

For Immediate Release  
August 9, 2012

**Contact:** Minnesota Public Utilities  
Commission  
Dan Wolf  
**Telephone:** 651.201.2217  
**Fax:** 651.297.7073  
**Web:** [www.puc.state.mn.us](http://www.puc.state.mn.us)

**MINNESOTA PUBLIC UTILITIES COMMISSION  
ACTS ON MINNESOTA POWER'S BASELOAD DIVERSIFICATION STUDY**

**St. Paul, Minnesota** - The Minnesota Public Utilities Commission ("Commission") today took action on the Baseload Diversification Study prepared and submitted by Minnesota Power ("the Company"). Among other things, this study addressed the possibility of discontinuing operations at some of the Company's older power plants.

After considering the Study and the related record, the Commission decided to address the issues raised by the study within the broader context of the Company's next Integrated Resource Plan ("IRP"). An IRP states a utility's proposals for meeting the needs of its customers efficiently and reliably, and includes analyses supporting these proposals. The Commission directed the Company to file that IRP by March 1, 2013.

The Commission directed the Company to address the viability of three generators -- Laskin Units 1 and 2, and Taconite Harbor Unit 3. The plan would also address the socioeconomic effects, with rate impacts by customer class, of changing the Company's sources of electricity.

On a separate vote, a majority of the Commission also decided that, based on the information before it at this time, it may not be appropriate for ratepayers to bear the cost of operating the Laskin and Taconite Harbor 3 generators after 2016 if they are not cost-effective. That determination will be made during a later review.

The Commission also instructed the Company to evaluate, as part of this IRP, the possible retirement of Boswell Units 1 and 2 by 2020, including all relevant costs and transmission adequacy impacts.

Today's actions stem from the Commission's request for more information supplementing the Company's previous IRP. On May 6, 2011, the Commission issued an Order requiring Minnesota Power "to prepare and file a baseload diversification study" that included certain specific components and analysis of alternative scenarios. Minnesota Power filed that Study on February 6, 2012.

The Commission received comments on the report from a number of entities, including the Minnesota Department of Commerce, Environmental Intervenors, the Large Power Intervenors, and the Minnesota Chamber of Commerce, as well as several elected public officials and members of the public.

A final written order formally documenting the Commission's decisions will be issued in several weeks. That order will be filed in Docket No. E-015/RP-09-1088, which is available on the Commission's website via the Commission's eDockets system.