

submission requesting that OMB approve clearance of this collection for no longer than 3 years.

DATES: Interested persons are invited to send comments regarding the burden or any other aspect of these collections of information requirements. However, as noted below, comments on these information collection and record keeping requirements must be received by the designees referenced below by November 16, 2001.

ADDRESSES: Written comments regarding the information collection and requests for copies of the proposed information collection request should be addressed to Suzanne Plimpton, Reports Clearance Officer, National Science Foundation, 4201 Wilson Blvd., Rm. 295, Arlington, VA 22230, or by e-mail to splimpto@nsf.gov, and

Office of Information and Regulatory Affairs, Office of Management and Budget, Room 10235, New Executive Office Building, Washington, DC 20503. Attn: Lauren Wittenberg, NSF Desk Officer.

Comments: Written 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; or (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.

NSF has determined that it cannot reasonably comply with the normal clearance procedures under 5 CFR 1320 because normal clearance procedures are reasonably likely to prevent or disrupt the collection of information. NSF is requesting emergency review from OMB of this information collection to enable the NSF/REC to proceed with the ongoing evaluation of the Preparing Future Faculty (PFF) Program. Emergency review and approval of this ICR will assure continuation of the PFF evaluation that is also funded by the Atlantic Philanthropies. OMB approval has been requested for November 16, 2001. If granted, the emergency approval is only valid for 180 days.

During the first 60 days of this same period, a regular review of this

information collection is also being undertaken. During the regular review period, the NSF requests written comments and suggestions from the public and affected agencies concerning this information collection. Comments are encouraged and will be accepted until January 7, 2002, to be assured of consideration. Comments received after that date will be considered to the extent practicable.

FOR FURTHER INFORMATION CONTACT: Suzanne H. Plimpton, Reports Clearance Officer, National Science Foundation, 4201 Wilson Boulevard, Suite 295, Arlington, Virginia 22230; telephone (703) 292-7556; or send e-mail to splimpto@nsf.gov. Individuals who use a telecommunications device for the deaf (TDD) may call the Federal Information Relay Service (FIRS) at 1-800-877-8339 between 8 a.m. and 8 p.m., Eastern time, Monday through Friday.

SUPPLEMENTARY INFORMATION:

Request for Emergency Clearance for Data Collection in Support of a Cross-Site Evaluation of National Science Foundation's Directorate for Education and Human Resources; Evaluation of the Preparing Future Faculty (PFF) Program

OMB Approval Number: OMB 3145-NEW.

Expiration Date: Not applicable.

Overview of this information collection:

Titles of survey instruments and protocol for Evaluation of the Preparing Future Faculty Program:

- PFF Grantee Survey (parts A and B)
- PFF Partner Faculty Survey
- PFF Graduate Faculty Survey
- PFF Participant Survey
- PFF Site Visit Protocol

This collection will be used by NSF to evaluate the impact and effectiveness of Preparing Future Faculty programs on graduate education and the development of future professors.

Respondents: Not-for-profit institutions, individuals; faculty, and students.

Number of Respondents: 4,003.

Burden on the Public: 788 hours.

Dated: November 2, 2001.

Suzanne H. Plimpton,
NSF Reports Clearance Officer.

[FR Doc. 01-28051 Filed 11-7-01; 8:45 am]

BILLING CODE 7555-01-M

SECURITIES AND EXCHANGE COMMISSION

[Release No. 35-27462]

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

November 2, 2001.

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 under the Act. 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 amendment(s) is/are available for public inspection through the 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 November 26, 2001, to the Secretary, Securities and Exchange Commission, Washington, D.C. 20549-0609, and serve a copy of the relevant applicant(s) and/or declarant(s) at the address(es) specified below. Proof of service (by affidavit or, in the case of an attorney at law, by certificate) should be filed with the request. Any request for hearing should identify specifically the issues of facts 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 November 26, 2001, the application(s) and/or declaration(s), as filed or as amended, may be granted and/or permitted to become effective.

