Erwin, Tennessee 37650–9718; Attention: Dr. Thomas Baer; and

2. The NRC staff, by delivery to the Executive Director for Operations, One White Flint North, 11555 Rockville Pike, Rockville, MD 20852, or by mail, addressed to the Executive Director for Operations, U.S. Nuclear Regulatory Commission, Washington, DC 20555.

For further details with respect to this action, the license renewal request dated April 26, 1996, is available for inspection at the NRC's Public Document Room, 2120 L Street N.W., Washington, D.C. 20555.

Dated at Rockville, Maryland, this 18th day of April 1997.

For the Nuclear Regulatory Commission.

Michael F. Weber,

Chief, Licensing Branch, Division of Fuel Cycle Safety and Safeguards, NMSS.

[FR Doc. 97–10634 Filed 4–23–97; 8:45 am]

BILLING CODE 7590–01–P

SECURITIES AND EXCHANGE COMMISSION

[Release No. 35–26708]

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

April 18, 1997.

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 May 12, 1997, 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.

New Century Energies, Inc., et al. (70–9007)

New Century Energies, Inc., a Delaware corporation currently not subject to the Act (''NCE''),[1] Public Service Company of Colorado (''PSCo''), Cheyenne Light, Fuel and Power Company (''Cheyenne''), New Century Services, Inc. (''NCE Services''), WestGas Interstate Inc. (''WGI''), New Century Enterprises, Inc. (''Enterprises''), PS Colorado Credit Corporation (''PSCCC''), Natural Fuels Corporation, PSRI Investments, Inc., Green & Clear Lakes Company, 1480 Welton, Inc., and e prime, inc. (''e prime'') and its subsidiary companies, each of 1225 Seventeenth Street, Denver, Colorado 80202, and Southwestern Public Service Company (''SPS''), Quixx Corporation (''Quixx'') and its subsidiary companies, and Utility Engineering Corporation (''UE'') and its subsidiary companies, each of Tyler at Sixth, Amarillo, Texas 79101 (collectively, ''Applicants''), have filed an application-declaration (''Application'') under sections 6(a), 7, 9(a), 10, 12(b), and 12(c) of the Act and rules 42, 43, 45, 53 and 54 under the Act. The Applicants seek authorization to engage in various financing and related transactions through December 31, 1999 (the ''Authorization Period''), unless otherwise noted.

As described more fully below, the Applicants seek authority for: (i) External financings by NCE, the Utility Subsidiaries and certain Nonutility Subsidiaries; (ii) intrasystem financing, including guarantees, between NCE and its Subsidiaries; and between Subsidiaries; (iii) the issuance of types of securities not exempt under rules 45 and 52; (iv) the Utility Subsidiaries to enter into interest rate swaps and other risk management instruments; (v) the Subsidiaries to alter their capital stock; (vi) the Subsidiaries' formation of new financing entities and the issuance of securities and related guarantees by the new and one existing financing entities; and (vii) the retention of existing financing arrangements.

[1] NCE previously filed an application-declaration requesting authorization under section 9(a)(2) of the Act to acquire all of the outstanding voting securities of PSCo, SPS, and Cheyenne, each a public utility company (collectively, ''Utility Subsidiaries''), and for related transactions (File No. 70–8787) (''Merger U–1''). Upon consummation of the transactions described in the Merger U–1, NCE will register as a holding company under the Act. Excluding the Utility Subsidiaries, NCE's direct and indirect subsidiaries are ''Nonutility Subsidiaries.'' The Utility Subsidiaries, together with Nonutility Subsidiaries, are ''Subsidiaries.''

