contrary to the best interests of investors, and contrary to public policy.

5. Applicants believe that the assets to which the Prior Order relate will be as effectively protected by New Chase as they have been by Chase. Chase qualifies as a ''bank'' for purposes of section 26, since it is a banking institution organized under the laws of the United States and has an aggregate capital, surplus, and undivided profits substantially in excess of the $500,000 required by the Act. Chemical also qualifies as a ''bank'' for section 26 purposes, since it is a member of the Federal Reserve System and has capital substantially in excess of the $500,000 minimum. New Chase will continue to qualify as such a ''bank'' on and after the Merger. With respect to global custody services, New Chase will combine the size, expertise, and reputation of both Chase and Chemical. UITs for which Chase acts as trustee and custodian will therefore be at least as well-protected after the Merger as before.

6. Applicants state that New Chase will be required to indemnify UITs against loss of assets held by the Transnational Depositories to the same extent that Chase is required to do so under the Prior Order. Also, applicants believe that securities deposited in the Transnational Depositories are as well-protected as if they were deposited with a foreign branch of a U.S. bank, or shipped to the U.S. for foreign custody. The Transnational Depositories are among the largest and most experienced clearance and custody systems for internationally-traded securities in the world.

7. Applicants state that sections 26(a)(1) and 26(a)(2)(D) were adopted for essentially the same purposes as section 17(f) of the Act. The purpose of section 17(f) is to ensure that U.S. investment companies hold securities in a safe manner that protects the interests of their shareholders. The purpose of rule 17f–5 is to relieve U.S. investment companies of the expense and inconvenience of transferring assets to the custody of a U.S. bank or other qualified custodian outside the jurisdiction in which the primary trading market for those assets is located and to reduce the risks inherent in maintaining assets outside the U.S. The requested amendment would permit New Chase to continue offering the arrangements under the same terms and conditions as set forth in the Prior Order and is, therefore, consistent with these purposes.

8. Applicants state that in granting the Prior Order, the SEC determined that the arrangements permitted by that order satisfy the standards of section 6(c). Applicants believe that the substitution of New Chase for Chase as the party to which the terms and conditions of those orders apply in no way detracts from the continuing validity of the SEC's determinations. Therefore, applicants believe the requested order satisfies these standards.

Applicants' Condition

Applicants agree that the order granting the requested relief shall be subject to the condition that, following the merger of Chase and Chemical, New Chase will comply with all of the terms and conditions set forth in the Prior Order as if such order had been granted to New Chase.

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

Jonathan G. Katz,

Secretary.

[FR Doc. 96–14359 Filed 6–6–96; 8:45 am]

BILLING CODE 8010–01–M

[Release No. 35–26526]

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

May 31, 1996.

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 June 24, 1996, 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.

Columbia Gas System, Inc., et al. (70–8471)

Columbia Gas System, Inc. (''Columbia''), 20 Montchanin Road, Wilmington, Delaware, 19807, a registered holding company; nineteen wholly-owned subsidiary companies of Columbia,[1] all of which are engaged in the natural gas business; twelve subsidiary companies of TriStar Ventures (''TriStar Ventures Subsidiaries''); [2] Columbia Service Partners, Inc. (''Columbia Service''), 121 Hill Pointe Drive, Suite No. 100, Cannonsburg, Pennsylvania, 15317, a non-utility subsidiary of Columbia; and TriStar System, Inc. (''TriStar System''), 20 Montchanin Road, Wilmington, Delaware, 19807, a non-utility

[1] Columbia Gas of Pennsylvania, Inc. (''Columbia Pennsylvania''), 200 Civic Center Drive, Columbus, Ohio, 43215; Columbia Gas of Ohio, Inc. (''Columbia Ohio''), 200 Civic Center Drive, Columbus Ohio, 43215; Columbia Gas of Maryland, Inc. (''Columbia Maryland''), 200 Civic Center Drive, Columbus, Ohio, 43215; Columbia Gas of Kentucky, Inc. (''Columbia Kentucky''), 200 Civic Center Drive Columbus, Ohio, 43215; Commonwealth Gas Services, Inc. (''Commonwealth Services''), 200 Civic Center Drive, Columbus, Ohio, 43215; Columbia Gulf Transmission Co. (''Columbia Gulf''), 1700 MacCorkle Avenue, S.E., Charleston, West Virginia, 25314; Columbia Gas Development Corp. (''Columbia Development''), One Riverway, Houston, Texas, 77056; Columbia Natural Resources, Inc. (''Columbia Resources''), 900 Pennsylvania Avenue, Charleston, West Virginia, 25302; Columbia Coal Gasification Corp. (''Columbia Coal''), 900 Pennsylvania Avenue, Charleston, West Virginia, 25302; Columbia Energy Services Corp. (''Columbia Services''), 121 Hill Pointe Drive, Suite No. 100, Cannonsburg, Pennsylvania, 15317; Columbia Gas System Service Corp. (''Service Corporation''), 20 Montchanin Road, Wilmington, Delaware, 19807; Columbia Propane Corp. (''Columbia Propane''), 800 Moorefield Park Drive, Richmond, Virginia, 23236; Commonwealth Propane, Inc. (''Commonwealth Propane''), 800 Moorefield Park Drive, Richmond, Virginia, 23236; TriStar Ventures Corp. (''TriStar Ventures''), 20 Montchanin Road, Wilmington, Delaware, 19807; TriStar Capital Corp. (''TriStar Capital''), 20 Montchanin Road, Wilmington, Delaware, 19807; Columbia Atlantic Trading Corp (''Columbia Atlantic''), 20 Montchanin Road, Wilmington, Delaware, 19807; Columbia LNG Corp., 20 Montchanin Road, Wilmington, Delaware, 19807; Columbia Gas Transmission Corp. (''Gas Transmission''), 1700 MacCorkle Avenue, S.E., Charleston, West Virginia, 25314; and Columbia Energy Marketing Corp. (''Energy Marketing''), 121 Hill Pointe Drive, Suite No. 100, Cannonsburg, Pennsylvania, 15317.

