

**AMENDED AND RESTATED  
COORDINATED LOCAL PLANNING AGREEMENT**

This Amended and Restated Coordinated Local Planning Agreement (“Agreement”) is entered into and effective as of January 1, 2024, by and between Minnesota Power, a division of ALLETE, Inc. (“ALLETE”), a Minnesota corporation (“MP”), and any successors thereof, and Great River Energy, a Minnesota cooperative corporation (“GRE”), and any successors thereof, which are referred to herein collectively as “Parties” and singularly as “Party.” This Agreement is being made and entered into by the Parties to promote the most efficient, collaborative, and transparent coordinated transmission planning process for the development, ownership, permitting, and construction of Transmission Facilities within the MP Local Balancing Authority Area (“MPLBAA”) for the ultimate objective of achieving revenue neutrality between the Parties. This Agreement is also made and entered into for purposes of identifying the facilities and load that will be subject to the Parties’ January 1, 2024 Amended and Restated Joint Pricing Zone Revenue Allocation Agreement (“JPZ Agreement”) and successor Revenue Sharing Agreements.

**WITNESSETH:**

**WHEREAS**, MP is a Minnesota corporation which owns electric facilities and is engaged in the generation, transmission, distribution, and sale of electric power and energy in the State of Minnesota;

**WHEREAS**, MP became a Midcontinent Independent System Operator, Inc. (“MISO”) Transmission Owner subject to the MISO Transmission Owner’s Agreement (“TOA”), effective February 1, 2002, owns certain Transmission Facilities in the MPLBAA and MP Pricing Zone, and serves load in the MPLBAA and MP Pricing Zone;

**WHEREAS**, GRE is a Minnesota cooperative corporation engaged in the business of generating and transmitting and selling electric power and energy in the states of North Dakota, Minnesota and Wisconsin;

**WHEREAS**, GRE became a MISO Transmission Owner subject to the MISO TOA, effective December 1, 2004, owns certain Transmission Facilities in the MPLBAA and MP Pricing Zone, and serves load in the MPLBAA and MP Pricing Zone;

**WHEREAS**, this Agreement amends and restates the Coordinated Local Planning Agreement entered into between the Parties on January 28, 2016 and reflects the Parties’ desire to continue their informal practice of holding in-person joint transmission planning coordination meetings at least twice per year during which the Parties share information regarding MP’s and GRE’s planned or proposed transmission projects in the ten-year planning horizon for purposes of their local planning obligations under the MISO regional planning process under the MISO Tariff;

**WHEREAS**, the Parties agree that nothing in this Agreement is meant to be inconsistent with the Parties’ local planning obligations under the MISO Tariff;

**WHEREAS**, the Parties agree that the coordinated development, ownership, permitting, and construction of Transmission Facilities within the MPLBAA for the ultimate objective of achieving revenue neutrality is in the economic interests of both Parties;

**WHEREAS**, concurrent with the execution of this Agreement, the Parties have entered into the JPZ Agreement. The JPZ Agreement, among other things, concerns: (a) the allocation of revenues that MISO distributes to the MP Pricing Zone; and (b) charges for network transmission services between the Parties and the corresponding methodology used by MP to distribute payments between the Parties for use of each other's Transmission Facilities in the MP Pricing Zone that are not billed by MISO; and

**WHEREAS**, the Parties agree that nothing in this Agreement prevents the Parties from conducting their own transmission planning for Transmission Facilities in the MPLBAA.

**NOW, THEREFORE**, in consideration of the mutual covenants set forth herein, the sufficiency of which is hereby acknowledged, the Parties hereto agree as follows:

## **ARTICLE I DEFINITIONS**

Capitalized terms used in this Agreement, unless otherwise defined in this Agreement, will have the meanings set forth below:

**Applicable Law:** Any and all constitutions, charters, acts, statutes, laws (including, but not limited to, all environmental laws), decrees, ordinances, rules, codes, regulations, orders, conditions, standards, tariffs and/or objective criteria applicable to this Agreement or to any Party's obligations, performance, or rights under this Agreement.

**FERC or Commission:** The Federal Energy Regulatory Commission or its successor.

**Independent Study:** A transmission study performed solely by either MP or GRE, and not under the direction of the Transmission Planning Committee.

**Joint Study:** A transmission study performed by either MP or GRE (or both) under the direction of the Transmission Planning Committee.

**Long-Term Transmission Solution:** A transmission project or a series of projects that reflect the most cost-effective and efficient solution for both MP and GRE based on load-serving or reliability-based needs identified in the ten-year planning horizon that is mutually acceptable to both Parties based on the identified need, as well as the reliability and interconnection standards of each Party. Long-Term Transmission Solutions may be comprised of both Zonal Transmission Facilities and/or Sole Use Transmission Facilities.

**MISO Tariff:** The Midcontinent Independent System Operator Inc. Open Access Transmission, Energy and Operating Reserve Markets Tariff, including all schedules, attachments, and business practice manuals, as it may be amended from time to time.

