

and put all persons on notice that any person who conducts a public business is required to be registered and qualified as a registered representative. Such registration would require, among other things, that a person complete the Series 7 examination, as described in rule 604(a)(ii).

The Commission believes that the Series 7A Examination requirement should help to ensure that only those floor members with a comprehensive knowledge of Exchange rules, as well as an understanding of the Act, will be able to conduct a public business limited to accepting orders directly from professional customers for execution on the trading floor. The Commission has determined that the Content Outline for the Series 7A Examination is sufficiently detailed and covers the appropriate information so as to provide an adequate basis for studying the topics covered on the examination. This outline should help to ensure that those persons taking the Series 7A Examination fully understand the subject matter of the examination.

Finally, the Commission believes that the proposed limited registration requirement for floor members engaged in a public business with professional customers is reasonable and is consistent with the requirements of Sections 6(b)(5) and 6(c)(3)(B) of the Act. This new category of registration would permit only those floor members who have demonstrated adequate skills and knowledge to conduct a public business which is generally limited to accepting orders directly from professional customers, as defined in the rule,⁹ for execution on the trading floor. The Phlx has argued that the level of knowledge, skills and abilities necessary to conduct such business is less than that needed to conduct a full service business with retail customers. The Commission believes that, because the Phlx will ensure that floor members handling professional customer business are adequately qualified through the use of either the Series 7 or Series 7A Examination, it is consistent with the Phlx's regulatory responsibilities to establish this category of limited registration.

III. Conclusion

It is therefore ordered, pursuant to Section 19(b)(2) of the Act,¹⁰ that the proposed rule change (SR-Phlx-94-15) is approved.

⁹ See *supra* note 5.

¹⁰ 15 U.S.C. § 78s(b)(2) (1988).

For the Commission, by the Division of Market Regulation, pursuant to delegated authority.¹¹

Jonathan G. Katz,

Secretary.

[FR Doc. 95-2074 Filed 1-26-95; 8:45 am]

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[Release No. 35-26219]

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

January 20, 1995.

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 February 13, 1995, to the Secretary, Securities and Exchange Commission, Washington, DC 20549, and serve a copy on the relevant applications(s) and/or declarant(s) at the address(s) 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.

Entergy Corporation, et al.

[70-8535]

Entergy Corporation ("Entergy"), 639 Loyola Street, New Orleans, Louisiana 70113, a registered holding company, and its bulk power marketing subsidiary, Entergy Power, Inc. ("EPI") (together, "Applicants"), Three Financial Center, Little Rock, Arkansas 72211, have filed an application-declaration under sections 6(a), 7, 9(a), 10 and 12(b) of the Act and Rules 42, 43 and 45 thereunder.

The Applicants request authority for: (1) Entergy to recapitalize EPI through

the conversion of outstanding amounts of principal and interest under the existing \$250 million loan agreement between Entergy and EPI ("Loan Agreement") to capital contributions; and (2) Entergy to make additional equity investments in EPI from time-to-time through December 31, 1995 to fund EPI's working capital and other capital requirements.

By Commission orders, dated August 27, 1990 (HCAR No. 25136)¹ and July 16, 1992 (HCAR No. 25583) ("Orders"), EPI was formed and has been financed by Entergy to participate as a supplier of capacity and energy in the wholesale bulk power market. Under the Orders, EPI acquired the ownership interests of its associate company, Arkansas Power & Light Company in Unit 2 of the Independent Steam Electric Generating Station and Unit 2 of the Ritchie Steam Electric Generating Station representing an aggregate of 809 MW of capacity ("Transferred Capacity"). The Transferred Capacity included various leases, mine facilities and mining equipment, oil storage and handling facilities associated with providing fuel supplies for the Transferred Capacity.

Entergy and EPA state that various constraints on EPI's business activities, including the highly leveraged nature of its authorized capital structure and the consequent debt service requirements, which currently amounts to approximately \$4.1 million per quarter, have had a negative effect on EPI's financial condition and significantly impaired its ability to market and sell the Transferred Capacity. In order to provide EPI with a capital structure more suited to EPI's authorized activities by eliminating EPI's debt service requirements under the Loan Agreement, Entergy and EPI propose to terminate the Loan Agreement and to convert to capital contributions all outstanding borrowings, in the approximate amount of \$217.55 million, together with any accrued and unpaid interest through the date of the conversion. After the recapitalization, EPI's capital structure would consist of 100% equity.

