NASDAQ – ALLETE

Moderator: Al Hodnik
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Operator: Good day and welcome to the ALLETE fourth quarter 2010 financial results call. Today's call is being recorded. Certain statements contained in the conference call that are not descriptions of historical facts are forward-looking statements such as terms defined in the Private Securities Litigation Reform Act of 1995. Because such statements include risks and uncertainties, actual results may differ materially for those expressed or implied by such forward-looking statements. Factors that could cause results that differ materially from those expressed or implied by such forward-looking statements include, but are not limited to, those discussed in filings made by the Company with the Securities and Exchange Commission. Many of the factors that will determine the Company's future results are beyond the ability of management to control or predict. Listeners should not place undue reliance on forward-looking statements which reflects management's views as the date hereof. The Company undertakes no obligation to revise or update any forward-looking statements or to make any other forward-looking statements, whether as a result of new information, future events, or otherwise. I would now like to turn the conference over to your host for today, Mr. Al Hodnik, President and CEO. Sir, you may begin.

Al Hodnik: Good morning, everyone, and thank you for joining us. Mark Schober, ALLETE's Chief Financial Officer is with me this morning. I'm very pleased to announce our financial results for 2010. Excluding a one time charge, which Mark will explain in a moment, ALLETE earned $2.31 per share, which was within our previously stated guidance range. We started 2010 with challenges ahead of us, in particular the uncertainty surrounding our

Minnesota power rate increase request and economic pressures on our industrial customers, but we finished the year with an improving economy with the rate case essentially complete and with a satisfactory result. During 2010, we made progress on both our renewable and transmission investment initiatives, as well as a 60 megawatt efficiency upgrade to our Boswell 4 generating unit.

We began the year fresh off the closing of our purchase of the 465 mile direct current transmission line, a line which will carry wind generated electricity from North Dakota to our service territory in Minnesota. We've completed construction and commissioned the first phase of the Bison I wind project in North Dakota. Construction also began on a transmission line we are investing in through the CapX2020 initiative. In January of this year, construction commenced on a second CapX2020 line in which we are also a partner. Also during 2010, our 100 megawatt 10-year contract began with the Basin Electric Power Cooperative. It truly was a successful year both operationally and financially, and the progress we made during 2010 help set the stage for continued success as we go forward.

At this time, I will turn the call over to Mark who will go through the financials with you. Then I will make some additional comments before we take your questions. Mark?

Mark Schober: Thank you, Al. Before I begin, I refer you to the 10-K we filed this morning for complete details of our 2010 financial results. For the year, ALLETE earned $2.19 per share on net income of $75 million compared to $1.89 per share on net income of $61 million in 2009, a 16 percent increase in reported earnings per share. Total operating revenue for 2010 was $907 million compared to $759 million in 2009, a 19 percent increase. Including a nonrecurring – or excluding a nonrecurring $0.12 charge as a result of the Patient Protection and Affordable Care Act, ALLETE's pro forma earnings were $2.31 per share in 2010, within our latest guidance range of $2.25 to $2.35 per share excluding the charge. 2009 results included a $0.15 per share nonrecurring charge.

Our Regulated Operations which includes Minnesota Power; Superior Water, Light, and Power; and our investment in the American Transmission Company recorded income of $80 million in 2010 compared to $66 million in 2009. Retail and municipal kilowatt hour sales were 29 percent higher than in 2009, primarily due to a 52 percent increase in industrial sales. Increased sales to our taconite customers as a result of their higher production levels contributed to positive financial results. Although still below full production for the year, 2010 taconite production levels pushed our sales to these customers to more than double those in 2009. Taconite production in Minnesota rebounded from 18 million tons produced in 2009 to approximately 36 million tons in 2010. Offsetting the increase in industrial sales was a 32 percent decrease in sales to other power suppliers for the year. In total, full year regulated kilowatt-hour sales were 8.5 percent higher in 2010 compared to 2009.

Total Regulated Operations revenue increased $154 million over 2009 due to higher kilowatt-hour sales and Minnesota Public Utility Commission approved retail rates. Also contributing to increased revenue were higher fuel and purchase power recoveries and increased transmission revenue. These were partially offset by lower sales to other power suppliers in 2010 versus 2009. Fuel and purchase power expense was $46 million higher than last year due to increased coal generation, higher coal prices in related transportation, and increased kilowatt hour sales or increased kilowatt hour purchases partially offset by lower market prices. Regulated Operations operating and maintenance expense increased $56 million over 2009. The increase reflects higher maintenance, environmental reagent, and outage expenses at our generating plants of $16 million, increased labor and benefit cost of $11 million, and $17 million of additional MISO expenses related to the DC transmission line purchased from Square Butte in 2009.

