withholding a participant's largest net settlement credit due to transactions in any single issuer's MMIs. The risk management controls will be applied to the provisional net balance that is created by the LPNC procedure, and transactions that cause the provisional net balance to violate those risk management controls will not be completed.[12]

The proposed rule change also seeks to modify certain aspects of DTC's Participant Operating Procedures on reclamations for both the NDFS and the SDFS systems,[13] the Receiver Authorized Delivery (''RAD'') service[14] and the recycle algorithm for delivery orders.[15] The modified procedures provide for the validation of all delivery order and payment order reclaims by DTC's system and establish a minimum threshold of $15,000,000 for bilateral RAD limits. DTC also proposes to offer SDFS system users a second recycle option for delivery orders. Transactions that are recycled because of insufficient positions or management controls are currently prioritorized based on type of transaction and then size of transaction (''Option 1''). The second option will provide participants with the ability to choose whether pending transactions caused by an insufficient position would be recycled in the order in which they were entered (first in, first out) or in the Option 1 prioritization schedule.[16]

Most of the modifications to be implemented by the proposed rule change will be effective on dates to be specified by DTC in the second quarter of 1995. The control involving the LPNC calculation and the $15,000,000 threshold of bilateral RAD limits will be made effective on dates to be specified by DTC in the third quarter of 1995.

DTC believes the proposed rule change is consistent with the requirements of Section 17A of the Act and the rules and regulations thereunder because converting all of DTC's payment systems to an SDFS system will facilitate the prompt and accurate clearance and settlement of securities transactions.

(B) Self-Regulatory Organization's Statement on Burden on Competition

DTC does not believe that the proposed rule change will impact or impose a burden on competition.

(C) Self-Regulatory Organization's Statement on Comments on the Proposed Rule Change Received From Members, Participants, or Others

The conversion plans were described in detail in the three memoranda referenced above and have been discussed extensively with DTC participants and securities industry organizations. The 1994 Memorandum described changes in the conversion plans as a result of those discussions. Since the distribution of the 1994 Memorandum, written comments from DTC participants or others on the modifications to the current SDFS system to be implemented by this proposed rule change have not been received. No other written comments have been solicited or received. DTC will notify the Commission of any written comments received by DTC.

III. Date of Effectiveness of the Proposed Rule Change and Timing for Commission Action

Within thirty-five days of the date of publication of this notice in the **Federal Register** or within such longer period (i) as the Commission may designate up to ninety days of such date if it finds such longer period to be appropriate and publishes its reasons for so finding or (ii) as to which DTC consents, the Commission will:

(a) By order approve such proposed rule change or

(b) Institute proceedings to determine whether the proposed rule change should be disapproved.

IV. Solicitation of Comments

Interested persons are invited to submit written data, views, and arguments concerning the foregoing. Persons making written submissions should file six copies thereof with the Secretary, Securities and Exchange Commission, 450 Fifth Street, N.W., Washington, D.C. 20549. Copies of the submission, all subsequent amendments, all written statements with respect to the proposed rule change that are filed with the Commission, and all written communications relating to the proposed rule change between the Commission and any person, other than those that may be withheld from the public in accordance with the provisions of 5 U.S.C. 552, will be available for inspection and copying in the Commission's Public Reference Section, 450 Fifth Street, N.W., Washington, D.C. 20549. Copies of such filing will also be available for inspection and copying at the principal office of DTC. All submissions should refer to file number SR–DTC–95–06 and should be submitted by May 12, 1995.

For the Commission by the Division of Market Regulation, pursuant to delegated authority.[17]

Margaret H. McFarland,

Deputy Secretary.

[FR Doc. 95–9911 Filed 4–20–95; 8:45 am]

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[12] DTC will subtract the amount of a participant's largest provisional net credit due to transactions in any single issuer's MMIs from the participant's collateral monitor (''simulated collateral monitor'') and net debit or credit balance (''simulated balance''). If a transaction will cause the simulated collateral monitor to turn negative (*i.e.,* the participant's collateral would be insufficient to cover its simulated net debit after the transaction) or the resulting net debit balance to exceed the participant's net debit cap, the transaction will be blocked. Blocked transactions will be recycled until credits from other transactions in MMIs of issuers other than those of the largest provisional net credit cause the simulated collateral monitor to be positive or the resulting net debit to be within the net debit cap limits.

[13] A reclamation is the return of a delivery order or a payment order by a participant.

[14] RAD allows participants to review and either approve or cancel incoming deliveries before they are processed in DTC's system.

[15] DTC's Account Transfer Processor system provides for the recycling or pending of transactions that cannot be completed due to a participant's insufficient positions or violation of risk management controls (*i.e.,* Net Debit Cap and Collateral Monitor).

[16] Under Options 1 and 2, CNS deliveries are always given the highest priority on the recycle guene.

[17] 17 CFR 200.30–3(a)(12) (1994).

[Release No. 35–26273]

Filings Under the Public Utility Holding Company Act of 1935, as Amended (''Act'')

April 14, 1995.

Notice is hereby given that the following filing(s) has/have been made with the Commission pursuant to provisions of the Act and rules promulgated thereunder. All interested persons are referred to the application(s) and/or declarations(s) for complete statements of the proposed transaction(s) summarized below. The application(s) and/or declaration(s) and any amendments thereto is/are available for public inspection through the Commission's Office of Public Reference.

Interested persons wishing to comment or request a hearing on the application(s) and/or declaration(s) should submit their views in writing by May 8, 1995, to the Secretary, Securities and Exchange Commission, Washington, D.C. 20549, and serve a copy on the relevant applicant(s) and/or declarant(s) at the address(es) specified below. Proof of service (by affidavit or, in case of an attorney at law, by certificate) should be filed with the request. Any request for hearing shall identify specifically the issues of fact or law that are disputed. A person who so requests will be notified of any hearing,

if ordered, and will receive a copy of any notice or order issued in the matter. After said date, the application(s) and/or declaration(s), as filed or as amended, may be granted and/or permitted to become effective.

Northeast Utilities, et al. (70–8076)

Northeast Utilities (''Northeast''), 174 Brush Hill Avenue, West Springfield, Massachusetts 01089, a registered holding company, HEC Inc. (''HEC''), 24 Prime Parkway, Natick, Massachusetts 01760, a nonutility subsidiary of Northeast, HEC International Corporation (''HEC International''), 24 Prime Parkway, Natick, Massachusetts 01760 and HEC Energy Consulting Canada Inc. (''HEC Canada''), 285 Yorkland Boulevard, Willowdale, Ontario M2J 1S5 Canada, each a wholly owned nonutility subsidiary of HEC, and HECI, 1800 Harrison Street, Oakland, California 94612, a joint venture subsidiary that is 50% owned by HEC International and 50% owned by a non-affiliate (collectively, ''Applicants'') have filed a post-effective amendment under sections 9(a), 10, 12(b) and 13(b) of the Act and rules 45, 54, 87, 90 and 91 to HEC's application-declaration filed under sections 9(a), 10, 12(b) and 13 (b) of the Act and rules 45, 87, 90 and 91 thereunder.

