

SETTLEMENT COMMITMENTS

| | | EL PASO ELECTRIC | PUGET | SJI | ALLETE |
|--------------------|--|------------------|----------|---------|---------|
| GENERAL INFO | Jurisdiction | NM/TX | WA | NJ | MN/WI |
| | Transaction Announcement Year | 2019 | 2007 | 2022 | 2024 |
| | Transaction Equity Value | \$2.8bn | \$3.5bn | \$4.3bn | \$3.9bn |
| | Capital Funding Commitment | \$1.3bn | +\$1.4bn | X | \$4.6bn |
| | Total Customers | 429k | 1,750k | 700k | 150k |
| FINANCIAL BENEFITS | Financial Benefits (NPV10) ⁽¹⁾ | \$77mm | \$66mm | \$103mm | \$103mm |
| | Financial Benefits | \$133mm | \$105mm | \$118mm | \$132mm |
| | Financial Benefits Per Customer (NPV10) ⁽¹⁾ | \$179 | \$38 | \$147 | \$685 |
| | Financial Benefits % of Transaction Equity Value (NPV10) ⁽¹⁾ | 3% | 2% | 2% | 3% |
| LEVERAGE | Parent Debt Issued at Close (\$bn) ⁽²⁾ | \$0.6 | \$1.2 | \$-- | \$0.3 |
| | Parent Debt Issued at Close ⁽²⁾ / Transaction Equity Value \$bn | 22% | 35% | NA | 8% |
| QUALITY OF SERVICE | Enhanced Service Quality Performance Regulation | X | X | ✓ | ✓ |
| STAFFING | Honoring of Pre-Merger Labor Contracts | ✓ | ✓ | ✓ | ✓ |
| | Extension of Existing Labor Contracts | X | X | X | ✓ |

Note: Acquisition commitments per utility orders: El Paso Electric (TX DOCKET NO. 49849, NM DOCKET NO. 19-00234-UT), PUGET (DOCKET NO. U-072375), SJI (DOCKET NO. GM22040270). ALLETE commitments based on Settlement Stipulation filed July 11, 2025.

1. Net present value based on any benefits paid out over several years at a 10% discount rate.

2. Reflects Parent Debt issued at close, excluding revolving credit and capex funding facilities used for future capital.

ALLETE FINANCIAL BENEFITS

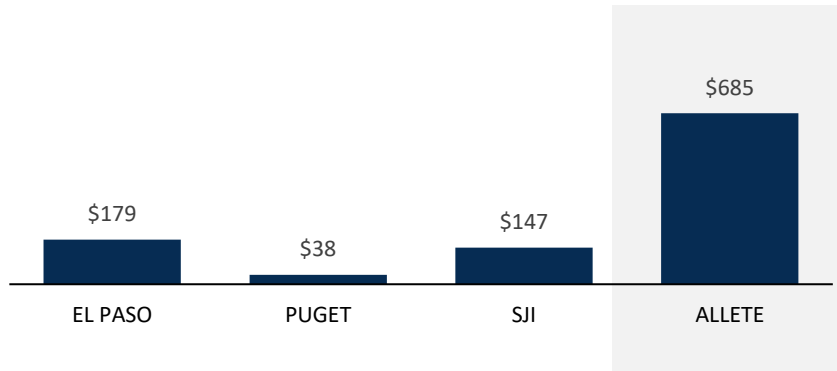
(\$mm, unless otherwise noted)

| CATEGORY OF CONCERN | COMMITMENT | ONE TIME | REOCCURING | TOTAL | TOTAL NPV ⁽¹⁾ |
|---------------------------------|---|---|----------------|----------------|--------------------------|
| RATES AND AFFORDABILITY | Rate case stay out (through November 2026) | \$25.0mm | | \$25.0 | \$25.0 |
| | ROE reduction (9.78% to 9.65% until final rates in next rate case) | \$5.5mm | | \$5.5 | \$4.8 |
| | Residential arrears forgiveness contribution | \$3.5mm | | \$3.5 | \$3.0 |
| | Equity flotation cost (beginning in next rate case) | | \$3.7mm avg/yr | \$29.5 | \$16.0 |
| | Will not seek rate recovery of Investor Relations costs beginning with next rate case (assumes costs for 3 years post rate case - illustrative) | | \$155k/yr | \$0.5 | \$0.4 |
| | Costs savings from Board of Directors (assumes 10-year hold - illustrative) | | \$0.7mm/yr | \$6.5 | \$4.0 |
| WORKFORCE AND LABOR PROTECTIONS | Extension of existing Collective Bargaining Agreement for 2 years starting 2026 and extend terms to nonunion employees | \$1.5mm in 2026; \$2.9mm in 2027 until rate cases at MP/SWLP (assumes not recoverable) | | \$4.4 | \$3.8 |
| OTHER | Maintain annual charitable contributions (assumes 10-year hold - illustrative) | | \$375k/yr | \$3.8 | \$2.3 |
| | Maintain historical levels of economic development (assumes 10-year hold - illustrative) | | \$375k/yr | \$3.8 | \$2.3 |
| | Clean Firm Technology Fund | \$50.0mm | | \$50.0 | \$41.1 |
| TOTAL | | | | \$132.4 | \$102.7 |

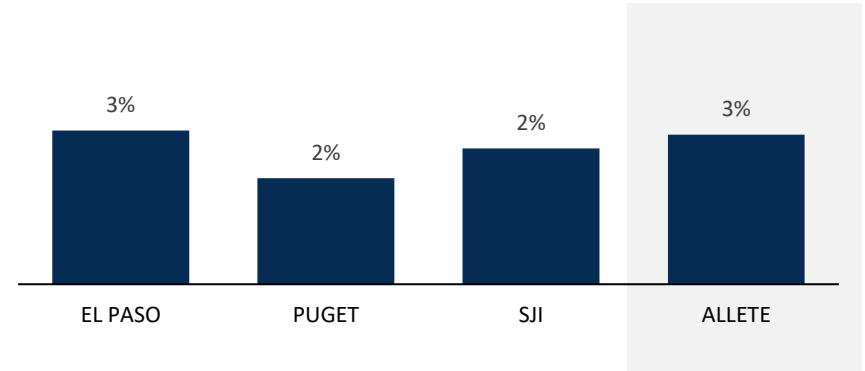
Note:
1. Net present value based on any benefits paid out over several years at a 10% discount rate.

FINANCIAL BENEFITS

FINANCIAL BENEFITS PER CUSTOMER (NPV10)⁽¹⁾



FINANCIAL BENEFITS % OF TRANSACTION EQUITY VALUE (NPV10)⁽¹⁾



Note:
1. Net present value based on any benefits paid out over several years at a 10% discount rate.