[2] TriStar Pedrick Limited Corporation, TriStar Pedrick General Corporation, TriStar Binghamton Limited Corporation, TriStar Binghamton General Corporation, TriStar Vineland Limited Corporation, TriStar Vineland General Corporation, TriStar Rumford Limited Corporation, TriStar Georgetown General Corporation, TriStar Georgetown Limited Corporation, TriStar Fuel Cells Corporation, TVC Nine Corporation, and TVC Ten Corporation, all of 20 Montchanin Road, Wilmington, Delaware, 19807.

subsidiary of Columbia, have filed a post-effective amendment to the application-declaration previously filed under Section 6, 7, 9(a), 10, 12(b), 12(c), and 12(f) of the Act and Rules 42, 43, 45, and 46 thereunder.

By Order dated December 22, 1994 (HCAR No. 26201), Columbia, and fourteen of the subsidiary companies,[3] were authorized to recapitalize Columbia Gulf, Columbia Development, and Columbia Coal, to implement the 1995 and 1996 Long-Term and Short-Term Financing Programs of the Subsidiaries, and to continue the Intrasystem Money Pool (''Money Pool'') through 1996.

By order dated March 14, 1995 (HCAR No. 26251), the TriStar Ventures Subsidiaries were authorized to invest in, but not to borrow from, the Money Pool. By order dated November 8, 1995 (HCAR No. 26404), Gas Transmission and Energy Marketing were authorized to invest in, but not to borrow from, the Money Pool. By Order dated February 16, 1996 (HCAR No. 26471), Columbia was authorized to revise the cost of money on all short-term advances from, and the investment rate for money invested in, the Money Pool.

Columbia now proposes that Columbia Service and TriStar System be included as potential investors in the Money Pool.[4] Columbia also requests authorization, through December 31, 1996, to include in the Money Pool as potential investors any new direct or indirect subsidiaries engaged in new lines of business established pursuant to an order of the Commission or any new direct or indirect subsidiaries engaged in existing lines of business.

General Public Utilities Corporation, et al. (70–8829)

General Public Utilities Corporation, 100 Interpace Parkway, Parsippany, New Jersey 07054, a registered holding company (''GPU''), and its subsidiaries, Jersey Central Power & Light Company, 300 Madison Avenue, Morristown, New Jersey 07962 (''JCP&L''), Metropolitan Edison Company, P.O. Box 16001, Reading, Pennsylvania 19640 (''Met-Ed''), Pennsylvania Electric Company, P.O. Box 16001, Reading, Pennsylvania 19640 (''Penelec'') and Energy Initiatives, Inc., One Upper Pond Road, Parsippany, New Jersey 07054 (''EI''); (together with GPU, JCP&L, Met-Ed and Penelec, the ''EIM Applicants''), and GPU Service Corporation, 100 Interpace Parkway, Parsippany, New Jersey 07054 (''GPUSC''), have filed an application-declaration pursuant to sections 9(a), 10, 12(b) and 13(b) of the Act and rules 45, 90 and 91 thereunder.

