

Facts about your bill



AN ALLETE COMPANY

Understanding your electric bill and knowing how much energy various appliances use will help you get the most out of your energy dollar. The greatest portion of your electricity needs involve heating, cooling, food refrigeration, water heating and lighting.

The following pages are designed to give you a detailed description of all the items on your Minnesota Power bill. If you have further questions about your electric bill or energy use, please call us at 1-800-228-4966.

Understanding your bill

- 1 Your personal **10-digit account number**.
- 2 The **Billing Summary** is your total amount due.
- 3 A summary of current and previous balances, payments received, and **billing period** for electric and non-utility charges.

Additional details of charges are on page 2 of the bill.



AN ALLETE COMPANY

Name: Customer ABC

1 Account: 2222220000 **Bill Date:** September 02, 2020

Please Pay \$154.70 **By** September 28, 2020

Questions To register an inquiry or complaint with a Minnesota Power representative, please call toll free (800) 228-4966, or write us at 30 W Superior St, Duluth, MN 55802-2191. To pay your bill by phone or online, call Speedpay at 1-866-228-0739 or visit our website at www.mnpower.com.

2	Billing Summary	Total Due	\$154.70
3	Billing Period July 28, 2020 - August 28, 2020	Electric \$154.70 Current Charges \$154.70 Previous Balance \$0.00 Previous Balance & Adjustments \$0.00	 \$0.00
		Amount Due	\$154.70 \$0.00

- 4 The **graph** depicts a two-year record of your electric power (kilowatt-hour) use, as available.
- 5 The **Residential Service Rate** code identifies your classification of service. This example is of an average residential home.
- 6 **Total Usage** (kWh) used during a billing period.
- 7 **Service Charge** is the minimum monthly fee intended to cover the cost of connection to our system.
- 8 The amount you are **charged per kWh** varies depending on your monthly usage—the more electricity you use, the more you will pay per kWh. There are four separate rate blocks with the cost per kWh higher in each block. In this example, there was enough usage that all four rate blocks apply.
- 9 The **Resource Adjustment** is a combination of two charges. The first portion of this charge is applied to the cost of our state mandated Conservation Improvement Program which promotes energy conservation through education and outreach. The second portion is fuel and purchased energy which is based on the fluctuating cost of fuel used in our generating stations and power purchased from other

energy providers when needed. Due to the varying costs of fuel, this line item will vary from month to month.

- 10 **Tax Reform Credit**
- 11 The **Affordability Surcharge** recovers the costs of a rate affordability discount program for income-qualified residential customers.
- 12 The **Renewable Adjustment** charge includes the costs for additional renewable energy and transmission to deliver this energy to our system.
- 13 The **Transmission Adjustment** charge includes costs for new transmission facilities that are necessary for reliable delivery of the electricity to customers.
- 14 The **Boswell 4 Plan Adjustment** charge includes the costs of mercury and other environmental controls installed on Boswell Energy Center Unit 4 required by the Minnesota Mercury Reduction Act.
- 15 The **Solar Energy Adjustment** charge includes the cost and benefits of solar energy purchased to meet the state's Solar Energy Standard. Because solar energy production will differ from month to month, this line item will vary.

Name: Customer ABC
Account: 222220000

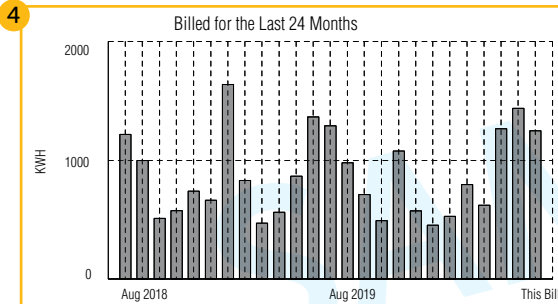
Bill Number: 000123456789
Bill Date: September 02, 2020

123 456TH ST
DULUTH MN

5 Residential Service: 20
31 Days

Next Scheduled Meter Read: 09/27/2020

Meter #	Start Date	Start Read	Read Code	End Date	End Read	Read Code	6 Total Usage
EMP111111	07/28/2020	60280	Regular	08/28/2020	61529	Regular	1,249 Kilowatt Hours (kWh) used



The average KWH per day for this service is 40
For the same period last year, it was 42
The average daily cost for this service is \$4.99

