pursuant to section 17(d) of the Exchange Act and rule 17d–2 thereunder, that the analyst did not provide certification in connection with public appearances. In addition, for 120 days following such notification, the broker-dealer must disclose in any research report it distributes authored by that analyst that the analyst did not provide certification specified in rule 502(a) of Regulation AC. Further, broker-dealers must keep and maintain these records pursuant to Rule 17a–4(b).

II. Collection of Information Requirements

Certain provisions of Regulation AC contain ''collection of information'' requirements within the meaning of the Paperwork Reduction Act of 1995.[1] In proposing Regulation AC, the Commission estimated the burden hours for these collection of information requirements and solicited comments on the collection of information requirements and the burden estimate. The Commission submitted the proposed collection of information requirements to OMB for review as required pursuant to 44 U.S.C. 3507 and 5 CFR 1320.11. The Commission received one comment letter on the collection of information and has revised estimates in response to that comment.[2]

The purpose of requiring that research analysts certify that the views expressed in research reports and public appearances reflect their personal views, and requiring disclosure of information regarding whether analyst compensation is related to those specific recommendations or views, is to help bolster investor confidence in the quality of research. This, in turn, should help bolster investor confidence in the securities markets. The Commission estimates that the annual paperwork burden in hours is 11,296 for a cost in dollars of approximately $1,372,464.[3]

On March 5, 2003, OMB approved the collections of information contained in Regulation AC. Regulation AC (OMB Control No. 3235–0575) was adopted pursuant to the Securities Exchange Act of 1934 (17 U.S.C. 78, *et seq.*) on February 20, 2003. An agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless it displays a currently valid control number. We are providing this Notice to inform the public that the Commission has received OMB approval and OMB has issued a control number for this collection.

Dated: March 28, 2003.

Margaret H. McFarland,

Deputy Secretary.

[FR Doc. 03–8105 Filed 4–2–03; 8:45 am]

BILLING CODE 8010–01–P

[1] 44 U.S.C. 3501 *et seq.*

[2] The Commission intends to submit a change sheet to OMB in order to reflect changes.

[3] The Commission estimates that the proposed regulation would result in a total annual time burden of approximately 11,296 hours (10,950 hours to comply with research report requirements + 346 hours to comply with public appearance requirements), and a total annual cost in dollars of approximately $1,372,464 ($1,330,425 to comply with the research report requirements + $42,039 to comply with the public appearance requirements).

SECURITIES AND EXCHANGE COMMISSION

Issuer Delisting; Notice of Application of Landesbank Baden-Württemberg to Withdraw its 7 7/8% Subordinated Notes (Due April 15, 2004), From Listing and Registration on the New York Stock Exchange, Inc. File No. 1–10836

March 28, 2003.

Landesbank Baden-Württemberg, a German bank (''Issuer''), has filed an application with the Securities and Exchange Commission (''Commission''), pursuant to section 12(d) of the Securities Exchange Act of 1934 (''Act'')[1] and rule 12d2–2(d) thereunder,[2] to withdraw its 7 7/8% Subordinated Notes (due April 15, 2004)(''Security''), from listing and registration on the New York Stock Exchange, Inc. (''NYSE'' or ''Exchange'').

The Board of Managing Directors of the Issuer (''Board'') approved a resolution on September 24, 2002 to withdraw the Issuer's Security from listing on the NYSE. In making its decision to withdraw the Security from the Exchange, the Issuer states the following: On September 25, 2002, 85.69% of the outstanding amount of the Security was held by 60 note holders who are institutional investors and the volume of trading in the Security is very small. According to the NYSE, in the period from January 1, 2001 to September 25, 2002, the Security was not traded once on the NYSE. In addition, according to Bloomberg professional, in the period from September 2, 2001 to September 25, 2002, the Security was traded seven times in the secondary market. The Issuer also states that substantial costs incurred each year for the preparation of reporting forms can be avoided.

The Issuer stated in its application that it has complied with the NYSE's rules governing an issuer's voluntary withdrawal of a security from listing and registration. The Issuer's application relates solely to the Security's withdrawal from listing on the NYSE and from registration under section 12(b) of the Act[3] and shall not affect its obligation to be registered under section 12(g) of the Act.[4]

Any interested person may, on or before April 21, 2003, submit by letter to the Secretary of the Securities and Exchange Commission, 450 Fifth Street, NW., Washington, DC 20549–0609, facts bearing upon whether the application has been made in accordance with the rules of the NYSE and what terms, if any, should be imposed by the Commission for the protection of investors. The Commission, based on the information submitted to it, will issue an order granting the application after the date mentioned above, unless the Commission determines to order a hearing on the matter.

