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**To:** Distribution List

**Subject:** December 2016 AAR Circular Letter Summary

The December 2016 summary includes the (10) circular letters issued during the month.

This document provides a summary of each Association of American Railroads (“AAR”) circular letter issued during the previous month. A circular letter provides information of general applicability to the railroad industry, including proposed and final rules, standards, and recommended practices. Circulars are a fee-based service provided by AAR’s Transportation Technology Center, Incorporated (“TTCI”) located in Pueblo, Colorado. You may sign up to receive AAR circular letters online. If you need further assistance with access to circulars, contact Kathy Trujillo at 719.584.0538.

The Field Manual of the AAR Interchange Rules, Rule 1, b. (11), requires maintaining a copy of each “*mandatory circular letter*” that revises an “*Interchange Rule*” or the “*Manual of Standards and Recommended Practices.*” For your convenience, this document identifies mandatory circular letters. For those circulars that propose or implement final changes to an existing rule, standard, or recommended practice, this document provides an impact statement to car owners, lessors, mechanical shops, and railroad operations.

The following matrix identifies the AAR circular letter number, a summary of the circular, any effective date of a rule, standard, or recommended practice, any comment due date, an impact statement, and to the extent it applies, if the circular letter is mandatory.

If you have any questions, please contact Tom DeLafosse at 630.512.7595 or [tom\\_delafosse@salcoproducts.com](mailto:tom_delafosse@salcoproducts.com).

Circular No.	Subject and Summary	Impact Statement
C-12763 Dec. 2, 2016	<p><b>Subject:</b> Implementation of Retirement and Archival of AAR Manual of Standards and Recommended Practices (MSRP), Section M; Standard S-5021 – Wheel Size and Speed Pickup Axle Identification.</p> <p><b>Summary:</b> Due to current Operating Practice and Mechanical Department policies, the Locomotive Committee voted to retire and archive MSRP, Section M; Standard S-5021 – Wheel Size and Speed Pickup Axle Identification.</p> <p><b>Implementation Date:</b> Effective immediately, remove S-5021 from Section M.</p>	<p><b>Car Type:</b> Railroads, Locomotives</p> <p><b>Car Owner:</b> No</p> <p><b>Repair Shop:</b> No</p> <p><b>Comments:</b> If Section M is a required publication for your locations, be sure to removed S-5021 from it and discard.</p>
C-12764 Dec. 2, 2016	<p><b>Subject:</b> Implementation of Revisions to Manual of Standards and Recommended Practices (MSRP), Section M; Standard S-580 - Locomotive Crashworthiness Requirements.</p> <p><b>Summary:</b> In an effort to establish an effective date and clarify the requirements for paragraph 6.3 Emergency Egress, the AAR Locomotive Committee</p>	<p><b>Car Type:</b> Railroads, Locomotives</p> <p><b>Car Owner:</b> No</p> <p><b>Repair Shop:</b> No</p> <p><b>Comments:</b> If Section M is a required publication for your locations, be sure to</p>

