

approved an approach to work with the industry to more efficiently resolve program concerns and move toward NRC endorsement of NEI 97-06, coupled with voluntary industry implementation of improved steam generator technical specifications.

On February 4, 2000, the Nuclear Energy Institute provided the NRC staff with its proposed steam generator generic change package which was prepared under the Formal Industry initiative NEI 97-06. The staff suspended its review of NEI 97-06 as a result of regulatory activities associated with the Indian Point Unit 2 steam generator tube failure which occurred February 15, 2000. There have been several other activities in the steam generator area in the past year. These activities are discussed in Regulatory Information Summary 2000-22 dated November 3, 2000, and the lessons learned report from the review of the Indian Point Unit 2 steam generator tube failure dated October 23, 2000. These two documents are available on the NRC web site. On December 11, 2000 NEI submitted a revised Industry Steam Generator Program License Change Package and stated in their transmittal letter that the revised package supercedes the earlier version in its entirety. The NRC's Office of Nuclear Reactor Regulation (NRR) sponsored workshop will discuss recent events and their implications with respect to nuclear power plant steam generators. Proposed topics are: steam generator inspection technical issues, steam generator programmatic issues, steam generator tube integrity issues, and steam generator inspection oversight issues.

Registration

There is no registration fee for the meeting; however, notification of attendance is requested so that adequate preparations for the meeting can be arranged. Please notify R. L. Rothman at (301) 415-3306, email rlr@nrc.gov, if you plan to attend.

Solicitation of Participation by Stakeholders

The NRC staff is soliciting additional stakeholder participation from interested parties on both the technical and regulatory aspects related to the workshop topics. The staff requests that all persons wishing to formally make presentations at the workshop contact R. L. Rothman at (301) 415-3306, email rlr@nrc.gov, no later than February 10, 2001.

Dated at Rockville, MD this 31st day of January 2001.

For the Nuclear Regulatory Commission.
Jack R. Strosnider,
Director, Division of Engineering, Office of Nuclear Reactor Regulation.
[FR Doc. 01-3027 Filed 2-5-01; 8:45 am]
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PRESIDIO TRUST

Notice of Public Meeting

AGENCY: The Presidio Trust.

ACTION: Notice of public meeting.

SUMMARY: In accordance with § 103(c)(6) of the Presidio Trust Act, 16 U.S.C. 460bb note, Title I of Public Law 104-333, 110 Stat. 4097, and in accordance with the Presidio Trust's bylaws, notice is hereby given that a public meeting of the Presidio Trust Board of Directors will be held from 9:00 a.m. to 11:00 a.m. on Wednesday, February 21, 2001, at the Log Cabin, Storey Avenue, Presidio of San Francisco, California. The Presidio Trust was created by Congress in 1996 to manage approximately eighty percent of the former U.S. Army base known as the Presidio, in San Francisco, California.

The purposes of this meeting are to: (1) Approve the minutes of previous Board meetings; (2) Receive a staff report and take action regarding the proposed Mountain Lake Enhancement Plan; (3) Receive staff reports regarding energy conservation projects, the establishment of a community center, and the "Unseen Treasures" exhibition; and (4) receive public comment in accordance with the Trust's Public Outreach Policy.

Time: The meeting will be held from 9:00 a.m. to 11:00 p.m. on Wednesday, February 21, 2001.

ADDRESSES: The meeting will be held at the Log Cabin, Storey Avenue, Presidio of San Francisco.

FOR FURTHER INFORMATION CONTACT: Craig Middleton, Deputy Director for Operations and Governmental Affairs, the Presidio Trust, 34 Graham Street, P.O. Box 29052, San Francisco, California 94129-0052, Telephone: (415) 561-5300.

Dated: January 31, 2001.

Karen A. Cook,
General Counsel.
[FR Doc. 01-3021 Filed 2-5-01; 8:45 am]

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SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-43904; File Nos. SR-CBOE-00-58 and SR-ISE-00-15]

Self-Regulatory Organizations; Chicago Board Options Exchange, Inc.; International Securities Exchange, LLC; Order Approving Proposed Rule Changes Relating to an Interim Intermarket Linkage

January 30, 2001.

