

RR/KLH/TCG/WPSC

Decision S2 03 073 AUG 18 1982**ORIGINAL**

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of SIERRA PACIFIC)
 POWER COMPANY for an exemption)
 order under PU Code Sections)
 829 and 853, respecting (a) its)
 proposal to issue not in excess)
 of \$20,000,000 principal amount)
 of its First Mortgage Bonds ___%)
 Series 1980 due 2010 to provide)
 funds for the construction and)
 equipping by Applicant of certain)
 pollution control equipment)
 facilities located in Humboldt)
 County, Nevada, and (b) its)
 proposal to execute a Twenty-)
 second Supplemental Indenture.)

Application 59820
 (Filed July 21, 1980)

SUPPLEMENTAL OPINION

Decision (D.) 92191 dated September 3, 1980 in the above matter for Sierra Pacific Power Company (Sierra Pacific) included the following finding of fact:

- "7. The application of Public Utilities Code Sections 816 et seq. to Sierra Pacific with respect to its First Mortgage Bonds, Series T due 2010 and Series U due 2010, and the related Financing Agreements and Twenty-third Supplemental Indenture is not necessary in the public interest."

In keeping with this finding, we ordered as follows:

"IT IS ORDERED that Sierra Pacific Power Company, with respect to its First Mortgage Bonds, Series T due 2010 and Series U due 2010, and related Financing Agreements and Twenty-third Supplemental Indenture, is hereby exempted from the provisions of Public Utilities Code Sections 816 et seq. and Sections 851 et seq."

We did not intend to exclude any supplemental indenture, in addition to the Twenty-third, which would be needed to implement the proposed financing. Sierra Pacific has submitted a galley proof of its Twenty-fourth Supplemental Indenture and has advised that the final version of this document will be in substantially the same form, and states that it is needed to further implement the financing for which we ordered an exemption in D.92191.

Sierra Pacific states that the financing is for pollution control and water distribution facilities located wholly within Nevada.

To clarify D.92191 we find that the Twenty-fourth Supplemental Indenture and all related financing documents for financing the pollution control and water distribution facilities referred to should be included as falling within the exemption granted.

Sierra Pacific advises that implementation of the current phase of the financing is far along, that the potential ambiguity in D.92191 has only recently come to light, and that a clarifying order is urgently needed in view of the impending public offering of bonds by Humboldt County, Nevada on August 23, 1982.

SUPPLEMENTAL ORDER

IT IS ORDERED that the Twenty-fourth Supplemental Indenture, in substantially the form submitted to the Commission in galley proof, is exempted from the provisions of Public Utilities Code Sections 816 et seq., along with all related financing, documents for financing the pollution control and water distribution facilities referred to in the body of this opinion.

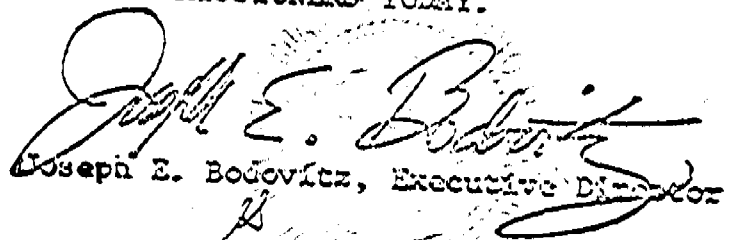
This order is effective today.

Dated AUG 18 1982, at San Francisco, California.

JOHN E. BRYSON
President
RICHARD D GRAVELLE
LEONARD M. GRIMES, JR.
VICTOR CALVO
Commissioners

Commissioner Priscilla C. Grew,
being necessarily absent, did
not participate

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


Joseph E. Bodovitz, Executive Director