

ORIGINALDecision No. 50511

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the matter of the application of J.P.)
 Haynes, Agent, for authority to publish)
 tariff rule increasing minimum weight on) Application No. 39818
 carload shipments of plasterboard in)
 bulkhead cars to 70,000 pounds.)

OPINION AND ORDER

By this application, J.P. Haynes, Agent, Pacific Southcoast Freight Bureau, on behalf of carriers parties to tariffs published by the Bureau, proposes to publish minimum weight provisions in his Tariffs Nos. 16-R, 273-A and 300, Cal.P.U.C. Nos. 59, 107 and 102, respectively, to apply on plasterboard when loaded on flat cars¹ equipped with bulkhead ends.

The application states that several years ago shippers of plasterboard developed that they could effect worthwhile savings in the handling of carload shipments of plasterboard by loading the commodity on flat cars equipped with special bulkhead ends. According to the application, representations made to the carriers were (1) that in addition to the savings and convenience to the shipper, shipments weighing from 85,000 to 100,000 pounds or more could readily be transported on the converted flat cars, thus increasing the carriers' revenue per car with corresponding economy to the carriers in the transportation of heavier loads per unit of equipment and (2) that this method of loading plasterboard would result in faster turn-around time because of the greater ease of loading and unloading. On the basis of these representations, and in an effort to cooperate with the shippers of plasterboard, the principal railroads, applicant states, converted some of their ordinary flat cars by adding permanent bulkheads to handle large shipments.

¹The rule proposed is as follows:

"Carload shipments of plasterboard in straight carload or in mixed carloads with other articles when loaded on flat cars equipped with bulkhead ends will be subject to actual weight, but not less than 70,000 pounds." (The present minimum weight ranges from generally 30,000 pounds to 65,000 pounds.)

Applicant alleges that the conversion of flat cars was accomplished at considerable expense to the railroads. Applicant further states that the special flat cars are placarded for return empty to the mills to which assigned, and generally forego return hauls which the ordinary flat cars could easily handle. Assertedly, shippers informally concurred with the carriers that the converted flat cars should be loaded to near capacity to properly compensate the carriers for the extra expense involved in providing special purpose one-way equipment.

The application shows that in line with the mutual understanding between shippers and carriers the bulkhead flat cars are generally loaded to capacity or near-capacity. The application further states that certain receivers have, on occasion, pressed for minimum shipments which are substantially less than the rated capacity of the special purpose cars. The carriers are concerned that if the practice of shipping minimum shipments is started such practice may, for competitive reasons, become widespread, thereby defeating the purpose for which the special flat cars are intended and depriving the carriers of the expected savings from the use of their special-purpose equipment.

The application shows that copies of the application were mailed to interested shippers on or about February 12, 1958. No objection has been received to its being granted.

In view of all of the circumstances, it appears, and the Commission finds, that the proposed tariff rule, including any increase in charges resulting therefrom, is justified. A public hearing is not necessary.


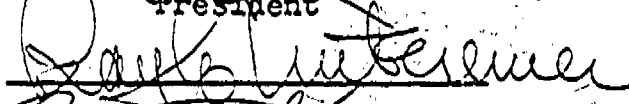

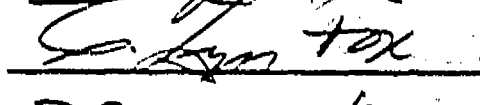

Therefore, good cause appearing,

IT IS ORDERED that J. P. Haynes, Agent, Pacific Southcoast Freight Bureau, is hereby authorized to publish the proposed rule as set forth in this application in Pacific Southcoast Freight Bureau Tariffs Nos. 16-R, 273-A and 300, Cal. P.U.C. Nos. 59, 107 and 102, respectively.

IT IS FURTHER ORDERED that the authority herein granted shall expire unless exercised within sixty days after the effective date of this order.

The effective date of this order shall be twenty days after the date hereof.

Dated at San Francisco, California, this 15th day of April, 1958.


President




Commissioners