ORIGINAL

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA.

In the matter of the application of PAJARO VALLEY CONSOLIDATED RAILROAD COMPANY for an order authorizing it to lease from Watsonville Railway and Navigation Company part of the latter's tracks for certain purposes and on certain contingencies.

Application No. 698.

- A. L. Whittle, for Pajaro Valley Consolidated Railroad Company
- E. Stoltz, for Watsonville Railway & Navigation Company.

GORDON. Commissioner.

ORDER

Fajaro Valley Consolidated Railroad Company and Watsonville Railway and Navigation Company having applied to this Commission for permission to execute a certain lease, attached to the application in this proceeding and marked Exhibit "A", under the terms of which lease the Pajaro Valley Consolidated Railroad Company is given the right, upon certain conditions, to operate its own trains upon the line of the Watsonville Railway and Navigation Company from the point of junction of these two roads near Vatsonville to a point approximately three miles toward the coast from Vatsonville, at which point a certain switch and side track are to be constructed by Pajaro Valley Consolidated Railroad Company upon the lands of J. A. McCollum and F. Thurwachter:

And it appearing that applicants desire to execute this lease in order that the Pajaro Valley Consolidated Enilroad Company may run its trains upon the line of the Watsonville Railway and Navigation Company and transport from points thereon, certain shipments of beets, the Pajaro Valley Consolidated Railroad Com-

pany paying to the Watsonville Railway and Navigation Company for the use of said tracks, 3 cents per ton for all beets so transported:

And a public hearing having been held upon this application, and it appearing to the Commission that while the form of said lease is not in all respects satisfactory and should not be taken as a precedent in any other case, yet taking into consideration the circumstances surrounding this particular case, the application should be granted with the express understanding, however, that the order granting this application must not be construed as in any way releasing the Watsonville Railway and Navigation Company from any of the obligations which it owes to the public as a common carrier.

Navigation Company be and it hereby is authorized to lease to Pajaro Valley Consolidated Railroad Company, in accordance with the terms and conditions specified in the form of lease attached to the application in this proceeding, and marked Exhibit "A", that portion of the line of Watsonville Railway and Navigation Company between the junction point of the two railroads above mentioned, near Watsonville to a point approximately three miles toward the coast, said point being more particularly described in the form of lease attached to the application in this proceeding, and marked Exhibit "A", upon the following conditions, and not otherwise:

- 1. The Commission expressly reserves the right in cases in which it may be deemed necessary by further order, to alter or modify the provisions of this lease.
- 2. The authority herein granted the Watsonville Railway and Mavigation Company to lease a portion of its-line shall not be construed as in any way releasing said company from the obligations which it owes: to the public as a common carrier.
 - 3. The consideration paid for the lease of the property

herein authorized to be leased shall not be taken before this Commission or any other public body as representing for rate fixing or other purposes, the value of the property leased.

By order of the Railroad Commission.

Datos et San Francisco, California, this 30th day of August, 1913.

Commissioners.