

● **RESIDENTIAL SERVICE**

**TERRITORY**  
Applicable in all Rate Areas.

**APPLICATION**  
To electric service for all domestic uses for residential customers in single-family dwellings and for all domestic and farm uses for farm customers, subject to Company's Residential Service Rules, Extension Rules, Electric Service Regulations and any applicable Riders.

A dwelling will be considered to be occupied seasonally when occupied as customer's principal dwelling place for eight months or less each year.

**TYPE OF SERVICE**  
Single phase, 60 hertz, at 120 or 120/240 volts, supplied through one meter at one point of delivery.

<b>RATE (1997)</b>	<b>(Monthly)</b>	<b>(Annual)</b>
	General & Space Heating	Seasonal
Service Charge		\$66.00
First 50 kWh or less	\$5.00	
Next 300 kWh (¢/kWh)	4.773¢	
All additional kWh (¢/kWh)	7.218¢	
All kWh (¢/kWh)		7.587¢

Plus any applicable Adjustments as explained below.

**MINIMUM CHARGE**  
The Minimum Charge (monthly) shall be the Service Charge plus any applicable Adjustments.

In the case of Seasonal Service, the Minimum Charge (annually) shall not be less than the guaranteed annual revenue based on Company's Extension Rules.

**PAYMENT**  
Bills are due and payable at any office of Minnesota Power & Light Company 15 days following the date the bill is rendered or such later date as may be specified on the bill.

**CONTRACT PERIOD**  
Not less than thirty days or such longer period as may be required under an extension agreement.

For Seasonal Residential Service, the initial contract period is one year or such longer period as may be required under an extension agreement, with one year renewal periods.

**BILLING FOR SEASONAL RESIDENTIAL SERVICE**  
The seasonal period is June through September. The service charge and usage for the seasonal period will be billed in October. A supplemental bill will be issued in May for usage in the period October through May. Company may, at its option, bill customers at more frequent intervals.

If customer commences taking service after June 1, the service charge will be prorated over the seasonal period.

● **RESIDENTIAL DUAL FUEL INTERRUPTIBLE ELECTRIC SERVICE**

**TERRITORY**  
Applicable to all Rate Areas.

**APPLICATION**  
To the interruptible electric service requirements of all-year Residential Customers where a non-electric source of energy is available to satisfy these requirements during periods of interruption. Service is subject to Company's Electric Service Regulations and any applicable Riders.

**TYPE OF SERVICE**  
Single phase, 60 hertz, at 120 or 120/240 volts, supplied through one meter at one point of delivery.

<b>RATE (Monthly)</b>	<b>All Areas</b>
<b>Service Charge</b>	\$5.00
<b>Energy Charge</b>	
All kWh (¢/kWh)	3.7¢

Plus any applicable Adjustments as explained below.

**MINIMUM CHARGE (Monthly)**  
The Minimum Charge shall be the Service Charge plus any applicable Adjustments.

**PAYMENT**  
Bills are due and payable at any office of Minnesota Power & Light Company 15 days following the date the bill is rendered or such later date as may be specified on the bill.

**CONTRACT PERIOD**  
Not less than thirty days or such longer period as may be required under an extension agreement.

**SERVICE CONDITIONS**  
1. The primary energy source for the Company approved Dual Fuel installation must be electric. An approved Dual Fuel installation requires that the secondary or back-up energy source be capable of continuous operation. Under no circumstances will firm electric service qualify as the secondary or back-up energy source.

2. The interruptible load of the approved Dual Fuel installation shall be separately served and metered and shall at no time be connected to facilities serving customer's firm load.

3. The duration and frequency of interruptions shall be at the discretion of Company. Interruption will normally occur at such times:

(a) when Company is required to use oil-fired generation equipment or to purchase power that results in equivalent production cost,

(b) when Company expects to incur a new system peak,

(c) at such other times when in Company's opinion the reliability of the system is endangered,

(d) when Company performs necessary testing for certification of interruptibility of customers' loads.