The proceeds from the financing will be used for general corporate purposes, including (i) Capital expenditures of NCE and its Subsidiaries, (ii) the repayment, redemption, refunding or purchase of debt and capital stock of NCE or its Subsidiaries without the need for prior Commission approval or pursuant to rule 42 or a successor rule, (iii) working capital requirements of the NCE system, (iv) investments in exempt wholesale generators (''EWGs'') and foreign utility companies (''FUCOs''), as defined in sections 32 and 33 of the Act, respectively, and (v) other lawful corporate purposes. The Applicants also represent that proceeds from the proposed financings will be used only in connection with their respective existing businesses or to make an acquisition that is exempt from the requirement of prior Commission approval.

1. External Financing by NCE

a. Common Stock

NCE proposes during the Authorization Period to issue and sell shares of its common stock, par value $1.00 per share, for an aggregate offering price of up to $175 million. NCE also proposes to issue and sell additional shares of its common stock for an aggregate offering price of up to $360 million, the proceeds of which will be used by NCE to purchase PSCo's interest in Yorkshire Electric Group, plc.[2] In addition, NCE proposes to issue up to an additional 30 million shares of its common stock (and awards or options for the common stock) to fund benefit and dividend reinvestment plans (collectively, ''Stock Plans''), described below, for a period of ten years from the date of the Commission's order.

Securities may be sold through underwriters or dealers, through agents, directly to a limited number of purchasers or a single purchaser, or directly to employees (or to trusts established for their benefit) and other shareholders through NCE's Stock Plans.

NCE common stock may be issued and sold pursuant to underwriting agreements of a type generally standard in the industry. Public distributions may be pursuant to negotiation with underwriters, dealers or agents or effected through competitive bidding among underwriters. In addition, sales may be made through private

[2] New Century International, Inc., a wholly-owned subsidiary of PSCo, owns a 50% interest in Yorkshire Power Group Limited which through its wholly-owned subsidiary, Yorkshire Holdings plc, has made a tender offer to acquire Yorkshire Electricity Group plc, a regional electric company operating in the United Kingdom.

placements or other non-public offerings to one or more persons. All such common stock sales will be at rates or prices and under conditions negotiated or based upon, or otherwise determined by, competitive capital markets.

PSCo and SPS currently have seven employee benefit plans and under which they issue and/or sell common stock to their employees. Following the Merger, five of these plans, as well as a divided reinvestment plan, may provide for the issuance and/or sale of NCE common stock; the remaining two benefit plans will be terminated. The benefit plans include: (1) Southwestern Public Service Company Employee Investment Plan, which permits the employees of SPS and its subsidiaries to make contributions, matched by SPS, to be invested in one or more investment accounts, including an NCE common stock fund; (2) Southwestern Public Service Company Directors' Deferred Compensation Plan, which permits directors to defer all or a portion of their annual fees and credit those fees to either a dollar account or an NCE common stock account; (3) Southwestern Public Service 1989 Stock Incentive Plan, which enables SPS to encourage key employees to increase their company ownership through the grant of stock option awards (both incentive and non-qualified), restricted stock, and the delivery of shares in lieu of cash compensation to eligible employees; (4) Public Service Company of Colorado Employee's Savings and Stock Ownership Plan, a defined contribution plan offered to all eligible employees, under which employees may contribute a maximum percentage of their compensation (in tax deferred and after-tax dollars, with PSCo matching certain tax deferred contributions) for investment in any of six investment funds, including purchase of NCE common stock after the Merger; and (5) PSCo Omnibus Incentive Plan, designed to reward management officials and generally benefit PSCo. NCE anticipates adopting one or more additional plans, including an Omnibus Stock Incentive Plan, which will provide for the issuance and/or sale of NCE common stock, stock options and stock awards to a group which may include directors, officers and employees.

