Decision No. <u>9046</u>.

## BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA.

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In the Matter of the Application of ) NORTHWESTERN PACIFIC RAILROAD COMPANY,) and THE ALBION LUMBER COMPANY, for ) permission to lease a portion of the ) railroad of The Northwestern Pacific ) Railroad Company to The Albion Lumber ) Company.

Application No. 6554.

BY THE COMMISSION:

## $\underline{O} \underline{R} \underline{D} \underline{E} \underline{R}$ .

Northwestern Pacific Railroad Company and The Albion Lumber Company have petitioned the Railroad Commission for an order approving the lease of a portion of the line of applicant, Northwestern Pacific Railroad Company, located in Mendocino County and known as The Albion Branch, to applicant, The Albion Lumber Company, a corporation.

The application states that the Northwestern Pacific Railroad Company desires to lease the so-called Albion Branch for the reason that said line is entirely disconnected from the rest of the railroad of the Northwestern Pacific Railroad Company and it is difficult to maintain a separate organization for the operation of said branch line. The Albion Lumber Company desires to lease the railroad for the alleged reason that in future ninety eight percent of the traffic to be handled will be that originating with the Albion Lumber Company and such company can more economically operate this branch line of railroad in that practically the entire traffic is that of the Albion Lumber Company and the operation of the railroad will be con-

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ducted by officials of the Albion Lumber Company.

A copy of the proposed lease, approval of which has been requested, is attached to and forms a part of the application in this proceeding. We are of the opinion that this is not a matter in which a public hearing is necessary, and that the application should be granted.

IT IS HEREBY ORDERED, That this application be and the same hereby is granted subject to the following conditions:

> I - Applicant, Northwestern Pacific Railroad Company, will be required to immodiately cancel all tariffs and schedules now on file with this Commission.

II - Applicant, Albion Lumber Company, will be required to immediately file new tariffs and schedules or to adopt as its own tariffs and schedules as herotofore filed with this Commission by the Northwestern Pacific Railroad Company; tariffs and schedules as filed by applicant, Albion Lumber Company, to be strictly in accordance with tariffs and schedules as heretofore filed by applicant, Northwestern Pacific Railroad.

III - Applicant, Albion Lumber Company, will be required to keep records and accounts in accordance with the classification authorized by this Commission and the Interstate Commerce Commission, such records and

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accounts to be kept separate from those included in the general business transacted by applicant, Albion Lumber Company.

IV - The approval by the Commission of the lease herein proposed does not include an approval of the estimated original cost of \$459,224.00 or of the estimated present value of \$600,000.00 of the property proposed to be leased for any rate fixing or any other purpose, such values as expressed in the application and referred to in the lease being considered only as approximate values upon which the rental specified in the lease is based.

The Commission reserves the right to make such other and further orders in this proceeding as in its judgment the public convenience and necessity may require.

Dated at San Francisco, California, this Z.C. day of June, 1921.

Commissioners.