Depreciation expense increased $16 million and interest expense was up $4 million, both directly attributable to the capital investment program at our Regulated Operations. Income tax expense increased $16 million from 2009 due to higher pre-tax income and a nonrecurring charge of approximately $4 million resulting from the elimination of the deduction for expenses reimbursed under Medicare Part D due to the Patient Protection and

Affordable Care Act. Income from our investment in ATC increased by $300,000 after tax over 2009 due to a higher average investment balance in 2010.

Our Investments and Other segment reported a net loss of $4.5 million compared to a net loss of $4.9 million in 2009. The decreased loss was primarily due to lower equity losses on investments of about $3 million and an income tax benefit of $1 million resulting from the completion of a state income tax audit. Offsetting these items was impact of transferring a small generated facility to Regulated Operations in November 2009, along with higher interest expense and operating and maintenance expenses. Results at BNI Coal and ALLETE Properties were similar to last year. Our consolidated effective tax rate for 2010 was 37.2 percent, excluding the impact of the Medicare Part D deduction, the effective tax rate was 33.8 percent.

ALLETE's balance sheet remains strong. At year end we had cash and short-term investment balance of $52 million with $153 million in available lines of credit. During the year, we generated $229 million of cash from operating activities. Our year end debt to capital ratio was 44 percent . The shares used for calculating earnings per share increased by 2.1 million shares over 2009 as we continued to fund our capital investment program. The larger share balance had a dilutive impact of $0.14 per share in 2010.

In summary we are pleased with our 2010 financial results and we are excited about our prospects in 2011. Turning to 2011, we expect earnings per share between $2.35 and $2.55. We anticipate taconite production for the year will be in the range of this year's 36 million tons and therefore similar electricity usage by these customers. With regard to regulated electric rates, we expect a final Minnesota Power retail rate order consistent with the Minnesota Public Utility Commission's November 2, 2010 written order. At Superior Water, Light, and Power we have new rates in effect beginning January 1, which will generate about $2 million of additional revenue in 2011. We also anticipate an increase in rider recoverable revenue related to eligible capital project that Al will talk about in a few moments.

On the expense side we expect higher Square Butte Electric Cooperative expenses allocated to Minnesota Power related to an environmental retrofit at that station. Depreciation and interest expenses will also increase in 2011 due to recent capital additions. Income from our investment in ATC should again rise slightly due to our increasing investment balance. BNI Coal should experience modestly higher production levels compared to 2010 due to the absence of a scheduled maintenance shutdown by BNI's largest customer last year. We also project a smaller net loss at ALLETE Properties in 2011 than 2010 due to expense management efforts at that business.

Now, I'll turn the call back over to Al.

Al Hodnik: Thank you, Mark. Before we take your questions I would like to spend a few minutes telling you about ALLETE's growth prospects as we go forward. ALLETE is an energy company focused on growth within the energy sector. In addition to providing reliable, cost competitive, and environmentally compliance service to our customers, we are committed to earning a financial return that rewards our shareholders, allows for reinvestment in our businesses, and sustains our growth initiatives. A key goal of ALLETE is to achieve average annual earnings per share growth of at least five percent per year, while maintaining a competitive dividend. To accomplish this, we intend to take the actions necessary to earn our allowed rate of return at our regulated businesses while we pursue earnings growth opportunities. These opportunities may be within our regulated businesses or outside of them.

And let me give you some examples of the multi-year growth opportunities that are currently in front of us. To begin, Minnesota Power will pursue new retail and wholesale loads in and around it's service territory which is home to some of the world's largest known reserves of not only taconite, but also copper nickel and other precious metals. At the present time, several companies in northeastern Minnesota continue to move forward with development of natural resource based projects that represent long-term growth potential and industrial customer diversity for Minnesota Power. On the wholesale side, Minnesota Power recently signed a minimum 10-year electric service agreement with the city of Nashwauk, Minnesota. After receiving Federal Energy Regulatory Commission approval, this agreement is effective in 2012 upon the expiration of the current agreement in place with the city. The new agreement includes electric service to Nashwauk as well as any development within it. This could include service beginning in late 2012 for Essar Steel's proposed 100 megawatt taconite facility currently under construction. It would also include Essar's proposed approximate 300 megawatt expansion for a direct reduced iron and steel making facility being considered for 2015.