Reliant Energy, Inc., et al. [70-9895]

Reliant Energy Incorporated ("REI"), a Texas public-utility holding company exempt by order under section 3(a)(2) of the Act,¹ and its wholly owned Texas subsidiary company formed for purposes of the transactions described in this filing, CenterPoint Energy, Inc. ("Regco"), 1111 Louisiana, Houston, TX 77002, have filed an application under sections 3(a)(1), 9(a)(2) and 10 of the Act in connection with a corporate restructuring ("Restructuring") of REI.

REI is a Texas electric utility company and a combination electric and gas public-utility holding company. Through its unincorporated HL&P division (the "HL&P Division"), REI generates, purchases, transmits and distributes electricity to approximately

¹ *Houston Industries*, Holding Co. Act Release No. 26744 (July 24, 1997).

1.7 million customers in Texas. REI primarily serves a 5,000-square mile area on the Texas Gulf Coast, including the Houston metropolitan area. All of REI's electric generation and operating properties are located in Texas. For the six months ended June 30, 2001, HL&P reported operating income of \$528 million on total operating revenues of \$2.9 billion.

As an electric utility, the HL&P Division is subject to regulation by the Public Utility Commission of Texas (the "Texas Commission") and to the provisions of the Texas Act, as that term is defined below. REI is a member of the Electric Reliability Council of Texas, Inc. ("ERCOT"), which provides the function of Independent System Operator for its member utilities.²

REI conducts natural gas distribution operations through three unincorporated divisions of its wholly owned gas utility subsidiary, Reliant Energy Resources Corp. ("GasCo"): (1) The Entex Division, which serves approximately 1.5 million customers, located in Texas (including the Houston metropolitan area), Louisiana and Mississippi; (2) the Arkla Division, which serves approximately 740,000 customers located in Texas, Louisiana, Arkansas, and Oklahoma; and (3) the Minnegasco Division, which serves approximately 680,000 customers in Minnesota. The largest communities served by Arkla are the metropolitan areas of Little Rock, Arkansas and Shreveport, Louisiana. Minnegasco serves the Minneapolis metropolitan area.

The Entex Division is subject to regulation by the Texas Railroad Commission, the Louisiana Public Service Commission (the "Louisiana Commission") and the Mississippi Public Service Commission (the "Mississippi Commission"). The Arkla Division is subject to regulation by the Texas Railroad Commission, the Louisiana Commission, the Arkansas Public Service Commission (the "Arkansas Commission") and the Corporation Commission of the State of Oklahoma (the "Oklahoma Commission"). The Minnegasco Division is subject to regulation by the Minnesota Public Utilities Commission (the "Minnesota Commission").

For the six months ended June 30, 2001, the Entex, Arkla, and Minnegasco Divisions reported combined net operating income of \$66.8 million. At

²ERCOT represents a bulk electric system located entirely within Texas. Because of the intrastate status of their operations, the primary regulatory authority for the HL&P Division and ERCOT is the Texas Commission, although the Federal Energy Regulatory Commission exercises limited authority.

June 30, 2001, reported net property, plant and equipment were \$1.551 million.

REI conducts its nonutility operations, including merchant power generation and energy trading and marketing, largely through its partially owned nonutility subsidiary company, Reliant Resources, Inc. ("Unregco"), and Unregco's subsidiary companies. These nonutility subsidiaries include wholesale power, trading and communications operations. As discussed below, REI plans to spin off Unregco.

REI's existing structure resulted from the acquisition by Houston Industries Incorporated ("Houston Industries") of NorAm Energy Corp. ("NorAm") in August 1997.³ Prior to the acquisition, Houston Industries' principal utility operations were conducted through its electric utility subsidiary, Houston Light & Power Company ("HL&P"). NorAm engaged in gas distribution operations. In the merger, Houston Industries merged into HL&P (which then adopted the name Houston Industries Incorporated). HL&P became a division of the holding company, Houston Industries, and NorAm become a first tier, wholly owned subsidiary of the holding company.

