

UNITED STATES OF AMERICA
BEFORE THE
FEDERAL ENERGY REGULATORY COMMISSION

Global Infrastructure Management, LLC
BlackRock, Inc.

Docket No. EC24-58

**Second Joint Protest of Public Citizen and Private Equity Stakeholder
Project**

Our *second joint protest* is filed pursuant to the Commission’s May 13 *notice* of the joint applicant’s May 10 *supplement*.¹

Page 2 of the May 10 *supplement* states that “the ALLETE Transaction is beyond the scope of the Commission’s consideration of the Proposed Transaction [BlackRock-GIP] addressed in this docket”, and describes GIP’s proposed acquisition of Allete and its franchised utility subsidiaries as “non-material” to the proposed transaction. BlackRock’s acquisition of GIP, and, in turn, GIP’s purchase of Allete, fundamentally transforms BlackRock from the world’s largest passive investor into an entity with active control over significant power market assets, threatening competition, rates and regulation.² The proposed Allete acquisition is a significant, material change to the BlackRock-GIP *joint application*.

In addition to the issues already raised in our May 13 *joint protest*,³ BlackRock controls 9.9% and 9.1%, respectively, of Cleveland Cliffs and US Steel⁴—two taconite facility customers of Allete representing **70%** of Minnesota Power’s entire industrial demand.⁵ BlackRock’s control of 13.1% of Allete’s voting shares⁶ and nearly 10% of two of Allete’s largest customers, raise horizontal competition and conflict of interest concerns.

¹ <https://elibrary.ferc.gov/eLibrary/filedownload?fileid=42CA1331-B3E0-C45C-9B30-8F7239200000>

² www.ferc.gov/electric/general-information/mergers-and-sections-201-and-203-transactions

³ https://elibrary.ferc.gov/eLibrary/filelist?accession_number=20240513-5027

⁴ Appendix A of BlackRock’s *Quarterly Report*, Docket No. EC16-77, filed May 14, 2024, <https://elibrary.ferc.gov/eLibrary/filedownload?fileid=CoB1BFE3-F9CD-CoB7-A7F2-8F777E800000>

⁵ At page 10, www.sec.gov/ix?doc=/Archives/edgar/data/66756/000006675624000007/ale-20231231.htm

⁶ Appendix A of BlackRock’s *Quarterly Report*, Docket No. EC16-77, filed May 14, 2024, <https://elibrary.ferc.gov/eLibrary/filedownload?fileid=CoB1BFE3-F9CD-CoB7-A7F2-8F777E800000>

The Commission must find the March 12 *joint application* to be deficient; incorporate the pending Global Infrastructure Partners acquisition of Allete as a part of this proceeding; and set the matter for evidentiary hearing.

Respectfully submitted,

Tyson Slocum, Energy Program Director
Public Citizen, Inc.
215 Pennsylvania Ave SE
Washington, DC 20003
(202) 454-5191
tslocum@citizen.org

Jim Baker, Executive Director
Private Equity Stakeholder Project
2513 N Central Park Ave
Chicago, IL 60647
jim.baker@PEstakeholder.org

Filed May 20, 2024