

determine whether the proposed rule change should be disapproved.

#### IV. Solicitation of Comments

Interested persons are invited to submit written data, views and arguments concerning the foregoing. Persons making written submissions should file six copies thereof with the Secretary, Securities and Exchange Commission, 450 Fifth Street, NW., Washington, DC 20549. Copies of the submission, 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 at the Commission's Public Reference Section, 450 Fifth Street, NW., Washington, DC 20549. Copies of such filing will also be available for inspection and copying at the principal office of the PHLX. All submissions should refer to File No. SR-Phlx-95-06 and should be submitted by March 24, 1995.

For the Commission, by the Division of Market Regulation, pursuant to delegated authority.<sup>5</sup>

Margaret H. McFarland,  
*Deputy Secretary.*

[FR Doc. 95-5276 Filed 3-2-95; 8:45 am]

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[Release No. 35-26237]

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

February 24, 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

March 20, 1995, to the Secretary, Securities and Exchange Commission, Washington, DC 20549, 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 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., (70-8105)

Entergy Corporation ("Entergy"), 225 Baronne Street, New Orleans, Louisiana, a registered holding company, and its wholly owned nonutility subsidiary company, Entergy Enterprises, Inc. ("Enterprises"), Three Financial Centre, Little Rock, Arkansas, have filed an application-declaration under sections 6(a), 7, 9(a), 10, 12(b), 13(b), 32 and 33 of the Act and rules 45, 53, 87, 90 and 91 thereunder.

Entergy proposes through December 31, 1997 to invest up to \$350 million in Enterprises for its use in providing preliminary development activities, consulting services, management and administrative support services, operations and maintenance services and engaging in certain related transactions.

Pursuant to Commission orders, dated January 11, 1983 (HCAR 22818), January 13, 1984 (HCAR No. 23200), January 15, 1985 (HCAR 23569), July 25, 1991 (HCAR No. 25353), July 13, 1992 (HCAR No. 25580), and September 3, 1992 (HCAR No. 25617), Enterprises was organized and has been engaged in the analysis and development of various investment opportunities for the Entergy system, as well as the marketing of management, operating, technical and training expertise developed by Entergy system companies to nonaffiliates.<sup>1</sup> The

<sup>1</sup> The Entergy system consists of Entergy and (1) five retail electric public-utility subsidiary companies, Arkansas Power & Light Company, Gulf States Utilities Company, Louisiana Power & Light Company, Mississippi Power & Light Company and New Orleans Public Service Inc. (collectively, "System Operating Companies"), (2) a wholesale generating company that sells power to the System Operating Companies, System Energy Resources, Inc. ("System Entergy"), (3) a wholesale generating company that sells power to nonaffiliates, Entergy Power, Inc., (4) a service company subsidiary, Entergy Services, Inc. ("ESI"), (5) a nuclear management service company, Entergy Operations, Inc. ("EOI"), (6) Enterprises, (7) a fuel supply company, System Fuels, Inc. ("SFI"), (8) an energy management services company, Entergy Systems

Commission also authorized Enterprises to form an energy management service company, Entergy Systems and Service, Inc. (HCAR No. 25718, December 28, 1992) and to provide certain consulting services to affiliated utilities in Argentina (HCAR Nos. 25705 and 25706, December 14, 1992).

As part of a restructuring plan, Entergy entered into a series of agreements ("Settlement Agreements") with four of its five retail rate regulators, the Arkansas Public Service Commission, the Council of the City of New Orleans, the Louisiana Public Service Commission and the Mississippi Public Service Commission concerning,<sup>2</sup> in part, transfer pricing for the provision of services and other affiliate transactions between Entergy's regulated utilities<sup>3</sup> and Entergy's nonutility businesses. Entergy has filed an Application-Declaration seeking the Commission's approval under the Act to implement provisions of the Settlement Agreements (S.E.C. File No. 70-8529).