For the Commission, by the Division of Market Regulation, pursuant to delegated authority. [5]

Jonathan G. Katz,

Secretary.

[FR Doc. 03–8031 Filed 4–2–03; 8:45 am]

BILLING CODE 8010–01–P

[1] 15 U.S.C. 78*l*(d).

[2] 17 CFR 240.12d2–2(d).

[3] 15 U.S.C. 78*l*(b).

[4] 15 U.S.C. 78*l*(g).

[5] 17 CFR 200.30–3(a)(1).

SECURITIES AND EXCHANGE COMMISSION

[Release No. 35–27661]

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

March 28, 2003.

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 April 22, 2003, 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 April 22, 2003, the application(s) and/or declaration(s), as filed or as amended, may be granted and/or permitted to become effective.

American Transmission Company, LLC, et al. (70–10108)

American Transmission Company, LLC (''ATC''), an electric transmission public utility company subsidiary of Alliant Energy Corporation (''Alliant''), a registered holding company, and ATC Management, Inc. (''ATCMI''), a public utility company, corporate manager of ATC, and holding company subsidiary of Alliant, claiming exemption from registration under section 3(a)(1) by rule 2 of the Act, both located at N19 W23993 Ridgeview Parkway, West Waukesha, Wisconsin 53188 (together, ''Applicants'') have filed an declaration (''Declaration'') under sections 6(a) and 7 of the Act and rule 54 under the Act.

I. Introduction

In 1999, the state of Wisconsin enacted legislation (''Transco Legislation'') that facilitated the formation of for-profit transmission companies (''Transcos''). ATC was created under the Transco Legislation and ATCMI was created to be the general manager of ATC. The legislation obligates these Transcos to construct, operate, maintain, and expand transmission facilities to provide adequate, reliable transmission services under an open-access transmission tariff.

II. ATC and ATCMI

By order dated December 29, 2000 (HCAR No. 27331) (''December Order''), the Commission authorized ATC to acquire the transmission assets of the subsidiaries of four investor owned public utility holding companies with service areas in Wisconsin and adjacent areas in Illinois and Michigan. The following utility companies transferred ownership and operation of their transmission assets to ATC in exchange for member interests (''Member Interests'') in ATC: Wisconsin Power and Light Company (''WPL'') and South Beloit Water, Gas and Electric Company (''South Beloit'');[1] Wisconsin Electric Power Company and Edison Sault Electric Company (''Edison Sault'');[2] Madison Gas and Electric Company;[3] and Wisconsin Public Service Corp.[4] Wisconsin Public Power Inc. (''WPPI''), a Wisconsin municipal electric company, contributed cash in exchange for an equity interest in ATC proportional to WPPI's load ratio share in Wisconsin.[5] These entities together are referred to as the ''Initial Members.''

Applicants state that as a limited liability company, ATC may be formed to be ''member managed'' or ''manager managed'' according to Wisconsin law. Applicants state that it was decided that ATC would be ''manager managed'' by ATCMI. In the December Order, the Commission authorized ATCMI to acquire a nominal interest in ATC and operate as the sole manager of ATC. Due to the extent of the operational control ATCMI has over the utility assets of ATC, the Commission found that both ATC and ATCMI were jurisdictional public utilities under the Act. ATCMI is also an intermediate holding company by virtue of its ownership interest in ATC and claims exemption from registration by rule 2 under section 3(a)(1) of the Act.

As of December 31, 2002, eighteen more contributors, including twelve municipal utilities, six cooperatives, one public power entity, and one investor owned utility invested transmission assets and/or cash in ATC. These members are referred to as the ''Additional Members,'' and along with the Initial Members, the ''Member Utilities.'' Effective February 1, 2001, ATC transferred operational control of its facilities to the Midwest Independent Transmission System Operator, Inc.

Applicants state that ATCMI's ownership structure consists of Class A non-voting shares and Class B voting shares of stock.[6] Upon transference of transmission assets to ATC, each Member Utility purchased Class A shares in proportion to the value of the transmission assets it transferred to ATC. In addition, each Initial Member received one Class B share of stock.[7] The December Order indicated that, in the future, ATCMI plans to commence an initial public offering (''IPO'') of its stock. The Commission reserved jurisdiction over the issuance of any equity securities in connection with a potential IPO by ATCMI.

