in the public interest. Therefore, the Commission hereby grants the Philadelphia Electric Company, an exemption from the requirements of 10 CFR 70.24(a) for Limerick Generating Station, Unit 1.

Pursuant to 10 CFR 51.32, the Commission has determined that the granting of this exemption will have no significant impact on the quality of the human environment (63 FR 4497).

This exemption is effective upon issuance.

Dated at Rockville, Maryland, this 30th day of January 1998.

For the Nuclear Regulatory Commission.

Samuel J. Collins,

Director, Office of Nuclear Reactor Regulation.

[FR Doc. 98–2854 Filed 2–4–98; 8:45 am]

BILLING CODE 7590–01–P

SECURITIES AND EXCHANGE COMMISSION

[Release No. 35–26821]

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

January 30, 1998.

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 declaration(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 February 23, 1998, to the Secretary, Securities and Exchange Commission, Washington, DC 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.

National Fuel Gas Company, et al. (70–9117)

National Fuel Gas Company (''National''), a registered holding company, and its wholly-owned subsidiaries National Fuel Gas Distribution Corporation, National Fuel Gas Supply Corporation, Seneca Resources Corporation, Highland Land & Minerals, Inc., Leidy Hub, Inc., Data-Track Account Services, Inc., Horizon Energy Development, Inc., Seneca Independence Pipeline Company (''Seneca Independence''), Niagara Independence Marketing Company (''Niagara Independence all located at 10 Lafayette Square, Buffalo, New York 14203 and Utility Constructors, Inc., East Erie Extension, Linesville, PA 16424 and National Fuel Resources, Inc. 165 Lawrence Bell Drive, Suite 120, Williamsville, New York 14221 (collectively, ''Applicants''), have an application-declaration under sections 9(a), 10 and 12(b) of the Act and rules 45 and 54 under the Act.

Seneca Independence, a wholly owned subsidiary of National, propose to acquire a 25% general partnership interest in Independence Pipeline Company (''Pipeline Partnership''), now owned equally by ANR Independence Pipeline Company and Transco Independence Pipeline Company, both nonassociated companies. Niagara Independence, a wholly owned subsidiary of National, propose to acquire a 25% general partnership interest in DirectLink Gas Marketing Company (''Marketing Partnership'').

The Pipeline Partnership plans to build and operate interstate natural gas pipeline facilities to extend from Defiance, Ohio to Liedy, Pennsylvania, a distance of about 370 miles, at a cost of about $630 million. The Pipeline Partnership plans to borrow 70% of the construction cost from commercial sources, and have the partners contribute the remaining 30% as capital contributions in equal shares.

The Marketing Partnership would purchase firm natural gas transportation services from the Pipeline Partnership and from other interstate pipeline companies, at rates regulated by the Federal Energy Regulatory Commission, and would buy and sell natural gas and engage in related transactions.

The Applicants propose that: (1) National make short-term loans to Seneca Independence and Niagara Independence and provide credit support to Seneca Independence, Niagara Independence, the Pipeline Partnership and/or the Marketing Partnership; (2) Seneca Independence make short-term loans and provide credit support to the Pipeline Partnership; and/or (3) Niagara Independence make short-term loans and provide credit support to the Marketing Partnership, all of the above to be in proportion to the percentage interests held by Seneca Independence and Niagara Independence in the Pipeline Partnership and the Marketing Partnership, respectively. The short-term loans to and by Seneca Independence and Niagara Independence to finance their activities will not exceed $180 million, respectively, and will be made under the terms and conditions of the current money pool arrangement between National and its subsidiary companies (''Money Pool'').[1]

The Applicants propose that Seneca Independence and Niagara Independence be added to the group of National subsidiary companies which may make short-term borrowings under the Money Pool Order, and that they each receive authorization to incur short-term borrowings, up to an aggregate amount of $180 million, under the terms and conditions of the Money Pool Order.

National also proposes to enter into guarantee arrangements and obtain letters of credit (collectively, ''Credit Support'') with respect to obligations of Seneca Independence and/or Niagara Independence. National may directly or indirectly provide Credit Support to the Pipeline Partnership and the Marketing Partnership in proportion to its indirect percentage interest in those entities. National may provide Credit Support up to $180 million directly to Seneca Independence or indirectly to Pipeline Partnership, and $180 million directly to Niagara Independence or indirectly to Marketing Partnership. All Credit Support will be made under the terms and condition set forth in the current credit support arrangement between National and its subsidiaries.[2]

[1] *National Fuel Gas Co.*, Holding Co. Act Release No. 26443. The Commission authorized National and its subsidiary companies to participate in a system money pool (''Money Pool Order''). The Commission held that the interest rate applicable and payable to or by the subsidiaries for all loans from the surplus funds of National and its subsidiary companies (''Surplus Funds'') would be the rates for high grade unsecured 30-day commercial paper sold through dealers by major corporations as quoted in the Wall Street Journal.

