



April 1, 2022

VIA E-FILING Will Seuffert Executive Secretary Minnesota Public Utilities Commission 121 7th Place East, Suite 350 St. Paul, MN 55101-2147

Re: In the Matter of Minnesota Power's Petition for Approval of the Annual Forecasted Rates for its Rider for Fuel and Purchased Energy Charge Docket No. E015/AA-20-463 Annual True-up Report - Correction

Dear Mr. Seuffert:

Minnesota Power (or the "Company") respectfully submits a Correction to its 2021 Annual True-up Report filed on March 1, 2022 ("March Filing"), in the above referenced Docket.

The Company discovered an error in the 2022 Rate Impact spreadsheet which was included in Attachment No. 2 on Page 26 of the March Filing. The Municipal sales were inadvertently included in the total retail FAC MWh sales used to calculate the True-up rate. Minnesota Power has provided an updated 2022 Rate Impact spreadsheet, in Attachment 1. To ensure this type of error is avoided in the future Minnesota Power has implemented revised review procedures.

In the March Filing Minnesota Power requested the use of the Significant Unforeseen Impact clause to begin collection of the proposed 2021 FAC True-up starting April 1, 2022. Due to the timing of when the error was discovered and in order to provide sufficient notice, Minnesota Power proposes to utilize the rate included in the March Filing for April 2022 and update May through December 2022, based on the correction. The table provided below summarizes the 2021 True-up rates by applicable by month.

2021 Tru	e-up Rate	s – Impac	ting 2022	(¢/kWh)				
Apr /1	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
0.487	0.571	0.575	0.543	0.554	0.565	0.565	0.550	0.505
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/1 April's rate was not corrected due to timing of when the error was discovered.



Together we choose to work safely for our families, each other, and the public. We commit to be injury-free through continuous learning and improvement. Mr. Seuffert April 1, 2022 Page 2

In addition to the revised 2022 Rate Impact spreadsheet, Minnesota Power has included a redline and clean version of the Rider for Fuel and Purchased Energy Charge tariff sheet in Attachment 2.

No objections were filed during the 30-day notice period, in the above-referenced Docket, regarding Minnesota Power's proposal to begin collection of the 2021 FAC True-up on April 1, 2022.

Please contact me at (218) 355-3455 or <u>hcreurer@allete.com</u> if you have any questions regarding this compliance filing.

Kind Regards,

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Hillary A. Creurer *Regulatory Compliance Administrator*

HAC:th Attach.

