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To: Distribution List
Subject: December 2017 AAR Circular Letter Summary

The December 2017 summary includes the (15) 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, please send any future questions and issues to Pubs@aar.com.

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.

Circular No.	Subject and Summary	Impact Statement
Implemented Changes, Effective the Date of Circular		
C-13030 Dec. 1, 2017	<p>Subject: Notice of Implementation of Circular No. 42-M, General Rules Covering Loading or Carload Shipments of Commodities in Closed Cars (DP&FC).</p> <p>Summary: The AAR's Damage Prevention & Freight Claim Committee (DP&FC) has approved changes and updates to Circular No. 42-L, General Rules Covering Loading or Carload Shipments of Commodities in Closed Cars.</p> <p>Implementation Date: This revision to Circular 42, General Rules Covering Loading or Carload Shipments of Commodities in Closed Cars are now implemented and effective immediately.</p>	<p>Car Type: Railroads</p> <p>Car Owner: No</p> <p>Repair Shop: No</p> <p>Comments: Questions should be directed to Mr. Tom Feltault, Director Damage Prevention & Loading Services.</p>
C-13031 Dec. 1, 2017	<p>Subject: Implementation of Revisions to Figure 14-B–Section 2 AAR Open Top Loading Rules Manual (OTLR).</p>	<p>Car Type: Open Top Gondolas</p> <p>Car Owner: No</p> <p>Repair Shop: No</p>

Circular No.	Subject and Summary	Impact Statement
	<p>Summary: The AAR's Open Top Loading Rules Committee (OTLRC) has approved revisions to Figure 14-B – Section 2 of the AAR Open Top Loading Rules.</p> <p>Implementation Date: The implementation of this revision to Section 2 is effective immediately and will be included in the next edition of the AAR's OTLR Manual. Insert the circular attachment for Figure 14-B in your copy Section 2</p>	<p>Comments: Item E and Note 7 were revised to state the minimum thickness for metal corner protection is to be 15 gauge.</p>
<p>C-13032 Dec. 1, 2017</p>	<p>Subject: Implementation of Revisions to Figure 154-B– Section 2 AAR Open Top Loading Rules Manual (OTLR).</p> <p>Summary: The AAR's Open Top Loading Rules Committee (OTLRC) has approved revisions to Figure 154-B – Section 2 of the AAR Open Top Loading Rules Manual.</p> <p>Implementation Date: The implementation of this revision to Section 2 is effective immediately and will be included in the next edition of the AAR's OTLR Manual. Insert the circular attachment for Figure 154-B in your copy Section 2.</p>	<p>Car Type: Open Top Gondolas</p> <p>Car Owner: No</p> <p>Repair Shop: No</p> <p>Comments: Carriers are asked to ensure that copies of this circular letter are distributed to all concerned shippers and railroad personnel for their attention and guidance.</p>
<p>C-13034 Dec. 7, 2017</p>	<p>Subject: Implementation of Revised MSRP Section T, M-1004 Specification for Fuel Tenders, Including the Addition of New Appendix G, Wiring and Electrical Hardware.</p> <p>Summary: This circular letter is to notify the industry of revised M-1004 Specification for Fuel Tenders. M-1004 was implemented on August 2, 2017, via Circular Letter c-12938. .</p> <p>Implementation Date: AAR intends to make M-1004 and all supporting Standards available for purchase under a new MSRP titled Section T – Interoperable Fuel Tenders for Locomotives at www.aarpublications.com. Until then, M-1004 and supporting standards will only be available via implementation Circular Letters.</p>	<p>Car Type: Fuel Tenders</p> <p>Car Owner: No</p> <p>Repair Shop: No</p> <p>Comments: This implementation version incorporates changes to the Specification since that time, along with the implementation of new M-1004 Appendix G Wiring and Electrical Hardware</p>
<p>C-13035 Dec. 13, 2017</p>	<p>Subject: Implementation of Revisions to Figures 109 – Section 2 AAR Open Top Loading Rules Manual (OTLR).</p> <p>Summary: The AAR's Open Top Loading Rules Committee (OTLRC) has approved revisions to Figure 109– Section 2 of the AAR Open Top Loading Rules.</p> <p>Implementation Date: The implementation of this revision to Section 2 is effective immediately and will be included in the next edition of the AAR's OTLR Manual. If this is a required publication for your location, insert the circular attachment for Figure 43-Q, in your copy Section 2.</p>	<p>Car Type: Open Top Gondolas</p> <p>Car Owner: No</p> <p>Repair Shop: No</p> <p>Comments: Carriers are asked to ensure that copies of this circular letter are distributed to all concerned shippers and railroad personnel for their attention and guidance.</p>