The Commission also held that if external funds or both Surplus Funds and external funds are concurrently borrowed through the Money Pool, the interest rate applicable to all such borrowing and payable by the borrowing subsidiary companies will be equal to National's net cost for the external borrowings.

[2] *National Fuel Gas Co.*, Holding Co. Act Release No. 25922. The Commission authorized National to provide guarantees, through December 31, 1998, up

The Connecticut Light and Power Company, et al. (70–9151)

The Connecticut Light and Power Company (''CL&P''), 107 Selden Street, Berlin, Connecticut 06037, and Western Massachusetts Electric Company (''WMECO''), 174 Brush Hill Avenue, West Springfield, Massachusetts 01090–0010, each an electric utility subsidiary company of Northeast Utilities (''Northeast''), a registered holding company, have filed with this Commission an application-declaration filed under sections 6(a), 7, 9(a), 10 and 12(d) of the Act and rule 54 under the Act.

By orders dated December 30, 1981 and May 19, 1982 (HCAR Nos. 22342 and 22501, respectively), the Commission authorized, in relevant part: (i) The formation of the Niantic Bay Fuel Trust (''Trust'') for the purpose of financing the acquisition of nuclear fuel under a trust agreement dated January 4, 1982 between the Connecticut Bank and Trust Company, as trustor, Bankers Trust Company, as trustee (''Trustee''), and CL&P, WMECO, and The Hartford Electric Light Company (''HELCO''),[3] as beneficiaries; (ii) the assignment of certain nuclear fuel and nuclear fuel contracts; and (iii) financing for the acquisition of nuclear fuel. The Commission authorized the financing of the nuclear fuel through the issuance by the Trust of intermediate term notes in an aggregate principal amount not to exceed $300 million outstanding at any one time. In addition, the Commission authorized financing through the sale of commercial paper notes, backed by an irrevocable master letter of credit issued by The First National Bank of Boston (''FNBB''), and borrowings under a revolving credit agreement, dated January 4, 1982 between the Trustee and FNBB (''FNBB Credit Facility''), in a combined aggregate principal amount not to exceed $230 million.

By order dated January 23, 1992 (HCAR No. 25458), the Commission authorized, among other thing, CL&P and WMECO to replace the FNBB Credit Facility and to have the Trustee enter into a new $230 million revolving credit facility (''New Facility'') with a syndicate of banks (''Banks''), with the First National Bank of Chicago serving as agent (''Agent''). The initial term of the New Facility was three years, which was extended with the Banks' consent for one-year increments. The Applicants are authorized to make borrowings under the New Facility through December 31, 1998.

Under the New Facility, CL&P and WMECO (''Applicants'') entered into a credit agreement (''Credit Agreement'') dated as of February 11, 1992, as amended by a First Amendment dated April 30, 1993 and a Second Amendment dated May 12, 1995, with the Trustee, each of the Banks, and the Agent.

Under the Credit Agreement, each participating Bank is severally responsible for making advances (each, a ''Ratable Advance'') in an amount not to exceed the amount of its commitment, ratably in proportion to the aggregate commitment of all the participating Banks, Each Ratable Advance bears interest at a rate selected by the Trustee, as directed by the Applicants, from among three options: (1) the Eurodollar Rate plus an increment which shall not exceed 0.50%; (ii) a Fixed CD Rate plus an increment which shall not exceed 0.875%; or (iii) a Floating Rate equal to the higher of (a) a rate based on the overnight federal funds rate, plus 0.50%, and (b) the Agent's corporate base rate.

The Applicants now propose that the Trust pay additional fees and interest under the New Facility so that it can be extended for nine months through November 19, 1998 and seek extension of the Commission's authorization through December 31, 2003. The amount which the Applicants are presently seeking from the Banks under the New Facility will be up to $100 million.

The Applicants also propose to effect future extensions for any intervals of up to two years through December 31, 2003 with the consent of the Banks and with terms at least as favorable as those approved by the Commission herein with respect to interest rates.

