacity and energy made available by Customer from the Distributed Energy Resource. Such Delivery Charge shall compensate Company for any additional distribution, transmission and ancillary services not included under this Rider provided by Company to Customer through Company’s participation in the MISO or successor organization. For applying the Delivery Charge, the capacity shall be determined during the 15-minute period of Customer’s greatest capacity delivered to Company during the billing month.

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SECTION V PAGE NO. 82.2

ELECTRIC RATE BOOK - VOLUME I

REVISION 6

RIDER FOR DISTRIBUTED GENERATION SERVICE

Distribution Credits:

If the installation of the Distributed Energy Resource results in Company delaying or avoiding distribution investment, Company shall provide Distribution Credits to Customer that reflect the avoided distribution cost.

Company shall provide, upon Customer’s written request, a list of substation areas or feeders that could be likely candidates for Distribution Credits as determined through Company’s normal distribution planning process. Upon receiving an application from Customer for the interconnection and operation of a Distributed Energy Resource, Company shall perform an initial screening study to determine if the project has the potential to receive Distribution Credits. Customer shall be responsible for the cost of such screening study. If Company’s initial study shows that there exists potential for Distribution Credits, Company shall, at its own expense, pursue further study to determine the Distribution Credits, as part of its annual distribution capacity study.

Line Loss Credits:

If the installation of the Distributed Energy Resource results in Company avoiding additional line losses, Company shall provide Line Loss Credits to Customer that reflect the additional line loss savings.

Company shall perform, upon Customer’s written request, a specific line loss study to determine if the project has the potential to receive Line Loss Credits. Customer shall be responsible for the cost of such line loss study.

Renewable Credits:

If Company’s purchase of capacity and energy from the Distributed Energy Resource results in Company meeting a requirement to obtain renewable capacity and energy, Company shall provide Renewable Credits to Customer that equal the additional avoided cost of the renewable addition or purchase. The purchase price of such Renewable Credits shall be net of payment for capacity and energy identified above.

In the event that Customer producing the power receives renewable credits, (that is, the Customer is paid by the Company the avoided cost of renewable energy purchases), then the transaction represented by the power purchase agreement will constitute a transfer from the Customer to the Company of the property rights, for those renewable attributes specific to the renewable energy generated by the Customer and for which the Company paid renewable credits.

Customer may receive either renewable credits or tradable emission credits but not both.

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Effective Date: September 1, 2023 Order Date: April 19, 2019

Approved by: Leah N. Peterson
Leah N. Peterson
Manager – Customer Analytics

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SECTION V PAGE NO. 82.3

ELECTRIC RATE BOOK - VOLUME I

REVISION 6

RIDER FOR DISTRIBUTED GENERATION SERVICE

Tradable Emission Credits:

If Company’s purchase of capacity and energy from the Distributed Energy Resource results in Company receiving an economic value associated with tradable emissions, Company shall provide Tradable Emission Credits to Customer that equal the credit revenues associated with the Distributed Energy Resource of such Tradable Emission Credits received by Company. Customer may receive either renewable credits or tradable emission credits but not both.

In the event that Customer producing the power receives tradable emission credits, then the transaction represented by the power purchase agreement will constitute a transfer from the Customer to Company of the property rights, if any, for those tradable emission credits received by Customer and for which Company paid tradable emission credits.

SERVICE CONDITIONS

1. All electricity delivered to Company by Customer shall be measured by one or more meters installed at a single point of common coupling or as determined by Company. Company’s meter for distributed generation service shall measure the flow of capacity and energy from Customer to Company only. Any flow of capacity and energy from Company to Customer shall be separately metered.
2. Service shall be provided under this Rider if Company has sufficient capacity available in existing transmission and distribution facilities to provide such service at the location where service is requested.
3. Customer shall pay Company the installed cost of any additional required facilities which are not supported by this Rider.
4. Company shall not be liable for any loss or damage, including consequential damages, caused by or resulting from any limitation in providing service under this Rider.

PROCESS AND TECHNICAL DOCUMENTS AVAILABILITY

Company Distributed Energy Resource process and technical documents are available at www.mnpower.com or by contacting Company at 1-800-228-4966 or 30 West Superior Street, Duluth, MN 55802.

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Approved by: Leah N. Peterson
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 Manager – Customer Analytics

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SECTION V

PAGE NO. 85.0

ELECTRIC RATE BOOK - VOLUME I

REVISION _____

14

RIDER FOR RENEWABLE RESOURCES

Applicable to electric service under all Company’s Retail Rate Schedules except Competitive Rate Schedules – Rate Codes 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	\$0.74 per kW-month for all Billing Demand kW
	and
	0.097¢ per kWh for all kWh
All other applicable Retail Rate Customers	0.250¢ per kWh for all kWh

Filing Date: March 27, 2024

MPUC Docket No.: E015/M-24-140

Effective Date: October 1, 2024

Order Date: June 25, 2024

Approved by: Leah N. Peterson
Leah N. Peterson
Manager – Customer Analytics

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	\$0.36 per kW-month for all Billing Demand kW
	and
	0.047¢ per kWh for all kWh
All other applicable Retail Rate Customers	0.195¢ per kWh for all kWh

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

Approved by: Leah N. Peterson
Leah N. Peterson
Manager – Customer Analytics

RIDER FOR CUSTOMER AFFORDABILITY OF RESIDENTIAL ELECTRICITY (CARE)

APPLICATION

Applicable to any Residential Service Customer taking service under Rate Code 20 (General) or Rate Code 22 (Space Heating) who is approved as qualified for the Low Income Home Energy Assistance Program (LIHEAP) by a designated social service agency (Agency) within Company’s service territory during the program year (October 1 to September 30). Customers must receive certification annually through authorized Agency to be eligible for this Rider. A qualification exception applies for customers who initially self-declare as low income. Continued eligibility for the CARE program, beyond the initial exception, would be subject to customers requesting and being approved for LIHEAP within one year of their low income self-declaration.

DEFINITIONS

SENIOR Customers:
 Seniors are those age 62 or older, as determined through the LIHEAP qualification and/or Low Income Self-Declaration process.

DISABLED Customers:
 Disabled are those determined as disabled through the LIHEAP qualification and/or Low Income Self-Declaration process.

LEGACY CARE Customers:
 Customers enrolled in the CARE Program as of September 30, 2019 or prior to the initial offering of the flat and affordability discounts under this Rider, whichever is later.

RATE MODIFICATION

All provisions of the Residential Service Schedule shall apply except as modified below:

FLAT DISCOUNT

Eligible Senior, Disabled, and / or Legacy CARE customers receive a \$20 flat discount in each monthly billing period.

AFFORDABILITY DISCOUNT

Eligible Senior and / or Disabled Customers Under 62 Years of Age with no Disability, and Customers with certified medical circumstances:

A customer using more than 3% of their annual household income for electric bill payments may be eligible for the Company’s affordability discount. The Company will offer customers with the lowest income, and a history of high electric consumption, an affordability discount

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Approved by: Leah N. Peterson
Leah N. Peterson
Manager – Customer Analytics

RIDER FOR CUSTOMER AFFORDABILITY OF RESIDENTIAL ELECTRICITY (CARE)

with the goal of keeping a household's annual energy burden within 3% of its income, on average. The affordability discount will be applied as a monthly percentage discount on bill.

LOW-INCOME AFFORDABILITY PROGRAM SURCHARGE

For Customers taking service under: Residential Service (Rate Code 20, 22, and 23) except those residential customers who are qualified for LIHEAP, General Service (Rate Code 25), Large Light & Power (Rate Code 75), Large Power (Rate Code 74), and Non-Contract Large Power (Rate Code 78) there shall be added to each service agreement, as designated above, on their monthly bill, a Low-Income Affordability Program Surcharge as specified below:

Residential (Except LIHEAP-qualified)	\$1.28
General Service	\$2.13
Large Light & Power	\$17.73
Large Power	\$675.86

SERVICE CONDITIONS

1. In order to determine customer eligibility for this Rider, the Company will review customer's LIHEAP approval and/or Low Income Self-Declaration status, Customer billing information, approved LIHEAP benefits, household income, and / or arrears.
2. For Legacy CARE and Affordability Discount Customers, any past due bills for electric service will be spread over a maximum of 24 months and shall be put in a 24-month payment arrangement under the Arrearage Forgiveness program.
3. Customers taking service under this Rider will be encouraged to participate in Minnesota Power's energy conservation programs.
4. Customers must be LIHEAP eligible by May 1 of each program year to continue receiving service under this Rider. The program year starts October 1 and ends September 30 of the following year.
5. Customers who become eligible through the Low Income Self-Declaration process must request and be determined eligible for LIHEAP within one year of their initial low income self-declaration in order to remain eligible for this Rider.
6. Customer must maintain an active account registered under Customer's name with the Company to be eligible for this Rider.
7. Qualified Customers are eligible to receive a discount under this Rider at only one residential location at any one time, and the Rider applies only to a qualified

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Approved by: Leah N. Peterson
Leah N. Peterson
Manager – Customer Analytics

RIDER FOR CUSTOMER AFFORDABILITY OF RESIDENTIAL ELECTRICITY (CARE)

Customer’s primary residence. This Rider will not be available when, in the opinion of the Company, the Customer’s residency or occupancy is of temporary nature.

8. It is the Customer’s responsibility to notify the Company if there is a change of address or eligibility status.
9. Application of this Rider shall be prospective, and the Rider discount shall not be applicable to past due bills.
10. If the participating Customer misses two consecutive payments, the Customer will be removed from this Rider and ineligible until the next program year, at the Company’s discretion. The Customer will become subject to standard collection activities for any past due amounts.
11. Refusal or failure of a Customer or Agency to provide documentation of eligibility acceptable to the Company may result in Customer removal from this Rider.
12. Customer may be re-billed for periods of ineligibility under the applicable standard rate schedule.
13. This Rider shall meet the conditions of Minnesota Statutes, Chapter 216B.16, Subd. 15 on low income affordability programs.

ARREARAGE FORGIVENESS CONDITIONS

1. Current Legacy CARE and Affordability Discount participants with past-due arrears balances that satisfy Service Condition 1 are eligible for Arrearage Forgiveness.
2. Potential Arrearage Forgiveness applies to outstanding arrears at the time of CARE enrollment or as of the effective date of the Arrearage Forgiveness component, whichever is later.
3. The Arrearage Forgiveness shall in no event exceed the outstanding arrears balance.
4. The Company shall total the amount of arrears payments made by all CARE customers each month, and based on available funds in the CARE Rider Tracker, shall determine the percentage matching rate and shall match each Customer’s monthly paid arrears amount by applying the determined percentage to reduce arrears in the same month. The initial matching rate will be 100 percent.
5. In the event a Customer applies, qualifies and receives fuel assistance, the fuel assistance amount may be used to pay the arrears amount. The Company shall not match amounts paid by a third party; however, any amount of arrears paid by the Customer any

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RIDER FOR CUSTOMER AFFORDABILITY OF RESIDENTIAL ELECTRICITY (CARE)

month shall be matched by the Company by applying the percentage of reduction in place as stated in Arrearage Forgiveness Condition 4 above.

6. If a Customer has new arrears, it means the Customer has missed at least two consecutive payments, therefore, Service Condition 10 applies, and the Customer shall no longer be eligible for the CARE Program or the Arrearage Forgiveness component.

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Leah N. Peterson
Manager – Customer Analytics

RIDER FOR BUSINESS EXPANSION INCENTIVE

APPLICATION

Applicable to any new or expanding commercial or industrial Customer taking service under General Service (Schedule 25), Large Light and Power Service (Schedule 75), or Large Power Service (Schedule 74) and which has at least 250 kW of new or expanding load. A customer may receive the rate at multiple delivery points so long as each delivery point independently qualifies.

Service hereunder is subject to Company’s Electric Service Regulations and any applicable Riders.

Customer must complete an application for service under the Rider for Business Expansion Incentive, and service is limited to customers whose application is approved by the Company. For existing customers, at least three months of Qualified Billing Demand must occur before service under this Rider may commence.

TYPE OF SERVICE

Service shall be taken at the voltage and phase relationship specified under Company’s applicable standard rate schedule for service to Customer.

RATE

The provisions of the General Service, Large Light and Power, or Large Power Service Schedule shall apply, except monthly Demand Charges (excluding the Transmission Demand Charge) for customer’s Qualified Billing Demand before the application of voltage discounts, shall be reduced as follows:

Large Power Service Schedule Demand Reduction Percent:

Years:	1-3	4	5	6
Percent Reduction:	30%	15%	5%	0%

General Service and Large Light and Power Service Schedule Demand Reduction Percent:

Years:	1-3	4	5	6
Percent Reduction:	50%	25%	15%	0%

For new or existing customers, Qualified Billing Demand is the new load of 250 kW or greater at a single delivery point. A customer may receive the rate at multiple delivery points so long as each delivery point independently qualifies. The demand charge reduction shall not apply during any month in which the Qualified Billing Demand is below 250 kW, unless as a consequence of documented new conservation or load control by the customer.

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Leah N. Peterson
Manager-Customer Analytics

RIDER FOR BUSINESS EXPANSION INCENTIVE

NEW CUSTOMER QUALIFICATIONS

This Rider is available for new load that is associated with initial permanent service. To be considered a new customer for the purpose of this Rider, an applicant must demonstrate one of the following:

1. Business has not been conducted at the premises for at least three monthly billing periods prior to application; or
2. The predecessor customer is in bankruptcy and the applicant has obtained the business in a liquidation of assets sale; or
3. Customer’s activities are largely or entirely different in nature from that of the previous customer.

EXISTING CUSTOMER QUALIFICATIONS

Existing customers, at an existing delivery point or new delivery point, who materially increase their use of electric service may qualify for service under this Rider, provided such material increase is the result of the addition of equipment, or expansion of the customer’s facility or operations. The customer shall notify the Company in writing and document the basis for the material increase in its use of electric service. Following such notification, the Company shall review the customer’s monthly billing demands. If the billing demands for each of the next three consecutive months exceed that from the comparable monthly period of the preceding year by at least 250 kW at one delivery point, the customer will be eligible thereafter to receive service under this Rider. A customer may receive the rate at multiple delivery points so long as each delivery point independently qualifies. If a customer’s activities are very similar to the customer’s previous activities, then the customer is considered to be an existing customer whether or not the owner(s), operator(s), or manager(s) are substantially different.

ENERGY EFFICIENCY

The Company is required to conduct an energy audit for all customers taking service under this Rider, and inform the customer of the conservation programs available.

TERMS AND CONDITIONS

1. This Rider contemplates that this service shall utilize existing facilities with no additional major expenditures. Customer shall pay Company the installed cost of any additional facilities required, which are not supported by this Rider.

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Leah N. Peterson
Manager-Customer Analytics

RIDER FOR BUSINESS EXPANSION INCENTIVE

2. The minimum discount under this Rider shall recover at least the incremental cost of providing the service, including the cost of additional capacity that is to be added while the Rider is in effect.
3. The Company shall execute an Electric Service Agreement (ESA), having a minimum term of six (6) years with a minimum cancellation provision of one (1) year. The ESA shall state the increased or new load level of the customer, and the effective date of service under this Rider shall be set forth in the ESA.

ELECTRIC SERVICE AGREEMENTS

1. Every ESA and every amendment or modification of an ESA shall be approved by the Minnesota Public Utilities Commission (“Commission”).
2. Every new or amended ESA shall be filed with the Commission within 30 days after signing the agreement with the Customer.
3. Every ESA filing shall include the incremental revenue and the incremental costs associated with the new ESA.
4. If no party objects to the ESA within 30 days of the filing date, the ESA is deemed approved.

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Approved by: Leah N. Peterson
Leah N. Peterson
Manager-Customer Analytics

RIDER FOR LARGE POWER DEMAND RESPONSE SERVICE

APPLICATION

Applicable to any customer taking service under Large Power Service Schedule 74, having a minimum contract term of at least the duration of the respective demand response product, and subject to the Conditions below.

DEFINITIONS

Demand Response Billing Demand: Capacity volume associated with the Rider for Large Power Demand Response Products A and C that will receive Demand Charge Credits on a monthly basis, as specified herein.

Demand Response Contract Demand: The aggregate of Customer’s accredited capacity of Products A and C under this Rider.

Firm Service Level or Targeted Demand Reduction Level: Customer’s targeted demand reduction threshold that is specified when customer registers for Products A and C.

Emergency Curtailment: Requirement for participating Customers to physically reduce load to their Firm Service Level or Targeted Demand Reduction Level.

LARGE POWER DEMAND RESPONSE PRODUCTS AND CONDITIONS

There are two optional Demand Response products available to Customers. The characteristics and conditions for each product are as follows:

Large Power Demand Response Product A - Short-Term Emergency Capacity

Product A is a one-year emergency-only capacity product. A minimum one-year Demand Response commitment and one-year term remaining on Customer’s Electric Service Agreement at time of selection is required for this product. Product A includes a Demand Charge Credit as detailed in the Rate section below. The Company will call on this capacity as allowed under the requirements to accredit capacity for satisfying resource adequacy requirements or to mitigate local system emergency events.

Short-Term Emergency Capacity must meet applicable requirements to accredit capacity for satisfying resource adequacy requirements, including, but not limited to, maximum number of annual emergency curtailments, maximum duration of emergency curtailments, and seasons in which emergency curtailments can occur.

Before an Emergency Curtailment, the Company will provide the lesser of (1) at least two hours advance notice or (2) the notice that as required in connection with requirements to accredit capacity for satisfying resource adequacy requirements.

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Approved by: David R. Moeller
David R. Moeller
Senior Attorney & Director of Regulatory Compliance

RIDER FOR LARGE POWER DEMAND RESPONSE SERVICE

Large Power Demand Response Product C – Market Surplus Service

Contract periods of between three and six years are available, provided that Customer’s Electric Service Agreement duration at time of bidding is at least as long as the Market Surplus Service contract, and provided that neither the Customer nor the Company has served an Electric Service Agreement cancelation notice. Product C includes a Demand Charge Credit as detailed in the Rate section below. The Company will facilitate identification of options for a customer’s excess demand response capacity that doesn’t fit into Large Power Demand Response Product A.

RATE MODIFICATIONS

The following charges and credits are applicable in addition to all charges for service being taken under Company’s standard Large Power rate schedule:

Demand Response Product A - Short-Term Emergency Capacity

Demand Charge Credit:

For each month that Short-Term Emergency Capacity is provided, the Customer shall receive a per kW Demand Charge Credit based on an annual market price representative of market conditions as determined by the Company. Such credit shall be applied to the demand charges billed under Schedule 74. Customer will be notified of the annual credit amount by the preceding November for the following Midcontinent Independent System Operator (MISO) planning year.

Demand Response Product C- Market Surplus Service

Demand Charge Credit:

For each month that Market Surplus Service is provided and Minnesota Power has identified an option for customer’s excess demand response capacity that results in revenue for the Company, the Customer shall receive a per kW Demand Charge Credit. Such credit shall be determined by the company and applied to Customer’s demand charges billed under Schedule 74.

DETERMINATION OF DEMAND RESPONSE BILLING DEMAND (Monthly)

Demand Response Billing Demand shall be calculated as follows:

The lesser of: (1) the Demand Response Contract Demand or (2) Customer’s nominated demand under Schedule 74 plus, if applicable, Maximum Replacement Amount less Firm Service Level.

Any reduction in the Demand Response Billing Demand from the Demand Response Contract Demand will first reduce Product A and then Product C.

The Customer’s monthly Schedule 74 Billing Demand shall be calculated in accordance with Schedule 74.

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David R. Moeller
Senior Attorney & Director of Regulatory Compliance

RIDER FOR LARGE POWER DEMAND RESPONSE SERVICE

CUSTOMER’S FAILURE TO COMPLY WITH REQUESTED CURTAILMENT

A Customer is deemed to have failed to comply with the emergency capacity requirements when Minnesota Power calls on the emergency capacity and the Customer’s actual firm load, as measured by the meters installed by the Company (netted across aggregated Customer facilities, if applicable), has not decreased to the Firm Service Level or Targeted Demand Reduction Level.

In the event that the Customer fails to follow an Emergency Curtailment request by Minnesota Power and such failure results in (a) any financial penalties being imposed upon the Company, and/or (b) financial damages resulting from non-completed or replacement wholesale sales or purchases, the Customer shall reimburse the Company for that portion of the penalty and/or financial damages caused by their failure, within 15 days of notification by Minnesota Power. In the event that the Customer follows Emergency Curtailment conditions as specified herein, the Customer shall not be liable for any (a) penalties imposed on the Company, or (b) financial damages resulting from non-completed or replacement wholesale sales or purchases. Penalties and charges may include, but are not limited to, penalties associated with disqualification of the emergency capacity as accredited capacity.

ADDITIONAL SERVICE CONDITIONS

1. The duration and frequency of curtailments shall be at the sole discretion of the Company and follow the product conditions as stated above.
2. The Customer must provide, at its expense, a means of curtailing its demand response load upon receiving a command or signal from the Company. The Company reserves the right to inspect and approve the installation.
3. The Company shall not be liable for any loss or damage, including consequential damages, caused by or resulting from any curtailment of service.
4. Company intends to accredit and register the demand response MW as a capacity resource with MISO (or successor entity), in accordance with Module E Tariff and Business Practices Manual for Resource Adequacy. Customer agrees to participate fully in the registration procedure.
5. In the event of a material change in MISO’s (or any successor organization) capacity accreditation authority, the party’s shall in good faith determine the most appropriate substitute accrediting and rate or cost determination authority within six months of the date such a change was made. Except as mutually agreed by the party’s, no changes in MISO responsibilities shall materially and adversely affect either party’s rights or obligations under the Electric Service Agreement. Any changes would be subject to regulatory approval.

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Approved by: David R. Moeller
David R. Moeller
Senior Attorney & Director of Regulatory Compliance

RIDER FOR RENEWABLE RESOURCES – SOLAR FACTOR ADJUSTMENT

APPLICATION

Applicable to electric service under all Company’s Retail Rate Schedules except Competitive Rate Schedules Rate Codes 73 and 79. This Rider shall be applicable to customers who are not exempt from Solar Energy Standard (SES) obligations under Minnesota Statutes, Section 216B.1691, subd. 2(f). During the 2013 Minnesota legislative session, Minnesota Statutes Section 216B.1691, the statute establishing Minnesota’s Renewable Standard, was amended to include an additional SES under Minnesota Statutes Section 216B.1691, Subd. 2f. Included in Minnesota Statutes, Section 216B.1691, subd. 2f is a provision exempting retail electric sales to certain customers, namely large iron mining and paper production businesses, from the total retail electric sales calculation of a public utility. Per subdivision 2f(f), exempted customers are:

1. an iron mining extraction and processing facility, including a scam mining facility as defined in Minnesota Rules, part 6130.0100, subpart 16; or
2. a paper mill, wood products manufacturer, sawmill, or oriented strand board manufacturer.

Exempted customers cannot be charged for any costs specific to satisfying the Solar Energy Standard.

The solar capacity benefit charge associated with the Camp Ripley Solar Project is applied to exempt customers as they share in these benefits.

ADJUSTMENT

Customers’ monthly bills will be adjusted in accordance with each customer’s status per Minnesota Statutes, Section 216B.1691, Subd. 2f. The following charges are applicable in addition to all charges for service being taken under the Company’s standard rate schedules.

	SES-Paying Customers	SES-Exempt Customers
Residential Customers	0.028¢ per kWh for all kWh	----
General Service Customers	0.036¢ per kWh for all kWh	0.055¢ per kWh for all kWh
Large Light & Power Customers	0.013¢ per kWh for all kWh	0.031¢ per kWh for all kWh
Large Power Customers	----	0.019¢ per kWh for all kWh
Lighting Customers	(0.072)¢ per kWh for all kWh	----

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Approved by: Leah N. Peterson
Leah N. Peterson
Director – Customer Analytics and Market Settlements

RIDER FOR CAPACITY REVENUE AND EXPENSE ADJUSTMENT

APPLICATION

Applicable to electric service under all Company's Retail Rate Schedules except Competitive Rate Schedules Rate Codes 73 and 79.

CAPACITY REVENUE AND EXPENSE ADJUSTMENT

The Forecasted System Average Capacity Revenue and Expense Adjustment (CREA), that includes bilateral or customer capacity contracts and Planning Reserve Auction results for a period that is equal to or less than three years, for each month shall be the forecasted CREA for the current month divided by the forecasted Kilowatt-Hour Sales. The applicable Forecasted CREA shall be added to customers' monthly bill according to each customer's rate class and CREA Factor.

In addition, subject to Commission approval, there shall be an annual true-up for any amount collected over or under the actual cost of revenue and expense for the twelve months ending May 31 of each year as reported in an annual compliance filing with the Minnesota Public Utilities Commission report to be filed by July 31 following the most recent reporting period. The annual true-up shall be based on a historic twelve-month period, comparing actual costs to the forecasted costs, and shall be applied to the subsequent months. The annual true-up will be effective on billings beginning the first of the month following Commission approval of the true-up, or as ordered by the Commission. In years when the over- or under- recovery amount is small (resulting in a true-up rate rounded to less than 0.001¢), the true-up balance will carry over to the next year's true-up.

The annual true-up rate for each rate class shall be calculated as follows. The over- or under- recovery amount as shown in the current year annual compliance filing will be divided by the forecasted Kilowatt-Hours subject to the Capacity Revenue and Expense Adjustment for the proposed twelve-month recovery period the true-up rate will be in effect and then multiplied by the applicable CREA Factor. This calculation will produce a true-up rate per Kilowatt-Hour (rounded to the nearest 0.001¢) for each rate class that will be applied to Customers' bills in the same manner as the forecasted monthly CRE Charge.

FORECASTED SYSTEM AVERAGE CAPACITY REVENUE AND EXPENSE ADJUSTMENT

The monthly Forecasted Average Capacity Revenue and Expense Adjustment shall be the **sum** of the following:

- (a) MISO Planning Reserve Auction charges net of revenues for the applicable MISO planning year ending May 31 of each year.
- (b) Bilateral and customer capacity contract charges net of revenues with terms of three years or less for the applicable MISO planning year ending May 31 of each year.

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 Leah N. Peterson
 Director – Customer Analytics and Market Settlements

RIDER FOR CAPACITY REVENUE AND EXPENSE ADJUSTMENT

The Forecasted Kilowatt-Hour Sales shall be Company's total forecasted kilowatt-hour Sales of Electricity, excluding inter-system sales related to economy energy sales and other energy sold on an economic dispatch basis, sales related to the renewable source and community solar garden programs, and solar energy production and purchases to meet the Solar Energy Standard.

CAPACITY REVENUE AND EXPENSE ADJUSTMENT (CREA) FACTORS

A separate CREA Factor shall be applied to calculate the Forecasted CREA Charge for each Rate Class. A Class Cost Factor shall be calculated for each Rate Class. For Residential Time-Of-Day (TOD) and Large Light & Power Time-Of-Use (TOU) customers a TOD or TOU Factor shall also be calculated for each TOD or TOU period. The CREA Factor is the Class Cost Factor multiplied by the corresponding TOD or TOU Factor.

Rate Class	Class Cost Factor	TOD / TOU Factor	CREA Factor
Residential	1.05841	1.00000	1.05841
Residential On-Peak	1.05841	1.17042	1.23878
Residential Off-Peak	1.05841	1.03330	1.09366
Residential Super Off-Peak	1.05841	0.75930	0.80365
General Service	1.02995	1.00000	1.02995
Large Light & Power	0.99451	1.00000	0.99451
Large Light & Power On-Peak	0.99451	1.17042	1.16399
Large Light & Power Off-Peak	0.99451	1.03330	1.02763
Large Light & Power Super Off-Peak	0.99451	0.75930	0.75513
Large Power	0.98328	1.00000	0.98328
Lighting	0.89264	1.00000	0.89264

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Leah N. Peterson
Director – Customer Analytics and Market Settlements

RIDER FOR CAPACITY REVENUE AND EXPENSE ADJUSTMENT

2026 FORECASTED and 2024 TRUE-UP CREA RATE

Applicable Month	CREA Forecasted Rate (¢/kWh)	CREA True-up Rate (¢/kWh)
January 2026	0.004	(0.003)
February 2026	0.005	(0.003)
March 2026	(0.010)	(0.003)
April 2026	(0.011)	(0.004)
May 2026	(0.011)	(0.003)
June 2026		(0.004)
July 2026		(0.003)
August 2026		(0.003)
September 2026		(0.004)
October 2026		(0.003)
November 2026		(0.003)
December 2026		(0.003)

A breakdown by month and Rate Class can be found on Minnesota Power’s website at <https://www.mnpower.com/Customerservice/YourBill>

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Leah N. Peterson
Director – Customer Analytics and Market Settlements

ELECTRIC SERVICE REGULATIONS OF MINNESOTA POWER

PURPOSE AND CONTENTS

These Service Regulations govern the supplying and taking of electric service. The regulations are designed to provide each Customer the greatest practicable latitude in the use of safe, reliable, and affordable service .

These Service Regulations, together with Extension Rules and Rate Schedules, are on file in the Company’s various offices, and copies are obtainable by any Customer upon request by telephone, by mail, or www.mnpower.com.

Section I - Definitions	23	Suspension of Service for Repairs and Changes
1 Customer	24	Use of Service
2 Company	25	Customer’s Responsibility
3 Electric Service	26	Right-of-Way
4 Point of Delivery	27	Access to Premises
5 Customer’s Installation	28	Location of Point of Attachment
6 Service Drop		
7 Service Entrance Conductors		
8 Month		
9 Service Agreement		
10 Notice		
11 Meter		
12 Customer Extension		
		Section IV - Customer’s Installation
	29	Nature and Use of Installation
	30	Inspection by Company
	31	Changes in Installation
		Section V - Company’s Installation
	32	Installation and Maintenance
	33	Protection by Customer
	34	Customer Extensions
	35	Alteration of Facilities
		Section VI - Metering
	36	Installation
	37	Evidence of Consumption
	38	Tests
		Section VII - Parallel Generation
	39	Design
	40	Disconnection
	41	Customer Responsibility
		Section VIII - Billing
	42	Billing Periods
Section II - Service Agreements		
13 Form and Execution of Service Agreements		
14 Contract Period of Service Agreements		
15 Renewal and Termination of Service Agreements		
16 Company’s Right to Cancel Service Agreement or to Suspend Service		
17 Successors and Assigns		
Section III - Supplying and Taking of Service		
18 Supplying of Service		
19 Disconnection of Service		
20 Reconnection of Service		
21 Service Relock Penalty		
22 Continuity of Service		

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ELECTRIC SERVICE REGULATIONS OF MINNESOTA POWER

- | | |
|---|---|
| <ul style="list-style-type: none"> 43 Separate Billing for Each Point of Delivery 44 Adjustment for Inaccurate Meter Registration 45 Late Payment Charge 46 Delinquent Bills 47 Unlawful Use of Service 48 Charge for Restoring Service 49 Selection of Schedule 50 Proration of Bills 51 Company Billing Errors | <p>Section XII – Miscellaneous Regulations</p> <ul style="list-style-type: none"> 72 Conflicts 73 Franchise Limitations 74 Franchise Fees Notification 75 Franchise Fees Customer Notification 76 Regulation and Jurisdiction |
|---|---|

Section IX - Deposits and Guarantees

- 52 When Required
- 53 When Refunded
- 54 Interest on Deposits
- 55 Conditions Requiring a Deposit or Guarantee
- 56 Conditional Service Prior to Establishment of Credit

Section X - Cold Weather Rule

- 57 Applicability
- 58 Definitions
- 59 Company Obligations Before Cold Weather Period
- 60 Notice Before Disconnection During Cold Weather Period
- 61 Cold Weather Rule
- 62 Verification of Income
- 63 Prohibitions and Requirements
- 64 Disputes, Customer Appeals
- 65 Customers Above 50 Percent of State median income

Section XI – Residential Customer Protections

- 66 Applicability
- 67 Budget Billing Plans
- 68 Payment Agreements
- 69 Undercharges
- 70 Medically Necessary Equipment
- 71 Commission Authority

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Effective Date: March 1, 2025 **Order Date:** November 25, 2024

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ELECTRIC SERVICE REGULATIONS OF MINNESOTA POWER

SECTION I - DEFINITIONS

The following terms when used in these Service Regulations, in Rate Schedules and in Service Agreements, shall, unless otherwise indicated, have the meanings given below:

1. **Customer:** Any individual(s), partnership, association, firm, public or private corporation or governmental agency having Company’s electric service at any specified location.
2. **Company:** Minnesota Power.
3. **Electric Service:** The supplying of electric power and energy, or its availability, irrespective of whether any electric power and energy is actually used. Supplying of service by Company consists of the maintaining by it, at the point of delivery, of approximately the agreed voltage and frequency by means of facilities adequate for carrying Customer’s contracted load.
4. **Point of Delivery:** The end of Company’s service drop, or the point where Company’s wires are joined to Customer’s service entrance conductors or apparatus, unless otherwise specified in Customer’s Service Agreement.
5. **Customer’s Installation:** In general, all wiring, appliances and apparatus of any kind or nature on Customer’s side of the point of delivery (except Company’s meter installation), useful in connection with Customer’s ability to take electric service.
6. **Service Drop:** The wires, owned by Company, connecting Company’s distribution mains to Customer’s service entrance conductors.
7. **Service Entrance Conductors:** The wires provided by the Customer extending from Customer’s main line switch or center at which circuits originate, to the terminal of the Company’s service drop.
8. **Month:** An interval of approximately thirty days between successive meter reading dates, except when the calendar month is specified.
9. **Service Agreement:** The agreement or contract between Company and Customer pursuant to which service is supplied and taken.
10. **Notice:** Unless otherwise specified, a written notification delivered personally or mailed by one party to the other at such other party’s last known address, the period of notice being computed from the date of such personal delivery or mailing.

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ELECTRIC SERVICE REGULATIONS OF MINNESOTA POWER

- 11. **Meter:** The meter or meters, together with auxiliary devices, if any, constituting the complete installation needed to measure and report the power and energy supplied to any Customer at a single point of delivery.
- 12. **Customer Extension:** Any branch from, or continuation of, an existing line to the point of delivery to Customer, including increases in capacity of any of Company’s existing facilities, or the changing of any line to meet the Customer’s requirements, and including all transformers, service drops and meters.

SECTION II - SERVICE AGREEMENTS

- 13. **Form and Execution of Service Agreements:** Each application for service normally is made on Company’s standard form of application, which, when properly executed by Customer and Company, becomes binding and along with the applicable Rate Schedules, Rules and Regulations, is termed a Service Agreement. Any Service Agreement referred to herein is subject to amendment or change by Company. Any such amendment or change to a Service Agreement may be subject to acceptance or approval by any regulatory body having jurisdiction thereof and upon acceptance or approval will automatically apply to any executed Service Agreement.

If for any reason an application is not signed by the Customer, the giving of service by the Company and the accepting of such service by all Customers receiving service shall impose the same obligation on each as if a Service Agreement had been executed.

- 14. **Contract Period of Service Agreements:** The contract period shall be as indicated in the applicable Rate Schedule, unless otherwise provided for in the Service Agreement.
- 15. **Renewal and Termination of Service Agreements:** Renewals shall be as provided for in the Service Agreement. Unless otherwise provided in the Service Agreement or Rate Schedule, Customers requesting termination of service through a physical disconnect and removal of Company owned equipment must fill out Form 6032 and give Company at least 7 days notice prior to the date termination is desired. Customer will be held responsible for all service supplied to vacated premises until such notice has been received by Company. Notification may be made by writing, e-mail through the MyAccount tool, or by visiting the Company’s website at www.mnpower.com.

When the contract period of a Service Agreement is extended, the demand previously established by Customer is considered as having been established under the extended contract period.

Filing Date: November 1, 2023 **MPUC Docket No.:** E015/GR-23-155
Effective Date: March 1, 2025 **Order Date:** November 25, 2024

Approved by: Leah N. Peterson
Leah N. Peterson
Manager – Customer Analytics

ELECTRIC SERVICE REGULATIONS OF MINNESOTA POWER

When a new Service Agreement is entered into, the demand previously established by Customer is considered as having been established under the contract period of the new Service Agreement except that, when the contract demand under the new Service Agreement is less than 60% of the highest actual demand established in the previous contract year, the Company will waive the above requirement.

- 16. **Company’s Right to Cancel Service Agreement or to Suspend Service:** Company, in addition to all other legal remedies, may terminate the Service Agreement, or suspend delivery of service, for any default or breach of the Service Agreement by the Customer, but no such termination or suspension will be made by Company without five (5) days written notice, excluding Sundays and legal holidays, to Customer, stating in what particular the Service Agreement has been violated, except in cases of unlawful or unauthorized use of service by Customer, or dangerous leakage or short circuit on Customer’s side of the point of delivery, or in case of utilization by Customer of service in such manner as to cause danger to persons or property. Failure of Company at any time to either suspend delivery of service or to terminate the Service Agreement, or to resort to any other legal remedy, or its adoption of either one or the other of such alternatives, shall not affect Company’s right to resort to any of such remedies for the same or any future default or breach by Customer.

- 17. **Successors and Assigns:** Service Agreements inure to the benefit of and are binding upon the respective heirs, legal representatives, successors and assigns of the parties thereto; but no assignment by Customer shall be binding upon Company until accepted in writing by the latter.

SECTION III - SUPPLY AND TAKING OF SERVICE

- 18. **Supplying of Service:** Service is supplied only under and pursuant to these Service Regulations and the applicable Rate Schedule, Riders, and Regulatory Rules. Service is supplied under a given Rate Schedule only at such points of delivery as are adjacent to facilities of Company adequate and suitable, as to capacity and voltage, for the service desired.

Service will be subject to disconnection and deposit requirements as provided by rules of the Minnesota Public Utilities Commission and other applicable law, if, at the time of application for service, the Customer is indebted to the Company for service previously supplied at the same or another address.

Filing Date: November 1, 2023 MPUC Docket No.: E015/GR-23-155
 Effective Date: March 1, 2025 Order Date: November 25, 2024

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 Manager – Customer Analytics

ELECTRIC SERVICE REGULATIONS OF MINNESOTA POWER

19. Disconnection of Service:

- A. With Notice - Service may be disconnected with notice for any reason under Minn. Rules Part 7820.1000 or as may otherwise be provided in Company’s Service Regulations, Service Schedules or Service Agreements.
- B. Without Notice - Service may be disconnected without notice for any reason under Minn. Rules Part 7820.1100 or as may otherwise be provided in Company’s Service Regulations, Service Schedules or Service Agreements.

20. Reconnection of Service: Company shall reconnect service following disconnection for non-payment:

- After all past due accounts, deposits and reconnection fees, where applicable, shall have been paid or
- Under a payment agreement for all past due accounts, deposits and reconnection fees, where applicable. Payment agreements must consider a Customer’s financial circumstances and any extenuating circumstances of the household. No additional service deposit may be charged as a consideration to reconnect or continue service to a Customer who has entered and is reasonably on time under an accepted payment agreement. If a Customer has a history of repeatedly breaking payment agreements (two or more times in a twelve month period), a payment agreement may not be offered to be reconnected.

A. The Service Reconnection Fee shall be as follows:

- i. \$20.00 between the hours of 8:00 AM and 4:30 PM Monday through Friday.
- ii. \$100.00 after 4:30 PM, before 8:00 AM and on Saturdays, Sundays and legal holidays.

B. Where service has been disconnected under Minn. Rules Part 7820.1100.B., a reconnection fee will not be required.

C. Following disconnection under Minn. Rules 7820.1100.A., reconnection will occur only after Company has received payment from Customer of the following:

- i. Power and energy not recorded on the meter at the appropriate rate, the amount of which may be estimated by Company based on the best available data.
- ii. All expenses incurred by Company due to any such unauthorized act or acts.

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Leah N. Peterson
Manager – Customer Analytics

ELECTRIC SERVICE REGULATIONS OF MINNESOTA POWER

21. Service Relock Penalty:

- A. Company shall assess a Service Relock Penalty of \$100.00 where the Company has previously disconnected service and is required to subsequently return to relock or disconnect the service after it was connected by a Customer without Company authorization.
- B. Company shall assess a penalty for all expenses incurred if additional disconnection of service is required at Customer premises.
- C. In the event of any loss or damage to such property of Company or other person caused by or arising out of carelessness, neglect or misuse by Customer or other unauthorized persons, the cost of making good such loss or repairing such damage shall be paid by Customer.

22. Continuity of Service: Company will endeavor to provide continuous service but does not guarantee a constant supply of electric energy and shall not be liable to Customer for damages occasioned by interruption, except as provided by law. The Company shall not be liable for any loss of profits, special, or consequential damages resulting from the use of service or any interruption or disturbance of service.

In the event of power shortage any curtailment among Customers shall be made as nearly as practical pro rata without liability on the part of Company to any Customer affected.

