

**NUCLEAR REGULATORY COMMISSION****[Docket No. 50-267]****Ft. St. Vrain Nuclear Generating Station; Closing of Local Public Document Room**

Notice is hereby given that the Nuclear Regulatory Commission (NRC) is closing the local public document room (LPDR) for records pertaining to the Ft. St. Vrain Nuclear Generating Station located at the Weld Library District, Lincoln Park Branch, Greeley, Colorado, effective December 21, 1997.

This Library has served as the LPDR for the Ft. St. Vrain Nuclear Generating Station for 17 years. The decision to officially close the LPDR was made since the NRC has terminated the Ft. St. Vrain operating license and released the decommissioned site for unrestricted use. Therefore, effective December 21, 1997, the LPDR will be closed.

Persons now interested in information pertaining to this facility or any other NRC activity may contact the NRC Public Document Room by calling toll-free 1-800-397-4209 or writing to NRC Public Document Room, Washington, D.C. 20555-0001.

Dated at Rockville, Maryland, this 4th day of December 1997.

For the Nuclear Regulatory Commission.

**Russell A. Powell,**

*Chief, Freedom of Information/Local Public Document Room Branch, Information Management Division, Office of the Chief Information Officer.*

[FR Doc. 97-32161 Filed 12-8-97; 8:45 am]

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**SECURITIES AND EXCHANGE COMMISSION****[Release No. 35-26788]****Filings Under the Public Utility Holding Company Act of 1935, as Amended ("Act")**

December 3, 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 December 28, 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.

**Conectiv, et al.**

[70-9095]

Conectiv, Inc. ("Conectiv"), not currently subject to the Act,<sup>1</sup> Delmarva Power & Light Company ("Delmarva"), a public utility company, and its subsidiaries, Delmarva Industries, Inc., Delmarva Energy Co., and Support Conectiv, Inc. ("Support Conectiv"), all located at 800 King Street, Wilmington, Delaware 19899-0231; Delmarva Services Company, Conectiv Services, Inc., Conectiv Communications, Inc., Delmarva Capital Investments, Inc., DCI I, Inc., DCI II, Inc., Delmarva Capital Technology Co., DCTC-Burney, Inc., Pine Grove, Inc., Pine Grove Landfill, Inc., Pine Grove Hauling Company, Delmarva Capital Realty Company, Christiana Capital Management, Inc. Post and Rail Farms, Inc., Delmarva Operating Services Company, DelStar Operating Company, DelWest Operating Company, DelCal Operating Company, Conectiv Solutions, Inc., Conectiv Enterprises, Inc., and Conectiv Energy, Inc., all located at 252 Chapman Road, P.O. Box 6066, Newark, Delaware 19714; Atlantic City Electric Company ("Atlantic Electric"), a public utility holding company currently claiming an exemption from regulation under section 3(a)(1) of the Act from all provisions except section 9(a)(2), and its subsidiaries, Deepwater Operating Company, Atlantic Energy Enterprises, Inc., and Atlantic Energy International, Inc., all located at 6801 Black Horse Pike, Egg Harbor Township, New Jersey 08234; ATE Investment, Inc., Atlantic Generation, Inc., Pedrick Limited, Inc.,

<sup>1</sup> Conectiv will register as a holding company under the Act upon consummation of the transactions contemplated in File No. 9069 ("Merger U-1").

Pedrick General, Inc., Vineland Limited, Inc., Vineland General, Inc., Atlantic Southern Properties, Inc., Atlantic Thermal Systems, Inc., Atlantic Jersey Thermal Systems, Inc., ATS Operating Systems, Inc., CoastalComm, Inc., Atlantic Energy Technology, Inc., Binghamton General, Inc., Binghamton Limited, Inc., The Earth Exchange, Inc., and Atlantic Paxton Cogeneration, Inc., all located at 5100 Harding Highway, Mays Landing, New Jersey 08330 (collectively, "Applicants" or "Conectiv System"), have filed an application-declaration under sections 6, 7, 9, 10, 12 and 13 under the Act and rules 43, 45, 46, and 54 under the Act.

Conectiv has previously filed an application-declaration with the Commission under section 9(a)(2) of the Act seeking approvals relating to the proposed acquisition by Conectiv of securities of Delmarva, and merger into Conectiv of Atlantic Energy, Inc. ("Atlantic"), parent of Atlantic Electric, (collectively, these transactions are referred to as the "Merger"), and for other related transactions including the formation of Support Conectiv as a subsidiary service company in accordance with the provisions of rule 88 under the Act. A notice of the Merger U-1 was issued on October 3, 1997 (HCAR No. 26763). Each of the entities that will be directly and indirectly owned subsidiaries of Conectiv upon consummation of the transactions described in the Merger U-1 is referred to individually as a "Subsidiary" and collectively as "Subsidiaries".<sup>2</sup> Following the consummation of the Merger, Conectiv will have two utility subsidiaries, Delmarva and Atlantic Electric (the "Utility Subsidiaries"). All of Conectiv's direct and indirect Subsidiaries, other than the Utility