Pursuant to the initial order of the Commission issued in this File (HCAR No. 25848 (dated July 8, 1993) (the "Order")), Enterprises is currently authorized, and proposes to continue, to conduct preliminary development activities ("Preliminary Development Activities") related to possible investments by Entergy. Enterprises' Preliminary Development Activities may include: (1) Project due diligence and design review; (2) marketing studies; (3) investigating sites; (4) research, preliminary engineering and licensing activities; (5) applying for required permits and regulatory approval; (6) acquiring options and rights; (7) drafting, negotiation and execution of contractual commitments with owners of existing facilities; governmental authorities, equipment vendors, construction firms, power purchasers, thermal energy users and other project participants; (8) negotiation of financing commitments with lenders and equity co-investors (including the provision of guarantees and other credit enhancements); (9) legal, accounting and financial analysis;

and Service, Inc., (9) two companies formed to own Entergy's interests in certain Argentine utility companies, Entergy S.A. and Entergy Argentina S.A., and (10) various direct and indirect subsidiary companies of Entergy formed to own Entergy's interests in "eligible facilities" within the meaning of Section 33 of the Act.

<sup>2</sup> The System Operating Companies' retail rate regulator in Texas is precluded from agreeing to the terms of the Settlement Agreements because Texas has regulations governing affiliate transactions.

<sup>3</sup> "Regulated utility" includes the system's five utility companies, System Energy, EOI, ESI, SFI, and any similar subsidiary Entergy may create in the future.

<sup>5</sup> 17 CFR 200.30-3(a)(12) (1994).

(10) preparing and submitting bids and proposals; and (11) any other activities necessary to identify and analyze investment opportunities.

Enterprises would continue its Preliminary Development Activities with respect to potential investments by Entergy in the following types of businesses and activities (hereinafter, "Permitted Investments"): (1) exempt wholesale generators ("EWGs") and foreign utility companies ("FUCOs") under the Act; (2) qualifying facilities ("QFs") under the Public Utility Regulatory Policies Act of 1978, as amended ("PURPA"); (3) non-exempt domestic and foreign generation, transmission and distribution facilities, including but not limited to "inside the fence" generating projects and other power production facilities, provided, however, that any nonexempt domestic facility would be part of the integrated utility system; (4) technologies relating to energy efficiency; (5) the development of alternative energy sources; and (6) other exempt or nonutility business investments permissible under the Act. Except with respect to investments in EWGs, FUCOs and any other Permitted Investment for which Commission approval is not required under the Act or rules thereunder, neither Entergy nor Enterprises would make any Permitted Investment without obtaining further Commission approval. In addition, the financing of any such Permitted Investment would, to the extent jurisdictional, be subject to further Commission authorization.

The Order also authorizes Enterprises to provide various consulting services ("Consulting Services") to nonassociate companies in the areas of electric power generation, transmission and distribution and operations ancillary thereto. Enterprises proposes to continue to provide such Consulting Services to nonassociate companies. The Consulting Services may include: (1) Management expertise, such as strategic planning, organization, policy matters and management services; (2) technical expertise, such as design engineering, availability engineering, construction management planning and procedures, and financial, system and operational planning; (3) operating expertise, particularly with respect to generating, transmission and distribution facilities; (4) environmental expertise, such as environmental licensing and compliance, negotiation of permits and environmental planning; (5) training expertise, particularly in the areas of operations and management; (6) technical and procedural resources, such as are embedded in computer

systems, programs and manuals; (7) fuel procurement, delivery and storage expertise; (8) expertise related to marketing and brokering of power resources; and (9) expertise relating to demand side management or other energy management services.

Enterprises also would continue to market expertise in the bulk power business of its associate company, Entergy Power Inc., including: (1) Management services related to generating projects, transmission facilities and thermal energy facilities, particularly in the areas of strategic planning, feasibility studies, and policy and organizational matters; (2) technical services related to such projects and facilities, particularly in the areas of design, engineering, procurement and construction; and (3) training services related to such projects and facilities, particularly in areas of operations and maintenance. Enterprises also proposes to provide Consulting Services to associate companies, including associate EWGs, FUCOs and QFs. Enterprises will not, without further authorization from the Commission, provide Consulting Services to Retail Electric Companies.

The Order also authorizes Enterprises to provide, and Enterprises proposes to continue to provide, certain management and administrative support services to associate companies which are not Retail Electric Companies. Administrative services consist of corporate and project development and planning, portfolio management, and administrative services, including legal, financial, accounting and internal auditing ("Administrative Services"). Enterprises would continue to charge its associate companies for the fully allocated direct and indirect cost of services provided, determined in accordance with Rules 90 and 91 under the Act. Enterprises also would continue to utilize a project-based accounting system to account properly for and allocate the cost of providing such services to its associate companies.

