minnesota power
AN ALLETE COMPANY

Business Expansion Incentive

A new electric demand discount program

Our Business Expansion Incentive (BEI) program is available to any new or existing commercial or industrial customers with expanded electrical demand of 350 kW or greater.

Significant discounts apply to the customer's electrical demand charges in years one to five, with normal charges resuming in year six.

Rates

The rates and provisions of your regular demand-metered rate schedule apply. Your rate for the expanded electrical demand would be reduced as follows:

Expanded electrical demand reduction

Years	General Service and Large Light & Power	Large Power
Years 1-3	50%	30%
Year 4	25%	15%
Year 5	15%	5%

Rates resume to normal charges in year six.

Case study example

An existing mid-size manufacturing plant that expands with 400 kW of new qualifying demand (at a 50% Load Factor) could realize $20,000-$25,000 annual savings on its bill by using the BEI.

A new large-scale 2 MW data center (at a 95% Load Factor) could project a savings of $110,000-$125,000 annually by using the BEI.

An existing mining operation with a 30 MW expansion (95% Load Factor) could project a savings of $2,400,000-$2,700,000 annually by using the BEI.

How do I check if my business qualifies?

Contacting Minnesota Power's Regional Development team and filling out an application is the first step. Once an application is received, Minnesota Power will conduct an analysis to determine customer eligibility. Final approval is subject to the Minnesota Public Utilities Commission.

Existing customers

Existing customers must add 350 kW of new electric demand at one delivery point as the result of the addition of equipment or expansion of the customer's facility or operations.

New customers

New customers must demonstrate one of the following to be eligible:

1. Business has not been conducted at the premises for at least three monthly billing periods before the application; or
2. The predecessor customer is in bankruptcy and the applicant has obtained the business in a liquidation of assets sale; or
3. Customer's activities are largely or entirely different in nature from that of the previous customer.

Contractual requirements

Customers are required to execute an Electric Service Agreement (ESA) with Minnesota Power having a minimum term of six years with a minimum cancellation provision of one year. The ESA shall state the new or increased load level of the customer, and the effective date of service shall be set in the ESA.

Minimum qualified billing demand

The discount will not apply during any month in which the expanded load demand is below 350 kW unless a demand reduction is the consequence of new conservation or load control measures initiated by the customer.

Energy efficiency

For service taken on this discount, an energy analysis will be conducted and customers will be informed of the conservation programs available.

Terms and conditions

For more information on specific terms and conditions or whether you might qualify, please contact Minnesota Power's Regional Development team.

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