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

SCHEDULE 13G (Rule 13d-102)

Information Statement Pursuant to Rules 13d-1 and 13d-2 Under the Securities Exchange Act of 1934 (Amendment No. 1)*

,
Netergy Networks, Inc.
(Name of Issuer)
Common Stock, Par Value \$0.001
(Title of Class of Securities)
64111F108
(CUSIP Number)
December 31, 2000
Date of Event Which Requires Filing of the Statement
Check the appropriate box to designate the rule pursuant to which this Schedule is filed:
[_] Rule 13d-1(b) [X] Rule 13d-1(c) [_] Rule 13d-1(d)

*The remainder of this cover page shall be filled out for a reporting person's initial filing on this form with respect to the subject class of securities, and for any subsequent amendment containing information which would alter disclosures provided in a prior cover page.

The information required on the remainder of this cover page shall not be deemed to be "filed" for the purpose of Section 18 of the Securities Exchange Act of 1934 ("Act") or otherwise subject to the liabilities of that section of the Act but shall be subject to all other provisions of the Act (however, see the Notes).

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Cusip No. 64111	.F108	13G	Page 2 of 16 Pages
NAME OF REPO 1. S.S. OR I.R.	PRTING PERSON S. IDENTIFICATION ted Partnership	NO. OF ABOVE F	
CHECK THE AP	PROPRIATE BOX IF		GROUP*
2.			(a) [X]
			(b) [_]
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U.S.A.	nited partnership		
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SHARES			
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OWNED BY		(convertible ik) /(1)(2)/	nto 531,915 shares of Common
EACH	\$3,750,00	0´prìncìpál amo	ount of Series B Convertible
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WITH	Series B of Co	Warrants (exerc	cisable into 105,634 shares
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Cusip No. 64111F	108	13G	Page 3 of 16 Pages
NAME OF REPOR			PERSON
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TYPE OF REPOR	RTING PERSON*		
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Cusip No. 64111	F108	13G	Page 4 of 16 Pages
NAME OF REPORT		N NO. OF ABOVE P	ERSON
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			(b) [_]
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		ING POWER	
NUMBER OF	5.		
NUMBER OF SHARES	0		
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Cusip No. 64111		13G Page 5 of 16 Pages
NAME OF REPOR		
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Kenneth Grif	fin	
CHECK THE API	PROPRIATE BOX I	F A MEMBER OF A GROUP*
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		(b) [_]
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		Common Stock)/(2)/
WITH		B Warrants (exercisable into 105,634 shares Common Stock)/(2)/
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CERTAIN SHAR	FS	[_]
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		ecember 31, 2000. (Based on 25,408,221 shares
		outstanding as of November 10, 2000, plus the the conversion of the Series A Convertible
		ble Notes and exercise of the Series A
		/arrants referred to in Row 6 above.)
	RTING PERSON*	
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Cusip No. 64111	F108	13G	Page 6 of 16 Pages
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OWNED BY EACH	\$3,750,00		ount of Series B Convertible
REPORTING		s (convertible i k) /(1)(2)/	nto 105,634 shares of Common
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WITH	Series B of Co	ommon Stock)/(2)	eisable into 105,634 shares
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TYPE OF REPOR	RTING PERSON*		
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Cusip No. 64111		13G	Page 7 of 16 Pages
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			(b) [_]
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	OR PLACE OF ORGAN		
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Cayman Islan	ds company		
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WITH		nmon Stock)/(2)/	able into 105,634 shares
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			ased on 25,408,221 shares lovember 10, 2000, plus the
			he Series A Convertible
			ise of the Series A
Warrants and	the Series B Warr	ants referred to	in Row 6 above.)
	RTING PERSON*		
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Cusip No. 64111		13G	Page 8 of 16 Pages
NAME OF REPOR			
1. S.S. OR I.R.S	S. IDENTIFICAT	TION NO. OF ABOVE P	ERSON
Kensington G	lobal Strategi	es Fund. Itd.	
CHECK THE APP	PROPRIATE BOX	IF A MEMBER OF A G	
2.			(a) [X]
			(h) []
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	OR PLACE OF OR		
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Bermuda compa	any		
		OTING POWER	
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BENEFICIALLY			unt of Series A Convertible nto 531,915 shares of Common
OWNED BY		cock) /(1)(2)/	1100 301, 310 311a1 63 01 3011111011
EACH	\$3,750	,000 principal amo	unt of Series B Convertible
			nto 105,634 shares of Common
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PERSON		Common Stock)/(2)	isable into 531,915 shares /
WITH			isable into 105,634 shares
	of	Common Stock)/(2)	/
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CERTAIN SHARE	ES 		
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11. Approximately	y 4.8% as of D	ecember 31, 2000.	(Based on 25,408,221 shares
			November 10, 2000, plus the
			the Series A Convertible
			rcise of the Series A to in Row 6 above.)
		· · · · · · · · · · · · · · · · · · ·	
TYPE OF REPOR	RTING PERSON*		
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CO; HC			