III. Financing

A. Existing Authorization

The December Order authorized ATC and ATCMI to engage in various financing activities through June 30, 2004 (''Authorization Period'') in an aggregate amount not to exceed $900 million as follows: (1) Short-term debt financing by ATC not to exceed $125 million in the form of borrowings under a revolving credit agreement, issuance of commercial paper, or other forms of short term financing; (2) long-term debt financing by ATC in the form of debentures or other forms of long-term debt financing, with the total short- and long-term debt not to exceed $400 million; (3) equity financing of up to $500 million in the form of preferred stock of ATCMI; and (4) interest rate hedging transactions.

B. Current Request

Applicants now request authority for various financing transactions in addition to their outstanding financing authority as follows: Applicants request authority for ATCMI to issue and sell preferred securities and for ATC to issue long-term and short-term debt in an amount not to exceed $710 million at any one time outstanding during the Authorization Period Applicants state that short-term debt will not exceed $200 million at any one time outstanding. In addition to the $710 million of securities as described above, Applicants request authorization for ATC to issue Member Interests and ATCMI to issue Class A and Class B stock in an aggregate amount of up to $393 million. Applicants state that the underwriting fees, commissions or other similar remuneration paid in connection

[1] *See* December Order. WPL and South Beloit (which are both subsidiary companies of Alliant) are together treated as a single member.

[2] *See Wisconsin Energy Corp.,* HCAR No. 27329 (Dec. 28, 2000). Wisconsin Electric Power Company and Edison Sault Electric Company (which are both subsidiaries of Wisconsin Energy Corp., dba We Energies, an exempt holding company) are together treated as a single member.

[3] *See Madison Gas and Electric Co.,* HCAR No. 27326 (Dec. 28, 2000). As a result of the acquisition, Madison Gas and Electric Company is both a public-utility company and an exempt holding company.

[4] *See WPS Resources Corporation*, HCAR No. 27330 (Dec. 28, 2000). Wisconsin Electric Power Company is a subsidiary of WPS Resources Corporation, an exempt holding company.

[5] WPPI is exempt from all provisions of the Act under section 2(c).

[6] Class B shareholders are currently entitled to approve by majority vote: (1) Any amendment to the articles of incorporation and (ii) any merger, consolidation, or sale of all or substantially all of ATCMI's assets.

[7] Applicants stated in the December Order that this structure was designed to ensure that the Member Utilities had economic interests in proportion to the value of their contribution of assets to the ATC, while maintaining the desired per capita voting arrangement. South Beloit and Edison Sault did not receive a Class B share because their respective corporate parents hold their shares.

with the non-competitive issue, sale or distribution of securities issued under this Application will not exceed 7% of the principal or total amount of the securities being issued.

C. Short-Term Debt

Applicants request authority for ATC to arrange short term financing, including institutional borrowings, commercial paper and privately placed notes. Applicants state that the maturity of short-term debt would not exceed one year and that any short-term debt security or credit facility would have designations, aggregate principal amount, interest rate(s) or methods of determining the same, terms of payment of interest, collateral, redemption provisions, non-refunding provisions, sinking fund terms, conversion or put terms and other terms and conditions as ATC and ATCMI might determine at the time of issuance, provided that, in no event, however, would the effective cost of money on short-term debt exceed 300 basis points over the London Interbank Offered Rate for maturities of one year or less in effect at the time.

Applicants propose that ATC sell commercial paper or privately placed notes (''Commercial Paper'') from time to time, in established domestic or European commercial paper markets. Commercial Paper may be sold at a discount or bear interest at a rate per annum prevailing at the date of issuance for Commercial Paper of a similarly situated company.

Applicants propose that ATC maintain back up lines of credit in connection with one or more Commercial Paper programs in an aggregate amount not to exceed the amount of authorized Commercial Paper, without these credit lines counting against the limit on short-term debt financing set forth above. Applicants propose that ATC use credit lines for general corporate purposes, to support Commercial Paper, to obtain letters of credit, or to borrow against, from time to time, as it is deemed appropriate or necessary.

D. Long-Term Debt

Applicants request authority for ATC to issue long-term debt securities including notes or debentures under one or more indentures or long-term indebtedness under agreements with banks or other institutional lenders directly or indirectly. Applicants state that ATC's long-term debt may be secured or unsecured. Applicants further state that the maturity of long-term debt would not exceed fifty years. Applicants assert that specific terms of any borrowings will be determined at the time of issuance but that the interest rate on long-term debt would not exceed 500 basis points over the yield-to-maturity of a U.S. Treasury security having a remaining term approximately equal to the average life of that debt. Applicants ask the Commission to reserve jurisdiction over the issuance of convertible securities except as described in section 3 below.

