

technology policy, regulatory reform, and other issues.

Estimate of Burden: Public reporting burden for this collection of information is estimated to average 12 minutes per response.

Respondents: Business or other for-profit.

Estimated Number of Responses Per Form: One.

Estimated Total Annual Burden on Respondents: 750 hours—3,750 respondents at 12 minutes per response.

Frequency of Responses: Once.

Comments

Comments are invited on (a) whether the proposed collection of information is necessary for the proper performance of the functions of the Agency, including whether the information shall have practical utility; (b) the accuracy of the Agency's estimate of the burden of the proposed collection of information; (c) ways to enhance the quality, utility, and clarity of the information on respondents, including through the use of automated collection techniques or other forms of information technology; and (d) ways to minimize the burden of the collection of information on those who are to respond, including through the use of appropriate automated, electronic, mechanical, or other technological collection techniques or other forms of information technology.

Dated: December 19, 2000.

Suzanne H. Plimpton,

Reports Clearance Officer.

[FR Doc. 00-32793 Filed 12-22-00; 8:45 am]

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NUCLEAR REGULATORY COMMISSION

[Docket No. 50-354]

PSEG Nuclear LLC and Atlantic City Electric Company (Hope Creek Generating Station); Order Extending the Effectiveness of the Approval of the Transfer of License and Conforming Amendment

I

PSEG Nuclear LLC and the Atlantic City Electric Company (ACE) are the joint owners of the Hope Creek Generating Station (HCGS), located in Salem County, New Jersey. They hold Facility Operating License No. NPF-57, issued by the U.S. Nuclear Regulatory Commission (NRC or Commission) on July 25, 1986, pursuant to Part 50 of Title 10 of the Code of Federal Regulations (10 CFR Part 50). Under this license, PSEG Nuclear LLC (currently

owner of 95 percent of HCGS) is authorized to act as agent for ACE (owner of the remaining 5 percent of HCGS) and has exclusive responsibility and control over the physical construction, operation, and maintenance of the facility. It is noted that on August 21, 2000, the majority share of the HCGS license was transferred from the Public Service Electric and Gas Company to PSEG Nuclear LLC. This license transfer had previously been approved by an Order dated February 16, 2000.

II

By Order dated April 21, 2000, the Commission approved the transfer of the license for the HCGS, to the extent it is held by ACE, to PSEG Nuclear LLC. By its terms, the Order of April 21, 2000, becomes null and void if the license transfer is not completed by December 31, 2000, unless upon application and for good cause shown, such date is extended by the Commission.

III

By letter dated October 10, 2000, PSEG Nuclear LLC, on behalf of itself and ACE, submitted a request for an extension of the effectiveness of the Order of April 21, 2000, such that it would remain effective until December 31, 2001. According to the submittal, certain regulatory approvals in New Jersey that are needed before ACE can transfer its nuclear interests, which include interests in other facilities in addition to HCGS, are still pending. The submittal states that while the New Jersey Board of Public Utilities (BPU) has approved the transfer of the ACE interests, it has not yet issued a final order covering all aspects of the transaction. Additionally, an appeal of the BPU decision in the Public Service Electric and Gas restructuring case that challenges the BPU's implementation of the deregulation legislation in New Jersey has been filed. The submittal states that this situation has caused ACE to delay the closing on the transfer of its nuclear assets.

The NRC staff has considered the submittal of October 10, 2000, and has determined that good cause has been shown to extend the effectiveness of the Order of April 21, 2000, as requested.

IV

Accordingly, pursuant to Sections 161b and 161i of the Atomic Energy Act of 1954, as amended, 42 U.S.C. 2201(b) and 2201(i), *It is Hereby Ordered* that the effectiveness of the Order of April 21, 2000, described herein is extended such that if the subject license transfer

from ACE to PSEG Nuclear LLC referenced above is not consummated by December 31, 2001, the Order of April 21, 2000, shall become null and void, unless upon application and for good cause shown, such date is further extended.

This Order is effective upon issuance.

For further details with respect to this Order, see the submittal dated October 10, 2000, which may be examined, and/or copied for a fee, at the NRC's Public Document Room, located at One White Flint North, 11555 Rockville Pike (first floor), Rockville, MD, and accessible electronically through the ADAMS Public Electronic Reading Room link at the NRC Web site: <http://www.nrc.gov>.

Dated at Rockville, Maryland, this 19th day of December 2000.

For the Nuclear Regulatory Commission.

Samuel J. Collins,

Director, Office of Nuclear Reactor Regulation.

[FR Doc. 00-32830 Filed 12-22-00; 8:45 am]

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NUCLEAR REGULATORY COMMISSION

Regulatory Guide; Issuance, Availability

The Nuclear Regulatory Commission has issued a new guide in its Regulatory Guide Series. This series has been developed to describe and make available to the public such information as methods acceptable to the NRC staff for implementing specific parts of the Commission's regulations, techniques used by the staff in evaluating specific problems or postulated accidents, and data needed by the staff in its review of applications for permits and licenses.

Regulatory Guide 1.186, "Guidance and Examples for Identifying 10 CFR 50.2 Design Bases," provides guidance to licensees and applicants on the definition of design bases as they are defined in the NRC's regulations in 10 CFR 50.2.

Comments and suggestions in connection with items for inclusion in guides currently being developed or improvements in all published guides are encouraged at any time. Written comments may be submitted to the Rules and Directives Branch, Division of Administrative Services, Office of Administration, U.S. Nuclear Regulatory Commission, Washington, DC 20555.