The EIM Applicants believe that there are business opportunities that they may wish to pursue which involve energy information and management (''EIM'') systems. EIM systems employ interactive technology which, among other things, enables customers to automatically and remotely control HVAC and other appliance usage in response to variable energy pricing, thus providing customers with more control over their electric usage and costs. EIM systems also allow utilities to implement various demand-side management and load-control programs, and to remotely read the customers' meters. EIM systems also store customer load profile data and allow utilities to remotely access such data for forecasting and marketing purposes. EIM systems may also provide opportunities for real-time inter-active communications with customers with respect to a wide variety of information, products and services that are not exclusively energy-related. Communications may be effectuated through, but not limited to, fiber optics, radio, paging or personal communications systems.[5]

One or more of the EIM Applicants have been engaged in discussions with nonassociate EIM system companies (each, an ''EIMCo'') which design, manufacture, fabricate, integrate, market and distribute EIM system and components, or the enabling technology for EIM systems, which are in various stages of development, testing and deployment. These discussions, to date, have addressed two different approaches to possible involvement with EIM systems. First, JCP&L, Met-Ed and Penelec have discussed limited deployment of EIM systems to their respective electric utility customers within their respective service territories as part of a pilot program, looking towards possible broad-based deployment among their respective electric utility customers.[6] In addition, one or more of the EIM Applicants may acquire an interest in the business of designing, manufacturing, fabricating, integrating, marketing and distributing EIM systems to non-customers both within and beyond the boundaries of the service territories of JCP&L, Met-Ed and Penelec (collectively, the ''EIM Business''), either directly, through the acquisition of securities of an EIMCo, or, alternatively, through new wholly-owned or partly-owned subsidiary compan(ies), to be formed (each, an ''EIM Subsidiary''), or through a joint venture involving any of the foregoing and an EIMCo or an EIMCo affiliate (each, and ''EIM JV'').[7] Notwithstanding the foregoing, GPU will not acquire a direct interest in the EIM Business other than through the acquisition of securities of an EIMCo.

The EIM Applicants therefore propose to: (1) Engage in the EIM Business; and (2) acquire the securities of an EIMCo or one or more EIM Subsidiaries or, directly or indirectly, one or more EIM JVs. It is also requested that the Commission authorized the provision of goods and services relating to the EIM Business: (1) To JCP&L, Met-Ed and Penelec by EI or any EIM Subsidiaries or EIM JVs; and (2) to any EIM Subsidiaries and EIM JVs by GPUSC, all of which goods and services will be provided at cost in compliance with Rules 90 and 91 under the Act. For this purpose, each EIM Applicant, EIM Subsidiary and EIM JV will maintain separate financial records relating to the EIM Business. The aggregate amount of the EIM Applicants' investment in the EIM Business will not exceed $50 million through December 31, 1998.

The EIM Applicants or any EIM Subsidiaries or EIM JVs may provide financing to utility customers within the respective service territories of JCP&L, Met-Ed or Penelec through direct loan and operating or finance lease arrangements in connection with, for example, a customer's purchase of EIM systems either from an EIM Applicant, affiliate or a third party. The ability to make such loans would include participation in or facilitating customer

[3] Columbia Pennsylvania, Columbia Ohio, Columbia Maryland, Columbia Kentucky, Commonwealth Services, Columbia Gulf, Columbia Development, Columbia Resources, Columbia Coal, Services Corporation, Columbia Propane, Commonwealth Propane, TriStar Capital, and Columbia Atlantic.

[4] Service Partners was formed on March 21, 1996 by Columbia Services to provide energy-related services to customers of local distribution companies (''LDCs'') affiliated with Columbia and non-affiliated LDCs served by Columbia interstate natural gas transmission companies. TriStar System was formed on September 28, 1995 by TriStar Ventures to engage in natural gas vehicle activities.

[5] *See The Southern Company*, Holding Co. Act Release No. 26221 (January 25, 1995) (Southern was authorized to develop, purchase, construct, own or operate a prototype energy management communications network to provide both energy-related and nonenergy-related services, including fire, intrusion and health alarm monitoring services).

[6] *See Leidy Hub, Inc.*, Holding Co. Act Release No. 26048 (May 6, 1994) (National Fuel Gas Company was authorized to make a series of equity investments in Leidy Hub, Inc., which was developing and commercializing an automatic remote meter reading system).

[7] *See Eastern Utilities Assoc. et al.*, Holding Co. Act Release No. 26232 (February 15, 1995) (EUA was permitted to expand its energy management services business beyond its service territory and without regard to the 50% revenue limitation previously imposed by the Commission in similar matters).

access to government energy-related loan programs. Interest on loans and imputed interest on lease payments will range from zero percent to the then prevailing market rate. The obligations may either be secured or unsecured, will generally be evidenced by promissory notes and will have maturities not exceeding five years. The aggregate amount of such outstanding obligations at any one time will not exceed $20 million.

The authorization requested with respect to the acquisition of securities of an EIMCo or any EIM Subsidiaries or EIM JVs shall expire upon the first to occur of: (1) December 31, 1998; and (2) the adoption by the Commission of proposed rule 58 (HCAR No. 26313, June 20, 1995) or such other rule, regulation or order as shall exempt the transactions as proposed from section 9(a) of the Act. The authorization requested with respect to financing transaction shall, upon the enactment of Rule 58, extend to any energy-related company, as defined in Rule 58, which is a subsidiary company of GPU and engaged in the EIM Business.

