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

Margaret H. McFarland,

Deputy Secretary.

[FR Doc. 99–9008 Filed 4–9–99; 8:45 am]

BILLING CODE 8010–01–M

SECURITIES AND EXCHANGE COMMISSION

[Release No. 35–26997]

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

April 2, 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 transaction(s) summarized below. The application(s) and/or declaration(s) and any amendments 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 April 27, 1999, to the Secretary, Securities and Exchange Commission, Washington, D.C. 20549–0609, and serve a copy on the relevant applicant(s) and/or declarants(s) at the address(es) specified below. Proof of service (by affidavit or, in case of any attorney at law, by certificate) should be filed with the request. Any request for hearing should 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 April 27, 1999, the application(s) and/or declaration(s), as filed or as amended, may be granted and/or permitted to become effective.

GPU, Inc., et al. (70–7926)

GPU, Inc. (''GPU''), 300 Madison Avenue, Morristown, New Jersey 07962, a registered holding company, and its electric public utility subsidiaries, Jersey Central Power & Light Company, Metropolitan Edison Company (''Met-Ed''), and Pennsylvania Electric Company (''Penelec'') (collectively, ''GPU Subsidiaries'' or together with GPU, ''Applicants''), each of 2800 Pottsville Pike, Reading, Pennsylvania 19640 have filed a post-effective amendment under sections 6(a), 7, 32 and 33 of the Act and rules 53 and 54 under the Act.

By orders dated July 17, 1996 (HCAR No. 26544) and December 22, 1997 (HCAR No. 26801) (''December Order'') (collectively ''Orders''), the Commission, among other things, authorized the GPU Subsidiaries, from time to time through December 31, 2000, to issue, sell and renew unsecured promissory notes in amounts up to the limitations on short-term indebtedness contained in the GPU Subsidiaries' respective charters. GPU was authorized to issue, sell and renew unsecured short-term notes in amounts up to $250 million.

The December Order limited the amount of short-term indebtedness which Met-Ed and Penelec could have outstanding to the maximum amounts permitted by their respective charters. At the time the Orders were issued, the Met-Ed and Penelec charters, among other things, restricted the amount of unsecured debt that they could have outstanding without the consent of a majority of the preferred shareholders so long as preferred shares were outstanding. On February 19, 1999, Met-Ed and Penelec redeemed all of their remaining shares of cumulative preferred stock outstanding ($11.95 million and $16.55 million aggregate stated value, respectively). The Applicants state that as the preferred stock has been redeemed and is no longer outstanding, the associated limitations contained in the GPU Subsidiaries' charters on the issuance of unsecured debt are no longer applicable to Met-Ed and Penelec.

Applicants now seek authorization, through December 31, 2000, to: permit Met-Ed and Penelec to each issue and sell up to $150 million in short-term indebtedness from time to time. Applicants also propose, through December 31, 2003, to: (1) extend the period during which the GPU Subsidiaries may issue unsecured promissory notes under credit agreements or in the form of short-term indebtedness; (2) permit GPU to issue and sell commercial paper in amounts up to $100 million; and (3) extend GUP's authority to issue and sell short-term notes in amounts up to $250 million, under the terms and conditions of the Orders.

Cinergy Corp., et al. (70–9449)

Cinergy Corp., a registered holding company (''Cinergy''),[1] 139 East Fourth Street, Cincinnati, Ohio 45202, has filed a declaration under sections 12(b) and 13(b) of the Act and rules 45, 54, 80, 81, 86, 87, 89, 90, and 91 under the Act.

Cinergy requests authorization for its domestic nonutility subsidiaries to enter into service agreements with Cinergy's utility subsidiaries under which the nonutility subsidiaries may provide a range of services to the utility affiliates, and vice versa,[2] priced at ''cost'' as determined under rule 91 of the Act. Cinergy requests authorization for each of its domestic nonutility subsidiaries, including those formed after the date of the requested authorization, but excluding ''foreign utility companies'' [3] and ''exempt telecommunications companies'' [4] (each, a ''Nonutility Company'') to enter into a separate but substantially similar contract (''Service Agreement'') with each of Cinergy's utility subsidiaries.

