



Rapids Power Project To Be Delayed

Grand Rapids, Minn. – Officials from Rapids Power LLC, announced today that it will delay, for at least six months, seeking the Certificate of Need (CON) permit which is required for the construction of the 225 MW combined heat and power (CHP) facility in Grand Rapids. The original Certificate of Need application was filed in September 2001 but, at the company's request in February, the decision to move forward was postponed until May 2002. The earliest the project would now proceed is November 2002. The construction of this state-of-the-art energy facility was announced in August of 2001.

"This change in our plans will allow our respective companies time to continue studying the feasibility for the facility," said Eric Norberg, vice-president of strategic initiatives for Minnesota Power. "The design of this state-of-the-art project is complex and costly and more time is needed to allow our two companies to seek ways of making the project economically viable.

"Support from citizens of the local community is very important to us," said Joe Maher, senior vice president and general manager of Blandin Paper Company. "This change in our time frame will provide the newly created Grand Rapids/Itasca County Citizens Advisory Task Force the time necessary to complete its work. City and county leaders need to decide if development at this proposed site is acceptable."

Rapids Power LLC, is jointly owned by Minnesota Power and Blandin Paper Company. Minnesota Power, an ALLETE company, serves 144,000 customers in northeastern Minnesota and northwestern Wisconsin with low-cost electricity. Blandin Paper Company, a subsidiary of UPM-Kymmene of Helsinki, Finland is a leading producer of lightweight-coated magazine and catalog printing papers.

The statements contained in this release and statements that may be made orally in connection with this release that are not historical facts are forward-looking statements. Actual results may differ 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 with the Securities and Exchange Commission.