From:
 Thom, Anne (PUC)

 To:
 Staff, CAO (PUC)

Subject:Docket\_20-675\_Whiteface-Island Lake.pdfDate:Friday, September 10, 2021 2:35:45 PMAttachments:Docket\_20-675\_Whiteface-Island Lake.pdf

Please efile public comment to docket 20-675.

Thank you!

From: <u>brkienzle@aol.com</u>

To: consumer@aol.com; Staff, CAO (PUC)

**Subject:** Fwd: Minnesota Power proposal to sell lease land **Date:** Wednesday, September 15, 2021 11:30:31 AM

#### This message may be from an external email source.

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----Original Message-----From: brkienzle@aol.com

To: consumerr.puc@state.mn.us <consumerr.puc@state.mn.us>

Sent: Wed, Sep 15, 2021 11:23 am

Subject: Minnesota Power proposal to sell lease land

My name is Richard L. Kienzle. I have a home on Island Lake Reservor in St. Louis Couty.. I purchased the lease lot in 1968 when lake property was not the prize it is now ,The lease was a 99 year lease at that time. I built a cabin on the property in 1970 and improved the this land and building several time. i could only access the property by boat until i cut a 1/2 miles access road. It was our desire to live out our lives in this home, Unfortunately my wife passed away last November. It was still my intent to stay as long as i can. MP&L intent to sell the land to property holders creates a real problem for me. I am 85 years old. Do you know any bank that would lend me the \$200,000 appraised value at my age. To further complicate things my property was last appraised at a \$23000 increase in value, I could sell the property to someone but they would then have finance the land sale on top of my sale price. The only ones getting credit for the tax increase is the county and MP&L. It raises MP&L sale price, I have paid MP&L taxes on this property and their lease fee based on property value for 50+ years. That should give me a decrease in price i would think, Please make mp&I reconsider their sale arrangement. Thank you for your consideration of this request

 From:
 danlaurila93@aol.com

 To:
 Staff, CAO (PUC)

Subject: Fwd: MPL Lease hold on Island Lake

Date: Wednesday, September 15, 2021 2:39:04 PM

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From: danlaurila93@aol.com To: danlaurila93@aol.com

Sent: 9/15/2021 2:31:08 PM Central Standard Time Subject: Fwd: MPL Lease hold on Island Lake

From: danlaurila93@aol.com
To: consumer.puc@state.mn.us
Cc: KatieSieben@aol.com

Sent: 9/15/2021 2:26:46 PM Central Standard Time

Subject: MPL Lease hold on Island Lake

Sincerely, Dan Laurila 612-749-4209

Dear Katie Sieben, My name is Dan Laurila and I have a lease on Island Lake and we have had it since 1952. I am writing you to ask you to try to help get a more fair buy out on my cabin lot. I am 75 years old and retired and yes, living on a retirement income. The proposal that has been proposed by MPL will surely force us into difficult position and we may have to sell a cabin that is very dear to us and our children. If we were to put all the money into a account that we paid MPL over the years it would have paid for the lot. The large corporation seems to want to take advantage of leaseholders. I propose MPL deduct 2.5% for every year we have paid with a cap of 30 years or something in that order. It looks as if many leaseholders may have to come up with upward of a \$1000,000 to this big corporation. I feel we are being taken advantage of. Please help us out in this matter.

 From:
 danlaurila93@aol.com

 To:
 Staff, CAO (PUC)

Subject: Fwd: MPL Lease hold on Island Lake

Date: Wednesday, September 15, 2021 2:41:57 PM

# This message may be from an external email source.

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From: danlaurila93@aol.com To: consumer.puc@state.mn.us

Sent: 9/15/2021 2:39:00 PM Central Standard Time Subject: Fwd: MPL Lease hold on Island Lake

From: danlaurila93@aol.com
To: danlaurila93@aol.com

Sent: 9/15/2021 2:31:08 PM Central Standard Time Subject: Fwd: MPL Lease hold on Island Lake

From: danlaurila93@aol.com
To: consumer.puc@state.mn.us
Cc: KatieSieben@aol.com

Sent: 9/15/2021 2:26:46 PM Central Standard Time

Subject: MPL Lease hold on Island Lake

Dear Katie Sieben, My name is Dan Laurila and I have a lease on Island Lake and we have had it since 1952. I am writing you to ask you to try to help get a more fair buy out on my cabin lot. I am 75 years old and retired and yes, living on a retirement income. The proposal that has been proposed by MPL will surely force us into difficult position and we may have to sell a cabin that is very dear to us and our children. If we were to put all the money into a account that we paid MPL over the years it would have paid for the lot. The large corporation seems to want to take advantage of leaseholders. I propose MPL deduct 2.5% for every year we have paid with a cap of 30 years or something in that order. It looks as if many leaseholders may have to come up with upward of a \$1000,000 to this big corporation. I feel we are being taken advantage of. Please help us out in this matter.

