

# Damaged Defective Car Tracking (DDCT) System

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### Agenda



- DDCT Overview
- Incident Lifecycle
- FindUs.Rail
- New Functionality in 2017
- What's coming in 2018
- Reference Guides for DDCT

### **DDCT Overview**



- The Damaged and Defective Car Tracking system (DDCT) was implemented January 5, 2011
  - Developed for the electronic transmission of damaged and defective equipment
  - Replaced physical defect card placed on car
- Supports communication between Handling Carriers (HC) and Car Owners (CMO) on damages or defects per AAR Interchange Rules 1, 95 A, 96, 107 and 108
- Allows HC to create electronic defect card per AAR Interchange Rule 102
- Utilizes notifications to HC, CMO and shop throughout the DDCT workflow utilizing FindUs.Rail

### **DDCT Incident Types**



## Damaged Incident Carrier Responsibility

### Rule 107 - Major Damage

- Car Hire Implications
- Settlements can be offered
  - Dispositions made
- Defect Cards are created

### Rule 95 – Minor Damage

Defect Cards are created

#### Rule 102 - Defect Card

Stand alone Defect Card

# Defective Incident Car Owner Responsibility

#### Rule 108 – Major Defects

- Car Hire Implications
- · Dismantle can be authorized
  - Dispositions made
- Load up can be authorized

### Rule 96 – Major Defects

Dispositions made

#### Rule 1 – Minor Defects

- Car Hire Implications
- Dispositions made

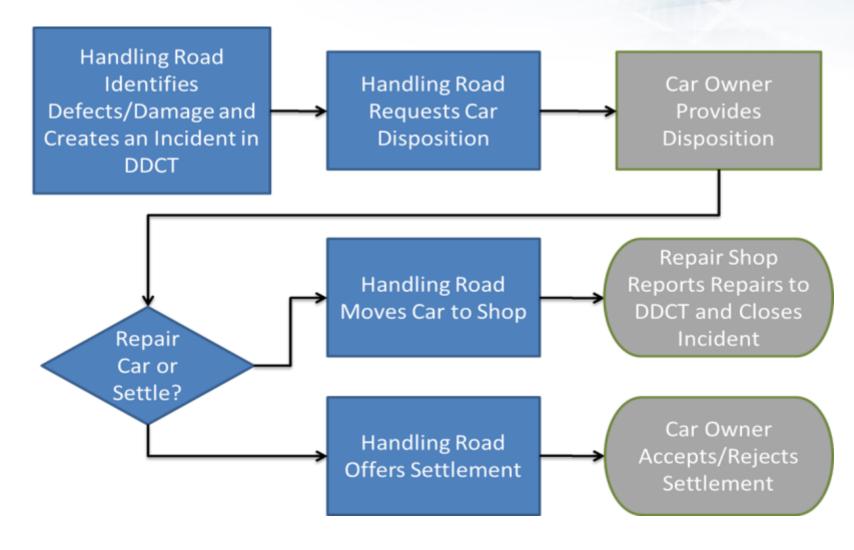
### **DDCT Utilizes Industry Applications**



- DDCT interfaces with several industry applications at Railinc such as:
  - **Umler** used to verify equipment is registered and capture the stencil mark owner (SMOW)
  - Industry Reference Files (IRF)- reference files such as Standard Transportation Commodity Code (STCC) and Standard Point Location Code (SPLC)
  - Event Repository (ER)- used to verify HC has possession (TRAIN/EDI messages)
  - Liability Continuity System (LCS)- DDCT sends events related to the Car Hire process
  - FindUs.Rail- contact information for CMO, HC and shop couplets to send notifications related to incidents
  - Early Warning- displays equipment related to DDCT incidents on respective Maintenance Advisory (MA) letters

### **High Level DDCT Mechanical Process Flow**

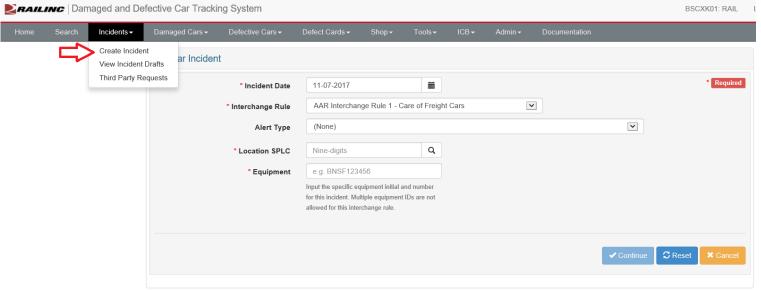




### Who can create a DDCT incident?



• A Handling Carrier (HC) is the only one who can create an incident in DDCT and request disposition