A. Summary - Automatic Adjustment Charges:

Ref. Revenue/Accounting Month No. Cost of Fuel	Jan 2022	Feb 2022	Mar 2022	Apr 2022	May 2022	Jun 2022	Jul 2022	Aug 2022	Sep 2022	Oct 2022	Nov 2022	Dec 2022	Total
No. Cost of Fuel 1 Company's Generating Stations	\$10,515,919	\$9,303,084	\$7,464,840	\$4,302,399	\$5,383,839	\$5,329,501	\$9,362,954	\$8,171,135	\$5,992,991	\$5,795,763	\$6,810,133	\$9,064,937	\$87,497,496
Thermal	\$10,515,919	\$9,303,084	\$7,464,840	\$4,302,399	\$5,383,839	\$5,329,501	\$9,362,954	\$8,171,135	\$5,992,991	\$5,795,763	\$6,810,133	\$9,064,937	\$87,497,496
Wind	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Hydro	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2 Plus: Purchased Energy	\$18,642,745	\$15,963,513	\$19,383,524	\$18,713,057	\$18,337,950	\$18,768,990	\$19,044,584	\$18,230,390	\$15,420,970	\$15,388,398	\$14,960,870	\$18,056,157	\$210,911,146
Market	\$11,822,379	\$10,491,985	\$12,773,787	\$12,085,367	\$12,212,963	\$12,919,592	\$13,368,383	\$12,522,191	\$11,889,339	\$12,356,104	\$11,942,411	\$12,173,910	\$146,558,411
Wind	\$3,003,466	\$2,477,378	\$2,843,487	\$2,916,589	\$2,802,487	\$2,168,998	\$1,860,150	\$1,885,199	\$2,501,980	\$2,855,594	\$2,878,709	\$2,778,097	\$30,972,135
Solar	\$0 \$3.816.900	\$0	\$0 \$0	\$0 \$3,711,100	\$0	\$0	\$0	\$0 \$3,823,000	\$0	\$0 \$176,700	\$0 \$139,750	\$0	\$0
Square Butte 3 Plus: MISO Charges 1/	\$3,816,900 \$1,608,620	\$2,994,150 \$2,612,825	\$3,766,250 \$1,599,655	\$3,711,100 \$1,167,548	\$3,322,500 \$803,503	\$3,680,400 \$1,104,244	\$3,816,050 \$3,251,054	\$3,823,000 \$1,963,623	\$1,029,650 \$809,441	\$1,504,952	\$139,750 \$840,231	\$3,104,150 \$973,954	\$33,380,600 \$18,239,651
4 Less: MISO Schedules 16 &17 & 24 1/	(\$14,378)	(\$11,252)	(\$8,473)	(\$5,575)	(\$10,883)	(\$7,731)	(\$16,291)	(\$10,486)	(\$3,936)	(\$6,853)	(\$3,590)	(\$7,740)	(\$107,186
Schedule 16	\$102,011	\$104,656	\$107,767	\$110,713	\$106,425	\$108,274	\$99,451	\$104,734	\$111,508	\$107,375	\$109,816	\$106,495	\$1,279,224
Schedule 17	\$20,611	\$21,092	\$20,760	\$20,713	\$19,693	\$20,995	\$21,258	\$21,781	\$21,556	\$22,772	\$23,595	\$22,766	\$257,590
Schedule 24	(\$137,000)	(\$137,000)	(\$137,000)	(\$137,000)	(\$137,000)	(\$137,000)	(\$137,000)	(\$137,000)	(\$137,000)	(\$137,000)	(\$137,000)	(\$137,000)	(\$1,644,000)
5 Less: Costs Recovered Through Inter-System Sales	\$9,881,199	\$7,960,184	\$8,392,589	\$7,157,612	\$7,501,023	\$7,398,190	\$9,750,520	\$8,470,975	\$4,515,307	\$4,422,731	\$4,707,386	\$7,916,235	\$88,073,950
Customer Inter-System Sales	\$1,648,902	\$1,704,113	\$1,827,990	\$1,742,264	\$1,491,465	\$1,961,915	\$1,981,352	\$1,978,174	\$2,006,291	\$1,895,077	\$1,614,841	\$1,870,516	\$21,722,900
Market Sales	\$7,104,470	\$5,090,763	\$5,858,076	\$5,168,182	\$5,975,760	\$5,292,250	\$6,851,834	\$5,516,670	\$2,231,896	\$2,309,705	\$2,426,694	\$5,348,191	\$59,174,490
Station Service	\$2,191	\$2,191	\$16,723	\$25,971	\$2,191	\$2,191	\$2,191	\$2,191	\$2,191	\$8,796	\$2,191	\$2,191	\$71,205
MISO Costs 1/	\$298,537	\$387,822	\$208,718	\$122,885	\$134,142	\$123,207	\$561,113	\$256,340	\$67,983	\$164,773	\$89,997	\$129,330	\$2,544,847
Sales due to Retail Loss of Load	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Asset Based Sale Margins	\$827,100	\$775,295	\$481,082	\$98,310	(\$102,535)	\$18,628	\$354,032	\$717,601	\$206,946	\$44,381	\$573,663	\$566,007	\$4,560,508
 Less: Costs Related to Solar Plus: Time of Generation and Solar Energy Adjustment 	\$0 \$21,036	\$0 \$25,807	\$0 \$27,499	\$0 \$34,952	\$0 \$34,222	\$0 \$39,886	\$0 \$49,906	\$0 \$43,996	\$0 \$41,500	\$0 \$34,650	\$0 \$14,776	\$0 \$16,176	\$0 \$384,405
8 Total Monthly Cost of Fuel	\$20,921,500	\$19,956,297	\$20,091,403	\$17,065,918	\$17,069,374	\$17,852,162	\$49,906	\$19,948,655	\$17,753,530	\$34,650 \$18,307,885	\$14,776	\$10,170	\$229,065,935
	φ20,021,000	¥10,000,201	¥20,001,400	¢11,000,010	ψ11,000,014	ψ11,002,102	Ψ 2 1,014,200	ψ10,040,000	<i>Q</i> 11,700,000	<i><i><i>w</i>10,001,000</i></i>	<i><i><i>wm,o<i>L,L</i></i></i></i>	<i>\\</i> 20,202,720	<i>4223,000,000</i>
MWh Sales													
9 Total Sales of Electricity	1,138,849	1,002,442	1,060,058	925,574	999,679	948,285	1,084,998	1,013,009	871,665	894,815	901,606	1,076,333	11,917,313
Residential	116,613	97,867	93,724	80,408	73,225	66,839	81,140	76,762	73,707	74,994	86,576	112,027	1,033,882