Sincerely, Dan Laurila 612-749-4209

 From:
 Joni Ohman

 To:
 Staff, CAO (PUC)

 Subject:
 Island lake leased lot sale

**Date:** Tuesday, September 14, 2021 8:50:48 PM

#### This message may be from an external email source.

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# Dear Katie Sieben, Chairperson of Mn POC,

Our names are Roy and Joni Ohman. We have a lake home on the Island Lake Reservoir in Duluth Mn. Roy has been enjoying this land for 69 years now. He grew up here. His Father leased the land all those years ago and had a cabin here and after they passed we chose to build our forever home here. We have made many memories. Since this property has been in our family for all of these years we feel that the fair thing to do is reduce the sale price by 2.5% per year with the cap at 30 years. We are asking for a more equitable solution after all of the years we have been paying for a lease. We appreciate your thoughtful consideration.

Thankyou, Roy and Joni Ohman

Sent from Yahoo Mail for iPhone

 From:
 Susan Nystrom

 To:
 Staff, CAO (PUC)

 Subject:
 Island Lake Leases

Date: Wednesday, September 15, 2021 2:44:54 PM

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September 15, 2021

Robert & Susan Murray

5049 Birch Isle Rd.

Duluth, MN 55803

Dear Katie Sieben,

We purchased our home on Island Lake in August 2016. When we bought our property, we were under the impression that MN Power would continue to lease these lots, as they have for decades. We paid \$360,000 for this home and our hope was that it would be our retirement home.

Like many people facing retirement in the next few years, we have used our savings to purchase the home and have been making updates on it. This has included home remodeling and landscaping to stop the shore erosion and beautify the lot. Our upgrades have amounted to almost an additional \$100,000. Now we learn that we might have to buy our lot all over again and at a higher price since property values have increased and our shoreline landscaping improvements have also raised the value of the proposed selling price.

We are looking at retiring in the next two years and are facing living on a fixed income.

When we purchased the house, we long range budgeted for our mortgage payment, taxes and lease payments. We are not in the financial position to be taking on another second mortgage to pay for our land. The majority of our neighbors are retired and are living in homes that are paid off, it would be a huge financial burden for them to have to undertake a home loan to pay for the land.

We ask the MN PUC to demand that MN Power seek better solutions in selling these lots to us at this inflated price. Our property investments need to be deducted from the sale price.

Like many others, we bought our property with the understanding that MN Power, who started this leasing program over 70 years ago was in the long term leasing business. They never told us differently. They are a public utility and their services are public trusted services that are counted on – not in the business of a real estate broker looking to make a huge profit off of their members. We ask for a more equitable sale proposal.

Robert & Susan Murray

218-393-0979

**Susan Nystrom-Murray** 

Controller

Marshall School

www.marshallschool.org
Pronouns: she/her/hers

218.727.7266 ext. 196 -- 1215 Rice Lake Road, Duluth, MN 55811



The mission of Marshall School is to educate students to become global citizens who demonstrate strong academic habits, respect, compassion, integrity, self-discipline and intellectual curiosity.

From: Scott

To: Staff, CAO (PUC)
Subject: Island Lake Reservior

Date: Wednesday, September 15, 2021 12:45:08 PM

# This message may be from an external email source.

Do not select links or open attachments unless verified. Report all suspicious emails to Minnesota IT Services Security Operations Center.

# Dear Katie Sieben, Chairperson of the MN PUC,

My name is Scott Anderson and I have a home on Island Lake Reservoir. My Parents acquired the lease from Minnesota Power in 1961, and at that time it was a 99 year lease. Since then it has changed multiple times and currently is at 30 years. My parents were thrilled to have a cabin that they could afford and it became the family cabin. About 28 years ago my sister and I purchased it from my father for \$24,000 and gave him lifetime living rights there. For the next 14 years we shared the lease payments, taxes and all related expenses. 14 years ago after my father passed away I purchased my sister's half of the lease for \$90,000 and built my retirement home. I have not yet retired but plan to in the next 5 years. When I bought my sister's 50% I was under the impression that MN Power would continue to lease these lots, as they have done for decades. As you can see from the prices people have paid for these lease rights there is a significant value there that will be taken away from each leaseholder if Minnesota Power sells the property. Yes, I could stay until my lease expires but there is no value to the lease if I sell. I have put significant improvements in the property that I will again be charged for. This lease has been in my family for 60 years and there should be some credit for that. At 60 years old, I am not sure I can afford to take out a large mortgage on this. I have my retirement planned and it doesn't include investing an additional \$150,000-\$200,000 into my property/home.

I have two ideas for the selling price:

- -[if !supportLists]-->1 <!--[endif]-->Reduce the selling price by the value of the current lease prior to the sell option taking place. This value is being taken away from the leaseholder and that is just not right.
- -[if !supportLists]-->2 -<!--[endif]-->Reduce the selling price to account for all the years me and my family paid on the lease. I propose MN Power deduct 2.5% for every year we have leased, with a cap on 40 or more years.

