

yardage which it was necessary to remove from the roadbed because of these slides. In so far as these slides occurred subsequent to the completion of the Railway, they should be charged to operation and not to construction. In so far as they occurred before construction was completed, they are a proper charge. In the absence of figures showing the exact amount of yardage removed by reason of these slides, it is difficult to estimate the amount which should be added under the head of "reproduction value." One of the witnesses for the Railway Company testified that, in his opinion, \$13,222.00 should be added for this item under the head of "reproduction value." I have asked Mr. Earle to prepare an estimate of the amount to be added under this item. He has prepared an estimate based on ~~xxx~~ an additional 20% of earth in excavation, 10% of loose rock in excavation and 5% of solid rock in excavation, and by applying to the yardage so secured in each case the unit prices which he allowed for these respective kinds of materials, he reaches a total amount to be added under this head of \$6,265.63. Bearing in mind the fact that under the head of grading, the engineering department had already added an item of 5% for contingencies, I am of the opinion that the amount so estimated by Mr. Earle is a liberal one and that this amount should be added to the engineering department's revised final summary sheet. I find that this is the gross amount which should be added and consequently no additions will be made thereto for contingencies, engineering, law expenses and interest and commissions.

(3) Steel bridges and trusses.

The engineer testifying for the Railway Company was of the opinion that some \$3,383.00 should be added to the estimate of "reproduction value" of this item. This opinion was based on general inquiries concerning the cost of reproducing second-hand steel bridges, such as those which were purchased second-hand from the Oregon Railroad and Navigation Company, and erected by the Railway Company across the Sacramento river and the McCloud river. There was no definite evidence on this point and I am satisfied to

permit the engineering department's estimate to stand as presented.

(4) PILE AND FRAME TRETTLES.

In its estimate of "reproduction value" of this item, the engineering department assumed that California timbers would be used and made its return on that basis. It appeared at the hearing that Oregon pine had been used, and that it would cost more to reproduce Oregon pine than to reproduce California pine. It also appeared that there is much reason for holding that the Oregon pine is more satisfactory than California pine would be. The engineering department has accordingly revised its estimate for this item and has added to its estimate the sum of \$2,812.28 for the cost of reproducing the timbers, together with contingencies, making a total for this item, including contingencies, of \$20,483.15 for "reproduction value". I find that the additional amount recommended by the engineering department should be added to the department's original estimate for "reproduction value" of this item.

(5) CULVERTS.

A question was presented at the hearing with reference to the accuracy of the engineering department's estimate of the "reproduction value" of culverts. The Railway Company's witnesses pointed out an error in computation under this item. The engineering department has gone over this item again and has reached the conclusion that notwithstanding the error, the total amount allowed is sufficient and I concur in this conclusion.

(6) TIES.

The engineering department's estimate for "reproduction value" of ties was \$19,969.71. It appeared at the hearing that the unit prices established for this item were too low. The witness for the Railway Company contended that an amount of \$4,589.00 should be added to this item. After the hearing, this Commission's engineering department has made careful inquiries into this item, and has reached the conclusion that an amount of \$9,050.75 should be added for increased cost of ties and contingencies, making a total estimated "reproduction

value" of this item of \$29,120.46. I find that this addition should be made.

(7) Ballast.

The engineering department's estimate for "reproduction value" of this item is \$11,678.62. The department estimated that 50% of the ballast was procured from cuts at cost of handling only and allowed an average cost for all the ballast of 62 1/2¢ per cubic yard. The witnesses for the Railway Company contended that very little ballast could be secured from cuts and testified that a considerable portion of the ballast which was used consisted of broken slag which was secured from the mine. The witnesses testified that most of the ballast actually used was transported from the mine or from different portions of the line of railway. I am convinced from the testimony of Mr. Earle, based on unit prices covering a large number of cases of railway construction in this State and elsewhere, that while the method used by the engineering department in estimating the unit price for ballast may be open to question, the result secured is at least liberal to the Railway Company. I shall accordingly allow this item to stand as estimated by the engineering department.

(8) Engineering.

