provisions of the Act and/or the Code, including any prohibited transaction provisions to which the exemption does not apply and the general fiduciary responsibility provisions of section 404 of the Act, which among other things require a fiduciary to discharge his duties respecting the plan solely in the interest of the participants and beneficiaries of the plan and in a prudent fashion in accordance with section 404(a)(1)(b) of the act; nor does it affect the requirement of section 401(a) of the Code that the plan must operate for the exclusive benefit of the employees of the employer maintaining the plan and their beneficiaries;

- (2) Before an exemption may be granted under section 408(a) of the Act and/or section 4975(c)(2) of the Code, the Department must find that the exemption is administratively feasible, in the interests of the plan and of its participants and beneficiaries and protective of the rights of participants and beneficiaries of the plan;
- (3) The proposed exemptions, if granted, will be supplemental to, and not in derogation of, any other provisions of the Act and/or the Code, including statutory or administrative exemptions and transitional rules. Furthermore, the fact that a transaction is subject to an administrative or statutory exemption is not dispositive of whether the transaction is in fact a prohibited transaction; and
- (4) The proposed exemptions, if granted, will be subject to the express condition that the material facts and representations contained in each application are true and complete and accurately describe all material terms of the transaction which is the subject of the exemption. In the case of continuing exemption transactions, if any of the material facts or representations described in the application change after the exemption is granted, the exemption will cease to apply as of the date of such change. In the event of any such change, application for a new exemption may be made to the Department.

Signed at Washington, DC, this 7th day of August, 1995.

## Ivan Strasfeld.

Director of Exemption Determinations. Pension and Welfare Benefits Administration, U.S. Department of Labor.

[FR Doc. 95-19871 Filed 8-10-95; 8:45 am]

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## **SECURITIES AND EXCHANGE** COMMISSION

[Release No. 35-26351]

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

August 4, 1995.

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 thereunder. 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 amendments thereto is/are available for public inspection through the Commission's Office 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 August 28, 1995, to the Secretary, Securities and Exchange Commission, Washington, D.C. 20549, 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 case of an attorney at law, by certificate) should be filed with the request. Any request for hearing shall identify specifically the issues of fact 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 said date, the application(s) and/ or declaration(s), as filed or as amended, may be granted and/or permitted to become effective.

## The Columbia Gas System, Inc. (70-8659)

The Columbia Gas System, Inc. ("Columbia"). 20 Montchanin Road. Wilmington, Delaware 19807, a registered holding company, has filed an application-declaration under sections 6(a), 7, 9(a) and 10 of the Act.

Columbia seeks authority to enter into interest rate hedge transactions to limit its exposure to a potential rise in longterm interest rates from now until the interest rates on its long-term debt are fixed upon its emergence from bankruptcy. Columbia's interest rate exposure is due to a projected fixed rate debt issuance of approximately \$2.1 billion to fund Columbia's proposed plan or reorganization ("Columbia Plan''). An application by Columbia to issue this debt was filed on May 7, 1995 (File No. 70-8627) and is currently pending.

Among other things, the Columbia Plan contemplates the issuance of up to \$2.1 billion in debentures (the "New Indenture Securities") to be issued under a new form of indenture on the date the Columbia Plan becomes effective (the "Effective Date"), currently anticipated to be December 31, 1995. The New Indenture Securities are to be issued in seven series, each series bearing a maturity that will range from approximately 5 to thirty years. The principal amount of each series will be substantially the same as that of each other series; provided, however, that no series other than series A will have an initial principal amount that is more than 150% of that of any other series. The rate of interest to be borne by the New Indenture Securities of each series will be determined prior to the Effective Date based on market rates for securities of similar maturities and debt rating and in accordance with the pricing methodology set forth in the Columbia Plan.

Recent declines in long-term interest rates permit Columbia to lock in historically attractive interest rates on its New Indenture Securities. To take advantage of these rates, Columbia requests authorization to enter into certain interest rate hedging transactions prior to the issuance of the New Indenture Securities. These transactions include any or all of the following: (i) A sale of exchange-traded U.S. Treasury futures contracts, a forward sale of U.S. Treasury securities and/or a forward interest rate swap, (ii) the purchase of put options on U.S. Treasury securities (each a "Put Options Purchase"), (iii) a Put Options Purchase in combination with the sale of call options on U.S. Treasury securities, or (iv) some combination of the above. These transactions may be executed on the Chicago Board of Trade ("CBOT") with brokers through the opening of futures and/or options positions traded on the CBOT, the opening of over-the-counter positions with one or more counterparties or a combination of the

In a sale of exchange-traded U.S. Treasury futures contracts or in a forward sale of U.S. Treasury securities, Columbia would "lock-in" the U.S. Treasury security component of the New Indenture Securities at the then current Treasury forward yield by selling U.S. Treasury futures and/or by selling spot U.S. Treasury securities forward. Columbia would then reverse its short positions on or around the Effective Date by purchasing the U.S. Treasury futures contracts and/or U.S. Treasury securities previously sold.