similar instrument or any interpretation of these instruments. The Commission is required to publish notice of such filing, and either approve the proposal or institute proceedings to determine whether the proposal should be disapproved.

The collection of information is designed to provide the Commission with the information necessary to determine whether, as required by the Act, the rule proposal is consistent with the Act and the rules thereunder. The information is used to determine whether the proposal should be approved or proceedings should be instituted to determine whether disapproval is appropriate.

The respondents to the collection of information are self-regulatory organizations, which generally are securities exchanges.

An estimated 25 respondents file approximately 20 filings per year, totaling an average burden of 17,500 burden hours.

Written comments are invited on: (a) whether the proposed collection of information is necessary for the proper performance of the functions of the agency, including whether the information will have practical utility; (b) the accuracy of the agency's estimate of the burden of the collection of information; (c) ways to enhance the quality, utility, and clarity of the information collected; and (d) ways to minimize the burden of the collection of information on respondents, including through the use of automated collection techniques or other forms of information technology. Consideration will be given to comments and suggestions submitted in writing within 60 days of this publication.

Please direct your written comments to Michael E. Bartell, Associate Executive Director, Office of Information Technology, Securities and Exchange Commission, 450 5th Street, N.W. Washington, DC 20549.

May 1, 1997.

Margaret H. McFarland,

Deputy Secretary.

[FR Doc. 97–12078 Filed 5–8–97; 8:45 am]

BILLING CODE 8010–01–M

SECURITIES AND EXCHANGE COMMISSION

[Release No. 35–26714]

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

May 2, 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 27, 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.

Cinergy Corp

Cinergy Corp. (''Cinergy''), a registered holding company, located at 139 East Fourth Street, Cincinnati, Ohio 45202, has filed a declaration under sections 6(a) and 7 of the Act and rule 54 thereunder.

Cinergy proposes to issue and sell from time to time through December 31, 2002 in an aggregate principal amount at any time outstanding not to exceed $400 million of unsecured debt securities (''Debentures'') in one or more series, subject to the aggregate debt limitation on outstanding Cinergy indebtedness (''Cinergy Corp. Debt Limitation''). The Debentures: (a) Will not be convertible into any other securities of Cinergy, (b) will have maturities ranging from one to 40 years, (c) may be subject to optional and/or mandatory redemption, in whole or in part, at par or at various premiums above the principal amount thereof, and (d) may be entitled to mandatory or optional sinking fund provisions. In addition, Cinergy may have the right from time to time to defer the payment of interest on the Debentures of one or more series (which may be fixed or floating or ''multi-modal'' debentures, i.e., debentures where the interest is periodically reset, alternating between fixed and floating interest rates for each reset period), with all accrued and unpaid interest (together with interest thereon) becoming due and payable at the end of each such extension period. The Debentures will be issued under an indenture (the ''Indenture'') to be entered into between Cinergy and The Fifth Third Bank, an Ohio banking corporation, as trustee (the ''Trustee,'' including any successor trustee appointed pursuant to the Indenture), with a supplemental indenture to be executed in respect of each separate offering of one or more series of Debentures (each, a ''Supplemental Indenture'').

Cinergy proposes to issue and sell the initial series of Debentures directly to one or more purchasers in privately negotiated transactions or to one or more investment banking or underwriting firms or other entities who would resell the Debentures without registration under the Securities Act in reliance upon one or more applicable exemptions from registration thereunder. From time to time Cinergy may also issue and sell the Debentures of one or more series to the public either: (i) Through underwriters selected by negotiation or competitive bidding or (ii) through selling agents acting either as agent or as principal for resale to the public either directly or through dealers.

The maturity dates, interest rates, redemption and sinking fund provisions, if any, with respect to the Debentures of a particular series, as well as any associated placement, underwriting or selling agent fees, commissions and discounts, if any, will be established by negotiation or competitive bidding and reflected in the applicable Supplemental Indenture and Purchase Agreement or underwriting agreement setting forth such terms; provided, however, that: (1) Cinergy will not issue and sell any Debentures (a) At a price higher than 102% or lower than 98% of the applicable principal amount thereof or (b) at interest rates in excess of those generally obtainable at the time of pricing or repricing of such Debentures for securities having the same or reasonably similar maturities and having reasonably similar terms, conditions and features issued by utility companies or utility holding companies

of the same or reasonably comparable credit quality; and (2) any placement, underwriting and selling agent fees, commissions and discounts to be paid by Cinergy in connection with the issue and sale of any series of Debentures will not exceed 3.5% of the aggregate principal amount thereof.