One of the most difficult questions in this valuation is the correct amount to be allowed under the head of "reproduction value" for engineering. The Railway Company reported an original book cost for this item amounting to \$40,175.72, and estimated the same amount for both "reproduction value" and "present value." The Commission's engineering department, while accepting these figures for "original book cost", allowed only \$16,050.49 in its estimate for both "reproduction value" and "present value."

There seems no reasonable ground to doubt that the engineering actually cost the sum of \$40,175.72, as reported by the Railway Company. It appears that the Railway Company employed three engineering parties to survey its proposed line of railway, the total length

whereof is somewhat less than 15 miles, and that two or three parties were in the field the entire time, even during construction.

Mr. F. J. Dearborn, who constructed this railway, testified that from two to three engineering parties were in the field during the entire period between the commencement of location and the final completion of the railway. On the one hand, it appears that for several causes, the engineering expenses which would be incurred in reproducing this railway would be considerably heavier than would be the case in average railway construction. In the first place, the railway is constructed through mountainous territory, along the canyons of different streams throughout almost its entire extent. The location of such a line of railway is more than usually difficult. Again, an attempt was made to avoid the expense of heavy tunnelling and constant re-surveys were made for the purpose of skirting the face of the canyons instead of being compelled to tunnel. While the expense of engineering was doubtlessly increased by this course of procedure, the entire cost of constructing the railway was doubtlessly considerably less than it would have been if these means had not been used to eliminate tunnels and other heavy construction.

On the other hand, there is considerable evidence to show that in reproducing the railway the engineering expenses could be considerably reduced. As hereinbefore pointed out, the work of location was done largely during the most unfavorable time of the year, while the snows were lying on the ground and while the rains were heaviest. It has also been pointed out that considerable money could have been saved in engineering as well as other items, if the bridge had been constructed across the Sacramento river at an earlier period in the construction. It is also difficult to understand why it would be necessary to employ during the entire period of construction as many engineering parties as seem to have been employed throughout the entire period of this railway construction.

It is difficult to reach a conclusion as to the proper amount which should be allowed for this item under the head of "reproduction

value." After weighing carefully the items which would go to make the engineering on this railway more expensive than would ordinarily be the case, and also considering the conditions which resulted in making the expenditures for this item larger than they would reasonably be if the railway were to be reconstructed as of June 30, 1912, I have reached the conclusion that the item allowed by the engineering department should be increased from \$18,212.99 to \$29,000.00. Comparisons with the cost of engineering on other lines of railway, both in California and Oregon, under circumstances similar to those which obtain on this line of railway, as presented by Mr. Earle in considerable detail at the hearing, would seem to show that this estimate would be fair and liberal.

The foregoing items are the only ones which were attacked by the Railway Company at the hearing.

After a careful consideration of all the evidence in this case bearing on the matter of "reproduction value", I find the "reproduction value", as that term has hereinbefore been defined, of the operative property of the Sacramento Valley and Eastern Railway Company, as of June 30, 1912, to be the sum of--\$475,002.04.

1. PRESENT VALUE.

No testimony was presented at the hearing with reference to the "present value" of this line of railway. The changes which have been made in the engineering department's estimate of "reproduction value" make it necessary, however, to make corresponding changes in the department's estimate of "present value." These changes have been made, as is indicated on "Exhibit C."

I find that the "present value", as that term has hereinbefore been defined, of the operative property of the Sacramento Valley and Eastern Railway Company, as of June 30, 1912, is the sum of-----\$424,678.07.

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

Dated at San Francisco, California, this 30th day of September, 1913.

Attest
H. J. Boardman

Max Thelen

Edwin O. Edgerston

Commissioners.

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA.

In the matter of ascertaining
the value of the property of
SACRAMENTO VALLEY and EASTERN
RAILWAY COMPANY.

Case No. 137.

Thomas B. Dozier for Sacramento Valley and Eastern
Railway Company.

THELEN, Commissioner.

OPINION AND FINDINGS.