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	<p>has adopted an enhanced MSRP, Section M, Standard S-580 - Locomotive Crashworthiness Requirements with revisions to said paragraph.</p> <p><b>Implementation Date:</b> The revised S-580 standard will be reflected in the next issue of Section M. Insert this circular in your copy of MSRP Section M.</p>	<p>update the revised S-580 in your copy(s) that is attached to this circular.</p>
<p>C-12765 Dec. 13, 2016</p>	<p><b>Subject:</b> Registration is Now Open for the 2017 AAR M-1003 Quality Assurance Training Courses: Root Cause Analysis Class, Basic Auditor Training Class, and Advanced Auditor Training Class.</p> <p><b>Summary:</b> The Association of American Railroads (AAR) Quality Assurance Committee has scheduled the Quality Assurance Training classes.</p> <p><b>Implementation Date:</b> Interested parties are encouraged to enroll promptly as classes tend to fill quickly and acceptance is based on a first-come first-served basis.</p>	<p><b>Car Type:</b> Information for the Industry.</p> <p><b>Car Owner:</b> Possible</p> <p><b>Repair Shop:</b> Possible</p> <p><b>Comments:</b> Refer to this circular for course information, dates, and costs.</p>
<p>C-12766 Dec. 19, 2016</p>	<p><b>Subject:</b> Solicitation for Comments – Proposed new Specification M-1004, Fuel Tenders for Natural Gas and Other Alternate Fuels.</p> <p><b>Summary:</b> The Natural Gas Fuel Tender Technical Advisory Group was formed in October, 2012, with the mission to develop AAR Fuel Tender Specifications and Standards to support the use of natural gas (methane) as an alternative locomotive fuel. Membership includes Railroads and AAR-TTCl staff, along with FRA, PHMSA, and supplier observer-participants.</p> <p><b>Implementation Date:</b> All comments received by 45 days from the date of this Circular Letter will be considered by the NGFT Task Force prior to implementation.</p>	<p><b>Car Type:</b> Locomotives</p> <p><b>Car Owner:</b> No</p> <p><b>Repair Shop:</b> No</p> <p><b>Comments:</b> The draft M-1004 Specification and accompanying draft standards apply to new natural gas fuel tenders to be qualified for free, unrestricted interchange freight service. The AAR documents identify the tender's structural design requirements, operating performance, crashworthiness, fuel interfaces needed to supply natural gas to dual-fuel locomotives, and fueling interfaces needed to fuel the tender.</p>
<p>C-12767 Dec. 19, 2016</p>	<p><b>Subject:</b> Solicitation for Comments – Proposed new Standard S-5025, Gaseous Natural Gas Supply Hose Unit for Natural Gas Fuel Tenders.</p> <p><b>Summary:</b> The Natural Gas Fuel Tender Technical Advisory Group was formed in October, 2012, with the mission to develop AAR Fuel Tender Specifications and Standards to support the use of natural gas (methane) as an alternative locomotive fuel. Membership includes Railroads and AAR-TTCl staff, along with FRA, PHMSA, and supplier observer-participants.</p> <p><b>Implementation Date:</b> All comments received by 45 days from the date of this Circular Letter will be considered by the NGFT Task Force prior to implementation.</p>	<p><b>Car Type:</b> Locomotives</p> <p><b>Car Owner:</b> No</p> <p><b>Repair Shop:</b> No</p> <p><b>Comments:</b> This Circular Letter seeks industry comment on draft Standard S-5025, Gaseous Natural Gas Supply Hose Unit for Natural Gas Fuel Tenders. S-5025 outlines the requirements for a nominal 1 1/2 in. (also known as –24 size) hose for supplying low pressure (200 psig or less) gaseous natural gas from a tender to a dual-fuel, natural gas locomotive. A hose that meets the requirements of this standard will be qualified for a 15-year life from date of manufacture.</p>