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

Jonathan G. Katz,

Secretary.

[FR Doc. 96–14356 Filed 6–6–96; 8:45 am]

BILLING CODE 8010–01–M

[Investment Company Act Release No. 21999; 812–10010]

GMO Trust and Grantham, Mayo, Van Otterloo & Co.; Notice of Application

May 31, 1996.

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

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

APPLICANTS: GMO Trust and Grantham, Mayo, Van Otterloo & Co. (''GMO'').

RELEVANT ACT SECTIONS: Order requested under section 6(c) of the Act from sections 12(d)(1) (A) and (B) of the Act and under sections 6(c) and 17(b) of the Act from section 17(a) of the Act.

SUMMARY OF APPLICATION: Applicants request an order that would permit certain series of GMO Trust to operate as ''funds of funds.''

FILING DATES: The application was filed on February 23, 1996 and amended on May 23, 1996.

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 June 25, 1996, and should be accompanied by proof of service on applicants, in the form of an affidavit, or, for lawyers, a certificate or service. Hearing requests should state the nature of the writer's interest, the reason for the request, and the issues contested. Persons may request notification of a hearing by writing to the SEC's Secretary.

ADDRESSES: Secretary, SEC, 450 Fifth Street, N.W., Washington, D.C. 20549. Applicants, 40 Rowes Wharf, Boston, MA 02110.

FOR FURTHER INFORMATION CONTACT: Marianne H. Khawly, Staff Attorney, at (202) 942–0562, or Alison E. Baur, 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 from the SEC's Public Reference Branch.

Applicants' Representations

1. GMO Trust is an open-end series management investment company organized as a Massachusetts business trust. GMO Trust's existing and prospective shareholders are highly sophisticated individual investors and institutional investors such as endowments, foundations, international tax-exempt organizations, and ERISA/pension funds. The minimum initial investment in the GMO Trust is $10,000,000. GMO Trust consists of 22 separate series (each a ''Portfolio''), including: International Equity Allocation Fund; Global Equity Allocation Fund; U.S. Equity with International Allocation Fund; and Global Balanced Allocation Fund (collectively, the ''Allocation Funds''). Each Allocation Fund is designed to serve the needs and objectives of long-term investors who seek a simple and cost-effective response to their asset allocation demands.

2. GMO is a Massachusetts general partnership registered as an investment adviser under the Investment Advisers Act of 1940 that serves each Portfolio, including the Allocation Funds, as investment adviser and principal underwriter. With respect to each Portfolio, GMO voluntarily reduces its management fees and bears certain expenses to the extent that each portfolio's total annual operating expenses, excluding certain expenses such as brokerage commissions, extraordinary expenses, and transfer taxes exceed specified percentages of net assets (the ''Voluntary Expense Limits''). The Voluntary Expense Limits vary among Portfolios primarily because of each Portfolio's type of asset class and the style of GMO's management. In the case of each Allocation Fund, GMO expects to waive any advisory fees, and bear expenses, to the extent that the Allocation Fund's total operating costs would exceed the relevant Voluntary Expense Limit.

3. Applicants propose a fund of funds arrangement whereby each Allocation Fund will invest in shares of Portfolios other than Allocation Funds (the ''Underlying Funds''). Applicants request that any relief granted pursuant to the application also apply to any future Portfolio and to any open-end management investment company that currently or in the future is part of the same ''group of investment companies,'' as defined in rule 11a–3 under the Act, as GMO Trust (collectively, the ''GMO Funds'').[1]

Applicants' Legal Analysis

1. Section 12(d)(1)(A) of the Act provides that no registered investment company may acquire securities of another investment company if such securities represent more than 3% of the acquired company's outstanding voting stock, more than 5% of the acquiring company's total assets, or if such securities, together with the securities of any other acquired investment companies, represent more than 10% of the acquiring company's total assets. Section 12(d)(1)(B) provides that no registered open-end investment company may sell its securities to another investment company if the sale will cause the acquiring company to own more than 3% of the acquired company's voting stock, or if the sale will cause more than 10% of the acquired company's voting stock to be owned by investment companies.

2. Section 6(c) of the Act provides that the SEC may exempt persons or transactions from any provision of the Act if such exemption is necessary or appropriate in the public interest and consistent with the protection of investors and the purposes fairly intended by the policy and provisions of the Act. Applicants request an order

[1] Rule 11a–3 under the Act defines a ''group of investment companies'' as two or more companies that: (a) hold themselves out to investors as related companies for purposes of investment and investor services; and (b) that have a common investment adviser or principal underwriter.