

SOUTHWESTERN FREIGHT BUREAU

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June 30, 1971

50 - Appln. X-C-139-152

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VINYL CHLORIDE, IN TANK CARS, CL - ANNUAL VOLUME, FROM STATIONS SHOWN IN ITEM 600, SWL TARIFF 12-F, TO BURLINGTON AND FLEMINGTON, N.J.

TO THE EXECUTIVE COMMITTEE:

The following objections have been recorded in the mail handling of Application X-C-139-152, which expired June 28, 1971:

"Absolutely no substantive justification has been furnished for the proposed drastic reductions. If there are, in truth, competitive factors involved, it is felt that the carriers should be furnished with the complete details. A hasty check shows that the proposed 70% rate is, at best, marginal in comparison with variable costs.

In addition, there are various volume movements of Vinyl Chloride to Official Territory and elsewhere that could be adversely affected by the proposed adjustment. Items 780, 790 and 700 of SWL Tariff 12-F provide rates on Vinyl Chloride to other Official Territory destinations which generate substantially greater per-car revenue than reflected by the proposed rates. Also, Item 860-Series of Tariff 12-F, provides rates to Massachusetts and Rhode Island destinations that could well be adversely affected by the proposed rates.

Item 600 of Tariff 12-F presently includes Reybold, Del. as a destination at the same rates as presently provided to Burlington and Flemington, N.J. and it would appear that the proposed drastic reduction would obviously involve that destination.

It is not clear what is meant in Section 6 that the proposed rates will alternate with the present rates. Present 85% rate at minimum of 250,000 pounds per car, at volume minimum of 75,000 tons, results in freight charges higher than reflected by the proposed 70%-260M rate and would obviously be of no value.

The sketchy information furnished in the justification leads us to feel that the application should be declined."

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"We have request from an interested shipper to add Pottstown, Pa. and Perryville, Md. as destinations at the same 70¢-160M rate proposed and also, as destinations at the proposed rate of 103¢-160M.

It will be noted that, per Part 4 of Item 700-B, Supplement 9 to SWL Tariff 12-F, the present rates to Pottstown and Perryville, i.e., 76 and 72¢, are identically the same as the present rates to Burlington and Flemington, N.J., in Item 600 of SWL Tariff 12-F.

Please, therefore, record our objection to this application for the purpose of including Pottstown, Pa. and Perryville, Md. as destinations in line with the foregoing."

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"Please record our objection to mail approval of SWL Application X-C-139-152 covering Vinyl Chloride, in tank cars, from Texas and Louisiana origins to Burlington and Flemington, New Jersey, for the purpose of including Reybold, Delaware, as a destination at the same proposed rates and minimum weights.

Interested shipper advises there is also a need for the proposed publication to Reybold, Delaware. Inasmuch as the present publication includes Reybold, Delaware, as a destination, we feel there should be no objection to what is requested herein.

In the event the application is amended in line with the above, you may consider this objection as being withdrawn."

J. H. McMAHON

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