



AN ALLETE COMPANY

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NEWS

Superior Water, Light and Power’s plan to install advanced meters will improve customer service, energy and water efficiency

Superior, Wisc. – Superior Water, Light and Power wants to enhance the services it provides to customers and give them more control over their energy and water use; minimize routine monthly visits to homes and businesses; and improve billing accuracy by installing new, advanced meters for all customers.

SWL&P, a wholly owned subsidiary of ALLETE Inc. (NYSE: ALE), has asked the Public Service Commission of Wisconsin (PSCW) to approve its 5-year plan to replace aging analog meters with advanced digital meters. Advanced Metering Infrastructure, also called AMI, is becoming the national standard for electricity, gas and water providers – comprising approximately 60 percent of all meters in the United States.

In its filing with the PSCW today, SWL&P outlined the advantages the advanced meters will bring to its customers.

“The primary purpose of this AMI project is to improve the services we provide to our customers,” said Rob Sandstrom, SWL&P Manager – Electric Operations, Customer Service & Dispatch. “We are excited that this project will be the platform on which SWL&P can provide new and innovative services to our customers in the future. Upon completion of the project, these advanced meters will enable us to proactively provide customers with timely access to information that will help them make well-informed decisions about their energy and water usage.”

SWL&P will be able to improve bill accuracy through fewer estimated reads. Additionally, the technology provides safety, leak and outage notifications, as well as enhanced meter information that helps customers save money and conserve resources. The advanced meters will open options for energy conservation and efficiency incentives that customers cannot access with the older meters. Residential customers generally are billed for energy based on how much they use, not when they use it. The Advanced Metering Infrastructure project will allow SWL&P to eventually include a time-of-use option on bills that better reflects the cost of providing electricity, which equals customer savings.

Upon PSCW approval, SWL&P plans to begin meter installations later this year and continue in phases, with about 30,000 new meters installed by the end of 2020. Because SWL&P provides electricity, natural gas and water, some customers would get as many as three new meters installed as part of the project. SWL&P plans to have a robust communication program to help its customers anticipate the meter exchanges. More information will be released upon project approval.

The project is expected to last five years so SWL&P can use its existing labor force to reduce the overall cost, which is expected to be \$9.8 million. SWL&P also has a unique opportunity to partner with Minnesota Power as an ALLETE affiliate in minimizing operational and overhead costs. These cost savings are achieved through sharing information technology, communication infrastructure and administrative support functions.

“SWL&P is proud to have served customers in northwestern Wisconsin for more than 125 years, providing safe, reliable and competitive services that enhance the security, comfort and quality of life in our region,” said Bethany Owen, SWL&P President. “We are looking forward to working with our customers to provide innovative products and excellent service as a result of this AMI project.”

Superior Water, Light and Power provides electricity, water and natural gas in the city of Superior and adjacent areas in northwestern Wisconsin. The company has served the area since 1889 and provides service to 15,000 electric customers, 12,000 natural gas customers and 10,000 water customers. More information can be found at www.swlp.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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