This proceeding was brought on the Railroad Commission's initiative, for the purpose of ascertaining the elements entering into the value of the property of Sacramento Valley and Eastern Railway Company. This property is situated entirely in Shasta county, California. For the general procedure in these valuation cases and for a general description of the work performed by this Commission's engineering department therein, reference is hereby made to this Commission's opinion and findings in Case No. 206, being the matter of ascertaining the value of the property of the Stockton Terminal and Eastern Railroad Company, and Case No. 210, being the matter of ascertaining the value of the property of Tonopah and Tidewater Railroad Company. As in those cases so here also, I shall confine myself to making findings of fact and shall not make a finding on the ultimate question of the value of the property, irrespective of the purpose for which the value is ascertained.

At the outset I desire to define certain terms which will be used herein.

The term "original book cost", as used in this opinion, means the actual expenditure, chargeable to capital account in accordance with the classification of expenditures for road and equipment, as prescribed by the Interstate Commerce Commission for steam roads, made by the railway company for its operative property as of June 30,

1912.

The term "reproduction value", as used in this opinion, means the estimated cost in cash of acquiring the operative right-of-way and other real estate and of repurchasing in the condition in which it was acquired, the other physical property of the railway company, as of June 30, 1912, to which are added overhead expenditures for engineering, law, interest and commissions, and similar items.

The term "present value", as used in this opinion, means the "reproduction value" less the diminution in value of the physical elements of the property, due to use, age, obsolescence, inadequacy and other causes, plus appreciation where found. This might properly be called "depreciated reproduction value", and does not mean the ultimate fact of present value, as that term is ordinarily used.

In accordance with this Commission's order dated March 11, 1912, the Sacramento Valley and Eastern Railway Company on July 31, 1912, filed an inventory of its property, together with a statement of its original book cost, and an estimate of its reproduction value and present value. A copy of the company's final summary sheet is attached to this opinion and marked "Exhibit A."

On October 15, 1912, this Commission's engineering department submitted its detailed report in the above entitled proceeding. Thereafter, on August 25, 1913, the engineering department submitted a supplemental report, in which report no change is made in the original book value, but the reproduction value is increased from \$392,382.05 to \$445,066.25, and the present value is increased from \$349,619.35 to \$400,442.36. A copy of the engineering department's estimate as so revised is attached hereto and marked "Exhibit B."

Thereafter, on September 5 and 6, 1913, the hearing was held in this proceeding. The Railway Company was represented by counsel and made certain objections to the report of this Commission's engineering department, as revised, particularly with reference to certain items in present value and the same items in reproduction value. These objections will hereinafter be considered in detail. A revised

final summary sheet containing the Commission's findings is attached hereto and marked "Exhibit C."

As is usual in these valuation proceedings, I shall, in connection with this inquiry, consider the following matters:

- (1) Organization, construction and operation.
- (2) Stocks and bonds.
- (3) Revenues and expenses.
- (4) Original book cost.
- (5) Reproduction value.
- (6) Present value.

1. ORGANIZATION, CONSTRUCTION AND OPERATION.

Sacramento Valley and Eastern Railway Company was incorporated under the laws of California on November 8, 1906. The incorporation was effected by stockholders of the Bully Hill Copper Mining and Smelting Company, for the purpose of furnishing a rail outlet between the Copper Company's plant at Winthrop, in Shasta county, and some point on the main line operated by the Southern Pacific Company, in the same county.

The surveys for the line were begun in October 1906. The final location was completed about March 1, 1907, and the road was opened to traffic in April, 1908. The work was done by force account by the owning company, the Bully Hill ^{Copper} Mining and Smelting Company.

The road has the following mileage:

Main line - Pitt to Bully Hill,	14.35 miles
Sidings and other tracks,	1.65 miles

Total,	16.43 miles

The western terminus of the line is Pitt, a station on the main line operated by the Southern Pacific Company, located on the west bank of the Sacramento river, ^{near} the mouth of the Pitt river. Crossing the Sacramento river at Pitt, the road follows the canyons of the Pitt river, Squaw creek and Towne creek, in a general easterly, ~~xxx~~ northeasterly and northerly direction, to the Bully Hill

Copper Mining and Smelting Company's plant at Winthrop. The country is mountainous, with abrupt slopes and narrow valleys. No farming is done in this territory. There is a small iron smelter at Earoult and a copper mine at Copper City, the ores from which are shipped to the smelter at Winthrop. The United States Government maintains a small fish hatchery on the McCloud river, and receives and consigns freight from and to the railroad at a blind siding near the mouth of the stream. Pitt has no inhabitants and the total population along the line of this company's railway at the present time is probably not to exceed 200. As hereinbefore stated, the railway was constructed for the purpose of furnishing access to the Bully Hill Copper Mining and Smelting Company's plant at Winthrop, and is dependent almost entirely on the operation of that plant.

