

For Immediate Release

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Minnesota Power names new general manager to lead North Dakota wind energy initiative

Duluth, Minn. — Minnesota Power, an ALLETE (NYSE:ALE) company, has hired Dave Schmitz to oversee its growing regulated renewable energy efforts in North Dakota.

Schmitz, 61, is a North Dakota native, a registered professional engineer and North Dakota State University Mechanical Engineering graduate. He most recently worked at HDR Engineering as a regional power program manager. Before joining HDR, he worked at Basin Electric Power Cooperative for more than 35 years in a variety of roles, including vice president of engineering and construction.

Schmitz will assume the role of General Manager, Minnesota Power Renewable Operations, North Dakota, effective October 12. As general manager, Schmitz will oversee the operation and maintenance of the company's first fully owned and operated commercial wind project in North Dakota. The 75-megawatt (MW) Bison 1 Wind Energy Center located near Center, N.D. is phase one of the Company's larger planned wind expansion in North Dakota and will draw on the state's excellent wind resources to deliver cost effective renewable energy to customers in Minnesota.

"Dave's experience involving large generation and transmission projects and his working knowledge of possible carbon capture technologies, combined with his ability to bring out the best in people has resulted in his reputation for excellence among his industry peers and coworkers," ALLETE President AI Hodnik said. "His leadership style and expertise in business and project development will be an asset to the company as we expand our renewable energy operations in North Dakota."

Schmitz worked with leaders from several regional utilities, including Minnesota Power as they evaluated construction of a third generating unit at Milton R. Young Station in Center, N.D., between 2005 and 2007. "This was a great opportunity to directly experience Minnesota Power/ALLETE's strategic approach and the contributions of its high caliber people," Schmitz said. "I look forward to being part of ALLETE's renewable business expansion."

Schmitz's office will be located in the ALLETE subsidiary BNI Coal's, Bismarck headquarters, with a satellite office near New Salem, N.D. as the Bison 1 Wind Energy Center project is built.

The project will be comprised of thirty-three 2.3 -MW Siemens turbines, with annual output of approximately 300,000 megawatt-hours of energy, enough to power about 33,000 homes annually. The estimated \$180 million project will be constructed in two phases, with half of the turbines up and running by December of 2010 and the second half completed by November 2011.

Minnesota Power is awaiting final approval for a site permit from the North Dakota Public Service Commission. The project received approval for construction from the Minnesota Public Utilities Commission earlier this summer.

Minnesota Power, a division of ALLETE provides retail electric service within a 26,000-square-mile area in northeastern Minnesota to 144,000 customers and wholesale electric service to 16 municipalities. More information can be found at: www.mnpower.com.

The statements contained in this release and statements that ALLETE may make orally in connection with this release that are not historical facts, are forward-looking statements. Actual results may differ materially from those projected in the forward-looking statements. These forward-looking statements involve risks and uncertainties and investors are directed to the risks discussed in documents filed by ALLETE with the Securities and Exchange Commission.