I. Introduction

On November 15, 2000, the Chicago Board Options Exchange, Inc. ("CBOE") and the International Securities Exchange LLC ("ISE") filed with the Securities and Exchange Commission ("Commission"), pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 ("Act")¹ and Rule 19b-4 thereunder,² proposals to adopt rules providing for the implementation of "interim linkages" with other option exchanges. On December 13, 2000, the CBOE and ISE (collectively "Exchanges") each submitted amendments to their rule proposals.³ On December 19, 2000, the Exchanges' rule proposals were published for comment in the **Federal Register**.⁴ The Commission did not receive comments on either the CBOE or the ISE proposals. This order approves the CBOE and the ISE proposed rule changes, as amended.

II. Description of the Proposed Rule Changes

The CBOE and ISE propose to implement certain aspects of an intermarket options linkage on an "interim" basis.⁵ The Exchanges represent that this interim linkage would utilize existing order types to facilitate the sending and receiving of order flow between CBOE market makers and ISE market makers and their counterparts on the other options exchanges as an interim step towards development of a "permanent" linkage.⁶

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b-4.

³ See letters from Timothy Thompson, Assistant General Counsel, Legal Department, CBOE, and from Michael Simon, Senior Vice President and General Counsel, ISE, to Nancy Sanow, Assistant Director, Division of Market Regulation, Commission, dated December 12, 2000 and December 11, 2000, respectively.

⁴ See Securities Exchange Act Release Nos. 43745 (December 19, 2000), 65 FR 82418 (File No. SR-CBOE-0058) and 43743 (December 19, 2000), 65 FR 82426 (File No. SR-ISE-0015).

⁵ Under the proposal, the interim linkage would be for a pilot period expiring on January 31, 2002.

⁶ On July 28, 2000, the Commission approved a linkage plan that now includes all five options exchanges. See Securities Exchange Act Release Nos. 43086 (July 28, 2000), 65 FR 48023 (August 4,

The Exchanges represent that all of the options exchanges continue to work towards implementation of a permanent linkage, which likely will include contracting with a third party to build a linkage infrastructure. According to the Exchanges, because the implementation of a permanent linkage is expected to take a significant amount of time, the options exchanges have proposed implementing an "interim" linkage. An interim linkage would use the existing market infrastructure to route orders between market makers on the participating exchanges in a more efficient manner. The Exchanges propose that the interim linkage would be in effect on a pilot basis until January 31, 2002.⁷

The interim linkage would require the participating exchanges to open their automated customer execution systems, on a limited basis, to market maker orders. Specifically, market makers would be able to designate certain orders as "customer" orders, and thus, would receive automatic execution of those orders on participating exchanges.

The proposals would authorize the CBOE and the ISE to implement bilateral or multilateral interim arrangements with the other options exchanges to provide for equal access between market makers on the respective exchanges. The Exchanges represent that the initial arrangements would allow ISE Primary Market Makers ("PPMs"), CBOE Designated Primary Market Makers ("DPMs"), and their equivalents on the other exchanges,⁸ when they are holding customer orders, to send orders reflecting the customer orders to another market for execution when such other market has a better quote. Such orders would be limited in size to the lesser of the size of the two markets' "firm" quotes for customer orders. The Exchanges expect that the interim linkage may expand to include limited access for pure principal orders, for orders of no more than 10 contracts.

Under the Exchanges' proposals, all interim linkage orders must be "immediate or cancel",⁹ and a market maker can send a linkage order only when the other (receiving) market is displaying the best national bid or offer and the sending market is displaying an

inferior price. The Exchanges represent that this will allow a market maker to access the better price for its customer. In addition, if the interim linkage includes principal orders, it would allow market makers to attempt to "clear" another market displaying a superior quote. Further, the Exchanges represent that they will implement heightened surveillance procedures to help ensure that their market makers send only properly qualified orders through the interim linkage.

