



NOTICE OF PUBLIC HEARINGS

March 2010

Minnesota Power has asked the Minnesota Public Utilities Commission (MPUC) for permission to increase its electric rates by approximately \$81 million, or about 18.9 percent overall. Depending on customer class and usage, the actual percent will vary. We have also proposed a new discounted rate for qualified low-income residential customers. The MPUC will make its decision regarding final rates by November 2010.

Public Comment

Administrative Law Judge Kathleen D. Sheehy has scheduled public hearings so that customers may have an opportunity to present their views regarding Minnesota Power's recently filed retail rate case (MPUC Docket No. E-015/GR-09-1151 and OAH Docket No. 3-2500-21031-2). Any Minnesota Power customer or other person may attend or provide comments at the hearings. You are invited to comment on the adequacy and quality of Minnesota Power's service, the level of rates or other related matters. You do not need to be represented by an attorney.

Public Hearings Schedule

April 13, 14, or 15, 2010

2:00 p.m. and 7 p.m.
Eveleth Range Recreation & Civic Center
901 Hat Trick Avenue
Eveleth, MN 55734

April 13, 14, or 15, 2010

2:00 p.m. and 7 p.m.
The Inn on Lake Superior
350 Canal Park Drive
Duluth, MN 55802

April 20, 21, or 22, 2010

7 p.m.
Itasca Community College
1851 East Highway 169
Grand Rapids, MN 55744-3397

April 20, 21, or 22, 2010

7 p.m.
Morrison Country Government Center
213 1st Avenue Southeast
Little Falls, MN 56345-1468

Written comments may be sent to Administrative Law Judge Kathleen D. Sheehy, Office of Administrative Hearings, P.O. Box 64620, St Paul, MN 55165-0620. Written comments are most effective when they include: 1) the section of Minnesota Power's proposal you are addressing, 2) your specific recommendations, 3) the reason for your recommendations, 4) Docket No. OAH 3-2500-21031-2 and MPUC E015/GR-09-1151. Comments must be received by May 5, 2010.

Accommodations

If you need any reasonable accommodation to enable you to fully participate in these public hearings (i.e., sign language or foreign language interpreter, wheelchair accessibility, or large-print materials) please contact the MPUC at 651-201-2202 or 800-657-3782 one week in advance of the hearing.

Evidentiary Hearings

Formal evidentiary hearings on Minnesota Power's proposal are scheduled to start on May 17, 2010, at 10:00 a.m., in the Large Hearing Room, Minnesota Public Utilities Commission, 121 Seventh Place East, Suite 350, St. Paul, MN. The purpose of the evidentiary hearings is to allow Minnesota Power, the Minnesota Department of Commerce-Energy Planning and Advocacy Office, the Minnesota Office of the Attorney General-Residential Utilities Division and others to present testimony and to cross-examine each other's witnesses on the proposed rate increase.

Anyone who wishes to formally intervene in this case should contact the Administrative Law Judge, Kathleen D. Sheehy, at the Office of Administrative Hearings, PO Box 64620, St. Paul, MN 55165-0620.

Effect of Rate Changes

Below are examples of the effect of the proposed increase on typical bills of Minnesota Power's customers. Individual changes may be higher or lower depending on actual electricity usage.

Customer classification	Average monthly kWh usage	Previous monthly costs	Proposed final monthly increase
Residential	755	\$65	\$13
Residential Lifeline	755	\$65	\$8
Seasonal Residential	326	\$38	\$8
Residential Controlled Access	1,667	\$95	\$18
Dual Fuel – Residential	1,143	\$72	\$12
General Service	2,623	\$226	\$44
Dual Fuel – Commercial & Industrial	5,609	\$309	\$58
Municipal Pumping	19,719	\$1,450	\$285
Large Light and Power	203,850	\$13,109	\$2,328
Large Power	43,269,676	\$2,013,034	\$358,411
Street and Area Lighting	404	\$53	\$7

*Monthly increases include all line items on bills except sales taxes and municipal franchise fees, and may vary by customer based on usage.

The rate changes described in this notice have been requested by Minnesota Power. The MPUC may either grant or deny the requested changes, in whole or in part, and may grant a lesser or greater increase than that requested for any class or classes of service.

For More Information

You may visit Minnesota Power's offices during normal business hours to examine the current and proposed rate schedules. Our offices are located at 30 West Superior Street, Duluth, MN 55802. You may also examine our current and proposed rate schedules and our request for new rates by visiting our website at www.mnpower.com.

Or, you may contact the Minnesota Department of Commerce at 85 7th Place East, Suite 500, St Paul, MN 55101, Phone: (651) 296-9314, TTY (800) 627-3529 or 711. Web: www.edockets.state.mn.us/Efiling/search.jsp (search by docket number: select 09 in the year field, enter 1151 in the number field, click on search, and the list of documents will appear on the next page).

Customers may also register a comment or complaint with the Minnesota Public Utilities Commission:

Mail: 121 7th Place East, Suite 350, St. Paul, MN 55101-2147

Email: consumer.puc@state.mn.us

Phone: 651-296-0406 or 1-800-657-3782

TTY: 1-800-627-3529 or 711.