

third interest in the Bowline Station, to Southern Energy, Inc., a subsidiary of The Southern Company, a registered holding company. Also included in this sale is Con Edison's two-thirds interest in the Bowline Station. Orange and Rockland anticipates that this sale will be completed by April 30, 1999.

Con Edison and Orange and Rockland are members of the New York Power Pool ("NYPP"), a cooperative association consisting of the major electric utilities operating in the State of New York. NYPP is a "tight" power pool through which its members agree to coordinate their operations by operating their systems in parallel, by consulting on design, use and construction of capacity, by scheduling repair outages and by providing support to each other in meeting generating capacity and energy transmission needs. NYPP has a centralized computer system that monitors the available capacity on the system and the demand for energy of all of the NYPP members to determine which sources of capacity should be used to reliably provide economic energy to meet customer demand. Under the current NYPP structure, each member utility owns and controls its separate transmission system. Access to those systems is available through each utility's open access transmission tariff. Applicants state that NYPP has filed with the FERC a plan to reorganize and establish an Independent System Operator. Following the Merger, Con Edison and Orange and Rockland will continue to be members of NYPP and will continue to coordinate operations in accordance with applicable NYPP procedures. The Merger will be effected through the purchase of Orange and Rockland stock. Each share of Orange and Rockland common stock will be canceled and converted into the right to receive \$58.50 in cash, without interest payable to the holder of such share upon surrender. Any Orange and Rockland common stock owned as treasury stock will be canceled and no payment will be due. All preferred stock and preference stock of Orange and Rockland will be redeemed, prior to the effective date of the Merger, at a redemption price equal to the respective amount set forth in Orange and Rockland's restated Certificate of Incorporation, together with all dividends accrued and unpaid to the date of redemption. The transactions relating to the Merger are expected to be taxable to the stockholders of Orange and Rockland for federal income tax purposes. The Merger Agreement is subject to customary closing conditions, including

receipt of approval of the holders of Orange and Rockland's Common Stock and the approval of various state and federal regulatory agencies, including the Commission. Orange and Rockland held a meeting of its common stockholders on August 24, 1998, and the requisite two-third votes of its stockholders approved the Merger.

CEI states that following consummation of the Merger, CEI and Orange and Rockland will continue to be entitled to exemptions from all provisions of the Act, except sections 9(a)(2) and 10 of the Act. CEI requests an order granting it an exemption under section 3(a)(1) of the Act. CEI states that it will continue to satisfy the requirements for exemption because it and each of its public utilities are and will continue to be predominately intrastate in character and will continue to carry on their businesses substantially in New York.²¹ Orange and Rockland will continue to rely on the Commission's order exempting Orange and Rockland from registration based on its status as a holding company which is predominantly a public utility company under section 3(a)(2) of the Act.

Allegheny Energy, Inc. (70-7888)

Allegheny Energy, Inc. ("Allegheny"), 10435 Downsview Pike, Hagerstown, MD 21740-1766, a registered holding company, has filed a post-effective amendment under sections 6(a) and 7 of the Act and rule 54 under the Act to application-declaration originally filed under sections 6(a), 7, 9(a), 10 and 12(b) of the Act and rules 45 and 54 under the Act.

By orders dated January 29, 1992 (HCAR No. 25462), February 28, 1992 (HCAR No. 25481), July 14, 1992 (HCAR No. 25581), November 5, 1993 (HCAR No. 25919), November 28, 1995 (HCAR No. 26418), April 18, 1996 (HCAR No. 26506), and December 23, 1997 (HCAR No. 26804) (collectively "Prior Orders"), Allegheny was authorized, among other things, to issue up to \$400 million in short-term debt through December 31, 2001. Allegheny now proposes to: (1) Increase the limit on the issuance of short-term debt from \$400 million up to \$750 million under the terms and conditions stated in the Prior Orders; and (2) extend the period of authorization through December 31, 2007.

²¹ CEI states that after the Merger, 2% of its consolidated utility revenues will be derived from out of state operations. RECO, which operates only in New Jersey, will be 1.91% of the total. Pike, which operates only in Pennsylvania, is .09% of the total. CEI states that it does not have significant investments in nonutility businesses.

Allegheny states that the increase is necessary to enhance its ability to participate in evolving energy markets resulting from deregulation and, upon application and approval, to support acquisition and diversification plans.

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

Margaret H. McFarland,

Deputy Secretary.

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SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-41218; File No. SR-NSCC-99-02]

Self-Regulatory Organizations; National Securities Clearing Corporation; Notice of Filing and Order Granting Accelerated Approval of a Proposed Rule Change Regarding Exit Instructions for Exchange Orders

March 26, 1999.

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 ("Act"),¹ notice is hereby given that on February 12, 1999, National Securities Clearing Corporation ("NSCC") filed with the Securities and Exchange Commission ("Commission") the proposed rule change as described in Items I and II below, which items have been prepared primarily by NSCC. The Commission is publishing this notice to solicit comments from interested persons on the proposed rule change.

I. Self-Regulatory Organization's Statement of the Terms of Substance of the Proposed Rule Change

The proposed rule change permits Mutual Fund Services ("Fund/SERV") members to submit exit instructions for exchange orders.