Circular No.	Subject and Summary	Impact Statement
C-12768 Dec. 19, 2016	<p><b>Subject:</b> Solicitation for Comments – Proposed new Standard S-5026, Heat Exchange Fluid Hose Unit for Natural Gas Fuel Tenders.</p> <p><b>Summary:</b> The Natural Gas Fuel Tender Technical Advisory Group was formed in October, 2012, with the mission to develop AAR Fuel Tender Specifications and Standards to support the use of natural gas (methane) as an alternative locomotive fuel. Membership includes Railroads and AAR-TTCL staff, along with FRA, PHMSA, and supplier observer-participants.</p> <p><b>Implementation Date:</b> All comments received by 45 days from the date of this Circular Letter will be considered by the NGFT Task Force prior to implementation.</p>	<p><b>Car Type:</b> Locomotives</p> <p><b>Car Owner:</b> No</p> <p><b>Repair Shop:</b> No</p> <p><b>Comments:</b> This Circular Letter seeks industry comment on draft Standard S-5026, Heat Exchange Fluid Hose Unit for Natural Gas Fuel Tenders. S-5026 outlines the requirements for a nominal 2 in. (also known as –32 size) hose for conveying low pressure (75 psig or less) heat exchange fluid between a dual-fuel, natural gas locomotive and a natural gas fuel tender. A hose that meets the requirements of this standard will be qualified for a 15-year life from date of manufacture.</p>
C-12769 Dec. 19, 2016	<p><b>Subject:</b> Solicitation for Comments – Proposed new Standard S-5027, 21-Point Control Plug, Cable Assembly, and Receptacle (TC-21 Tender Control Cable).</p> <p><b>Summary:</b> The Natural Gas Fuel Tender Technical Advisory Group was formed in October, 2012, with the mission to develop AAR Fuel Tender Specifications and Standards to support the use of natural gas (methane) as an alternative locomotive fuel. Membership includes Railroads and AAR-TTCL staff, along with FRA, PHMSA, and supplier observer-participants.</p> <p><b>Implementation Date:</b> All comments received by 45 days from the date of this Circular Letter will be considered by the NGFT Task Force prior to implementation.</p>	<p><b>Car Type:</b> Locomotives</p> <p><b>Car Owner:</b> No</p> <p><b>Repair Shop:</b> No</p> <p><b>Comments:</b> This Circular Letter seeks industry comment on draft Standard S-5027, 21-Point Control Plug, Cable Assembly, and Receptacle (TC-21 Tender Control Cable). S-5027 describes the design, construction, and test requirements for a connector plug, cable assembly, and mating receptacles used for communications, and for certain power applications between the tender control unit (TCU) of a natural gas fuel tender and a dual fuel locomotive.</p>
C-12770 Dec. 19, 2016	<p><b>Subject:</b> Solicitation for Comments – Proposed new Standard S-5028, Safety Appliances for Tank Car-Style Natural Gas Fuel Tenders.</p> <p><b>Summary:</b> The Natural Gas Fuel Tender Technical Advisory Group was formed in October, 2012, with the mission to develop AAR Fuel Tender Specifications and Standards to support the use of natural gas (methane) as an alternative locomotive fuel. Membership includes Railroads and AAR-TTCL staff, along with FRA, PHMSA, and supplier observer-participants.</p> <p><b>Implementation Date:</b> All comments received by 45 days from the date of this Circular Letter will be considered by the NGFT Task Force prior to implementation.</p>	<p><b>Car Type:</b> Locomotives</p> <p><b>Car Owner:</b> No</p> <p><b>Repair Shop:</b> No</p> <p><b>Comments:</b> This Circular Letter seeks industry comment on draft Standard S-5028, Safety Appliances for Tank Car-Style Natural Gas Fuel Tenders. S-5028 defines the safety appliance requirements that apply to natural gas fuel tenders of tank car-style configuration.</p>

Circular No.	Subject and Summary	Impact Statement
<p>C-12771 Dec. 20, 2016</p>	<p><b>Subject:</b> <u>Informational Circular</u>, CRB DX Mandatory Reject for Slack Adjuster CID – Delayed until April 1, 2017.</p> <p><b>Summary:</b> Due to additional feedback from the industry, the Car Repair Billing Committee decided to <u>delay</u> the implementation of the CRB DX mandatory reject requiring CID for slack adjusters <u>until April 1, 2017</u>.</p> <p><b>Implementation Date:</b> The CRB DX will continue to return informational error codes for The CRB DX will continue to return informational error codes for missing or invalid CID's until April 1, 2017. This Circular will supersede Circular C-12715.</p>	<p><b>Car Type:</b> Freight</p> <p><b>Car Owner:</b> Yes</p> <p><b>Repair Shop:</b> Yes</p> <p><b>Comments: Important Note:</b> It is recommended that this information be shared with all Car Repair Billing and IT personnel in your company that work with or are responsible for Car Repair Invoices submitted to and/or received from Railinc's Data Exchange.</p>
<p>C-12772 Dec. 28, 2016</p>	<p><b>Subject:</b> Car Repair Facility Labor Rate Effective January 1, 2017.</p> <p><b>Summary:</b> The Car Repair Facility Labor Rate, effective January 1, 2017, is \$129.74, an increase of 3.1 percent from the calculation for October 1, 2016.</p> <p><b>Implementation Date:</b> The calculated January 1, 2017, Labor Rate is \$129.74 and becomes effective January 1, 2017.</p>	<p><b>Car Type:</b> Freight</p> <p><b>Car Owner:</b> Yes</p> <p><b>Repair Shop:</b> No</p> <p><b>Comments:</b> The average Class I railroad Unemployment Insurance Tax rate, which is experience rated, increased from 2.73 to 3.37 percent. Maximum taxable earnings for Unemployment Insurance rose from \$1,455 per month to \$1,545.</p>