

arrangement; (6) may be subject to tender to the issuer for repurchase or be subject to the obligation of the issuer to repurchase at the election of the holder or upon the occurrence of a specified event; and (7) may be called from existing investors by a third party.

C. Proposed Increase in Conectiv Guaranties

In addition to the guaranty authority granted in the Financing Orders, Conectiv requests authorization to enter into guaranties, obtain letters of credit, enter into support or expense agreements or otherwise provide credit support with respect to the obligations of CEH's direct and indirect subsidiaries and for Genco Financing Entities to issue guaranties to external lenders in support of their financing activities ("CEH Guarantees") during the Authorization Period in an aggregate amount up to \$1.0 billion. The CEH Guarantees will not exceed the CEH Guarantee Limit at any time during the Authorization Period.

D. Proposed Hedging Transactions

Applicants request authorization for the Genco Financing Entities to enter into, perform, purchase and sell financial instruments intended to reduce or manage the volatility of interest rates, including but not limited to interest rate swaps, caps, floors, collars and forward agreements or any other similar agreements. Hedges may also include the issuance of structured notes (*i.e.*, a debt instrument in which the principal and/or interest payments are indirectly linked to the value of an underlying asset or index), or transactions involving the purchase or sale, including short sales, of U.S. Treasury or Agency obligations or LIBOR based swap instruments (collectively referred to as "Hedge Instruments"). Applicants state that the transactions would be for fixed periods and stated notional amounts. Applicants further state that CEH would employ interest rate derivatives as a means of prudently managing the risk associated with any of its outstanding debt issued pursuant to this authorization or an applicable exemption by, in effect, synthetically: (1) Converting variable-rate debt to fixed-rate debt; (2) converting fixed-rate debt to variable-rate debt; and (3) limiting the impact of changes in interest rates resulting from variable-rate debt. In no case will the notional principal amount of any interest rate swap exceed that of the underlying debt instrument and related interest rate exposure. Transactions will be entered into for a fixed or determinable period. Applicants further

state that the Genco Financing Entities will not engage in speculative transactions. The Genco Financing Entities will only enter into agreements with counterparties whose senior debt ratings, as published by a nationally recognized rating agency, are greater than or equal to "BBB," or an equivalent rating ("Approved Counterparties").

In addition, the Genco Financing Entities request authorization to enter into interest rate Hedging Transactions with respect to anticipated debt offerings ("Anticipatory Hedges"), subject to certain limitations and restrictions. Such Anticipatory Hedges would only be entered into with Approved Counterparties, and would be utilized to fix and/or limit the interest rate risk associated with any new issuance through: (1) A forward sale of exchange-traded Hedge Instruments (a "Forward Sale"); (2) the purchase of put options on Hedge Instruments (a "Put Options Purchase"); (3) a Put Options Purchase in combination with the sale of call options Hedge Instruments (a "Zero Cost Collar"); (4) transactions involving the purchase or sale, including short sales, of Hedge Instruments; or (5) some combination of a Forward Sale, Put Options Purchase, Zero Cost Collar and/or other derivative or cash transactions, including, but not limited to structured notes, caps and collars, appropriate for the Anticipatory Hedges. Anticipatory Hedges may be executed on-exchange ("On-Exchange Trades") with brokers through the opening of futures and/or options positions traded on the Chicago Board of Trade, the opening of over-the-counter positions with one or more counterparties ("Off-Exchange Trades"), or a combination of On-Exchange Trades and Off-Exchange Trades. CEH or its subsidiaries will determine the optimal structure of each Anticipatory Hedge transaction at the time of execution. Each of the Genco Financing Entities may decide to lock in interest rates and/or limit their exposure to interest rate increases.

E. Modification of Terms for Allowable Cost of Money

Conectiv states that in order to provide flexibility in times of high interest rate volatility, it requests that the financing parameters authorized in the Financing Orders be modified, from the 300 basis points above either U.S. Treasury securities or LIBOR, to state that the effective cost of money on long-term debt borrowings occurring pursuant to the authorizations granted under this Post-Effective Amendment will not exceed the greater of (1) 500 basis points over the comparable-term

U.S. Treasury securities or (2) a gross spread over U.S. Treasuries that is consistent with similar securities of comparable credit quality and maturities issued by other companies. The effective cost of money on short-term debt borrowings issued under authorizations granted in this Post-Effective Amendment will not exceed the greater of (1) 500 basis points over the comparable-term LIBOR or (2) a gross spread over LIBOR that is consistent with similar securities of comparable credit quality and maturities issued by other companies.

F. Refunding of Existing Long-Term Debt

In addition, pursuant to the Financing Orders, Conectiv issued \$250 million of long-term debt securities. Prior to the expiration of the Authorization Period, \$150 million of these long-term debt securities are scheduled to mature by their terms. Conectiv requests authorization to issue up to \$150 million of long-term debt securities for the purpose of refunding maturing long-term debt. Applicants state that specific terms of any issuances, such as maturity dates, interest rates, redemption and sinking fund provisions, tender or repurchase and conversion features, if any, with respect to the long-term securities of a particular series, will be determined by Conectiv at the time of issuance and will comply in all regards with the financing parameters authorized in the Financing Orders (as adjusted in any order issued in this filing).