Cinergy proposes to use the net proceeds from the issue and sale of the Debenture to repay outstanding short-term indebtedness incurred to finance Cinergy's investment in Midlands Electricity plc, a foreign utility company in which Cinergy acquired an indirect 50% ownership interest in 1996 through a joint venture transaction with GPU, Inc. Cinergy states that it also may use the proceeds to refinance Debentures outstanding from time to time. Cinergy proposes to use various interest rate risk management instruments in connection with the issuance and sale of the Debentures.

Cinergy states that: (a) Interest due on the Debentures would be paid from internally generated funds, including dividends from subsidiaries, and (b) the principal of and premium, if any, on the Debentures would be paid from the proceeds of additional series of Debentures or shares of Cinergy common stock or, on a bridge basis, from the proceeds of short-term debt issued by Cinergy.

In connection with the issuance and sale of the Debentures, Cinergy proposes to mitigate interest rate risk through the use of interest rate management instruments commonly used in today's capital markets, consisting of interest rate swaps, caps, collars, floors, options, forwards, futures and similar products designed to manage and minimize interest costs. Cinergy expects to enter into these agreements with counterparties that are highly rated financial institutions. The transactions will be for fixed periods and stated notional amounts.

Fees, commissions and annual margins in connection with any interest rate management agreements will not exceed 100 basis points in respect of the principal or notional amount of the related Debentures or interest rate management agreement. In addition, with respect to options (such as caps and collars), Cinergy may pay an option fee which would not exceed 10% of the principal amount of the Debentures covered by the option.

The Connecticut Light & Power Company (70–9045)

The Connecticut Light & Power Company (''CL&P'' or the ''Applicant''), a wholly owned electric utility subsidiary of Northeast Utilities, a registered holding company, located at 107 Selden Street, Berlin, Connecticut 06037–5457, has filed an application-declaration under sections 6(a), 7, 9(a), 10 and 12(c) of the Act and rules, 46 and 54 thereunder.

CL&P requests that (i) CL&P be allowed to organize a wholly-owned special purpose corporation to be called CL&P Receivables Corporation (''CRC'') for the sole purpose of acquiring certain of CL&P's eligible accounts receivable; (ii) CRC be allowed to issue shares of Common Stock; (iii) CL&P be allowed to acquire shares of capital stock of CRC; (iv) CL&P be allowed to make, directly and indirectly, general and initial equity contributions to CRC; and (v) CRC be allowed to pay dividends to CL&P.

CL&P has entered into a Receivables Purchase and Sale Agreement dated as of July 11, 1996, as amended (''Existing Agreement'') under which CL&P may sell (from time to time in its discretion and subject to the satisfaction of certain conditions precedent) fractional, undivided ownership interests expressed as a percentage (''Receivables Interests'') in: (i) Billed and unbilled indebtedness of customers, as booked to Accounts 142.01 and 173 under the Federal Energy Regulatory Commission Chart of Accounts (''Receivables'') and (ii) certain related assets, including any security or guaranty for any Receivables, all collection thereon, and related records and software (''Related Assets''). The purchaser[s] is either a bank and its assignees or a special purpose Delaware corporation which acquires receivables and other assets and issues commercial paper to finance these acquisitions (collectively, ''Purchaser''). Citicorp North America, Inc. will act as agent (''Agent'') for the Purchaser for transactions under the Existing Agreement.

The Existing Agreement is structured so that any sales made thereunder would be accounted for as sales under generally accepted accounting principles. In order for such sales made on or after January 1, 1997 to be so treated, they must comply with the requirements of the Statement of Financial Accounting Standards No. 125 (''FAS 125'') issued in June 1996. The formation of CRC is intended to satisfy certain of the requirements of FAS 125: (i) CRC, as purchaser and transferee, will be a ''qualifying special purpose entity'' within the meaning of FAS 125, and (ii) once transferred, CL&P will no longer have effective control over the assets, so that such transfers should be labeled ''true sales'' in the event of CL&P's bankruptcy or receivership.

