McMillan David J Form 4 January 19, 2011

FORM 4

OMB APPROVAL

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

OMB 3235-0287 Number:

Check this box if no longer subject to Section 16.

January 31, Expires: 2005

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

Estimated average burden hours per response... 0.5

Form 4 or Form 5 obligations may continue. See Instruction

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

1(b).

(Print or Type Responses)

| 1. Name and Address of Reporting Person * McMillan David J | | | 2. Issuer Name and Ticker or Trading Symbol | 5. Relationship of Reporting Person(s) to Issuer | | | |
|------------------------------------------------------------|-------------------------|-------|------------------------------------------------------|---------------------------------------------------------------------------------------------------------|--|--|--|
| (Last) | (Last) (First) (Middle) | | ALLETE INC [ALE] 3. Date of Earliest Transaction | (Check all applicable) | | | |
| 30 WEST SUPERIOR STREET | | | (Month/Day/Year) 01/18/2011 | Director 10% Owner _X_ Officer (give title Other (specify below) Sr VP Mktg, Reg. & Pub Affairs | | | |
| | (Street) | | 4. If Amendment, Date Original Filed(Month/Day/Year) | 6. Individual or Joint/Group Filing(Check Applicable Line) _X_ Form filed by One Reporting Person | | | |
| DULUTH, MN 55802 | | | | Form filed by More than One Reporting Person | | | |
| (City) | (State) | (Zip) | Table I - Non-Derivative Securities Acc | quired, Disposed of, or Beneficially Owne | | | |

| (City) | (State) | Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned | | | | | | | | |
|------------------------|--------------------------------------|----------------------------------------------------------------------------------|--------------------|---------------------------------|----------------------------------------------------------|----------------------------|-------------------------|--|--|--|
| 1.Title of Security | 2. Transaction Date (Month/Day/Year) | | 3. Transactio | 4. Securities onAcquired (A) or | 5. Amount of Securities | 6. Ownership Form: Direct | 7. Nature of Indirect | | | |
| (Instr. 3) | (Wollan Bay) Tear) | any | Code | Disposed of (D) | Beneficially | (D) or | Beneficial | | | |
| | | (Month/Day/Year) | (Instr. 8) Code V | (A) or | Owned Following Reported Transaction(s) (Instr. 3 and 4) | Indirect (I) (Instr. 4) | Ownership (Instr. 4) | | | |
| Common Stock | 01/18/2011 | | A | 886 A \$ 0 | 6,852.46 <u>(1)</u> | D | | | | |
| Common Stock | | | | | 5,885.79 (2) | I | By RSOP Trust | | | |

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

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

| 1. Title of | 2. | 3. Transaction Date | 3A. Deemed | 4. | 5. | 6. Date Exerc | cisable and | 7. Title | and | 8. Price of | 9. Nu |
|-------------|-------------|---------------------|--------------------|------------|------------|---------------|-------------|-----------|----------|-------------|--------|
| Derivative | Conversion | (Month/Day/Year) | Execution Date, if | Transactio | onNumber | Expiration D | ate | Amoun | t of | Derivative | Deriv |
| Security | or Exercise | | any | Code | of | (Month/Day/ | Year) | Underly | ying | Security | Secui |
| (Instr. 3) | Price of | | (Month/Day/Year) | (Instr. 8) | Derivative | e | | Securit | ies | (Instr. 5) | Bene |
| | Derivative | | | | Securities | | | (Instr. 3 | 3 and 4) | | Own |
| | Security | | | | Acquired | | | | | | Follo |
| | • | | | | (A) or | | | | | | Repo |
| | | | | | Disposed | | | | | | Trans |
| | | | | | of (D) | | | | | | (Instr |
| | | | | | (Instr. 3, | | | | | | |
| | | | | | 4, and 5) | | | | | | |
| | | | | | | | | | A manuat | | |
| | | | | | | | | | Amount | | |
| | | | | | | Date | Expiration | | Or | | |
| | | | | | | Exercisable | Date | | Number | | |
| | | | | C + V | (A) (D) | | | | of | | |
| | | | | Code V | (A) (D) | | | | Shares | | |

Reporting Owners

Relationships Reporting Owner Name / Address

> Other Director 10% Owner Officer

McMillan David J 30 WEST SUPERIOR STREET **DULUTH, MN 55802**

Sr VP Mktg, Reg. & Pub Affairs

Signatures

Ingrid K. Johnson for David J. McMillan

01/19/2011

**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).
- Includes shares acquired in exempt transactions under the dividend reinvestment features of ALLETE's stock purchase and dividend (1) reinvestment plan and ALLETE's employee stock purchase plan, and pursuant to the dividend equivalent feature of restricted stock grants under ALLETE's executive long-term incentive compensation plan, all based on plan information available as of December 31, 2010.
- Includes shares acquired in exempt transactions under ALLETE's retirement savings and stock ownership plan (RSOP) and is based on RSOP plan information available as of December 31, 2010.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, see Instruction 6 for procedure. Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB number.

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