



ALLETE, Grid United sign development agreements for advancing new HVDC transmission line in North Dakota and Montana

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North Plains Connector will link three regional energy markets

DULUTH, Minn.--(BUSINESS WIRE)--Dec. 21, 2023-- ALLETE, Inc. (NYSE:ALE) and North Plains Connector LLC, a subsidiary of Grid United LLC, this week signed development agreements for the North Plains Connector project, a new, approximately 400-mile high-voltage direct-current (HVDC) transmission line from central North Dakota to Colstrip, Montana.

The agreements outline each company's roles and responsibilities as development of the North Plains Connector accelerates. ALLETE and Grid United had previously signed a memorandum of understanding in January 2023 to explore development opportunities for the North Plains Connector.

The North Plains Connector will be the nation's first HVDC transmission connection between three regional U.S. electric energy markets—the Midcontinent Independent System Operator, the Western Interconnection and the Southwest Power Pool. Open to all sources of electric generation, the project will create 3,000 megawatts of transfer capacity across 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.

"The North Plains Connector is a much-needed link for a resilient and reliable energy grid from the Pacific coast to the Upper Midwest to support the clean-energy future," said ALLETE Chair, President and CEO Bethany Owen. "Since signing the memorandum of understanding with Grid United in January, we've been impressed by their dedicated and thoughtful work on this project. These agreements cement our relationship with Grid United and provide a strong foundation as we pursue this major transmission investment, part of our 'Sustainability-in-Action' growth strategy at ALLETE, and we look forward to working collaboratively with others to bring this important project to fruition."

The project represents an approximately \$3.2 billion investment in Montana and North Dakota and will be a long-term energy infrastructure 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 up to 35% ownership and would oversee the line's operation.

"We are excited to move the North Plains Connector forward with ALLETE, which brings considerable transmission expertise and experience to this important project," said Grid United CEO Michael Skelly. "Connecting regional energy markets through new HVDC transmission lines is a critical need as more energy sources are brought online. This project will safeguard resilience and reliability across a wide area of the country by moving electricity from where it is generated to where it is needed."

Grid United has been engaging landowners and regional stakeholders throughout 2023 to refine and study the proposed route for the North Plains Connector to support the permitting and development activities ahead. The companies will work together on development activities and an in-service date as early as 2029, pending regulatory and other necessary approvals. For more project information, visit northplainsconnector.com.

Grid United is an independent transmission company aiming to develop next-generation energy infrastructure to create a more resilient and efficient electric system to the benefit of all consumers. For more information, visit www.gridunited.com. **Media contact:** Ashley McGeary at ashley.mcgeary@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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