



Minnesota Power outlines plan to achieve 90% renewable energy and replace coal by 2035, meet state carbon-free standard in next chapter of EnergyForward

March 3, 2025

Integrated Resource Plan provides realistic course for adding new generation to reliably meet customer energy needs now and prepare for regional energy growth

Duluth, Minn. — Minnesota Power, a utility division of ALLETE Inc. (NYSE: ALE), today filed its Integrated Resource Plan (IRP) with the Minnesota Public Utilities Commission (MPUC), outlining next steps to provide safe and reliable energy to customers while adding new resources, meeting increasing demand for energy and reducing carbon emissions.

Minnesota Power serves customers and communities in northern Minnesota, including some of the nation's largest industrial operations that require large amounts of power 24 hours a day. The IRP, which looks ahead 15 years, was developed with extensive engagement that included customers, local governments, community organizations, tribal nations and advocates.

"In today's rapidly evolving energy landscape, this plan is rooted in our commitment to ensuring that safe, reliable energy is there when our customers, businesses and industries need it, all while keeping bills as low as possible," said Josh Skelton, Minnesota Power chief operating officer. "We're proud of the tremendous progress we've already made to reduce carbon emissions across our system, and this is a realistic plan for reaching the next milestones in carbon reduction while taking into account a growing demand for electricity."

The IRP builds on Minnesota Power's significant achievements in transitioning its fleet through its *EnergyForward* plan, which positioned the company as the first utility in the state to provide nearly 60% renewable energy to customers and maintains the company's steadfast commitment to the climate, its customers and communities.

Minnesota Power's IRP calls for adding renewable projects, customer-focused demand response, energy storage and natural gas generation. This diverse combination of resources positions Minnesota Power to cease coal use for its customers at the Boswell Energy Center in Cohasset and meet the requirements of the state of Minnesota's carbon-free standard while continuing to safeguard energy security and reliable electric service to customers.

Highlights of the *EnergyForward* plan

- Maximize and expand customer-focused programs including energy efficiency, energy conservation and demand response.
- Add 400 megawatts of new wind projects by 2035 in addition to the 700 megawatts of renewables announced in our previous IRP and in varying stages of development.
- Expand energy storage resources by 100 megawatts by 2035.
- Add approximately 1,000 megawatts of natural gas capacity to replace Minnesota Power's last coal-fired baseload generation at Boswell Energy Center.
- Refuel Boswell Unit 3 by 2030 (355 megawatts).
- Add 750 megawatts of modern new natural gas generation technology.

"This robust strategic planning is important for building and maintaining a resilient energy supply and grid not only for our customers but for the entire region," said Julie Pierce, Minnesota Power vice president of Strategy and Planning. "Fifteen years sounds like a long time, but many of the large projects in this plan will take years to complete when factoring in design, permits, regulatory approvals and construction. It's important to begin work now to ensure we are meeting the needs of our customers now and in the future."

Under its *EnergyForward* strategy, the company has reshaped its power supply from an energy mix that was 95% coal in 2005 to one that is now delivering nearly 60% renewable energy to customers, the most in the state of Minnesota. The 2025 IRP, if approved, will enable an annual energy portfolio that is 80% renewable by 2030 and 90% renewable by 2035, outlining Minnesota Power's proposed sustainable path to comply with the milestones of Minnesota's carbon-free standard.

The future of Boswell Energy Center

Boswell Energy Center (BEC) has been the workhorse of Minnesota Power's fleet of generation resources, powering northern Minnesota for decades. Boswell Units 3 and 4 are the company's last two remaining baseload facilities and are scheduled to cease coal for Minnesota Power customers in 2030 and 2035, respectively. Minnesota Power plans to refuel Unit 3 to run solely on natural gas by 2030 while continuing to explore biomass fuel opportunities. Additionally, Minnesota Power will develop natural gas replacement options for Unit 4.

Natural gas power plants are much less weather-dependent, can be more easily ramped up or down to meet dynamic energy needs and ensure reliability when renewable energy is not available, and will immediately reduce carbon emissions by 65% as they replace coal as a fuel source.

"By utilizing the existing critical infrastructure at Boswell, we will preserve local jobs and tax revenue for the communities of Cohasset and Itasca County, which is integral to our sustainability-in-action-strategy, supporting local economies during the clean-energy transition," Skelton said. "Reinvesting and refueling this facility will mitigate costs for customers and ensure a secure and responsible transition away from coal. We are committing to ceasing coal at our operations as soon as we have new, reliable energy resources to replace them."

With today's submission of Minnesota Power's IRP to the commission, the MPUC will begin a regulatory process that allows for input from customers, interested organizations and local communities. A final decision on the IRP is expected in 2026.

Minnesota Power provides electric service within a 26,000-square-mile area in northeastern Minnesota, supporting comfort, security and quality of life for 150,000 customers, 14 municipalities and some of the largest industrial customers in the United States. More information can be found at www.mnpower.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.

Minnesota Power calculates and reports carbon emissions based on the GHG Protocol. Details in ALLETE's [Corporate Sustainability Report](#).

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.