The proposed amendment would (i) increase the maximum spread over the Eurodollar Rate from 0.50% to 1.625%, (ii) increase the maximum spread over the Fixed CD Rate from 0.875% to 1.75% and (iii) under the second Floating Rate option, provide for an increase from the Agent's corporate base rate to a spread of 0.50% per annum over the Agent's corporate base rate. The higher interest rates reflect the lower credit ratings of the CL&P and WMECO, which in turn reflect the Millstone outages, the electric utility restructuring initiatives in Connecticut and Massachusetts and general market perceptions of the risk of electric utilities in general and nuclear operations in particular.

EUA Energy Investment Corporation, et al. (70–8617)

EUA Energy Investment Corporation (''EEIC''), P.O. Box 2333, Boston, Massachusetts 02107, and its subsidiary EUA Bioten, Inc. (''EUAB''), 750 West Center Street, West Bridgewater, Massachusetts 02379, each a subsidiary of Eastern Utilities Associates, a registered holding company, have filed a post-effective amendment under sections 9(a), 10, 12(b) and 13(b) of the Act and rules 43(a), 45(a) and 87(d)(1) under the Act to an application-declaration filed by EEIC under sections 6(a), 7, 9(a), 10 and 12(b) of the Act rules 43(a) and 45(a) under the Act.

EEIC and EUAB have been authorized by orders of the Commission dated June 21, 1995 and November 14, 1996 (HCAR Nos. 26314 and 26604, respectively) to invest in EUAB Partnership (''EUABP''), in connection with the development of a commercial prototype biomass-fired generation facility using technology developed by EEIC (''BIOTEN Technology''), among others. The investment authority granted by the Commission has been limited to capital contributions in an aggregate amount of approximately $3.907 million and a working capital line of credit of up to $6 million.

EEIC and EUAB now request authority to construct, install, operate and maintain two biomass-fired generation facilities (each a ''BIOTEN Unit') using the BIOTEN Technology for a customer located in India (''First Customer''). Each such Unit would be fueled by First Customer's available biomass in the form of bagasse (a sugar cane by-product), and would be completely installed, tested, demonstrated and purchased on a turnkey basis.

EUABP will provide the funds required for the construction of the first BIOTEN Unit and First Customer will issue a promissory note to secure its obligations to pay the purchase price for the unit to EUABP. Title to the first BIOTEN Unit will pass when construction of the unit has been completed. Following completion of the unit, the unit will undergo a demonstration period of up to twelve months. EEIC and EUAB anticipate that First Customer will repay its obligations under the note and make all payments necessary to purchase the first BIOTEN Unit upon the successful completion of the demonstration period.

First Customer will provide the funds required to complete the second BIOTEN Unit and will take title to the unit once all payments necessary to purchase the unit have been made. First

to total $500 million of guarantee obligations of its subsidiary companies.

[3] HELCO was merged with and into CL&P on June 30, 1982.

Customer will have no obligation to purchase either BIOTEN Unit if the first unit does not satisfy agreed upon performance criteria.

EEIC and EUAB also request authority for EUABP to finance, construct, install and sell BIOTEN Units to other customers, both inside and outside the United States, and to provide related services and products for First Customer and other purchasers of BIOTEN Units. These services include engineering, procurement and construction services, sales, installation and long term operation and maintenance services, equipment and training support, and promotion and marketing services in connection with the BIOTEN Units. These products would consist of components to be used for the BIOTEN Units and may be manufactured locally, subject to appropriate licensing arrangements with respect to the BIOTEN Technology. EUABP may pursue these activities either by itself or through the establishment of one or more special purpose subsidiaries or joint ventures with local nonassociates (''Special Purpose Entities''). EEIC and EUAB assert that none of the proposed activities with respect to First Customer or other customers (''Proposed Activities'') would constitute the ownership or operation of an electric utility company within the meaning of section 2(a)(3) of the Act.

In addition, EEIC and EUAB request authority to increase and extend their authority to invest in EUABP and/or the Special Purpose Entities. Specifically, EEIC and EUAB request authority, through December 31, 2002 to increase the working capital line of credit from $6 million to $13 million and to make capital contributions not to exceed $8.907 million outstanding at any one time. EEIC and EUAB also request authority for EUABP to invest up to these amounts in the Special Purpose Entities. As a result of these investments, EUAB's voting interest in EUABP would increase from 9.9% to approximately 80% and EUABP would become a subsidiary of EUAB. Investments in the Proposed Activities would be limited to these amounts.

