



UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

April 24, 1987

The Honorable John D. Dingell
Chairman, Subcommittee on Oversight
and Investigations
2323 Rayburn House Office Building
Washington, DC 20515

Dear Chairman Dingell:

Enclosed is a memorandum responding to your letter of February 10, 1987, regarding the status of the Commission's investigation relating to Washington Public Power Supply System (WPPSS) bonds.

As you will see from the memorandum, the WPPSS investigation has not been concluded and the Enforcement Division has yet to make a final determination as to what recommendations, if any, it will make to the Commission in this matter.

The Commission appreciates the Subcommittee's interest in this matter. However, consistent with our mutual interest in ensuring that the Commission's decision-making processes are completely independent, the Commission is not in a position to respond specifically to your requests during an ongoing investigation. More complete information will be provided to the Subcommittee at the appropriate time.

At this time, it would be also premature for the Commission to address what legislative or administrative changes, if any, it would recommend to clarify or strengthen the legal responsibilities of investment and rating firms with respect to disclosure and financial advice.

Sincerely,

Charles C. Cox
Commissioner

Enclosure