E. Preferred Securities and Equity Interest

Applicants request authority for ATCMI to issue preferred stock or other types of preferred securities. Applicants request authority for preferred stock or other types of preferred securities to be issued in one or more series with such rights, preferences, and priorities as may be designated in the instrument creating each such series, as determined by ATCMI's board of directors, or a pricing committee or other committee of the board performing similar functions. Preferred securities may be redeemable or may be perpetual in duration. Applicants state that the dividend rate on any series of preferred securities issued by ATCMI would not exceed 500 basis points over the yield to maturity of a U.S. Treasury security having a remaining term equal to the term of that series of preferred securities at the time of issuance. Applicants further state that dividends or distributions on preferred securities would be made periodically and to the extent funds are legally available for that purpose, but may be made subject to terms which allow Applicants to defer dividend payments for specified periods. Preferred securities may be sold directly through underwriters or dealers in any manner.

Applicants contemplate that from time to time ATC may require an additional equity infusion. In such situations, ATC could reduce the amount of distributions to Member Utilities. Each Member Utilities' equity would be increased by the amount of the undistributed earnings on a *pro rata* basis. Alternatively, there could be a capital call for Member Utilities to make additional cash contributions on a pro rata basis. If a Member Utility opts not to make an additional contribution, any other Member Utility could make the requested contribution. Member Utilities do not, however, have the obligation to make additional contributions. Another possibility, therefore, would be for ATC to issue preferred securities that are convertible into Member Interests and/or Class A shares and/or Class B shares. These convertible preferred securities would have a stated par value and dividend rate and would be convertible into Member Interests and/or Class A and/or Class B shares based on a predetermined ratio or formula. Applicants will seek additional authority as may be required in connection with the exercise of the conversion feature. Applicants also ask the Commission to reserve jurisdiction over the issuance of preferred member interests or convertible member interests other than as described above.

In the event Applicants determine to seek capital through equity or to acquire new facilities in exchange for equity interests, Applicants request authority for ATC to issue Member Interests and ATCMI to issue Class A and B shares in an aggregate amount not to exceed $393 million plus the face value of any outstanding Member Interests and Class A and B shares at any one time outstanding through the Authorization Period.[8]

Applicants request authority for ATC to issue Member Interests in exchange for cash or the transfer of transmission facilities to ATC by current or future Member Utilities. The entities transferring transmission assets and their transferring asset values have not yet been determined. Applicants further state that in order to maintain its 50/50 debt to equity ratio; ATC would reimburse the contributors for 50% of the net book value of the transmission assets contributed. In addition, ATCMI will issue to each new Member Utility of ATC, Class A shares in an amount that is proportional to that Member Utility's interest in the ATC, with a par value of $0.01 per share and a sales price of $10 per share.

Additionally, Applicants state that it is anticipated that ATC will issue Member Interests and ATCMI will issue Class A shares to Wisconsin Public Service Corporation or its affiliate in exchange for that company's contribution of 50% of the ongoing cash requirements of the Arrowhead to Weston Transmission Line Project (''Project''). Applicants state that current cost estimates are $400 million over the 2002–2004 period.[9]

[8] In the case of equity securities, Applicants request that the aggregate amount be based on new issuance and exclude issuances for any undistributed earnings. Applicants state that as of December 31, 2002, the value of outstanding Class A and B Shares was $103,560. Also at that date, there were 28,127,075 outstanding Member Interests. At that time a Member Interest was valued at $10.77. The total value of Member Interest was $302,811,729. The value on a Member Interest is based on the amount of the initial contribution and any undistributed earnings and so will vary from time to time.

[9] Arrowhead-Weston is a 220-mile transmission line connecting Duluth, Minnesota, with Wausau, Wisconsin. Applicants state that the line is needed to accommodate electric load growth in northern Wisconsin and to improve reliability of the electric

F. Guarantees

Applicants request authorization to guarantee or assume certain obligations of its affiliates or Member Utilities. Accordingly, Applicants request authorization to enter into guarantees, obtain letters of credit, enter into expense agreements or otherwise provide credit support with respect to the obligations of their affiliates or Member Utilities in the ordinary course of Applicants' business, in an amount not to exceed $125 million outstanding at any one time during the Authorization Period.

Applicants state that certain of the guarantees may be in support of obligations that are not capable of exact quantification. In these cases, Applicants state that exposure under the guarantee will be by appropriate means including estimation of exposure based on loss experience or projected potential payment amounts. These estimates will be made in accordance with generally accepted accounting principles and/or sound financial practices.

