

the MidCap SPDR Order with the following condition:

9. The Trust's prospectus and Product Description will clearly disclose that, for purposes of the Act, the Units are issued by the Trust, which is a registered investment company, and the acquisition of Units by investment companies is subject to the restrictions of section 12(d)(1) of the Act, except as permitted by an exemptive order that permits registered investment companies to invest in a Trust beyond the limits in section 12(d)(1), subject to certain terms and conditions, including that the registered investment company enter into a Purchasing Fund Agreement with the Trust regarding the terms of the investment.

Applicants agree to add the following condition to each of the Prior Orders:

10. The website of the American Stock Exchange ("Amex"), which is and will be publicly accessible at no charge, will contain the following information, on a per Unit basis, for the Trust: (a) The prior business day's NAV and the midpoint of the bid/ask price on the Amex at the time NAV is calculated ("Bid/Ask Price"), and a calculation of the premium or discount of such Bid/Ask Price against such NAV; and (b) data in tabular, chart or graphical format displaying the frequency distribution of discounts and premiums of the daily Bid/Ask Price against the NAV, within appropriate ranges, for each of the four previous calendar quarters. In addition, the Product Description for the Trust will state that the Amex Web site has information about the premiums and discounts at which the Units have traded.

Applicants agree to add the following condition to each of the Prior Orders:⁵

11. The prospectus and annual report for the Trust will also include: (a) Data in tabular, chart or graphical form displaying the frequency distribution of discounts and premiums of the daily Bid/Ask Price against the NAV, within appropriate ranges (i) in the case of the prospectus, for the most recently completed calendar year (and the most recently completed calendar quarter or quarters, as applicable), and (ii) in the case of the annual report, for the immediately preceding five years, as applicable; and (b) the following data in tabular, chart or graphical form, calculated on a per Unit basis for one, five and ten year periods (or life of the Trust, if shorter), (i) the cumulative total

return and the average annual total return based on NAV and Bid/Ask Price, and (ii) the cumulative total return of the Underlying Index.

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

Margaret H. McFarland,

Deputy Secretary.

[FR Doc. 04-6918 Filed 3-26-04; 8:45 am]

BILLING CODE 8010-01-P

SECURITIES AND EXCHANGE COMMISSION

[Release No. 35-27819]

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

March 23, 2004.

Notice is hereby given that the following filing(s) has/have been made with the Commission under provision 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 19, 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 April 19, 2004, the application(s) and/or declaration(s), as filed or as amended, may be granted and/or permitted to become effective.

Northeast Utilities, et. al. (70-10184)

Northeast utilities ("NU"), 174 Brush Hill Avenue, West Springfield, Massachusetts 01090, a registered holding company under the Act; and its subsidiaries; The Connecticut Light and Power Company, a wholly-owned public utility subsidiary of NU, CL&P Receivables Corporation, NU Enterprises, Inc., Northeast Generation

Services Company, Woods Network Services, Inc., NGS Mechanical, Inc., E.S. Boulous Company, Woods Electrical Co., Inc., Northeast Generation Company, Select Energy Inc., Select Energy New York, Inc., The Rocky River Realty Company, The Quinnehtuk Company, Charter Oak Energy, Inc., Mode 1 Communications, Inc., Northeast Utilities Service Company, Yankee Energy System, Inc., a wholly-owned public utility holding company subsidiary exempt under section 3(a)(1) of the Act, Yankee Gas Services Company, a gas public utility, Yankee Energy Financial Services Company, Northeast Nuclear Energy Company, a wholly-owned public utility subsidiary of NU, NorConn Properties, Inc., and Yankee Energy Services Company, each located at 107 Selden Street, Berlin, Connecticut, 06037; Public Service Company of New Hampshire, a wholly-owned public utility subsidiary of NU, Properties, Inc., North Atlantic Energy Corporation, a wholly-owned public utility subsidiary of NU, and North Atlantic Energy Services Corp., each located at Energy Park, 780 North Commercial Street, Manchester, New Hampshire, 03101; Select Energy Services, Inc., Reeds Ferry Supply Co., Inc., Select Energy Contracting, Inc., and HEC/Tobyhanna Energy Project, Inc., each located at 24 Prime Parkway, Natick, Massachusetts, 01760; Western Massachusetts Electric Company, a wholly-owned public utility subsidiary of NU, 174 Brush Hill Avenue, West Springfield, Massachusetts, 01090; and Holyoke Water Power Company, a wholly-owned public utility subsidiary of NU, and Holyoke Power and Electric Company, each located at One Canal Street, Holyoke, Maine, 01040 (together, "Applicants") have filed a declaration under section 12(b) and rules 45 and 54 under the Act.

The Applicants are seeking Commission approval to amend their tax allocation agreement so that NU will retain the benefit (in the form of the reduction in consolidated tax) that is attributable to tax losses incurred by NU in connection with the debt incurred to acquire Yankee Energy System, Inc. on March 1, 2000. In connection with the acquisition, NU borrowed \$263 million under a bank term loan facility. That borrowing has been refinanced several times, and currently NU has outstanding \$263 million of ten-year senior unsecured notes carrying a coupon rate of 7.25%, which mature on April 1, 2002 (as may be refinanced, "Acquisition Debt"). The annual interest payment on this debt is approximately \$19.1 million. At an

⁵ For purposes of this condition, for all dates prior to April 3, 2001, the term "Bid/Ask Price" shall mean the midpoint of the best bid and offer prices on the Amex at the closing time of the regular trading session for the Units, ordinarily 4:15 p.m., rather than at the time NAV was calculated.

assumed rate of 35%, the tax benefit to NU is \$6.650 million.

