SECURITIES AND EXCHANGE COMMISSION

[Extension: Rule 15g–9; SEC File No. 270–325; OMB Control No. 3235–0385]

Submission for OMB Review; Comment Request

Upon written request, copies available from: Securities and Exchange Commission Office of Filings and Information Services 450 Fifth Street, NW. Washington, DC 20549.

Notice is hereby given that pursuant to the Paperwork Reduction Act of 1995 (44 U.S.C. 3501 *et seq.*), the Securities and Exchange Commission (''Commission'') has submitted to the Office of Management and Budget a request for extension of the previously approved collection of information discussed below.

• Rule 15g–9, Sales Practice Requirements for Certain Low-Priced Securities Section 15(c)(2) of the Securities Exchange Act of 1934 (the ''Exchange Act'') authorizes the Commission to promulgate rules that prescribe means reasonably designed to prevent fraudulent, deceptive, or manipulative practices in connection with over-the-counter (''OTC'') securities transactions. Pursuant to this authority, the Commission in 1989 adopted Rule 15a–6 (the ''Rule''), which was subsequently redesignated as Rule 15g–9, 17 CFR 240.15g–9. The Rule requires broker-dealers to produce a written suitability determination for, and to obtain a written customer agreement to, certain recommended transactions in low-priced stocks that are not registered on a national securities exchange or authorized for trading on NASDAQ, and whose issuers do not meet certain minimum financial standards. The Rule is intended to prevent the indiscriminate use by broker-dealers of fraudulent, high-pressure telephone sales campaigns to sell low-priced securities to unsophisticated customers.

The staff estimates that approximately 270 broker-dealers incur an average burden of 78 hours per year to comply with this rule. Thus, the total burden hours to comply with the Rule is estimated at 21,060 hours (270 × 78).

The broker-dealer must keep the written suitability determination and customer agreement required by the Rule for at least three years. Completing the suitability determination and obtaining the customer agreement in writing is mandatory for broker-dealers who effect transactions in penny stocks and do not qualify for an exemption, but does not involve the collection of confidential information. Please note that an agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless it displays a currently valid control number.

General comments regarding the estimated burden hours should be directed to the following persons: (i) Desk Officer for the Securities and Exchange Commission, Office of Information and Regulatory Affairs, Office of Management and Budget, Room 3208, New Executive Office Building, Washington, DC 20503; and (ii) Michael E. Bartell, Associate Executive Director, Office of Information Technology, Securities and Exchange Commission, 450 Fifth Street, NW., Washington, DC 20549. Comments must be submitted to OMB within 30 days of this notice.

Dated: March 12, 2001.

Margaret H. McFarland,

Deputy Secretary.

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SECURITIES AND EXCHANGE COMMISSION

[Release No. 35–27353]

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

March 9, 2001.

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 under the Act. 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 amendment(s) is/are available for public inspection through the Commission's Branch 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 April 3, 2001, to the Secretary, Securities and Exchange Commission, Washington, DC 20549–0609, and serve a copy on the relevant applicants) and/or declarants) at the address(es) specified below. Proof of service (by affidavit or, in the case of an attorney at law, by certificate) should be filed with the request. Any request for hearing should identify specifically the issues of facts 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 April 3, 2001, the application(s) and/or declaration(s), as filed or as amended, may be granted and/or permitted to become effective.

American Electric Power Company, Inc., (70–9729)

American Electric Power Company, Inc. (''AEP''), 1 Riverside Plaza, Columbus, Ohio 43215, a registered holding company, has filed an application-declaration under sections 6(a), 7, 9)a), 10, 12(b), 12(c), 12(f), 32, and 33 of the Act and rules 42, 45, 46, and 53 under the Act.

AEP proposes to organize and acquire all of the common stock or other equity interests of one or more subsidiaries, financing subsidiaries, (collectively ''FS'') for the purpose of effecting various financing transactions through June 30, 2004 involving the issuance and sale of up to an aggregate of $1.5 billion, cash proceeds to AEP in any combination of preferred securities, debt securities, interest rate hedges, anticipatory hedges, stock purchase contracts and stock purchase units, as well as its common stock issuable under the stock purchase contracts and stock purchase units to acquire the securities of associate companies and interests in other businesses including exempt wholesale generators (''EWGs'') and foreign utility companies (''FUCOs''). AEP further proposes that it may effect directly, without the FS, any such transaction involving preferred securities, debt securities, stock purchase contracts or stock purchase units, provided that AEP shall not issue any secured indebtedness. Also, no FS or Special Purpose Subsidiary (''SPS'') shall acquire or dispose of, directly or indirectly, any interest in any utility asset, as that term is defined under the Act.