PolyMet is a company which plans to start a copper nickel and precious metals mining operation near Hoyt Lakes, Minnesota. PolyMet already owns large grinding and concentrating assets near the site and has already executed a long-term retail contract with Minnesota Power. The PolyMet initiative awaits the successful completion of an environmental impact statement and the subsequent issuance of permits. If these are secured, Minnesota Power could begin to supply between 45 and 70 megawatts of power in approximately 2013 through a 10-year contract that begins upon start up. The steel dynamics in the Mesabi Nugget facility, which just completed its first full year of operation in 2010, expects to continue production ramp up activities in 2011 and to reach full production during the year. Mesabi Nugget is currently pursuing permits for taconite mining activities and expects to receive them by the end of this year. If successful, mining and concentrating activities could begin in 2012, which would allow Mesabi Nugget to sell supply it’s own taconite concentrates. This would result in increased electrical loads above it’s current 15 megawatt retail power supply contract lasting through at least 2017.

Another is United States Steel's Keewatin taconite facility. US Steel has announced its intent to restart an idle pellet line at this facility which is currently a Minnesota Power customer. This $300 million project would add an additional 3.6 million tons of pellet making capability. Keetac expects environmental approval from the US Army Corps of Engineers this year and production could begin in 2014. All of these projects are still in the developmental stage and each has a number of steps to take before they materialize fully. These large projects represent, however, the potential for up to 600 megawatts of additional load growth for Minnesota Power on top of it’s current approximately 1,800 megawatt load.

In the 10-K we filed today, you can see our updated five year capital expenditure plan totaling $920 million. Based on these anticipated expenditures, we project our rate base to grow by approximately 20 percent through 2015. About $380 million of these capital expenditures are eligible for current cost recovery and are for our renewable energy and transmission initiatives, $290 million of which are projected for 2011 and 2012. I would like to spend a few moments on these starting with our renewable energy initiative.

In 2010, we completed the first phase of our Bison I 82 megawatt wind project in North Dakota, which we estimate will have a total capital cost of about $177 million. We spent $121 million last year and expect to complete the project this year. During the first quarter of 2011, we will seek Minnesota Public Utility Commission and North Dakota Public Service Commission approvals for the Bison II wind project. Bison II is a 105 megawatt project that we estimate will cost about $160 million and expect to have completed by the end of 2012.

Our renewable energy initiatives are not limited to only wind generation. In Duluth, we own the Hibbard 50 megawatt biomass coal natural gas generating facility. After obtaining the necessary permit approvals, we expect to begin construction this year on a $22 million upgrade project that would increase biomass renewable energy production from the facility. This project has already been approved by the Minnesota Public Utilities Commission for current cost recovery and we will seek approval to add this project to customer billings this year. We plan to complete this project by the end of 2012.

On the transmission side, we plan to make investments in upper Midwest transmission opportunities that strengthen or enhance the regional grid. In addition to our investment in ATC, which continues to grow every year, we also participated in the CapX2020 initiative. CapX2020 is sponsored by the Minnesota Public Utilities Commission and consists of electric cooperatives, municipals, and investor-owned utilities all of which have assessed Minnesota transmission system needs and jointly developed projects to meet forecasted growth and electricity demand through 2020. Minnesota Power is currently participating in three CapX2020 projects and plans to invest between $100 to $125 million in them through 2015.

We are excited about our near-term and our long-term future at ALLETE. Our organic load growth and capital investment initiatives in transmission and renewables have the potential to add incremental earning streams to our core base of earnings for Minnesota Power; Superior Water, Light, and Power; BNI; and ATC. In addition, we will continue our efforts to sell our Florida land assets at reasonable prices. And if opportunities exist, we will pursue other energy centric investments, either directly related to or complementary to our core energy businesses.

At this time, I will ask the operator to open up the line for your questions.

Operator: Thank you. Ladies and gentlemen, if you have a question at this time, please press star one on your touch-tone telephone. Our first question comes from James Bellessa, of DA Davidson and Company.

James Bellessa: Good Morning. In the fourth quarter, there seem to be a slight little jump in interest expense, was there something special and will this be maintained at this level?

Mark Schober: Morning, Jim, this is Mark. No, there's nothing unusual in the quarter for interest expense. It's just the new debt that we've taken during the year. So the interest rates – or the interest expense that you're seeing there, those will run forward into 2011.

