



September 25, 2013

ALLETE Energy Corridor would offer efficient movement of multiple products, from flared gas to water to carbon

N.D. governor supports comprehensive solution

Bismarck, N.D. -- ALLETE (NYSE:ALE) today laid out its vision for a comprehensive energy transportation corridor that could help provide solutions for the movement of natural gas, petroleum products, water and wastewater, wind energy and future sequestered carbon across a coordinated, shared right-of-way.

The energy corridor's backbone would follow an existing 465-mile path that contains a direct current transmission line running between Center, N.D. and Duluth, Minn. This 250-kilovolt line, purchased in 2009, is used to transmit electric energy from the lignite-fired Young Generating Station in Center and the nearby Bison Wind Energy Center to Duluth, Minn., home of the nation's busiest inland seaport. The energy corridor would expand a pathway along strategic portions of the existing right of way to minimize land use and optimize energy delivery infrastructure development within North Dakota.

A top priority of the ALLETE Energy Corridor is to develop an extension of the existing energy delivery path some 60 miles westward to the burgeoning Bakken shale oil fields of west-central North Dakota. ALLETE subsidiary ALLETE Clean Energy has been working diligently with potential partners to study the co-location of facilities and assess the capital needs for the Bakken link. It is envisioned that various lengths of the corridor would be used for different purposes.

"We see the ALLETE Energy Corridor as a comprehensive infrastructure solution in North Dakota that could serve many products and producers across the region," said ALLETE President, Chairman and CEO Alan R. Hodnik. "We value Gov. Dalrymple's support of our vision and appreciate him bringing it forward to other members of the state's energy sector."

"ALLETE has been invested in North Dakota for decades," Hodnik added. "We are confident that our rich history of partnering with others can help forge creative solutions to today's new challenges facing energy markets in the Upper Midwest."

North Dakota Governor Jack Dalrymple voiced support of the ALLETE Energy Corridor today in remarks to EmPower North Dakota, a commission established to develop a comprehensive energy policy for the state. He said the energy corridor concept is a prime example of the way business can creatively tackle pressing problems like the proliferation of flare gas at oil wells dotting the Bakken field, and the traffic tie-ups caused by too many trucks and trains hauling petroleum products to market.

"The ALLETE Energy Corridor is a breakthrough opportunity to reduce flaring by locating a major natural gas pipeline from the Bakken to eastern markets," Gov. Jack Dalrymple said. "While the corridor would support the transfer of many energy resources, it could also carry carbon dioxide from coal-fired power plants to western North Dakota for use in advanced oil recovery."

The ALLETE Energy Corridor could accommodate several pipelines capable of transporting natural gas that would otherwise be flared, as well as wastewater and carbon sequestered from fossil fuel generation. Future wind expansions could also benefit.

"We look forward to working with project developers and government officials to implement this vision," said Eric Norberg, president of ALLETE Clean Energy. "We have an opportunity to pursue investments that will help solve some current issues and lay the groundwork for more efficient movement of energy products, water and wastewater in the future."

More information about the ALLETE Energy Corridor can be found www.ALLETECleanEnergy.com.

ALLETE, Inc., an energy company based in Duluth, Minn., has a well-established presence in North Dakota that includes BNI Coal, now undergoing a major expansion to extend coal delivery to its partner Minnkota Power, and the Bison Wind Energy Center, where work on a \$350 million fourth phase is scheduled to begin this year. ALLETE's energy businesses also include Minnesota Power, Superior Water, Light & Power Co. and ALLETE Clean Energy. More information about the company is available at www.allete.com.

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. 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.

Contact:

Amy Rutledge

Manager - Corporate Communications

(218) 723-7400

arutledge@allete.com

ALLETE Energy Corridor

