

Amex to the National Market of the Nasdaq Stock Market, Inc. ("Nasdaq"), which it considers to be the preeminent marketplace from the securities of companies in its market segment. The Company has registered its Security pursuant to Section 12(g) of the Act³ by filing a Registration Statement on Form 8-A with the Commission on January 11, 2000. The Security subsequently became designated for quotation and began trading on the Nasdaq National Market, and was simultaneously suspended from trading on the Amex, on January 13, 2000.

The Company has stated that it has complied with the Rules of the Amex governing the withdrawal of its Security from listing and registration on the Exchange, and that the Amex in turn has indicated that it will not oppose such withdrawal.

The Company's application relates solely to the withdrawal of the Security from listing and registration on the Amex and shall have no effect upon the Security's trading and designation for quotation on the Nasdaq National Market or its registration under Section 12(g) of the Act.⁴

Any interested person may, on or before June 5, 2000, 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 Amex 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.

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SECURITIES AND EXCHANGE COMMISSION

[Release No. 35-27176]

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

May 12, 2000.

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 June 6, 2000, to the Secretary, Securities and Exchange Commission, Washington, D.C. 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 June 6, 2000, the application(s) and/or declaration(s), as filed or as amended, may be granted and/permitted to become effective.

Energy East, Corp., et al. (70-9609)

Energy East Corporation ("Energy East"), a New York corporation and a public utility holding company exempt from registration under section 3(a)(1) of the Act, by order of the Commission¹ and its subsidiaries, New York State Electric & Gas Corporation ("NYSEG"); Energy East Enterprises, Inc. ("Energy East Enterprises"); and Maine Natural Gas, L.L.C. ("Maine Natural Gas"), each located at One Canterbury Green, Stamford, Connecticut 06904; Connecticut Energy Corporation ("Connecticut Energy"), and its utility subsidiary, The Southern Connecticut Gas Company ("Southern Connecticut Gas"), each located at 855 Main Street, Bridgeport, CT 06604; CMP Group, Inc. ("CMP Group"), a Maine corporation

and a public utility holding company exempt from registration under section 3(a)(1) of the Act, by order of the Commission² and CMP Group's utility subsidiaries, Central Maine Power Company ("Central Maine Power"); Maine Electric Power Company, Inc. ("MEPCo"); and NORVARCO, each located at 83 Edison Drive, Augusta, ME 04336; CTG Resources, Inc. ("CTG Resources"), a Connecticut corporation and a public utility holding company exempt from registration under section 3(a)(1) by rule 2 under the Act and CTG Resources' utility subsidiary Connecticut Natural Gas Corporation ("Connecticut Natural Gas"), each located at 100 Columbus Boulevard, Hartford, CT 06103; and Berkshire Energy Resources ("Berkshire") a Massachusetts corporation and a public utility holding company exempt from registration under section 3(a)(2) by rule 2 under the Act and Berkshire's utility subsidiary, The Berkshire Gas Company ("Berkshire Gas"), each located at 115 Chesire Road, Pittsfield, MA 01201 (collectively, "Applicants")³ have filed an application-declaration under sections 6(a), 7, 9(a), 10, 12, 13(b), 32, 33 and 34 of the Act and rules 42, 43, 45, 46, 52, 53, 54, 58 and 80-92 under the Act.

Upon completion of the Mergers, Energy East would own interests in the following eight public utility companies, each of which would be wholly owned by companies within the Energy East system, unless otherwise indicated: (1) NYSEG; (2) Southern Connecticut Gas; (3) Main Natural Gas (formerly CMP Natural Gas, L.L.C.);⁴ Central Maine Power, (5) MEPCo;⁵ (6) NORVARCO; (7) Connecticut Natural

² Holding Co. Act Release No. 26977 (Feb. 12, 1999).

³ Two related application-declarations (collectively, "Merger Applications") seeking approvals required to complete the proposed acquisitions ("Mergers") by Energy East of Connecticut Energy (S.E.C. File No. 70-9545), CMP Group, CTG Resources and Berkshire (S.E.C. File No. 70-9569) have been filed. The Commission authorize the acquisition of Connecticut Energy, Holding Co. Act Release No. 27128 (Feb. 2, 2000). A notice of the 70-9569 merger filing was issued, Holding Co. Act Release No. 27171 (April 21, 2000).

