

Decision No. 45111

ORIGINAL

## BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Investigation on the Commission's own  
motion into the electric operations of  
PLUMAS-SIERRA RURAL ELECTRIC COOPERATIVE,  
INCORPORATED.

Case No. 5204

S. C. Young, B. D. Janes, Louis Gorrin and W. L. Anderson,  
for Plumas-Sierra Rural Electric Cooperative, Incorporated;  
R. W. DuVal, for Pacific Gas and Electric Company; Hagar,  
Crosby, Crosby and Vendt and Reginald L. Vaughan, for Meadow  
Valley Lumber Company; E. K. Albert, for California-Pacific  
Utilities Company; William J. Forman, of Woodburn, Forman  
and Woodburn, for Sierra Pacific Power Company; Eldon N. Dye,  
for California Farm Bureau Federation; R. B. Cassidy, of the  
Commission staff.

O P I N I O N

This investigation on the Commission's own motion was instituted on May 23, 1950, into the business and operations of the Plumas-Sierra Rural Electric Cooperative, Incorporated (hereinafter termed the "respondent") in supplying electric energy within the State of California, for the purpose of determining whether respondent conducts any or all of its electric operations as a public utility subject to the jurisdiction of the Commission and to regulation by the Commission in the manner provided by the Public Utilities Act of the State of California.

The order instituting the investigation directed that a public hearing be held, after notice to respondent, at which respondent should appear and show cause why the Commission should not determine the extent to which public convenience and necessity require the furnishing of electric service by respondent, and the reasonableness, sufficiency, and adequacy of the electric service afforded, and of the rules, regulations, and contracts applied or enforced by respondent.

A public hearing was held at Quincy, California, on September 6, 1950, at the conclusion of which the proceeding was submitted subject to the filing of concurrent briefs. A brief has been filed on behalf of respondent.<sup>1/</sup>

The only issue in this proceeding is whether respondent conducts its business in such manner as to bring it within the purview of constitutional and statutory provisions of this state pertaining to regulation by this Commission of electrical corporations. The Commission has concluded that that issue must be resolved in favor of the state's power to regulate respondent's activities to the extent deemed appropriate and within the scope of applicable provisions of law. The basic facts are not in dispute.

Respondent's Articles of Incorporation were filed with the Secretary of State on August 10, 1937. They have been amended once, by a Certificate of Amendment filed March 19, 1940, striking Article Seventh from the original articles. Article Seventh provided for the application of receipts, after payment of various costs, to certain reserves and to refunds to members in proportion to respective purchases of electric energy and goods from the corporation during the fiscal year.

The Articles of Incorporation, as amended, state that the signers (seven in number) have formed the corporation under the "General Corporation law" of California for the purpose of acquiring

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<sup>1/</sup> A further hearing in the complaint of Meadow Valley Lumber Co. v. Pacific Gas & Electric Co., Case No. 5182, was also held at Quincy on September 6, 1950. The Commission had concluded, after a partial hearing in the complaint case on May 5, 1950, that the issues there raised should not be decided without an inquiry first being instituted into the status and service of respondent. By Decision No. 45028, issued in Case No. 5182, the Commission determined those issues in favor of the complainant. The record in the present investigation proceeding was, by an order made during the course of the hearing, incorporated into the record of the complaint case.

electric energy and selling it to its members, and for the further purpose of acquiring necessary franchises, rights of way and other rights; provided, that "this corporation shall render no service to or for the public". Article Sixth of the Articles of Incorporation states, in substance, that respondent is a membership corporation with but one class of members each of whom may hold but one membership; that it is not authorized to issue stock, is not formed for pecuniary gain or profit to its members, and that "Any other person, firm, or corporation may become a member of this corporation in the manner and upon the terms and conditions specified in the By-laws". The Certificate of Amendment describes respondent as "a nonprofit membership corporation, organized under the laws of the State of California".

It is clear that respondent's Articles are couched in terms which bring it within the provisions of either the General Nonprofit Corporation Law (Corporations Code, Title 1, Div. 2, Part 1, Secs. 9000 - 9802), or the law applicable to the formation of cooperative corporations. (Corporations Code, Title 1, Div. 3, Part 2, Secs. 12200 - 12956.) In any event, the provisions of the General Corporation Law (Corporations Code, Title 1, Div. 1, Secs. 100 - 6804) apply to nonprofit corporations, except as otherwise specifically provided by the General Nonprofit Corporation Law. Also, the provisions of the General Nonprofit Corporation Law apply to cooperative corporations, except where in conflict with the law relating to the latter. Moreover, the law with respect to cooperative corporations provides that they shall have and enjoy all rights, powers, and privileges granted generally to corporations by the laws of this state, except as may be inconsistent with the provisions pertaining to cooperative corporations.

