

ALLETE INC  
Form 4  
June 10, 2008

**FORM 4**

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

OMB APPROVAL

OMB Number: 3235-0287  
Expires: January 31, 2005  
Estimated average burden hours per response... 0.5

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 \*  
AMBERG DEBORAH A

(Last) (First) (Middle)  
30 WEST SUPERIOR STREET  
(Street)

DULUTH, MN 55802

(City) (State) (Zip)

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

3. Date of Earliest Transaction (Month/Day/Year)  
06/09/2008

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

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

\_\_\_\_ Director \_\_\_\_\_ 10% Owner  
 Officer (give title below) \_\_\_\_\_ Other (specify below)  
SrVP, Gen. Counsel & Secretary

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

**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	06/09/2008		M	1,819 A \$ 25.45	3,471.6 <sup>(1)</sup>	D	
Common Stock	06/09/2008		M	2,011 A \$ 18.85	5,482.6	D	
Common Stock	06/09/2008		S	3,830 D \$ 45.34	1,652.6	D	
Common Stock					4,980.11 <sup>(2)</sup>	I	By RSOP Trust

Reminder: Report on a separate line for each class of securities beneficially 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.

SEC 1474  
(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
Employee Stock Option -- Right to Buy	\$ 25.45 <u>(3)</u>	06/09/2008		M	1,819 <u>(3)</u>	<u>(4)</u> 01/04/2009	Common Stock	1,819
Employee Stock Option - Right to Buy	\$ 18.85 <u>(5)</u>	06/09/2008		M	2,011 <u>(5)</u>	<u>(6)</u> 01/03/2010	Common Stock	2,011

## Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
AMBERG DEBORAH A 30 WEST SUPERIOR STREET DULUTH, MN 55802			SrVP, Gen. Counsel & Secretary	

## Signatures

Ingrid K. Johnson for Deborah A. Amberg

06/10/2008

\_\_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) Includes shares acquired in exempt transactions under the dividend reinvestment feature of ALLETE's stock purchase and dividend reinvestment plan and is based on plan information available as of June 1, 2008.
- (2) 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 June 1, 2008.
- (3) This option was previously reported as covering 2,110 shares at an exercise price of \$21.94 per share; the option was adjusted to reflect the spinoff of ALLETE's subsidiary, ADESA, Inc., and the one-for-three reverse stock split on September 20, 2004.
- (4) The option vested 50% on January 4, 2000 and 50% on January 4, 2001.
- (5) This option was previously reported as covering 2,333 shares at an exercise price of \$16.25 per share; the option was adjusted to reflect the spinoff of ALLETE's subsidiary, ADESA, Inc., and the one-for-three reverse stock split on September 20, 2004.
- (6) The option vested 50% on January 3, 2001 and 50% on January 3, 2002.

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.