**MP HVDC Facilities:** The 465 mile  $\pm$  250 kV High Voltage Direct Current (“HVDC”) transmission line running from Center, North Dakota to Minnesota Power’s Arrowhead Substation near Duluth, Minnesota (“Arrowhead Substation”). In addition to the HVDC transmission line, the direct-current facilities within Minnesota Power’s 230 kV substations near Center, North Dakota (“Square Butte Substation”) and the Arrowhead Substation, as well as certain alternating current facilities within the Square Butte Substation.

**MP Local Balancing Authority Area (MPLBAA):** The generation, transmission, and loads that are within the geographical boundaries of the area for which Minnesota Power is responsible for compliance with the subset of NERC Reliability Standards applicable to Balancing Authorities based on MP’s balancing authority responsibilities as a member of MISO.

**MP Pricing Zone:** Zone 14 of the MISO Tariff, or its successor designation.

**NERC:** The North American Electric Reliability Corporation or its successor.

**Sole Use Transmission Facility:** Transmission Facilities that are not eligible for cost recovery and revenue sharing under a Revenue Sharing Agreement. For purposes of this Agreement, the Parties agree that a transmission facility that is used solely to serve one Party’s load and/or any radial transmission facility with an operating voltage greater than 100 kV that carries power to serve customers of a single Party shall be considered a Sole Use Transmission Facility. The Parties agree that the Management Committee may designate a transmission facility as a Sole Use Transmission Facility for purposes of this Agreement even if it does not satisfy the above definition based on reasonable and agreed-upon criteria. The Parties recognize that the facilities identified in Attachment D of the JPZ Agreement may or may not satisfy the above definition and instead reflect a negotiated settlement to avoid litigation.

**Revenue Sharing Agreement:** A Revenue Sharing Agreement is and may include: (1) the JPZ Agreement; (2) any successor agreement to the JPZ Agreement under the MISO Tariff and/or MISO TOA; (3) any revenue sharing agreement executed by MP and GRE pursuant to any other regional transmission tariff in the event that either MP or GRE are no longer members of MISO; or (4) any other future agreement between MP and GRE governing revenue sharing, charges for network transmission services between the Parties, or charges between the Parties for use of each other’s transmission facilities physically located in the MPLBAA.

**Third Party:** Any party other than MP, GRE, or a GRE member-cooperative.

**Transmission Facilities:** All Zonal Transmission Facilities and Sole Use Transmission Facilities that comprise the Transmission System.

**Transmission System:** The combined Transmission Facilities used to serve MP’s and GRE’s respective native load obligations in the MPLBAA.

**Zonal Agreements:** In addition to this Agreement, the following agreements between ALLETE and GRE: (1) the January 28, 2016 Revenue Credit Agreement for the Great Northern Transmission Line Project; (2) the JPZ Agreement; (3) the Amended and Restated Wholesale Distribution Service Agreement effective January 1, 2024.

**Zonal Transmission Facility:** Transmission Facilities that are eligible for cost recovery and revenue sharing under a Revenue Sharing Agreement. For purposes of this Agreement, the Parties agree that a networked transmission facility that meets the NERC definition of the Bulk Electric System shall be considered a Zonal Transmission Facility if such classification is consistent with the requirements of the MISO Tariff and FERC precedent, including the “Seven-Factor Test.” In addition to networked transmission facilities, (1) any radial transmission facility with an operating voltage greater than 100 kV that transmits power to serve customers of both Parties, or (2) any radial facility with an operating voltage greater than 50 kV that transmits power to serve a Third Party, shall be considered a Zonal Transmission Facility. The Parties agree that the Management Committee may designate a transmission facility as a Zonal Transmission Facility for purposes of this Agreement even if it does not satisfy the above definition but reasonable and agreed-upon criteria are used, and the classification is consistent with the requirements of the MISO Tariff and FERC precedent, including the “Seven-Factor Test.” The Parties recognize that the facilities identified in Attachment D of the JPZ Agreement may or may not satisfy the above definition and reflect a negotiated settlement to avoid litigation.

## ARTICLE II TERM

**2.1 Term.** Subject to FERC approval, this Agreement shall be effective on January 1, 2024 and will remain in effect until December 31, 2033, provided that the Agreement shall continue year-to-year thereafter unless terminated by either Party with three (3) year’s prior written notice to the other Party.

**2.2 Material Changes to MISO Tariff.** Notwithstanding Article 2.1, in the event that the Commission approves a change to the MISO Tariff (or successor regional transmission tariff in the event that one of the Parties leaves MISO) that has a material impact on this Agreement, the Parties shall negotiate in good faith to amend this Agreement. If the Parties are unable to reach agreement on amendments to this Agreement, either Party may terminate its participation in the Agreement upon one (1) year’s prior written notice to the other Party.

