COMMERCE DEPARTMENT

ALLETE High-Voltage Direct Current Transmission Line Grant Administration Reporting

Laws of Minnesota 2024, Chapter 127, article 40, section 4(b)

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Report Prepared By

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Contents

Executive Summary 1

Executive Summary

The Minnesota Department of Commerce (Commerce) submits this report in fulfillment of the requirement set forth by the Laws of Minnesota 2024, Chapter 127, article 40, section 4(b):

Sec. 4. GRANT ADMINISTRATION REPORTING.

> *(b) Within 90 days after each named grantee has fulfilled the obligations of the grantee's grant agreement, the commissioner must report to the chairs and ranking minority members of the legislative committees having jurisdiction over energy finance and policy on the final cost to administer (1) each named grant included in paragraph (a), and (2) each named grant in this article and article 41.*

Section 4(b) requires reporting on the named grants included in Section 4(a). Section 4(a) states:

> *(a) By July 1, 2024, the commissioner of commerce must report to the chairs and ranking minority members of the legislative committees having jurisdiction over energy finance and policy regarding the anticipated costs to administer each named grant and competitive grant program in Laws 2023, chapter 60, article 10, section 2, and Laws 2023, chapter 60, article 11, section 2.*

Among the grants included in the laws of 2023, chapter 60, article 10, section 2, subdivision 2 includes a grant of $15,000,000 to ALLETE:

> *(h) $15,000,000 the first year is for a grant to an investor-owned electric utility that has at least 50,000 retail electric customers, but no more than 200,000 retail electric customers, to increase the capacity and improve the reliability of an existing high-voltage direct current transmission line that runs between North Dakota and Minnesota. This is a onetime appropriation and must be used to support the cost-share component of a federal grant application to a program enacted in the federal Infrastructure Investment and Jobs Act, Public Law 117-58, and may otherwise be used to reduce the cost of the high-voltage direct current transmission project upgrade and to reimburse the reasonable costs incurred by the department to administer the grant. This appropriation is available until June 30, 2034.*

The grant to ALLETE ended September 23, 2026. The total costs to administer the grant were $0.