Also, EEIC and EUAB request authority for EUABP to render services in connection with the Proposed Activities to those Special Purpose Entities which are subsidiaries of EUABP under an exemption from the cost standard of section 13(b) of the Act.

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

Maragret H. McFarland,

Deputy Secretary.

[FR Doc. 98–2885 Filed 2–4–98; 8:45 am]

BILLING CODE 8010–01–M

SECURITIES AND EXCHANGE COMMISSION

[Rel. No. IC–23014; 812–10908]

The Sessions Group, et al.; Notice of Application

January 30, 1997.

AGENCY: Securities and Exchange Commission (''SEC'').

ACTION: Notice of application for exemption under the Investment Company Act of 1940 (the ''Act'').

Summary of Application: Applicants request an order under sections 6(c) and 17(b) of the Act for an exemption from section 17(a) of the Act to permit common trust funds sponsored by Financial Trust Services, Inc. (''Trust Company'') to transfer substantially all of their assets to series of The Sessions Group (''Sessions''), in exchange for shares of the series.

Applicants: Sessions, Keystone Financial, Inc. (''Keystone''), Martindale Andres & Company, Inc. (''Adviser''), Trust Company, Collective Investment Fund A (''Fund A''), and Common Stock Fund (''Stock Fund'') (Fund A and Stock Fund are collectively ''Common Trust Funds'').

Filing Date: The application was filed on December 23, 1997. Applicants have agreed to file an amendment during the notice period, the substance of which is included in this notice.

Hearing or Notification of Hearing: An order granting the application will be issued unless the SEC orders a hearing. Interested persons may request a hearing by writing to the SEC's Secretary and serving applicants with a copy of the request, personally or by mail. Hearing requests should be received by the SEC by 5:30 p.m. on February 24, 1998, and should be accompanied by proof of service on the applicants, in the form of an affidavit or, for lawyers, a certificate of service. Hearing requests should state the nature of the writer's interest, the reason for the request, and the issues contested. Persons who wish to be notified of a hearing may request notification by writing to the SEC's Secretary.

ADDRESSES: Secretary, SEC, 450 Fifth Street, N.W., Washington, D.C. 20549. Applicants, c/o Michael P. Malloy, Drinker Biddle & Reath LLP, Philadelphia National Bank Building, 1345 Chestnut Street, Philadelphia, PA 19107–3496.

FOR FURTHER INFORMATION CONTACT: John K. Forst, Attorney Advisor, at (202) 942–0569, or Mary Kay Frech, Branch Chief, at (202) 942–0564, (Division of Investment Management, Office of Investment Company Regulation.)

SUPPLEMENTARY INFORMATION: The following is a summary of the application. The complete application may be obtained for a fee at the SEC's Public Reference Branch, 450 Fifth Street, N.W., Washington, D.C. 20549 (tel. 202–942–8090).

Applicants' Representations

1. Sessions is a business trust organized under Ohio law and registered under the Act as an open-end management investment company. Sessions currently offers its shares to the public in several series with different investment objectives and policies. Adviser is an investment adviser registered under the Investment Advisers Act of 1940 and a wholly-owned subsidiary of Keystone, a bank holding company.

2. Keystone maintains a defined benefit pension plan (''Parent Company Plan'') for the benefit of employees of Keystone and its subsidiaries. The Parent Company Plan owns more than 5% of the outstanding voting shares of the KeyPremier Established Growth Fund (''Growth Fund'') and KeyPremier Intermediate Term Income Fund (''Income Fund''), each a series of Sessions (the ''Mutual Funds''). Adviser acts as investment adviser to the Mutual Funds.

3. The Common Trust Funds are common trust funds as defined in Section 584(a) of the Internal Revenue Code of 1986, as amended. The Common Trust Funds are maintained by Trust Company exclusively for the collective investment and reinvestment of moneys contributed by Trust Company in its capacity as a trustee, executor, administrator, or guardian. The persons and entities for which Trust Company acts in such capacity are referred to as ''Participants'' in the Common Trust Funds. The Common Trust Funds are excluded from the definition of investment company under section 3(c)(3) of the Act.

4. Applicants propose to transfer the assets held by Fund A to the Growth Fund and the Income Fund in exchange for shares of the Growth Fund and the Income Fund. Applicants also propose to transfer the assets held by Stock Fund to the Growth Fund in exchange for shares of the Growth Fund. Shares of