James Bellessa: In the Investment and Other segment for the fourth quarter, there seem to be something at the income tax line that caused the significant credit. What was that?

Mark Schober: We have some – when you look at income tax for the quarter, it's down a bit, I think it's a about 22 percent for the quarter, there's some wind of tax credits that are in there, Jim. And then as you look at the tax rate for the full year, there's some adjustments and true ups that take place during the quarter but nothing significant. So I'd focus on the tax rate for the full year.

James Bellessa: And I have been, maybe I have a wrong number, but I had $3.3 million refund or credit on taxes for the fourth quarter. Does that not jive with what you've reported?

Mark Schober: I don't know what you'd be referring to there, Jim. There's nothing unusual like that in the fourth quarter, no.

James Bellessa: Okay. I'll have to go back and check. Thank you.

Operator: Our next question comes from Larry Solow of CJS securities.

Larry Solow: Hi, Good morning. Just a quickie back on the fourth quarter, there was also I think which was in the 10-K but not in the release, a write-off of a fuel clause asset, I think, right, which actually was reported in your operations. Is that correct?

Mark Schober: That's correct in the quarter, Larry, we wrote off a fuel clause – a deferred fuel clause cost that we'd had on our balance sheet since the 2008 rate case, so it goes back a couple years. Just as we wrapped up this rate case, performed an assessment on collect ability of that, working with outside counsel, and came to the conclusion it's just not probable we're going to be able to collect that from our customers in this environment. So that was written off in the quarter.

Larry Solow: Got it. And you actually – you put that above the line. You didn't – you have that in your actually – in your operations even though you could pull out a one time.

Mark Schober: Yes, it's in fuel and purchase power expense, correct.

Larry Solow: Got it. And if my memory serves me correct, I don't have the last CapEx table you published, but it looks like quite a significant increase in your CapEx layout, at least for '11 and '12 versus the last time you published this CapEx projections. That's correct, right?

Mark Schober: That's correct. If you go from last year's 10-K to the table you see this morning we're up probably about couple $100 million, and Al touched on the two primary drivers for it. It's the renewable projects, the Bison II and the Hibbard project where we'll be incurring expenses here in 2011 and 2012.

Larry Solow: And just to qualify, Al said the rate base would grow 20 percent through 2015, that's on an annual basis I assume?

Mark Schober: That's in total.

Larry Solow: That's in total. Got you. And then last question, the 600 potential additional mega watts of power that you would add or demand that you would add potentially, would there be enough capacity for that where you stand today, or would you have to accelerate wind projects or something from what your plans are right now?

Al Hodnik: Hello, Larry, this is Al. We've called out a couple of these already. We would source from our existing assets in part. Recall, we had 225 megawatt sale to Great River Energy that expired a couple years back. We ultimately sold 100 mega watts of that to Basin Electric which I referred to. So we have some in-house capacity that we will cap. We also did the efficiency upgrade at our Boswell generating station that I just highlighted, the 60 megawatt upgrade. In addition to that, we would of course continue to look to our North Dakota wind options. There we have a 45 to 50 percent capacity factor wind, very high quality wind as we build re-newables and biomass. And ultimately, we have sourcing arrangements with Manitoba Hydro that we've already called out in earlier calls. And lastly if we had to, we would look to natural gas then or some sort of a combustion turbine project if necessary to round out our fuel diversity of the fleet in total and also supply this load.

Larry Solow: All right. Guess it would sort of be a high class problem, I guess if that was the case. And then just lastly on the real estate, I know it's somewhat much more insignificant these days, but the losses, do you actually have a number for that for 2010? I know you don't break it out specifically, but do you have?

Mark Schober: No, we don't disclose specific loss. This year, Larry, we're coming in, I think it was, as we've talked, around $5 million. We anticipate being less that as we look for 2011 for a variety of reasons. It's offices in Florida, staff levels, CDD assessment property taxes, we're working all of those to reduce our on going expenses at real estate.

Larry Solow: Got you. And then, obviously the real estate market's still teetering the bottom or maybe at least flattening out. Any more inquiries that you're noticing, or is it just basically bottom fishers trying to low-ball for sale, for purchases?

Mark Schober: We have gotten no sales that are teed up here today, but we are starting to see more people asking questions, looking at our real estate, but nothing imminent here. But at least we're having more people looking, so that's a positive note.

Larry Solow: Absolutely. Okay, great guys, I appreciate it.

Mark Schober: Thank you.

Al Hodnik: Thank you Larry.