CG&E, an Ohio electric and gas utility company, and PSI, an Indiana electric and gas utility company, are Cinergy's two principal utility subsidiaries. CG&E is subject to state utility regulation by the Public Utilities Commission of Ohio (''Ohio Commission'') and PSI is subject to state utility regulation by the Indiana Utility Regulatory Commission (''Indiana Commission''). Under provisions regarding affiliate contracts contained in settlement agreements dating from Cinergy's acquisition of CG&E and PSI in 1994,[5] CG&E and PSI submitted identical proposed forms of Service Agreements to the Ohio Commission and the Indiana Commission staff in August 1998 for their review prior to review by the

[1] Cinergy has two direct, wholly owned domestic retail public utility companies—The Cincinnati Gas & Electric Company (''CG&E'') and PSI Energy, Inc. (''PSI''). CG&E has four direct, wholly owned domestic retail public utility companies—The Union Light, Heat and Power Company (''ULH&P''), Lawrenceburg Gas Company (''Lawrenceburg''), The West Harrison Gas and Electric Company (''West Harrison'') and Miami Power Corporation (''Miami Power''). Through these subsidiaries, Cinergy provides retail electric service in north central, central and southern Indiana and retail electric and gas service in the southwestern portion of Ohio and adjacent areas of Indiana and Kentucky.

[2] Services rendered under the proposed service agreements by the utility subsidiaries to the nonutility affiliates are exempt from prior Commission approval by virtue of rule 87(b)(1) under the Act. Accordingly, Cinergy does not seek Commission authorization for those service transactions, which are an integral aspect of the proposed contracts.

[3] Foreign utility company (''FUCO'') is defined in section 33 of the Act.

[4] Exempt telecommunications company (''ETC'') is defined in section 34 of the Act.

[5] These merger-related settlement agreements with the Ohio Commission and the Indiana Commission (and other interested parties), as well as conditions agreed to by Cinergy in connection with related merger proceedings before the Kentucky Public Service Commission, were noted by the Commission in its order approving the acquisition of CG&E and PSI by Cinergy and related transactions. *See* HCAR No. 26146 (October 21, 1994).

Commission. In late January 1999 the Ohio Commission and the Indiana Commission staff completed their review and, based upon certain modifications made to the CG&E Service Agreement and assurances regarding certain costs that may arise under the PSI Service Agreement, cleared the CG&E and PSI Service Agreements for filing with the Commission.[6]

Cinergy states that the proposed Service Agreements with the utility subsidiaries of CG&E—ULH&P, Lawrenceburg, West Harrison and Miami Power (collectively with CG&E and PSI, the ''Operating Companies'')—do not require prior state commission review. According to Cinergy, except in regard to prior state commission review of amendments, the proposed Service Agreement for CG&E utility subsidiary conforms in all material respects to the CG&E Service Agreement, including the additional protections incorporated as a result of the Ohio Commission's review.

Cinergy Investments, Inc., a direct, wholly owned Nonutility Subsidiary of Cinergy (''Cinergy Investments''), holds interests in all of the Nonutility Companies, except for certain minor interests held by CG&E and PSI.[7] At December 31, 1998, Cinergy Investments had 11 direct wholly owned subsidiaries: Cinergy-Cadence, Inc., an ''energy-related company'' within the meaning of Rule 58 under the Act (''Rule 58 Company'') which has a one-third ownership interest in a Rule 58 Company, Cadence Network LLC, which markets various energy management services to multi-site retail establishments; Cinergy Capital & Trading, Inc., a Rule 58 Company engaged in energy marketing and trading that has eight subsidiaries, each engaged in energy marketing or ownership or operation of exempt wholesale generators,[8] Cinergy Communications, Inc., an ETC; Cinergy Engineering, Inc., a Rule 58 Company engaged in utility-related engineering and other technical services; Cinergy-Centrus, Inc., an ETC; Cinergy-Centrus Communications, Inc., an ETC that holds a one-third ownership interest in Centrus LLP, also an ETC; Cinergy Resources, Inc., a Rule 58 Company engaged in energy marketing and trading; Cinergy Solutions, Inc.,[9] which, together with its 12 partly and wholly owned subsidiaries, primarily markets energy management services and engages in development, ownership and operation of district cooling and heating systems and qualifying facilities under the Public Utility Regulatory Policies Act of 1978, principally through a joint venture with a non-affiliate, Trigen Energy Corporation; Cinergy Supply Network, Inc., a Rule 58 Company, which engages in utility materials brokering services and, through its one-third-owned Rule 58 Company, Reliant Services, LLC, proposes to engage in underground utility facilities location and construction services; Cinergy Technology, Inc., which is engaged in commercialization of utility technologies and related investments;[10] and Enertech Associates, Inc., an inactive Rule 58 Company.

