

SECURITIES AND EXCHANGE COMMISSION

[Release No. 35-26661]

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

February 7, 1997.

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 3, 1997, to the Secretary, Securities and Exchange Commission, Washington, D.C. 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 (70-8839)

Entergy Corporation ("Entergy" or the "Company"), 639 Loyola Avenue, New Orleans, Louisiana, 70113, a registered holding company, has filed a post-effective amendment to its declaration under sections 6(a) and 7 of the Act and rule 54 thereunder.

By order dated June 6, 1996 (HCAR No. 26541), Entergy was authorized to issue and sell through December 31, 2000, up to ten million shares of its authorized but unissued common stock, par value \$0.01 per share, pursuant to its new Dividend Reinvestment and Stock Purchase Plan (the "Plan").

The Plan provides that participants may elect to: (1) automatically reinvest dividends received on all of their shares of common stock; or (2) automatically reinvest dividends received on less than all of their shares of common stock and continue to receive cash dividends on

their remaining shares; and/or (3) invest in additional shares of common stock of making optional cash investments.

Entergy now proposes to issue and sell up to an additional twenty million shares of its authorized but unissued common stock, par value \$0.01 per share ("Common Stock"), pursuant to the Plan. All other provisions of the Plan will remain as previously authorized by the Commission.

The Common Stock purchased on behalf of the participants will be either previously issued shares purchased on the open market or in privately negotiated transactions or newly issued shares purchased directly from the Company. The purchase price of the newly issued shares will be the weighted average of the daily high and low sales prices of the common stock on the New York Stock Exchange ("NYSE") during the pricing period, which will consist of the twelve trading days immediately preceding the investment date. The purchase price for shares purchased on the open market will be the weighted average price paid by the Plan including brokerage fees and commissions.

Optional cash investments in excess of \$3,000 per month may be made pursuant to a waiver granted at the sole discretion of the Company based on the Company's consideration of relevant factors as defined in the Plan. The Plan also provides that in connection with requests for waiver, the Company may, in its discretion, establish a minimum price applicable to the relevant pricing period, as well as discount. The discount may be between 0% and 3% and may vary each month, but once established will apply uniformly to all optional cash investments made for that month pursuant to a waiver.

The Plan will continue to be administered by Chase Mellon Shareholder Services (successor to Mellon Bank, N.A.) or such successor administrator as Entergy may designate.

Allegheny Power System, Inc. 70-8973

Allegheny Power System, Inc. ("APS"), a registered holding company, and its wholly owned nonutility subsidiary company, AYP Capital, Inc. ("AYP"), both located at 10435 Downsview Pike, Hagerstown, Maryland 21720, have filed an application under sections 9(a) and 10 of the Act.

By order dated July 14, 1994 (HCAR No. 26085), APS was authorized to organize and finance AYP to invest in: (i) companies engaged in new technologies related to the core utility business of APS; and (ii) companies acquiring and owning exempt wholesale generators ("EWGs").

By order dated February 3, 1995 (HCAR No. 26229), AYP was authorized to engage in the development, acquisition, construction, ownership and operation of EWGs and in development activities with respect to: (i) qualifying cogeneration facilities and small power production facilities ("SPPs"); (ii) non-qualifying cogeneration facilities, non-qualifying SPPs, and independent power production facilities located within the service territories of APS public utility subsidiary companies; (iii) EWGs; (iv) companies involved in new technologies related to the core business of APS; and (v) foreign utility companies ("FUCOS"). AYP was also authorized to consult for non-affiliate companies. APS was authorized to increase its investment in AYP from \$500,000 to \$3 million.

By order dated October 27, 1995 (HCAR No. 26401), the Commission authorized: (i) AYP or a special-purpose subsidiary ("NEWCO") to provide certain enumerated energy management services ("EM") and demand-side management services ("DSM") to nonassociated customers at market prices and to associated companies at cost; (ii) AYP to engage in activities relating to the development, acquisition, ownership, construction and operation of FUCOS; and to invest in FUCOS through various types of investment vehicles, including limited partnerships or other types of funds, the sole objective of which is to make investments in one or more FUCOs; (iii) APS and AYP to acquire the securities of NEWCOS that own FUCOs or EWGs ("Project NEWCOS"); (iv) AYP or a NEWCO to factor the accounts receivable of associate companies and of nonassociate companies whose primary revenues are derived from the sale of electric power; and (v) AYP or a NEWCO, as agent for APS system companies, to manage the real estate portfolio of APS and its associate companies, to market excess or unwanted real estate and to facilitate the exploitation of resources contained on or in real estate.

By further order dated October 27, 1995, APS was authorized to invest in AYP and AYP was authorized to invest in NEWCOS up to an aggregate of \$100 million through December 31, 1999 through loans to finance activities related to EM and DSM services, accounts receivable, real estate, FUCOs and EWGs. AYP, the NEWCOs, and the Project NEWCOs were authorized to obtain loans from banks or issue other recourse obligations which could be guaranteed by APS or AYP. APS and AYP were authorized to guarantee or act

as surety on bonds, indebtedness and performance and other obligations issued or undertaken by AYP, the NEWCOs or the Project NEWCOs subject to the \$100 million investment authority.