II. Self-Regulatory Organization's Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change

In its filing with the Commission, NSCC included statements concerning the purpose of and basis for the proposed rule change and discussed any comments it received on the proposed rule change. The text of these statements may be examined at the places specified in Item IV below. NSCC has prepared summaries, set forth in sections A, B,

¹ 15 U.S.C. 78s(b)(1).

and C below, of the most significant aspects of such statements.²

A. Self-Regulatory Organization's Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change

Under the proposed rule change, NSCC will modify its rules relating to Fund/SERV.³ Among other things, Fund/SERV enables eligible members to electronically process and settle mutual fund orders. These orders include purchases, redemptions, and exchanges.

The proposed rule change permits NSCC to implement a request by a users advisory group to modify NSCC's Rule 52 to provide members with the option of submitting exit instructions for exchange orders they determine not to settle within Fund/SERV.⁴

Fund/SERV was originally established to provide a once-a-day or single-cycle processing service that executed a member's instructions only at the end of each business day. Since exchange orders are immediately set for settlement the night they are received, exit instructions to delete outstanding exchange orders were not permitted under NSCC rules because Fund/SERV's single-cycle processing environment did not provide an opportunity for exit instructions to be executed.

However, Fund/SERV's intra day or multi-cycle processing now allows a member to submit instructions throughout the day. Under the proposed rule change an exchange order will continue to settle on the next business day unless a member submits an exit instruction on the same day it is received. NSCC plans to notify members by an "Important Notice" on March 29, 1999, that it intends to implement the rule change.

NSCC believes the proposed rule change is consistent with Section 17A of the Act⁵ and the rules and regulations thereunder because it facilitates the prompt and accurate clearance and settlement of securities transactions.

B. Self-Regulatory Organization's Statement on Burden on Competition

NSCC does not believe that the proposed rule change will have an impact on or impose a burden on competition.

² The Commission has modified the text of the summaries prepared by NSCC.

³ Specifically, NSCC is amending Rule 52, A, Fund/SERV, SEC. 10.

⁴ See letter from Colleen Daly, Chairperson of the Investment Company Institute's NSCC Fund/SERV Enhancement Committee (February 4, 1999). A copy of the letter is included with NSCC's filing.

⁵ 15 U.S.C. 78q-1.

C. Self-Regulatory Organization's Statement on Comments on the Proposed Rule Change Received from Members, Participants, or Others

No written comments relating to the proposed rule change have been solicited or received other than from the chairperson of the Investment Company Institute's NSCC Fund/SERV Enhancement Committee. Her comments are attached to the proposal as Exhibit C. NSCC will notify the Commission of any other written comments received by NSCC.

III. Date of Effectiveness of the Proposed Rule Change and Timing for Commission Action

Section 17A(b)(3)(F) of the Act requires that the rules of a clearing agency be designed to promote the prompt and accurate clearance and settlement of securities transactions.⁶ The Commission believes that the rule change is consistent with this obligation because the proposal provides Fund/SERV members with an automated method for deleting erroneous exchange orders. As a result, the proposed rule change reduces the likelihood that Fund/SERV members will need to go outside of Fund/SERV to correct an exchange order. Thus, the proposal promotes the prompt and accurate clearance and settlement of securities transactions.

NSCC has requested that the Commission find good cause for approving the proposed rule change prior to the thirtieth day after publication of the notice of filing. The Commission finds good cause for approving the proposed rule change prior to the thirtieth day after publication of the notice of filing because accelerated approval will permit NSCC to implement this feature of Fund/SERV in a timely manner.

IV. Solicitation of Comments

Interested persons are invited to submit written data, views, and arguments concerning the foregoing, including whether the proposed rule change is consistent with the Act. Persons making written submission should file six copies thereof with the Secretary, Securities and Exchange Commission, 450 Fifth Street, N.W., Washington D.C. 20549. Copies of the submissions, all subsequent amendments, all written statements with respect to the proposed rule change that are filed with the Commission, and all written communications relating to the proposed rule change between the

Commission and any person, other than those that may be withheld from the public in accordance with the provisions of 5 U.S.C. § 552, will be available for inspection and copying in the Commission's Public Reference Room, 450 Fifth Street, N.W., Washington, D.C. 20549. Copies of such filings will also be available for inspection and copying at the principal office of NSCC. All submissions should refer to the file number SR-NSCC-99-02 and should be submitted by April 26, 1999.

It is therefore ordered, pursuant to Section 19(b)(2) of the Act, that the proposed rule change (File No. SR-NSCC-99-02) be, and hereby is, approved on an accelerated basis.

For the Commission by the Division of Market Regulation, pursuant to delegated authority.⁷

Margaret H. McFarland,
Deputy Secretary.

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DEPARTMENT OF STATE

Office of Overseas Schools

[Public Notice 3020]

Agency Information Collection Activities: Submission for OMB Review; Comment Request

AGENCY: Department of State.

ACTION: 30-day notice of information collection; overseas schools—grant status reports.

SUMMARY: The Department of State has submitted the following information collection request to the Office of Management and Budget (OMB) for approval in accordance with the Paperwork Reduction Act of 1995. Comments should be submitted to OMB within 30 days of the publication of this notice.

The following summarizes the information collection proposal submitted to OMB:

Type of Request: Renewal.

Originating Office: A/OPR/OS.

Title of Information Collection: Overseas Schools—Grant Status Reports.

Frequency: Annual.

Form Number: OMB No. 1405-0033.

Respondents: Recipients of grants.

Estimated Number of Respondents: 190.

Average Hours Per Response: .25.

Total Estimated Burden: 47.5 hours.

⁶ 15 U.S.C. 78q-1(b)(3)(F).

⁷ 17 CFR 200.30-3(a)(12).