

**ORIGINAL**

Decision No. 74680

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of Application of )  
SIERRA PACIFIC POWER COMPANY )  
for an order authorizing it )  
(a) to extend certain unsecured )  
promissory notes payable to )  
banks for periods in excess of )  
the original twelve (12) month )  
term, and (b) to extend yet to )  
be executed unsecured promissory )  
notes payable to banks for )  
periods in excess of the original )  
twelve (12) month term. )

Application No. 50506  
Filed August 26, 1968

O P I N I O N

This is an application for an order of the Commission authorizing Sierra Pacific Power Company to issue unsecured promissory notes payable to banks in the aggregate principal amount of not exceeding \$20,000,000 at any one time outstanding.

The proposed notes will renew short-term bank loans obtained, and to be obtained, for financing, in part, applicant's construction program. Said notes will mature no later than December 31, 1970, and will bear interest at a rate per annum of not exceeding 1/4 of 1% over the prime rate in effect at the time of the borrowing or renewal thereof. Said prime rate is defined as the lowest rate at which New York banks are then making short-term commercial loans to depositors.

For the years 1968, 1969 and 1970 applicant estimates total plant expenditures of \$14,677,000, \$14,750,000 and \$25,458,000, respectively.

After consideration the Commission finds that:

(1) the proposed notes are for a proper purpose; (2) the money, property or labor to be procured or paid for by the issue of the notes herein authorized is reasonably required for the purpose specified herein; and (3) such purpose is not, in whole or in part, reasonably chargeable to operating expenses or to income. A public hearing is not necessary.

On the basis of the foregoing findings we conclude that the application should be granted. The authorization herein granted is for the purpose of this proceeding only and is not to be construed as indicative of amounts to be included in proceedings for the determination of just and reasonable rates.

#### O R D E R

IT IS ORDERED that:

1. Sierra Pacific Power Company, for the purpose set forth in this proceeding, may issue unsecured promissory notes in the aggregate principal amount of not exceeding \$20,000,000 at any one time outstanding. The notes shall mature no later than December 31, 1970, and shall bear interest at rates not exceeding those to be determined in the manner described in the application.

2. Within thirty days after issuing any of the notes herein authorized Sierra Pacific Power Company shall file with the Commission a copy of each as actually issued. The filing shall be in lieu of a report, or reports, required by General Order No. 24-B.

3. This order shall become effective when Sierra Pacific Power Company has paid the fee prescribed by Section 1904(b) of the Public Utilities Code, which fee is \$8,000.

Dated at San Francisco, California,  
this 17th day of SEPTEMBER, 1968.

William Synovis, Jr.  
President  
John E. H. H. H. H.  
William H. Bernard  
Augustine  
Alfred P. Morrissey  
Commissioners

