(10) *Collection description:* The Railroad Retirement Board (RRB) administers the Medicare program for persons covered by the railroad retirement system. The collection obtains the information needed by the MetraHealth Insurance Company, the RRB's carrier, to pay claims for services covered under Part B of the program.

ADDITIONAL INFORMATION OR COMMENTS: Copies of the form and supporting documents can be obtained from Chuck Mierzwa, the agency clearance officer (312–751–3363). Comments regarding the information collection should be addressed to Ronald J. Hodapp, Railroad Retirement Board, 844 North Rush Street, Chicago Illinois 60611–2092 and the OMB reviewer, Laura Oliven (202–395–7316), Office of Management and Budget, Room 10230, New Executive Office Building, Washington, DC 20503.

Chuck Mierzwa,

Clearance Officer.

[FR Doc. 96–16447 Filed 6–26–96; 8:45 am]

BILLING CODE 7905–01–M

SECURITIES AND EXCHANGE COMMISSION

[Release No. 35–26535]

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

June 21, 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 July 15, 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 of 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.

Alabama Power Company, et al. (70–8461)

Alabama Power Company, 600 North 18th Street, Birmingham, Alabama 35291 (''Alabama''), Georgia Power Company, 333 Piedmont Avenue, N.E., Atlanta, Georgia 30308 (''Georgia''), Gulf Power Company, 500 Bayfront Parkway, Pensacola, Florida 32501 (''Gulf''), Mississippi Power Company, 2992 West Beach, Gulfport, Mississippi 39501 (''Mississippi'') and Savannah Electric and Power Company, 600 East Bay Street, Savannah, Georgia 31401 (''Savannah'') (together, ''Operating Companies''), electric public utility subsidiaries of The Southern Company, a registered holding company, have filed a post-effective amendment to their application-declaration under sections 6(a), 7, 9(a), 10 and 12(b) of the Act and rules 45 and 54 thereunder.

By order dated December 15, 1994 (HCAR No. 26187) (''December Order'') each Operating Company was authorized to organize a separate special purpose subsidiary as: (1) a statutory business trust; (2) a limited liability company under the Limited Liability Company Act; and (3) a limited partnership under the Revised Uniform Limited Partnership Act of any state in which they respectively are organized to do business or are incorporated, or of the State of Delaware or other jurisdiction considered advantageous by any of the Operating Companies (''Special Purpose Subsidiaries''). The Special Purpose Subsidiaries then could issue and sell their preferred securities (''Preferred Securities''), with a par or stated value or liquidation preference of up to $100 per security, at any time or from time-to-time, in one or more series through December 31, 1997. The Preferred Securities would be sold by the respective Special Purpose Subsidiaries in the following aggregate par or stated value or liquidation preference amounts: (1) up to $175 million in the case of Alabama; (2) up to $300 million in the case of Georgia; (3) up to $15 million in the case of Gulf; (4) up to $15 million in the case of Mississippi; and (5) up to $10 million in the case of Savannah.

Further, the December Order authorized each Operating Company to acquire all of the common stock (''Common Securities'') or all of the general partnership interests, as the case may be, of its Special Purpose Subsidiary for an amount up to 21% of the total equity capitalization from time-to-time of such Special Purpose Subsidiary (''Equity Contribution''). Each Operating Company may issue and sell to its Special Purpose Subsidiary, at any time or from time-to-time in one or more series, subordinated debentures, promissory notes or other debt instruments (''Notes'') governed by an indenture or other document, and the Special Purpose Subsidiary will apply both the Equity Contribution and the proceeds from the sale of Preferred Securities to purchase Notes of such Operating Company. Alternatively, each Operating Company may enter into a loan agreement or agreements with its Special Purpose Subsidiary under which it will loan to the Operating Company (''Loans'') both the Equity Contribution and the proceeds from the sale of the Preferred Securities evidenced by Notes. Each Operating Company may also guarantee (''Guaranties'') the payment of dividends or distributions on the Preferred Securities, payments to the Preferred Securities holders of amounts due upon liquidation or redemption of the Preferred Securities and certain additional amounts that may be payable regarding the Preferred Securities.