Commercial	102,920	97,895	105,239	86,024	88,248	97,833	104,043	109,602	100,818	90,821	92,846	111,986	1,188,275
LP Taconite	339,774	306,057	339,533	311,045	328,775	322,199	334,389	320,661	324,069	329,014	332,601	337,046	3,925,163
LP Paper and Pulp	41,533	37,912	41,264	40,029	40,808	39,890	41,090	41,370	39,792	40,343	39,966	41,006	485,003
LP Pipeline	29,255	29,192	31,318	28,150	25,077	24,088	24,416	23,515	23,097	25,170	25,462	27,595	316,335
Other Misc.	29,804	28,294	29,031	27,797	26,772	27,536	27,370	28,060	26,490	27,694	26,566	27,392	332,806
Municipals	136,265	122,990	125,869	109,401	109,889	114,323	133,558	127,369	115,929	127,100	132,355	143,590	1,498,638
Inter System Sales	342,685	282,235	294,080	242,720	306,885	255,577	338,992	285,670	167,763	179,679	165,234	275,691	3,137,211
10 Less: Inter-System Sales	342,685	282,235	294,080	242,720	306,885	255,577	338,992	285,670	167,763	179,679	165,234	275,691	3,137,211
Customer Inter-System Sales	65,027	66,931	72,967	70,158	60,768	79,572	79,059	80,261	81,693	75,810	65,433	75,032	872,711
Market Sales Station Service	277,525 133	215,172 133	220,081 1,032	170,958 1,604	245,985 133	175,873 133	259,801 133	205,276 133	85,937 133	103,328 542	99,668 133	200,527 133	2,260,131 4,369
Sales due to Retail Loss of Load	0	0	1,032	1,604	133	0	0	0	0	0	133	0	4,309
11 Less: Solar Generation and Purchased MWh	856	1,102	1,256	1,561	1,762	1,777	1,926	1,772	1,408	1,385	752	683	16,240
12 Total Monthly MWh Sales	795,308	719,105	764,722	681,293	691,032	690,931	744,080	725,567	702,494	713,751	735,620	799,959	8,763,862
-		,	,		\$581,143	\$576,608	\$610,522	\$598,198	\$586,565	\$586,651	\$603,265	\$656,369	
Fuel Adjustment Charge - Fuel Clause (¢/KWh)													Average
13 1-Month Average Cost of Fuel (¢/kWh)	2.631	2.775	2.627	2.505	2.470	2.584	2.953	2.749	2.527	2.565	2.436	2.525	\$2.612
				Apr 2022	May 2022	Jun 2022	Jul 2022	Aug 2022	Sep 2022	Oct 2022	Nov 2022	Dec 2022	
2021 FAC True Up Total			7 Month Recovery	3,315,494	3,315,494	3,315,494	3,315,494	3,315,494	3,315,494	3,315,494	3,315,494	2 245 404	29,839,445
56,363,395			d Total EAC Costa									3,315,494	
		-	d Total FAC Costs	20,381,412	20,384,868	21,167,656	25,289,762	23,264,149	21,069,024	21,623,379	21,237,708	23,518,222	
		Updated Co	ost of Fuel (¢/kWh)	2.992	2.950	21,167,656 3.064	3.399	23,264,149 3.206	2.999	3.030	21,237,708 2.887	23,518,222 2.940	2.958
		Updated Co				21,167,656		23,264,149			21,237,708	23,518,222	
E9760 Posidential Allocator		Updated Co Difference Co	ost of Fuel (¢/kWh) ost of Fuel (¢/kWh)	2.992 0.487	2.950 0.480	21,167,656 3.064 0.480	3.399 0.446	23,264,149 3.206 0.457	2.999 0.472	3.030 0.465	21,237,708 2.887 0.451	23,518,222 2.940 0.414	2.958
E8760 Residential Allocator	Inc	Updated Co Difference Co Residenta	ost of Fuel (¢/kWh) ost of Fuel (¢/kWh) il Customer Usage	2.992 0.487 750	2.950 0.480 750	21,167,656 3.064 0.480 750	3.399 0.446 750	23,264,149 3.206 0.457 750	2.999 0.472 750	3.030 0.465 750	21,237,708 2.887 0.451 750	23,518,222 2.940 0.414 750	
E8760 Residential Allocator 1.01406	Inc	Updated Co Difference Co Residenta rease after Resident	ost of Fuel (¢/kWh) ost of Fuel (¢/kWh) il Customer Usage	2.992 0.487 750 0.494	2.950 0.480 750 0.487	21,167,656 3.064 0.480 750 0.487	3.399 0.446 750 0.452	23,264,149 3.206 0.457 750 0.463	2.999 0.472 750 0.479	3.030 0.465 750 0.472	21,237,708 2.887 0.451 750 0.457	23,518,222 2.940 0.414 750 0.420	2.958 0.346
	Inc	Updated Co Difference Co Residenta rease after Resident	ost of Fuel (¢/kWh) ost of Fuel (¢/kWh) il Customer Usage ial E8760 Allocator	2.992 0.487 750 0.494	2.950 0.480 750 0.487	21,167,656 3.064 0.480 750 0.487	3.399 0.446 750 0.452	23,264,149 3.206 0.457 750 0.463	2.999 0.472 750 0.479	3.030 0.465 750 0.472	21,237,708 2.887 0.451 750 0.457	23,518,222 2.940 0.414 750 0.420	2.958 0.346
	Inc	Updated Co Difference Co Residenta rease after Resident	ost of Fuel (¢/kWh) ost of Fuel (¢/kWh) il Customer Usage ial E8760 Allocator ntial Customer Bill	2.992 0.487 750 0.494 3.71	2.950 0.480 750 0.487 \$ 3.65	21,167,656 3.064 0.480 750 0.487	3.399 0.446 750 0.452 3.39	23,264,149 3.206 0.457 750 0.463 \$ 3.47	2.999 0.472 750 0.479 \$ 3.59	3.030 0.465 750 0.472 \$ 3.54	21,237,708 2.887 0.451 750 0.457 \$ 3.43	23,518,222 2.940 0.414 750 0.420	2.958 0.346
