

Decision No. 79590

ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Investigation) Case No. 7858
for the purpose of considering and) (Petition for Modification
determining revisions in or reissues) No. 117)
of Exception Ratings Tariff No. 1.) (Filed October 8, 1971)

OPINION AND ORDER

By this petition, Olin Corporation (Olin) seeks the establishment in Exception Ratings Tariff 1 of a truckload exception rating of Class 35.2, subject to a minimum weight of 45,000 pounds and to several restrictive rules, on "Strontium Nitrate".¹ The currently established truckload rating for strontium nitrate is Class 35, minimum weight 30,000 pounds, as described in Item 46740 of National Motor Freight Classification A-12.

Petitioner states that it is engaged in the distribution of strontium nitrate, used in the manufacture of railway and highway fuzees, which will move from Modesto to Olin's plant in Morgan Hill at an anticipated annual volume of three million pounds. Insofar as shipping characteristics of strontium nitrate are concerned, petitioner declares that its density is 70 pounds per cubic foot; that its value is 15 cents per pound; that it is not readily susceptible to damage or theft nor likely to damage other freight; that shipments will be released to one-half of their actual value or 50 cents per pound, per article, whichever is less; that the commodity is nonperishable and does not require temperature control at any time of the year; that the product moves from one

¹ The specific proposal is set forth in Exhibit "A" of the petition.

consignor to one consignee with no split pickup or delivery involved; that shipments move in bags on pallets with a gross weight per pallet of 3,030 pounds; and that all shipments are power loaded by consignor and power unloaded by consignee.

Petitioner alleges that the proposed rating and minimum weight compare favorably with other commodities subject to similar or less restrictive conditions and which move at even lower exception ratings. Petitioner asserts that the establishment of the proposed exception rating will enable this traffic to continue to move in for-hire carriage and will forestall consideration of proprietary carriage. Petitioner further asserts that the proposed exception rating, as governed by the conditions named in its Exhibit A, will produce revenue sufficient to return a reasonable profit to for-hire carriers and that its proposals are generally desired by affected carriers.

The verified application shows that copies thereof were mailed to the California Trucking Association and California Motor Express on or about October 7, 1971. The petition was listed on the Commission's Daily Calendar of October 12, 1971. No objection to the granting of the petition has been received.

Commission staff analysis indicates that the favorable transportation characteristics of strontium nitrate are similar to various other commodities currently subject to exception ratings named in the Commission's Exception Ratings Tariff 1. The proposal would result in rates lower than the class rates currently applicable to the transportation involved. The staff recommends that the petition be granted by ex parte order.

In the circumstances, it appears, and the Commission finds, that the proposed truckload exception rating on strontium nitrate is reasonable and that the resulting minimum rates will be just, reasonable and nondiscriminatory minimum rates for the transportation involved. A public hearing is not necessary. The Commission concludes that the petition should be granted.

IT IS ORDERED that:

1. Exception Ratings Tariff 1 (Appendix A to Decision No. 66195, as amended) is hereby further amended by incorporating therein, to become effective February 19, 1972, Third Revised Page 26 attached hereto and by this reference made a part hereof.

2. Common carriers subject to the Public Utilities Act, to the extent that they are subject to Decision No. 66195, as amended, are hereby directed to establish in their tariffs the amendments necessary to conform with the further adjustments ordered herein.


3. Tariff publications required to be made by common carriers as a result of the order herein shall be filed not earlier than the effective date of this order and may be made effective not earlier than the tenth day after the effective date of this order on not less than ten days' notice to the Commission and to the public; and tariff publications which are authorized but not required to be made by common carriers as a result of the order herein may be made effective not earlier than the tenth day after the effective date of this order and may be made effective on not less than ten days' notice to the Commission and to the public if filed not later than sixty days after the effective date of the minimum rate tariff page incorporated in this order.

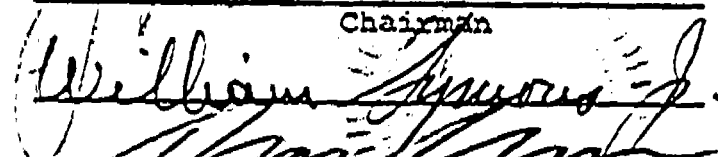
4. Common carriers, in establishing and maintaining the rating authorized hereinabove, are hereby authorized to depart from the provisions of Section 460 of the Public Utilities Code to the extent necessary to adjust long- and short-haul departures now maintained under outstanding authorizations; such outstanding authorizations are hereby modified only to the extent necessary to comply with this order; and schedules containing the rating published under this authority shall make reference to the prior orders authorizing long- and short-haul departures and to this order.

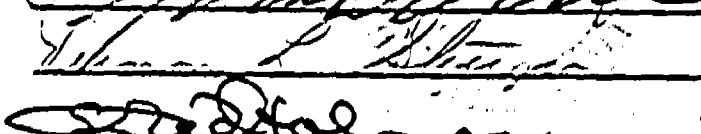
5. In all other respects Decision No. 66195, as amended, shall remain in full force and effect.

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

Dated at San Francisco, California, this 11th day of January, 1972.



Chairman




Commissioners

SECTION 2--RATINGS WHICH ARE EXCEPTIONS TO THE CC (Continued)		ITEM
(Numbers within parentheses immediately following commodities shown below refer to such commodities as they are described in the corresponding item numbers of the Governing Classification.)		
ARTICLES	Rating	
<p>Strontium Nitrate (46740), in bags (Subject to Notes 1 through 6):</p> <p>Truckload minimum weight 45,000 pounds</p> <p>NOTE 1.--Applies only when all provisions of the following Notes are met. Otherwise, apply provisions of the Governing Classification.</p> <p>NOTE 2.--Applies only in connection with straight shipments of the commodity named in this item.</p> <p>NOTE 3.--Rates resulting from application of the provisions of this item do not alternate with other rates and charges in this tariff and may not be used in combination with any other rates.</p> <p>NOTE 4.--Applies only in connection with shipments power loaded by consignor and power unloaded by consignee. In such circumstances, physical assistance of the carrier employee is restricted to work within or on carrier's equipment and does not include stacking, unstacking, removal or placement of merchandise on pallets.</p> <p>NOTE 5.--If more than one vehicle or combination of vehicles constituting a single unit of carrier's equipment is used for the transportation of a single shipment, each such vehicle or combination of vehicles shall be subject to the minimum weight named in this item.</p> <p>NOTE 6.--Applies only in connection with shipments released to one-half of actual value or 50 cents per pound, per article, whichever is less. Shipper must enter the following statement on the bill of lading:</p> <p style="padding-left: 40px;">"The agreed or declared value of the property is hereby stated by the shipper to be one-half of actual value or 50 cents per pound, per article, whichever is less."</p> <p>If shipper fails or declines to declare such value in writing, the provisions of this item will not apply.</p>	<p>35.2</p>	<p>* ◊ ◊ 870</p>
<p>* Addition ◊ Increase ◊ Reduction</p>	<p>} Decision No.</p>	<p>79590</p>
EFFECTIVE		
Correction	ISSUED BY THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA, SAN FRANCISCO, CALIFORNIA.	