

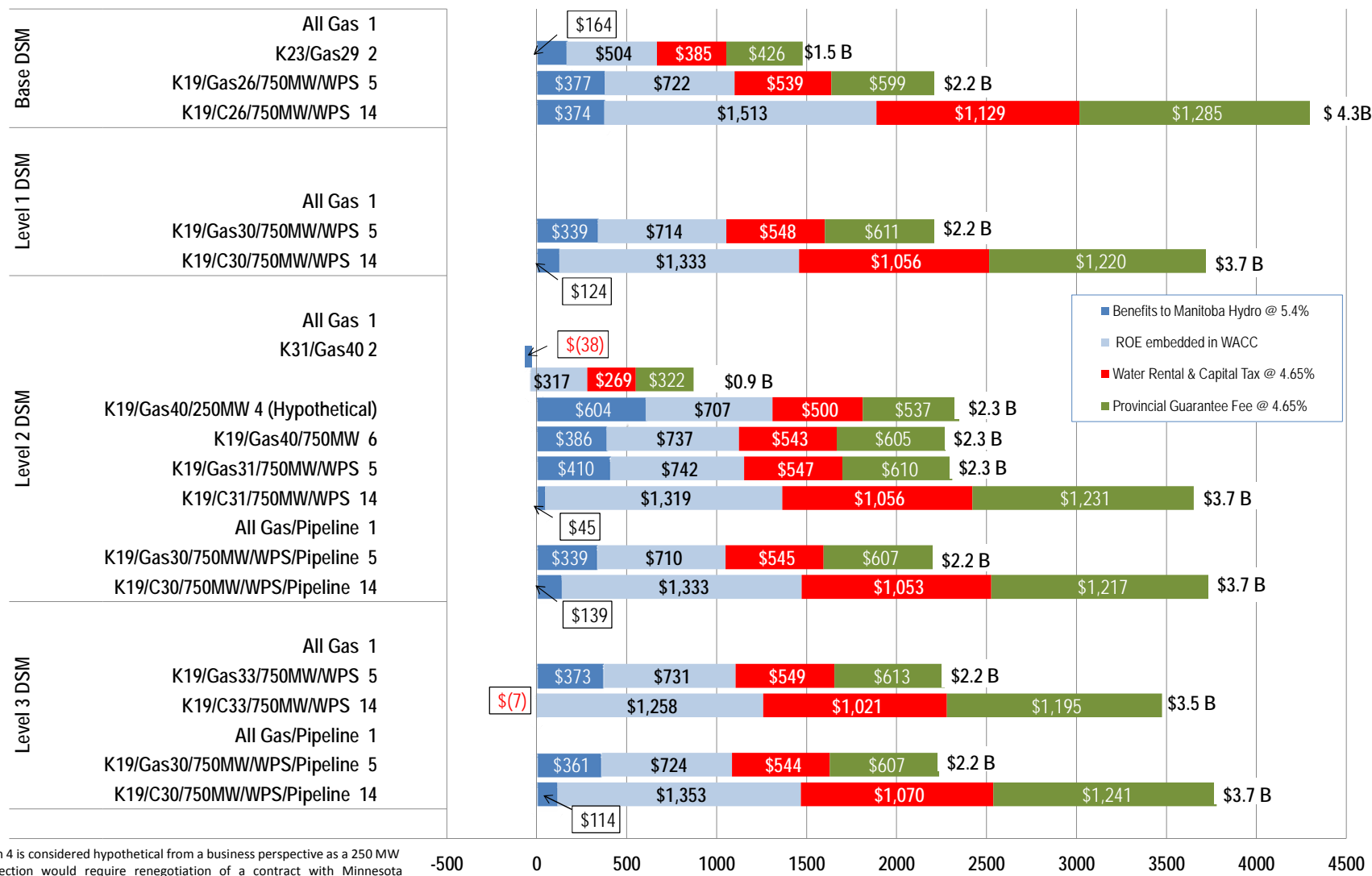
Update to MH Exhibit 171, Page 2

Plan 4 K19/Gas40/250MW (Hypothetical) with Level 2 DSM
is added to the chart

Note: Plan 4 is considered hypothetical from a business perspective as a 250 MW interconnection would require renegotiation of a contract with Minnesota Power which would not be expected to result in the same level of benefits given that the entire economic analysis is now in the public forum. MP has taken the position in its Certificate of Need filing on October 21, 2013 (Section 7.4.2.1 page 77) that “such a project would not meet the long-term needs of the region and would not prove to be cost-effective for customers or environmentally preferable over the long-term.” The 250MW interconnection is not likely to be approved by US authorities and proceed.

Economics of 750 MW Interconnection Plans including MH ROE Embedded in WACC

2014 DSM Levels 1-3, 2013 Reference Scenario Assumptions, 2014 Capital Cost, NPV Relative to All Gas



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Millions of 2014 Net Present Value Dollars