Each Note will have a term, including extensions, of up to 50 years. Prior to maturity, each Operating Company will pay only interest on its Notes at a rate equal to the dividend or distribution rate on the related series of Preferred Securities. The dividend or distribution rate may be either fixed or adjustable, 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 Special Purpose Subsidiary's only income and will be used by it to pay monthly dividends or distributions on the Preferred Securities issued by it and dividends or distributions on the common stock or the general partnership interests of such Special Purpose Subsidiary.

Dividend payments or distributions on the Preferred Securities will be made monthly, will be cumulative and must be made to the extent that funds are legally available. However, each Operating Company will have the right to defer payment of interest on its Notes for up to five years, provided that, if dividends or distributions on the Preferred Securities of any series are not paid for up to 18 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 Special Purpose Subsidiary's rights under the related Note and Guaranty. Each Special Purpose Subsidiary will have the parallel right to defer dividend payments or distributions on the related series of Preferred Securities for up to five years. 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 related Note issued by the Operating Company.

The Notes and related Guaranties of each Operating Company will be subordinate to all other existing and future indebtedness for borrowed money of such Operating Company and will have no cross-default provisions with respect to other indebtedness of the Operating Company. However, each Operating Company may not declare and pay dividends on its outstanding preferred or common stock unless all payments due under its Notes and Guaranties have been made.

It is expected that each Operating Company's interest payments on the Notes issued by it will be deductible for federal income tax purposes and that its Special Purpose Subsidiary will be treated as a partnership for federal income tax purposes. Consequently, holders of the Preferred Securities will be deemed to have received partnership distributions in respect of their dividends or distributions from the respective Special Purpose Subsidiary and will not be entitled to any ''dividends received deduction'' under the Internal Revenue Code.

The Preferred Securities are optionally redeemable by the Special Purpose Subsidiary at a price equal to their par or stated value or liquidation preference, plus any accrued and unpaid dividends or distributions, at any time after a specified date not later than 10 years from their date of issuance or upon the occurrence of certain events. The Preferred Securities of any series may also be subject to mandatory redemption upon the occurrence of certain events. Each Operating Company also may have the right in certain cases to exchange the Preferred Securities of its Special Purpose Subsidiary for the Notes or other junior subordinated debt of the Operating Company.

In the event that any Special Purpose Subsidiary is required to withhold or deduct certain amounts in connection with dividend, distribution or other payments, it may also have the obligation to ''gross up'' such payments so that the holders of the Preferred Securities will receive the same payment after such withholding or deduction as they would have received if no such withholding or deduction were required. In such event, the related Operating Company's obligations under its Note and Guaranty may also cover such ''gross up'' obligation. In addition, if any Special Purpose Subsidiary is required to pay taxes on income derived from interest payments on the Notes, the related Operating Company may be required to pay additional interest equal to the tax payment. Each Operating Company, individually, expects to apply the net proceeds of the Loans to the repayment of outstanding short-term debt, for construction purposes, and for other general corporate purposes, including the redemption or other retirement of outstanding senior securities.

The December Order authorized Georgia to enter into certain transactions regarding the issuance and sale of $100 million of Preferred Securities, but the Commission reserved jurisdiction over all remaining transactions pending completion of the record. By subsequent supplemental order dated January 17, 1996 (HCAR No. 26452), Alabama was authorized to enter into certain transactions regarding the issuance and sale of $97 million of Preferred Securities, and the Commission again reserved jurisdiction over all remaining transactions pending completion of the record.

The Operating Companies now propose to increase the aggregate par or stated value or liquidation preference of preferred securities that may be issued by the Special Purpose Subsidiaries of Alabama, Georgia, Gulf, Mississippi and Savannah in respective aggregate amounts of up to $250 million, $500 million, $60 million, $60 million and $35 million. The Operating Companies propose also to extend the time in which the transactions may be effected through December 31, 2001.