The Applicants further propose that Entergy make additional equity investments in EPI from time-to-time through December 31, 1995 in an aggregate amount not to exceed the approximate total principal amount of additional borrowings EPI could have been under the Loan Agreement, as of September 30, 1994, or \$32.45 million.

¹ This order is currently before the commission on remand from the D.C. Circuit Court of Appeals. See, *New Orleans v. SEC*, 969 F.2d 1163 (D.C. Cir. 1992).

¹¹ 17 CFR 200.30-3(a)(12) (1991).

Additional investments by Entergy may take the form of the issuance and sale by EPI, and the purchase by Entergy, of additional shares of EPI's Common Stock and/or capital contributions. The additional investments would be used by EPI to meet its working capital requirements and to pay its associate companies for services provided to EPI.

Eastern Utilities Associates, et al.

[70-8539]

Eastern Utilities Associates ("EUA"), P.O. Box 2333, Boston, Massachusetts 02107, a registered holding company, and EUA Cogenex Corporation ("Cogenex"), wholly owned nonutility subsidiary company of EUA, and EUA Cogenex-Canada, Inc. ("Cogen-Canada"), and Northeast Energy Management, Inc. ("NEM"), two wholly owned nonutility subsidiary companies of Cogenex, all located at Boott Mills South, 100 Foot of John Street, Lowell, Massachusetts 01852, have filed an application-declaration under sections 6(a), 7, 9(a), 10, and 12(b) of the Act, and rules 42, 43 and 45 thereunder.

EUA proposes to invest in Cogenex, through December 31, 1997, up to an aggregate principal amount of \$50 million through any one or combination of short-terms loans, capital contributions, or purchases of Cogenex common stock. EUA proposes to borrow up to \$25 million under the EUA system credit lines, which if used, would fund the short-term loans to Cogenex. The terms and conditions of any loans made to Cogenex would be the same as the terms and conditions under the EUA system credit lines.

Cogenex proposes, through December 31, 1997, to obtain financing, in an amount not to exceed \$200 million, from any of these sources: (i) up to \$50 million from EUA; and (ii) \$150 million from (a) the issuance and sale of unsecured notes ("New Notes") through a private or a public offering, (b) the borrowing of proceeds from the issuance and sale of bonds by a state or political subdivision agency ("Bonds"), and (c) the borrowing of up to \$75 million under the EUA system credit lines. Cogenex will use the proceeds: (i) to pay, reduce, or renew short-term bank loans; (ii) to pay, reduce, or renew short-term loans from EUA; (iii) for working capital to operate its demand side management, energy conservation and self-generation business and general corporate purposes; (iv) to pay the costs of issuance of the New Notes and Bonds; and (v) to provide for debt servicing reserves or expenses for issuance of the New Notes and Bonds.

The terms and conditions of the New Notes and the Bonds will be provided

in a post-effective amendment, the EUA and Cogenex request a reservation of jurisdiction over the issuance and sale of the New Notes and Bonds.

Interest on notes issued under the existing EUA system credit lines are either the prime rate or money market rates, and may include a commitment fee. The weighted average interest rate for borrowings under the EUA system credit lines on November 30, 1994, was 1% per annum. Notes issued under the EUA system credit lines will mature in not more than one year and the principal amount of notes that EUA and Cogenex will have outstanding at one time will not exceed \$25 million and \$75 million, respectively.

EUA also proposes, if it becomes necessary to obtain favorable terms for the New Notes and Bonds, to guaranty the New Notes and Bonds or provide an equity maintenance agreement, under which EUA would make capital contributions to Cogenex if Cogenex's equity as a percentage of total capitalization fell below a specified level.

Cogenex proposes to extend, until December 31, 1997, its authority to invest in Cogen-Canada and NEM, and Cogen-Canada and NEM propose to extend their authority to December 31, 1997, to borrow from Cogenex. Cogenex is currently authorized to invest in Cogen-Canada in an amount not to exceed \$20 million through stock purchases, capital contribution, open account advances, and short-term loans. Cogenex is currently authorized to invest in NEM in an amount not to exceed \$9.1 million through capital contributions and short-term loans. Cogenex's authority to invest, and NEM's and Cogen-Canada's authority to borrow from Cogenex expires December 31, 1995. Cogenex does not propose to increase the amount it may invest in Cogen-Canada or NEM.