G. Financial Representations

Applicants represent that at all times during the Authorization Period, ATCMI and ATC will each maintain common equity of at least 30% of its consolidated capitalization. Applicants further represent that, other than Class A and Class B shares and Member Interests, no security may be issued in reliance upon this order, unless: (i) The security to be issued, if rated, is rated investment grade; (ii) all outstanding rated securities of the issuer are rated investment grade; and (iii) all outstanding rated securities of ATCMI are rated investment grade. For purposes of this condition, a security will be considered rated investment grade if it is rated investment grade by at least one nationally recognized statistical rating organization, as that term is used in paragraphs (c)(2)(vi)(E), (F) and (H) of rule 15c3–1 under the 1934 Act. Applicants request that the Commission reserve jurisdiction over the issuance by ATCMI or ATC of any securities that are rated below investment grade. Applicants further request that the Commission reserve jurisdiction over the issuance of the securities for which authority is sought herein or any guarantee authority at any time that the conditions set forth in clauses (i) through (iii) above are not satisfied.

transmission system in the region. Applicants state that this acquisition of utility assets is subject to approval by the Public Service Commission of Wisconsin and so exempt from section 9(a)(1) under the 1935 Act.

Progress Energy, Inc. and Piedmont Natural Gas Company, Inc. (70–10115)

Progress Energy, Inc. (''Progress Energy''), a registered holding company, 410 South Wilmington Street, Raleigh, NC 27602, and Piedmont Natural Gas Company, Inc. (''Piedmont''), a gas utility company, 1915 Rexford Road, Charlotte, NC 28211, have filed a joint application-declaration under sections 3(a)(2) and 12(d) of the Act and rules 44 and 54 under the Act.

Progress Energy seeks approval to sell all of the issued and outstanding common stock of North Carolina Natural Gas Company (''NCNG'') and its 50% share of the common stock of Eastern North Carolina Natural Gas Company (''Eastern NCNG'') and preferred stock and other rights and interests in Eastern NCNG that it holds to Piedmont. Piedmont requests an order under section 3(a)(2) of the Act exempting it and its subsidiaries from all provisions of the Act except section 9(a)(2).

Progress Energy is a registered holding company that owns, directly or indirectly, all of the issued and outstanding common stock of two electric utility subsidiary companies, Carolina Power & Light Company (''CP&L'') and Florida Power Corporation (''Florida Power''). CP&L generates, transmits, purchases and sells electricity in parts of North Carolina and South Carolina. Florida Power generates, transmits, purchases and sells electricity in parts of Florida. Together, CP&L and Florida Power provide electric utility service to approximately 2.7 million retail, commercial and industrial customers in an area having a population of more than 9 million people.

Progress Energy also owns all of the issued and outstanding common stock of NCNG, a gas utility company which serves approximately 176,000 residential, commercial, industrial and municipal customers primarily in eastern and south central North Carolina. NCNG's facilities include more than 1,000 miles of transmission pipeline and more than 2,900 miles of distribution mains.

NCNG has three direct, wholly-owned, non-utility subsidiaries: Cape Fear Energy Corporation (''Cape Fear''), which was previously engaged in purchasing natural gas for resale to large industrial and commercial users and the municipalities served by NCNG, as well as the business of providing energy management services, but is now inactive; NCNG Cardinal Pipeline Investment Corporation, which holds a 5% membership interest in Cardinal Pipeline Company, LLC, an intrastate pipeline; and NCNG Pine Needle Investment Corporation, which holds a 5% membership interest in Pine Needle LNG Company, LLC, which owns a liquefied natural gas project in North Carolina.[10]

Progress Energy also owns 50% of the issued and outstanding common stock and 100% of the Series A preferred stock of Eastern NCNG, a North Carolina company that was granted a certificate of public convenience and necessity by the North Carolina Utilities Commission to construct a new natural gas distribution system and provide gas service to customers in 14 counties in eastern North Carolina. Albermarle Pamlico Economic Development Corporation (''APEC''), a North Carolina nonprofit corporation created to encourage infrastructure and economic development in eastern North Carolina, owns the remaining 50% of Eastern NCNG's issued and outstanding common stock.

For the twelve months ended December 31, 2002, Progress Energy had total operating revenues of $7,945,120,000, of which $6,600,689,000 (83.08%) were derived from electric utility operations and $1,344,431,000 (16.92%) from other, unregulated, businesses, including sales of electricity by Progress Energy's exempt wholesale generator subsidiaries. At December 31, 2002, Progress Energy had total consolidated assets of $21,352,704,000, including net utility plant of $10,656,234,000. (As of December 31, 2002, NCNG's results of operations and assets and liabilities were reported as ''discontinued operations'' and, therefore, are not included in Progress Energy's year-end consolidated operating revenues and utility plant accounts.)