HEC Inc., et al. (70–8831)

HEC Inc. (''HEC''), 24 Prime Parkway, Natick, Massachusetts 01760, a nonutility subsidiary of Northeast Utilities (''Northeast''), a registered holding company, and HEC's two nonutility subsidiary companies, HEC Energy Consulting Canada Inc. (''HEC Canada''), 285 Yorkland Boulevard, Willowdale, Ontario, M2J 1S5, and HEC International Corporation (''HEC International''), 24 Prime Parkway, Natick, Massachusetts 01760 (collectively, the ''Applicants''), have filed an application-declaration under sections 6(a), 7, 9, 10, 12 and 13(b) of the Act and rules 45, 54, 90 and 91 thereunder. The Applicants propose to provide additional energy related services to associate and nonassociate companies and to enter joint ventures with utilities located outside New York and New England.

By order dated July 27, 1990 (HCAR No. 25114–A) (''1990 Order''), the Commission authorized HEC to provide various energy management services and demand side management services (''DSM'') to customers in New England and New York (the ''Region'') and, to a lesser extent, outside the Region.

By order dated September 30, 1993 (HCAR No. 25900) (''1993 Order''), the Commission authorized HEC to expand its energy management and DSM services and to provide consulting services on energy related matters. In addition the 1993 Order authorized HEC to design and market intellectual property, and also provided that, when HEC sold or licensed intellectual property that had been developed by a Northeast system company, the associate company would receive 70% of the revenues until it recovered its development costs, after which the associate company would receive 20% of the such revenues.

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 provides 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 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 and foreign countries (excluding Canada).

By order dated July 19, 1995 (HCAR No. 26335) (''1995 Order''), the Commission authorized HEC and its direct and indirect subsidiaries to provide EMS and DSM services to customers without regard to prior restrictions limiting revenues attributable to customers outside the Region.

The Applicants now wish to expand the energy management and demand side management services that they provide to nonassociates, including customers of Northeast's electric utility operating companies (''Operating Companies''), and associate companies in the Northeast system. Specifically, they propose to provide the following new energy related services: (1) identifying energy and other resource efficient applications of technologies (the application of which may improve and even increase end-use services,

such as lighting or ventilation, although overall costs may not be reduced); (2) designing facility and process modifications and/or enhancements to increase energy and resource efficiencies (which may not only improve but also increase end-use services of facilities or processes, such as lighting or ventilation); (3) designing, managing or directing construction of, and/or installing mechanical, water and electrical systems, energy and other resource consuming equipment, and equipment that controls or monitors energy consumption and related equipment; (4) implementing operational and maintenance techniques and measures related to energy and other resource consumption; (5) recommending acquisition of, and/or brokering cost effective energy, including electric, gas, oil, propane, wood chips and refuse-derived fuels (the Applicants state they will not recommend acquisitions of, or broker, electricity for the Operating Companies and their customers), or marketing of energy fuels (but not electricity); [1] (6) provide marketing expertise and related technical support to Northeast system companies and nonassociate companies that want to sell energy related products and services; (7) constructing, owning, maintaining, and/or operating energy consuming systems and related support equipment and structures, such as central heating and chilling plants, compressed air systems, energy management systems, pumps, motors, and lighting systems (but not systems for the generation of electric energy); (8) designing, constructing and/or maintaining cogeneration and self-generation systems, up to 10 megawatts in capacity, that will be owned and operated by associates and nonassociates; (9) conducting preliminary development work on cogeneration and self-generation projects up to 10 megawatts in capacity; (10) training related to energy services the Applicants are authorized to provide; (11) monitoring, tracking and reporting of system or program results; and (12) designing and/or marketing energy-related proprietary and/or intellectual property (such as processes, programs, techniques, or computer software), and energy management system monitoring programs and reports. In the event the Applicants sell or license intellectual property developed by an associate company, the associate company will be paid in accordance with the terms stated in the 1993 Order.