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

Margaret H. McFarland,

Deputy Secretary.

[FR Doc. 02-8007 Filed 4-2-02; 8:45 am]

BILLING CODE 8010-01-U

SECURITIES AND EXCHANGE COMMISSION

[Securities Exchange Act of 1934, Release No. 45668; File No. S7-06-02]

Notice of Intent to Prepare Environmental Assessment

March 28, 2002.

The U.S. Securities and Exchange Commission (Commission) intends to prepare an environmental assessment of its planned lease of approximately 650,000 square feet of office space at the Station Place facility at 100 F Street, NE., Washington, DC, currently being developed by Louis Dreyfus Properties, LLC. This space will consolidate and

replace the Commission's current office space located in its existing headquarters building at 450 5th Street, NW., and in an overflow facility at 901 E Street, NW., in Washington, DC. The Commission plans to lease this replacement space in Station Place because its lease is expiring at its current headquarters at 450 5th Street, and because its space requirements exceed its current capacity at both 450 5th Street and 901 E Street. The environmental assessment will be prepared in accordance with Section 102(2) of the National Environmental Policy Act (NEPA) of 1969, as amended, the Council on Environmental Quality implementing regulations (40 CFR parts 1500–1508), and Section 106 of the National Historic Preservation Act of 1966, as amended. The environmental assessment shall also determine whether the Commission's decision to lease office space in Station Place will significantly affect the quality of the human environment, and hence require an environmental impact statement (EIS), or a finding of no significant impact (FONSI) under NEPA.

Interested individuals and groups and other members of the public are invited to identify environmental concerns that should be addressed during preparation of the environmental assessment. Interested Federal, regional and local agencies have also been solicited for comment. Public comments received on the potential impacts of the proposed action will be considered for the environmental assessment. To be most helpful, comments would clearly describe specific issues or topics that the community believes the environmental assessment should address. All written comments regarding the proposed project must be postmarked no later than April 17, 2002 and should be submitted in triplicate to Jonathan G. Katz, Secretary, U.S. Securities and Exchange Commission, 450 Fifth Street, NW., Washington, DC 20549–0609. All comment letters should refer to File Number S7–06–02. Comment letters will be available for inspection and copying in the Public Reference Room at 450 Fifth Street, NW., Washington, DC.

Margaret H. McFarland,

Deputy Secretary.

[FR Doc. 02–8043 Filed 4–2–02; 8:45 am]

BILLING CODE 8010–01–P

SECURITIES AND EXCHANGE COMMISSION

Sunshine Act Meeting Notice

FEDERAL REGISTER CITATION OF PREVIOUS ANNOUNCEMENT: [67 FR 15258, March 29, 2002].

STATUS: Closed Meeting.

PLACE: 450 Fifth Street, NW., Washington, DC.

DATE AND TIME OF PREVIOUSLY ANNOUNCED MEETING: Tuesday, April 2, 2002 at 10:00 a.m.

CHANGE IN THE MEETING: Additional Item.

The following item has been added to the closed meeting scheduled for Tuesday, April 2, 2002: consideration of amicus participation.

Commissioner Hunt, as duty officer, determined that Commission business required the above change and that no earlier notice thereof was possible.

At times, changes in Commission priorities require alterations in the scheduling of meeting items. For further information and to ascertain what, if any, matters have been added, deleted or postponed, please contact: The Office of the Secretary at (202) 942–7070.

Dated: March 29, 2002.

Margaret H. McFarland,

Deputy Secretary.

[FR Doc. 02–8113 Filed 3–29–02; 4:07 pm]

BILLING CODE 8010–01–P

SECURITIES AND EXCHANGE COMMISSION

[Release No. 34–45660; File No. SR–Amex–2002–23]

Self-Regulatory Organizations; Notice of Filing of Proposed Rule Change by the American Stock Exchange LLC To Make Permanent a Pilot Program Under Amex Rule 126(g), Commentary .01 Relating to Size Precedence

March 27, 2002.

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 (“Act”),¹ and Rule 19b–4 thereunder,² notice is hereby given that on March 22, 2002, the American Stock Exchange LLC (“Amex” or “Exchange”) filed with the Securities and Exchange Commission (“Commission”) the proposed rule change as described in Items I, II, and III below, which Items have been prepared by the Exchange. 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 Exchange proposes to make permanent the existing pilot program under Amex Rule 126(g), Commentary .01 regarding a 5,000 share minimum block cross size to establish size precedence. The text of the proposed rule change is below. There are no changes proposed to the existing rule, other than to make permanent the pilot program.

Rule 126 Precedence of Bids and Offers

* * *

(g) No change.

Commentary .01

Orders to cross 5,000, shares or more, where one or both sides of such cross is for the account of a member or member organization, will be permitted to establish precedence based on size so long as the orders are represented at the post when a sale removing all bids and offers from the Floor takes place. Once the precedence of such orders of 5,000 shares or more has been established, the broker handling the cross must then bid and offer the security in accordance with Rule 152.

* * * * *

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 Exchange 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 Exchange 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

1. Purpose

On March 28, 2001, the Commission approved on a one-year pilot basis the Exchange's proposal to reduce from 25,000 to 5,000 shares the minimum size block cross that will be permitted

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b–4.