## ARTICLE III COMMITTEES

The Parties agree to establish the Transmission Planning Committee and Management Committee for purposes of implementing this Agreement. The structure and the responsibilities of the Engineering Committee and Management Committee are as follows:

**3.1 Transmission Planning Committee.** The Transmission Planning Committee will consist of at least two (2) representatives appointed by each Party, provided, however, that with respect to each matter brought before the Transmission Planning Committee, only one (1) of such representatives shall have the right to vote thereon. The representatives for each Party shall be authorized to act on behalf of the Party designating such representatives regarding the matters assigned to the Transmission Planning Committee. The Transmission Planning Committee will meet in person at least two (2) times per calendar year during the Term of this Agreement, unless otherwise agreed to in writing by the Parties, for purposes of sharing information regarding MP’s

and GRE's planned or proposed transmission projects in the ten-year planning horizon. The Transmission Planning Committee shall keep written minutes and records of all meetings and all actions taken pursuant to this Agreement. Agreements or determinations made by the Transmission Planning Committee shall be reduced to writing and shall be signed by a representative of each Party on said committee or an authorized alternate. A Party can update their Transmission Planning Committee representative at any time by providing written or electronic notice to the other Party's Transmission Planning Committee representatives.

**3.2 Transmission Planning Committee Responsibilities.** The Transmission Planning Committee shall have the following responsibilities:

- (a) Coordination, scoping and/or review of transmission planning studies for the Transmission System, including for the planning and development of the Parties' Transmission Facilities as described in this Agreement;
- (b) Recommendations to the Management Committee of Long-Term Transmission Solutions, as described in this Agreement;
- (c) Recommendations to Management Committee of transmission assets' eligibility as either Zonal Transmission Facilities or Sole Use Transmission Facilities for purposes of the JPZ Agreement or a successor Revenue Sharing Agreement;
- (d) Recommendations to the Management Committee for load designations for purposes of the JPZ Agreement or successor Revenue Sharing Agreement; and
- (e) Subject to Article VIII, recommendations to the Management Committee as to whether a change to a facility or load identified in Attachment D and Attachment E of the JPZ Agreement impacts the negotiated bargain underlying the settlement reached by the Parties for purposes of avoiding litigation as reflected in the JPZ Agreement and requires that such facility or load be removed from the JPZ Agreement, or that a new facility or load be included in the JPZ Agreement.

**3.3 Management Committee.** The Management Committee shall consist of at least two (2) senior management-level representatives appointed by each Party provided that, with respect to each matter brought before the Management Committee, only one (1) of such representatives shall have the right to vote thereon. The representatives for each Party shall be authorized to act on behalf of the Party designating such representatives regarding the matters assigned to the Management Committee. A Party can update the identity of their Management Committee representative at any time by providing written or electronic notice to the other Party's Management Committee representatives.

**3.4 Management Committee Responsibilities.** The Management Committee shall have the following responsibilities:

- (a) Final approval of transmission planning studies for the Transmission System, including for the planning and development of the Parties' Transmission Facilities, as described in this Agreement;

- (b) Final resolution of disputes that arise in the Transmission Planning Committee, specifically including, among other things, instances where in-principle agreement on study scope, project scope, joint and sole use facilities, ownership, or investment is not possible;
- (c) Final review and approval of Transmission Planning Committee recommendations regarding Long-Term Transmission Solutions, as described in this Agreement;
- (d) Review and approval of Transmission Planning Committee recommendations concerning load treatment for purposes of the JPZ Agreement or a successor Revenue Sharing Agreement;
- (e) Review and approval of Transmission Planning Committee's recommendations regarding whether Transmission Facilities constitute Zonal Transmission Facilities or Sole-Use Transmission Facilities for purposes of the JPZ Agreement or a successor Revenue Sharing Agreement; and
- (f) Subject to Article VIII, review and approval of whether a change to a facility or load identified in the JPZ Agreement, as of the effective date of this Agreement, impacts the negotiated bargain underlying the settlement reached by the Parties for purposes of avoiding litigation, as reflected in the JPZ Agreement, and requires that such facility or load be removed from the JPZ Agreement, or that a new facility or load be included in the JPZ Agreement.

**3.5 Failure of Management Committee to Resolve A Dispute.** If the Management Committee fails to reach agreement while performing the functions and duties delegated to it in this Agreement, then such disagreement shall be resolved pursuant to the provisions of Article X below.

**3.6 Notification of Committee Members.** Within thirty (30) calendar days after the execution of this Agreement, each Party shall designate its representative(s) for the Transmission Planning Committee and the Management Committee with written notice thereof given to the other Party. Each Party shall notify the other Party promptly in writing of any change in the designation of its representatives on the Transmission Planning Committee and Management Committee. A Party may designate an alternate to act as its representative on either committee in the absence of the regular member or to act on specified occasions with respect to specified matters. Any alternate representative appearing at a committee meeting shall be deemed to have authority to act on behalf of the Party he or she represents.

## **ARTICLE IV COORDINATED TRANSMISSION PLANNING**

**4.1 Coordinated Transmission Planning.** All coordinated local transmission planning undertaken under this Agreement is intended to allow the Parties to comply with their respective, individual local planning obligations under the MISO Tariff in the most cost effective and

efficient manner. The Parties agree that all Long-Term Transmission Solutions are subject to approval pursuant to the MISO regional planning process.

