

cific will go into the hands of a receiver as soon as the company defaulted in meeting the principal and accrued interest of the government subsidy bonds as they matured. From present indications the Central Pacific will be in default on the 1st of January next, when a batch of \$10,000,000 of bonds will fall due, and unless some other means of adjusting the government debt is arranged in the meantime the receivership will follow quickly.

The officials who manage the affairs of the big railroad corporation are preparing for a receivership. According to the story that is now the subject of much comment and speculation in railroad circles, they have begun to adjust the affairs of the Central Pacific preparatory to making a tender of the bond-aided portion of the road to the government, or, at least, to be prepared to turn over that portion of the system, with all its rolling stock, rights of way, roadbed, real estate, shops and all personal and portable property to the receivers when they may be appointed.

James I. Felter, a prominent resident of Sacramento and a life-long personal friend of Collis P. Huntington, has been employed to segregate the Central Pacific company's personal and portable property from that of the Southern Pacific company, and those who are in a position to know say that this is the first step toward the tender of the road and its appurtenances by Huntington to the government.

Felter has been actively engaged in this work for two weeks, and the shops at Sacramento, which are at present receiving his attention, are the scene of remarkable activity. One of the larger buildings of the group known as the storeroom, contains a stock of hardware larger by far than is carried by any store on the Pacific coast.

For years all orders for car hardware from Portland to San Diego and to Ogden on the east have been filled from this stock, which is worth now over \$1,000,000. All this stock is to be carefully segregated and it is an undertaking that will require several months. That is why the work has been commenced at this early date. The reasons for the segregation were not made known to Felter, his instructions simply being to separate the Central Pacific from the Southern Pacific stock.

The Central Pacific railroad, as now constituted, includes the Western Pacific railway, running from Sacramento to San Jose, via Niles, with which it was consolidated November 2, 1868; the California and Oregon, running from Roseville to the Oregon state line; the San Joaquin Valley railroad, running from Lathrop to Goshen, and the San Francisco, Oakland and Alameda railroad, running from San Francisco to Niles, and embracing the local ferry and train system, the consolidation of the latter three companies dating from August 22, 1870. The Central Pacific main line runs from Sacramento to a point five miles west of Ogden, making a total of 1,359.65 miles for all lines.

The government's lien is only upon that portion of the company's line which runs from a point five miles west of Ogden through Sacramento to San Jose over the old Western Pacific,

and to segregate the property of the aided portion of the line from the other lines of the Central Pacific is a task which the managers of the property have evidently decided should be accomplished before the company defaults at the end of the present year.

One of the important assets to be turned over to the government with the aided portion of the line is the unsold land grant. By the acts approved July 1, 1862, July 2, 1864, and July 25, 1868, the companies which form the Central Pacific Railroad company received from the United States grants of land in aid of construction, as follows: Central Pacific, 8,000,000 acres; Western Pacific, 1,000,000 acres; California and Oregon, 3,500,000 acres. Total, 12,500,000. The land grant termini are Ogden, Utah, and Sacramento, Cal.; Brighton, Cal., and Niles, Cal.; Niles, Cal., and San Jose, Cal.; Roseville Junction and the southern boundary of Oregon.

The report of the company shows that the total cash receipts from all sales of land up to June 30, 1894, amount to \$9,689,920.73, and there remained outstanding on account of time sales at the same time, \$1,002,580.44. Only such land as was granted to the company in aid of the construction of the bond-aided portion of the road will be taken by the receivers.

The equipment is another important item of property that will have to be segregated. The equipment at present includes 278 passenger and 26 switching locomotives. In the passenger service there are 342 cars and 6,205 cars in the freight service.

H. E. Huntington admitted that Felter was at work on an inventory of the personal property in the shops, but declared that the work was not being done for the purpose mentioned. He was unwilling to throw any light on the matter beyond offering the opinion that Felter was probably engaged in taking stock.

W. F. Herrin, chief counsel of the law department of the Southern Pacific company, said he knew nothing of the matter.

Another prominent official in the general office of the company stated that it was generally anticipated that the government would secure the appointment of a receiver or receivers as soon as the company defaulted, and in segregating the property of the two corporations and of the bond-aided and non-aided portions of the Central Pacific, the company was simply seeking to expedite the transfer of the property when the time came.

### RUN BY COTTONWOOD POWER.

Who would have thought a few years ago that the rippling waters of the Cottonwood creek would be intercepted in their course down the mountain side, and, through the engineering skill of humanity, be made to turn the wheels of progress in Utah? But such has been done and a witness of the same can be seen in the propelling of the street cars running on the line of the Salt Lake City Railway company.

At 5:55 this morning the electrical energy supplied by the Utah Power company took the place of that heretofore manufactured by the Salt

Lake City Railway company and turned the wheels of every car operating on the line in question. The commencement of operations was witnessed by some of the directors of both companies and later in the day, interested visitors met at the sub-station or distributing house and noted with great delight the workings of the new machinery.

Among those who visited the station, which is located in the rear of the railway company's car shed, were Presidents Willford Woodruff, George Q. Cannon and Joseph F. Smith, State President Angus M. Cannon, George M. Cannon and J. W. Summehays of the Big Cottonwood Power company, L. S. Hills and James T. Little of the Deseret National bank, Reed Sproot of Provo, Adjutant General Jno. Q. Cannon and other prominent and influential citizens. Francis Armstrong of the Utah Power company and Salt Lake City Street Railway company, was also there and showed every courtesy to the visitors, as did also Mr. P. H. Knight the electrical engineer who put in the plant as representative of the Westinghouse Electric and Manufacturing company of Pittsburg.

As stated before in these columns the electric power is transmitted by the Utah Power company from its water power in Big Cottonwood canyon thirteen miles distant. The power, at present, will be used for propelling the cars of the Salt Lake City Railway company. Later on the company proposes to distribute it throughout the city for lighting purposes and the operation of stationary motors of any desired size.

The water is obtained from Big Cottonwood creek, as it leaves the plant of the Big Cottonwood Power company. From this point it is carried in a wooden flume along the side of the mountain on the north side of the canyon for about one and three-quarters miles, where it runs into a large iron standpipe. From the standpipe the water is carried down to the power house in an iron pipe forty-eight inches in diameter and about thirteen hundred feet long, the fall being about four hundred and forty feet.

From the Big Cottonwood power-house, the electrical energy is carried into the city on three No. 2 copper wires which enter the sub-station on the east and convey the electrical current into a converter, which changes the power from an alternating to a direct current. From the converter the energy is conducted to the engines or rotary transformers, thence it is thrown out on the wires to be carried all along the company's lines, propelling the cars as they make their trips to and fro. Eight wires leave the building—one for each line. These are numbered as follows: No. 1, Second South and West Temple; No. 2, East Temple and U. P. depot; No. 3, Warm Springs and Third street; No. 4, Fort Douglas; No. 5, Third South and Lake Breeze; No. 6, Fifth South and Waterloo; No. 7, First South street; No. 8, Sixth and Center streets. In this way the brooding of the current or the tearing down of the line on any branch of the road, will be told at the power-house, by that particular portion of the machinery refusing to work.

There are two rotary transformers,