The Commission reserved jurisdiction in its Order over Enterprises' provision of Administrative Services to associate companies that are EWGs or FUCOs under Sections 32 and 33, respectively, of the Act. The Commission adopted final rules in September 1993 concerning investments in EWGs (HCAR No. 25886) (September 3, 1993), and Entergy and Enterprises state that they are in compliance with such rules. In addition, Entergy and Enterprises agree to comply with the terms and conditions of all applicable rules under the Act relating to the provision of services to EWGs and FUCOs, including

without limitation Rule 87 as it may be amended. Accordingly, Entergy and Enterprises request the Commission to release jurisdiction over the provision of Administrative Services by Enterprises to associate companies that are EWGs and FUCOs.

Enterprises also proposes to offer directly or indirectly through one or more special purpose subsidiary companies of Entergy or Enterprises ("O&M Sub"), various operations and maintenance services ("O&M Services") to developers, owners and operators of domestic and foreign power projects, including power projects that Enterprises may develop on its own or in collaboration with third parties. O&M Services would include development, engineering, design, construction and construction management, pre-operational start-up, testing and commissioning, long-term operations and maintenance, fuel procurement, management and supervision, technical and training, administrative support, and any other managerial or technical services required to operate and maintain electric power facilities.

Enterprises would provide the O&M Services using its own workforce and the personnel and resources of the Retail Electric Companies obtained pursuant to the Service Agreements with such companies, as they may be amended by order of the Commission. Under the terms of the Settlement Agreements, the Retail Electric Companies would be reimbursed for the fully allocated cost of any services provided to Enterprises or any O&M Sub, plus 5%. O&M Subs would be domestic or foreign corporations, partnerships or other entities (depending upon the legal and regulatory requirements of a particular project). Enterprises will provide information to the Commission concerning the formation of an O&M Sub that is not an EWG or FUCO, and will represent that no Retail Electric Company has subsidized the operations of Enterprises or any O&M Sub and that any transfer of personnel from any Retail Electric Company to, and the rendering of O&M Services by, Enterprises or the O&M Sub are in compliance with applicable rules, regulations and orders of the Commission. Enterprises proposes to provide Consulting Services and O&M Services to its nonassociate and associate companies (excluding the Retail Electric Companies) at fair market prices. In this respect, Enterprises requests an exemption pursuant to Section 13(b) of the Act from the requirements of Rules 90 and 91 thereunder, provided one or more of the

following conditions are satisfied with respect to associate companies:

(1) An associated power project is an EWG or a FUCO which derives no part of its income, directly or indirectly, from the generation, transmission, or distribution of electric energy for sale within the United States;

(2) An associated power project is an EWG which sells electricity at market-based rates which have been approved by the Federal Energy Regulatory Commission ("FERC") or the appropriate state public utility commission, provided that the purchaser is not a Retail Electric Company;

(3) An associated power project is a QF which sells electricity exclusively at rates negotiated at arm's length to one or more industrial or commercial customers purchasing such electricity for their use and not for resale, and/or to an electric utility company, other than a Retail Electric Company, at the purchaser's "avoided cost" determined in accordance with the regulations under PURPA; or

(4) An associated power project is an EWG or a QF that sells electricity at rates based upon its cost of service, as approved by FERC or any state public utility commission having jurisdiction, provided that the purchaser of such electricity is not a Retail Electric Company.

Enterprises also proposes to continue to market and license to nonaffiliated third parties intellectual properties developed by Entergy system companies. The Settlement Agreements provide that if a nonutility business markets a product that was developed by a Retail Electric Company and is actually used by a Retail Electric Company, all profits on the sale of the product shall be divided evenly between the Retail Electric Company responsible for developing the product and the nonutility business responsible for marketing the product after deducting all incremental costs associated with making the product available for sale, including all costs of marketing the product. However, in the event that a product developed by a Retail Electric Company to be used in its utility business is not actually so used, and subsequently is marketed by a nonutility business to third parties, such Retail Electric Company shall be entitled to recover all of its costs to develop the product before any profits from marketing shall be divided.