The General Corporation Law permits the formation of corporations "for any lawful purpose". (Corporations Code, Title 1, Div. 1, Sec. 300.) A nonprofit corporation may be formed "for any lawful

purposes which do not contemplate the distribution of gains, profits, or dividends to the members thereof and for which individuals lawfully may associate themselves, such as . . . for rendering services, subject to laws and regulations applicable to particular classes of nonprofit corporations or lines of activity". (Corporations Code, Title 1, Div. 2, Sec. 9200.) A cooperative corporation, whose name must include the word "cooperative", is defined as -

"a corporation composed of ultimate producers or consumers, or both, organized for the purpose of conducting any lawful business primarily for the mutual benefit of its shareholders who may be natural or legal persons, and the earnings, savings, or benefits of which are used for the general welfare of the shareholders or patrons or are distributed in the form of cash, stock, evidences of indebtedness, goods, or services, proportionately and equitably among the persons for which it does business upon the basis of the amount of their transactions or participation in production, or both. However, any such corporation may pay out of its net surplus earnings, savings, or benefits, not to exceed 5 per cent interest upon its capital stock." (Corporations Code, Title 1, Div. 3, Sec. 12201.)

In short, it appears that, in California, a cooperative corporation may be formed for any lawful purpose, or for the purpose of conducting any lawful business, subject to laws and regulations applicable to particular lines of activity. It cannot be doubted that the business of acquiring and selling electric energy, in which respondent admittedly is engaged, is a lawful business, and is a line of activity which can be subjected to any appropriate form of regulation.

Respondent's By-laws, as amended to August 12, 1950, merit careful consideration. After providing that the incorporators shall be members without further action by the incorporators or the corporation except payment of the membership fee of \$5.00, the By-laws go on to state that any other person, firm or corporation may become a member by paying the membership fee, by agreeing to purchase all electric energy used on the premises specified in the application for membership at rates fixed by the Board of Directors, subject to a minimum charge per month, and by agreeing to be bound by the Articles and By-laws, and by

the rules and regulations adopted from time to time by the Board of Directors. But no one, except incorporators or any one accepted for membership by members at any meeting, may become a member until accepted for membership by a majority of the Board of Directors.

The By-laws further provide that private property of members is exempt from execution for corporate debts, and that no member shall be individually responsible for any corporate debts or liabilities. The Board of Directors is empowered to expel members by a two-thirds vote, and members may withdraw. On withdrawal or termination of membership in any manner, the member is to be repaid the membership fee, less debts due the corporation, subject to the proviso that any membership fee which has been paid, in whole or in part, by the application of capital credited to the account of a nonmember patron, as provided in the By-laws, shall be repaid to the member only in accordance with the provisions of the By-laws with respect to the retirement of patronage capital.

The Board of Directors is given power to make and adopt rules and regulations and to establish and maintain a complete accounting system which, subject to the laws of the State of California and the rules and regulations of any regulatory body thereof, shall conform to such system of accounts as may from time to time be designated by the Rural Electrification Administration of the United States of America.

Other provisions of the By-laws deal with financial relationships between respondent and its patrons, whether members or nonmembers. In general, these provisions contemplate that sums received from member or nonmember patrons in excess of operating costs are to be credited to capital accounts to be set up for each patron. Provision is made for retirement of such credits upon dissolution or liquidation of the corporation.

About August 14, 1937, pursuant to the Rural Electrification Act of 1936 (7 USCA, Sec. 901 et seq.), respondent concluded contractual negotiations with the Rural Electrification Administration for a loan with which to finance the construction of approximately 229.6 miles of electric transmission or distribution lines in "rural areas in any one or more of the Counties of Lassen, Plumas and Sierra, in the State of California, including lines on private property to serve individual customers, for the purpose of furnishing electric energy to approximately 643 customers, together with substations, secondaries, transformers, meters, and all other appurtenances necessary for the efficient operation of the completed Project".

