

NEWS

Minnesota Power launches sustainable forestry initiative named “Rajala Woods”

SCHROEDER, Minn. -- In recognition of former ALLETE, Inc. board member Jack Rajala’s dedication to Minnesota forests and the iconic white pine, Minnesota Power today announced the creation of the “Rajala Woods”, a forest management initiative initially located on five parcels of Minnesota Power property.

Under the “Rajala Woods” initiative, white pine and other conifer trees will be restored or enhanced to a higher percentage of total tree species through professional forest management practices that will ensure the sustainable use of the forest, improve biodiversity, conserve aquatic resources and enhance wildlife habitat and recreation.

Minnesota Power expects to plant up to three million white pine, red pine, jack pine and spruce tree seedlings over the next 10 years across approximately 3,000 acres of company-owned land near the Minnesota communities of Royalton, Pillager, Duluth, Cohasset, Winton, Hoyt Lakes, and Schroeder and will use the “Rajala Woods” initiative as a catalyst with other collaborators to restore and enhance forest management across the Northern Minnesota landscape

Minnesota Power owns about 30,000 acres of land in northeastern Minnesota, most of which is located at water storage reservoirs designed to support renewable hydroelectric power generation.

Company officials today unveiled one of the five forest properties that will highlight “Rajala Woods”, near the town of Schroeder along the North Shore of Lake Superior. White pine trees and seedlings were planted this morning on the property, located on acreage associated with Minnesota Power’s Taconite Harbor Energy Center.

“Minnesota Power’s “Rajala Woods” Initiative is another example of ALLETE’s focus on providing sustainable solutions to our customers, our host communities and the region. We are excited to begin reforestation on the North Shore and continue across the region to connect with the Itasca County area where Jack has already built a legacy for forestry excellence. We hope our leadership, modeled after Jack’s efforts will encourage others in the region, who share a similar environmental stewardship vision for our forests, to take similar action to improve the health and quality of our forests,” said Al Hodnik, ALLETE CEO.

Rajala is a lifelong resident of Itasca County and chief executive of the Rajala Companies of Deer River, family businesses that produce lumber for furniture, homes, cabinetry, veneers and other wood products. He has also been active in the Minnesota Timber Producers Association, the American Forest Council, American Lumber Standards Committee, and the National Forest Products Association. Rajala (pronounced Rye-a-la) has developed a deep understanding and love for native northern Minnesota forests, especially white pine and birch.

"I'm of course extremely honored to have this forest management initiative in my name," Rajala said. "I'm proud of Minnesota Power for leading this effort. The company really has a conservation ethic. I know it's a core value of the company."

A frequent speaker on white pine restoration, Rajala wrote a book entitled "Bringing Back the White Pine" in 1998. He served on the board of directors of ALLETE, Inc from 1985 to 2010. Minnesota Power is a division of ALLETE. Rajala estimates that he's planted 3.5 million white pine and another 1.5 million red pine.

"One of the interesting things with the forest is you don't deal with any one life," Rajala said. "You deal with all the trees in the forest. We plant more trees . . . nature itself is always replacing, too. What ALLETE is doing is guaranteeing that this will work by putting trees in the ground. Nature is complicated, and right now it's compromised. It's our responsibility to help it along."

The "Rajala Woods" initiative will be highlighted on the North Shore near Taconite Harbor Energy Center, and also on property adjacent to Colby Lake near Hoyt Lakes; at the Boulder Lake Management Area near Duluth; at the Blackwater Environmental Area in Cohasset; and near Pillager on property occupied by Minnesota Power's Sylvan Hydroelectric project. A total of about 3,000 acres of "Rajala Woods" forestland will be restored and enhanced at an estimated cost of \$1.4 million over the next ten years.

Minnesota Power provides electric service within a 26,000-square-mile area in northeastern Minnesota, supporting comfort, security and quality of life for 143,000 customers, 16 municipalities and some of the largest industrial customers in the United States. More information can be found at www.mnpower.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.

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