Entergy proposes, through December 31, 1997, to invest up to \$350 million in Enterprises (and continuing beyond December 31, 1997 in accordance with the terms of any debt incurred or guarantee issued prior to such date) in connection with Enterprises' authorized business activities. Entergy's investments in Enterprises may take the form of: (1) Additional purchases of Enterprises' common stock, no par

value, for a purchase price of \$1,000 per share; (2) capital contributions; (3) loans (and the conversion of any such loans to capital contributions); and (4) guarantees of indebtedness or other obligations incurred by Enterprises or its associate companies. Any loans to Enterprises by Entergy would mature no later than December 31, 2004, and would bear interest at a rate not to exceed the prime rate in effect on the date of the loan at a bank designated by Entergy.

Entergy and Enterprises also request authority through December 31, 1997, to issue guarantees in an aggregate amount that, when added to investments in Enterprises and any O&M Sub, will not exceed \$350 million. Guarantees may be required for Enterprises' Preliminary Development Activities, which might include undertaking reimbursement obligations or acting as surety on bonds, letters of credit, evidences of indebtedness, equity commitments, performance and other obligations. Guarantees may also be required for Enterprises other business activities or to satisfy the requirements of lenders and other project participants under financing documents and other agreements to which Enterprises, an O&M Sub or another associate company of Entergy (other than a Retail Electric Company) becomes a party. The terms and conditions of guarantees would be established at arm's length based upon market conditions.

Entergy and Enterprises also request authorization through December 31, 1997 to organize and provide funding to O&M Subs, through any one or combination of: (1) Purchases of capital stock; (2) capital contributions; (3) loans; or (4) guarantees of the securities or other obligations of an O&M Sub. Any investments in an O&M Sub would be included in the \$350 million investment authority requested by Entergy.

Enterprises would use the proceeds from Entergy's investments to: (1) Provide working capital in connection with Enterprises' Preliminary Development Activities, Consulting Services, Administrative Services, O&M Services, and other authorized business activities; (2) to pay its associate companies for services rendered to Enterprises; and (3) for other general corporate purposes. Entergy and Enterprises currently estimate that approximately \$100 million of the \$350 million of investment authority would be applied to meeting Enterprises' foregoing capital needs. Enterprises currently estimates that, of the proposed additional investments by Entergy, up to \$79 million (but in any case not more

than \$86 million) would be used for Preliminary Development Activities, and up to \$26 million (but in any case not more than \$30 million) would be used for Administrative Services. None of the funds will be used to acquire securities or an interest in the business of an EWG, FUCO, or QF.

Columbus Southern Power Company, (70-8573)

Columbus Southern Power Company ("CSPCo"), 215 North Front Street, Columbus, Ohio 43215, Kentucky Power Company ("KPCo"), 1701 Central Avenue, P.O. Box 1428, Ashland, Kentucky 41101 and Ohio Power Company ("OPCo"), 301 Cleveland Avenue, S.W., Canton, Ohio 44702 (collectively, the "Companies"), electric utility subsidiary companies of American Electric Power Company, Inc., a registered holding company, have filed an application-declaration under Sections 6(a), 7, 9, 10 and 12(b) of the Act and Rules 45 and 54 thereunder.

The Companies propose to issue and sell Junior Subordinated Debentures ("Debentures") through December 31, 1997. Each series of Debenture will mature in not more than 50 years in aggregate principal amounts of up to the following: (1) \$80 million for CSPCo; (2) \$65 million for KPCo; and (3) \$90 million for OPCo. The Debentures may be sold by competitive bidding or through negotiation with underwriters or agents. The Debentures will be offered for sale at an initial public offering price resulting in a yield to maturity which shall not exceed by more than 3.0% the yield to maturity on United States Treasury bonds of comparable maturity at the time of pricing of the Debentures. The commission payable to agents or underwriters will not exceed 3.5% of the principal amount of the Debentures sold.

The Companies may have the right to defer payment of interest on the Debentures for up to five years. However, the Companies may not declare and pay dividends on its outstanding stock if payments under the Debentures are deferred. The payment of principal, premium and interest on the Debentures will be subordinated in right of payment to the prior payment in full of its senior indebtedness. The Companies will agree to specific redemption provisions, if any, at the time of the pricing of the Debentures.

