U.S.C. 552a, the Privacy Protection Study Commission published in the FEDERAL REGISTER (41 FR 40436, 51889) notices of the existence of the following systems of records subject to the Privacy Act: PPSC-1, Commission Member and Staff Personnel Records; PPSC-2, Letters of Contact with the Commission; PPSC-3, Payroll Records; and PPSC-4, General Financial Records. The Commission will terminate operations on September 30, 1977, and the above systems of records are revoked as of that date.

Following is a summary of the disposition of the Commission's systems of records, subsequent to the termination date:

Commission Member and Staff Personnel Records PPSC-1—

To be retained by General Services Administration, Central Office, 18th and F Streets NW., Washington, D.C., for use in concluding administrative operations of the Privacy Protection Study Commission.

Letters of Contact with the Commission PPSC-2—

Reviewed by the National Archives and Records Service and disposed of in accordance with Comprehensive Records Control Schedule NC1-220-77-7.

Payroll Records PPSC-3—

To be retained by General Services Administration, Region 3 Office, 7th & D Streets SW., Washington, D.C., for use in concluding administrative operations of the Privacy Protection Study Commission as part of the GSA system of records, Manpower and Payroll Statistics.

General Financial Records PPSC-4—

To be retained by General Services Administration, Central Office, 18th & F Streets NW., Washington, D.C., for use in concluding administrative operations of the Privacy Protection Study Commission.

CAROLE W. PARSONS,
Executive Director.

SEPTEMBER 16, 1977.

[FR Doc.77-27500 Filed 9-21-77;9:43 am]

FILING OF REPORTS ON NEW SYSTEMS UNDER THE PRIVACY ACT OF 1974

Termination

The Privacy Protection Study Commission will terminate all activities and go out of existence at close-of-business on September 30, 1977, pursuant to Pub. L. 95-38 (June 1, 1977). After September 30, 1977, agencies of the Federal Government no longer need send copy to the Privacy Protection Study Commission of each report on new systems pursuant to section 5(e)(2)(A) of the Privacy Act of 1974, Pub. L. 93-579 (5 U.S.C. 552a note).

CAROLE W. PARSONS,
Executive Director.

SEPTEMBER 16, 1977.

[FR Doc.77-27499 Filed 9-21-77;9:43 am]

DEPARTMENT OF TRANSPORTATION

Saint Lawrence Seaway Development Corporation

TARIFF OF TOLLS

Negagtive Determination of Environmental Impact re Proposed Revision of Joint Tariff of Tolls for St. Lawrence Seaway

The Saint Lawrence Seaway Development Corporation, U.S. Department of Transportation, hereby gives notice that it has performed an appraisal of the environmental impacts associated with a proposed revision of the tariff of tolls which the Corporation establishes and administers jointly with the St. Lawrence Seaway Authority of Canada for the use of the St. Lawrence Seaway. The proposed revision has been negotiated with the Canadian Authority pursuant to the authority contained in Section 12(a) of Pub. L. 358, 83rd Congress, approved May 13, 1954 (33 U.S.C. 988) and were announced in the FEDERAL REGISTER on Monday, August 29, 1977, (Volume 42, Number 167, page 43613).

Based upon the appraisal of environmental impacts that are expected to result from implementation of the proposed revision of the tariff of tolls the Corporation has determined such implementation will not be a "major Federal action significantly affecting the quality of the human environment" within the meaning of section 102(2)(c) of the National Environmental Policy Act of 1969, 42 U.S.C. 4332(2)(C) and therefore does not require an environmental impact statement.

Single copies of the Environmental impact appraisal of the implementation of the proposed revisions of the tariff of tolls for the St. Lawrence Seaway are available upon request from the Saint Lawrence Seaway Development Corporation, P.O. Box 520, Massena, N.Y. 13662.

Interested persons are invited to submit data, views or comments with respect to the environmental impact appraisal to the Saint Lawrence Seaway Development Corporation, P.O. Box 520, Massena, N.Y. 13662. Comments should be received by October 31, 1977, in order to receive full consideration.

Issued in Washington, D.C., on September 16, 1977.

WILLIAM H. KENNEDY,
Associate Administrator.

[FR Doc.77-27723 Filed 9-21-77;8:45 am]

SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-13933; File No. SR-Amex-76-31]

AMERICAN STOCK EXCHANGE, INC.