Cusip No. 64111		Page 9 of 16 Pages
NAME OF REPO		
1. S.S. OR I.R.	S. IDENTIFICATION NO. OF A	BOVE PERSON
Fisher Capit	al Itd.	
CHECK THE AP	PROPRIATE BOX IF A MEMBER (OF A GROUP*
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Cayman Islan	ds company	
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EACH		al amount of Series B Convertible
		ible into 105,634 shares of Common
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PERSON		(exercisable into 531,915 shares
WITH	of Common Stock	()/(2)/ (exercisable into 105,634 shares
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		2000. (Based on 25,408,221 shares as of November 10, 2000, plus the
		ion of the Series A Convertible
		nd exercise of the Series A
	the Series B Warrants refe	· · · · · · · · · · · · · · · · · · ·
	DTING DEDGON*	
12.	RTING PERSON*	
CO		

Cusip No. 64111F108

Item 1(a) Name of Issuer: Netergy Networks, Inc.

1(b) Address of Issuer's Principal Executive Offices:

> 2445 Mission College Blvd. Santa Clara, California 95054

Item 2(a) Name of Person Filing

Item 2(b) Address of Principal Business Office

Item 2(c) Citizenship

> Citadel Limited Partnership 225 W. Washington 9th Floor Chicago, Illinois 60606 Illinois limited partnership

> GLB Partners, L.P. 225 W. Washington 9th Floor Chicago, Illinois 60606 Delaware limited partnership

Citadel Investment Group, L.L.C. 225 W. Washington 9th Floor Chicago, Illinois 60606 Delaware limited liability company

Kenneth Griffin 225 W. Washington 9th Floor Chicago, Illinois 60606 U.S. Citizen

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Wellington Partners Limited Partnership c/o Citadel Investment Group, L.L.C. 225 W. Washington 9th Floor

Chicago, Illinois 60606 Illinois limited partnership

Wingate Capital Ltd.

c/o Citadel Investment Group, L.L.C.

225 W. Washington

9th Floor

Chicago, Illinois 60606

Cayman Islands company

Kensington Global Strategies Fund, Ltd.

c/o Citadel Investment Group, L.L.C.

225 W. Washington

9th Floor

Chicago, Illinois 60606

Bermuda company

Fisher Capital Ltd.

c/o Citadel Investment Group, L.L.C.

225 W. Washington

9th Floor

Chicago, Illinois 60606

Cayman Islands company

2(d) Title of Class of Securities:

Common Stock, par value \$0.001 per share

2(e) CUSIP Number: 64111F108

If this statement is filed pursuant to Rules 13d-1(b), or 13d-Item 3 2(b) or (c), check whether the person filing is a:

- Broker or dealer registered under Section 15 of (a) [__] the Exchange Act;
- (b) [__] Bank as defined in Section 3(a)(6) of the Exchange Act;
- (c) Insurance company as defined in Section 3(a)(19)[__] of the Exchange Act;
- (d) Investment company registered under Section 8 of [__] the Investment Company Act;
- An investment adviser in accordance with Rule 13d-(e) $[_]$ 1(b)(1)(ii)(E);
- (f) An employee benefit plan or endowment fund in accordance with Rule 13d-1(b)(1)(ii)(F);

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(g)	[]	A parent holding company or control person in accordance with Rule 13d-1(b)(ii)(G);
(h)	[_]	A savings association as defined in Section 3(b) of the Federal Deposit Insurance Act;
(i)	[_]	A church plan that is excluded from the definition of an investment company under Section 3(c)(14) of the Investment Company Act;
(j)	[_]	Group, in accordance with Rule $13d-1(b)(1)(ii)(J)$.
If this		ment is filed pursuant to Rule 13d-1(c), check this

Item 4 Ownership:

CITADEL LIMITED PARTNERSHIP
GLB PARTNERS, L.P.
CITADEL INVESTMENT GROUP, L.L.C.
KENNETH GRIFFIN
WELLINGTON PARTNERS LIMITED PARTNERSHIP
WINGATE CAPITAL LTD.
KENSINGTON GLOBAL STRATEGIES FUND, LTD.
FISHER CAPITAL LTD.

(a) Amount beneficially owned:

3,750,000 principal amount of Series A Convertible Notes (convertible into 531,915 shares of Common Stock)/(1)(2)/

\$3,750,000 principal amount of Series B Convertible Notes (convertible into 105,634 shares of Common Stock)/(1)(2)/

Series A Warrants (exercisable into 531,915 shares of Common Stock)/(2)/ Series B Warrants (exercisable into 105,634 shares of Common Stock)/(2)/

(b) Percent of Class:

Approximately 4.8% as of December 31, 2000. (Based on 25,408,221 shares of Common Stock issued and outstanding as of November 10, 2000, plus the Common Stock issuable upon the conversion of the Series A Convertible Notes and Series B Convertible Notes and exercise of the Series A Warrants and Series B Warrants referred to in item (a) above.)