If the Companies determine that it is not advisable to sell the Debentures directly to the public, each may organize a separate special purpose subsidiary as either: (1) a limited liability company under the Limited

Liability Company Act ("LLC Act") of the State of Ohio in the case of CSPCo and OPCo, and of the State of Kentucky in the case of KPCo or of the State of Delaware or other jurisdiction considered advantageous in the case of any of the Companies; or (2) a limited partnership under the Revised Uniform Limited Partnership Act of the State of Ohio in the case of CSPCo and OPCo, and of the State of Kentucky in the case of KPCo or of the State of Delaware or other jurisdiction considered advantageous in the case of any of the Companies ("Special Purpose Subsidiary"). In the event that any Company organizes its Special Purpose Subsidiary as a limited liability company, it may also organize a second special purpose wholly owned subsidiary under the General Corporation Law of the State of Ohio, the State of Kentucky, or the State of Delaware or other jurisdiction ("Investment Sub"), for the purpose of acquiring and holding Special Purpose Subsidiary common stock to comply with the requirement under the applicable LLC Act that a limited liability company have at least two members. If any Company organizes its Special Purpose Subsidiary as a limited partnership, it may also organize an Investment Sub for the purpose of acting, or may itself act, as the general partner of the Special Purpose Subsidiary and may acquire, either directly or indirectly through such Investment Sub, a limited partnership interest in such Special Purpose Subsidiary to ensure that such Special Purpose Subsidiary will have a limited partner to the extent required by applicable law.

The Special Purpose Subsidiaries propose to issue and sell at any time or from time-to-time, in one or more series through December 31, 1997, preferred securities ("Preferred Securities"), up to: (1) \$75 million aggregate par or stated value or liquidation preference of Preferred Securities, with a par or stated value or liquidation preference of up to \$100 per security in the case of CSPCo; (2) \$60 million aggregate par or stated value or liquidation preference of Preferred Securities, with a par or stated value or liquidation preference of up to \$100 per security in the case of KPCo; (3) \$85 million aggregate par or stated value or liquidation preference of Preferred Securities, with a par or stated value or liquidation preference of up to \$100 per security in the case of OPCo.

Each Company and/or its respective Investment Sub will acquire all of the common stock or all of the general partnership interests of its Special Purpose Subsidiary for an amount up to

5% of the total equity capitalization from time-to-time of such Special Purpose Subsidiary ("Equity Contribution"). Each Company may issue and sell to its Special Purpose Subsidiary the Debentures, at any time or from time-to-time in one or more series and such Special Purpose Subsidiary will apply both the Equity Contribution made to it and the proceeds and from the sale of Preferred Securities by it from time-to-time to purchase the Company's Debentures. The payment rate, terms, redemption and other similar provisions of the Preferred Securities will correspond to those of the Debentures purchased from the Company.

Each Company may also guarantee ("Guarantee"): (1) Payment of dividends or distributions on the Preferred Securities of its Special Purpose Subsidiary if and to the extent such Special Purpose Subsidiary has declared dividends or distributions out of funds legally available therefor; (2) payments to the Preferred Securities holders of amounts due upon liquidation of such Special Purpose Subsidiary or redemption of the Preferred Securities of such Special Purpose Subsidiary; and (3) certain additional amounts that may be payable in respect of such Preferred Securities.

It is expected that each Company's interest payments on the Debentures issued by it will be deductible for federal income tax purposes and that its Special Purpose Subsidiary will be treated as a partnership for federal income tax purposes. If Preferred Securities are issued, any series may be redeemable at the option of the Special Purpose Subsidiary issuing such series, with the consent or at the direction of the Company, at a price equal to their par or stated value or liquidation preference, plus any accrued and unpaid dividends or distributions, upon the occurrence of certain events. The Preferred Securities of any series may also be subject to mandatory redemption upon the occurrence of certain events. Each Company may also have the right in certain cases to exchange the Preferred Securities of its Special Purpose Subsidiary for the Debentures of the Company.