	Inc	Updated Co Difference Co Residenta rease after Resident Increase in Residen	ost of Fuel (¢/kWh) ost of Fuel (¢/kWh) il Customer Usage ial E8760 Allocator ntial Customer Bill	2.992 0.487 750 0.494 3.71	2.950 0.480 750 0.487 \$ 3.65	21,167,656 3.064 0.480 750 0.487 \$3.65 \$	3.399 0.446 750 0.452 3.39	23,264,149 3.206 0.457 750 0.463 \$ 3.47	2.999 0.472 750 0.479 \$ 3.59	3.030 0.465 750 0.472 \$ 3.54	21,237,708 2.887 0.451 750 0.457 \$ 3.43	23,518,222 2.940 0.414 750 0.420	2.958 0.346
	Inc	Updated Co Difference Co Residenta rease after Resident Increase in Residen	ost of Fuel (¢/kWh) ost of Fuel (¢/kWh) il Customer Usage ial E8760 Allocator ntial Customer Bill	2.992 0.487 750 0.494 3.71 21 FAC True Up	2.950 0.480 750 0.487 \$ 3.65 Rate Calculation	21,167,656 3.064 0.480 750 0.487 \$ 3.65 \$ due to Municipa	3.399 0.446 750 0.452 3.39 I Sales being in	23,264,149 3.206 0.457 750 0.463 \$ 3.47 cluded in the Or	2.999 0.472 750 0.479 \$3.59 iginal 2021 FAC	3.030 0.465 750 0.472 \$ 3.54 True Up Rate Ca	21,237,708 2.887 0.451 750 0.457 3.43 Iculation	23,518,222 2.940 0.414 750 0.420 \$ 3.15	2.958 0.346
		Updated Co Difference Co Residenta rease after Resident Increase in Residen 1 Update	ost of Fuel (¢/kWh) ost of Fuel (¢/kWh) il Customer Usage ial E8760 Allocator ntial Customer Bill Updated 202 7 Month Recovery d Total FAC Costs	2.992 0.487 750 0.494 3.71 21 FAC True Up 3,315,494 20,381,412	2.950 0.480 750 0.487 \$ 3.65 \$ Rate Calculation 3,315,494 20,384,868	21,167,656 3.064 0.480 750 0.487 \$3.65 \$ due to Municipa 3,315,494 21,167,656	3.399 0.446 750 0.452 3.39 I Sales being in 3,315,494 25,289,762	23,264,149 3.206 0.457 750 0.463 \$ 3.47 <u>cluded in the Or</u> 3,315,494 23,264,149	2.999 0.472 750 0.479 \$ 3.59 iginal 2021 FAC 3,315,494 21,069,024	3.030 0.465 750 0.472 \$3.54 \$ True Up Rate Ca 3,315,494 21,623,379	21,237,708 2.887 0.451 750 0.457 3.43 Iculation 3,315,494 21,237,708	23,518,222 2.940 0.414 750 0.420 \$ 3.15 \$ 3,315,494 23,518,222	2.958 0.346
1.01406		Updated Co Difference Co Residenta rease after Resident Increase in Residen 1 Update Original Sales in	ost of Fuel (¢/kWh) ost of Fuel (¢/kWh) il Customer Usage ial E8760 Allocator ntial Customer Bill Updated 202 7 Month Recovery d Total FAC Costs 2021 FAC True Up	2.992 0.487 750 0.494 3.71 21 FAC True Up 3,315,494	2.950 0.480 750 0.487 \$ 3.65 \$ Rate Calculation 3,315,494 20,384,868 691,032	21,167,656 3.064 0.480 750 0.487 \$ 3.65 \$ due to Municipa 3,315,494 21,167,656 690,931	3.399 0.446 750 0.452 3.39 Il Sales being in 3,315,494 25,289,762 744,080	23,264,149 3.206 0.457 750 0.463 \$ 3.47 cluded in the Or 3,315,494 23,264,149 725,567	2.999 0.472 750 0.479 \$3.59 iginal 2021 FAC 3,315,494 21,069,024 702,494	3.030 0.465 750 0.472 3.54 <u>True Up Rate Ca</u> 3,315,494 21,623,379 713,751	21,237,708 2.887 0.451 750 0.457 3.43 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1	23,518,222 2.940 0.414 750 0.420 \$ 3.15 \$ 3,315,494 23,518,222 799,959	2.958 0.346
		Updated Co Difference Co Residenta rease after Resident Increase in Residen 1 Update Original Sales in Municipa	ost of Fuel (¢/kWh) ost of Fuel (¢/kWh) il Customer Usage ial E8760 Allocator ntial Customer Bill Updated 202 7 Month Recovery d Total FAC Costs 2021 FAC True Up I Sales (Removed)	2.992 0.487 750 0.494 3.71 21 FAC True Up 3,315,494 20,381,412 681,293	2.950 0.480 750 0.487 \$ 3.65 \$ Rate Calculation 3,315,494 20,384,868 691,032 109,889	21,167,656 3.064 0.480 750 0.487 \$ 3.65 \$ due to Municipa 3,315,494 21,167,656 690,931 114,323	3.399 0.446 750 0.452 3.39 1 Sales being in 3,315,494 25,289,762 744,080 133,558	23,264,149 3.206 0.457 750 0.463 \$ 3.47 Cluded in the Or 3,315,494 23,264,149 725,567 127,369	2.999 0.472 750 0.479 \$ 3.59 iginal 2021 FAC 3,315,494 21,069,024 702,494 115,929	3.030 0.465 750 0.472 \$ 3.54 \$ True Up Rate Ca 3,315,494 21,623,379 713,751 127,100	21,237,708 2.887 0.451 750 0.457 3.43 Ilculation 3,315,494 21,237,708 735,620 132,355	23,518,222 2.940 0.414 750 0.420 \$ 3.15 3,315,494 23,518,222 799,959 143,590	2.958 0.346