By order dated July 27, 1990 (HCAR No. 25114–A) (''1990 Order''), among other things, Northeast was authorized to organize HEC and acquire HEC's capital stock. The 1990 Order also authorized HEC to acquire substantially all of the assets of HEC Energy Corporation, a company that provided energy management services to large institutional customers in New England, New York and elsewhere. In addition, the 1990 Order authorized HEC's provision of energy management services and demand-side management (''DSM'') services to customers in New England and New York (''Region''). Furthermore, the 1990 Order authorized HEC to provide limited services outside the Region.

By order dated September 30, 1993 (HCAR No. 25900) (''1993 Order''), HEC was authorized to provide additional energy management and DSM services and to enter the consulting business in the energy management and DSM area. The 1993 Order provided that revenues (other than consulting revenues) attributed to customers outside the Region would not exceed revenues (other than consulting revenues) attributed to customers within the Region (''50% Limitation'').

By order dated August 19, 1994 (HCAR No. 26108) (''1994 Order''), the Commission authorized HEC to organize and acquire HEC Canada and HEC International. HEC Canada was organized to provide energy management, DSM and consulting services to customers located in Canada. HEC International was organized to participate, on a 50/50 basis, in a joint venture with Barakat & Chamberlin, an unaffiliated company, to form HECI, a subsidiary of HEC International. HECI was formed to provide energy management, DSM and consulting services to customers located in the western United States (Washington, Oregon, California, Montana, Idaho, Wyoming, Colorado, Utah, New Mexico, Nevada and Arizona) and in foreign countries (except Canada). Under the 1994 Order, the revenues (except consulting revenues) of HEC Canada and HEC's share of HECI's revenues are combined with HEC's revenues for purposes of the 50% Limitation.

The Applicants now propose that the Commission authorize HEC's and HEC's direct and indirect subsidiaries' activities, as authorized in the 1990 Order, 1993 Order and 1994 Order, without regard to the 50% Limitation.

In addition, HEC requests authorization to form joint ventures with utilities serving customers in different areas outside of the Region, without subsequent Commission approval. These joint ventures would be organized to provide the services that HEC currently provides. The services of each such joint venture would be provided to customers located in a defined region that would include, but not be limited to, the service areas of the participating utility.

The joint ventures between HEC and the utilities would usually be formed on a 50/50 ownership basis, although other equity sharing may be negotiated. HEC and the participant utility would each advance money, property or other consideration to the joint venture (all of which will be treated as open account advances) for their respective interests in the joint venture as needed for the joint venture's operations during the period through June 30, 1996. The joint ventures will reimburse HEC for its cost of money allocable to such advances. Similarly, each of the joint ventures would also reimburse the participating utility for its advance at a rate not to exceed the utility's cost of money.

Some of the joint ventures' expenses may be paid directly by HEC or the participating utility. For those expenses, the joint venture participant paying the bill will invoice the other participant's share of the paid expense. Direct payment of the joint venture's expenses would be treated as an advance to the joint venture with the same term and interest rate as the open account advances described above.

HEC's outstanding advances plus the value of any other contributions to a joint venture combined with HEC's direct payment of any costs associated with that venture would not exceed $1 million at any time for any of these joint ventures, unless further Commission authorization is obtained. In aggregate, HEC's outstanding advances and other payments to all such joint ventures will not exceed $8 million at any time, unless further Commission approval is obtained.

The joint ventures would enter into agreements with HEC (and the participating utilities) to subcontract for their services. Those services would be provided at cost pursuant to rule 90 and would not be applied toward the $1 million per venture limit. These subcontract agreements would include provisions prohibiting HEC and the participating utility from competing with the joint venture.

Cinergy Corporation, et al. (70–8589)

CINergy Corp. (''CINergy''), a registered holding company, CINergy Investments, Inc. (''CINergy Investments''), a wholly owned subsidiary of CINergy, and CINergy Services, Inc. (''Services''), a wholly owned subsidiary service company of CINergy all located at 139 East Fourth Street, Cincinnati, Ohio 45202, have filed an application-declaration under Sections 6(a), 7, 9(a), 10, 12(b), 13(b), 32 and 33 of the Act and Rules 43, 45, 51, 53 and 83.

CINergy and CINergy Investments propose, through May 31, 1998, to facilitate investments in foreign utility companies (''FUCOs'') and foreign exempt wholesale generators (''EWGs''). Specifically, CINergy and CINergy Investments propose to: (1) Acquire, in one or more transactions, the securities of one or more Companies to be organized for the purpose of engaging, directly or indirectly, and exclusively, in the business of acquiring, owning and holding the securities of, and/or providing services to, one or more FUCOs and/or EWGs; (2) make direct and/or indirect debt and equity investments in companies (''Special Purpose Companies'') and certain existing special purpose subsidiary companies (''Existing Special Purpose Companies'') and provide guarantees in connection with the activities of the Special Purpose Companies up to an aggregate principal amount of $115 million; and (3) for the Special Purpose Companies to engage in external equity and non-recourse debt financing transactions with unaffiliated third

parties up to an aggregate principal amount of $300 million.

The terms of such debt and equity securities and guaranties would be determined in light of the circumstances then prevailing and through later negotiations with third parties, within certain parameters as to maximum rates of interest, maturity dates, minimum consideration for par value shares, and other matters. As of December 31, 1994, CINergy's aggregate net outstanding investment in FUCOs and EWGs through Existing Special Purpose Companies was approximately $20 million. The aggregate net investment of CINergy and CINergy Investments outstanding at any one time in Special Purpose Companies and Existing Special Purpose Companies would not exceed $115 million.

CINergy and CINergy Investment also propose that the Special Purpose Companies provide services to their subsidiaries, an to other Special Purpose Companies and their subsidiaries. CINergy Services proposes to provide such additional services as may be necessary or desirable for the development, acquisition, establishment and operation of the Special Purpose Companies and their investments and properties.

CINergy anticipates that the Special Purpose Companies and their subsidiaries will meet (and, in the case of the Existing Special Purpose Subsidiaries and their subsidiaries, will continue to meet) the requirements of Rule 83(a) under the Act. Accordingly, the CINergy requests that services provided to the Special Purpose Companies and their subsidiaries be exempt from the standards of Section 13 (b) of the Act and the rules and regulations promulgated thereunder.

