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Luft

**MALLINCKRODT
NUCLEAR
CORPORATION**

SAINT LOUIS 7, MISSOURI • U.S.A. • CENTRAL 1-8980
PLANT
HEMATITE, MISSOURI

February 10, 1960

Dr. Charles E. Luke
Division of Licensing and Regulation
U. S. Atomic Energy Commission
Washington 25, D. C.

SUBJECT: Shipping Regulations

REFERENCE: Telephone Conversation of
January 27, 1960

Dear Dr. Luke:

In the referenced conversation you said the AEC is putting a new regulation in force requiring a licensee to obtain a firm commitment from the carrier that he will not place our nuclear shipment on the same truck with some other licensee's shipments and also that our shipment would not be transshipped (transferred from one vehicle to another).

As a result of this conversation, I asked our Traffic Department to investigate this requirement with some carriers who have handled various shipments for us.

The carriers stated that the requirement of no transshipping would be very difficult for them to agree to from the standpoint of cost and scheduling difficulties. Also, several days delay would result from the extra loading and unloading that would be required at each normal transfer point.

Shipments from our Hematite Plant to Lynchburg, Virginia, were used as an example. C.E.S. would bring an empty Killion trailer from St. Louis to load at our plant. This trailer would then stop at Crystal City, complete its loading and return to St. Louis. All freight, except our nuclear shipment, would be removed and the trailer taken to Killion's terminal for reloading. The trailer would then go to Killion's Knoxville terminal where the non-nuclear freight would be removed. The trailer would be transferred to Rutherford's Knoxville terminal for loading to Lynchburg. At Lynchburg the non-nuclear freight would be removed and the trailer taken to the consignee of the nuclear shipment.

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For a 600 lb. normal LTL shipment Hematite to Lynchburg, the freight charge is approximately \$20.00. It is apparent from the above description that the carrier would require much more than \$20.00 worth of effort to avoid a transshipment. Exclusive use charges for a Hematite to Lynchburg shipment are approximately \$600.00.

The carriers did state that they would be willing to certify that our nuclear shipment would not be loaded on the same truck with another nuclear shipment.

A side issue resulting from the inquiry by our Traffic Department was concern expressed by the carriers as to the safety of these shipments if such stringent regulations are required.

For small shipments, as exemplified above, exclusive use of the vehicle appears unnecessarily expensive to us and our customers. Delays encountered in LTL non-transshipments would add additional cost to us in the case of shipments for which we must pay the lease charges.

On the basis of the above discussion, we feel that the non-transshipment requirement is unduly restrictive and propose to rely on the administrative control of the carrier and his certification that our nuclear shipment would not be loaded on the same vehicle with another nuclear shipment.

Respectfully yours,

MALLINCKRODT NUCLEAR CORPORATION



L. J. Swallow
Hematite Plant

LJS/jrt