



Superior Generation Project To Be Delayed

Duluth, Minn. —Minnesota Power, an ALLETE company (NYSE: ALE) announced today that plans to build a natural gas-fired electric generating facility in Superior, Wisconsin have been delayed indefinitely. Construction of the \$70-80 million, 160-megawatt (MW) peaking facility was originally announced in June 1999.

The project was to be owned by Rainy River Energy Corporation, a wholly-owned subsidiary of Minnesota Power. It was scheduled to be completed in late 2003 but lack of growth in the region and the unsettled nature of both the economy and wholesale power markets were cited as the reasons for delaying the project. Minnesota Power will take an approximate \$5 million one-time non-cash charge to earnings due to the indefinite delay.

“We feel it is a prudent business decision to indefinitely delay construction of this plant based on the near-term outlook for the wholesale power markets,” said Minnesota Power president Don Shippar.

The Public Service Commission of Wisconsin in September of this year had granted approval for the project. All the necessary preconstruction permits have been applied for and received by the company.

Minnesota Power serves 146,000 customers in northeastern Minnesota and northwestern Wisconsin with affordable electricity. The company supplies wholesale electric power to 16 municipal systems and markets power across the Midwest through its partnership in Split Rock Energy LLC.

The statements contained in this release and statements that may be made orally in connection with this release that are not historical facts are forward-looking statements. Actual results may differ 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 with the Securities and Exchange Commission.