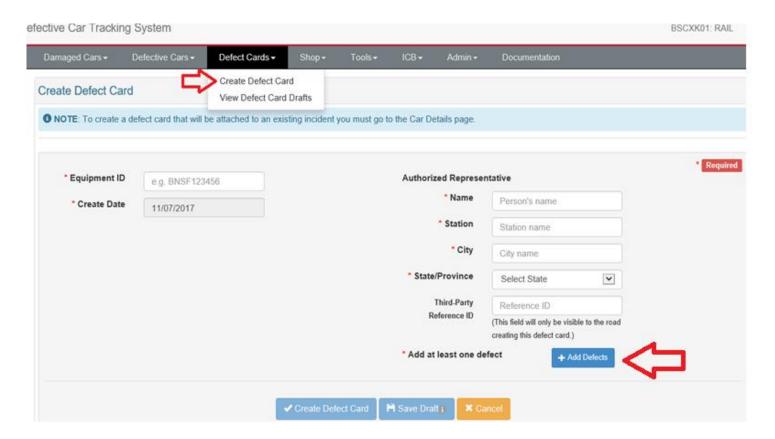


- HC identifies defects or damages per AAR Rules 1, 95 A, 96, 102, 107 or 108
  - Rules 1, 95 and 108 allow one car per incident
  - Rules 96 and 107 allow multiple cars per incident
  - Defect Cards can be created per AAR Interchange Rule 102 with or without an associated DDCT incident

### **Handling Carrier and Defect Cards**



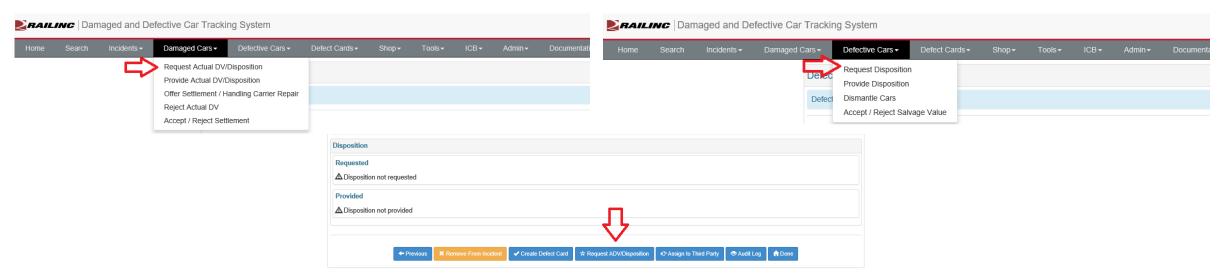
- Defect Cards can be created with or without an incident.
- Defect Cards can contain up to 40 itemized defects.



### **Handling Carrier Requests Disposition**



- HC requests disposition from the Car Mark Owner (CMO)
  - CMO contact listed in FindUs.Rail is notified
  - The Car Owner is defined as the stenciled mark owner in DDCT
- Request Disposition is available in the Damaged Cars or Defective Cars drop down menus or at the incident level

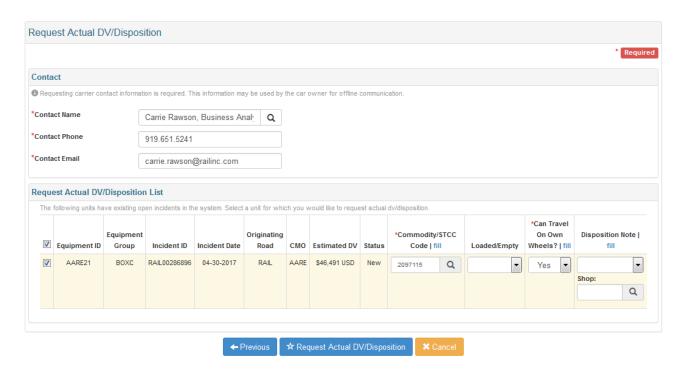


 If CMO has not provided disposition after 15 days, HC can provide disposition on Rule 107 and Rule 108