I. Financing Subsidiaries

AEP will acquire all of the outstanding shares of common stock or other equity interests of the FS for amounts inclusive of capital contributions that may be made from time to time to the FS by AEP) aggregating up to 35% of the total capitalization of the FS (*i.e.*, the aggregate of the equity accounts and indebtedness of the FS). Such investment by AEP will not in any event be less than the minimum required by any applicable law. The business of the FS will be limited to effecting financing transactions for AEP and its affiliates. In connection with such financing transactions, AEP will enter into one or more guarantee or other credit support agreements in favor of the FS. Effecting financings through the FS will have the

benefit of better distinguishing securities issued by AEP to finance its investments in non-core businesses from those issued to finance its investments in core businesses operating companies. A separate FS may be used by AEP with respect to different types of non-core businesses.

II. Preferred Securities

In connection with the issuance of preferred securities (''Preferred Securities''), AEP proposes that it or the FS will organize one or more separate SPSs as any one or any combination of (a) a limited liability company under the Limited Liability Company Act (the ''LLC Act'') of the State of Delaware or other jurisdiction considered advantageous by AEP, (b) a limited partnership under the Revised Uniform Limited Partnership Act of the State of Delaware or other jurisdiction considered advantageous by AEP, (c) a business trust under the laws of the State of Delaware or other jurisdiction considered advantageous by AEP, or (d) any other entity or structure, foreign or domestic, that is considered advantageous by AEP. In the event that any SPS is organized as a limited liability company, AEP or the FS may also organize a second special purpose wholly owned subsidiary under the General Corporation Law of the State of Delaware or other jurisdiction (''Investment Sub'') for the purpose of acquiring and holding SPS membership interests so as to comply with any requirement under the applicable LLC Act that a limited liability company have at least two members. In the event that any SPS is organized as a limited partnership, AEP or the FS also may organize an Investment Sub for the purpose of acting as the general partner of such SPS and may acquire, either directly or indirectly through such Investment Sub, a limited partnership interest in such SPS to ensure that such SPS will at all times have a limited partner to the extent required by applicable law. The respective SPS then will issue and sell to private or public investors, at any time or from time to time, unsecured preferred securities (''Preferred Securities'') with a specified par or stated value or liquidation preference per security.

AEP, the FS and/or an Investment Sub will acquire all of the common stock or all of the general partnership or other common equity interests, as the case may be, of any SPS for an amount not less than the minimum required by any applicable law and not exceeding 21% of the total equity capitalization from time to time of such SPS (*i.e.*, the aggregate of the equity accounts of such SPS) (the aggregate of such investment by AEP, the FS and/or an Investment Sub is referred to as the ''Equity Contribution''). The constituent instruments of each SPS, including its Limited Liability Company Agreement, Limited Partnership Agreement or Trust Agreement, as the case may be, will provide, among other things, that such SPS's activities will be limited to the issuance and sale of Preferred Securities from time to time and the lending to the FS or Investment Sub of (a) the proceeds thereof and (b) the Equity Contribution to such SPS, and certain other related activities. No SPS's constituent instruments will include any interest or dividend coverage or capitalization ratio restrictions on its ability to issue and sell Preferred Securities as each such issuance will be supported by a note (''Note'') and guaranty (''Guaranty'') and such restrictions would therefore not be relevant or necessary for any SPS to maintain an appropriate capital structure. Each SPS's constituent instruments will further state that its common stock or general partnership or other common equity interests are not transferable (except to certain permitted successors), that its business and affairs will be managed and controlled by AEP, the FS and/or its Investment Sub (or permitted successor), and that AEP or the FS (or permitted successor) will pay all expenses of such SPS.

The FS may issue and sell to any SPS, at any time or from time to time in one or more series, unsecured subordinated debentures, unsecured promissory notes or other unsecured debt instruments (collectively, ''Notes'') governed by an indenture or other document, and such SPS will apply both the Equity Contribution made to it and the proceeds from the sale of Preferred Securities by it from time to time to purchase Notes. Alternatively, the FS may enter into a loan agreement or agreements with any SPS under which such SPS will loan to the FS (individually, a ''Loan'' and collectively, the ''Loans'') both the Equity Contribution to such SPS and the proceeds from the sale of the Preferred Securities by such SPS from time to time, and the FS will issue to such SPS Notes evidencing such borrowings.

