

The Revised Plan For Manually Set Postage Meters

The Postal Service retirement date for manually set electronic meters with lease expiration dates on or after October 1, 2004, will be May 31, 2005. The Postal Service will no longer reset electronic manually set meters after February 28, 2005. Anyone in possession of a manually set meter must return it to the meter provider on or before May 31, 2005. The meter provider will withdraw the meter from service.

Any manually set electronic postage meter that is capable of remote meter setting must be either converted to remote meter setting or retired from service and returned to the meter provider. The function that allows manual setting must be disabled.

The manager of Postage Technology Management, Postal Service Headquarters, will send official notification to those affected users with an explanation of this plan. Any other explanation received by users may not accurately represent the position of the Postal Service.

Stanley F. Mires,

Chief Counsel, Legislative.

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SECURITIES AND EXCHANGE COMMISSION

[Release No. 35-27897]

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

September 28, 2004.

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 October 20, 2004, 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 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 October 20, 2004, the application(s) and/or declaration(s), as filed or as amended, may be granted and/or permitted to become effective.

Allegheny Energy, Inc. (70-10247)

Allegheny Energy, Inc. ("Allegheny"), a registered holding company under the Act, 800 Cabin Hill Drive, Greensburg, Pennsylvania 15601, has filed a declaration ("Declaration") under section 12(d) and rule 44 of the Act.

Allegheny requests authorization to sell its nine percent ownership interest in Ohio Valley Electric Corporation ("OVEC") to Buckeye Power Generating, LLC ("Buckeye Power"), an affiliate of Buckeye Power Inc. OVEC is a public utility company under the Act.

OVEC was formed in the early 1950s by a group of holding companies and utilities located in the Ohio Valley region in response to the request of the United States Atomic Energy Commission ("AEC") to supply the electric power and energy necessary to meet the needs of a uranium enrichment plant being built by the AEC in Pike County, Ohio. The holding companies that directly or indirectly own 10 percent or more of OVEC's stock, each of which is a registered holding company, are: Allegheny (12.5%),¹ American Electric Power Company, Inc. ("AEP") (44.2%) and FirstEnergy Corp. ("FirstEnergy") (20.5%).²

OVEC owns two coal-fired generating stations: (1) The Kyger Creek Plant in Cheshire, Ohio, which has a generating capacity of 1,075 megawatts, and (2) the

¹ In addition to the nine percent ownership interest in OVEC that is the subject of this Declaration, Allegheny owns another direct 3.5 percent interest in OVEC. Monongahela receives power from OVEC under an entitlement to power associated with this 3.5 percent interest. Allegheny is not proposing to transfer this 3.5 percent interest at this time.

² The following is a complete list of owners of OVEC's stock: Allegheny (12.5%); AEP (39.9%); Cincinnati Gas & Electric Company (9.0%); Columbus Southern Power Company, a subsidiary of AEP (4.3%); The Dayton Power and Light Company (4.9%); Kentucky Utilities Company (2.5%); Louisville Gas and Electric Company (4.9%); Ohio Edison Company, a subsidiary of FirstEnergy (16.5%); Southern Indiana Gas and Electric Company (1.5%); and The Toledo Edison Company, a subsidiary of FirstEnergy (4.0%). Each of these companies is either an original owner of OVEC's stock or a successor to an original owner. These companies are referred to in this Declaration as the "Sponsoring Companies."

Clifty Creek Plant in Madison, Indiana, which has a generating capacity of 1,290 megawatts and is owned by OVEC's wholly-owned subsidiary, Indiana-Kentucky Electric Corporation. Originally, the Department of Energy ("DOE") purchased essentially all of the generating capacity of OVEC's generating facilities. However, DOE terminated its purchase agreement on April 30, 2003, and each of the Sponsoring Companies currently is entitled to its specified share of all net power and energy produced by OVEC's two generating stations.³

Buckeye Power, Inc., is a member-owned generation and transmission cooperative based in Columbus, Ohio that supplies power and energy to all the electric distribution cooperatives that serve customers in Ohio. The certified service territory of these distribution cooperatives covers nearly 40 percent of the land area in the State and encompasses 77 of Ohio's 88 counties.

