

Decision No. 77191**ORIGINAL**

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the matter of the Application of)	
Mountain Empire Electric Cooperative,)	Application No. 51832
Inc., a corporation, for authority)	Filed April 17, 1970
to issue a \$261,000 Mortgage Note.)	
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O P I N I O N

Mountain Empire Electric Cooperative, Inc. seeks an order of the Commission authorizing it to execute an Amendment to its Amending Loan Contract with the United States of America, acting through the Administrator of the Rural Electrification Administration, and to issue a Mortgage Note in the principal amount of \$261,000.

Applicant is a nonprofit cooperative California corporation engaged in the transmission, distribution and sale of electric energy in a portion of San Diego County. It has financed the investment in utility plant primarily with secured 2%, 35-year loans obtained through the Rural Electrification Administration pursuant to authority granted by this Commission. In this proceeding the company proposes to borrow an additional \$261,000 through the Rural Electrification Administration. Said sum is to be used for meeting the costs of approximately 12 miles of 69KV transmission line and associated substation facilities, all of which will

be utilized for transmitting electric energy from San Diego Gas & Electric Company's Descanso Substation to and within applicant's service territory.

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, which purpose is not, in whole or in part, reasonably chargeable to operating expenses or to income.
3. The proposed Amendment to Amending Loan Contract would not be adverse to the public interest.

On the basis of the foregoing findings we conclude that the application should be granted. A public hearing is not necessary. 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:

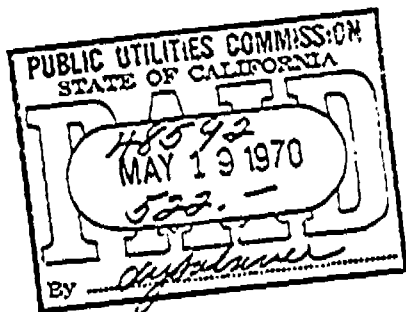
1. Mountain Empire Electric Cooperative, Inc. may execute an Amendment to its Amending Loan Contract with the United States of America, acting through the Administrator of the Rural Electrification Administration, which document shall be in the same form, or in substantially the same form, as Exhibit F attached to the application.

2. Mountain Empire Electric Cooperative, Inc., for the purpose specified in this proceeding, may issue a Mortgage Note in the principal amount of not exceeding \$261,000, which note shall be in the same form, or in substantially the same form, as Exhibit G attached to the application.

3. Mountain Empire Electric Cooperative, Inc. 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.

4. This order shall become effective when Mountain Empire Electric Cooperative, Inc. has paid the fee prescribed by Section 1904(b) of the Public Utilities Code, which fee is \$522.

Dated at San Francisco, California,
this 12th day of MAY, 1970.



William S. ...
President

August ...
Robert ...

...
Commissioners