Proposed Rule Change

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 (the "Act"), 15 U.S.C. 78s(b)(1), as amended by Pub. L. No. 94-29, 16 (June 4, 1975), notice is hereby given that on August 26, 1977 the above-mentioned self-regulatory organization filed with the Securities and Exchange Commission a proposed rule change as follows:

STATEMENT OF TERMS OF SUBSTANCE OF THE PROPOSED RULE CHANGE

In this amendment to File No. SR-Amex-76-31, the American Stock Exchange, Inc. proposed to rescind paragraph (d) of Rule 5. The rescission will eliminate the requirement that members file weekly reports with the Exchange of their off-board agency transactions. Certain other minor amendments to Rule 5 are proposed in order to conform the remaining provisions of Rule 5 to this deletion. The text of the proposed rule change is attached as Exhibit A.

STATEMENT OF BASIS AND PURPOSE

The basis and purpose of the foregoing proposed rule change is as follows:

The purpose of the proposed rescission of paragraph (d) of Amex Rule 5 is to eliminate the requirement that members file weekly reports of their off-board agency transactions with the Exchange. The requirement has been rescinded in accordance with the SEC's view that it imposes a burden on competition in contravention of SEC Rule 19c-1. The Commission's staff has indicated that deletion of this reporting requirement would not prejudice the Amex's ability to reinstitute a reporting requirement in the future, if it were to appear that such a requirement were necessary to enable the Exchange to perform its self-regulatory functions.

On or before October 27, 1977, or within such longer period (i) as the Commission may designate up to 90 days of such date if it finds such longer period to be appropriate and publishes its reasons for so finding or (ii) as to which the above-mentioned self-regulatory organization consents, the Commission will:

(A) By order approve such proposed rule change, or

(B) Institute proceedings to determine whether the proposed rule change should be disapproved.

Interested persons are invited to submit written data, views and arguments concerning the foregoing. Persons desiring to make written submissions should file six copies thereof with the Secretary of the Commission, Securities and Exchange Commission, Washington, D.C. 20549.

Copies of the filing with respect to the foregoing and all written submissions will be available for inspection and copying in the Public Reference Room, 1100 L Street NW., Washington, D.C. Copies of such filing will also be available for inspection and copying at the principal office of the above-mentioned self-regulatory organization. All submissions should refer to the file number referenced in the caption above and should be submitted on or before October 13, 1977.

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

GEORGE A. FITZSIMMONS,
Secretary.

SEPTEMBER 6, 1977.

EXHIBIT A

AMERICAN STOCK EXCHANGE

Text of Proposed Amendments to Rule 5: Brackets [ ] indicate words to be deleted and italics indicates words to be added.

Over-the-Counter Execution of Equity Securities Transactions

Paragraph (b) is redesignated paragraph (a) and is amended to read as follows:

Rule 5. "[(b)] *(a)* Except as [otherwise] hereinafter provided by this Rule, no *(i)* member, *(ii)* member organization or [affiliated person] *(iii) other person who is a nonmember broker or dealer and who directly or indirectly controls, is controlled by, or is under common control with, a member or member organization (any such other person being hereinafter referred to as an affiliated person)* shall effect any transaction [as principal] in the over-the-counter market in any equity security admitted to dealings on the Exchange."

Paragraph (a) is redesignated paragraph (b) and is amended to read as follows: "[(a)] *(b)* [Except as hereinafter provided by this Rule] No rule, stated policy or practice of the Exchange shall prohibit or condition, or be construed to prohibit, condition or otherwise limit, directly or indirectly, the ability of any [(i)] member, [(ii)] member organization or [(iii) other person who is a nonmember broker or dealer and who directly or indirectly, controls, is controlled by, or is under common control with, a member or member organization (any such other person being hereinafter referred to as an affiliated person)] *affiliated person* acting as agent to effect transactions [on any other exchange or] over-the-counter with a third market maker or nonmember block positioner in any equity security admitted to dealings on the Exchange."