On May 17, 2004, Allegheny signed a purchase agreement ("Purchase Agreement") under which Allegheny will sell a nine percent equity interest in OVEC, and Allegheny Energy Supply Company, LLC ("AE Supply"), will assign its rights to nine percent of the power generated by OVEC, to Buckeye Power for \$102 million in cash and the assumption of approximately \$37 million in debt by Buckeye Power ("Purchase Price"). Of the total cash component of the Purchase Price, \$7,140,000 represents the price for the transfer of Allegheny's nine percent equity interest in OVEC, the transaction for which authority is being sought in this Application. The remainder represents the price for the assignment of AE Supply's rights under the OVEC Inter-Company Power Agreement ("OVEC Power Agreement") to nine percent of the power generated by OVEC.⁴

Allegheny maintains that the sale and assignment of these various interests is consistent with Allegheny's strategic goals of improving its financial strength

³ By letter dated September 29, 2000, the DOE notified OVEC that it had elected to terminate the power agreement as of April 30, 2003. Allegheny understands that the DOE currently maintains its uranium enrichment plant in "cold standby" status and is exploring various options for the plant and the Ohio site. OVEC currently provides retail service to DOE through an "arranged power" agreement under which OVEC procures power and energy for DOE at cost from third parties.

⁴ AE Supply will retain the right to nine percent of the power from OVEC until March 12, 2006, at which time Buckeye Power will begin to receive the power. The time for receipt of power by Buckeye Power may be accelerated upon occurrence of certain events relating to the financial condition of Allegheny.

by reducing debt and of refocusing its attention on the generation assets it owns and operates within the PJM Interconnection ("PJM") territory. Allegheny will use the net proceeds from the OVEC sale to reduce outstanding debt and for general corporate purposes.

Allegheny states that the Purchase Price and other definitive terms for the sale of OVEC reflected in the Purchase Agreement—negotiated by representatives of the parties over a number of months—are the result of arm's-length bargaining, and the Purchase Price constitutes fair and adequate consideration for the sale and assignment of Allegheny's interests in OVEC.

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

Margaret H. McFarland,
Deputy Secretary.

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SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-50457; File No. SR-FICC-2004-11]

Self-Regulatory Organizations; Fixed Income Clearing Corporation; Notice of Filing of a Proposed Rule Change To Amend the Rules of the Government Securities Division To Modify the Penalty Assessment Process for Violations of Minimum Financial Standards and for Failures of Members To Submit Requisite Financial Reports on a Timely Basis

September 27, 2004.

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934

("Act")¹, notice is hereby given that on May 17, 2004, the Fixed Income Clearing Corporation ("FICC") filed with the Securities and Exchange Commission ("Commission") and on July 8, 2004, amended the proposed rule change described in Items I, II, and III below, which items have been prepared primarily by FICC. The Commission is publishing this notice to solicit comments on the proposed rule change from interested parties.

I. Self-Regulatory Organization's Statement of the Terms of Substance of the Proposed Rule Change

FICC is seeking to amend the rules of its Government Securities Division ("GSD") to modify the penalty assessment process for violations of minimum financial standards and for failures to submit requisite financial reports on a timely basis.

II. Self-Regulatory Organization's Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change

In its filing with the Commission, FICC included statements concerning the purpose of and basis for the proposed rule change and discussed any comments it received on the proposed rule change. The text of these statements may be examined at the places specified in Item IV below. FICC has prepared summaries, set forth in sections (A), (B), and (C) below, of the most significant aspects of these statements.²

(A) Self-Regulatory Organization's Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change

The proposed rule change would amend the rules of the GSD by modifying the penalty assessment

process for violations of minimum financial standards and failure to submit requisite financial reports on a timely basis.

(1) Violations of Minimum Financial Standards

The rules of the GSD require netting members and clearing members to meet and maintain certain minimum financial standards at all times. While the majority of GSD members consistently satisfy their minimum financial requirements, occasionally members do breach these requirements and create undue risk for FICC and its GSD members. FICC has decided that a more uniform system of enforcing minimum financial requirements within the GSD would enhance the ability of FICC to minimize risk to itself and its members in a fair and effective manner.

Currently, the GSD Rules provide clearing fund consequences for the various categories of netting members that fall out of compliance with minimum financial requirements as follows:

Netting membership category	Current clearing fund consequence for falling below minimum financial standard ³
Bank Member	Treated as a Category 2 Dealer ⁴
Category 1 Dealer Member	Treated as a Category 2 Dealer
Category 2 Dealer Netting Member	Impose Required Fund Deposit equal to 150 percent of the normal calculation of Required Fund Deposit.
Category 1 Futures Commission Merchant Member	Treated as a Category 2 Futures Commission Merchant.
Category 2 Futures Commission Merchant Member	Impose Required Fund Deposit equal to 150 percent of the normal calculation of Required Fund Deposit.
Category 1 Inter-Dealer Broker Member	Treated as a Category 1 Dealer as far as Required Fund Deposit exceeds \$5 million.
Category 2 Inter-Dealer Broker Member	Treated as a Category 1 Inter-Dealer Broker, if it qualifies as such, or if it does not so qualify, impose Required Fund Deposit equal to 150 percent of the normal calculation of the Required Fund Deposit.

¹ 15 U.S.C. 78s(b)(1).

² The Commission has modified the text of the summaries prepared by FICC.