Minnesota Power proposes an extension in filing of Integrated Resource Plan

Better understanding of the impacts of COVID-19 on the economy and additional community input is needed before completing 15-year energy plan

Duluth, Minn. - Minnesota Power, a utility division of ALLETE (NYSE: ALE), plans to submit later this month a request to postpone filing its Integrated Resource Plan (IRP) with state regulators, citing the economic uncertainty and challenges to the community engagement process created by the continuing COVID-19 pandemic. The request, similar to those made by other Minnesota utilities, would commit to a filing by April 2021.

This integrated resource plan that will be submitted to the Minnesota Public Utilities Commission is required of all investor-owned utilities, generation-and-transmission cooperatives and municipal power agencies. An IRP outlines how the company will meet over the next 15 years the expected energy needs of its customers with a safe, reliable and cost-effective supply of energy and is an important tool for regulators who implement Minnesota’s energy policy.

The process to produce an IRP involves extensive analysis of customer demand, available energy technology, and access to transmission systems. Minnesota Power also has initiated discussions with stakeholders based in both northeastern Minnesota and the Twin Cities focused on economic trends, community impacts and emerging environmental strategies, which were postponed due to the recent pandemic.

“For the past several months, our company has been focused on the safety and health of our employees, joining efforts to slow the spread of COVID-19 while ensuring delivery of essential energy to our customers and communities,” said Julie Pierce, Minnesota Power Vice President of Strategy and Planning. “A six-month extension will allow us additional time for the important work that goes into long-term planning, completing our stakeholder outreach to ensure community input, and gaining additional insight about the pandemic’s impact on our customers’ energy needs and our region’s economy.”

Minnesota Power remains committed to its EnergyForward strategy to increase the percentage of energy generated from renewable sources, and is expected to reach levels of 50 percent in 2021 through the addition of wind and hydro energy taking place this year. The IRP is an important step in MP’s future by forecasting how demand for energy will change over the next 15 years and the role that carbon-free sources can play.

COVID-19 is affecting major parts of the economy, creating unprecedented uncertainty for utilities around the country.
“Two important parts of successful resource planning are accurate customer demand forecasts and extensive public input, which have obviously been significantly impacted by the sudden and unprecedented response to this pandemic,” explained Jennifer Peterson, Minnesota Power Manager of Regulatory Strategy and Policy. “A six-month extension will mean better information and a better process to develop our plan and engage the public during regulatory review.”

During the COVID-19 crisis, Minnesota Power has taken several actions to help residential and business customers facing financial hardships. In March, the utility filed a proposal to resolve its 2019 rate case, including a $12 million refund to customers from interim rate increases that had been collected since January. Other steps include:

- Immediate suspension of disconnections for residential customers and small businesses having financial hardship.
- Prioritizing reconnection of customers.

Meanwhile, Minnesota Power continues to pursue protocols and safeguards to help protect its employees and customers from COVID-19, including the near-term suspension of all non-emergency site visits that involve direct contact with a customer and adherence to CDC guidelines when entering a customer’s home or business for emergency-related services.

Minnesota Power provides electric service within a 26,000-square-mile area in northeastern Minnesota, supporting comfort, security and quality of life for 145,000 customers, 15 municipalities and some of the largest industrial customers in the United States. More information can be found at [www.mnpower.com](http://www.mnpower.com).

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