⁴ Maine Natural Gas is a joint venture between New England Gas Development Corp. (holding a 19% interest), a wholly owned subsidiary of CMP Group, and Energy East Enterprises, a Maine corporation (holding an 81% interest), a wholly owned subsidiary of Energy East and a public utility holding company exempt from registration under section 3(a)(1) of the Act, by order of the Commission, Holding Co. Act Release No. 26977 (Feb. 12, 1999).

⁵ Central Maine Power owns 78.3% voting interest of MEPCo with the remaining interests owned by two other Maine utilities.

³ 15 U.S.C. 78l(g).

⁴ *Id.*

⁵ 17 CFR 200.30-3(a)(1).

¹ Holding Co. Act Release No. 27128 (Feb. 2, 2000).

Gas; and (8) Berkshire Gas (collectively, "Utility Subsidiaries").⁶

As explained more fully in the Merger Applications, Applicants propose Connecticut Energy, CMP Group, CTG Resources and Berkshire will remain in existence as first tier subsidiaries of Energy East following the Mergers. In addition, Energy East currently owns Energy East Enterprises which is a public utility holding company by virtue of the 81% interest it holds in Maine Natural Gas (collectively, "Intermediate Holding Companies").

Upon completion of the Merger, Energy East will also own approximately 41 other subsidiary companies that are not public utility companies under the Act (collectively, "Nonutility Subsidiaries").⁷ Among the Nonutility Subsidiaries is Energy East Management Corporation ("EE Management"). A separate application-declaration has been filed with the Commission by Energy East in connection with EE Management assuming the role of providing management, administrative and corporate support services to the companies in the Energy East System.⁸

Collectively, the Utility Subsidiaries, the Intermediate Holding Companies and the Nonutility Subsidiaries are referred to as the "Subsidiaries." The term "Subsidiaries" shall also include entities that become subsidiaries of Energy East after the consummation of the Mergers.

Applicants state that the cash portion of the consideration to be paid in the Mergers will be financed in part by the issuance of approximately \$500 million of unsecured debt ("Acquisition Debt"). Energy East requests authority to maintain in place the Acquisition Debt and to refinance such Acquisition Debt. Applicants request approval for a program of external financing, credit support arrangements, and other related proposals for the period commencing on the effective date of an order issued under this filing and ending March 31, 2003 ("Authorization Period"). As described more fully below, Applicants propose to enter into numerous types of financing transactions to meet Energy East's capital requirements immediately following the Mergers and to plan future financing. Applicants seek authorization and approval of the Commission with respect to: (1) Ongoing financing

activities of Energy East and its subsidiaries; (2) intrasystem extension of credit; (3) the creation or acquisition of nonutility subsidiaries; (4) the payment of dividends out of capital and unearned surplus; and (5) other related matters pertaining to Energy East and its Subsidiaries.

1. General Terms and Conditions of Financing

Financings by each Applicant will be subject to the following limitations: (1) The effective cost of money on short-term debt authorized in this proceeding will not exceed the competitive market rates available at the time of issuance to companies with comparable credit ratings with respect to debt having similar maturities; the obligations incurred in connection with any short-term financing with respect to Utility Subsidiaries will bear interest at a rate that will not exceed 300 basis points over the comparable term London Interbank Offered Rate ("LIBOR"); (2) maturity of long-term indebtedness will not exceed 50 years; (3) the underwriting fees, commissions, or similar remuneration paid in connection with the issue, sale, or distribution of a security is estimated not to exceed 5% of the principal amount of the financing; and (4) Energy East's common equity will be at least 30% of its pro forma consolidated capitalization.

As explained more fully below, Energy East requests authority to issue and sell from time to time common stock, preferred stock, and unsecured debentures having maturities of up to 50 years ("Debentures") in an aggregate amount not to exceed \$2.5 billion, and unsecured short-term indebtedness having maturities of one year or less ("Short-Term Debt") in an aggregate principal amount at any time outstanding not to exceed \$750 million, provided that the aggregate principal amount of all indebtedness (including Acquisition Debt, Debentures and Short-Term Debt), of Energy East at any time outstanding shall not exceed \$1.5 billion ("Energy East Debt Limitation").

