

Securities and Exchange Commission  
Washington, D.C. 20549

FORM 10-Q/A  
Amendment No. 1

(Mark One)

Quarterly Report Pursuant to Section 13 or 15(d) of the Securities  
Exchange Act of 1934

For the quarterly period ended March 31, 1996

or

Transition Report Pursuant to Section 13 or 15(d) of the Securities  
Exchange Act of 1934

Commission File No. 1-3548

Minnesota Power & Light Company  
A Minnesota Corporation  
IRS Employer Identification No. 41-0418150  
30 West Superior Street  
Duluth, Minnesota 55802  
Telephone - (218) 722-2641

Indicate by check mark whether the registrant (1) has filed all reports  
required to be filed by Section 13 or 15(d) of the Securities Exchange Act of  
1934 during the preceding 12 months and (2) has been subject to such filing  
requirements for the past 90 days.

Yes  No   
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Common Stock, no par value,  
31,673,778 shares outstanding  
as of April 30, 1996

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This Amendment No. 1 to Minnesota Power & Light Company's (Company)  
Quarterly Report on Form 10-Q for the quarter ended March 31, 1996 (Form 10-Q)  
is being filed to reflect a reclassification of distributions on Company  
obligated mandatorily redeemable preferred securities of subsidiary MP&L Capital  
I. This Amendment No. 1 includes only those portions of the Form 10-Q which have  
been changed as a result of such reclassification.  
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PART I. FINANCIAL INFORMATION  
Item 1. Financial Statements

Minnesota Power  
Consolidated Balance Sheet  
In Thousands

	March 31, 1996 Unaudited	December 31, 1995 Audited
<b>Assets</b>		
<b>Plant and Other Assets</b>		
Electric operations	\$ 802,417	\$ 800,477
Water operations	316,807	323,182
Automobile auctions	134,043	123,632
Investments	196,279	201,360
<b>Total plant and other assets</b>	<b>1,449,546</b>	<b>1,448,651</b>
<b>Current Assets</b>		
Cash and cash equivalents	60,270	31,577
Trading securities	45,955	40,007
Trade accounts receivable (less reserve of \$3,716 and \$3,325)	173,207	128,072
Notes and other accounts receivable	18,172	12,220
Fuel, material and supplies	22,799	26,383
Prepayments and other	14,213	13,706
<b>Total current assets</b>	<b>334,616</b>	<b>251,965</b>
<b>Deferred Charges</b>		
Regulatory	82,946	88,631
Other	26,438	25,037
<b>Total deferred charges</b>	<b>109,384</b>	<b>113,668</b>
<b>Intangible Assets</b>		
Goodwill	121,124	120,245
Other	13,038	13,096
<b>Total intangible assets</b>	<b>134,162</b>	<b>133,341</b>
<b>Total Assets</b>	<b>\$ 2,027,708</b>	<b>\$ 1,947,625</b>
<b>Capitalization and Liabilities</b>		
<b>Capitalization</b>		
Common stock without par value, 65,000,000 shares authorized 31,647,679 and 31,467,650 shares outstanding	\$ 379,925	\$ 377,684
Unearned ESOP shares	(71,964)	(72,882)
Net unrealized gain on securities investments	819	3,206
Cumulative translation adjustment	(191)	(177)
Retained earnings	278,665	276,241
<b>Total common stock equity</b>	<b>587,254</b>	<b>584,072</b>
Cumulative preferred stock	28,547	28,547
Redeemable serial preferred stock	20,000	20,000
Company obligated mandatorily redeemable preferred securities of subsidiary MP&L Capital I which holds solely Company Junior Subordinated Debentures	75,000	-
Long-term debt	576,362	639,548
<b>Total capitalization</b>	<b>1,287,163</b>	<b>1,272,167</b>
<b>Current Liabilities</b>		
Accounts payable	101,615	68,083
Accrued taxes	62,334	40,999
Accrued interest and dividends	9,744	14,471
Notes payable	45,096	96,218
Long-term debt due within one year	68,821	9,743
Other	35,470	27,292
<b>Total current liabilities</b>	<b>323,080</b>	<b>256,806</b>
<b>Deferred Credits</b>		
Accumulated deferred income taxes	162,532	164,737
Contributions in aid of construction	96,467	98,167
Regulatory	57,221	57,950
Other	101,245	97,798
<b>Total deferred credits</b>	<b>417,465</b>	<b>418,652</b>
<b>Total Capitalization and Liabilities</b>	<b>\$ 2,027,708</b>	<b>\$ 1,947,625</b>

The accompanying notes are an integral part of this statement.