### **Handling Carrier Requests Disposition**



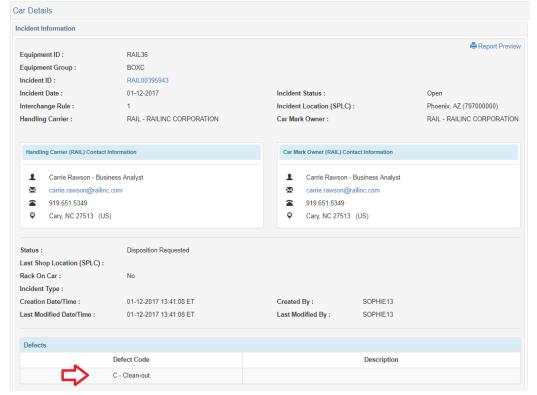
- Provide the HC contact information
- Select car to request disposition on
- Provide the STCC code and whether car can travel on its own wheels

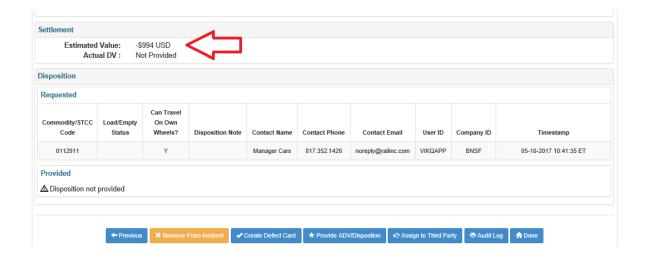


### What visibility do Car Owners have?



- CMO has visibility to incident details once HC creates the incident
  - Defect Cards are visible if created for the incident
  - Estimated Depreciated Value (EDV) is visible on Rule 107 incidents

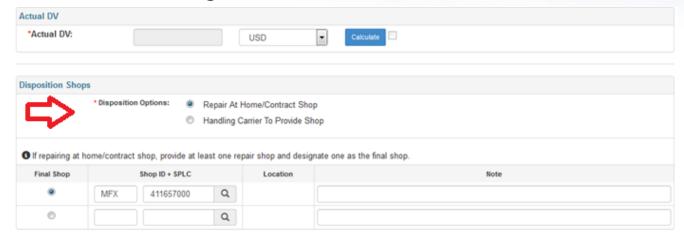




### **Car Owner Provides Disposition**



- Disposition can be provided to any FindUs.Rail Registered:
  - Repair Shop
  - Scrapper
  - Storage Facility
  - Pre-Tripper



- Car Owners always have the disposition options to Repair at Home/Contract Shop or ask the Handling Carrier to Provide
  - On Rule 1 and 96 there is an additional option of a Waybill Location, which is provided when Railinc has a record of the current Waybill
  - On Rule 1 and 96 if disposition is not provided after 2 business days then the Handling Carrier can provide it
- For Rule 107 Actual DV must be provided at the same time as Disposition
  - If Actual DV/Disposition is not provided within 15 days the Handling Carrier can then provide disposition

### **Car Owner Provides Actual DV**



 A Settlement Value Statement form is provided and populated according to equipment's Umler data

• If you do not agree with the system calculated Depreciated Value then you can override it and

Settlement Value Statement

provide your own value

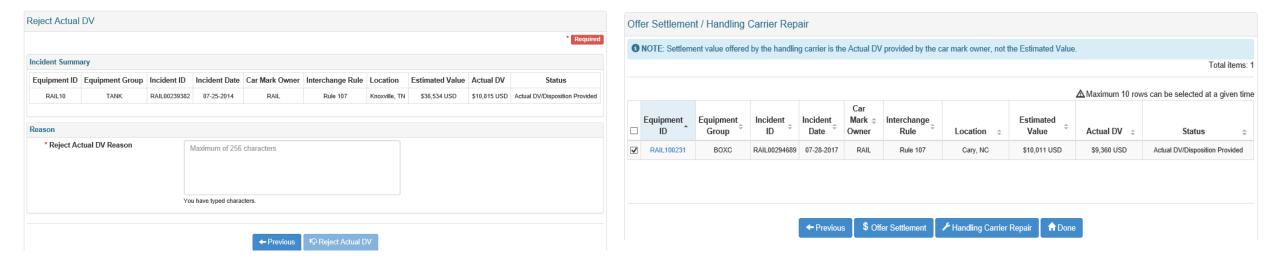
Equipment Type: © Car With reference to your comm	nunique of 10/30/2017, file	RAIL00294874 requesting AAR de	preciated value of RA	AIL108 ,		
Equipment built on 04/201		, weighing 58,100 lbs.				
A - Original Cost:				\$200,000.00		
B - Cost Factor, for year built:						
C - Cost Factor, for year prior to damage 2016:						
D - Base Reproduction Value ( A * C / B )						
Type	Date	Description	Cost	Add		
E - Reproduction Value (A		s)		0		
F - Total Reproduction Value ( D + E )						
G - Less Car Depreciation: Years: 4 Months: 6 at: 2.6 % = 11.7						
H - Less Capitalized Betterments Depreciation: (rate of the car):						
I - Less Exhibit V Depreciation:						
J - AAR Depreciated Value ( F - G - H - I ):						