Applicants state that the proceeds from the financing will be used for general corporate purposes, including: (1) Financing, in part, investments by and capital expenditures of Energy East and its Subsidiaries, including, the funding of future investments in exempt wholesale generators ("EWGs"), foreign utility companies ("FUCOs"), companies engaged or formed to engage in activities permitted by rule 58 ("Rule 58 Subsidiaries"), and exempt telecommunications companies ("ETCs"); (2) the repayment, redemption, refunding or purchase by

Energy East or any Subsidiary of any of its own securities under rule 42; and (3) financing working capital requirements of Energy East and its Subsidiaries.

2. Energy East External Financing

Energy East requests authority to issue and sell from time to time during the Authorization Period, commons stock, preferred stock, and Debentures in an aggregate amount not to exceed \$2.5 billion and up to \$750 million of Short-Term Debt at any time outstanding subject to the terms and conditions discussed below.

a. Common Stock

Energy East requests authorization to issue and sell from time to time common stock during the Authorization Period, either: (1) Through underwritten public offering; (2) in private placements; (3) under its dividend reinvestment plan and stock-based management incentive and employee benefit plans; or (4) in exchange for securities or assets being acquired from other companies. Energy East also proposes to issue and sell common stock or options, warrants, or other stocks purchase rights that are exercisable for common stock and issue common stock upon the exercise of such options, warrants, or other stock purchase rights. Energy East states that it may also buy back shares of common stock during the Authorization Period in accordance with rule 42.

Energy East also requests authorization to issue and/or sell shares of common stock under its existing stock plans and similar plans or plan funding arrangements later adopted, and to engage in other sales of its treasury shares for general business purposes, without any additional prior Commission order. Energy East seeks authority for the issuance and sale of its shares in accordance with its dividend reinvestment plan under the authorization and within the limitations set forth in this application-declaration.

Energy East requests authorization to issue common stock in consideration for an acquisition by Energy East or a Nonutility Subsidiary of securities or assets of a business, the acquisition of which has been approved by the Commission in this proceeding (see item 11 below) or is exempt under the Act or the rules (specifically, rule 58).

b. Preferred Stock

Energy East requests authorization to issue and sell preferred stock from time to time during the Authorization Period. The dividends payable on any series of preferred stock, as well as all other terms and conditions and any associated

⁶ A description of the Utility Subsidiaries may be found in the notice in S.E.C. File No. 70-9569, Holding Co. Act Release No. 27171 (April 21, 2000).

⁷ A listing and description of the Nonutility Subsidiaries may be found in the notice in S.E.C. File No. 70-9569, Holding Co. Act Release No. 27171 (April 21, 2000).

⁸ See S.E.C. File No. 70-9675.

placement, underwriting or selling agent fees, commissions and discounts, if any, would be established by negotiation or competitive bidding and reflected in the applicable purchase agreement or underwriting agreement setting forth the terms; provided, that the dividend rate on any series of preferred stock would not exceed the rate generally obtainable at the time of issuance for preferred securities having the same or reasonably similar terms and conditions issued by utility holding companies of reasonably comparable credit quality, as determined by competitive capital markets.

c. Short-Term Debt

Energy East requests authorization to have outstanding at any one time during the Authorization Period, up to \$750 million of unsecured Short-Term Debt, in aggregate principal amount, subject to the Energy East Debt Limitation. The effective cost of money on short-Term Debt authorized in this proceeding will not exceed the competitive market rates available at the time of issuance to companies with comparable credit ratings with respect to debt having similar maturities.

