



For Release: June 2, 2016

Contact: Amy Rutledge  
Manager - Corporate Communications  
Minnesota Power/ALLETE  
218-723-7400  
arutledge@mnpower.com

# NEWS

## Minnesota Power's first community solar garden wins approval

DULUTH, Minn.— The first community solar garden on Minnesota Power's system is expected to be generating power from the sun by late this year. The Minnesota Public Utilities Commission approved the Duluth, Minn.-based utility's plans for the pilot program on Thursday.

"We appreciate the commissioners' thoughtful analysis of our proposal and the feedback we received from environmental and consumer groups," said Margaret Hodnik, Vice President of Regulatory and Legislative Affairs. "This initial community solar garden will expand access to solar for residents who want more renewable energy, but who either rent or don't have a home or business site well-suited for personal solar panels. We've seen steadily growing interest in solar energy in our region and based on the success of this pilot program, additional community solar gardens could be offered to our customers in the future."

Minnesota Power's initial community solar garden will be constructed in two locations—a 40-kilowatt array on company-owned land on Arrowhead Road in Duluth and a 1-megawatt array on vacant land owned by St. Louis County near the intersection of Haines and Arrowhead roads in Duluth. Both arrays will combine to supply electricity for Minnesota Power solar garden subscribers.

"The community solar garden program is another component in Minnesota Power's EnergyForward resource strategy as we rebalance our energy mix to one-third coal, one-third natural gas and one-third renewable energy," Hodnik said.

Construction on the arrays is expected to begin this summer.

Minnesota Power will own and operate the 40-kilowatt array, which will be built next to the company's Herbert Service Center. Hunt Electric is the contractor for the project, which will be made up of about 450 thin-film solar panels manufactured by First Solar. The 1.5 acre site on Arrowhead Road also will be planted with pollinator-friendly, native plants and flowers.

United States Solar Corp, a solar developer based in Minneapolis, will own and operate the 1-megawatt array with the generation sold to Minnesota Power through a power purchase agreement. U.S. Solar was selected through a competitive bidding process. The 1-megawatt array on Haines Road will be made up of about 4,375 polysilicon solar panels and cover six to eight acres.

Residential and business customers who live anywhere in Minnesota Power's service territory and want to participate in the pilot program will be able to choose from three options: an upfront one-time payment, a fixed monthly subscription fee or a fixed charge per kilowatt-hour. All of the options are based on 25-year agreements, but customers have the flexibility to leave the program at any time without penalty.

The cost for residential customers who want to replace their current energy with solar energy, and who typically use about 750 kilowatt-hours a month, and choose either a monthly subscription fee or fixed charge per kilowatt hour will range from about \$81 to about \$95 a month. That compares to a monthly bill of about \$80 for a similar nonparticipating customer. Subscriptions will be offered in 1 kilowatt blocks, and customers can choose to purchase enough to cover all or a portion of their monthly electricity needs. The upfront one-time payment for each kilowatt block is about \$2,100.

The community solar garden program will join Minnesota Power's other offerings for customers who want solar power. The company has provided its expertise and rebates to customers for traditional rooftop solar installation through its SolarSense program since 2004 and has a proposal to significantly expand this personal program which is pending before the MPUC. Last year, Minnesota Power began offering a Solar Energy Analysis program to help interested customers decide if a solar energy system is the right fit for their home or business. Minnesota Power also is partnering with the Minnesota National Guard to build a 10-megawatt utility-scale solar energy array at Camp Ripley in central Minnesota. Solar energy from this facility will go into the Company's general supply.

As part of today's decision, Minnesota Power has agreed to continue to work with community organizations and developers to develop and submit to the commission an RFP process for potential future solar gardens.

Customers can go <http://www.mnpower.com/Environment/CommunitySolar> to learn more about the newly approved pilot program.

Minnesota Power provides electric service within a 26,000-square-mile area in northeastern Minnesota, supporting comfort, security and quality of life for 144,000 customers, 16 municipalities and some of the largest industrial customers in the United States. More information can be found at [www.mnpower.com](http://www.mnpower.com).

*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.*

###