4. Company shall not be liable for any loss or damage caused by or resulting from any interruption of service except in the case of gross negligence on the part of the Company.

5. Customer must be prepared to supply all of the interruptible load from an alternative energy source for up to 30% of customer's Dual Fuel requirements during any annual period.

6. Company will provide, at customer's expense, and customer will install, as directed by Company, a load-break switch or circuit breaker. Customer must provide a continuous 120 volt AC power source at Company's control point for operation of Company's remote control equipment.

7. The rate contemplates that this service will utilize existing facilities with no additional major expenditures. Customer shall pay Company the installed cost of any additional facilities required which are not supported by this rate.

● **RESIDENTIAL CONTROLLED ACCESS ELECTRIC SERVICE**

**TERRITORY**  
Applicable to all Rate Areas.

**APPLICATION**  
To electric service for residential customers for controlled storage space heating and/or water heating loads which will be energized only for the time period between 11 p.m. and 7 a.m. daily. Service is subject to Company's Electric Service Regulations and any applicable Riders.

**TYPE OF SERVICE**  
Single phase, 60 hertz, at 120 or 120/240 volts, supplied through one meter at one point of delivery.

<b>RATE (Monthly)</b>	<b>All Areas</b>
<b>Service Charge</b>	\$5.00
<b>Energy Charge</b>	
All kWh (¢/kWh)	3.5¢

Plus any applicable Adjustments as explained below.

**MINIMUM CHARGE (Monthly)**  
The Minimum Charge shall be the Service Charge plus any applicable Adjustments.

**PAYMENT**  
Bills are due and payable at any office of Minnesota Power & Light Company 15 days following the date the bill is rendered or such later date as may be specified on the bill.

**CONTRACT PERIOD**  
Not less than thirty days or such longer period as may be required under an extension agreement.

## SERVICE CONDITIONS

1. The controlled load shall be separately served and metered and shall at no time be connected to facilities serving customer's other loads.
2. The total connected controlled load shall not exceed 200 kW.
3. The controlled space heating and/or water heating installation must have sufficient storage capacity to satisfy the customer's space or water heating needs during the non-energized period.
4. Company shall not be liable for any loss or damage caused by or resulting from any interruption of service except in the case of gross negligence on the part of the Company.
5. Customer's load shall be controlled by a switching device installed by Company.
6. The rate contemplates that this service will utilize existing facilities with no additional major expenditures. Customer shall pay Company the installed cost of any additional facilities required which are not supported by this rate.

## ADJUSTMENTS

1. There shall be added to or deducted from the monthly bill an amount per kilowatt-hour determined as the amount by which the Fuel Cost divided by the Kilowatt-hour Sales is greater than or less than 1.018 cents per kilowatt-hour. The Fuel Cost shall be the sum of the following during the first two of the preceding three months: (a) the fossil and nuclear fuel consumed in Company's generating stations, (b) the net energy cost of energy purchases, exclusive of capacity or demand charges (irrespective of the designation assigned to such transaction) when such energy is purchased on an economic dispatch basis, this encompasses energy being purchased to substitute for Company's own higher cost energy, (c) the actual identifiable fossil and nuclear fuel costs associated with energy purchased for reasons other than identified in (b) above, and less (d) the cost of fossil and nuclear fuel recovered through inter-system sales including the fuel costs related to economy energy sales and other energy sold on an economic dispatch basis. The Kilowatt-hour Sales shall be Company's total kilowatt-hour Sales of Electricity, excluding inter-system sales referred to in (d) above; all for the first two of the preceding three months. For Seasonal customers, the fuel

adjustment amount per Kilowatt-hour determined for the June billing period shall be applicable to all Kilowatt-hours used during the 12-month annual period June through May.