Minnesota Power  
Consolidated Statement of Income  
In Thousands Except Per Share Amounts - Unaudited

	Quarter Ended March 31,	
	1996	1995
-----		
Operating Revenue and Income		
Electric operations	\$ 131,501	\$ 120,754
Water operations	19,227	15,600
Automobile auctions	39,693	-
Investments	12,255	10,332
	-----	-----
Total operating revenue and income	202,676	146,686
	-----	-----
Operating Expenses		
Fuel and purchased power	43,643	40,310
Operations	86,030	62,142
Administrative and general	33,792	18,459
Interest expense	14,160	11,100
	-----	-----
Total operating expenses	177,625	132,011
	-----	-----
Income (Loss) from Equity Investments	3,777	(6,271)
	-----	-----
Operating Income from Continuing Operations	28,828	8,404
Distributions on Redeemable Preferred Securities of Subsidiary	201	-
Income Tax Expense (Benefit)	10,324	(15,401)
	-----	-----
Income from Continuing Operations	18,303	23,805
Income from Discontinued Operations	-	1,652
	-----	-----
Net Income	18,303	25,457
Dividends on Preferred Stock	800	800
	-----	-----
Earnings Available for Common Stock	\$ 17,503	\$ 24,657
	=====	=====
Average Shares of Common Stock	28,786	28,368
Earnings Per Share of Common Stock		
Continuing operations	\$ .61	\$ .81
Discontinued operations	-	.06
	-----	-----
Total	\$ .61	\$ .87
	=====	=====
Dividends Per Share of Common Stock	\$ .51	\$ .51
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The accompanying notes are an integral part of this statement.

Minnesota Power  
Consolidated Statement of Cash Flows  
In Thousands - Unaudited

	Quarter Ended	
	March 31,	
	1996	1995
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<b>Operating Activities</b>		
Net income	\$ 18,303	\$ 25,457
Depreciation and amortization	16,216	13,766
Deferred income taxes	(742)	(17,415)
Deferred investment tax credits	(623)	(620)
Pre-tax gain on sale of plant	(1,073)	-
Changes in operating assets and liabilities		
Trading securities	(5,948)	2,336
Notes and accounts receivable	(45,776)	8,763
Fuel, material and supplies	3,584	(1,613)
Accounts payable	33,532	(7,052)
Other current assets and liabilities	24,279	16,104
Other - net	5,342	3,698
	-----	-----
Cash from operating activities	47,094	43,424
	-----	-----
<b>Investing Activities</b>		
Proceeds from sale of investments in securities	7,849	26,466
Additions to investments	(4,449)	(20,042)
Additions to plant	(25,427)	(17,027)
Changes to other assets - net	250	1,035
	-----	-----
Cash for investing activities	(21,777)	(9,568)
	-----	-----
<b>Financing Activities</b>		
Issuance of common stock	4,546	829
Issuance of long-term debt	77,108	305
Issuance of Company obligated mandatorily redeemable preferred securities of subsidiary MP&L Capital I - net	72,638	-
Changes in notes payable	(53,821)	(23,931)
Reductions of long-term debt	(81,217)	(989)
Dividends on preferred and common stock	(15,878)	(15,720)
	-----	-----
Cash from (for) financing activities	3,376	(39,506)
	-----	-----
Change in Cash and Cash Equivalents	28,693	(5,650)
Cash and Cash Equivalents at Beginning of Period	31,577	27,001
	-----	-----
Cash and Cash Equivalents at End of Period	\$ 60,270	\$ 21,351
	=====	=====
 <b>Supplemental Cash Flow Information</b>		
Cash paid during the period for		
Interest (net of capitalized)	\$ 17,781	\$ 16,616
Income taxes	\$ 2,844	\$ 982

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The accompanying notes are an integral part of this statement.

