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NEWS

Shipment of ALLETE Clean Energy turbine towers arrives Some turbines destined for two wind development projects in North Dakota

Duluth, Minn. — ALLETE Clean Energy, an ALLETE Inc. (NYSE:ALE) company, welcomed a shipment of Nordex wind turbine components that arrived in Duluth on Thursday, Nov. 23, when the BBC Mississippi entered the Port of Duluth-Superior.

The BBC Mississippi delivered 16 wind turbine towers that are part of ALLETE Clean Energy's \$100 million investment in wind turbines that qualify for the federal tax credit "safe harbor" provision. Sites where a portion of the safe harbor turbines are installed will qualify for renewable energy production tax credits.

The safe harbor turbines enable ALLETE Clean Energy to pursue its three-pronged tax credit strategy that includes building and operating new wind farms based on long-term power sales agreements, building wind farms for other companies for a development fee or a sale price, and refurbishing its existing wind farms while extending power sales agreements.

Some of the 16 safe harbor turbines may be installed at the up to 106-megawatt Clean Energy 1 wind farm ALLETE Clean Energy will build, own and operate in North Dakota under a signed power sales agreement with Xcel Energy. Construction there is expected to begin in 2018.

Under development since 2011, the Clean Energy 1 project north of Glen Ullin, North Dakota, has been permitted by the North Dakota Public Service Commission and has landowner agreements in place. Construction is expected to begin in 2018 under a 20-year power sales agreement between ALLETE Clean Energy and Xcel Energy.

Construction also is expected to begin in 2018 at the 48-megawatt wind farm ALLETE Clean Energy will build in North Dakota under a signed power sales agreement and sale option with Montana Dakota Utilities.

"All of us at ALLETE Clean Energy are excited to see these safe harbor components arrive as we plan for a busy year of wind site development and construction in 2018," said Wells McGiffert, director of business development for ALLETE Clean Energy. "With the turbines in hand, we're poised to deliver on our safe harbor strategy and continue executing on our growth strategy by pursuing a strong pipeline of additional projects in 2018 and beyond. It's impressive to think about the complex logistics, international connections and thoughtful work by our employees required to make this happen."

Two other shipments of turbine components arrived in Duluth in April and May. The turbine towers were unloaded on Friday, Nov. 24, and are being stored at the Clure Public Marine Terminal, owned by the Duluth Seaway Port Authority and operated by Lake Superior Warehousing Co.

Drone Video of the ship's arrival can be found here: https://youtu.be/D9i_7A_6ghw

ALLETE Clean Energy was established in 2011 to acquire or develop capital projects to create energy solutions by way of wind, solar, biomass, hydro, natural gas, shale resources, clean coal technology and other emerging innovations.

ALLETE, Inc. is an energy company headquartered in Duluth, Minnesota. In addition to its electric utilities, Minnesota Power and Superior Water, Light and Power of Wisconsin; ALLETE owns ALLETE Clean Energy, based in Duluth; BNI Energy in Bismarck, North Dakota; U.S. Water Services in St. Michael, Minnesota; and has an 8 percent equity interest in the American Transmission Co. More information about ALLETE is available 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. 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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