If any part of service furnished by Company is employed for purpose of pumping water, Company assumes no obligation to maintain an adequate supply for fire protection, or any other purpose, whatsoever, and such use shall not subject Company to any liability to any party for damages to person or property due to failure of water supply resulting from an interruption or deficiency of electric service from whatsoever cause the same may arise.

23. Suspension of Service for Repairs and Changes: When necessary to make repairs to or changes in its lines or system, Company may, without incurring any liability therefore, suspend service for such periods as may be necessary, and in such manner as to minimize inconvenience to Customer.

24. Use of Service: Service is for Customer's use only. Company permits redistribution and submetering only where allowed by law. The electric service equipment and associated building wiring of buildings shall be arranged by the owner to permit individual metering of the electrical consumption of each building and occupancy unit

Filing Date: November 1, 2023 **MPUC Docket No.:** E015/GR-23-155
Effective Date: March 1, 2025 **Order Date:** November 25, 2024

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Manager – Customer Analytics

ELECTRIC SERVICE REGULATIONS OF MINNESOTA POWER

to comply with Minn. Stat. 504B.161 and any law amendatory thereto. If desired by the owner, the Company will install and maintain necessary individual Company meters to measure consumption and render bills on the applicable Rate Schedules to each Customer and separately occupied building and occupancy unit.

In no case may Customer, except with the written consent of Company, extend or connect an installation to lines across or under a street, alley, lane, court or avenue or other public or private space in order to obtain service for adjacent property through one meter even though such adjacent property be owned by Customer. Such consent may be given when such adjacent properties are operated as one integral unit under the same name and for carrying on parts of the same business. In case of unauthorized remetering, sale or extension of service to another person, Company, after five (5) days written notice excluding Sundays and legal holidays, may discontinue the supplying of service to Customer until such unauthorized act is discontinued and full payment is made for all service supplied or used, billed on proper classification and Rate Schedule, and reimbursement in full made to Company for all extra expenses incurred, including expenses for clerical work, testing and inspections.

- 25. **Customer’s Responsibility:** Customer assumes all responsibility on Customer’s side of the point of delivery for the service supplied or taken, as well as for the electrical installation, appliances and apparatus used in connection therewith, and shall save Company harmless from and against all claims for injury or damage to persons or property occasioned by or in any way resulting from such service or the use thereof on Customer’s side of the point of delivery.
- 26. **Right-of-Way:** Customer shall, without compensation, make or procure satisfactory conveyance to Company of right-of-way for Company’s lines necessary and incidental to the furnishing of service to Customer and for continuing or extending said lines over, under, across or through the property owned or controlled by Customer in a manner deemed appropriate by the Company (including facility maintenance and vegetation management rights).
- 27. **Access to Premises:** Company personnel may enter Customer’s premises only as authorized by applicable law and regulations. Failure of Customer to provide Company reasonable access may result in disconnection of service under Minn. Rules Part 7820.1000(E).
- 28. **Location of Point of Attachment:** Customer’s Point of Attachment is to be located at a point readily accessible to Company’s distribution mains. Customer shall install and maintain a point of attachment for Company’s service drop. Said point of attachment shall be of sufficient mechanical strength to support the wind and ice

Filing Date: November 1, 2023 MPUC Docket No.: E015/GR-23-155
 Effective Date: March 1, 2025 Order Date: November 25, 2024

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Leah N. Peterson
Manager – Customer Analytics

ELECTRIC SERVICE REGULATIONS OF MINNESOTA POWER

loaded weight of the service drop and shall be located as determined by the Company.

SECTION IV - CUSTOMER’S INSTALLATION

29. **Nature and Use of Installation:** All of Customer’s wires, apparatus and equipment shall be selected with the view to obtaining safety, good efficiency, good voltage regulation and the highest practicable power factor and shall be installed in accordance with standard practices. Customer shall install and maintain, on Customer’s side of point of delivery, suitable protective equipment as may be required by the Company for the protection of its service to other customers and may not employ or utilize any equipment, appliance or device so as to affect adversely Company’s service to Customer or to others. The Company’s failure to require such equipment shall not operate to relieve Customer from the obligation to utilize and comply with standard practices. Company may require auto starters or other suitable starting devices for motors above 5 horsepower. When polyphase service is supplied by Company, Customer shall control the use thereof so that the load at the point of delivery will be maintained in reasonable electrical balance between the phases.

Installations of neon, fluorescent, mercury vapor lamps or tubes, or other types of gaseous tube lamps, or other devices having low power factor characteristics, should be equipped with corrective apparatus to increase the power factor of each unit or separately controlled group of units to not less than approximately 90% lagging.

30. **Inspection by Company:** Company retains the right, but does not assume the duty, to inspect Customer’s installation at any time and will refuse to commence or to continue service whenever it does not consider such installation to be in good operating condition, but Company does not in any event assume any responsibility whatever in connection with such matters.

31. **Changes in Installations:** As Company’s service drops, transformers, meters, and other facilities used in supplying service to Customer have a definite limited capacity, Customer shall give notice to Company, and obtain Company’s consent, before making any material changes or increases in Customer’s installation. Company as promptly as possible after receipt of such notice will give its approval to the proposed change or increase, or will advise Customer upon what conditions service can be supplied for such change or increase. Failure to secure Company’s approval shall make Customer liable for any damage to Company’s facilities.

Filing Date: November 1, 2023 MPUC Docket No.: E015/GR-23-155
 Effective Date: March 1, 2025 Order Date: November 25, 2024

Approved by: Leah N. Peterson
Leah N. Peterson
Manager – Customer Analytics

ELECTRIC SERVICE REGULATIONS OF MINNESOTA POWER

SECTION V - COMPANY'S INSTALLATION

- 32. **Installation and Maintenance:** Except as otherwise provided in these Service Regulations, in Service Agreements or Rate Schedules, Company will install and maintain its lines and equipment on its side of the point of delivery, but shall not be required to install or maintain any lines or equipment, except meters, on Customer's side of the point of delivery. Only Company's agents are authorized to connect Company's service drop to Customer's service entrance conductors and to connect Company's meters.
 - A. **Electrical Permit:** The Company is prohibited from connecting its service drop to Customer's service entrance conductors until permitted by the governmental authority having jurisdiction.
 - B. **Standard Connection:** The ordinary method of connection between Company's distribution mains and Customer's service entrance conductors will be by overhead wires. If Customer desires to have connection made in any other manner, special arrangements will be made between Customer and Company by which the connection will be made and maintained at Customer's expense.
 - C. **Suitable Space:** The Customer shall provide at no cost to Company a suitable room or space for Company's transformers and equipment specifically used in providing service to Customer when such room or space is deemed necessary by Company.
- 33. **Protection by Customer:** Customer shall protect Company's wiring and apparatus on Customer's premises and shall permit no one except Company's agents or persons authorized by law to inspect or handle same. In the event of any loss or damage to such property of Company or other person caused by or arising out of carelessness, neglect or misuse by Customer or other unauthorized persons, the cost of making good such loss or repairing such damage shall be paid by Customer.

Company shall not be responsible to Customer or any other party because of any damage resulting from such installations which are not readily subject to inspection from the ground and the exterior of the premises, or from the meter location, unless Customer shall have notified Company of a condition which, in the reasonable opinion of the Customer, requires attention and the Company shall have had a reasonable time within which to inspect and, if necessary, repair the same.

- 34. **Customer Extensions:** The Company, at its own expense, makes extensions where the revenue therefrom is sufficient, in Company's opinion, to justify the necessary expenditure.

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Leah N. Peterson
Manager – Customer Analytics

ELECTRIC SERVICE REGULATIONS OF MINNESOTA POWER

Where the Company cannot be assured that the business offered is of sufficient duration, where unusual expenditures are necessary to supply service because of location, size or character of installation, or where area requirements of regulatory bodies may control, the Customer or Customers shall make arrangements satisfactory to Company dependent upon the particular conditions of each situation.

- 35. **Alteration of Facilities:** Company will, at its discretion, alter, relocate, convert to underground, or remove Company’s facilities as may be requested in writing by Customer. Customer shall pay Company for all costs, except as limited below, associated with such alteration, relocation, conversion to underground, or removal including any new facilities required to provide service after the alteration, relocation, conversion, or removal.

Customers requesting the alteration, relocation, conversion, or removal shall pay the estimated cost for the change, less salvage, of the facilities required to effect such change prior to Company committing funds for the work. Where the actual cost is different from the estimated cost upon which the advance payment was based, as determined upon completion of the requested alteration, relocation, conversion, or removal, Company will refund any excess payment made by Customer or render a bill for any additional amount due.

SECTION VI - METERING

- 36. **Installation:** Company shall furnish and install the necessary meter or meters, and Customer shall provide and maintain a location, free of expense and satisfactory to Company, all in accordance with Company’s Metering Standards.
- 37. **Evidence of Consumption:** Unless proven to be inaccurate, the registration of Company’s meter shall be accepted and received at all times and places as prima facie evidence of the amount of power and energy taken by Customer.
- 38. **Tests:** Company tests its meters and maintains their accuracy of registration in accordance with good practice. On request of Customer, Company will make a special test which will be done at the expense of the Company. If the Customer requests another test before the expiration of a twelve-month period, the Customer shall bear the cost of the test if the meter is found to be in error by less than 2%, fast or slow. The average registration accuracy of a meter is taken as the mean of full load (100% of rated load) accuracy, and light load (5-10% of rated load) accuracy. At Company’s discretion, tests may be made under average load conditions.

Filing Date: November 1, 2023 MPUC Docket No.: E015/GR-23-155
 Effective Date: March 1, 2025 Order Date: November 25, 2024

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ELECTRIC SERVICE REGULATIONS OF MINNESOTA POWER

SECTION VII - PARALLEL GENERATION

- 39. **Design:** Customer’s electric generating equipment shall be designed (1) to operate in synchronization with Company’s system and (2) to automatically disconnect the facility from Company’s system in the event Company’s system becomes de-energized unless by mutual agreement between the Customer and Company. All synchronizing and protective devices to accomplish this mode of operation shall be provided and maintained by Customer.
- 40. **Disconnection:** Customer shall provide and maintain a manual, lockable disconnect switch providing a visible open and capable of isolating the Customer’s generator from the Company’s electrical system. This disconnect switch shall be readily accessible to Company personnel at all times, shall include a provision for padlocking it in the open position, and shall meet all other reasonable requirements established by Company.
- 41. **Customer Responsibility:** Customer shall pay for the cost of rebuilding and/or modifying Company facilities to provide adequate capacity for the parallel generation system and adequate protection for the Company’s electrical system.

Customer shall be subject to the State of Minnesota Distributed Energy Resources Interconnection Process and Minnesota Distributed Energy Resource Technical Interconnection and Interoperability Requirements or the most recent version of Minnesota’s interconnection standards. Copies of such standards shall be made available to Customer upon request and are available at www.mnpower.com.

SECTION VIII - BILLING

- 42. **Billing Periods:** Bills ordinarily are rendered regularly at monthly intervals, but may be rendered more or less frequently at Company’s option. Non-receipt of bills by Customer does not release or diminish the obligation of Customer with respect to payment thereof.
- 43. **Separate Billing for Each Point of Delivery:** At each point of delivery the use of service is metered separately for each Customer served. Whenever for any reason Company furnishes two or more meter installations for a single Customer, or supplies service under a Rate Schedule which does not require a meter, each point of metering and/or point of delivery where no meter is required is considered as a separate service. A separate Service Agreement is required, and bills are separately calculated, for each such separate service, except where Company may, under special circumstances, waive this requirement.

Filing Date: November 1, 2023 **MPUC Docket No.:** E015/GR-23-155
Effective Date: March 1, 2025 **Order Date:** November 25, 2024

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Leah N. Peterson
Manager – Customer Analytics

ELECTRIC SERVICE REGULATIONS OF MINNESOTA POWER

44. **Adjustment for Inaccurate Meter Registration:** Meter too fast or too slow: In the event that any routine or special test of a Company meter discloses its average accuracy of registration to be in error by more than 2%, fast or slow, Company will refund the overcharge for a fast meter or charge for electricity consumed, but not included in the bills previously rendered for a slow meter. The refund or charge for both fast and slow meters will be based on corrected meter readings for a period equal to one-half the time elapsed since the last previous test but not to exceed six (6) months, unless it can be established that the error was due to some cause, the date of which can be fixed with reasonable certainty, in which case the refund or charge will be computed to that date, but in no event for a period longer than one (1) year.

Whenever any bill or bills have been adjusted or corrected as provided above, the Company will refund to existing Customer any amount due when the amount due exceeds one (\$1.00) dollar or to previous Customer any amount due when the amount due exceeds two (\$2.00) dollars or Company will bill Customer for any amount owed when the amount owed exceeds ten (\$10.00) dollars, as the case may be.

Meter fails to register or registers intermittently: When the average error cannot be determined by test because the meter is not found to register or is found to register intermittently, the Company may charge for an estimated amount of electricity used, which shall be calculated by averaging the amounts registered over corresponding periods in previous years or in the absence of such information, over similar periods of known accurate measurement preceding or subsequent thereto, but in no event shall such charge be for a period longer than one year.

If a Customer has called to the Company’s attention doubts as to the meter’s accuracy and the Company has failed within a reasonable time to check it, there shall be no back billing for the period between the date of the Customer’s notification and the date the meter was checked.

45. **Late Payment Charge:** Company shall assess a Late Payment Charge of 1.5% per monthly billing period, on that portion of a retail Customer’s account representing charges for Company service(s) past due, if the unpaid balance exceeds \$10.00. All late payments received will be credited against the oldest outstanding account balance before the application of any Late Payment Charge. The unpaid Company account balance for a Customer under the Budget Billing Plan or another Company approved payment plan shall mean that the Company budget arrears balance and not the accumulated actual Company balance will be subject to a Late Payment Charge. No Late Payment Charge will be charged on the portion of the Company balance in dispute while dispute procedures are underway. A Late Payment Charge may be retroactively charged on the settled amount after dispute procedures are

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 Effective Date: March 1, 2025 Order Date: November 25, 2024

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 Manager – Customer Analytics

ELECTRIC SERVICE REGULATIONS OF MINNESOTA POWER

completed. At Company's discretion, any Late Payment Charge, or portion thereof, may be waived provided such waiver is consistent with the Minnesota Public Utilities Act.

- A. Residential Customer: A Late Payment Charge shall be added to any Company account for which payment is not received and credited by Company within fifteen (15) days from the current billing date, plus ten (10) days of grace period, or a total of twenty-five (25) days. Residential customer who qualifies for assistance under the Low Income Home Energy Assistance Program (LIHEAP) may request waiver of the Late Payment Charge on the "current bill" portion of each monthly bill. Self-qualification using LIHEAP income guidelines will be permitted for Senior Citizens at age 62 or older. Efforts will be made by Company to work with local governmental agencies to pre-qualify Customers where administratively feasible. Customer accounts must be re-qualified annually.
 - B. Nonresidential Customer: A Late Payment Charge shall be added to any Nonresidential Customer account for which bill payment is not received and credited by Company within fifteen (15) days from the current billing date.
46. **Delinquent Bills:** Bills become delinquent if not paid on or before the past due date as shown on bill and service may be discontinued upon five (5) days written notice, excluding Sundays and legal holidays, to Customer after becoming delinquent. During the Cold Weather Rule months, October 1 through April 30, service may be disconnected only as provided in section 60 and Minnesota Statutes, section 216B.096. For residential customers, such written notice of disconnection shall specify a disconnection date not earlier than the third working day after the next scheduled billing date.
47. **Unlawful Use of Service:** In any case of tampering with meter installation or interfering with the proper functioning thereof or any other unlawful use or diversion of service by any person, or evidence of any such tampering, interfering, unlawful use or service diversion, Customer is liable to immediate discontinuance of service, without notice, and to prosecution under applicable laws, and Company shall be entitled to collect from Customer at the appropriate rate for all power and energy not recorded on the meter by reason of such tampering, interfering, or other unlawful use or service diversion (the amount of which may be estimated by Company from the best available data), and also for all expenses incurred by the Company on account of such unauthorized act or acts.
48. **Charge for Restoring Service:** If service to Customer is discontinued by Company for valid cause, then before service is restored, Customer shall pay Company all permitted costs of discontinuing and restoring service. There will be no charge for reconnection when service has been discontinued in the event of a condition

Filing Date: November 1, 2023 MPUC Docket No.: E015/GR-23-155
 Effective Date: March 1, 2025 Order Date: November 25, 2024

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Leah N. Peterson
 Manager – Customer Analytics

ELECTRIC SERVICE REGULATIONS OF MINNESOTA POWER

determined to be hazardous to Customer, to other Customers of Company, to Company’s equipment, or to the public.

If Customer requests that service be discontinued and subsequently requests restoration of service at same premises within twelve (12) months of discontinuance, the charge for restoring service will be the sum of minimum bills during the elapsed period but not less than all costs of discontinuing and restoring service.

49. **Selection of Schedule:** The Company’s Rate Schedules are designed for service supplied to Customer on a continuous annual basis. Customer may elect to take service under any of the Rate Schedules applicable to such service. Company will advise Customer of the Rate Schedules which, in its judgment, are best adapted to Customer’s needs on an annual basis, but such advice must be based upon Customer’s statements as to Customer’s installation and requirements for service and Company assumes no responsibility for the selection of the Rate Schedule made by Customer. If Customer changes selection of a Rate Schedule, Customer may not go back to the previous Rate Schedule for a period of twelve (12) months; provided, however, that a Large Light and Power Customer whose normal monthly firm demand is below 50,000 kW shall be billed on the Large Power Service Schedule in months in which its measured demand, as adjusted for power factor, exceeds 50,000 kW, and shall go back to the Large Light and Power Service Schedule when its demand falls below 50,000 kW. Rules applicable to specific Rate Schedules shall apply when Customer desires service on other than a continuous annual basis, or the term of service provision of the Rate Schedule is greater than one (1) year.

If, for any cause a Service Agreement is entered into in which is specified a Rate Schedule not applicable to the class of service taken, on discovery of the error all bills rendered during the preceding twelve (12) months will be recalculated in accordance with the properly applicable Rate Schedule and Company will refund to existing Customer any amount due, when the amount due exceeds one (\$1.00) dollar or to previous Customer any amount due, when the amount due exceeds two (\$2.00) dollars, or Company will bill Customer for any amount owed, when the amount owed exceeds ten (\$10.00) dollars, as the case may be. If the amount due Company is not paid within ten (10) days from presentation of bill, or Customer does not agree to payment over a reasonable period of time, or Customer fails to sign a new Service Agreement, Company may, after five (5) days written notice excluding Sundays and legal holidays, disconnect service.

50. **Proration of Bills:** Bills for energy used during a billing period that is longer or shorter than the normal billing period by more than five (5) days shall be prorated on a daily basis, but no billing will be made for three (3) or less days when no energy is used. However, in no event will the total length of service between initial and final

Filing Date: November 1, 2023 **MPUC Docket No.:** E015/GR-23-155
Effective Date: March 1, 2025 **Order Date:** November 25, 2024

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Manager – Customer Analytics

ELECTRIC SERVICE REGULATIONS OF MINNESOTA POWER

service be taken as less than one (1) month. No bill will be prorated for change in operating level within the billing period.

- 51. **Company Billing Errors:** When a Customer has been overcharged or undercharged as a result of incorrect reading of the meter, incorrect application of rate schedule, incorrect connection of the meter, application of an incorrect multiplier or constant or other similar reasons, the amount of the overcharge shall be refunded to the Customer or the amount of the undercharge may be billed to the Customer as detailed in Minnesota Administrative Rules 7820.3800 subparts 2 through 4.
 - A. **Remedy for Overcharge:** If a Customer was overcharged, the Company shall calculate the difference between the amount collected for service rendered and the amount the Company should have collected for service rendered, plus interest up to a maximum of three years from the date of discovery. Interest will be calculated as prescribed by Minnesota Statutes, section 325E.02(b). If the recalculated amount indicates that more than \$1.00 is due an existing Customer or \$2.00 is due a person no longer a Customer of the Company, the full amount of the calculated difference between the amount paid and the recalculated amount shall be refunded to the Customer.
 - B. **Remedy for Undercharge:** If a Customer was undercharged, the Company shall calculate the difference between the amount collected for service rendered and the amount the Company should have collected for service rendered, for the period beginning one year before the date of discovery. If the recalculated amount due the Company exceeds \$10.00, the Company may bill the Customer for the amount due. The Company must not bill any undercharge incurred after the date of a Customer inquiry or complaint if the Company failed to begin investigating the matter within a reasonable time and the inquiry or complaint ultimately resulted in the discovery of the undercharge.
 - C. **Exception if Error Date Known:** If the date the error occurred can be fixed with reasonable certainty, the remedy shall be calculated on the basis of payments for service rendered after that date, but in no event for a period beginning more than three years before the discovery of an overcharge or one year before the discovery of an undercharge.

SECTION IX - DEPOSITS AND GUARANTEES

- 52. **When Required:** Company may require Customer to make a deposit or guarantee satisfactory to Company to secure the payment of bills as they become due. Specific conditions requiring deposits or guarantees are identified in Regulation 54. The amount of such deposit shall not exceed twice the average monthly bill of Customer

Filing Date: November 1, 2023 **MPUC Docket No.:** E015/GR-23-155
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ELECTRIC SERVICE REGULATIONS OF MINNESOTA POWER

as estimated by Company from Customer’s statement in his or her application or as thereafter ascertained.

- 53. **When Refunded:** The deposit shall be refunded to Customer after twelve (12) consecutive months of prompt payment of all Company bills. Company may, at its option, refund the deposit by direct payment or as a credit on the bill. Upon termination of service, the deposit with accrued interest shall be credited to Customer’s final bill and the balance, if any, shall be returned within forty-five (45) days to Customer with a written receipt as required under Minn. Stat. 325E.02(b).
- 54. **Interest on Deposits:** Interest shall be paid annually on all deposits at the rate specified by Minn. Stat. 325E.02(b) or other applicable laws of the State of Minnesota and will be applied against the electric service bill. Any unpaid interest at time of final settlement of Customer’s accounts will be credited to Customer’s accounts.
- 55. **Conditions Requiring a Deposit or Guarantee:** Company may require a deposit or guarantee of payment as condition of obtaining new service or continuing existing service under Minn. Rules Part 7820.4300, 7820.4400 or as may otherwise be provided below.
 - A. Customer has outstanding a prior utility service account with another electric or gas utility which at the time of request for service remains unpaid and not in dispute.
 - B. Information requested under Minn. Rules Part 7820.4300 or 7820.4400 is not provided within twenty (20) days of the request for service (except where Customer has sought but not yet received credit information from a prior utility).
 - C. Information provided pursuant to Minn. Rules Part 7820.4300 or 7820.4400 is determined to be false or erroneous.
- 56. **Conditional Service Prior to Establishment of Credit:** Conditional service shall be provided expeditiously upon receipt of an application for service, and for up to twenty (20) days until credit has been satisfactorily established. Conditional service may be disconnected immediately without notice if required information or a required deposit or guarantee has not been received twenty (20) days after Company’s request.

SECTION X – COLD WEATHER RULE

- 57. **Applicability:** This section applies only to residential customers of the Company.

Filing Date: November 1, 2023 MPUC Docket No.: E015/GR-23-155
 Effective Date: March 1, 2025 Order Date: November 25, 2024

Approved by: Leah N. Peterson
Leah N. Peterson
 Manager – Customer Analytics

ELECTRIC SERVICE REGULATIONS OF MINNESOTA POWER

58. Definitions:

- A. The terms used in this section have the meanings given them in Minnesota Statute, 216B.096.
- B. “Cold weather period” means the period from October 1 through April 30 of the following year.
- C. “Customer” means a residential customer of the Company.
- D. “Disconnection” means the involuntary loss of Company heating service as a result of a physical act by the Company to discontinue service. Disconnection includes installation of a service or load limiter or any device that limits or interrupts Company service in any way.
- E. “Household income” means the combined income, as defined in Minnesota Statutes 290A.03, subdivision 3, of all residents of the Customer’s household, computed on an annual basis. Household income does not include any amount received for energy assistance.
- F. “Reasonably timely payment” means payment within five working days of agreed-upon due dates.
- G. “Reconnection” means the restoration of Company heating service after it has been disconnected.
- H. “Summary of rights and responsibilities” means a Commission-approved notice that contains, at a minimum, the following:
 - i. an explanation of the provisions of subdivision 5;
 - ii. an explanation of no-cost and low-cost methods to reduce the consumption of energy;
 - iii. a third-party notice;
 - iv. ways to avoid disconnection;
 - v. information regarding payment agreements;
 - vi. an explanation of the Customer’s right to appeal a determination of income by the Company and the right to appeal if the Company and the Customer cannot arrive at a mutually acceptable payment agreement, and a list of

Filing Date: November 1, 2023 MPUC Docket No.: E015/GR-23-155
 Effective Date: March 1, 2025 Order Date: November 25, 2024

Approved by: Leah N. Peterson
Leah N. Peterson
 Manager – Customer Analytics

ELECTRIC SERVICE REGULATIONS OF MINNESOTA POWER

names and telephone numbers for county and local energy assistance, and weatherization providers in each county served by the Company.

- I. “Third-party notice” means a commission-approved notice containing, at a minimum, the following information;
 - i. a statement that the Company will send a copy of any future notice of proposed disconnection of Company heating service to a third party designated by the residential customer;
 - ii. instructions on how to request this service; and
 - iii. a statement that the residential customer should contact the person the Customer intends to designate as the third-party’s name.
- J. “Company” means Minnesota Power.
- K. “Company heating service” means natural gas or electricity used as a primary heating source, including electricity service necessary to operate gas heating equipment, for the Customer’s primary residence.
- L. “Working days” means Mondays through Fridays, excluding legal holidays. The day of receipt of a personally served notice and the day of mailing a notice shall not be counted in calculating working days.

59. **Company Obligations Before Cold Weather Period:** Each year, between August 15 and October 1, the Company must provide all Customers, personally or by first class mail, a summary of rights and responsibilities. The summary must also be provided to all new residential customers when service is initiated.

60. **Notice Before Disconnection During Cold Weather Period:** Before disconnecting Company heating service during the cold weather period, the Company must provide, personally or by first class mail, a commission-approved notice to a Customer, in easy-to-understand language, that contains, at a minimum, the date of the scheduled disconnection, the amount due, and a summary of right and responsibilities.

61. **Cold Weather Rule:**

- A. During the cold weather period, the Company may not disconnect and must reconnect Company heating service of a Customer whose household income is at or below 50 percent of the state median income if the Customer enters into and makes reasonably timely payments under a mutually acceptable payment

Filing Date: November 1, 2023 MPUC Docket No.: E015/GR-23-155
 Effective Date: March 1, 2025 Order Date: November 25, 2024

Approved by: Leah N. Peterson
Leah N. Peterson
 Manager – Customer Analytics

ELECTRIC SERVICE REGULATIONS OF MINNESOTA POWER

agreement with the Company that is based on the financial resources and circumstances of the household; provided that, the Company may not require a Customer to pay more than ten percent of the household income toward current and past Company bills for Company heating service.

- B. The Company may accept more than ten percent of the household income as the payment arrangement amount if agreed to by the Customer.
- C. The Customer or a designated third party may request a modification of the terms of a payment agreement previously entered into if the Customer's financial circumstances have changed or the Customer is unable to make reasonably timely payments.
- D. The payment agreement terminates at the expiration of the cold weather period unless a longer period is mutually agreed to by the Customer and the Company.
- E. The Company shall use reasonable efforts to restore service within 24 hours of an accepted payment agreement, taking into consideration Customer availability.

62. Verification of Income:

- A. In verifying a Customer's household income, the Company may:
 - 1. accept the signed statement of a Customer that the Customer is income eligible;
 - 2. obtain income verification from a local energy assistance provider or a government agency;
 - 3. consider one or more of the following:
 - i. the most recent income tax return filed by members of the Customer's household;
 - ii. for each employed member of the Customer's household, paycheck stubs for the last two months or a written statement from the employer reporting wages earned during the preceding two months;
 - iii. documentation that the Customer receives a pension from the Department of Human Services, the Social Security Administration, the Veteran's Administration, or other pension

Filing Date: November 1, 2023 MPUC Docket No.: E015/GR-23-155
 Effective Date: March 1, 2025 Order Date: November 25, 2024

Approved by: Leah N. Peterson
Leah N. Peterson
Manager – Customer Analytics

ELECTRIC SERVICE REGULATIONS OF MINNESOTA POWER

provider; a letter showing the Customer’s dismissal from a job or other documentation of unemployment; or

iv. other documentation that supports the Customer’s declaration of income eligibility.

B. A Customer who receives energy assistance benefits under any federal, state or county government programs in which eligibility is defined as household income at or below 50 percent of state median income is deemed to be automatically eligible for protection under this section and no other verification of income may be required.

63. Prohibitions and Requirements:

A. Section 63 applies during the cold weather period.

B. The Company may not charge a deposit or delinquency charge to a Customer who entered into a payment agreement or a Customer who has appealed to the Commission under Minnesota Statutes 216B.096 subdivision 8.

C. The Company may not disconnect service during the following periods:

i. during the pendency of any appeal under Minnesota Statutes 216B.096 subdivision 8;

ii. earlier than ten working days after the Company has deposited in first class mail, or seven working days after the Company has personally served, the notice required under Minnesota Statutes 216B.096 subdivision 4 to a Customer in an occupied dwelling;

iii. earlier than ten working days after the Company has deposited in first class mail the notice required under Minnesota Statutes 216B.096 subdivision 4 to the recorded billing address of the Customer, if the Company has reasonably determined from an on-site inspection that the dwelling is unoccupied;

iv. on a Friday, unless the Company makes personal contact with and offers a payment agreement consistent with this section to the Customer;

v. on a Saturday, Sunday, holiday , or the day before the holiday;

vi. when Company offices are closed;

Filing Date: November 1, 2023 **MPUC Docket No.:** E015/GR-23-155

Effective Date: March 1, 2025 **Order Date:** November 25, 2024

Approved by: Leah N. Peterson
Leah N. Peterson
Manager – Customer Analytics

ELECTRIC SERVICE REGULATIONS OF MINNESOTA POWER

- vii. when no Company personnel are available to resolve disputes, enter into payment agreements, accept payments, and reconnect service, or;
 - viii. when Commission offices are closed.
- D. The Company may not discontinue service until the Company investigates whether the dwelling is actually occupied. At a minimum, the investigation must include one visit by the Company to the dwelling during normal working hours. If no contact is made and there is reason to believe that the dwelling is occupied, the Company must attempt a second contact during non-business hours. If personal contact is made, the Company representative must provide notice required under Minnesota Statutes 216B.096 subdivision 4 and, if the Company representative is not authorized to enter into a payment agreement, the telephone number the Customer can call to establish a payment agreement.
- E. The Company must reconnect Company service if, following disconnection, the dwelling is found to be occupied and the Customer agrees to enter into a payment agreement or appeals to the Commission because the Customer and the Company are unable to agree on a payment agreement.

64. Disputes, Customer Appeals:

- A. The Company must provide the Customer and any designated third party with a Commission-approved written notice of the right to appeal:
- i. the Company determination that the Customer’s household income is more than 50 percent of state median household income; or
 - ii. when the Company and Customer are unable to agree on the establishment or modification of a payment agreement.
- B. A Customer’s appeal must be filed with the Commission no later seven working days after the Customer’s receipt of a personally served appeal notice, or within ten working days after the Company has deposited a first class mail appeal notice.
- C. The Commission must determine all Customer appeals on an informal basis, within 20 working days of receipt of a Customer’s written appeal. In making its determination, the Commission must consider one or more of the factors in Minnesota Statutes 216B.096 subdivision 6.
- D. Notwithstanding any other law, following an appeals decision adverse to the Customer, the Company may not disconnect Company heating service for seven

Filing Date: November 1, 2023 **MPUC Docket No.:** E015/GR-23-155
Effective Date: March 1, 2025 **Order Date:** November 25, 2024

Approved by: Leah N. Peterson
Leah N. Peterson
Manager – Customer Analytics

ELECTRIC SERVICE REGULATIONS OF MINNESOTA POWER

working days after the Company has personally served a disconnection notice, or for ten working days after the Company has deposited a first class mail notice. The notice must contain, in easy-to-understand language, the date on or after which disconnection will occur, the reason for disconnection, and ways to avoid disconnection.

- 65. **Customers Above 50 Percent of State Median Income:** During the cold weather period, a Customer whose household income is above 50 percent of state median income:
 - A. has the right to a payment agreement that takes into consideration the Customer's financial circumstances and any other extenuating circumstances of the household; and
 - B. may not be disconnected and must be reconnected if the Customer makes timely payments under a payment agreement accepted by the Company.

SECTION XI – RESIDENTIAL CUSTOMER PROTECTIONS

- 66. **Applicability:** The provisions of this section apply to residential customers of the Company.
- 67. **Budget Billing Plans:** The Company shall offer a Customer a budget billing plan for payment of charges for service, including adequate notice to Customer prior to changing budget payment amounts.
- 68. **Payment Agreements:** In compliance with Minnesota Statute 216B.098, the Company shall offer a payment agreement for the payment of arrears for past due customers that have not yet been disconnected, or to customers disconnected during non-Cold Weather Rule months. During Cold Weather Rule months, Cold Weather Rule provisions will apply. Payment agreements must consider a Customer's financial circumstances and any extenuating circumstances of the household. No additional service deposit may be charged as a consideration to reconnect or continue service to a Customer who has entered and is reasonably on time under an accepted payment agreement. If a Customer has a broken payment agreement immediately preceding disconnection or has a history of repeatedly breaking payment agreements (two or more times in a twelve month period), a payment agreement may not be offered to be reconnected. Under these circumstances, to be reconnected, all past due accounts, deposits and reconnection fees, where applicable, shall have been paid.

Filing Date: November 1, 2023 MPUC Docket No.: E015/GR-23-155
 Effective Date: March 1, 2025 Order Date: November 25, 2024

Approved by: Leah N. Peterson
Leah N. Peterson
 Manager – Customer Analytics

ELECTRIC SERVICE REGULATIONS OF MINNESOTA POWER

69. Undercharges:

- A. In compliance with Minnesota Statutes 216B.098, the Company shall offer a payment agreement to Customers who have been undercharged if no culpable conduct by the Customer or resident of the Customer's household caused the undercharge. The agreement must cover a period equal to the time over which the undercharge occurred or a different time period that is mutually agreeable to the Customer and the Company, except that the duration of a payment agreement offered by the Company to a Customer whose household income is at or below 50 percent of state median household income must consider the financial circumstances of the Customer's household.
- B. No interest or delinquency fee may be charged as part of an undercharge agreement under this subdivision.
- C. If a Customer inquiry or complaint results in the Company's discovery of the undercharge, the Company may bill for the undercharges incurred after the date of the inquiry or complaint only if the Company began investigating the inquiry or complaint within a reasonable time after it was made.

70. Medically Necessary Equipment: The Company shall reconnect or continue service to a Customer's residence where a medical emergency exists or where medical equipment requiring electricity necessary to sustain life is in use, provided that the Company receives from a medical doctor written certification, or initial certification by telephone and written certification within five business days, that failure to reconnect or continue service will impair or threaten the health or safety of a resident of the Customer's household. The Customer must enter into a payment agreement.

71. Commission Authority: In addition to any other authority, the Commission has the authority to resolve Customer complaints against the Company, whether or not the complaint involves a violation of this Chapter 216B of Minnesota Statutes. The Commission may delegate this authority to Commission staff as it deems appropriate.

SECTION XII - MISCELLANEOUS REGULATIONS

72. Conflicts: In case of conflict between any provision of these approved Service Regulations, Customer's Service Agreement or a Rate Schedule, the provision of the Service Agreement takes precedence, followed by the provision of the Rate Schedule. The Customer's Service Agreement will identify all such conflicts with the Service Regulations or Rate Schedule.

Filing Date: November 1, 2023 **MPUC Docket No.:** E015/GR-23-155
Effective Date: March 1, 2025 **Order Date:** November 25, 2024

Approved by: Leah N. Peterson
Leah N. Peterson
Manager – Customer Analytics

ELECTRIC SERVICE REGULATIONS OF MINNESOTA POWER

- 73. **Franchise Limitations:** All Service Agreements are subject to existing franchise limitations.

- 74. **Franchise Fees Notification:** The Company will notify the Minnesota Public Utilities Commission of any new, renewed, expired, or changed fee, authorized by Minn. Stat. § 216B.36 to raise revenue, at least 30 days prior to its implementation. If the Company receives less than 30 days' notice of a repealed or reduced fee from a city, the Company will notify the Minnesota Public Utilities Commission within 10 business days of receiving notice. Notification to the Minnesota Public Utilities Commission will include a copy of the relevant franchise fee ordinance, or other operative document authorizing imposition of, or change in, the fee.

- 75. **Franchise Fees Customer Notification:** The following language will be included with the first customer bills on which a new or amended franchise fee is collected:

 The City of _____ granted Minnesota Power a franchise to operate within the City limits. An electric franchise fee of (____% OF GROSS REVENUES or \$_____ PER METER or \$_____ PER KWH) will be imposed on customers effective MM/DD/YYYY. The line item appears on your bills as "_____ Franchise Fee." Minnesota Power remits 100% of this fee to the City of _____.

- 76. **Regulation and Jurisdiction:** Electric service shall be available from Company at the rates and under the terms and conditions set forth in the currently applicable Rate Schedule or other superseding Rate Schedules in effect from time to time. All the rates and regulations referred to herein are subject to amendment and change by Company. Any such amendments or changes may be subject to acceptance or approval by any regulatory body having jurisdiction thereof.

Filing Date: November 1, 2023 **MPUC Docket No.:** E015/GR-23-155
Effective Date: March 1, 2025 **Order Date:** November 25, 2024

Approved by: Leah N. Peterson
Leah N. Peterson
Manager – Customer Analytics

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TRADE SECRET DATA is marked in black boxes.

EXHIBIT D

EXAMPLE BEI CALCULATION²

Example 1: [REDACTED]

Calculated Demand Charges:

(First 10,000 kW Demand Charge + Additional kW Demand) = Demand Applicable to BEI Discount

Transmission Demand Charge is Not Applicable to BEI Discount

Demand Charge +

Transmission Demand Charge +

(BEI Discount -30% of Demand Charge)

Total Billed Demand Charge

² All figures used for illustrative purposes in this Exhibit D reflect current Company rates and other tariff provisions at the time of this agreement, which are subject to change.