During the last two years, the smelter at Winthrop has been closed. The company at present operates one mixed train, making one round trip weekly, and a twenty-five horse power, twelve-passenger motor car, making one round trip daily, principally for transporting mail.

2. STOCKS AND BONDS.

The Railway Company was incorporated with a total authorized capital stock of \$300,000, divided into 3000 shares of the par value of \$100 each. On June 7, 1907, the capital stock was increased from 3000 to 5000 shares, of which all except five shares for the directors, were issued to the Bully Hill Copper Mining and Smelting Company, in compliance with a contract entered into between the Railway Company and the Copper Company, by the terms of which the latter company agreed, in return for the capital stock, to construct the railway and equip the same with sufficient motive power and cars to handle the Copper Company's products for a period of six months after the property should have been placed in operation. The Railway Company agreed to maintain and operate the property and to transport the Copper Company's products at fair and reasonable rates.

On June 30, 1909, the directors authorized the payment of a dividend of 9%, amounting to \$45,000, and on December 31, 1910, a dividend of 10% was paid, amounting to \$50,000. Since December 31, 1910, no further dividends have been paid.

No bonds have ever been issued.

3. REVENUES AND EXPENSES.

During the first two years or so of operation, while the Copper Company's smelter was in operation at Winthrop, the railway made very satisfactory net profits. From April 8, 1908, on which day operation commenced, to June 30, 1908, the total net earnings were \$18,545.45. For the year ending June 30, 1909, the net earnings were \$67,514.27, and for the next fiscal year, the net earnings were \$61,084.65. During the fiscal years ending June 30, 1911 and June 30, 1912, respectively, the railway reports a net operating loss of \$5,824.52 and \$11,928.19, respectively.

The revenues and expenses of the Railway Company for the year ending June 30, 1912, appear in the annual report of that company on file with this Commission, as follows:

Operating revenues,		\$10,092.06
Operating expenses,		19,700.79
Net operating deficit,		9,608.73
Taxes accrued,	\$2319.46	
Adjustment entry, Dec. 31, 1911,	<u>1937.00</u>	4,256.46
Operating loss,		13,365.19
Net corporate loss,		13,365.19

4. ORIGINAL BOOK COST.

The total original book cost, as reported by the Railway Company, is \$564,065.18, being an average of \$38,037.00 for each mile of main line track. The original book cost as reported by this Commission's engineering department, is \$549,007.17, or an average of \$37,020.00 per mile of main line track. The difference

between these two figures, amounting to \$15,078.01, is due to certain errors in the Railway Company's books, as follows:

	<u>Credit</u>	<u>Debit</u>
Steel bridges - error in footing,	\$1,000.00	
Rails, fastenings and switches - error in transferring from cost records,		\$6,272.07
Passenger cars - error in footing,	10.00	
Taxes - error in crediting four years' taxes instead of one year,		7,452.22
Freight train cars - error in stating cost,		1.08
Work equipment - duplication of entry for motor car,		<u>2,362.64</u>
Totals,	<u>\$1,010.00</u>	<u>\$16,038.01</u>
		<u>1,010.00</u>
Net debit,		\$15,078.01

The Railway Company accepted this corrected total presented by the Commission's engineering department.