In 1999, the name of the holding company was changed from Houston Industries to Reliant Energy, Incorporated, referred to herein as REI, and the electric utility company became Reliant Energy HL&P, a division of REI referred to herein as the HL&P Division. NorAm became Reliant Energy Resources Corp., referred to herein as GasCo.

In June, 1999, S.B. 7, known as the Texas Electric Choice Plan (the "Texas Act"), substantially amended the regulatory structure governing electric utilities in Texas to provide for full retail competition beginning on January 1, 2002. Under the Texas Act, traditionally vertically integrated electric utility companies are required to separate their generation, transmission and distribution, and retail activities.

On March 15, 2001, the Texas Commission approved a business separation plan (the "Business Separation Plan") under which REI's existing electric utility operations would be separated into three businesses: a power generation company ("PGC"), a transmission and distribution utility ("T&D Utility") and a retail electric provider ("REP"). Full implementation of the Business

³ See *Houston Industries*, *supra* note 1.

Separation Plan will occur over a period of four years.

Under the Business Separation Plan, Unregco will be the successor to REI as the retail electric provider ("REP") to customers in the Houston metropolitan area when the Texas market opens to competition in January 2002. Unregco will become the REP for all of REI's customers in the Houston metropolitan area that do not take action to select another retail electric provider.⁴

As a preliminary step toward the Restructuring, REI formed Unregco as a subsidiary and transferred to it, or its subsidiaries, substantially all of REI's nonutility operations, including merchant power generation, energy trading and marketing, and communications operations. On May 4, 2001, Unregco completed an initial public offering ("IPO") of approximately 20% of its common stock. REI expects that the IPO will be followed within twelve months by a tax-free distribution of the remaining Unregco common stock to the shareholders of REI or its successor. As a result of the distribution, Unregco will cease to be an affiliate of REI or Regco for purposes of the Act and will become a separate publicly traded corporation.

The Restructuring itself will proceed in two stages.

1. *The Electric Restructuring*

In the first stage, Regco will form Texas Genco Holdings, Inc. ("Texas Genco Holdings") as a Texas indirect wholly owned limited partnership PGC subsidiary. REI will contribute its regulated assets used to generate electric power and energy for sale within Texas and the liabilities associated with those assets (the "Texas Genco assets") to Texas Genco Holdings. Texas Genco Holdings, in turn, will contribute the Texas Genco assets to two newly formed limited liability companies, which, in

⁴ Unregco will provide these services through one or more subsidiary REPs. Applicants state that the REPs will not be electric utility companies for purposes of the Act because they will not own or operate physical facilities used for the generation, transmission or distribution of electric energy for sale.

As noted below, REI plans to spin off Unregco. Once the spin-off is completed, Unregco will cease to be an affiliate of REI or Regco for purposes of the Act. Unregco will nonetheless continue to be deemed to be an affiliate of Regco for certain purposes under the Texas Act. Under the statute, REPs such as Unregco that are affiliated with an incumbent utility will be required to sell electricity to residential and small commercial customers within the utility's service territory at a specific price, referred to in the Texas law as the "price to beat." Electric services provided to large commercial and industrial customers may be provided at any negotiated price. In contrast, new REPs may sell electricity to REI's former retail and small commercial customers at any price.

turn, will contribute the assets to a Texas limited partnership, Texas Genco LP. Texas Genco LP will be an electric utility company within the meaning of the Act. Applicants state that Texas Genco Holdings will be a Texas holding company that will qualify for exemption under section 3(a)(1) of the Act.⁵

The final steps in the Business Separation Plan relate to the determination and recovery of stranded costs associated with the Texas Genco assets. The creation of a minority public interest in Texas Genco LP will permit the use of the "partial stock valuation method" under the Texas Act for purposes of determining the stranded costs associated with REI's regulated generation assets. Therefore, on or before June 30, 2002, Regco expects to conduct an IPO of approximately 20% of the common stock of Texas Genco Holdings, the holding company for the Texas Genco assets or to distribute the stock to Regco's shareholders. The market value of the common stock will be used to determine the amount of stranded costs that Regco will be allowed to recover if the market value of the Texas Genco assets is less than the book value of the assets.