Salvage Value Worksheet						
Umler Tare Weight	58,100					
Non-Metallic Weight	0	Estimat Weight	ted Salvage			
	Enter Weig	ht	US Credit Ra	ate	Credit Value	
Aluminum		0		0.54	\$0.00	
Stainless Steel		0		0.35		
Standard Steel		0	0.13		\$0.00	
Total Salvage Weight Total Salvage Value		0.00	*WARNING: Your salvage weight does not equal the Umler provided tare weight minus non-metallic weight.			
ettlement Value Statem	ent					
Depreciated Value Method	:					
Depreciated Value \$182,	720.00					
Salvage \$7,553.00						
Salvage + 20% \$9,063.00						

### Reject Actual DV or Offer Settlement



- HC can reject the Actual DV provided by the CMO, Offer Settlement or choose to Repair
- If HC chooses to offer settlement the CMO is notified
  - CMO can reject settlement or accept settlement, if accepted the incident is updated to Settlement Accepted\*
  - If CMO rejects settlement, HC will move the car to the dispositioned Shop
  - If no settlement accept/reject is provided within 45 days then the settlement is automatically accepted
- If HC chooses to Repair, the CMO is notified and the HC will move the car to the dispositioned Shop



# How will a Shop be notified when a car is disposition to them?



 DDCT sends a notification advising when a car is enroute along with the shop SPLC

Equipment RAIL1 on Incident ID UP00271844 has been provided disposition to your shop at SPLC 381441000.

For more detailed information on this incident, you will need to log into DDCT to view the Incident Details. If you need to contact the Handling Carrier or Car Mark Owner, please use the FindUs. Rail at https://www.railinc.com for free look-up and search by company ID.

Please contact Railinc Customer Support at csc@railinc.com or 1-877-724-5462 if you have any other questions.

Shops can utilize FindUs.Rail to note capacity and facility capabilities

Repair Shop

Category Role: Secondary

Category Functions: • Shop Contact

Capabilities: Rule 1, Reflectorization, Re-Marking

Capacity Status:

SPLC: 671685000

Location: BORGER

State: TX

Repair Shop

Category Role: Primary

Category Functions: • Shop Contact

Capabilities:

Capacity Status: FULL - MUST CHECK WITH SHOP BEFORE SEDNING CARS

SPLC: 231123000

Location: ELK MILLS

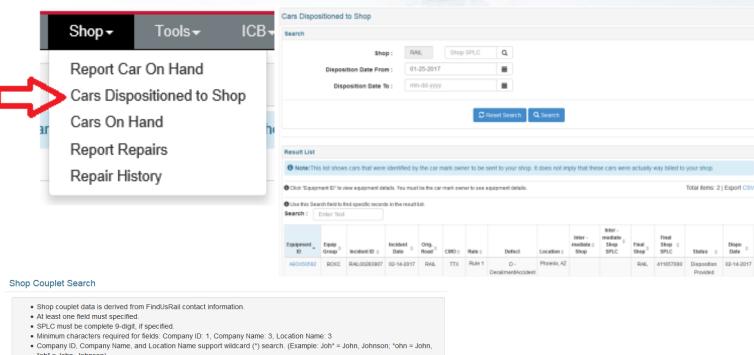
State: MD

### Cars Dispositioned to a Shop



- Use the 'Cars Dispositioned to Shop' to see cars coming to your shop
  - Must have shop permissions to view

 Search results can be narrowed down by Standard Point of Location (SPLC) and or Disposition Date Range



Shop Couplet Search

Shop Couplet data is derived from FindUsRail contact information.

At least one field must specified.