NCE may fund the Stock Plans and the Omnibus Stock Incentive Plan with newly issued common stock, treasury shares or shares purchased in the open market, and may engage in sales of treasury shares for general business purposes.

b. Short-term Debt

NCE proposes from time to time through the Authorization Period to issue short-term debt aggregating not more than $100 million outstanding at any one time. In the vent that PSCCC becomes a direct subsidiary of NCE, however, NCE proposes to increase its short-term debt by an additional $125 million for the purpose of providing liquidity for PSCCC, as described below.[3]

NCE may sell commercial paper, from time to time, in established domestic or European commercial paper markets. The commercial paper would be sold to dealers at the discount rate prevailing at the date of issuance for commercial paper of comparable quality and maturities sold to commercial paper dealers generally. It is expected that the dealers acquiring NCE's commercial paper will reoffer it at a discount to corporate and institutional investors, such as commercial banks, insurance companies, pension funds, investment trusts, foundations, colleges and universities, finance companies and nonfinancial corporations, and, with respect to European commercial paper, individual investors.

NCE proposes to establish back-up bank lines in an aggregate principal amount not to exceed the amount of authorized commercial paper. NCE would borrow, repay and reborrow under these lines from time to time, without collateral, to the extent that it becomes impracticable to sell commercial paper due to market conditions or otherwise. Loans under these lines will have a maturity date not more than one year from the date of each borrowing.

Similarly to NCE, PSCCC finances its activities by selling commercial paper in established commercial paper markets.[4] Upon PSCCC becoming a direct subsidiary of NCE, NCE proposes to increase its then existing lines of credit and add PSCCC as a borrower under them or establish, together with PSCCC, one or more new lines of credit to provide credit support for PSCCC's commercial paper. Such lines of credit will also provide for direct borrowings thereunder by PSCCC.

[3] PSCCC currently finances PSCO's accounts receivable and fuel inventory. In the Merger U–1, PSCCC proposes to continue providing these services to PSCo and to offer them to NCE associates; PSCCC also proposes in the Merger U–1 to finance accounts receivable for nonassociate utilities.

[4] Applicants state that PSCCC's issuance of short-term debt to finance its authorized activities, so long as it is nonrecourse to NCE, is exempt under rule 52.

NCE may engage in other types of short-term debt financing generally available to borrowers with investment grade credit ratings as it may deem appropriate in light of its needs and market conditions at the time of issuance.

2. Utility Subsidiary External Financings

a. Cheyenne

Cheyenne proposes to issue short-term debt aggregating not more than $25 million outstanding at any one time during the Authorization Period. Cheyenne may sell commercial paper in established domestic or European commercial paper markets in the same manner as NCE. Similarly, Cheyenne may also maintain backup lines of credit that, aggregated, do not exceed the amount of commercial paper. Cheyenne would borrow, repay and reborrow under such lines from time to time, without collateral, to the extent that it becomes impracticable to sell commercial paper due to market conditions or otherwise. Loans under these lines shall have a maturity date not more than one year from the date of each borrowing.

b. Interest Rate Swaps

The Utility Subsidiaries request authority to enter into, perform, purchase and sell financial instruments intended to manage the volatility of interest rates, including but not limited to interest rate swaps, caps, floors, collars and forward agreements or any other similar agreements. Each Utility Subsidiary proposes to employ interest rate swaps as a means of prudently managing the risk associated with outstanding debt issued pursuant to this authorization or an applicable exemption by, in effect, (i) Converting variable rate debt to fixed rate debt, (ii) converting fixed rate debt to variable rate debt, (iii) limiting the impact of changes in interest rates resulting from variable rate debt and/or (iv) providing an option to enter into interest rate swap transactions in future periods for planned issuances of debt securities. 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, i.e., each Utility Subsidiary will not engage in ''leveraged'' or ''speculative'' transactions. The underlying interest rate indices of such interest rate swaps will closely correspond to the underlying interest rate indices of each Utility Subsidiary's debt to which the interest rate swap relates. Each Utility Subsidiary will only enter into interest rate swap agreements with counterparties whose senior secured debt ratings, as published by Standard & Poor's Corporation, are greater than or equal to ''BBB+'', or an equivalent rating from Moody's Investor Service, Inc., Fitch Investor Service or Duff & Phelps.