Unregco will hold an option to purchase all of Regco's remaining shares of capital stock of Texas Genco (the "Texas Genco Option").⁶ The Texas Genco Option may be exercised between January 10 and January 24, 2004. The exercise price will be determined by a market-based formula based on the formula employed by the Texas Commission for determining stranded costs under the partial stock valuation method referenced above.

The next steps relate to the formation of Regco as a holding company for the regulated operations. Utility Holding LLC, a Delaware limited liability company and a newly formed subsidiary of Regco, will form a special purpose wholly owned subsidiary company, MergerCo, which will merge

with and into REI, with REI as the surviving entity. REI common stock will be exchanged for Regco common stock in the merger, and Regco will become the holding company for Utility Holding LLC, REI and its subsidiaries.

REI then plans to convert to a Texas limited liability company, Reliant Energy, LLC ("REI LLC" or the "T&D Utility"). The T&D Utility will retain REI's existing transmission and distribution businesses, which will remain subject to traditional utility rate regulation.

REI LLC plans to distribute the stock of all its subsidiaries to Regco, including the stock of GasCo, Texas Genco Holdings and certain financing and other subsidiaries.⁷ As noted previously, Regco will effect a tax-free distribution to its shareholders of its remaining ownership interest in Unregco (approximately 80%). As a result of the distribution, Unregco will become a separate, publicly traded corporation.

2. The GasCo Separation

The second stage of the restructuring entails the reorganization of GasCo into three separate corporations (the "GasCo Separation"). Upon receipt of necessary state approvals, GasCo plans to form two new subsidiary companies, Arkla, Inc. and Minnegasco, Inc., and to contribute to them the Arkla and Minnegasco assets respectively. GasCo will then dividend the stock of Arkla, Inc. and Minnegasco, Inc. to Utility Holding LLC. GasCo, which will be renamed Entex, Inc. and reincorporated in Texas, will own the Entex assets as well as, through subsidiary companies, the natural gas pipelines and gathering business. Applicants state that upon completion of the GasCo Separation, Regco and each of its material utility subsidiaries will qualify for exemption under section 3(a)(1) of the Act.

Regco will not qualify for an intrastate exemption immediately after Electric Restructuring. Pending the GasCo Separation, Regco will not fully satisfy the standards for exemption under section 3(a)(1) of the Act, as interpreted in Commission precedent, because

⁷ The distribution of the stock of REI's subsidiaries, including GasCo and Texas Genco Holdings, will be currently taxable under Texas law. To minimize tax inefficiencies, Regco will hold its utility interests through Utility Holding LLC. Because Utility Holding LLC will be a Delaware company, it will not qualify for exemption under section 3(a)(1) of the Act. Applications request the Commission to "look through" Utility Holding LLC for purposes of analysis under section 3(a)(1). *Compare National Grid Group plc, Holding Co. Act Release No. 27154 (Mar. 15, 2000)* (Commission disregarded intermediate holding companies for purposes of section 11(b)(2) analysis).

GasCo, a material subsidiary with significant out-of-state operations, will not be "predominantly intrastate in character" and carry on its business "substantially in a single state." Upon completion of the GasCo Separation, however, Applicants anticipate that Regco and each of its material utility subsidiaries will be incorporated in Texas and will be "predominately intrastate in character and carry on their business substantially" in Texas.

The Texas Act requires that the Electric Restructuring (the separation of REI's regulated electric utility operations into the T&D Utility and Texas Genco) must be completed by January 1, 2002. Accordingly, to enable them to comply with the Texas Act pending the completion of the GasCo Separation, Applicants request an initial order approving Regco's acquisition of the Intermediate Holding Companies, the T&D Utility, Texas Genco, L.P. and GasCo; reserving jurisdiction over the acquisition of the to-be-formed gas utility subsidiaries, Entex, Inc., Arkla, Inc. and Minnegasco, Inc.; granting Texas Genco Holdings and GP LLC an exemption under section 3(a)(1); and granting Regco an exemption under section 3(a)(1) conditioned upon complete compliance with the requirements for exemption upon completion of the Restructuring within two years of the acquisition by Regco of the Intermediate Holding Companies, the T&D Utility, Texas Genco L.P. and GasCo.

