

Decision No. 50657

ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

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| In the Matter of the Application of |) | |
| | : | |
| SIERRA PACIFIC POWER COMPANY |) | |
| | : | |
| for an order authorizing it (a) to |) | |
| issue and sell 34,807 additional shares | : | |
| of its common stock, \$15 par value, and |) | Application |
| (b) to execute a Fourth Supplemental | : | No. 35752 |
| Indenture supplemental to its Indenture |) | |
| of Mortgage and to issue and sell there- | : | |
| under \$4,000,000 principal amount of a |) | |
| new series of its First Mortgage Bonds. | : | |
| ----- |) | |

SECOND SUPPLEMENTAL ORDER

Whereas, Sierra Pacific Power Company filed the above entitled proceeding on September 1, 1954, for authorization to issue and sell \$4,000,000 of first mortgage bonds at competitive bidding, and to issue and sell 34,807 shares of its common stock (par value \$522,105) to its shareholders, for the purpose of refunding outstanding indebtedness, of reimbursing its treasury and of financing construction costs; and,

Whereas, the Commission by Decision No. 50599, dated October 5, 1954, as amended, authorized Sierra Pacific Power Company to issue and sell said shares of common stock but held in abeyance the request to issue and sell the bonds pending completion of the application with respect to said bonds; and,

Whereas, Sierra Pacific Power Company under date of October 13, 1954, has filed with the Commission a copy of its proposed Fourth Supplemental Indenture to be executed in connection with the issue of the \$4,000,000 of bonds; and,

Whereas, the Commission is of the opinion that a further order should be entered at this time authorizing the execution of the supplemental indenture and the issue of the bonds; therefore,

IT IS HEREBY ORDERED as follows:

1. Sierra Pacific Power Company may execute a Fourth Supplemental Indenture, on or before December 31, 1954, in, or substantially in, the same form as the instrument filed in this proceeding on October 13, 1954.
2. Sierra Pacific Power Company may issue and sell, at competitive bidding, on or before December 31, 1954, \$4,000,000 of first mortgage bonds at the price to be offered in bids to be received in response to invitations for competitive bidding which will result in the lowest annual cost of money to applicant.
3. Sierra Pacific Power Company shall use the proceeds to be received from the issue and sale of said \$4,000,000 of bonds for the purposes set forth in this application, it being the opinion of the Commission that the money, property or labor to be procured or paid for by the issue and sale of the bonds herein authorized is reasonably required by applicant for the purposes specified herein, and that such purposes, except as otherwise authorized, are not, in whole or in part, reasonably chargeable to operating expenses or to income. The accrued interest to be received may be used for said purposes or for general corporate purposes.
4. Immediately upon awarding the contract for the sale of said \$4,000,000 of bonds, Sierra Pacific Power Company shall file a report with the Commission showing, as to each bid received, the name of the bidder, the price, the interest rate, and the cost of

money to applicant based on such price and interest rate.

5. Sierra Pacific Power Company shall file with the Commission, on or before January 31, 1955, a report showing the date or dates upon which it sold said bonds, the price and the total amount received, together with a statement of the purposes for which the proceeds were used.

6. The authority herein granted will become effective when Sierra Pacific Power Company has paid the fee prescribed by Section 1904(b) of the Public Utilities Code.

Dated at San Francisco, California, this 19th day of October, 1954.

John E. Mitchell
President

Justus J. Caswell
Wesley Lott

Deane Deering
Ray L. Hester
Commissioners

