



For Release: January 12, 2021

Contact: Amy Rutledge
Manager - Corporate Communications
Minnesota Power/ALLETE
218-723-7400
arutledge@mnpower.com

NEWS

Minnesota Power announces vision for 100 percent carbon-free energy by 2050

Company's Integrated Resource Plan will outline its clean-energy transition plans through 2035

Duluth, Minn. — Minnesota Power, an ALLETE company, today announced its vision to deliver 100 percent carbon-free energy to customers by 2050, continuing its commitment to climate, customers and communities through its *EnergyForward* strategy.

Minnesota Power's vision for a carbon-free future builds on its recent achievement of now providing 50 percent renewable energy to its customers. In its upcoming Integrated Resource Plan (IRP), the company will lay out bold next steps in its clean-energy transition over the next 15 years, reflecting plans to expand wind and solar resources, achieve coal-free operations at its facilities by 2035 and invest in a resilient and flexible transmission and distribution grid. The IRP will be submitted to the Minnesota Public Utilities Commission (MPUC) on Feb. 1.

"We are proud to be the first Minnesota utility to provide 50 percent renewable energy, but as we said when we reached this exciting milestone in December, our transformation to a sustainable energy future is not yet complete," said ALLETE President and CEO Bethany Owen. "As a clean energy leader, we are meeting the challenge of climate change with a reliable energy supply while keeping costs affordable for customers in this region."

In the IRP, Minnesota Power will identify plans to increase its renewable energy supply to 70 percent by 2030 and achieve a coal-free energy supply by 2035. These steps include:

- Adding an estimated 400 new megawatts of wind and solar energy.
- Retiring Boswell Energy Center Unit 3 by 2030. (335MWs)
- Transforming Minnesota Power's Boswell Energy Center Unit 4 (468MWs) to be coal-free by 2035.
- Investing in a modern, flexible transmission and distribution grid.

Minnesota Power has set a target to achieve an 80 percent reduction in carbon emissions by 2035 compared to 2005 levels, meeting the state's goal for greenhouse gas reductions 15 years ahead of schedule. Like other area utilities, Minnesota Power's plan will recognize that advances in technology will play a significant role in completing its transition to a carbon-free energy supply, reliably and affordably. The IRP filing will acknowledge the need for this flexibility.

When the IRP is submitted, the MPUC will begin a regulatory process that provides for input from customers, organizations and communities. Minnesota Power spent the past 12 months in discussions with stakeholders that helped inform the details of its IRP, including the goal of delivering 100 percent carbon-free energy by 2050.

Minnesota Power • 30 West Superior Street, Duluth, Minnesota 55802
www.mnpower.com



A final decision on the IRP is expected later in 2021. As the company achieves the benchmarks outlined in the IRP, it will continue to work with community and environmental stakeholders, local businesses, consumer advocates and other interested organizations on additional strategies for reaching the 2050 carbon-free energy goal reliably, safely and affordably.

In recent years, Minnesota Power has transformed its energy supply from more than a 95 percent reliance on coal to become a leader in the nation's clean-energy transformation. For example, since 2013, the company has closed or converted seven of its nine coal-fired units and added nearly 900 megawatts of renewable energy sources. Additionally, Minnesota Power has been a leader in energy conservation, surpassing the state's conservation goals each year for the past decade.

"For Minnesota Power, this plan is about more than achieving the most significant sustainability goal in our long history – it is about becoming 100 percent carbon-free the right way," Owen said. "Our diverse customer base relies on us to continue to provide reliable and affordable energy. We also believe it is critically important that our transition to carbon-free energy takes into account the needs of our employees and the residents of communities that have hosted our generation plants. By embracing this vision, Minnesota Power and our employees will continue to support the quality of life that has made our residents, businesses and community organizations choose this region as their home."

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. WPPI Energy is a 20 percent owner of Boswell Energy Center Unit 4. 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.