CINergy Corp. et al. (70–8587)

CINergy Corp. (''CINergy''), 139 East Fourth Street, Cincinnati, Ohio 45202, a registered holding company, and certain of its subsidiaries, CINergy Services, Inc. (''Services''), The Cincinnati Gas & Electric Co. (''CC&E''), The Union Light, Heat and Power Co. (''ULH&P''), The West Harrison Gas and Electric Co. (''West Harrison''), Lawrenceburg Gas Co. (''Lawrenceburg''), Miami Power Corp. (''Miami''), Tri-State Improvement Co. (''Tri-State''), KO Transmission Co. (''KO''), CINergy Investments, Inc. (''Investments''), CG&E Resource Marketing, Inc. (''Resource Marketing''), Power International, Inc. (''PII''), Beheer-En Belegginsmaatschappij Bruwabel B.V. (''Bruwabel''), Power International s.r.o. (''Power International''), and Power Development s.r.o. (''Power Development''), each of 139 East Fourth Street, Cincinnati, Ohio 45202, and PSI Energy, Inc. (''PSI Energy''), Wholesale Power Services, Inc. (''Wholesale Power''), PSI Recycling, Inc. (''Recycling''), and Power Equipment Supply Co. (''Equipment''), each of 1000 East Main Street, Plainfield, Indiana 46168 (collectively, the ''Applicants''), have filed an application-declaration under sections 6, 7, 9(a), 10, 12(b), 12(f) and 13 of the Act and rules 40, 43, 45, 53, 54, and 80–95 thereunder.

The Applicants seek authorization, through May 31, 1997, to incur short-term borrowings, to issue notes and/or commercial paper, to make capital contributions, and to implement a system of money pools to provide for their short-term cash requirements. The aggregate principal amount of short-term borrowings, notes and/or commercial paper outstanding at any one time for the CINergy system as a whole would not exceed $1 billion. The proposed transactions and the proposed participation of the various Applicants are described below.

Transactions by Utilities and Related Companies

Through May 31, 1997, (1) CG&E, PSI Energy, ULH&P, Lawrenceburg, West Harrison, Miami, Services, KO and Tri-State seek authorization to incur short-term borrowings, and to issue notes in connection therewith; (2) CG&E and PSI Energy seek authorization to issue and sell commercial paper; (3) CINergy seeks authorization to issue guarantees and provide letters of credit in connection with the short-term borrowings; and (4) all of the foregoing companies seek authorization to implement a money pool (''Utility Money Pool'') to coordinate and provide for certain of their short-term cash and working capital requirements. The aggregate principal amount of short-term borrowings and/or commercial paper outstanding at any one time would not exceed the following amounts[1]: For Services, $100,000,000; for PSI Energy, $400,000,000; for CG&E, $400,000,000; for ULH&P, $35,000,000; for West Harrison, $200,000; for Lawrenceburg, $3,000,000; for Miami, $100,000; for KO, $2,000,000; and for Tri-State, $40,000,000.

PSI Energy, CG&E, UHL&P and Lawrenceburg have existing lines of credit with banks with commitments aggregating $230 million, $82 million, $30 million and $400,000, respectively, under which $120.5 million, $0, $14.5 million and $0, respectively, in borrowings were outstanding as of December 31, 1994. As of December 31, 1994, Services, West Harrison, Miami, KO and Tri-State had no committed lines of credit. Certain of the Applicants also have informal arrangements for short-term borrowings with various banks on an ''as offered'' basis, also known as uncommitted lines of credit. Authorization is sought for the above Applicants to borrow from banks pursuant to the existing formal and informal lines of credit described above (and any increases therein that may be negotiated) and pursuant to new credit facilities (formal or informal) that may be arranged from time to time, or to borrow funds managed by bank trust departments, if the effective cost of money is equal to or less than that available from the sale of commercial paper or other bank borrowings.

Bank borrowings may be evidenced by promissory notes, each of which would be issued on or before May 31, 1997 and would mature on a date no later than one year (or, in the case of up to $200 million in borrowings by PSI Energy, no later than 24 months) from the date of issuance, would bear interest at a rate no higher than the effective cost of money for unsecured prime commercial bank loans prevailing on the date of such borrowing, and would be subject to prepayment at the option of borrower, or under certain circumstances with the consent of the lending bank, in whole at any time or in part from time to time, without premium or penalty. Amounts outstanding under formal lines of credit typically would become due immediately upon an event of default, including non-payment, default under other agreements governing indebtedness, bankruptcy, or insolvency. Short-term notes may be issued on either a ''grid'' note basis or a transactional basis, under similar terms and conditions. The Applicants state that the actual terms of the notes may vary from the terms described above to reflect customary terms or particular lending practices and policies of different lending institutions, but otherwise are expected to be substantially similar. Compensation arrangements under lines of credit would be on a compensating balance and/or fee basis. Fees will not exceed 25 basis points per annum on the commitment, and balance arrangements will require average balances not to

[1] CINergy was authorized to incur short-term indebtedness through bank borrowings, to issue notes and commercial paper, and to obtain letters of credit, in an aggregate amount of up to $375,000,000 in HCAR No. 26215 (Jan. 11, 1995). CINergy's proposed guarantees in support of bank borrowings would also be subject to this limitation.

exceed 10% of the amount of the commitment.

PSI Energy and CG&E also propose to issue and sell commercial paper to one or more dealers (or directly to financial institutions if such sale results in an equal or lower cost of money than that applicable to dealer-placed notes), subject to the limitations on aggregate outstanding principal amount stated above. The commercial paper will be in the form of book-entry unsecured promissory notes, with varying denominations of no less than $25,000 each, and will be issued and sold by CG&E and PSI Energy at market rates. No commission or fee will be payable in connection with the issuance and sale of the commercial paper. The purchasing dealer, however, will reoffer such notes at a rate less than the rate to the issuer and, as principal, will reoffer such notes in such a manner as not to constitute a public offering under the Securities Act of 1933. The discount rate to dealers will not exceed the maximum discount rate per annum prevailing at the date of issuance for commercial paper of comparable quality and the same maturity.

The commercial paper proposed to be issued by CG&E and PSI Energy will have varying maturities of no more than 270 days from date of issue and will be issued and sold by CG&E and PSI Energy from time to time through May 31, 1997. Subject to such limitations, sales of commercial paper (and the bank borrowings described above) ordinarily will be structured to mature at such time as excess funds are expected to become available for money pool loans. Upon the availability of any such excess funds, external borrowings would be retired and loans refinanced to the extent such funds became available.

Proceeds of any short-term borrowings and, in the case of CG&E and PSI Energy, sales of commercial paper, may be used by each such company: (i) For the interim financing of its construction and capital expenditure programs; (ii) for its working capital needs; (iii) for the repayment, redemption or refinancing of its debt and preferred stock; (iv) to meet unexpected contingencies, payment and timing differences, and cash requirements, to cover intercompany balances, and for other lawful general corporate purposes; (v) to loan to other participants in the Utility Money Pool (except the proceeds of certain borrowings by PSI Energy with maturities more than twelve months from the date of issuance); and (vi) in the case of borrowings by Services, for other lawful purposes in connection with the performance by Services of its functions as a subsidiary service company under the Act. In addition, proceeds of borrowings, and other available funds, may be used: (a) By CG&E to make capital contributions of up to $40 million to Tri-State and up to $2 million to KO for the purpose of settling intercompany open-account balances and indebtedness to CG&E and to provide Tri-State and KO with working capital for their activities in support of CG&E's operations, and (b) by CG&E and its utility subsidiaries to make loans and open-account advances to one another in connection with services, goods and construction provided to one another, in amounts not to exceed $400 million for CG&E, $35 million for ULH&P, $200,000 for West Harrison, $3 million for Lawrenceburg and $100,000 for Miami.