Energy East states that it may also establish bank lines in an aggregate principal amount not to exceed the \$750 million limitation. Loans under these lines will have maturities not more than one year from the date of each borrowing. Energy East further states that it may engage in other types of short-term financing generally available to borrowers with comparable credit ratings as it may deem appropriate in light of its needs and market conditions at the time of issuance.

d. Debentures

Energy East requests authorization to issue and sell from time to time during the Authorization Period Debentures in one or more series, subject to the Energy East Debt Limitation. The Debentures: (1) May be convertible into any other securities of Energy East; (2) will have maturities ranging from one to 50 years; (3) may be subject to optional and/or mandatory redemption, in whole or in part, at par, or at various premiums about the principal amount; (4) may be entitled to mandatory or optional sinking fund provisions; (5) may provide for reset of the coupon under a remarketing arrangement; and (6) may be called from existing investors by a third party. In addition, Energy East states that it may have the right to defer the payment of interest on the Debentures of one or more series (which may be fixed, floating or "multi-modal" debentures, *i.e.*, debentures where the

interest is periodically reset for each reset period). The Debentures would be issued under an indenture to be entered into between Energy East and a national bank, as trustee. Energy East states that it will not issue any Debentures that are not at the time of original issuance rated at least investment grade by a nationally recognized statistical rating organization, without further Commission authorization.

e. Other Securities

Energy East states that it may find it necessary or desirable to issue and sell other types of securities during the Authorization Period in addition to those specifically enumerated in the application-declaration. Energy East requests that the Commission reserve jurisdiction over the issuance of additional types of securities and the amounts, subject to the Energy East Debt Limitation. Energy East states it will file a post-effective amendment in this proceeding which will describe the general terms and amounts of each security and request a supplemental order of the Commission authorizing the issuance of that security by Energy East.

3. Utility Subsidiary Financing

a. Short-Term Debt of the Utility Subsidiaries

The Utility Subsidiaries request authority to issue and sell from time to time during the Authorization Period securities, to the extent they are not otherwise exempt under rule 52(a), with maturities of one year or less, up to the following aggregate principal amounts: NYSEG \$275,000,000; Maine Natural Gas \$50,000,000; Central Maine Power \$150,000,000; MEPCo \$30,000,000; NORVARCO \$30,000,000; Southern Connecticut Gas \$100,000,000; Connecticut Natural Gas \$100,000,000; and Berkshire Gas \$50,000,000.

Applicants state that subject to these limitations, the Utility Subsidiaries may engage in short-term financing as they deem appropriate in light of their needs and market conditions at the time of issuance. Short-term securities could include, without limitation, commercial paper sold in established commercial paper markets in a manner similar to Energy East, notes to banks under bank lines of credit and debt securities issued under their respective indentures and note programs. The obligations incurred in connection with any short-term security will bear interest at a rate which is not greater than 300 basis points over LIBOR.

4. Short-Term Debt of Intermediate Holding Companies

Each of the Intermediate Holding Companies requests authority to issue, sell and have outstanding at any one time during the Authorization Period debt securities with maturities of one year or less in the following aggregate principal amounts: CMP Group \$30,000,000; Connecticut Energy \$30,000,000; CTG Resources \$30,000,000; Berkshire \$30,000,000; and Energy East Enterprises \$30,000,000.

Applicants state that subject to such limitations, the Intermediate Holding Companies may engage in short-term financing as they deem appropriate in light of their needs and market conditions at the time of issuance. This short-term financing could include, without limitation, commercial paper sold in established commercial paper markets in a manner similar to Energy East, bank lines and debt securities issued under their respective indentures and note programs. The obligations incurred in connection with any short term financing will bear interest at a rate which is not greater than 300 basis points over LIBOR.

5. Nonutility Subsidiary Financing

The Nonutility Subsidiaries request that the Commission reserve jurisdiction over the issuance by any Nonutility Subsidiary of any securities where the exemption under rule 52(b) would not apply. Energy East states that it will file a post-effective amendment in this proceeding which will describe the general terms of each non-exempt security and their amounts and request a supplemental order of the Commission authorizing the issuance of that security.

Where the Nonutility Subsidiary making the borrowing is not wholly owned by Energy East, directly or indirectly, Applicants request authorization for Energy East or a Nonutility Subsidiary, to make loans to these subsidiaries at interest rates and maturities designed to provide a return to the lending company of not less than its effective cost of capital.