Operator: Our next question comes from Jeff Gildersleeve of Millennium Partners.

Jeff Gildersleeve: Good morning. Just – and sorry if I missed this, on Bison II, what's the approval process and the timeline for that?

Mark Schober: We'll be asking a couple of steps we need to go through. We need to get the project approved by the Minnesota Public Utilities Commission. We're preparing that filing as we speak. Once we get the filing approved, then we'll have to come back in front of the commission and get approval for our billing factor for those costs to start charging it to our customers. So we anticipate getting something in place later in the year on that project. And then from an operational standpoint, there's approvals that we need, as Al referred to, from the state of North Dakota for the construction of the project.

Jeff Gildersleeve: Okay, but is some of the CapEx for this project in '11 or do you wait until you get the approval and then you –?

Mark Schober: We wait until – there's some minor planning dollars that we incur before we get approval, but once we get approval then the capital expenditures will start, and those will be happening later in 2011, correct. But we will get approval first.

Jeff Gildersleeve: Right, of course. So some of that's reflected '11 and then most of that would be in '12?

Mark Schober: Correct. We're planning a late '12 in service date.

Jeff Gildersleeve: Understood. Thank you very much.

Al Hodnik: Thank you.

Operator: Our next question comes from Vedula Murti, of CDP Capital.

Vedula Murti: Good morning. I apologize, I was late to the call but the increased CapEx profile, can you talk about external financing, both debt and equity, please?

Mark Schober: When you look at the increased CapEx in the table, the CapEx as you look at 2011 is very similar to what we incurred here in 2010. So our external financing will be very similar to what we have for 2010. It certainly won't be significant as I alluded to during the call. We do have very strong cash from operations, but our outside financing will be very similar to what we incurred this year because the CapEx levels are similar to this year – or 2010.

Vedula Murti: Okay. Thank you very much.

Al Hodnik: Thank you.

Operator: Our next question comes from Eric Beaumont of Copia Capital.

Eric Beaumont: Good morning, guys. Quick question, just with everything going on with bonus depreciation, can you just give us a feel for how that may or may not net out against some of the trackers and longer-term rate base impact and kind of overlay that with cash expectations.

Mark Schober: Yes, all of the bonus depreciation audit we'll have on these capital projects, especially the other riders or especially the renewable, those all flow through are the riders that we put in place, so those flow through to our customers.

The number you're seeing in our CapEx table is the net that we'll need. So as I talk about the financing, it will be very similar to what we have this year. So we won't see significant external financing, neither debt nor equity as we go into 2011.

Eric Beaumont: Okay. And so you said though that on the riders would net out bonus depreciation capital such that it – the benefit flows through to customers, is that –?

Mark Schober: Correct...correct.

Eric Beaumont: And the 20 percent rate base growth is netted against basically the deferred tax liability that bonus depreciation would provide as well, correct?

Mark Schober: Correct.

Eric Beaumont: Okay. Great. Thank you guys.

Al Hodnik: Thank you.

Operator: Our next question comes from James Bellessa of DA Davidson and Company.

James Bellessa: In your 10-K, you indicate you're intending to establish a non-regulated renewable business to produce and sell renewable energy, could you elaborate please?

Al Hodnik: Yes, Jim, we've talked about investing in renewable, both regulated and non-regulated for several quarters now. And so when we talk about launching a renewable business, we look to our North Dakota base of operations, if you will, the high quality wind in North Dakota, the transmission line access into Minnesota that we have, and then look to federal and state mandates. Arguably again, it's more likely that it will be less carbon intense, more sustainable energy future going forward, and we hope to put in place a business plan that can take advantage of that going forward, with again, high quality assets out in North Dakota.

James Bellessa: So you haven't announced anything particularly? It's not part of Bison I or Bison II that would be non-regulated.

Al Hodnik: No, Bison I and Bison II are regulated. We have 60 acres of land secured leases, if you will, out in North Dakota in that high quality wind space. We're very excited about the prospects out in North Dakota, and when we're ready to move forward with the renewable business, it calls for wind and perhaps other renewables, we'll be ready to announce that and let you know at that time.

James Bellessa: You said 60 acres?

Mark Schober: 60,000 acres.

Al Hodnik: 60,000 acres.

James Bellessa: Thank you.

Operator: Again, ladies and gentlemen, if you would like to ask a question, please press star one on your phone. Our next question comes from Larry Solow of CJS Securities.