The contract provides that the borrower shall "register when and where required by law with all state and federal authorities and obtain therefrom all franchises, authorizations, permits, licenses, certificates of public convenience and necessity, approvals, and orders to the extent required by law in order to do or perform the acts required to be done or performed hereunder prior to the first advance; . . ." Again, in order to obtain additional advances, the corporation is required to furnish evidence satisfactory to the Rural Electrification Administrator that it has obtained all necessary franchises, authorizations and orders from public bodies, "for the construction and operation of that portion of the Project to be constructed with the advance requested; . . ." Another provision of the contract requires that respondent "shall make diligent efforts to obtain applications for membership", or subscriptions to capital stock, as the case may be, from all persons to whom respondent proposes to furnish energy.

On August 16, 1937, respondent executed a First Mortgage Note and Mortgage of Realty and Chattels in favor of the United States of America, covering an advance of \$283,000 and providing for an aggregate loan of \$1,000,000. The mortgage hypothecates, among other items,

respondent's right, title, and interest in any licenses, franchises, ordinances, privileges, or permits issued to it by any state, county or political subdivision, or any agency, board, commission or department, "authorizing the erection, construction, operation, or maintenance of the transmission and distribution lines or systems . . ."

One of the terms of the instrument is that the mortgagor, "subject to applicable laws and the rules and orders of regulatory bodies, will charge for its service and electric energy such rates as shall be sufficient to meet all expense necessary to operate its system".

In March, 1939, respondent negotiated a further loan contract and note with the Rural Electrification Administrator, in the amount of \$25,000, for the purpose of financing the construction of approximately 14 miles of electric transmission, distribution and service lines, to furnish "electric energy to approximately 48 consumers not now receiving central station electric service . . ." This loan contract contains provisions similar to those found in the first agreement which relate to the obtaining of authorizations and approvals from federal and state authorities.

Shortly after its incorporation and the conclusion of financial negotiations with the Rural Electrification Administration, respondent secured franchises from the counties of Sierra, Lassen and Plumas, each for the term of 50 years, permitting the construction and maintenance of electric facilities in public highways and streets in all parts of those counties for the purpose of supplying electricity to the public for light, heat, power and all lawful purposes. Respondent did not seek or secure from this Commission a certificate of public convenience and necessity, or other authorization for any purpose, nor has it ever filed or presented for filing its rates, rules, or regulations relating to electric service.

Respondent now serves about 1100 customers in Plumas, Sierra and Lassen counties by means of approximately 375 miles of electric lines, and also serves six or seven rural customers in the Red Rock area, in Washoe County, Nevada, by means of an extension constructed about 1947. Included among its patrons are farm and town dwellers, industrial plants, school districts and public buildings. Street lighting service is also rendered in certain portions of the County of Sierra and is paid for by the county. Rudolph F. Ramelli, Secretary-treasurer of respondent, in answer to a question put by counsel on cross-examination, stated that respondent's primary objective, and its undertaking, is "to serve all unserved people in the rural area with dependable, low-cost electric service, and second, since it operates at cost it can reach farther and still be within its ability to meet its financial obligations". Respondent's general manager testified that plans are under consideration for further extensions by respondent of its transmission lines within the three counties.

Respondent has made its service available under schedules of rates covering six classes of service, and has also supplied service under some special contract rates. There is no published rule governing extensions of service. In that connection, respondent's general manager testified that practically all of the lines have been constructed under so-called "Area Coverage Plans", in which many miles of construction are planned and covered by a particular loan without reference to whether any specific extension may yield sufficient revenue, so long as the over-all plan is economically feasible. Proposed extensions in excess of 5000 feet are submitted to the Rural Electrification Administration's engineers for approval.

After the organization period, during which some 600 customers were acquired, respondent "invited" some of the people in outlying areas, who were not receiving electric service, to become



members. In cases where premises receiving service are vacated, new occupants are accorded service until their applications for membership are acted upon by the Board of Directors, which meets regularly once a month.<sup>2/</sup> No application for membership has ever been rejected.

Ramelli testified that, although he was one of the original incorporators of respondent, was its president in 1939, and had been its secretary-treasurer for the past three or four years, he did not know that the Articles of Incorporation contained a proviso, quoted earlier herein, against service "to or for the public". He was unable to state categorically, in answer to a question asked on cross-examination, that respondent did not serve electric energy to nonmembers.

