



## **ALLETE Completes Successful Strategy With Sale of Remaining Florida Water Systems**

DULUTH, Minn - ALLETE, Inc. (NYSE: ALE) subsidiary Florida Water Services Corporation has completed the sale of its remaining 72 water and wastewater systems to Aqua America, Inc. (NYSE: WTR) and Seminole County for a total of \$18 million.

The transactions are subject to regulatory approval by the Florida Public Service Commission. The approval process may result in an adjustment to the final purchase price based on the FPSC's determination of plant investment for the systems.

Aqua America, Inc. (NYSE: WTR) purchased 63 of the water and wastewater systems for \$13.82 million. Seminole County bought nine systems for \$4.18 million.

The closing of these water utility sales essentially concludes ALLETE's successful strategy of exiting its water services holdings in the Southeast. When the strategy was launched in late 2001, ALLETE owned the largest publicly-traded water and wastewater utilities in both Florida and North Carolina. Sale proceeds were used to strengthen ALLETE's balance sheet and retire debt.

Headquartered in Duluth, Minnesota, ALLETE provides energy services in the Upper Midwest and is the majority owner of ADESA, Inc., a leading provider of auctions and services for North America's vehicle remarketing industry. ALLETE also has significant real estate holdings in Florida.

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.