This entire process needs more time to come up with a more equitable sales proposal. Thank you for your time and consideration.

Sincerely,

Scott A. Anderson 5079 Parsons Point Rd. Duluth, MN 55803 (218) 348-9649 
 From:
 Craig Carlson

 To:
 Staff, CAO (PUC)

Subject: island lake st. louis county, MP lease holder

Date: Thursday, September 16, 2021 8:30:10 AM

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\_\_\_\_\_

Dear Katie Sieben, Chairperson of the MN PUC,

My wife's father, James Johnson, originally leased our lot at 5192 Otter River Road on the Island Lake reservoir in 1959 with a 99 year lease. At that time the property was heavily wooded, and the Otter River Road did not exist. Understanding that in order for a road to be built, a bridge first had to be constructed to cross the Otter River which to this day, Minnesota Power has not contributed to even after 2 rebuilds to meet the demand of the daily traffic but more importantly the vehicles for MN Power logging operations. The Otter River Road and bridge was built in a combined effort of the loggers and cabin owners and then the power was brought in in 1969. It was a very primitive area and took a lot of work and expense to get it where it is today none of which was burdened by MN Power. With the passing of James Johnson in 1979, we later transferred the lease into our name and continually improved the cabin and grounds until 2014 when my wife, Carol (Johnson) Carlson, and I built our retirement home on the property. I am 70 years old and Carol is 67 and heading into retirement, but now we are told that we are to pay well over \$100,000 for our lot which is an amount that represents full value plus 4% of the property that we developed. If this passes in its present form, MN Power will still own the first 3' of shoreline granting us an easement to the water. I have two general concerns with that arrangement; 1. They have become an entity that we can no longer have faith in them being a good corporate citizen. 2. We are paying and taxed on waterfront where in fact, we have water view. I totally understand that Minnesota Power is the property owner, but they have not been transparent throughout this process and because of this pushback on Tuesday, September 14, 2021, announced on their website that they will be hosting an informational meeting next week outside in their park on Island Lake.

In closing I have two requests for the PUC;

- 1. It would be great if you or someone from the PUC could attend their meeting.
- 2. Please hold off on any action until public comments and concerns can be heard.
- 3. I request that a portion of the monies that we have paid them over the past 62 years be deducted from our property purchase price and when setting the sale price they take into consideration that the increased value of the property was because of the work and expense the leaseholders invested.

Thank you

Craig and Carol Carlson 5192 Otter River Road Duluth Mn 55803 
 From:
 joni Ohman

 To:
 Staff, CAO (PUC)

**Subject:** Islands lake land lease sale

**Date:** Thursday, September 16, 2021 8:00:20 AM

#### This message may be from an external email source.

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Dear Katie Sieben, Chairperson of Mn POC,

Our names are Roy and Joni Ohman. We have a lake home on the Island Lake Reservoir in Duluth Mn. Roy has been enjoying this land for 69 years now. He grew up here. His Father leased the land all those years ago and had a cabin here and after they passed we chose to build our forever home here. We have made many memories. Since this property has been in our family for all of these years we feel that the fair thing to do is reduce the sale price by 2.5% per year with the cap at 30 years. We are asking for a more equitable solution after all of the years we have been paying for a lease. We appreciate your thoughtful consideration.

Thankyou, Roy and Joni Ohman

Sent from my iPhone

 From:
 joni Ohman

 To:
 Staff, CAO (PUC)

**Subject:** Islands lake land lease sale

**Date:** Thursday, September 16, 2021 8:00:20 AM

#### This message may be from an external email source.

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Dear Katie Sieben, Chairperson of Mn POC,

Our names are Roy and Joni Ohman. We have a lake home on the Island Lake Reservoir in Duluth Mn. Roy has been enjoying this land for 69 years now. He grew up here. His Father leased the land all those years ago and had a cabin here and after they passed we chose to build our forever home here. We have made many memories. Since this property has been in our family for all of these years we feel that the fair thing to do is reduce the sale price by 2.5% per year with the cap at 30 years. We are asking for a more equitable solution after all of the years we have been paying for a lease. We appreciate your thoughtful consideration.

Thankyou, Roy and Joni Ohman

Sent from my iPhone

From: Patricia Fleege
To: Staff, CAO (PUC)

Date: Thursday, September 16, 2021 8:33:00 AM

#### This message may be from an external email source.

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# Dear Katie Sieben, Chairperson of the MN PUC,

My name is Patricia Fleege. I and my husband Chris Fleege purchased a home on Island Lake Reservoir in 2013. When we bought our property we were under the belief based on long time practice that MN Power would continue to lease these lots, as they have done for decades. We paid \$460,000 for this home and while our home is comfortable it is clearly not a \$460,000 home. Certainly the land that it sits on impacted the sale price regardless of it being lease land. Our hope was this would be our retirement home. Like many retirees, we have and continue to use our savings to not only purchase our lake home, but also to update it. We continue to work on maintaining the shoreline and managing issues of erosion. With the lease payments and updates certainly we have far exceeded our purchase price. And now, we have learned that we are likely being asked to purchase our lot all over again, and at a considerably higher value since property values have increased.

