

ORIGINAL

Decision No. 49617

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of PLUMAS-)
SIERRA RURAL ELECTRIC CO-OPERATIVE, a cor- :
poration, for the issuance of evidences of)
indebtedness and a mortgage for the purpose :
of refunding outstanding unpaid evidences)
to the United States of America. :
-----)

Application
No. 35055

OPINION AND ORDER

Plumas-Sierra Rural Electric Co-operative, applicant herein, is a California nonprofit cooperative corporation which was organized in 1937 and now is engaged in the business of serving its members with electricity in portions of the counties of Plumas, Lassen and Sierra, in the State of California, and in a portion of the County of Washoe, in the State of Nevada. It has financed its investment in properties with moneys borrowed from the United States government and it reports that presently it has outstanding notes in the aggregate principal amount of \$1,148,979.59 which it issued in evidence of such borrowings prior to the time it was certificated by this Commission to construct and operate a public utility electric plant. (Decision No. 47989, dated December 2, 1952.) It now desires, and in this proceeding seeks authorization, to replace such notes and the mortgage securing their payment with new documents to be executed under Commission authorization.

The application shows that the present indebtedness is represented by eleven notes. It is applicant's intention to issue eleven new notes, all bearing interest at the rate of 2% per annum, with the earliest maturity being September 15, 1972, and the latest maturity November 1, 1985, the payment of the notes to be secured by a mortgage of realty and chattels. Copies of the proposed notes have

been filed in this proceeding as Exhibits 1 to 11, inclusive, and a copy of the proposed mortgage has been filed as Exhibit 12. It may be that the principal amount of some or all of the notes will be reduced by additional payments prior to the time applicant completes its arrangements for their reissue.

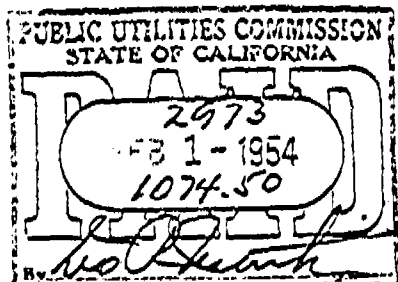
The Commission has considered this matter and is of the opinion that a public hearing is not necessary, that the application should be granted, as herein provided, that the money, property or labor to be procured or paid for by the issue of the notes herein authorized is reasonably required by applicant for the purpose specified herein, and that such purpose is not, in whole or in part, reasonably chargeable to operating expenses or to income; therefore,

IT IS HEREBY ORDERED as follows:

1. Plumas-Sierra Rural Electric Co-operative, after the effective date hereof and on or before June 30, 1954, may execute a mortgage of chattels in substantially the same form as that filed in this proceeding as Exhibit 12, and may issue its promissory notes in the aggregate principal amount of not exceeding \$1,148,979.59 in substantially the same forms as the notes filed as Exhibits 1 to 11, inclusive, for the purpose of replacing or refinancing outstanding indebtedness.

2. The authority herein granted will become effective when applicant has paid the fee prescribed by Section 1904(b) of the Public Utilities Code, which fee is \$1,074.50.

Dated at San Francisco, California, this 2nd day of February, 1954.



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President
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Commissioners