The restructured accounts receivable purchase and sales program will consist of two agreements which will replace the Existing Agreement, and is intended to accomplish sales to the Purchaser in a manner substantially similar to that under the Existing Agreement. Applicant states that the addition of CRC serves merely as a vehicle to isolate the Receivables as required by FAS 125, and that the restructured purchase and sales arrangements are on essentially the same terms to CL&P as the Existing Agreement. Under the first agreement (''Company Agreement''), CL&P will sell or transfer as equity contributions from time to time all of its receivables and related assets to CRC. The purchase price will take into account historical loss statistics in CL&P's receivables pool. Under the second agreement (''CRC Agreement''), CRC will sell Receivables Interests to the Purchaser from time to time. Such Receivables Interests may be funded and repaid on a revolving basis. The purchase price for a Receivables Interest will be calculated according to a formula. Such formula will include reserves based on, among other things, a multiple of historical losses, a multiple of historical dilution (such as, e.g., adjustments due to billing errors), customer concentrations that exceed specified levels and carrying costs and other costs associated with the Agreements. The formula will also take into account the cost of servicing, which will be returned to CL&P in the form of a servicing fee.

Primarily because of the reserves, the purchase price paid by the Purchaser for Receivables Interests will be lower than the purchase price paid by CRC to CL&P for Receivables and Related Assets. CL&P states that it expects CRC to have sufficient assets to pay CL&P the full purchase price for Receivables purchased from CL&P.

CL&P anticipates that the availability of Receivable and Related Assets will vary from time to time in accordance with the energy use of its customers. Therefore, since CRC's only source of funds are its participation in the program and CL&P's capital contributions, it may not have funds available at a particular time to purchase the Receivables and Related Assets. CL&P proposes to accommodate this situation by: (i) Allowing CRC to make the purchase and owe the balance to CL&P on a deferred basis, or (ii) making a capital contribution to CRC in the form of the Receivables and Related Assets for which CRC lacks the purchase price funds at the time.[1]

[1] CL&P also states that if CRC develops a substantial cash balance, it will likely dividend the excess cash to CL&P, so that CRC will not itself retain substantial cash balances at any one time,

Continued

Under the CRC Agreement, purchases may be funded by the Purchaser's issuance of commercial paper or drawing under its bank facilities. Initially, the aggregate purchase price paid by the Purchaser for Receivables Interests is not intended to exceed $200 million.

The Agent will have the right to appoint a collection agent on behalf of the Purchaser and CRC, to administer and collect receivables and to notify the obligors of the sale of their receivables, at the Agent's option. CL&P will be appointed as the initial collection agent.

Certain obligations under the Company Agreement create limited recourse against CL&P. In order to secure these obligations, CL&P will grant to CFR a lien on, and security interest in, any rights which CL&P may have in respect of Receivables and Related Assets. The CRC Agreement creates comparable recourse obligations against CRC, and CL&P states that CRC will grant a security interest to the Purchaser in all rights in the Receivables retained by CRC, the Related Assets and certain other rights and remedies (including its rights and remedies under the Company Agreement) to secure such recourse obligations.[2]

CL&P and CRC will be obligated to reimburse the Purchaser and the Agent for various costs and expenses associated with the Company Agreement and the CRC Agreement. CRC will also be required to pay to the Agent certain fees for services in connection with such agreements.

The arrangements under the Company Agreement and the CRC Agreement are schedules to terminate on July 11, 2001. CRC may, upon at least five business days notice to the Agent, terminate in whole or reduce in part the unused portion of its purchase limit in accordance with the terms and conditions of the CRC Agreement. The CRC Agreement allows the Purchaser to assign all of its rights and obligations under the CRC Agreement (including its Receivables Interests and the obligation to fund Receivables Interests) to other person, including the providers of its bank facilities.

CL&P intends that the above-described transactions will permit it, in effect, through this intermediary device, to accelerate its receipt of cash collections from accounts receivable and thereby meet its short-term cash needs.

and substantially all of the net cash realized from the collection of Receivables will be made available to CL&P.

[2] CL&P states that neither CRC's nor the Purchaser's recourse to CL&P will include any rights against CL&P should customer defaults on the Receivables result in collections attributable to the Receivables Interests sold to the Purchaser being insufficient to reimburse the Purchaser for he purchase price paid by it for the Receivables Interests and its anticipated yield. The Purchaser will bear the risk for any credit losses on the Receivables which exceed the reserves for such losses included in the Receivables Interests.

