

1. The Commission will sit en banc in this proceeding.

2. Notice of intervention will be filed no later than January 17, 1997.

3. Participants wishing to comment on whether it is appropriate to consider this request under Commission rules 67-67d shall submit such comments no later than January 17, 1997.

4. Participants are directed to file statements of issues and designations of issues requiring trial type hearings no later than January 17, 1997; responses may be submitted no later than January 24, 1997.

5. Answers to the Postal Service motions: to Expedite the Proceeding, for Waiver of Certain Filing Requirements, and Requesting Protective Conditions are to be submitted no later than January 22, 1997.

6. W. Gail Willette, Director of the Commission's Office of the Consumer Advocate, is designated to represent the general public.

7. The Secretary shall cause this Notice and Order to be published in the Federal Register.

By the Commission.

Margaret P. Crenshaw,  
Secretary.

[FR Doc. 96-32616 Filed 12-23-96; 8:45 am]

BILLING CODE 7710-FW-P

## SECURITIES AND EXCHANGE COMMISSION

[Release No. 35-26630]

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

December 17, 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 January 10, 1997, to the Secretary, Securities and Exchange Commission, Washington, D.C. 20549, and serve a copy of the relevant applicant(s) and/or declarant(s) at the address(es) specified below. Proof of service (by affidavit or,

in case of an attorney at law, by certificate) should be filed with the request. Any request for hearing shall identify specifically the issues of fact or law that are disputed. A person who so requests will be notified of any hearing, if ordered, and will receive a copy of any notice or order issued in the matter. After said date, the application(s) and/or declaration(s), as filed or as amended, may be granted and/or permitted to become effective.

National Fuel Gas Company (70-8963)

National Gas Fuel Company ("NFG"), a registered holding company, and its wholly-owned subsidiary companies, National Fuel Gas Distribution Corporation, National Fuel Gas Supply Corporation ("Supply"), Seneca Resources Corporation, Highland Land & Minerals, Inc., Leidy Hub, Inc., Horizon Energy Development Inc., and Data-Track Account Services, Inc., all located at 10 Lafayette Square, Buffalo, New York 14203, and National Fuel Resources, Inc. 478 Main Street, Buffalo, New York 14202, and Utility Constructors, Inc., East Erie Extension, Linesville, Pennsylvania 16424 (collectively "Subsidiary Companies"), have filed an application-declaration under sections 6(a), 7, 9(a), 10, 12(b) and 13(b) of the Act and rules 16, 45, 54, 87, 90 and 91 thereunder.<sup>1</sup>

NFG seeks authority to acquire, directly or indirectly through Supply, a wholly-owned subsidiary ("Affiliate").<sup>2</sup> Affiliate will participate in a joint venture ("Joint Venture" or "Special Purpose Entity") with one or more subsidiaries of Tennessee Pipeline Company ("Tennessee Affiliate"), a non-affiliate, to develop, construct, finance, own and operate (i) natural gas gathering facilities commencing at locations offshore to gather gas produced in Green Canyon, Ewing Bank, Mississippi Canyon, Ship Shoal, Grand Isle and South Timbalier areas located in the Outer Continental Shelf and terminating onshore in Louisiana ("Gathering Facilities"), and (ii) natural gas processing facilities to be located at or near the terminus of the Gathering Facilities ("Processing Facilities"), and to engage in certain related transactions (collectively, the "Project").

<sup>1</sup> The Subsidiary Companies, except for Supply, are joining in this Application for the sole purpose of requesting that Affiliate (as described herein) be added to the Money Pool Arrangement (as described herein).

<sup>2</sup> It is contemplated that Affiliate will be a new corporation formed by Tennessee. All of Affiliate's outstanding stock will be purchased for a nominal price.

### I. Structure of the Joint Venture

It is contemplated that the Project activities would be conducted through one or more Special Purpose Entities, which will be formed for the sole purpose of engaging in Project activities, and which will be 50% owned by Affiliate, and 50% owned by Tennessee Affiliate.

### II. Project Cost and Financing

#### a. Aggregate Cost

The aggregate cost of the Project is estimated to be approximately \$250 million, including development, construction and related costs until commercial operation, currently scheduled to commence in the fourth quarter of 1997 ("Commercial Operations Commencement Date").

#### b. Initial Financing by Supply

Supply may initially pay certain costs for Project materials and land, which shall be reimbursed by the Special Purpose Entities at cost plus and amount equal to the actual annual interest rate ("Money Pool Interest Rate") charged on outstanding borrowings from the money pool arrangement between NFG and its subsidiary companies (HCAR No. 26443, December 28, 1995) ("Money Pool Arrangement"). Supply may also initially pay one-half of certain Project development costs, which shall be reimbursed by Affiliate at cost. Supply and/or Affiliate will pay a development fee to Tennessee Affiliate or one of its designated subsidiaries. All of the costs enumerated above shall be collectively referred to as the "Initial Development Cost Obligations." Supply proposes to pay for the Initial Development Cost Obligations through borrowings from the Money Pool Arrangement.

#### c. Construction Financing From the Money Pool Arrangement

NFG proposes to provide, or arrange for, short-term loans, through borrowings from the Money Pool Arrangement, for construction financing ("Construction Financing"). Interest will accrue at the Money Pool Interest Rate. The Construction Financing will be with recourse to the Special Purpose Entities and the Affiliate and Tennessee Affiliate. Each of the Affiliate and Tennessee Affiliate will provide, in a form acceptable to the other, a guarantee regarding repayment of the Construction Financing.

The Construction Financing and the Initial Development Cost Obligations will be repaid by the Special Purpose Entities in full on the Commercial Operations Commencement Date by a

combination of debt and equity financing in one of the following ways: Affiliate and the Tennessee Affiliate (i) will each contribute 15% of the total Project costs as a capital contribution to the Special Purposes Entities, which shall be used to pay down the debt, and (ii) will attempt to seek non-recourse project financing for the remaining 70% of the Project costs.