Piedmont, a North Carolina corporation, is a gas utility company that is engaged in the distribution of natural gas to 740,000 residential, commercial and industrial customers in parts of North Carolina, South Carolina and Tennessee.

For the fiscal year ended October 31, 2002, Piedmont reported on a consolidated basis total operating revenues of $832,028,000, net operating revenues (operating revenues less cost of gas) of $335,794,000, operating income of $90,127,000, and net income of $62,217,000 (including net income, reported on an equity basis, from non-utility businesses). At October 31, 2002,

[10] Prior to the proposed sale of NCNG to Piedmont, the common stock of Cape Fear will be transferred by NCNG to Progress Energy or another non-utility subsidiary of Progress Energy. The other two companies will remain as subsidiaries of NCNG.

Piedmont had $1,445,088,000 in total consolidated assets, including net utility plant of $1,158,523,000.

Progress Energy and Piedmont entered into a Stock Purchase Agreement, dated October 16, 2002, under which Progress Energy agreed to sell and Piedmont agreed to purchase all of the issued and outstanding common stock of NCNG, $0.10 par value per share (''NCNG Shares''), and all of the shares of common stock and Series A preferred stock of Eastern NCNG that are held by Progress Energy, representing, respectively, 50% and 100% of the total number of shares of common stock and Series A preferred stock that are issued and outstanding (together, ''ENCNG Shares''). In addition, Piedmont will assume all of Progress Energy's rights and obligations under a subscription letter, dated January 5, 2001, under which Progress Energy is committed to purchase from Eastern NCNG the remaining authorized but unissued shares of Series A preferred stock, and a shareholders' agreement, dated as of January 5, 2001, by and among Eastern NCNG, Progress Energy and APEC (''ENCNG Rights and Obligations''). Progress Energy requests approval under section 12(d) of the Act for the sale and transfer of the NCNG Shares, the ENCNG Shares and the ENCNG Rights and Obligations to Piedmont (''Transaction'').

Under the Stock Purchase Agreement, Piedmont has agreed to pay $417,500,000 in cash for the NCNG Shares, plus or minus the working capital on the balance sheet of NCNG for the end of the most recent month immediately preceding the closing of the Transaction. In addition, Piedmont has agreed to pay $7,500,000 for the ENCNG Shares and the ENCNG Rights and Obligations.

Progress Energy states the sale of NCNG and Eastern NCNG will enable Progress Energy to strengthen its balance sheet and focus itself on its core electric utility business. Progress Energy states that the cash proceeds of the Transaction will be used by Progress Energy to pay down debt.

Piedmont states that, immediately following the purchase of the NCNG Shares, it will cause NCNG to be merged with and into Piedmont, with Piedmont as the surviving corporation. Piedmont will acquire and hold Eastern NCNG as a 50%-owned subsidiary company and will therefore become a holding company within the meaning of section 2(a)(7)(A) of the Act with respect to Eastern NCNG. Accordingly, Piedmont requests that the Commission issue an order under section 3(a)(2) of the Act exempting Piedmont and its subsidiary companies as such from all provisions of the Act, except section 9(a)(2). Piedmont states that, following the Transaction, Piedmont will remain predominantly a public-utility company whose operations will be confined to North Carolina, its state of incorporation, and South Carolina and Tennessee, which are contiguous to North Carolina.

Gulf Power Company (70–10117)

Gulf Power Company (''Gulf''), One Energy Plaza, Pensacola, Florida 32520, a wholly owned electric utility subsidiary of The Southern Company (''Southern''), a registered holding company under the Act, has filed an application-declaration (''Application'') under sections 6(a), 7, 9(a), 10 and 12(d) of the Act and rule 54 under the Act.

Gulf proposes to incur, from time to time or at any time on or before March 31, 2006 (''Authorization Period''), obligations in connection with the issuance and sale by public instrumentalities of one or more series of pollution control revenue bonds (''Revenue Bonds'') in an aggregate principal amount of up to $180,000,000. Gulf further proposes to issue and sell, from time to time or at any time on or before the Authorization Period, one or more series of its senior debentures, senior promissory notes or other senior debt instruments (individually, ''Senior Note'' and collectively, ''Senior Notes''), one or more series of its first mortgage bonds and one or more series of its preferred stock in an aggregate amount of up to $450,000,000 in any combination of issuance.