Authorization is also sought for CINergy to issue guarantees and provide letters of credit in connection with short-term borrowings, subject to the limitations on aggregate principal amount described above. Fees and expenses incurred by CINergy will not exceed 1% per year of the face amount of such letters of credit, and CINergy may charge an annual fee up to 2% of the face amount of guarantees.

Under the proposed terms of the Utility Money Pool, short-term funds would be available from the following sources for short-term loans to CG&E, PSI Energy, ULH&P, Lawrenceburg, Miami, West Harrison, Services, KO and Tri-State from time to time: (1) Surplus funds in the treasuries of Utility Money Pool participants, including CINergy (''Utility Internal Funds''), and (2) proceeds from bank borrowings by Utility Money Pool participants or the sale of commercial paper by CINergy, CG&E and PSI Energy for loan to the Utility Money Pool (''Utility External Funds'').[2] Funds would be made available from such sources in such order as Services, as administrator of the Utility Money Pool, may determine would result in a lower cost of borrowing, consistent with the individual borrowing needs and financial standing of the companies providing funds to the pool. Companies that borrow would borrow pro rata from each company that lends, in the proportion that the total amount loaned by each such lending company bears to the total amount then loaned through the Utility Money Pool. On any day when more than one fund source with different rates of interest is used to fund loans through the Utility Money Pool, each borrower would borrow pro rata from each such fund source in the Utility Money Pool in the same proportion that the amount of funds provided by that fund source bears to the total amount of short-term funds available to the Utility Money Pool. No party would be required to effect a borrowing through the Utility Money Pool if it is determined that it could effect a borrowing at lower cost directly from banks or through the sale of its own commercial paper. No loans through the Utility Money Pool would be made to CINergy.

The cost of compensating balances and fees paid to banks to maintain credit lines by Utility Money Pool participants lending Utility External Funds to the Utility Money Pool would initially be paid by the participant maintaining such line. A portion of such costs would be allocated monthly to the companies borrowing such Utility External Funds through the Utility Money Pool in proportion to their outstanding borrowings of such Utility External Funds.

If only Utility Internal Funds comprise the funds available in the Utility Money Pool, the interest rate applicable to loans of such funds would be the CD yield equivalent of the 30-day Federal Reserve ''AA'' Industrial Commercial Paper Composite Rate (or if no such Composite Rate is established for that day, then the applicable rate would be the Composite Rate for the next preceding day for which such Composite Rate was established). If only Utility External Funds comprise the funds available in the Utility Money Pool, the interest rate applicable to loans of such Utility External Funds would be equal to the lending company's cost for such Utility External Funds (or, if more than one Utility Money Pool participant had made available Utility External Funds on such day, the applicable interest rate would be a composite rate equal to the weighted average of the cost incurred by the respective Utility Money Pool participants for such Utility External Funds). In cases where both Utility Internal Funds and Utility External Funds are concurrently borrowed through the Utility Money Pool, the rate applicable to all loans comprised of such ''blended'' funds would be a composite rate equal to the weighted average of (a) the cost of all Utility Internal Funds contributed by Utility Money Pool participants and (b) the cost of all such Utility External Funds. In circumstances where Utility Internal

[2] CINergy proposes to use the proceeds of certain borrowings and sales of commercial paper or common stock, previously authorized in File Nos. 70–8477 and 70–8521, and any funds available for general corporate purposes, to loan to the other Applicants when required through the money pools described in the Application-Declaration.

Funds and Utility External Funds are available for loans through the Utility Money Pool, loans may be made exclusively from Utility Internal Funds or Utility External Funds, rather than from a ''blend'' of such funds, to the extent it is expected that such loans would result in a lower cost of borrowing.

Funds not required by the Utility Money Pool to make loans (with the exception of funds required to satisfy the Utility Money Pool's liquidity requirements) would ordinarily be invested in one or more short-term investments, including: (i) Interest-bearing accounts with banks; (ii) obligations issued or guaranteed by the U.S. government and/or its agencies and instrumentalities, including obligations under repurchase agreements; (iii) obligations issued or guaranteed by any state or political subdivision thereof, provided that such obligations are rated not less than A by a nationally recognized rating agency; (iv) commercial paper rated not less than A–1 or P–1 or their equivalent by a nationally recognized rating agency; (v) money market funds; (vi bank certificates of deposit; (vii) Eurodollar funds; and (viii) such other investments as are permitted by section 9(c) of the Act and rule 40 thereunder.

The interest income and investment income earned on loans and investments of surplus funds would be allocated among the participants in the Utility Money Pool in accordance with the proportion each participant's contribution of funds bears to the total amount of funds in the Utility Money Pool and the cost of funds provided to the Utility Money Pool by such participant.

Each Applicant receiving a loan through the Utility Money Pool would be required to repay the principal amount of such loan, together with all interest accrued thereon, upon demand and in any event not later than one year from the date of such advance. All loans would be prepayable by the borrower without premium or penalty. Loans would ordinarily be made pursuant to open-account advances, and all loans would be made on or before May 31, 1997. Each lender would at all times be entitled to receive upon demand one or more promissory notes evidencing any and all loans by such lender, dated as of the date of the initial borrowing (and in any event not later than May 31, 1997), maturing on demand or on a specified date not latter than one year after the date of the applicable borrowing, and prepayable in whole at any time or in part from time to time, without premium or penalty. Interest would be accrued by each borrower monthly.

Transactions by Nonutility Companies

Through May 31, 1997, (1) PII, Bruwabel, Power International, Power Development, Recycling, Equipment and Wholesale Power (''Designated Nonutility Companies''), Resource Marketing and CINergy Investments seek authorization to incur short-term borrowings and to issue notes in connection therewith; (2) CINergy seeks authorization to issue guarantees and provide letters of credit in connection with such borrowings; and (3) all of the foregoing companies seek authorization to implement a money pool arrangement (''Nonutility Money Pool'') to coordinate and provide for their short-term cash and working capital requirements. The aggregate principal amount of short-term borrowings and notes outstanding would not exceed the following amounts:[3] for CINergy Investments, $22,000,000; for PII, $6,750,000; for Bruwabel, Power International and Power Development, an aggregate of $4,000,000; for Recycling, $4,400,000; for Equipment, $1,100,000; for Wholesale Power, $1,200,000; and for Resource Marketing, $2,000,000.