3. Nonutility Subsidiary External Financings

The Nonutility Subsidiaries expect to continue, as part of the NCE system, to engage in the development and expansion of their businesses and to finance authorized activities. The Applicants anticipate that the majority of such financings will be exempt from prior Commission authorization under rule 52(b).

The Applicants seek authorization, however, for PSCCC to continue to borrow under its existing private unsecured medium-term note program, which provides for the issuance of medium-term notes with maturities from nine months to seven years. As of December 31, 1996, notes aggregating $100 million are outstanding. The Applicants propose that PSCCC be permitted to issue notes under the program in an aggregate principal amount not to exceed $150 million outstanding at any one time.

4. Intrasystem Financing

The Applicants propose to engage in intrasystem financings in an aggregate amount that will not exceed $300 million outstanding at any one time during the Authorization Period. The $300 million limit excludes financings that are exempt under rules 45 and 52 under the Act. Under the proposed intrasystem financing, NCE may acquire securities issued by its Subsidiaries, and Subsidiaries may acquire securities issued by other Subsidiaries.

5. Guarantees

NCE also requests authorization to enter into guarantees, obtain letters of credit, enter into expense agreements or otherwise provide credit support for the obligations of its system companies, in an aggregate principal amount not to exceed $300 million outstanding at any one time during the Authorization Period. Guarantees that are exempt pursuant to rules under the Act are not included in the limit. Credit support may be in the form of committed bank lines of credit, including arrangements similar to those of PSCo described below.

In addition, PSCo proposes to provide guarantees and other credit support to PSCCC and certain other subsidiaries under an existing credit facility with several banks that will provide $450 million in committed banks lines of credit. The credit facility is used primarily to support the issuance of commercial paper by PSCo and PSCCC. The credit facility also provides, however, for direct borrowings by Cheyenne, 1480 Welton, Inc., Fuelco, e prime and PSRI, and the borrowings are guaranteed by PSCo. PSCo and its subsidiaries propose to continue the credit facility and guarantees, or any similar facility and guarantee program. The Applicants state, however, that the amount of PSCo's guarantee authority under the credit facility will be reduced if and to the extent NCE provides guarantees or credit support. In addition, the applicants state that PSCCC's borrowings under the credit facility are not guaranteed by PSCo.

The Subsidiaries propose to enter into guarantees and other credit support arrangements with each other, similar to those described with respect to NCE, in an aggregate principal amount that will not exceed $50 million outstanding at any one time during the Authorization Period.

The Applicants state that the aggregate limit for guarantees and other credit support arrangements excludes such arrangements that are exempt pursuant to rules under the Act. The Applicants also propose that the aggregate limits for intrasystem guarantees and other credit support obligations not be included in the aggregate limits applicable to the external or other intrasystem financings.

6. Other Securities

NCE, the Utility Subsidiaries and the Nonutility Subsidiaries state that it may become necessary or desirable during the Authorization Period to issue and sell, to associate and nonassociate companies, other types of securities (''Other Securities'') that are not exempt under rules 45 and 52 to minimize financing costs or to obtain new capital under changing market conditions. The Applicants request that the Commission reserve jurisdiction over the issuance and amount of such Other Securities pending completion of the record.

7. Changes in Capital Stock of Subsidiaries

The Applicants state that they cannot ascertain at this time the portion of an individual Subsidiary's aggregate financing to be effected through the sale of capital stock to NCE or other immediate parent company during the Authorization Period. They assert that circumstances may arise where the proposed sale of capital stock would exceed the then authorized capital stock of such Subsidiary. They also note that the Subsidiary may choose to use other forms of capital stock. As needed to accommodate such proposed transactions and to provide for future issues, the Applicants propose that each Subsidiary be authorized to increase the amount of its authorized capital stock by an amount that it deems appropriate, and to change the par value, or change between par and no-par stock, without additional Commission approval.

