

In passing on the request the Commission, in the opinion in Decision No. 17488, dated October 16, 1926, recited:-

"No first and refunding bonds are reserved, under the trust indenture, to retire the bonds issued by Coachella Valley Ice and Electric Company. It is the opinion of counsel that applicant, under its first and refunding mortgage, is entitled to issue bonds equal in face amount only up to eighty-five percent of the face value of the bonds of Coachella Valley Ice and Electric Company, or in the aggregate face amount of \$255,000.00. It appears, however, that these bonds also are held by The Nevada California Electric Corporation and that that company has agreed to surrender them at eighty-five percent of their face value so that no additional indebtedness will be created through the refunding of these underlying bonds."

The Commission's decision accordingly authorized the issue and sale at not less than par, of not exceeding \$255,000.00 of first and refunding mortgage bonds to refund the outstanding \$300,000.00 of Coachella Valley Ice and Electric Company bonds.

It is now reported, however, that it was the intention and desire of The Nevada California Electric Corporation to surrender the Coachella Valley Ice and Electric Company bonds at par, instead of at eighty-five, and to accept in exchange \$255,000.00 of the bonds of The Southern Sierras Power Company and \$45,000.00 in cash. The Commission accordingly is asked to make a supplemental order in these proceedings so as to permit the refunding of these bonds on this basis.

The Commission has given consideration to applicant's request and believes it should be granted, therefore,

IT IS HEREBY ORDERED that Paragraph "4" of the order in Decision No. 17488, dated October 16, 1926, reading,

"4- The Southern Sierras Power Company is hereby authorized to issue and sell at not less than par, not exceeding \$255,000.00 of first and refunding mortgage bonds to refund the outstanding \$300,000.00 of Coachella Valley Ice and Electric Company bonds."

be, and the same is hereby amended so as to read--

"4. The Southern Sierras Power Company is hereby authorized to issue and sell at not less than par, not exceeding \$255,000.00 of first and refunding mortgage bonds to refund the outstanding \$300,000.00 of Coachella Valley Ice and Electric Company bonds, at par, and to pay the difference of \$45,000.00 with cash derived otherwise than through the issue and sale of bonds."

IT IS HEREBY FURTHER ORDERED that the order in Decision No. 17488, dated October 16, 1926, shall remain in full force and effect, except as modified by this First Supplemental Order.

DATED at San Francisco, California, this 12th day of January, 1927.

Ernest West
H. P. Boudiger
Al. Sawyer
Leon Whitell

Commissioners.