Allegheny Power System, Inc. (70–9041)

Allegheny Power System, Inc. (''Allegheny''), 10435 Downsville Pike, Hagerstown, Maryland 21740, a registered holding company, has filed a declaration (''Declaration'') under sections 6(a) and 7 of the Act and rule 54 thereunder.

Allegheny proposes, from time to time through December 31, 2007, to issue up to a total of 500,000 shares of its common stock (''Common Stock'') to its senior officers and senior officers of its subsidiaries as performance awards (''Awards'') under a Performance Share Plan (''Plan''). The Board of Directors (''Board'') of Allegheny has determined that it would like the flexibility to make payments to the Plan participants either in Common Stock or a combination of cash and Common Stock.

The Plan was approved by Allegheny shareholders at the annual meeting in May 1994. The Plan consists of cycles which are not less than three nor more than five years in length. The Management Review Committee (''Committee'') of the Board administraters the Plan and establishes each Plan cycle, the conditions of each Award made under the Plan, which senior officers will receive Awards, the amount of each Award, and guidelines for each Plan cycle.

Based upon the guidelines set forth in each cycle, an Award payout is calculated by multiplying the amount of case awarded by the payout ratio. The number of shares of Common Stock to be awarded is then derived by converting this payout figure into a number of shares of Common Stock at the price specified for that Plan cycle. The dividends to be paid on those shares of Common Stock are treated as having been reinvested since the beginning of the Plan cycle. The shares of Common Stock are then converted back into an amount of cash using the closing price at the end of the Plan cycle. A participant receives either Common Stock or cash and Common Stock, as determined by the Committee, after the end of the Plan cycle. The total number of shares of Common Stock eligible for issuance in each Plan cycle is not expected to exceed 40,000 shares.

The Plan will terminate December 31, 2007, unless ended sooner by the Board. The Board may terminate or amend the Plan at any time, but may not, without stockholder approval, materially increase the benefits accruing to participants or increase the total number of shares of Common Stock available for Awards.

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

Margaret H. McFarland,

Deputy Secretary.

[FR Doc. 97–12077 Filed 5–8–97; 8:45 am]

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SECURITIES AND EXCHANGE COMMISSION

[Release No. 34–38571; File No. SR–Amex–97–14]

Self-Regulatory Organizations; American Stock Exchange, Inc.; Order Granting Approval to Proposed Rule Change Relating to Trading in One Sixteenth of a Dollar

May 5, 1997.

On March 17, 1997, the American Stock Exchange, Inc. (''Amex'' or ''Exchange'') submitted to the Securities and Exchange Commission (''SEC'' or ''Commission''), pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 (''Act'')[1] and Rule 19b–4 thereunder,[2] a proposed rule change to permit all Amex equity securities selling at or above $0.25 to trade in sixteenths.

The proposed rule change was published for comment in the **Federal Register** on April 1, 1997.[3] No comments were received concerning the proposal. This order approves the proposal.

In 1992, the Commission approved amendments to Amex Rule 127 to provide that securities selling between $0.25 and $5 could be traded in sixteenths ($0.0625).[4] In 1995, this rule was amended to expand the securities that could be traded in sixteenths to those selling up to $10.[5] The proposed rule change would eliminate the $10 cap, thus allowing all Amex-listed equity securities priced at or above $0.25 to trade in sixteenths.[6] The

[1] 15 U.S.C. § 78s(b)(1).

[2] 17 CFR 240.19b–4.

[3] Securities Exchange Act Release No. 38437 (Mar. 25, 1997), 62 FR 15552 (Apr. 1, 1997).

[4] Securities Exchange Act Release No. 31118 (Aug. 28, 1992), 57 FR 40484 (Sept. 3, 1992) (approving File No. SR–Amex–91–07).

[5] Securities Exchange Act Release No. 35537 (Mar. 27, 1995), 60 FR 16894 (Apr. 3, 1995) (approving File No. SR–Amex–95–02).

[6] Standard and Poor's Depositary Receipts® (''SPDRs®'') and S&P MidCap 400 SPDRs™ will continue to trade in 1/64s ($0.0155625), and dealings