8. Financing Entities

The Subsidiaries also propose to organize new corporations, trusts, partnerships or other entities created to facilitate financings through the issuance, to third parties, of authorized or otherwise exempt income preferred securities or other securities. To the extent not exempt under rule 52, the Subsidiaries request authority for the financing entities to issue securities to third parties. Additionally, the Subsidiaries request authorization to (i) Issue debentures or other evidences of indebtedness to a financing entity in return for the proceeds of the financing, (ii) acquire voting interests or equity securities issued by the financing entity to establish the Subsidiary's ownership of the financing entity (the equity portion of the entity generally being created through a capital contribution or the purchase of equity securities, ranging from 1 to 3 percent of the capitalization of the financing entity) and (iii) guarantee the financing entity's obligations in connection with the financing activities. Each Subsidiary also requests authorization to enter into expense agreements with its respective financing entity, pursuant to which it would agree to pay all expenses of such entity. The Applicants state that any amounts issued by financing entities to third parties will be included in the overall external financing limitation for the immediate parent of the financing entity. However, the indebtedness issued by a Subsidiary to a financing entity will not count against the intrasystem financing limit set forth herein. Applicants also request that SPS be authorized to maintain the financing transactions with its existing financing entity, Southwestern Public Service Capital I, a wholly owned trust, that issued trust preferred securities and loaned the proceeds to SPS.

9. Financing EWGs and FUCOs

NCE proposes, to the extent internally generated funds are not available, to invest proceeds from the financings in EWGs and FUCOs and to guarantee the obligations of EWGs or FUCOs. NCE states that, unless otherwise authorized by the Commission, its aggregate investment in EWGs and FUCOs will not exceed 50% of its consolidated retained earnings, as defined in rule 53, and that at the time of each issuance, the proceeds of which will be used to invest in EWGs or FUCOs, NCE will be in compliance with rule 53.

The authorization requested by the Applicants would be subject to the following conditions: (1) NCE's (and each Utility Subsidiary's) common equity will be at least 30% of its consolidated capitalization, as adjusted to reflect subsequent events that affect capitalization; (2) the effective cost of money on short-term debt financings may not exceed 300 basis points over the London interbank offered rate; (3) the effective cost of money on preferred stock and other fixed income oriented securities may not exceed 500 basis points over the interest rate on 30-year U.S. Treasury securities; (4) issuance expenses in connection with an offering of securities, including any underwriting fees, commissions, or other similar compensation, may not exceed 5% of the total amount of the securities being issued; and (5) the aggregate amount of external financing, not including existing financing arrangements, will not exceed (i) $535 million from NCE's issuance and sale of common stock, excluding amounts from the issuance of up to 30 million shares of common stock to fund the Stock Plans, (ii) $225 million from NCE's issuance and sale of short-term debt, (iii) $25 million from Cheyenne's issuance and sale of short-term debt, and (iv) $150 million from PSCCC's issuance and sale of medium-term notes; (6) the aggregate amount of guarantees will not exceed (i) $300 million for NCE to guarantee or provide credit support for obligations of its Subsidiaries, (ii) $450 million for PSCs to guarantee or provide credit support for certain of its subsidiaries, and (iii) $50 million for Subsidiaries to guarantee or provide credit support to other Subsidiaries; and (7) intrasystem financing will not exceed $300 million for NCE to finance its Subsidiaries, and Subsidiaries to finance Subsidiaries.

The Applicants request authorization to deviate from the Commission's *Statement of Policy Regarding First Mortgage Bonds*, HCAR No. 13105 (Feb. 16, 1956), as amended by HCAR No. 16369 (May 8, 1969), and *Statement of Policy Regarding Preferred Stock*, HCAR No. 13106 (Feb. 16, 1956), as amended by HCAR No. 16758 (June 22, 1970), as applicable, with respect to the proposed financings.

