

SHIPPAR DONALD J  
Form 4  
February 27, 2012

**FORM 4** UNITED STATES SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

OMB APPROVAL  
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Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b).

**STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES**

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, Section 17(a) of the Public Utility Holding Company Act of 1935 or Section 30(h) of the Investment Company Act of 1940

(Print or Type Responses)

1. Name and Address of Reporting Person \*  
SHIPPAR DONALD J

2. Issuer Name and Ticker or Trading Symbol  
ALLETE INC [ALE]

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

(Last) (First) (Middle)

8 BELKNAP SHORES

3. Date of Earliest Transaction (Month/Day/Year)  
02/23/2012

Director  10% Owner  
 Officer (give title below)  Other (specify below)

(Street)

4. If Amendment, Date Original Filed (Month/Day/Year)

6. Individual or Joint/Group Filing (Check Applicable Line)  
 Form filed by One Reporting Person  
 Form filed by More than One Reporting Person

SUPERIOR, WI 54880

(City) (State) (Zip)

**Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned**

1. Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)	3. Transaction Code (Instr. 8)	4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)	5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Ownership (Instr. 4)
			Code	V	Amount (A) or (D) Price		
Common Stock	02/23/2012		M		5,000 A \$ 39.1	11,340	D
Common Stock	02/23/2012		S		2,500 D \$ 41.5	8,840	D
Common Stock	02/23/2012		S		2,500 D 41.69 (1)	6,340	D
Common Stock	02/24/2012		M		5,000 A \$ 39.1	11,340	D
Common Stock	02/24/2012		S		2,400 D \$ 41.8	8,940	D

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Common Stock	02/24/2012	S	100	D	\$ 41.83	8,840	D	
Common Stock	02/24/2012	S	2,500	D	\$ 41.95	6,340	D	
Common Stock						23,554	I	By Trust

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

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(9-02)

**Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned**  
(e.g., puts, calls, warrants, options, convertible securities)

1. Title of Derivative Security (Instr. 3)	2. Conversion or Exercise Price of Derivative Security	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any (Month/Day/Year)	4. Transaction Code (Instr. 8)	5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)	6. Date Exercisable and Expiration Date (Month/Day/Year)	7. Title and Amount of Underlying Securities (Instr. 3 and 4)	8. Amount or Number of Shares
				Code	V	(A)	(D)	
Employee Stock Option (Right to Buy)	\$ 39.1	02/23/2012		M	5,000	<u>(2)</u> 05/01/2013	Common Stock	5,000
Employee Stock Option (Right to Buy)	\$ 39.1	02/24/2012		M	5,000	<u>(2)</u> 05/01/2013	Common Stock	5,000

## Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
SHIPPAR DONALD J 8 BELKNAP SHORES SUPERIOR, WI 54880		X		

## Signatures

Ingrid K. Johnson for Donald J.  
Shippar

02/27/2012

\_\_Signature of Reporting Person

Date

## Explanation of Responses:

\* If the form is filed by more than one reporting person, *see* Instruction 4(b)(v).

\*\* Intentional misstatements or omissions of facts constitute Federal Criminal Violations. *See* 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).

(1) The price reported in Column 4 is a weighted average price. These shares were sold in multiple transactions ranging from \$41.66 to \$41.73, inclusive. The reporting person undertakes to provide to ALLETE, Inc., any security holder of ALLETE, Inc., or the staff of the Securities and Exchange Commission, upon request, full information regarding the number of shares sold at each separate price within the range set forth herein.

(2) The option grant provided for vesting in three equal installments on February 1, 2009, February 1, 2010, and February 1, 2011, respectively. By the grant's terms, any remaining unvested options became exercisable upon the reporting person's May 1, 2010 retirement.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure.

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