

Decision No. 82338**ORIGINAL**

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of)
 SIERRA PACIFIC POWER COMPANY for an)
 increase from \$37,500,000 to)
 \$42,500,000 in its authorization for)
 the aggregate amount of notes payable)
 at periods of not more than twelve)
 months after the date of issuance.)

Application No. 54522
 (Filed December 19, 1973)

O P I N I O N

Sierra Pacific Power Company seeks authority to issue promissory notes aggregating not exceeding \$42,500,000 at any one time outstanding.

Applicant is a Nevada corporation engaged in public utility electric operations in the State of California and in public utility electric, gas and water operations in the State of Nevada. For the 12 months ended October 31, 1973, it reports operating revenues and net income in the respective amounts of \$57,022,226 and \$8,674,987.

The company proposes to issue short-term notes from time to time until December 31, 1975, aggregating not exceeding \$42,500,000 at any one time outstanding, with interest at a rate of not exceeding 1-1/2% above the prime rate prevailing at the time of negotiation. The notes would be issued to meet applicant's continuing need for short-term borrowings to provide working capital, to finance, in part, its construction program, and to renew or refund other short-term obligations. The effect would be to take over and continue the \$37,500,000 of similar financing authorized by Decision No. 77716, dated September 15, 1970, and to borrow up to an additional \$5,000,000.

After consideration the Commission finds that: (1) the proposed notes would be for proper purposes; (2) the money, property or labor to be procured or paid for by the notes herein authorized is reasonably required for the purposes specified herein; and (3) such purposes are 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, on or after the effective date hereof and on or before December 31, 1975, for the purposes specified in this proceeding, may issue short-term notes from time to time in the aggregate principal amount of not exceeding \$42,500,000 at any one time outstanding, which notes shall bear interest at rates not exceeding those computed in the manner set forth 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 statement, in lieu of a report under General Order No. 24-B, showing the issue and due dates, the interest rate, the payee and the principal amount of each note.

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 \$6,000.

Dated at San Francisco, California, this 15th day of January, 1974.

Vernon L. Sturgeon
President
William S. Brown, Jr.
William S. Brown, Jr.
Paul J. ...
...
Commissioners