The Applicants also propose to expand their consulting and engineering services provided to associates and nonassociates to include energy efficiency and associated technologies, such as indoor air quality and environmental compliance. They state such services include consulting on development or evaluation of energy conservation and energy efficiency measurement protocols and standards, general technical advice concerning the use, benefits, planning and administration of energy management or energy services programs, and requisites for permits concerning installation of a new boiler or waste-heat recovery system.

Payment for all the Applicants' proposed services will vary by project and may include fee-for-service, fixed price, time and materials, progress payments, turnkey payment, third-party financing arrangements, performance contracts with a savings guarantee or payment based on the energy or other resource savings achieved, the output of equipment (for example, steam, water, chilled water, air, or heat), commissions, and other payment structures. The Applicants state that services provided to any associate Northeast system companies will be provided at cost. They also state that they will not use other Northeast system company employees in providing services to the Operating Companies.

The Applicants also seek authority to extend, through June 30, 2001, the authority to form and finance joint ventures with utilities to serve customers in areas outside the Region. Each joint venture will service customers within a specific region that would include, but not be limited to, the service area of the participating utility. The joint ventures will provide all of the services that the Applicants currently are authorized to provide, as well as the proposed services, if subsequently authorized. The joint ventures would enter into agreements with the Applicants and the participating utility to obtain administrative, marketing and engineering services, which would be provided by the Applicants at cost.

The Applicants propose to acquire equity interests, notes or other forms of indebtedness of joint ventures. Subsequently, the Applicants propose to make capital contributions, loans or advances of money, property or other contributions (including direct payments of expenses) to the joint ventures. The rate of interest on loans or advances from the Applicants will equal HEC's cost of money; advances from the respective utility will not exceed the utility's cost of money. The Applicants state that their investment in any one joint venture, including the value of all contributions, will not exceed $1 million, and that their aggregate investments in all such joint ventures will not exceed $8 million, absent further Commission authorization. The participating utility may invest up to $1 million in a joint venture.

Consolidated Natural Gas Company (70–8853)

Consolidated Natural Gas Company (''CNG''), CNG Tower, 625 Liberty Avenue, Pittsburgh, Pennsylvania 15222–3199, a registered holding company, has filed a declaration under sections 12(b) and 32 of the Act and rules 45, 53 and 54 thereunder.

CNG's wholly owned subsidiary, CNG Power Services Corporation (''Power Services''), is an exempt wholesale generator (''EWG'') under section 32 of the Act and is engaged in the purchase and sale of electricity at wholesale. CNG proposes to guarantee, through March 31, 2001, obligations incurred by Power Services under electric power purchase and sales contracts, for amounts not to exceed $250 million outstanding at any time.

Power Services plans to use risk-management tools to reduce the electric price volatility risk to CNG through the guarantees. Such tools would include electric futures contracts, options on electric futures contracts, and swap agreements. Additionally, CNG would make no new guarantees of Power Services' sales obligations if there are current defaults by Power Services on any of its delivery obligations. CNG will not make any guarantee to the extent that it would cause CNG's investment in EWGs and foreign utility companies (as defined in the Act) to exceed 50% of CNG's consolidated retained earnings.

Cinergy Corp. (70–8867)

Cinergy Corp. (''Cinergy''), a registered holding company, located at 139 East Fourth Street, Cincinnati, Ohio 45202, has filed an application-declaration under section 9(c)(3) of the Act or, in the alternative, sections 9(a) and 10 of the Act, and rule 54 thereunder.