We are asking the MN PUC to demand that MN Power seek better solutions in selling these lots to us. Our property investments need to be deducted from our lease sale price. Like most others we bought our property with the understanding that MN Power, who started this leasing program over 70 years ago, was in the long-term leasing business. They never presented any differently to us. They are a public utility, and their services are public trusted services that are counted on. We ask for a more equitable sale proposal.

Sincerely,

Patricia Fleege

--

Patty Fleege
Duluth Adult Education Manager
(218) 336 - 8790
patricia.fleege@isd709.org

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unauthorized review, use, disclosure or distribution is prohibited. If you are not the intended recipient, please contact the sender by reply E-mail and destroy all copies of the original message.

 From:
 john kienzle

 To:
 Staff, CAO (PUC)

**Subject:** Minnesota power land sale

Date: Wednesday, September 15, 2021 1:32:22 PM

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Minnesota power is in the process of selling their lease land to me. I've lived on the lake since 1997. I've paid their lease and tax since then. I don't feel like their proposal to sell their land is fair. They have waited for the property value to be at the max and then want to add more to it. Plus the value of my property is going up another 29 percent in the next year. Making any lower percentage offered next year null and void. The only two to benefit is st louis county and Minnesota power. Other lease sales from other lake properties have been a lower percentage. Minnesota power has done nothing with my property to increase the value since I've been there but it's gone up. I feel like a fair proposal would be a lower percentage plus some kind of deal for the amount of time you paid the lease. I'm very interested in buying the property and don't expect to get it for free but I feel like a better deal should be offered. One that takes into count the amount of money lease holders have already spent to them over the years. And not including the increase in property value next year. Thank you for taking the time to read this. John kienzle 6984 6th ave duluth mn 55803

From: Sally

To: Staff, CAO (PUC)

**Subject:** Minnesota Power Lease Lot on Island Lake **Date:** Wednesday, September 15, 2021 1:18:23 PM

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\_\_\_\_

Dear Katie Sieben,

Chairperson of the MN PUC,

My name is Sally Riesland Sundeen.

I have been on Island Lake my entire life. 61 years. My father Daniel Riesland built the first seasonal cabin on a large island which he and my mother named Beer Can Island in 1960. He bought the lease for \$25 and signed a 99 year lease. My mother would pack us up on the last day of school and we would live there until Labor Day. I have incredible memories of living there in the summers.

A very good friend of my fathers, Rudy Swadick bought a lease just down the shoreline on the same island. He built a small 12x16 cabin. My mother's sister Margaret Ann Mickelson Palonen, bought it from him in the mid to late '60's. This cabin on Beer Can Island was gifted to my husband and I in 1987. We have three young boys that we built awesome memories with over the years. We now have 7 grandchildren that are enjoying the island and cabin life in the summers. We have made several improvements to the site since we got it 34 years ago. We built a 24x22 lofted addition as well as a 12x16 bunk house to this sight. We have built up the shoreline to help alleviate erosion. We have a memorial garden where a small portion of my parents and my aunts ashes are.

Our plan is to keep it in our family by handing it down to our children and grandchildren.

At 61 years old, I hesitate to take out a large mortgage on this. Since our cabin has been in our family for over 34 years, we believe the property sale value should be reduced to account for all the years we've paid on the lease. I propose MN Power deduct 2.5% for every year we have leased, with a cap on 30 years.

Many of us who have cabins, are from middle-class, blue collar working families. We feel fortunate to have a lake cabin, and even more fortunate to have the family memories that have shaped generations of family happiness. These are the memories I speak of and cherish. I ask that a more equitable solution be developed, which takes into account our years of leasing and family traditions

Thank you,

Sally Sundeen (218)391-0580 211 W Mankato St Duluth, MN 55803

Sally Sundeen Sent from my iPhone 
 From:
 Ann Clancey

 To:
 Staff, CAO (PUC)

Subject: Minnesota Power lease sales Whiteface Reservoir Date: Wednesday, September 15, 2021 3:06:09 PM

## This message may be from an external email source.

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# MN PUC at consumer.puc@state.mn.us

Dear Katie Sieben,

We purchased our cabin on Whiteface Reservoir in June of 2015 for \$150,000. According to the SLC tax information at the time of purchase the land was valued at \$80,000. There was no indication at the time we signed our 26 year lease that MN Power would be selling the leases.

Ironically, our land value increased from 84,000 payable in 2021 to \$124,500 payable in 2022.

\$124,500 plus 4% is what MN Power is going to charge me for my land. This cost does not include some green space (swamp) that will be added to my property whether or not I want to buy it, as that cost has not yet been determined.

