

Decision No. 20391

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA.

In the Matter of the application of  
SAN FRANCISCO-SACRAMENTO RAILROAD  
COMPANY, a corporation, as grantor,  
and SACRAMENTO NORTHERN RAILWAY, a  
corporation, as grantee, for an order  
of the Railroad Commission of the  
State of California, authorizing said  
San Francisco-Sacramento Railroad Com-  
pany to sell its lines of railroad and  
all other property and franchises (ex-  
cept its corporate franchise) to said  
Sacramento Northern Railway.

Application No. 14923.

ORIGINAL

C. W. Dooling, for San Francisco-Sacramento  
Railroad Company.

F. M. Angellotti and James S. Moore, Jr.,  
for Sacramento Northern Railway Company.

CARR, COMMISSIONER:

O P I N I O N

The San Francisco-Sacramento Railroad Company, a corporation, proposes to sell and the Sacramento Northern Railway, a corporation, proposes to purchase all of the property of the former except its corporate franchises. The terms of the proposed purchase are set forth in Exhibit "D" attached to the application. The purchase price is \$1,675,100, the property to be conveyed free of all incumbrances and indebtedness. All of the stockholders of the selling corporation, at a stockholders' meeting, assented to the proposed sale except one stockholder, holding about one hundred shares of stock, who did not vote either way on the proposal to sell.

A public hearing was held in this matter at San Francisco on October 16, 1928.

There is now a community of interest between these two roads. Each, however, is maintaining a complete independent organization. Some economy and saving will be effected by the absorption of the San Francisco-Sacramento property by the Sacramento Northern. In addition the Sacramento Northern is a subsidiary of the Western Pacific Railroad Company and if this absorption occurs it is anticipated that this connection will afford a better means of providing funds for the necessary improvement and betterments of the San Francisco-Sacramento line. At the present time the San Francisco-Sacramento line is not making operating expenses and has no financial resources to keep up the system.

No opposition developed to the granting of this application and there seems to be no reason why it should not be granted and the absorption appears to be in the public interest.

I recommend the following form of order:

O R D E R

Application having been made to this Commission for an order authorizing the sale by San Francisco-Sacramento Railroad Company, a corporation, of all of its property except its corporate franchise to Sacramento Northern Railway, a corporation, and for an order authorizing the purchase of said property by the Sacramento Northern Railway Company, and the Commission being apprised of the facts and the matter being under submission and ready for decision, therefore,

IT IS HEREBY ORDERED that San Francisco-Sacramento Railroad Company, a corporation, be and it is hereby authorized to sell and transfer all of its property, except its corporate fran-

chise, to Sacramento Northern Railway, a corporation, and Sacramento Northern Railway, a corporation, be and it is hereby authorized to acquire said property, all as more fully provided for and set forth in the contract, marked Exhibit "D", attached to the application, subject, however, to the following conditions:

1. The transfer herein granted shall be effected within one year from the date hereof; otherwise the authorization herein granted shall then lapse and become void.
2. The Sacramento Northern Railway shall advise the Commission when the transaction hereby authorized is completed.

The foregoing opinion and order are hereby approved and ordered filed as the opinion and order of the Railroad Commission.

Dated at San Francisco, California, this 26th day of October, 1928.

Leon Whittell  
W. J. Seavey  
W. M. Roberts  
W. H. Brown  
W. J. Cunn  
Commissioners.