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Example 2:

[Redacted]

[Redacted]

Transmission Demand Charge is Not Applicable to BEI Discount

Demand Charge +
Transmission Demand Charge +
(Cumulative BEI Discount)
Total Billed Demand Charge

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Example 3:

[Redacted content]

Calculated BEI Discount:

[Redacted content]

Transmission Demand Charge is Not Applicable to BEI Discount

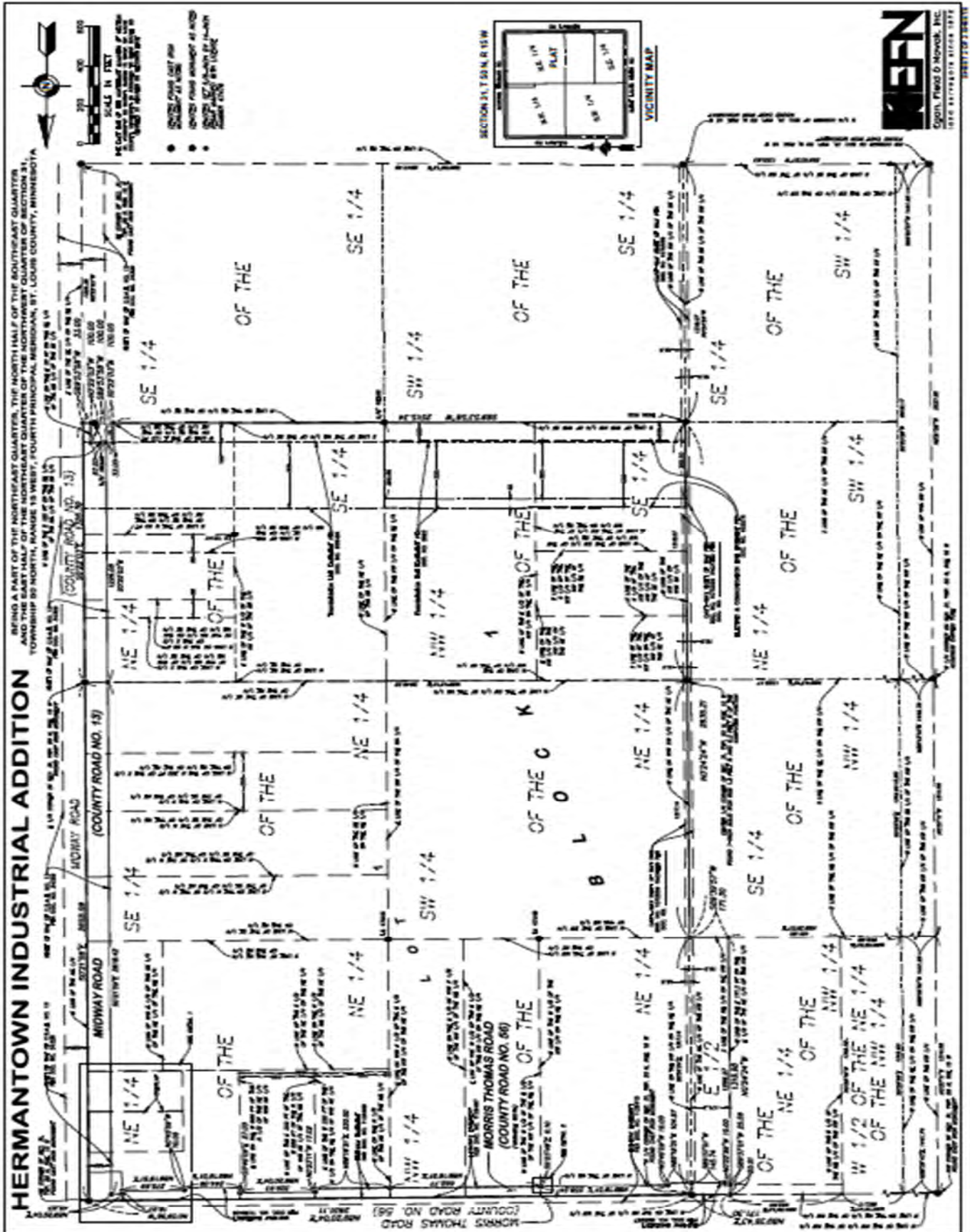
Demand Charge +
Transmission Demand Charge +
(Cumulative BEI Discount)
Total Billed Demand Charge

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EXHIBIT E
CUSTOMER FACILITY PARCEL LEGAL DESCRIPTION

(Final Legal Description to be provided when complete)

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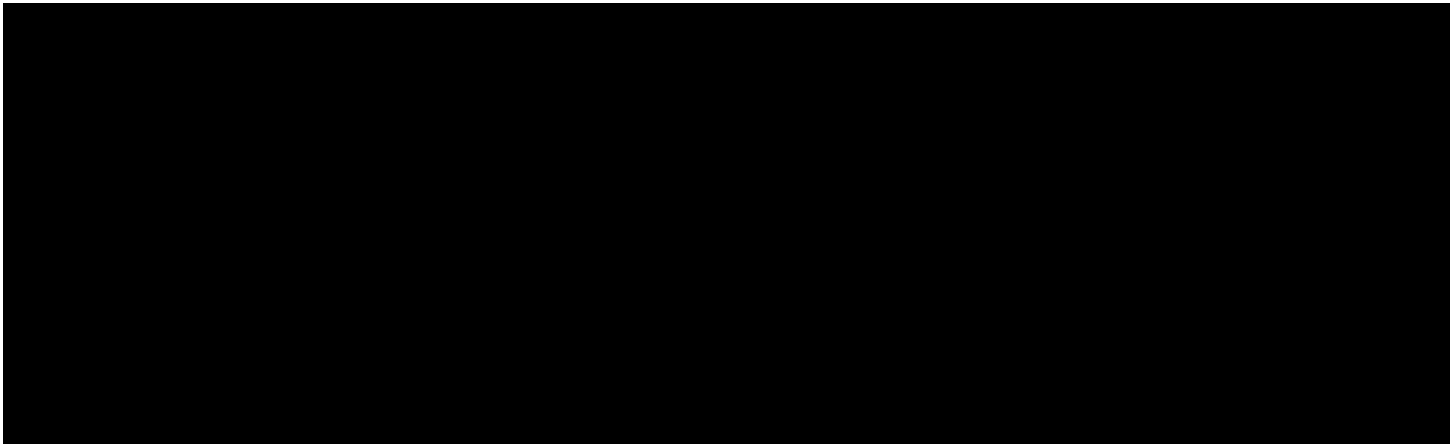
EXHIBIT F

TERMINATION FEE EXAMPLE³

Not based on actual Minimum Demand Charges, for illustrative purposes only

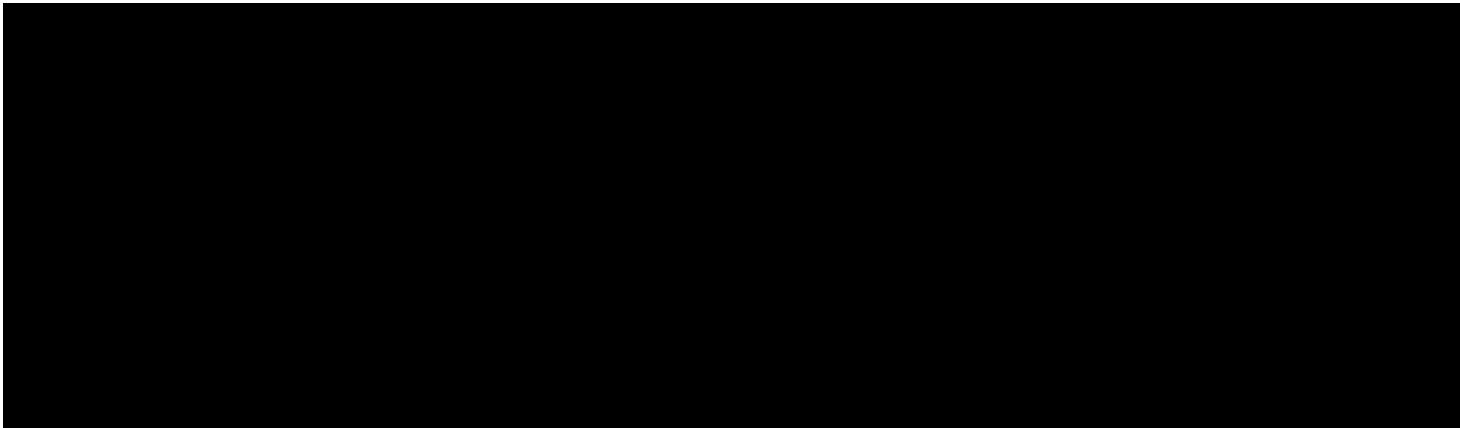
Example 1: [REDACTED]
[REDACTED]

- Harmony Group LLC contracts a monthly demand of [REDACTED] kW, post-ramp period.



Example 2: [REDACTED]
[REDACTED]

- Harmony Group LLC contracts a monthly demand of [REDACTED] kW, post-ramp period.



³ All figures used for illustrative purposes in Exhibit F reflect current Company rates and other tariff provisions at the time of this agreement, which are subject to change.

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EXHIBIT G
AMOUNT OF SECURITY

Initial Term	Period (Estimated) [to be updated after ESA approval]	(USD)
[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]

*For each year beginning on year [REDACTED] of the Initial Term through year [REDACTED], the amount of the Security shall be the [REDACTED] of the amount set forth on Exhibit G or [REDACTED] percent ([REDACTED]) of the aggregate Minimum Demand Charges for the remaining years of the Initial Term, to be calculated by the Company.

**For each year of the Term following the Initial Term, the amount of the Guaranty shall equal [REDACTED] of the aggregate Minimum Demand Charges for a period of [REDACTED] year as calculated by the Company.

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EXHIBIT H
CUSTOMER FORM OF SECURITY - PARENT GUARANTY

[attached]

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AGREED FORM

TRADE SECRET DATA is marked in black boxes.

TO BE DELIVERED TO MP WITHIN 30 CALENDAR DAYS OF MPUC APPROVAL OF ESA

Parent Guaranty

[Redacted]

[Redacted]

[Redacted]

[Redacted]

[Redacted]

[Redacted]

[Redacted]

[Redacted]

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AGREED FORM

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TO BE DELIVERED TO MP WITHIN 30 CALENDAR DAYS OF MPUC APPROVAL OF ESA

[Redacted]

[Redacted]

[Redacted]

[Redacted]

[Redacted]

[Redacted]

[Redacted]

[Redacted]

[Redacted]

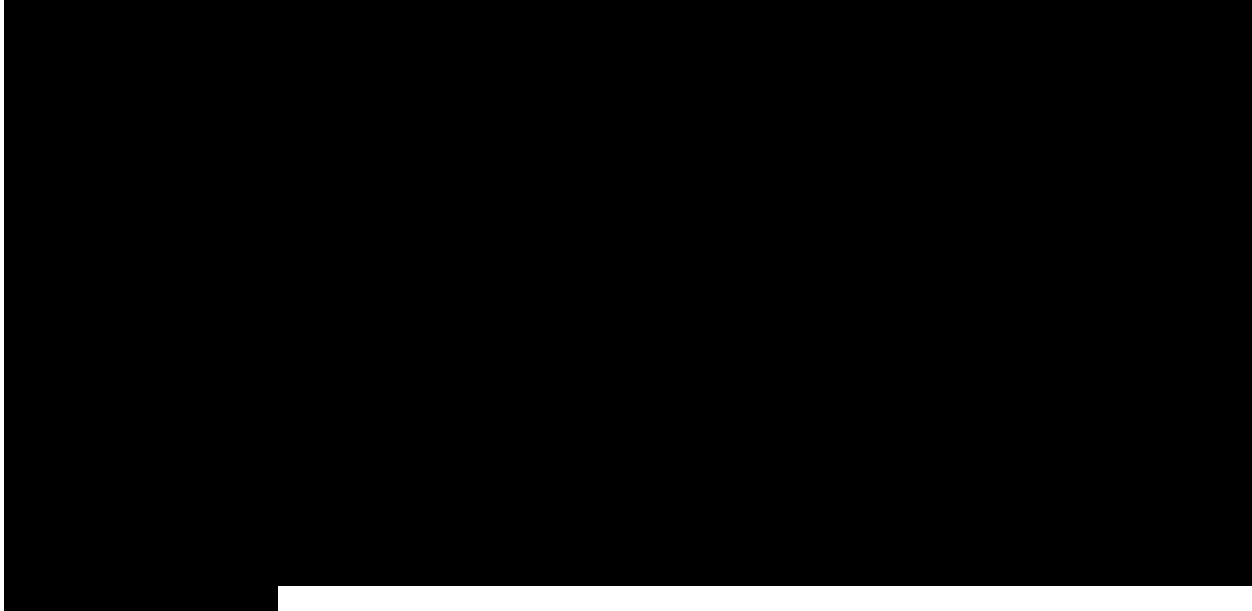
[Redacted]

PUBLIC DOCUMENT – TRADE SECRET DATA EXCISED

AGREED FORM

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TO BE DELIVERED TO MP WITHIN 30 CALENDAR DAYS OF MPUC APPROVAL OF ESA



[Signatures on following page.]

PUBLIC DOCUMENT – TRADE SECRET DATA EXCISED

AGREED FORM

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TO BE DELIVERED TO MP WITHIN 30 CALENDAR DAYS OF MPUC APPROVAL OF ESA

IN WITNESS WHEREOF, the parties have caused this Guaranty to be executed as of the date stated above.

GUARANTOR: [REDACTED]

By: _____
Name:
Title: Assistant Treasurer

OBLIGOR: [REDACTED]

CREDITOR: Minnesota Power, a division of ALLETE, Inc.
Address: 30 W Superior St. Duluth, MN 55802

By: _____
Name:
Title:

RIDER FOR CITY OF HERMANTOWN FRANCHISE FEE

APPLICATION

Applicable to bills for retail electric service within the corporate limits of the City of Hermantown, except bills for electric service to property owned by the City of Hermantown and property owned or leased by Company.

ADJUSTMENT

There shall be added to each customer's monthly electric service bill a City of Hermantown Franchise Fee assessment in the amount of:

\$2.00 per month for each residential electric service agreement; and
\$2.00 per month for each commercial, industrial or other electric service agreement.

Dual fuel meters shall constitute one meter for purposes of this franchise fee assessment.

100% of the City of Hermantown Franchise Fee assessment collected will be passed along to the City of Hermantown.

Filing Date: November 2, 2016 **MPUC Docket No.:** E015/GR-16-664
Effective Date: December 1, 2018 **Order Date:** May 29, 2018

Approved by: Marcia A. Podratz
Marcia A. Podratz
Director - Rates

Business Expansion Incentive - Margin Contribution Analysis Calculation

Energy Cost Analysis (Determine Energy Cost Attributable to Serve Large Power Customer)		Capacity Cost Analysis (Determine Capacity Cost Attributable to Serve Large Power Customer)		Generation Asset Cost Analysis (Determine Revenue Requirements of Generation Attributable to Large Power Customer)		Transmission/Distribution Cost Analysis Attributable to Large Power Customer		Margin Contribution Analysis		
[1]	[2]	[4]	[5]	[6] = [4] x [5]	[7]	[8]	[9] = [8] + [7] + [6] + [3]	[10]	[11] = [10] - [9]	
Customer's kWh Usage	Energy Cost Attributable to Customer (\$ per kWh)	Peak Billing Demand (kW)	Capacity Cost Attributable to Customer per kW	Total Marginal Capacity Cost	Generation Revenue Requirements Attributable to Customer (If Applicable)	Transmission/Distribution Revenue Requirements Attributable to Customer (If Applicable)	Total Attributable Costs	Electric Revenue After BEI Rider Discount	Electric Revenue in Excess of Attributable Costs	
Customer's estimated kWh usage based on capacity and load factor	Based on procurement of additional energy, expected market energy prices or another method determined as most appropriate	Customer estimated peak kW	Based on procurement of additional capacity (MP short), opportunity cost (MP long), or another method determined as most appropriate	Calculation	Actual or estimated generation revenue requirement costs calculated by Minnesota Power (excludes fuel and charging costs)	Extension costs estimated by engineering. Fixed charge rate calculated by finance (to determine annual amount)	Calculation	Calculated based on the customer's service schedule, current rates approved by MPUC or estimated rates, and energy/demand estimates provided by customer	Calculation (+) = Eligible for BEI Discount (-) = Not Eligible for BEI Discount	

LARGE POWER SERVICE

RATE CODES

74

APPLICATION

The Large Power Service Schedule ("LP Schedule") applies to electric service delivered from existing Company facilities of adequate type and capacity, where Customer and Company have executed an Electric Service Agreement ("ESA") agreeing to the purchase and sale of Large Power Service and supplementing the terms and conditions of Large Power Service set forth in this LP Schedule.

Service under this LP Schedule is also subject to Company's Electric Service Regulations as well as all riders and other tariffs applicable to Large Power Service.

Customer shall not be entitled to purchase any service from the Company under this LP Schedule for purposes of resale to any other entity or to the Company.

ELECTRIC SERVICE AGREEMENTS

Every ESA and every amendment or modification of an ESA must be approved by the Minnesota Public Utilities Commission ("Commission") as a supplemental addition to this LP Schedule.

At a minimum, every ESA shall include the following:

- (a) The connection point(s) of Company's and Customer's equipment at which Customer takes service ("Points of Delivery");
- (b) The voltage level(s) at which service will be supplied;
- (c) A method for determining Firm Demand (as defined below) in each month of the term of the ESA;
- (d) An Incremental Production Service Threshold as defined in the Rider for Large Power Incremental Production Service, as applicable;
- (e) A confidentiality agreement; and
- (f) Any terms or conditions that differ from or are additional to the terms and conditions specified in this LP Schedule or in any rider or tariff applicable to Large Power Service.

Filing Date: December 16, 2025 & March X, 2026 **MPUC Docket No.:** ~~E015/PA-24-198~~ & E015/PA-26-XX

Effective Date: January 1, 2026 **Order Date:** December 10, 2025

Approved by: Leah N. Peterson
Leah N. Peterson
Director – Customer Analytics and Market Settlements

LARGE POWER SERVICE

Unless otherwise specifically approved by the Commission, each ESA shall have an initial minimum term of ten (10) years and shall continue in force until either party gives the other party written notice of cancellation at least four years prior to the time such cancellation shall be effective.

The effective date of each ESA shall be subject to approval by the Commission.

No Commission approval of any ESA shall act to prevent the Commission from later increasing or decreasing any of the rates or charges contained in this LP Schedule, any Rider or any other tariff applicable to Large Power Service. Nor shall any Commission approval of any ESA exempt any Customer from the applicability of any such increased or decreased charges.

An ESA shall be binding upon the Company and the Customer and their successors and assigns, on and after the effective date of the ESA; provided, however, that neither party may assign that ESA or any rights or obligations under the ESA without the prior written consent of the other party, which consent shall not unreasonably be withheld.

Inasmuch as all ESAs will contain confidential information with respect to Customer electric usage levels and other proprietary information of both the Customer and the Company ("Confidential Information"), all ESAs are to be marked as trade secret in their entirety for purposes of the Minnesota Government Data Practices Act. For this purpose, Confidential Information includes all disclosures, information and materials, whether oral, written, electronic or otherwise, relating to the business of either the Customer or the Company, that is not generally available to the trade or the public. The ESA may specifically expand this definition to ensure Customer-specific and/or Company-specific protections are in place. Because use and disclosure of Confidential Information requires a written agreement, the Company and the Customer will agree to such use and disclosure in each ESA.

For purposes of ESAs capitalized terms used in this LP Schedule shall have the same meaning as capitalized terms in the ESA.

For purposes of ESAs, the term "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.

For purposes of ESAs, the term "Office" shall mean the Minnesota Office of Energy Security or its successor organization.

TYPE OF SERVICE

Filing Date: December 16, 2025 & March X, 2026 MPUC Docket No.: ~~E015/PA-24-198~~ & E015/PA-26-XX

Effective Date: January 1, 2026 Order Date: December 10, 2025

Approved by: Leah N. Peterson
Leah N. Peterson
Director – Customer Analytics and Market Settlements

LARGE POWER SERVICE

Unless otherwise agreed in an ESA, Large Power Service shall be three phase, 60 hertz, at Company's available transmission voltage of at least 115,000 volts. Customer may specifically request to take all or any portion of its Large Power Service at Company's available high voltage of 13,000 through 69,000 volts, and such lower voltage deliveries may be subject to a Service Voltage Adjustment as described below.

BASE RATES (MONTHLY)

The following charges (as modified by the Adjustments described below) shall apply to all service under this LP Schedule and the ESAs (collectively, the "Base Rates"):

Demand Charge

A single application for the first 10,000 kW or less of Firm Demand \$244,334

All additional kW of Firm Demand (\$/kW) \$24.00

Transmission Demand Charge

All kW of Firm Demand (\$/kW) \$8.49

Energy Charge

All Firm Energy kWh (¢/kWh) (All On-Peak and Off-Peak) 1.164¢

Excess Energy Charge

All kWh of Excess Energy shall be billed at 110% of the Company's Incremental Energy Cost as described more fully in paragraphs 2 and 3 under "ENERGY."

ADJUSTMENTS

Company may modify Base Rates by the following adjustments:

1. Service Voltage Adjustment. Unless otherwise agreed in the ESA, where service delivery voltage is at Company's available high voltage of 13,000 through 69,000 volts, Company will increase the Demand Charge by \$1.75 per kW of Firm Demand for that portion of Firm Demand taken at 13,000 through 69,000 volts.
2. Fuel and Purchased Energy Adjustment. A fuel and purchased energy adjustment will be determined in accordance with the Rider for Fuel and Purchased Energy Charge.
3. Capacity Revenue and Expense Adjustment. A capacity revenue and expense adjustment will be determined in accordance with the Rider for Capacity Revenue and Expense Adjustment.

Filing Date: December 16, 2025 & March X, 2026 MPUC Docket No.: ~~E015/PA-24-198~~ & E015/PA-26-XX

Effective Date: January 1, 2026 Order Date: December 10, 2025

Approved by: Leah N. Peterson
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Director – Customer Analytics and Market Settlements

LARGE POWER SERVICE

4. Conservation Adjustment. Adjustment will be determined in accordance with the Rider for Conservation Program Adjustment.
5. Transmission Adjustment. A transmission investment adjustment will be determined in accordance with the Rider for Transmission Cost Recovery.
6. Renewable Resource Adjustment. A renewable resources adjustment will be determined in accordance with the Rider for Renewable Resources.
7. CARE Low-Income Affordability Program Surcharge. There shall be added to the monthly bill, as computed above, a Low-Income Affordability Program Surcharge determined in accordance with the Rider for Customer Affordability of Residential Electricity (CARE).
8. Solar Energy Adjustment. There shall be added to or deducted from the monthly billing, as computed above, a solar energy adjustment determined in accordance with the Rider for Solar Energy Adjustment.
9. Minnesota Policy Adjustment. The combination of Conservation, Transmission, Renewable Resource, and Solar Energy Adjustments may be shown on Customer's bills as the Minnesota Policy Adjustment.
10. Taxes and Assessments. An adjustment for the applicable proportionate part of any taxes and assessments imposed by any governmental authority which are assessed on the basis of meters or customers, or the price of or revenues from electric energy or service sold, or the volume of energy generated, transmitted or purchased for sale or sold.
11. Franchise Fee. An adjustment for customers located within the corporate limits of the applicable city as specified in the applicable Rider for the city's Franchise Fee.

MEASURED AND ADJUSTED DEMAND

The measured demand ("Measured Demand") in the month shall be the sum of kW measured from all of the Points of Delivery specified in the ESA during the 15-minute period of Customer's greatest use during the month.

The adjusted demand ("Adjusted Demand") in the month shall be the Measured Demand increased by one kilowatt for each 20 kvar of excess reactive demand. Excess reactive

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LARGE POWER SERVICE

demand means the amount by which the maximum 15-minute measured kvar during the month exceeds 50% of the first 20,000 kW of Measured Demand plus 25% of all additional kW of Measured Demand.

This provision shall supersede all references to Metered Demand, Measured Demand, and Adjusted Demand in the Customers' ESAs.

DEMAND

1. Firm Demand. The Customer's ESA specifies the amount of Firm Demand in any billing month. In general, the Firm Demand will be based on amount specified, selected, nominated, determined or agreed upon in the Customer's ESA. Regardless of how the ESA describes or calculates the Customer's contractual demand in any billing month for purposes of applying the Demand Charge, this amount shall be deemed to be the Customer's Firm Demand for purposes of this LP Schedule and the application of the Demand Charge.
2. Demands in Excess of Firm Demand. Company will endeavor to serve Customer requirements for power in excess of Firm Demand, but Company has no responsibility or liability whatsoever for failing to provide any power in excess of Firm Demand.

DEMAND NOMINATIONS

1. Demand Nomination increases. For all Customers who notify the Company periodically throughout the year per the terms of their respective ESAs, need to be made by the last business day excluding weekends and Holidays prior to the nominating deadlines specified in the Customers' ESAs. This provision shall supersede all references to all language in Customers' ESAs relating to nomination notice deadlines.

ENERGY

1. Firm Energy. Firm Energy shall mean the total electric consumption of the Customer measured in kilowatt-hours ("kWh") in each hour of the billing month, regardless of whether it is taken during peak or off peak hours, but limited to no more than the Customer's Firm Demand in any hour. In general, the amount of Firm Energy billed in each hour of the billing month will be equal to the amount of Firm Demand in that month unless modified by terms in the Customer's ESA.
2. Excess Energy. Excess Energy shall be the kWh of energy taken by Customer in each hour of the month in excess of the allowable Firm Energy levels specified in the Customer's ESA in that hour, unless the Customer takes such energy under the Rider for

Filing Date: December 16, 2025 & March X, 2026 MPUC Docket No.: ~~E015/PA-24-198~~ & E015/PA-26-XX

Effective Date: January 1, 2026 Order Date: December 10, 2025

Approved by: Leah N. Peterson
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LARGE POWER SERVICE

Large Power Incremental Production Service or another Rider applicable to Large Power Service and available to the Customer pursuant to its ESA.

3. Excess Energy shall be billed at 110% of the Company's Incremental Energy Cost in month. Company's Incremental Energy Cost shall be determined each hour of the month and shall include fuel costs and variable operation and maintenance expenses for generating or purchasing the excess energy. Company's Incremental Energy Cost will be the highest cost energy after assigning lower cost energy to: all firm retail and wholesale customer requirements; all intersystem (pool) sales that involve capacity on a firm or participation basis; and all interruptible sales to Large Power, Large Light and Power, and General Service customers; but not including sales for Incremental Production Service.

PAYMENT

All bills for Large Power Service are due and payable at any office of Minnesota Power 15 days following the date the Company renders the bill or such later date as may be specified on the bill unless the Customer is subject to the Rider for Expedited Billing Procedures—Large Power Class or Customer specifically agrees to be subject to the Rider for Expedited Billing Procedures—Large Power Class in the ESA. Payments must be received by Minnesota Power on or before such due date and shall not be considered as payment received until the funds are usable or collectible by Minnesota Power. If Company does not receive payment on or before the due date printed on the bill, the bill shall be past due and delinquent.

LARGE POWER SURCHARGE

~~For new Customers with Firm Demand load growth in excess of 50,000 kW in any twenty-four month period, or for existing customers with increases in Firm Demand of more than 50,000 kW in any twenty-four month period, the additional Firm Demand in excess of 50,000 kW will~~ could be subject to a Large Power Surcharge. The Company will assess the Large Power Surcharge tied to the load addition by calculating a margin contribution analysis approximately six months prior to reaching load growth of 50,000 kW. The analysis will compare estimated margin contribution analysis costs to estimated margin contribution analysis revenue for an outlook period of five years. If the attributable costs are greater than the revenue over the term of the initial ESA, then a Large Power Surcharge shall be applied to the customer bill. After the initial margin contribution analysis, the Company will perform the margin contribution analysis on an annual basis until no surcharge is calculated for a rolling five-year period. There may also be an annual margin contribution analysis true-up calculated and assessed, as applicable. ~~for a period of five years from the date the Customer executes a binding Commitment Agreement to take the power. The Large Power Surcharge~~

Filing Date: December 16, 2025 & March X, 2026 MPUC Docket No.: ~~E015/PA-24-198~~ & E015/PA-26-XX

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Leah N. Peterson
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LARGE POWER SERVICE

~~will cover the additional cost to Company of obtaining the necessary power supply. The Large Power Surcharge shall be the sum of a Capacity Portion and Energy Portion as described below. If the sum is negative then the Large Power Surcharge shall be zero.~~

~~For each kW of Firm Demand subject to surcharge Company shall add to the Demand Charge the excess of Company's Large Power Surcharge Supply Capacity Costs per kW over Company's Basic Capacity Cost. 1) Company's cost per kW as purchased from its power suppliers with appropriate adjustments for reserve requirements/replacement power, transmission losses and coincidence factor; 2) The Company's estimated annual Revenue Requirements per kW associated with Company's power production facilities added or refurbished to supply the power; or 3) A blend of the above costs if more than one source is used to supply the power. Company's Basic Capacity Costs per kW will be Company's estimated annual Revenue Requirements associated with Company-owned power production facilities and with Company firm power purchases, exclusive of the estimated annual Revenue Requirements associated with any such purchases or Company-owned power facilities which are covered by a Large Power Surcharge, divided by the aggregate coincidental kilowatts of all customer loads serviced by such generating capacity and purchased capacity, adjusted for estimated transmission losses and load coincidence factor. Company will advise Customer of the Large Power Surcharge Supply Capacity Costs as soon the Company has made arrangements for the capacity and Company will advise Customer of the Company's Basic Capacity Costs 30 days prior to the beginning of each calendar year in which the surcharge may be applied.~~

Energy Portion

~~For each kWh delivered to Customer subject to surcharge, Company shall add to the Energy Charge the excess of Company's Actual Large Power Surcharge Supply Energy Costs per kWh over the Company's Basic Energy Costs.~~

~~Company's Actual Large Power Surcharge Supply Energy Costs per kWh will be determined monthly as Company's actual cost per kWh for the energy: 1) Generated by and associated with the Purchased Capacity, adjusted for estimated transmission losses; 2) Generated by and associated with Company's power production facilities added or refurbished to supply the power; or 3) A blend of the above costs if more than one source is used to supply the power. Company's Basic Energy Costs per kWh will be Company's estimated annual Revenue Requirements for fuel and associated operation and maintenance expenses at Company-owned power production facilities, and for energy associated with firm power purchases and economy purchases (but exclusive of all emergency and scheduled outage energy, and exclusive of any energy associated with Purchased Capacity and exclusive of energy provided by Company-owned power facilities covered by a Large Power Surcharge) divided by the aggregate associated kilowatt-hours, adjusted for estimated transmission losses.~~

Filing Date: December 16, 2025 & March X, 2026 MPUC Docket No.: ~~E015/PA-24-198~~ & E015/PA-26-XX

Effective Date: January 1, 2026 Order Date: December 10, 2025

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Director – Customer Analytics and Market Settlements

LARGE POWER SERVICE

~~Company will advise Customer of the approximate Large Power Surcharge Supply Energy Costs and Company's Basic Energy Costs 30 days prior to the beginning of each calendar year in which the surcharge may be applied.~~

~~Where the above surcharge is applicable to only a portion of the electric service taken at one point of delivery, the kWh subject to surcharge shall be the total kWh delivered in the month multiplied by the ratio of the Capacity subject to surcharge over the total Firm Demand at that point of delivery.~~

OPERATING PRACTICES

The Company shall employ operating practices and standards of performance in providing service under this LP Schedule that conform to those recognized as sound practices within the utility industry. In making deliveries of power under this LP Schedule, Company shall exercise such care as is consistent with normal operating practice by using all available facilities to minimize and smooth out the effects of sudden load fluctuations or other variance in voltage or current characteristics that may be detrimental to Customer's operations.

Filing Date: December 16, 2025 & March X, 2026 MPUC Docket No.: ~~E015/PA-24-198~~ & E015/PA-26-XX

Effective Date: January 1, 2026 Order Date: December 10, 2025

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Leah N. Peterson
Director – Customer Analytics and Market Settlements

LARGE POWER SERVICE**RATE CODES**

74

APPLICATION

The Large Power Service Schedule ("LP Schedule") applies to electric service delivered from existing Company facilities of adequate type and capacity, where Customer and Company have executed an Electric Service Agreement ("ESA") agreeing to the purchase and sale of Large Power Service and supplementing the terms and conditions of Large Power Service set forth in this LP Schedule.

Service under this LP Schedule is also subject to Company's Electric Service Regulations as well as all riders and other tariffs applicable to Large Power Service.

Customer shall not be entitled to purchase any service from the Company under this LP Schedule for purposes of resale to any other entity or to the Company.

ELECTRIC SERVICE AGREEMENTS

Every ESA and every amendment or modification of an ESA must be approved by the Minnesota Public Utilities Commission ("Commission") as a supplemental addition to this LP Schedule.

At a minimum, every ESA shall include the following:

- (a) The connection point(s) of Company's and Customer's equipment at which Customer takes service ("Points of Delivery");
- (b) The voltage level(s) at which service will be supplied;
- (c) A method for determining Firm Demand (as defined below) in each month of the term of the ESA;
- (d) An Incremental Production Service Threshold as defined in the Rider for Large Power Incremental Production Service, as applicable;
- (e) A confidentiality agreement; and
- (f) Any terms or conditions that differ from or are additional to the terms and conditions specified in this LP Schedule or in any rider or tariff applicable to Large Power Service.

Unless otherwise specifically approved by the Commission, each ESA shall have an initial minimum term of ten (10) years and shall continue in force until either party gives the other

Filing Date: December 16, 2025 & March X, 2026 **MPUC Docket No.:** E015/PA-24-198 & E015/PA-26-XX

Effective Date: January 1, 2026 **Order Date:** December 10, 2025

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LARGE POWER SERVICE

party written notice of cancellation at least four years prior to the time such cancellation shall be effective.

The effective date of each ESA shall be subject to approval by the Commission.

No Commission approval of any ESA shall act to prevent the Commission from later increasing or decreasing any of the rates or charges contained in this LP Schedule, any Rider or any other tariff applicable to Large Power Service. Nor shall any Commission approval of any ESA exempt any Customer from the applicability of any such increased or decreased charges.

An ESA shall be binding upon the Company and the Customer and their successors and assigns, on and after the effective date of the ESA; provided, however, that neither party may assign that ESA or any rights or obligations under the ESA without the prior written consent of the other party, which consent shall not unreasonably be withheld.

Inasmuch as all ESAs will contain confidential information with respect to Customer electric usage levels and other proprietary information of both the Customer and the Company ("Confidential Information"), all ESAs are to be marked as trade secret in their entirety for purposes of the Minnesota Government Data Practices Act. For this purpose, Confidential Information includes all disclosures, information and materials, whether oral, written, electronic or otherwise, relating to the business of either the Customer or the Company, that is not generally available to the trade or the public. The ESA may specifically expand this definition to ensure Customer-specific and/or Company-specific protections are in place. Because use and disclosure of Confidential Information requires a written agreement, the Company and the Customer will agree to such use and disclosure in each ESA.

For purposes of ESAs capitalized terms used in this LP Schedule shall have the same meaning as capitalized terms in the ESA.

For purposes of ESAs, the term "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.

For purposes of ESAs, the term "Office" shall mean the Minnesota Office of Energy Security or its successor organization.

TYPE OF SERVICE

Unless otherwise agreed in an ESA, Large Power Service shall be three phase, 60 hertz, at Company's available transmission voltage of at least 115,000 volts. Customer may specifically request to take all or any portion of its Large Power Service at Company's

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LARGE POWER SERVICE

available high voltage of 13,000 through 69,000 volts, and such lower voltage deliveries may be subject to a Service Voltage Adjustment as described below.

BASE RATES (MONTHLY)

The following charges (as modified by the Adjustments described below) shall apply to all service under this LP Schedule and the ESAs (collectively, the "Base Rates"):

Demand Charge

A single application for the first 10,000 kW or less of Firm Demand \$244,334

All additional kW of Firm Demand (\$/kW) \$24.00

Transmission Demand Charge

All kW of Firm Demand (\$/kW) \$8.49

Energy Charge

All Firm Energy kWh (¢/kWh) (All On-Peak and Off-Peak) 1.164¢

Excess Energy Charge

All kWh of Excess Energy shall be billed at 110% of the Company's Incremental Energy Cost as described more fully in paragraphs 2 and 3 under "ENERGY."

ADJUSTMENTS

Company may modify Base Rates by the following adjustments:

1. Service Voltage Adjustment. Unless otherwise agreed in the ESA, where service delivery voltage is at Company's available high voltage of 13,000 through 69,000 volts, Company will increase the Demand Charge by \$1.75 per kW of Firm Demand for that portion of Firm Demand taken at 13,000 through 69,000 volts.
2. Fuel and Purchased Energy Adjustment. A fuel and purchased energy adjustment will be determined in accordance with the Rider for Fuel and Purchased Energy Charge.
3. Capacity Revenue and Expense Adjustment. A capacity revenue and expense adjustment will be determined in accordance with the Rider for Capacity Revenue and Expense Adjustment.
4. Conservation Adjustment. Adjustment will be determined in accordance with the Rider for Conservation Program Adjustment.

Filing Date: December 16, 2025 & March X, 2026 MPUC Docket No.: E015/PA-24-198 & E015/PA-26-XX

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LARGE POWER SERVICE

5. Transmission Adjustment. A transmission investment adjustment will be determined in accordance with the Rider for Transmission Cost Recovery.
6. Renewable Resource Adjustment. A renewable resources adjustment will be determined in accordance with the Rider for Renewable Resources.
7. CARE Low-Income Affordability Program Surcharge. There shall be added to the monthly bill, as computed above, a Low-Income Affordability Program Surcharge determined in accordance with the Rider for Customer Affordability of Residential Electricity (CARE).
8. Solar Energy Adjustment. There shall be added to or deducted from the monthly billing, as computed above, a solar energy adjustment determined in accordance with the Rider for Solar Energy Adjustment.
9. Minnesota Policy Adjustment. The combination of Conservation, Transmission, Renewable Resource, and Solar Energy Adjustments may be shown on Customer's bills as the Minnesota Policy Adjustment.
10. Taxes and Assessments. An adjustment for the applicable proportionate part of any taxes and assessments imposed by any governmental authority which are assessed on the basis of meters or customers, or the price of or revenues from electric energy or service sold, or the volume of energy generated, transmitted or purchased for sale or sold.
11. Franchise Fee. An adjustment for customers located within the corporate limits of the applicable city as specified in the applicable Rider for the city's Franchise Fee.

MEASURED AND ADJUSTED DEMAND

The measured demand ("Measured Demand") in the month shall be the sum of kW measured from all of the Points of Delivery specified in the ESA during the 15-minute period of Customer's greatest use during the month.

The adjusted demand ("Adjusted Demand") in the month shall be the Measured Demand increased by one kilowatt for each 20 kvar of excess reactive demand. Excess reactive demand means the amount by which the maximum 15-minute measured kvar during the month exceeds 50% of the first 20,000 kW of Measured Demand plus 25% of all additional kW of Measured Demand.

This provision shall supersede all references to Metered Demand, Measured Demand, and Adjusted Demand in the Customers' ESAs.

Filing Date: December 16, 2025 & March X, 2026 **MPUC Docket No.:** E015/PA-24-198 & E015/PA-26-XX

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LARGE POWER SERVICE**DEMAND**

1. Firm Demand. The Customer's ESA specifies the amount of Firm Demand in any billing month. In general, the Firm Demand will be based on amount specified, selected, nominated, determined or agreed upon in the Customer's ESA. Regardless of how the ESA describes or calculates the Customer's contractual demand in any billing month for purposes of applying the Demand Charge, this amount shall be deemed to be the Customer's Firm Demand for purposes of this LP Schedule and the application of the Demand Charge.
2. Demands in Excess of Firm Demand. Company will endeavor to serve Customer requirements for power in excess of Firm Demand, but Company has no responsibility or liability whatsoever for failing to provide any power in excess of Firm Demand.

DEMAND NOMINATIONS

1. Demand Nomination increases. For all Customers who notify the Company periodically throughout the year per the terms of their respective ESAs, need to be made by the last business day excluding weekends and Holidays prior to the nominating deadlines specified in the Customers' ESAs. This provision shall supersede all references to all language in Customers' ESAs relating to nomination notice deadlines.

ENERGY

1. Firm Energy. Firm Energy shall mean the total electric consumption of the Customer measured in kilowatt-hours ("kWh") in each hour of the billing month, regardless of whether it is taken during peak or off peak hours, but limited to no more than the Customer's Firm Demand in any hour. In general, the amount of Firm Energy billed in each hour of the billing month will be equal to the amount of Firm Demand in that month unless modified by terms in the Customer's ESA.
2. Excess Energy. Excess Energy shall be the kWh of energy taken by Customer in each hour of the month in excess of the allowable Firm Energy levels specified in the Customer's ESA in that hour, unless the Customer takes such energy under the Rider for Large Power Incremental Production Service or another Rider applicable to Large Power Service and available to the Customer pursuant to its ESA.
3. Excess Energy shall be billed at 110% of the Company's Incremental Energy Cost in month. Company's Incremental Energy Cost shall be determined each hour of the month and shall include fuel costs and variable operation and maintenance expenses for generating or purchasing the excess energy. Company's Incremental Energy Cost will be the highest cost energy after assigning lower cost energy to: all firm retail and wholesale

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LARGE POWER SERVICE

customer requirements; all intersystem (pool) sales that involve capacity on a firm or participation basis; and all interruptible sales to Large Power, Large Light and Power, and General Service customers; but not including sales for Incremental Production Service.

PAYMENT

All bills for Large Power Service are due and payable at any office of Minnesota Power 15 days following the date the Company renders the bill or such later date as may be specified on the bill unless the Customer is subject to the Rider for Expedited Billing Procedures—Large Power Class or Customer specifically agrees to be subject to the Rider for Expedited Billing Procedures—Large Power Class in the ESA. Payments must be received by Minnesota Power on or before such due date and shall not be considered as payment received until the funds are usable or collectible by Minnesota Power. If Company does not receive payment on or before the due date printed on the bill, the bill shall be past due and delinquent.

LARGE POWER SURCHARGE

Customers with Firm Demand load growth in excess of 50,000 kW could be subject to a Large Power Surcharge. The Company will assess the Large Power Surcharge tied to the load addition by calculating a margin contribution analysis approximately six months prior to reaching load growth of 50,000 kW. The analysis will compare estimated margin contribution analysis costs to estimated margin contribution analysis revenue for an outlook period of five years. If the attributable costs are greater than the revenue over the term of the initial ESA, then a Large Power Surcharge shall be applied to the customer bill. After the initial margin contribution analysis, the Company will perform the margin contribution analysis on an annual basis until no surcharge is calculated for a rolling five-year period. There may also be an annual margin contribution analysis true-up calculated and assessed, as applicable.