American Electric Power Co., et al. (70–9021)

American Electric Power Company, Inc. (''AEP''), a registered holding company, and AEP Resources, Inc. (''AEP Resources''), a nonutility subsidiary company of AEP, both of 1 Riverside Plaza, Columbus, Ohio, 43215, have filed a declaration under sections 6(a), 7, 12(b), 32 and 33 of the Act and rules 45, 53 and 54 thereunder.

AEP, through its direct and indirect subsidiary companies, is engaged in development activities relative to exempt wholesale generators (''EWGs''), as defined in section 32 of the Act, and foreign utility companies (''FUCOs''), as defined in section 33 of the Act.

AEP is authorized under several Commission orders (''Orders'') to finance these activities through the issuance and sale of debt and equity securities and through the issuance of guarantees relative to the obligations of certain subsidiary companies.[5]

Under the Orders, AEP is authorized to use the proceeds of common stock sales and borrowings to finance the acquisition of interests in EWGs and FUCOs and to issue guarantees relative to the obligation of such entities, provided that the sum of the guarantees and the net proceeds of common stock sales and borrowing used for this purpose, together with AEP's aggregate investment in all EWG's and FUCOs, shall not exceed 50% of its consolidated retained earnings.

AEP and AEP Resources request that the Commission authorize them to issue securities for the purpose of financing the acquisition, directly or indirectly, of interests in EWGs and FUCOs, and to issue guarantees relative to the obligations of such entities, in an aggregate amount that, together with AEP's aggregate investment in all EWGs and FUCOs, would not exceed 100% of its consolidated retained earnings.

The consolidated retained earnings of AEP through December 31, 1996 were about $1.508 billion. Thus, under rule 53(a), it was authorized to invest up to about $754 million in EWGs and FUCOs. Although AEP had aggregate investments of about $1 million through December 31, 1996, in February 1997, it committed about $360 million to its investment in Yorkshire Electricity Group plc. In addition, it has $110 million designated for another FUCO, of which about $11.5 million was invested through March 13, 1997. AEP is considering further investment opportunities, some of which would require an investment in excess of the approximately $284 million that it would be authorized to invest under rule 53(a).

[5] HCAR No. 24898 (June 6, 1989); HCAR No. 25905 (Oct. 8, 1993); HCAR No. 25984 (Feb. 4, 1994); HCAR No. 26200 (Dec. 22, 1994); HCAR No. 26516 (May 10, 1996).

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

Margaret H. McFarland,

Deputy Secretary.

[FR Doc. 97–10615 Filed 4–23–97; 8:45 am]

BILLING CODE 8010–01–M

SECURITIES AND EXCHANGE COMMISSION

[Release No. 34–38526; International Series Release No. 1074 File No. SR–AMEX–97–15]

Self-Regulatory Organizations; Notice of Filing of Proposed Rule Change and Amendment No. 1 Thereto by the American Stock Exchange, Inc. Relating to Options on the NatWest Energy Index

April 18, 1997.

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 20, 1997, the American Stock Exchange, Inc. (''Amex'' or ''Exchange'') filed with the Securities and Exchange Commission (''Commission'') the proposed rule change. On April 16, 1997, the Exchange filed Amendment No. 1 [3] to the proposed rule change as described in Items I, II and III below, which Items have been prepared by the self-regulatory organization. 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

Amex proposes to trade options on The NatWest Energy Index (''the Index''), a narrow based index developed by the Amex and NatWest Securities Corporation based on stocks (or ADRs thereon) of companies whose business is in various segments of the energy industry. In addition, the Amex proposes to amend (1) Rule 901C,

[1] 15 U.S.C. § 78s(b)(1).

[2] 17 CFR 240.19b–4.

[3] *See* Letter from Claire P. McGrath, Amex to Ivette Lopez, SEC, dated April 16, 1997 (''Amendment No. 1''). Amendment No. 1 corrects language in the filing indicating that the list of replacement stocks will be furnished quarterly. Because the NatWest Energy Index will be rebalanced annually, NatWest will provide the Amex with a current list of replacement stocks annually.