FORM 4

UNITED STATES SECURITIES AND EXCHANGE COMMISSION Washington, D.C. 20549

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

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP

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

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| OND NUMBER. | 3233-0207 |

| 1. Name and Addre | ess of Reporting Perso ert John | n* | 2. Issuer Name and Ticker or Trading Symbol <u>ALLETE INC</u> [ALE] | | tionship of Reporting Perso all applicable) Director | on(s) to Issuer 10% Owner | |
|----------------------------------------------------|------------------------------------|----------|-----------------------------------------------------------------------|------------------------|----------------------------------------------------------------------------------------|---------------------------------------|--|
| (Last) (First) (Middle) 30 WEST SUPERIOR STREET | | (Middle) | 3. Date of Earliest Transaction (Month/Day/Year) 01/18/2011 | X | Officer (give title below) VP Bus. Dev; Chief | Other (specify below) Risk Ofcr | |
| (Street) DULUTH | MN | 55802 | 4. If Amendment, Date of Original Filed (Month/Day/Year) | 6. Indiv Line) X | idual or Joint/Group Filing (Form filed by One Report Form filed by More than (| ting Person | |
| (City) | (State) | (Zip) | | | Person | | |

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. Transa Code (8) | | 4. Securities Acquired (A) or Disposed Of (D) (Instr. 3, 4 and 5) | | 5. Amount of Securities Beneficially Owned Following Reported | 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 | Transaction(s) (Instr. 3 and 4) | | (1130. 4) |
| Common Stock | 01/18/2011 | | A | | 664 | A | \$ <mark>0</mark> | 3,639.81(1) | D | |
| Common Stock | | | | | | | | 7,521.96 ⁽²⁾ | Ι | By RSOP Trust |

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. Transa Code (8) | | 5. Nu of Deriv Secu Acqu (A) of Dispo of (D) (Instr and 5 | ative rities ired osed . 3, 4 | 6. Date Exerc Expiration Da (Month/Day/) | 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 | Title | Amount or Number of Shares | | | | |

Explanation of Responses:

1. Includes shares acquired in exempt transactions under ALLETE's employee stock purchase plan, the dividend reinvestment features of ALLETE's stock purchase and dividend reinvestment plan, and pursuant to the dividend equivalent feature of restricted stock grants under ALLETE's executive long-term incentive compensation plan, all based on plan information available as of December 31, 2010. 2. Includes shares acquired in exempt transactions under ALLETE's retirement savings and stock ownership plan (RSOP) and is based on RSOP plan information available as of December 31, 2010.

Remarks:

Ingrid K. Johnson for Robert J.

<u>Adams</u> ** Signature of Reporting Person Date

01/19/2011

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.