Paragraph (c) is deleted in its entirety as follows: "[(c) A member, member organization or affiliated person holding a customer's order for the purchase or sale of an equity security admitted to dealings on the Exchange (the Order) may execute the Order (or such portion thereof as may be so executed in accordance with this Rule) in the over-the-counter market with a third market maker or nonmember block positioner; provided such member, member organization or affiliated person assures that all public bids or offers on the specialist's book at the time of the over-the-counter execution, or, if inquiry is made of the specialist immediately prior to the over-the-counter execution, all public bids or offers on the specialist's book at the time of such inquiry, at prices which, insofar as the Order is concerned, are equal to or better than the price at which such portion of the Order is executed over-the-counter are satisfied at the price at which such portion of the Order is so executed. A member, member organization or affiliated person acting as agent may not execute an Order over-the-counter in any equity security dealt in on the Exchange except as provided in this paragraph (c), or unless such transaction is exempt from the provisions of this Rule pursuant to paragraph (e) hereof.]"

Paragraph (d) is deleted in its entirety as follows: "[(d) Each member, member organization or affiliated person which executes during any calendar week any Order or any portion thereof over-the-counter (other than a transaction not subject to the provisions of this Rule), shall, prior to the close of business on the last business day of the next succeeding calendar week, file a report with the Exchange listing each such over-the-counter execution. As to each such execution, such report shall state the time of execution, the price or prices thereof, whether such execution was a purchase or a sale by the member, member organization or affiliated person, the number of shares bought or sold at each such price and the name of the third market maker or nonmember block positioner with which the member, member organization or affiliated person dealt.]"

Paragraph (e) is redesignated paragraph (c) and is amended to read as follows: "[(e)] *(c)* The provisions of *paragraph (a)* of this Rule shall not apply to any of the following transactions:

[(i) any transaction effected on another securities exchange;]

[(ii)] *(i)* any transaction in stocks appearing on the Exchange's Exempt List in effect at the time, provided the member, member organization or affiliated person after reviewing, with due diligence, the proposed purchase or sale in the light of the factors involved, including the market existing on the Exchange, the price, and the size, is satisfied that the transaction can be executed more advantageously off the Exchange;

[(iii)] *(ii)* any transaction which is part of a primary distribution by an issuer, or a registered or unregistered secondary distribution, effected off the floor of the Exchange;

[(iv)] *(iii)* any transaction made in reliance on Section 4(2) of the Securities Act of 1933;

[(v)] *(iv)* any trade at a price unrelated to the current market for the security to correct an error or to enable the seller to make a gift;

[(vi)] *(v)* any transaction pursuant to a tender offer;

[(vii)] *(vi)* any purchase or sale of securities effected upon the exercise of an option pursuant to the terms thereof or the exercise of any other right to acquire securities at a preestablished consideration unrelated to the current market for such securities;

[(viii)] *(vii)* any purchase or sale of any security trading in which has been suspended by the Exchange pending review of the listing status of such security;

[(ix)] *(viii)* any acquisition of a security by a member organization as principal in anticipation of making an immediate special offering or exchange distribution on the Exchange under Rule 560 or Rule 570;

[(x)] *(ix)*any transaction for less than one unit of trading;

[(xi)] *(x)* any transaction in rights effected as principal with an institution or a nonmember broker or dealer; and

[(xii)] *(xi)* any other purchase or sale of any security under extraordinary or emergency conditions which receives the prior approval of the Exchange."

Paragraph (f) is redesignated Paragraph (d). "[(f)] *(d)* (1) The term 'nonmember broker or dealer' as used in paragraph (a) of this Rule shall mean any broker or dealer registered in accordance with Section 15(b) of the Securities Exchange Act of 1934 (the Act), which acts as a 'market maker' as defined in the Act, or whose gross income is derived substantially from acting as a 'broker' as defined in the Act, or both;

(2) The term "third market maker" as used in this Rule shall mean a "market maker" as defined in Rule 15c3-1(c)(8) under the Act, who makes markets over-the-counter in stocks dealt in on the Exchange and who maintains the minimum net capital required of a market maker by Rule 15c3-1 under the Act; and

(3) The term "nonmember block positioner" shall mean a "block positioner" as defined in Rule 17a-17 under the Act which is not a member of the Exchange."

Paragraph (g) is deleted in its entirety as follows: "[(g) (1) The price at which a transaction is effected, whether on the Exchange or in the over-the-counter market, shall, for purposes of this Rule, mean the price such transaction exclusive of any commission, commission equivalent, differential, tax or other charge applicable thereto.

(2) Each limited order entered on the specialist's book shall, for purposes of this Rule, be considered a public bid or offer unless initiated by a member on the Floor of the Exchange for his own account or for any account in which he, his member organization, or any affiliated person of his member organization has an interest.]"