Cinergy requests authorization to invest a total of $10 million from time to time through December 31, 2002 to

[1] In providing energy brokering services, the Applicants would function as intermediaries to bring energy buyers and sellers together. Marketing energy fuels would involve the contracting, by Applicants, to acquire energy fuels on behalf of their customers. Specifically, the Applicants state they would identify and analyze alternative options available to meet their customers' needs, select the most beneficial options and execute contracts to purchase energy fuels and resell such fuels to their customers. In providing such services, the Applicants state they will not acquire energy production, transportation or storage facilities.

acquire up to a 20% limited partnership interest in Nth Power Technologies Fund I, L.P. (''NPT Fund'' or ''Partnership''), a California limited partnership formed to invest in energy technology companies.[2] Cinergy intends to use funds borrowed under an existing credit facility (see Holding Company Act Release No. 26488, March 12, 1996) to make the proposed investment.

Cinergy states that the NPT Fund will invest in companies (''Portfolio Companies''), none of which will be affiliates of Cinergy, engaged in developing and commercializing electric and gas energy technologies in one or more of the following categories: (1) Electricity Generation and Storage (including fuel conversion technology, fuel cells, semiconductor generators and kinetic, thermal and electrochemical storage technologies); (2) Electric Power Quality (including a wide range of products ranging from substation-level storage and voltage improvement products to end-use load protection devices); (3) Energy-Related Communications, Control and Information Technologies (including (a) a broad range of energy-efficient end-use products which enable customer choice while optimizing the use of gas and electricity, such as integrated residential automation, energy security and energy management hardware and software, (b) products of internal interest to gas and electric utilities such as artificial intelligence-based monitoring and control systems, automated billing, and sophisticated productivity tools, such as advanced energy network planning and optimization software tools that will improve reliability and lower costs of operation, (c) sensors and control algorithms, and (d) electric and gas-related telecommunications and fiber optic services, such as remote meter reading, data gathering and utility customer services, and related specialized software); (4) Energy-Saving End-Use Products [3] (consisting of energy-saving versions of traditional products and processes as well as new products and processes intended to save energy, such as advanced lighting and lighting controls, mechanical drives, drying processes, industrial furnaces, materials processing technology, environmental controls, refrigeration, HVAC, advanced domestic appliances, and energy storage technologies and other component parts with respect to the development and commercialization of energy efficient electric, hybrid and natural gas vehicles); and (5) Transmission and Distribution (including technologies to minimize power losses or reduce operational costs, power switching technologies, distribution automation, superconductivity, specialized metering technology and noise and EMF abatement and other environmental concerns). No more than 10% of the NPT Fund's committed capital will be invested in any one Portfolio Company.

Cinergy states that the NPT Fund has the dual goals of (1) creating competitive advantages for its investing partners by identifying and investing in companies that are in the process of developing and commercializing energy technologies [4] and (2) generating superior investment returns. Accordingly, Cinergy believes that both its system utility customers and its shareholders will benefit from the proposed investment in the Fund.

The sole general partner of the NPT Fund will be Nth Power Technologies Partners, L.P., a California limited partnership whose sole general partner in turn is Nth Power Technologies, Inc., a California corporation (collectively ''Nth Power''). Cinergy states that Nth Power's management has experience in energy technology, finance and development, including, in the case of the principals, an average of 20 years' experience in the energy, telecommunications and related industries. The remaining limited partnership interests are expected to be purchased principally by other utility companies or similar entities involved in the energy industry. An initial closing was scheduled to take place on or around June 15, 1996, with Cinergy's participation contingent upon receipt of the authorization requested herein.

In accordance with a limited partnership agreement to be executed (''Agreement''), the Partnership's term will be limited to 10 years from the later of the initial closing or the last date (generally, not to exceed in either case, one year from the date of initial closing) on which a limited partner is admitted to the Partnership or increases its capital commitment, provided that the general partner may extend the term for up to two additional two-year periods under certain circumstances. Profits and losses with respect to investment securities of the Partnership will be allocated 80% to all limited partners and 20% to the general partner, provided that any losses generally will not reduce the general partner's capital account to less than 1% of aggregate capital accounts. Through the seventh anniversary of the initial closing date, the Partnership will pay the general partner, quarterly in advance (and potentially subject to adjustment for changes in the consumer price index-urban consumers), and annual management fee equal to 2.5% of the aggregate committed capital; thereafter, the fee will be determined based on an annual budget procedure, provided that the fee shall not be less than 70% of the initial formula fee.