1.01406		Updated Co Difference Co Residenta rease after Resident Increase in Residen 1 Update Original Sales in Municipa	ost of Fuel (¢/kWh) ost of Fuel (¢/kWh) il Customer Usage ial E8760 Allocator ntial Customer Bill Updated 202 7 Month Recovery d Total FAC Costs 2021 FAC True Up	2.992 0.487 750 0.494 3.71 21 FAC True Up 3,315,494 20,381,412	2.950 0.480 750 0.487 \$ 3.65 \$ Rate Calculation 3,315,494 20,384,868 691,032	21,167,656 3.064 0.480 750 0.487 \$ 3.65 \$ due to Municipa 3,315,494 21,167,656 690,931	3.399 0.446 750 0.452 3.39 Il Sales being in 3,315,494 25,289,762 744,080	23,264,149 3.206 0.457 750 0.463 \$ 3.47 cluded in the Or 3,315,494 23,264,149 725,567	2.999 0.472 750 0.479 \$3.59 iginal 2021 FAC 3,315,494 21,069,024 702,494	3.030 0.465 750 0.472 3.54 True Up Rate Ca 3,315,494 21,623,379 713,751	21,237,708 2.887 0.451 750 0.457 3.43 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1	23,518,222 2.940 0.414 750 0.420 \$ 3.15 \$ 3,315,494 23,518,222 799,959	2.958 0.346
1.01406 Municipal Sales Removed		Updated Co Difference Co Residenta rease after Resident Increase in Residen 1 Update Original Sales in Municipa Updated	ost of Fuel (¢/kWh) ost of Fuel (¢/kWh) il Customer Usage ial E8760 Allocator ntial Customer Bill Updated 202 7 Month Recovery d Total FAC Costs 2021 FAC True Up I Sales (Removed) Sales (Retail Only)	2.992 0.487 750 0.494 3.71 21 FAC True Up 3,315,494 20,381,412 681,293 681,293	2.950 0.480 750 0.487 \$ 3.65 \$ Rate Calculation 3,315,494 20,384,868 691,032 109,889 581,143	21,167,656 3.064 0.480 750 0.487 \$ 3.65 \$ due to Municipa 3,315,494 21,167,656 690,931 114,323 576,608	3.399 0.446 750 0.452 3.39 Il Sales being in 3,315,494 25,289,762 744,080 133,558 610,522	23,264,149 3.206 0.457 750 0.463 \$ 3.47 cluded in the Or 3,315,494 23,264,149 725,567 127,369 598,198	2.999 0.472 750 0.479 3.59 iginal 2021 FAC 3,315,494 21,069,024 702,494 115,929 586,565	3.030 0.465 750 0.472 3.54 True Up Rate Ca 3,315,494 21,623,379 713,751 127,100 586,651	21,237,708 2.887 0.451 750 0.457 3.43 3.43 1 1 1 1 1 1 1 1 1 2 1,237,708 735,620 132,355 603,265	23,518,222 2.940 0.414 750 0.420 \$ 3.15 \$ 3,315,494 23,518,222 799,959 143,590 656,369	2.958 0.346
1.01406		Updated Co Difference Co Residenta rease after Resident Increase in Residen 1 Update Original Sales in Municipa Updated Co	ost of Fuel (¢/kWh) ost of Fuel (¢/kWh) il Customer Usage ial E8760 Allocator ntial Customer Bill S Updated 202 7 Month Recovery d Total FAC Costs 2021 FAC True Up I Sales (Removed) Sales (Retail Only)	2.992 0.487 750 0.494 3.71 21 FAC True Up 3,315,494 20,381,412 681,293 681,293 0.487	2.950 0.480 750 0.487 \$ 3.65 \$ Rate Calculation 3,315,494 20,384,868 691,032 109,889 581,143 0.571	21,167,656 3.064 0.480 750 0.487 3.65 due to Municipa 3,315,494 21,167,656 690,931 114,323 576,608 0.575	3.399 0.446 750 0.452 3.39 I Sales being in 3,315,494 25,289,762 744,080 133,558 610,522 0.543	23,264,149 3.206 0.457 750 0.463 \$ 3.47 cluded in the Or 3,315,494 23,264,149 725,567 127,369 598,198 0.554	2.999 0.472 750 0.479 \$ 3.59 iginal 2021 FAC 3,315,494 21,069,024 702,494 115,929 586,565 0.565	3.030 0.465 750 0.472 3.54 3.54 7True Up Rate Ca 3,315,494 21,623,379 713,751 127,100 586,651 0.565	21,237,708 2.887 0.451 750 0.457 3.43 1 1 1 1 1 1 1 1 1 1 1 2 1,237,708 735,620 132,355 603,265 0.550	23,518,222 2.940 0.414 750 0.420 \$ 3.15 \$ 3,315,494 23,518,222 799,959 143,590 656,369 0.505	2.958 0.346
1.01406 Municipal Sales Removed		Updated Co Difference Co Residenta rease after Resident Increase in Residen 1 Update Original Sales in Municipa Updated	ost of Fuel (¢/kWh) ost of Fuel (¢/kWh) il Customer Usage ial E8760 Allocator ntial Customer Bill S Updated 202 7 Month Recovery d Total FAC Costs 2021 FAC True Up I Sales (Removed) Sales (Retail Only)	2.992 0.487 750 0.494 3.71 21 FAC True Up 3,315,494 20,381,412 681,293 681,293	2.950 0.480 750 0.487 \$ 3.65 \$ Rate Calculation 3,315,494 20,384,868 691,032 109,889 581,143	21,167,656 3.064 0.480 750 0.487 \$ 3.65 \$ due to Municipa 3,315,494 21,167,656 690,931 114,323 576,608	3.399 0.446 750 0.452 3.39 Il Sales being in 3,315,494 25,289,762 744,080 133,558 610,522	23,264,149 3.206 0.457 750 0.463 \$ 3.47 cluded in the Or 3,315,494 23,264,149 725,567 127,369 598,198	2.999 0.472 750 0.479 3.59 iginal 2021 FAC 3,315,494 21,069,024 702,494 115,929 586,565	3.030 0.465 750 0.472 3.54 True Up Rate Ca 3,315,494 21,623,379 713,751 127,100 586,651	21,237,708 2.887 0.451 750 0.457 3.43 3.43 1 1 1 1 1 1 1 1 1 2 1,237,708 735,620 132,355 603,265	23,518,222 2.940 0.414 750 0.420 \$ 3.15 \$ 3,315,494 23,518,222 799,959 143,590 656,369	2.958 0.346