Proceeds of borrowings by CINergy Investments, Resource Marketing and the Designated Nonutility Companies would be used (a) to provide working capital to continue to operate such companies' businesses and to fund commitments existing as of the registration of CINergy as a holding company under the Act on October 25, 1994, (b) to repay and refinance indebtedness, (c) to loan to other participants in the Nonutility Money Pool, and (d) in the case of Resource Marketing, for the additional purposes of making loans and capital contributions to U.S. Energy Partners, a partnership in which Resource Marketing holds an interest.

PII has a $1,000,000 bank line of credit, under which no borrowings were outstanding at December 31, 1994, which PII proposes to maintain. It is also proposed that CINergy Investments, Resource Marketing, and the Designated Non-Utility Companies also have authority to borrow under bank facilities, and or CINergy to provide guaranties and letters of credit in connection therewith. Borrowings under such facilities would be evidenced by promissory notes with terms substantially similar to those described above under *Transactions by Utilities and Related Companies* (but could bear interest at a rate of up to prime plus 2%) and would be subject to compensation arrangements similar to those described therein. Fees and expenses in connection with guaranties and letters of credit to be provided by CINergy also will not exceed the amounts stated above under such heading.

Because certain of the Designated Nonutility Companies and Resource Marketing have heretofore been net borrowers from their corporate parents, it has been the practice of such corporate parents to advance funds to such companies in the form of intercompany loans and open-account advances and periodically to forgive such indebtedness, thereby making capital contributions in the amount forgiven. Because certain of the Designated Nonutility Companies and Resource Marketing may remain net borrowers during the period covered by the proposed transactions, authorization is requested for CINergy from time to time through May 31, 1997 to make capital contributions and loans (in the form of open-account advances, repayable on demand, or otherwise through the Nonutility Money Pool described below) to CINergy Investments and the Designated Nonutility Companies, and for CINergy Investments and the Designated Nonutility Companies to make capital contributions and loans (in the form of open-account advances, repayable on demand, or otherwise through the Nonutility Money Pool) to their subsidiary companies, provided that the aggregate amount of all outstanding borrowings by, and capital contributions to, a company shall not exceed its aggregate borrowing limit.

Authority is also requested through May 31, 1997 (i) for CINergy and CINergy Investments from time to time to make capital contributions and loans (in the form of open-account advances, repayable on demand, or otherwise through the Nonutility Money Pool) to Resource Marketing, and (ii) for Resource Marketing from time to time to make capital contributions and loans to Energy Partners, to provide for working capital needs, repayment or refinancing of debt, unexpected contingencies, payment and timing differences, cash requirements and other general business purposes of Energy Partners. The aggregate amount of all outstanding capital contributions and loans would not exceed $2 million to Resource Marketing and $2 million to Energy Partners.

Under the proposed arrangements governing the Nonutility Money Pool, short-term funds will be available from the following sources for use by the respective participants from time to

[3] See footnote 1.

time: (1) Surplus funds in the treasuries of the Nonutility Money Pool participants, including CINergy (''Nonutility Internal Funds''), and (2) proceeds from the sale by CINergy of commercial paper and bank borrowings by the Nonutility Money Pool participants (''Nonutility External Funds'').[4] Loans through the Nonutility Money Pool will be made only from funds provided by CINergy, CINergy Investments, Resource Marketing or Designated Nonutility Companies, and no loan will be made to CINergy, CINergy Investments, Resource Marketing, Energy Partners or any Designated Non-Utility Company by the Utility Money Pool or by any public utility company in the CINergy system. In addition, no loans through the Nonutility Money Pool will be made to CINergy. Funds made available by CINergy for loans through the money pools will be first made available for loans through the Utility Money Pool and thereafter for loans through the Nonutility Money Pool.

The Nonutility Money Fund will be administered by Services and will have terms similar to those governing the Utility Money Pool (described above under *Transactions by Utilities and Related Companies*) with respect to pro rata borrowing, costs and fees for Nonutility External Funds lent to the Nonutility Money Pool, interest rates for loans from Nonutility Internal Funds, Nonutility External Funds and combinations of Nonutility Internal and External Funds, temporary investment of funds in the Nonutility Money Pool not required to make loans, allocation of interest and other investment income earned on loans and investment of surplus funds, terms of loans made by the Nonutility Money Pool, and terms of notes evidencing such loans.

Surplus funds of the Utility Money Pool and the Nonutility Money Pool may be combined in common short-term investments, but separate records of such funds shall be maintained by Services as administrator of the pools, and interest thereon shall be separately allocated, on a daily basis, to each money pool in accordance with the proportion that the amount of each money pool's surplus funds bears to the total amount of surplus funds available for investment from both money pools.

Operation of the Utility and Nonutility Money Pools, including record keeping and coordination of loans, will be handled by Services under the authority of the appropriate officers of the Applicants. Services will administer the Utility and Nonutility Money Pools on an ''at cost'' basis and will maintain separate records for each money pool.

[4] See footnote 2.

Appalachian Power Company, et al. (70–8591)

Appalachian Power Company, 40 Franklin Road, Roanoke, Virginia 24022, Columbus Southern Power Company, 215 North Front Street, Columbus, Ohio 43215, Kentucky Power Company, 1701 Central Avenue, Ashland, Kentucky 41101, Kingsport Power Company, 422 Board Street, Kingsport, Tennessee 37660, Indiana Michigan Power Company, One Summit Square, Fort Wayne, Indiana 46801, Ohio Power Company, 339 Cleveland Avenue, SW., Canton, Ohio 44702, and Wheeling Power Company, 51—16th Street, Wheeling, West Virginia 26003 (sometimes individually referred to herein as ''Company'' and collectively as ''Companies''), all public-utility subsidiary companies of American Electric Power Company, a registered holding company, have filed an application-declaration under sections 6, 7, 9(a), 10, and 12(d) of the Act and rules 40(a)(5), 41 and 44 thereunder.

The Companies each propose to market, construct, install, service, maintain, acquire, sell (and sell maintenance agreements and warranties for) (i) equipment generating, transmitting or distributing electric power or steam, (ii) manufacturing and other equipment consuming electric power or using steam (including electro-technologies), or (iii) equipment providing load management or communications to the equipment described in (i) or (ii) above (collectively, ''Customer Equipment Services''). In addition, each Company proposes to broker Customer Equipment Services provided by third party contractors and provide energy management, technical, operating, training and consulting services (''Customer Consulting Services''). Customer Equipment Services and Customer Consulting Services will be provided for (i) present and anticipated industrial, commercial and governmental retail electric customers of the Company and of full and partial requirement wholesale customers of the Company and (ii) present and anticipated nonaffiliated wholesale customers of the Company.

Cutomer Equipment Services will be provided at market-based fees; the price for Customer Consulting Services will range from free to market-based rates. The maximum annual revenues from Customer Equipment Services for each Company will be 5% of the operating revenues of the Company for the prior calendar year.

