McMillan David J Form 3 October 29, 2010

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

INITIAL STATEMENT OF BENEFICIAL OWNERSHIP OF

SECURITIES

OMB APPROVAL

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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 2. Date of Event Requiring 3. Issuer Name and Ticker or Trading Symbol Person * Statement ALLETE INC [ALE] McMillan David J (Month/Day/Year) 10/19/2010 (Last) (First) (Middle) 4. Relationship of Reporting 5. If Amendment, Date Original Person(s) to Issuer Filed(Month/Day/Year) 30 WEST SUPERIOR STREET (Check all applicable) (Street) 6. Individual or Joint/Group Filing(Check Applicable Line) 10% Owner Director _X_ Form filed by One Reporting _X__ Officer Other Person DULUTH, MNÂ 55802 (give title below) (specify below) Form filed by More than One Sr VP Mktg, Reg. & Pub Affairs Reporting Person (City) (State) (Zip) Table I - Non-Derivative Securities Beneficially Owned 2. Amount of Securities 4. Nature of Indirect Beneficial 1. Title of Security Beneficially Owned Ownership (Instr. 4) Ownership (Instr. 4) Form: (Instr. 5) Direct (D) or Indirect (I) (Instr. 5) Common Stock D Â 5,893.29 Common Stock 5,827.89 I By RSOP Trust Reminder: Report on a separate line for each class of securities beneficially SEC 1473 (7-02) owned directly or indirectly. Persons who respond to the collection of information contained in this form are not

> required to respond unless the form displays a currently valid OMB control number.

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

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	Date Exercisable	Expiration Date	Title	Amount or Number of Shares	Security	Direct (D) or Indirect (I) (Instr. 5)	
Employee Stock Option (Right to Buy)	(1)	01/02/2012	Common Stock	3,861	\$ 29.79	D	Â
Employee Stock Option (Right to Buy)	(2)	02/03/2013	Common Stock	1,931	\$ 23.79	D	Â
Employee Stock Option (Right to Buy)	(3)	02/03/2014	Common Stock	3,409	\$ 37.76	D	Â
Employee Stock Option (Right to Buy)	(4)	02/01/2015	Common Stock	4,109	\$ 41.36	D	Â
Employee Stock Option (Right to Buy)	(5)	02/01/2016	Common Stock	4,365	\$ 44.15	D	Â
Employee Stock Option (Right to Buy)	(6)	02/01/2017	Common Stock	4,019	\$ 48.65	D	Â
Employee Stock Option (Right to Buy)	(7)	02/01/2018	Common Stock	7,383	\$ 39.1	D	Â

Reporting Owners

Reporting Owner Name / Address	Relationships					
1 8	Director	10% Owner	Officer	Other		
McMillan David J 30 WEST SUPERIOR STREET DULUTH, MN 55802	Â	Â	Sr VP Mktg, Reg. & Pub Affairs	Â		

Signatures

David J. McMillan 10/27/2010

**Signature of Date
Reporting Person

Explanation of Responses:

- * If the form is filed by more than one reporting person, see Instruction 5(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 option vested in three equal installments; one-third vested on January 2, 2003, one-third vested on January 12, 2004, and the remainder vested on January 2, 2005.
- (2) The option vested in three equal installments; one-third vested on February 3, 2004, one-third vested on February 3, 2005, and the remainder vested on February 3, 2006.
- (3) The option vested in three equal installments; one-third vested on February 2, 2005, one-third vested on February 2, 2006, and the remainder vested on February 2, 2007.
- (4) The option vested in three equal installments; one-third vested on February 1, 2006, one-third vested on February 1, 2007, and the remainder vested on February 1, 2008.
- (5) The option vested in three equal installments; one-third vested on February 1, 2007, one-third vested on February 1, 2008, and the remainder vested on February 1, 2009.

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- (6) The option vested in three equal installments; one-third vested on February 1, 2008, one-third vested on February 1, 2009, and the remainder vested on February 1, 2010.
- (7) The option vests in three equal installments; one-third vested on February 1, 2009, one-third vested on February 1, 2010, and the remainder will vest on February 1, 2011.

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.