Like most lease holders we have spent considerable funds to maintain the shoreline, and improve the land. MN Power will not give us an answer as to whether or not the improvements that we made (septics and wells) will also be taxed and added onto the total cost to purchase. Improvements we have already paid for.

We ask the MN PUC to demand that MN Power negotiate with lease holders for a fair and equitable sale of the land. Our property investments need to be deducted from our lease sale price. We should not have to pay for improvements we already paid for. When all is said and done we will have \$300,000 into a property that SLC has assessed at \$172,000. How is this fair? We ask for a more equitable sale proposal.

Sincerely, Pat and Ann Clancey 218-591-2043

.\_ ^ ...

Ann

 From:
 dmadole@aol.com

 To:
 Staff, CAO (PUC)

Subject: Minnesota Power Proposed Land Lease Sale
Date: Thursday, September 16, 2021 9:20:01 AM

## This message may be from an external email source.

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#### Dear Commissioners,

My wife and I are lease holders with Minnesota Power for property at 5094 Otter River Road on Island Lake Reservoir. While we do look forward to purchasing the leased land, hoping that Minnesota Power will offer it at a fair and equitable way.

The drawn out process has resulted in an increase in the property value assessed by St. Louis County for 2021 by \$2500. Making the total EMV for the land to be \$98,800, which as we understand, would make the proposed purchase price \$98,800 plus an additional 4% to cover any future increase in EMV prior to the actual sale date.

It is our understanding that in the past, Minnesota Power has offered the land lease purchase at a discount. Alden and Little Alden lake leases were offered at 20% less than EMV. Being the leases were originally entered into with an initial purchase price, this discount only makes sense. We hope that because of the Alden Lake precedent that was set by Minnesota Power, and in the interest in fairness to all past and current leaseholders, Minnesota Power will continue to offer the 20% discount from St. Louis County's EMV for purchase of the lease.

As leaseholders, we are faced with two options. Purchase the property at the price set by Minnesota Power or continue to lease the land until it the lease expires and loose the property and buildings at that date. We prefer to purchase the property now, but at a fair and equitable price.

Thank you for your consideration in this matter.

DOUG and JENNY MADOLE 5094 Otter River Road Duluth, MN 55803 dmadole@aol.com 218-590-5072 Cell 218-724-1065 Fax 
 From:
 brkienzle@aol.com

 To:
 Staff, CAO (PUC)

Subject: Minnesota Power"s proposed land sale

Date: Wednesday, September 15, 2021 8:02:19 PM

# This message may be from an external email source.

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My name is Richard L. Kienzle. I have a home on Island Lake Reservoir in St. Louis Count. I purchased the lease lot in 1968 when lake property was not the prize it is now. The lease was a 99 year lease at that time. I built a cabin on the property in 1970 and improved this land and building several times. I could only access the property by boat until i cut a 1/2 mile access road. It was our desire to live out our lives in this home, Unfortunately my wife passed away last November. It was still my intent to stay as long as i can. MP&L's intent to sell the land to property holders creates a real problem for me. I am 85 years old. Do you know any bank that would lend me the \$200,000 appraised value at my age? To further complicate things my property was last appraised at a \$23000 increase in value, I could sell the property to someone but they would then have to finance the land sale on top of my sale price. The only ones getting credit for the tax increase is the county and MP&L. It raises MP&L sale price, I have paid MP&L's taxes on their property and their lease fee based on property value for 50+ years. That should give me a decrease in price i would think, Please make mp&I reconsider their sale arrangement. Thank you for your consideration of this request.

Sincerely,

Richard L Kienzle 5081 Birch Isle Rd Duluth, MN 55803 
 From:
 Phyllis Riesland

 To:
 Staff, CAO (PUC)

**Subject:** MN Power Island Lake Land Sale

Date: Thursday, September 16, 2021 8:00:30 AM

# This message may be from an external email source.

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Dear Katie Sieben, Chairperson of the MN PUC,

My name is Daniel Riesland. I purchased a home/cabin on Island Lake Reservoir in 1998. When we bought our property we were under the impression that MN Power would continue to lease these lots, as they have done for decades. We paid \$165,000 for this home and our hope was this would be our retirement home. Like many retirees, we used our savings to not only purchase our lake home, but also to update it. That included home remodeling and landscaping (to stop shoreline erosion and beautify the lot). It also included updating our septic system, which was also costly. Our initial purchase was \$165,000, but with improvements and lease payments, we have almost doubled that. And now we learn we might have to buy our lot all over again, and at a higher price; since property values have increased and our shoreline landscaping improvements have also raised the value of the proposed selling price.

