



Minnesota Power's Telecom Subsidiary "Makes Waves" In Minnesota

(Duluth, MN)-MP Telecom, the telecommunications subsidiary of Duluth, Minnesota-based Minnesota Power-an ALLETE business (NYSE: ALE)-has significantly expanded its fiber optic bandwidth capacity and geography throughout Minnesota. The company has completed a major upgrade of its fiber optic network with an advanced technology called dense wavelength division multiplexing (DWDM). MP Telecom has also completed a geographic expansion of its fiber optic network into southern Minnesota.

The DWDM upgrade allows MP Telecom to greatly increase data capacity service to its customers in Minneapolis-St.Paul, Duluth, St. Cloud, Brainerd, Grand Rapids, Hibbing, Virginia and Eveleth.

"With DWDM, we are expanding our available capacity twenty-fold to meet significant increases in bandwidth demand," said Walt Prah, President of MP Telecom. "Businesses are moving quickly to the new electronic economy. Our deployment of this advanced technology significantly increases both the bandwidth and data services now available across the state."

DWDM technology splits the fiber optic strand into different wavelengths. The wavelengths are similar to the different colors of light seen through a prism. Each fiber wavelength is capable of transmitting over 2.5 billion bits of data per second. The new MP Telecom equipment is capable of transmitting 20 wavelengths, or 50 billion bits of data per second. A typical telephone call or dial-up Internet connection uses 64,000 bits per second. MP Telecom's new DWDM service can support enough bandwidth for 780,000 telephone calls or dial-up Internet connections simultaneously.

"Application of DWDM technology further solidifies MP Telecom's competitive position as a major regional provider of high bandwidth services to both wholesale and business clients," Prah said.

Additionally, MP Telecom announced it has just completed a 395-mile fiber optic network connecting southern Minnesota to Minneapolis-St. Paul. This network ties in Rochester, Owatonna, Albert Lea, Austin, Winona, and Red Wing.

"The completion of our southern Minnesota fiber network positions MP Telecom to be a dominant statewide provider of fiber optic based services. By having our network contiguous across the state allows us to be a 'one stop shop' for organizations that have statewide needs," Prah said. MP Telecom recently opened an office in Rochester that will provide sales and service to the southern Minnesota region.

MP Telecom provides fiber optic-based, high-speed bandwidth transport and commercial data services to large communication users. Customers include long distance carriers, telephone companies, wireless providers, Internet service providers, educational and government institutions, medical facilities and larger technology-based businesses across Minnesota.

ALLETE is a multi-services company with corporate headquarters in Duluth, Minnesota. ALLETE's holdings include the second largest wholesale automobile auction network in North America; the leading provider of independent auto dealer inventory financing; the largest investor-owned water utilities in Florida and North Carolina; significant real estate holdings in Florida and a low-cost electric utility that serves some of the largest industrial customers in the United States. 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.