All electric energy supplied by respondent is purchased from Pacific Gas and Electric Company under a contract which contains a provision to the effect that neither party, without written consent of the other, will supply energy to the other's customers, or to premises capable of being served by the other by means of a shorter line extension. The original contract was executed in November, 1937, and has been superseded by two others. The present agreement, executed October 26, 1949, runs for a period of five years. Pacific delivers the energy to respondent at a point near the State Highway approximately three miles east of Quincy, in Plumas County.

Respondent's transmission facilities near Quincy lie close to those of Pacific Gas and Electric Company. Both have lines, constructed in 1939 or 1940, running from the Quincy area to Meadow Valley, some eight miles west of Quincy, at which point respondent

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<sup>2/</sup> Annual meetings of the members are held once each year, but no quorum was present at the meetings held in 1949 or 1948. Ramelli, the Secretary-treasurer, was uncertain as to whether the lack of a quorum at the 1947 annual meeting was attributable to the rejection of a number of proxies on behalf of persons receiving service who were not members of the cooperative.

serves the Meadow Valley Lumber Company's Spanish Ranch mill and about 39 mill employees. Pacific Gas and Electric Company serves about 67 customers in nearby Meadow Valley through a 50 kva transformer located within approximately 800 feet of the lumber mill at Spanish Ranch. Service by respondent to this mill has been rendered pursuant to an agreement executed by the lumber company and respondent on March 31, 1944. The Commission has recently considered a formal complaint of the lumber company demanding that Pacific supply electric service to the Spanish Ranch mill. Pacific defended on the ground that the territorial clause in its agreement with respondent, mentioned above, precluded it from complying with the lumber company's demand. By its decision, referred to earlier herein, the Commission determined that the lumber company had a legal right to demand, and Pacific a correlative legal duty to furnish service to the mill, since Pacific had not secured authority from the Commission permitting it to circumscribe the exercise of its franchise rights in Plumas County in areas served by respondent.

The Sierra Pacific Power Company, with headquarters at Reno, Nevada, is a public utility also serving portions of Plumas and Sierra counties, generally on the eastern slope of the Sierra Nevada Mountains, excluding Sierra City, in Sierra County, but including the communities of Portola (respondent's headquarters) and Delleker (two miles west of Portola), in Plumas County, and Loyalton, in Sierra County. The evidence indicates that the lines of Sierra Pacific Power Company and respondent lie closely together in portions of the communities of Portola and Delleker and actually cross one another at certain points.

The California-Pacific Utilities Company is a public utility which supplies electric service in portions of Lassen County in the vicinity of Westwood, Susanville and Honey Lake, and in Plumas County in the area around Chester. In the vicinity of Janesville, southeast of

Susanville, Lassen County, respondent's lines cross those of California-Pacific. In the vicinity of Johnstonville, which lies between Susanville and Janesville, respondent's lines parallel those of California-Pacific for about a mile. They then cross over the latter's lines and go on east in territory just north of the lines of California-Pacific. The latter extension, built by respondent late in 1949, taps an area which, according to the testimony of California-Pacific's Vice President and Chief Engineer, that utility would normally consider as its service area and in which, at the time respondent decided to construct the extension, California-Pacific was in the process of negotiating with prospective customers for extensions of service.<sup>2/</sup>

Respondent's line east of Janesville also crosses California-Pacific's lines a short distance west of Edgemont. Another extension, just south of Honey Lake, is in close proximity to the termination of California-Pacific's 33-kv line in the Sierra Ordnance Depot at Herlong. California-Pacific has about 3000 electric customers in Lassen County, a substantial number of whom are located in rural areas. It has no territorial agreement with respondent relating to the furnishing of electric service in Lassen County.

Respondent contends that because it is a cooperative which serves only its members it is not amenable to constitutional or statutory provisions conferring upon this Commission jurisdiction to regulate electrical corporations. (Cal. Const., Art. XII, Sec. 23; Public Utilities Act (Deering's Gen. L., Act 6386), Secs. 2(r), 2(dd) and unnumbered paragraph following Sec. 2(ee).) It asserts that it is wholly

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<sup>3/</sup> In fairness to respondent, it should be stated that the testimony of California-Pacific's chief engineer indicates that the extension was not built until after these prospective customers had failed to qualify for service under California-Pacific's extension rule.

exempt from regulation by this Commission merely because of the nature of its organization and its method of operation. It does not point to any express statutory exemption from regulation and, so far as we can determine, none exists.