8	Service Charge	8.00	7
	400 kWh @ \$0.05911	23.64	
	400 kWh @ \$0.08255	33.02	
	400 kWh @ \$0.10601	42.40	
	49 kWh @ \$0.13141	6.44	
	Resource Adjustment	25.99	9
10	Tax Reform Credit -1.5259%	-2.13	
	Low-Income Affordability Program Surcharge	1.03	11
12	Renewable Adjustment 1,249 kWh @ \$-0.00096	-1.20	
	Transmission Adjustment 1,249 kWh @ \$0.00193	2.41	13
14	Boswell 4 Plan Adjustment 1,249 kWh @ \$-0.00109	-1.36	
	Solar Energy Adjustment 1,249 kWh @ \$-0.00023	-0.29	15
	Duluth Franchise Fee 3%	4.14	
	Minnesota Sales Tax 6.875%	9.77	
	St. Louis County Sales Tax 0.5%	0.71	
	Duluth Sales Tax 1.5%	2.13	
	Total charge this period	154.70	

Understanding your billing and payment options



Most customers' electric meters are read through automated or advanced meter reading. The communications system for these meters provides Minnesota Power with accurate monthly usage of your household or business.

You may experience an occasional estimated bill. We estimate your consumption based on historical usage. Actual readings subsequently correct any overcharge or undercharge that may result when an estimate must be made.

Visit [mnpower.com](https://www.mnpower.com) or call 1-800-228-4966 for more information.

MyAccount

Take control of your energy use and save with MyAccount—a convenient and easy-to-use tool that lets you view and pay your bill online, track your energy use and set energy use goals.

To get started, simply register at [mnpower.com/myaccount](https://www.mnpower.com/myaccount) with these four items:

- The last 4 digits of the primary phone number listed on your account
- Name exactly as it appears on your bill
- Your 10-digit account number
- Your email address

Payment Options

Minnesota Power offers convenient options to pay your bill:

- **Online** using a checking or savings account; or a credit, debit or ATM card with no transaction fees. Customers are encouraged to use MyAccount.
- **AutoPay** to setup automatic monthly payments.
- **Pay-in-Person** at Walmart and MoneyGram locations.
- **Mail** a check or money order. Do not mail cash.
- **Drop Boxes** available in Duluth and Little Falls only.

Visit [mnpower.com/PaymentOptions](https://www.mnpower.com/PaymentOptions) for more information.

Budget Billing

Budget Billing levels out seasonal highs and lows on monthly electric bills. The budget amount is based on your past 24 months' usage divided into 24 equal payments. You pay the same amount for your electric service each month, so budgeting for monthly expenses is simplified. The current status of your budget billing account is shown on the reverse side of your bill.

- There is no charge for this service.
- The budget amount is reviewed annually.
- Customers with active budgets are automatically re-enrolled at the end of 12 months.
- Cancel at any time. Any outstanding balance is due immediately. If you have a credit balance, it can be applied to future bills or a refund check can be issued.
- If there are significant changes to your electric usage, contact Minnesota Power to discuss these changes.

Note: If there is a large credit or large balance owing on the account, we may adjust the budget amount at any time.



The ups and downs of your bill

Residential electric bills follow surprisingly uniform patterns from year to year. When a bill is higher or lower than usual, you may have questions about the changes. There are many reasons why your use and cost of electric service may vary.

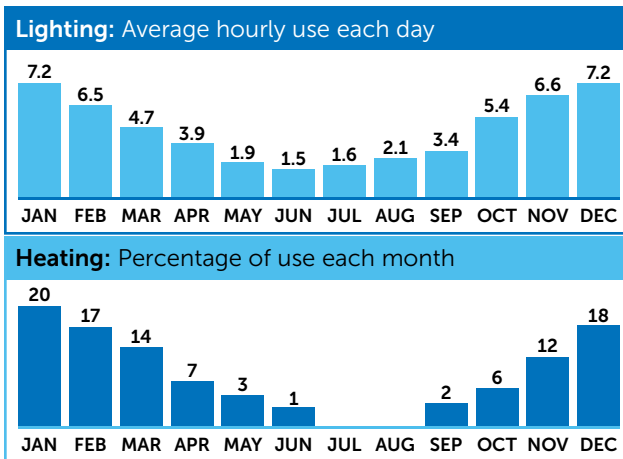
Seasonal changes

Energy usage tends to increase in the winter months as we turn up the heat or plug in space heaters. Lights also tend to be on longer in the winter months.

Similarly, running air conditioners, fans, and dehumidifiers in the summer months can increase your electric usage.

The charts to the right show average use factors for heating and lighting and how they vary seasonally.

Find tips for saving energy throughout the year at mnpower.com/SeasonsofSavings.



Usage during vacation

It's natural to expect your electric bill to decrease substantially when you're away from home. But while you're away, your refrigerator, freezer and water heater continue to operate—unless you turn them off. Also, your vacation schedule may not coincide with a billing period. Your reduced usage, therefore, would be spread over two bills. It's likely too that you'll use more electric energy getting ready for a vacation and when you return home again.

Other reasons for change

- Your lifestyle may change, your family grows, you entertain more often or you have more houseguests.
- The age and condition of your appliances often affects their cost of operation.
- You may leave lights or appliances on unnecessarily, wasting electricity and affecting your bill.