In the event that any Special Purpose Subsidiary is required to withhold or deduct certain amounts in connection with dividend, distribution or other payments, it may also have the obligation to "gross up" such payments so that the holders of the Preferred Securities issued by such Special Purpose Subsidiary will receive the same payment after such withholding or deduction as they would have received

if no such withholding or deduction were required. If any Special Purpose Subsidiary is required to pay taxes with respect to income derived from interest payments on the Debentures issued to it, the Company may be required to pay such additional interest on the Debentures as shall be necessary in order that net amounts received and retained by the Special Purpose Subsidiary, after the payment of such taxes, shall result in its having such funds as it would have had in the absence of such payment of taxes.

In the event of any voluntary or involuntary liquidation, dissolution or winding up of any Special Purpose Subsidiary, the holders of the Preferred Securities will be entitled to receive, out of the assets available for distribution to its shareholders or partners, before any distribution of assets to the common shareholders or general partner of the Special Purpose Subsidiary, an amount equal to the par or stated value or liquidation preference of such Preferred Securities plus any accrued and unpaid dividends or distributions.

Each Company expects to apply the net proceeds of the Debentures to the repayment of outstanding short-term debt, for construction purposes, and for other general corporate purposes, including the redemption or other retirement of outstanding preferred stock and senior securities.

The Columbia Gas System, Inc., (70-8575)

The Columbia Gas System, Inc. ("Columbia"), 20 Montchanin Road, Wilmington, Delaware 19807, a registered gas utility holding company, has filed a declaration under section 12(b) of the act and rule 45 thereunder.

Columbia and Columbia Gas Transmission Corporation ("TCO") presently are debtors-in-possession under Chapter 11 of the U.S. Bankruptcy Code in U.S. Bankruptcy Court for the District of Delaware.

Columbia proposes to make a loan of no more than \$4.3 million to the Employees' Thrift Plan of Columbia Gas System ("Thrift Plan"). Columbia is the plan sponsor of the Thrift Plan, a defined contribution plan which is qualified under sections 401 (a) and (k) of the Internal Revenue Code. Columbia's subsidiary companies ("Subsidiaries") are Thrift Plan participating employers,<sup>4</sup> whose

<sup>4</sup> The participating employers are the following Subsidiaries: Columbia Gas of Pennsylvania, Inc., Columbia Gas of Ohio, Inc., Columbia Gas of Maryland, Inc., Columbia Gas of Kentucky, Inc., Commonwealth Gas Services, Inc., Columbia Gulf Transmission Company, Columbia Gas

employees, former employees and beneficiaries constitute the participants. The Thrift Plan is administered by the Thrift Plan Committee, which is appointed by Columbia's board of directors and which is currently comprised of members of senior management of major Columbia companies, including the distribution companies and the transmission companies.

One of the investment options under the Thrift Plan is the Money Market/Investment Contract Fund ("Fund") offered by Fidelity Investments of Boston, Massachusetts ("Fidelity"). The Fund includes a guaranteed investment contract ("GIC") issued by Confederation Life Insurance Company of Canada ("Confederation Life"). The Confederation Life GIC was acquired by the Thrift Plan of January 2, 1990 in the amount of \$6.5 million.

On August 12, 1994, Canadian governmental authorities seized Confederation Life. In order to protect Confederation Life's U.S. assets, the Insurance Commissioner for the State of Michigan moved to seize all such assets. At the time Confederation Life was seized, a segregated subaccount was established by the Thrift Plan Committee and the Thrift Plan's trustee and was frozen within the Fund.

The Thrift Plan Committee, which is the named fiduciary as well as Plan Administrator of the Thrift Plan, has considered various options and has recommended to the boards of directors for Columbia and TCO that loans be made to the Thrift Plan in order to allow Thrift Plan participants access to their frozen funds as soon as practicable. Subject to the receipt of necessary regulatory and Bankruptcy Court approvals, the boards of directors of Columbia and TCO have considered the Thrift Plan Committee's recommendation and approved loans to the Thrift Plan.