Paragraph (h) is redesignated paragraph (e) and is amended to read as follows: "[(h)] *(e)* Notwithstanding the provisions of Rule 170, the specialist may buy for his own account on a plus or zero plus tick or sell for his own account on a minus or zero minus tick any or all of the stock which [is to be sold or purchased over-the-counter pursuant to paragraph (c) of this Rule] *a member, member organization or affiliated person proposes to sell or purchase over-the-counter.*"

Commentary .20 is deleted in its entirety as follows: "[.20 Notwithstanding the provisions of this Rule, a member, member organization or affiliated person may execute a customer's order in the over-the-counter market with a third market maker or nonmember block positioner outside of Exchange trading hours without satisfying public bids or offers on the specialist's book.]"

Commentary .30 is redesignated .20.

Commentary .40 is redesignated .30.

[FR Doc.77-27741 Filed 9-21-77; 8:45 am]

[Release No. 34-13932; File No. SR-Amex-76-31]

AMERICAN STOCK EXCHANGE, INC.

Proposed Rule Change

Pursuant to section 19(b)(1) of the Securities Exchange Act of 1934 (the "Act"), 15 U.S.C. 78s(b)(1), as amended by Pub. L. No. 94-29, 16 (June 4, 1975), notice is hereby given that on December 30, 1976, the above-mentioned self-regulatory organization filed with the Securities and Exchange Commission a proposed rule change as follows:

STATEMENT OF TERMS OF SUBSTANCE OF THE PROPOSED RULE CHANGE

The American Stock Exchange, Inc. (the "Amex"), proposes to amend its Rule 5 to conform with the requirements of SEC Rule 19c-1. In substance the amendments to Rule 5 will remove all restrictions on transactions by members or member organizations, acting as agents, in a listed security over-the-counter with a third market maker or nonmember block positioner. Principal transactions of members and member organizations, with some exceptions, as well as agency cross transactions, continue to be subject to the requirement that they be executed on the Exchange. The text of the proposed rule change is attached as Exhibit A.

STATEMENT OF BASIS AND PURPOSE

The basis and purpose of the foregoing proposed rule change is as follows:

The purpose of the proposed amendments to Rule 5 is to conform AMEX rules relating to off-board transactions in listed securities with SEC Rule 19c-1, which required the elimination, as of January 2, 1977, of all restrictions on off-board agency transactions with a third market maker or nonmember block positioner.

While proposing these changes in order to be in compliance with SEC Rule 19c-1 promulgated under the Act, the Exchange believes that eliminating at this time the requirement that a member satisfy customers' limit-price orders on the specialist's book before executing an off-board agency transaction is not likely to further protection of investors and of the public interest. The Exchange believes that this should be an interim step which underscores the need for public limit order protection within the context of a national market system as is now being developed by the National Market Assocition.

Amex Rule 5 will continue to prohibit members from engaging in off-board principal transactions. Elimination by the Exchange of restrictions on agency transactions, as here proposed, does not in any way represent a lessening of the Exchange's support for existing requirements that exchange members execute principal transactions in listed securities in the exchange market. The Exchange believes that these restrictions are fundamental to the continued viability of the exchange auction markets.

No comments were solicited or received with respect to the proposed rule changes.

This rule change, which eliminates restrictions on off-board agency transactions, is being proposed in accordance with the Commisison's finding that such restrictions represent a burden on competition.

On or before October 27, 1977, or within such longer period (i) as the Commission may designate up to 90 days of such date if it finds such longer period to be appropriate and publishes its reasons for so finding or (ii) as to which the above-mentioned self-regulatory organization consents, the Commission will:

(A) By order approve such proposed rule change, or

(B) Institute proceedings to determine whether the proposed rule change should be disapproved.

Interested persons are invited to submit written data, views, and arguments concerning the foregoing. Persons desiring to make written submissions should file six copies thereof with the Secretary of the Commission, Securities and Exchange Commisison, Washingtn, D.C. 20549. Copies of the filing with respect to the foregoing and all written submissions will be available for inspection and copying in the Public Reference Room, 1100 L Street NW., Washington, D.C. Copies of such filing will also be available for inspection and copying at the principal office of the above-mentioned self-regulatory organization. All submissions should refer to the file number referenced in the caption above and should be submitted on or before October 13, 1977.

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

GEORGE A. FITZSIMMONS,
Secretary.

