

Decision No. 52288

ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of)	
J. P. HAYNES, AGENT, on behalf of cer-)	
tain rail carriers for authority to)	Application No. 37466
quote reduced rates on government)	
traffic.)	

OPINION AND ORDER

By this application, J. P. Haynes, Agent, on behalf of The Atchison, Topeka and Santa Fe Railway Company, and the Union Pacific Railroad Company, seeks authority to establish in connection with certain government freight diversion privileges in the vicinity of Barstow without additional charge.

The reduced rate agreement herein sought to be approved provides that, notwithstanding tariff rules and charges for the diversion or reconsignment of freight, shipments of Marine Corps or Army freight consigned to the United States Marine Corps Depot of Supplies, Barstow, will, upon request, be moved direct to the sub-depot at Nebo, West Yermo or Minneola without charge for diversion or reconsignment.¹ Assertedly this privilege has been accorded since 1951, but cannot be continued without Commission approval.²

¹ The diversion or reconsignment charges to be waived are (a) when orders are given before arrival - \$4.62, (b) when orders are given before placement - \$11.99; and (c) when orders are given after placement, no diversion charge, but subject to published tariff rates applicable on a shipment terminating at and on a shipment originating at the point of diversion or reconsignment.

² Legislative amendment to Section 530, effective September 7, 1955, removed the general right of common carriers subject to Part 1 of the Code to transport property for governmental agencies free or at reduced rates. The amended section provides among other things, that the Commission may permit common carriers to transport property at reduced rates for governmental agencies to such extent and subject to such conditions as it may consider just and reasonable. Decision No. 51923, dated September 6, 1955, in Case No. 5432, Petition for Modification No. 69, authorized the rail carriers to continue until December 5, 1955, certain reduced rate quotations to governmental agencies in effect prior to the legislative amendment.

In the application it is stated that the area known as the Marine Corps Depot of Supplies, Barstow, includes the stations of Nebo, West Yermo and Minneola. These points are within a 15-mile radius to the east of Barstow proper, but are not in the switching limits of Barstow. Because the post office address of the general area is Barstow, and because shippers have no way of knowing that the ultimate storage place should be Nebo, West Yermo or Minneola, shipments frequently are misconsigned to Barstow proper. Furthermore, when traffic is heavy, there are instances where the military authorities are not able to determine the ultimate storage place within the area before the rail cars are shipped from origin. Due to the exigencies of the military service, cars may be shipped and arrive at Barstow prior to any knowledge by the authorities at that point. In further justification, applicant points out that Barstow, Nebo and West Yermo all have the same rate bases, and states that action is being taken to add Minneola to the same bases.

No objection has been received to the granting of this application. This is a matter in which a public hearing is not necessary. In the circumstances it appears, and the Commission finds, that the proposal to waive diversion or reconsignment charges under the transportation conditions hereinbefore discussed is just and reasonable. The application will be granted.

Inasmuch as the authority to grant the diversion privilege is scheduled to expire December 5, 1955, the order which follows will be made effective immediately. Continued exercise of the authority hereinafter granted will be conditioned upon applicant's publishing, for the rail carriers involved, in appropriate tariff or tariffs, the provisions herein authorized within ninety days after the effective date of this order and upon not less than five days' notice to the Commission and to the public.

Therefore, good cause appearing,

IT IS HEREBY ORDERED:

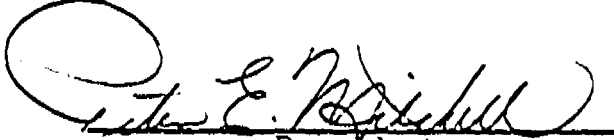
(1) That J. P. Haynes, Agent, on behalf of The Atchison, Topeka and Santa Fe Railway Company, and the Union Pacific Railroad Company, be and he is hereby authorized to enter into an agreement with the United States government providing that, notwithstanding tariff rules and charges for the diversion or reconsignment of freight, shipments of Marine Corps or Army freight consigned to the United States Marine Corps Depot of Supplies, Barstow, will, upon request, be moved direct to the sub-depot at Nebo, West Yermo or Minneola, without any charge for diversion or reconsignment.

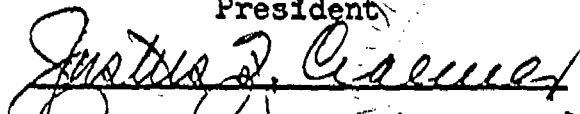
(2) That the authority herein granted shall expire unless J. P. Haynes, Agent, on behalf of the rail carriers involved, publishes the authorized diversion and reconsignment privilege in an appropriate tariff or tariffs, within ninety days after the effective date of this order, and upon not less than five days' notice to the Commission and to the public.

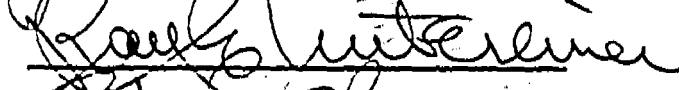
This order shall become effective on the date hereof.

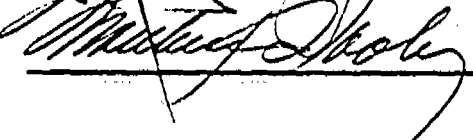
Dated at San Francisco, California, this 29th day of

November, 1955.



President






Commissioners