Each Note will have a term of up to 50 years. Prior to maturity, the FS will pay interest only on the Notes at a rate equal to the dividend or distribution rate on the related series of Preferred Securities, which dividend or distribution rate may be either a fixed rate or an adjustable rate to be determined on a periodic basis by auction or remarketing procedures, in accordance with a formula or formulae based upon certain reference rates, or by other predetermined methods. Such interest payments will constitute each respective SPS's only income and will be used by it to pay dividends or distributions on the Preferred Securities issued by it and dividends or distributions on the common stock or the general partnership or other common equity interests of such SPS.

Dividend payments or distributions on the Preferred Securities will be made on a monthly or other periodic basis and must be made to the extent that the SPS issuing such Preferred Securities has legally available funds and cash sufficient for such purposes. However, the FS may have the right to defer payment of interest on any issue of Notes for up to five or more years. Each SPS will have the parallel right to defer dividend payments or distributions on the related series of Preferred Securities for up to five or more years, provided that if dividends or distributions on the Preferred Securities of any series are not paid for up to 18 or more consecutive months, then the holders of the Preferred Securities of such series may have the right to appoint a trustee, special general partner or other special representative to enforce the SPS's rights under the related Note and Guaranty.

The dividend or distribution rates, payment dates, redemption and other similar provisions of each series of Preferred Securities will be substantially identical to the interest rates, payment dates, redemption and other provisions of the Note issued by the FS. The Preferred Securities may be convertible or exchangeable into common stock of AEP.

AEP or the FS also proposes to guarantee (collectively, the ''Guaranties'') (a) payment of dividends or distributions on the Preferred Securities of any SPS if and to the extent such SPS has funds legally available, (b) payments to the Preferred Securities holders of amounts due upon liquidation of such SPS or redemption of the Preferred Securities of such SPS, and (c) certain additional amounts that may be payable in respect of such Preferred Securities. AEP's credit will support any such Guaranty by the FS.

The Notes and related Guaranties will be subordinate to all other existing and future unsubordinated indebtedness for borrowed money of the FS or AEP, and may have no cross-default provisions with respect to other indebtedness of the FS or AEP. A default under any other outstanding indebtedness of the FS (or AEP) would not result in a default under any Note or Guaranty. However, AEP and/or the FS may be

prohibited from declaring and paying dividends on its outstanding capital stock and making payments in respect of pari passu debt unless all payments then due under the Notes and Guaranties (without giving effect to the deferral rights discussed above) have been made.

In the event of any voluntary or involuntary liquidation, dissolution or winding up of any SPS, the holders of the Preferred Securities of such SPS will be entitled to receive, out of the assets of such SPS available for distribution to its shareholders, partners or other owners, an amount equal to the par or stated value or liquidation preference of such Preferred Securities plus any accrued and unpaid dividends or distributions.

The distribution rate to be borne by the Preferred Securities and the interest rate on the Notes will not exceed the greater of (a) 300 basis points over U.S. Treasury securities having comparable maturities or (b) a gross spread over U.S. Treasury securities that is consistent with similar securities having comparable maturities and credit quality issued by other companies. Current market conditions suggest the costs for issuing long-term indebtedness with a three to five year maturity are less than or equal to the costs for issuing short-term indebtedness over the same time period.

III. Debt Securities

AEP proposes that, in addition to, or as an alternative to, any Preferred Securities financing as described above, AEP and/or the FS may issue and sell notes directly to public or private investors without an intervening SPS (''Debt Securities''). Any notes so issued will be unsecured, may be either senior or subordinated obligations of AEP or the FS, as the case may be, may be convertible or exchangeable into common stock of AEP or Preferred Securities, and may have the benefit of a sinking fund. Debt Securities of the FS will have the benefit of a guarantee or other credit support by AEP. AEP will not issue the Debt Securities, either directly or through the FS, unless it has evaluated all relevant financial considerations (including, without limitation, the cost of equity capital) and has determined that to do so is preferable to issuing common stock or short-term debt. Current market conditions suggest the costs for issuing long-term indebtedness with a three to five year maturity are less than or equal to the costs for issuing short-term indebtedness over the same time period.

The interest rate on the Debt Securities will not exceed the greater of (a) 300 basis points over U.S. Treasury securities having comparable maturities or (b) a gross spread over U.S. Treasury securities that is consistent with similar securities having comparable maturities and credit quality issued by other companies.

