



ALLETE, Grid United join forces to develop key transmission link to enhance reliability of the nation's electric grid

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DULUTH, Minn.--(BUSINESS WIRE)--Jan. 30, 2023-- ALLETE, Inc. (NYSE:ALE) and Grid United today announced their intent to jointly develop the North Plains Connector, a new, approximately 385-mile high-voltage direct-current (HVDC) transmission line from central North Dakota to Colstrip, Montana.

This press release features multimedia. View the full release here: <https://www.businesswire.com/news/home/20230130005703/en/>



The North Plains Connector HVDC line will be the nation's first transmission connection between three regional U.S. electric energy markets—the Midcontinent Independent System Operator, the Western Interconnection and the Southwest Power Pool.

This new link, open to all sources of electric generation, would create 3,000 megawatts of transfer capacity between the middle of the country and all three energy markets, easing congestion on the transmission system, increasing resiliency and reliability, and enabling fast sharing of energy resources across a vast area with diverse weather patterns.

"Additional investment in transmission is critically important to achieve a clean-energy future and is a key part of our 'Sustainability-in-Action' growth strategy as our national footprint expands," said ALLETE Chair, President and CEO Bethany Owen. "This innovative project is an important step toward a resilient and

North Plains Connector Map (Photo: Business Wire)

reliable energy grid across a wide area of the country and ties into important transmission projects being developed in the Upper Midwest and the Western Interconnection. We commend Grid United's efforts on this much-needed project to enhance the nation's grid and are thrilled to join forces as together we advance the North Plains Connector to completion."

ALLETE and Grid United have signed a memorandum of understanding to explore transmission opportunities, with plans to execute a North Plains Connector development agreement in the first half of the year. The project represents an approximately \$2.5 billion investment in Montana and North Dakota and will be a long-term asset for those states. Connecting the North Dakota and Montana grids will help mitigate the impact of extreme weather events and accommodate the growing demand for electricity. ALLETE expects to pursue at least 35% ownership and would oversee the line's operation.

"We are delighted to work with ALLETE on the North Plains Connector. ALLETE's superior track record of energy development in the Upper Midwest makes them the ideal partner to support this project through development into operations," said Grid United CEO Michael Skelly. "It is no secret that the U.S. is in desperate need of new electric transmission capacity, and the North Plains Connector will provide resiliency and reliability benefits for decades to come."

The North Plains Connector project is in the development phase, with Grid United engaging with landowners and stakeholders to determine the best route for the line. The companies expect project permitting to start this year as they work toward an in-service date of 2029, pending regulatory approvals.

Grid United is an independent transmission company aiming to modernize the United States' power grid to create a more resilient and efficient electric system that uses the nation's abundant and geographically diverse natural resources to the benefit of all consumers. For more information, visit www.gridunited.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 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.

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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.

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