

Decision 88 05 043 MAY 18 1988

ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application )  
of SIERRA PACIFIC POWER COMPANY )  
for an order authorizing it to )  
issue and sell by negotiation ) Application 87-03-016  
with underwriters 680,000 of ) (Filed March 10, 1987)  
Preferred Stock Series G )  
(UO-903E) )

ORDER EXTENDING TIME

Decision (D) 87-04-046, dated April 22, 1987 in the above-entitled application authorized Sierra Pacific Power Company (Sierra Pacific) to issue and sell, on or before December 31, 1987, 680,000 shares of its preferred stock, Series G, \$50.00 par value, under a negotiated contract, with one or more underwriters.

Sierra Pacific, by its attorneys' letter dated May 17, 1988, requests an extension of time through May 20, 1988 in which to exercise its authority. It has stated that market conditions dictate a sale at this time and that until yesterday applicant and its attorneys were unaware of the deadline imposed in ordering Paragraph of Decision No. 87-04-046.

Under Resolution F-606,

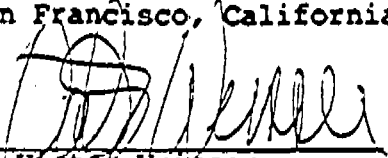
IT IS ORDERED:

1. The authorization granted Sierra Pacific Power Company in Decision 87-04-046 is extended through May 20, 1988.

2. The extension of time is granted as set forth above.

This order is effective today.

Dated: May 18, 1988, at San Francisco, California.

  
\_\_\_\_\_  
Victor Weissner  
Executive Director

I CERTIFY THAT THIS DECISION  
WAS APPROVED BY THE ABOVE  
COMMISSIONERS TODAY.

  
Victor Weissner, Executive Director

GRAHAM & JAMES

ONE MARITIME PLAZA

THIRD FLOOR

SAN FRANCISCO, CALIFORNIA 94111

TELEPHONE (415) 984-0200

May 17, 1988

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WRITER'S DIRECT DIAL NUMBER

(415) 954-0235

VIA HAND DELIVERY

Victor R. Weisser, Executive Director  
California Public Utilities Commission  
505 Van Ness Avenue  
San Francisco, CA 94102

Re: Application No. 87-03-016

Dear Mr. Weisser:

On April 22, 1987, the Commission issued Decision No. 87-04-046, wherein it authorized Sierra Pacific Power Company (SPPCo) to issue 680,000 shares of its preferred stock, Series G, \$50.00 par value, under a negotiated contract, with one or more underwriters. In its application, SPPCo requested that it receive authority to issue and sell said stock on or about May 28, 1987, "or at such later time as in the opinion of applicant, market conditions are favorable . . ." (emphasis added).

Last Wednesday applicant determined that the market conditions were favorable for the issuance of its Series G preferred stock to redeem its preferred stock, Series D and E. Since that time applicant has moved quickly to respond to the favorable market conditions. A pre-closing for the sale has been set for tomorrow in San Francisco, California with the final closing to follow on Thursday, May 19, 1988 in San Francisco.

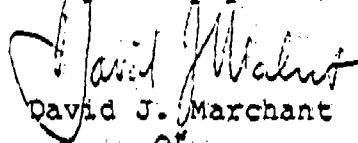
Until today, applicant was unaware of the deadline imposed in ordering Paragraph No. 1 of Decision No. 87-04-046 requiring that the sale had to take place on or before December 31, 1987. Such a deadline is not consistent, of course, with the rules and regulations of the Securities and Exchange Commission which provide for a much greater lead time for the sale of stock that is "put on the shelf."

Victor R. Weissler  
May 17, 1988  
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The purpose of this letter is to request that (1) an order be issued by the Executive Director under the Commission's delegated authority, pursuant to Resolution F-606, which will extend the time for issuing this stock to on or before May 20, 1988, and (2) that the order be issued on or before May 18, 1988. This request for an extension is made pursuant to Rule 43 which permits such a request to be made by letter to the Executive Director of the Commission.

We realize that this request is extraordinary. However, a true emergency does exist. Unless the sale can be closed by May 19, 1988, the opportunity to sell the stock at a rate of 8.24% will be lost. Thank you for your courteous and prompt attention to this matter.

Very truly yours,

  
David J. Marchant  
of  
GRAHAM & JAMES

DJM:nh

cc: James D. Pretti  
John Madariaga  
William C. Rogers  
H. Joe McKibben

Our File: SPPF 38