We ask the MN PUC to demand that MN Power seek better solutions in selling these lots to us. Our property investments need to be deducted from our lease sale price. Like most others we bought our property with the understanding that MN Power, who started this leasing program over 70 years ago, was in the long-term leasing business. They never told any of us differently. They are a public utility, and their services are public trusted services that are counted on. We ask for a more equitable sale proposal,

Sincerely

Daniel and Phyllis Riesland

651-238-0606 / 612-597-1973

 From:
 Phyllis Riesland

 To:
 Staff, CAO (PUC)

**Subject:** MN Power Island Lake Land Sale

Date: Thursday, September 16, 2021 8:00:30 AM

# This message may be from an external email source.

Do not select links or open attachments unless verified. Report all suspicious emails to Minnesota IT Services Security Operations Center.

Dear Katie Sieben, Chairperson of the MN PUC,

My name is Daniel Riesland. I purchased a home/cabin on Island Lake Reservoir in 1998. When we bought our property we were under the impression that MN Power would continue to lease these lots, as they have done for decades. We paid \$165,000 for this home and our hope was this would be our retirement home. Like many retirees, we used our savings to not only purchase our lake home, but also to update it. That included home remodeling and landscaping (to stop shoreline erosion and beautify the lot). It also included updating our septic system, which was also costly. Our initial purchase was \$165,000, but with improvements and lease payments, we have almost doubled that. And now we learn we might have to buy our lot all over again, and at a higher price; since property values have increased and our shoreline landscaping improvements have also raised the value of the proposed selling price.

We ask the MN PUC to demand that MN Power seek better solutions in selling these lots to us. Our property investments need to be deducted from our lease sale price. Like most others we bought our property with the understanding that MN Power, who started this leasing program over 70 years ago, was in the long-term leasing business. They never told any of us differently. They are a public utility, and their services are public trusted services that are counted on. We ask for a more equitable sale proposal,

Sincerely

Daniel and Phyllis Riesland

651-238-0606 / 612-597-1973

From: Brad Myrdal

To: Staff, CAO (PUC)

Subject: MN power lease buyout

**Date:** Wednesday, September 15, 2021 12:19:14 PM

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\_\_\_\_\_

Dear Katie Sieben, Chairperson of the MN PUC,

My name is Brad Myrdal I purchased a home on island lake Reservoir in July 2021. When I bought our property I was under the impression that MN Power would continue to lease these lots, as they have done for decades. I paid 195,000 for this home and my hope was this would be my retirement home. I used my savings to not only purchase my lake home, but also to update it. That included home remodeling and landscaping. Now I learn I might have to buy my lot all over again, and at a higher price; since property values have increased and our shoreline landscaping improvements have also raised the value of the proposed selling price.

We ask the MN PUC to demand that MN Power seek better solutions in selling these lots to us. Our property investments need to be deducted from our lease sale price. Like most others we bought our property with the understanding that MN Power, who started this leasing program over 70 years ago, was in the long-term leasing business. They never told any of us differently. They are a public utility, and their services are public trusted services that are counted on. We ask for a more equitable sale proposal, Sincerely

Brad Myrdal 218-341-6350 
 From:
 Mark Abicht

 To:
 Staff, CAO (PUC)

 Subject:
 MN Power Lease

Date: Wednesday, September 15, 2021 7:21:18 AM

## This message may be from an external email source.

Do not select links or open attachments unless verified. Report all suspicious emails to Minnesota IT Services Security Operations Center.

# Dear Katie Sieben, Chairperson of the MN PUC,

My name is Mark Abicht. I purchased a home/cabin on Island Lake Reservoir in 21 years ago. When we bought our property we were under the impression that MN Power would continue to lease these lots, as they have done for decades. We paid (amount) for this home and our hope was this would be our retirement home. Like many retirees, we used our savings to not only purchase our lake home, but also to update it. That included home remodeling and landscaping (to stop shoreline erosion and beautify the lot). It also included updating our septic system, which was also costly. Our initial purchase was \$160,000, but with improvements and lease payments, we have almost doubled that. And now we learn we might have to buy our lot all over again, and at a higher price; since property values have increased and our shoreline landscaping improvements have also raised the value of the proposed selling price.

We ask the MN PUC to demand that MN Power seek better solutions in selling these lots to us. Our property investments need to be deducted from our lease sale price. Like most others we bought our property with the understanding that MN Power, who started this leasing program over 70 years ago, was in the long-term leasing business. They never told any of us differently. They are a public utility, and their services are public trusted services that are counted on. We ask for a more equitable sale proposal, Sincerely,

Mark Abicht 612-840-1015 5135 Parsons Pt Rd Hermantown MN 
 From:
 Nikki Klint

 To:
 Staff, CAO (PUC)

 Subject:
 Mn power lease

**Date:** Thursday, September 16, 2021 8:29:23 AM

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\_\_\_\_\_

Dear Katie Sieben, Chairperson of the MN PUC,

My name is Margie Klint. I have a cabin on Whiteface Reservoir. We acquired the lease from Minnesota Power in 2002. In order to obtain a lease, MN Power asked for a minimum bid for their leases of \$60,000. This did not buy the property but only allowed us to compete against other prospective lease holders. We placed a bid of around \$60,000 and was awarded the right to lease the lot. We are not being told whether the large sum of money we have already bid to acquire the lease will be kept by MN Power, or if it will be pro-rated when they sell our lot back to us. This was never discussed in the bidding process and we may have to pay another large sum of money to now buy the lot we have developed with our own capital. As we see it, we will be paying twice for the same lot. This seems like MN Power is double-dipping at our expense. Not only did we bid \$60,000; but like other lease holders, we continued to pay our yearly lease payment and taxes. We request that the monies we bid need to be deducted from our property sale price and not just pro-rated. We ask the PUC to require MN Power to deduct the monies that we bid from the price of the property, and/or reimburse us that said bid amount.