Variations are caused by the length of the billing period. In general, for every day's difference in the billing period, your energy consumption increases or decreases by three percent.

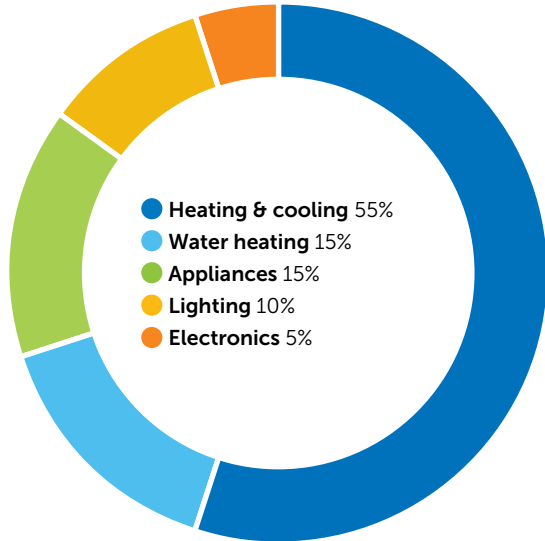
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please call us at 1-800-228-4966.**



How much energy
are you using?



Average home energy use



Source: Minnesota Department of Commerce

Average appliance usage costs

The chart on the next page gives you a basis for estimating appliance operating costs. These estimates are based on Minnesota Power's average residential customer cost of 11.48 cents per kilowatt-hour (the average Minnesota household uses 713 kWh per month). Your average cost may be slightly lower or higher than 11.48 cents depending upon your usage, rate classification and where you live.

Appliance usage varies and is subject to change. Check with your local public library to see if it has an electric usage monitor from Minnesota Power called a Kill A Watt™ meter available for checkout. This tool allows you to assess how efficient your appliances are by monitoring their electric consumption.

Note: Many electric appliances are thermostatically controlled. Because they turn off and on automatically, they use energy intermittently.

	Average Monthly kWh	Average Monthly cost*
Heating and Cooling		
Furnace fan	100	\$ 11.48
Space heaters	300	\$ 34.44
Air conditioning		
Room	228	\$ 26.17
Central (average is 12 hours per month)	480	\$ 55.10
Ceiling fan	11	\$ 1.26
Water Heating		
Electric water heating	360	\$ 41.33
Appliances		
Range (with oven)	68	\$ 7.81
Dishwasher	29	\$ 3.33
Side-by-side refrigerator/freezer	133	\$ 15.27
Refrigerator (14 cubic feet)	57	\$ 6.54

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Dishwasher	29	\$ 3.33
Side-by-side refrigerator/freezer	133	\$ 15.27
Refrigerator (14 cubic feet)	57	\$ 6.54

	Average Monthly kWh	Average Monthly cost*
Freezer (15 cubic feet, frost free)	147	\$ 16.88
Dryer	93	\$ 10.68
Washer	17	\$ 1.95
Dehumidifier	93	\$ 10.68
Lighting		
Incandescent light bulb (60 watt)	9	\$ 1.03
LED light bulb (11 watt)	2	\$ 0.23
Electronics		
50-inch LED television	31	\$ 3.56
Computer	11	\$ 1.26
Gaming console	15	\$ 1.72
Electric blanket	10	\$ 1.15

*These estimates are based on Minnesota Power's average residential customer cost of 11.48 cents per kilowatt-hour (the average Minnesota household uses 713 kWh per month). The residential rate is subject to approval, modification or acceptance by the Minnesota Public Utilities Commission.

Minnesota Power programs to help you save energy and money



Customer Affordability of Residential Electricity (CARE)

Minnesota Power offers the CARE program, which provides income-qualified households a discount on monthly electric bills. If you are LIHEAP-approved (Low Income Home Energy Assistance Program) you may be eligible for a CARE program electric bill discount.

Find out more at mnpower.com/CARE

FREE Home Energy Analysis

Minnesota Power offers a free home energy analysis. A professional auditor will visit your home (in person or virtually), help you install free energy saving products, and develop a customized plan to save energy.

Visit mnpower.com/HEA

Rebates

Minnesota Power offers instant and mail-in rebates on appliances, lighting, heating and cooling equipment, and water heating equipment.

Visit mnpower.com/RebatesAndSavings

Appliance Recycling

Minnesota Power offers a reward for recycling your old refrigerator or freezer. We also pick it up and haul it away free of charge. Getting rid of an old refrigerator or freezer typically saves several hundred dollars over its lifetime. By properly recycling your old appliance with us you'll ensure that it doesn't end up in a landfill or wasting energy in another home.