The Revenue Bonds will be issued for the benefit of Gulf to finance or refinance the costs of certain air and water pollution control facilities and sewage and solid waste disposal facilities at one or more of Gulf's electric generating plants or other facilities located in various counties. It is proposed that each such county or the otherwise appropriate public body or instrumentality (''County'') will issue Revenue Bonds to finance or refinance the costs of the acquisition, construction, installation and equipping of said facilities at the plant or other facility located in its jurisdiction (''Project''). It is proposed that the Revenue Bonds will mature not more than 40 years from the first day of the month in which they are initially issued and may, if it is deemed advisable for purposes of the marketability of the Revenue Bonds, be entitled to the benefit of a mandatory redemption sinking fund calculated to retire a portion of the aggregate principal amount of the Revenue Bonds prior to maturity.

Gulf proposes to enter into a Loan or Installment Sale Agreement with each County (''Agreement''), issuing such Revenue Bonds. Under the Agreement, the issuing County will loan to Gulf the proceeds of the sale of the County's Revenue Bonds, and Gulf may issue a non-negotiable promissory note (''Note''), or the County will undertake to purchase and sell the related Project to Gulf. The proceeds from the sale of the Revenue Bonds will be deposited with a Trustee (''Trustee'') under an indenture to be entered into between the County and the Trustee (''Trust Indenture''), under which the Revenue Bonds are to be issued and secured, and will be applied by Gulf to payment of the cost of construction of the Project or to refund outstanding pollution control revenue obligations.

The Trust Indenture and the Agreement may give the holders of the Revenue Bonds the right, during such time as the Revenue Bonds bear interest at a fluctuating rate or otherwise, to require Gulf to purchase the Revenue Bonds from time to time, and arrangements may be made for the remarketing of any such Revenue Bonds through a remarketing agent. Gulf also may be required to purchase the Revenue Bonds, or the Revenue Bonds may be subject to mandatory redemption, at any time if the interest thereon is determined to be subject to federal income tax. Also in the event of taxability, interest on the Revenue Bonds may be effectively converted to a higher variable or fixed rate, and Gulf also may be required to indemnify the bondholders against any other additions to interest, penalties and additions to tax.

In order to obtain the benefit of ratings for the Revenue Bonds equivalent to the rating of Gulf's first mortgage bonds outstanding under the indenture dated as of September 1, 1941 between Gulf and JP Morgan Chase Bank (formerly The Chase Manhattan Bank), as trustee, as supplemented and amended (''Mortgage''), Gulf may determine to secure its obligations under the Note and/or the Agreement by delivering to the Trustee, to be held as collateral, a series of its first mortgage bonds (''Collateral Bonds''). The aggregate principal amount of the Collateral Bonds would be equal to either: (i) The principal amount of the Revenue Bonds or (ii) the sum of such principal amount of the Revenue Bonds plus interest payments thereon for a specified period.

As a further alternative to, or in conjunction with, securing its

obligations through the issuance of the Collateral Bonds, Gulf may: (i) Cause an irrevocable Letter of Credit or other credit facility (''Letter of Credit'') of a bank or other financial institution to be delivered to the Trustee; and/or (ii) cause an insurance company to issue a policy (''Policy'') guaranteeing the payment of the Revenue Bonds. In the event that the Letter of Credit is delivered to the Trustee as an alternative to the issuance of the Collateral Bonds, Gulf may also convey to the County a subordinated security interest in the Project or other property of Gulf as further security for Gulf's obligations under the Agreement and the Note.

The effective cost to Gulf of any series of the Revenue Bonds will not exceed the greater of (i) 200 basis points over comparable term U.S. Treasury securities, or (ii) a gross spread over such Treasury securities which is consistent with comparable securities. Such effective cost will reflect the applicable interest rate or rates and any underwriters' discount or commission.

Gulf also proposes to issue and sell, at any time during the Authorization Period: One or more series of its (a) Senior Notes; (b) first mortgage bonds (''First Mortgage Bonds''); and (c) preferred stock in an aggregate amount of up to $450 million, in any combination of issuance. The Senior Notes will have a maturity that will not exceed approximately 50 years. The interest rate on each issue of Senior Notes may be either a fixed rate or an adjustable rate to be determined on a periodic basis by auction or remarketing procedures, in accordance with formula or formulae based upon certain reference rates, or by other predetermined methods. The Senior Notes will be direct, unsecured and unsubordinated obligations of Gulf ranking pari passu with all other unsecured and unsubordinated obligations of Gulf. The Senior Notes will be effectively subordinated to all secured debt of Gulf, including its First Mortgage Bonds. The Senior Notes will be governed by an indenture or other document. The effective cost of money to Gulf on the Senior Notes will not exceed the greater of (i) 300 basis points over comparable term U.S. Treasury securities, or (ii) a gross spread over such Treasury securities which is consistent with comparable securities.