The Parties agree to take all reasonable steps to coordinate together so as to plan their respective transmission systems, according to applicable NERC and MISO standards and prudent utility practice, so that each Party may satisfy its native load obligations in the most cost-effective and efficient manner consistent with the reliability and interconnection standards of each affected Party including use of, among other things, Long-Term Transmission Solutions. The Parties agree that the planning horizon under this Agreement is ten (10) years. When mutually agreed, the Parties will use a non-disclosure agreement (“NDA”) to protect confidentiality and promote collaboration and transparency in the coordinated transmission planning process. If the Parties agree that an NDA is necessary, the NDA shall be executed within thirty (30) days so that the coordinated transmission planning process may commence.

Subject to Article 4.7 of this Agreement, the Parties agree to provide the Transmission Planning Committee all information necessary for coordinated Transmission System planning, including projected load levels, potential projects, and project timing. The Parties agree to communicate any and all concerns or impacts to each other through the Transmission Planning Committee as each Party identifies potential reliability concerns or operational impacts due to load growth (or load additions or reductions), generator additions (or retirements), distribution system modifications, or Transmission System modifications. The Transmission Planning Committee shall determine if a Joint Study is necessary and/or appropriate to address potential reliability concerns or system impacts that affect both Parties. The Parties agree that there may be calendar years in which no joint transmission planning or Joint Studies are necessary and that nothing in this Agreement precludes a Party from engaging in its own transmission planning and/or Independent Studies at the relevant Party’s own expense. The Parties agree, however, that if one Party performs an Independent Study at its own direction, the Party performing such study must notify the other Party if such plans may reasonably be assumed to impact the other Party’s system and provide the Independent Study to the Transmission Planning Committee for review and, if appropriate, referral to the Management Committee for approval. The Parties agree that all potential Long-Term Transmission Solutions identified in an Independent Study or a Joint Study must be vetted through, and approved by, the Transmission Planning Committee and Management Committee pursuant to the procedures established in this Agreement.

**4.2 Scope of Transmission Joint Studies.** When the Transmission Planning Committee determines that a Joint Study is required to address potential reliability concerns or impacts that affect both Parties, the Transmission Planning Committee shall designate and notify in writing a representative from one (1) of the Parties (“Study Lead”) to develop a study scope as described below. Upon receiving the written notification of designation as the Study Lead, the Study Lead shall have thirty (30) days to develop and finalize a study scope to be presented to the Management Committee to identify and evaluate potential Long-Term Transmission Solutions for the relevant planning horizon.

Study scopes for Joint Studies will include input from either Party to capture, among other things, the proposed study area, monitored elements, contingencies, load levels, model scenarios, and potential Long-Term Transmission Solutions to be studied. Study scopes for

Joint Studies will clearly state the division of responsibilities and costs between the Parties for performing the relevant study, and a proposed timeline for finalizing the study. Prior to proceeding with the relevant Joint Study, the study scope will be presented to the Management Committee, which will have thirty (30) days from receipt to review the study scope and grant a written approval to proceed with the Joint Study. The Parties agree that the deadline for completing a Joint Study will be fact-specific and shall not be established by this Agreement. The final results of all studies are subject to review by the Transmission Planning Committee.

**4.3 Identification of Long-Term Transmission Solutions.** If upon reviewing a completed Independent Study or a Joint Study, the Transmission Planning Committee recommends a potential Long-Term Transmission Solution, the Transmission Planning Committee shall designate and notify in writing a representative of one of the Parties (“Scoping Lead”) to develop a Project Scope Document as described below. At that time, each Party will have fifteen (15) days to facilitate a review of the study results by its internal operations personnel. This review may consider, among other things, switch locations, breaker configurations, relaying schemes, outage requirements, maintenance considerations, and any other potential operational impacts of a Long-Term Transmission Solution.

**4.4 Scoping A Long-Term Transmission Solution.** Upon receiving the written notification of designation as the Scoping Lead, the Scoping Lead shall have forty-five (45) days to develop a draft “Project Scope Document.” The Project Scope Document will provide a more detailed analysis of the relevant Long-Term Transmission Solution. The Project Scope Document shall include, at a minimum: (1) a general description of the relevant project or projects comprising the Long-Term Transmission Solution; (2) the purpose and necessity of the Long-Term Transmission Solution; (3) relevant permitting considerations; (4) schedule considerations; (5) construction phase considerations (including outage scheduling and staging); (6) operating and maintenance considerations; and (7) cost estimates. If available, the Project Scope Document should also include high-level one line diagrams depicting the pre-project and post-project configuration of the relevant subset of the Parties’ Transmission Systems, substation general arrangement drawings, maps of the project area, and aerial photos.

The Project Scope Document should include the Transmission Planning Committee’s preliminary recommendations regarding which facilities in the Long-Term Transmission Solution qualify as Zonal Transmission Facilities and Sole Use Transmission Facilities and the associated ownership and investment responsibilities, and permitting and construction responsibilities.

**4.5 Internal Review of Scoping Proposal.** Each Party will review a Project Scope Document with their respective internal engineering, permitting, distribution and operations departments within twenty (20) days after the Project Scope Document is issued by the Scoping Lead. The Project Scope Document may be revised by the Scoping Lead based on this internal review. Subsequent revisions to the Project Scope Document will be reviewed by each Party within ten (10) days (or longer as mutually agreed) of receipt of the revised Project Scope Document. Subsequent reviews of a revised Project Scope Document resulting from the internal review of each Party shall be completed within ten (10) days of the revised Project Scope Document being issued by the Scoping Lead.