I shall not find on the reasonableness of the original book cost but shall confine the finding to the expenditures as actually shown on the Railway Company's books. The original cost was enhanced by the fact that construction was carried on under peculiarly difficult conditions. It was necessary to ferry the locating parties and their instruments and supplies and a portion of the grading forces, with supplies, from Pitt across the Sacramento river to its eastern shore, at a season of the year when the river was often a raging torrent. If the bridge which was ultimately constructed across the river had been constructed at a favorable season and before any construction was done on the east side of the river, the cost of construction would have been diminished. It also appears that the location and construction were, to a considerable extent, done during the winter time, when the ground was largely covered with snow and during a period of heavy rains. There is no doubt that the cost of construction was also

increased by virtue of this fact. These and other facts account for the difference between the original book cost and the estimate of reproduction value hereinafter set forth.

I find that the "original book cost", as hereinbefore defined, of the operative property of Sacramento Valley and Eastern Railway Company, as of June 30, 1912, is the sum of-----\$549,007.17.

5. REPRODUCTION VALUE.

The Railway Company entered its objections to the engineering department's estimate with reference to certain items under the head of "reproduction value." I shall now consider these objections seriatim.

(1) Grading.

The Commission's engineering department originally estimated the cost of reproducing grading at \$125,591.89. Thereafter, in the supplemental report, filed on August 25, 1913, this sum was increased to \$163,371.48. The increase represents an added item for the construction of roads and trails. The Railway Company contended at the hearing that the revised estimate was still too low. Chief Engineer, W. C. Earle, testified exhaustively concerning the unit prices which he had used in his estimate of reproducing the grading, and I am satisfied from this testimony that the amount which has been allowed by the engineering department in its revised estimate is fair and reasonable. I shall accordingly allow no increase in this item.

(2) Slides.

It appeared at the hearing that the amount of yardage returned to this Commission by the Railway Company in its inventory was the amount ascertained from the original cross sections, and that no yardage had been added for slides. The witnesses for the Railway Company testified that by reason of the heavy rains there had been a large number of slides both before and after the completion of construction. No accurate record was kept of the amount of

Name of Owner Sacramento Valley & Eastern R.R. Co. FORM No. 49.

Valuation as of June 30, 1911
Sacramento Valley & Eastern R.R. Co.

Operating Co. _____
 Division _____
 From Platt To Billy Hill
 Miles, Main Line Track 24.83
 Miles, Second Track _____
 Miles, Yard Tracks, etc. 1.65
 Total 26.48

CALIFORNIA RAILROAD COMMISSION
 PHYSICAL VALUATION OF STEAM RAILROADS
FINAL SUMMARY SHEET

"EXHIBIT A"

Date Compiled _____ 1911
 Joint Main Line _____ Miles
 Joint Second Track _____ Miles
 Joint Yard Track, etc. _____ Miles
 Total _____ Miles