Circular No.	Subject and Summary	Impact Statement
C-13036 Dec. 13, 2017	<p>Subject: Implementation of New Figure 43-Q—Section 2 AAR Open Top Loading Rules Manual (OTLR).</p> <p>Summary: The AAR's Open Top Loading Rules Committee (OTLRC) has approved new Figure 43-Q, ingots, aluminum, less than 12 ft. long—loaded side-by-side on bulkhead flatcars, with cushion devices and web tie-down system.</p> <p>Implementation Date: The implementation of this revision to Section 2 is effective immediately and will be included in the next edition of the AAR's OTLR Manual. If this is a required publication for your location, insert the circular attachment for Figure 43-Q, in your copy Section 2.</p>	<p>Car Type: Open Top Gondolas</p> <p>Car Owner: No</p> <p>Repair Shop: No</p> <p>Comments: Carriers are asked to ensure that copies of this circular letter are distributed to all concerned shippers and railroad personnel for their attention and guidance.</p>
C-13037 Dec. 13, 2017	<p>Subject: Implementation of Revisions to Figure 43-K—Section 2 AAR Open Top Loading Rules Manual (OTLR).</p> <p>Summary: The AAR's Open Top Loading Rules Committee (OTLRC) has approved revisions to Figure 43-K, ingots, aluminum—bulkhead flatcars, with rubber end buffers on bulkheads or end-of-car cushion gear.</p> <p>Implementation Date: The implementation of this revision to Section 2 is effective immediately and will be included in the next edition of the AAR's OTLR Manual. Insert the circular attachment for Figure 43-K, in your copy Section 2.</p>	<p>Car Type: Open Top Gondolas</p> <p>Car Owner: No</p> <p>Repair Shop: No</p> <p>Comments: Carriers are asked to ensure that copies of this circular letter are distributed to all concerned shippers and railroad personnel for their attention and guidance.</p>
C-13038 Dec. 13, 2017	<p>Subject: Informational Circular, Revisions to Field Manual, Rule 36.F.</p> <p>Summary: C-13017 was issued on November 15, 2017 to revise Field Manual Rule 36.B Correct Repair Chart Group B3 - Bearings with Tapered Rollers (Rotating End Cap). A new job code has been created to support this change.</p> <p>Implementation Date: This revision will be included in the January 2018 release of the Field Manual.</p>	<p>Car Type: Freight</p> <p>Car Owner: No</p> <p>Repair Shop: Yes</p> <p>Comments: Repair shops should review the new job code so it is applied correctly.</p>
C-13040 Dec. 20, 2017	<p>Subject: Car Repair Facility Labor Rate - Effective January 1, 2018.</p> <p>Summary: The Car Repair Facility Labor Rate, effective January 1, 2018 is \$127.29, a decrease of 1.3 percent (\$1.69) from the calculation for October 1, 2017.</p> <p>Implementation Date: The major changes to the rate involved payroll taxes, health & welfare, and overhead rates. A few independent unions received</p>	<p>Car Type: Industry Information</p> <p>Car Owner: Yes</p> <p>Repair Shop: No</p> <p>Comments: Car owners should note the slight reduction in the AAR labor rate for 2018.</p>

Circular No.	Subject and Summary	Impact Statement
	cost-of-living allowances (\$0.16) that were added to their wage rate, but their impact was almost nil.	
C-13041 Dec. 20, 2017	<p>Subject: Informational Circular, Office Manual Rule 107, Freight Car Index Factor.</p> <p>Summary: The Car Repair Billing Committee has approved the 2017 Freight Car Index Factor of 203 to be used in 2018. This is a 2.64% decrease from the 2016 Freight Car Index Factor of 209. The Freight Car Index Factor is based on the Freight Car Producer Price Index from October 1, 2016 to September 30, 2017.</p> <p>Implementation Date: The new Freight Car Index Factor will be published in Rule 107 of the Office Manual, and will become effective January 1, 2018.</p>	<p>Car Type: Industry Information</p> <p>Car Owner: Yes</p> <p>Repair Shop: No</p> <p>Comments: Car owners should note the Office Manual Rule 107 freight car rate reduction for 2018.</p>
C-13043 Dec. 26, 2017	<p>Subject: Informational Revision to MSRP Section H-II, Roller Bearing Manual, S-723, Seal Wear Ring.</p> <p>Summary: This circular letter is notifying the industry of revisions to facility compliance date for implementation of Section H-II, Roller Bearing Manual, S-723 modifications to roller bearing seal wear ring inspection and restoration.</p> <p>Implementation Date: Per Circular Letter C-12853 issued April 3, 2017 all facilities must be compliant by January 1, 2018. To allow for a modification to seal wear ring marking, all facilities must be compliant by May 1, 2018.</p>	<p>Car Type: Freight</p> <p>Car Owner: No</p> <p>Repair Shop: Yes</p> <p>Comments: Submit questions to Daniel Carter, WABL Committee Manager, at TTCl via email at daniel_carter@aar.com.</p>
C-13044 Dec. 31, 2017	<p>Subject: January 2018 Approved Field & Office Manual Rule Changes - Summary of Comments Received.</p> <p>Summary: In October and November 2017, several Circular Letters soliciting comments to the proposed rule changes were issued. Also, several letters were issued that advised of approved changes that would become effective on January 1, 2018.</p> <p>Implementation Date: The various proposals as issued in the listed letters, with the changes noted, stand approved and have been included in the January 2018 AAR Interchange Rule books.</p>	<p>Car Type: Freight</p> <p>Car Owner: Yes</p> <p>Repair Shop: Yes</p> <p>Comments: Shown within this circular is a recap of those letters seeking industry comment, an indication of comments received (if any), consideration and implementation details.</p>
Changes Pending 30-Day Comment Period from Date of Circular		
C-13042 Dec. 26, 2017	<p>Subject: Solicitation of Comments for Revisions to MSRP Section D, Trucks and Truck Details, Standard S-3016, Spring—Groups for Free, Unrestricted Interchange for 286,000 GRL Cars (M-976 and S-286 Approved Trucks), Updates to Table 1.1.</p>	<p>Car Type: Freight</p> <p>Car Owner: No</p> <p>Repair Shop: Yes</p>

