



AN ALLETE COMPANY

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Statement regarding Minnesota Power's termination of NTEC Capacity Dedication Agreement

DULUTH, Minn. –Today Minnesota Power formally communicated to the Minnesota Public Utilities Commission (MPUC) the termination of its Capacity Dedication Agreement with ALLETE subsidiary South Shore Energy to receive power from the proposed Nemadji Trail Energy Center (NTEC) facility.

A Capacity Dedication Agreement, or CDA, is essentially a partnership contract that outlines how companies work together to develop and secure future power supply from a new facility. The termination of the CDA means Minnesota Power customers will not receive energy or capacity from the natural gas electric plant proposed to be located in Superior, Wisconsin.

The facility is an approximately 550 -megawatt modern combined-cycle natural gas plant that has received more than a dozen state and federal approvals. Dairyland Power Cooperative remains a 50% owner, a Basin Electric Power Cooperative subsidiary holds 30%, and South Shore Energy, an ALLETE subsidiary, owns 20% of the project.

Our decision comes after careful consideration of permitting and litigation delays the project has experienced and the timely need to procure and bring online dispatchable generation to ensure reliability of the grid as the company works toward meeting its cease coal dates in 2030 and 2035. By refocusing our efforts to include exploring other natural gas facility locations and alternatives to natural gas, we are prioritizing reliability, affordability and flexibility for our customers as we also add more renewable energy to the grid.

As outlined in our 2025 Integrated Resource Plan, Minnesota Power's need for natural gas generation to maintain reliability of the grid as we cease coal operations for Minnesota Power customers remains unchanged. We are committed to working with the MPUC to evaluate next steps that balance economic, community and environmental considerations while addressing the concerns of interested stakeholders and Tribal Nations.

About Minnesota Power

Minnesota Power is a regulated public utility that 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.

About ALLETE, Inc.

ALLETE, Inc. is an energy company headquartered in Duluth, Minnesota. In addition to its regulated utilities, Minnesota Power and Superior Water, Light and Power of Wisconsin, ALLETE owns ALLETE Clean Energy, based in Duluth, Minnesota; BNI Energy in Bismarck, North Dakota; 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. ALE-CORP

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

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