6. Guaranties

a. Energy East Guaranties

Energy East requests authorization to enter into guaranties, obtain letters of credit, enter into expense agreements or otherwise provide credit support to or on behalf of subsidiaries (collectively, "Energy East Guaranties") as may be appropriate to enable each Subsidiary to operate in the ordinary course of business, in an aggregate principal amount not exceed \$1 billion outstanding at any one time, provided,

that the amount of any Energy East Guaranties in respect of obligations of any EWG, FUCO or Rule 58 Subsidiary shall also be subject to the limitations of rule 53(a)(1) or rule 58(a)(1), as applicable.

b. Nonutility Subsidiary Guaranties

Nonutility Subsidiaries request authorization to enter into guaranties, obtain letters of credit, enter into expense agreements or otherwise provide credit support to or on behalf of other Nonutility Subsidiaries (collectively, "Nonutility Subsidiary Guaranties") in an aggregate principal amount not to exceed \$700 million outstanding at any one time, exclusive of any guaranties and other forms of credit support that are exempt under rule 45(b) and rule 52, provided, that the amount of any Nonutility Subsidiary Guaranties in respect of obligations of any Rule 58 Subsidiary shall also be subject to the limitations of rule 58(a)(1).

c. Intermediate Holding Company Guaranties

Each Intermediate Holding Company requests authorization to enter into guaranties, obtain letters of credit, enter into expense agreements or otherwise provide credit support to or on behalf of their respective subsidiary companies (collectively, "Intermediate Holding Company Guaranties") as may be appropriate to enable such companies to operate in the ordinary course of business, in an aggregate principal amount not to exceed \$30 million outstanding at any one time, provided, that the amount of any Intermediate Holding Company Subsidiary Guaranties in respect of obligations of any Rule 53 Subsidiary shall also be subject to the limitations of rule 58(a)(1).

7. Hedging Transactions

a. Interest Rate Hedges

Energy East, and to the extent not exempt under rule 52, the Subsidiaries, request authority to enter into interest rate hedging transactions ("Interest Rate Hedges") with respect to outstanding indebtedness of such companies in order to manage and minimize interest rate costs. Interest Rate Hedges would only be entered into with counterparties ("Approved Counterparties") whose senior debt ratings, or the senior debt ratings of the parent companies of the counterparties, as published by Standard and Poor's, are equal to or grater than BBB, or an equivalent rating from Moody's Investors Service, Fitch Investor Service or Duff and Phelps.

Interest Rate Hedges would involve the use of financial instruments commonly used in today's capital markets, such as interest rate swaps, caps, collars, floors, and 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 obligations.

b. Anticipatory Hedges

Energy East and the Subsidiaries request authorization to enter into interest rate hedging transactions with respect to anticipated debt offerings ("Anticipatory Hedges"). Anticipatory Hedges would only be entered into with Approved Counterparties, and would be used to fix and/or limit the interest rate risk associated with any new issuance through: (1) A forward sale of exchange-traded U.S. Treasury futures contracts, U.S. Treasury obligations and/or a forward swap (each a "Forward Sale"); (2) the purchase of put options on U.S. Treasury obligations (a "Put Options Purchase"); (3) a Put Options Purchase in combination with the sale of call options on U.S. Treasury obligations (a "Zero Cost Collar"); (4) transactions involving the purchase or sale, including short sales, of U.S. Treasury obligations; 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.

The Applicants state they will comply with the then existing financial disclosure requirements of the Financial Accounting Standards Board associated with all interest rate hedges and anticipatory hedges.

8. Changes in Capital Stock in Subsidiaries

Energy East, on behalf of the Subsidiaries, requests authorization to change the terms of the authorized capital stock capitalization of any wholly owned Subsidiary or Intermediate Holding Company, by an amount deemed appropriate by Energy East or other intermediate parent company. If that authority were granted, a Subsidiary would be able to change the par value, or change between par and no-par stock, without additional Commission approval. Any action of this type by a Utility Subsidiary would be subject to, and would be taken only upon receipt of, necessary approvals by the state commission in the state or states where the Utility Subsidiary is incorporated and doing business.

9. Financing Subsidiaries

Energy East and the Subsidiaries request authorization to acquire, directly or indirectly, the equity securities of one or more corporations, trusts, partnerships, or other entities ("Financing Subsidiaries") created specifically for the purpose of facilitating the financing of the authorized and exempt activities of Energy East and the Subsidiaries. The Financing Subsidiaries would issue long-term debt or equity securities, including monthly income preferred securities, to third parties and transfer the proceeds of these financings by the Financing Subsidiaries to Energy East or to a Subsidiary.