*d. Interim Financing by NFG or Affiliate*

To the extent that additional financing is required for the Project costs ("Interim Financing"), National or Affiliate proposes to (i) provide, or cause to be provided, under the same terms, conditions and limitations described in the system's long-term financing authorization (HCAR No. 26537, June 26, 1996) ("Long-Term Financing Arrangement"), non-recourse loans secured by the project assets, due on the second anniversary of the Commercial Operations Commencement Date ("Second Anniversary"), or (ii) provide guarantees or make arrangements for recourse to National or Affiliate (collectively, "Guarantees"), which shall terminate on the Second Anniversary, at which time the Affiliate and the Tennessee Affiliate will be required to make substitute recourse arrangements with lenders, or, alternatively, make additional equity contributions on a 50/50 basis for repayment of such obligations.

**III. Requests for Authorizations to Allow Proposed Construction and Permanent Financing**

The following requests for approval are made to implement the foregoing construction and permanent financing arrangements:

(a) For the Construction Financing and Initial Development Cost Obligations, NFG and the Other Applicants request approval to add Affiliate to the Money Pool Arrangement, for short-term loans not to exceed \$250 million in principal amount at any one time outstanding;<sup>3</sup>

(b) From and after the Commencement of Commercial Operations Date, for the Interim Financing, NFG requests approval to add Affiliate to the group of NFG's subsidiary companies to which NFG can make long-term loans pursuant to the terms, conditions, and limitations contained in the Long-Term Financing Arrangement, for long-term loans not to exceed \$210 million in principal amount at any one time not outstanding;

<sup>3</sup> The \$250 million maximum amount includes all loans made to Supply or Affiliate or both in connection with any of the Initial Development Cost Obligations and/or Construction Financing.

provided, however, that all loans by NFG to Affiliate, whether pursuant to the Money Pool Arrangement and/or the Long-Term Financing Arrangement, shall not in the aggregate exceed \$250 million in principal at any one time outstanding.<sup>4</sup>

**IV. Guarantees for Construction and Interim Financing, and Future Business Operations**

NFG proposes to enter into guarantee arrangements, obtain letters of credit, and otherwise provide credit support for Affiliate and the Special Purpose Entities, to third parties to enable Affiliate and the Special Purpose Entities to carry on in the ordinary course of their respective businesses, including as necessary for the Construction Financing and Interim Financing.<sup>5</sup> In order to implement this proposal, NFG requests that Affiliate and the Special Purpose Entities be added to the group of NFG's subsidiary companies to which National may give such credit support pursuant to the terms, conditions and limitations contained in the authorization in HCAR No. 25922, November 12, 1993; and for Affiliate, either by itself or together with NFG, to provide such credit support to the Special Purpose Entities, not to exceed \$175 million at any one time outstanding.<sup>6</sup>

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

Margaret H. McFarland,  
*Deputy Secretary.*

[FR Doc. 96-32653 Filed 12-23-96; 8:45 am]

BILLING CODE 8010-01-M

**SMALL BUSINESS ADMINISTRATION**

**[Declaration of Disaster Loan Area #2907 Amendment #2]**

**Florida; Declaration of Disaster Loan Area**

In accordance with a notice from the Federal Emergency Management Agency, dated December 9, 1996, the above-numbered Declaration is hereby amended to extend the deadline for filing applications for physical damage as a result of this disaster to January 13, 1997.

<sup>4</sup> As appropriate, various financings and extensions of credit, by and among, National, Supply, Affiliate and the subsidiary companies, and affiliates, of Affiliate, in the future may be exempt from Commission authorization pursuant to various exemptions under the Act, as in effect, or as they may be amended from time to time.

<sup>5</sup> Tennessee will be responsible for one-half of all such credit support needed.

<sup>6</sup> See footnote 3.

All other information remains the same, i.e., the termination date for filing applications for loans for economic injury is July 15, 1997.

(Catalog of Federal Domestic Assistance Program Nos. 59002 and 59008)

Dated: December 11, 1996.

Bernard Kulik,

*Associate Administrator for Disaster Assistance.*

[FR Doc. 96-32623 Filed 12-23-96; 8:45 am]

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**[Declaration of Disaster Loan Area #2913]**

**New Jersey; Declaration of Disaster Loan Area**

As a result of the President's major disaster declaration on November 19, 1996, I find that Hudson, Middlesex, Morris, Somerset, and Union Counties in the State of New Jersey constitute a disaster area due to damages caused by severe storms and flooding which occurred October 18-23, 1996. Applications for loans for physical damages may be filed until the close of business on January 18, 1997, and for loans for economic injury until the close of business on August 19, 1997 at the address listed below: Small Business Administration, Disaster Area 1 Office, 360 Rainbow Blvd., South 3rd Floor, Niagara Falls, NY 14303, or other locally announced locations. In addition, applications for economic injury loans from small businesses located in the contiguous counties of Bergen, Essex, Hunterdon, Mercer, Monmouth, Passaic, Sussex, and Warren in the State of New Jersey may be filed until the specified date at the above location. Any counties contiguous to the above-named counties and not listed herein have been previously declared.

Interest rates are:

	Percent
For Physical Damage:	
Homeowners with credit available elsewhere .....	8.000
Homeowners without credit available elsewhere .....	4.000
Businesses with credit available elsewhere .....	8.000
Business and non-profit organizations without credit available elsewhere .....	4.000
Others (including non-profit organizations) with credit available elsewhere .....	7.125
For Economic Injury	
Businesses and small agricultural cooperatives without credit available elsewhere .....	4.000