IV. Stock Purchase Contracts and Stock Purchase Units

AEP or the FS may issue and sell to public or private investors from time to time stock purchase contracts (''Stock Purchase Contracts''), including contracts obligating holders to purchase from AEP, and AEP to sell the holders, a specified number of shares or aggregate offering price of common stock of AEP at a future date or dates up to ten years from the date of issuance. The consideration per share of common stock may be fixed at the time the Stock Purchase Contracts are issued or may be determined by reference to a specific formula set forth in the Stock Purchase Contracts. The Stock Purchase Contracts may be issued separately or as a part of units (''Stock Purchase Units'') consisting of a Stock Purchase Contract and Debt Securities, Preferred Securities, or other debt obligations of third parties, including U.S. Treasury securities, securing holders' obligations to purchase the common stock of AEP under the Stock Purchase Contracts. The funds to purchase obligations would be provided by, and the interest income will be for the benefit of the investors. The Stock Purchase Contracts may require AEP or the FS to make periodic payments to the holders of the Stock Purchase Units or vice versa. Any such payments by AEP or the FS not to exceed 5% per annum, and such payments may be unsecured or prefunded on some basis. The Stock Purchase Contracts may require holders to secure their obligations in a specified manner, which may include the pledging of U.S. Treasury securities.

V. Interest Rate Hedges

AEP request authorization for it and/or the FS to enter into interest rate hedging transactions with respect to existing indebtedness (''Interest Rate Hedges''), subject to certain limitations and restrictions, in order to reduce or manage interest rate cost or risk. Interest Rate Hedges will only be entered into with counterparties (''Approved Counterparties'') whose senior debt ratings, or whose parent companies' senior debt ratings, as published by Standard and Poor's Ratings Group, are equal to or greater than BBB, or an equivalent rating from Moody's Investor's Service or Fitch Investor Service. Interest Rate Hedges will involve the use of financial instruments and derivatives commonly used in today's capital markets, such as interest rate swaps, options, caps, collars, floors, and structured notes (*i.e.*, a debt instrument in which the principal and/or interest payments are indirectly linked to the value of an underlying asset or index), or transactions involving the purchase or sale, including short sales, of U.S. Treasury obligations. The transactions will be for fixed periods and stated notional amounts. In no case will the notional principal amount of any interest rate swap exceed that of the underlying debt instrument and related interest rate exposure. AEP and/or the FS will not engage in speculative transactions. Fees, commissions and other amounts payable to the counterparty or exchange (excluding, the swap or option payments) in connection with an Interest Rate Hedge will not exceed those generally obtainable in competitive markets for parties of comparable credit quality.

VI. Anticipatory Hedges

In addition, AEP requests authorization for it and/or the FS to enter into interest rate hedging transactions with respect to anticipate debt offerings (the ''Anticipatory Hedges''), subject to certain limitations and restrictions. Anticipatory Hedges will only be entered into with Approved Counterpaties, and will be utilized to fix and/or limit the interest rate risk associated with any new issuance through: (a) A forward sale of exchange-traded U.S. Treasury futures contracts, U.S. Treasury obligations and/or a forward swap (each a ''Forward Sale''); (b) the purchase of put options on U.S. Treasury obligations (a ''Put Options Purchase''); (c) a Put Options Purchase in combination with the sale of call options on U.S. Treasury obligations (a ''Zero Cost Collar''); (d) transactions involving the purchase or sale, including short sales, of U.S. Treasury obligations; or (e) some combination of a Forward Sale, Put Options Purchase, Zero Cost Collar and/or other derivative or cash transactions, including, but not limited to structured notes, options, caps and collars, appropriate for the Anticipatory Hedges. Anticipatory Hedges may be executed on-exchange (''On-Exchange Trades'') with broker through the opening of futures and/or options positions traded on the Chicago Board of Trade or the Chicago Mercantile Exchange, the opening of over-the-counter positions with one or more counterparties (''Off-Exchange Trades''), or a combination of On-Exchange Trades and Off-Exchange Trades. AEP and/or the FS will

determine the optimal structure of each Anticipatory Hedge transaction at the time of execution. AEP may decide to lock in interest rates and/or limit its exposure to interest rate increases.

AEP represents that each Interest Rate Hedge and Anticipatory Hedge will qualify for hedge accounting treatment under generally accepted accounting principles. AEP will comply with the then existing financial disclosure requirements of the Financial Accounting Standards Board associated with hedging transactions.

VII. Use of Proceeds

The proceeds of any financing by the FS or any SPS will be remitted, paid as a dividend, loaned or otherwise transferred to AEP or its designee. The proceeds of the Preferred Securities, Debt Securities, Stock Purchase Contracts and Stock Purchase Units will be used to acquire the securities of associate companies and interests in other businesses, including interests in EWGs and FUCOs, or in any transactions permitted under the Act and for other general corporate purposes, including the reduction of short-term indebtedness. No proceeds will be used to purchase generation assets currently owned by AEP or any affiliate unless such purchase has been approved by order of the Commission pursuant to S.E.C. File No. 70–9785 or other similar application. AEP had approximately $2.3 billion outstanding short-term indebtedness as of September 30, 2000. AEP represents that no financing proceeds will be used to acquire the equity securities of any company unless such acquisition has been approved by the Commission in this proceeding or in a separate proceeding or is in accordance with an available exemption under sections 32, 33, and 34 or rule 58 of the Act. AEP does not seek in this proceeding any increase in the amount it is permitted to invest in EWGs and FUCOs.