In general, the Service Agreements authorize the provision of services, including loans of employees, from the Operating Companies to the Nonutility Companies, and from the Nonutility Companies to the Operating Companies, priced at ''cost.'' More specifically, upon receipt by a party to the Service Agreement of a written request for specified services, including, if applicable, the use of any related equipment, facilities, properties or other resources (''Services''), the receiving party would provide the requested Services if in its sole discretion it can do so without impairing its normal business operations. Services may include, but are not limited to, engineering and construction; operations and maintenance; equipment testing; information services; monitoring, surveying, inspecting, constructing, locating and marking of overhead and underground utility facilities; meter reading; materials management; vegetation management; and marketing and customer relations. In addition to the exclusion of transactions involving affiliated ETCs and FUCOs, affiliate transactions involving sales, leases, or other transfers of assets, goods, energy commodities (including electricity, gas, coal and other combustible fuels) or thermal energy products are outside the scope of the Service Agreements.

Any loans of employees by the company providing Services also would be at the service provider's sole discretion. While performing work on behalf of the client company, any loaned employees would be under its supervision and control, and the client company would be responsible for their actions.

All service requests would be in writing consistent with the form of service request appended to the Service Agreement. Each service request must identify the client company and proposed service provider, be authorized by an appropriate individual at both the client company and the service provider, include a detailed description of the proposed services and estimated costs, and specify the scheduled start date and completion date. In addition, all Services would be assigned to applicable activities, projects, programs or on other appropriate bases to enable specific work to be properly assigned. The client company may amend service requests from time to time, subject to certain conditions.

All Services would be rendered at the full cost, as computed in accordance with applicable rules, regulations and accounting standards, including rules 90 and 91 under the Act. As soon as practicable after the close of each month, any company providing Services would provide to each client company a statement reflecting the billing information necessary to identify the costs charged for that month. The client company is required to pay all amounts billed within 30 days of receipt of the billing statement.

The sole and exclusive responsibility of a company providing Services for any asserted deficiency would be to correct or repair the deficiency or re-perform the Services, at no additional cost to the client company. The service provider disclaims any additional warranties or remedies, and each client company agrees to accept Services on that basis. In addition, any company receiving Services agrees to indemnify the company providing those Services (including each of its officers, directors, employees and agents) from any losses, liabilities or claims arising from or in connection with the provision of the

[6] Cinergy states that, concurrently with the filing of this application with the Commission, PSI is submitting the proposed PSI Service Agreement to the Indiana Commission. According to Cinergy, that submission was not to initiate any proceeding before the Indiana Commission and did not seek any approval or other action by the Indiana Commission (beyond the clearance previously issued by its staff).

[7] CG&E has two nonutility subsidiaries—Tri-State Improvement Company, which acquires and holds property in support of the businesses of CG&E and its utility subsidiaries, and KO Transmission Company, a gas pipeline company. CG&E also holds limited partnership interests in several local venture capital and community development funds. PSI has one nonutility subsidiary, South Construction Company, which holds title to real estate not used and useful in PSI's business. PSI also holds limited partnership interests in several local venture capital and community development funds. Cinergy has pending a request in Commission File No. 70–8427 for an order releasing Commission jurisdiction over Cinergy's continued retention, through CG&E and PSI, of these nonutility businesses and interests.

[8] Exempt wholesale generator is defined in section 32 of the Act.

[9] Cinergy Solutions, Inc. was formed under Commission order dated February 7, 1997 (HCAR No. 26662).

[10] Cinergy has pending a request in Commission File No. 70–8427 for an order releasing Commission jurisdiction over Cinergy's continued retention of this entity.

Services. The indemnity applies regardless of negligence, willful misconduct, or breach of warranty by the company that provided the Services or any of its officers, directors, employees or agents.

Any amendment to a Service Agreement must be in writing executed by all of the parties. In addition, the CG&E and PSI Service Agreements (but not the form of Service Agreement for CG&E's utility subsidiaries) provide that any amendment to either of those Service Agreements, before being submitted to the Commission for its review, must first be submitted to the Ohio Commission and the Indiana Commission staff for their review (and submitted to certain other interested parties for informational purposes). As a result, the Ohio Commission and Indiana Commission staffs have effective veto power over any proposed amendment. Cinergy is precluded from seeking Commission approval of the contract or amendment, or must withdraw it, and may not put it into effect with respect to CG&E or PSI, if the Ohio Commission or Indiana Commission staff Disapprove it or find it unreasonable.

Additional Nonutility Companies may become parties to the Service Agreement after the original execution by executing appropriate signature pages. In the absence of any changes to the terms of the Service Agreement, merely adding new Nonutility Companies as signatories would not be considered an amendment, including for purposes of any prior state review.