By order dated October 9, 1996 (HCAR No. 26590) APS and AYP were allowed to increase the limit on loans and guarantees from \$100 million to \$300 million for all authorized activities.

The applicants now request Commission authorization, through December 31, 1999 unless further Commission approval is no longer required, or the Commission has approved the continuation of the activities pursuant to a new application, for AYP to acquire one or more subsidiaries ("MARKETCOS"). Applicants further propose AYP be authorized, directly or indirectly through MARKETCOS, to market and sell to industrial, commercial and residential customers located within the United States, appliance and equipment repair warranties, service plans, or other maintenance agreements, covering heating and air conditioning systems and other major appliances.

The applicants state that AYP or the MARKETCO may contract with a third party or parties to provide some support services such as underwriting, handling service claims, marketing, billing and/or cash processing.

The applicants state that they expect the appliance service operation to be largely self-supporting, and estimate that the program will result in gross sales revenue of about \$700,000 in the first year which will rise steadily to approximately \$2.5 million at the end of the fifth year.

Applicants also propose that AYP and/or MARKETCOS, through December 31, 1999, unless further Commission approval is no longer required, or the Commission has approved the continuation of the activities pursuant to a new application, engage in consulting for,¹ marketing, selling, leasing, financing, and acquisition and installation of power quality devices to customers within the United States.²

¹ The consulting services may include, but are not limited to: preventative maintenance inspections of customers' energy facilities and energy-consuming equipment, grounding of electrical systems, and lightning protection. AYP or MARKETCO may also provide diagnostic services and recommend and perform power quality solutions.

² Such devices would include uninterruptible power supplies, power monitoring equipment, surge protection equipment designed to protect electrical components, communication equipment, satellite dishes and other electrical equipment from damage due to transient overvoltage/undervoltage conditions in their electric supply.

AYP or MARKETCO would sell or lease the power quality equipment/services to customers and may make loans to customers to finance the purchase. Loans would be evidenced by promissory notes, the term of which shall not exceed the expected useful life of the equipment. Such secured and unsecured loans would be at market interest rates and on market terms and conditions. The aggregate amount of equipment financing outstanding at any one time under Applicants' power quality program will not exceed \$4 million.

Applicants estimate that the program will result in gross sales revenue of about \$560,000 in the first year and this will rise steadily to about \$2.6 million at the end of the fifth year.

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

Margaret H. McFarland,

Deputy Secretary.

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[Release No. 34-38261; File No. SR-CBOE-97-06]

Self-Regulatory Organizations; Notice of Filing and Immediate Effectiveness of Proposed Rule Change by the Chicago Board Options Exchange, Inc., Relating to Enhancements to the CBOE's Order Routing System

February 10, 1997.

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 ("Act"), 15 U.S.C. 78s(b)(1), notice is hereby given that on February 5, 1997, the Chicago Board Options Exchange, Inc. ("CBOE" or "Exchange") filed with the Securities and Exchange Commission ("SEC" or "Commission") the proposed rule change as described in Items I, II, and III below, which Items have been prepared by the self-regulatory organization. The Commission is publishing this notice to solicit comments on the proposed rule change from interested persons.

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

The CBOE is adopting certain enhancements to the Exchange's electronic Order Routing System ("ORS") on a pilot basis until May 30, 1997, while the Exchange evaluates the changes and determines whether to implement them on a permanent basis. The enhancements, which will be described in an Information Circular to CBOE members, include the following:

(1) Allowing the electronic routing and processing of contingency and discretionary orders; (2) allowing ORS to recognize firm and broker-dealer orders; (3) allowing the routing of firm and broker-dealer orders to the Public Automated Routing ("PAR") System workstations in the Standard & Poor's 100 Index ("OEX") crowd; and (4) allowing the execution of certain contingency orders on the CBOE's Retail Automated Execution System ("RAES").

The text of the proposed rule change is available at the Office of the Secretary, CBOE, and at the Commission.

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

In its filing with the Commission, the self-regulatory organization 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. The self-regulatory organization has prepared summaries, set forth in sections (A), (B), and (C) below, of the most significant aspects of such statements.

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

The CBOE is adopting an Information Circular that describes certain enhancements to ORS. These changes will be implemented on a pilot basis while the Exchange evaluates the changes and determines whether to implement them on a permanent basis. The pilot will expire on May 30, 1997. In the meantime, the Exchange will decide whether to seek permanent approval for the changes.

The information circular that will be distributed to the membership of the Exchange will describe certain enhancements to ORS and certain limitations that will continue to apply to the use of ORS. Specifically, the changes will allow the electronic routing and processing of contingency and discretionary orders, the recognition by ORS of firm and broker-dealer orders, the routing of firm and broker-dealer orders to the PAR System workstations in the OEX crowd, and the execution of certain contingency orders on RAES, as further explained below.

ORS provides member and correspondent firms with a method of efficiently delivering orders to and reports from the CBOE trading floor.