

**SECURITIES AND EXCHANGE
COMMISSION**

[Release No. 35-26853]

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

March 31, 1998.

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 April 22, 1998, 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.

Allegheny Energy, Inc. (70-9187)*Notice of Proposal to Issue and Sell
Common Stock; Order Authorizing
Solicitation of Proxies*

Allegheny Energy, Inc. ("AE"), 10435 Downsview Pike, Hagerstown, Maryland, a registered holding company, has filed a declaration under section 6(a), 7 and 12(e) of the Act and rules 54, 62 and 65.

The AE Board of Directors has adopted the Allegheny Energy, Inc. 1998 Long-Term Incentive Plan ("Plan"), subject to shareholder approval. AE proposes to issue and sell, through December 31, 2010, up to 10 million shares of this common stock, par value \$1.25 per share ("Common Stock"), under the Plan. In addition, AE proposes to solicit proxies from its shareholders to approve the proposed

Plan and to pay expenses related to the solicitation of proxies.

The purpose of the Plan is to maximize the long-term success at AE, to ensure a balanced emphasis on both current and long-term performance, to enhance Plan participants' identification with shareholders' interests, and to attract and retain competent key individuals. The Management Review and Director Affairs Committee of AE's board of directors ("Committee") will administer the Plan. The Committee will consist of not less than two directors who are not employees of AE or its subsidiaries. The Committee will have exclusive authority to interpret the Plan and to designate the recipients of the Common Stock awarded under the Plan ("Awards").

The Plan has no fixed expiration date. However, for the purpose of awarding incentive stock options under section 422 of the Internal Revenue Code, the Plan will expire ten years from its effective date. Certain provisions of the Plan relating to performance-based Awards under section 162(m) of the Internal Revenue Code will expire on the fifth anniversary of the Plan's effective date. AE's board of directors may terminate or amend the Plan at any time, but may not, without stockholder approval, increase the total number of shares of Common Stock available for grants.

Awards granted under the Plan include: (1) nonqualified stock options, which entitle the grantee to purchase, not more than ten years after the grant, up to the number of shares of Common Stock specified in the grant at a price set by the Committee at the time the grant is made; (2) incentive stock options, as designated by the Committee and defined in section 422 of the Internal Revenue Code; (3) performance awards, which are grants of rights to receive a payment of cash and/or shares of Common Stock contingent upon the extent to which certain predetermined performance targets have been met; and (4) restricted stock awards, which are grants of shares of Common Stock held by AE for the benefit of the grantee without payment of consideration by the grantee, subject to certain limitations on transferability and other restrictions.

Common Stock used for Awards under the Plan may be authorized but unissued Common Stock or Common Stock purchased on the open market, in private transactions or otherwise. The number of shares available for issuance under the Plan are subject to anti-dilution adjustments upon the occurrence of significant corporate events.

As mentioned above, AE proposes to solicit proxies from its shareholders to approve the proposed plan at AE's Annual Meeting scheduled to be held on May 14, 1998. AE 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 the declaration, to the extent that it relates to the proposed solicitation of proxies, should be permitted to become effective immediately under rule 62(d).

It is ordered, that the declaration, to the extent that it relates to the proposed solicitation of proxies, be permitted to become effective immediately, under rule 62 and subject to the terms and conditions prescribed in rule 24 under the Act.

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

Margaret H. McFarland,
Deputy Secretary.

[FR Doc. 98-8928 Filed 4-3-98; 8:45 am]

BILLING CODE 8010-01-M

**SECURITIES AND EXCHANGE
COMMISSION**[Investment Company Act Release No.
23094; 812-10660]**SunAmerica Asset Management Corp.,
et al.; Notice of Application**

March 31, 1998.

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

ACTION: Notice of application for an order under the Investment Company Act of 1940 (the "Act") granting an exemption under section 6(c) of the Act from section 17(e) of the Act and rule 17e-1 under the Act, under sections 6(c) and 17(b) of the Act from section 17(a) of the Act, and under section 10(f) of the Act from section 10(f) of the Act and rule 10f-3 under the Act.

Summary of Application: The order would permit certain registered open-end management investment companies advised by several investment advisers to engage in principal and brokerage transactions with a broker-dealer affiliated with one of the investment advisers. The transactions would be between the broker-dealer and a portion of the investment company's portfolio not advised by the adviser affiliated with that broker-dealer. The order also would permit these investment companies not to aggregate certain purchases from an underwriting syndicate in which an affiliated person of one of the investment advisers is a principal underwriter.