Section 23 of Article XII of the Constitution of California declares that -

"Every private corporation, and every individual or association of individuals, owning, operating, managing, or controlling any . . . plant or equipment within this State, . . . for the production, generation, transmission, delivery or furnishing of heat, light, . . . or power . . . either directly or indirectly, to or for the public, . . . is hereby declared to be a public utility . . ."

This broad constitutional definition of those public utilities which the Constitution itself subjects to regulation by this Commission encompasses every private corporation rendering such services to or for the public. The Public Utilities Act, adopted in furtherance of the constitutional declaration, prescribes what control the Commission is to exert over those engaged in rendering electric service. Section 2(ee) of that act states that the phrase "public or any portion thereof" means "the public generally, or any limited portion of the public . . . for which the service is performed or to which the commodity is delivered, . . . for which any compensation or payment whatsoever is received, . . ."

Respondent takes the position that, although it is a private corporation which undertakes the transmission and delivery of light and power for compensation, it is not a public utility because it does not serve "the public or any portion thereof". Instead, it asserts that, since its service is intended to be limited to a select group of patrons and since it has the power to reject any applicant, it thus is automatically excluded from the category of a public utility. As respondent is a California corporation there is no need to look beyond our law for the determination of its status as a public utility.

Respondent's contentions are premised upon too narrow a view of the facts of record and of the scope of our regulatory laws. The mere declaration of restrictive purposes set forth in its Articles of Incorporation does not preclude a finding that respondent is serving the public. Although it asserts that membership is a prerequisite to service, its readiness to take on new members or patrons, and the statement of its secretary-treasurer that it has never rejected an application for membership, clearly manifests an intention to serve anyone who can be supplied with power by its existing facilities or by reasonable extensions thereof. Such an intention was plainly manifested also when it executed its contract with the Pacific Gas and Electric Company relating to the rights of each to supply electric power to new customers.

The fact that respondent may be "consumer owned and controlled", or is a "self-service organization", would not of itself exempt it from regulation, since there is no statutory authority which permits this Commission to exempt a private electrical corporation from regulation merely because it is organized under nonprofit or cooperative corporation laws.

Its patrons, as we have seen, include both rural and urban dwellers, industries, and governmental subdivisions. There are no facts of record which would indicate that the relationship between respondent and its members or patrons differs in any material sense from those prevailing between an avowed electric utility and its customers. Even with respect to the claimed difference of customer ownership of respondent's properties, it cannot be said that a customer of respondent assumes any distinguishable ownership right or obligation except that which may stem from the quantity of electric power he consumes.

We have considered the authorities and argument presented by counsel for respondent. The same argument, supported by essentially the same citations of authority, was considered by the Commission and found not persuasive in the recent case of California Electric Power Co. v. Mesa Electric Cooperative, Inc., 47 Cal PUC 118 (1947). In that case, a rural electric cooperative, organized and proposing to function in a manner not significantly different from respondent here, was found to be a public utility subject to regulation by this Commission. We believe that the legal principles discussed in that case apply with equal force to the issue here presented and may appropriately be quoted here. The Commission's decision in that case stated:

"It is unnecessary here to review the court decisions which Mesa cites in support of these propositions. With respect to its assertion that its service is not offered to the public because it will "select" its customers, the Commission is convinced that none of the cases cited are persuasive. One's mere declaration that he will pick and choose his patrons does not of itself preclude a finding that he is engaging in a public service. Mesa is in fact holding itself out to render electric service to all within a given territory who are selected for membership and who pay the service charges. Should it without good cause refuse service to particular applicants, it would be violating an obligation demanded of all utilities, but this Commission could not well accept the theory that one's mere refusal to be bound by a utility service duty should be taken as evidence that he is not actually rendering a utility service. The court cases and Commission precedents to the contrary are numerous.

"In contending that it is a cooperative or mutual corporation free from regulation, Mesa cites a number of California cases dealing with mutual water service companies. It also refers to certain decisions from other states involving the regulation of similar rural electric corporations organized under the laws of those states.