Class No.	Form No.	I.C.C. Acct. No.	CLASSES	ORIGINAL BOOK COST	REPRODUCTION VALUE	Cond. pr. ct.	PRESENT VALUE
1	1	2	Right of way and station grounds.	1590 00	1612 75		1612 75
2	2	3	Real estate.	1000 00	1000 00		1000 00
3	3	4	Grading.	244165 16	235324 00	125	235324 00
4	4	5	Tunnels.				
5	5	6	Steel bridges and trusses.	50202 58	53080 00	75	39810 00
6	6	6	Pile and frame trestles.	27629 06	17500 00	75	13025 00
7	7	6	Culverts.		7280 00	75	5460 00
8	8	7	Ties.	29798 05	28512 00	50	14256 00
9	9	8	Rails.	78103 04	78103 04	90	70292 74
10	10	9	Frogs and switches.	2485 53	2485 53	90	2236 98
11	11	10	Track fastenings and other material.	8647 15	8647 15		7772 43
12	12	11	Ballast.				
12	13	12	Tracklaying and surfacing.	38670 37	38670 37	90	34803 00
14	14	13	Roadway tools.				
15	16	14	Fencing right of way.				
16	16	15	Crossings and signs.				
17	17	16	Interlocking plants.				
18	18	16	Signal apparatus.				
19	19	17	Telegraph and telephone lines.	3955 28	3955 28	75	2966 46
20	20	18	Station buildings and fixtures.				
21	21	18	Platforms, walks, paving and curb.				
22	22	19	General office buildings and fixtures.				
23	23	20	Shop buildings and engine houses.				
24	24	20	Transfer and turntables, cinder pits, etc.				
25	25	20	Miscellaneous shop buildings and structures.				
26	26	21	Shop machinery and tools.				
27	27	22	Water stations.	647 78	647 78	75	485 84
28	28	23	Fuel stations.				
29	29	24	Grain elevators.				
30	30	25	Storage warehouses.				
31	31	26	Dock and wharf property.				
32	32	27	Electric light plants.				
33	33	28	Electric power plants.				
34	34	29	Electric power transmission.				
35	35	30	Gas producing plants.				
36	36	31	Miscellaneous structures.				
			Total Classes 1 to 36, inclusive.	486894 00	476817 90		429045 20
37		1	Engineering.....per cent, 1 to 36, inclusive.	40175 72	40175 72		40175 72
38	37	32	Transportation of men and material.				
39	38	33	Rent of equipment.				
40	38	34	Repairs of equipment.				
41		35	Earning and operating exp. during construction.				
42		35 1/2	Injuries to persons.				
43		36	Cost of road purchased.				
			Total Classes 1 to 43, inclusive.	527069 72	516993 62		469220 92
44	30	37	Steam locomotives.	17966 49	17966 49		12791 00
45		38	Electric locomotives.				
46	40	39	Passenger train cars.	3243 86	3243 86		2429 78
47	41	40	Freight train cars.	2576 08	2576 08		1933 00
48	42	41	Work equipment.	2827 57	2827 57		1424 32
49	43	42	Floating equipment.				
			Total Classes 1 to 49, inclusive.	553683 72	543607 62		487809 02
50		43	Law expenses.....per cent, Classes 1 to 36, incl.	2171 75	2171 75		2171 75
51	44	44	Stationery and printing.				
52	44	45	Insurance.				
53	45	46	Taxes.	8229 71	8229 71		8229 71
			Total Classes 1 to 53, inclusive.	564085 18	554009 08		498210 48
54		47	Int'l & Comm.....per cent, Classes 1 to 53, incl.				
55	45	48	Other expenditures.				
56			Contingencies.....per cent, Classes 1 to 53, incl.				
57	46		Stores and supplies on hand for use in California.				
			GRAND TOTAL	564085 18	554009 08		498210 48
			Average per mile for main line track.	38037 00	37357 00		33588 00

Name of Owner Sacramento Valley & Eastern R.R. Co. FORM No. 45.

Operating Co. do do

Division Pitt To Bully Hill

Miles, Main Line Track 16.83

Miles, Second Track 1.65

Miles, Yard Tracks, etc. 16.48

Total 16.48

CALIFORNIA RAILROAD COMMISSION

PHYSICAL VALUATION OF STEAM RAILROADS

FINAL SUMMARY SHEET

EXHIBIT "B"

Valuation as of June 30, 1912.

