

ORIGINAL

Decision No. 74732

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of)
PLUMAS-SIERRA RURAL ELECTRIC CO-OPERATIVE,)
a corporation, for an Order authorizing) Application No. 50532
said corporation to incur additional) Filed September 6, 1968
indebtedness.)
_____)

O P I N I O N

This is an application for an order of the Commission authorizing Plumas-Sierra Rural Electric Co-operative (a) to execute and deliver an Amendment to its Amending Loan Contract with the United States of America, acting through the Administrator of the Rural Electrification Administration, and (b) to issue and deliver a Mortgage Note in the principal amount of \$948,000.

Applicant is a California corporation engaged in the business of providing electric service to its members in portions of the Counties of Lassen, Plumas and Sierra in the State of California and a portion of the County of Washoe in the State of Nevada. The utility reports an outstanding balance of \$2,344,572 representing long-term Rural Electrification Administration indebtedness as of May 31, 1968.

In this proceeding applicant contemplates borrowing an additional \$948,000 through the Rural Electrification Administration for meeting proposed capital expenditures set forth in some detail in Exhibit No. 4 attached to the application, and summarized as follows:

Distribution facilities	\$347,136
Transmission facilities	380,864
Headquarters facilities	190,000
Transportation equipment	<u>30,000</u>
Total	<u>\$948,000</u>

The borrowing will follow the usual terms for loans made through the Rural Electrification Administration, and will be evidenced by a 35-year Mortgage Note bearing interest at the rate of 2% per annum.

After consideration the Commission finds that: (1) the proposed note is for a proper purpose; (2) 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 (3) such purpose is not, in whole or in part, reasonably chargeable to operating expenses or to income. A public hearing is not necessary.

On the basis of the foregoing findings we conclude that the application should be granted. The authorization herein granted is for the purpose of this proceeding only and is not to be construed as indicative of amounts to be included in proceedings for the determination of just and reasonable rates.

O R D E R

IT IS ORDERED that:

1. Plumas-Sierra Rural Electric Co-operative may execute and deliver an Amendment to its Amending Loan Contract with the United States of America, acting through the Administrator of the Rural Electrification Administration and, for the purpose specified in this proceeding, may issue and deliver a Mortgage

Note in the principal amount of not exceeding \$948,000, said documents to be in the same form, or in substantially the same form, as those attached to the application.

2. Plumas-Sierra Rural Electric Co-operative shall file with the Commission a report, or reports, as required by General Order No. 24-B, which order, insofar as applicable, is hereby made a part of this order.

3. This order shall become effective when Plumas-Sierra Rural Electric Co-operative has paid the fee prescribed by Section 1904(b) of the Public Utilities Code, which fee is \$948.

Dated at San Francisco, California, this
1st day of OCTOBER, 1968.

William Synovus Jr.
President
Robert E. Rytchell
William L. Bennett
Augusta
Paul P. Morrissey
Commissioners

