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[20346001]

Cilcorp Inc. , Peoria , Ill. , said it agreed to acquire the environmental consulting and analytical service businesses of Hunter Environmental Services Inc. of Southport , Conn .

[20346002]

The utility holding company said Hunter will receive 390,000 shares of a new series of Cilcorp convertible preferred stock with a face value of \$ 39 million for the businesses .

[20346003]

Cilcorp will also assume \$ 22 million of Hunter 's existing debt .

[20346004]

As part of the agreement , Cilcorp said it will pay Hunter \$ 4 million in exchange for agreements not to compete .

[20346005]

Cilcorp said the businesses to be acquired had revenue of \$ 76 million for the year ended March 31 .

[20346006]

Separately , Cilcorp said it plans to purchase as many as 1.4 million shares , or 10 % of its common stock outstanding from time to time on the open market and through privately negotiated transactions .

[20346007]

The company , which currently has 13.5 million common shares outstanding , said it has no specific plans for the shares .