The First Mortgage Bonds will have a term of not more than 40 years and will be sold for the best price obtainable, but not less than 98% or more than 101¾% of the principal amount, plus any accrued interest. Gulf may enhance the marketability of the First Mortgage Bonds by purchasing an insurance policy to guarantee the payment when due of the First Mortgage Bonds.

Gulf proposes that each issuance of Gulf's preferred stock, par or stated value of up to $100 per share (''new Preferred Stock''), will be sold for the best price obtainable (after giving effect to the purchasers' compensation) but for a price to Gulf (before giving effect to such purchasers' compensation) of not less than 100% of the par or stated value per share.

Gulf states that it may determine to use the proceeds from the sale of the Revenue Bonds, the Senior Notes, the First Mortgage Bonds and the new Preferred Stock to redeem or otherwise retire its outstanding senior notes, first mortgage bonds, pollution control bonds and/or preferred stock. Gulf also proposes that it may use the proceeds from the sale of the Senior Notes, the First Mortgage Bonds and new Preferred Stock, along with other funds, to pay a portion of its cash requirements to carry on its electric utility business. Gulf further states that it may determine to use the proceeds from the sale of the Revenue Bonds, the Senior Notes, the new Bonds and the new Preferred Stock to redeem or otherwise retire its outstanding senior notes, first mortgage bonds, pollution control bonds and/or preferred stock if such use is considered advisable.

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. 34–47578; File No. 4–208]

Intermarket Trading System; Notice of Filing of the Twentieth Amendment to the ITS Plan Relating to the Recognition of the Use by the Chicago Board Options Exchange, Inc. of the Regional Computer Interface and the Description of Commitment Acceptance Applicable to Specialists of the Boston Stock Exchange, Inc.

March 26, 2003.

Pursuant to section 11A of the Securities Exchange Act of 1934 (''Act''),[1] and Rule 11A3a3–2 thereunder,[2] notice is hereby given that on March 14, 2003, the Intermarket Trading System Operating Committee (''ITSOC'') submitted to the Securities and Exchange Commission (''Commission'') a proposed amendment (''Twentieth Amendment'') to the restated ITS Plan.[3] The purpose of the proposed plan amendment is to recognize the use by the Chicago Board Options Exchange, Inc. (''CBOE'') of the Regional Computer Interface (''RCI''); and to revise the description of commitment acceptance applicable to specialists of the Boston Stock Exchange, Inc. (''BSE''). The Commission is publishing this notice to solicit comment on the proposed amendment from interested persons.

I. Description of the Amendment

The ITSOC proposes to amend the ITS Plan to recognize the CBOE's use of the RCI; and revise the description of commitment acceptance applicable to BSE specialists. Specifically, the ITSOC proposes to amend Section 1(34A) of the ITS Plan to include the CBOE as an RCI participant. In addition, the ITSOC proposes to amend Section 6(a)(ii)(B) (''Description Applicable to the BSE'') to provide an example of an ITS transaction represented by one or more BSE Registered specialists.

II. Solicitation of Comments

Interested persons are invited to submit written data, views and arguments concerning the foregoing, including whether the proposed Plan amendment is consistent with the Act. Persons making written submissions should file six copies thereof with the Secretary, Securities and Exchange Commission, 450 Fifth Street, NW., Washington, DC 20549–0609. Copies of the submission, all subsequent amendments, all written statements with respect to the proposed Plan amendment that are filed with the Commission, and all written communications relating to the proposed Plan amendment between the Commission and any person, other than those that may be withheld from the public in accordance with the provisions of 5 U.S.C. 552, will be

[1] 15 U.S.C. 78k–1.

[2] 17 CFR 240.11Aa3–2.

[3] The ITS is a National Market System (''NMS'') plan, which was designed to facilitate intermarket trading in exchange-listed equity securities based on current quotation information emanating from the linked markets. *See* Securities Exchange Act Release No. 19456 (January 27, 1983), 48 FR 4938 (February 3, 1983).

The ITS Participants include the American Stock Exchange LLC (Amex''), the BSE, the CBOE, the Chicago Stock Exchange, Inc. (''CHX''), the Cincinnati Stock Exchange, Inc. (''CSE''), the National Association of Securities Dealers, Inc. (''NASD''), the New York Stock Exchange, Inc. (''NYSE''), the Pacific Exchange, Inc. (''PCX''), and the Philadelphia Stock Exchange, Inc. (''Phlx'') (''Participants'').