

assumptions under the PBGC's regulation on Allocation of Assets in Single-employer Plans (29 CFR part 4044). The interest assumptions applicable to valuation dates in June 1999 under part 4044 are contained in an amendment to part 4044 published elsewhere in today's **Federal Register**. Tables showing the assumptions applicable to prior periods are codified in appendix B to 29 CFR part 4044.

Issued in Washington, DC, on this 10th day of May 1999.

**David M. Strauss,**

*Executive Director, Pension Benefit Guaranty Corporation.*

[FR Doc. 99-12174 Filed 5-13-99; 8:45 am]

BILLING CODE 7708-01-P

## PRESIDIO TRUST

### Notice of Receipt of and Availability for Public Comment on an Application for Wireless Telecommunications Facilities Site; The Presidio of San Francisco, California

**AGENCY:** The Presidio Trust.

**ACTION:** Public notice.

**SUMMARY:** This notice announces the Presidio Trust's receipt of and availability for public comment on an application from Bay Area Cellular Telephone Company, dba Cellular One, for a wireless telecommunications facilities site in The Presidio of San Francisco (the "Project"). The proposed location of the Project is in the vicinity of Buildings 1211 and 1255, Armistead and Hoffman Streets, San Francisco, California (the "Project Site").

The Project involves placing two wooden utility poles and a one-story equipment building at the Project Site. One of the wooden utility poles will be approximately 50 feet tall and the other will be approximately 40 feet tall. The one-story equipment building will be 9 feet by 15 feet. Power for the Project will be from underground coaxial cables connected to existing power sources. Connection to telephone lines will be through existing telephone lines.

**Comments:** Comments on the proposed Project must be sent to Devon Danz, Presidio Trust, 34 Graham Street, P.O. Box 29052, San Francisco, CA 94129-0052, and be received by June 14, 1999. A copy of Cellular One's application is available upon request to the Presidio Trust.

**FOR FURTHER INFORMATION CONTACT:** Devon Danz, Presidio Trust, 34 Graham Street, P.O. Box 29052, San Francisco, CA 94129-0052. Telephone: 415-561-5300.

Dated: May 10, 1999.

**Karen A. Cook,**

*General Counsel.*

[FR Doc. 99-12317 Filed 5-13-99; 8:45 am]

BILLING CODE 4310-4R-U

## SECURITIES AND EXCHANGE COMMISSION

[Investment Company Act Release No. 23829; 812-11232]

### New England Funds Trust I, et al.; Notice of Application

May 10, 1999.

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

**ACTION:** Notice of application for an order under section 6(c) of the Investment Company Act of 1940 (the "Act") to amend a prior order that granted an exemption from section 15(a) of the Act and rule 18f-2 Under the Act.

**SUMMARY OF APPLICATION:** Applicants request an order amending a prior order that permits them to enter into and materially amend investment sub-advisory contracts without receiving shareholder approval ("Prior Order").<sup>1</sup>

**APPLICANTS:** New England Funds Trust I, New England Funds Trust II, New England Funds Trust III, New England Cash Management Trust, New England Tax Exempt Money Market Trust (the "New England Funds"), New England Zenith Fund (the "Zenith Fund") (together with the New England Funds, the "Trusts") New England Funds Management, L.P. ("NEFEM"), and TNE Advisers, Inc. ("TNE Advisers").

**FILING DATES:** The application was filed on July 24, 1998, and amended on December 2, 1998, and on March 4, 1999. Applicants have 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 requested relief 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 June 3, 1999 and should be accompanied by proof of service on the 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 may request notification of a hearing by writing to the SEC's Secretary.

**ADDRESSES:** Secretary, SEC, 450 5th Street, NW, Washington, DC 20549-0609. Applicants, 399 Boylston Street, 4th Floor, Boston, MA 02116.

**FOR FURTHER INFORMATION CONTACT:** Mary Kay Frech, 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 from the SAC's Public Reference Branch, 450 5th Street, N.W., Washington, DC, 20549-0102 (tel. 202-942-8090).

### Applicants' Representations

1. The Trusts are open-end management investment companies registered under the Act. The Zenith Fund serves as a funding vehicle for certain variable annuity and variable life insurance products is sued by Metropolitan Life Insurance Company, and its subsidiary, New England Life Insurance Company.

2. NEFM and TNE Advisers are registered as investment advisers under the Investment Advisers Act of 1940. NEFM serves as investment adviser to each of the New England Funds, except the New England Growth Fund Series. TNE Advisers serves as investment adviser for each series of the Zenith Fund, except the Capital Growth Series.

3. Each series of each of the New England Funds (except the New England Growth Fund Series) and of the Zenith Fund (except the Capital Growth Series) (together, the "Series") utilizes an adviser/sub-adviser management structure. Under this structure, either NEFM or TNE Advisers acts as each Series' investment adviser, delegating the day-to-day portfolio management for each Series to one or more sub-advisers.

4. On September 17, 1997, applicants received the Prior Order permitting NEFM and TNE Advisers to enter into sub-advisory agreements for the Series without obtaining shareholder approval. Among other things, the Prior Order is subject to a condition that requires that a notice, in the form of an information statement, be sent to shareholders following the hiring of a new sub-adviser or the implementation of a material change to a sub-advisory agreement. Applicants seek to amend the Prior Order to preserve the requirement to provide notice to shareholders regarding the hiring of a new sub-adviser, but eliminate the

<sup>1</sup> *New England Funds Trust I, et al.*, Investment Company Act Release Nos. 22796 (Aug. 22, 1997) (notice) and 22824 (Sept. 17, 1997) (order).

requirement to provide a notice in the form of an information statement of other material changes to a sub-advisory agreement.