<sup>2</sup> Applicants state that for purposes of sections in the application-declaration related to non-utility financing, guarantees, changes in capital stock of wholly-owned subsidiaries, and dividends out of capital or unearned surplus by non-utility subsidiaries, the terms "Subsidiary" and "Subsidiaries" shall also include other direct or indirect subsidiaries that Conectiv may form after the Merger with either the approval of the Commission, under the Rule 58 exemption or under Section 34 of the Act. Thus, future Rule 58 and exempt telecommunication companies ("ETCs") are included in the term "Subsidiaries" for purposes of these sections.

Applicants also state that for purposes of sections in the Form U-1 related to the Money Pool, the terms "Subsidiary" and "Subsidiaries" will only include those companies specifically named on the cover and signature pages of the application-declaration and specifically exclude Conectiv Communications, Inc. and CoastalComm, Inc. both wholly-owned ETCs. Applicants further request the Commission to reserve jurisdiction over the participation in the Conectiv System Money Pool of future companies formed by Conectiv.

Subsidiaries shall be referred to as "Non-Utility Subsidiaries."

Applicants propose to enter into numerous types of financing transactions to meet Conectiv's capital requirements immediately following the Merger and to plan future financing. Applicants request authorization to engage in the financing transactions through December 31, 2000 ("Authorization Period") described below.

Financings by each Applicant will be subject to the following limitations: (i) the effective cost of money on long-term debt securities will not exceed 300 basis points over comparable term U.S. Treasury securities and the effective cost of money on short-term securities will not exceed 300 basis points over the comparable term London Interbank Offered Rate; (ii) maturity of indebtedness will not exceed 50 years; (iii) the underwriting fees, commissions, or similar remuneration paid in connection with the issue, sale or distribution of a security will not exceed 5% of the principal amount of the financing; and (iv) Conectiv represents that at all times during the Authorization Period its common equity will be at least 30% of its consolidated capitalization.

The proceeds from the sale of securities in external financing transactions will be used for general and corporate purposes including: (i) the financing of capital expenditures of the Conectiv System; (ii) the financing of working capital requirements of the Conectiv System; (iii) the acquisition, retirement, or redemption of existing securities; and (iv) direct or indirect investment in companies authorized under the Merger U-1 and in other rule 58 companies and ETCs.

### 1. Conectiv External Financing

a. *Common Stock.* Conectiv requests authorization to issue common stock, par value \$0.01 per share, up to an aggregate amount of \$500 million. Of this amount, Conectiv proposes that \$100 million be issued as consideration for the acquisition by Conectiv or a Non-Utility Subsidiary of securities of a business (the acquisition of which is exempt under rule 58 or section 34 of the Act, or which has been authorized in the Merger U-1). Conectiv requests authorization to issue up to 10 million shares of Conectiv common stock (or options to purchase such shares) pursuant to benefit plans and the dividend reinvestment plan. The number of shares to be issued under the benefit plans will not exceed 5 million.

b. *Long-term Debt.* Conectiv requests authorization to issue long-term debt

securities in an amount, when combined with the issuances of common stock (other than for benefit plans or the Conectiv Dividend Reinvestment Plan), not to exceed \$500 million. The long-term debt securities would include notes, debentures and medium-term notes issued under an indenture ("Conectiv Indenture") and/or borrowings from banks and other financial institutions.<sup>3</sup> Specific terms of any borrowings will be determined by Conectiv at the time of issuance and will comply with the parameters of financing authorization stated earlier.

c. *Short-term Debt.* Conectiv requests authorization to have outstanding at any one time, up to \$500 million of short-term debt consisting of borrowings under a revolving credit facility with a group of banks, the issuance of commercial paper<sup>4</sup> and the sale of bid notes under bid-note agreements ("Bid-Note Agreements").<sup>5</sup> The short-term

<sup>3</sup> Applicants state that the Conectiv Indenture will permit the issuance of a wide variety of unsecured debt securities in one or more series. The Conectiv Indenture will contain numerous variable terms, such as principal amount, interest rate, redemption terms, denominations, events of default, etc. The Conectiv Indenture contains no negative covenants or restrictions.

Borrowings from banks and other financial institutions will be unsecured debt and will rank *pari passu* with debt securities issued under the Conectiv Indenture and the Conectiv short-term Credit Facility (described in footnote 4 below).

