



Donnie Crandell Announces Retirement

Donnie R. Crandell, executive vice president of ALLETE, Inc. (NYSE:ALE) announced that he will retire from full time service to the company effective July 31. He will continue to serve the company in an advisory capacity. Crandell, 59, is also president and chief executive officer of Florida Water Services.

Forrest Ludsen, executive vice president and chief operating officer of Florida Water Services, will succeed Crandell as president of that company.

Crandell has served in a variety of positions since joining Minnesota Power, now ALLETE, in 1980, including vice president of corporate development and president of ALLETE Properties, headquartered in Fort Myers, Florida. He assumed the presidency of Florida Water to negotiate the sale of the company and had originally planned to retire back to his Fort Myers home by March 2002.

"This retirement is more than a year later than I had planned," Crandell said. "I will, however, continue to advise the company as a consultant on matters related to the sale of its water business and development of its other business segments."

"Donnie was instrumental in growing our real estate and water businesses over the past two decades," said David Gartzke, ALLETE chairman, president and CEO. "He has been a trusted colleague, serving this company with distinction. His full time presence will be greatly missed, but we look forward to his continuing counsel."

Crandell, a native of Newport News, Virginia, is a graduate of Virginia Polytechnic Institute and also holds a Master's Degree and Doctorate in Public Administration from the University of Georgia.

Ludsen has been with the company for nearly 34 years in finance, administration, business development, rates, regulatory affairs and customer service. He holds a degree in business and economics from the University of Minnesota.

ALLETE's corporate headquarters are located in Duluth, Minnesota. ALLETE's holdings include ADESA, the second largest wholesale automobile auction network in North America; AFC, the leading provider of independent auto dealer inventory financing; Minnesota Power, a low-cost electric utility that serves some of the largest industrial customers in the United States; and significant real estate holdings in Florida. For more information about ALLETE, visit the company's Web site 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. 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.