SEPTEMBER 6, 1977.

EXHIBIT A

AMERICAN STOCK EXCHANGE, INC.

Text of Proposed Amendments to Rule 5:

Over-the-Counter Execution of Equity Securities Transactions

Paragraph (b) is redesignated paragraph (a) and is amended to read as follows:

Rule 5. "[(b)] *(a)* Except as [otherwise] *hereinafter* provided by this Rule, no *(i)* member, *(ii)* member organization or [affiliated person], *(iii) other person who is a non-member broker or dealer and who directly or indirectly controls, is controlled by, or is under common control with, a member or member organization (any such other person being hereinafter referred to as an affiliated person)* shall effect any transaction [as principal] in the over-the-counter market in any equity security admitted to dealings on the Exchange."

Paragraph (a) is redesignated paragraph (b) and is amended to read as follows:

"[(a)] *(b)* [Except as hereinafter provided by this Rule] No rule, stated policy or practice of the Exchange shall prohibit or condition, or be construed to prohibit, condition or otherwise limit, directly or indirectly, the ability of any [(i)] member, [(ii)] member organization or [(iii) other person who is a nonmember broker or dealer and who directly or indirectly, controls, is controlled by, or is under common control with, a member or member organization (any such other person being hereinafter referred to as an affiliated person)] *affiliated person* acting as agent to effect transactions [on any other exchange or] over-the-counter with a third market maker or nonmember block positioner in any equity security admitted to dealings on the Exchange."

Paragraph (c) is deleted in its entirety as follows:

"[(c) A member, member organization or affiliated person holding a customer's order for the purchase or sale of an equity security admitted to dealings on the Exchange (the Order) may execute the Order (or such portion thereof as may be so executed in accordance with this Rule) in the over-the-counter market with a third market maker or nonmember block positioner; provided such member, member organization or affiliated person assures that all public bids or offers on the specialist's book at the time of the over-the-counter execution, or, if inquiry is made of the specialist immediately prior to the over-the-counter execution, all public bids or offers on the specialist's book at the time of such inquiry, at prices which, insofar as the Order is concerned, are equal to or better than the price at which such portion of the Order is executed over-the-counter are satisfied at the price at which such portion of the Order is so executed. A member, member organization or affiliated person acting as agent may not execute an Order over-the-counter in any equity security dealt in on the Exchange except as provided in this paragraph (c), or unless such transaction is exempt from the provisions of this Rule pursuant to paragraph (e) hereof.]"

Paragraph (d) is redesignated paragraph (c) and is amended to read as follows:

"[(d)] *(c)* Each member, member organization or affiliated person which executes *over-the-counter* during any calendar week [any Order or any portion thereof over-the-counter (other than a transaction not subject to the provisions of this Rule),] *all or a portion of any customer's order for the purchase or sale of an equity security admitted to dealings on the Exchange* shall, prior to close of business on the last business day of the next succeeding calendar week, file a report with the Exchange listing each such over-the-counter execution. As to each such execution, such report shall state the time of execution, the price or prices thereof, whether such execution was a purchase or a sale by the member, member organization or affiliated person, the number of shares bought or sold at each such price and the name of the third market maker or nonmember block positioner with which the member, member organization or affiliated person dealt."

Paragraph (e) is redesignated paragraph (d) and is amended to read as follows:

"[(e)] *(d)* The provisions of *paragraphs (a) and (c) of* this Rule shall not apply to any of the following transactions:

[(i) any transaction effected on another securities exchange;]

[(ii)] *(i)* any transaction in stocks appearing on the Exchange's Exempt List in effect at the time, provided the member, member organization or affiliated person after reviewing, with due diligence, the proposed purchase or sale in the light of the factors involved, including *he market existing on the Exchange, the price, and the size, is satisfied that the transaction can be executed more advantageously off the Exchange;

[(iii)] *(ii)* any transaction which is part of a primary distribution by an issuer, or a registered or unregistered secondary distribution, effected off the floor of the Exchange;

[(iv)] *(iii)* any transaction made in reliance on section 4(2) of the Securities Act of 1933;

[(v)] *(iv)* any trade at a price unrelated to the current market for the security to correct an error or to enable the seller to make a gift;

[(vi)] *(v)* any transaction pursuant to a tender offer;

[(vii)] *(vi)* any purchase or sale of securities effected upon the exercise of an option pursuant to the terms thereof or the exercise of any other right to acquire securities at a pre-established consideration unrelated to the current market for such securities;