Minimum characters required for fields: Company ID: 1, Company Name: 3, Location Name: 3

Company ID, Company Name, and Location Name support wildcard (\*) search. (Example: Joh\* = John, Johnson; \*ohn = John, \*oh\* = John, Johnson)

Company ID:

RAIL

Category:

Repair Shop

Company ID:

Category:

State/Province:

Company ID:

Company ID:

Category:

Repair Shop

Company ID:

Category:

State/Province:

RAIL

Company ID:

Company ID:

Company ID:

RAIL

Category:

State/Province:

RAIL

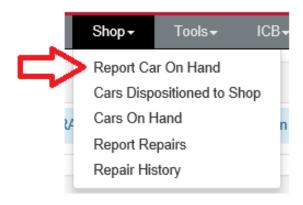
Company ID:

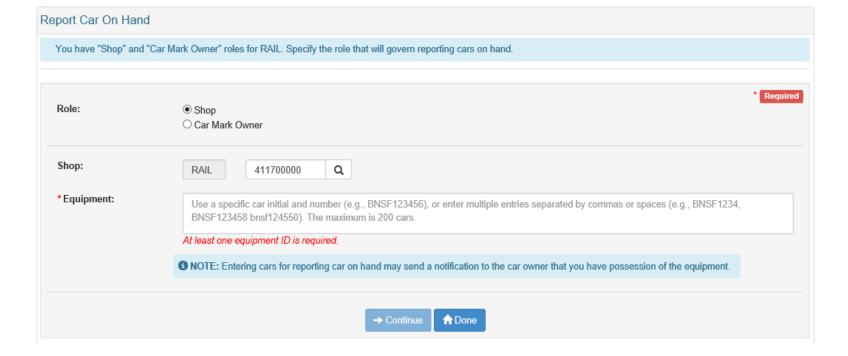
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### **How do I Report Car On Hand?**



- Disposition/shop locations must report when equipment is at a respective location
  - Signifies shop has car and will work with CMO

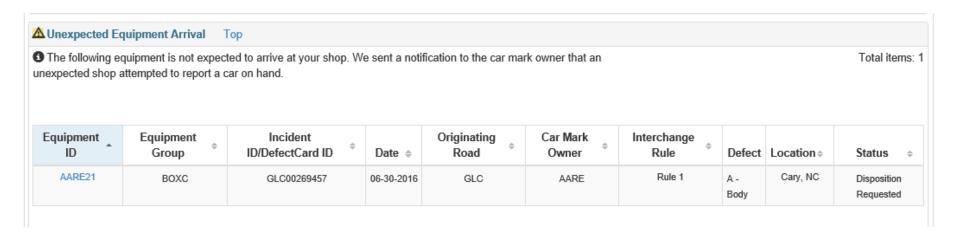




### Reporting Car On Hand continued...



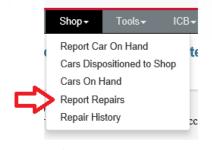
- Reporting Car on Hand allows the shop to see non-confidential incident details and defect cards (if available)
- Cars that have unexpectedly arrived at your shop need to be reported on hand
  - This notifies the CMO who can place the car on hand at your shop or work with the HC to re-route the car

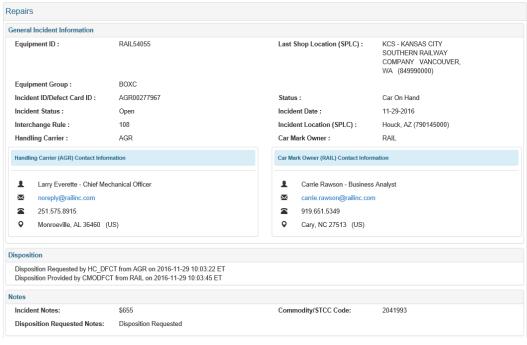


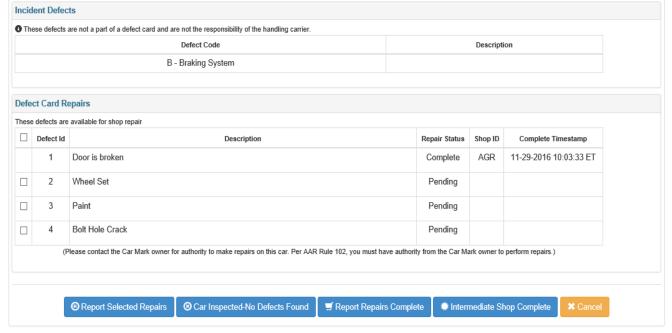
### **Report Repairs**

RAILING

 The Report Repairs screen lets you select a Car on Hand and see the incident details and Defect Card if present







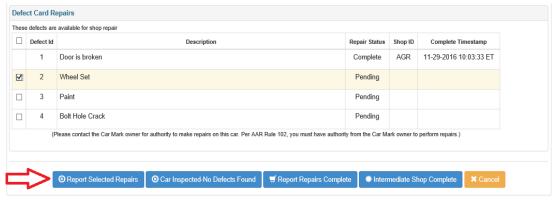
### Report Repairs continued...