Each Company also proposes to provide or broker financing to customers in connection with Customer Equipment Services through direct loan, installment purchase, operating or finance lease arrangements (including sublease arrangements) or loan guarantees. The maximum amount of equipment that each Company may finance at any one time is 5% of capitalization of the Company at the end of the prior calendar year. Interest on loans and imputed interest lease payments will be at prevailing market rates. The obligations will have terms ranging from one to thirty years and will be secured or unsecured. Each Company will finance the Customer Equipment Services with its general corporate funds and may assign obligations acquired from customers to banks or other financial institutions with or without recourse.

Finally, each Company proposes to provide meter reading, billing and other services to gas, water and other utilities in their service territories. Such services would be provided at market based rates.

Central Power & Light Co. (70–8597)

Central Power and Light Company (''CPL''), a wholly owned electric utility subsidiary company of Central and South West Corporation, a registered holding company, has filed an application-declaration under sections 6(a), 7, 9(a), 10, 12(c) and 12(d) of the Act and rules 44 and 51 thereunder.

CPL seeks authorization through December 31, 1997 to incur obligations in connection with the proposed issuance by Matagorda County Navigation District No. One (''District'') in one or more series of up to $475 million in Pollution Control Revenue Bonds. Of this amount, up to $325 million will be Pollution Control Revenue Refunding Bonds (''Refunding Bonds'') and up to $150 million will be Pollution Control Revenue Bonds and/or Solid Waste Revenue Bonds (''New Money Bonds''). The issuance of New Money Bonds and the Refunding Bonds (''New Bonds'') might be combined.

The purpose of the Refunding Bonds is to reacquire all or a portion of five types of previously issued Pollution Control Revenue Bonds (''Old Bonds''). The purpose of the New Money Bonds is to reimburse CPL for expenditures qualified for tax-exempt financing or to provide for current solid waste expenditures.

CPL also seeks authorization to manage interest rate risk or to reduce interest rate costs through forward re-

financing techniques and through the use of interest rate swaps through the life of the Old Bonds and/or New Bonds.

The Old Bonds were issued to finance pollution control and solid waste disposal facilities (''Facilities'') for the South Texas Project Electric Generating Station (''Plant''). CPL owns a 25.2% undivided interest in the Plant. The Old Bonds were issued pursuant to Indentures of Trust (''Indentures'') with three banks for trustees—NationsBank of Texas, N.A., the Bank of New York, and Texas Commerce Bank, N.A. (''Trustees''):

Series	Interest rate (percent)	Maturity date	First redemption date
1984	10⅛	10/15/14	10/15/95
1984–A	7½	12/15/14	12/15/99
1985–A	9¾	07/01/15	07/01/95
1986	7⅞	12/01/16	12/01/96
1990	7½	03/01/20	03/01/00

CPL and the District entered into Installment Sale Agreements (''Sale Agreements'') to provide for the issuance of the Old Bonds. In connection with the issuance of the New Bonds, CPL will amend the Sale Agreements, enter into agreements with similar terms, and/or enter into new installment sale agreements (''Amended Sale Agreements'').

The New Bonds will bear a fixed or floating interest rate, might be secured with First Mortgage Bonds, and will mature between one and forty years. The interest rate, redemption provisions and other terms and conditions applicable to the New Bonds will be determined through negotiation between CPL and one or more investment banking firms that will purchase or underwrite the New Bonds (''Purchasers'').

It is anticipated that the New Bonds will be optionally redeemable upon the occurrence of various events specified in the Amended Sale Agreements and the Indentures, which might be amended or supplemented (''Supplemental Indentures''), or, in the case of the New Money Bonds, a new indenture (''New Indenture''). The New Bonds also will be optionally redeemable with premiums to be determined through negotiation between CPL and the Purchasers and will be mandatorily redeemable in the event the interest on the New Bonds becomes subject to federal income tax.

CPL might obtain credit enhancement for the New Bonds, which could include bond insurance, a letter of credit or a liquidity facility, if, for example, it were to issue floating rate bonds. A premium or fee would be paid to obtain the credit enhancement, which would, however, result in a net benefit through a reduced interest rate on the New Bonds.

CPL might issue First Mortgage Bonds, to secure the New Bonds, subject to applicable indenture restrictions, under a Supplemental Indenture to its Mortgage Indenture dated November 1, 1943 to the First National Bank of Chicago and A.H. Bohm (''Mortgage Indenture''). The First Mortgage Bonds will be issued to the Trustee for the New Bonds pursuant to the Mortgage Indenture. The First Mortgage Bonds will be held by the Trustee for the benefit of the holders of the New Bonds and will not be transferable. The First Mortgage Bonds will be issued in the exact amount and have terms similar to the New Bonds. To the extent payments in respect of the New Bonds are made in accordance with their terms, like payment obligations under the First Mortgage Bonds will be deemed satisfied.

The optional redemption provisions, the sinking-fund provisions, and the limitation on dividends relative to the First Mortgage Bonds might deviate from the SEC Statement of Policy Regarding First Mortgage Bonds.

CPL anticipates that the New Bonds will be sold by the District pursuant to a Bond Purchase Agreement (''Purchase Agreement'') between the District and one or more Purchasers. CPL requests authority to enter into negotiations with Purchasers with respect to the interest rate, redemption provisions and other terms and conditions applicable to the New Bonds and to set the terms of the New Bonds subject to the receipt of a Commission order if an order has not been issued when CPL enters into the Purchase Agreement.

The proceeds of the New Bonds will be used to redeem the Old Bonds pursuant to the terms of the Indentures or reacquire all or a portion of the Old Bonds through open market and negotiated transactions or pursuant to one or more tender offers (''Reacquisition'') and reimburse CPL for expenditures qualified for tax-exempt financing or to provide for current solid waste expenditures. The proceeds might also be used to reimburse CPL for Old Bonds previously acquired. Additional funds required to pay for the Reacquisition and the costs of issuance of the New Bonds will be provided by CPL from internally generated funds and short-term borrowings.

CPL will not permit the issuance of the Refunding Bonds unless the estimated net present value savings is, on an after-tax basis, in excess of the present value of all costs to acquire the Old Bonds and issue the Refunding Bonds on the basis of an appropriate discount rate. Such discount rate would be based on the estimated after-tax interest rate on the Refunding Bonds.

CPL proposes to manage interest rate risk through interest rate swaps, forward swaps, caps, collars and floors, and through forward transactions. CPL might also use interest rate swaps to lower its interest costs on one or more series of Old Bonds and/or New Bonds. CPL requests authorization to enter into these types of transactions from time to time either in connection with the issuance of New Bonds or otherwise.