OPERATING PRACTICES

The Company shall employ operating practices and standards of performance in providing service under this LP Schedule that conform to those recognized as sound practices within the utility industry. In making deliveries of power under this LP Schedule, Company shall exercise such care as is consistent with normal operating practice by using all available facilities to minimize and smooth out the effects of sudden load fluctuations or other variance in voltage or current characteristics that may be detrimental to Customer's operations.

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Large Power Surcharge - Margin Contribution Analysis Calculation

	Energy Cost Analysis (Determine Energy Cost Attributable to Serve Large Power Customer)		Capacity Cost Analysis (Determine Capacity Cost Attributable to Serve Large Power Customer)		Generation Asset Cost Analysis (Determine Revenue Requirements of Generation Attributable to Large Power Customer)		Transmission/Distribution Cost Analysis Attributable to Large Power Customer		Margin Contribution Analysis		
	[1]	[2]	[3] = [1] x [2]	[4]	[5]	[6] = [4] x [5]	[7]	[8]	[9] = [8] + [7] + [6] + [3]	[10]	[11] = [10] - [9]
<i>Initially Filed Approximately Six Months Prior to Customer Reaching 50,000 kW</i>	Customer's kWh Usage	Energy Cost Attributable to Customer (\$ per kWh)	Total Marginal Energy Cost	Peak Billing Demand (kW)	Capacity Cost Attributable to Customer per kW	Total Marginal Capacity Cost	Generation Revenue Requirements Attributable to Customer (If Applicable)	Transmission/Distribution Revenue Requirements Attributable to Customer (If Applicable)	Total Attributable Costs	Electric Revenue	Electric Revenue in Excess of Attributable Costs
Years 1-5 of ESA Term	Customer's kWh Usage based on capacity and load factor	Based on procurement of energy, expected market energy prices, fuel prices, or another method determined as most appropriate	Calculation	Customer estimated peak kW	Based on procurement of capacity (MP short, long, or another method determined as most appropriate)	Calculation	Actual or estimated generation revenue requirements calculated by Minnesota Power (includes fuel and charging costs)	Extension costs estimated by engineering department (to determine annual amount)	Calculation	Calculated based on the customer's service schedule, current rates and riders approved by MPUC or estimated rates, and energy/demand estimates provided by customer	Calculation
Forward Year 1											
Forward Year 2											
Forward Year 3											
Forward Year 4											
Forward Year 5											
Total - Net Present Value	Five Year Outlook Period	Five Year Outlook Period	Calculation	Five Year Outlook Period	Five Year Outlook Period	Calculation	Five Year Outlook Period	Five Year Outlook Period	Calculation	Five Year Outlook Period	Calculation (+) = No Surcharge (-) = Surcharge Applicable

	Energy Cost Analysis (Determine Energy Cost Attributable to Serve Large Power Customer)		Capacity Cost Analysis (Determine Capacity Cost Attributable to Serve Large Power Customer)		Generation Asset Cost Analysis (Determine Revenue Requirements of Generation Attributable to Large Power Customer)		Transmission/Distribution Cost Analysis Attributable to Large Power Customer		Margin Contribution Analysis		
	[1]	[2]	[3] = [1] x [2]	[4]	[5]	[6] = [4] x [5]	[7]	[8]	[9] = [8] + [7] + [6] + [3]	[10]	[11] = [10] - [9]
<i>Filed Annually After Initial Margin Contribution Analysis is Approved</i>	Customer's kWh Usage	Energy Cost Attributable to Customer (\$ per kWh)	Total Marginal Energy Cost	Peak Billing Demand (kW)	Capacity Cost Attributable to Customer per kW	Total Marginal Capacity Cost	Generation Revenue Requirements Attributable to Customer (If Applicable)	Transmission/Distribution Revenue Requirements Attributable to Customer (If Applicable)	Total Attributable Costs	Electric Revenue	Electric Revenue in Excess of Attributable Costs
Years 2-6 of ESA Term	Customer's kWh Usage based on capacity and load factor	Based on procurement of energy, expected market energy prices, fuel prices, or another method determined as most appropriate	Calculation	Customer estimated peak kW	Based on procurement of capacity (MP short, long, or another method determined as most appropriate)	Calculation	Actual or estimated generation revenue requirements calculated by Minnesota Power (includes fuel and charging costs)	Extension costs estimated by engineering department (to determine annual amount)	Calculation	Calculated based on the customer's service schedule, current rates and riders approved by MPUC or estimated rates, and energy/demand estimates provided by customer	Calculation
Forward Year 2											
Forward Year 3											
Forward Year 4											
Forward Year 5											
Forward Year 6											
Total - Net Present Value	Five Year Outlook Period	Five Year Outlook Period	Calculation	Five Year Outlook Period	Five Year Outlook Period	Calculation	Five Year Outlook Period	Five Year Outlook Period	Calculation	Five Year Outlook Period	Calculation (+) = No Surcharge (-) = Surcharge Applicable

	Energy Cost Analysis (Determine Energy Cost Attributable to Serve Large Power Customer)		Capacity Cost Analysis (Determine Capacity Cost Attributable to Serve Large Power Customer)		Generation Asset Cost Analysis (Determine Revenue Requirements of Generation Attributable to Large Power Customer)		Transmission/Distribution Cost Analysis Attributable to Large Power Customer		Margin Contribution Analysis		
	[1]	[2]	[3] = [1] x [2]	[4]	[5]	[6] = [4] x [5]	[7]	[8]	[9] = [8] + [7] + [6] + [3]	[10]	[11] = [10] - [9]
<i>Filed Annually After Initial Margin Contribution Analysis is Approved</i>	Customer's kWh Usage	Energy Cost Attributable to Customer (\$ per kWh)	Total Marginal Energy Cost	Peak Billing Demand (kW)	Capacity Cost Attributable to Customer per kW	Total Marginal Capacity Cost	Generation Revenue Requirements Attributable to Customer (If Applicable)	Transmission/Distribution Revenue Requirements Attributable to Customer (If Applicable)	Total Attributable Costs	Electric Revenue	Electric Revenue in Excess of Attributable Costs
Years 3-7 of ESA Term	Customer's kWh Usage based on capacity and load factor	Based on procurement of energy, expected market energy prices, fuel prices, or another method determined as most appropriate	Calculation	Customer estimated peak kW	Based on procurement of capacity (MP short, long, or another method determined as most appropriate)	Calculation	Actual or estimated generation revenue requirements calculated by Minnesota Power (includes fuel and charging costs)	Extension costs estimated by engineering department (to determine annual amount)	Calculation	Calculated based on the customer's service schedule, current rates and riders approved by MPUC or estimated rates, and energy/demand estimates provided by customer	Calculation
Forward Year 3											
Forward Year 4											
Forward Year 5											
Forward Year 6											
Forward Year 7											
Total - Net Present Value	Five Year Outlook Period	Five Year Outlook Period	Calculation	Five Year Outlook Period	Five Year Outlook Period	Calculation	Five Year Outlook Period	Five Year Outlook Period	Calculation	Five Year Outlook Period	Calculation (+) = No Surcharge (-) = Surcharge Applicable

RIDER FOR CONSERVATION PROGRAM ADJUSTMENT

APPLICATION

Applicable to bills for electric service under all Retail Rate Schedules except for Company's Competitive Rate Schedules 73 and 79. This Rider shall not be applicable to Economy or Standby service to retail customers.

Except as provided below in the CUSTOMER EXEMPTIONS AND RATE ADJUSTMENTS section, there shall be added to each non-ECO exempt customer's monthly bill a Conservation Program Adjustment (CPA) charge which shall be the applicable CPA factor multiplied by the customer's monthly kWh of energy usage. The applicable CPA factor per kWh shall be determined annually as described below.

DETERMINATION OF THE CONSERVATION PROGRAM ADJUSTMENT FACTOR

The Conservation Program Adjustment factor shall be the quotient of the Recoverable Tracker balance, divided by projected retail energy sales (exclusive of those energy sales from customers who have been granted an exemption from ECO costs (see CUSTOMER EXEMPTIONS AND RATE ADJUSTMENTS section). The CPA factor will remain in effect until subsequent MPUC approval of an updated factor. The Recoverable Tracker balance shall be determined by adjusting the prior year-end Energy Conservation and Optimization (ECO) Tracker balance by:

- 1) Subtracting the unamortized beginning ECO Tracker account balance;
- 2) Adding financial incentives awarded by the MPUC not reflected in the prior year-end balance;
- 3) Adding actual and anticipated ECO program expenditures at their approved and/or budgeted level for the applicable time period; and
- 4) Subtracting actual and anticipated ECO cost recovery through base rates, determined by multiplying the CCRC (shown below) by the Company's budgeted retail sales in kWh to non-ECO exempt customers for the applicable time period; and
- 5) Subtracting actual and anticipated ECO cost recovery from the applicable CPA factor not accounted for in the prior year-end balance, as determined by multiplying the applicable CPA by the Company's budgeted retail sales in kWh to non-ECO exempt customers for the remaining applicable time period. The remaining applicable time period for the applicable CPA is dependent upon subsequent MPUC approval which, for the purposes of this calculation, Minnesota Power assumes to align with the end of the current fiscal year (June 30, 2025).

Filing Date: April 1, 2025 & ~~November 1, 2023~~ March XX, 2026 MPUC Docket No: E015/M-25-48
& E015/GR-23-155 E015/PA-26-XX

Effective Date: December 1, 2025 & ~~March 1, 2025~~ Order Date: November 20, 2025 & ~~November 25, 2024~~

Approved by: Leah N. Peterson
Leah N. Peterson
Director – Customer Analytics and Market Settlements

RIDER FOR CONSERVATION PROGRAM ADJUSTMENT

All costs appropriately charged to the ECO Tracker account shall be eligible for recovery through this adjustment and all revenues received from the application of the CPA factor shall be credited to the ECO Tracker account.

In order to normalize the effect of significant changes in the CPA factor, the Company may request approval of an upper limit or cap on the calculated CPA factor.

The CPA factor effective December 1, 2025 for all non-ECO exempt customers shall be 0.0817¢ per kWh.

DETERMINATION OF CONSERVATION COST RECOVERY CHARGE (CCRC)

The CCRC is the amount included in base rates dedicated to the recovery of ECO costs as approved by the Minnesota Public Utilities Commission in the Company’s last general rate case. The CCRC is approved and applied on a per kWh basis by dividing the test-year ECO expenses by the test-year sales volumes (net of ECO-exempt volumes). All revenues received from the CCRC shall be credited to the ECO Tracker Account.

The CCRC effective March 1, 2025 for all non-ECO exempt customers is 0.458916¢ per kWh.

CUSTOMER EXEMPTIONS AND RATE ADJUSTMENTS

For customers granted an exemption from ECO costs by the Commissioner of the Minnesota Department of Commerce, pursuant to Minn. Stat. § 216B.241, the CPA factor shall not be applicable. No CCRC is included in base rates for Large Power customers. For Large Power customers who have not been granted an exemption, the CCRC of 0.458916¢ per kWh shall apply to the total billing energy. In addition, non-Large Power customers who have been granted an exemption shall receive a billing credit of 0.458916¢ per kWh to offset the CCRC that is included in base rates under the applicable rate schedule. For those customer accounts granted exemption by a decision of the Commissioner after the beginning of a calendar year, any ECO collections billed after January 1 of the year following the Commissioner’s decision shall be credited back to customers.

“Qualified large-scale data center” customers that pay the required fee under Minn. Stat. 216B.72 are exempt pursuant to Minn. Stat. § 216B.241 from the requirement to contribute to the Company’s Conservation Improvement Program. Upon exemption from conservation program charges, the “qualified largescale data center” customers can no longer participate in the Company’s Energy Conservation Improvement Program.

Filing Date: April 1, 2025 & ~~November 1, 2023~~ March XX, 2026 MPUC Docket No: E015/M-25-48
& E015/GR-23-155 E015/PA-26-XX

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- 3) Adding actual and anticipated ECO program expenditures at their approved and/or budgeted level for the applicable time period; and
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Filing Date: April 1, 2025 & March XX, 2026
MPUC Docket No: E015/M-25-48 & E015/PA-26-XX
Effective Date: December 1, 2025
Order Date: November 20, 2025

Approved by: Leah N. Peterson

Leah N. Peterson

Director – Customer Analytics and Market Settlements

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Filing Date: April 1, 2025 & March XX, 2026

MPUC Docket No: E015/M-25-48 & E015/PA-26-XX

Effective Date: December 1, 2025

Order Date: November 20, 2025

Approved by: Leah N. Peterson

Leah N. Peterson

Director – Customer Analytics and Market Settlements

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CUI//CEII/PRIVILEGED
EXECUTION VERSION

POWER DEVELOPMENT SERVICES AGREEMENT

entered by

ALLETE ENTERPRISES, INC.

and

HARMONY GROUP LLC

Effective as of February 25, 2026

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POWER DEVELOPMENT SERVICES AGREEMENT

This Power Development Services Agreement (“**Agreement**”), effective as of February 25, 2026 (“**Effective Date**”), is made and entered into by and between ALLETE Enterprises, Inc., a Minnesota corporation (“**Company**”), whose address is 30 West Superior Street, Duluth, MN 55802, and Harmony Group LLC (“**Customer**”). For purposes of this Agreement, “**Party**” shall mean Company or Customer, and “**Parties**” shall mean Company and Customer.

RECITALS

WHEREAS, Company is a subsidiary of ALLETE, Inc., and an affiliate of Minnesota Power (“**MP**”), a division of ALLETE, Inc.;

WHEREAS, MP is a public utility that owns electric facilities and is engaged in the generation, transmission, distribution and sale of electric power and energy at retail in the State of Minnesota;

WHEREAS, MP and Customer are entering into that certain Electric Service Agreement (“**ESA**”) to govern the provision of retail electric service by MP to Customer’s proposed communication services facility in Hermantown, Minnesota (“**Facility**”);

WHEREAS, subject to the contract capacity limitations and under the terms and conditions of the ESA, MP will be responsible for providing “all-requirements” electric service to the Facility for a minimum term of 15 years, including acquiring all generation capacity and energy needed to serve the Contract Capacity, as defined in and according to the terms of the ESA;

WHEREAS, the Company intends that this Agreement supports compliance with the requirements of Minnesota statutes section 216B.1622 (and other applicable statutes and rules), the purpose of which is to protect MP’s customers other than Customer from paying costs incurred to serve the Facility that may become stranded in the event the Customer is otherwise unable to pay such costs;

WHEREAS, MP intends to seek approval from the Minnesota Public Utilities Commission (“**Commission**”) of the ESA and full cost recovery for the Assets (described herein), and, in the interim period between the Effective Date and prior to Commission approval of the ESA and authorization of cost recovery by MP of the costs incurred to serve the Facility, Company needs to procure certain power generation equipment, materials and contracts, including certain battery energy storage and wind generation assets and related long-lead time equipment (“**Assets**”) and to perform related power development services (“**Power Development Services**”) necessary to fulfill the Ramp Schedule under the ESA, as further described herein;

WHEREAS, to protect MP’s customers other than Customer from stranded costs related to the procurement of the Assets, Customer agrees to be responsible for the costs of the Assets and Power Development Services as set forth in this Agreement;

WHEREAS, upon execution of this Agreement, Company agrees to proceed with the Power Development Services and procurement of Assets and Customer agrees to provide the Company with adequate financial assurance to cover the costs of the Assets and Power Development Services in accordance with Section 4 of this Agreement and any payment obligation for Termination Costs (as defined below) under Section 1.3 of the Agreement; and

WHEREAS, the Parties agree that (i) upon approval by the Commission on terms and conditions satisfactory to MP of (a) the ESA and (b) Asset cost recovery filings containing full cost recovery for the Assets, (ii) the ESA becoming effective according to its terms and (iii) satisfaction or waiver by Customer

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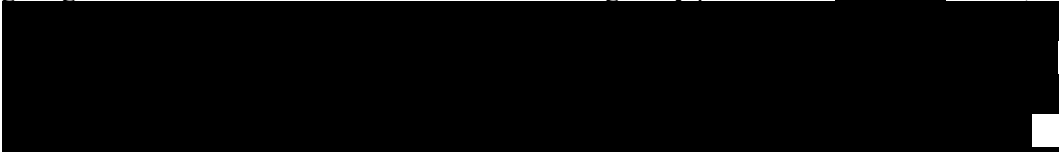
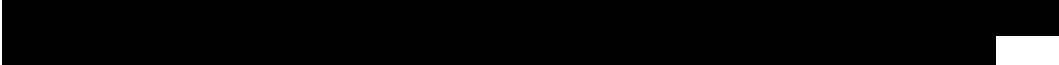
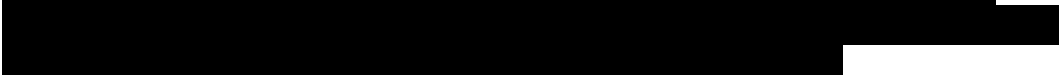
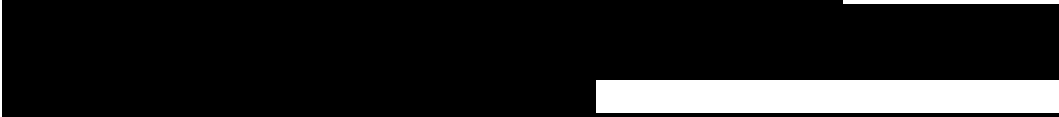



of any conditions precedent contained in the ESA, this Agreement will be replaced and superseded by the ESA, and this Agreement will have no further effect.


NOW, THEREFORE, in consideration of the mutual covenants and promises herein set forth, the Parties agree as follows:

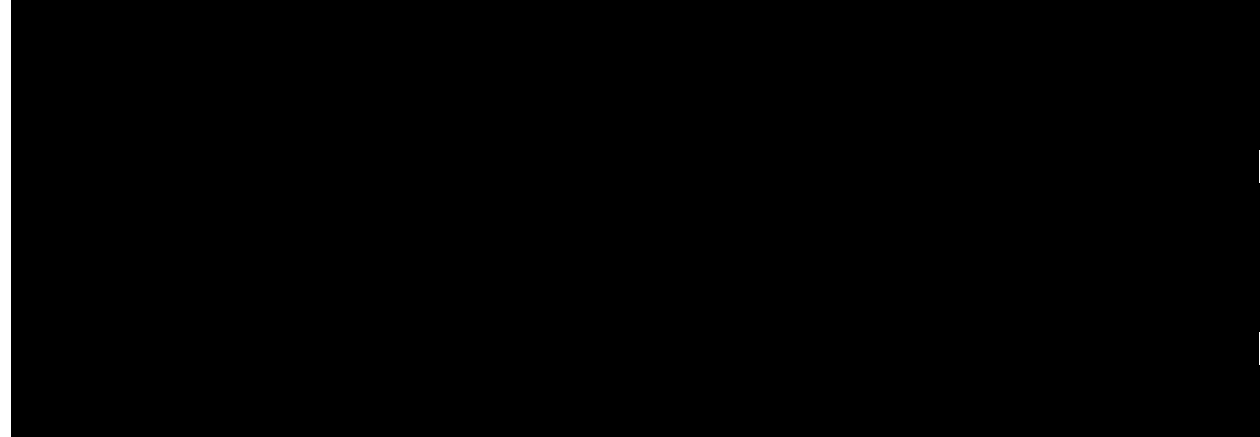
1. Termination and Schedule

1.1 Effective Date. The Effective Date of this Agreement shall be the date stated in the introductory paragraph. The term “days” refers to calendar days.

1.2 Termination. This Agreement shall continue in full force and effect from and after the Effective Date until the earliest occurrence of any of the following (each, a “**Termination Event**”):

- (i) the Parties mutually agree in writing to terminate this Agreement;
- (ii) a non-defaulting Party terminates this Agreement upon Default of the defaulting Party by giving written notice of termination to the defaulting Party pursuant to Section 7 below;
- (iii) 
- (iv) 
- (v) 
- (vi) 
- (vii) 
- (viii) 
- (ix) 

1.3 Consequence of Termination. Upon the occurrence of a Termination Event other than (i) a Default by the Company pursuant to Section 7.1(ii) or 7.1(iii) or (ii) under Section 1.2(iii) 



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[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

1.4 Survival. The applicable provisions of this Agreement shall continue in effect after the completion or termination of this Agreement to the extent necessary to provide for final billings, billing adjustments, payment by Customer to Company and/or reimbursement by Company to Customer of all amounts owed under this Agreement, and the determination and enforcement of liability obligations arising from acts or events that occurred while this Agreement was in effect.

2. Scope and Performance of Services Provided by Company

2.1 Scope of Work. The scope of, and anticipated costs for, the Power Development Services and Assets to be procured by Company under this Agreement is set forth on Exhibit A as may be amended in accordance with Section 8.7.

2.2 Commencement of Services. The Company shall commence procurement of Assets and Power Development Services upon issuance by Customer of a written notice to proceed, executed by both Company and Customer (“NTP”) under which Customer shall authorize Company to commence procurement of the Assets and begin performing the Power Development Services consistent with those Assets and Power Development Services as set forth on Exhibit A.

[REDACTED]

2.3 Warranty; Standard of Services. Company will perform the Power Development Services and procure the Assets using commercially reasonable efforts in accordance with applicable laws, rules, and regulations, including any applicable Commission rules and orders, and subject to required regulatory consents and approvals. Except for the foregoing, COMPANY DISCLAIMS ON BEHALF OF ITSELF AND ITS AFFILIATES ALL EXPRESS OR IMPLIED WARRANTIES, INCLUDING WARRANTIES

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OF MERCHANTABILITY, OR FITNESS FOR A PARTICULAR PURPOSE, OR GOOD AND WORKMANLIKE PERFORMANCE. This Agreement does not create any additional obligations of Company or its Affiliates to plan, generate, transmit, or distribute electric service, or to plan or reserve generation, transmission, or distribution capacity that does not otherwise exist at law. Nothing in this Agreement shall obligate Company to take any action other than the Power Development Services and procurement of Assets as set forth herein.

2.4 Ownership; Use of Facilities.

[Redacted]

2.5 Land Rights.

[Redacted]

3. Information to be Provided by Customer to Company

For Company to perform the Power Development Services and to procure the Assets, Customer shall provide to Company in a timely manner such technical specifications and other information as is reasonably necessary for Company to perform the Power Development Services and to procure the Assets.

4. Billing, Payment and Security

4.1 Security. As a condition precedent to the effectiveness of this Agreement (and any amendment thereto) and at all times while the Agreement remains in effect, Customer shall deliver to Company,

[Redacted]

4.2 Termination Costs. Termination costs (“**Termination Costs**”) may include, but are not limited to,

[Redacted]

4.3 Late Payment. Any payment not made within thirty (30) days shall be subject to a late payment charge equal to interest calculated using a rate equal to two percent (2%) over the prime rate of

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interest as published on the date of the invoice in *The Wall Street Journal* (or, if unavailable, an equivalent publication on or about that date). Company shall have the right to draw upon the amount of Security provided by Customer for (a) any amounts due and payable under this Agreement that are not otherwise paid by Customer, or (b) subject to Section 7, if Customer is found to be in Breach of this Agreement.

4.4 Costs. Company shall provide monthly updates to Customer regarding the amounts expended in connection with the Power Development Services and procurement of Assets as compared to the amounts set forth on Exhibit A and any applicable NTP.

4.5 Payment Disputes. In the event Customer disputes any amount to be reimbursed to Company, including the Company's determination of its Termination Costs, Customer shall promptly notify Company of such disputed amount, including the basis for the dispute, and shall timely pay all undisputed amounts.

4.6 Auditing. Upon request by Customer made within thirty (30) days following the termination of this Agreement and at the expense of Customer, Company shall provide Customer with copies of all such records as are reasonably relevant and necessary to verify the charges incurred by Company for the Power Development Services and procurement of Assets.

5. Notice and Contact

Unless otherwise specifically provided in this Agreement, all notices and other communications required or permitted to be given hereunder shall be in writing and shall be addressed to the persons identified below and: (i) delivered by hand, (ii) delivered by a nationally recognized commercial overnight delivery service, (iii) mailed postage prepaid by certified mail in any such case directed or addressed to the respective addresses set forth below, or (iv) transmitted by electronic mail to the address set forth below, with receipt confirmed. Such notices shall be effective: (a) in the case of hand deliveries, when received; (b) in the case of an overnight delivery service, when received, with delivery charges prepaid; (c) in the case of certified mail, upon receipt of written signature card indicating acceptance by addressee; and (d) in the case of electronic notices, the date on which electronic indication of receipt is received by the sender, and if such date is not a business day or after 5 p.m. in the time zone of the recipient, then the next business day.

Company:

ALLETE Enterprises, Inc.
Strategy and Planning
30 West Superior Street
Duluth MN 55802
PlanningServices@allete.com

Customer:

Harmony Group LLC

Either Party may, by written notice to the other Party, change the representative or the address to which such notices and communications are to be sent under this Section 5.

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6. Limitation of Liability

[Redacted]

Under no circumstance shall either Party or its respective Affiliates, directors, alternate directors, members, officers, employees and agents, or any of them, be liable to the other Party, whether in tort, contract or otherwise for any special, incidental, punitive, exemplary or consequential damages, including lost profits.

7. Breach, Cure, and Default

7.1 Breach. A breach of this Agreement shall occur upon the failure by a Party to perform or observe any material term or condition of this Agreement (a “**Breach**”). A Breach shall include:

[Redacted]

[Redacted]

7.2 Default. A default of this Agreement shall occur upon (i) the failure of a Breaching Party to cure such Breach within thirty (30) days (or within another period as otherwise agreed by the Parties in writing), or (ii) if the Breach cannot be reasonably cured within the thirty (30) days, the non-breaching Party fails to commence reasonable and appropriate steps to cure the Breach within such thirty (30) days (a “**Default**”).

7.3 Remedies. In the event of a Default, the non-defaulting Party shall have the right to exercise one or more of the following remedies: (i) terminate this Agreement early by providing notice to the Defaulting Party designating an early termination date that shall be no earlier than the date such notice is effective and not later than thirty (30) days after the date such notice is effective; (ii) suspend (in whole or in part) its performance under this Agreement; and (iii) exercise such remedies as are available at law or

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in equity, including the right to specific performance. Whether or not this Agreement is terminated, either Party may assert any claims available to it under this Agreement or at law or in equity, so as to recover damages against the other Party resulting from any Default under this Agreement by such other Party. Except as expressly provided in this Agreement, all remedies are cumulative and not exclusive of any rights, privileges and remedies provided by applicable law.

8. Miscellaneous

8.1 Waiver. No waiver shall be effective unless granted in writing. Any waiver at any time by either Party of its rights with respect to a Breach or Default under this Agreement, or with respect to any other matters arising in connection with this Agreement, shall not be deemed a waiver or continuing waiver with respect to any subsequent Breach or Default or other matter.

8.2 Indemnification

(i) The Customer shall at all times indemnify, defend, and save the Company harmless from, any and all damages, losses, claims, including claims and actions relating to injury to or death of any person or damage to property, demands, suits, recoveries, costs and expenses, reasonable court costs, reasonable attorneys' fees and all other obligations by or to third parties, arising out of or resulting from Company's performance of its obligations under this Agreement, except in cases of gross negligence, willful misconduct, fraud, or misrepresentation by the Company, in which case Customer is not obligated to indemnify Company.

(ii) The Company shall at all times indemnify, defend, and save the Customer harmless from, any and all damages, losses, claims, including claims and actions relating to injury to or death of any person or damage to property, demands, suits, recoveries, costs and expenses, reasonable court costs, reasonable attorneys' fees and all other obligations by or to third parties, arising out of or resulting from the Company's gross negligence or willful misconduct, except in cases of gross negligence, willful misconduct, fraud, or misrepresentation by the Customer, in which case Company is not obligated to indemnify Customer.

8.3 Conflict of Law. This Agreement shall be governed by and construed and interpreted in accordance with the laws of the State of Minnesota, irrespective of the application of any conflicts of law provisions.

8.4 Force Majeure. An event of Force Majeure means any act of God, epidemic, labor disturbance, act of the public enemy, war, insurrection, riot, fire, storm or flood, explosion, breakage or accident to machinery or equipment, any curtailment, order, regulation, or restriction imposed by governmental military or lawfully established civilian authorities, or any other cause beyond a Party's reasonable control. A Force Majeure event does not include the claiming Party's act of negligence or intentional wrongdoing. Neither Company nor Customer will be considered in Default as to any obligation under this Agreement to the extent they are prevented from fulfilling their obligations due to an event of Force Majeure. However, a Party whose performance under this Agreement is hindered by an event of Force Majeure shall provide notice to the other Party of the circumstances resulting in the suspension of performance and shall make all reasonable efforts to perform its obligations under this Agreement.

8.5 Headings. The descriptive headings of the various sections of this Agreement have been inserted for convenience of reference only and shall in no way modify or restrict any of the terms and provisions of the Agreement.

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8.6 Capitalized Terms. Capitalized terms, not otherwise defined in this Agreement, shall be as defined in the ESA.

8.7 Agreement and Amendments. This Agreement constitutes the entire agreement between the Parties with respect to the subject matter of the Agreement provided for herein, and supersedes all prior and contemporaneous understandings or agreements, oral or written, between the Parties with respect to the subject matter addressed herein. This Agreement may be amended only by a written instrument duly executed by the Parties hereto.

8.8 Severability. The invalidity of one or more phrases, sentences, clauses, or paragraphs contained in this Agreement shall not affect the validity of the remaining portions of this Agreement so long as the material purposes of this Agreement can be determined and effectuated without the invalid items.

8.9 Subcontractors. Nothing in this Agreement shall prevent a Party from utilizing the services of any subcontractor as it deems appropriate to perform its obligations under this Agreement; provided, however, that each Party shall require its subcontractors to comply with all applicable terms and conditions of this Agreement in providing such services and each Party shall remain primarily liable to the other Party for the performance of such subcontractor.

8.10 No Partnership. This Agreement shall not be interpreted or construed to create an association, joint venture, agency relationship, or partnership between the Parties or to impose any partnership obligation of liability upon either Party. Neither Party shall have any right, power, or authority to enter into any agreement or undertaking for, or act on behalf of, or to act as or be an agent or representative of, or to otherwise bind, the other Party.

8.11 No Third-Party Beneficiaries. This Agreement is not intended to and does not create rights, remedies, or benefits of any character whatsoever in favor of any persons, corporations, associations, or entities other than the Parties, and the obligations herein assumed are solely for the use and benefit of the Parties, their successors in interest and where permitted, their assigns.

8.12 Assignment. This Agreement may be assigned by either Party

Any attempted assignment that violates this Section 8.12 is void and ineffective. Except as provided below, any assignment of this Agreement shall not relieve a Party of its obligations unless otherwise agreed in writing by the Parties, nor shall a Party's obligations be enlarged, in whole or in part, by reason thereof. Where required, consent to assignment will not be unreasonably withheld, conditioned or delayed.

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[REDACTED]

For purposes of this Agreement, “Affiliate” means any entity that directly or indirectly through one or more intermediaries, controls or is controlled by or is under common control with the entity specified. For purposes of this definition, control of an entity means the power, direct or indirect, to direct or cause the direction of the management and policies of such entity whether by contract or otherwise, or ownership of fifty percent (50%) or more of the voting securities or interests of another entity.

8.13 Counterparts; Electronic Signature. This Agreement may be executed in any number of counterparts, each of which shall be an original but all of which together shall constitute one instrument. Each counterpart may consist of a number of copies hereof, each signed by less than all, but together signed by all, of the Parties hereto. The Parties agree to electronic contracting and signatures with respect to this Agreement. This Agreement may be executed electronically or through scanned copies of the executed signature page. Separate signature pages may be inserted into, and shall constitute, the fully executed version of the final agreement.

[Signature page(s) follow]

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IN WITNESS WHEREOF, the Parties have executed this Agreement in multiple originals, each of which shall constitute and be an original Agreement among the Parties.

Company

ALLETE Enterprises, Inc.

Signed by: Jeffrey J. Scissons 2/25/2026
 By: Jeffrey J. Scissons
 Name: Jeffrey J. Scissons
 Title: ALLETE Treasurer

Customer

Harmony Group LLC

Signed by: Margot Wickman 2/25/2026
 By: Margot Wickman
 Name: Margot Wickman
 Title: Authorized Signatory



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EXHIBIT A**SCOPE OF WORK****POWER DEVELOPMENT SERVICES TO BE PROVIDED****ASSETS TO BE PROCURED**

The scope of, and anticipated costs for, the Power Development Services and Assets to be Procured by the Company for calendar years [REDACTED] to support Customer's load addition of [REDACTED] MW are outlined in this Exhibit A.

The projects include the development of 400 MW of lithium-ion energy storage and 300 MW of wind power supply.

Scope of Work

- Lithium-Ion Storage: Begin necessary development activities including procurement to advance readiness for 400 megawatts (MW) of lithium-ion battery energy storage system for incorporation in [REDACTED]. This includes such activities as site selection, permitting, engineering, procurement of battery modules and associated equipment, and grid interconnection.
- Wind Supply: Begin necessary development activities including procurement to advance readiness to add 300 megawatts (MW) of wind power by [REDACTED]. Work includes such activities as site selection, permitting, engineering, procurement of wind turbines and associated equipment, and grid interconnection.

NOTE: Company may choose to purchase development assets from a third party instead of in-house development, but in no event will Company exceed the total cost estimates of \$ [REDACTED] as provided below in this Scope of Work [REDACTED].

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Project Development Categories and Estimates

Battery Project List

[Redacted]

[Redacted]

Development

Battery Development

- Permitting
- Interconnection
- Engineering (30-60%)
- Engineering (90%-IFC)
- Land Aquisition
- Long Lead / Substation Equipment
- Battery Equipment
- EPC Selection
- Below Grade Construciton
- Above Grade Construction
- Commissioning
- Misc

[Redacted]

Estimated Cost Per Phase (in Millions)

Direct (totaled from above)	[Redacted]	[Redacted]	TOTAL
Dev Transfer/GIA Fees	[Redacted]	[Redacted]	\$ [Redacted]
Total Storage	[Redacted]	[Redacted]	\$ [Redacted]

Wind Development for 300MW Wind

Total Estimated Cost Per Phase (in Millions)	[Redacted]	[Redacted]	TOTAL
	[Redacted]	[Redacted]	\$ [Redacted]

Total Scope of Development (Battery and Wind)

Combined TOTAL	\$ [Redacted]
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Minnesota Public Utilities Commission request for cost recovery will be submitted once substantial project design and estimation can be relied upon for Company cost recovery requests. MP will perform best commercial efforts consistent with Good Utility Practice (defined below) to keep the following schedule for Asset Cost Recovery filings to the MPUC: 400 MW battery energy storage in [Redacted] and 300 MW of wind in [Redacted].

Good Utility Practice: means any of the practices, methods and acts engaged in or approved by a significant proportion of the electric utility industry in the relevant region during the relevant time period, or any of the practices, methods and acts that, in the exercise of reasonable judgment in light of the facts known at the time the decision was made, could have been expected to accomplish the desired result at a reasonable cost consistent with good business practices, reliability, safety and expedition in a manner that: (i) is consistent with applicable law, Minnesota Power’s Electric Service Regulations and Applicable Transmission Rules (defined below), (ii) makes due consideration for reliability, safety and protection of equipment, and (iii) is consistent with relevant manufacturer’s written recommendations and written warranties. Good Utility Practice is not intended to be limited to the optimum practice, method or act to the exclusion of all others, but rather to be a range of acceptable practices, methods or acts generally accepted in the region.

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Applicable Transmission Rules: means the rules, orders, regulations, practices, procedures and protocols established by regional transmission organizations (such as the Midcontinent Independent Transmission System Operator, Inc.), electric reliability organizations (such as the North American Electric Reliability Corporation and the Midwest Reliability Organization) and comparable organizations applicable to the provision of retail electric service to the Customer .

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EXHIBIT B

NOTICE TO PROCEED – PDSA

[Redacted]

ALLETE Enterprises, Inc.
Strategy and Planning
30 West Superior Street
Duluth MN 55802

Re: [Redacted] Power Development Services Agreement Notice to Proceed

Dear Madam/Sir:

This Notice to Proceed is delivered to you pursuant to execution of the Power Development Services Agreement dated as of the same date hereof by and between Harmony Group LLC (“Customer”) and ALLETE Enterprises, Inc. (“Company”) (the “Agreement”). Customer hereby instructs Company to commence procurement of the Assets and begin performance Power Development Services as set forth in Attachment 1 hereto.

Sincerely,

Harmony Group LLC

By: _____

Name: _____

Title: _____

ACKNOWLEDGED AND AGREED:

ALLETE Enterprises, Inc.

By: _____

Name: _____

Title: _____

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ATTACHMENT 1 TO NOTICE TO PROCEED - PDSA

ASSETS TO BE PROCURED; POWER DEVELOPMENT SERVICES TO BE PROVIDED

[REDACTED], Power Development Services Agreement

The scope of, and anticipated costs for, the Power Development Services and Assets to be Procured by the Company for calendar year [REDACTED] to support Customer's load addition of [REDACTED] MW are outlined in this Attachment 1 to Notice to Proceed.

The projects include the development of 400 MW of lithium-ion energy storage and 300 MW of wind power supply.

Scope of Work

- Lithium-Ion Storage: Begin necessary development activities including procurement to advance readiness for 400 megawatts (MW) of lithium-ion battery energy storage system for incorporation in [REDACTED]. This includes such activities as site selection, permitting, engineering, procurement of battery modules and associated equipment, and grid interconnection.
- Wind Supply: Begin necessary development activities including procurement to advance readiness to add 300 megawatts (MW) of wind power by [REDACTED]. Work includes such activities as site selection, permitting, engineering, procurement of wind turbines and associated equipment, and grid interconnection.

NOTE: Company may choose to purchase development assets from a third party instead of in-house development, but in no event will Company exceed the total cost estimates of \$ [REDACTED] as provided in this Scope of Work (\$ [REDACTED]).

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Project Development Categories and Estimates

Battery Project List

[Redacted]

[Redacted]

Development

Battery Development

- Permitting
- Interconnection
- Engineering (30-60%)
- Engineering (90%-IFC)
- Land Acquisition
- Long Lead / Substation Equipment
- Battery Equipment
- EPC Selection
- Below Grade Construction
- Above Grade Construction
- Commissioning
- Misc

[Redacted]

Estimated Cost Per Phase (in Millions)

- Direct (totalled from above)
- Dev Transfer/GIA Fees
- Total Storage**

[Redacted]	TOTAL
\$ [Redacted]	
\$ [Redacted]	
\$ [Redacted]	

Wind Development for 300MW Wind

[Redacted]

- Total Estimated Cost Per Phase (in Millions)

[Redacted]	TOTAL
\$ [Redacted]	

Total Scope of Development (Battery and Wind)

[Redacted]	TOTAL
\$ [Redacted]	

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EXHIBIT C

FORM OF NOTICE TO PROCEED – PDSA

[Redacted]

ALLETE Enterprises, Inc.
Strategy and Planning
30 West Superior Street
Duluth MN 55802

Re: [Redacted] Power Development Services Agreement Notice to Proceed

Dear Madam/Sir:

This Notice to Proceed is delivered to you pursuant to execution of the Power Development Services Agreement dated as of the same date hereof by and between Harmony Group LLC (“Customer”) and ALLETE Enterprises, Inc. (“Company”) (the “Agreement”). Customer hereby instructs Company to commence procurement of the Assets and begin performance Power Development Services as set forth in Attachment 1 hereto.

Sincerely,

Harmony Group LLC

By: _____

Name: _____

Title: _____

ACKNOWLEDGED AND AGREED:

ALLETE Enterprises, Inc.

By: _____

Name: _____

Title: _____

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Project Development Categories and Estimates

Battery Project List

[Redacted]

[Redacted]

Development

Battery Development

- Permitting
- Interconnection
- Engineering (30-60%)
- Engineering (90%-IFC)
- Land Acquisition
- Long Lead / Substation Equipment
- Battery Equipment
- EPC Selection
- Below Grade Construction
- Above Grade Construction
- Commissioning
- Misc

[Redacted]

Estimated Cost Per Phase (in Millions)

Direct (totalled from above)		\$	[Redacted]
Dev Transfer/GIA Fees		\$	[Redacted]
Total Storage		\$	[Redacted]

Wind Development for 300MW Wind [Redacted]

Total Estimated Cost Per Phase (in Millions)		\$	[Redacted]
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Total Scope of Development (Battery and Wind)

Combined TOTAL	\$	[Redacted]
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EXHIBIT D

FORM OF PARENT GUARANTY

See attached.

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Parent Guaranty

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

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[Redacted]

[Redacted]

[Redacted]

[Redacted]

[Redacted]

[Redacted]

[Redacted]

[Redacted]

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[Signatures on following page.]

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IN WITNESS WHEREOF, the parties have caused this Guaranty to be executed as of the date stated above.