1.01406 Municipal Sales Removed		Updated Co Difference Co Residenta rease after Resident Increase in Resident Increase in Resident Updated Original Sales in Municipa Updated Co ence from Original 2	ost of Fuel (¢/kWh) ost of Fuel (¢/kWh) il Customer Usage ial E8760 Allocator ntial Customer Bill <u>S</u> Updated 202 7 Month Recovery d Total FAC Costs 2021 FAC True Up I Sales (Removed) Sales (Retail Only) ost of Fuel (¢/kWh) 021 True Up Filing	2.992 0.487 750 0.494 3.71 21 FAC True Up 3,315,494 20,381,412 681,293 681,293 0.487 0.000	2.950 0.480 750 0.487 \$ 3.65 \$ Rate Calculation 3,315,494 20,384,868 691,032 109,889 581,143 0.571 0.091	21,167,656 3.064 0.480 750 0.487 \$ 3.65 \$ due to Municipa 3,315,494 21,167,656 690,931 <u>114,323</u> 576,608 0.575 0.095	3.399 0.446 750 0.452 3.39 1 Sales being in 3,315,494 25,289,762 744,080 133,558 610,522 0.543 0.097	23,264,149 3.206 0.457 750 0.463 \$ 3.47 cluded in the Or 3,315,494 23,264,149 725,567 127,369 598,198 0.554 0.097	2.999 0.472 750 0.479 3.59 iginal 2021 FAC 3,315,494 21,069,024 702,494 115,929 586,565 0.565 0.093	3.030 0.465 750 0.472 \$ 3.54 \$ True Up Rate Ca 3,315,494 21,623,379 713,751 127,100 586,651 0.565 0.100	21,237,708 2.887 0.451 750 0.457 3.43 3.43 3.43 1 1 1 1 1 1 2 1,237,708 735,620 132,355 603,265 603,265	23,518,222 2.940 0.414 750 0.420 \$ 3.15 \$ 3,315,494 23,518,222 799,959 143,590 656,369 0.505 0.091	2.958 0.346
1.01406 Municipal Sales Removed	Differ	Updated Co Difference Co Residenta rease after Resident Increase in Resident Increase in Resident Original Sales in Municipa Updated Co ence from Original 2 Residenta	ost of Fuel (¢/kWh) ost of Fuel (¢/kWh) il Customer Usage ial E8760 Allocator ntial Customer Bill S Updated 202 7 Month Recovery d Total FAC Costs 2021 FAC True Up I Sales (Removed) Sales (Retail Only) ost of Fuel (¢/kWh) 021 True Up Filing il Customer Usage	2.992 0.487 750 0.494 3.71 21 FAC True Up 3,315,494 20,381,412 681,293 681,293 681,293 0.487 0.000 750	2.950 0.480 750 0.487 \$ 3.65 \$ Rate Calculation 3,315,494 20,384,868 691,032 109,889 581,143 0.571 0.091 750	21,167,656 3.064 0.480 750 0.487 \$ 3.65 \$ due to Municipa 3,315,494 21,167,656 690,931 114,323 576,608 0.575 0.095 750	3.399 0.446 750 0.452 3.39 1 Sales being in 3,315,494 25,289,762 744,080 133,558 610,522 0.543 0.097 750	23,264,149 3.206 0.457 750 0.463 \$ 3.47 cluded in the Or 3,315,494 23,264,149 725,567 127,369 598,198 0.554 0.097 750	2.999 0.472 750 0.479 3.59 iginal 2021 FAC 3,315,494 21,069,024 702,494 115,929 586,565 0.565 0.093 750	3.030 0.465 750 0.472 3.54 3.54 5 5 7 13,751 127,100 5 86,651 0.565 0.100 750	21,237,708 2.887 0.451 750 0.457 3.43 3.43 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1	23,518,222 2.940 0.414 750 0.420 \$ 3.15 \$ 3,315,494 23,518,222 799,959 143,590 656,369 0.505 0.091 750	2.958 0.346
1.01406 Municipal Sales Removed	Differ	Updated Co Difference Co Residenta rease after Residenti Increase in Resident 1 Update Original Sales in Municipa Updated Co ence from Original 2 Residenta rease after Resident	ost of Fuel (¢/kWh) ost of Fuel (¢/kWh) il Customer Usage ial E8760 Allocator ntial Customer Bill S Updated 202 7 Month Recovery d Total FAC Costs 2021 FAC True Up I Sales (Removed) Sales (Retail Only) ost of Fuel (¢/kWh) 021 True Up Filing il Customer Usage	2.992 0.487 750 0.494 3.71 21 FAC True Up 3,315,494 20,381,412 681,293 681,293 681,293 0.487 0.000 750 0.494	2.950 0.480 750 0.487 \$ 3.65 Rate Calculation 3,315,494 20,384,868 691,032 109,889 581,143 0.571 0.091 750 0.579	21,167,656 3.064 0.480 750 0.487 3.65 \$ due to Municipa 3,315,494 21,167,656 690,931 114,323 576,608 0.575 0.095 750 0.583	3.399 0.446 750 0.452 3.39 1 Sales being in 3,315,494 25,289,762 744,080 133,558 610,522 0.543 0.097 750 0.551	23,264,149 3.206 0.457 750 0.463 \$ 3.47 cluded in the Or 3,315,494 23,264,149 725,567 127,369 598,198 0.554 0.097 750 0.562	2.999 0.472 750 0.479 \$ 3.59 iginal 2021 FAC 3,315,494 21,069,024 702,494 115,929 586,565 0.565 0.093 750 0.573	3.030 0.465 750 0.472 3.54 3.54 7100 713,751 127,100 586,651 0.565 0.100 750 0.573	21,237,708 2.887 0.451 750 0.457 3.43 1 1 1 1 1 1 1 1 1 1 1 1 1	23,518,222 2.940 0.414 750 0.420 \$ 3.15 \$ 3,315,494 23,518,222 799,959 143,590 656,369 0.505 0.091 750 0.512	2.958 0.346 \$ 3.51