Visit mnpower.com/RefrigeratorRecycling

Electric Vehicle Rate

Minnesota Power offers a discounted electricity rate for residential customers charging an electric vehicle (EV) during off-peak hours. Service under this off-peak rate is separately metered. There will be a cost to install the additional meter and a monthly service charge. We can visit your home to make sure your electric service is adequate and provide other information you'll need for working with a licensed electrician if you decide to install a fixed Level 2 charging station.

Check out mnpower.com/ElectricVehicles

Renewable Source

Minnesota Power offers customers a chance to purchase more renewable energy. For a few dollars more a month based on your energy usage, you can reduce your carbon footprint with nothing to install or maintain. Choose between 25%, 50%, 75% or 100% renewable energy.

Visit mnpower.com/RenewableSource

SolarSense

Minnesota Power's SolarSense program provides rebates to reduce the upfront costs of installing solar, helping make solar energy a more viable option for customers. SolarSense is available to customers installing a solar electric photovoltaic (PV) system. The program funds are awarded to customers on a first-come, first-served basis.

Visit mnpower.com/SolarSense

Energy-saving tools and tips

Choose ENERGY STAR® lighting and appliances



Look for the ENERGY STAR label when shopping for appliances, lighting, and heating and cooling equipment.

Products that have earned the ENERGY STAR label have met strict energy-efficiency requirements set by the U.S. Environmental Protection Agency and are third-party certified and tested.

When not in use, turn it off ... or better yet, unplug it

Televisions, chargers, computers, gaming systems and other plug-in devices that are simply turned off can still use as much as half the energy they do when they're turned on.

Replace furnace filters monthly

This will improve the efficiency of your furnace, extend its life and reduce dust in your home.

Turn down the thermostat in the winter and turn it up in the summer

As a rule of thumb, for each one degree reduction in temperature in the winter you can save two percent or more on your heating and for each degree you raise the temperature in the summer, you can save three percent or more on cooling. You may want to consider installing a programmable thermostat.

Plug air leaks in your home

Inexpensive foam strips and caulking can cut your heating and cooling loss by 10-25 percent.

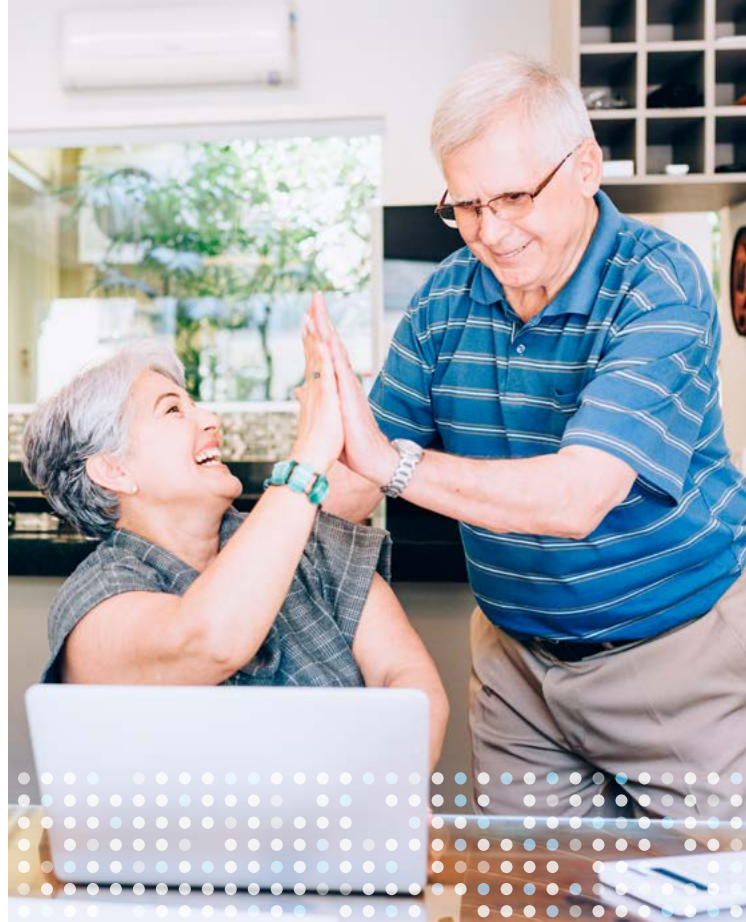
Use cold water

Wash your clothes in cold water as much as possible-and only full loads. About 90 percent of the energy used is spent heating the water. Take the next step and install an ENERGY STAR qualified clothes washer.

Clean refrigerator and freezer coils

For refrigerators, clean on a biannual basis and more often if you have animals. For freezers, clean more often if stored in dusty areas. You can also clean the coils on your window air conditioner and dehumidifier.

Visit mnpower.com/EnergyConservation for additional energy-saving tips, tools and rebate information.





mnpower.com