Applicants state that, if the direct parent company of a Financing Subsidiary is authorized in this proceeding or any subsequent proceeding to issue long-term debt or similar types of equity securities, then the amount of those securities issued by its Financing Subsidiary would count against the limitation applicable to its parent for those securities. In these cases, however, the guaranty by the parent of that security issued by its Financing Subsidiary would not count against the limitations on Energy East Guaranties or Intermediate Holding Company Guaranties or Nonutility Subsidiary Guaranties. If the parent is not authorized in this or in a subsequent proceeding to issue similar types of securities, the amount of any guaranty not exempt under rules 45(b)(7) and 52 that is entered into by the parent company with respect to securities issued by its Financing Subsidiary would count against the limitation on Energy East Guaranties, Intermediate Holding Company Guaranties or Nonutility Subsidiary Guaranties. Energy East requests that the Commission reserve jurisdiction over any transfer of proceeds of financing by any Financing Subsidiary to Energy East pending completion of the record.

10. Intermediate Subsidiaries

Energy East requests authorization to acquire, directly or indirectly, the securities of one or more intermediate subsidiaries ("Intermediate Subsidiaries" are those subsidiaries organized for the purpose of acquiring, holding and/or financing the acquisition of the securities of or other interest in one or more EWGs or FUCOs, Rule 58 Subsidiaries, ETCs or other Nonutility Subsidiaries (as authorized in this proceeding or in a separate proceeding), provided that Intermediate Subsidiaries may also engage in development activities ("Development Activities")

and administrative activities ("Administrative Activities"), relating to these subsidiaries). To the extent these transactions are not exempt from the Act or otherwise authorized, or permitted by rule, regulation or order of the Commission, Energy East requests authority for Intermediate Subsidiaries to provide management, administrative, project development and operating services to these entities. Applicants state that these services may be rendered at fair market prices to the extent they qualify for any of the exceptions from the "at cost" standard requested in item 12, below.

Applicants request authority for the Intermediate Subsidiaries to expend up to \$100 million during the Authorization Period on Development Activities. Applicants state that Development Activities will be limited to due diligence and design review; market studies; preliminary engineering; site inspection; preparation of bid proposals, including, posting of bid bonds; application for required permits and/or regulatory approvals; acquisition of site options and options on other necessary rights; negotiation and execution of contractual commitments with owners of existing facilities, equipment vendors, construction firms, power purchasers, thermal "hosts," fuel suppliers and other project contractors; negotiation of financing commitments with lenders and other third-party investors; and such other preliminary activities as may be required in connection with the purchase, acquisition, financing or construction of facilities or the acquisition of securities of or interests in new businesses.

Applicants state that Energy East may determine from time to time to consolidate or otherwise reorganize all or any part of its direct and indirect ownership interests in Nonutility Subsidiaries, and the activities and functions related to such investments, under one or more Intermediate Subsidiaries. To the extent that these transactions are not otherwise exempt under the Act or rules, Energy East requests authorization to consolidate or otherwise reorganize under one or more direct or indirect Intermediate Subsidiaries, Energy East's ownership interests in existing and future Nonutility Subsidiaries.

11. Investments in Energy-Related Assets

Nonutility Subsidiaries request authorization to acquire or construct in one or more transactions during the Authorization Period, nonutility energy assets in the United States, including, natural gas production, gathering,

processing, storage and transportation facilities and equipment, liquid oil reserves and storage facilities, and associated facilities (collectively, "Energy-Related Assets") that would be incidental to the energy marketing, brokering and trading operations of Energy East Subsidiaries. Nonutility Subsidiaries request authorization to invest up to \$500 million ("Investment Limitation") during the Authorization Period in Energy-Related Assets or in the equity securities of existing or new companies substantially all of whose physical properties consist or will consist of Energy-Related Assets. These Energy-Related Assets may be acquired for cash or in exchange for common stock or other securities of Energy East or a Nonutility Subsidiary of Energy East or any combination of the same.

