

ORIGINALDecision No. 69592

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of)
 WESTERN MOTOR TARIFF BUREAU, INC.,)
 a corporation, for permission to)
 establish on behalf of certain of)
 its member carriers special provi-)
 sions for the transportation of)
 Class A and Class B explosives.)

Application No. 47177
 (Filed December 10, 1964)

Application of PACIFIC SOUTHCOAST)
 FREIGHT BUREAU under the shortened)
 procedure tariff docket to make)
 increases in charges by publishing)
 a provision providing for a)
 minimum weight of 5,000 per ship-)
 ment on l.c.l. Class A and B)
 explosives.)

Application No. 47404
 (Filed March 11, 1965)

Arlo D. Poe and W. J. Knoell, for applicant in Application No. 47177, and interested party in Application No. 47404.

Albert T. Suter, for applicant in Application No. 47404, and interested party in Application No. 47177.

R. F. Sloan, for California Rifle and Pistol Association and National Rifle Association; S. L. McCormick, for Hercules Powder Company; Richard F. Machon, for The Lyman Gun Sight Corporation; protestants.

Richard W. Smith, J. C. Kaspar and H. F. Kollmyer, for California Trucking Association; C. J. Boddington, for Southern California Freight Lines; Edwin F. Nelson, for Certified Freight Lines; Richard A. Piercy, for Joshua Desert Service; Captain J. E. Gibson, for National Rifle Association; Vernon L. Taylor; interested parties.

R. J. Carberry and W. J. Kane, for the Commission staff.

O P I N I O N

By these applications Western Motor Tariff Bureau, Inc., on behalf of certain highway common carriers, and Pacific Southcoast

Freight Bureau, on behalf of the California railroads, seek authority to establish a rule in their tariffs that would provide a minimum weight of 5,000 pounds on shipments of Class A and Class B explosives.

The two applications were consolidated and public hearing was held on May 13, 1965, at San Francisco before Examiner Turpen.

Explosives are classified as follows, commensurate with the degree of hazard:

- Class A - Those explosives of maximum hazard
- Class B - Less dangerous explosives, principal hazard being involvement in fire
- Class C - Relatively safe explosives.

Generally speaking, Class A and Class B explosives include high explosives, black powder, initiating or primary explosives, ammunition for cannon, explosive projectiles, bombs, torpedoes, mines, grenades, jato units, detonating fuses and primers for high explosives, and blasting caps in quantities over 1,000. Class C explosives include blasting caps in quantities of 1,000 or less, combination fuses and primers, common fireworks, electric ignitors or squibs, small arms ammunition, signal flares, smoke candles, pots and signals, percussion or time fuses, Very signal cartridges, and toys such as "caps".

Class C explosives are not involved herein.

The tariff publishing agent for Western Motor Tariff Bureau (WMTB) testified that the proposed rule would apply to about 150 highway common carriers parties to his tariffs, but that most of the shipments which would be affected are of an emergency nature and infrequent. He also said that most regular shipments of explosives are transported by specialized permitted carriers which would not be affected by the proposed rule. The witness also

testified that shipments of smokeless powder weighing under 100 pounds are not classified as explosives.

The witness explained that the transportation of explosives is governed by a number of statutes and administrative rules that apply restrictions and conditions that greatly increase the costs of handling these shipments. Sections 31600 to 31620 of the California Vehicle Code prescribe regulations, including provisions for obtaining permits, for transporting explosives, which regulations adopt the standards of equipment prescribed by the Interstate Commerce Commission. The State Fire Marshal designates routes to be used, locations of required inspection stops, safe parking places and safe stopping places. As a result of the various regulations, the carriers find it necessary to handle such shipments in a vehicle dedicated to the movement of single shipments, without other freight being transported therein.

The general traffic manager of Southern California Freight Lines testified as to further conditions imposed by the regulations. Transfer of explosives from one vehicle to another is prohibited at most terminals, specially trained drivers must be used, the vehicle may not be left unattended, and the vehicle must carry special additional safety equipment. This witness said he had made an informal study of the problem and considered applying for a minimum of 7,000 pounds. He said his informal study convinced him he could justify such a minimum on a cost basis.

The general traffic manager of Delta Lines, Inc. testified that he had applied for and been granted the identical

authority a year ago.^{1/} He said that none of his shippers have complained and that a quick check showed that during the preceding month Delta handled two 10-pound and one 15-pound shipment of explosives that were charged for on the basis of 5,000 pounds.

Three employees of Southern Pacific Company testified on behalf of Pacific Southcoast Freight Bureau (PSFB). Their testimony showed that rail LCL shipments of Class A and B explosives require exclusive use of a Class A box car, which must be specially inspected and given special handling in switching and line-haul movements. The cost, according to the witnesses, would not vary to any great extent with the weight of the shipment and, due to the special handling required, would be greater than that of other merchandise shipped in box cars. A study admitted in evidence listed 30 shipments under 5,000 pounds transported by Southern Pacific during a two-month period. The total revenues amounted to \$451.68 and the total out-of-pocket costs amounted to \$2,274.52. Under the proposal here the revenues would have been \$2,313.00. On about one-third of the shipments the revenue received amounted to less than 10 percent of the out-of-pocket cost.

The traffic manager of Hercules Powder Co. testified that he did not protest the WMTB application as his company did not use any of the highway common carriers involved but used permitted carriers for all truck shipments. He said that his company pays these carriers for a minimum of 5,000 pounds on Class A explosives and 2,000 pounds on blasting caps. The traffic manager opposed the PSFB application as his company ships a number of small rail shipments and he felt the increase was excessive. On cross-

^{1/} Decision No. 67116, dated April 21, 1964, 62 Cal. PUC 614.

examination he agreed that the rail lines should not have to perform the transportation at less than cost.

A representative of the National Rifle Association presented a statement in opposition to the applications. He was fearful that granting of the applications would increase the cost of small lots of powder to the point where sportsmen would be unable to continue reloading their own ammunition. However, the record is clear that little, if any, such shipments move by the highway carriers here involved. As stated before, shipments of smokeless powder under 100 pounds are not classified as explosives.

Due to the so-called "break-back" in the class rate structure, at present shipments above approximately 2,100 pounds move as 5,000 pounds, so only shipments under 2,100 pounds would have increased charges; any specified minimum weight between about 2,100 pounds and 5,000 pounds would be rated as 5,000 pounds.

It is clear from the record, and the Commission finds, that the regulations governing the transportation of Class A and Class B explosives require both highway and rail carriers to transport small lots of such explosives in such manner as to make the cost of transporting small lots almost the same as that of large lots. We also find that the rule providing for a minimum weight of 5,000 pounds proposed by applicants is reasonable, and that the increases in charges that will result from the establishment of the proposed rule are justified.

We conclude that the applications should be granted.

O R D E R

IT IS ORDERED that:

1. Western Motor Tariff Bureau, Inc., and Pacific Southcoast Freight Bureau are hereby authorized to establish the rule proposed in Applications Nos. 47177 and 47404, respectively. Tariff publications authorized to be made as a result of the order herein may be made effective not earlier than thirty days after the effective date hereof on not less than thirty days' notice to the Commission and to the public.

2. The authority herein granted shall expire unless exercised within ninety 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 22nd day of AUGUST, 1965.

Frederick B. Hallock
President

George G. Trover

Augusta

William L. Benson
Commissioners