Progress Energy, Inc., et al. [70-9989]

Progress Energy, Inc. ("Progress Energy"), a registered holding company, Carolina Power & Light Company ("CP&L"), Progress Energy's public utility subsidiary company, Rowan County Power, LLC ("Rowan"), a wholly owned exempt wholesale generator ("EWG") subsidiary of CP&L, Progress Ventures, Inc. ("Progress Ventures"), a direct intermediate holding company subsidiary of Progress Energy, and Progress Genco Ventures, LLC ("Genco Ventures"), an indirect intermediate holding company subsidiary of Progress Energy, each located at 411 Fayetteville Street Mall, Raleigh, North Carolina 27602, (collectively, "Applicants"), have filed a declaration under section 12(d) of the Act and rules 43, 44, 53, and 54 under the Act.

Applicants seek authority for CP&L to transfer its interests in certain electric generation assets and a related generation facility site located in Rowan County, North Carolina ("Rowan Assets") to Rowan. The proposed transfer is a component of a larger

⁵ Applicants state that the limited liability companies, GP LLC and LP LLC, are conduit entities that will exist solely to minimize certain Texas franchise tax liability. LP LLC, a Delaware limited liability company, will acquire a 99% limited partnership interest with no voting rights in Texas Genco LP. Applicants state that, because LP LLC will not acquire 10% or more of the voting securities of Texas Genco LP, LP LLC will not be a holding company for purposes of the Act. GP LLC, a Texas limited liability company, will be a holding company because it will acquire the 1% general partnership interest in Texas Genco LP. Applicants state that GP LLC will qualify for exemption under section 3(a)(1) of the Act.

⁶ The retained equity interest will be at least 80%. The Texas Genco Option agreement provides that if Unregco purchases the Texas Genco shares, it must also purchase all notes and other receivables from Texas Genco then held by Regco at their principal amounts plus accrued interest.

reorganization of Progress Energy's wholesale operations. The Rowan Assets consist of a 480 megawatt gas-fired combustion turbine generation facility ("Rowan Facility"); associated electric interconnection equipment, fuel storage and handling facilities, and other facilities and equipment necessary for the generation of electricity and conducting related activities that are consistent with being an EWG, as that term is defined in section 32 of the Act. The Rowan Assets also include the Rowan Facility site. Applicants state that the purpose of this transaction is to permit Progress Energy to focus on developing and expanding a portfolio of wholesale generating assets in the Southeast.

Rowan, an EWG and a North Carolina limited liability company, is a wholly owned subsidiary of CP&L that has been organized principally for the purpose of constructing, owning, and selling power from an electric generation facility located in Rowan County, North Carolina. Applicants propose that, as part of this reorganization, Progress Ventures will acquire from CP&L all of Rowan's limited liability company interests, and Progress Ventures will contribute the Rowan interests to Genco Ventures.

CP&L proposes to transfer the Rowan Assets to Rowan at net book cost, subject to a possible adjustment by the North Carolina Utilities Commission ("NCUC"), in the event the NCUC determines that the market value of the Rowan Assets at transfer exceed the net book cost. As of September 30, 2001, the Rowan Assets had a net book cost of approximately \$180 million.

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

Margaret H. McFarland,
Deputy Secretary.

[FR Doc. 01-28079 Filed 11-7-01; 8:45 am]

BILLING CODE 8010-01-M

SECURITIES AND EXCHANGE COMMISSION

[Rel. No. IC-25252; 812-12456]

Heritage Capital Appreciation Trust, et al.; Notice of Application

November 2, 2001.