GUARANTOR: [REDACTED]
[REDACTED]

By: _____
Name:
Title: Assistant Treasurer

OBLIGOR: [REDACTED]
[REDACTED]

CREDITOR: Minnesota Power, a division of ALLETE, Inc.
Address: 30 W Superior St. Duluth, MN 55802

By: _____
Name:
Title:

FACILITIES CONSTRUCTION AGREEMENT

entered into by

HARMONY GROUP LLC

and

MINNESOTA POWER, A DIVISION OF ALLETE, INC.

Effective as of February 25, 2026

FACILITIES CONSTRUCTION AGREEMENT

THIS FACILITIES CONSTRUCTION AGREEMENT (hereinafter referred to as “**Agreement**” or “**FCA**”) is made and effective as of February 25, 2026 (“**Effective Date**”), by and among Harmony Group LLC, organized and existing under the laws of the State of Delaware (“**Customer**”), and **Minnesota Power**, a division of **ALLETE, INC.**, a corporation organized under the laws of the State of Minnesota (“**Transmission Owner**”). Customer or Transmission Owner each may be referred to as a “Party” or collectively as the “Parties.”

RECITALS

WHEREAS, Customer is proposing to construct, own, and operate the Facility, which Facility will be located in Transmission Owner’s exclusive retail service territory;

WHEREAS, Transmission Owner is engaged in the generation, transmission, distribution and/or sale of electric power and energy;

WHEREAS, the Transmission System is affected by the interconnection of the Facility to the Transmission System and additions, modifications and upgrades must be made to certain existing facilities of the Transmission System to accommodate such interconnection; and

WHEREAS, Customer has requested, and Transmission Owner has agreed to enter into this Agreement with Customer for the purpose of facilitating the construction of necessary upgrades to the Transmission System;

NOW, THEREFORE, in consideration of and subject to the mutual covenants contained herein, it is agreed:

ARTICLE 1 DEFINITIONS

Wherever used in this Agreement with initial capitalization, the following terms shall have the meanings specified or referred to in this Article 1. Terms used in this Agreement with initial capitalization not defined in this Article 1 shall have the meanings specified in the Tariff:

- 1.1 “Affiliate”** means any entity that directly or indirectly through one of more intermediaries, controls or is controlled by or is under common control with the entity specified. For purposes of this definition, control of an entity means the power, direct or indirect, to direct or cause the direction of the management and policies of such entity whether by contract or otherwise, or ownership of fifty percent (50%) or more of the voting securities or interests of another entity.
- 1.2 “Applicable Laws and Regulations”** shall mean all duly promulgated applicable federal, state and local laws, regulations, rules, ordinances, codes, decrees, judgments, directives, or judicial or administrative orders, permits and other duly authorized actions of any Governmental Authority having jurisdiction over the Parties, their respective facilities and/or the respective services they provide.

- 1.3 “**Applicable Reliability Council**” shall mean the reliability council of NERC applicable to the Local Balancing Authority of the Transmission System to which the Facility is directly interconnected.
- 1.4 “**Applicable Reliability Standards**” shall mean Reliability Standards approved by the Federal Energy Regulatory Commission (FERC) under Section 215 of the Federal Power Act, as applicable.
- 1.5 “**Breach**” shall mean the failure of a Party to perform or observe any material term or condition of this Agreement and shall include, but not be limited to, the events described in Article 9.1.
- 1.6 “**Breaching Party**” shall mean a Party that is in Breach of this Agreement.
- 1.7 “**Confidential Information**” shall have the meaning contained in any applicable Non-Disclosure Agreement which is incorporated herein by reference, if the Parties do not have a Non-Disclosure Agreement, Confidential Information shall mean any proprietary or commercially or competitively sensitive information, trade secret or information regarding a plan, specification, pattern, procedure, design, device, list, concept, policy or compilation relating to the present or planned business of a Party, or any other information as specified in Article 12, which is designated as confidential by the Party supplying the information, whether conveyed orally, electronically, in writing, through inspection, or otherwise, that is received by another Party.
- 1.8 “**Customer**” shall mean, for purposes of this Agreement, a Tariff Customer, Transmission Customer, or Market Participant, or an entity that has caused or requested that Transmission Owner make the necessary upgrade to the Transmission System which is the subject of this Agreement.
- 1.9 “**Default**” shall mean the failure of a Breaching Party to cure its Breach in accordance with Article 9 of this Agreement.
- 1.10 “**Effective Date**” shall mean (1) the date listed in the preamble of this Agreement or (2) the date specified by the Commission.
- 1.11 “**FERC**” or “**Commission**” shall mean the Federal Energy Regulatory Commission or its successor.
- 1.12 “**Force Majeure**” shall mean any act of God, labor disturbance, act of the public enemy, war, insurrection, riot, fire, storm or flood, explosion, breakage or accident to machinery or equipment, any order, regulation or restriction imposed by governmental, military or lawfully established civilian authorities, or any other cause beyond a Party’s control. A Force Majeure event does not include an act of negligence or intentional wrongdoing by the Party claiming Force Majeure.
- 1.13 “**Good Utility Practice**” shall mean any of the practices, methods and acts engaged in or approved by a significant portion of the electric industry during the relevant time period,

or any of the practices, methods and acts which, in the exercise of reasonable judgment in light of the facts known to the time the decision was made, could have been expected to accomplish the desired result at a reasonable cost consistent with good business practices, reliability, safety and expedition. Good Utility Practice is not intended to be limited to the optimum practice, method, or act to the exclusion of all others, but rather to be acceptable practices, methods, or acts generally accepted in the region.

- 1.14** “**Governmental Authority**” shall mean any federal, state, local or other governmental regulatory or administrative agency, court, commission, department, board, or other governmental subdivision, legislature, rulemaking board, tribunal, or other governmental authority having jurisdiction over the Parties, their respective facilities, or the respective services they provide, and exercising or entitled to exercise any administrative, executive, police, or taxing authority or power; provided, however, that such term does not include Customer, Transmission Provider, Transmission Owner, or any Affiliate thereof.
- 1.15** “**In-Service Date**” shall mean the date upon which Transmission Owner reasonably expects to have placed the TOIF, Network Upgrades and/or System Protection Facilities into service.
- 1.16** “**Local Balancing Authority**” shall mean an operational entity or a Joint Registration Organization which is (i) responsible for compliance with the subset of NERC Balancing Authority Reliability Standards defined in the Balancing Authority Agreement for their local area within the MISO Balancing Authority Area, (ii) a Party to Balancing Authority Agreement, excluding MISO, and (iii) shown in Appendix A to the Balancing Authority Agreement.
- 1.17** “**Loss**” shall mean any and all damages, losses, claims, including claims and actions relating to injury to or death of any person or damage to property, demand, suits, recoveries, costs and expenses, court costs, attorney fees, and all other obligations by or to third parties, arising out of or resulting from the other Party’s performance, or non-performance of its obligations under this Agreement on behalf of the indemnifying Party, except in cases of gross negligence or intentional wrongdoing, by the indemnified Party.
- 1.18** “**NERC**” shall mean the North American Electric Reliability Corporation, or its successor organization.
- 1.19** “**Network Upgrades**” shall mean the additions, modifications, and upgrades to the Transmission System requested or required by the Customer and to be owned and operated by Transmission Owner and set forth in Appendix A, Section 1.2 of this Agreement.
- 1.20** “**Non-Breaching Party**” shall mean a Party that is not in Breach of this Agreement with regard to a specific event of Breach by another Party.
- 1.21** “**System Protection Facilities**” shall mean the equipment, including necessary protection signal communications equipment, required to protect (1) the Transmission System or other delivery systems or other generating systems from faults or other electrical disturbances occurring at the Facility and (2) the Facility from faults or other electrical

system disturbances occurring on the Transmission System or on other delivery systems or other generating systems to which the Transmission System is directly connected.

- 1.22** “**Tariff**” shall mean the Transmission Provider’s Tariff through which open access transmission service and Interconnection Service are offered, as filed with the Commission, and as amended or supplemented from time to time, or any successor tariff.
- 1.23** “**Transmission Provider**” means the Midcontinent Independent System Operator or successor entity.
- 1.24** “**Transmission System**” shall mean the facilities owned by Transmission Owner that are used to provide retail electric service at transmission level.
- 1.25** **Customer’s Interconnection Facilities** shall mean all facilities and equipment, as identified in Appendix A of the FCA, that are located between the Customer’s facilities and the Point Change of Ownership, including any modification, addition, or upgrades to such facilities and equipment necessary to physically interconnect the Customer’s facility to the Transmission System or Distribution System, as applicable.
- 1.26** **Customer Facility** shall mean the large communication services buildings operated by Customer, located on or about the intersection of Midway Road and Morris Thomas Road in Hermantown, MN. If utilizing the same Point of Interconnection, if mutually agreed by the Parties, a different location within MP’s service territory where Customer plans to operate comparable large communication services buildings or facilities may be substituted for the Customer Facility.
- 1.27** **Interconnection Facilities** shall mean the Transmission Owner’s Interconnection Facilities and the Customer’s Interconnection Facilities. Collectively, Interconnection Facilities include all facilities and equipment between the Customer’s Facility and the Point of Interconnection, including any modification, additions or upgrades that are necessary to physically and electrically interconnect the Customer’s Facility to the Transmission System.
- 1.28** **Transmission Owner’s Interconnection Facilities (TOIF)** shall mean all facilities and equipment owned by Transmission Owner from the Point of Change of Ownership to the Point of Interconnection as identified in Appendix A to this FCA, including any modifications thereto.

ARTICLE 2 TERM OF AGREEMENT

- 2.1** **Effective Date.** Subject to required regulatory authorizations, including, without limitation, acceptance by FERC under Section 205 of the Federal Power Act, this Agreement shall become effective on the date on which this Agreement is made and entered into by the Parties.

2.2 Term.

2.2.1 General. This Agreement shall become effective as provided in Article 2.1 and shall continue in full force and effect until the earlier of (i) the final repayment, where applicable, by Transmission Owner of the amount funded by Customer for Transmission Owner's design, procurement, construction and installation of the Network Upgrades, TOIF and System Protection Facilities provided in Appendix A; (ii) the Parties agree to mutually terminate this Agreement; (iii) earlier termination has occurred as is permitted or provided for under Appendix A of this Agreement; or (iv) Customer terminates this Agreement after providing Transmission Owner with written notice at least sixty (60) Calendar Days prior to the proposed termination date. No termination of this Agreement shall be effective until the Parties have complied with all Applicable Laws and Regulations applicable to such termination. The term of this Agreement may be adjusted upon mutual agreement of the Parties if the In-Service Date for the Network Upgrades, Interconnection Facilities, and System Protection Facilities is adjusted in accordance with the rules and procedures established by Transmission Provider.

2.2.2 Termination Upon Default. In the event of a Default by a Party, the Non-Defaulting Party shall have the termination rights described in Articles 9 and 10; provided, however, so long as the Default does not involve an event described in part (c) of Article 9.1, and provided the Default does not pose a threat to the reliability of the Transmission System, Transmission Owner may not terminate this Agreement if Customer is the Defaulting Party and Customer (i) has undertaken, in accordance with Article 9.2, to cure the Breach that led to the Default and has failed to cure the Breach for reasons other than Customer's failure to diligently commence reasonable and appropriate steps to cure the Breach within the thirty (30) Calendar Days allowed by Article 9.2, and (ii) compensates Transmission Owner within thirty (30) Calendar Days for the amount of damage incurred by Transmission Owner for any damages, including costs and expenses, incurred by Transmission Owner, as applicable, as a result of such Default. In the event of an occurrence described in part (c) of Article 9.1, and provided the Default does not pose a threat to the reliability of the Transmission System, the Non-Defaulting Party shall not terminate this Agreement provided that the Defaulting Party provided an assurance of payment acceptable to the Non-Defaulting Party and pays any applicable damages.

2.2.3 Consequences of Termination by Transmission Owner. In the event of a termination by Transmission Owner, Customer must pay Transmission Owner all amounts still due and payable for construction and installation of the Network Upgrades, TOIF, and System Protection Facilities (including, without limitation, any equipment ordered related to such construction), plus all out-of-pocket expenses incurred by Transmission Owner in connection with the construction and installation of the Network Upgrades, TOIF, and System Protection Facilities, through the date of termination, plus any actual costs which Transmission Owner (A) reasonably incurs in winding up work and construction demobilization and (B) reasonably incurs to ensure the safety of persons and property and the integrity and

safe and reliable operation of the Transmission System. Transmission Owner agrees to use Reasonable Efforts to minimize such costs.

- 2.2.4 Material Adverse Change.** In the event of a material change in law or regulation that adversely affects or may reasonably be expected to adversely affect a Party's rights and/or obligations under this Agreement, the Parties shall negotiate in good faith any amendments to this Agreement necessary to adapt the terms of this Agreement to such change in law or regulation, and Transmission Owner shall file such amendments with FERC, if and as necessary. If, within sixty (60) Calendar Days after the occurrence of any event described in this Article 2.2.4, the Parties are unable to reach agreement as to any necessary amendments, the Parties may proceed under Article 14 to resolve any disputes related thereto; Transmission Owner shall have the right to make a unilateral filing with FERC to modify this Agreement pursuant to Section 205 or any other applicable provision of the Federal Power Act and FERC's rules and regulations thereunder, and Customer shall have the right to make a unilateral filing with FERC to modify this Agreement pursuant to Section 206 or any other applicable provision of the Federal Power Act and FERC's rules and regulations thereunder; provided that a Party shall have the right to protest any such filing by another Party and to participate fully in any proceeding before FERC in which such modifications may be considered. If a Party is unable to fully perform this Agreement due to the occurrence of an event described in this Article 2.2.4 and such inability is not based on economic reasons, such Party shall not be deemed to be in Default of its obligations under this Agreement, provided that such Party is seeking dispute resolution under Article 14 or before FERC, to the extent that (i) such Party is unable to perform as a result of such an event and (ii) such Party acts in accordance with its obligations under this Article 2.2.4.
- 2.3 Regulatory Filing.** In accordance with Applicable Laws and Regulations, Transmission Provider shall file this Agreement, and any amendment to this Agreement with FERC as a service agreement under the Tariff. If Customer has executed this Agreement or any amendment to this Agreement, Customer shall not protest this Agreement or the amendment, shall reasonably cooperate with Transmission Provider with respect to such filing and shall provide any information, including the rendering of testimony or pleadings, as applicable, reasonably requested by Transmission Provider to the extent reasonably needed to comply with applicable regulatory requirements.
- 2.4 Survival.** The applicable provisions of this Agreement shall continue in effect after expiration, cancellation, or termination hereof to the extent necessary to provide for final billings, billing adjustments, and the determination and enforcement of liability and indemnification obligations arising from acts or events that occurred while this Agreement was in effect.
- 2.5 Termination Obligations.** Upon any termination pursuant to this Agreement, other than termination in the event of default by the Transmission Owner, Customer shall be responsible for the payment of all costs or other contractual obligations incurred prior to the termination date, including previously incurred capital costs, penalties for early termination, costs of removal and site restoration.

ARTICLE 3
CONSTRUCTION OF NETWORK UPGRADES
AND SYSTEM PROTECTION FACILITIES

3.1 Construction.

3.1.1 Transmission Owner Obligations. Transmission Owner shall (or shall cause such action to) design, procure, construct and install, and Customer shall pay, consistent with Article 3.2, the cost of, all Network Upgrades, TOIF, and System Protection Facilities identified in **Appendix A**. All Network Upgrades, TOIF, and System Protection Facilities designed, procured, constructed and installed by Transmission Owner pursuant to this Agreement shall satisfy all requirements of applicable safety and/or engineering codes, including those requirements of Transmission Owner and Transmission Provider, and comply with Good Utility Practice, and shall comply with all Applicable Laws and Regulations.

3.1.2 Suspension of Work.

3.1.2.1 Right to Suspend for Force Majeure Event. Provided that such suspension is permissible under the authorizations, permits or approvals granted for the construction of the Network Upgrades and System Protection Facilities Customer will not suspend unless a Force Majeure event occurs. Customer must provide written notice of its request for suspension to Transmission Owner and provide a description of the Force Majeure event. Suspension will only apply to Customer milestones and Interconnection Facilities described in the Appendices of this Agreement. Prior to suspension, Customer must also provide security acceptable to Transmission Owner, equivalent to the higher of Five (\$5.0) Million or the total cost of all Network Upgrades, Transmission Owner's System Protection Facilities, and Distribution Upgrades listed in Appendix A of this Agreement. Network Upgrades, System Protection Facilities, and Transmission Owner Interconnection Facilities will be constructed on the schedule described in the Appendices of this Agreement unless: (1) construction is prevented by the order of a Governmental Authority; (2) the Network Upgrades and System Protection Facilities are not needed by any other project; or (3) Transmission Owner determines that a Force Majeure event prevents construction. In the event of (1), (2), or (3), security shall be released upon the determination that the Network Upgrades and System Protection Facilities will no longer be constructed. If suspension occurs, Customer shall be responsible for the costs which Transmission Owner incurs (i) in accordance with this Agreement prior to the suspension, (ii) in suspending such work, including any costs incurred to perform such work as may be necessary to ensure the safety of persons and property and the integrity of the Transmission System and, if applicable, any costs incurred in connection with the cancellation of contracts and orders for material which Transmission Owner cannot reasonably avoid, and (iii) in winding up work and construction demobilization; provided, however, that, prior to

canceling any such contracts or orders, Transmission Owner shall obtain Customer's authorization. Customer shall be responsible for all costs incurred in connection with Customer's denial of authorization to cancel such contracts or orders. Interest as provided in Article 3.2.2.2 on amounts paid by Customer to Transmission Owner for the design, procurement, construction and installation of the Network Upgrades and System Protection Facilities, shall not accrue during periods in which Customer has suspended construction under this Article 3.1.2. Transmission Owner shall invoice Customer pursuant to Article 6 and use Reasonable Efforts to minimize its costs. In the event Customer suspends work pursuant to this Article, no construction duration, timelines and schedules set forth in Appendix A shall be suspended during the period of suspension unless ordered by a Governmental Authority, with such order being the Force Majeure event causing the suspension.

3.1.2.2 Recommencing of Work. If Customer requests Transmission Owner to recommence such work, Transmission Owner shall have no obligation to afford such work the priority it would have had but for the prior actions of Customer to suspend the work. In such event, Customer shall be responsible for any costs incurred in recommencing the work. All recommenced work shall be completed pursuant to an amended schedule for the interconnection agreed to by the Parties. Transmission Owner has the right to request an Interconnection System Impact Study or Interconnection System Impact Study for Affected System if conditions have materially changed subsequent to the request to suspend. Customer shall be responsible for the costs of any studies required.

3.1.2.3 [RESERVED]

3.1.2.4 Right to Suspend Due to Default. Transmission Owner reserves the right, upon written notice to Customer, to suspend, at any time, work by Transmission Owner and the incurrence of additional expenses associated with the construction and installation of the Network Upgrades and System Protection Facilities upon the occurrence of either a Breach that Customer is unable to cure pursuant to Article 9 or an Event of Default pursuant to Article 9. Any form of suspension by Transmission Owner shall not be barred by Articles 2.2.2, 2.2.3 or 9.2.2, nor shall it affect Transmission Owner's right to terminate the work or this Agreement pursuant to Article 10. In such events, Customer shall be responsible for costs which Transmission Owner incurs as set forth in Article 2.2.3.

3.1.3 Construction Status. Transmission Owner shall keep Customer regularly advised as to the progress of its design, procurement and construction efforts as described in Appendix A. Customer may, at any time, request a progress report from Transmission Owner.

3.1.4 Timely Completion. Transmission Owner shall use Reasonable Efforts to design, procure, construct, install, and test the Network Upgrades, Interconnection Facilities, and System Protection Facilities in accordance with the schedule set forth in Appendix A, which schedule may be revised from time to time by mutual agreement of the Parties. If any event occurs that will affect the time for completion of the Network Upgrades and/or System Protection Facilities, or the ability to complete any of them, Transmission Owner shall promptly notify Customer.

3.2 Network Upgrade Costs and Credits.

3.2.1 Costs. Customer shall pay to Transmission Owner costs (including taxes) associated with seeking and obtaining all necessary approvals and of designing, engineering, constructing, and testing the Network Upgrades and System Protection Facilities, as identified in Appendix A, in accordance with the cost recovery method provided herein. If the Transmission Owner provides the Customer with written notice that Transmission Owner elects to fund the capital for the Network Upgrades and Transmission Owner's System Protection Facilities identified in Appendix A, a Facilities Service Agreement between Transmission Owner and Customer shall be negotiated and executed; otherwise, such facilities, if any, shall be solely funded by Customer.

Transmission Owner shall install, at Customer's expense, any Transmission Owner's System Protection Facilities that may be required on the Transmission Owner's transmission or distribution facilities as a result of the Network Upgrade(s) required by Customer's request.

3.2.1.1 Lands of Other Property Owners. If any part of the Network Upgrades, TOIF, and/or System Protection Facilities, is to be installed on property owned by persons other than Customer or Transmission Owner, Transmission Owner shall at Customer's expense use efforts, similar in nature and extent to those that it typically undertakes on its own behalf or on behalf of its Affiliates, including use of its eminent domain authority to the extent permitted and consistent with Applicable Laws and Regulations and, to the extent consistent with such Applicable Laws and Regulations, to procure from such persons any rights of use, licenses, rights of way and easements that are necessary to construct, operate, maintain, test, inspect, replace or remove the Network Upgrades, Interconnection Facilities, and/or System Protection Facilities upon such property.

3.2.2 Credits.

3.2.2.1 Repayment. Customer shall be entitled to a cash repayment by Transmission Owner(s) that owns the Network Upgrades, of the amount paid respectively to Transmission Owner, if any, for the Network Upgrades, as provided under Attachment FF of the Tariff, and including any tax gross-up or other tax-related payments associated with the repayable portion of the Network Upgrades, and not repaid to Customer pursuant to Article 3.3.1

or otherwise, to be paid to Customer on a dollar-for-dollar basis for the non-usage sensitive portion of transmission charges, as payments are made under the Tariff for Transmission Service with respect to the Facility. Any repayment shall include interest calculated in accordance with the methodology set forth in FERC's regulations at 18 C.F.R. § 35.19 a(a)(2)(iii) from the date of any payment for Network Upgrades through the date on which Customer receives a repayment of such payment pursuant to this subparagraph. Interest shall not accrue during periods in which Customer has suspended construction pursuant to Article 3.1.2.1 or the Network Upgrades have been determined not to be needed pursuant to this Article 3.2.2.1. Customer may assign such repayment rights to any person.

3.2.2.2 Amount. Transmission credits will be based on the final, actual cost of completing the Network Upgrades as provided by the final invoice prepared by Transmission Owner pursuant to Article 6.4 of this Agreement. Any repayment made pursuant to Article 3.2.2.1 shall include (i) the final, actual cost after any true-up amounts have been paid pursuant to Article 6.4, and (ii) interest calculated in accordance with the methodology set forth in FERC's regulations at 18 C.F.R. §35.19a(a)(2)(iii) from the date of any payment for Network Upgrades through the date on which Customer receives a repayment of such payment pursuant to this Article 3.2 until fully reimbursed. Interest shall not accrue during periods in which Customer has suspended construction pursuant to Article 3.1.2.1.

3.2.2.3 Alternative Payment Schedule. Notwithstanding the foregoing, as applicable and consistent with the provisions of Attachment FF of the Tariff, Customer and Transmission Owner may adopt any alternative payment schedule that is mutually agreeable.

3.2.2.4 [RESERVED]

3.2.2.5 Rights not Relinquished. Notwithstanding any other provision of this Agreement, nothing herein shall be construed as relinquishing or foreclosing any rights, including but not limited to firm transmission rights, capacity rights, transmission congestion rights, or transmission credits, that Customer, shall be entitled to, now or in the future under any other agreement or tariff as a result of, or otherwise associated with, the transmission capacity, if any, created by the Network Upgrades, including the right to obtain refunds or transmission credits for Transmission Service that is not associated with the Facility.

3.3 Taxes.

3.3.1 Indemnification for Contributions in Aid of Construction. The Parties intend that all payments made by Customer to Transmission Owner for the installation of the Network Upgrades, Interconnection Facilities and/or System Protection Facilities shall be non-taxable contributions to capital in accordance with the

Internal Revenue Code and any applicable state tax laws and shall not be taxable as contributions in aid of construction under the Internal Revenue Code and any applicable state tax laws. With regard only to such contributions, Transmission Owner shall not include a gross-up for income taxes in the amounts it charges Customer for the installation of the Network Upgrades, Interconnection Facilities, and System Protection Facilities unless (i) Transmission Owner has determined, in good faith, that the payments or property transfers made by Customer to Transmission Owner should be reported as income subject to taxation or (ii) any Governmental Authority directs Transmission Owner to report payments or property as income subject to taxation; provided, however, that Transmission Owner may require Customer to provide security in a form reasonably acceptable to Transmission Owner (such as a parental guarantee or a letter of credit), in an amount equal to the cost of the tax liability (determined or expected) for the cost of Network Upgrades, TOIF, and/or System Protection Facilities being treated as taxable contributions to capital. Customer shall reimburse Transmission Owner for such costs on a fully grossed-up basis, in accordance with this Article, within thirty (30) Calendar Days of receiving written notification from Transmission Owner of the amount due, including detail about how the amount was calculated.

The indemnification obligation shall terminate at the earlier of (1) the expiration of the ten-year testing period (as determined in accordance IRS Notice 2005-70 and subsequent guidance) and the applicable statutes of limitation, as it may be extended by Transmission Owner upon request of the IRS to keep these years open for audit or adjustment, or (2) the occurrence of a subsequent taxable event and the payment of any related indemnification obligations as contemplated by this Article. Notwithstanding the foregoing provisions of this Article 3.3.1, and to the extent permitted by law, to the extent that the receipt of such payments by Transmission Owner is determined by any Governmental Authority to constitute income by Transmission Owner subject to taxation, Customer shall protect, indemnify and hold harmless Transmission Owner and its Affiliates, from all claims by any such Governmental Authority for any tax, interest and/or penalties associated with such determination. Upon receiving written notification of such determination from the Governmental Authority, Transmission Owner shall provide Customer with written notification within thirty (30) Calendar Days of such determination and notification. Transmission Owner, upon the timely written request by Customer and at Customer's expense, shall appeal, protest, seek abatement of, or otherwise oppose such determination. Transmission Owner reserves the right to make all decisions with regard to the prosecution of such appeal, protest, abatement or other contest, including the compromise or settlement of the claim; provided that Transmission Owner shall cooperate and consult in good faith with Customer regarding the conduct of such contest. Customer shall advance to Transmission Owner on a periodic basis as requested by Transmission Owner the estimated cost of prosecuting such appeal, protest, abatement or other contest. Customer shall not be required to pay Transmission Owner for the tax, interest and/or penalties prior to the seventh (7th) Calendar Day before the date on which Transmission Owner (i) is required to pay the tax, interest and/or penalties or other amount in lieu thereof pursuant to a compromise or settlement of the appeal, protest, abatement or other

contest; (ii) is required to pay the tax, interest and/or penalties as the result of a final, non-appealable order by a Governmental Authority; or (iii) is required to pay the tax, interest and/or penalties as a prerequisite to an appeal, protest, abatement or other contest. In the event such appeal, protest, abatement or other contest results in a determination that Transmission Owner is not liable for any portion of any tax, interest and/or penalties for which Customer has already made payment to Transmission Owner, Transmission Owner shall promptly refund to Customer any payment attributable to the amount determined to be non-taxable, plus any interest or other payments Transmission Owner receives or which Transmission Owner may be entitled with respect to such payment. In accordance with Article 6, Customer shall provide Transmission Owner with credit assurances sufficient to meet Customer's estimated liability for reimbursement of Transmission Owner for taxes, interest and/or penalties under this Section 3.3.1. Such estimated liability shall be stated in Appendix A.

To the extent that Transmission Owner is a limited liability company and not a corporation, and has elected to be taxed as a partnership, then the following shall apply: Transmission Owner represents, and the Parties acknowledge, that Transmission Owner is a limited liability company and is treated as a partnership for federal income tax purposes. Any payment made by Customer to Transmission Owner for Network Upgrades, TOIF, and System Protection Facilities is to be treated as an upfront payment in accordance with Rev Proc 2005-35. It is anticipated by the Parties that any amounts paid by Customer to Transmission Owner for Network Upgrades, TOIF, and/or System Protection Facilities will be reimbursed to Customer in accordance with the terms of this Agreement, provided Customer fulfills its obligations under this Agreement.

3.3.2 Private Letter Ruling. At Customer's request and expense, Transmission Owner shall file with the IRS a request for a private letter ruling as to whether any property transferred or sums paid, or to be paid, by Customer to Transmission Owner under this Agreement are subject to federal income taxation. Transmission Owner and Customer shall cooperate in good faith with respect to the submission of such request.

3.3.3 Other Taxes. Upon the timely request by Customer, and at Customer's sole expense, Transmission Owner shall appeal, protest, seek abatement of, or otherwise contest any tax (other than federal or state income tax) asserted or assessed against Transmission Owner for which Customer may be required to reimburse Transmission Owner under the terms of this Agreement. Customer shall pay to Transmission Owner on a periodic basis, as invoiced by Transmission Owner, Transmission Owner's documented reasonable costs of prosecuting such appeal, protest, abatement, or other contest. Customer and Transmission Owner shall cooperate in good faith with respect to any such contest. Unless the payment of such taxes is a prerequisite to an appeal or abatement or cannot be deferred, no amount shall be payable by Customer to Transmission Owner for such taxes until they are assessed by a final, non-appealable order by any court or agency of competent jurisdiction. In the event that a tax payment is withheld and ultimately

due and payable after appeal, Customer will be responsible for all taxes, interest and penalties, other than penalties attributable to any delay caused by Transmission Owner. Each Party shall cooperate with the other Parties to maintain each Party's tax status. Nothing in this Agreement is intended to adversely affect any Party's tax-exempt status with respect to the issuance of bonds including, but not limited to, Local Furnishing Bonds as defined in Module A of the MISO Tariff.

ARTICLE 4 FORCE MAJEURE

- 4.1 Notice.** The Party unable to carry out an obligation imposed on it by this Agreement due to a Force Majeure event shall notify the other Parties in writing or verbally with subsequent notice in writing within a reasonable time after the occurrence of the cause relied on.
- 4.2 Duration of Force Majeure.** Except as set forth in Article 4.3, no Party will be considered in Default as to any obligation under this Agreement if prevented from fulfilling the obligation due to an event of Force Majeure. A Party shall not be responsible for any non-performance or be considered in Breach or Default under this Agreement due to Force Majeure. A Party shall be excused from whatever performance is affected for only the duration of the Force Majeure event and while the Party exercises Reasonable Efforts to alleviate such event. As soon as the non-performing Party is able to resume performance of its obligations excused as a result of the occurrence of Force Majeure, such Party shall give prompt notice thereof to the other Parties.
- 4.3 Obligation to Make Payments.** Any Party's obligation to make payments for services incurred shall not be suspended by Force Majeure.

ARTICLE 5 INFORMATION REPORTING

- 5.1 Information Reporting Obligations.** Each Party shall, in accordance with Good Utility Practice, promptly provide to the other Parties all relevant information, documents, or data regarding the Party's facilities and equipment which may reasonably be expected to pertain to the reliability of the other Party's facilities and equipment, and which has been reasonably requested by the other Party.
- 5.2 Non-Force Majeure Reporting.** A Party shall notify the other Parties when it becomes aware of its inability to comply with the provisions of this Agreement for a reason other than Force Majeure. The Parties agree to cooperate with each other and provide necessary information regarding such inability to comply, including, but not limited to, the date, duration, reason for the inability to comply, and corrective actions taken or planned to be taken with respect to such inability to comply. In the event of Force Majeure, a Party unable to comply with the provisions of this Agreement shall notify the other Parties in accordance with the provisions of Article 4.

ARTICLE 6
CREDITWORTHINESS, BILLING AND PAYMENTS

6.1 Creditworthiness. By the earlier of (i) thirty (30) Calendar Days prior to the due date for Customer's first payment under the payment schedule specified in Appendix A or (ii) the first date specified in Appendix A for the ordering of equipment by Transmission Owner for installing the Network Upgrades, TOIF, and/or System Protection Facilities, Customer shall provide Transmission Owner, at Transmission Owner's option, with a form of adequate assurance of creditworthiness reasonably acceptable to Transmission Owner. If the adequate assurance is a parental guarantee or surety bond, it must be made by an entity that meets the creditworthiness requirements of Transmission Owner, have terms and conditions reasonably acceptable to Transmission Owner and guarantee payment of the amount specified in the next paragraph of this Article 6.1. If the adequate assurance is a letter of credit, it must be issued by a bank reasonably acceptable to Transmission Owner, specify a reasonable expiration date and may provide that the maximum amount available to be drawn under the letter shall reduce on a monthly basis in accordance with the monthly payment schedule. The surety bond must be issued by an insurer reasonably acceptable to Transmission Owner, specify a reasonable expiration date and may provide that the maximum amount assured under the bond shall reduce on a monthly basis in accordance with the monthly payment schedule. After the Network Upgrades, TOIF, and/or System Protection Facilities have been placed in service and until Customer fully compensates Transmission Owner for construction of the Network Upgrades, TOIF, and/or System Protection Facilities, Customer shall, subject to the standards of this Article 6.1, maintain a parental guarantee, surety bond, letter of credit, or some other credit assurance sufficient to meet its monthly payment obligation under Article 3.2.1, as specified in the following paragraph. Customer's estimated liability under Article 3.2.1 is stated in Appendix A.

Customer shall maintain as of the first day of each month beginning on the due date for Customer's first payment under the payment schedule specified in Appendix A, and continuing through to the date the final invoice is paid, a parental guarantee, surety bond or letter of credit in an amount sufficient to cover the applicable costs and cost commitments required for designing and building the Network Upgrades and Interconnection Facilities set forth in Appendix A and such security shall be reduced on a dollar-for-dollar basis for payments made by Customer to Transmission Owner for the facilities set forth in Appendix A.

6.2 Invoice. Each Party shall submit to the other Party, on a monthly basis, invoices of amounts due, if any, for the preceding month. Each invoice shall state the month to which the invoice applies and fully describe the services and equipment provided. The Parties may discharge mutual debts and payment obligations due and owing to each other on the same date through netting, in which case all amounts a Party owes to the other Party under this Agreement, including interest payments or credits, shall be netted so that only the net amount remaining due shall be paid by the owing Party.

6.3 Payment. Invoices shall be rendered to the paying Party at the address specified by the Parties. The Party receiving the invoice shall pay the invoice within thirty (30) Calendar Days of receipt. All payments shall be made in immediately available funds payable to the

other Party, or by wire transfer to a bank named and account designated by the invoicing Party. Payment of invoices by a Party will not constitute a waiver of any rights or claims that Party may have under this Agreement.

- 6.4 Final Invoice.** Within six (6) months after completion of the construction of the Network Upgrades, TOIF and/or System Protection Facilities, Transmission Owner shall provide an invoice of the final cost of the construction of the Network Upgrades, TOIF, and/or System Protection Facilities and shall set forth such costs in sufficient detail to enable Customer to compare the actual costs with the estimates and to ascertain deviations, if any, from the cost estimates. Transmission Owner shall refund, with interest (calculated in accordance with 18 C.F.R. Section 35.19a(a)(2)(iii)), to Customer any amount by which the actual payment by Customer for estimated costs exceeds the actual costs of construction within thirty (30) business Days of the issuance of such final construction invoice.
- 6.5 Interest.** Interest on any unpaid amounts shall be calculated in accordance with 18 C.F.R. § 35.19a(a)(2)(iii).
- 6.6 Payment During Dispute.** In the event of a billing dispute among the Parties, Transmission Owner shall continue to construct the Network Upgrades, TOIF, and System Protection Facilities under this Agreement as long as Customer: (i) continues to make all payments not in dispute; and (ii) pays to Transmission Owner or into an independent escrow account the portion of the invoice in dispute, pending resolution of such dispute. If Customer fails to meet these two requirements, then Transmission Owner shall provide notice to Customer of a Default pursuant to Article 9. Within thirty (30) Calendar Days after the resolution of the dispute, the Party that owes money to another Party shall pay the amount due with interest calculated in accord with the methodology set forth in 18 C.F.R. § 35.19a(a)(2)(iii).

ARTICLE 7 ASSIGNMENT

- 7.1 Assignment.** This Agreement may be assigned by either Party only with the written consent of the other Party; provided that a Party may assign this Agreement without the consent of the other Party to any Affiliate of the assigning Party (i) with an equal or greater credit rating and with the legal authority and operational ability to satisfy the obligations of the assigning Party under this Agreement, and (ii) with respect to assignment by Customer, provided the Affiliate satisfies the security requirements of Article 6.1; and provided further that Customer shall have the right to assign this Agreement, without the consent of Transmission Owner for collateral security purposes to aid in providing financing for the Interconnection Facilities, Network Upgrades, and System Protection Facilities, provided that Customer will promptly notify Transmission Owner of any such assignment. Any financing arrangement entered into by Customer pursuant to this Article will provide that prior to or upon the exercise of the financing or otherwise secured party will notify Transmission Owner of the date and particulars of any such exercise of assignment right(s), including providing Transmission Owner with proof that it meets the requirements of Article 6.1. Any attempted assignment that violates this Article is void and ineffective. Except as provided below, any assignment of this Agreement shall not

relieve a Party of its obligations unless otherwise agreed in writing by the Parties, nor shall a Party's obligations be enlarged, in whole or in part, by reason thereof. Where required, consent to assignment will not be unreasonably withheld, conditioned or delayed. Any assignment of this Agreement made in compliance with this Article 7.1 shall constitute an acceptance and assumption of such obligations by the assignee, a novation of the assignee in place of the assigning Party with respect to such obligations (and any related interests so transferred), and a release and discharge by non-assigning Party from, and an agreement by the non-assigning Party not to make any claim for payment, liability, or otherwise against the assigning Party with respect to such obligations to the extent arising from and after the effective date of the assignment.

ARTICLE 8 INDEMNITY

8.1 General. To the extent permitted by law, a Party (the "**Indemnifying Party**") shall at all times indemnify, defend, and hold the other Parties (each an "**Indemnified Party**") harmless from Loss, only as provided in the Tariff.

8.1.1 Indemnified Party. If an Indemnified Party is entitled to indemnification under this Article 8 as a result of a claim by a third party, and the Indemnifying Party fails, after notice and reasonable opportunity to proceed under Article 8.1, to assume the defense of such claim, such Indemnified Party may at the expense of the Indemnifying Party contest, settle or consent to the entry of any judgment with respect to, or pay in full, such claim.

8.1.2 Indemnifying Party. If an Indemnifying Party is obligated to indemnify and hold any Indemnified Party harmless under this Article 8, the amount owing to the Indemnified Party shall be the amount of such Indemnified Party's actual Loss, net of any insurance or other recovery.

8.1.3 Indemnity Procedures. Promptly after receipt by an Indemnified Party of any claim or notice of the commencement of any action or administrative or legal proceeding or investigation as to which the indemnity provided for in Article 8.1 may apply, the Indemnified Party shall notify the Indemnifying Party of such fact. Any failure of or delay in such notification shall not affect a Party's indemnification obligation unless such failure or delay is materially prejudicial to the Indemnifying Party.

The Indemnifying Party shall have the right to assume the defense thereof with counsel designated by such Indemnifying Party and reasonably satisfactory to the Indemnified Party. If the defendants in any such action include one or more Indemnified Parties and the Indemnifying Party and if the Indemnified Party reasonably concludes that there may be legal defenses available to it and/or other Indemnified Parties which are different from or additional to those available to the Indemnifying Party, the Indemnified Party shall have the right to select separate counsel to assert such legal defenses and to otherwise participate in the defense of such action on its own behalf. In such instances, the Indemnifying Party shall only

be required to pay the fees and expenses of one additional attorney to represent an Indemnified Party or Indemnified Parties having such differing or additional legal defenses.

The Indemnified Party shall be entitled, at its expense, to participate in any such action, suit or proceeding, the defense of which has been assumed by the Indemnifying Party. Notwithstanding the foregoing, the Indemnifying Party (i) shall not be entitled to assume and control the defense of any such action, suit or proceedings if and to the extent that, in the opinion of the Indemnified Party and its counsel, such action, suit or proceeding involves the potential imposition of criminal liability on the Indemnified Party, or there exists a conflict or adversity of interest between the Indemnified Party and the Indemnifying Party, in such event the Indemnifying Party shall pay the reasonable expenses of the Indemnified Party, and (ii) shall not settle or consent to the entry of any judgment in any action, suit or proceeding without the consent of the Indemnified Party, which shall not be reasonably withheld, conditioned or delayed.

