

R E S O L U T I O N

**AUTHORITY TO OPERATE PASSENGER TRAIN EXCURSIONS ON
SEPTEMBER 14, AND SEPTEMBER 28, 1991 ON THE TRACKS
OF THE EUREKA SOUTHERN RAILROAD BETWEEN EUREKA AND
FORT SEWARD, CALIFORNIA.**

The Eureka Southern Railroad Company requests authority to operate excursion passenger train service on September 14 and September 28, 1991 between Eureka and Fort Seward, California. The California Public Utilities Commission staff has received a letter dated June 26, 1991 from the Eureka Southern Railroad Company through its bankruptcy attorney, Mr. Philip M. Arnot, requesting this authority. The letter has been submitted to satisfy the requirements of the Public Utilities Commission in authorizing this service. The letter provides the following details of the service:

1. The carrier would like to operate special passenger excursion trains on September 14 and September 28, 1991 between Eureka and Fort Seward which is approximately a 140-mile round trip.
2. The trains would leave Eureka at 8:00AM and operate to Fort Seward and return to Eureka at 5:00PM.
3. The fare for adults would be \$75.00 and \$25.00 for children. Approximately 150 passengers are expected on each run.
4. The carrier will have liability insurance of not less than \$2,000,000 for all passenger service on the dates of operation requested.

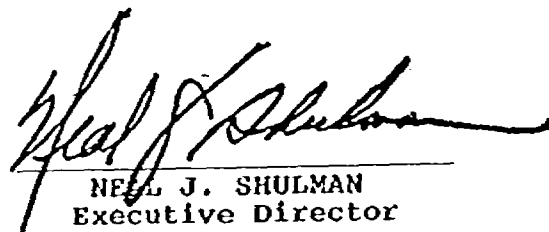
The Safety Division reports that on August 23, 1991, one of its railroad track inspectors inspected the carrier's railroad track between Eureka and Fort Seward and found 32 defects and one violation that the carrier will correct before it begins passenger operations. The portion of track to be used is not included in a Federal Railroad Administration's emergency order that precludes passenger service on other portions of the railroad.

Based on the information contained in the letter and on the Safety Division's inspection, we conclude that the request is reasonable and agree that the carrier may operate the passenger trains as it requests, provided that the carrier complies with the conditions set forth herein and otherwise operates the passenger service in a manner consistent with public safety.

It is ORDERED that the requested authority is hereby granted subject to the following conditions:

1. Track, equipment, and operation shall be maintained according to applicable sections in the Code of Federal Regulations applying to common carrier railroad corporations, as well as all state regulations, including sections of the California Public Utilities Code and applicable general orders of the Public Utilities Commission.
2. Liability insurance requirements of not less than \$2,000,000 shall be provided for each of the passenger runs operated.
3. A radio-equipped track patrol car manned by railroad personnel shall precede each passenger train operating between Eureka and Fort Seward.
4. Before the carrier begins passenger service, it shall correct the defective track conditions found by the Safety Division's track inspection of August 23, 1991.
5. The entire operations shall be conducted in accordance with the Operating Rules and Emergency Plan of the Eureka Southern Railroad.

I certify that this Resolution was adopted by the Public Utilities Commission on September 6, 1991.
The following Commissioners approved it.


NEAL J. SHULMAN
Executive Director

PATRICIA M. ECKERT
President
JOHN B. CHANIAN
DANIEL WM. FESSLER
NORMAN D. SHUMWAY
Commissioners

I abstain.

G. MITCHELL WILK
Commissioner