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**ASSOCIATION OF AMERICAN  
RAILROADS**

**September 7, 2004**

**CIRCULAR LETTER  
(c-9912)**

**Subject: Approved Advanced Technology Safety Initiative Rule Changes  
TO MEMBERS AND PRIVATE CAR OWNERS**

**File Number: AC-2324**

On July 16, 2004, Circular Letter c-9892 was issued soliciting comments on the Stress State Reduction Initiative Rule changes. Since the release of that package several activities have taken place. First, the name of the program has been changed to the Advanced Technology Safety Initiative. Through August 20, 2004 several comments have been sent in for consideration by the Arbitration and Rules Committee (Committee) as was called for in c-9892. Additionally, a Town Hall meeting was held in Chicago on August 11, 2004 to entertain discussion of the proposed changes in c-9892 as well as to provide additional information on the proposed Equipment Health Management System (EHMS). The comments received were reviewed and considered in both summary and detailed fashion by the Committee in Chicago the week of August 23rd.

With respect to the comments received, many responders pointed out that pieces of the proposal were missing. It was noted that Appendix E, Service Fees, was not complete as issued in the letter with respect to the specific values of the fees. The specific fees are now included in the attachment to this Circular Letter as information. Many also pointed out that Appendix F, Calibration Procedure, was not issued with c-9892. Since c-9892 was released, the text of Appendix F was released for industry comment in letter c- 9903 on August 17, 2004. Other common comments included concern over the new proposal in Rule 111.19 (Final Alert Level), the need for root cause analysis of high impact wheels, the need for additional information on remaining wheel life credits and finally several commenters suggested that either more time be allowed in implementing the entire package or that selected parts of the proposal not be implemented at all. Other key comments revolved around the shopping of cars for wheel changes and the lack of definition of how and what wheel set remediation entails and that more insight was needed for the EHMS. On the subject of EHMS another Circular Letter c-9907 was issued on August 26, 2004 providing details with regard to how a car owner can receive alerts and identify maintenance responsible parties.

The action taken by the Committee subsequent to considering all comments received is as shown in the attachment. There are two facets of the Committee action, one includes the rule changes approved for codification on October 1, 2004 and the second part representing rule changes for which no action has been taken and which will be subject to additional review and consideration for potential 2005 codification. Basically the framework for the EHMS, Rule 94, and definitions for Appendix A were approved for an October 1, 2004 effective date. Within the attachment these changes are marked as "Approved changes to the October 1, 2004 Field and/or Office Manual of the AAR Interchange Rules." These are located on the first four pages. Clarifications made due to comments received are underlined in the document. The Committee declined to act on the specific Rule 41 changes and associated billing requirements for October 1, 2004. Within the attached document, these are marked as "Changes still under consideration for the 2005 Office and Field Manuals of the Interchange Rules." These can be found on pages 5 and 6.

Questions and comments on the approved rule changes may be forwarded to the undersigned by email to [tstahura@aar.org](mailto:tstahura@aar.org).



ATSIRule Changes1001.do

Sincerely,

A handwritten signature in black ink that reads "Thomas J. Stahura". The signature is written in a cursive style with a prominent initial 'T' and 'S'.

Thomas Stahura

**Advanced Technology Safety Initiative (ATSI) Rule Changes**  
**9/07/04**

**Approved Changes to the October 1, 2004 Field Manual of the AAR Interchange Rules.**

**Rule 41-Wheels**

**Present Rule 41.A.1.r.:** See Field Manual page 277.

**Approved revised 41.A.1.r. (Condemnable at any time):** Wheels Out-of-Round or 90,000 Pounds (90 kips) or Greater Impact.

**Present Rule 41.A.1.r.(1):** See Field Manual page 277.

**Approved revised 41.A.1.r.(1):** Detected by a wheel impact load detector reading 90,000 pounds (90 kips) or greater for a single wheel. The detector used must have been calibrated per manufacturer's instructions. The detector must reliably measure peak impacts and must provide a printable record of such measurements. Device calibration records must be maintained. Wheels with condemnable slid flat spots are handling line responsibility and must not be billed otherwise.