Under the terms of the Agreement, and applicable California law, the general partner will have the sole and exclusive right to manage, control and conduct the affairs of the Partnership, subject to limited approval rights of the limited partners. Specifically, under the Agreement, the approval of the limited partners is required only in the following circumstances:

(a) The vote of a majority of the limited partners is required (i) if capital commitments will exceed $75 million, (ii) for capital drawdowns that occur after the first anniversary of the later of the initial closing date or the last date on which a limited partner is admitted or increases its commitment, (iii) to approve the general partner's management fee if the term of the partnership is extended beyond 10 years, (iv) to extend the term of the partnership for up to two additional two-year periods, (v) to elect a successor tax matters partner, and (vi) to terminate the Partnership if the principals fail to devote substantially all of their business time to the Partnership and other specified entities.

(b) The vote of two-thirds in interest of the limited partners is required (i) to admit an additional general partner, (ii) to admit additional limited partners after the first anniversary of the initial closing date, (iii) for the distribution of non-marketable securities, (iv) for the Partnership to borrow, and (v) for the Partnership to exercise its right of first refusal upon certain proposed transfers by limited partners.

[2] Applicant expects that the aggregate amount of capital invested in the NPT Fund by all investors will not be less than $50 million (in which case Cinergy will have a 20% limited partnership interest) nor more than $75 million (in which case Cinergy will have a 13% limited partnership interest).

[3] Portfolio Companies in this category may develop and commercialize products involving an enhancement or retrofit of an existing larger product or system already commercially available, intended to render that product or system energy-efficient and to realize associated energy savings. On the other hand, Portfolio Companies in this category may also develop and commercialize (including by manufacture) products that are not enhancements or retrofits of an existing larger product or system, but rather are more appropriately characterized as stand-alone or replacement products or systems; in all these instances, the overriding purpose of the new product or system would be to compete against existing generically similar products or systems on the basis of superior energy-efficiency technology and the potential for realizing energy savings.

[4] Strategic and competitive benefits are expected to result from the fact that Fund investors will have better access to information about the Portfolio Companies and their products and exposure to their technologies before others do.

(c) The vote of 75% in interest of the limited partners is required to terminate the Partnership in certain events.

(d) The vote of all limited partners is required to extend the term of the Partnership (except as described in (a)(iv) above).

In addition, under California law, the limited partners have the right to vote on certain matters relating to the merger of the Partnership with one or more other entities.[5] Cinergy states that such limited voting rights are customary for limited partners in a venture capital fund and, in the aggregate, are less than those potentially available to limited partners consistent with applicable California law. In addition, Cinergy states that it will not consent to serve on the Fund Committee and, therefore, will have fewer voting rights than those of the other limited partners, who will be eligible to serve on that committee and potentially to vote on the matters within the Committee's purview.

Entergy Corporation, et al. (70–8871)

Entergy Corporation (''Entergy''), 639 Loyola Avenue, New Orleans, Louisiana 70113, a registered holding company, and its wholly owned subsidiary company, Entergy Power Inc. (''EPI''), 900 South Shackleford Road, Little Rock, Arkansas 72211 (collectively, ''Declarants''), have filed a declaration under sections 12(c) and 12(d) of the Act and rules 44, 46 and 54 thereunder.

By order dated August 27, 1990 (HCAR No. 25136), EPI was formed to supply electricity at wholesale to nonassociate companies and to acquire ownership interests in Unit No. 2 of the Independence Steam Electric Generating Station (''ISES 2'')[6] and related assets, as well as other utility assets. EPI currently owns a 31.5% unified ownership interest in ISES 2, a 15.75% undivided ownership interest in certain land and common facilities at the Independence Station, and a 15.75% undivided ownership interest in the Certificate of Environmental Compatibility and Public Need (''Certificate'') for the Independence Station. EPI also owned a 15.75% undivided ownership interest in certain leases, mine facilities and mine equipment located in Wyoming (''Wyoming Property'') used to supply coal to the Independence Station.

