

DECISION NO. _____

ORIGINAL

Decision No. 3028

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA.

In the Matter of the Application
of SACRAMENTO VALLEY & EASTERN
RAILWAY to lease to the NOBLE
ELECTRIC STEEL COMPANY that
portion of its railroad between
Pitt and Heroult.

APPLICATION NO. 1779.

Thos. B. Dozier for Petitioners.
C. D. Wilson, Protestant.
C. C. Carlton for California Highway
Commission, Protestant.

CORSON, Commissioner.

O P I N I O N.

This is an application brought under the provisions of the Public Utilities Act, Section 51 requiring that no lease of the whole or any portion of a railroad shall be made until the authority of this Commission shall have been obtained.

Public hearings were held in this proceeding at San Francisco on September 18th and October 22, 1915.

The Noble Electric Steel Company is engaged in the manufacture of iron and steel and has its plant located on the line of the Sacramento Valley & Eastern Railway at the station of Heroult. The Sacramento Valley & Eastern Railway was originally constructed for the handling of the ores and copper output of the Bully Hill Copper Mining and Smelting Company. Due to the suspension of operations of the Bully Hill Copper Mining and Smelting Company there has been but little traffic, either freight or passenger, over the line of the Sacramento Valley & Eastern Railway and the plant of the Noble Electric Steel Company is the only remaining industry requiring frequent freight service.

In view of the need by the Noble Electric Steel Company for more frequent freight service an agreement was prepared under which the Noble Electric Steel Company was to lease that portion of the line of the Sacramento Valley & Eastern Railway between the stations of Pitt and Heroult. The proposed agreement was submitted to the Commission with the application in this proceeding. Certain impracticable conditions appearing in the form of lease agreement submitted with the application having been noted by the Commission, a revised form of agreement was presented at one of the hearings. The application was submitted with the understanding that counsel for the applicants would file with the Commission a copy of the signed lease agreement, but the Commission is now advised that it is impossible to execute the agreement as proposed.

Under such circumstances I can only recommend that the application be dismissed without prejudice and therefore suggest the following form of order.

O R D E R.

Sacramento Valley & Eastern Railway having made application to this Commission for permission to lease a portion of its line to the Noble Electric Steel Company, public hearings having been held, the matter submitted with the understanding that a copy of the executed lease agreement would be filed with this Commission, and the Commission having been advised that it is not possible for the agreement to be consummated,

IT IS HEREBY ORDERED, That the application be and the same hereby is dismissed without prejudice.

The foregoing opinion and order are hereby approved as the opinion and order of the Railroad Commission of the State of California.

Dated at San Francisco, California, this 14th day of January, 1916.

Max Thelen
W. D. Loveland
W. J. F. ...
Frank R. ...
Commissioners.