Allegheny Energy, Inc., et al. (70–9747)

Allegheny Energy, Inc., (''Allegheny''), a registered holding company, and Allegheny Energy Service Corporation (''AESC''), a service company subsidiary of Allegheny, both located at 10435 Downsville Pike, Hagerstown, Maryland 21740, Monongahela Power Company (''Monongahela Power''), a wholly owned combination gas and electric utility subsidiary of Allegheny, located at 1310 Fairmont Avenue, Fairmont, West Virginia 26554, and Allegheny Energy Supply Company, LLC (''Genco''), a wholly owned generating company subsidiary of Allegheny located at R.R. 12, P.O. Box 1000, Greensburg, Pennsylvania 15601 (collectively, ''Applicants''), have filed an application-declaration under sections 6(a), 7, 9(a), 10, 12(b), 12(c), 12(d) and 13(b) of the Act, and rules 43, 44, 45, 46, 54, 90 and 91 under the Act.

Monongahela Power, subject to obtaining the requisite regulatory approvals, intends to leave the generating business entirely. To accomplish this, Applicants request authority for Monongahela Power to transfer its electric generating business to Genco, which was organized to compete in deregulated, competitive electricity generation markets.[1] Specially, Applicants request authority for Monongahela Power to transfer to Genco, at net book value, Monongahela Power's undivided ownership interests in certain jointly held and certain wholly owned electric generating facilities (''Generating Assets''), current assets related to the Generating Assets (''Related Assets''), fuel, supplies and other inventory (''Inventory'') and other related interests (''Other Interests'') each of which is more particularly described below. In addition, Applicants request authority for Monongahela Power to transfer and for Genco to assume certain net liabilities and debt associated with the Generation Assets and Related Assets (''Related Liabilities'').

The Generating Assets consist of the undivided ownership interests in the following generating facilities: A 25% interest in unit No. 1 and a 20% interest in Unit No. 2 of the Fort Martin Power station located in Maidsville, West Virginia; a 66% interest in the Albright Power Station located in Albright, West Virginia; a 25% interest in the Harrison Power Station located in Shinnston, West Virginia; a 27.5% interest in the Hatfield's Ferry Power Station located in Masontown, Pennsylvania; a 25% interest in the Pleasants Power Station, located in Saint Mary's, West Virginia; a 100% interest in the Willow Island Station located in Willow Island, West Virginia. Applicants state that the total net book value of the Generating Assets was approximately $456.5 million as of December 31, 2000. Monongahela Power also intends to transfer Inventory to Genco.[2]

The Related Assets consist of current assets, deferred charges, cash, temporary cash investments and an undivided 27% ownership interest in the stock of Allegheny Generating Company (''AGC'').[3] Applicants state that the net book value of the Related Assets was approximately $52.2 million as of December 31, 2000. The Other Interests consist of a 3.5% ownership interest in the Ohio Valley Electric Corporation (''OVEC''), a public utility, and Monongahela Power's contractual rights and obligations under five agreements regarding the operation of five of the generating facilities included as Generating Assets.[4]

The Related Liabilities consist of accounts payable, accrued taxes, tax deferrals, pollution control bonds, solid waste bonds and other deferred credits related to the Generating Assets. Applicants state that the book value of the Related Liabilities was approximately $253.9 million as of December 31, 2000. Applicants state that the Related Liabilities do not include Monongahela Power's first mortgage bonds. Applicants state that Monongahela Power expects to obtain a release from the lien of the first mortgage by certifying or pledging additional bondable property in an amount not less than the net book value of the Generating Assets, which could include remaining utility assets of Monongahela Power, and request authority to pledge those assets to obtain the described release.

To accomplish the proposed transfers, Applicants request authority to form two companies, MP Transferring Agent, LLC (''MP Transferring Agent''), a limited liability company and MP Genco (''MP Genco''), a corporation. Monongahela Power would acquire the ownership interests in MP Transferring Agent in exchange for an initial cash contribution of $200,000, and MP Transferring Agent in exchange for an initial cash contribution of $200,000, and MP Transferring Agent would acquire the interests in MP Genco for an initial cash contribution of $100,000, with the contributions to be in the form of collateralized government obligations.