CPL could use the interest rate swap market to hedge against changes in the interest rates of variable rate securities through a ''fixed-for-floating'' swap arrangement. In addition, CPL might be able to realize a reduced all-in rate in the synthetic fixed market. CPL might also issue fixed rate New Bonds and then seek to reduce its interest costs on such New Bonds through a ''floating-for-fixed'' interest rate swap arrangement. In this manner, CPL would hope to take advantage of interest cost savings associated with short-term interest rates.

None of the interest rate swaps would be ''leveraged.'' Thus changes in interest payments or receipts under an interest rate swap due to changes in the floating rate index used in the swap will not exceed the product of the change in such index and the notional amount of that swap. In no event would the aggregate notional amount of the interest rate swaps exceed $475 million. The interest rate swaps might also be forward swaps, whereby a swap agreement is entered into but the exchange of fixed and floating payments does not begin until a future date, which is generally the call date on outstanding bonds.

It is anticipated that interest rate swap agreements would provide that redemption, reacquisition or maturation of the Old Bonds and/or New Bonds would terminate obligations under the swap agreement for a like notional amount. CPL might enter into a swap that allows optional termination and CPL would exercise such option for a like notional amount upon the redemption, reacquisition or maturation of the corresponding Old Bonds and/or New Bonds. Termination of its obligations under the interest rate swap agreement might require CPL to pay an additional amount under the terms of the swap agreement, which could be substantial.

Finally, CPL also requests authorization to enter into reverse interest rate swap agreements, or other

contractual arrangements, in order to limit the impact of anticipated movements in interest rates or offset the effect of interest rate swap agreements. If CPL issues variable rate New Bonds, it might elect to purchase an interest rate cap to limit its exposure to increased interest rates. CPL might also sell an interest rate floor to either reduce the cost of variable rate debt, or in conjunction with an interest rate cap to reduce the cost of the cap.

Consolidated Natural Gas Co. et al. (70–8599)

Consolidated Natural Gas Co. (''Consolidated''), CNG Tower, 625 Liberty Avenue, Pittsburgh, Pennsylvania, 15222–3199, a registered holding company, and Consolidated System LNG Company (''Consolidated LNG''), of the same address, a wholly owned subsidiary company of Consolidated, have filed a declaration under section 12(c) of the Act and rule 46 thereunder.

Consolidated LNG holds what remains of a past venture on the part of Consolidated into the liquefied natural gas (''LNG'') business, and LNG terminal and re-gasification facilities at Cove Point, Maryland and a pipeline between Cove Point and underground pipelines near Loudoun, Virginia (''LNG Facilities''). Consolidated LNG is for all practical purposes, and is expected to remain, dormant. Consolidated contemplates the dissolution of Consolidated LNG.

Consolidated LNG proposes to declare on its common stock ($10,000 par value per share) a one-time dividend to Consolidated of $48,816,000. This will provide additional cash to Consolidated to finance other non-utility and utility subsidiaries.

Consolidated LNG has no physical assets. Thus, its asset value is its capitalization. No dividend was paid from 1988 to 1994. Consolidated LNG has not made the standard payout of 100% of its liquid cash assets to Consolidated since 1988. A dividend of $2,502,000 was declared on December 15, 1994 and paid on February 15, 1995, which left $304,000 in retained earnings as of that date.

Consolidated LNG now proposes to declare a one-time dividend of $48,816,000, of which $48,512,000 will come from capital surplus and $304,000 will be out of retained earnings. When combined with the 1994 dividend of $2,502,000, it achieves an approximate 100% payout of liquid cash assets to Consolidated. For the remainder of the ten-year amortization period (until 1997), Consolidated LNG will pay 100% of its liquid cash assets to Consolidated out of retained earnings.

Consolidated LNG requests Commission authorization to declare and pay from capital surplus the $48,512,000 portion of the one-time dividend of $48,816,000 to Consolidated.

The Columbia Gas System, Inc. et al. (70–8605)

The Columbia Gas System, Inc. (''Columbia''), a registered holding company and a debtor-in-possession under Chapter 11 of the United States Bankruptcy Code, and its wholly owned subsidiary company, TriStar Ventures Corporation (''TVC''), both located at 20 Montchanin Road, Wilmington, Delaware 19807, have filed an application-declaration under sections 6(a), 7, 9(a), 10, 12(b), and 13(b) of the Act and rules 16, 43, 45, 87, 90 and 91 thereunder.

Columbia proposes to invest up to $7 million through December 31, 1996, in natural gas vehicle (''NGV'') activities indirectly through a new subsidiary corporation (''TNGV'') that will be established solely to engage in such activities. TNGV will be a wholly owned subsidiary of TVC.

TNGV proposes to use the $7 million to develop and promote consumer use and acceptance of natural gas as a fuel for cars, buses, trucks and other vehicles. TNGV intends to provide natural gas fueling stations, promote the establishment of facilities for the conversion of vehicles to NGVs, provide related training and to provide fuel supply and management services (all such activities, the ''NGV Activities'').

TNGV proposes to engage in some of the NGV Activities through various arrangements with nonassociated companies or individuals. Columbia's public-utility subsidiary companies may also provide TNGV with services such as training in the use of fueling station and conversion equipment, identification of potential customers, and station design, construction maintenance and operations.

The application-declaration states that TNGV may acquire an ownership interest, which may be up to 100% voting or nonvoting stock, in one or more corporations or other entities established for the sole purpose of engaging in NGV Activities. Such entities would be established by TNGV and/or nonassociates knowledgeable and experienced in the construction and operation of gasoline stations or natural gas fueling stations, and/or who have expertise in vehicle repair and maintenance or specialized technical experience with NGVs. Each such entity would provide limited liability protection to the owners and would be formed to build NGV infrastructure in a specific geographic area or to provide management of a specific NGV Activity. The organizational documents governing such entities would expressly limit the activities of these corporations primarily to NGV Activities.

TNGV may also invest in and participate in joint arrangements such as partnerships or joint ventures to carry out NGV Activities. If necessary, TNGV would establish one or more wholly owned limited purpose corporations or entities for the sole purpose of engaging in NGV Activities through such partnerships or joint ventures or other arrangements. The organizational documents governing such partnerships or joint ventures would expressly limit the activities of these entities primarily to NGV Activities.

The application-declaration states that TNGV may lend funds to vehicle fleet owners, or may guarantee borrowings by those owners from a third party lender such as a bank, to enable such nonassociates to carry out NGV Activities in connection with their business, or to acquire the equipment, personnel or facilities needed to do so. Loans either made by TNGV directly or with respect to the TNGV is giving a guarantee would have an interest rate not exceeding the maximum legal rate, and would have a maturity not exceeding 20 years. Such loans may be unsecured or secured by a lien on, or other security interest in, NGV conversion equipment, fueling station equipment or facilities or other real or personal property, excluding utility assets.

It is further proposed that corporations, partnerships, joint ventures or other entities in which TNGV has an ownership interest of less than 100% may obtain third party debt financing.

