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GAO

United States General Accounting Office  
Washington, DC 20548

Office of  
General Counsel

In Reply  
Refer to: B-178491

MAY 15 1979

10,202

L. M. Hoover  
Director, Claims Administration  
Consolidated Rail Corporation  
211 Curtiss Street  
Buffalo, New York 14212

*CN 6/1/80* *make available to public*

Dear Mr. Hoover:

Subject: [Loss and Damage Claims of the Government involving  
the Erie-Lackawanna Railway Company]

*DL 6/1/80*

We have the inquiry made by George J. Zimmerman of your staff relating to the loss and damages sustained by the Government as the result of car PC 533903 striking a bridge while en route from Mechanicsburg, Pennsylvania, to Tobyhanna, Pennsylvania, under Government bill of lading (GBL) K-9521754, issued on November 5, 1975. We have no record of your letter of August 23, 1978, or your letter of July 31, 1978. Based on the telephone conversation between Clarence Hubbard of your staff and Ellwood C. Wells of our Office, however, it is our understanding that your letters requested advice as to the disposition of the damaged containers and whether the damaged containers had any value for salvage.

The record here shows that all 16 containers in the shipment were irreparably damaged and that the Government's loss, after allowance for salvage, was \$300 for each of the containers, or \$4,800 plus unearned freight charges of \$506.40, for a total of \$5,306.40. Copies of the documents in our claim records are enclosed.

In addition to that claim, we have three other loss and damage claims which were transmitted to our Office for collection. The first involves damages of \$1,157.55 sustained to a shipment of batteries in car ACL 32455 during the transportation from the Union Carbide Corporation, Charlotte, North Carolina, to Tobyhanna, Pennsylvania, under GBL K-6370186, issued on August 20, 1975. Damages of \$116.60 also were incurred in replacing the batteries damaged in car SCL 24267, while in transit from the Union Carbide Corporation, Charlotte, North Carolina to Tobyhanna, Pennsylvania, under GBL K-6377267, issued on October 13, 1975.

The Government has another claim for \$930.78 which represents the value of coal lost because of a defective door latch on hopper car B&O



*Letter*

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12767, which permitted the leakage of coal during the transportation from Gauley Eagle, West Virginia, to Wright Patterson AFB, Ohio, under GBL K-5704254, issued on March 13, 1975.

Copies of the claim documents sent here by the Administrative Office relating to those claims for damages are also enclosed. We ask that these claims be processed for payment. Refund checks totalling \$7,511.42 should be made payable to the United States Treasury and mailed for my attention at the U. S. General Accounting Office, 441 G Street, N.W., Washington, D. C. 20548. Please make reference to our file B-178491.

Sincerely yours,

L. Mitchell Dick

L. Mitchell Dick  
Assistant General Counsel

Enclosures