18,760,000.00

Field Inspector

do

Office Compiler

Date Compiled August 30 1912

Joint Main Line _____ Miles

Joint Second Track _____ Miles

Joint Yard Track, etc. _____ Miles

Total _____ Miles

Class No.	Form No.	I.C.C. Acct. No.	CLASSES	ORIGINAL BOOK COST	REPRODUCTION VALUE	Cond. pr. ct.	PRESENT VALUE
1	1	2	Right of way and station grounds.	1590 00	3233 88	100	3233 88
2	2	3	Real estate.	1000 00	1155 00	100	1155 00
3	3	4	Grading.	244165 16	163371 48	106	171995 61
4	4	5	Tunnels.				
5	5	6	Steel bridges and trusses.	51202 58	27605 63	82	22554 31
6	6	6	Pile and frame trestles.	22984 70	17670 87	60	10602 52
7	7	6	Culverts.	4544 36	3145 53	38	1195 20
8	8	7	Ties.	29798 05	19969 71	50	9984 85
9	9	8	Rails.	70528 05	78248 70	86	67293 88
10	10	9	Frogs and switches.	2480 00	3094 64	72	2228 14
11	11	10	Track fastenings and other material.	9955 60	10658 93	75	7994 20
12	12	11	Ballast.	16241 56	11678 62	100	11678 62
13	13	12	Tracklaying and surfacing.	22428 81	20897 10	80	16717 68
14	14	13	Roadway tools.	464 93	422 10	50	211 05
15	15	14	Fencing right of way.				
16	16	15	Crossings and signs.				
17	17	16	Interlocking plants.				
18	18	16	Signal apparatus.				
19	19	17	Telegraph and telephone lines.	3955 28	6592 44	50	3296 22
20	20	18	Station buildings and fixtures.				
21	21	18	Platforms, walks, paving and curb.				
22	22	19	General office buildings and fixtures.				
23	23	20	Shop buildings and engine houses.				
24	24	20	Transfer and turntables, cinder pits, etc.				
25	25	20	Miscellaneous shop buildings and structures.				
26	26	21	Shop machinery and tools.				
27	27	22	Water stations.	647 78	904 09	59	533 57
28	28	23	Fuel stations.				
29	29	24	Grain elevators.				
30	30	25	Storage warehouses.				
31	31	26	Dock and wharf property.				
32	32	27	Electric light plants.				
33	33	28	Electric power plants.				
34	34	29	Electric power transmission.				
35	35	30	Gas producing plants.				
36	36	31	Miscellaneous structures.				
			Total Classes 1 to 36, inclusive.	482086 86	368648 72		330674 83
37	1	1	Engineering 5% per cent. 3 to 36, inclusive, R.V.	40175 72	18212 99	100	18212 99
38	37	32	Transportation of men and material.				
39	38	33	Rent of equipment.				
40	38	34	Repairs of equipment.				
41	36	36	Earning and operating exp. during construction.				
42	35%	35%	Injuries to persons.				
43	36	36	Cost of road purchased.				
			Total Classes 1 to 43, inclusive.	522262 58	386861 71		348887 82
44	39	37	Steam locomotives.	17966 49	16221 13	69	11248 37
45	38	38	Electric locomotives.				
46	40	39	Passenger train cars.	3253 86	3286 40	68	2259 55
47	41	40	Freight train cars.	2575 00	2600 75	75	1950 56
48	42	41	Work equipment.				
49	43	42	Floating equipment.				
			Total Classes 1 to 49, inclusive.	546057 93	408969 99		364346 30
50	43	43	Law expenses 1% per cent. Classes 1 to 36, incl. of R.V.	2171 75	3642 60	100	3642 60
51	44	44	Stationery and printing.				
52	44	45	Insurance.				
53	45	46	Taxes.	777 49			
			Total Classes 1 to 53, inclusive.	549007 17	412612 59		367988 90
54	47	47	Int. & Comm. 3% per cent. Classes 3 to 33, incl. of R.V.		12246 71	300	12246 51
55	46	48	Other expenditures 1/2 of 1% classes 3 to 53 incl. of R.V.		2041 12	100	2041 12
56	46	49	Contingencies 1% per cent. Classes 1 to 53, incl.				
57	46	50	Stores and supplies on hand for use in California.		18165 83	100	18165 83
			GRAND TOTAL	549007 17	445066 25	90	400442 36
			Average per mile for main line track.	37020 00	30011 21		27002 36

Name of Owner Sacramento Valley & Eastern R.R. Co. FORM No. 43.
 Operating Co. do do
 Division _____
 From Pitt To Dolly Hill
 Miles, Main Line Track 14.83
 Miles, Second Track _____
 Miles, Yard Tracks, etc. 1.65
 Total 16.48

CALIFORNIA RAILROAD COMMISSION
 PHYSICAL VALUATION OF STEAM RAILROADS
FINAL SUMMARY SHEET

Valuation as of June 30, 1912
 In do do
 Field Inspector _____
 Office Compiler _____
 Date Compiled Sept. 16th 1913
 Joint Main Line _____ Miles
 Joint Second Track _____ Miles
 Joint Yard Track, etc. _____ Miles
 Total _____ Miles

EXHIBIT "C"

