



Association of American Railroads
Safety and Operations • Business Services
425 Third Street, SW • Washington, D.C. 20024

CIRCULAR NO. OT-16-C

IN EFFECT AS OF JANUARY 1, 2012

THE MOVEMENT OF BAD ORDER CARS

I. Following is a chart outlining the application of transportation charges for bad order cars, owner responsibility, incident to their movement to and from repair shops covered by AAR interchange Rules 1, 59, 85, 92, and 108:

1. If handling line(s) has an empty car handling obligation under applicable car service rules, directives, special car orders or tariffs:

	<u>Transportation Charge</u>
A. Empty movement enroute to owner or contract shop.	
(1) Waybilling Carrier	No
(2) Intermediate Carrier	No
B. Empty movement enroute to owner or contract shop or from connection returning car from contract shop to owner or to placement for loading.	No
C. Empty movement from shop on pool operator's lines or from a connection, returning on owner's order from shop to point of assignment.	No

Question 1. Can a car owner direct the handling line to move his car out of the normal handling obligation route to and from a contract shop?

Answer: Yes – however, mileage in excess of the normal route handling obligation mileage is chargeable if the handling road elects to do so.

Question 2. What is meant by the term "normal handling obligation route"?

Answer: The route from a car's present location to the interchange as prescribed by car service rules, directives, special car orders, or tariffs.

2. If handling line(s) does not have obligation to handle empty under applicable car service rules, directives, special car orders, or tariffs:

	<u>Transportation Charge</u>
A. Empty movement to owner or contract shop, or to a connection for movement to contract shop.	Mileage and/or Switch charge
B. Empty movement from contract shop, or from connection returning car from contract shop to owner, or to placement for loading.	Mileage and/or Switch charge
C. Empty movement from contract shop, or from connection returning car from contract shop to point of assignment.	Mileage and/or Switch charge

II. Following is a chart outlining the application of transportation charges for bad order cars, handling line responsibility, incident to their movement to and from repair shops as covered by AAR Interchanges Rules 95, and 107:

	<u>Transportation Charge</u>
A. Empty movement over road responsible for repairs to owner or contract shop, or to a connection for movement to owner or a contract shop.	No
B. Empty movement over road responsible for repairs to owner or contract shop, or to a connection for movement to owner or a contract shop, when owner refuses offer of reporting road to settle for car at its depreciated value.	No
C. Empty movement by intermediate carrier to Owner or contract shop who:	
(1) Has car service rule responsibility for moving car.	No
(2) Does not have car service responsibility for car movement.	Mileage and/or Switch charge
Question: When cars are ordered to shops that cannot be reached without incurring transportation charges, what arrangements must the handling line make?	
Answer: The handling line must obtain prior written concurrence of the owner for routing in order to establish authority for any charges which might be levied.	
Note: As specifically provided for in AAR Interchange General Rule A, special agreements or arrangements between the car owner and/or handling carriers may supplement or supersede the general guidelines set forth above.	

On behalf of the Safety & Operations Management Committee acting as the OT General Committee.

By direction of,
Jeffrey J. Usher
Asst. Vice President-Business Services

Supersedes Circular OT-16-B dated March 1, 1987.