12. Exemption from Section 13(b)

Energy East's Nonutility Subsidiaries request authorization to provide services to sell goods to each other at fair market prices determined without regard to cost, and thus, request an exemption (to the extent rule 90(d) does not apply) under section 13(b) from the cost standards of rules 90 and 91 as applicable to these transactions, in any case in which the Nonutility Subsidiary purchasing these goods or services is:

(1) A FUCO or foreign EWG which derives no part of its income, directly or indirectly, from the generation, transmission, or distribution of electric energy for sale within the United States;

(2) An EWG which sells electricity at market-based rates which have been approved by the Federal Energy Regulatory Commission ("FERC"), provided that the purchaser is not one of the Utility Subsidiaries;

(3) A "qualifying facility" ("QF") within the meaning of the Public Utility Regulatory Policies Act of 1978, as amended ("PURPA") that sells electricity exclusively (a) at rates negotiated at arms' length to one or more industrial or commercial customers purchasing such electricity for their own use and not for resale, and/or (b) to an electric utility company (other than a Utility Subsidiary) at the purchaser's "avoided cost" as determined in accordance with the regulations under PURPA;

(4) A domestic EWG or QF that sells electricity at rates based upon its cost of service, as approved by FERC or any state public utility commission having jurisdiction, provided that the purchaser is not one of the Utility Subsidiaries; or

(5) A Rule 58 Subsidiary that (a) is partially owned by Energy East, provided that the ultimate purchaser of such goods or services is not a Utility

Subsidiary or EE Management (or any other entity that Energy East may form whose activities and operations are primarily related to the provision of goods and services to Utility Subsidiaries of EE Management), (b) is engaged solely in the business of developing, owning, operating and/or providing services or goods to Nonutility Subsidiaries described in clauses (1) through (4) immediately above, or (c) does not derive, directly or indirectly, any material part of its income from sources within the United States and is not a public utility company operating within the United States.

13. Activities of Rule 58 Subsidiaries Within and Outside the United States

Energy East, on behalf of any current or future Rule 58 Subsidiaries, requests authorization to engage in business activities, permitted by rule 58, including energy marketing, energy management services and consulting services, both within and outside the United States. Energy East requests that the Commission: (1) Reserve jurisdiction over energy marketing activities outside the United States and Canada pending completion of the record in this proceeding; (2) authorize Energy East and its direct and indirect subsidiaries to provide energy management and consulting services anywhere outside the United States; and (3) reserve jurisdiction over other activities of Rule 58 Subsidiaries outside the United States, pending completion of the record.

14. Payment of Dividends

a. Energy East, the Intermediate Holding Companies and the Utility Subsidiaries

Energy East, Intermediate Holding Companies and their respective Utility Subsidiaries request authorization to pay dividends out of capital and unearned surplus in an amount up to the retained earnings of such companies prior to the Mergers. In addition, after the Mergers are completed, each of these companies requests authorization to pay dividends out of earnings before amortization of goodwill, for the duration of the goodwill amortization period.

b. Nonutility Subsidiaries

Energy East requests authorization, on behalf of itself and each of its current and future non-exempt Nonutility Subsidiaries, that these companies be permitted to pay dividends with respect to the securities of these companies, through the Authorization Period, out of capital and unearned surplus.

15. Tax Allocation Agreement

Applicants request the Commission approve an agreement for the allocation of consolidated tax among Energy East and the Subsidiaries ("Tax Allocation Agreement"). Approval is necessary because the proposed Tax Allocation Agreement may provide for the retention by Energy East of certain payments for tax losses incurred, rather than allocate these losses to Subsidiaries without payment, as rule 45(c)(5) would otherwise require. Applicants state that Energy East or its finance subsidiary will create tax deductions chiefly in the form of deductions for interest expense on the Acquisition Debt that are non-recourse to the Subsidiaries.

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

Margaret H. McFarland,

Deputy Secretary.

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BILLING CODE 8010-01-M

SECURITIES AND EXCHANGE COMMISSION

Issuer Delisting; Notice of Application To Withdraw From Listing and Registration; (Rogers Corporation, Capital Stock, \$1 Par Value, and Rights To Purchase Capital Stock, \$1 Par Value) File No. 1-04347

May 12, 2000.

Rogers Corporation ("Company") 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 the securities described above ("Securities") from listing and registration on the Pacific Exchange, Inc. ("PCX").³

The Company is seeking to withdraw its Securities from listing and registration on the PCX in conjunction with the commencement of their trading on the New York Stock Exchange, Inc. ("NYSE"). The Company hopes that, with an NYSE listing, it will be able to realize a broader market base for its Securities than it has had through the PCX.

