

Commission's Branch 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 August 22, 2000, to the Secretary, Securities and Exchange Commission, Washington, DC 20549-0609, 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 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 August 22, 2000, the application(s) and/or declaration(s), as filed or as amended, may be granted and/or permitted to become effective.

Monongahela Power Company 70-9719

Notice of Proposal To Amend Articles of Incorporation; Make Cash Payments; Order Authorizing Solicitation of Proxies

Monongahela Power Company ("Monongahela Power"), 1310 Fairmont Avenue, Fairmont, West Virginia 26554, a wholly owned combination gas and electric utility subsidiary of Allegheny Energy, Inc. ("Allegheny"), a registered holding company, has filed a declaration with the Commission under sections 6(a)(2), 7(e) and 12(e) of the Public Utility Holding Company Act of 1935, as amended ("Act"), and rules 54, 62(d) and 65 under the Act.

Monongahela Power proposes to solicit proxies from the holders of its outstanding shares of preferred stock ("Proxy Solicitation") for use at a special meeting ("Special Meeting") of its stockholders to consider a proposed amendment to its Articles of Incorporation (the "Articles") that would eliminate in its entirety paragraph (a) of subdivision (11) of section 1.5 of the Articles, a provision restricting the amount of unsecured debt issuable by Monongahela Power ("Proposed Amendment").¹

¹ To issue unsecured debt over the limitation set out in the Articles, Monongahela Power currently must have a majority vote of the preferred stockholders. In S.E.C. file no. 70-9625, Monongahela Power seeks authority to acquire Mountaineer Gas Company, an indirectly owned gas utility subsidiary of Energy Corporation of America ("ECA"), a Colorado public utility holding company claiming exemption from registration under section 3(a)(1) by rule 2 under the Act. Monongahela Power states that at the time of financing the proposed acquisition, Monongahela Power would like the flexibility to incur unsecured debt. Monongahela Power states that elimination of

Monongahela Power proposes that the Special Meeting take place on or about August 30, 2000. Adoption of an amendment to the Articles requires the affirmative vote at the Special Meeting by the holders of not less than two-thirds of the outstanding shares of each of (i) the preferred stock of all series ("Preferred Stock"),² voting together as one class, and (ii) the common stock.³ If the Proposed Amendment receives the required number of votes, then Monongahela Power seeks authority to amend its Articles.

If the Proposed Amendment is adopted, Monongahela Power proposed to make a special cash payment of \$1.00 per share ("Cash Payment") to each preferred stockholder whose shares of Preferred Stock are properly voted at the Special meeting (in person by ballot or by proxy) in favor of the Proposed Amendment. Monongahela Power proposes to disburse Cash Payments out of its general funds, promptly after adoption of the Proposed Amendment.

Monongahela Power requests that an order authorizing the solicitation of proxies be issued as soon as practicable under rule 62(d). It appears to the Commission that Monongahela Power's declaration regarding the proposed solicitation of proxies should be permitted to become effective immediately under rule 62(d).

Allegheny states, for purposes of rule 54, that the conditions specified in rule 53(a) are satisfied and that none of the adverse conditions specified in rule 53(b) exist. As a result, the Commission will not consider the effect on the Allegheny system of the capitalization or earnings of any Allegheny subsidiary that is an exempt wholesale generator or foreign utility company, as each is defined in sections 32 and 33 of the Act, respectively, in determining whether to approve the proposed transactions.

Fees, commissions, and expenses to be incurred in connection with the transactions described in the declaration are expected not to exceed \$130,000. Monongahela Power states that no state or federal commission, other than this Commission, has jurisdiction over the proposed transactions.

the provision will allow it to be more flexible and competitive.

² The five series of Preferred Stock consist of the 4.40% Series, of which 90,000 shares are outstanding; the 4.50% Series C, of which 60,000 shares are outstanding; the 6.28% Series D, of which 50,000 shares are outstanding; and the 7.73% Series L, of which 50,000 shares are outstanding.

³ Allegheny is the holder of all of Monongahela Power's outstanding shares of common stock. Allegheny has advised Monongahela Power that it intends to vote all of the outstanding shares of common stock of Monongahela Power in favor of the Proposed Amendment.

It is ordered, under rule 62 under the Act, that the declaration regarding the proposed solicitation of proxies can become effective immediately, subject to the terms and conditions contained in rule 24 under the Act.

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

[Investment Company Act Release No. 24586; 812-11946]

CompleTel Europe N.V.; Notice of Application

July 28, 2000.

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

ACTION: Notice of an application for an order under section 6(c) of the Investment Company Act of 1940 (the "Act").

SUMMARY OF THE APPLICATION:

CompleTel Europe N.V. ("CompleTel" or "Applicant") requests an order exempting it from all provisions of the Act until the earlier of one year from the date the requested order is issued or the date Applicant no longer may be deemed to be an investment company.

FILING DATES: The application was filed on January 14, 2000 and amended on July 26, 2000.

HEARING OR NOTIFICATION OF HEARING: An order granting the application will be issued unless the commission orders a hearing. Interested persons may request a hearing by writing to the Commission's Secretary and serving applicant with a copy of the request, personally or by mail. Hearing requests should be received by the Commission by 5:30 p.m. on August 25, 2000, and should be accompanied by proof of service on applicant 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 Commission's Secretary.