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

ACTION: Notice of application under section 6(c) of the Investment Company Act of 1940 ("Act") exempting applicants from section 15(a) of the Act and rule 18f-2 under the Act.

Summary of Application: Applicants request an order to permit them to enter into a materially amend subadvisory agreements without shareholder approval.

Applicants: Heritage Capital Appreciation Trust ("Capital Appreciation Trust"), Heritage Cash Trust ("Cash Trust"), Heritage Income Trust ("Income Trust"), Heritage Growth and Income Trust ("Growth and Income Trust"), Heritage Series Trust ("Series Trust," and together with Capital Appreciation Trust, Cash Trust, Income Trust, and Growth and Income Trust, the "Trusts"), Heritage Asset Management, Inc. ("Heritage") and Eagle Asset Management, Inc. ("Eagle," and together with Heritage, the "Managers").

Filing Dates: The application was filed on March 5, 2001 and amended on October 5, 2001. Applicants have agreed to file an amendment during the notice period, the substance of which is reflected in this notice.

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 applicants with a copy of the request, personally or by mail. Hearing requests should be received by the Commission by 5:30 p.m. on November 27, 2001, and should be accompanied by proof of service on applicants, 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 may request notification of a hearing by writing to the Commission's Secretary.

ADDRESSES: Secretary, Commission, 450 Fifth Street, NW., Washington, DC 20549-0609. Applicants, 880 Carillon Parkway, St. Petersburg, FL 33716.

FOR FURTHER INFORMATION CONTACT: John L. Sullivan, Senior Counsel, at (202) 942-0681, or Nadya B. Roytblat, Assistant Director, 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 at the Commission's Public Reference Branch, 450 Fifth Street, NW., Washington, DC 20549-0102 (tel. 202-942-8090).

Applicants' Representations

1. Each Trust, organized as a Massachusetts business trust, is registered under the Act as an open-end

management investment company. Each Trust is organized as a series investment company an offers shares of one or more series (each a "Fund," and together, the "Funds"), each with its own investment objectives, policies and restrictions.¹ Each Manager serves as the investment adviser to one of the Funds and is registered under the Investment Advisers Act of 1940 ("Advisers Act").

2. The Trusts, on behalf of each Fund, have entered into separate investment advisory agreements with the Managers ("Advisory Agreements"), pursuant to which each Manager serves as investment manager to the respective Fund. Each Advisory Agreement has been approved either by the initial shareholder of a Fund or by a Fund's public shareholders and by a majority of each Trust's board of trustees (each, the "Board," and collectively, the "Boards"), including a majority of the trustees who are not "interested persons" as defined in section 2(a)(19) of the Act ("Independent Trustees"). Under the terms of the Advisory Agreements, the Manager provides each Fund with investment research, advice and supervision while delegating the day-to-day portfolio management for each Fund to one or more subadvisers ("Subadvisers") pursuant to separate investment subadvisory agreements ("Subadvisory Agreements").² Each Subadviser is an investment adviser registered under the Advisers Act. The Manager selects each Subadviser, subject to approval by the respective Board. For the investment management services they provide to the Funds, the Managers receive the fee specified in the Advisory Agreement for each Fund, payable monthly based on average daily net assets, at an annual rate based on the Fund's average net assets. The fees of the Subadvisers, at rates negotiated between the Subadvisers and a Manager, are paid by the Managers out of the fees

¹ Applicants also request relief with respect to (a) any other Fund organized in the future, and (b) any other open-end management investment company or series thereof advised by a Manager or a person controlling, controlled by or under common control with a Manager ("Future Funds"), and together with the Funds, the "Funds"), provided that such Future Fund operates in substantially the same manner as the Funds with respect to a Manager's responsibility to select, evaluate and supervise Subadvisers (as defined below) and complies with the terms and conditions of the requested order. Each existing registered open-end management investment company that currently intends to rely on the requested order is named as an applicant. If the name of any Fund contains the name of its Subadviser, the name of the Manager will precede the name of the Subadviser.

² Each Fund that employs a Subadviser is referred to as a "Subadvised Fund."