Thank you, Margie Klint 
 From:
 Julie Lundholm

 To:
 Staff, CAO (PUC)

**Subject:** MN Power Proposed sale of Lease, Island Lake Reservoir

**Date:** Wednesday, September 15, 2021 8:32:10 PM

## This message may be from an external email source.

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Katie Sieben, MN Public Utilities Commission.

#### Dear Katie:

We are a leaseholder on Island Lake on land leased by MN Power. As you are aware, MN Power is proposing to sell the leases to the leaseholders. Our property is located at 5062 Otter River Road, and the property has been in the family since my husband was about 10 years old, so more than 50 years ago. We have since removed the old cabin and built our retirement home, putting everything we had into this investment. We love living here! The improvements made by us over the years have resulted in a substantial increase in property value, and that has been reflected in the tax increases we have enjoyed the last few years. We removed the original cabin and built a new home in 2018, moved in in 2019, added a large pole building, removed all other old buildings, landscaped the entire lot (we are still nowhere near done), improved the driveway which we share with our neighbors at our expense, and expected to continue with the lease indefinitely.

We have since learned that we will need to come up with a huge sum of money to buy what we consider an over-priced parcel (by St. Louis County and Mn Power standards) based on 2021 EMV + 4%.

We feel a fairer solution to all leaseholders, especially ones in good standing with MN Power who have paid the lease on time, every time, would be to give credit towards the purchase price for the amount paid on the lease for all those years the current leaseholder has paid. There are a great many leaseholders who would not be able to come up with the amount of cash MN Power is proposing, or give credit for the property investments that have been made over the years. These investments have all been at our own expense.

We have been conscientious and responsible leaseholders, and are asking the MNPUC to consider a more leaseholder-friendly alternative to what MN Power is proposing.

Thank you in advance for your consideration of our thoughts.

Julie Lundholm Jeff Lundholm 5062 Otter River Road Duluth, MN 55803 218-343-1929, 218-464-2866 
 From:
 Steve Johns

 To:
 Staff, CAO (PUC)

Subject: MN Power/Island Lake Lease Property

Date: Thursday, September 16, 2021 8:00:37 AM

#### This message may be from an external email source.

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RE: Minnesota Power Lease Sale Proposal

Dear Katie Sieben, Chairperson of the MN PUC,

Our names are Steve and Sheri Johns. We have a seasonal cabin on Island Lake Reservoir. My parents acquired and purchased the lease from Minnesota Power in 1977. It was a 99 year lease, for \$99.00 per year. My parents bought the cabin as a place for our family to spend summers together. Eventually Sheri and I were married and had 2 children that also grew up spending time at the "Family Cabin". My sister and brother also married and each had 2 children, and they also spent most of the summer at the cabin. It was a great place for the whole family to meet and enjoy the summer swimming, fishing, water skiing, sitting around the fire and spending the weekends together. We feel very fortunate to have a cabin that all 3 generations can enjoy and make more great memories!

When my parents were no longer able to keep up the cabin, Sheri and I bought the cabin from them in 2018. We bought the property with the understanding that MN Power, who started the leasing program 70 years ago, was in the long-term leasing business. We were never aware of MN Power selling the leases at that point.

Since we purchased the cabin we have made many improvements. Remodeling including cabin updates with indoor plumbing, a sewer drainage system (eliminating the outhouse), drilling a well for water. We have also done a lot of landscape work to eliminate shore erosion. Now we learn that we might have to buy our lot again, with the price being higher because of the improvements that have been made!

We would like to ask the MN PUC to demand that MN Power seek better, more equitable solutions in selling these lots to us. What we have already spent for the property and what we have spent on lease payments since 1977 should figure into this price!

Thank you for your consideration,
Steve and Sheri Johns

4698 Breezy Point Rd

 From:
 Steve Johns

 To:
 Staff, CAO (PUC)

Subject: MN Power/Island Lake Lease Property

Date: Thursday, September 16, 2021 8:00:37 AM

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RE: Minnesota Power Lease Sale Proposal

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We would like to ask the MN PUC to demand that MN Power seek better, more equitable solutions in selling these lots to us. What we have already spent for the property and what we have spent on lease payments since 1977 should figure into this price!