Larry Solow: Quick follow up. Assuming you don't need significant external financing, your share base which has gone up about 2 million, 2 to 3 million a year for the last several years. I guess this year, would it be more of a slower up-tick?

Mark Schober: Yes, it would, Larry, and you've seen the increase in the share. It's that average calculation that has pushed that up over the last couple years. So, absolutely. As you look at our K, you can see we issued viewer shares in 2010 because of our strong cash flow. So you'd see that running forward into 2011.

Larry Solow: And then, just if I may, in terms of the guidance, the $2.35, $2.55. Anything you can discuss in terms of what are the two or three main variables that take you from the low end to the high end?

Al Hodnik: Yes, we talked a little bit about that. Nothing has really changed since when our 8-K came out announcing our guidance late last year, Larry. It's the typical, it's Taconite production levels here, power prices as we take power to market. It's going to be O&M costs, especially coming out at Square Butte, as they have some new environmental equipment coming online. Those are the big ones that are driving it. And then ALLETE Properties too, what happens there as to whether any sales materialize. So very, very – nothing has really changed since once we issued the guidance late in 2010 for 2011.

Larry Solow: Got you. Excellent, thank you.

Al Honik: Thank you.

Operator: Gentlemen, I'm not showing any further questions at this time.

Al Hodnik: All right. Thank you for taking the time and joining us this morning. I look forward to speaking with you this spring –

Operator: I apologize, sir, we do actually have another question.

Al Hodnik: All right.

Operator: Our next question comes from Peter Hark of Talon Capital.

Peter Hark: Sorry to interrupt. I just have a couple of housekeeping issues just to make sure I understand the charges for health care and the write-off of the deferred fuel balance. Those are both fourth quarter charges?

Mark Schober: The fuel clause was in fourth quarter. The health care, the Medicare Part D was earlier in the year. I think it was Q1, I believe. It could have been second quarter, but earlier in 2010.

Peter Hark: Okay. And then just review again, are there any other fuel under recoveries currently or anything else on the balance sheet that you need to get back?

Mark Schober: No.

Peter Hark: Okay. Do you have a stated real estate book value?

Mark Schober: Yes, that's in our 10-K. The value was there. I think the number for our all-in is $70 million for land and $70 million, $80 million for our land that we have down there. And then there's some notes receivable too.

Peter Hark: Less notes receivable. Is there any debt against it?

Mark Schober: There's a small amount of debt that we carry at that level, probably about $10 million.

Peter Hark: Okay. And then you went through your impairment tests given the market conditions, there were no impairment charges?

Mark Schober: That's correct. And we took it small impairment charge of about $1 million on one of our notes receivable, but no impairment charges on the real estate assets.

Peter Hark: Okay. When was the charge on the note?

Mark Schober: We took that, I think that was in Q4.

Peter Hark: Okay.

Mark Schober: Of this year – 2010.

Peter Hark: Okay. Great, thank you. And just to get a better understanding, you said the guidance was about a $5 million loss at properties and you expect to reduce that. Is the idea that you cut it in half or by a third or do you – can you kind of gauge for us, you're going to go from a $0.15 loss to $0.10? Is that about right?

Mark Schober: I really can't say. At the outside, as you mentioned, our carrying costs are about $5 million if we do nothing. We're obviously not going to do nothing, so we're doing whatever we can to take that down. So no, I don't have a specific number.

Peter Hark: Okay. And then lastly maybe the – what's your expected year end '11 ATC invested balance?

Mark Schober: I don't have an exact number, but it will grow probably about comparable to what it did in 2010, so it will probably be up a couple of million dollars.

Peter Hark: Okay. And that's net of earnings to you and net of CapEx, your capital contribution? So it'll be about $5 million net increment?

Mark Schober: It would be – yes, $2 million to $5 million let's say.

Peter Hark: Okay.

Mark Schober: But you're correct, that's earnings less dividends and plus any capital calls that come in.

Peter Hark: Okay. And then what's the intention for the cash on the balance sheet right now? Is that going to go to fund CapEx or what – do you have any obligations for the $52 million?

Mark Schober: No, we don't have any obligations. We continued to run with a strong cash balance to give us flexibility as investment opportunities arise. Most of it though, as we look forward, will be going back into the regulated utility on the renewable side of the business.

Peter Hark: Okay. Great. Thanks very much.

Al Hodnik: Thank you

Operator: I'm not showing any further questions at this time.

Al Hodnik: Again, thank you for taking the time to join us this morning. Mark and I look forward to speaking with you this spring when we post our first quarter results. Have a good day.

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