**Present Rule 41.A.1.r.(2):** See Field Manual page 277.

**Approved revised 41.A.1.r.(2) last sentence:** Wheels with condemnable slid flat spots are handling line responsibility and must not be billed otherwise.

**Present Rule 41.E.15:** Vacant

**Approved new Rule 41.E.15:** The responsible party will be notified through the Equipment Health Management System (EHMS) when a wheel is detected by a wheel impact load detector reading 65 kips or greater for a single wheel. This will be considered the Window of Opportunity for the responsible party. The detector used must have been calibrated per manufacturer's instructions. The detector must reliably measure peak impacts and must provide a printable record of such measurements. Device calibration records must be maintained. Wheels with condemnable slid flat spots are handling line responsibility and must not be billed otherwise. See Office Manual Rule 94.

**Rules 41, 44 (Wheel Sets) and 83 (Repair Record Preparation)**

**Present WMC 65:** See Field Manual pages 305 and 517.

**Revise WMC 65 in Rule 41.F.6 and 83.18.C:** High impact wheel 90 kips or greater as detected by a wheel impact detector.

**Add new Field Manual Rule 44.B.1 and B.2 (renumber existing 44.B.1 as B.3):**

1. High impact wheel sets changed must have wheel impact detector information traceable to an AAR approved reference file per Rule 113.
2. Wheels identified in EHMS through a Maintenance Advisory as high impact must be reported within 24 hours by the repairing company when wheel change out has been performed. The instruction manuals for this application can be accessed at [www.railinc.com](http://www.railinc.com).
3. See Rules 36, 41 and 43. [Existing B.1]

**Present Rule 41.E.16:** Vacant

**Approved new Field Manual Rule 41.E.16:** When a wheel has a combination of high impact and other condemnable defects, report the Why Made Code for the other condemnable defect.  
{NOTE: The Committee decided not to add this requirement to Rules 36, 43, and 44.}

**Approved Changes to the October 1, 2004 Office Manual of the AAR Interchange Rules**

**Rule 44-Wheel Sets**

**Present Rule 44.7:** Vacant

**Approved Rule 44.7** { Note: The Committee rewrote this provision as well as that in 94.7}  
Failure to report to EHMS the replacement of a wheel listed on a wheel impact MA could result in the cancellation of the initial repair bill. Should a second wheel set be replaced at the same wheel set location for a high impact wheel within 12 months of the first repair, and the initial repair was not reported to EHMS, the car owner is entitled to the cancellation of the first repair charge. To recover these charges, the car owner must submit a request for counter billing authority, which will include a copy of the first repair, a copy of the second repair, and proof that the EHMS was not updated. The car owner is entitled to recovery of the labor and material for the component replaced plus any additional labor charges shown on the initial bill directly related to the repair (i.e. jacking, articulated connection labor, solid drawbar labor).

**Rule 94-Equipment Health Management Systems**

**Present Office Manual Rule 94:** Vacant

**Approved new Equipment Health Management Systems (EHMS) Rule 94:**

1. The UMLER mark owner must register equipment in the EHMS if an alert generated through the EHMS is to be sent to another party.
2. Alert notices will be first directed to the party identified and registered in EHMS as having maintenance responsibility. The UMLER mark owner will be the system default for alerts.
3. A repairing party may effect repairs if a car in the EHMS has registered a single actionable reading, as defined in Field Manual Rule 41.
4. For monitoring cars with deteriorating performance, a series of uniquely numbered Maintenance Advisories (MA) will be employed.
  - a. A first Maintenance Advisory will be issued to identify the Window of Opportunity repairs.
  - b. A second Maintenance Advisory will be issued to identify cars in the Opportunistic Repair category.
  - c. A third Maintenance Advisory will be issued identifying cars with defects in excess of current condemning criteria.
  - d. A fourth Maintenance Advisory will be issued for equipment exceeding the final alert level.
5. Car owner must update the EHMS and/or the MA in case of non-reporting instances, prior to or at the time of taking exception to the bill for a repair.
6. To remove a MA from a car, as a minimum, the date of repair and the repairing party must be entered into the EHMS.

