

Dated: November 30, 2001.

By Authority of the Board.

Beatrice Ezerski,

Secretary of the Board.

[FR Doc. 02-330 Filed 1-7-02; 8:45 am]

BILLING CODE 7905-01-M

SECURITIES AND EXCHANGE COMMISSION

[Release No. 35-27488]

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

January 2, 2002.

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 January 28, 2002, 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 January 28, 2002, the application(s) and/or declaration(s), as filed or as amended, may be granted and/or permitted to become effective.

American Electric Power Company, Inc. (70-10021)

American Electric Power Company, Inc. ("AEP"), a registered holding company, 1 Riverside Plaza, Columbus, Ohio 43215, has filed a declaration under sections 6(a), 7, 32, and 33 of the Act and rules 53 and 54 under the Act.

The Commission issued an order on April 20, 2001 (HCAR No. 27382) ("April Order") authorizing AEP to organize and acquire all of the common stock or other equity interests of one or more financing subsidiaries ("FS") for

the purpose of effecting various financing transactions through June 30, 2004. These transactions involved the issuance and sale of up to \$1.5 billion unsecured in any combination of preferred securities, debt securities, interest rate hedges, anticipatory hedges, stock purchase contracts, and stock purchase units, as well as stock issued under the stock purchase contracts and stock purchase units. AEP has issued \$1.25 billion debt under the April Order. The Commission further authorized AEP to effect directly financing transactions involving preferred securities, debt securities, stock purchase contracts, or stock purchase units. By supplemental order dated May 29, 2001 (HCAR No. 27408) ("May Order"), the Commission released jurisdiction and authorized the use of proceeds of the financings authorized in the April Order for investment in exempt wholesale generators ("EWGs") and foreign utility companies ("FUCOs").

In addition to continuing to engage in the transactions authorized in the April Order and the May Order, AEP requests authorization to increase the investment limit from \$1.5 billion to \$3.0 billion. AEP also requests authorization to issue common stock directly and through FS. In the case of direct common stock sales, AEP proposes to sell its common stock other than as a component or in satisfaction of a stock purchase contract or stock purchase unit (a) through solicitations of proposals from underwriters or dealers; (b) through negotiated transactions with underwriters or dealers; (c) directly to a limited number of purchasers or to a single purchaser; and or (d) through agents. The price applicable to shares sold in any transaction will be based on several factors, including the current market price of the common stock and prevailing capital market conditions. AEP is authorized under its restated articles of incorporation to issue 600,000,000 shares of common stock (\$6.50 par value), of which 322,024,714 were issued and outstanding as of February 1, 2001. As of September 30, 2001, AEP's consolidated capitalization consisted of 63.0% indebtedness, 0.7% preferred stock, 1.3% mandatorily redeemable preferred securities, and 35.0% common equity.

AEP states that interest rate hedges and anticipatory hedges will be treated for accounting purposes under generally accepted accounting principles. The April Order authorized hedges that would qualify for hedge accounting treatment.

AEP states that it will not publicly issue unsecured indebtedness or

preferred securities in this file unless it has maintained at least an investment grade corporate or senior unsecured debt rating by at least one nationally recognized rating agency.

AEP was authorized in the April Order to form special purpose subsidiaries ("SPS") in connection with the issuance of unsecured preferred securities. The April Order also authorized FS to issue and sell unsecured subordinated debentures, unsecured promissory notes or other unsecured debt instruments ("Note" or "Notes"). AEP states that it expects the FS interest payments on the Notes will be deductible for federal income tax purposes and that each SPS will be treated as either a partnership or a passive grantor trust for federal income tax purposes. Consequently, holders of the preferred securities and AEP will be deemed to have received distributions in respect of their ownership interests in the respective SPS and will not be entitled to any "dividends received deduction" under the Internal Revenue Code. The preferred securities of any series, however, may be redeemable at the option of the SPS issuing the series (with the consent or at the direction of AEP) at a price equal to their par or stated value or liquidation preference, plus any accrued and unpaid dividends or distributions, (a) at any time after a specified date not later than approximately ten years from their date of issuance, or (b) upon the occurrence of certain events, among them that (x) the SPS is required to withhold or deduct certain amounts in connection with dividend, distribution or other payments or is subject to federal income tax with respect to interest received on the Notes issued to the SPS, or (y) it is determined that the interest payments by FS on the related Notes are not deductible for income tax purposes, or (z) the SPS becomes subject to regulation as an "investment company" under the Investment Company Act of 1940. The preferred securities of any series may also be subject to mandatory redemption upon the occurrence of certain events. FS also may have the right in certain cases or in its discretion to exchange the preferred securities of any SPS for the Notes or other junior subordinated debt issued to the SPS.