The following options are available to the shop



If you partially repair a car, select the item repaired and then select 'Report Selected Repairs'



- Car Inspected-No Defects Found identifies repairs are not necessary and updates the incident to Removed\*
- Report Repairs Complete marks all items as completed and updates the incident to Car Repairs Completed\*
- Intermediate Shop Complete releases the car from your shop

# How do I know when an incident is at an End State?



- An incident will close once all cars have reached an end state
  - Dismantled\* HC or CMO decides to scrap car
  - Removed\* HC, CMO, or System removed car from incident
  - Settlement Accepted\* CMO accepts settlement offered by HC
  - Car Repairs Completed\* Shop reports repairs to defects/damages on incident
  - Please note that Dismantling cars and Accepting/Rejecting salvage value on incidents created before February 21, 2017 is handled differently than on those created after February 21, 2017 due to the new workflow and Salvage Value Worksheet

									V	
RAIL110	TANK	BOCT00293785	06-22-2017	вост	RAIL	Rule 107	E - Doors	Bing, NE	Settlement Accepted*	
RAIL1302	BOXC	RAIL00279508	01-03-2017	RAIL	RAIL	Rule 1	K - Refrigeration Equipment	Etzikom, AB	Car Repairs Completed*	
RAIL238047	FLAT	BOCT00287200	05-18-2017	вост	RAIL	Rule 107	A - Body	Bing, NE	Settlement Accepted*	
RAIL40119	BOXC	BOCT00287225	05-19-2017	вост	RAIL	Rule 107	A - Body	Bing, NE	Settlement Accepted*	
RAIL4405	BOXC	UP00279507	01-03-2017	UP	RAIL	Rule 1	I - Load Restraining Devices	Etzikom, AB	Removed*	No defects found

### **DDCT & FindUs.Rail**



- FindUs.Rail is required for DDCT to transmit notifications to the HC, CMO and Shop.
  - AAR Interchange Rule 114 mandates participation
- HC's and CMO's must list a contact primary and or secondary contact for the *Damaged Defective Car Tracking* category to receive notifications.
  - Category functions are:
    - Handling Carrier Damaged Car Management
    - Handling Carrier Defective Car Management
    - Handling Carrier ICB Management

- Mark Owner Damaged Car Management
- Mark Owner Defective Car Management
- Mark Owner ICB Management
- Shops must list a contact in the Repair Shop category to have their shop listed in DDCT for disposition.
  - Category functions are:
    - Cleaning
    - Shop Contact (Please note that you will NOT receive emails without this capacity.)
    - Tank Car

### **New Functionality in 2017**

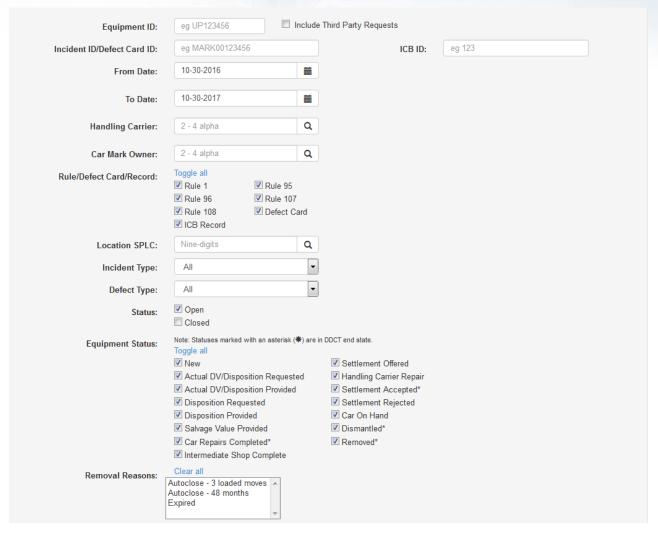


- New Global Search and Results
- Changes to Rule 107 incidents to comply with Exhibit II of the AAR Interchange Rules
- Car Owners can now sign up to receive a copy of Handling Carrier Notifications