- 8.2 Consequential Damages.** In no event shall any Party be liable to any other Party under any provision of this Agreement for any losses, damages, costs or expenses for any special, indirect, incidental, consequential, or punitive damages, including but not limited to loss of profit or revenue, loss of the use of equipment, cost of capital, cost of temporary equipment or services, whether based in whole or in part in contract, in tort, including negligence, strict liability, or any other theory of liability; provided, however, that damages for which a Party may be liable to another Party under another agreement will not be considered to be special, indirect, incidental, or consequential damages hereunder.

ARTICLE 9 BREACH, CURE AND DEFAULT

- 9.1 Events of Breach.** A Breach of this Agreement shall include:

- (a) The failure to pay any amount when due;
- (b) The failure to comply with any material term or condition of this Agreement, including but not limited to any material Breach of a representation, warranty or covenant made in this Agreement;
- (c) If a Party (i) is adjudicated bankrupt; (ii) files a voluntary petition in bankruptcy under any provision of any federal or state bankruptcy law or shall consent to the filing of any bankruptcy or reorganization petition against it under any similar law; (iii) makes a general assignment for the benefit of its creditors; or (iv) consents to the appointment of a receiver, trustee or liquidator;
- (d) Assignment of this Agreement in a manner inconsistent with the terms of this Agreement;

- (e) Failure of a Party to provide such access rights, or a Party's attempt to revoke access or terminate such access rights, as provided under this Agreement.
- (f) Failure of a Party to provide information or data to another Party as required under this Agreement, provided the Party entitled to the information or data under this Agreement requires such information or data to satisfy its obligations under this Agreement.

9.2 Notice of Breach, Cure and Default. Upon the occurrence of an event of Breach, the Party not in Breach, when it becomes aware of the Breach, shall give written notice of the Breach to the Breaching Party and to any other person representing a Party to this Agreement identified in writing to the other Party in advance. Such notice shall set forth, in reasonable detail, the nature of the Breach, and where known and applicable, the steps necessary to cure such Breach.

9.2.1 Upon receiving written notice of the Breach hereunder, the Breaching Party shall have a period to cure such Breach (sometimes hereinafter referred as ("Cure Period")) which shall be thirty (30) Calendar Days unless such Breach is due to an occurrence under Article 9.1(a) or (c) in which case the cure period will be five (5) Business Days.

9.2.2 If the Breach is such that it cannot be cured within the Cure Period, the Breaching Party will commence in good faith all steps as are reasonable and appropriate to cure the Breach within such Cure Period and thereafter diligently pursue such action to completion. In the event the Breaching Party fails to:

- (a) cure the Breach, or to commence reasonable and appropriate steps to cure the Breach within the Cure Period; or,
- (b) completely cure the Breach within sixty (60) Calendar Days if the Breach occurs pursuant to Article 9.1(b), (d), (e) or (f),

the Breaching Party will be in Default of this Agreement and the non-Breaching Parties may, at their option, either in concert or individually (1) act to terminate this Agreement for cause by notifying the other Parties in writing, or (2) take whatever action at law or in equity as may appear necessary or desirable to enforce the performance or observance of any rights, remedies, obligations, agreement, or covenants under this Agreement.

9.3 Rights in the Event of Default. Notwithstanding the foregoing, upon the occurrence of an event of Default, any non-Defaulting Party shall be entitled to exercise all rights and remedies it may have in equity or at law.

ARTICLE 10
TERMINATION OF AGREEMENT

10.1 Expiration of Term. Except as otherwise specified in this Article 10, the Parties' obligations under this Agreement shall terminate at the conclusion of the term of this Agreement.

10.2 Termination. In addition to the termination provisions set forth in Article 2.2, a Party may terminate this Agreement upon the Default of another Party in accordance with this Agreement. Subject to the limitations set forth in Article 10.3, in the event of a Default, a non-Defaulting Party may terminate this Agreement only upon the later of (i) its giving of written notice of termination to the other Parties; and (ii) unless no longer required by FERC, the filing at FERC of a notice of termination for this Agreement, which filing must be accepted for filing by FERC.

10.3 Disposition of Facilities Upon Termination of Agreement.

10.3.1 Transmission Owner Obligations. Upon termination of this Agreement, unless otherwise agreed by the Parties in writing, Transmission Owner:

- (a) shall, prior to the construction and installation of any portion of the Network Upgrades, TOIF, and/or System Protection Facilities and to the extent possible, cancel any pending orders of, or return, such equipment or material for such Network Upgrades, TOIF and System Protection Facilities;
- (b) may keep in place any portion of the Network Upgrades, TOIF, and System Protection Facilities already constructed and installed; and,
- (c) shall perform such work as may be necessary to ensure the safety of persons and property and to preserve the integrity of the Transmission System (*e.g.*, construction demobilization to return the system to its original state, wind-up work).

10.3.2 Customer Obligations. Upon billing by Transmission Owner, Customer shall reimburse Transmission Owner for any costs incurred by Transmission Owner in performance of the actions required or permitted by Article 10.3.1 and for the cost of any Network Upgrades, TOIF, and/or System Protection Facilities described in **Appendix A**. Transmission Owner shall use Reasonable Efforts to minimize costs and shall offset the amounts owed by any salvage value of facilities, if applicable. Customer shall pay these costs pursuant to Article 6.3 of this Agreement.

10.3.3 Pre-construction or Installation. Upon termination of this Agreement and prior to the construction and installation of any portion of the Network Upgrades, TOIF, and System Protection Facilities, Transmission Owner may, at its option, retain any portion of such Network Upgrades, TOIF, and System Protection Facilities not cancelled or returned in accordance with Article 10.3.1(a), in which case

Transmission Owner shall be responsible for all costs associated with procuring such Network Upgrades, TOIF, and System Protection Facilities. To the extent that Customer has already paid Transmission Owner for any or all of such costs, Transmission Owner shall repay such amounts to the Customer. If Transmission Owner elects to not retain any portion of such facilities, Transmission Owner shall convey and make available to Customer such facilities as soon as practicable after Customer's payment for such facilities.

10.3.4 Pre-construction or Installation. Upon termination of this Agreement and prior to the construction and installation of any portion of the Network Upgrades, TOIF, and System Protection Facilities, for any equipment or materials declined by Transmission Owner in accordance with Section 10.3.3, prior to cancellation in section 10.3.1, Customer shall have the option to take title to such facilities, equipment and/or materials. Customer shall be responsible for removing such facilities, materials or equipment from the Transmission Owner-owned or controlled property at Customer's sole expense, but at a time and in a manner authorized by Transmission Owner.

10.4 Survival of Rights. Termination or expiration of this Agreement shall not relieve any Party of any of its liabilities and obligations arising hereunder prior to the date termination becomes effective, and each Party may take whatever judicial or administrative actions as appear necessary or desirable to enforce its rights hereunder. The applicable provisions of this Agreement will continue in effect after expiration, or early termination hereof to the extent necessary to provide for (A) final billings, billing adjustments and other billing procedures set forth in this Agreement; (B) the determination and enforcement of liability and indemnification obligations arising from acts or events that occurred while this Agreement was in effect; and (C) the confidentiality provisions set forth in Article 12.

ARTICLE 11 SUBCONTRACTORS

11.1 Subcontractors. Nothing in this Agreement shall prevent a Party from utilizing the services of subcontractors, as it deems appropriate, to perform its obligations under this Agreement; provided, however, that each Party shall require its subcontractors to comply with all applicable terms and conditions of this Agreement in providing such services and each Party shall remain primarily liable to the other Parties for the performance of such subcontractor.

11.1.1 Responsibility of Principal. The creation of any subcontract relationship shall not relieve the hiring Party of any of its obligations under this Agreement. In accordance with the provisions of this Agreement, each Party shall be fully responsible to the other Parties for the acts or omissions of any subcontractor it hires as if no subcontract had been made. Any applicable obligation imposed by this Agreement upon a Party shall be equally binding upon, and shall be construed as having application to, any subcontractor of such Party.

11.1.2 No Third-Party Beneficiary. Except as may be specifically set forth to the contrary herein, no subcontractor or any other party is intended to be, nor will it be deemed to be, a third-party beneficiary of this Agreement.

11.1.3 No Limitation by Insurance. The obligations under this Article 11 will not be limited in any way by any limitation of any insurance policies or coverages, including any subcontractor's insurance.

ARTICLE 12 CONFIDENTIALITY

12.1 Confidentiality. Confidential Information shall include, without limitation, all information relating to a Party's technology, research and development, business affairs, and pricing, and any information supplied by a Party to another Party prior to the execution of this Agreement.

Information is Confidential Information only if it is clearly designated or marked in writing as confidential on the face of the document, or, if the information is conveyed orally or by inspection, if the Party providing the information orally informs the Party receiving the information that the information is confidential. The Parties shall maintain as confidential any information that is provided and identified by a Party as Critical Energy Infrastructure Information (CEII), as that term is defined in 18 C.F.R. Section 388.113(c).

Such confidentiality will be maintained in accordance with this Article 12. If requested by the receiving Party, the disclosing Party shall provide in writing, the basis for asserting that the information referred to in this Article warrants confidential treatment, and the requesting Party may disclose such writing to the appropriate Governmental Authority. Each Party shall be responsible for the costs associated with affording confidential treatment to its information.

12.1.1 Term. During the term of this Agreement, and for a period of three (3) years after the expiration or termination of this Agreement, except as otherwise provided in this Article 12 or with regard to CEII, each Party shall hold in confidence and shall not disclose to any person Confidential Information. CEII shall be treated in accordance with Commission policies and regulations.

12.1.2 Scope. Confidential Information shall not include information that the receiving Party can demonstrate: (1) is generally available to the public other than as a result of a disclosure by the receiving Party; (2) was in the lawful possession of the receiving Party on a non-confidential basis before receiving it from the disclosing Party; (3) was supplied to the receiving Party without restriction by a non-Party, who, to the knowledge of the receiving Party after due inquiry, was under no obligation to the disclosing Party to keep such information confidential; (4) was independently developed by the receiving Party without reference to Confidential Information of the disclosing Party; (5) is, or becomes, publicly known, through no wrongful act or omission of the receiving Party or Breach of this Agreement; or (6) is required, in accordance with Article 12.1.7 of this Agreement, to be disclosed

by any Governmental Authority or is otherwise required to be disclosed by law or subpoena, or is necessary in any legal proceeding establishing rights and obligations under this Agreement. Information designated as Confidential Information will no longer be deemed confidential if the Party that designated the information as confidential notifies the receiving Party that it no longer is confidential.

12.1.3 Release of Confidential Information. No Party shall release or disclose Confidential Information to any other person, except to its Affiliates (limited by the Standards of Conduct requirements), subcontractors, employees, agents, consultants, or to non-Parties who may be or are considering providing financing to or equity participation with Customer, or to potential purchasers or assignees of Customer, on a need-to-know basis in connection with this Agreement, unless such person has first been advised of the confidentiality provisions of this Article 12 and has agreed to comply with such provisions. Notwithstanding the foregoing, a Party providing Confidential Information to any person shall remain primarily responsible for any release of Confidential Information in contravention of this Article 12.

12.1.4 Rights. Each Party retains all rights, title, and interest in the Confidential Information that it discloses to the receiving Party. The disclosure by a Party to the receiving Party of Confidential Information shall not be deemed a waiver by the disclosing Party or any other person or entity of the right to protect the Confidential Information from public disclosure.

12.1.5 No Warranties. By providing Confidential Information, no Party makes any warranties or representations as to its accuracy or completeness. In addition, by supplying Confidential Information, no Party obligates itself to provide any particular information or Confidential Information to another Party nor to enter into any further agreements or proceed with any other relationship or joint venture.

12.1.6 Standard of Care. Each Party shall use at least the same standard of care to protect Confidential Information it receives as it uses to protect its own Confidential Information from unauthorized disclosure, publication or dissemination. Each Party may use Confidential Information solely to fulfill its obligations to another Party under this Agreement or its regulatory requirements.

12.1.7 Order of Disclosure. If a court or a Government Authority or entity with the right, power, and apparent authority to do so requests or requires any Party, by subpoena, oral deposition, interrogatories, requests for production of documents, administrative order, or otherwise, to disclose Confidential Information, that Party shall provide the disclosing Party with prompt notice of such request(s) or requirement(s) so that the disclosing Party may seek an appropriate protective order or waive compliance with the terms of this Agreement. Notwithstanding the absence of a protective order or waiver, the Party may disclose such Confidential Information which, in the opinion of its counsel, the Party is legally compelled to

disclose. Each Party will use Reasonable Efforts to obtain reliable assurance that confidential treatment will be accorded any Confidential Information so furnished.

12.1.8 Termination of Agreement. Upon termination of this Agreement for any reason, each Party shall, within ten (10) Business Days of receipt of a written request from another Party, use Reasonable Efforts to destroy, erase, or delete (with such destruction, erasure, and deletion certified in writing to the requesting Party) or return to the requesting Party any and all written or electronic Confidential Information received from the requesting Party, except that each Party may keep one copy for archival purposes, provided that the obligation to treat it as Confidential Information in accordance with this Article 12 shall survive such termination.

12.1.9 Remedies. The Parties agree that monetary damages would be inadequate to compensate a Party for another Party's Breach of its obligations under this Article 12. Each Party accordingly agrees that the disclosing Party shall be entitled to equitable relief, by way of injunction or otherwise, if the receiving Party Breaches or threatens to Breach its obligations under this Article 12, which equitable relief shall be granted without bond or proof of damages, and the breaching Party shall not plead in defense that there would be an adequate remedy at law. Such remedy shall not be deemed an exclusive remedy for the Breach of this Article 12 but shall be in addition to all other remedies available at law or in equity. The Parties further acknowledge and agree that the covenants contained herein are necessary for the protection of legitimate business interests and are reasonable in scope. No Party, however, shall be liable for indirect, incidental, or consequential or punitive damages of any nature or kind resulting from or arising in connection with this Article 12.

12.1.10 Disclosure to FERC, its Staff or a State. Notwithstanding anything in this Article 12 to the contrary, and pursuant to 18 C.F.R. § 1b.20, if FERC or its staff, during the course of an investigation or otherwise, requests information from a Party that is otherwise required to be maintained in confidence pursuant to this Agreement, the Party shall provide the requested information to FERC or its staff, within the time provided for in the request for information. In providing the information to FERC or its staff, the Party must, consistent with 18 C.F.R. § 388.112, request that the information be treated as confidential and non-public by FERC and its staff and that the information be withheld from public disclosure. Parties are prohibited from notifying the other Parties to this Agreement prior to the release of the Confidential Information to FERC or its staff. The Party shall notify the other Parties to the Agreement when it is notified by FERC or its staff that a request to release Confidential Information has been received by FERC, at which time any of the Parties may respond before such information would be made public, pursuant to 18 C.F.R. § 388.112. Requests from a state regulatory body conducting a confidential investigation shall be treated in a similar manner if consistent with the applicable state rules and regulations.

12.1.11 Subject to the exception in Article 12.1.10, any information that a disclosing Party claims is competitively sensitive, commercial or financial information under this Agreement shall not be disclosed by the receiving Party to any person not employed or retained by the receiving Party, except to the extent disclosure is (i) required by law; (ii) reasonably deemed by the disclosing Party to be required to be disclosed in connection with a dispute between or among the Parties, or the defense of litigation or dispute; (iii) otherwise permitted by consent of the disclosing Party, such consent not to be unreasonably withheld; or (iv) necessary to fulfill its obligations under this Agreement or as the Regional Transmission Organization or a Local Balancing Authority operator including disclosing the Confidential Information to a regional or national reliability organization. The Party asserting confidentiality shall notify the receiving Party in writing of the information that Party claims is confidential. Prior to any disclosures of that Party's Confidential Information under this subparagraph, or if any non-Party or Governmental Authority makes any request or demand for any of the information described in this subparagraph, the Party who received the Confidential Information from the disclosing Party agrees to promptly notify the disclosing Party in writing and agrees to assert confidentiality and cooperate with the disclosing Party in seeking to protect the Confidential Information from public disclosure by confidentiality agreement, protective order or other reasonable measures.

ARTICLE 13 INFORMATION ACCESS AND AUDIT RIGHTS

- 13.1 Information Access.** Each Party shall make available to the other Parties information necessary to verify the costs incurred by the other Parties for which the requesting Party is responsible under this Agreement and carry out obligations and responsibilities under this Agreement, provided that the Parties shall not use such information for purposes other than those set forth in this Article 13.1 and to enforce their rights under this Agreement.
- 13.2 Audit Rights.** Subject to the requirements of confidentiality under Article 12 of this Agreement, the accounts and records related to the design, engineering, procurement, and construction of the Network Upgrades, TOIF, and System Protection Facilities shall be subject to audit during the period of this Agreement and for a period of twenty-four (24) months following the Transmission Owner's issuance of a final invoice in accordance with Article 6.4. Customer at its expense shall have the right, during normal business hours, and upon prior reasonable notice to the other Parties, to audit such accounts and records. Any audit authorized by this Article 13.2 shall be performed at the offices where such accounts and records are maintained and shall be limited to those portions of such accounts and records that relate to obligations under this Agreement.

**ARTICLE 14
DISPUTES**

- 14.1 Submission.** Any claim or dispute, which a Party may have against another Party, arising out of this Agreement shall be submitted for resolution in accordance with the dispute resolution provisions of the Tariff.
- 14.2 Rights under the Federal Power Act.** Nothing in this Article 14 shall restrict the rights of any Party to file a complaint or a petition with FERC under relevant provisions of the Federal Power Act.
- 14.3 Equitable Remedies.** Nothing in this Article shall prevent a Party from pursuing or seeking any equitable remedy available to it under Applicable Laws and Regulations, at any time, before a Governmental Authority.

**ARTICLE 15
NOTICES**

- 15.1 General.** Any notice, demand or request required or permitted to be given by a Party to another Party and any instrument required or permitted to be tendered or delivered by a Party in writing to another Party may be so given, tendered or delivered, as the case may be, by depositing the same with the United States Postal Service with postage prepaid, for transmission by certified or registered mail, addressed to the Parties, or personally delivered to the Parties, at the address set out below:

To Transmission Owner:
Minnesota Power
Vice President, Transmission & Distribution
30 West Superior Street
Duluth, MN 55802

To Customer:
Harmony Group LLC
c/o Margot Wickman
60 S. 6th Street, Suite 3400
Minneapolis, MN 55402-4018
margot.wickman@kutakrock.com

- 15.2 Billings and Payments.** Billings and payments shall be sent to the addresses shown in Article 15.1 unless otherwise agreed to by the Parties.
- 15.3 Alternative Forms of Notice.** Any notice or request required or permitted to be given by a Party to another Party and not required by this Agreement to be given in writing may be so given by telephone, facsimile or email to the telephone numbers and email addresses set out below:

To Customer:
Harmony Group LLC
c/o Margot Wickman
60 S. 6th Street, Suite 3400
Minneapolis, MN 55402-4018
margot.wickman@kutakrock.com

- 15.4 DUNS #.** If Transmission Owner and Customer have not obtained DUNS numbers by the time this Agreement is executed, Transmission Owner and Customer will forward their DUNS numbers within five (5) Business Days of having obtained such numbers to each other by facsimile telephone or email to the fax number or email set out below:

Transmission Owner

DUNS Number: 617232889

Customer

DUNS Number: N/A

- 15.5 Notification of In-Service Date.** Transmission Owner will serve Transmission Provider a copy of Appendix B as forwarded to Customer on the same day to the address shown in Article 15.1, and by facsimile telephone to the numbers set out below:

To Transmission Provider:

Facsimile telephone – (317) 249-5703

And copy to
MISO
Attn: Director, Transmission Access Planning
720 City Center Drive
Carmel, IN 46032

ARTICLE 16
MISCELLANEOUS

- 16.1 Waiver.** Except as otherwise provided for in this Agreement, the failure of any Party to comply with any obligation, covenant, agreement, or condition herein may be waived by the Parties entitled to the benefits thereof only by a written instrument signed by the Parties granting such waiver. Any waiver at any time by a Party of its rights with respect to a Default under this Agreement, or with respect to any other matters arising in connection with this Agreement, shall not be deemed a waiver or continuing waiver with respect to any subsequent Default or other matter.
- 16.2 Governing Law.** The validity, interpretation and performance of this Agreement and each of its provisions shall be governed by the laws of the state where the Network Upgrades, TOIF, and/or System Protection Facilities referenced in Appendix A are located without regard to its conflicts of law principles.
- 16.3 Headings Not to Affect Meaning.** The descriptive headings of the various Sections and Articles of this Agreement have been inserted for convenience of reference only and shall in no way modify or restrict any of the terms and provisions hereof.
- 16.4 Amendments and Rights Under the Federal Power Act.** Transmission Provider shall have the right to make a unilateral filing with FERC to modify this Agreement with respect to any rates, terms and conditions, charges, classifications of service, rule or regulation under Section 205 or any other applicable provision of the Federal Power Act and FERC's rules and regulations thereunder, and Transmission Owner and Customer shall have the right to make a unilateral filing with FERC to modify this Agreement pursuant to Section 206 or any other applicable provision of the Federal Power Act and FERC's rules and regulations thereunder; provided, however, that each Party shall have the right to protest any such filing and to participate fully in any proceeding before FERC in which such modifications may be considered. Nothing in this Agreement shall limit the rights of the Parties or of FERC under Sections 205 or 206 of the Federal Power Act and FERC's rules and regulations thereunder, except to the extent that the Parties otherwise mutually agree as provided herein.
- 16.5 Entire Agreement.** This Agreement, together with all the exhibits, constitutes the final and entire written agreement among the Parties hereto with reference to the subject matter hereof, and is a complete and exclusive statement of those terms and conditions and supersedes all prior negotiations, representations or agreements, either written or oral, with respect to the specific subject matter of this Agreement. No change or modification as to any of the provisions hereof shall be binding on any Party unless reduced to writing and approved by the duly authorized officer or agent of Customer and Transmission Owner.
- 16.6 Counterparts.** This Agreement may be executed in any number of counterparts, and each executed counterpart shall have the same force and effect as an original instrument.
- 16.7 Binding Effect.** This Agreement and the rights and obligations hereof, shall be binding upon and shall inure to the benefit of the Parties hereto and their successors and assigns.

No person or party shall have any rights, benefits or interests, direct or indirect, arising from this Agreement except the Parties hereto, their successors and authorized assigns. The Parties expressly disclaim any intent to create any rights in any person or party as a third party beneficiary to this Agreement.

- 16.8 Conflicts.** In the event of a conflict between the body of this Agreement and any attachment, appendix or exhibit hereto, the terms and provisions of the body of this Agreement shall prevail and be deemed to be the final intent of the Parties.
- 16.9 Regulatory Requirements.** Each Party's obligations under this Agreement shall be subject to its receipt of any required approval or certificate from one or more Governmental Authorities in the form and substance satisfactory to the receiving Party, or the Party making any required filings with, or providing notice to, such Governmental Authorities, and the expiration of any time period associated therewith. Each Party shall in good faith seek these other approvals as soon as is reasonably practicable.


ARTICLE 17 REPRESENTATIONS AND WARRANTIES

- 17.1 General.** Each Party hereby represents, warrants and covenants as follows with these representations, warranties, and covenants effective as to the Party during the full time this Agreement is effective:
- 17.1.1 Good Standing.** Such Party is duly organized or formed, as applicable, validity existing and in good standing under the laws of its state of organization or formation and is in good standing under the laws of the respective state(s) of its organization as stated in the preamble of this Agreement.
- 17.1.2 Authority.** Such Party has the right, power and authority to enter into this Agreement, to become a party hereto and to perform its obligations hereunder, and this Agreement is a legal, valid and binding obligation of such Party, enforceable against such Party in accordance with its terms.
- 17.1.3 No Conflict.** The execution, delivery and performance of this Agreement does not violate or conflict with the organizational or formation documents, or bylaws or operating agreement, of such Party, or any judgment, license, permit or order or material agreement or instrument applicable to or binding upon such Party or any of its assets.
- 17.1.4 Consent and Approval.** That it has sought or obtained, or, in accordance with this Agreement will seek or obtain, each consent, approval, authorization or order of, or acceptance of a filing with, or notice to, any Governmental Authority with jurisdiction concerning this Agreement, in connection with the execution, delivery and performance of this Agreement.
- 17.1.5 Solvency.** That such Party is financially solvent.

IN WITNESS WHEREOF, the Parties have executed this Agreement in multiple originals, each of which shall constitute and be an original Agreement among the Parties.

Transmission Owner

Minnesota Power

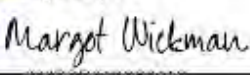
Signed by:
By:  2/25/2026
05E9E10CAE7E4B7

Name: Daniel Gunderson

Title: Vice President – Transmission System Planning & Operations

Customer

Harmony Group LLC

Signed by:
By:  2/25/2026
028D0D8A9CB241C

Name: Margot Wickman

Title: Authorized Signatory

Facilities Construction Agreement

APPENDIX A NETWORK UPGRADES, COST ESTIMATES AND RESPONSIBILITY, TRANSMISSION CREDITS, CONSTRUCTION SCHEDULE AND MONTHLY PAYMENT SCHEDULE

This Appendix A is a part of the Facilities Construction Agreement between Customer and Transmission Owner. Capitalized terms that are not defined in **Appendix A**, or otherwise defined in the Agreement, shall have the meaning provided in the Tariff.

As discussed in more detail in the System Impact Study and the Facility Study (collectively, the “**Studies**”), which are incorporated by reference, Customer requested that Transmission Owner study up to [TRADE SECRET BEGINS ██████ TRADE SECRET ENDS] MW of load interconnected at the Arrowhead 230 kV and St. Louis County 230 kV Substation. Based on the findings of the Studies, Customer and Transmission Owner agreed that Interconnection Facilities and Network Upgrades would be developed for up to [TRADE SECRET BEGINS ██████ TRADE SECRET ENDS] MW of firm load. The following Interconnection Facilities and Network Upgrades are required to interconnect [TRADE SECRET BEGINS ██████ TRADE SECRET ENDS] MW of firm load: two new Arrowhead 230 kV Transmission Lines to Customer Site (“Phase 1 TOIF”), the Arrowhead 230 kV Substation Interconnection (Phase 1 Network Upgrade), the Blackberry 115 kV Single Point of Failure (SPF) Project (Phase 1 Network Upgrade) (collectively, the “Phase 1 Facilities”), two new St. Louis County 230 kV Transmission Lines to Customer Site, the St. Louis County 230 kV Substation Interconnection, a second St. Louis County 345/230 kV transformer, and the Arrowhead – Forbes 230 kV Transmission Line Upgrade. The scope of work for these facilities and their designation as either Interconnection Facilities or Network Upgrades is described below. The firm load level of the interconnection is also restricted to [TRADE SECRET BEGINS ██████ TRADE SECRET ENDS] MW or less post-completion of the Blackberry 115 kV Single Point of Failure (“SPF”) project and prior to the in-service of other contingent facilities identified in the System Impact Study, i.e., completion of the Phase 1 Facilities allows for interconnection of Customer’s Facility of up to [TRADE SECRET BEGINS ██████ TRADE SECRET ENDS] MW and up to [TRADE SECRET BEGINS ██████ TRADE SECRET ENDS] MW following in-service of other contingency facilities.

1.1 Transmission Owner’s Interconnection Facilities (TOIF).

- (a) **Points of Interconnection (POI).** The Points of Interconnection shall be at the point where the two new Arrowhead 230 kV Transmission Lines to Customer Site terminate at the Arrowhead 230 kV Substation and where the two new St. Louis County 230 kV Transmission Lines to Customer Site terminate at the St. Louis County 230 kV Substation, as shown in **Exhibit C2**.
- (b) **Points of Change of Ownership (PCO).** The Points of Change of Ownership shall be within the Customer’s substations where Transmission Owner’s new Arrowhead and St. Louis County 230 kV Transmission Interconnection Lines to Customer Site connect to the dead-end structures, as shown in **Exhibit C2**.

- (c) **Metering Points.** The Transmission Owner Interconnection Facilities shall include the installation of 230 kV current transformers (CT's) at the Arrowhead and St. Louis County 230 kV Substations for the purpose of revenue metering. The revenue metering shall be located at or near the point where the new Arrowhead and St.

- (d) Louis County 230 kV Transmission Lines to Customer Site connect to the Arrowhead and St. Louis County Substation 230 kV buses.
- (e) **Interconnection Facilities to be constructed by Interconnection Customer.** Interconnection Customer shall construct the Customer Substations as shown in **Exhibit C2**.
- (f) **Transmission Owner Interconnection Facilities (including metering equipment) to be constructed by Transmission Owner.** Transmission Owner shall construct the new Arrowhead and St. Louis County 230 kV Transmission Lines to Customer Site as shown in **Exhibits C1** and **C2**. The scope of the new Transmission Lines to Customer Site includes extension of two new 230 kV transmission lines each from Transmission Owner's Arrowhead and St. Louis County Substations to Customer's Substations, including associated protection and control at the Arrowhead and St. Louis County Substation and Customer Substations. These facilities are detailed in the Facility Study and their estimated cost is provided in **Exhibit C3**.

1.2 **Network Upgrades to be installed by Transmission Owner.**

Transmission Owner shall install the Blackberry 115 kV SPF, the Arrowhead 230 kV Substation Interconnection, the St. Louis County 230 kV Substation Interconnection, the second St. Louis County 345/230 kV transformer, and the Arrowhead – Forbes 230 kV Transmission Line Upgrade as shown in **Exhibits C1** and **C2**. These facilities are detailed in the Facility Study and their estimated cost is provided in **Exhibit C4**. A brief description of each Network Upgrade is provided below.

1.2.1 **Transmission Owner Substation Network Upgrades:**

- (a) **Blackberry 115 kV Single Point of Failure (“SPF”)** – The Blackberry 115 kV Substation will need additional redundancy in the relay panels and battery monitoring to eliminate single points of failure within the control and protection system at the substation.
- (b) **Arrowhead 230 kV Substation Interconnection** – The networked portion of the Arrowhead 230 kV Substation bus will need to be expanded to accommodate two 230 kV transmission line terminations for dedicated transmission lines to the Customer Site. This will include acquiring three 230 kV breakers to complete an existing breaker-and-a-half row and add a new row. One existing 230 kV bus connection will also need to be moved from its present position to an adjacent bus position to make space for one of the new interconnection transmission lines.
- (c) **St. Louis County 230 kV Substation Interconnection** – The networked portion of the St. Louis County 230 kV Substation bus will need to be expanded to accommodate two 230 kV transmission line terminations for dedicated transmission lines to the Customer Site. This will include acquiring two 230 kV breakers to complete the ring bus configuration.

- (d) **St. Louis County 345/230 kV Transformer Addition** – A second 345/230 kV St. Louis County transformer needs to be installed as identified in the System Impact Study. This would include acquiring three single phase 333.3 MVA top-rated 345/230 kV autotransformers, two 230 kV breakers, one 345 kV pre-insertion resistor (“**PIR**”) breaker to be operated at 230 kV, and two 345 kV breakers to expand the St. Louis County Substation.
- (e) **Arrowhead – Forbes 230 kV Transmission Line Upgrade** – To upgrade the capacity of the existing Arrowhead – Forbes 230 kV transmission line, wave traps and disconnect switches located at both the Arrowhead and Forbes 230 kV Substations will be replaced.

1.2.2 Transmission Owner Transmission Line Network Upgrades

- (a) **Arrowhead – Forbes 230 kV Transmission Line Upgrade** – To upgrade the capacity of the Arrowhead – Forbes 230 kV Line, one existing line crossing will need to be reconfigured and approximately 4.3 miles of existing 230 kV line will need to be rebuilt from the crossing location to the Arrowhead Substation with a larger, higher capacity conductor.

1.2.3 Transmission Owner Transmission Line Permitting:

It is anticipated that none of the required Interconnection Facilities or Network Upgrades would require a Certificate of Need from the MPUC. A Route Permit for the new Arrowhead and St. Louis County 230 kV Transmission Lines to Customer Site will be required due to the length and voltage of the interconnection lines. The new Arrowhead 230 kV Transmission Lines to Customer Site are located entirely within the City of Hermantown and therefore it is currently anticipated that they would be permitted locally by the City of Hermantown. The new St. Louis County 230 kV Transmission Lines to Customer Site, and the associated expansion of the St. Louis County Substation, are located partly in the City of Hermantown and partly in Solway Township. While it is possible to obtain a Route Permit locally through coordination between the two local jurisdictions, it may also become necessary to obtain this Route Permit from the Minnesota Public Utilities Commission (“**MPUC**”). The MPUC Route Permit process currently takes 12-18 months from submittal to approval.

1.2.4 Cost Estimates and Responsibility.

Customer and Transmission Owner hereby acknowledge and agree that the cost indicated in **Exhibit C3** and **C4** are only an estimate and that Customer shall reimburse Transmission Owner for all actual costs, as determined pursuant to this Agreement.

1.2.5 Transmission Owner Election to Fund the Network Upgrades.

As provided under Section 3.2.1 of this Agreement, Transmission Owner elects to fund the capital for the Network Upgrades in this Agreement, and to collect charges for the Network Upgrades over time from the Interconnection Customer through a separate agreement (“**Facilities Service Agreement**”).

1.3 System Protection Facilities

N/A

1.4 First Equipment Order (including permitting).

See Table 2.

1.5 Transmission Credits. See Article 3.2.2 of the Agreement.

1.6 Construction Schedule. Where applicable, construction of the Network Upgrades and System Protection Facilities is scheduled as follows and will be periodically updated as necessary:

Table 2: Transmission Owner Construction Activities

Milestone Number	Milestone Description	Target Date
1	Effective Date of FCA	0
2	Start or Continue ¹ Engineering, Procurement, & Construction	Upon receipt of Customer security (Table 3, Milestone 3)
3	Order Long Leadtime Equipment	Within 60 days of Table 2, Milestone 2 or earlier if previously initiated under a separate E&P Agreement ¹
4	Local Route Permit Application for Arrowhead 230 kV Transmission Lines to Customer Site (Phase 1 TOIF) Filed (“ Arrowhead Route Permit ”)	The later of December 1, 2025, or 6 months of the completion of Table 3, Milestone 4 provided that Table 3, Milestone 5 and all subsequent security payments and other applicable progress milestones in Table 3 are timely met, unless otherwise mutually agreed ¹
5	Arrowhead Route Permit Received	The later of August 1, 2026 or 9 months of the completion of Table 2, Milestone 4

6	Commencement of Construction of Arrowhead 230 kV Transmission Lines to Customer Site (Phase 1 TOIF); and Arrowhead 230 kV Substation Interconnection (Phase 1 Network Upgrade)	The later of November 1, 2026, or 17 months of the completion of Table 3, Milestone 4 provided that all subsequent security payments and applicable progress milestones in Table 3, including Table 3, Milestones 6 and 7, are timely met
7	Arrowhead 230 kV Transmission Lines to Customer Site (Phase 1 TOIF), Arrowhead 230 kV Substation Interconnection (Phase 1 Network Upgrade), and Blackberry 115 kV SPF (Phase 1 Network Upgrade) (collectively, the “Phase 1 Facilities”)	In-Service Dates: The later of November 1, 2027, or 29 months of the completion of Table 3, Milestones 3 and 4 provided that all subsequent security payments and applicable progress milestones in Table 3, including Table 3, Milestone 8, are timely met
8	Route Permit Application for St. Louis County 230 kV Transmission Lines to Customer Site (Phase 2 TOIF) and St. Louis County 230 kV Substation Interconnection (Phase 2 Network Upgrade) Filed (“ St. Louis County Route Permit ”)	The later of September 1, 2026, or at least one month after receipt of Arrowhead Route Permit, provided that Table 3, Milestone 5, all applicable security payments and other progress milestones in Table 3 are timely met
9	St. Louis County Route Permit Received	The later of September 1, 2027, or 12 months following Table 2, Milestone 8
10	Commencement of Construction of St. Louis County 230 kV Transmission Lines to Customer Site, St. Louis County 230 kV Substation Interconnection, St. Louis County 345/230 kV Transformer and Arrowhead – Forbes 230 kV Line Upgrade (collectively, the Phase 2 Facilities)	The later of November 1, 2028, or 41 months of the completion of Table 3, Milestones 3 and 4 provided that all subsequent security payments and applicable progress milestones in Table 3, including Table 3, Milestones 6 and 7, are timely met
11	St. Louis County 230 kV Transmission Lines to Customer Site, St. Louis County 230 kV Substation Interconnection, and St. Louis County 345/230 kV Transformer Addition (Phase 2 Network Upgrade)	In-Service Date: The later of December 31, 2030, or 66 months of the completion of Table 3, Milestones 3 and 4, provided that all subsequent security payments and applicable progress milestones in Table 3, including Table 3, Milestone 8, are timely met

12	Arrowhead – Forbes 230 kV Line Upgrade (Phase 2 Network Upgrade)	In-Service Date: The later of April 30, 2031, or 70 months of the completion of Table 3, Milestone 3 provided that all subsequent security payments and applicable progress milestones in Table 3 are timely met
13	Release Any Security related to the TOIF	Within 60 days of final payment under Article 1.7.2 ²

¹ Any work initiated previously under a fully executed Engineering & Procurement (“E&P”) Agreement shall be continued under this Agreement.

² Unless terminated earlier, this Agreement shall terminate upon the completed construction of all identified upgrades and upon payment by Customer of the TOIF as set forth in Article 1.7.2.

Note: Construction schedule assumes Transmission Owner has obtained final authorizations and security from Customer and all necessary permits from Governmental Authorities as necessary prerequisites to commence construction of any of the Network Upgrades or System Protection Facilities or Transmission Owner Interconnection Facilities or Connection Facilities. Construction schedule also assumes MISO approval of the Arrowhead 230 kV Transmission Lines to Customer Site, Arrowhead 230 kV Substation Interconnection, and Blackberry 115 kV SPF in Appendix A of MISO MTEP26 and the remaining interconnection and network upgrade facilities no later than Appendix A of MISO MTEP27. Failure to meet these milestones will result in the reevaluation of the construction schedule.

After receipt of advance security from Customer in accordance with Section 1.7 below, Transmission Owner will make reasonable best efforts to coordinate its work in order to meet the In-Service Date reflected in Table 2 for the Network Upgrades. The exact schedule will be dependent upon actual procurement lead times and outages required to the various existing facilities. It is expected that some of the Network Upgrade work may be done in parallel. The estimate duration of the work for the Network Upgrade is estimated as shown in Table 2.

The Transmission Owner’s In-Service Dates are contingent on a variety of factors including regulatory approvals, lead time of equipment, and the performance of subcontractors.

1.6.1 Phase 2 Notice to Proceed. The Transmission Owner shall seek a written confirmation that Customer intends to proceed (“**Notice to Proceed**”) with the Phase 2 TOIF and Phase 2 Network Upgrades at least 6 months prior to filing the St. Louis County Route Permit (Milestone 8). There shall be one Notice to Proceed for all Phase 2 TOIFs and Phase 2 Network Upgrades (collectively, “**Phase 2 Facilities**”), and the date of the Notice to Proceed is expected to be on or around March 1, 2026. Customer shall be given at least five Business Days from receipt of Transmission Owner’s request for written confirmation of the Notice to Proceed, to provide such Notice to Proceed. If the Customer fails to give the Notice to Proceed for some or all the Phase 2 Facilities at the required time,

the Transmission Owner will amend the Agreement to remove those Phase 2 Facilities for which the Notice to Proceed was not given from the scope of the Agreement and reduce the amount of firm load established by the interconnection request to the corresponding amount from Exhibit C4. Upon receipt of the Notice to Proceed for the Phase 2 Facilities, the Transmission Owner will commence its work to make reasonable best efforts to meet the In-Service Date reflected in Table 2 for the Phase 2 Facilities.

1.7 Payment Schedule.

1.7.1 Timing of and Adjustments to Customer's Payments and Security.

If the Customer has prepaid for the Transmission Owner Interconnection Facilities, in the form of cash, the Transmission Owner shall be authorized to use that security to fund the Transmission Owner Interconnection Facilities, and upon the Start of Engineering, Procurement, and Construction by the Transmission Owner (Table 2, Milestone 2), the Transmission Owner will begin issuing periodic statements (not less frequently than quarterly) documenting expenditures for the Transmission Owner Interconnection Facilities.

If during the construction of the Transmission Owner Interconnection Facilities, the posted security is expected to be insufficient to cover the costs of the Transmission Owner Interconnection Facilities, the Transmission Owner shall send an invoice to Customer for additional security in an amount determined by Transmission Owner that shall be due within 60 Calendar Days.

A Customer that fails to provide timely additional security for the Transmission Owner Interconnection Facilities when due will be given a Breach notice. Unless the Breach is cured in accordance with Article 9 of this agreement, the Transmission Owner is relieved from performing under this Agreement. Failure by any Customer to comply with Article 9.2.2(A) or 9.2.2(B) relative to such Breach may, pursuant to Article 9.2.2 of the Agreement, result in termination of the Agreement as to that Customer.