Note 1. Business Segments  
In Thousands

	Consolidated	Electric Operations	Water Operations	Investments			Corporate Charges & Other
				Automobile Auctions	Portfolio & Reinsurance	Real Estate	
Quarter Ended March 31, 1996							
Operating revenue and income	\$ 202,676	\$ 131,501	\$ 19,227	\$ 39,693	\$ 3,869	\$ 8,676	\$ (290)
Operation and other expense	147,249	95,307	11,518	34,202	523	3,213	2,486
Depreciation and amortization expense	16,216	10,499	3,137	2,550	-	30	-
Interest expense	14,160	5,674	3,190	1,291	1	2	4,002
Income from equity investments	3,777	-	-	-	3,777	-	-
Operating income from continuing operations	28,828	20,021	1,382	1,650	7,122	5,431	(6,778)
Distributions on redeemable preferred securities of subsidiary	201	77	-	-	-	-	124
Income tax expense (benefit)	10,324	7,742	449	662	2,322	2,363	(3,214)
Net income	\$ 18,303	\$ 12,202	\$ 933	\$ 988	\$ 4,800	\$ 3,068	\$ (3,688)
Total assets	\$2,027,708	\$ 990,018	\$ 340,312	\$ 429,604	\$ 210,973	\$ 55,225	\$ 1,576
Accumulated depreciation	\$ 631,694	\$ 518,311	\$ 110,536	\$ 2,847	-	-	-
Accumulated amortization	\$ 4,195	-	-	\$ 3,398	-	\$ 797	-
Construction work in progress	\$ 55,491	\$ 27,715	-	\$ 27,776	-	-	-
Quarter Ended March 31, 1995							
Operating revenue and income	\$ 146,686	\$ 120,754	\$ 15,600	-	\$ 6,739	\$ 4,265	\$ (672)
Operation and other expense	108,310	87,037	11,055	-	935	7,134	2,149
Depreciation and amortization expense	12,601	10,021	2,520	-	-	60	-
Interest expense	11,100	5,497	2,463	-	2	2	3,136
Income (loss) from equity investments	(6,271)	-	-	-	2,257	-	(8,528)
Operating income (loss) from continuing operations	8,404	18,199	(438)	-	8,059	(2,931)	(14,485)
Income tax expense (benefit)	(15,401)	7,782	(395)	-	1,775	(18,015)	(6,548)
Income (loss) from continuing operations	23,805	\$ 10,417	\$ (43)	-	\$ 6,284	\$ 15,084	\$ (7,937)
Income from discontinued operations	1,652	-	-	-	-	-	-
Net income	\$ 25,457	-	-	-	-	-	-
Total assets	\$1,786,626	\$ 992,699	\$ 310,776	-	\$ 274,383	\$ 34,443	\$ 362
Accumulated depreciation	\$ 598,644	\$ 501,545	\$ 91,334	-	-	-	-
Accumulated amortization	\$ 507	-	-	-	-	\$ 507	-
Construction work in progress	\$ 37,155	\$ 30,432	\$ 6,723	-	-	-	-

Purchased July 1, 1995.

Includes an \$8.5 million pre-tax provision for exiting the equipment manufacturing business.

Includes \$3.7 million of minority interest relating to the recognition of tax benefits. (See Note 4.)

Includes \$18.4 million of tax benefits. (See Note 4.)

Includes \$174 million related to operations discontinued in 1995.

Includes \$5.8 million related to operations discontinued in 1995.

Item 6. Exhibits and Reports on Form 8-K

(a) Exhibits

27 Financial Data Schedule

Signatures

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

Minnesota Power & Light Company  
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(Registrant)

January 22, 1997

D. G. Gartzke  
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D. G. Gartzke  
Senior Vice President - Finance  
and Chief Financial Officer

January 22, 1997

Mark A. Schober  
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Mark A. Schober  
Corporate Controller

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THIS SCHEDULE CONTAINS SUMMARY FINANCIAL INFORMATION EXTRACTED FROM MINNESOTA POWER'S CONSOLIDATED BALANCE SHEET, STATEMENT OF INCOME, AND STATEMENT OF CASH FLOW FOR THE PERIOD ENDED MARCH 31, 1996, AND IS QUALIFIED IN ITS ENTIRETY BY REFERENCE TO SUCH FINANCIAL STATEMENTS.

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3-MOS	DEC-31-1996	JAN-01-1996	MAR-31-1996	PER-BOOK
	1,119,224			
	330,322			
		334,616		
	109,384			
		134,162		
		2,027,708		
			379,925	
	0			
	278,665			
587,254				
	75,000			
		48,547		
	576,362			
		45,096		
	0			
0				
68,821				
	0			
0				
		0		
555,292				
2,027,708				
	202,676			
		10,324		
	163,465			
	177,625			
		28,828		
		3,576		
32,463				
	14,160			
		18,303		
	800			
17,503				
	15,078			
	0			
	47,094			
		.61		
		.61		

Includes \$3,777,000 of Income from Equity Investments and \$201,000 for Distributions on Redeemable Preferred Securities of Subsidiary.