**4.6 Management Committee Approval.** Once a Project Scope Document has been reviewed and agreed-upon by the Transmission Planning Committee, with input from their respective engineering, permitting, distribution and operations departments as described above, the proposal shall be forwarded to the Management Committee for review. The Management Committee will review the Project Scope Document and provide a written “approval to proceed” with engineering and permitting activities for the relevant Long-Term Transmission Solution(s) within thirty (30) days of receipt. The Management Committee’s approval to proceed at this time does not constitute a binding agreement by the Parties to the ownership and investment responsibilities described in the Project Scope Document.

Within ninety (90) days after providing approval to proceed with a Long-Term Transmission Solution(s), the Management Committee will make a final determination regarding ownership and investment responsibilities based on the preliminary recommendations from the Transmission Planning Committee, as recorded in the Project Scope Document and the standards discussed in Article 4.9 below. This determination will be reflected in a completed and signed “Exhibit A” document, which will be attached to a final Project Scope Document, the form of which is provided in Attachment A to this document. The Parties intend that the substance of a completed and executed Exhibit A will be incorporated into a binding project or interconnection agreement between the Parties that memorializes their financial obligations related to a particular project.

If applicable, the Management Committee will make a final determination regarding the designation of a project Permitting Lead within fifteen (15) days after providing approval to proceed with a Long-Term Transmission Solution(s). All permitting and construction responsibilities will be documented in writing in the completed and signed Exhibit A document described above.

**4.7 Competitive Solicitations for Wholesale Customers.** From time to time, one or both Parties will respond to solicitations to provide electric service to potential new customers or new or increased loads of existing customers (such a new customer and/or new load is referred to in this Article 4.7 as a “New Customer Load”). Each Party will notify the other Party within a commercially reasonable time of becoming aware of a New Customer Load, including a preliminary indication of the Transmission Facilities that the Party believes will be required to serve the New Customer Load. A Party shall not, however, be obligated to notify the other Party of a New Customer Load during the period of time the Party determines in its sole judgment that such a notification will violate the terms of a nondisclosure or other confidentiality obligation to the New Customer Load or otherwise result in a competitive disadvantage with respect to the Party’s efforts to reach agreement with the New Customer Load. In the event that such a solicitation results in a signed power supply contract between one (1) of the Parties (or in the case of GRE, between one (1) of GRE’s member cooperatives) and the New Customer Load, the Party will notify the other Party of its obligation to serve the New Customer Load within thirty (30) days after the execution of the relevant power supply contract. The planning and development of all Transmission Facilities necessary to provide service to such a New Customer Load shall be subject to the study and project development procedures described in this Agreement. The Transmission Planning Committee shall determine whether a new Joint Study

is required or if an existing Independent Study or Joint Study is sufficient or must be revised to evaluate the potential impact of any New Customer Load.

**4.8 Disputes Concerning Studies, Long-Term Transmission Solutions, and Project Scope Documents.** If the Transmission Planning Committee determines that it will be unable to agree upon the scope of any transmission studies, a preferred Long-Term Transmission Solution, or any part of a Project Scope Document, each Party shall have fifteen (15) days to create a position paper outlining the “pros” and “cons” of any competing studies, solutions, or project scopes. Each Party’s position paper will be shared with the other Party, and sent to the Management Committee for review. The Management Committee shall come to written agreement on the preferred study scope, Long-Term Transmission Solution, or Project Scope Document within thirty (30) days of receipt of the briefing papers. Once a study or solution is agreed upon by the Management Committee, it is subject to the procedures described above, as applicable.

**4.9 Ownership and Cost Responsibility of a Long-Term Transmission Solution.**

**4.9.1 Ownership of Facilities.** The Management Committee shall determine which facilities in a Long-Term Transmission Solution(s) qualify as Zonal Transmission Facilities and Sole Use Transmission and associated ownership and benefit thereof. The Parties agree that, to the greatest extent feasible, the Management Committee’s allocation of ownership and associated benefit shall be consistent with the level of benefit realized by each Party based on the need for the project.

**4.9.1.1 Ownership of Transmission Line Facilities.** The Parties agree that transmission lines may be solely or jointly owned. To simplify operating, maintenance, and compliance responsibilities, sole ownership of transmission lines should be developed with clear lines of demarcation, generally from substation to substation. In some cases, joint ownership of transmission lines may be the preferred methodology for achieving an appropriate level of investment for each Party and for offsetting investment imbalances. Joint ownership of transmission lines may be under a “tenants-in-common” structure or some other structure mutually agreeable to the Parties.

**4.9.1.2 Ownership of Substation Facilities.** The Parties agree that, in general, substation facilities should be solely owned. The Parties agree, however, that it may be appropriate in some instances for one (1) Party to own a transformer inside of a substation owned by the other Party, as long as there is a clear line of demarcation of asset ownership and the associated operating, maintenance, and compliance responsibilities.

