



David R. Moeller  
Senior Attorney  
218-723-3963  
dmoeller@allte.com

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**VIA ELECTRONIC FILING**

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

Re: In the Matter of Minnesota Power's  
Erie Mine Site Service Schedule  
Docket No. E-015/M-14-166

Dear Mr. Wolf:

Pursuant to the terms of the Erie Mine Site Service Schedule ("EMSS Schedule"), as approved by the Minnesota Public Utilities Commission ("Commission") in the above-referenced Docket, Minnesota Power must recalculate the Schedule's Generation Capacity Charge by December 31 of each year using budget data for the subsequent year. However, with the last two operating units at Taconite Harbor (Units 1 and 2) economically idled in September 2016, calculating a Generation Capacity Charge for 2017 based on the Taconite Harbor revenue requirements per generation unit no longer makes sense. There is no expected generation from Taconite Harbor in 2017, and many components of the revenue requirements calculation depend on budget data that is not available due to the expectation of no generation at Taconite Harbor. Furthermore, Minnesota Power has no customers taking service under the Erie Mine Site tariff, and none are expected to be eligible in the future.

Additional background regarding the EMSS Schedule and Taconite Harbor generating station is provided in Minnesota Power's 2016 retail rate case, Docket No. E-015/GR-16-664, initial filing dated November 2, 2016, Direct Testimony of Marcia A. Podratz, pages 76-77 and Direct Testimony of Joshua J. Skelton, pages 20-22.

Based on the above information, Minnesota Power is respectfully requesting the cancellation of the EMSS Schedule effective January 1, 2017. As reflected in the attached Affidavit of Service, this compliance filing has been served on all parties on the Official Service List for this Docket.

Please contact me if you have any questions regarding this filing.

Yours truly,

David R. Moeller

DRM:sr