



Minnesota Power, Great River Energy Advance Joint 345-kV Transmission Line Project with Application for Certificate of Need, Route Permit

August 4, 2023

DULUTH, Minn.--(BUSINESS WIRE)--Aug. 4, 2023-- Minnesota Power and Great River Energy today are filing an application for a Certificate of Need and Route Permit from the Minnesota Public Utilities Commission (MPUC) to build a high-voltage transmission line to bolster electric reliability in northern and central Minnesota.

This press release features multimedia. View the full release here: <https://www.businesswire.com/news/home/20230804020172/en/>



Proposed route for the Northland Reliability Project subject to regulatory approval. (Photo: Business Wire)

The Northland Reliability Project is an approximately 180-mile, double-circuit, 345-kilovolt (kV) transmission line, primarily following existing transmission corridors, from northern Minnesota to central Minnesota. It will help maintain a reliable and resilient regional power grid as more renewable energy is brought online, existing coal plants are transitioned, electrification continues to expand, and more

frequent extreme weather events occur.

The jointly developed project is one of 18 transmission projects approved in July 2022 by the region's grid operator, the Midcontinent Independent System Operator (MISO), in the first phase of its Long-Range Transmission Plan to integrate new generation resources and boost grid resilience as the energy transition continues. The Northland Reliability Project is the first project in this portfolio to reach this milestone of a state regulatory process.

"The pace of change is upon us and we are laser focused on getting this line built to ensure reliability for our members and customers in northern and central Minnesota," said Great River Energy's Vice President and Chief Transmission Officer Priti Patel. "We are proud to be developing this project responsibly at every juncture. We have gone to great lengths to engage with community members and critical leaders over the last year, understanding that no voice is more important than that of a cooperative member who will be hosting this project on their property."

The companies jointly held nearly 30 public open houses and numerous stakeholder meetings over the past year to provide opportunities for engagement with landowners, local governments, agencies, and Tribal Nations. This public feedback is reflected in the proposed route.

"Collaboration with other utilities is critical as we invest in the transmission needed to maintain a reliable and resilient grid in northeast Minnesota and the Upper Midwest," said Minnesota Power's Vice President of Transmission and Distribution Dan Gunderson. "Transmission is an integral part of Minnesota Power's **EnergyForward** strategy for serving customers and communities as we work toward achieving both our vision and Minnesota's energy policy goal of a carbon-free future. As energy resources change, the regional power grid that delivers energy needs to change, too. This project will help retain our outstanding reliability, provide system support as resources transition to different operating profiles, increase capacity, strengthen resiliency, and enhance grid flexibility."

Subject to regulatory approvals, the companies expect construction to begin in 2027 and the line to be operational in 2030. Total cost is estimated between \$970 million and \$1.3 billion. The MPUC will determine need and the final route, and separately review cost recovery for Minnesota Power's share of the project. MISO allocation will help offset costs for customers and members.

Utilities across the region are significantly increasing the amount of renewable energy they provide to their customers. By reducing coal-based energy and more than doubling renewable energy, Great River Energy anticipates that by 2035 its retail electric sales will be provided by a 90% carbon-free power supply in alignment with the Minnesota carbon-free standard. Minnesota Power was the first utility in the state to deliver 50% renewable energy to customers in 2021 with plans to be more than 70% renewable by 2030.

Project details

The Northland Reliability Project is divided into two segments.

Segment one: Approximately 140 miles of new 345-kV double-circuit transmission lines will be constructed primarily near existing transmission line corridors, from Minnesota Power's Iron Range Substation in Itasca County to Great River Energy's Benton County Substation near St. Cloud.

Segment two: A 20-mile 230-kV line will be replaced with two 345-kV circuits along existing transmission corridors from the Benton County Substation to a new Big Oaks Substation that will be built as part of a separate project. A 20-mile 345-kV line will also be replaced along existing transmission corridors from the Benton County Substation to the Sherco Substation in Sherburne County.

Other improvements: In addition to the transmission line, the Northland Reliability Project will expand the Iron Range Substation near Grand Rapids and the Benton County Substation near St. Cloud. A new Cuyuna Series Compensation Station will be built in Crow Wing County near the existing Riverton Substation.

For more information and a map of the Northland Reliability Project's route corridor, visit <https://northlandreliabilityproject.com>. People also can subscribe to receive updates about the project from the MPUC. Visit edockets.state.mn.us and enter docket 22-416 for information on the Certificate of Need or docket 22-415 for information on the Route Permit.

Great River Energy, Maple Grove, Minnesota, is a not-for-profit wholesale electric power cooperative which provides electricity to approximately 1.7 million people through its 27 member-owner cooperatives and customers. Through its member-owners, Great River Energy serves two-thirds of

Minnesota geographically and parts of Wisconsin. Learn more at greatriverenergy.com.

Minnesota Power provides electric service within a 26,000-square-mile area in northeastern Minnesota, supporting comfort, security and quality of life for 150,000 customers, 14 municipalities and some of the largest industrial customers in the United States. More information can be found at mnpower.com. ALE-CORP

The statements contained in this release and statements that ALLETE may make orally in connection with this release that are not historical facts, are forward-looking statements. Actual results may differ materially from those projected in the forward-looking statements. These forward-looking statements involve risks and uncertainties and investors are directed to the risks discussed in documents filed by ALLETE with the Securities and Exchange Commission.

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Amy Rutledge
Director Corporate Communications
Minnesota Power/ALLETE 218-348-2961
arutledge@mnpower.com

Lori Buffington
Leader, Communications
Great River Energy 763-486-9266
lbuffington@greenergy.com

Source: ALLETE Inc.