

ORIGINAL

Decision No. 8499.

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA.

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In the Matter of the Application of)	
the WESTERN PACIFIC RAILROAD COMPANY)	
for an order authorizing the abandon-)	
ment of that portion of its line of)	
railroad lying between Moy and)	Application No. 5322.
Carnegie, California.)	
.....)	

Stephen F. Otis, for Applicant.
 F. G. Cartwright, for the Beckman-Linden
 Engineering Corporation, Protestant.

BY THE COMMISSION:

O P I N I O N

Applicant in the above entitled proceeding has petitioned the Railroad Commission for an order authorizing the abandonment of that portion of its line of railroad lying between Moy and Carnegie on its Tesla branch alleging that the public no longer requires the continued maintenance and operation of the portion of railroad proposed to be abandoned and that it is the desire of applicant to remove the rails and other materials and employ them elsewhere on other portions of the operative properties of applicant.

A public hearing on this application was conducted by Examiner Handford at San Francisco; the matter was duly submitted on stipulation by attorneys for applicant and protestant and is now ready for decision.

Applicant alleges, as justification for the granting of this application, that the industries located on the portion

of line proposed to be abandoned are nonoperative; the coal mine formerly existing at Tesla having been abandoned and the machinery serving same having been scrapped and removed; that brick and pottery manufact-^{uring} plants formerly existing at Carnegie and Walden have been dismantled and the machinery scrapped and removed; that occasional shipments of manganese ore were shipped from the station of Manganese prior to the early part of the year 1919 but that no such shipments have been offered for movement for approximately one year; that the manganese plant at the station of Manganese has been dismantled and the machinery and equipment removed and shipped away; that there is now no industry in operation at any point on the Tesla branch beyond the station of Moy and there is no traffic, either present or prospective, to be transported to or from any station beyond the station of Moy.

A witness for applicant testified that the portion of line proposed to be abandoned was 4.43 miles in length and that to place the line in safe operative condition would require an expenditure of approximately \$22,572.00; the principal expenditure necessary being for the installation of new ties, surfacing of track, ditching of cuts, repairs to bridges and culverts. The portion of line proposed to be abandoned is subject to washouts during the winter rains. The maintenance of track and bridges has required an expenditure of approximately \$11,800.00 for the period from January 1, 1916, to August 1, 1920.

Mr. Theodore Hunter, assistant general freight agent for applicant, testified as to the freight traffic handled over the portion of line proposed to be abandoned and offered a statement as an exhibit which indicates that during the

calendar year 1919 a total of 740 tons moved outbound from stations located on the portion of branch proposed to be abandoned resulting in a gross revenue of \$1,935.70. During the period January to July, 1920, inclusive, a total of thirty-six tons were moved with a gross revenue of \$115.72.

The granting of this application is opposed by the Beckman-Linden Engineering Corporation. A witness for such protestant testified that the Beckman-Linden Engineering Corporation had purchased the property of the Tesla coal mines; the deposit of coal existing in such mines being in excess of 20,000,000 tons and that the coal originating in such mines could not be shipped or stored because of the fact that it deteriorated by slacking and was too high in volatility. Efforts were being made by protestants to establish at the Tesla mines a plant for the manufacture of pulverized fuel such method taking the run of the mine and crushing it to a powder sufficiently fine to pass through a two hundred mesh screen and shipping the product in tank cars, it then being fed into boilers in the same manner as fuel oil, it being claimed that the combustion value was higher than fuel oil and the thermal record nearly six per cent greater. The cost of this pulverized fuel is estimated to be of but one-half to two-thirds that of fuel oil and a number of inquiries had been received from large consumers of fuel oil for prices and prospective contracts for the pulverized fuel proposed to be manufactured by this protestant. It was also testified that there was a demand for clay to the extent of four cars per day as soon as protestant was able to make deliveries and that a certain strata of sand particularly adapted for the manufacture of glass had been found in the Tesla mines and that

contracts had been offered for a minimum of 25,000 tons per year but that such contracts could not be closed until tunnels in the mines had been reestablished, the sand lying beyond the coal vein.

In view of the very substantial tonnage apparently ready for movement, after certain plans for financing on the part of protestant had been arranged, and the comparatively small salvage expense accruing to applicant by reason of the proposed abandonment and removal of the portion of the branch line, there being but \$15,634.00 salvage involved, an effort was made by the Commission to defer decision in this matter until applicant and protestant could confer and protestant could complete its negotiations for financing their project. A stipulation was accordingly entered into by both applicant and protestant to the effect that the Commission be requested to delay its decision until November 1, 1920, and that in the meantime satisfactory proof should be furnished to the Commission that traffic sufficient to justify the continued maintenance and operation of the track proposed to be abandoned would be furnished by the protestants. No advice having been received by the Commission in accordance with the stipulation filed September 11, 1920, this application should be considered on its merits and in view of the extremely limited amount of traffic originating on or destined to the stations located on the portion of track herein proposed to be abandoned, we are of the opinion and find as a fact that the continued maintenance and operation of the branch line of the applicant lying between Moy and Carnegie is not justified or required by the public and that the application should be granted.

O R D E R

A public hearing having been held in the above entitled proceeding, the matter having been duly submitted on stipulation of applicant and protestants, the Commission being fully advised and basing its order on the finding of fact as appearing in the foregoing opinion,

IT IS HEREBY ORDERED that this application be and the same hereby is granted.

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

Dated at San Francisco, California, this 3^d day
January, 1921
of ~~December~~, 1920.

H. D. Loveland
W. A. H. W. W.
H. R. Brundige

Commissioners.