5. Applicants assert that the requested amendment would save the Series the expense of preparing and mailing an information statement to shareholders, and would be consistent with the relief granted in the Prior Order. Applicants also state that any amendments to sub-advisory agreements which are material so as to warrant disclosure in the prospectus would be disclosed to shareholders by means of prospectus supplements commonly known as "stickers".

#### Applicants' Legal Analysis

1. Section 6(c) of the Act authorizes the SEC to exempt persons or transactions from the provisions of the Act to the extent that such exemptions are necessary or appropriate in the public interest and consistent with the protection of investors and the purposes fairly intended by the policy and provisions of the Act. Applicants submit that amending the Prior Order as requested would be consistent with the standards of section 6(c) of the Act.

#### Applicants' Conditions

Applicants agree that the order granting the requested relief will be subject to the conditions of the Prior Order, with condition 3 of the Prior Order modified to read as follows:

Within 90 days after the hiring of any new sub-adviser, the Trusts will furnish shareholders with all information about a new sub-adviser or sub-advisory agreement that would be included in a proxy statement. The information will include any change in the disclosure caused by the addition of a new sub-adviser. The Series will meet this condition by providing shareholders with an information statement meeting the requirements of Regulation 14C and Schedule 14C under the Securities Exchange Act of 1934 (the "Exchange Act"). The information statement also will meet the requirements of Item 22 of Schedule 14A under the Exchange Act. The Zenith Fund will ensure that the information statement is furnished to the unitholders of any separate account for which the Zenith Fund serves as a funding vehicle.

For the SEC, by the Division of Investment Management, under delegated authority.

**Margaret H. McFarland,**

*Deputy Secretary.*

[FR Doc. 99-12231 Filed 5-13-99; 8:45 am]

BILLING CODE 8010-01-M

## SECURITIES AND EXCHANGE COMMISSION

[Release No. 35-27017]

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

May 7, 1999.

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 under the Act. All interested persons are referred to the applications(s) and/or declaration(s) for complete statements of the proposed transactions(s) summarized below. The application(s) and/or declarations(s) and any amendments is/are available for public inspection through the Commission's Branch of Public Reference.

Interested persons wishing to comment or request a hearing on the applications(s) and/or declaration(s) should submit their views in writing by June 1, 1999, to the Secretary, Securities and Exchange Commission, Washington, DC 20549-0609, and serve a copy on the relevant application(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 should identify specifically the issues of facts 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 June 1, 1999, the application(s) and/or declaration(s), as filed or as amended, may be granted and/or permitted to become effective.

#### West Pen Power Company (70-9469)

West Pen Power Company ("West Penn"), 800 Cabin Hill Drive, Greensburg, Pennsylvania 15601, a wholly owned utility subsidiary of Allegheny Energy, Inc., ("Allegheny"), a registered holding company, 10435 Downsvills Pike, Hagerstown, MD 21740-1766, has filed an application-declaration with this Commission under sections 6(a), 7, 9(a), 10, 12(b), and 13(b) of the Act and rules 45, 54, 90 and 91 under the Act.

The Electricity Generation Customer Choice and Competition Act of 1996 ("Competition Act") provides for the restructuring of the electric utility industry in Pennsylvania. The Competition Act requires the unbundling of electric services into separate supply, transmission, and distribution services with open retail competition for supply. The

Competition Act requires utilities to submit restructuring plans to the Pennsylvania Public Utility Commission ("PUC"), including transition costs which result from competition. Transition costs include regulatory assets, long-term purchased power commitments, and other costs, including investment in generating plans, spend-fuel disposal, retirement costs and reorganization costs, for which an opportunity for recovery is allowed in an amount determined by the PUC to be just and reasonable. The Competition Act also authorizes the PUC to adopt Qualified Rate Orders ("QRO") to approve the issuance of debt securities ("Transition Bonds") by a utility as a mechanism to mitigate transition costs and reduce customer rates. Under the Competition Act, proceeds of Transition Bonds are required to be used principally to reduce qualified stranded costs and the related capitalization of the utility. To the extent a QRO and the rates and other charges authorized are declared to be irrevocable, the irrevocable QRO issued by the PUC will create Intangible Transition Property ("ITP") by contract which can be used to secure the transition bonds. The Transition Bonds are repayable from irrevocable Intangible Transition Charges ("ITC").<sup>1</sup>

West Pen filed its restructuring plan, which unbundled generation from transmission and distribution, with the PUC. On November 19, 1998 the PUC adopted a final QRO in response to West Penn's application and authorized the recovery of transition costs by West Penn of \$670 million (or \$630 million in the event of a merger with DQE, Inc.).<sup>2</sup>

In connection with the November 19, 1998 QRO, West Penn request authority to form a new, wholly owned subsidiary ("Newco").<sup>3</sup> Newco will be organized under the laws of a state other than

<sup>1</sup> ITCs are generally defined as amounts authorized to be imposed on all customer bills, under an irrevocable QRO, for the purpose of recovering the principal and interest on the Transition Bonds, costs to cover credit enhancements, cost of retiring existing debt and equity, costs of defeasance, servicing fees and other related fees, taxes, costs and expenses ("Qualified Transition Expenses" or "QTEs"). ITCs are collected through non-bypassable charges imposed by an electric utility that provides electric transmission and distribution services to a customer located in its certificated territory, regardless of whether that customer continues to purchase electricity from that electric utility.

<sup>2</sup> Allegheny has a pending application with the Commission regarding a proposed merger with DQE, Inc. in File No. 70-9147. However, the merger is now the subject of litigation.

<sup>3</sup> Newco initially will be capitalized, in an amount of at least 0.5% of the total principal amount of the Transition Bonds, through some form of capital contribution by West Penn.