

accruals and/or appropriations as required by this Section, are in excess of an amount so determined to be adequate, or shall have been prohibited.

The term "Gross Operating Revenues of the Company" for the purpose of this Section is hereby defined as the revenues received by the Company from the sale of electric, gas, steam and/or hot water public utility service and the amounts (other than amounts received for the use of facilities under joint-use agreements) received as rentals or fixed charges for the use by others (or the use by the Company for the account of others) of generating and transmission facilities owned by the Company (with all interdepartmental items eliminated), and after deducting an amount equal to the cost to the Company of electricity, gas, steam, hot water or other products, purchased for exchange or resale, and after deducting an amount equal to the revenues from the operation of (or, at the option of the Company, the cost or rentals paid by the Company for) electric, gas, steam, hot water or other producing, generating, transporting, transmitting or distributing properties leased from others, and after deducting an amount equal to charges to the Company for transmission of electricity and/or transportation of gas by others; provided, however, that any operating revenue of the Company which is in controversy as a result of any litigation or which has been impounded, shall be included in the Gross Operating Revenues of the Company for the purpose of this computation, but only after, and in the year in which, any such operating revenue in controversy or impounded is recovered or, at the option of the Company, after, and in the year in which, it shall have been finally determined that such operating revenues belong to the Company.

SECTION 39. (I) The Company covenants that, so long as any bonds issued under this Indenture shall remain Outstanding, it will, on or before October 1 of each year beginning with the year 1940, deliver to the Corporate Trustee:

(A) A Treasurer's Certificate which shall state as to each series of bonds then Outstanding:

(a) the greatest principal amount of all bonds prior to January 1 of such year at any one time Outstanding of such series; and

(b) an aggregate principal amount of bond(s) or fraction of a bond to the authentication and delivery of which the Company shall then be entitled under any of the provisions of this Indenture by virtue of compliance with all applicable provisions of this Indenture (except as hereinafter in this subsection (I) otherwise provided); and that the Company elects to make its right to the authentication and delivery of such bond(s) or fraction of a bond the basis of a credit under this subsection (I).

(B) As to each series of bonds then Outstanding, an amount in cash and/or principal amount of bonds of such series equivalent to one per centum (1%) of the greatest principal amount of bonds of such series prior to January 1 of such year at any one time Outstanding; provided, however, that, against the amount of cash or bonds payable or deliverable pursuant to this subdivision (B), there shall be credited the principal amount of the bonds which shall be set forth in such Treasurer's Certificate pursuant to the requirements of clause (b) of subdivision (A) of this subsection (I) in respect of such series.

Notwithstanding any other provisions of this Indenture, (i) the Company shall be permitted from time to time to anticipate in whole or in part the requirements of this subsection (I) becoming due on October 1 of the then current year or any subsequent year or years, as to any one or more series of bonds, by depositing cash and/or a principal amount of bonds with the Corporate Trustee in full satisfaction or in partial satisfaction of the