EPI now proposes to sell, prior to December 31, 1997, a portion of its interest in ISES 2 and related property to City Water & Light Plant of Jonesboro (''City Water & Light'') for an approximate purchase price of $37.8 million, representing an approximation of the depreciated book value of the assets at the time of sale. Specifically, City Water & Light will acquire from EPI (1) a 10% undivided ownership interest in ISES 2 (equivalent to 84 megawatt of capacity); (2) a 5% undivided ownership interest in the Certificate; (3) a 5% undivided ownership interest in the land and common facilities at the Independence Station; and (4) a 5% undivided ownership interest in the Wyoming Property.

EPI intends to apply the proceeds from the sale to its general corporate purposes, including to reduce its operating and maintenance expenses and to meet other working capital needs. EPI further proposes, from time to time through December 31, 1998, to pay dividends to Energy out of the unused proceeds from such sale.

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

Margaret H. McFarland,

Deputy Secretary.

[FR Doc. 96–16452 Filed 6–26–96; 8:45 am]

BILLING CODE 8010–01–M

[5] Cinergy notes that, since its capital commitment to and corresponding limited partnership interest in the Fund will be relatively small and actions of the Fund's limited partners will require the assent of at least a majority (and often a supermajority) in interest thereof, Cinergy will have no practical ability—assuming it were so disposed—unilaterally to direct or control the action of the Fund's limited partners with respect to the few matters over which the limited partners exercise voting rights.

[6] The Independence Steam Electric Generating Station is a two-unit, coal-fired electric generating facility (''Independence Station'') located near Newark, Arkansas.

[Rel. No. IC–22035; 812–10098]

Trend Capital Management, Inc.; Notice of Application

June 21, 1996.

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

ACTION: Notice of Application for Permanent Exemption under the Investment Company Act of 1940 (the ''Act'').

APPLICANT: Trend Capital Management, Inc. (''Trend'').

RELEVANT ACT SECTIONS: Order requested under section 9(c) of the Act granting an exemption from section 9(a) of the Act.

SUMMARY: Trend Capital requests an order from the prohibitions of section 9(a) to the extent necessary to relieve Trend of any ineligibility resulting from Trend's employment of an individual who is subject to a securities-related injunction.

FILING DATES: The application was filed on April 23, 1996 and amended on May 30, 1996. Applicant has 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 person may request a hearing by writing to the SEC's Secretary and serving applicant with a copy of the request, personally or by mail. Hearing requests should be received by the SEC by 5:30 p.m. on July 16, 1996 and should be accompanied by proof of service on applicant, in the form of an affidavit or, for lawyers, a certificate of service. Hearing requests should state the nature of the writers' 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 5th Street N.W., Washington, D.C. 20549. Applicant, 950 Interchange Tower, 600 South Highway 169, Minneapolis, Minnesota 55426.

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 at the SEC's Public Reference Branch.

Applicant's Representations

1. Trend is a registered investment adviser under the Investment Advisers Act of 1940 and has one office in Minneapolis, Minnesota. Since 1992, Trend has served as an investment adviser to more than 17 institutional and individual clients. Trend does not have a parent company and does not own directly or indirectly any subsidiary companies.

2. Since 1992, Trend has employed Bryce Kommerstad (''Kommerstad'') as Director of Marketing and Sales. Kommerstad is responsible for general sales and marketing, long-term client development, and the servicing of existing customer accounts. Kommerstad does not develop or manage Trend's investment advisory services nor does he participate in decisions relating to the composition of Trend's model portfolios or the allocation of client assets among the various portfolios.

3. On July 18, 1988, Kommerstad was enjoined by the U.S. District Court for the District of Minnesota in an action commenced by the SEC (SEC Litigation