Monongahela Power would then transfer its undivided ownership interests in the Generating Assets, Related Assets, Related Liabilities, Inventory and Other Interests to MP Transferring Agent. MP Transferring Agent would issue an interest bearing unsecured promissory note to

[1] Genco is an electric utility company within the meaning of section 2(a)(3) of the Act.

[2] Applicants state that Monongahela Power would transfer the Inventory at net book value. Applicants state that the net book value of the Inventory was approximately $33 million as of December 31, 2000.

[3] AGC, a Virginia corporation that is jointly owned by Genco and Monongahela Power, owns a 40% undivided interest in a pumped storage hydroelectric generating facility and related transmission facilities located in Bath County, Virginia, 73% of which ownership has already been transferred to Genco in the form of AGC stock interests.

[4] The Other Interests have a book value of zero.

Monongahela Power in an amount equal to the net book value of the Generating Assets and Inventory (''Purchase Note'') in exchange for the transfer of these assets. In order to assure that MP Transferring Agent has sufficient assets to cover the principal amount of the Purchase Note and its accrued interest, Monongahela Power would issue a non-interest bearing note to MP Transferring Agent in an amount $20 million greater than the Purchase Note as a capital contribution (''Liquidation Note''). In addition, Monongahela Power would issue a non-interest bearing promissory note to MP Transferring Agent in an amount constituting the difference between the net book values of the Related Assets and the Related Liabilities (''Balancing Note''), as an additional capital contribution.

MP Transferring Agent proposes to contribute the Generating Assets, Related Assets, Inventory and Other Interests to MP Genco, which would also assume the Related Liabilities. The Liquidation Note and Balancing Note would remain at MP Transferring Agent, as well as the Purchase Note obligation. MP Transferring Agent proposes to dividend its interests in MP Genco, the Balancing Note, and the Liquidation Note, net of the Purchase Note to Monongahela Power. Monongahela Power proposes to then dividend the MP Genco interests to Allegheny, after which MP Genco would merge with Genco. Applicants would then liquidate MP Transferring Agent.

Monongahela Power and Genco propose to enter into a debt assumption agreement under which Genco would assume the obligation for $100 million in outstanding debt (''Debt Assumption Agreement''). Applicants note that the Debt Assumption Agreement is a result of Monongahela Power's first mortgage obligations, a portion of which relate to the Generating Assets being transferred. In addition, Applicants request authority for Monongahela Power and Genco to enter into leaseback, service and operating agreements with respect to the Generating Assets, until Genco obtains the necessary permits and licenses to operate the Generating Assets. These services would be rendered at cost, in accordance with rules 90 and 91 under the Act.

Cinergy Corp. (70–9803)

Cinergy Corp. (''Cinergy''), a registered holding company, 139 East Fourth Street, Cincinnati, Ohio 45202, has filed an application-declaration with the Commission under sections 6(a), 7, 9(a), 10 and 12(c) of the Act and rules 42 and 54 under the Act.

By order dated February 7, 1997, Holding Co. Act Release No. 26662 (''1997 Order''), the Commission authorized Cinergy to establish a nonutility subsidiary, Cinergy Solutions, to engage in nonutility energy-related businesses, directly or indirectly through its subsidiaries, in the United States and, with respect to certain of these activities, within and anywhere outside of the United States.[5] The Commission authorized Cinergy Solutions to market energy management services[6] (''Energy Management Services'') and energy-related consulting services[7] (''Consulting Services'') exclusively to nonassociate commercial/industrial customers and residential customers within and anywhere outside of the United States.

I. Energy Management Services, Consulting Services, Commodity Brokering and Marketing

Cinergy now seeks authorization for its nonutility subsidiaries, in addition to Cinergy Solutions, to: (a) Market Energy Management Services and Consulting Services anywhere in the world;[8] (b) broker and market energy commodities (including but not limited to electricity, natural gas and other combustible fuels) anywhere in the world; and (c) to invest up to $1 billion over a ten-year period in nonutility energy-related assets located anywhere in the world that are incidental to and used to support their Energy Management Services and Consulting Services; in all cases without further Commission authorization.

Cinergy requests that the Commission reserve jurisdiction over Cinergy's proposal for: (a) Its nonutility subsidiaries to engage in the business of brokering and marketing energy commodities anywhere in the world outside of the United States and Canada; and (b) Cinergy to invest up to $1 billion over a ten-year period in nonutility energy-related assets located anywhere in the world that are incidental to and used to support their Energy Management Services and Consulting Services.