<sup>4</sup> Conectiv anticipates entering into a revolving credit facility (the "Credit Facility") with a group of banks on or before the effective date of the Merger in order to repay existing obligations of certain Subsidiaries. A portion of the Credit Facility may be used to support letters of credit issued by Conectiv or the Subsidiaries in the ordinary course of business. Also, if a Utility Subsidiary issues commercial paper, it may be made a party to the Credit Facility as a backup for the commercial paper.

The interest rates on the Credit Facility are expected to be based on a triple option pricing formula as follows: (1) prime rate, (2) LIBOR plus a margin, or (3) CD plus a margin. Maturities on loans under the LIBOR rate option are expected to be for 1, 2, 3 or 6 months. Maturities on loans under the CD rate option are expected to be for 30, 60, 90 or 180 days. All of these loans will be evidenced by promissory notes. It is expected that the Credit Facility will contain negative covenants consistent with those covenants required by bank lenders for comparable bank facilities. The Credit Facility will be unsecured debt of Conectiv and will rank *pari passu* with debt issued under the Conectiv Indenture and any long-term securities issued directly to banks or other financial institutions.

It is anticipated that the sale of commercial paper will be in established domestic or European commercial paper markets. It will be sold to dealers at the discount rate or coupon rate per annum prevailing at the date of issuance for commercial paper of comparable quality and maturities sold to commercial paper dealers generally. The credit Facility will serve as backup for Conectiv's commercial paper program.

<sup>5</sup> Conectiv request authorization to enter into individual Bid-Note Agreements with one or more commercial banks which may or may not be lenders under the Credit Facility. The Bid-Note Agreements would permit Conectiv to negotiate with one or

debt will be used to refund pre-Merger short-term debt, to provide for the reissuance of pre-Merger letters of credit and to provide financing for general corporate purposes, working capital requirements and Subsidiary capital expenditures until long-term financing can be obtained.

d. *Hedging Transactions.* Conectiv requests authorization 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. Conectiv would employ interest rate swaps as a means of prudently managing the risk associated with any of its outstanding debt issued under this authorization by (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 (iv) providing an option to enter into interest rate swap transactions in future periods for planned issuances of debt securities.

### 2. Subsidiary Financing

Applicants request authorization for Delmarva to issue up to \$275 million of short-term debt consisting of commercial paper, unsecured bank loans and borrowings under the Conectiv system money pool. These issuances of securities will comply with the parameters for financing described above. Any short-term borrowings by Delmarva, when combined with short-term borrowings by Conectiv, will not exceed \$500 million at any time during the Authorization Period. In addition the Applicants request authorization for the Utility Subsidiaries to enter into hedging transactions of the same type and under the same conditions as those identified above for Conectiv.

### 3. Other Securities

The Applicants request authorization to issue other types of securities within the parameters of this Application-Declaration during the Authorization Period. The Applications request that the Commission reserve jurisdiction over the issuance of additional types of securities.

more banks to purchase promissory notes ("Bid Notes") directly from Conectiv. The Bid Notes would bear interest rates comparable to or lower than, those available through other forms of short-term borrowing with similar terms requested in the application-declaration. The maturity of any Bid Note would not exceed 270 days.

#### 4. Guarantees

Conectiv requests authorization to enter into guarantees, obtain letters of credit, enter into expense agreements or otherwise provide credit support with respect to the obligations of Subsidiaries in an aggregate amount not to exceed \$350 million. In addition, the Non-Utility Subsidiaries request authority to enter into arrangements with each other similar to those described with respect to Conectiv in an aggregate amount not to exceed \$100 million. Applicants state that the debt guaranteed will comply with the parameters for financing.

#### 5. Conectiv System Money Pool

Conectiv and the Subsidiaries request authorization to establish a Conectiv system money pool ("System Money Pool"). Conectiv may invest, but not borrow from the System Money Pool. Also, Delmarva and Atlantic Electric would be authorized to borrow up to \$275 million and \$250 million, respectively, from the System Money Pool.<sup>6</sup> No other participant in the System Money Pool would be permitted to have borrowings from the System Money Pool exceeding \$25 million at any one time outstanding during the Authorization Period. Support Conectiv will administer the System Money Pool on an "at cost" basis. Support Conectiv will act strictly in an agency capacity, and not as principal, with regard to funds deposited in the System Money Pool by other participants.

#### 6. Changes in Capital Stock of Wholly-Owned Subsidiaries and Dividends Out of Capital or Unearned Surplus by Non-Utility Subsidiaries

Applicants request authority to change the terms of any wholly-owned Subsidiary's authorized capital stock capitalization by an amount deemed appropriate by Conectiv or other immediate parent company. A Subsidiary would be able to change the par value, or change between par and no-par stock, without additional Commission approval. Any action by a Utility Subsidiary would be subject to and would only be taken upon receipt of necessary approvals by the state commission in the state or states where the Utility Subsidiary is incorporated and doing business.