Correction to Attachment No 2. 2022 Rate Impact table from March 1, 2022 Filing

REDLINE VERSION

 SECTION
 V
 PAGE NO. 50.0

 REVISION
 3029

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

Filing Date: December 9, 2021 April 1, 2	2022 MPUC Docket No.: <u>E999/CI-03-802, E015/AA-21-312</u>
E999/CI-03-802	
Effective Date: <u>January 1, 2022 April 1, 202</u>	22 Order Date: <u>June 12, 2019, December 2, 2021</u>
	avid R. Moeller avid R. Moeller enior Attorney & Director of Regulatory Compliance<u>Counsel</u>

- The forecasted identifiable fossil and nuclear fuel costs associated with energy (c) purchased for reasons other than identified in (b) above,
- The forecasted cost of steam from other sources to be used in the generation of (d) 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,
- The forecasted cost of the Buyback Energy Credit to be paid to Customer(s) for (f) avoided energy purchases under the Rider for Voluntary Energy Buyback,
- Forecasted fuel and purchased energy expenses to be incurred by the Company over (g) 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,
- All forecasted RTO (Regional Transmission Organization) energy market costs net of (h) revenues, excluding administrative costs,
- (i) The forecasted cost of the purchase of SO₂ allowances,
- The forecasted Time of Generation Adjustment as calculated in the Rider for Solar (i) Energy Adjustment

and less

- Forecasted revenues from the sale of SO₂ allowances, (k)
- (I) 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,
- (m) Forecasted net revenues from the sale of environmental attributes from any Commission approved contract, and
- (n) Forecasted net revenues (margins) from asset-based wholesale energy and capacity sales.