1.7.2 Monthly Payment Schedule. The Customer's payment schedule is as follows.

If the security is in the form of a Letter of Credit or a Parental Guarantee, upon the Start of Engineering, Procurement, and Construction by the Transmission Owner (Table 2, Milestone 2), the Transmission Owner will begin issuing monthly invoices for the Phase 1 Transmission Owner Interconnection Facilities ("Phase 1 TOIFs") as set forth in line 1 of Exhibit C3 (and as applicable, the Phase 2 Transmission Owner Interconnection Facilities ("Phase 2 TOIFs") as set forth in line 2 of Exhibit C3), and monthly payments by the Customer will continue until Transmission Owner has recovered the cost of all such Transmission Owner Interconnection Facilities. Transmission Owner shall release any security associated with the Transmission Owner Interconnection Facilities in the amount that was actually paid.

A Customer that fails to make payments for the Transmission Owner Interconnection Facilities when due will be given a Breach notice. Unless the Breach is cured in accordance with Article 9 of this agreement, the Transmission Owner is relieved from performing under this Agreement. Failure by any Customer to comply with Article 9.2.2(A) or 9.2.2(B) relative to such Breach may, pursuant to Article 9.2.2 of the Agreement, result in termination of the Agreement as to that Customer.

1.7.3 Customer Security and Progress Obligations. The Customer’s security and progress obligations are as follows.

Table 3: Customer’s Security and Progress Obligations for Transmission Owner Network Upgrades and System Protection Facilities.

Milestone Number	Milestone Description	Day
1	Effective Date of FCA	0
2	Sign a Facility Service Agreement with the Transmission Owner	Concurrent with this Agreement
3a	Customer to provide Transmission Owner irrevocable security in a form acceptable to Transmission Owner in the amount shown in Exhibit C4, Line 6 for the Phase 1 Network Upgrades that the Transmission Owner has elected to Self-Fund.	Within five days of Table 3 Milestone 1
3b	Customer to provide Transmission Owner irrevocable security in a form acceptable to Transmission Owner in the amount shown in Exhibit C4, Line 7 for the Phase 2 Network Upgrades that the Transmission Owner has elected to Self-Fund.	Within five days of providing a Notice to Proceed
4a	Customer to provide Transmission Owner irrevocable security in a form acceptable to Transmission Owner or prepay in cash in the amount shown in Exhibit C3, Line 1 for the Phase 1 Transmission Owner Interconnection Facilities	Within five days of Table 3 Milestone 1
4b	Customer to provide Transmission Owner with a Notice to Proceed for Phase 2 Facilities (TOIFs <i>and</i> Network Upgrades)	
4b	Customer to provide Transmission Owner irrevocable security in a form acceptable to Transmission Owner or	Within five days of providing a Notice to Proceed

	prepay in cash in the amount shown in Exhibit C3, Line 2 for the Phase 2 Transmission Owner Interconnection Facilities	
5	Customer to provide Transmission Owner with proof of site control for Customer's project site, including at the location of anticipated customer-side termination point(s) for TOIF connecting to Transmission Owner's Transmission System	Prior to filing Permit Application for the applicable TOIF as described in Table 2
6	Customer to provide Transmission Owner with proof of site & construction permits to complete construction of customer's facilities to take electric service, or otherwise at Transmission Owner's sole discretion	Prior to Earliest Commencement of Construction in Table 2
7	Customer to provide Transmission Owner with proof of signed Electric Service Agreement or equivalent power supply agreement for electric service to Customer's firm load level stated in this Agreement. At Transmission Owner's sole discretion, the ESA or power supply agreement may be for a lower load level than stated in this Agreement, provided Customer also submits a plan to ramp up to the firm load level stated in this Agreement within a commercially reasonable period of time	Prior to Earliest Commencement of Construction in Table 2
8	Customer and Transmission Owner to execute new or updated Transmission-Load Interconnection Agreement	Prior to Earliest Facility In Service Date in Table 2

Note: Customer's provision of security as provided in this Agreement operates as a condition precedent to Transmission Owner's obligations to construct any Transmission Owner Interconnection Facilities, Network Upgrades or System Protection Facilities, and failure to meet this schedule will constitute a Breach pursuant to Article 9.1 of this Agreement.

1.8 Permits, Licenses and Authorizations.

The Transmission Owner will need to obtain approvals from a variety of applicable federal, state, and local agencies prior to constructing the facilities. See the Facility Study for a list of potential permit, approvals, and other coordination that may be needed.

**Facilities Construction Agreement
APPENDIX B
NOTIFICATION OF COMPLETED CONSTRUCTION**

This Appendix B is a part of the Facilities Construction Agreement among Customer, Transmission Owner, and Transmission Provider. Where applicable, when Transmission Owner has completed construction of the Transmission Owner Interconnection Facilities or Connection Facilities, Network Upgrades and/or System Protection Facilities, Transmission Owner shall send notice to Customer and Transmission Provider, in substantially the form following:

[Date]

MISO

Attn: Director, Transmission Access Planning
720 City Center Drive
Carmel, IN 46032

Customer Address

Phone:

Fax:

Email:

Re: Completion of Network Upgrade/System Protection Facilities

Dear [Name or Title]:

This letter is sent pursuant to the Facilities Construction Agreement among [Transmission Owner], [Customer], and MISO, dated _____, 20__.

On [Date], Transmission Owner completed to its satisfaction all work on the Network Upgrades and/or System Protection Facilities required under the Facilities Construction Agreement. Transmission Owner confirms that the Network Upgrade and/or System Protection Facilities are in place.

Thank you.

[Signature]

[Transmission Owner Representative]

**Facilities Construction Agreement
APPENDIX C Exhibits**

This Appendix C is a part of the Facilities Construction Agreement among Customer and Transmission Owner.

**Exhibit C1
Transmission Owner Site Map**

CUI//CEII MATERIAL – DO NOT RELEASE

Exhibit C2
Transmission line and/or Substation Network Upgrades and System Protection Facilities

CUI//CEII MATERIAL – DO NOT RELEASE

Figure C2-1: General Arrangement of Arrowhead 230 kV Substation Interconnection

CUI//CEII MATERIAL – DO NOT RELEASE

**Figure C2-2: General Arrangement of St. Louis County 230 kV Substation Interconnection
and St. Louis County 345/230 kV Transformer Network Upgrade**

Figure C2-3: Single Line Diagram for Arrowhead 230 kV Substation Interconnection and Transmission Lines

CUI//CEII MATERIAL – DO NOT RELEASE

Figure C2-4: Single Line Diagram of St. Louis County 230 kV Substation Interconnection and Transmission Lines and St. Louis County 345/230 kV Transformer Addition

CUI//CEII MATERIAL – DO NOT RELEASE

Figure C2-5: Single Line Diagram of Arrowhead – Forbes 230 kV Transmission Line Upgrade

CUI//CEII MATERIAL – DO NOT RELEASE

Exhibit C3
Estimated Cost of Transmission Owner's Interconnection Facilities

	Upgrade Type	Transmission Owner's Facilities to be Constructed by Transmission Owner	Estimate in 2025 Dollars
1	Phase 1 TOIF*	Arrowhead 230 kV Transmission Lines	\$10,158,525 (2025)
2	Phase 2 TOIF	St. Louis County 230 kV Transmission Lines	\$10,919,025 (2025)
		Total Cost of TOIFs	\$21,077,550 (2025)

* completion of the Phase 1 Facilities allows for interconnection of Customer's Facility of up to

[TRADE SECRET BEGINS TRADE SECRET ENDS] MW.

Exhibit C4
Estimated Cost of Transmission line and/or Substation Network Upgrades and System Protection Facilities (collectively, “Network Upgrades”)

	Upgrade Type	Firm Load Threshold¹	Network Upgrades to be Constructed by Transmission Owner	Estimate in 2025 Dollars
1	Phase 1 Network Upgrade*	N/A	Arrowhead 230 kV Substation Interconnection	\$8,492,280 (2025)
2	Phase 2 Network Upgrade	interconnect more than [TRADE SECRET BEGINS [REDACTED] TRADE SECRET ENDS] Customer Substations	St. Louis County 230 kV Substation Interconnection	\$5,352,474 (2025)
3	Phase 1 Network Upgrade*	N/A	Blackberry 115 kV Single Point of Failure	\$594,360 (2025)
4	Phase 2 Network Upgrade	[TRADE SECRET BEGINS [REDACTED] TRADE SECRET ENDS] MW	St. Louis County 345/230 kV Transformer Addition	\$41,976,922 (2025)
5	Phase 2 Network Upgrade	[TRADE SECRET BEGINS [REDACTED] TRADE SECRET ENDS] MW	Arrowhead – Forbes 230 kV Line Upgrade	\$19,917,788 (2025)
6			Subtotal: Phase 1 Network Upgrades	\$9,086,640
7			Subtotal: Phase 2 Network Upgrades	\$67,247,184
			Total Cost of NU	\$76,333,824 (2025)
			Previously Provided Security Under E&P	\$2,413,125 (2025)
			Additional NU Security Under FCA	\$73,920,699 (2025)

*Completion of the Phase 1 Facilities allows for interconnection of Customer’s Facility of up to [TRADE SECRET BEGINS [REDACTED] TRADE SECRET ENDS] MW.

Note 1: The “Firm Load Threshold” is the amount of Firm Load at which the Network Upgrade becomes required. If the Customer fails to give the Notice to Proceed for the Phase 2 Facilities as required under Section 1.6.1 of Appendix A, the firm load granted under this Agreement will be reduced to the amount shown in Exhibit C4 for each Phase 2 Network Upgrade that is not completed. If Customer fails to give the Notice to Proceed for the St. Louis County 230 kV Transmission Lines (a Phase 2 TOIF) and the St. Louis County 230 kV Substation Interconnection (a Phase 2 Network Upgrade), Customer’s interconnection will be limited to no more than [TRADE SECRET BEGINS ██████████ TRADE SECRET ENDS] Customer Substations connected to the Arrowhead 230 kV Transmission Lines (a Phase 1 TOIF) and the Arrowhead 230 kV Substation Interconnection (a Phase 1 Network Upgrade).

FACILITIES SERVICE AGREEMENT

entered into by

HARMONY GROUP LLC

and

MINNESOTA POWER, a division of ALLETE, INC.

Effective as of February 25, 2026

FACILITIES SERVICE AGREEMENT

This **Facilities Service Agreement** (“**Service Agreement**”) dated February 25, 2026 is entered into by and between Harmony Group LLC, a limited liability company organized and existing under the laws of the State of Delaware (“**Customer**”), and **Minnesota Power, a division of ALLETE, INC.** (“**Minnesota Power**”), a corporation organized under the laws of the State of Minnesota (“**Owner**”), to compensate the Owner for upgrades and additions to its transmission system (“**Network Upgrade¹(s)**”) necessary for the interconnection of the Customer’s project. Customer and Owner are each referred to as “**Party**,” and collectively as “**Parties**.”

WHEREAS, the Parties have entered into a Facilities Construction Agreement (“**FCA**”), under which Owner has agreed to construct, among other facilities, Network Upgrade(s);

WHEREAS, the Customer’s project(s), a load addition at a new project site in St. Louis County, requires Owner to install Network Upgrade(s) on Owner’s transmission system consisting of (1) Arrowhead 230 kV Substation Interconnection; (2) St. Louis County 230 kV Substation Interconnection; (3) Blackberry 115 kV upgrade (4) St. Louis County 345/230 kV Transformer Addition; and (5) Forbes 230 kV Line Upgrade, each in order for Owner to operate and maintain its transmission system in a safe and reliable manner;

WHEREAS, in accordance with the FCA, the Owner has elected the self-fund option described in accordance with Article 3.2.1 of the FCA and will recover the initial capital cost of the Network Upgrade(s) from Customer through this Service Agreement;

WHEREAS, the Owner will fund, construct, own, operate and maintain the Network Upgrade(s);

WHEREAS, the Owner’s election to self-fund allows it to recover a return on its costs to construct the Network Upgrade(s) from Customer through this Service Agreement;

WHEREAS, this Service Agreement contains the estimated costs of the Network Upgrade(s) in accordance with the FCA, which such are costs to be trued up when final actual costs are determined; and

WHEREAS, either Customer or Owner may request in writing that MISO file with FERC this Service Agreement in unexecuted form.

NOW, THEREFORE, in consideration of the mutual premises and covenants hereinafter set forth and other good and valuable consideration, and intending to be legally bound hereby, the Parties hereby agree that Owner shall recover from Customer the return on the initial capital cost of the Network Upgrade(s), under the following terms and conditions.

I. Definitions: Capitalized terms used in this Service Agreement that are not otherwise defined herein shall have the meaning provided in the Tariff.

¹ All capitalized terms that are not otherwise defined in this agreement shall be defined consistent with the MISO Tariff.

II. Effective Date and Term

Unless terminated earlier by mutual agreement, the effective date of this Service Agreement shall be February 25, 2026, or such other date as it is permitted to become effective by the Federal Energy Regulatory Commission (“**Commission**” or “**FERC**”) (“**Effective Date**”). This Service Agreement shall continue until two hundred forty (240) months of Payments for each Network Upgrade governed by this Service Agreement have been collected by Owner from Customer, unless the Parties mutually agree on a different term for this Service Agreement. In addition, this Service Agreement shall terminate if the FCA is terminated prior to the completed construction of any of the Network Upgrades included in this Service Agreement (“**Term**”).

III. Network Upgrade Charge

- a. Beginning with the month following notification from Owner to Customer, consistent with the notice requirements of the FCA, that a Network Upgrade has been placed in service (“**In-Service Date**”) and continuing for the Term of this Service Agreement, Customer shall make a payment to Owner each month in the amount of the Monthly Revenue Requirement (“**Payment**”) for that Network Upgrade. Alternatively, Customer at its option can make one payment that constitutes the number of months in the partial year (ending with the May payment) multiplied by the amount of the Payment. Additionally, Customer may elect to switch from monthly Payments to an annual payment after the first June 1 following the In-Service Date of the last Network Upgrade governed by this Service Agreement, and shall make annual payments equivalent to twelve (12) months of Payments for each calendar year until the first Network Upgrade under this Service Agreement to be placed in service has less than twelve (12) months of Payments owing in a calendar year, after which Customer shall resume making monthly Payments for each Network Upgrade. In no event shall the total amount paid by Customer to Owner for a Network Upgrade be less than the equivalent amount due if there were instead monthly Payments for the entire Term of this Service Agreement.
- b. Each Payment shall be due and payable by the 15th day of each month (“**Monthly Due Date**”), without invoice, for the Term of this Service Agreement, or, if Customer elects to switch to an annual payment, the Payment is due after the first June 1 following the In-Service Date of the last Network Upgrade is placed in service, and each annual Payment shall be due and payable by the 15th day of June of each year following the first June 1 following the In-Service Date of the last Network Upgrade is placed in service, and every twelve months thereafter (“**Annual Due Date**”), without invoice, until the first Network Upgrade placed in service has less than twelve (12) months of Payments owing in a calendar year, after which Customer shall resume making monthly Payments by the 15th day of each month until Customer has paid the equivalent of monthly Payments for each Network Upgrade under this Service Agreement. Owner shall provide Customer with notice each year of the change in Payment amount as a result of annual changes to Owner’s Attachment O Formula Rate as described below.
- c. Initial Payment(s) shall be based on the Estimated Network Upgrade Initial Capital Cost (“**ENUC**” or “**Initial Capital Cost**”) as illustrated in the table below.

Arrowhead 230 kV Substation Interconnection	Amount
Estimated Network Upgrade (“ENUC” or “ Initial Capital Cost ”)	\$8,492,280
Levelized Fixed Charge Rate	11.35%
Annual Revenue Requirement	\$963,589
Monthly Revenue Requirement (“ Payment ”)	\$80,299

St. Louis County 230 kV Substation Interconnection	Amount
Estimated Network Upgrade (“ENUC” or “ Initial Capital Cost ”)	\$5,352,474
Levelized Fixed Charge Rate	11.35%
Annual Revenue Requirement	\$607,326
Monthly Revenue Requirement (“ Payment ”)	\$50,611

Blackberry 115 kV	Amount
Estimated Network Upgrade (“ENUC” or “ Initial Capital Cost ”)	\$594,360
Levelized Fixed Charge Rate	11.35%
Annual Revenue Requirement	\$67,440
Monthly Revenue Requirement (“ Payment ”)	\$5,620

St. Louis County 345/230 kV Transformer Addition	Amount
Estimated Network Upgrade (“ENUC” or “ Initial Capital Cost ”)	\$41,976,922
Levelized Fixed Charge Rate	11.35%
Annual Revenue Requirement	\$4,762,973
Monthly Revenue Requirement (“ Payment ”)	\$396,914

Forbes 230 kV Line Upgrade	Amount
Estimated Network Upgrade (“ENUC” or “ Initial Capital Cost ”)	\$19,917,788
Levelized Fixed Charge Rate	11.35%
Annual Revenue Requirement	\$2,260,001
Monthly Revenue Requirement (“ Payment ”)	\$188,333

- d. The Payment by Customer to Owner for the Network Upgrade(s) shall be updated as the specific Network Upgrades identified in the above table and otherwise subject to this Service Agreement are placed in service and shall be re-calculated annually to be effective each June 1 by updating certain inputs to the Formula Rate (“**Formula**”) shown in Exhibit I of this Service Agreement and rounded to the nearest whole dollar. The updated Formula will be applied to each respective Network Upgrade (i.e., as Exhibit II-A, II-B, etc.). The Formula calculates the Levelized Fixed Charge Rate and Payment based on the Initial Capital Cost, the Term of this Service Agreement in years, and certain historic, actual data from the Owner’s Attachment O Formula Rate (or successor rate) under the Tariff, including: (i) Owner’s Combined Tax Rate, (ii) the amounts of Owner Interest on Long Term Debt, (iii) the Long Term Debt and Common Equity balances, and (iv) Owner’s FERC approved Return on Equity. Beginning June 1 of the first or second calendar year following the In-Service Date, as applicable based on when the

Actual Network Upgrade Initial Capital Cost (“ANUC”) is determined, and each subsequent June 1 thereafter, the Payment shall be updated based on the Owner’s Attachment O Formula Rate using data from the previous calendar year and the ANUC. Any adjustment to the inputs to Owner’s Attachment O Formula Rate or successor rate under the Tariff used in the Formula shown in Exhibit I of this Service Agreement shall require a recalculation of the Formula for the period to which such adjustment applies and require revised Payment amounts and refunds or surcharges, as necessary.

- e. Each Party shall make available to the other Party information necessary to verify the costs incurred by the other Party to carry out each Party’s obligations and responsibilities under this Service Agreement, provided that the Parties shall use such information only for purposes set forth in this Section III and to enforce their respective rights under this Service Agreement.
- f. Subject to the requirements of confidentiality under Section X.b of this Service Agreement: (1) the accounts and records related to the design, engineering, procurement, and construction of the Network Upgrades and/or System Protection Facilities shall be subject to audit for a period of twenty-four (24) months following the In-Service Date of each such Network Upgrade or System Protection Facility; (2) the accounts and records related to the one-time true-up adjustment provided for in paragraph (g) of this Section shall be subject to audit for a period of twenty-four (24) months following the date the true-up adjustment described in paragraph (g) of this Section III; and (3) the accounts and records related to the annual inputs to the Formula shown in Exhibit I of this Service Agreement shall be subject to audit for a period of twelve (12) months following each year’s Formula update in accordance with this Section III. Customer, at its expense, shall have the right, during normal business hours, and upon prior reasonable notice to the Owner, to audit such accounts and records. Any audit authorized by this Section III shall be performed at the offices where such accounts and records are maintained and shall be limited to those portions of such accounts and records that relate to obligations under this Service Agreement.
- g. A one-time true-up adjustment shall be calculated within one (1) year of the In-Service Date when the ANUC is known, and all costs associated with the ENUC have been accounted for. The true-up adjustment will be equal to the difference between the amount of the Payments collected to-date and what the amount of the Payments collected to-date would have been using the ANUC. The true-up adjustment, either as a credit due or as a charge to the Customer, shall be included in the Customer’s next due Payment, including interest. Interest on the true-up adjustment will begin to accrue the first day of the month following the In-Service Date determined based on the Commission’s regulations at 18 C.F.R § 35.19a. Owner will invoice Customer upon determination of the true-up as provided herein.

IV. Security

- a. To assure the Payment, Customer shall provide Owner with security in the form of security reasonably acceptable to Owner (for example, a letter of credit, surety bond, or parent guaranty) in an amount equal to the Initial Capital Cost (the "Security"). Unless the Parties otherwise agree, the Security shall be provided within the later of: (a) forty-five (45) Calendar Days of the execution of this Service Agreement; (b) forty-five (45) Calendar Days of acceptance of this Service Agreement by FERC if this Service Agreement is filed unexecuted and the Security is being protested by Customer; or (c) forty-five (45) Calendar Days of the date of filing of this Service Agreement if it is filed unexecuted and the Security is not being protested by Customer. Owner shall release all Security received for the Network Upgrade costs under the FCA upon Owner's receipt of Security for the Network Upgrade(s) under this Service Agreement. The Security provided under the FCA may be applied as the Security for this Service Agreement if the form, terms, and provider of the Security provided under the FCA allow it. In no event shall Customer allow Security to lapse. Likewise, in no event shall Customer be required to maintain concurrently the full amount of Security allotted to the Network Upgrades under the FCA and the full amount of Security under this Service Agreement. The Security may be adjusted to an amount equal to the ANUC after such time that the one-time true-up adjustment as described in Section III is completed for each Network Upgrade. The Security shall remain in place for the remaining months of the Term. At Customer's discretion, such Security may be reduced by 5% (or a pro-rated portion based on the Term of this Service Agreement, as agreed by the Parties) of the ANUC of each Network Upgrade on the first anniversary of the In-Service Date of that Network Upgrade and may continue to be reduced by 5% (or a pro-rated portion based on the Term of this Service Agreement, as agreed by the Parties) each year over the Term of this Service Agreement, provided that any such reduction in the amount of Security must be evidenced to Owner in the form of a revised form of Security reasonably acceptable to the Owner or as otherwise agreed by the Parties.
- b. In the event Customer fails to make a Payment by the Due Date, Owner shall be entitled to draw on the Security posted by Customer in the amount of any missed Payment plus any accrued interest charges based on the Commission's regulations at 18 C.F.R § 35.19a. If Customer fails to make Payment by the Due Date and Security has been depleted, Customer shall provide Owner with new security, in a form reasonably acceptable to Owner ("**New Security**") within thirty (30) days of Owner's demand for New Security.
- c. Security shall remain in place until expiration of this Service Agreement. Any Security provided by Customer must be kept active, must continue to meet Owner's Security requirements and must be available to Owner for the purpose of securing Payment under this Service Agreement. Any fees or costs associated with the provision of Security are the responsibility of the Customer.

Customer acknowledges that the construction of the Network Upgrade(s) under the FCA could be subject to tax gross-up, as applicable, upon Customer's default under

this Service Agreement and that the Security provided hereunder could be used to cover such obligations.

V. Breach, Default, and Cross-Default

- a. **General:** Upon a breach under this Service Agreement, the non-breaching Party shall give written notice of such breach to the breaching Party. The breaching Party shall have thirty (30) Calendar Days from receipt of the notice of breach within which to cure such breach; provided however, if such breach is not capable of cure within thirty (30) Calendar Days, the breaching Party shall commence such cure within thirty (30) Calendar Days after notice and continuously and diligently complete such cure within ninety (90) Calendar Days from receipt of the notice of breach; and, if cured within such time, the breach specified in such notice shall be deemed cured and treated by the Parties as if it had not occurred. If a breach is not cured as provided in this Section V.a, or is not capable of being cured within the period provided for herein, the breaching Party shall be in default under this Service Agreement.
- b. **Customer Default:** Customer shall be in default of this Service Agreement if Customer: (i) fails to make two (2) consecutive Payments when due or be more than sixty (60) Calendar Days late in providing an annual Payment; provided, however, that Owner has given Customer written notice of such breach and Customer has failed to cure such breach consistent with Section V.a or (ii) fails to provide New Security within thirty (30) Calendar Days of Owner's demand for New Security. In the event of default, Customer shall promptly pay to Owner all Payments still owed under this Service Agreement. In the event that Customer does not promptly pay all amounts due and owing to the Owner, the Owner may draw on the remaining balance of the Security provided by the Customer. This payment or draw on the Security does not limit any and all rights and remedies available to the Owner allowed by law with respect to such default or collecting all amounts owed for the remaining months due under this Service Agreement. Customer shall indemnify Owner for reasonable costs, attorney fees and/or expenses incurred with respect to a default or collecting all amounts owed for the remaining months, including, as applicable, any tax gross-up obligations under this Service Agreement.
- c. **Owner Default:** Owner shall be in default of this Service Agreement if: (1) it fails to provide Customer with any of the information access and audit rights provided in Section III; (2) such failure is not cured following notice from Customer as provided in Section V.a; and (3) such failure has a material adverse effect on Customer's ability to perform under this Service Agreement.
- d. **Cross Default:** The Parties acknowledge that if a Network Upgrade is a requirement for an interconnection agreement (either new or modified) that will be negotiated in the future, that interconnection agreement will contain a cross-default provision to this Agreement. Specifically, the cross-default provision in the future interconnection agreement will state that this Service Agreement is a requirement for that interconnection agreement so that a breach by Customer of any provision, covenant or other term or condition contained in this Service Agreement shall be

considered a breach under the future interconnection agreement. Accordingly, an event of default by Customer under Section V.b. hereof shall, after the passage of all applicable notice and cure or grace periods, be considered a default under this Service Agreement and will be a default under the cross-default provision that will be included in the future interconnection agreement.

VI. [RESERVED]

VII. Additional Network Upgrades

This Service Agreement may be amended to incorporate the cost of additional Network Upgrades assigned to the Project.

VIII. Assignment

This Service Agreement shall inure to the benefit of and be binding upon each Party's successors and permitted assigns. No Party shall assign this Service Agreement or their related contractual rights without the prior written consent of the other Party, which prior written consent shall not be unreasonably withheld or delayed; provided that the assignee is at least as creditworthy as the assigning Party and the assignee of Customer shall provide Owner with Security as contemplated herein; and provided further that Customer shall have the right to assign this Service Agreement, without the consent of Owner, (i) to an affiliate of Customer, and (ii) for collateral security purposes to aid in providing financing for the Project, provided that Customer will promptly notify Owner of any such assignment. No assignment of this Service Agreement shall release the Security held under this Agreement or discharge any Party from their future obligations hereunder unless all such obligations are assumed by the successor or assignee of that Party in writing or impair the Owner's ability to utilize the Cross Default provisions of Section V(d) in the event that the successor or assignee defaults under this Service Agreement.

IX. Transmission Service

Nothing in this Service Agreement conveys a right to transmission service under the Tariff.

X. Other

- a. Entire Agreement: This Service Agreement represents the entire agreement between Owner and Customer with reference to payment terms for the Network Upgrade(s) provided by Owner for Customer under the FCA. This Service Agreement may not be amended, modified, or waived other than by a written document signed by all Parties.
- b. Confidentiality:
Definition. If there is an applicable Non-Disclosure Agreement, or other similar agreement, then the provisions of that agreement shall be incorporated by reference, and Confidentiality shall have the meaning contained in that agreement.

If the Parties do not have such an agreement, Confidential Information shall include, without limitation, all information relating to a Party's technology, research and development, business affairs, and pricing, and any information supplied by a Party to another Party prior to the execution of this Service Agreement. Information is Confidential Information only if it is clearly designated or marked in writing as confidential on the face of the document, or, if the

information is conveyed orally or by inspection, if the Party providing the information orally informs the Party receiving the information that the information is confidential. The Parties shall maintain as confidential any information that is provided and identified by a Party as Critical Energy Infrastructure Information (CEII), as that term is defined in 18 C.F.R. Section 388.113(c). Such confidentiality will be maintained in accordance with this Section X.b. If requested by the receiving Party, the disclosing Party shall provide in writing, the basis for asserting that the information referred to in this Article warrants confidential treatment, and the requesting Party may disclose such writing to the appropriate Governmental Authority. Each Party shall be responsible for the costs associated with affording confidential treatment to its information.

Term. During the term of this Service Agreement, and for a period of three (3) years after the expiration or termination of this Service Agreement, except as otherwise provided in this Section X.b or with regard to CEII, each Party shall hold in confidence and shall not disclose to any person Confidential Information. CEII shall be treated in accordance with Commission policy and regulations.

Scope. Confidential Information shall not include information that the receiving Party can demonstrate: (1) is generally available to the public other than as a result of a disclosure by the receiving Party; (2) was in the lawful possession of the receiving Party on a non-confidential basis before receiving it from the disclosing Party; (3) was supplied to the receiving Party without restriction by a non-Party, who, to the knowledge of the receiving Party after due inquiry, was under no obligation to the disclosing Party to keep such information confidential; (4) was independently developed by the receiving Party without reference to Confidential Information of the disclosing Party; (5) is, or becomes, publicly known, through no wrongful act or omission of the receiving Party or breach of this Service Agreement; or (6) is required to be disclosed by any Governmental Authority or is otherwise required to be disclosed by law or subpoena, or is necessary in any legal proceeding establishing rights and obligations under this Service Agreement. Information designated as Confidential Information will no longer be deemed confidential if the Party that designated the information as confidential notifies the receiving Party that it no longer is confidential.

Release of Confidential Information. No Party shall release or disclose Confidential Information to any other person, except to its affiliates (limited by the Standards of Conduct requirements), subcontractors, employees, agents, consultants, or to non-parties who may be or are considering providing financing to or equity participation with Customer, or to potential purchasers or assignees of Customer, on a need-to-know basis in connection with this Service Agreement, unless such person has first been advised of the confidentiality provisions of this Section X.b and has agreed to comply with such provisions. Notwithstanding the foregoing, a Party providing Confidential Information to any person shall remain primarily responsible for any release of Confidential Information in contravention of this Section X.b.

Rights. Each Party retains all rights, title, and interest in the Confidential Information that it discloses to the receiving Party. The disclosure by a Party to the receiving Party of Confidential Information shall not be deemed a waiver by the disclosing Party or any other person or entity of the right to protect the Confidential Information from public disclosure. Nothing in this Agreement shall limit or otherwise modify Transmission Provider's rights and obligations with respect to Confidential Information as set forth in the Tariff.

No Warranties. By providing Confidential Information, no Party makes any warranties or representations as to its accuracy or completeness. In addition, by supplying Confidential Information, no Party obligates itself to provide any particular information or Confidential Information to another Party nor to enter into any further agreements or proceed with any other relationship or joint venture.

Standard of Care. Each Party shall use at least the same standard of care to protect Confidential Information it receives as it uses to protect its own Confidential Information from unauthorized disclosure, publication or dissemination. Each Party may use Confidential Information solely to fulfill its obligations to another Party under this Service Agreement or its regulatory requirements.

Order of Disclosure. If a court or a Government Authority or entity with the right, power, and apparent authority to do so requests or requires any Party, by subpoena, oral deposition, interrogatories, requests for production of documents, administrative order, or otherwise, to disclose Confidential Information, that Party shall provide the disclosing Party with prompt notice of such request(s) or requirement(s) so that the disclosing Party may seek an appropriate protective order or waive compliance with the terms of this Service Agreement. Notwithstanding the absence of a protective order or waiver, the Party may disclose such Confidential Information which, in the opinion of its counsel, the Party is legally compelled to disclose. Each Party will use Reasonable Efforts to obtain reliable assurance that confidential treatment will be accorded any Confidential Information so furnished.

Termination of Agreement. Upon termination of this Service Agreement for any reason, each Party shall, within ten (10) Calendar Days of receipt of a written request from another Party, use Reasonable Efforts to destroy, erase, or delete (with such destruction, erasure, and deletion certified in writing to the requesting Party) or return to the requesting Party, without retaining copies thereof, any and all written or electronic Confidential Information received from the requesting Party, except that each Party may keep one copy for archival purposes, provided that the obligation to treat it as Confidential Information in accordance with this Section X.b shall survive such termination.

Remedies. The Parties agree that monetary damages would be inadequate to compensate a Party for another Party's breach of its obligations under this Section X.b. Each Party accordingly agrees that the disclosing Party shall be entitled to equitable relief, by way of injunction or otherwise, if the receiving Party breaches or threatens to breach its obligations under this Section X.b, which

equitable relief shall be granted without bond or proof of damages, and the breaching Party shall not plead in defense that there would be an adequate remedy at law. Such remedy shall not be deemed an exclusive remedy for the breach of this Section X.b, but shall be in addition to all other remedies available at law or in equity. The Parties further acknowledge and agree that the covenants contained herein are necessary for the protection of legitimate business interests and are reasonable in scope. No Party, however, shall be liable for indirect, incidental, or consequential or punitive damages of any nature or kind resulting from or arising in connection with this Section X.b.

Disclosure to FERC, its Staff or a State. Notwithstanding anything in this Section X.b to the contrary, and pursuant to 18 CFR § 1b.20, if FERC or its staff, during the course of an investigation or otherwise, requests information from a Party that is otherwise required to be maintained in confidence pursuant to this Service Agreement, the Party shall provide the requested information to FERC or its staff, within the time provided for in the request for information. In providing the information to FERC or its staff, the Party must, consistent with 18 CFR § 388.112, request that the information be treated as confidential and non-public by FERC and its staff and that the information be withheld from public disclosure. Parties are prohibited from notifying the other Parties to this Service Agreement prior to the release of the Confidential Information to FERC or its staff. The Party shall notify the other Parties to this Service Agreement when it is notified by FERC or its staff that a request to release Confidential Information has been received by FERC, at which time any of the Parties may respond before such information would be made public, pursuant to 18 CFR § 388.112. Requests from a state regulatory body conducting a confidential investigation shall be treated in a similar manner if consistent with the applicable state rules and regulations.

Competitively Sensitive Information. Subject to the exception in the preceding paragraph of this Section X.b, any information that a disclosing Party claims is competitively sensitive, commercial or financial information under this Service Agreement shall not be disclosed by the receiving Party to any person not employed or retained by the receiving Party, except to the extent disclosure is (i) required by law; (ii) reasonably deemed by the receiving Party to be required to be disclosed in connection with a dispute between or among the Parties, or the defense of litigation or dispute; (iii) otherwise permitted by consent of the disclosing Party, such consent not to be unreasonably withheld; or (iv) necessary to fulfill its obligations under this Service Agreement or as the Regional Transmission Organization or a Local Balancing Authority operator including disclosing the Confidential Information to a regional or national reliability organization. The Party asserting confidentiality shall notify the receiving Party in writing of the information that Party claims is confidential. Prior to any disclosures of that Party's Confidential Information under this subparagraph, or if any non-Party or Governmental Authority makes any request or demand for any of the information described in this subparagraph, the Party who received the Confidential Information from the disclosing Party agrees to promptly notify the disclosing Party in writing and agrees to assert confidentiality and cooperate with the disclosing Party in seeking to protect the

Confidential Information from public disclosure by confidentiality agreement, protective order or other reasonable measures.

- c. Regulatory Approval: This Service Agreement and its terms shall be subject to approval, if applicable, by the Commission.
- d. Force Majeure: No Party shall be considered in default as to any obligation under this Service Agreement if prevented from fulfilling the obligation due to an event of Force Majeure. However, if any Party's performance under this Service Agreement is hindered by an event of Force Majeure, it shall make all reasonable efforts to perform its obligations under this Service Agreement. An event of Force Majeure means any act of God, labor disturbance, act of the public enemy, war, act of terrorism, insurrection, riot, fire, storm or flood, explosion, breakage or accident to machinery or equipment, any curtailment, order, regulation or restriction imposed by governmental military or lawfully established civilian authorities, or any other cause beyond a Party's control. Economic hardship is not considered a Force Majeure event.
- e. Disputes: Any dispute hereunder shall be referred to senior representatives of each Party. If the senior representatives are not able to resolve the dispute within thirty (30) Calendar Days, either Party may file any action allowed by law and this Service Agreement.
- f. Reservation of Rights: Nothing in this Service Agreement shall limit the rights of the Parties or of FERC under Sections 205 and 206 of the Federal Power Act and FERC's rules and regulations thereunder.
- g. Liability: A Party shall not be liable to another Party or to any third party or other person for any damages arising out of actions under this Service Agreement, including, but not limited to, any act or omission that results in an interruption, deficiency or imperfection of Interconnection Service, except as provided in this Tariff. The provisions set forth in the Tariff shall be additionally applicable to any Party acting in good faith to implement or comply with its obligations under this Service Agreement, regardless of whether the obligation is preceded by a specific directive.
- h. Governing Law: This Service Agreement is governed by and shall be construed in accordance with laws of the State of Minnesota, without regard for any principles of conflicts of laws.
- i. No Waiver: It is mutually understood that any failure by Owner or inconsistency to enforce or require the strict keeping and performance by Customer of any of the provisions of this Service Agreement shall not constitute a waiver by Owner of such provisions, and shall not affect or impair such provisions in any way, or the right of Owner at any time to avail itself of such remedies as it may have for any breach or breaches of such provisions. The waiver, illegality, invalidity and/or unenforceability of any provision appearing in this Service Agreement shall not

affect the validity of this Service Agreement as a whole or the validity or any other provisions therein.

- j. Waiver of Jury: TO THE FULLEST EXTENT PERMITTED BY LAW, EACH OF THE PARTIES HERETO WAIVES ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN RESPECT OF LITIGATION DIRECTLY OR INDIRECTLY ARISING OUT OF, UNDER OR IN CONNECTION WITH THIS SERVICE AGREEMENT. EACH PARTY FURTHER WAIVES ANY RIGHT TO CONSOLIDATE ANY ACTION IN WHICH A JURY TRIAL HAS BEEN WAIVED WITH ANY OTHER ACTION IN WHICH A JURY TRIAL CANNOT BE OR HAS NOT BEEN WAIVED.

XI. Contacts

Owner's Representative and Address:

Minnesota Power
Transmission Business Relations
3217 Persons Street
Duluth, MN 55811
With copy to:
TransmissionBusinessRelationsMP@mnpower.com

Customer's Representative and Address:

Harmony Group LLC
c/o Margot J. Wickman
60 S. 6th Street, Ste 3400
Minneapolis, MN 55402-4018
margot.wickman@kutakrock.com
projectloonmn@gmail.com

SIGNATURE PAGE FOLLOWS

THIS SERVICE AGREEMENT IS ENTERED INTO BY THE AUTHORIZED REPRESENTATIVES OF THE PARTIES WHOSE SIGNATURES ARE SET FORTH BELOW. EXECUTED COUNTERPARTS OF THIS SERVICE AGREEMENT MAY BE DELIVERED BY ELECTRONIC MEANS, SUCH AS EMAIL, BY THE PARTIES AND THE RECEIVING PARTIES MAY RELY ON THE RECEIPT OF SUCH EXECUTED COUNTERPART AS IF THE ORIGINAL HAS BEEN RECEIVED.

IN WITNESS WHEREOF, the Parties have caused this Service Agreement to be executed by their respective authorized officials.

Transmission Owner,
Minnesota Power, a division of ALLETE, Inc.