- (c) Number of shares as to which such person has:
 - (i) sole power to vote or to direct the vote:

6

/(1)/ The Series A Convertible Notes and Series B Convertible Notes also accrue at a rate of 4.0% per annum, payable semiannually in cash or Common Stock, at the discretion of the Issuer.

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> shared power to vote or to direct the vote: (ii)

> > See item (a) above.

(iii) sole power to dispose or to direct the disposition of:

(iv) shared power to dispose or to direct the disposition of:

See item (a) above.

/(2)/ The Series A Convertible Notes (the "Series A Notes") and the Series B Convertible Notes (the "Series B Notes") accrue interest at the rate of 4.0% per annum, payable semiannually in cash or Common Stock at the discretion of the Company. The securities reported herein include securities that the holders may acquire in the future through (i) the conversion of the Series A Notes, which may be converted by the Reporting Persons at any time prior to and including December 15, 2002 (subject to extension in certain circumstances) into shares of Common Stock at a conversion price equal to \$7.05 (subject to adjustments to prevent dilution) (the "Series A Conversion Price"), (ii) the conversion of the Series B Notes, which may be converted by the Reporting Persons at any time prior to and including December 15, 2002 (subject to extension in certain circumstances) into shares of Common Stock at a conversion price equal to \$35.50 (subject to adjustments to prevent dilution) (the "Series B Conversion Price"), (iii) the exercise by the Reporting Persons at any time prior to and including December 15, 2002 of warrants to purchase up to 531,915 shares of Common Stock (the "Series A Warrants") and (iv) the exercise by the Reporting Persons at any time prior to and including December 15, 2002 of warrants to purchase up to 105,634 shares of Common Stock (the "Series B Warrants"). The exercise price of the Series A Warrants is equal to \$7.05 (subject to adjustment to prevent dilution) and the exercise price of the Series B Warrants is \$35.50 (subject to adjustment to prevent dilution). As of December 31, 2000 the Series A Notes had accrued and unpaid interest of approximately \$37,397.26 and the Series B notes had accrued and unpaid interest of approximately \$37,397.26.

Pursuant to the terms of the Series A Notes, Series B Notes, Series A Warrants and Series B Warrants the Reporting Persons cannot be "beneficial owners" of more than 10.00% of the Common Stock of the Company within the meaning of Rule 13-d.

Item 5 Ownership of Five Percent or Less of a Class:

Not Applicable.

Item 6 Ownership of More than Five Percent on Behalf of Another Person:

Not Applicable.

Item 7 Identification and Classification of the Subsidiary which Acquired the Security Being Reported on by the Parent Holding Company:

See Item 2 above.

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Item 8 Identification and Classification of Members of the Group:

Not Applicable.

Item 9 Notice of Dissolution of Group:

Not Applicable.

Item 10 Certification:

By signing below I certify that, to the best of my knowledge and belief, the securities referred to above were not acquired and are not held for the purpose of or with the effect of changing or influencing the control of the issuer of the securities and were not acquired and are not held in connection with or as a participant in any transaction having that purpose or effect.

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After reasonable inquiry and to the undersigned certify that the information complete and correct.		
Dated this 9th day of February, 2001	/s/ Kenneth Griffin	
		Griffin
CITADEL LIMITED PARTNERSHIP	CITADEL I	INVESTMENT GROUP, L.L.C.
By: GLB Partners, L.P., its General Partner	By: /s/ Kenneth Griffin	
		Griffin, President
By: Citadel Investment Group, L.L.C., its General Partner		
By: /s/ Kenneth Griffin		
Kenneth Griffin, President		
GLB PARTNERS, L.P.	WINGATE C	CAPITAL LTD.
By: Citadel Investment Group, L.L.C., its General Partner		Limited Partnership, Iing Manager
By: /s/ Kenneth Griffin	By: GLB Part	· · · · · · · · · · · · · · · · · · ·
Kenneth Griffin, President	its General Partner	
		Investment Group, L.L.C., eral Partner
	•	neth Griffin
		Griffin, President
WELLINGTON PARTNERS LIMITED PARTNERSHIP	FISHER CA	APITAL LTD.
By: Citadel Limited Partnership, its General Partner		Limited Partnership, Iing Manager
By: GLB Partners, L.P., its General Partner	By: GLB Part its Gene	ners, L.P., eral Partner
By: Citadel Investment Group, L.L.C., its General Partner	By: Citadel its Gene	Investment Group, L.L.C., eral Partner

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By: /s/ Kenneth Griffin

Kenneth Griffin, President

By: /s/ Kenneth Griffin

Kenneth Griffin, President

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KENSINGTON GLOBAL STRATEGIES FUND, LTD.				
Ву:	Citadel Limited Partnership, its Trading Manager			
Ву:	GLB Partners, L.P., its General Partner			
Ву:	Citadel Investment Group, L.L its General Partner	C.,		

Kenneth Griffin, President

By: /s/ Kenneth Griffin

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