### **New Global Search**

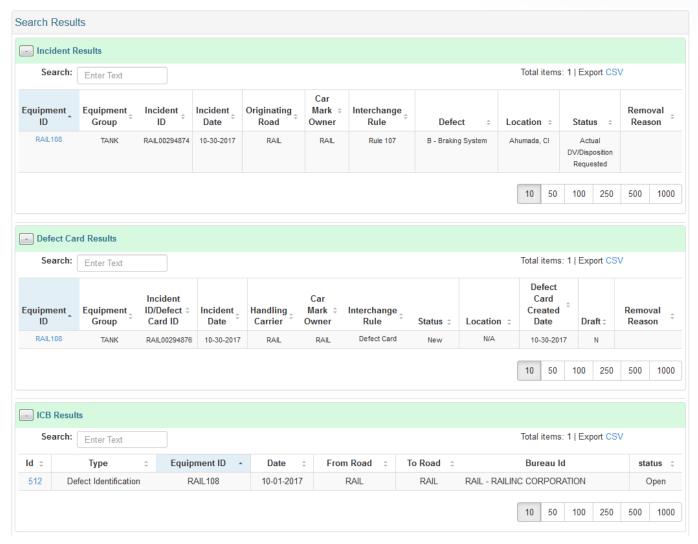


- You will be able to search for Incidents, Defect Cards, and Interchange Bureau Records in one step.
  - Defaults to search for all
- You can now search for equipment closed systematically with the following removal reasons:
  - Autoclose 3 loaded moves
  - Autoclose 48 months
  - Expired



### **New Query Results**



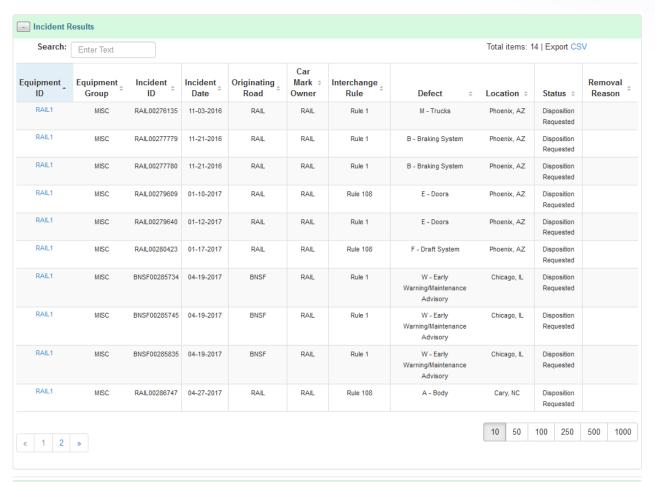


- Query Results for Incident, Defect Card, and ICB records will be displayed on one page
- You can individually search within each results list
- CSV reports can individually be generated

### **New Query Results**

Defect Card Results





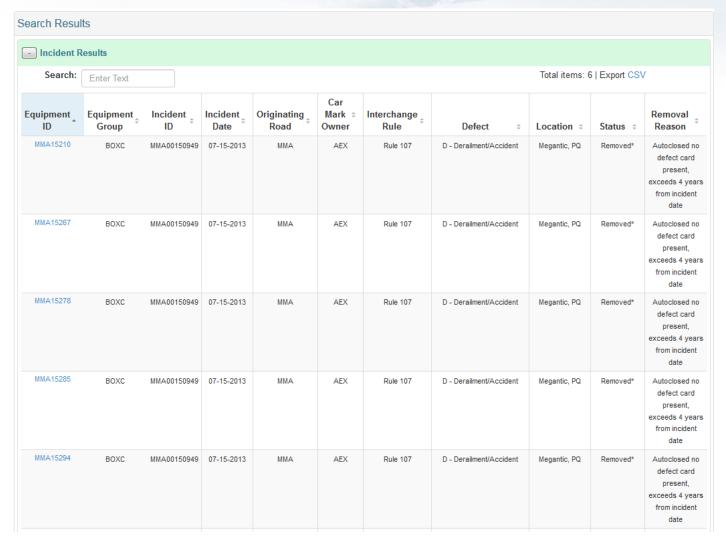
- A message will display if no results are found.
- Results will be broken into pages when more then 10 results are found for each type.
  - Results view can be increased up to 1000

⚠ No defect card results found matching search criteria.

### **New Query Results**

 You can now see the Removal Reason for closed equipment and incidents





# Changes to Rule 107 incidents to comply with Exhibit II of the AAR Interchange Rules



- DDCT will be starting to calculate the age of equipment on Rule 107 Incidents to determine if "Salvage Value Only" rules apply to the equipment.
- If it is applicable to Salvage Value
   Only, then DDCT will calculate an
   Estimated Salvage Value instead of
   the standard Estimated Depreciated
   Value.
- Estimated Salvage Value will be equal to the Umler Tare Weight times the Standard Steel Credit Rate.

