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C O U N S E L O R S A T L A W

Alvir H. Guttman
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October 1, 1996

U.S. Nuclear Regulatory Commission
Attn: Document Control Desk
Washington, DC 20555

Re: IES Utilities Inc. (Duane Arnold Energy
Center) NRC License No. DPR 49

IES Utilities Inc. ("IES"), the licensed operator and principal owner of the Duane Arnold Energy Center ("DAEC"), hereby requests the Nuclear Regulatory Commission's consent, to the extent required by Section 184 of the Atomic Energy Act of 1954, and pursuant to 10 CFR § 50.80, for transfer of indirect control over the NRC license currently held by IES resulting from the proposed merger involving IES' parent, IES Industries Inc. ("Industries").

Pursuant to the Agreement and Plan of Merger ("Merger Agreement") dated November 10, 1995, as amended, Industries will merge into WPL Holdings, Inc. ("Holdings"), the parent holding company of Wisconsin Power & Light Company ("WPL"). Also as a result of the merger transactions, Interstate Power Corporation ("IPC") will become a wholly-owned subsidiary of Holdings. Holdings will then change its name to Interstate Energy Corporation ("Interstate"). Following the merger, IES will become a wholly-owned subsidiary of Interstate. Although responsibility for the safe operation of DAEC and associated management will not be affected by the proposed merger, indirect control over the IES license will be transferred to Interstate.

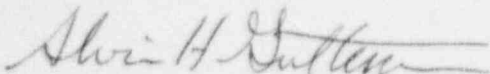
Exhibit A to this letter provides information supporting this request for the Commission's consent to the transfer of indirect control. Exhibit B is the Merger Agreement executed by IPC, Holdings and Industries.

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If you require further information, please contact me
at (202) 467-7468 or Mr. John Franz at (319) 398-8162.

Sincerely,



Alvin H. Guttermann
Morgan, Lewis & Bockius LLP
Attorneys for IES Utilities

cc: Regional Administrator - NRC Region III
NRR Project Manager, DAEC
NRC Senior Resident Inspector, DAEC

Attachments:

- Affidavit to the U.S. Nuclear Regulatory Commission
- Exhibit A - Information Requested by 10 CFR Part 50,
Section 50.80
- Exhibit B - Merger Agreement Executed Between WPL Holdings,
Inc., Interstate Power Corp. and IES Industries
Inc. and Proxy Statement