The provision of Services would in all cases, be subject to any limitations or restrictions contained in any applicable current or future orders or authorizations, statutory provisions, rules or regulations, tariffs, or agreements of regulatory or governmental agencies having jurisdiction over the parties to the Service Agreement, including the Commission, the applicable state commission and the Federal Energy Regulatory Commission. To the extent, if any, that at any time any provision of the Service Agreement conflicts with any limitation or restriction of any regulatory agency, the limitation of restriction would control.

Northeast Utilities, et al. (70–9463)

Northeast Utilities (''NU''), 174 Brush Hill Avenue, West Springfield, Massachusetts 01090–0010, a registered holding company, and its service company subsidiary, Northeast Utilities Service Company (''NUSCO''), have filed an application-declaration under sections 6(a), 7, 9(a), 10 and 12(c) of the Act and rules 42 and 54 under the Act.

NU proposes to adopt a stockholder rights plan (''Plan'') and to enter into a related Rights Agreement (''Agreement'') with NUSCO, acting as transfer agent, to implement the Plan. Under the Plan, NU's Board of Trustees (''Board'') proposes to declare a dividend of one right (''Right'') for each outstanding share of NU common stock, $5.00 par value (''Common Stock''). The dividend will be payable to stockholders of record on the fifth business day after the Commission has issued an order requested in this filing (''Record Date''). Each Right would entitle the holder to purchase one share of Common Stock at a price of $65.00 per share, subject to adjustment (''Purchase Price'').

Initially, the Rights may only be traded together with the Common Stock certificates that are outstanding on the Record Date. The Rights may not be exercised until the Distribution Date, which is defined in the Agreement as the earlier of two dates. The first is ten days after the first public announcement that any person or group has acquired beneficial ownership of fifteen percent or more of Common Stock (''Acquiring Person''), without Board approval (''Acquisition Event''). The second is ten business days (unless extended by the Board) after any person or group has commenced, or announced an intent to make, a tender or exchange offer which would, upon its consummation, result in the person or group becoming an Acquiring Person (this event, together with an Acquisition Event, ''Triggering Events''). On the occurrence of either Triggering Event, each Right will be evidenced by a Right Certificate, which may then be traded independently of the Common Stock.

In the event that a person becomes an Acquiring Person, Right holders will have the right to receive Common Stock (or, in certain circumstances, cash, property, other NU securities or a reduction in the Purchase Price) having a value equal to two times the effective Purchase Price (''Discount Purchase Price''). If, after the Distribution Date, NU is acquired by another person, the Common Stock is changed into shares of another person, or fifty percent of NU's consolidated assets or earning power are sold or transferred to another person (in each case, a ''Surviving Person''), each Right holder may exercise a Right and receive for each Right the common stock of the Surviving Person at the Discount Purchase Price. If a Triggering Event occurs, all Rights that are, were or subsequently become beneficially owned by an Acquiring Person, and certain other related persons, become null and void.

NU may redeem the Rights, as a whole, at an adjustable price of $.001 per Right, at any time prior to the close of business on the tenth day after the date that any person has become an Acquiring Person. At any time after any person or group becomes an Acquiring Person and before any person or group, other than NU and certain related entities, becomes the beneficial owner of fifty percent or more of the outstanding shares of Common Stock, the Board may direct the exchange of shares of Common Stock for all or any part of the Rights. The exchange would be at a rate of one Right per share of Common Stock or the equivalent in other NU securities or assets.

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

Jonathan G. Katz,

Secretary.

[FR Doc. 99–8968 Filed 4–9–99; 8:45 am]

BILLING CODE 8010–01–M

SECURITIES AND EXCHANGE COMMISSION

[Release No. 34–41246; File No. 4–208]

Intermarket Trading System; Notice of Filing and Temporary Summary Effectiveness of Proposed Fourteenth Amendment to the ITS Plan To Link the PCX Application of the OptiMark System to the Intermarket Trading System (''ITS'')

April 2, 1999.

I. Introduction

Pursuant to Rule 11Aa3–2 under the Securities Exchange Act of 1934 (''Exchange Act'' or ''Act''), notice is hereby given that on March 29, 1999, the Intermarket Trading System Operating Committee (''ITSOC'') submitted to the Securities and Exchange Commission (''Commission'') an amendment (''Fourteenth Amendment'') to the restated ITS Plan.[1] The purpose of the amendment is to link the Pacific Exchange, Inc.'s (''PCX'') Application of the OptiMark System (''PCX Application'') to ITS. The Commission is publishing this notice to solicit comment on the amendment from interested persons. While comment is being solicited on the proposed amendment, the Commission

[1] The ITS is a National Market System plan approved by the Commission pursuant to Section 11A of the Act and Rule 11Aa3–2. *See* Exchange Act Release No. 19456 (January 27, 1983), 48 FR 4938.