[(viii)] *(vii)* any purchase or sale of any security trading in which has been suspended by the Exchange pending review of the listing status of such security;

[(ix)] *(viii)* any acquisition of a security by a member organization as principal in anticipation of making an immediate special offering or exchange distribution on the Exchange under Rule 560 or Rule 570;

[(x)] *(ix)* any transaction for less than one unit of trading;

[(xi)] *(x)* any transaction in rights effected as principal with an institution or a nonmember broker or dealer; and

[(xii)] *(xi)* any other purchase or sale of any security under extraordinary or emergency conditions which receives the prior approval of the Exchange."

Paragraph (f) is redesignated Paragraph (e).

"[(f)] *(e)* (1) The term 'nonmember broker or dealer' as used in paragraph (a) of this Rule shall mean any broker or dealer registered in accordance with Section 15(b) of the Securities Exchange Act of 1934 (the Act), which acts as a 'market maker' as defined in the Act, or whose gross income is derived substantially from acting as a 'broker' as defined in the Act, or both;

(2) The term 'third market maker' as used in this Rule shall mean a 'market maker' as defined in Rule 15c3–1(c)(8) under the Act, who makes markets over-the-counter in stocks dealt in on the Exchange and who maintains the minimum net capital required of a market maker by Rule 15c3–1 under the Act; and

(3) The term 'nonmember block positioner' shall mean a 'block positioner' as defined in Rule 17a–17 under the Act which is not a member of the Exchange."

Paragraph (g) is redesignated paragraph (f) and is amended to read as follows:

"[(g)(1)] *(f)* The price at which a transaction is effected [, whether on the Exchange or in the over-the-counter market,] shall, for purposes of *paragraph* (c) *of* this Rule, mean the price of such transaction exclusive of any commission, commission equivalent, differential, tax, or other charge applicable thereto.

[(2) Each limited price order entered on the specialist's book shall, for purposes of this Rule, be considered a public bid or offer unless initiated by a member on the Floor of the Exchange for his own account or for any account in which he, his member organization, or any affiliated person of his member organization has an interest.]"

Paragraph (h) is redesignated paragraph (g) and is amended to read as follows:

"[(h)] *(g)* Notwithstanding the provisions of Rule 170, the specialist may buy for his own account on a plus or zero tick or sell for his own account on a minus or zero minus tick any or all of the stock which [is to be sold or purchased over-the-counter pursuant to paragraph (c) of this Rule] *a member, member organization or affiliated person proposes to sell or purchase over-the-counter.*"

Commentary .20 is deleted in its entirety as follows:

"[.20 Notwithstanding the provisions of this Rule, a member, member organization or affiliated person may execute a customer's order in the over-the-counter market with a third market maker or nonmember block positioner outside of Exchange trading hours without satisfying public bids or offers on the specialist's book.]"

Commentary .30 is redesignated .20.

Commentary .40 is redesignated .30.

[FR Doc.77–27742 Filed 9–21–77; 8:45 am]

[Release No. 20176; 70–6057]

SOUTHWESTERN ELECTRIC POWER CO.

Notice of Proposed Acquisition of Coal Hopper Rail Cars

SEPTEMBER 16, 1977.

In the matter of Southwestern Electric Power Co., P.O. Box 21106fl Shreveport, La. 71156.

Notice is hereby given that Southwestern Electric Power Co., ("SWEPCO"), an electric utility subsidiary of Central Southwest Corp., a registered holding company, has filed an application with this Commission pursuant to the Public Utility Holding Company Act of 1935 ("Act"), designating sections 9(a) and 10(a)(3) of the Act as applicable to the following proposed transaction. All interested persons are referred to the application which is summarized below, for a complete statement of the proposed transaction.

SWEPCO proposes to enter into a Conditional Sale Agreement (the "Sale Agreement") with the Thrall Car Manufacturing Co. ("Thrall"), pursuant to which SWEPCO will acquire 242 one hundred ton, sixty foot, open-top coal hopper rail cars (the "Equipment"). The equipment will be used to transport coal from a mine near Gillette, Wyo., with which, SWEPCO states, it has a 25-year requirements contract, to SWEPCO's Flint Creek and Welsh Power Plants, located at Siloam Springs, Ark., and Cason, Tex., respectively. SWEPCO further states that it has previously received authorization to acquire 363 rail cars in connection with the start-up of Unit No. 1 at the Welsh Plant (HCAR No. 19643) and that the equipment is necessary in connection with the Flint Creek Plant, for which coal stockpiling is to begin this fall. The Equipment is expected to be delivered in October.