#### Exhibit II Settlement Value Chart

Type of Equipment	Years Since Built, Rebuilt, or Certified for ILS	Settlement Value
Tank Car Lined or Non-Corrosive Built Prior to July 1, 1974 & Caboose Cars	0–35	Depreciated Value per Section G., Exhibit I, Summary Settlement Value Chart or Salvage Value Plus
Tank Car, Corrosive, Unlined	0–25	20% (whichever is greater)
All Other Cars Built Prior to July 1, 1974	0–30	
All Cars Except Tank Car, Corrosive, Unlined, Built July 1, 1974 or Later or Cars Approved for Extended Service Status	0–40	
Tank Car Lined or Non-Corrosive Built Prior to July 1, 1974 & Caboose Cars	*Over 35	Salvage Value Only.
Tank Car, Corrosive, Unlined	*Over 25	1
All Other Cars Built Prior to July 1, 1974	*Over 30	
All Cars Except Tank Car, Corrosive, Unlined, Built July 1, 1974 or Later or Cars Approved for Extended Service Status	*Over 40	

<sup>\*</sup>Up to AAR Mandatory Retirement Age

# Changes to Rule 107 incidents to comply with Exhibit II of the AAR Interchange Rules



Settlement Value Statement					Settlement Value Statement					
Equipment Type:  Car Rack AARE (Owner)				Salvage Value Worksheet						
With reference to your communique of 10/30/2017, file RAIL00294874 requesting AAR depreciated value of AARE1008, damaged at AHUMADA, CI (923252000) on 10/30/2017.					Umler Tare Weight 73,100					
					Non-Metallic Weight	0 Estimated	d Salvage Weight 73,100			
Equipment built on 01/1974 🛗 rebuilt on 🛗 , weighing 73,100 lbs.										
A - Original Cost:				\$25,000.00		Enter Weight	US Credit Rate	Credit Value		
B - Cost Factor, for year built:					Aluminum	0	0.54	\$0.00		
C - Cost Factor, for year prior to damage 2016:				40	Stainless Steel	0	0.35	\$0.00		
D - Base Reproduction Value ( A * C / B )			209	Standard Steel	73,100	0.13	\$9,503.00			
D - Base Reproduction	value (A C/B)			\$130,625.00				<b>Q</b> 3,333.00		
Туре	Date	Description	Cost		Total Salvage Weight	73,100.00				
Please Select				Add	Total Salvage Value	\$9,503.00				
E - Reproduction Value	(Additions and Betterm	ents)		0						
F - Total Reproduction Value ( D + E )			\$130,625.00	Settlement Value Statement S25.00						
G - Less Car Depreciation: Years: 43 Months: 9 at: 2.6 % = 90			\$117,562.00	[NOTE: Salvage Value Only; per AAR Office Manual Interchange Rules Exhibit II]						
H - Less Capitalized Betterments Depreciation: (rate of the car):			\$0.00	Depreciated Value Method:						
I - Less Exhibit V Depreciation:			\$0.00	Salvage \$9,503.00						
J - AAR Depreciated Value ( F - G - H - I ):				\$13,063.00						
								Back Apply Cancel		

# Car Owners can receive copy of Handling Carrier notifications



- Car Owners can sign up for a copy of any or all of the following Handling Carrier notifications.
  - Disposition/DV provided
  - Settlement Accepted
  - Settlement Rejected
  - Dismantled
  - Salvage Value Provided
- The copy notifications will be received according to your current FindUs.Rail setup.

### What's Coming in 2018



- Ability to search for multiple equipment ID's in one query.
- Allow the shop to report an unexpected arrival on Rule 107 incidents in New status.
- Handling Carriers will be able to indicate when Transfer of Lading is required on a Rule 108.
- Ability to identify an unexpected arrival shop as the final shop. Doing so will remove it from the originally dispositioned shops expected car list.

### **Reference Guides for DDCT**



- The following manuals can assist users in understanding AAR rules govern DDCT
  - Office Manual and Field Manual of the AAR Interchange Rules contain
    - Rules 95A, 102, and 107 for Damaged equipment
    - Rules 1, 96, and 108 for Defective equipment
  - DDCT industry participation and information is located in AAR Interchange Rule 115
  - FindUs.Rail contact information is required for DDCT per AAR Interchange Rule 114
- Railinc.com has a DDCT page with reference materials such as:
  - DDCT User Guide which includes instructions and process flow for DDCT
  - Webinars, Demos and FAQ's on DDCT