2. There shall be added to the monthly bill a conservation program adjustment determined in accordance with the Rider for Conservation Program Adjustment. The combination of the fuel adjustment and the Conservation Program Adjustment shall be shown on customer's bill as the Resource Adjustment.
3. There shall be added to the monthly bill the applicable proportionate part of any taxes and assessments imposed by any governmental authority which are assessed on the basis of meters or customers, or the price of or revenues from electric energy or service sold, or the volume of energy generated, transmitted or purchased for sale or sold.
4. Bills for service within the corporate limits of the City of Aurora, the City of Duluth, the City of Hermantown, the City of Little Falls, the City of Long Prairie, the City of Park Rapids, and in other cities with approved franchise fee riders shall include an upward adjustment as specified in the applicable franchise fee rider for each city.
5. Minnesota Power will assess a Late Payment Charge of **1.5%** or \$1.00 per monthly billing period, whichever is greater, on that portion of a retail Customer's account representing charges for utility service(s) past due, if the unpaid utility balance exceeds \$10.00. Any portion of a utility bill under dispute will not be charged a Late Payment Charge while the dispute is being resolved. At the Company's discretion, any Late Payment Charge, or portion thereof, may be waived in accordance with the Minnesota Public Utilities Act. **Residential Customers** who qualify for assistance under the Low Income Home Energy Assistance Program (LIHEAP) may request waiver of the Late Payment Charge on future unpaid utility balances.

### ● RESIDENTIAL SERVICE RULES

1. Equipment which is capable of disturbing service to neighboring customers and/or motors operating with phase converters totaling more than 20 horsepower shall be separately metered on the applicable General Service Schedule. Equipment capable of disturbing service to neighboring customers may include, but is not limited to, the

following: welders, motors not conforming to Company's starting current limits, cooking and heating equipment of a design not approved by the Company.

2. In buildings having two or more apartments (as defined below), each apartment shall be considered a single-family dwelling. The electrical circuits of each apartment building or portion of a building used for apartments which was constructed or materially changed after July 1, 1978, with the exception of apartment buildings constructed solely for occupancy by the elderly pursuant to a governmentally subsidized housing program, shall be arranged to permit the consumption of electricity by each apartment to be individually metered. Company will install meters to measure the consumption of electricity and will separately bill each individual apartment on the applicable rate schedule. However, where two or more apartments were being supplied through a single meter as of July 1, 1978, the billing shall be computed as though each apartment used an equal portion of the total service and were independently billed. On farms having two or more apartments in one or more buildings, all service may be combined through one meter under one application of the rate schedule provided the dwelling units are occupied by persons or families deriving the major part of their livelihood from the operation of the farm. Service shall not be submetered or resold.
3. An apartment is defined as a portion of a building consisting of two or more rooms completely equipped for living purposes. Janitor's quarters shall be classified as an apartment.
4. A customer occupying a building or apartment for residential and commercial purposes jointly may combine his residential and commercial use on the applicable General Service schedule but not under the Residential Service schedule.
5. The public portion of apartment buildings, such as lobbies, halls, laundry rooms, boiler rooms, etc., and the power equipment, such as coal stokers, oil burners, air conditioners, elevators, etc., shall be served on the applicable General Service schedule.

Copies of Rate Tariff Sheets, Extension Rules and Electric Service Regulations are available upon request.

## To Our Residential Customers

On May 31, 1995, Minnesota Power received approval of the rates contained herein from the Minnesota Public Utilities Commission. These rates will be applied to usage on and after January 1, 1997.

For your information and convenient reference, this folder contains the following electric service rates and rules:

### ● RESIDENTIAL SERVICE

- GENERAL
- SPACE HEATING
- SEASONAL

### ● RESIDENTIAL DUAL FUEL

### INTERRUPTIBLE SERVICE

### ● RESIDENTIAL CONTROLLED

### ACCESS ELECTRIC SERVICE

### ● RESIDENTIAL SERVICE RULES

Should you desire any further information regarding these rates and how they apply in your home, please visit our office, or if you prefer, telephone or send us a letter, and we will be glad to assist you.



Form No. 4961 Rev. 11/05

TRC