

ORIGINAL

Decision 93881 DEC 15 1981

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Application of the Trustees)
of Sierra Railroad Company)
Liquidating Trust to transfer)
certain railroad property to the)
State of California, acting by and)
through the State Public Works)
Board.)

Application 61076
(Filed November 25, 1981)

O P I N I O N

By this application the Trustees of the Sierra Railroad Company Liquidating Trust seek approval under Section 851 of the Public Utilities Code to transfer certain railroad property to the State of California.

Sierra Railroad Company (Sierra), as a common carrier by railroad, received Interstate Commerce Commission (ICC) authority^{1/} to dispose of all of its common carrier freight operations together with right-of-way from Sierra Milepost 0 to Milepost 50. Sierra reserved the right to operate passenger

^{1/} In a transaction closed April 30, 1981, and approved by the ICC Review Board No. 3 in Finance Docket No. 29506 Silver Foot, Inc. acquired Sierra's common carrier freight operations.

(tourist excursions) and special filming trains on a portion of this right-of-way. Sierra no longer conducts operations subject to ICC jurisdiction; its only rail operations are conducted within the State.

Subsequently, the shareholders of Sierra have approved a plan of liquidation. A liquidation trust was formed for the purpose of disposing of certain remaining assets of Sierra.

The State of California has authorized the expenditure of funds to acquire the rail properties of Sierra. The State, through the Department of Parks and Recreation, intends to operate a State Historic Park (Railtown 1897) with the properties acquired. The State intends to make every effort to continue the excursion train from Railtown 1897 to Sonora and Oakdale.

The application was listed on the Commission's Daily Calendar of November 30, 1981. No objection to the granting of the application has been received.

Sierra requests that the Commission grant its approval to the transfer so that the transaction may be concluded prior to December 31, 1981.

Findings of Fact

1. The ICC has approved the sale of Sierra's common carrier operations.

2. Sierra's shareholders have approved a plan of liquidation.

3. The State has authorized funds to acquire Sierra's remaining railroad properties.

4. The State intends to make every effort to continue the excursion train from Railtown 1897 to Sonora and Oakdale.

5. It can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment.

6. As the matter is noncontroversial and no protests have been filed, the order which follows should be made effective on the date of signature.

Conclusion of Law

Public convenience and necessity no longer require applicant's service. A public hearing is not necessary. This authorization is not a finding of the value of the rights and properties to be transferred.

O R D E R

IT IS ORDERED that:

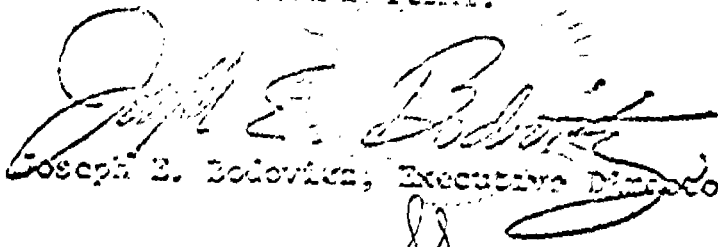
1. The Trustees of Sierra Railroad Company Liquidating Trust may sell and transfer the properties of Sierra Railroad Company specified in the application to the State of California.

This order is effective today.

Dated DEC 15 1981, at San Francisco, California.

JOHN E. BRYSON
President
RICHARD D. GRAVELLE
LEONARD M. GRIMES, JR.
VICTOR CALVO
PRISCILLA C. CREW
Commissioners

I CERTIFY THAT THIS DECISION
WAS APPROVED BY THE ABOVE
COMMISSIONERS TODAY.


Joseph E. Bobovick, Executive Director