DPM and PMM participation in the interim linkage would be voluntary under the terms of the proposals. Only when a DPM or PMM and its equivalent on another exchange believe that this form of mutual access would be advantageous would the exchanges employ the interim linkage procedures. The Exchanges represent that the interim linkage will benefit investors and will provide useful experience that will help the Exchanges in implementing the permanent linkage.

III. Discussion

After careful review, the Commission finds that the CBOE and the ISE proposed rule changes are consistent with the requirements of the Act and the rules and regulations thereunder applicable to a national securities exchange¹⁰ and, in particular, the requirements of Section 6 of the Act.¹¹ Among other provisions, Section 6(b)(5) of the Act requires that the rules of an exchange be designed to foster cooperation and coordination with persons engaged in regulating, clearing, settling, processing information with respect to, and facilitating securities transactions; remove impediments to and perfect the mechanism of a free and open market and a national market system; and protect investors and the public interest.

The Commission notes that developing and fully implementing a permanent intermarket linkage may take a significant amount of time. According to the Exchanges, the interim linkage will be introduced on a voluntary basis, to allow participating exchanges to route customer orders to an away market that is displaying the best available price in a multiply-traded options class. The Commission believes that this interim linkage should enable customers to benefit from the Exchanges' immediate ability to use their existing market infrastructure to route their orders between market

makers on the participating exchanges in a more efficient manner.¹²

It is therefore ordered, pursuant to Section 19(b)(2) of the Act,¹³ that the proposed rule changes (SR-CBOE-00-58 and SR-ISE-00-15) are approved, as amended, on a pilot basis until January 31, 2002.

For the Commission, by the Division of Market Regulation, pursuant to delegated authority.¹⁴

Margaret H. McFarland,
Deputy Secretary.

[FR Doc. 01-3003 Filed 2-5-01; 8:45 am]

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SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-43908; File No. SR-CBOE-00-53]

Self-Regulatory Organizations; Order Approving Proposed Rule Change by the Chicago Board Options Exchange, Inc. Relating to Permanent Approval of Live Ammo to RAES

January 30, 2001.

I. Introduction

On November 8, 2000, the Chicago Board Options Exchange, Inc. ("CBOE" or "Exchange") submitted to the Securities and Exchange Commission ("SEC" or "Commission"), pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 ("Act")¹ and Rule 19b-4 thereunder,² a proposed rule change to adopt the rule governing the execution of orders on the live ammo screen on a permanent basis. On December 11, 2000, the proposal was published in the **Federal Register**.³ The Commission did not receive any comments on the proposed rule change. This order approves the proposed rule change.

II. Background

The CBOE originally proposed to amend its Rule 7.4, which governs the execution of orders by order book officials ("OBOs") or designated primary market makers' ("DPMs") book staff, to permit the electronic execution of certain orders on the live ammo screen, in June 1998 ("Original Proposal").⁴ The Commission approved the Original Proposal on a pilot basis on

2000); 43573 (November 16, 2000), 65 FR 70851 (November 28, 2000); and 43574 (November 16, 2000), 65 FR 70850 (November 28, 2000).

⁷ See *supra* note 3.

⁸ Specialists on other exchanges would be permitted to use the interim linkage after filing appropriate rules with the Commission and executing agreements with the participating exchanges.

⁹ Thus, interim linkage orders could not be placed on an exchange's limit order book.

¹⁰ The Commission has considered the proposed rules' impact on efficiency, competition and capital formation. 15 U.S.C. 78c(f).

¹¹ 15 U.S.C. 78f(b)(5).

¹² *Id.*

¹³ 15 U.S.C. 78s(b)(2).

¹⁴ 17 CFR 200.30-3(a)(12).

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b-4.

³ Securities Exchange Act Release No. 43646 (November 30, 2000), 65 FR 77403.

⁴ Securities Exchange Act Release No. 40283 (July 30, 1998), 63 FR 42085 (August 6, 1998).