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NEWS

Minnesota Power's Great Northern Transmission Line achieves milestone with release of Administrative Law Judge route permit recommendation and report

Duluth, Minn. — An administrative law judge has recommended approval of a route permit for Minnesota Power's Great Northern Transmission Line, a project designed to bring renewable hydroelectricity from Canada to Minnesota Power's customers in northeastern Minnesota. Minnesota Power is a utility division of ALLETE Inc. (NYSE:ALE)

Administrative Law Judge Ann C. O'Reilly issued her findings of fact, conclusions and route recommendation for the project on Jan. 4. Although O'Reilly recommended a route in her report, the Minnesota Public Utilities Commission (MPUC) has final authority over selection of the GNTL's eventual route. That decision is expected by March 2016.

After reviewing the record, including public and stakeholder comments, O'Reilly recommended that a route permit be issued for a route that largely follows Minnesota Power's preferred Blue Route, including the international border crossing. In combination with the Blue Route, the administrative law judge recommended the Effie Variation, a route option preferred by landowners as an alternative and that was reviewed in the Final Environmental Impact Statement. After the MPUC makes its decision on the final route permit, the United States Department of Energy (DOE) will decide whether to grant a Presidential Permit authorizing Minnesota Power to construct, operate and maintain the Great Northern Transmission Line, which would cross the Canadian-U.S. international border.

"We are pleased with the ALJ's recommendation for the MPUC to approve in large part Minnesota Power's preferred Blue Route including the critical international border crossing," said Minnesota Power Chief Operating Officer Brad Oachs. "This action reflects Minnesota Power's frequent engagement with stakeholders throughout the process to gather feedback and information in our commitment to put forward the appropriate route. While not binding, the ALJ's recommendation is an important consideration in the MPUC's decision-making process."

In June 2015, the MPUC granted Minnesota Power a Certificate of Need for the 500-kilovolt, 220-mile line that will run from the Canadian-U.S. border northwest of Roseau, Minn., to an expanded Blackberry electric substation east of Grand Rapids, Minn. The Great Northern Transmission Line will be used to deliver hydroelectric power purchased from Manitoba Hydro to serve Minnesota Power's customers and the region. It is a critical component of Minnesota Power's EnergyForward strategy to reduce carbon emissions and assure continued delivery of reliable and affordable electricity while diversifying its energy portfolio to a one-third renewable, one-third coal and one-third natural gas energy mix.

More information about the Great Northern Transmission Line, including a map of the recommended route and the administrative law judge's report, is available at:

www.greatnortherntransmissionline.com.

Minnesota Power provides electric service within a 26,000-square-mile area in northeastern Minnesota, supporting comfort, security and quality of life for 144,000 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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