Customer,
Harmony Group LLC

By:  Signed by: 2/25/2026
00E6F16B34F7E1B7

By:  Signed by: 2/25/2026
0200BB8A9CB241C

Name: Dan Gunderson

Name: Margot Wickman

Title: Vice President - MP Transmission
System Planning & Operations

Title: Authorized Signatory

[Redacted]

EXHIBIT I

**Levelized Fixed
 Charge Rate
 Calculation with
 Deferred Recovery
 (Unpopulated
 Template)**

Project Name: [Redacted]

Description: [Redacted]

Cost Year: [Redacted]

Estimated or Actual Cost and ISD: [Redacted]

Rate Recovery Period: [Redacted]

Levelized Fixed Charge Computation:

19	Initial Network Upgrade Capital Cost		\$0
20	Levelized FCR with Deferred Recovery Annual Network Upgrade Charge	(Line 57)	0.0000%
21	Monthly Payment	(Line 19 x Line 20)	\$0
22		(Line 21 / 12)	\$0

Fixed Charge Rate Calculation:

26	Investment	(Line 19)	0
28	PW Federal Tax Depreciation	[Line 113, Col (f)]	0
29	Applicable federal tax rate	(Line 64)	0.00%
30	PW Federal Tax Benefit	(Line 28 x Line 29)	0
32	PW State Tax Depreciation	[Line 113, Col (g)]	0
33	Applicable state tax rate	(Line 65)	0.00%
34	PW State Tax Benefit	(Line 32 x Line 33)	0

36	PW Tax Benefit	(Line 30 + Line 34)	0
37	Present Worth Cashflow Revenue Conversion	(Line 26 - Line 36)	0
38	Factor	$[1/(1 - \text{Line 63})]$	0.0000
39	Present Worth Revenue Requirement	(Line 37 x Line 38)	0
40	In Service Date		
41	Recovery Start Date		
42	Deferral Days (February counted as 28 days)		
43	Deferral Annualization Factor (based on 365 days)	(Line 43/365)	0.0000%
44	Discount Rate per Year	(Line 79)	0.0000%
45	Deferral Factor	$\{[(1+\text{Line 45})^{\text{Line 44}}] - 1\}$	0.0000%
46	Deferral Adjustment	(Line 39 x Line 46)	0
47	Present Worth with Deferred Recovery	(Line 39 + Line 47)	0
48	Recovery Period (RP)		
49	Annualization Factor	$\{i [(1+i)^{\text{RP}}] - 1\}$ (where RP is Line 51, and i is Line 45)	0.0000%
50	Levelized Amount	(Line 49 x Line 52)	0
51	Levelized Fixed Charge Rate (FCR)	(Line 55 / Line 26)	0.0000%
52	Project Name:		
53	Inputs from Attachment O		
54	Combined Tax Rate (Attachment O, p3, Line 21)		
55	Applicable federal tax rate		
56	Applicable state tax rate	0.00%	
57	Interest (Attachment O, p4, Line 21)		
58	Preferred Dividends (Attachment O, p4, Line 22)		
59			

71	Capital							
72	Structure	Amount	Weight	Cost	Weighted			Cost
73	(Attachment O, page 4, Lines 27-30):							
74	Long-Term							
74	Debt		0.00%	0.00%	0.0000%			
75	Preferred							
75	Stock		0.00%	0.00%	0.0000%			
76	Common							
76	Equity		0.00%		0.0000%			
77	Capitalizatio							
77	n	0	0.00%		0.0000%			
78	Discount							
79	Rate		(Line 77 - (Line 63 x Line 74))			0.0000%		

84 MACRS Depreciation Rates with Bonus Depreciation Option:

85	86	(a)	(b)	(c)	(d)	(e)	(f)	(g)
87	Year	MACRS	MACRS	State	Present	Present	Present	Present
88		Rates	Depr	Depr	Worth	Worth	Worth	Worth
89					Factor	Federal Tax	State Tax	Depreciatio
90					$1/(1+i)^n$	Depreciation		n
91	Base	(Line 19)	\$0	\$0				
92	1		0		0.000000	0		
93	Remaining	(Line 92-						
94	Base	Line 93)	0.0					
95								
96	1		0	0	0.000000	0	0	0
97	2		0	0	0.000000	0	0	0
98	3		0	0	0.000000	0	0	0
99	4		0	0	0.000000	0	0	0
100	5		0	0	0.000000	0	0	0
101	6		0	0	0.000000	0	0	0
102	7		0	0	0.000000	0	0	0
103	8		0	0	0.000000	0	0	0

10							
4	9	0	0	0.000000	0	0	
10							
5	10	0	0	0.000000	0	0	
10							
6	11	0	0	0.000000	0	0	
10							
7	12	0	0	0.000000	0	0	
10							
8	13	0	0	0.000000	0	0	
10							
9	14	0	0	0.000000	0	0	
11							
0	15	0	0	0.000000	0	0	
11							
1	16	0	0	0.000000	0	0	
11							
2							
11							
3	Total	0	0		0	0	
11							
4							
11							
5	Footnote:						
11	<i>Use line 93 if bonus depreciation is</i>						
6	<i>applicable</i>						
11							
7							

(Added graphics)

EXHIBIT II-A

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Levelized Fixed Charge Rate Calculation with Deferred Recovery
 (Populated Template)

Project Name:	Project Loon	
Description	Arrowhead 230 kV Substation Interconnection	
Cost Year:	2025	
Estimated or Actual Cost and ISD:	\$8,492,280	6/30/2027
Rate Recovery Period:	20 Years	
Levelized Fixed Charge Computation:		
Initial Network Upgrade Capital Cost		8,492,280
Levelized FCR with Deferred Recovery	(Line 57)	11.35%
Annual Network Upgrade Charge	(Line 19 x Line 20)	\$963,589
Monthly Payment	(Line 21 / 12)	\$80,299
Fixed Charge Rate Calculation:		
Investment	(Line 19)	8,492,280
PW Federal Tax Depreciation	[Line 113, Col (f)]	5,088,223
Applicable federal tax rate	(Line 64)	21.00%
PW Federal Tax Benefit	(Line 28 x Line 29)	1,068,527
PW State Tax Depreciation	[Line 113, Col (g)]	5,088,223
Applicable state tax rate	(Line 65)	7.74%
PW State Tax Benefit	(Line 32 x Line 33)	393,930
PW Tax Benefit	(Line 30 + Line 34)	1,462,457
Present Worth Cashflow	(Line 26 - Line 36)	7,029,823
Revenue Conversion Factor	[1/(1 - Line 63)]	1.4034
Present Worth Revenue Requirement	(Line 37 x Line 38)	9,865,311
In Service Date		6/30/2027
Recovery Start Date		6/30/2027
Deferral Days (February counted as 28 days)		0
Deferral Annualization Factor (based on 365 days)	(Line 43/365)	0.0000%
Discount Rate per Year	(Line 79)	7.44%
Deferral Factor	{[(1+Line 45)^Line 44] - 1}	0.0000%
Deferral Adjustment	(Line 39 x Line 46)	0
Present Worth with Deferred Recovery	(Line 39 + Line 47)	9,865,311
Recovery Period (RP)		20
Annualization Factor	{ i [(1+i)^RP] } / { [(1+i)^RP] - 1 } <small>(where RP is Line 51, and i is Line 45)</small>	9.7674%
Levelized Amount	(Line 49 x Line 52)	963,589
Levelized Fixed Charge Rate (FCR)	(Line 55 / Line 26)	11.3466%

(Added graphics)

61	Inputs from Attachment O				
63	Combined Tax Rate (Attachment O, p3, Line 21)	28.74%			
64	Applicable federal tax rate	21.00%			
65	Applicable state tax rate	7.74%			
66					
67	Interest (Attachment O, p4, Line 21)	81,961,344			
68					
69	Preferred Dividends (Attachment O, p4, Line 22)	0			
70					
71					
72	Capital Structure	Amount	Weight	Cost	Weighted Cost
73	(Attachment O, page 4, Lines 27-30):				
74	Long-Term Debt	1,931,689,815	40.72%	4.24%	1.7276%
75	Preferred Stock	0	0.00%	0.00%	0.0000%
76	Common Equity	2,812,543,000	59.28%	10.48%	6.2129%
77	Capitalization	4,744,232,815	100.00%		7.9405%
78					
79	Discount Rate	(Line 77 - (Line 63 x Line 74))			7.4440%
80					
81					
82					
83					

84 MACRS Depreciation Rates with Bonus Depreciation Option:

86	(a)	(b)	(c)	(d)	(e)	(f)	(g)
87	Year	MACRS Rates	MACRS Depr	State Depr	Present Worth Factor $1/(1+i)^n$	Present Worth Federal Tax Depreciation	Present Worth State Tax Depreciation
92	Base	(Line 19)	\$8,492,280	\$8,492,280			
93	1		0		0.930718	0	
94	Remaining Base	(Line 92-Line 93)	8,492,280.0				
95							
96	1	5.00%	424,614	424,614	0.930718	395,196	395,196
97	2	9.50%	806,767	806,767	0.866236	698,850	698,850
98	3	8.55%	726,090	726,090	0.806221	585,389	585,389
99	4	7.70%	653,906	653,906	0.750364	490,667	490,667
100	5	6.93%	588,515	588,515	0.698377	411,005	411,005
101	6	6.23%	529,069	529,069	0.649992	343,891	343,891
102	7	5.90%	501,045	501,045	0.604959	303,112	303,112
103	8	5.90%	501,045	501,045	0.563046	282,111	282,111
104	9	5.91%	501,894	501,894	0.524037	263,011	263,011
105	10	5.90%	501,045	501,045	0.487731	244,375	244,375
106	11	5.91%	501,894	501,894	0.453940	227,830	227,830
107	12	5.90%	501,045	501,045	0.422490	211,686	211,686
108	13	5.91%	501,894	501,894	0.393219	197,354	197,354
109	14	5.90%	501,045	501,045	0.365976	183,370	183,370
110	15	5.91%	501,894	501,894	0.340620	170,955	170,955
111	16	2.95%	250,522	250,522	0.317021	79,421	79,421
112							
113	Total		8,492,280	8,492,280		5,088,223	5,088,223

115 Footnote:

116 Use line 93 if bonus depreciation is applicable

117

(Added graphics)

EXHIBIT II-B

<u>Levelized Fixed Charge Rate Calculation with Deferred Recovery</u>		
<u>(Populated Template)</u>		
3		
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7	Project Name:	Project Loon
8		
9	Description	St. Louis County 230 kV Interconnection
10		
11	Cost Year:	2025
12		
13	Estimated or Actual Cost and ISD:	\$5,352,474 12/31/2030
14		
15	Rate Recovery Period:	20 Years
16		
17	Levelized Fixed Charge Computation:	
18		
19	Initial Network Upgrade Capital Cost	\$5,352,474
20	Levelized FCR with Deferred Recovery	(Line 57) 11.35%
21	Annual Network Upgrade Charge	(Line 19 x Line 20) \$607,326
22	Monthly Payment	(Line 21 / 12) \$50,611
23		
24	Fixed Charge Rate Calculation:	
25		
26	Investment	(Line 19) 5,352,474
27		
28	PW Federal Tax Depreciation	[Line 113, Col (f)] 3,206,981
29	Applicable federal tax rate	(Line 64) 21.00%
30	PW Federal Tax Benefit	(Line 28 x Line 29) 673,466
31		
32	PW State Tax Depreciation	[Line 113, Col (g)] 3,206,981
33	Applicable state tax rate	(Line 65) 7.74%
34	PW State Tax Benefit	(Line 32 x Line 33) 248,284
35		
36	PW Tax Benefit	(Line 30 + Line 34) 921,750
37	Present Worth Cashflow	(Line 26 - Line 36) 4,430,724
38	Revenue Conversion Factor	[1/(1 - Line 63)] 1.4034
39	Present Worth Revenue Requirement	(Line 37 x Line 38) 6,217,861
40		
41	In Service Date	12/31/2030
42	Recovery Start Date	12/31/2030
43	Deferral Days (February counted as 28 days)	0
44	Deferral Annualization Factor (based on 365 days)	(Line 43/365) 0.0000%
45	Discount Rate per Year	(Line 79) 7.44%
46	Deferral Factor	{[(1+Line 45)^Line 44] - 1} 0.0000%
47	Deferral Adjustment	(Line 39 x Line 46) 0
48		
49	Present Worth with Deferred Recovery	(Line 39 + Line 47) 6,217,861
50		
51	Recovery Period (RP)	20
52	Annualization Factor	{ i [(1+i)^RP] } / { [(1+i)^RP] - 1 } 9.7674%
53		(where RP is Line 51, and i is Line 45)
54		
55	Levelized Amount	(Line 49 x Line 52) 607,326
56		
57	Levelized Fixed Charge Rate (FCR)	(Line 55 / Line 26) 11.3466%
58		

(Added graphics)

61

62 Inputs from Attachment O

63 Combined Tax Rate (Attachment O, p3, Line 21)	28.74%
64 Applicable federal tax rate	21.00%
65 Applicable state tax rate	7.74%

66

67 Interest (Attachment O, p4, Line 21) 81,961,344

68

69 Preferred Dividends (Attachment O, p4, Line 22) 0

70

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72 Capital Structure	Amount	Weight	Cost	Weighted Cost
73 (Attachment O, page 4, Lines 27-30):				
74 Long-Term Debt	1,931,689,815	40.72%	4.24%	1.7276%
75 Preferred Stock	0	0.00%	0.00%	0.0000%
76 Common Equity	2,812,543,000	59.28%	10.48%	6.2129%
77 Capitalization	4,744,232,815	100.00%		7.9405%

78

79 Discount Rate (Line 77 - (Line 63 x Line 74)) 7.4440%

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84 MACRS Depreciation Rates with Bonus Depreciation Option:

85

86	(a)	(b)	(c)	(d)	(e)	(f)	(g)
87 Year		MACRS	MACRS	State	Present	Present	Present
88		Rates	Depr	Depr	Worth	Worth	Worth
89					Factor	Federal Tax	State Tax
90					$1/(1+i)^n$	Depreciation	Depreciation
91							
92 Base		(Line 19)	\$5,352,474	\$5,352,474			
93	1		0		0.930718	0	
94 Remaining Base	(Line 92-Line 93)		5,352,474.0				
95							
96	1	5.00%	267,624	267,624	0.930718	249,082	249,082
97	2	9.50%	508,485	508,485	0.866236	440,468	440,468
98	3	8.55%	457,637	457,637	0.806221	368,956	368,956
99	4	7.70%	412,140	412,140	0.750364	309,255	309,255
100	5	6.93%	370,926	370,926	0.698377	259,047	259,047
101	6	6.23%	333,459	333,459	0.649992	216,746	216,746
102	7	5.90%	315,796	315,796	0.604959	191,044	191,044
103	8	5.90%	315,796	315,796	0.563046	177,808	177,808
104	9	5.91%	316,331	316,331	0.524037	165,769	165,769
105	10	5.90%	315,796	315,796	0.487731	154,023	154,023
106	11	5.91%	316,331	316,331	0.453940	143,595	143,595
107	12	5.90%	315,796	315,796	0.422490	133,421	133,421
108	13	5.91%	316,331	316,331	0.393219	124,387	124,387
109	14	5.90%	315,796	315,796	0.365976	115,574	115,574
110	15	5.91%	316,331	316,331	0.340620	107,749	107,749
111	16	2.95%	157,898	157,898	0.317021	50,057	50,057
112							
113	Total		5,352,474	5,352,474		3,206,981	3,206,981

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115 Footnote:

116 Use line 93 if bonus depreciation is applicable.

117

(Added graphics)

EXHIBIT II-C

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Levelized Fixed Charge Rate Calculation with Deferred Recovery
 (Populated Template)

Project Name: Blackberry
 Description: Blackberry 115 kV Single Point of Failure
 Cost Year: 2025
 Estimated or Actual Cost and ISD: \$594,360 12/31/2027
 Rate Recovery Period: 20 Years

Levelized Fixed Charge Computation:

Initial Network Upgrade Capital Cost		\$594,360
Levelized FCR with Deferred Recovery	(Line 57)	11.35%
Annual Network Upgrade Charge	(Line 19 x Line 20)	\$67,440
Monthly Payment	(Line 21 / 12)	\$5,620

Fixed Charge Rate Calculation:

Investment	(Line 19)	594,360
PW Federal Tax Depreciation	[Line 113, Col (f)]	356,116
Applicable federal tax rate	(Line 64)	21.00%
PW Federal Tax Benefit	(Line 28 x Line 29)	74,784
PW State Tax Depreciation	[Line 113, Col (g)]	356,116
Applicable state tax rate	(Line 65)	7.74%
PW State Tax Benefit	(Line 32 x Line 33)	27,570
PW Tax Benefit	(Line 30 + Line 34)	102,355
Present Worth Cashflow	(Line 26 - Line 36)	492,005
Revenue Conversion Factor	[1/(1 - Line 63)]	1.4034
Present Worth Revenue Requirement	(Line 37 x Line 38)	690,456
In Service Date		12/31/2027
Recovery Start Date		12/31/2027
Deferral Days (February counted as 28 days)		0
Deferral Annualization Factor (based on 365 days)	(Line 43/365)	0.0000%
Discount Rate per Year	(Line 79)	7.44%
Deferral Factor	{[(1+Line 45)^Line 44] - 1}	0.0000%
Deferral Adjustment	(Line 39 x Line 46)	0
Present Worth with Deferred Recovery	(Line 39 + Line 47)	690,456
Recovery Period (RP)		20
Annualization Factor	{ i [(1+i)^RP] / {[(1+i)^RP] - 1}	9.7674%
	(where RP is Line 51, and i is Line 45)	
Levelized Amount	(Line 49 x Line 52)	67,440
Levelized Fixed Charge Rate (FCR)	(Line 55 / Line 26)	11.3466%

(Added graphics)

61	Inputs from Attachment O				
63	Combined Tax Rate (Attachment O, p3, Line 21)	28.74%			
64	Applicable federal tax rate	21.00%			
65	Applicable state tax rate	7.74%			
66					
67	Interest (Attachment O, p4, Line 21)	81,961,344			
68					
69	Preferred Dividends (Attachment O, p4, Line 22)	0			
70					
71					
72	Capital Structure	Amount	Weight	Cost	Weighted Cost
73	(Attachment O, page 4, Lines 27-30):				
74	Long-Term Debt	1,931,689,815	40.72%	4.24%	1.7276%
75	Preferred Stock	0	0.00%	0.00%	0.0000%
76	Common Equity	2,812,543,000	59.28%	10.48%	6.2129%
77	Capitalization	4,744,232,815	100.00%		7.9405%
78					
79	Discount Rate	(Line 77 - (Line 63 x Line 74))			7.4440%
80					
81					
82					
83					

84 MACRS Depreciation Rates with Bonus Depreciation Option:

85	(a)	(b)	(c)	(d)	(e)	(f)	(g)
87 Year		MACRS	MACRS	State	Present	Present	Present
88		Rates	Depr	Depr	Worth	Worth	Worth
89					Factor	Federal Tax	State Tax
90					$1/(1+i)^n$	Depreciation	Depreciation
92 Base		(Line 19)	\$594,360	\$594,360			
93	1		0		0.930718	0	
94 Remaining Base		(Line 92-Line 93)	594,360.0				
95							
96	1	5.00%	29,718	29,718	0.930718	27,659	27,659
97	2	9.50%	56,464	56,464	0.866236	48,911	48,911
98	3	8.55%	50,818	50,818	0.806221	40,970	40,970
99	4	7.70%	45,766	45,766	0.750364	34,341	34,341
100	5	6.93%	41,189	41,189	0.698377	28,766	28,766
101	6	6.23%	37,029	37,029	0.649992	24,068	24,068
102	7	5.90%	35,067	35,067	0.604959	21,214	21,214
103	8	5.90%	35,067	35,067	0.563046	19,744	19,744
104	9	5.91%	35,127	35,127	0.524037	18,408	18,408
105	10	5.90%	35,067	35,067	0.487731	17,103	17,103
106	11	5.91%	35,127	35,127	0.453940	15,945	15,945
107	12	5.90%	35,067	35,067	0.422490	14,816	14,816
108	13	5.91%	35,127	35,127	0.393219	13,812	13,812
109	14	5.90%	35,067	35,067	0.365976	12,834	12,834
110	15	5.91%	35,127	35,127	0.340620	11,965	11,965
111	16	2.95%	17,534	17,534	0.317021	5,559	5,559
112							
113	Total		594,360	594,360		356,116	356,116

115 Footnote:

116 Use line 93 if bonus depreciation is applicable

117

(Added graphics)

EXHIBIT II-D

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Levelized Fixed Charge Rate Calculation with Deferred Recovery
 (Populated Template)

Project Name: St. Louis County
 Description St. Louis County 345/230 kV Transformer Addition

Cost Year: 2025

Estimated or Actual Cost and ISD: \$41,976,922 12/31/2030

Rate Recovery Period: 20 Years

Levelized Fixed Charge Computation:

Initial Network Upgrade Capital Cost		\$41,976,922
Levelized FCR with Deferred Recovery	(Line 57)	11.35%
Annual Network Upgrade Charge	(Line 19 x Line 20)	\$4,762,973
Monthly Payment	(Line 21 / 12)	\$396,914

Fixed Charge Rate Calculation:

Investment	(Line 19)	41,976,922
PW Federal Tax Depreciation	[Line 113, Col (f)]	25,150,834
Applicable federal tax rate	(Line 64)	21.00%
PW Federal Tax Benefit	(Line 28 x Line 29)	5,281,675
PW State Tax Depreciation	[Line 113, Col (g)]	25,150,834
Applicable state tax rate	(Line 65)	7.74%
PW State Tax Benefit	(Line 32 x Line 33)	1,947,178
PW Tax Benefit	(Line 30 + Line 34)	7,228,853
Present Worth Cashflow	(Line 26 - Line 36)	34,748,069
Revenue Conversion Factor	[1/(1 - Line 63)]	1.4034
Present Worth Revenue Requirement	(Line 37 x Line 38)	48,763,745
In Service Date		12/31/2030
Recovery Start Date		12/31/2030
Deferral Days (February counted as 28 days)		0
Deferral Annualization Factor (based on 365 days)	(Line 43/365)	0.0000%
Discount Rate per Year	(Line 79)	7.44%
Deferral Factor	{[(1+Line 45)^Line 44] - 1}	0.0000%
Deferral Adjustment	(Line 39 x Line 46)	0
Present Worth with Deferred Recovery	(Line 39 + Line 47)	48,763,745
Recovery Period (RP)		20
Annualization Factor	{ i [(1+i)^RP] } / { [(1+i)^RP] - 1 } <small>(where RP is Line 51, and i is Line 45)</small>	9.7674%
Levelized Amount	(Line 49 x Line 52)	4,762,973
Levelized Fixed Charge Rate (FCR)	(Line 55 / Line 26)	11.3466%

(Added graphics)

61	Inputs from Attachment O				
63	Combined Tax Rate (Attachment O, p3, Line 21)	28.74%			
64	Applicable federal tax rate	21.00%			
65	Applicable state tax rate	7.74%			
66					
67	Interest (Attachment O, p4, Line 21)	81,961,344			
68					
69	Preferred Dividends (Attachment O, p4, Line 22)	0			
70					
71					
72	Capital Structure	Amount	Weight	Cost	Weighted Cost
73	(Attachment O, page 4, Lines 27-30):				
74	Long-Term Debt	1,931,689,815	40.72%	4.24%	1.7276%
75	Preferred Stock	0	0.00%	0.00%	0.0000%
76	Common Equity	2,812,543,000	59.28%	10.48%	6.2129%
77	Capitalization	4,744,232,815	100.00%		7.9405%
78					
79	Discount Rate		(Line 77 - (Line 63 x Line 74))		7.4440%

84	MACRS Depreciation Rates with Bonus Depreciation Option:						
85							
86	(a)	(b)	(c)	(d)	(e)	(f)	(g)
87	Year	MACRS	MACRS	State	Present	Present	Present
88		Rates	Depr	Depr	Worth	Worth	Worth
89					Factor	Federal Tax	State Tax
90					$1/(1+i)^n$	Depreciation	Depreciation
91							
92	Base	(Line 19)	\$41,976,922	\$41,976,922			
93	1		0		0.930718	0	
94	Remaining Base	(Line 92-Line 93)	41,976,922.0				
95							
96	1	5.00%	2,098,846	2,098,846	0.930718	1,953,433	1,953,433
97	2	9.50%	3,987,808	3,987,808	0.866236	3,454,381	3,454,381
98	3	8.55%	3,589,027	3,589,027	0.806221	2,893,548	2,893,548
99	4	7.70%	3,232,223	3,232,223	0.750364	2,425,344	2,425,344
100	5	6.93%	2,909,001	2,909,001	0.698377	2,031,580	2,031,580
101	6	6.23%	2,615,162	2,615,162	0.649992	1,699,835	1,699,835
102	7	5.90%	2,476,638	2,476,638	0.604959	1,498,265	1,498,265
103	8	5.90%	2,476,638	2,476,638	0.563046	1,394,462	1,394,462
104	9	5.91%	2,480,836	2,480,836	0.524037	1,300,050	1,300,050
105	10	5.90%	2,476,638	2,476,638	0.487731	1,207,933	1,207,933
106	11	5.91%	2,480,836	2,480,836	0.453940	1,126,150	1,126,150
107	12	5.90%	2,476,638	2,476,638	0.422490	1,046,354	1,046,354
108	13	5.91%	2,480,836	2,480,836	0.393219	975,511	975,511
109	14	5.90%	2,476,638	2,476,638	0.365976	906,389	906,389
110	15	5.91%	2,480,836	2,480,836	0.340620	845,023	845,023
111	16	2.95%	1,238,319	1,238,319	0.317021	392,573	392,573
112							
113	Total		41,976,922	41,976,922		25,150,834	25,150,834

115 Footnote:

116 Use line 93 if bonus depreciation is applicable

117

(Added graphics)

EXHIBIT II-E

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5		<u>Levelized Fixed Charge Rate Calculation with Deferred Recovery</u>	
6		(Populated Template)	
7	Project Name:	Project Loon	
8			
9	Description	Arrowhead – Forbes 230 kV Line Upgrade	
10			
11	Cost Year:	2025	
12			
13	Estimated or Actual Cost and ISD:	\$19,917,788	12/31/2031
14			
15	Rate Recovery Period:	20 Years	
16			
17	Levelized Fixed Charge Computation:		
18			
19	Initial Network Upgrade Capital Cost		\$19,917,788
20	Levelized FCR with Deferred Recovery	(Line 57)	11.35%
21	Annual Network Upgrade Charge	(Line 19 x Line 20)	\$2,260,001
22	Monthly Payment	(Line 21 / 12)	\$188,333
23			
24	Fixed Charge Rate Calculation:		
25			
26	Investment	(Line 19)	19,917,788
27			
28	PW Federal Tax Depreciation	[Line 113, Col (f)]	11,933,914
29	Applicable federal tax rate	(Line 64)	21.00%
30	PW Federal Tax Benefit	(Line 28 x Line 29)	2,506,122
31			
32	PW State Tax Depreciation	[Line 113, Col (g)]	11,933,914
33	Applicable state tax rate	(Line 65)	7.74%
34	PW State Tax Benefit	(Line 32 x Line 33)	923,924
35			
36	PW Tax Benefit	(Line 30 + Line 34)	3,430,046
37	Present Worth Cashflow	(Line 26 - Line 36)	16,487,742
38	Revenue Conversion Factor	[1/(1 - Line 63)]	1.4034
39	Present Worth Revenue Requirement	(Line 37 x Line 38)	23,138,093
40			
41	In Service Date		12/31/2031
42	Recovery Start Date		12/31/2031
43	Deferral Days (February counted as 28 days)		0
44	Deferral Annualization Factor (based on 365 days)	(Line 43/365)	0.0000%
45	Discount Rate per Year	(Line 79)	7.44%
46	Deferral Factor	{[(1+Line 45)^Line 44] - 1}	0.0000%
47	Deferral Adjustment	(Line 39 x Line 46)	0
48			
49	Present Worth with Deferred Recovery	(Line 39 + Line 47)	23,138,093
50			
51	Recovery Period (RP)		20
52	Annualization Factor	{ i [(1+i)^RP] / {[(1+i)^RP] - 1}	9.7674%
53		(where RP is Line 51, and i is Line 45)	
54			
55	Levelized Amount	(Line 49 x Line 52)	2,260,001
56			
57	Levelized Fixed Charge Rate (FCR)	(Line 55 / Line 26)	11.3466%
58			

(Added graphics)

61							
62	Inputs from Attachment O						
63	Combined Tax Rate (Attachment O, p3, Line 21)		28.74%				
64	Applicable federal tax rate		21.00%				
65	Applicable state tax rate		7.74%				
66							
67	Interest (Attachment O, p4, Line 21)		81,961,344				
68							
69	Preferred Dividends (Attachment O, p4, Line 22)		0				
70							
71							
72	Capital Structure		Amount	Weight	Cost	Weighted Cost	
73	(Attachment O, page 4, Lines 27-30):						
74	Long-Term Debt		1,931,689,815	40.72%	4.24%	1.7276%	
75	Preferred Stock		0	0.00%	0.00%	0.0000%	
76	Common Equity		2,812,543,000	59.28%	10.48%	6.2129%	
77	Capitalization		4,744,232,815	100.00%		7.9405%	
78							
79	Discount Rate		(Line 77 - (Line 63 x Line 74))			7.4440%	
80							
81							
82							
83							
84	MACRS Depreciation Rates with Bonus Depreciation Option:						
85							
86	(a)	(b)	(c)	(d)	(e)	(f)	(g)
87	Year	MACRS	MACRS	State	Present	Present	Present
88		Rates	Depr	Depr	Worth	Worth	Worth
89					Factor	Federal Tax	State Tax
90					$1/(1+i)^n$	Depreciation	Depreciation
91							
92	Base	(Line 19)	\$19,917,788	\$19,917,788			
93	1		0		0.930718	0	
94	Remaining Base	(Line 92-Line 93)	19,917,788.0				
95							
96	1	5.00%	995,889	995,889	0.930718	926,892	926,892
97	2	9.50%	1,892,190	1,892,190	0.866236	1,639,082	1,639,082
98	3	8.55%	1,702,971	1,702,971	0.806221	1,372,971	1,372,971
99	4	7.70%	1,533,670	1,533,670	0.750364	1,150,811	1,150,811
100	5	6.93%	1,380,303	1,380,303	0.698377	963,972	963,972
101	6	6.23%	1,240,878	1,240,878	0.649992	806,561	806,561
102	7	5.90%	1,175,149	1,175,149	0.604959	710,918	710,918
103	8	5.90%	1,175,149	1,175,149	0.563046	661,664	661,664
104	9	5.91%	1,177,141	1,177,141	0.524037	616,866	616,866
105	10	5.90%	1,175,149	1,175,149	0.487731	573,157	573,157
106	11	5.91%	1,177,141	1,177,141	0.453940	534,351	534,351
107	12	5.90%	1,175,149	1,175,149	0.422490	496,489	496,489
108	13	5.91%	1,177,141	1,177,141	0.393219	462,874	462,874
109	14	5.90%	1,175,149	1,175,149	0.365976	430,076	430,076
110	15	5.91%	1,177,141	1,177,141	0.340620	400,958	400,958
111	16	2.95%	587,575	587,575	0.317021	186,274	186,274
112							
113	Total		19,917,788	19,917,788		11,933,914	11,933,914
114							
115	Footnote:						
116	Use line 93 if bonus depreciation is applicable						
117							



March 26, 2026

VIA E-FILING

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

**Re: Affiliated Interest Compliance
Docket No. E,G999/PR-26-17
COMPLIANCE FILING – NOTICE OF CONTRACT WITH AFFILIATED
INTEREST**

Dear Ms. Bergman:

Pursuant to the Minnesota Public Utilities Commission's December 10, 2025 Order Approving Petition for Acquisition with Conditions and Establishing Other Requirements ("Acquisition Order") in Docket No. E015/PA-24-198 and Settlement Stipulation Paragraph ("Paragraph") 1.29b of the July 11, 2025 Settlement Stipulation establishing new requirements to address transparency and reporting of contracts, Minnesota Power ("the Company") hereby submits this compliance filing to notify the Commission of two new contracts with an entity that is more than 5 percent owned by Canada Pension Plan Investment Board ("CPP Investments"), Global Infrastructure Partners ("GIP"), or BlackRock, Inc.

Order Point 2 of the Commission's December 10, 2025 Order states:

"Minnesota Power's petition is approved subject to the terms of the July 11, 2025 Settlement Stipulation, as amended by the September 24, 2025 Addendum to Settlement Stipulation and the September 30, 2025 Second Addendum to Settlement Stipulation, except for the modifications to the ALJ's findings of fact discussed here."

Paragraph 1.29 of the July 11, 2025 Settlement Stipulation states:

"In addition to, and not in abrogation of, any obligations pursuant to Minn. Stat. § 216B.48, in the interest of transparency and to protect against concerns regarding any non-arms-length transactions:

Ms. Bergman
March 26, 2026
Page 2

1.29a. Minnesota Power will require all suppliers, and any industrial customers with contracted rates, to identify annually whether they are more than 5 percent owned by CPP Investments, GIP, or BlackRock, Inc. Minnesota Power will list those entities in the annual affiliated interest report.

1.29b. Minnesota Power will identify any contracts over \$500,000 with an entity identified pursuant to the immediately preceding commitment and notify the Commission within 30 days of the execution of each contract not already disclosed to the Commission, with a certification that the contract was negotiated and executed at arm's length."

Minnesota Power hereby notifies the Commission of two contracts entered into with Harmony Group, LLC, a subsidiary of Alphabet, Inc. ("Google"), an entity that is an industrial customer with a contracted rate and is more than 5 percent owned by BlackRock, Inc. The February 25, 2026 contracts are (1) an Electric Service Agreement ("ESA") and (2) a Facilities Construction Agreement ("FCA"). Additionally, although not required under Paragraph 1.29, the Company is providing in this notice information related to the February 25, 2026 Power Development Services Agreement ("PDSA"), a contract between ALLETE Enterprises, Inc. ("ALLETE Enterprises"), an affiliate of Minnesota Power, and Google. Even though not required under Paragraph 1.29, we are providing this information in the interest of transparency.

The ESA establishes electric service for a new Google data center facility to be located in Hermantown, Minnesota under the Company's Large Power ("LP") Service Schedule.

The FCA consists of two related agreements - a Facilities Construction Agreement and a Facilities Service Agreement - under which Google pays all costs for transmission upgrades needed to serve its new load under the LP Service Schedule. The contract was entered into as part of the Company's Transmission Interconnection Process, and the contract is being filed concurrently with FERC for approval as a service agreement under the Midcontinent Independent System Operator, Inc.'s FERC Tariff.

The PDSA provides terms and conditions related to the development or procurement of additional generation resources and other related infrastructure to accommodate Google's load addition as a new customer under the LP Service Schedule. Under the agreement, Google will be liable for the early development costs incurred by ALLETE Enterprises to develop such resources and infrastructure.

Based on the scope of work, the spend under each of these separate contracts will exceed the \$500,000 threshold specified in the Settlement Stipulation. This notification is provided proactively to ensure full transparency regarding affiliated interest transactions.

Ms. Bergman
March 26, 2026
Page 3

Arm's-Length Representations

The Company certifies the following:

- 1. Arm's-Length Negotiation:** The transactions were negotiated at arm's length, without direction, coercion, or influence by BlackRock, Inc., and under the same standards, procedures, and internal approval processes that Minnesota Power applies to non-affiliate contracts.
- 2. Market Based Pricing:** The pricing, terms, and conditions are no more favorable to Google than would be available from a non-affiliated similarly situated customer under similar circumstances.
- 3. Cost Reasonableness**
The contracts are just, reasonable, and consistent with market benchmarks, and/or industry standards for similar services.
- 4. No Preferential Treatment**
No preferential treatment was given to Google due to common ownership, and no confidential or competitively sensitive information was shared beyond what would be provided to a non-affiliate entity.

This certification is provided in compliance with Paragraph 1.29 of the July 11, 2025 Settlement Stipulation and the Acquisition Order. This compliance notice has also been included as an attachment to the petition for approval of the ESA between Minnesota Power and Google for informational purposes. (See *In the Matter of the Petition for Approval of an Electric Service Agreement between Google and Minnesota Power*, Docket No. E015/M-26-___).

If you have any questions regarding this filing, please contact me at (218) 355-3182 or dmencel@mnpower.com.

Yours truly,



Debbie A. Mencel
Regulatory Compliance Specialist

DAM:kb

IN THE MATTER OF THE PETITION FOR
APPROVAL OF AN ELECTRIC SERVICE
AGREEMENT BETWEEN GOOGLE AND
MINNESOTA POWER

DOCKET No. E015/M-26-_____

CERTIFICATE OF SERVICE

Carly L. Krause certifies that on the 26th day of March, 2026 on behalf of Minnesota Power, she efiled a true and correct copy of the **Petition** in the above-referenced matter via [eDockets](#).

The Summary of Filing for said document was served via electronic service or U.S. Mail as designated on the attached Minnesota Power Large Power Service on file with the Minnesota Public Utilities Commission.

/s/ Carly L. Krause
Carly L. Krause

#	First Name	Last Name	Email	Organization	Agency	Address	Delivery Method	Alternate Delivery Method	View Trade Secret	Service List Name
1	Sasha	Bergman	sasha.bergman@state.mn.us		Public Utilities Commission	121 7th PI E Ste 350 St. Paul MN, 55101 United States	Electronic Service		Yes	Minnesota Power MPs Large Power Service List
2	Matthew	Brodin	mbrodin@allete.com	Minnesota Power		30 West Superior Street Duluth MN, 55802 United States	Electronic Service		No	Minnesota Power MPs Large Power Service List
3	Mike	Bull	mike.bull@state.mn.us		Public Utilities Commission	121 7th Place East, Suite 350 St. Paul MN, 55101 United States	Electronic Service		Yes	Minnesota Power MPs Large Power Service List
4	Greg	Chandler	greg.chandler@upm.com	UPM Blandin Paper		115 SW First St Grand Rapids MN, 55744 United States	Electronic Service		No	Minnesota Power MPs Large Power Service List
5	David	Chura	dchura@mnpower.com	Minnesota Power		30 West Superior St Duluth MN, 55802 United States	Electronic Service		No	Minnesota Power MPs Large Power Service List
6	Paul	Ciesielski	paul.ciesielski@arcelormittal.com	ArcelorMittal		3300 Dickey Road East Chicago IN, 46312 United States	Electronic Service		No	Minnesota Power MPs Large Power Service List
7	Generic	Commerce Attorneys	commerce.attorneys@ag.state.mn.us		Office of the Attorney General - Department of Commerce	445 Minnesota Street Suite 1400 St. Paul MN, 55101 United States	Electronic Service		Yes	Minnesota Power MPs Large Power Service List
8	Sharon	Ferguson	sharon.ferguson@state.mn.us		Department of Commerce	85 7th Place E Ste 280 Saint Paul MN, 55101-2198 United States	Electronic Service		No	Minnesota Power MPs Large Power Service List
9	Lori	Hoyum	lhoyum@mnpower.com	Minnesota Power		30 West Superior Street Duluth MN, 55802 United States	Electronic Service		No	Minnesota Power MPs Large Power Service List
10	James	Jarvi		Minnesota Ore Operations - U S Steel		P O Box 417 Mountain Iron MN, 55768 United States	Paper Service		No	Minnesota Power MPs Large Power Service List
11	Nick	Kaneski	nick.kaneski@enbridge.com	Enbridge Energy Company, Inc.		11 East Superior St Ste 125 Duluth MN, 55802 United States	Electronic Service		No	Minnesota Power MPs Large Power Service List
12	Jennifer	Kuklenski	jkuklenski@mnpower.com	Minnesota Power		30 W Superior St, Duluth, MN, 55802 Duluth MN, 54534 United States	Electronic Service		No	Minnesota Power MPs Large Power Service List
13	David	Langmo	david.langmo@sappi.com	Sappi North America		P O Box 511 2201 Avenue B Cloquet MN, 55720 United States	Electronic Service		No	Minnesota Power MPs Large Power Service List

#	First Name	Last Name	Email	Organization	Agency	Address	Delivery Method	Alternate Delivery Method	View Trade Secret	Service List Name
14	Patrick	Loupin	patrickloupin@packagingcorp.com	Boise Cascade Corporation		PO Box 990050 Boise ID, 83799-0050 United States	Electronic Service		No	Minnesota Power MPs Large Power Service List
15	Discovery	Manager	discoverymanager@mnpower.com	Minnesota Power		30 W Superior St Duluth MN, 55802 United States	Electronic Service		No	Minnesota Power MPs Large Power Service List
16	Sarah	Manchester	sarah.manchester@sappi.com	Sappi North American		255 State Street Floor 4 Boston MA, 02109-2617 United States	Electronic Service		No	Minnesota Power MPs Large Power Service List
17	Keith	Matzdorf	keith.matzdorf@sappi.com	Sappi Fine Paper North America		PO Box 511 2201 Avenue B Cloquet MN, 55720 United States	Electronic Service		No	Minnesota Power MPs Large Power Service List
18	Matthew	McClincy	mmclincy@usg.com	USG		35 Arch Street Clouquet MN, 55720 United States	Electronic Service		No	Minnesota Power MPs Large Power Service List
19	Andrew	Moratzka	andrew.moratzka@stoel.com	Stoel Rives LLP		33 South Sixth St Ste 4200 Minneapolis MN, 55402 United States	Electronic Service		No	Minnesota Power MPs Large Power Service List
20	Generic Notice	Residential Utilities Division	residential.utilities@ag.state.mn.us		Office of the Attorney General - Residential Utilities Division	1400 BRM Tower 445 Minnesota St St. Paul MN, 55101-2131 United States	Electronic Service		Yes	Minnesota Power MPs Large Power Service List
21	Ralph	Riberich	rriberich@uss.com	United States Steel Corp		600 Grant St Ste 2028 Pittsburgh PA, 15219 United States	Electronic Service		No	Minnesota Power MPs Large Power Service List
22	Jim	Tieberg	jtieberg@polymetmining.com	PolyMet Mining, Inc.		PO Box 475 County Highway 666 Hoyt Lakes MN, 55750 United States	Electronic Service		No	Minnesota Power MPs Large Power Service List