Class No.	Form No.	I.C.C. Acct. No.	CLASSES	ORIGINAL COST	REPRODUCTION VALUE	Cond. pr. ct.	PRESENT VALUE
1	1	2	Right of way and station grounds.	1590 00	3233 88	100	3233 88
2	2	3	Real estate.	1000 00	1155 00	100	1155 00
3	3	4	Grading.	244165 16	163371 48	106	171995 61
4	4	5	Tunnels.				
5	5	6	Steel bridges and trusses.	51202 58	27605 63	82	22554 31
6	6	6	Pile and frame trestles.	22984 70	20483 15	60	12289 89
7	7	6	Culverts.	4644 36	3145 53	38	1195 30
8	8	7	Ties.	29798 05	29120 46	50	14560 23
9	9	8	Rails.	70528 05	78248 70	86	67293 88
10	10	9	Wheels and switches.	2480 00	3094 64	72	2228 14
11	11	10	Track fastenings and other material.	9955 60	10658 93	75	7994 20
12	12	11	Ballast.	16241 56	11678 62	100	11678 62
13	13	12	Tracklaying and surfacing.	22428 81	20897 10	80	16717 68
14	14	13	Roadway tools.	464 93	422 10	50	211 05
15	15	14	Fencing right of way.				
16	16	15	Crossings and signs.				
17	17	16	Interlocking plants.				
18	18	16	Signal apparatus.				
19	19	17	Telegraph and telephone lines.	3955 28	6592 44	50	3296 22
20	20	18	Station buildings and fixtures.				
21	21	18	Platforms, walks, paving and curb.				
22	22	19	General office buildings and fixtures.				
23	23	20	Shop buildings and engine houses.				
24	24	20	Transfer and turntables, cinder pits, etc.				
25	25	20	Miscellaneous shop buildings and structures.				
26	26	21	Shop machinery and tools.				
27	27	22	Water stations.	647 78	904 09	59	533 57
28	28	23	Fuel stations.				
29	29	24	Grain elevators.				
30	30	25	Storage warehouses.				
31	31	26	Dock and wharf property.				
32	32	27	Electric light plants.				
33	33	28	Electric power plants.				
34	34	29	Electric power transmission.				
35	35	30	Gas producing plants.				
36	36	31	Miscellaneous structures.				
			Total Classes 1 to 36, inclusive.	482086 86	330611 75	88	336937 58
37		1	Engineering. XXXXXXXXXXXXXXXXXXXX	40175 72	29000 00	100	29000 00
38	37	22	Transportation of men and material.				
39	38	33	Rent of equipment.				
40	39	34	Repairs of equipment.				
41		35	Earning and operating exp. during construction.				
42		35 1/2	Injuries to persons.				
43		36	Cost of road purchased.				
			Total Classes 1 to 43, inclusive.	522262 58	409611 75	89	365937 58
44	39	37	Steam locomotives.	17966 49	16221 13	69	11248 37
45		38	Electric locomotives.				
46	40	39	Passenger train cars.	3253 86	3286 40	68	2259 55
47	41	40	Freight train cars.	2575 00	2600 75	75	1950 56
48	42	41	Work equipment.				
49	43	42	Floating equipment.				
			Total Classes 1 to 49, inclusive.	546057 93	431720 03	88	381396 06
50		43	Law expenses, L. per cent, Classes 1 to 36, incl. R. & V.	2171 75	3762 23	100	3762 23
51	44	44	Stationery and printing.				
52	44	45	Insurance.				
53	45	46	Taxes.	777 49			
			Total Classes 1 to 53, inclusive.	549007 17	435482 26	88	385158 29
54		47	Int. & Comm. 3 per cent, Classes 1 to 53, incl. R. & V.		12932 80	100	12932 80
55	46	48	Other expenditures of 1% " 2 to 53 incl. R. & V.		2155 47	100	2155 47
56			XX 31100		6265 60	100	6265 60
57	48		Stores and supplies on hand for use in California.		18165 83	100	18165 83
			GRAND TOTAL	549007 17	475002 04	90	424678 07
			Average per mile for main line track.	37020 00	32029 81	90	1628636 42