National Fuel Gas Company, et al.

[70-8541]

National Fuel Gas Company ("National"), a registered holding company, and its wholly owned nonutility subsidiary companies, National Fuel Gas Resources ("Resources"), National Fuel Gas Supply ("Supply"), Seneca Resources Corporation ("Seneca"), and Utility Constructors ("Constructors"), and National Fuel Gas Distribution Company ("Distribution"), a wholly owned gas public utility subsidiary company of National, all of 10 Lafayette Square, Buffalo, New York 14203, have filed an application-declaration under sections 6(a), 7, 9(a), 10 and 12(b) of the Act and rules 42, 43, and 45 thereunder.

National proposes to issue and sell, through December 31, 1997, in one or more transactions, up to an aggregate principal amount of \$350 million of debt securities in any combination of (a) debentures ("Debentures") and (b) medium-term notes ("MTNs"), which will mature in not over 40 years. The Debentures will be offered by use of negotiated sales or competitive bidding. The MTNs will be offered, as needed, through agents. National will not issue Debentures or MTNs at rates in excess of those generally obtained at the time of pricing for sales of medium-term notes or debentures having the same maturity, issued by companies of comparable credit quality and having similar terms, conditions, and features. The price and annual interest rate (which may be fixed or variable) of each series of Debentures and MTNs will be determined at the time of bidding or when the agreement to sell is made.

The Debentures and MTNs will be issued under an Indenture dated as of October 15, 1974, as supplemented, and as it will be supplemented by one or more supplemental indentures. The supplemental indentures, which provide for the issuance of the Debentures and the MTNs, may include provisions for redemption prior to maturity at various percentages of the principal amount and may include restrictions on optional redemption for a given number of years up to the term of the Debentures and MTNs.

National proposes to lend from the proposed financing, in exchange for unsecured notes ("Notes"), up to (a) \$250 million to Distribution; (b) \$150 million to Supply; (c) \$150 million to Seneca; (d) \$20 million to Resources; and (e) \$20 million to Constructors. The total amount lent from National to the subsidiaries will not exceed the proceeds National receives from issuance of the Debentures and MTNs.

The Notes to be issued by the subsidiaries will bear interest at the effective interest cost of the principal amount of the related Debentures and MTNs. National will have the option to require payment of the notes at any time if the related Debentures and MTNs mature, are redeemed, or otherwise acquired by National. The subsidiaries will use the proceeds from the Notes: (i) To reduce short-term debt under certain credit lines; (ii) to repay notes issued to National in connection with the sale by National of certain debentures and medium-term notes; (iii) for construction or other capital expenditure programs; and (iv) for general corporate purposes.

National also proposes, in connection with its long-term financing, to enter

into one or more interest rate swaps and related interest rate caps, collars and floors, through December 31, 1997, in notional amounts that in the aggregate will not exceed \$350 million.

National requests authorization to make floating-to-fixed rate ("Strategy 1 Swaps") and fixed-to-floating rate swaps ("Strategy 2 Swaps"). Under Strategy 1 Swaps, National would make periodic interest payments at a floating rate of interest, calculated on an agreed notional amount, in return for periodic interest payments based upon the same notional amount but payable at an agreed-upon fixed rate of interest. Under Strategy 2 Swaps, National would pay a fixed interest rate and receive a variable interest rate on an agreed notional amount.

National's floating rate of interest for Strategy 1 Swaps would be based on certain indices, such as the London Interbank Deposit Offered Rate, the Federal Funds Rate, certificate of deposit indices, or commercial paper indices. There will be no maximum interest rate respecting payments that National may make under Strategy 1 Swaps unless National purchases an interest rate cap. However, National will not enter a Strategy 1 Swap in which the floating interest rate it pays would exceed by more than 200 basis points, at each reset period, the index used for the Strategy 1 Swap. The fixed interest National receives in a Strategy 1 Swap is calculated as that rate of interest that sets the net present value of the forward curve for the short-term index to zero, plus the bid/ask spread. Thus, the fixed rate chosen will be a rate that discounts the floating interest payments expected by the market to be paid by National over the life of the swap to an amount that equals the present value of the fixed interest payments to National, exclusive of the bid-ask spread.