In the event that any SPS is required to withhold or deduct certain amounts in connection with dividend, distribution or other payments, the SPS may also have the obligation to "gross up" the payments so that the holders of the preferred securities issued by the SPS will receive the same payment after the withholding or deduction as they would have received if no withholding

or deduction were required. In this event, FS obligations under its related Note may also cover this "gross up" obligation. In addition, if any SPS is required to pay taxes with respect to income derived from interest payments on the Notes issued to it, the FS may be required to pay additional interest on the related Notes as necessary in order that net amounts received and retained by the SPS, after the payment of the taxes, shall result in the SPS having the funds as it would have had in the absence of the payment of taxes.

The proceeds of any financing by FS or any SPS will be remitted, paid as a dividend, loaned or otherwise transferred to AEP or its designee. The proceeds of preferred securities, debt securities, stock purchase contracts and stock purchase units will be used to acquire the securities of associate companies and interests in other businesses, including interests in EWGs and FUCOs, or in any transactions permitted under the Act and for other general corporate purposes, including the reduction of short-term indebtedness. AEP had approximately \$3.6 billion outstanding short-term indebtedness as of September 30, 2001. No proceeds will be used to purchase generation assets currently owned by AEP or any affiliate unless the purchase has been approved by order of this Commission under File No. 70-9785 or other similar applications.

AEP represents that no financing proceeds will be used to acquire the equity securities of any company or any interest in other businesses unless the acquisition has been approved by the Commission in this proceeding or in File No. 70-9353 or is in accordance with an available exemption under sections 32, 33 and 34 of the Act or rule 58 under the Act. AEP does not seek in this proceeding any increase in the amount it is permitted to invest in EWGs and FUCOs.

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

Margaret H. McFarland,
Deputy Secretary.

[FR Doc. 02-402 Filed 1-7-02; 8:45 am]

BILLING CODE 8010-01-P

SECURITIES AND EXCHANGE COMMISSION

[Investment Company Act Release No. 25353; 813-226]

DRW Venture Partners LP and RBC Dain Rauscher Corp.; Notice of Application

January 2, 2002.

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

ACTION: Notice of an application for an order under sections 6(b) and 6(e) of the Investment Company Act of 1940 (the "Act") granting an exemption from all provisions of the Act, except section 9, section 17 (other than certain provisions of paragraphs (a), (d), (e), (f), (g), and (j)), section 30 (other than certain provisions of paragraphs (a), (b), (e), and (h)), sections 36 through 53, and the rules and regulations thereunder.

SUMMARY OF APPLICATION: Applicants request an order to exempt certain limited partnerships and limited liability companies ("Partnerships") formed for the benefit of key employees of RBC Dain Rauscher Corp. ("DRC") and certain of its affiliates from certain provisions of the Act. Each Partnership will be an "employees' securities company" as defined in section 2(a)(13) of the Act.

APPLICANTS: DRW Venture Partners LP (the "Initial Partnership") and DRC.

FILING DATES: The application was filed on January 20, 2000 and amended on December 28, 2001.

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 January 28, 2002, 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, NW, Washington, DC 20549-0609; Applicants, 60 South Sixth Street, Minneapolis, MN 55402.

FOR FURTHER INFORMATION CONTACT: Deepak T. Pai, Senior Counsel, at (202) 942-0574 or Mary Kay Frech, 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 may be obtained for a fee at the Commission's Public Reference Branch, 450 Fifth Street, NW, Washington, DC 20549-0102 (telephone (202) 942-8090).

Applicants' Representations

1. DRC is a holding company that provides investment advice and services to individual and institutional investors and investment banking services to corporate and governmental clients through its principal subsidiary, Dain Rauscher Incorporated. Dain Rauscher Incorporated is a wholly-owned subsidiary of DRC and is a broker-dealer registered under the Securities Exchange Act of 1934 (the "Exchange Act") and an investment adviser registered under the Investment Advisers Act of 1940 (the "Advisers Act"). DRC and its affiliates as defined in rule 12b-2 under the Exchange Act are referred to collectively in this notice as the "DRC Group."

2. DRC Group has offered and proposes to continue to offer various investment programs for the benefit of its Eligible Employees (as defined below). These programs may be structured as different Partnerships, as separate plans within a Partnership, or as investments by the Partnerships in investment entities formed by DRC Group, from time to time, which are exempt from registration under the Act in reliance on sections 3(c)(1), 3(c)(6), or 3(c)(7) of the Act and which are managed by DRC employees (the "DRC Funds"). Each Partnership will be a limited partnership or limited liability company formed as an "employees' securities company" within the meaning of section 2(a)(13) of the Act, and will operate as a closed-end, non-diversified management investment company. The Partnerships have been or will be established primarily for the benefit of highly compensated employees of DRC Group as part of a program designed to create capital building opportunities that are competitive with those at other investment banking firms and to facilitate the recruitment of high caliber professionals. Participation in a Partnership will be voluntary.

3. DRC, a Delaware corporation, is the general partner of the Initial Partnership (together with any DRC Group entity which acts as the general partner of a Partnership, "General Partner"). The General Partner of the Initial Partnership will not be registered under