II. Adjustments to Capital Securities of Subsidiaries

Cinergy also requests authorization for Cinergy to change the terms of, or otherwise, adjust, the capital stock or any other equity securities of its wholly owned utility and nonutility subsidiaries' capital stock or other equity securities as it deems appropriate or necessary, without further Commission authorization. As examples, Cinergy states that it may convert a subsidiary's par value capital stock to no par value stock, to effect a reverse stock split, or change the total number of shares of capital securities it holds in a subsidiary while maintaining its percentage of ownership. Any change in capitalization will be subject to the approval of the State commission in the State in which the subsidiary is incorporated and doing business.

Cinergy requests that the Commission reserve jurisdiction over any of Cinergy's proposed adjustments to capital securities of subsidiaries that are not wholly owned by Cinergy.

Xcel Energy Inc. (70–9823)

Xcel Energy Inc. (''Xcel''), 800 Nicollet Mall, Minneapolis, Minnesota 55402, a registered holding company, has filed an application-declaration under sections 6(a), 7, 9(a), 10 and 12(c) of the Act and rules 42, 46 and 54 under the Act.

[5] The Commission reserved jurisdiction over the provision of asset management services, project development and ownership , and consumer services outside the United States, pending completion of the record.

[6] The 1997 Order defines Energy Management Services as: (a) Identification (through energy audits or otherwise) of energy and other resource (water, labor, maintenance, materials, etc.) cost reduction or efficiency opportunities; (b) design of facility and process modifications or enhancements to realize such opportunities; (c) management, or direct construction and installation, of energy conservation or efficiency equipment; (d) training of client personnel in the operation of equipment; (e) maintenance of energy systems; (f) design, management or direct construction and installation of new and retrofit heating, ventilating, and air conditioning; electrical and power systems, motors, pumps, lighting, water and plumbing systems, and related structures, to realize energy and other resource efficiency goals or to otherwise meet a customer's energy-related needs; (g) system commissioning (*i.e.,* monitoring the operation of an installed system to ensure that it meets design specifications); (h) reporting of system results; (i) design of energy conservation programs; (j) implementation of energy conservation programs; (k) provision of conditioned power services (*i.e.,* services designed to prevent, control or mitigate adverse effects of power disturbances on a customer's electrical system to ensure the level of power quality required by the customer, particularly with respect to sensitive electronic equipment); and (l) other similar or related activities.

[7] The 1997 Order defines Consulting Services as technical and consulting services involving technology assessments, power factor correction and harmonics mitigation analysis, commercialization of electro-technologies, meter reading and repair, rate schedule analysis and design, environmental services, engineering services, billing services including conjunctive billing, summary billing for customers with multiple locations and bill auditing, risk management services, communications systems, information system/data processing, system planning, strategic planning, finance, feasibility studies, and other similar or related services.

[8] Cinergy states that this authority would supplement, not supercede, the authority granted in the 1997 Order.

Xcel request authority to implement a stockholder protection rights plan (''Plan'') and related agreement creating the stockholder rights (''Rights Agreement''). The Plan is intended to maximize stockholder value due to opportunistic takeover proposals. Under the Plan, the board of directors of Xcel (''Board'') would declare a dividend of one right (''Rights'') for each outstanding share of Xcel common stock, par value $2.50 per share (''Common Stock''), payable to all stockholders of record on the close of business in the tenth business day following the first public announcement by Xcel of the granting of an order by the Commission approving this application-declaration.

Each Right issued to a registered holder of Common Stock would, after the Right becomes exercisable, entitle the holder to purchase from Xcel one share of Common Stock at a price of $95.00 per Right, subject to adjustment (''Exercise Price''). The Rights would not entitle the holders to make a discounted purchase of shares of Common Stock or the common stock of the person acquiring Xcel until the occurrence of one of the events described below. The Rights will expire at the close of business ten years from the date of the Rights Agreement, unless earlier redeemed exchanged by Xcel.

Until the earlier of the two dates described below (''Flip-In Date''), Rights would not be exercisable and would trade with the outstanding shares of Common Stock. One date occurs on the day the Board publicly announces (or a later date if the board so chooses) that a person or group (''Acquiring Person'') has acquired beneficial ownership of 15% or more of the Common Stock. The second date occurs ten business days (unless extended by the Board) after any person or group has commenced a tender or exchange offer which would, upon its consummation, result in such person or group becoming an Acquiring Person.

