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ORIGINAL

Decision No. \_\_\_\_\_

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application )

of )

ANZA ELECTRIC COOPERATIVE, INC., )  
A California Corporation )

Application No. 41177

for Authority to Execute Amending Loan :  
Contract and a Mortgage Note in favor )  
of the United States of America. )  
----- )

OPINION AND ORDER

In this application, Anza Electric Cooperative, Inc., seeks authorization to borrow additional R.E.A. funds in the amount of \$124,000.

Anza Electric Cooperative, Inc., is a non-profit corporation engaged in providing electric service to its members in its service area in Riverside County. Heretofore, it has been authorized by the Commission to borrow \$668,000 from the United States of America, acting through the Administrator of the Rural Electrification Administration, and to execute mortgages and issue notes, for the purpose of financing the cost of a distribution system including 164 miles of line designed to serve 420 consumers.

The corporation now reports that funds are necessary to provide additional service and that it has made application to borrow \$124,000 from the R.E.A. to meet estimated costs for the construction of 18 miles of line to serve 115 additional consumers and for general

equipment, engineering fees and miscellaneous purposes. The new borrowings will be represented by notes, similar in form to the original notes, which will become due 35 years after date with interest at the rate of 2% per annum.

From a review of the proceeding, it appears that the company will have need for the new borrowings if it is to proceed with its construction plans; that a conventional R.E.A. loan is contemplated; and that we are warranted in entering an order granting the application. It is our opinion that a public hearing is not necessary; that the money, property or labor to be procured or paid for by the issue of the note herein authorized is reasonably required 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. Anza Electric Cooperative, Inc., on or after the effective date hereof and on or before December 31, 1959, may execute an amending loan contract and a mortgage note in the amount of not to exceed \$124,000 in substantially the same form as the instruments filed in this proceeding as Exhibits C and D, respectively.

Applicant shall use the proceeds for the acquisition and installation of additional electric distribution and service lines, and for transformers, meters and other equipment necessary for the operation of its lines, and for the related expenditures as outlined in the application.

2. The authorization herein granted is for the issue of notes and is not to be construed as indicative of amounts to be included in a future rate base for the determination of just and reasonable rates.

3. Applicant shall file a report, or reports, as required by General Order No. 24-A, which order, insofar as applicable, is made a part of this order.

4. 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 \$124.

Dated at San Francisco, California, this 16th day of June, 1959.

E. L. Fox  
President  
J. E. [unclear]  
Michael [unclear]