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

Filing Date: December 9, 2021 April 1, 2022	MPUC Docket No.: <u>E999/CI-03-802, E015/AA-21-312</u>
E999/CI-03-802	
Effective Date: <u>January 1, 2022</u> April 1, 2022	Order Date:
Approved by: David R. Moe David R. Mo	

Senior Attorney & Director of Regulatory ComplianceCounsel

CLASS COST FACTORS

A separate Class Cost Factor shall be applied to calculate the Forecasted FPE Charge for each Rate Class.

Rate Class	Class Cost Factor
Residential	1.01406
General Service	1.03518
Large Light & Power	1.00982
Large Power	0.99024
Municipal Pumping	1.01571
Lighting	0.82572

2022 FORECASTED and 2021 TRUE-UP FPE RATE

The monthly forecasted 2022 FPE Rate was approved by the Minnesota Public Utilities Commission ("Commission") in Docket No. E015/AA-21-312 on December 2, 2021.

The 2021 FPE True-up Rate was approved in accordance with the Commission's Significant Unforeseen Impact Order issued on June 12, 2019, in Docket No. E999/CI-03-802.

Applicable Month	FPE 2022 Forecasted Rate (¢/kWh)	FPE 2021 True-up Rate (¢/kWh)
January	2.631	
February	2.775	
March	2.627	
April	2.505	<u>0.487</u>
May	2.470	<u>0.571</u>
June	2.584	<u>0.575</u>
July	2.953	<u>0.543</u>
August	2.749	<u>0.554</u>
September	2.527	<u>0.565</u>
October	2.565	<u>0.565</u>
November	2.436	<u>0.550</u>
December	2.525	<u>0.505</u>

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

Effective Date: <u>January 1, 2022April</u> Approved k	1, 2022 Order Date: oy: David R. Moeller David R. Moeller	June 12, 2019, December 2, 2021
E999/CI-03-802	1 2022 Order Date:	lune 12, 2019, December 2, 2021
Filing Date: <u>December 9, 2021Ap</u>	mil 1, 2022 MPUC Docket M	No.: <u>E999/CI-03-802, E015/AA-21-312</u>

CLEAN VERSION

 SECTION
 V
 PAGE NO. 50.0

 REVISION
 30

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

Filing Date:	April 1, 2022		MPUC Docket	No.:	E999/CI-	<u>03-802, E01</u>	<u>5/AA-21-312</u>
Effective Date:	April 1, 2022		Order Date:	June	12, 2019,	December	2, 2021
	Approved by:	David R. Moelle					

Senior Regulatory Counsel

- (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 allowances,
- (j) The forecasted Time of Generation Adjustment as calculated in the Rider for Solar Energy Adjustment

and less

- (k) Forecasted revenues from the sale of SO₂ allowances,
- (I) 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,
- (m) Forecasted net revenues from the sale of environmental attributes from any Commission approved contract, and
- (n) Forecasted net revenues (margins) from asset-based wholesale energy and capacity sales.

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

Filing Date:	April 1, 2022	MPUC Docket No.: _	E999/CI-03-802, E015/AA-21-312
Effective Date: _	April 1, 2022	Order Date: June	12, 2019, December 2, 2021

Approved by:	David R. Moeller
	David R. Moeller
	Senior Regulatory Counsel

CLASS COST FACTORS

A separate Class Cost Factor shall be applied to calculate the Forecasted FPE Charge for each Rate Class.

Rate Class	Class Cost Factor
Residential	1.01406
General Service	1.03518
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Large Power	0.99024
Municipal Pumping	1.01571
Lighting	0.82572

2022 FORECASTED and 2021 TRUE-UP FPE RATE

The monthly forecasted 2022 FPE Rate was approved by the Minnesota Public Utilities Commission ("Commission") in Docket No. E015/AA-21-312 on December 2, 2021.

The 2021 FPE True-up Rate was approved in accordance with the Commission's Significant Unforeseen Impact Order issued on June 12, 2019, in Docket No. E999/CI-03-802.

Applicable Month	FPE 2022 Forecasted Rate (¢/kWh)	FPE 2021 True-up Rate (¢/kWh)
January	2.631	
February	2.775	
March	2.627	
April	2.505	0.487
May	2.470	0.571
June	2.584	0.575
July	2.953	0.543
August	2.749	0.554
September	2.527	0.565
October	2.565	0.565
November	2.436	0.550
December	2.525	0.505

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

Filing Date:	April 1, 2022	MPUC DOCKET NO.: _	E999/CI-03-802, E015/AA-21-312	
Effective Date:	April 1, 2022	Order Date: June	e 12, 2019, December 2, 2021	
Approved by: David R. Moeller				

David R. Moeller Senior Regulatory Counsel

STATE OF MINNESOTA)	AFFIDAVIT OF SERVICE VIA
) ss	ELECTRONIC FILING
COUNTY OF ST. LOUIS)	

Tiana Heger of the City of Duluth, County of St. Louis, State of Minnesota, says that on the 1st day of April, 2022, she served Minnesota Power's Corrected Annual True-up Report in **Docket No. E015/AA-20-463** on the Minnesota Public Utilities Commission and the Energy Resources Division of the Minnesota Department of Commerce via electronic filing. The persons on E-Docket's Official Service List for this Docket were served as requested.

Tiana Heger