Thrall will assign its right, title and interest in both the Sale Agreement and the Equipment to the Mercantile-Safe Deposit and Trust Company, Baltimore, Md., as Agent ("Agent"), pursuant to an agreement and assignment ("Assignment"). Certain institutional investors ("Investors") will provide funds ("Conditional Sale Indebtedness") to the Agent to pay Thrall pursuant to a Finance Agreement ("Finance Agreement"), receiving in return participating interests in the Sale Agreement, the Assignment, the security title in the Equipment retained by the Agent and certain other cash and property that may be held by the Agent under the Finance Agreement.

Thrall expects to manufacture the Equipment and deliver it to SWEPCO on the date or dates specified in the Sale Agreement. Any Equipment not so delivered, accepted and settled for by the Cut-off Date, as defined in the Sale Agreement, is to be excluded from the Sale Agreement and purchased directly by SWEPCO.

It is stated that the total base price for the Equipment will not exceed $8,400,000. SWEPCO will pay that portion of the total base price represented by the Conditional Sale Indebtedness payable in installments from May 1, 1978, to and including November 1, 1983 (up to $2,520,000) in 12 consecutive, equal, semi-annual installments beginning May 1, 1978, and will pay interest on such indebtedness at the rate of 7.75 percent per annum from the respective Closing Dates under the Sale Agreement on which payment to Thrall is made by the Agent and funds advanced by the Investors. That portion of the total base price represented by the Conditional Sale Indebtedness payable in installments from May 1, 1984 to and including November 1, 1997 (up to $5,889,000) will be paid by SWEPCO in 28 consecutive, equal, semi-annual installments beginning May 1, 1984 and SWEPCO will pay interest on such indebtedness at the rate of 8.20 percent per annum, from the respective Closing Date under the Sale Agreement on which payment to Thrall is made by the Agent and funds advanced by the investors. The Agent may invest the funds it receives from the Investors and the interest and proceeds from such investments will be used to pay Thrall the amounts due pursuant to the Assignment. SWEPCO is obligated to make up the difference, if any, between such interest and proceeds and the amounts due Thrall pursuant to the Assignment. SWEPCO will pay the Agent all expenses incurred by the Agent with respect to the investments made. So long as no default shall have occurred and be continuing, any excess of the interest and proceeds from such investments over and above the amounts due Thrall will be paid by the Agent to SWEPCO. SWEPCO is also obligated to pay the Agent the difference, if any, between the moneys it pays the Agent as assignee of Thrall's rights under the Sale Agreement and the installments of principal and interest owing the Investors under their certificates of interest. The Conditional Sale Indebtedness due from May 1, 1988, through November 1, 1997, will, in addition to prepayment on casualty occurrences, be prepayable beginning in 1988, at 104 percent of par declining in equal annual amounts to 100 percent of par at maturity, in each case together with accrued interest to the date of prepayment. The Conditional Sale Indebtedness due through November 1, 1988, will not be prepayable except on casualty occurrences.

It is stated that, in the event of any Casualty Occurrence, as defined in the Conditional Sales Agreement, SWEPCO must notify the Agent and when the Aggregate Casualty Value, defined as that amount which bears the same ratio to the original purchase price of the subject Equipment as the unpaid Conditional Sale indebtedness bears to the Original Conditional Sale Indebtedness, exceeds $200,000, SWEPCO will be required to pay an amount equal to the Aggregate Casualty Value to the Agent on the next date for payment of principal or interest. Such amounts may, at SWEPCO's option, be used either to prepay pro rata installments of the Conditional Sale Indebtedness or to purchase qualifying replacement equipment.

It is stated that no state commission and no Federal commission, other than this Commission, has jurisdiction with respect to the proposed transaction. It is stated that the fees and expenses to be incurred in connection with the proposed transaction will be supplied by amendment.

Notice is further given that any interested person may, not later than October 11, 1977, request in writing that a hearing be held on such matter, stating the nature of his interest, the reasons for such request, and the issues of fact or law raised by said application which he desires to controvert; or he may request that he be notified if the Commission should order a hearing thereon. Any