7. Failure to report to EHMS the replacement of a wheel listed on a wheel impact MA could result in the cancellation of the initial repair bill. Should a second wheel set be replaced at the same wheel set location for a high impact wheel within 12 months of the first repair, and the initial repair was not reported to EHMS, the car owner is entitled to the cancellation of the first repair charge. To recover these charges, the car owner must submit a request for counter billing authority, which will include a copy of the first repair, a copy of the second repair, and proof that the EHMS was not updated. The car owner is entitled to recovery of the labor and material for the component replaced plus any additional labor charges shown on the initial bill directly related to the repair (i.e. jacking, articulated connection labor, solid drawbar labor).

### **Rule 113-Data Exchange Procedures**

**Present Rule 113.2 through 4: Vacant**

**Proposed new Rule 113.2 through 4:**

2. Wheel impact detector information must be traceable to an AAR approved reference file. Approved references include EHMS file, Maintenance Advisory, InteRISS data or data received direct from a certified detector.

a. Data will only be accepted by the AAR approved reference file from calibrated detector sites.

{NOTE: The Committee decided not to add proposed 113.4 to the changes.}

### **Appendix E-Service Fees**

**Present Appendix E: See Office Manual page 125.**

**Approved Appendix E: Retitle User Fees to "Miscellaneous Fees for Interchange Services"**

#### **2004 Freight Railroad Fees:**

1. User Fee: \$1.65 per car
2. ATSI EHMS Fee: \$330.00 per billion revenue ton-miles

#### **2004 Private Car Owner Fees:**

1. User Fee: \$1.65 per car
2. ATSI EHMS Fee: \$0.02 per car

#### **Notes:**

- 1) Retain existing language on Office Manual page 125 as Note 1.
- 2) The percentage potential cost avoidance associated with railroads and private car owners is to be determined annually and approved by the Arbitration and Rules Committee.
- 3) The basis for railroad ATSI EHMS fee is determined by the percentage potential cost avoidance divided by billion revenue ton-miles.
- 4) The basis for private car owner ATSI EHMS fee is determined by the percentage potential cost avoidance divided by number of cars with private owner mark in UMLER.

**Approved Changes to both the October 1, 2004 Field and Office Manuals of the AAR Interchange Rules**

**Rule A**

**Present Rule A.7:** Vacant

**Approved new Rule A.7:** Refer to Appendix E of the Office Manual for the list of required fees.

**Rule 125-Early Warning Maintenance Advisory (EW/MA) System**

**Present Rule 125.B.7:** See Office Manual page 90, Field Manual page 589.

**Proposed revised Rule 125.B.7:** Add to existing paragraph: Uniquely identified Maintenance Advisories are exempted from the automatic upgrade to an Early Warning after one year.

**Appendix A-Definitions**

**Present definition of Final Alert Level:** Vacant

**Approved new definition of Final Alert Level:** The point where a component or system places undue stress upon the physical plant and equipment.

**Present definition of Mechanical Advisory:** See Field Manual page 598 and Office Manual page 94.

**Approved new title of Mechanical Advisory:** Change the name from Mechanical Advisory to Equipment Alert. See Office Manual Rule 89.

**Present definition of Maintenance Advisory:** See Office Manual page 94 and Field Manual page 598.

**Approved revised definition of Maintenance Advisory:** An informational notice issued by the AAR for interchange freight cars having mechanical defects or on which preventive/corrective maintenance is to be performed.

**Present definition of Opportunistic Repair:** Vacant

**Approved new definition of Opportunistic Repair:** Specific authorized repairs as identified in Section A of any rule.

**Present definition of Window of Opportunity:** Vacant

**Approved new definition of Window of Opportunity:** A defined period of time and/or deteriorating performance for a freight car component that has a sub-critical condition that will require repair attention. A car owner (party responsible for maintenance) must be advised that a particular car with a specific condition has entered the window.

