



Alan R. Hodnik
Chairman, President and
Chief Executive Officer

April 9, 2018

The Honorable John Barrasso
United States Senate
Washington, DC 20510

The Honorable Sheldon Whitehouse
United States Senate
Washington, DC, 20510

Dear Senators Barrasso and Whitehouse:

ALLETE wishes to express its support for S. 2602, the USE IT (Utilizing Significant Emissions with Innovative Technologies) Act.

ALLETE is an energy company headquartered in Duluth, Minnesota. In addition to its electric utilities, Minnesota Power and Superior Water, Light and Power of Wisconsin, ALLETE owns ALLETE Clean Energy, based in Duluth; BNI Energy in Bismarck, North Dakota; U.S. Water Services in St. Michael, Minnesota; and has an 8 percent equity interest in the American Transmission Company.

The USE IT Act creates an innovative framework to encourage research in carbon capture, utilization and sequestration, including the use of “technology prizes” to spur development of cutting-edge technologies.

In addition, the bill addresses some of the challenges to siting and building the infrastructure for systems that capture, utilize or sequester carbon dioxide. S.2602 directs the Chair of the Council on Environmental Quality to prepare guidance (in cooperation with the Environmental Protection Agency and the Departments of Energy and Interior) to help provide clarity over the myriad federal and state reviews necessary to develop and deploy carbon capture, utilization and sequestration projects. Importantly, the bill creates two task forces that include state, local and tribal representation to help identify common approaches to facilitate reviews, find common models that can be

Senators Barrasso and Whitehouse

April 9, 2018

Page 2

used for state level reviews, provide input to federal agencies on their research priorities, and suggest improvements to the federal permitting process.

As our electric energy system changes, it is important to acknowledge the role that large, dependable and dispatchable sources of electric generation play in assuring electric reliability and grid resiliency. These large electric generators, along with "fast-ramp" types of generation resources, are important and needed in order to seamlessly integrate intermittent energy resources such as wind and solar power into our electric grid. S.2602 can help play a role in assuring that fossil-fired electric generation can both keep providing these essential reliability services to the electric grid while deploying the latest carbon capture, utilization and sequestration technologies.

ALLETE thanks you for your efforts in moving this important piece of legislation forward.

Sincerely,
ALLETE, Inc.



Alan R. Hodnik
Chairman, President & CEO

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