Columbia proposes to make two loans to the Thrift Plan, one to be made by Columbia, subject to the approval of the Bankruptcy Court and the Commission, and one to be made by TCO, subject to the approval of the Bankruptcy Court.<sup>5</sup> The total amount of the loans would be \$6.8 million, which represents the accumulated value of the frozen

investment in the Confederation Life GIC, including accrued interest, as of the close of business on August 11, 1994 (the date preceding the seizure of Confederation Life's assets). TCO's loan would be approximately \$2.5 million, and Columbia's loan would be no more than \$4.3 million. The loans would be made unsecured and without interest, would be evidenced by notes and would be non-recourse to participants or assets held in the Thrift Plan. Repayment of the loans would be made only from the proceeds received from Confederation Life (from liquidation and rehabilitation proceedings or otherwise), state guaranty funds, and other sources, including litigation, in connection with the Confederation Life GIC. Should the ultimate recovery of these funds from Confederation Life and other sources be less than 100 percent, full repayment would be waived, and this cost would be borne by Columbia and TCO.

Upon issuance of the loans, the participants' segregated subaccounts would be immediately closed, and their previously frozen funds would be transferred to Fidelity's Money Market Fund. Periodically as amounts are received from Confederation Life, state guaranty funds and other sources with regard to the Confederation Life account, the proceeds would be paid to Columbia or TCO, as the case may be, and the amounts of the loans would be reduced accordingly.

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

Margaret H. McFarland,  
*Deputy Secretary.*

[FR Doc. 95-5200 Filed 3-2-95; 8:45 am]

BILLING CODE 8010-01-M

## DEPARTMENT OF STATE

### Office of the Secretary

#### [Public Notice 2174]

#### Extension of the Restriction on the Use of United States Passports for Travel to, in, or Through Lebanon

On January 26, 1987, pursuant to the authority of 22 U.S.C. 211a and Executive order 12295 (31 FR 10603), and in accordance with 22 CFR 51.73(a)(3), all United States passports, with the exception of passports of immediate family members of hostages in Lebanon, were declared invalid for travel to, in, or through Lebanon unless specifically validated for such travel. This action was taken because the situation in Lebanon was so chaotic that

American citizens there could not be considered safe from terrorist acts.

Although there continues to be improvement in the security situation, review of the situation there has led me to conclude that Lebanon continues to be an area " \* \* \* where there is imminent danger to the public health or the physical safety of United States travelers" within the meaning of 22 U.S.C. 211a and 22 CFR 51.73(a)(3).

Accordingly, all United States passports shall remain invalid for travel to, in, or through Lebanon unless specifically validated for such travel under the authority of the Secretary of State.

This Public Notice shall be effective upon publication in the Federal Register and shall expire at the end of six months unless extended or sooner revoked by Public Notice.

Dated: February 28, 1995.

Warren Christopher,

*Secretary of State.*

[FR Doc. 95-5306 Filed 3-2-95; 8:45 am]

BILLING CODE 4710-10-M

## DEPARTMENT OF TRANSPORTATION

### Office of the Secretary

#### Fitness Determination of Balter Worldwide Corp. d/b/a Sunshine Airlines d/b/a Sunshine Air

AGENCY: Department of Transportation.

ACTION: Notice of Commuter Air Carrier Fitness Determination—Order 95-2-56, Order to Show Cause.

SUMMARY: The Department of Transportation is proposing to find that Balter Worldwide Corp. d/b/a Sunshine Airlines d/b/a Sunshine Air is fit, willing, and able to provide commuter air service under 49 U.S.C. 41738.

RESPONSES: All interested persons wishing to respond to the Department of Transportation's tentative fitness determinations should file their responses with Janet A. Davis, Air Carrier Fitness Division, X-56, Room 6401, Department of Transportation, 400 Seventh Street, S.W., Washington, D.C. 20590, and serve them on all persons listed in Attachment A to the order. Responses shall be filed no later than March 14, 1995.

FOR FURTHER INFORMATION CONTACT: Janet A. Davis, Air Carrier Fitness Division, Department of Transportation, 400 Seventh Street, SW., Washington, D.C. 20590, (202) 366-9721.

Transmission Corporation, Columbia Gas Development Corporation, Columbia Natural Resources, Inc., Columbia Coal Gasification Corporation, Columbia Energy Services Corporation, Columbia Gas System Service Corporation, Columbia Propane Corporation, Commonwealth Propane, Inc., TriStar Ventures Corporation and Columbia LNG Corporation.

<sup>5</sup> Columbia and TCO assert the TCO's loan is exempted from Commission approval pursuant to rule 49(c).