

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP

Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b).

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934 or Section 30(h) of the Investment Company Act of 1940

| OMB APPROVAL | |
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|--|---------|----------|--|--|--|---|--|--|
| 1. Name and Address of Reporting Person* RAJALA JACK I | | | 2. Issuer Name and Ticker or Trading Symbol ALLETE INC [ALE] | | | 5. Relationship of Reporting Person(s) to Issuer (Check all applicable) <input checked="" type="checkbox"/> Director 10% Owner Officer (give title below) Other (specify below) | | |
| (Last) | (First) | (Middle) | 3. Date of Earliest Transaction (Month/Day/Year) 06/14/2005 | | | 6. Individual or Joint/Group Filing (Check Applicable Line) <input checked="" type="checkbox"/> Form filed by One Reporting Person Form filed by More than One Reporting Person | | |
| BOX 578 | | | 4. If Amendment, Date of Original Filed (Month/Day/Year) | | | | | |
| (Street) DEER RIVER MN 56636 | | | | | | | | |
| (City) (State) (Zip) | | | | | | | | |

Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned

| 1. Title of Security (Instr. 3) | 2. Transaction Date (Month/Day/Year) | 2A. Deemed Execution Date, if any (Month/Day/Year) | 3. Transaction Code (Instr. 8) | | 4. Securities Acquired (A) or Disposed Of (D) (Instr. 3, 4 and 5) | | | 5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4) | 6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4) | 7. Nature of Indirect Beneficial Ownership (Instr. 4) |
|---------------------------------|--------------------------------------|--|--------------------------------|---|---|------------|---------|---|--|---|
| | | | Code | V | Amount | (A) or (D) | Price | | | |
| Common Stock | 06/14/2005 | | M | | 1,250 | A | \$16.6 | 10,059.77 | D | |
| Common Stock | 06/14/2005 | | M | | 1,250 | A | \$15.88 | 11,309.77 | D | |
| Common Stock | 06/14/2005 | | M | | 1,250 | A | \$25.08 | 12,559.77 | D | |
| Common Stock | 06/14/2005 | | M | | 1,293 | A | \$25.45 | 13,852.77 | D | |
| Common Stock | 06/14/2005 | | M | | 1,293 | A | \$18.85 | 15,145.77 | D | |
| Common Stock | 06/14/2005 | | S | | 6,336 | D | \$49.74 | 8,809.77 | D | |

Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned (e.g., puts, calls, warrants, options, convertible securities)

| 1. Title of Derivative Security (Instr. 3) | 2. Conversion or Exercise Price of Derivative Security | 3. Transaction Date (Month/Day/Year) | 3A. Deemed Execution Date, if any (Month/Day/Year) | 4. Transaction Code (Instr. 8) | | 5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5) | | 6. Date Exercisable and Expiration Date (Month/Day/Year) | | 7. Title and Amount of Securities Underlying Derivative Security (Instr. 3 and 4) | 8. Price of Derivative Security (Instr. 5) | 9. Number of derivative Securities Beneficially Owned Following Reported Transaction(s) (Instr. 4) | 10. Ownership Form: Direct (D) or Indirect (I) (Instr. 4) | 11. Nature of Indirect Beneficial Ownership (Instr. 4) |
|--|--|--------------------------------------|--|--------------------------------|---|--|------|--|-----------------|---|--|--|---|--|
| | | | | Code | V | (A) | (D) | Date Exercisable | Expiration Date | | | | | |
| Stock Option - Right to Buy | \$16.6 ⁽¹⁾ | 06/14/2005 | | M | | 1,250 ⁽¹⁾ | (2) | 01/02/2006 | Common Stock | 1,250 | \$0 | 0 | D | |
| Stock Option - Right to Buy | \$15.88 ⁽³⁾ | 06/14/2005 | | M | | 1,250 ⁽³⁾ | (4) | 01/02/2007 | Common Stock | 1,250 | \$0 | 0 | D | |
| Stock Option - Right to Buy | \$25.08 ⁽⁵⁾ | 06/14/2005 | | M | | 1,250 ⁽⁵⁾ | (6) | 01/02/2008 | Common Stock | 1,250 | \$0 | 0 | D | |
| Stock Option - Right to Buy | \$25.45 ⁽⁷⁾ | 06/14/2005 | | M | | 1,293 ⁽⁷⁾ | (8) | 01/04/2009 | Common Stock | 1,293 | \$0 | 0 | D | |
| Stock Option - Right to Buy | \$18.85 ⁽⁹⁾ | 06/14/2005 | | M | | 1,293 ⁽⁹⁾ | (10) | 01/03/2010 | Common Stock | 1,293 | \$0 | 0 | D | |

Explanation of Responses:

- This option was previously reported as covering 1,450 shares at an exercise price of \$14.31 per share, but was adjusted to reflect the spin off of ALLETE's subsidiary, ADESA, Inc., and the reverse stock split on September 20, 2004.
- This option vested 50% on January 2, 1997 and 50% on January 2, 1998.
- This option was previously reported as covering 1,450 shares at an exercise price of \$13.69 per share, but was adjusted to reflect the spin off of ALLETE's subsidiary, ADESA, Inc., and the reverse stock split on September 20, 2004.
- This option vested 50% on January 2, 1998 and 50% on January 2, 1999.
- This option was previously reported as covering 1,450 shares at an exercise price of \$21.63 per share, but was adjusted to reflect the spin off of ALLETE's subsidiary, ADESA, Inc., and the reverse stock split on September 20, 2004.
- This option vested 50% on January 2, 1999 and 50% on January 2, 2000.
- This option was previously reported as covering 1,500 shares at an exercise price of \$21.94 per share, but was adjusted to reflect the spin off of ALLETE's subsidiary, ADESA, Inc., and the reverse stock split on September 20, 2004.
- This option vested 50% on January 4, 2000 and 50% on January 4, 2001.

9. This option was previously reported as covering 1,500 shares at an exercise price of \$16.25 per share, but was adjusted to reflect the spin off of ALLETE's subsidiary, ADESA, Inc., and the reverse stock split on September 20, 2004.

10. This option vested 50% on January 3, 2001 and 50% on January 3, 2002.

Remarks:

Ingrid K. Johnson for Jack I.
Rajala

06/15/2005

** Signature of Reporting Person

Date

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

* If the form is filed by more than one reporting person, see Instruction 4 (b)(v).

** Intentional misstatements or omissions of facts constitute Federal Criminal Violations See 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, see Instruction 6 for procedure.

Persons who respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB Number.