In addition, Conectiv requests the flexibility to withdraw capital from a Non-Utility Subsidiary with excess

funds through a dividend out of capital surplus to the full extent permitted by the law of the state where the Non-Utility Subsidiary is incorporated.

#### 7. Financing Entities

The Subsidiaries seek authorization to organize new corporations, trusts, partnerships or other entities created for the purpose of facilitating financings. These entities will issue to third parties income preferred securities or other securities authorized or issued under an exemption. In addition, authority is requested for (i) the issuance of debentures or other evidences of indebtedness by any of the Subsidiaries to a financing entity in return for the proceeds of the financing, (ii) the acquisition by any of the Subsidiaries of voting interests or equity securities issued by the financing entity to establish any such Subsidiary's ownership of the financing entity and (iii) the guarantee by the Applicants of such financing entity's obligations.

Applicants also request that (i) Delmarva be authorized to retain Delmarva Power Financing I, a wholly-owned trust, that has issued trust preferred securities and loaned the proceeds to Delmarva and (ii) Atlantic Electric be authorized to retain Atlantic Capital I, a wholly-owned trust, that has issued trust preferred securities and loaned the proceeds to Atlantic Electric.

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

**Margaret H. McFarland,**

*Deputy Secretary.*

[FR Doc. 97-32170 Filed 12-8-97; 8:45 am]

BILLING CODE 8010-01-M

### SECURITIES AND EXCHANGE COMMISSION

[Rel. No. IC-22923; 812-10460]

#### Seligman Capital Fund, Inc., et al.; Notice of Application

December 3, 1997.

**AGENCY:** Securities and Exchange Commission ("SEC").

**ACTION:** Notice of application for an order under (i) section 6(c) of the Investment Company Act of 1940 (the "Act") granting an exemption from sections 13(a)(2), 13(a)(3), 18(a), 18(c), 18(f)(1), 22(f), 22(g) and 23(a) of the Act and rule 2a-7 under the Act; (ii) sections 6(c) and 17(b) granting an exemption from section 17(a) of the Act; and (iii) section 17(d) of the Act and rule 17d-1 under the Act.

**SUMMARY OF APPLICATION:** Applicants request an order to permit certain

registered investment companies to enter into deferred compensation arrangements with certain of their directors. The order would supersede an existing order (the "Existing Order").<sup>1</sup>

**APPLICANTS:** Seligman Capital Fund, Inc., Seligman Cash Management Fund, Inc., Seligman Common Stock Fund, Inc., Seligman Communications and Information Fund, Inc., Seligman Frontier Fund, Inc., Seligman Growth Fund, Inc., Seligman Henderson Global Fund Series, Inc., Seligman High Income Fund Series, Seligman Income Fund, Inc., Seligman Municipal Fund Series, Inc., Seligman Municipal Series Trust, Seligman New Jersey Municipal Fund, Inc., Seligman Pennsylvania Municipal Fund Series, Seligman Portfolios, Inc., Seligman Quality Municipal Fund, Inc., Seligman Select Municipal Fund, Inc., Seligman Value Fund Series, Inc., and Tri-Continental Corporation (collectively, the "Funds"), J. & W. Seligman & Co., Incorporated ("Seligman"), and any registered open-end or closed-end investment companies for which Seligman or any entity controlling, controlled by, or under common control with Seligman serves as investment adviser.<sup>2</sup>

**FILING DATES:** The application was filed on December 12, 1996, and amended on May 15, 1997, and on October 27, 1997.

**HEARING OR NOTIFICATION OF HEARING:** An order granting the application will be issued unless the SEC orders a hearing. Interested persons may request a hearing by writing to the SEC's Secretary and serving applicants with a copy of the request, personally or by mail. Hearing requests should be received by the SEC by 5:30 p.m., on December 29, 1997, and should be accompanied by proof of service on applicants, in the form of an affidavit or, for lawyers, a certificate of service. Hearing requests should state the nature of the writer's 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 Fifth Street, N.W., Washington, DC, 20549. Applicants, c/o J. & W. Seligman & Co., Incorporated, 100 Park Avenue, New York, New York 10017, attn: Frank J. Nasta.

**FOR FURTHER INFORMATION CONTACT:**

<sup>1</sup> *Liberty Cash Management Fund, Inc.*, Investment Company Act Release Nos. 13196 (Apr. 27, 1983) (notice) and 13271 (May 25, 1983) (order).

<sup>2</sup> Any existing Funds that currently intend to rely on the order have been named as applicants, and any other existing or future registered investment companies that subsequently rely on the order will comply with its terms and conditions.

<sup>6</sup> As noted in footnote 2 above, the only Subsidiaries to be included in the System Money Pool are those companies specifically named on the cover and signature pages of the application-declaration, but specifically excluding Conectiv Communications, Inc. and CoastalComm, Inc., both wholly-owned ETCs.