**4.10 Goal of “Revenue Neutrality”.** Subject to the Article 4.9.1 above, the Parties agree that the Management Committee should seek to establish project ownership and investment to minimize transmission payments between the Parties for use of each other’s Transmission Systems. The Parties agree that, subject to Applicable Law and the Parties’ mutual agreement,

the impact of over-investment in transmission assets may be offset by transfer, assignment or sale of assets from the overinvested Party to the underinvested Party on a periodic basis, where project components or project area load levels result in project investment that does not promote revenue neutrality between the Parties. An evaluation of revenue neutrality should consider, among other things, the impact of any known projects that are likely to occur in the ten (10)-year planning horizon, any applicable offset or mechanism that may be available to the Parties, and/or payment obligations between the Parties under the JPZ Agreement or a successor Revenue Sharing Agreement.

## **ARTICLE V**

### **PROJECT DEVELOPMENT AND CONSTRUCTION**

**5.1 Project Development and Construction.** Where a Long-Term Transmission Solution is identified, agreed upon and approved pursuant to the MISO regional planning process, the Parties agree to proceed with the development and construction of the Long-Term Transmission Solution based on the following procedures and deadlines:

**5.1.1 Project Kickoff Meeting.** The Parties will have an in-person project “kickoff” meeting within thirty (30) days of receiving written approval to proceed from the Management Committee for a Long-Term Transmission Solution, unless the Parties mutually agree that the meeting can be held via conference call. This meeting shall include the Transmission Planning Committee and may include, among other people, each Party’s project manager, permitting personnel, project engineers, distribution engineers, and operations personnel.

**5.1.2 Permitting Coordination.** The Permitting Lead designated by the Management Committee in Article 4.6 of this Agreement shall send a draft timeline of the relevant filing dates to the other Party within thirty (30) days of the kickoff meeting. At that time, the Permitting Lead shall also clearly communicate to the other Party what data will be required of the other Party for the development of the permit application and any deadlines for submittal of such data to the Permitting Lead. Parties shall make all reasonable attempts to provide the required data by the deadline date and promptly notify the Permitting Lead if additional time will be necessary.

**5.1.3 Application Review.** The Permitting Lead will provide the other Party with the opportunity to review all relevant parts of the permit application at least thirty (30) days before it is submitted to the relevant regulatory body. The other Party may propose modifications to the permit application as necessary to protect its own interests, and all reasonable attempts will be made by the Permitting Lead to review and incorporate the proposed modifications as appropriate.

**5.1.4 Disputes Concerning Permit Applications.** If the Parties determine that they will be unable to agree upon the scope or content of a permit application, each Party shall have fifteen (15) days to create a position paper outlining the “pros” and “cons” of any competing scope or content. Each Party’s position paper will be shared with the other Party, and sent to the Management Committee for review. The Management Committee shall come to a written agreement on the resolution of the dispute within thirty (30) days of receipt of the briefing papers.

**5.2 Timeline of Process.** The process described above in Article IV and this Article V is outlined in Attachment C to this Agreement.

**ARTICLE VI  
WAIVER OF CONTRIBUTION IN AID OF CONSTRUCTION FOR FACILITIES  
INCLUDED IN LONG-TERM TRANSMISSION SOLUTIONS**

**6.1 Contribution In Aid Of Construction.** The Parties agree that they will not seek a contribution in aid of construction from the other Party for transmission project(s) that are approved as Long-Term Transmission Solutions by the Management Committee because a Long-Term Transmission Solution is the most cost-effective and efficient long-term solution for satisfying a native load obligation over a ten (10)-year period. The Parties agree that each will pay for any Sole Use Transmission Facilities required on their systems to achieve a Long-Term Transmission Solution.

**ARTICLE VII  
MP HVDC TRANSMISSION FACILITIES**

**7.1 HVDC Facilities.** Modifications to the MP HVDC Facilities will be vetted through the Transmission Planning Committee. If appropriate, the Transmission Planning Committee shall consider modifications of the MP HVDC Facilities as part of any relevant Long-Term Transmission Solution. Modifications to the MP HVDC Facilities and such facilities' eligibility as Zonal Transmission Facilities will be subject to the same planning, development, and ownership procedures as any other Transmission Facilities subject to this Agreement.

**ARTICLE VIII  
CHANGES TO FACILITIES AND/OR LOADS IN THE JPZ AGREEMENT**

**8.1 JPZ Agreement As Settlement.** Both MP and GRE recognize that, as of the effective date of this Agreement, the JPZ Agreement reflects a negotiated settlement between the Parties in order to avoid litigation concerning the appropriate rate treatment of certain facilities and loads in the MPLBAA and/or MP Pricing Zone. The Parties recognize that: (1) the facilities identified in Attachment D of the JPZ Agreement may or may not satisfy the definition of a Zonal Transmission Facility; and (2) the list of Network Load identified in Attachment E of the JPZ Agreement may or may not constitute a complete and accurate list of either MP or GRE Network Load for purposes of the JPZ Agreement. Under the Parties' settlement, MP and GRE agree that they will not unilaterally seek to revise Attachment D or Attachment E during the term of the JPZ Agreement. Notwithstanding anything to the contrary in this Agreement, upon the expiration or termination of the JPZ Agreement in any future negotiation or dispute, each Party reserves all rights to take any position with respect to the appropriate rate treatment of their respective facilities and loads in the MPLBAA and/or MP Pricing Zone irrespective of the agreed-upon terms of the JPZ Agreement or any determinations resulting from the application or the terms and definitions in this Coordinated Planning Agreement.

