

SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, DC 20549

FORM 8-K  
CURRENT REPORT

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

DATE OF REPORT (DATE OF EARLIEST EVENT REPORTED) - APRIL 18, 2001

ALLETE  
(LEGALLY INCORPORATED AS MINNESOTA POWER, INC.)

A Minnesota Corporation  
Commission File No. 1-3548  
IRS Employer Identification No. 41-0418150  
30 West Superior Street  
Duluth, Minnesota 55802-2093  
Telephone - (218) 279-5000

ITEM 7. FINANCIAL STATEMENTS AND EXHIBITS

The following exhibit of ALLETE is filed herewith in accordance with Item 601 of Regulation S-K:

Exhibit  
Number

99 - ALLETE News Release dated April 18, 2001.

SAFE HARBOR STATEMENT UNDER  
THE PRIVATE SECURITIES LITIGATION REFORM ACT OF 1995

In connection with the safe harbor provisions of the Private Securities Litigation Reform Act of 1995, ALLETE is hereby filing cautionary statements identifying important factors that could cause ALLETE's actual results to differ materially from those projected in forward-looking statements (as that term is defined in the Private Securities Litigation Reform Act of 1995) made by or on behalf of ALLETE which are made in this current report on Form 8-K, in presentations, in response to questions or otherwise. Any statements that express, or involve discussions as to, expectations, beliefs, plans, objectives, assumptions or future events or performance (often, but not always, through the use of words or phrases such as "anticipates," "believes," "estimates," "expects," "intends," "plans," "projects," "will likely result," "will continue" or similar expressions) are not statements of historical facts and may be forward-looking.

Forward-looking statements involve estimates, assumptions and uncertainties and are qualified in their entirety by reference to, and are accompanied by, the following important factors, which are difficult to predict, contain uncertainties, are beyond the control of ALLETE and may cause actual results to differ materially from those contained in forward-looking statements:

- prevailing governmental policies and regulatory actions, including those of the United States Congress, state legislatures, the Federal Energy Regulatory Commission, the Minnesota Public Utilities Commission, the Florida Public Service Commission, the North Carolina Utilities Commission, the Public Service Commission of Wisconsin and various county regulators, about allowed rates of return, industry and rate structure, acquisition and disposal of assets and facilities, operation and construction of plant facilities, recovery of purchased power and capital investments, and present or prospective wholesale and retail competition (including but not limited to transmission costs);
- economic and geographic factors, including political and economic risks;
- changes in and compliance with environmental and safety laws and policies;
- weather conditions;
- population growth rates and demographic patterns;
- competition for retail and wholesale customers;
- pricing and transportation of commodities;
- market demand, including structural market changes;
- changes in tax rates or policies or in rates of inflation;
- changes in project costs;
- unanticipated changes in operating expenses and capital expenditures;
- capital market conditions;
- competition for new energy development opportunities; and
- legal and administrative proceedings (whether civil or criminal) and settlements that influence the business and profitability of ALLETE.

Any forward-looking statement speaks only as of the date on which that statement is made, and ALLETE undertakes no obligation to update any forward-looking statement to reflect events or circumstances after the date on which that statement is made or to reflect the occurrence of unanticipated events. New factors emerge from time to time and it is not possible for management to predict all of those factors, nor can it assess the impact of each of those factors on the businesses of ALLETE or the extent to which any factor, or combination of factors, may cause actual results to differ materially from those contained in any forward-looking statement.

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.

ALLETE  
(legally incorporated as Minnesota Power, Inc.)

April 18, 2001

D. G. Gartzke

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

EXHIBIT INDEX

Exhibit  
Number

99 - ALLETE News Release dated April 18, 2001

For Release: April 18, 2001  
Contact: Eric Olson  
218-723-3947  
eolson@allete.com

[ALLETE LOGO]

Investor contact: Tim Thorp  
218-723-3953  
tthorp@allete.com

NEWS

ALLETE REPORTS SOLID FIRST QUARTER EARNINGS  
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ALLETE (NYSE: ALE) today announced earnings of 46 cents per share for the first quarter of 2001, compared to 43 cents for the first quarter of 2000. Net income was up 8 percent to \$32.9 million on quarterly revenue of \$413.0 million, compared to \$30.4 million of net income and \$322.6 million in revenue a year ago.

"Each of our four businesses performed well this quarter," said Ed Russell, ALLETE President and CEO. "Our diverse strengths in basic necessities - cars, electricity, water and real estate - continue to help us prosper during times of economic challenge."

AUTOMOTIVE SERVICES showed continued growth with net income for the quarter rising by \$5.8 million. The 49 percent increase over the same period last year was due in large part to acquisitions made in 2000 and increased financing activity at Automotive Finance Corporation.

ENERGY SERVICES posted an 11 percent increase in net income due to a combination of factors. Property taxes and O&M expenses were down compared to a year ago. Wholesale, residential and commercial margins were higher than last year and helped offset a decrease in industrial margins.

WATER SERVICES experienced continued strong customer growth of 6 percent over the period. In addition, higher rates in North Carolina, productivity enhancements and an escrow fund adjustment in Florida helped this business segment achieve a 29 percent increase in net income for the quarter over last year.

