

Company: ALLETE, Inc. (Minnesota Jurisdictional Annual Report for Calendar Year 2020) Page E-15

RATE OF RETURN RATE BASE AND TO COMMON EQUITY

2020 CAPITALIZATION

	Amount (a)	Percent of Total (b)	Cost (c)	Weighted Average (d)
8 Debt	1,074,140	46.19%	4.43%	2.05%
9 Preferred Stock				
10 Common Equity	1,251,342	53.81%	7.37%	3.96%
11 Total Capitalization	2,325,482	100%		

RETURN ON COMMON EQUITY FOR 2020

Line 7, Column 1 - (Line 8, Column (d) + Line 9, Column (d))

Line 10, Column (b)

= 7.37%

2021 CAPITALIZATION PROJECTED

	Amount (a)	Percent of Total (b)	Cost (c)	Weighted Average (d)
12 Debt	1,071,275	46.19%	4.37%	2.02%
13 Preferred Stock				
14 Common Equity	1,248,005	53.81%	6.71%	3.61%
15 Total Capitalization	2,319,280	100%		

RETURN ON COMMON EQUITY FOR PROJECTED

Line 7, Column 3 - (Line 12, Column (d) + Line 13, Column (d))

Line 14, Column (b)

= 6.71%