

Decision No. 22950.

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA.

VICTORY GOLD MINES COMPANY,  
a corporation, Complainant,

Vs.

CALIFORNIA OREGON POWER COMPANY,  
a corporation, Defendant.

**ORIGINAL**

Case No. 2812

BY THE COMMISSION:

ORDER OF DISMISSAL

The above named complaint of Victory Gold Mines Company against California Oregon Power Company, alleges that on May 15, 1924, a contract was entered into between the two parties, whereby California Oregon Power Company agreed to build from its substation at Etna Mills to a point of delivery on Victory Gold Mines Property, located in Section 20, Township 40 North, Range 10 West M.D.M. Siskiyou County, California, and thereafter upon the payment of certain moneys to render electric service for power and lighting purposes.

During the pendency of the aforesaid contract, which was never approved by the Commission, it appears that a line was built by California Oregon Power Company substantially as aforesaid, but that service was never actually rendered over this line due to the failure of the mine to operate sufficiently to require such service; consequently, the line has remained idle and in a de-energized condition from a time shortly after its construction to the present date.

During the interim the line, through lack of maintenance by either party, became in need of repairs to the extent, at least, that it would require numerous pole replacements and other costly repairs to restore it to an operating condition, both parties recognizing this fact.

At a hearing held in Yreka, California, on June 25, 1930, before Examiner Satterwhite, it was stipulated by counsel of the respective parties, that an agreement between them was being prepared whereby this complainant would withdraw its case before the Commission.

Said agreement was entered into by and between California Oregon Power Company and Victory Gold Mines Company on the 27th day of August, 1930, wherein and whereby it is agreed, among other things, that California Oregon Power Company will dismantle and salvage its line and other electrical equipment with the exception of poles and telephone line (which it is alleged is the property of Siskiyou Telephone Company) from its substation at Etma Mills to a point located in Section 19, Township 40 North, Range 10 West, M.D.M., Siskiyou County, California.

It was further agreed that the Power Company would release title to certain real property more particularly detailed in the joint request for dismissal.

The record shows that the aforesaid line was constructed by defendant at an outlay of \$79,025.41, for which the Railroad Commission finds \$75,000.00 to be a reasonable cost thereof, and that complainant has advanced \$45,000.00 towards the cost of said line; that defendant now proposes to salvage certain parts of said

facilities as detailed in the proposed agreement dated August 27, 1930, and will release to complainant the remainder of said facilities.

The Commission has considered the proposed agreement and, in view of the terms and provisions thereof agreed upon between the respective parties, feels that further hearing in this matter is no longer necessary, therefore

Good Cause Appearing

IT IS HEREBY ORDERED that the above entitled proceeding, being Case No. 2812, be and it is hereby dismissed and that California Oregon Power Company be and it is hereby authorized to enter into that certain agreement dated August 27, 1930, with Victory Gold Mines Company.

IT IS HEREBY FURTHER ORDERED that California Oregon Power Company, in recording the retirement of the property referred to herein on its books of account, shall charge to miscellaneous debits to profit and loss, the difference between the cost of such properties as it now appears in its fixed capital accounts, and the amount advanced by complainant, the amount properly chargeable to depreciation reserve and the amount chargeable to cash or materials and supplies on account of salvage, if any.

Dated at San Francisco, California, this 7<sup>th</sup> day of October, 1930.

Chas. E. Lewis  
John W. Smith  
Leon O. Whittell  
Wm. E. Smith

Commissioners.