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Minnesota Power selected to receive more than \$3 million in federal hydro funding to improve grid resilience and enhance dam safety

Duluth, Minn. — Two Minnesota Power hydroelectric projects are among 293 projects selected by the U.S. Department of Energy to receive funding to improve grid resilience and enhance dam safety.

The more than \$3 million in funding to Minnesota Power is part of the Bipartisan Infrastructure Law's Maintaining and Enhancing Hydroelectricity Incentives program. The incentive payments—\$1.9 million for Blanchard Hydro and \$1.21 million for Scanlon Hydro—are administered by the Grid Deployment Office.

“The projects at Blanchard and Scanlon are investments in our overall hydro system, which was delivering renewable energy to our customers more than a century ago and now is an important part of our EnergyForward strategy for a carbon-free future,” said Josh Skelton, Minnesota Power chief operating officer. “This funding will help mitigate costs and keep any rate impacts to customers as affordable as possible as we ensure the reliability and integrity of our infrastructure during the energy transition.”

The federal incentive payments will cover a portion of the costs for the two projects.

At Blanchard Hydro on the Mississippi River near Royalton in central Minnesota, the funding will be used to overhaul and rewind one of three generators and install other new equipment to increase the operating efficiency of the station. Construction is anticipated to begin in January 2026 and be completed by the end of 2027. Total cost is \$6.4 million.

The incentive payment for Scanlon will cover part of a \$3.1 million project completed in 2023 to replace century-old gates and hoists for reliable, long-term operation and to provide reliable spill capacity for high-flow events. Scanlon Hydro is on the St. Louis River in Carlton County in northeastern Minnesota.

Minnesota Power operates the largest hydroelectric system in Minnesota. Together, 11 stations on five rivers in central and northeastern Minnesota produce more than 120 megawatts of electricity.

Minnesota Power's incentive payments for Blanchard and Scanlon are part of \$430 million in federal hydro funding across 33 states announced on Sept. 6 by the Grid Deployment Office. Learn more at energy.gov/gdo.

Minnesota Power provides electric service within a 26,000-square-mile area in northeastern Minnesota, supporting comfort, security and quality of life for 150,000 customers, 14 municipalities and some of the largest industrial customers in the United States. More information can be found at www.mnpower.com.

ALLETE, Inc. 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

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ALLETE Clean Energy, based in Duluth; BNI Energy in Bismarck, N.D.; and New Energy Equity, headquartered in Annapolis, Maryland; and has an 8% equity interest in the American Transmission Co. More information about ALLETE is available at www.allete.com.

Minnesota Power calculates and reports carbon emissions based on the GHG Protocol. Details in ALLETE's [Corporate Sustainability Report](#).

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.