



Minnesota Power Partners with Habitat for Humanity-Duluth

DULUTH, MN - June 19, 2001 - Through a unique partnership, Minnesota Power and the Duluth chapter of Habitat for Humanity are proposing to construct ten new Duluth housing units that are affordable and highly energy efficient. Minnesota Power, an ALLETE business (NYSE: ALE), has committed \$360,000 in design and construction funds for the project, which is subject to regulatory approval by the Minnesota Department of Commerce. Construction is expected to begin in September.

"Habitat for Humanity is a great community resource in Duluth," said Bob Edwards, Minnesota Power President. "We believe that Minnesota Power's expertise in developing practical uses of energy efficient technology will greatly benefit the Habitat for Humanity program. And, of course, this will help Habitat for Humanity homeowners save money on their energy bills."

The Minnesota Power partnership with Habitat for Humanity is the first of its kind proposed by any electric utility in the United States. Under the proposal, three energy efficient twin homes and four single-family homes—designed by Minnesota Power—would be erected by Habitat for Humanity volunteers in Duluth. Technical on-site management of the project would be provided by Minnesota Power.

Each new home is expected to save an average of \$400 per year on energy costs when compared with a conventional Habitat for Humanity home. All Habitat for Humanity chapters will have access to these plans, making the Minnesota Power concept a workable model for future construction projects nationwide.

"This partnership means more families will know the tremendous satisfaction of owning their own homes," said John Hawley, executive director of Habitat for Humanity-Duluth. "And because of Minnesota Power's groundbreaking concept, Habitat for Humanity clients across the country will be able to realize significant cost savings as new energy efficient homes are built in the future."

Funding for the project comes from Minnesota Power's Conservation Improvement Program (CIP) which is designed to help Minnesota Power customers find ways to most efficiently utilize available energy sources.

Minnesota Power serves 144,000 customers in northeastern Minnesota and northwestern Wisconsin with low-cost electricity. ALLETE is a multi-services company with corporate headquarters in Duluth, MN. Other ALLETE businesses 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 and significant real estate holdings in Florida.

Habitat for Humanity is an international nonprofit organization that attempts to eliminate poverty housing and homelessness by giving families the opportunity to own decent, basic housing. Since 1976, volunteers from Habitat for Humanity have built more than 100,000 homes around the world. Since its formation in 1988, Habitat for Humanity-Duluth has built or renovated 20 area homes, and four are currently under construction.

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