INVESTMENTS reported a \$6.0 million decrease in net income for the quarter, primarily due to three large real estate transactions that occurred in the first quarter of 2000. ALLETE Properties recently announced that its largest sale ever is expected to close in June 2001. The company's securities portfolio saw strong returns in 2001 compared to 2000, but had less cash to invest due to ALLETE's significant acquisition activity during the past year.

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ALLETE is a multi-services company with corporate headquarters in Duluth, Minnesota. ALLETE's holdings include the second largest wholesale automobile auction network in North America; the leading provider of independent auto dealer inventory financing; the largest private water utilities in Florida and North Carolina; significant real estate holdings in Florida; and a low-cost electric utility that serves some of the largest industrial customers in the United States.

THE STATEMENTS CONTAINED IN THIS RELEASE AND STATEMENTS THAT ALLETE MAY MAKE ORALLY IN CONNECTION WITH THIS RELEASE THAT ARE NOT HISTORICAL FACTS ARE FORWARD-LOOKING STATEMENTS. ACTUAL RESULTS MAY DIFFER MATERIALLY FROM THOSE PROJECTED IN THE FORWARD-LOOKING STATEMENTS. THESE FORWARD-LOOKING STATEMENTS INVOLVE RISKS AND UNCERTAINTIES AND INVESTORS ARE DIRECTED TO THE RISKS DISCUSSED IN DOCUMENTS FILED BY ALLETE WITH THE SECURITIES AND EXCHANGE COMMISSION.

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ALLETE  
 CONSOLIDATED STATEMENT OF INCOME  
 FOR THE PERIODS ENDED MARCH 31, 2001 AND 2000  
 Millions Except Per Share Amounts

	YEAR TO DATE	
	2001	2000
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OPERATING REVENUE		
Energy Services	\$159.4	\$141.6
Automotive Services	211.1	119.5
Water Services	29.5	28.0
Investments	13.0	33.5
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Total Operating Revenue	413.0	322.6
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OPERATING EXPENSES		
Fuel and Purchased Power	62.4	53.1
Operations	272.6	201.2
Interest Expense	22.0	16.3
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Total Operating Expenses	357.0	270.6
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OPERATING INCOME	56.0	52.0
DISTRIBUTIONS ON REDEEMABLE PREFERRED SECURITIES OF SUBSIDIARY	1.5	1.5
INCOME TAX EXPENSE	21.6	20.1
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NET INCOME	\$ 32.9	\$ 30.4
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AVERAGE SHARES OF COMMON STOCK		
Basic	71.2	69.1
Diluted	71.8	69.2
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EARNINGS PER SHARE OF COMMON STOCK		
Basic	\$0.46	\$0.43
Diluted	\$0.46	\$0.43
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DIVIDENDS PER SHARE OF COMMON STOCK	\$0.2675	\$0.2675

ALLETE  
 CONSOLIDATED BALANCE SHEET  
 Millions

	MAR. 31, 2001	DEC. 31, 2000
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ASSETS		
Current Assets	\$ 871.0	\$ 731.0
Property, Plant and Equipment	1,493.5	1,479.7
Investments	118.0	116.4
Goodwill	499.5	472.8
Other	115.5	114.1
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TOTAL ASSETS	\$3,097.5	\$2,914.0
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	MAR. 31, 2001	DEC. 31, 2000
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LIABILITIES AND STOCKHOLDERS' EQUITY		
Current Liabilities	\$ 755.4	\$ 707.0
Long-Term Debt	1,069.5	952.3



Other Liabilities	280.1	278.9
Mandatorily Redeemable Preferred Securities of ALLETE Capital I	75.0	75.0
Stockholders' Equity	917.5	900.8
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TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	\$3,097.5	\$2,914.0
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ALLETE	YEAR TO DATE MARCH 31,	
	2001	2000
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NET INCOME		
Millions		
Energy Services	\$11.9	\$10.7
Automotive Services	17.7	11.9
Water Services	3.1	2.4
Investments	5.5	11.5
Corporate Charges	(5.3)	(6.1)
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Net Income	\$32.9	\$30.4
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DILUTED EARNINGS PER SHARE	\$0.46	\$0.43
STATISTICAL DATA		
CORPORATE		
Common Stock		
High	\$26.00	\$18.06
Low	\$20.19	\$14.75
Close	\$25.82	\$16.63
Book Value	\$12.13	\$11.45
ENERGY SERVICES		
Millions of Kilowatthours Sold		
Retail		
Residential	270.4	257.8
Commercial	285.4	276.8
Industrial	1,524.3	1,719.0
Other	18.8	18.3
Resale	814.1	847.8
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	2,913.0	3,119.7
AUTOMOTIVE SERVICES		
Vehicles Sold	500,000	295,000
Vehicles Financed	221,000	195,000
EBITDAL (Millions) **	\$57.8	\$34.4
WATER SERVICES		
Millions of Gallons Billed		
Florida Water Services		
Water	4,344.3	4,238.2
Wastewater	1,297.0	1,289.4
Heater Utilities		
Water	672.1	683.5

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\*\* Earnings Before Interest, Taxes, Depreciation, Amortization and Lease Expense