In entering into arrangements with nonassociates to engage in the NGV Activities described in this application, TNGV and its subsidiaries will limit the amount of their equity or debt investment, contractual obligations, loan guarantees, loan obligations and other financial obligations and commitments to an amount that, when aggregated with all other investments, obligations and commitments made or undertaken, directly or indirectly, by TNGV and its subsidiaries in connection with the NGV Activities as described in the Application, will not exceed $7 million through December 31, 1996.

Columbia, TVC and TNGV propose that TNGV be authorized to engage in the above described NGV Activities and

to obtain funds from time to time through December 31, 1996, to finance such NGV Activities through the sale of shares of TVC common stock, $25 par value, to Columbia at or above par value, and the sale of shares of TNGV Common Stock, $25 par value, to TVC at or above par value provided that the aggregate amount of funds obtained by TVC from Columbia, and by TNGV from TVC, outstanding at any one time for NGV Activities shall not exceed $7 million.

In the event that a wholly owned limited purpose subsidiary corporation of TNGV is established to engage in the NGV Activities through a non-corporate entity, such subsidiary will have mirror-image authorizations and obligations of TNGV under this filing as such relate to the relevant investment, with TNGV functioning as ''passthrough'' with regard to its indirect financing of the entity.

Eastern Utilities Associates, et al. (70–8609)

Eastern Utilities Associates (''EUA''), a registered holding company, and its direct subsidiary companies, Eastern Edison Company, EUA Cogenex Corporation, P.O. Box 2333, Boston, Massachusetts 02107, EUA Service Corporation, P.O. Box 543, West Bridgewater, Massachusetts 02379, and Newport Electric Corporation, 12 Turner Road, Middletown, Rhode Island 02840, and its indirect subsidiary companies, Montaup Electric Company, P.O. Box 2333, Boston, Massachusetts 02107, TransCapacity Limited Partnership, 2 Corporate Place 128, Suite 101, Wakefield, Massachusetts 01880, and Blackstone Valley Electric Company, Washington Highway, Lincoln, Rhode Island 02865 (collectively ''Subsidiaries'') have filed an application-declaration under Sections 6(a), 7, 9(a) and 10 of the Act and Rule 54 thereunder.

By Order dated March 8, 1991, (HCAR No. 25269) (''1991 Order''), EUA and certain of its subsidiaries were authorized, among other things, to contribute up to 200,000 common shares of EUA, $5.00 par value per share (''Common Shares''), or cash for the purchase thereof, to the Eastern Utilities Associates Employees' Savings Plan (''Plan''), through December 15, 1995. The Common Shares issued to the Plan may be: (1) Authorized but unissued shares issued to the Plan by EUA; (2) purchased on the open market; or (3) purchase shares from EUA. Whenever cash contributions to the Plan by EUA or the participating subsidiary companies are used to purchase Common Shares from EUA, the proceeds are added to the general funds of EUA and may be used for, among other corporate purposes, the payment or prepayment of outstanding short-term indebtedness.

The number of Common Shares available under the 1991 Order is now expected to be depleted by July 1995. Therefore, EUA and the Subsidiaries now propose to contribute an additional 150,000 common shares of EUA or cash to purchase such number of shares for the Plan, through December 15, 1997 under the terms and conditions authorized in the 1994 Order.

For the Commission, by the Division of Investment Management, pursuant to delegated authority.

Margaret H. McFarland,

Deputy Secretary.

[FR Doc. 95–9854 Filed 4–20–95; 8:45 am]

BILLING CODE 8010–01–M

SMALL BUSINESS ADMINISTRATION

Investment Advisory Council Privatization Committee; Public Meeting

The U.S. Small Business Investment Advisory Council, Privatization Committee, will hold a public meeting from 9 a.m. to 3 p.m. on Tuesday, April 25, 1995, at the Office of Pat Cloherty, President, Patricof & Co. Ventures, located at 445 Park Avenue, New York, NY 10022, to discuss such matters as may be presented by members, staff of the U.S. Small Business Administration, or others present.

For further information, write or call Saunders Miller, U.S. Small Business Administration, 409 Third Street, SW., Washington, DC 20426, (202) 205–6510.

Dated: April 17, 1995.

Dorothy A. Overal,

Director, Office of Advisory Councils.

[FR Doc. 95–9860 Filed 4–20–95; 8:45 am]

BILLING CODE 8025–01–M

Investment Advisory Council; Public Meeting

The U.S. Small Business Investment Advisory Council will hold a public meeting from 10 a.m. to 3 p.m. on Monday, April 24, 1995, at the ANA Hotel, located at 2900 M Street, NW., Washington, DC, to discuss such matters as may be presented by members, staff of the U.S. Small Business Administration, or others present.

For further information, write or call Ed Cleveland, U.S. Small Business Administration, 409 Third Street, SW., Washington, DC 20426, (202) 205–6510.

Dated: April 17, 1995.

Dorothy A. Overal,

Director, Office of Advisory Councils.

[FR Doc. 95–9861 Filed 4–20–95; 8:45 am]

BILLING CODE 8025–01–M

DEPARTMENT OF TRANSPORTATION

Office of the Secretary

[Docket No. 50295]

Exemption for Government Aircraft Owners and Operators

AGENCY: Department of Transportation, Office of the Secretary.

ACTION: Notice of Order.

SUMMARY: The Department of Transportation issued Order 95–4–28 on April 17, 1995, granting an exemption from the requirements of 49 U.S.C. 41102 to the extent necessary to allow all owners and operators of government aircraft to provide not-for-hire, cost-reimbursable transportation incidental to official government business. This order was issued pursuant to 49 U.S.C. 40113.

FOR FURTHER INFORMATION CONTACT: Patricia L. Thomas, Chief, Air Carrier Fitness Division, X–56, Department of Transportation, 400 Seventh Street, SW., Washington, DC 20590, (202) 366–9721.

SUPPLEMENTARY INFORMATION: The following is the Department's Order 95–4–28, dated April 17, 1995.

Dated: April 17, 1995.

Patrick V. Murphy,

Acting Assistant Secretary for Aviation and International Affairs.

In the matter of Government Aircraft Owners and Operators exemption from 49 U.S.C. 41102.

Order Granting Exemption

Recent amendments to section 40102 of Title 49 of the United States Code require that certain aircraft owned by or operated for government entities now comply with additional safety-related air carrier certification and operating regulations of the Federal Aviation Administration (''FAA'').[1] Those FAA regulations require, among other things, that such operators also obtain any applicable air carrier economic authority under 49 U.S.C. 41102.[2] Confusion among some government aircraft owners and operators has arisen concerning the effect on them, if any, of the statutory amendments on

[1] Those amendments—which are contained in the Independent Safety Board Act of 1994, Pub. L. 103–411—relate to safety only and make no changes to the Department's statutory authority or rules relating to the economic regulation of air carriers.

[2] *See, e.g.,* 14 CFR 135.13(a)(3).