Subsequent to the filing of the Company's Registration Statements on

Form 8-A with the Commission, which became effective on April 6, 2000, trading in the Securities commenced on the NYSE at the opening of business on April 18, 2000. In making the determination to withdraw its Securities from listing and registration on the PCX in conjunction with the new listing and registration on the NYSE, the Company hopes to avoid both the costs associated with maintaining multiple listings and a potential fragmentation of the market for its Securities.

The Company has stated that it has complied with the rules of the PCX governing the withdrawal of its Securities, and that the PCX has in turn indicated that it will not oppose such withdrawal.

The Company's application relates solely to the withdrawal of the Securities from listing and registration on the PCX and shall have no effect upon the Securities' continued listing and registration on the NYSE. By reason of section 12(b) of the Act⁴ and the rules and regulations of the Commission thereunder, the Company shall continue to be obligated to file reports with the Commission under section 13 of the Act.⁵

Any interested person may, on or before June 5, 2000, submit by letter to the Secretary of the Securities and Exchange Commission, 450 Fifth Street, N.W., Washington, D.C. 20549-0609, facts bearing upon whether the application has been made in accordance with the rules of the PCX 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.⁶

Jonathan G. Katz,

Secretary.

[FR Doc. 00-12597 Filed 5-18-00; 8:45 am]

BILLING CODE 8010-01-M

SECURITIES AND EXCHANGE COMMISSION

[Investment Company Act Release No. 24453; 812-11980]

Lifetime Achievement Fund, Inc., et al.; Notice of Application

May 12, 2000.

AGENCY: Securities and Exchange Commission ("Commission").

ACTION: Notice of an application for an order under section 12(d)(1)(j) of the Investment Company Act of 1940 (the "Act") for an exemption from section 12(d)(1)(F)(ii) of the Act.

SUMMARY OF APPLICATION: Applicants request an order to permit a fund of funds relying on section 12(d)(1)(F) of the Act to charge a sales load in excess of 1½ percent.

APPLICANTS: Lifetime Achievement Fund, Inc. (the "Fund"), Manarin Investment Counsel, Ltd. (the "Adviser") and Manarin Securities Corporation (the "Distributor").

FILING DATES: The application was filed on February 17, 2000. Applicants have agreed to file an amendment during the notice period, the substance of which is reflected in this notice.

HEARING OR NOTIFICATION OF HEARING: An order granting the application will be issued unless the Commission orders a hearing. Interested persons may request a hearing by writing to the Commission's Secretary and serving applicants with a copy of the request, personally or by mail. Hearing requests should be received by the Commission by 5:30 p.m. on June 6, 2000, and should be accompanied by proof of service on applicants, in the form of an affidavit, or, for lawyers, a certificate of service. Hearing requests should state the nature of the writer's interest, the reason for the request, and the issues contested. Persons who wish to be notified of a hearing may request notification by writing to the Commission's Secretary.

ADDRESSES: Secretary, Commission, 450 Fifth Street, N.W., Washington, D.C. 20549-0609; Applicants, c/o Charles H. Richter, Lifetime Achievement Fund, Inc., 11605 West Dodge Road, Omaha, NE 68154.

FOR FURTHER INFORMATION CONTACT: Deepak T. Pai, Senior Counsel, at (202) 942-0574 or George J. Zornada, Branch Chief, at (202) 942-0564, (Division of Investment Management, Office of Investment Company Regulation).

SUPPLEMENTARY INFORMATION: The following is a summary of the application. The complete application

¹ 15 U.S.C. 78j(d).

² 17 CFR 240.12d2-2(d).

³ The Company previously filed an application with the Commission to withdraw its Securities from listing and registration on the American Stock Exchange LLC. The Commission has already solicited public comment on this prior application. See Securities Exchange Act Release No. 42744 (May 2, 2000), 65 FR 26646 (May 8, 2000).

⁴ 15 U.S.C. 78j(b).

⁵ 15 U.S.C. 78m.

⁶ 17 CFR 200.30-3(a)(1).