

SECURITIES AND EXCHANGE COMMISSION NEWS DIGEST

A brief summary of financial proposals filed with and actions by the S.E.C.

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COMMISSION ANNOUNCEMENT

RE INSTITUTIONAL STUDY REPORT. Public Law 90-438 directed the SEC to make an economic study of the effect of holdings and trading in securities by institutional investors upon the maintenance of fair and orderly securities markets, the issuers of such securities, and the public interest. The Commission's report thereon to Congress is due December 31, 1970.

The basic preparation of the Commission's report, including the underlying analytical work, has been completed. Any recommendations to the Congress in pursuance thereof have not as yet been formulated by the Commission in view of the fact that the completed analytic work of the special staff has only recently become available to the Commission. Certain Congressional leaders have urged that the report, when filed, should be accompanied by Commission recommendations. In view of this and the impending adjournment of the 91st Congress, it will not be possible to file the report with Congress at present and such filing is not authorized to be received during the interval between the close of the present session and the convening of the next Congress. The filing of the report will of necessity be delayed beyond the opening of the next session of Congress.

While the special staff that conducted the study will depart, the Commission has requested them and the study's advisory committee to remain available for consultation. The study's director, Dr. Donald Farrar, will remain with the Commission during the coming period.

HOLDING COMPANY ACT RELEASES

CENTRAL POWER & LIGHT SEEKS ORDER. The SEC has issued an order under the Holding Company Act (Release 35-16954) giving interested persons until January 25 to request a hearing upon an application of Central Power and Light Company, Corpus Christi, Tex. subsidiary of Central and South West Corporation ("Central"), to issue and sell \$36,000,000 of first mortgage bonds, Series L, due 2001, at competitive bidding. Net proceeds will be used to finance the construction program of Central Power & Light (including repayment or prepayment of borrowings from banks and from Central incurred therefor, which borrowings aggregated \$4,200,000 at November 30). Construction expenditures are estimated at \$58,000,000 for 1971.

LOUISIANA POWER RECEIVES ORDER. The SEC has issued an order under the Holding Company Act (Release 35-16955) authorizing Louisiana Power & Light Company, New Orleans subsidiary of Middle South Utilities, Inc., to issue and sell up to \$40,000,000 of short-term notes (including commercial paper) to banks and to an investment banker or dealer in commercial paper. Louisiana Power will use the net proceeds of its financing for construction expenditures and other corporate purposes. Construction expenditures are estimated at \$75,700,000 for 1970, \$110,000,000 for 1971 and \$120,000,000 for 1972.

GENERAL PUBLIC UTILITIES RECEIVES ORDER. The SEC has issued an order under the Holding Company Act (Release 35-16956) authorizing General Public Utilities Corporation, New York holding company, to alter previously designated cash capital contributions to subsidiaries by contributing an additional \$16,200,000 to Metropolitan Edison Company ("Met-Ed"), by reducing the intended contribution to Jersey Central Power & Light Company in the same amount and to extend the time within which to make the contributions to March 31, 1971 in the case of Met-Ed and New Jersey Power & Light Company.

INVESTMENT COMPANY ACT RELEASES

ROYAL OPERATING CORP. RECEIVES ORDER. The SEC has issued an order under the Investment Company Act (Release IC-6312) declaring that Royal Operating Corporation, New York, has ceased to be an investment company as defined in the Act.

OHIO NATIONAL VARIABLE ACCOUNTS RECEIVE ORDERS. The SEC has issued orders under the Investment Company Act exempting the following from certain provisions of the Act: Ohio National Variable Account A (Release IC-6313) and Ohio National Variable Account B (Release IC-6314), each together with The Ohio National Life Insurance Company ("Insurance Company") and The O. N. Equity Sales Company, Cincinnati. Insurance Company established Account A and Account B in connection with the proposed sale of contracts with a variable annuity feature. All or part of the net purchase payments under the contracts will be allocated to Account A and Account B and invested in shares of O. N. Fund, Inc., a mutual fund.

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