

purchased or redeemed by application of cash pursuant to the provisions of Section 39 of this Indenture as now or heretofore in effect shall be deemed to have been purchased or redeemed with Funded Cash; provided, however, that (notwithstanding the Company may have, as permitted by the provisions of clause (e) of subdivision (B) of Section 4 hereof, elected to have added any or all bonds purchased or redeemed by application of cash deposited pursuant to the provisions of this Section) if at any time and from time to time after such an election or application of cash and prior to the time when all bonds of the First, Second, Third, Fourth, Fifth, Sixth, Seventh, Eighth, Ninth, Tenth, Eleventh, Twelfth, Thirteenth, Fourteenth, Fifteenth, Sixteenth, Seventeenth, Eighteenth, Nineteenth, Twentieth, Twenty-first, Twenty-second, Twenty-third and Twenty-fourth Series shall have ceased to be Outstanding, the Company shall file with the Corporate Trustee an Officers' Certificate referring to such election and stating:

(i) the amount which is equal to the aggregate amounts deducted pursuant to the provisions of clause (A) of Section 4 hereof from the Cost or fair value of Property Additions in respect of Funded Property retired less the aggregate amounts added pursuant to the provisions of items (a), (b), (c), (d) and (e) of clause (B) of said Section 4 in any Engineer's Certificate or Engineer's Certificates theretofore delivered to the Corporate Trustee pursuant to any of the provisions of this Indenture, which amounts shall not theretofore have been made the basis of a credit under subsection (I) of Section 39 of this Indenture as now or heretofore in effect and which amounts the Company then elects to make the basis of a credit under this subsection (I) in lieu of an equal principal amount of bonds, the right to the authentication and delivery of which has theretofore been waived pursuant to the provisions of subsection (I) of Section 39 of this Indenture as now or heretofore in effect, or which shall have been purchased or redeemed by application of cash pursuant to the provisions of Section 39 of this Indenture as now or heretofore in effect, or

(ii) the Cost or fair value to the Company, whichever is less, as shall be stated in an Engineer's Certificate or Independent Engineer's Certificate delivered to the Corporate Trustee, of any (gross) Property Additions which are not then Funded Property