To protect against adverse interest rate changes on floating rate debt, National may purchase one or more interest rate caps or may additionally sell an interest rate floor to either lower the cost of the debt under the floor or, in conjunction with an interest rate cap, to lower the cost of the cap.

National will not enter any Strategy 2 Swaps if the fixed rate of interest paid by National would exceed 2% over the yield on U.S. Treasury obligations bearing comparable terms. Strategy 2 Swaps would be used in lieu of issuing Debentures or MTNs. The aggregate notional amount of Strategy 2 Swaps will not, at any one time, exceed the difference between (a) \$350 million and (b) the aggregate principal amount of Debentures and MTNs then outstanding. Furthermore, the aggregate notional

amount of Strategy 2 Swaps will not exceed, at the time the swap contract is entered into, the difference between (a) the amount of short-term debt then outstanding pursuant to National's short-term borrowing arrangements (File No. 70-8297) (which shall not exceed \$400 million) and b) the aggregation notional amount of swaps then outstanding pursuant to National's short-term borrowings and system Money Pool arrangements (File No. 70-8297). In no event will the aggregate notional amount of Strategy 2 Swaps, at any one time, exceed \$350 million.

The term of Strategy 1 Swaps could vary from one month to forty years, while the term of Strategy 2 Swaps could vary from nine months to forty years.

Each time National issues debenture or medium-term notes, the proceeds are lent to one or more of its subsidiaries at an all-in cost that is equal to the coupon on the debt plus the amortization of the underwriters or agents' fees. Similarly each interest rate swap, cap, floor, or collar would "directly relate" to then outstanding debt so that the gains and losses of doing a swap and one or more derivative instruments would be allocated to the subsidiary on whose behalf the underlying debt was issued. The subsidiary will enter an agreement with National for the financial obligations of the swaps and other derivatives.

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

Jonathan G. Katz,
Secretary.

[FR Doc. 95-2024 Filed 1-26-95; 8:45 am]

BILLING CODE 8010-01-M

SMALL BUSINESS ADMINISTRATION

Reporting and Recordkeeping Requirements Under OMB Review

ACTION: Notice of reporting requirements submitted for review.

SUMMARY: Under the provisions of the Paperwork Reduction Act (44 U.S.C. Chapter 35), agencies are required to submit proposed reporting and recordkeeping requirements to OMB for review and approval, and to publish a notice in the **Federal Register** notifying the public that the agency has made such a submission.

DATES: Comments should be submitted on or before February 27, 1995. If you intend to comment but cannot prepare comments promptly, please advise the OMB Reviewer and the Agency Clearance Officer before the deadline.

COPIES: Request for clearance (S.F. 83), supporting statement, and other documents submitted to OMB for review may be obtained from the Agency Clearance Officer. Submit comments to the Agency Clearance Officer and the OMB Reviewer.

FOR FURTHER INFORMATION CONTACT:

Agency Clearance Officer: Cleo Verbillis, Small Business Administration, 409 3RD Street, SW., 5th Floor, Washington, DC 20416, telephone: (202) 205-6629.

OMB Reviewer: Donald Arbuckle, Office of Information and Regulatory Affairs, Office of Management and Budget, New Executive Office Building, Washington, DC 20503.

Title: 8(a) Application Forms.

Form No.: SBA Forms 1010A, 1010B-Proprietorship, Partnership, Corporation, 1010C.

Frequency: On Occasion.

Description of Respondents: 8(a) Applicants.

Annual Responses: 11,000.

Annual Burden: 55,000.

Dated: January 19, 1995.

Cleo Verbillis,

Chief, Administrative Information Branch.

[FR Doc. 95-2095 Filed 1-26-95; 8:45 am]

BILLING CODE 8025-01-M

Reporting and Recordkeeping Requirements Under OMB Review

ACTION: Notice of reporting requirements submitted for review.

SUMMARY: Under the provisions of the Paperwork Reduction Act (44 U.S.C. Chapter 35), agencies are required to submit proposed reporting and recordkeeping requirements to OMB for review and approval, and to publish a notice in the **Federal Register** notifying the public that the agency has made such a submission.

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