Under the proposed changes to the tax allocation agreement, the consolidated tax would generally be allocated among the Applicants in proportion to the separate return tax of each Applicant, provided that the tax apportioned to any subsidiary of NU will not exceed the tax the subsidiary would have paid if the tax had been computed separately for the subsidiary, with NU allocating the benefits of its own losses generally to its subsidiaries. However, NU would retain the benefit attributable to tax losses it incurs in connection with the Acquisition Debt, rather than reallocate the benefit to its subsidiaries, for the tax year beginning January 1, 2004 and ending when the Acquisition Debt has been paid off. In this respect, the proposed tax allocation agreement does not comply with all of the requirements of rule 45(c). The proposed changes would have the effect of assigning the tax benefit associated with the interest expense on the Acquisition Debt to NU, which is the entity legally obligated for its payment.

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

Margaret H. McFarland,
Deputy Secretary.

[FR Doc. 04-6890 Filed 3-26-04; 8:45 am]

BILLING CODE 8010-01-M

SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-49447; File No. SR-ISE-2003-36]

Self-Regulatory Organizations; Notice of Filing and Order Granting Accelerated Approval of Proposed Rule Change and Amendment No. 1 Thereto by the International Securities Exchange, Inc., Relating to Trading Options on the Morgan Stanley Technology Index

March 18, 2004.

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 December 4, 2003, the International Securities Exchange, Inc. ("ISE" or "Exchange") filed with the Securities and Exchange Commission ("SEC" or "Commission") the proposed rule change as described in items I and II below, which items have been prepared by the Exchange. On February 27, 2004, the Exchange filed Amendment No. 1 to the proposed

rule change.³ The Commission is publishing this notice to solicit comments on the proposed rule, as amended, from interested persons and is approving the proposed rule change, as amended, on an accelerated basis.

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

The ISE is proposing to trade options on the Morgan Stanley Technology Index ("MSH" or "Index"), a stock index developed by Morgan Stanley & Co. Incorporated ("Morgan Stanley") and calculated and maintained by the American Stock Exchange LLC ("Amex"). The Index is comprised of technology sector stocks that currently trade on the New York Stock Exchange, Inc. ("NYSE") or that are National Market securities traded through the Nasdaq Stock Market, Inc. ("Nasdaq"). The Commission has previously approved the listing of options on the Index,⁴ and those options currently are traded on the Amex. In addition, the Exchange proposes to amend the Supplementary Material to ISE Rule 2001 to include the Index and the Reporting Authority in the disclaimer provisions of the rule. The text of the proposed rule change, as amended, is below. Proposed new language is in *italics*; proposed deletions are in [brackets].

* * * * *

Rule 2001. Definitions

Supplementary Material to Rule 2001

.01 The reporting authorities designated by the Exchange in respect of each index underlying an index options contract traded on the Exchange are as provided in the chart below.

Underlying index	Reporting authority
S&P SmallCap 600 Index.	Standard & Poor's.
<i>Morgan Stanley Technology Index.</i>	<i>American Stock Exchange.</i>

* * * * *

³ See letter from Joseph W. Ferraro, III, Assistant General Counsel, ISE to Nancy Sanow, Assistant Director, Division of Market Regulation ("Division"), Commission, dated February 26, 2004, enclosing Amendment No. 1, which replaces the original filing in its entirety.

⁴ See Securities Exchange Act Release Nos. 41472 (June 2, 1999), 64 FR 31331 (June 10, 1999) (SR-Amex-99-14) (approving a reduction in the value of the Index); and 36283 (September 26, 1995), 60 FR 51825 (October 3, 1995) (SR-Amex-95-26) (approving the listing of options on the Index on the Amex) ("Amex Approval").

Rule 2009. Terms of Index Options Contracts

(a) General.
(4) "European-Style Exercise." The following European-style index options, some of which may be A.M.-settled as provided in paragraph (a)(5), are approved for trading on the Exchange:

(i) S&P SmallCap 600 Index..
(ii) *Morgan Stanley Technology Index.*
(5) A.M.-Settled Index Options. The last day of trading for A.M.-settled index options shall be the business day preceding the last day of trading in the underlying securities prior to expiration. The current index value at the expiration of an A.M.-settled index option shall be determined, for all purposes under these Rules and the Rules of the Clearing Corporation, on the last day of trading in the underlying securities prior to expiration, by reference to the reported level of such index as derived from first reported sale (opening) prices of the underlying securities on such day, except that:

(i) In the event that the primary market for an underlying security does not open for trading on that day, the price of that security shall be determined, for the purposes of calculating the current index value at expiration, as set forth in Rule 2008(g), unless the current index value at expiration is fixed in accordance with the Rules and By-Laws of the Clearing Corporation; and

(ii) In the event that the primary market for an underlying security is open for trading on that day, but that particular security does not open for trading on that day, the price of that security, for the purposes of calculating the current index value at expiration, shall be the last reported sale price of the security.

The following A.M.-settled index options are approved for trading on the Exchange:

(i) S&P SmallCap 600 Index.
(ii) *Morgan Stanley Technology Index.*
(b) Long-Term Index Options Series.
(1) (No change).
(2) Reduced Value Long Term Options Series.

(i) Reduced-value long term options series on the following stock indices are approved for trading on the Exchange:

(A) S&P SmallCap 600 Index.
(B) *Morgan Stanley Technology Index*
(ii) Expiration Months. Reduced-value

long term options series may expire at six-month intervals. When a new expiration month is listed, series may be near or bracketing the current index value. Additional series may be added when the value of the underlying index increases or decreases by ten (10) to fifteen (15) percent.

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b-4.