Regulatory guides are available for inspection or downloading at the NRC's web site at <WWW.NRC.GOV> under Regulatory Guides and in NRC's Electronic Reading Room (ADAMS System) at the same site; Regulatory

Guide 1.186 is under Accession Number ML003754825. Single copies of regulatory guides may be obtained free of charge by writing the Reproduction and Distribution Services Section, U.S. Nuclear Regulatory Commission, Washington, DC 20555-0001, or by fax to (301)415-2289, or by email to <DISTRIBUTION@NRC.GOV>. Issued guides may also be purchased from the National Technical Information Service on a standing order basis. Details on this service may be obtained by writing NTIS, 5285 Port Royal Road, Springfield, VA 22161. Regulatory guides are not copyrighted, and Commission approval is not required to reproduce them.

(5 U.S.C. 552(a))

Dated at Rockville, Maryland, this 13th day of December 2000.

For the Nuclear Regulatory Commission.
Ashok C. Thadani,
Director, Office of Nuclear Regulatory Research.

[FR Doc. 00-32831 Filed 12-22-00; 8:45 am]

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SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-43729; File No. SR-ISE-00-09]

Self Regulatory Organizations; Order Approving Proposed Rule Change by the International Securities Exchange LLC Relating to Chinese Wall Procedures

December 15, 2000.

I. Introduction

On September 12, 2000, the International Securities Exchange LLC ("ISE" or "Exchange") submitted to the Securities and Exchange Commission ("Commission"), pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 ("Act"),¹ and Rule 19b-4 thereunder,² a proposed rule change to amend ISE Rule 810 relating to Chinese Wall procedures. The proposed rule change was published for comment in the **Federal Register** on November 13, 2000.³ The Commission received no comments on the proposed rule change and this order approves the proposal.

I. Description of the Proposal

ISE Rule 810 requires that ISE market makers erect a "Chinese Wall" between their market making activity and certain

other business activities, including their trading as an Electronic Access Member ("EAM"). The wall is intended prevent any real-time communication between the various business lines. Without the wall, a trader entering an order as an EAM could potentially inform the person making markets about the pending order. The market maker could then, based on this knowledge, move its quotation either (i) to "intercept" an order against which the firm wants to trade, or (ii) to avoid an order against which it does not want to trade. The Exchange adopted ISE Rule 810 because such behavior would be inconsistent with the agency auction market structure of the Exchange.

The ISE noted, however, that the broad restrictions of ISE Rule 810 limit the ability of certain market makers to send proprietary order flow to the ISE in options outside of their assigned groups of options ("bins").⁴ In particular, many market makers do not have the facilities to establish a "Chinese Wall," which requires physical separation of functions (generally on separate floors), between their proprietary traders and individuals performing ISE market making activities.

The proposed rule change, therefore, will allow members to conduct proprietary trading in the same physical space as their market making activities, but only: (i) In options that are not within their market making assignments; or (ii) in options which, pursuant to regulatory requirements, the member is prohibited from making markets. This latter provision is intended to apply to market makers that are specialists in the underlying stock on the New York Stock Exchange, Inc. ("NYSE"), whose rules limit the options trading of specialists and affiliated firms to "hedging activities," thus prohibiting them from making markets in options.⁵ In addition, the proposed rule change would permit only proprietary trading without the Chinese Wall and would not permit the market maker to enter agency orders (except with respect to proprietary orders for its affiliates)

⁴ The ISE assigns market makers to bins of options. There are 10 bins, and each bin has one Primary Market Maker ("PMM") and up to 10 Competitive Market Makers ("CMM") assigned to each.

⁵ See NYSE Rule 105. This applies solely to CMMs. Because CMMs are required to provide continuous quotes in only 60 percent of the options in a bin, it is possible that a CMM could be assigned a bin in which it is not permitted to make markets in certain options classes. Such a CMM simply would not quote in these "restricted" options. PMMs must provide continuous quotes in all options in a bin and thus were not assigned bins where these regulatory restrictions apply.

without complying with the full restrictions of ISE Rule 810.

III. Discussion

The Commission has reviewed the ISE's proposed rule change and finds, for the reasons set forth below, that the proposal is consistent with the requirements of Section 6 of the Act⁶ and the rules and regulations thereunder applicable to a national securities exchange. Specifically, the Commission believes the proposal is consistent with Section 6(b)(5) of the Act,⁷ because it promotes just and equitable principles of trade, removes impediments to and perfects the mechanism of a free and open market and a national market system, and protects investors and the public interest, by maintaining an information barrier that respects the integrity of the ISE while still permitting members, under certain circumstances, to conduct proprietary trading in the same physical space as their market making activities.⁸

The Commission notes that amending ISE Rule 810 will help attract proprietary order flow to the ISE. Although members will be allowed to conduct proprietary trading in the same physical space as their market making activities, they may do so only in options that are not within their market making assignments or in options which, pursuant to regulatory requirements, the member is prohibited from making markets. In addition, the proposed rule change would permit only proprietary trading without the Chinese Wall and would not permit the market maker to enter agency orders (except with respect to proprietary orders for its affiliates) without complying with the full restrictions of ISE Rule 810. Limiting such activity to these specific situations reduces the potential for the type of harm against which ISE Rule 810 is intended to protect, since the member will not be making markets in the stocks in which it is engaging in proprietary trading. The Commission emphasizes, however, that the information barrier between a market maker and affiliated EAM should protect against any inappropriate sharing of information that could result in market manipulation. The Commission continues to expect the ISE to be vigilant in monitoring for possible abuses in this context.

⁶ 15 U.S.C. 78f.

⁷ 15 U.S.C. 78f(b)(5).

⁸ In approving the proposal, the Commission has considered the rule's impact on efficiency, competition, and capital formation. 15 U.S.C. 78c(f).

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b-4.

³ See Securities Exchange Act Release No. 43508 (November 2, 2000), 65 FR 67784 (November 13, 2000).