Thank you for your consideration,
Steve and Sheri Johns

4698 Breezy Point Rd

 From:
 brkienzle@aol.com

 To:
 Staff, CAO (PUC)

 Subject:
 MP&L land sale

Date: Wednesday, September 15, 2021 11:32:37 AM

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----Original Message-----

From: MAILER-DAEMON@aol.com

To: brkienzle@aol.com

Sent: Wed, Sep 15, 2021 11:30 am

Subject: Failure Notice

Sorry, we were unable to deliver your message to the following address.

#### <<u>consumer@aol.com</u>>:

552: 1 Requested mail action aborted, mailbox not found

----- Forwarded message ------

----Original Message-----From: brkienzle@aol.com

To: consumerr.puc@state.mn.us <consumerr.puc@state.mn.us>

Sent: Wed, Sep 15, 2021 11:23 am

Subject: Minnesota Power proposal to sell lease land

My name is Richard L. Kienzle. I have a home on Island Lake Reservor in St. Louis Couty.. I purchased the lease lot in 1968 when lake property was not the prize it is now ,The lease was a 99 year lease at that time. I built a cabin on the property in 1970 and improved the this land and building several time. i could only access the property by boat until i cut a 1/2 miles access road. It was our desire to live out our lives in this home, Unfortunately my wife passed away last November. It was still my intent to stay as long as i can. MP&L intent to sell the land to property holders creates a real problem for me. I am 85 years old. Do you know any bank that would lend me the \$200,000 appraised value at my age. To further complicate things my property was last appraised at a \$23000 increase in value, I could sell the property to someone but they would then have finance the land sale on top of my sale price. The only ones getting credit for the tax increase is the county and MP&L. It raises MP&L sale price, I have paid MP&L taxes on this property and their lease fee based on property value for 50+ years. That should give me a decrease in price i would think, Please make mp&l reconsider their sale arrangement. Thank you for your consideration of this request

 From:
 danlaurila93@aol.com

 To:
 Staff, CAO (PUC)

 Cc:
 KatieSieben@aol.com

**Subject:** MPL Lease hold on Island Lake

**Date:** Wednesday, September 15, 2021 2:26:56 PM

#### This message may be from an external email source.

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Dear Katie Sieben, My name is Dan Laurila and I have a lease on Island Lake and we have had it since 1952. I am writing you to ask you to try to help get a more fair buy out on my cabin lot. I am 75 years old and retired and yes, living on a retirement income. The proposal that has been proposed by MPL will surely force us into difficult position and we may have to sell a cabin that is very dear to us and our children. If we were to put all the money into a account that we paid MPL over the years it would have paid for the lot. The large corporation seems to want to take advantage of leaseholders. I propose MPL deduct 2.5% for every year we have paid with a cap of 30 years or something in that order. It looks as if many leaseholders may have to come up with upward of a \$1000,000 to this big corporation. I feel we are being taken advantage of. Please help us out in this matter. Sincerely, Dan Laurila 612-749-4209

From: mike pratt

To: Staff, CAO (PUC)

Subject: My power leased land

**Date:** Wednesday, September 15, 2021 5:30:54 PM

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# Dear Katie Sieben,

My name is Michael Pratt we have a home on the Whiteface reservoir. We purchased the home and acquired the lease from A past lease holder. We have been told that Minnesota power is now wanting to "get out of the leasing business". This being said, we were also told that the lot that our home currently sits on would be potentially offered for purchase at a +4% premium. When the question was asked as to what the premium was for it was stated that mn power would be not profiting but giving credits to its members.

We are not MN power customers. We are serviced by Lake country.

We understand that other lakes have had leases sold at approximately .85 on the dollar. Why is it that with PUC involvement there is now an arbitrary potential for a premium? We along with others will help "get them out of the leasing business" with a fair and equitable solution.

Thank you,

Mike

From: Wufoo

To: Staff, CAO (PUC)

Subject:Submitted Public Comment FormDate:Monday, August 23, 2021 11:10:47 PM

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Name *	Jim Anderson
Phone Number	(218) 525–5784
Email	anderjev@yahoo.com
Provide the docket's number. *	E015/PA-20-675
Leave a comment on the docket. *	The sale of these lots back to the lease holder in nothing short of criminal. Some of these lots have been leased for years. Some as many as 40 years. This is after they purchased the land the first time and paid lease fees for all those years. And now, to have to purchase the lot again is ludicrous. How can this even be legal? How about full credit for all the lease fees that were paid every year? I am asking you to do the right thing, and at least make this fair for all these folks that have purchased these lots and faithfully paid lease fees all these years.

 From:
 rb hughes

 To:
 Staff, CAO (PUC)

**Subject:** Whiteface Lake Leaseholder

Date: Tuesday, September 14, 2021 9:11:51 PM

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We should be receiving a 4% discount, not paying a 4% fee to lock in our land price at today's land value!

Barbara Hughes lease owner.