"The mutual water company cases cited by Mesa are inapplicable for two reasons. In the first place they involve corporations which were organized to develop and deliver to each individual member that amount of water to which he was entitled by virtue of his ownership of a private water right, a right which the corporation might administer for his benefit but could not devote to the use of others. That is not the situation here presented. Moreover, such a mutual water company is expressly exempted from regulation by the Water Company Act of 1913. There is no like statutory provision relating to electric companies. Nor is there any statutory authority permitting this Commission to exempt a private electric

corporation from regulation merely because it is organized under one or another of our non-profit corporation laws. Citations of authorities from other states, whether they sustain or deny the powers of a state to regulate a rural electric corporation as a public utility, are not determinative of the jurisdiction vested in this Commission."

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"In conformity with the Commission's decision in the Coos Electric case, and also in many analogous proceedings involving the question of what constitutes service to the public, it must conclude that Mesa will be engaging in a public utility service. Neither the requirement that customers shall become members of the corporation, nor the declared intention to select its members, would justify a contrary conclusion under the circumstances here disclosed. The evidence clearly indicates that anyone who might reasonably be entitled to service from a public utility having facilities ready to serve this territory could just as readily avail himself of Mesa's proposed service, and he would not thereby incur any materially different service obligation, nor acquire any distinctive service right, from that ordinarily applied to a customer and utility relationship. A member's duty to contribute to the defendant corporation is based solely upon the amount of his use of electricity at rates fixed by the corporation, and the member's right to participate in the corporation's earnings through rate reductions or refunds likewise is based solely upon the extent of his patronage. Therefore, in view of the broad constitutional definition of a public utility to include every private corporation rendering service to the public, this Commission must hold that Mesa's proposed operations fall within the public utility category."

The Commission is of the opinion that respondent has submitted no facts or authorities which distinguish its operations from those considered in the Mesa case, or which would permit us to reach a contrary conclusion.

We hold that respondent is a public utility electrical corporation and, as such, is subject to regulation by this Commission as provided by the laws of this state.

The fact that respondent is here found to be a public utility requires that the Commission order it to comply immediately with those provisions of the Public Utilities Act which impose particular duties upon each public utility, such as the filing and observance of rate

schedules, together with the rules and regulations affecting such rates. Although respondent must also in the future observe those explicit provisions of the statute requiring that the authorization of the Commission must first be obtained on such matters as rate changes or the borrowing of money, any question of regulatory policy that may arise in the exercise of the authority given the Commission over such matters must necessarily be deferred until the occasion demands. It might be observed that, although the form of respondent's organization and method of financing may differ considerably from those of electric corporations generally, in our opinion no provision of the Public Utilities Act would so circumscribe the discretion the Commission may exercise in the regulation of respondent's operations as to preclude the application of regulatory standards that will be just and reasonable both to respondent and to its patrons.

The Commission is of the opinion that one regulatory matter does demand its prompt consideration and determination; namely, the extent of the areas in Plumas, Lassen and Sierra counties within which its electric service is required or will be required by the public convenience and necessity. It is only through the granting of a certificate of public convenience and necessity delineating the service rights and duties of each public utility that undesirable territorial conflicts between them may be avoided. Respondent has secured franchises from each of these counties. It should at once present an application to the Commission in accordance with Section 50(b) of the Public Utilities Act for authority to exercise such franchise rights to the extent it is able and willing to supply electric service by means of its existing facilities, or by means of extensions thereof into areas not being served by another electric utility. If respondent does not itself present such an application, the Commission will on its own motion undertake an inquiry for the purpose of prescribing its service area.



O R D E R

Public hearing having been held in the above-entitled and numbered proceeding, the matter having been submitted for decision, the Commission having found from the evidence of record that respondent, Plumas-Sierra Rural Electric Cooperative, Incorporated, is a public utility electrical corporation and, as such, is subject to regulation as provided by law; therefore, basing its order upon the findings and conclusions contained in the foregoing opinion,

IT IS ORDERED that Plumas-Sierra Rural Electric Cooperative, Incorporated, respondent herein, within thirty (30) days after the effective date of this order and in accordance with the Commission's General Order No. 96, shall file with the Commission its then effective schedules of rates, rules, regulations, and contracts relating to rates, applicable to electric service rendered within the counties of Plumas, Sierra and Lassen, State of California.

The effective date of this order shall be twenty (20) days after the date hereof.

Dated at San Francisco, California, this 12<sup>th</sup> day of December, 1950.

R. E. Zimmerman  
James F. Galloway  
Walter H. Russell  
Harold H. Kuhl  
Perceval H. Potter  
Commissioners