

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) - March 5, 1996

Minnesota Power & Light Company

A Minnesota Corporation  
Commission File No. 1-3548  
IRS Employer Identification No. 41-0418150  
30 West Superior Street  
Duluth, Minnesota 55802  
Telephone - (218) 722-2641

Item 5. Other Events.

A. Refund Order to be Reconsidered by Florida Public Service Commission

Responding to a Florida Supreme Court decision addressing the issue of retroactive ratemaking with respect to another company, on March 5, 1996, the Florida Public Service Commission (FPSC) voted to reconsider an October 1995 order (Refund Order) which would have required Southern States Utilities, Inc. (SSU), a wholly owned subsidiary of Minnesota Power & Light Company (Minnesota Power), to refund about \$10 million, including interest, to customers who paid more since October 1993 under uniform rates than they would have paid under stand-alone rates. Under the Refund Order, the collection of the \$10 million from customers who paid less under uniform rates would not be permitted. The Refund Order was in response to the Florida First District Court of Appeals reversal in April 1995 of the 1993 FPSC order which approved uniform rates for most of SSU's service areas in Florida. With "uniform rates," all customers in the uniform rate areas pay the same rates for water and wastewater services. Uniform rates are an alternative to "stand-alone" rates which are calculated based on the cost of serving each service area. The FPSC will reconsider the Refund Order at an undetermined date. SSU continues to believe that it would be improper for the FPSC to order a refund to one group of customers without permitting recovery of a similar amount from the remaining customers since the First District Court of Appeals affirmed SSU's total revenue requirement for operations in Florida. No provision for refund has been recorded.

B. Bond Ratings Revised

On March 6, 1996, Standard & Poor's lowered its rating on Minnesota Power's electric utility first mortgage bonds and secured pollution control bonds from A- to BBB+. On March 11, 1996, Moody's Investor Services lowered its rating from A3 to Baa1. The disclosure of these securities ratings is not a recommendation to buy, sell or hold Minnesota Power's securities.

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)

March 11, 1996

D. G. Gartzke

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