**8.2 Changes to Transmission Facilities and Load.** The Parties agree that facilities identified in Attachment D of the JPZ Agreement may undergo changes or upgrades that

materially alter the characteristics of such facilities such that their inclusion in or exclusion from Attachment D to the JPZ Agreement may need to be reevaluated in order to maintain the bargain underlying the Parties' settlement described in Article 8.1 of this Agreement. The Parties agree that the loads identified in Attachment E to the JPZ Agreement may be reconfigured or otherwise impacted by new load points so that their inclusion or exclusion from Attachment E may need to be reevaluated in order to maintain the bargain underlying the Parties' settlement. The Parties agree that Transmission Planning Committee shall make recommendations to the Management Committee, and the Management Committee shall make a determination, concerning whether alterations to the facilities and/or loads warrant the revisions to Attachment D and Attachment E the JPZ Agreement in order to maintain the bargain underlying the Parties' settlement. The Management Committee's determination concerning the impact of a change to a facility or load shall be subject to the dispute resolution process in Article X.

**8.3 Revisions to Definitions of Zonal Transmission Facility and/or Sole Use Transmission Facility.** The Parties recognize that this Agreement may continue in force and effect after the expiration or termination of the JPZ Agreement and, if new definitions can be mutually agreed upon, agree to amend the definition of Zonal Transmission Facility and/or Sole Use Transmission Facility to reflect any agreement reached by the Parties with respect to revenue sharing for facilities and/or loads in the MPLBAA and/or MP Pricing Zone in a subsequent Revenue Sharing Agreement. Disputes concerning a revised definition of Zonal Transmission Facility and/or Sole Use Transmission Facility will be subject to Article X. Disputes concerning the negotiation of a new Revenue Sharing Agreement are not subject to Article X. Notwithstanding Article 11.8, the Parties agree that the "just and reasonable" standard of review and not the "public interest" standard of review will apply to a unilateral revision to this Agreement at FERC in the event that the Parties cannot agree upon a revised definition of Zonal Transmission Facility and/or Sole Use Transmission Facility after the expiration or termination of the JPZ Agreement.

## **ARTICLE IX AMENDMENT**

**9.1 Amendment.** This Agreement may be amended only by a written instrument duly executed by the Parties. No modification to any of the provisions herein will be binding on either Party unless approved in writing by both Parties.

## **ARTICLE X DISPUTE RESOLUTION**

**10.1 Dispute Resolution Process.** Any dispute arising from this Agreement shall, at the request of any Party, be referred to a senior representative of each of the Parties for resolution on an informal basis as promptly as practicable. In the event the senior representatives are unable to resolve the dispute within thirty (30) calendar days of such referral or such other period as the Parties may mutually agree, the Parties may pursue legal remedies under Applicable Law in regulatory bodies (including NERC) or courts having jurisdiction in the matter. Each Party hereto retains the right to seek interim measures from a governmental authority, and any such request shall not be deemed incompatible with this provision.

## ARTICLE XI MISCELLANEOUS PROVISIONS

**11.1 Assignment.** Neither Party shall have the right to assign or transfer this Agreement to another party without the prior written consent of the other Party, which shall not be unreasonably withheld. Where consent is granted, the assigning Party shall cause any assignee of this Agreement to expressly assume the obligations of the assigning Party hereunder.

**11.2 Representations by Parties.** The Parties, as of the date of this Agreement, make the following representations and warranties, as the basis for the undertakings on the other Party's part herein contained:

- (a) Each Party has the necessary power and authority to execute and deliver this Agreement and perform its obligations hereunder.
- (b) The execution and delivery of this Agreement by each Party and the performance of their respective obligations hereunder have been duly authorized by all necessary corporate action on the part of the Party and will not contravene any Applicable Law binding upon the Party and will not contravene or result in a breach of or default under any indenture, mortgage, deed of trust, loan or credit agreement, operating agreement or other agreement or instrument to which it or its affiliates are a party or by which they or their property are bound.
- (c) This Agreement constitutes the legal, valid and binding obligation of the Parties, enforceable against it in accordance with its terms.

**11.3 Governing Law and Venue.** This Agreement shall be interpreted and enforced according to the laws of the State of Minnesota, except to the extent preempted by the laws of the United States of America. Any action arising hereunder that involves questions of state law shall be instituted and litigated in the courts of Minnesota.

**11.4 Successors and Assigns.** This Agreement shall inure to the benefit of, and be binding upon, the Parties' successors and assigns.

**11.5 Delivery of Notices.** Notices required under this Agreement shall be provided to the parties identified in Attachment B to this Agreement. Any notice required under this Agreement will be deemed to have been given either: (i) upon delivery, if sent by certified mail/return receipt requested, overnight courier, or electronic mail; or (ii) upon confirmation, if given by other reliable means.