**Pending Advanced Technology Safety Initiative Rule Changes**  
**9/07/04**

**Changes still under consideration for the 2005 Office and Field Manuals of the  
Interchange Rules**

**Proposed Changes to the 2005 Field Manual of the Interchange Rules.**

**Rule 41-Wheels**

**Present Rule 41.A.2.k:** Vacant

**Proposed new Rule 41.A.2.k (Condemnable When Car is on Repair Track for Any Reason):** Detected by a wheel impact load detector reading from 80 kips to less than 90 kips for a single wheel. The detector used must have been calibrated per Appendix F. The detector must reliably measure peak impacts and must provide a printable record of such measurements. Device calibration records must be maintained. Wheels with condemnable slid flat spots are handling line responsibility and must not be billed otherwise. This will be considered an Opportunistic Repair for the repairing party.

**Present Rule 41.A.3:** Vacant

**Proposed new Rule 41.A.3:** Final alert level as detected by a wheel impact load detector is a reading of 140 kips or greater for a single wheel. Wheels with this impact level will be changed while on the handling line. The detector used must have been calibrated per Appendix F. The detector must reliably measure peak impacts and provide a printable record of such measurements. Device calibration records must be maintained. Wheels with condemnable slid flat spots are handling line responsibility and must not be billed otherwise.

**Present Rule 41.B.1:** Vacant

**Proposed new Field Manual Rule 41.B.1** (number existing Correct Repair Charts as item B.2): All cars set out of trains for high impact wheel readings must receive attention while on the handling line.

**Present Rule 41.E.15:** Vacant

**Proposed new Rule 41.E.15:** Final alert level units will be billed in accordance with Office Manual Rule 111.19 unless the car owner or agent attempted to remediate car during previously identified three Maintenance Advisory alert levels. If a car was on a repair track with a kip reading at the second or third Maintenance Advisory alert levels, i.e. 41.A.2.k or 41.A.1.r.(1) it is also considered an attempt to remediate. If the car owner or agent attempted to remediate the condition, or the car was not previously identified in a Window of Opportunity (first Maintenance Advisory alert level), the car should be repaired under Field Manual Rule 41.A.1 and billed under Field Manual Rule 44.

**Rules 41, 44 (Wheel Sets) and 83 (Repair Record Preparation)**

**Add new Why Made Code (WMC) to Field Manual Rule 41.F. 6, 44.F.6 and 83.18.C:**

61 = High impact wheel from 80 kips to less than 90 kips as detected by a wheel impact detector.

**Add WMC 61 to 41.F.6 Job Codes 3001 through 3114 and 44.F.6 Job Codes 3328 though 3343.**

**Appendix F-Wheel impact Load Detector Calibration and Verification**

**Present Appendix F:** Vacant

**Proposed new Appendix F:** Wheel Impact Load Detector Calibration and Verification Requirements --- Currently out for review in Circular c-9903 dated August 17, 2004.

**Proposed Changes to the 2005 Office Manual of the AAR Interchange Rules**

**Rule 44-Wheel Sets**

**Present Rule 44 Price Matrix:** Does not currently include use of WMC 61.

**Proposed revision to Rule 44 Price Matrix:** The Price Matrix (pricing structure) will report a new why made code for wheel set changes for opportunistic repairs. A credit will be applied for the remaining wheel life to all applied Job Codes. The credit will be based and normalized on wheel size, weighted by car type for an average kip reading for wheels in the opportunistic repair category. Why Made Code 61 will credit \$XX.xx to each applicable job code for wheels subject to this type of repair.

**Rule 111-Car Repair Pricing**

**Present Rule 111.19:** Vacant

**Proposed new Rule 111.19:** Final alert level pricing is the point at which the handling line carrier has the right to repair cars at an independently determined price.