ADDRESSES: Secretary, Commission, 450 Fifth Street, N.W., Washington, D.C. 20549-0609. Applicant, c/o Anthony Vertuno, Esq., Swidler Berlin Shereff Friedman, LLP, 3000 K Street, N.W., Washington, D.C. 20007.

FOR FURTHER INFORMATION CONTACT:

Emerson S. Davis, Sr., Senior Counsel, at (202) 942-0714, or Janet M. Grossnickle, 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 Commission's Public Reference Branch, 450 Fifth Street, N.W., Washington, D.C. 20549-0102 (telephone (202) 942-8090).

Applicant's Representations

1. Applicant, a Dutch public limited company formed in 1998, is a subsidiary of CompleTel LLC, a Delaware limited liability company. Applicant, through its wholly-owned subsidiaries, is a facilities-based provider of telecommunications services in Western Europe. As such, it owns and operates the telecommunication networks (including local fiber loops, telecommunications switches, switching facilities, network operations and customer care facilities) through which Applicant provides telecommunications services to its customers. Applicant's wholly-owned operating subsidiaries applied for and were granted telecommunications facility operator and service provider licenses for their respective markets in France, Germany and the United Kingdom and began deploying networks in its target markets.

2. To finance the acquisition, construction and deployment of its network facilities in each of its target markets, Applicant requires a significant amount of capital. In addition, as a key element of its deployment strategy, Applicant has developed a financing plan predicated on pre-funding each market's expansion to the point at which that market's operating cash flow is sufficient to fund both the operating costs (including working capital, debt service and cash flow deficits) and capital expenditures. Consistent with this financing plan, CompleTel has raised capital whenever it is available on attractive terms and may do so in the future in order to pre-fund its network construction and deployment in targeted markets in pursuit of its business plan.

3. As of April 15, 2000, Applicant had total assets of approximately \$817.7 million, of which \$118.5 million have been invested in property, equipment and other long-term assets, and \$665.6 million in cash, "government securities" (as defined in section 2(a)(16) of the Act), and "investment securities" (as defined in section

3(a)(1)(C) of the Act) in accordance with Applicant's investment objectives of preserving principal and maintaining liquidity to meet daily cash needs and earning a competitive rate of return within the limits of these objectives. Applicant states that its investment securities may consist of money market funds or the European equivalent of money market funds and commercial paper rated A-1/P-1 denominated in U.S. dollars, euros and other Western European currencies ("Qualified Investments"). Applicant states that it holds Qualified Investments solely for the purpose of preserving capital pending the application of capital to its operations.

Applicant's Legal Analysis

1. Under section 3(a)(1)(C) of the Act, an issuer is an investment company if it "is engaged or proposes to engage in it the business of investing, reinvesting, owning, holding or trading in securities, and owns or proposes to acquire investment securities having a value exceeding 40 per cent of the value of such issuer's total assets (exclusive of government securities and cash items) on an unconsolidated basis." Section 3(a)(2) of the Act defines "investment securities" to include all securities except government securities, securities issued by employees' securities companies and securities issued by majority-owned subsidiaries of the owner which are not investment companies, and are not relying on the exception from the definition of investment company in section 3(c)(1) or 3(c)(7) of the Act.

2. Applicant states that, pending utilization in the construction and deployment of its networks and the development of its competitive local exchange business, the proceeds of its capital raising activities may be invested in Qualified Investments so as to cause Applicant's investment securities to exceed 40% of its total assets.

3. Section 6(c) of the Act permits the Commission to except any person, security, or transaction from any provision of the Act, if and to the extent that the exemption is 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.

4. Applicant requests an exemption under section 6(c) from all provisions of the Act until the earlier of one year from the date the requested order is issued or the date Applicant no longer may be deemed to be an investment company. Applicant believes that within this period its capital expenditures,

including substantial investments in property, equipment and other long-term assets, will be sufficient to reduce its investment securities to less than 40% of its total assets.¹

5. Applicant states that it has always been engaged primarily in the business of developing a Western European competitive local exchange carrier business. Applicant further states that its business activities to date have consisted primarily of the procurement of governmental authorizations, the acquisition of telecommunications equipment and facilities, the hiring of management and key personnel, the raising of capital, the construction and deployment of its fiber optic networks, the development, acquisition and integration of operation support systems and other back office systems, the negotiation of interconnection agreements with incumbent local exchange carriers and the development of its Internet service provider business. Applicant thus asserts that the requested relief is 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.

Applicant's Conditions

Applicant agrees that the requested exemption will be subject to the following conditions:

1. Applicant will not purchase or otherwise acquire any investment securities other than Qualified Investments.
2. Applicant will not hold itself out as being engaged in the business of investing, reinvesting, owning, holding or trading in securities.
3. Applicant will allocate and utilize its accumulated cash and securities for the purpose of funding the construction and deployment of its networks and the development of its competitive local exchange business and Internet and related services.

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

Margaret H. McFarland,

Deputy Secretary.

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¹ Applicant states that it relied on rule 3a-2 under the Act for a period that began in February 1999. Rule 3a-2 provides a one year exemption from the definition of investment company for certain transient investment companies.