After the Flip-In Date, the holders of the Rights would immediately have the right to receive, for each Right exercised, Common Stock having a market value equal to two times the Exercise Price then in effect. Under certain circumstances where Xcel is acquired in a business combination transaction with, or 50% or more of its assets or earning power is sold or transferred to, another person or entity (''Acquiror''), exercise of a Right will entitle its holder to receive common stock of the Acquiror having a market value equal to two times the Exercise Price then in effect. Rights beneficially owned by any Acquiring Person and certain transferees of the Acquiring Person will be null and void.

The Rights may be redeemed, as a whole, at the discretion of the Board, at a Redemption Price of $0.01 per Right, subject to adjustment, which will be paid, at Xcel's option, in cash, shares of Common Stock or other equivalent Xcel securities, at any time prior to the close of business on the date that any person has become an Acquiring Person.

At any time after a Flip-in Date and prior to the time that any person (other than Xcel and certain related entities), together with its affiliates and associates, becomes the beneficial owner of 50% or more of the outstanding shares of Common Stock, the Board may direct the exchange of shares of Common Stock for all of the Rights (other than Rights which have become void) at the exchange ratio of one share of Common Stock per right, subject to adjustment.

The Exercise Price payable, and the number of shares of Common Stock (or other securities, as the case may be) issuable upon exercise of the Rights are subject to adjustment from time to time to prevent dilution (a) in the event of a stock dividend on, or a subdivision or combination of, the Common Stock, or (b) upon the distribution to holders of the Common Stock of securities or assets (excluding regular periodic cash dividends) whether by dividend, reclassification, recapitalization or otherwise.

The terms of the Rights may be amended by the Board (a) prior to the Flip-in Date in any manner and (b) on or after the Flip-in Date to cure any ambiguity, to correct or supplement any provision of the Rights Agreement which may be defective or inconsistent with any other provisions, or in any manner not adversely affecting the interests of the holders of the Rights generally.

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

Margaret H. McFarland,

Deputy Secretary.

[FR Doc. 01–6540 Filed 3–15–01; 8:45 am]

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SECURITIES AND EXCHANGE COMMISSION

[Release No. 34–44055; File No. SR–Phlx–01–32]

Self-Regulatory Organizations; Notice of Filing and Immediate Effectiveness of Proposed Rule Change by the Philadelphia Stock Exchange, Inc. Relating to Trading of Options on Exchange Traded Fund Shares

March 8, 2001.

Pursuant to section 19(b)(1) of the Securities Exchange Act of 1934 (''Act'') [1] and rule 19b–4 thereunder,[2] notice is hereby given that on March 5, 2001, the Philadelphia Stock Exchange, Inc. (''Phlx'' or ''Exchange'') filed with the Securities and Exchange Commission ''SEC'' or ''Commission'') the proposed rule change as described in Items I, II, and III below, which Items have been prepared by the Phlx. The proposed rule change has been filed by the Phlx as a ''non-controversial'' rule change under Rule 19b–4(f)(6) [3] under the Act. The Commission is publishing this notice to solicit comments on the proposed rule change from interested persons.

I. Self-Regulatory Organization's Statement of the Terms of Substance of the Proposed Rule Change

The Phlx proposes to amend Phlx Rule 1012, Commentary .05 by creating one point strike price intervals for options on Exchange-Traded Fund Shares. In addition, the Phlx proposes to amend Phlx Rule 101 to establish the hours of trading for options on the Nasdaq-100 Index Tracking Stock, a particular class of options on Exchange-Traded Fund Shares,[4] from 9:30 AM to

[1] 15 U.S.C. 78s(b)(1).

[2] 17 CFR 240.19b–4.

[3] 17 CFR 240.19b–4(f)(6).

[4] The Nasdaq-100®, Nasdaq-100 Index®, and Nasdaq® are trade or service marks of The Nasdaq Stock Market, Inc. (with its affiliates, the ''Corporations'') and are licensed for use by the Exchange. Options on Nasdaq-100 Index Tracking Stock (the ''Products'') have not been passed on by the Corporations as to their legality or suitability. The Products are not issued, endorsed, sold, or promoted by the Corporations. The Corporations make no warranties and bear no liability with respect to the Products. The Corporations do not guarantee the accuracy and/or uninterrupted calculation of the Nasdaq-100 Index® or any data included therein. The Corporations make no warranty, express or implied, as to results to be obtained by Licensee, owners of the Products, or any other person or entity from the use of the Nasdaq-100 Index® or any data included therein. The Corporations make no express or implied warranties, and expressly disclaim all warranties of merchantability or fitness for a particular purpose or use with respect to the Nasdaq-100 Index® or any data included therein. Without limiting any of the foregoing, in no event shall the Corporations have any liability for any lost profits or special,