**11.6 Entire Agreement.** This Agreement, including any attachments hereto, constitutes the entire agreement among the Parties and supersedes all prior agreements or understandings with respect to the subject matter of this Agreement, and its interpretation shall not be affected by previous or contemporary oral or written representations made by any Party unless such representations are contained in this Agreement. The Parties agree that the discussions and exchanges that produced this Agreement have been conducted on the explicit understanding that all offers of settlement and all discussions and negotiations relating thereto are and shall remain

privileged and confidential. The Parties further agree to treat the discussions among the Parties that have produced this Agreement as if they were undertaken subject to Rules 602(e) of the FERC's Rules of Practice and Procedure, 18 C.F.R. § 385.602(e).

**11.7 Counterparts.** This Agreement may be executed in counterparts, all of which will constitute one (1) agreement and will have the same force and effect as an original instrument.

**11.8 Section 205 and 206 Rights.** During the term of this Agreement, other than as provided in Article 8.2, the provisions hereof will not be subject to any changes pursuant to the provisions of Section 205 or 206 of the Federal Power Act, absent the mutual agreement of all Parties hereto. To the maximum extent permitted by Applicable Law, the standard of review for any changes other than those expressly provided for herein, whether proposed by a Party, a non-party, or FERC acting sua sponte, will be the "public interest" standard of review set forth in *United Gas Pipe Line Co. v. Mobile Gas Service Corp.*, 350 U.S. 332 (1956) and *Federal Power Commission v. Sierra Pacific Power Co.*, 350 U.S. 348 (1956), as interpreted and applied by the Supreme Court of the United States in subsequent cases.

**11.9 Regulatory Approvals.**

**11.9.1 Regulatory Approval for this Agreement and Impact on Other Zonal Agreements.** This Agreement is subject to regulatory approval by FERC. In the event that FERC or any Governmental Authority disapproves or refuses to accept this Agreement's rates, terms and conditions to be implemented as of January 1, 2024 as requested by the Parties, or disapproves or refuses to accept this Agreement in whole or in part, this Agreement and the other Zonal Agreements will cease to be effective, except that the Parties will be obligated to attempt to expeditiously and in good faith to negotiate substitute agreements that address the reasons for such refusal or disapproval. In negotiation of substitute agreements, no Party will be required to accept any change that would reasonably be expected to reduce such Party's economic benefit underlying the Zonal Agreements, as originally filed with FERC.


**11.10 Limitations.** Nothing contained herein shall be construed to create an association, joint venture, trust, or partnership.

**11.11 Survival of Rights.** Termination or expiration of this Agreement shall not relieve any Party of any of its liabilities and obligations arising hereunder, prior to the date termination becomes effective, and each Party may take whatever judicial or administrative actions as appear necessary or desirable to enforce its rights hereunder.

**11.12 Deadlines Established in this Agreement.** The Parties agree that all deadlines in this Agreement may be revised by mutual agreement by either the Transmission Planning Committee or Management Committee, as applicable.

IN WITNESS WHEREOF, the Parties have caused this Agreement to be executed by their duly authorized representatives to be effective as agreed upon herein.

**ALLETE, Inc. d/b/a Minnesota Power**

By: 

Name: Josh Skelton

Title: VP ALLETE & COO MP

Date: 12-14-2023

**Great River Energy**

By: Priti Patel Digitally signed by Priti Patel  
Date: 2023.12.15 09:01:09  
+06'00'

Name: Priti Patel

Title: Vice President & Chief Transmission Officer

Date: December 15, 2023



**ATTACHMENT A**  
**DRAFT EXHIBIT A TEMPLATE FOR PROJECT SCOPE DOCUMENT**  
**[INSERT PROJECT NAME]**

Description	Ownership	Project Lead	SCADA Control Responsibility	Maintenance Responsibility	Financial Responsibility for Construction	Financial Responsibility for O & M	Financial Responsibility for Future Replacement	Responsibility to Accomplish Engineering Design and Construction
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**Substation**

1								
2								

**Transmission**

1								
---	--	--	--	--	--	--	--	--

**Distribution**

1								
2								
3								

**ALLETE, Inc. d/b/a Minnesota Power**

**Great River Energy**

**By:** \_\_\_\_\_

**By:** \_\_\_\_\_

**Name:** \_\_\_\_\_

**Name:** \_\_\_\_\_

**Title:** \_\_\_\_\_

**Title:** \_\_\_\_\_

**Date:** \_\_\_\_\_

**Date:** \_\_\_\_\_

**ATTACHMENT B**  
**DELIVERY OF NOTICES**

All notices contemplated by this Agreement shall be provided to the following:

Great River Energy:

Director, Transmission Business Strategy & Development  
12300 Elm Creek Blvd.  
Maple Grove, MN 55369

Minnesota Power:

Director, System Operations, Performance & Compliance  
30 West Superior Street  
Duluth, MN 55802

With Copy To:  
Legal Department  
30 West Superior Street  
Duluth, MN 55802

## ATTACHMENT C PROCESS TIMELINE

