SEC Form 4

FORM 4

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

UNITED STATES SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

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

1. Name and Address of Reporting Person[*] AMBERG DEBORAH A (Last) (First) (Middle) 30 WEST SUPERIOR STREET (Street) DULUTH MN 55802 (City) (State) (Zip)	2. Issuer Name **and** Ticker or Trading Symbol ALLETE INC [ALE] 3. Date of Earliest Transaction (Month/Day/Year) 12/12/2007 4. If Amendment, Date of Original Filed (Month/Day/Year)	5. Relationship of Reporting Person(s) to Issuer (Check all applicable) Director 10% Owner X Officer (give title below) Other (specify below) SrVP, Gen. Counsel & Secretary 6. Individual or Joint/Group Filing (Check Applicable Line) X Form filed by One Reporting Person Form filed by More than One Reporting 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. 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	12/12/2007		M		993	A	$25.08	2,610.95[(1)]	D	
Common Stock	12/12/2007		S		993	D	$40.4	1,617.95	D	
Common Stock								4,195.26[(2)]	I	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. 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	Title	Amount or Number of Shares				
Employee Stock Option -- Right to Buy	$25.08[(3)]	12/12/2007		M			993	[(4)]	01/02/2008	Common Stock	993	$0	0	D	

Explanation of Responses:

1. Includes shares acquired in exempt transactions under the dividend reinvestment feature of ALLETE's stock purchase and dividend reinvestment plan and is based on plan information available as of December 1, 2007.

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 1, 2007.

3. This option was previously reported as covering 1,152 shares at an exercise price of $21.63, but was adjusted to reflect the reverse stock split and the spin off of ALLETE's subsidary, ADESA, Inc.on September 20, 2004.

4. 50% was exercisable on January 2, 1999 and 50% was exercisable on January 2, 2000.

Remarks:

Ingrid K. Johnson for Deborah A. Amberg	12/13/2007
** 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.

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