Circular No.	Subject and Summary	Impact Statement
	<p>Summary: This circular letter is to solicit comments for revisions proposed to Section D, Standard S-3016, Spring—Groups for Free, Unrestricted Interchange for 286,000 GRL Cars (M-976 and S-286 Approved Trucks), regarding addition of one truck and correction of one drawing in Table 1.1.</p> <p>Implementation Date: All comments received within 30 days of the issuance of this circular will be considered by the CSTCC prior to taking action on the revisions which are the subject of the comments.</p>	<p>Comments: Interested parties should review this proposal and provide any comments you feel necessary during the 30 day comment period.</p>
General Information for the Industry		
<p>C-13033 Dec. 4, 2017</p>	<p>Subject: Update: AAR MSRP Section J, M-1003 Quality Assurance Program 2018: AAR Quality Assurance Auditor and Industry Conference & M-1003 Training Classes</p> <p>Summary: (AAR) Quality Assurance Committee (QAC) has provide you with updated conference information and training class schedule:</p> <p>Implementation Date: The 30th Annual AAR Quality Assurance Auditor and Industry Conference will be held the week of January 22, 2018 in Fort Worth, Texas.</p>	<p>Car Type: Information for the Industry</p> <p>Car Owner: Possibly</p> <p>Repair Shop: Possibly</p> <p>Comments: Interested parties should review the schedule and if interested register to attend.</p>
<p>C-13039 Dec. 14, 2017</p>	<p>Subject: Informational Circular, Revisions to Field and Office Manuals, Appendix A, Valvular Components.</p> <p>Summary: The ARB Rules Committee has reviewed a proposal to add a definition for “Valvular Components” to Appendix A of the Field and Office Manuals.</p> <p>Implementation Date: This change will be included in the January 2018 release of the Field and Office Manuals.</p>	<p>Car Type: Informational Circular</p> <p>Car Owner: Possibly</p> <p>Repair Shop: Yes</p> <p>Comments: This addition is intended to clarify the language used in Field Manual Rule 4 and the requirements for handling submerged air brake equipment. Reference C-12951 for further information regarding submerged components.</p>

Nichole Fimple
Executive Director, Rules and Standards



December 31, 2017

[C-13044]

Circular Letter

Subject: January 2018 Approved Field & Office Manual Rule Changes - Summary of
Comments Received

To: ALL SUBSCRIBERS

File Number: AC-GEN

In October and November 2017, several Circular Letters soliciting comments to the proposed rule changes were issued. In addition, several letters were issued that advised of approved changes that would become effective on January 1, 2018. Shown below is a recap of those letters seeking industry comment, an indication of comments received (if any), consideration and implementation details. Unless otherwise noted, the rule changes are for the Field Manual.

C-12968, 10/20/17, Rule 90 – Multiple comments received prompting these changes to be implemented immediately following the comment period via circular C-13028, issued on 11/21/17.

C-12986, 11/7/17, Rule 41 – No comments received.

C-12987, 11/7/17, Rule 23 – No comments received.

C-12992, 11/7/17, Office Manual Rule 107 – No comments received.

C-12994, 11/8/17, Rule 44 – No comments received.

C-12995, 11/8/17, Rules 16, 17 and 18 (Non-Metallic Pins) – One comment received, not prompting change.

C-12996, 11/9/17, Rule 59 – One set of comments received, prompting the following change to the proposed Rule 59.B.12. This change will be included in the January 2018 Field Manual.

59.B.12. Repair shops that discharge serviceable cushion units for removal and reapplication to make associated repairs must recharge them to manufacturer specifications (new or reconditioned as applicable). Any oil drained during the discharge process must be captured and returned to the unit prior to recharging. Shops without recharge capability must request Rule 1 disposition or obtain permission from owner home shop disposition in accordance with Rule 115 to replace the cushion unit.

C-12997, 11/9/17, Rule 3 – Two sets of comments received, prompting the insertion of a new 3.E.15, as identified below. This change will be included in the January 2018 Field Manual.

3.E.15 Defects related to piston travel that is outside of nominal range, as described in A.1.d. and A.2.b., only require piston travel adjustment, not a single car test, unless a single car test is otherwise required by Chart A.

C-12998, 11/9/17, Rules 16, 17, 18 and 83 – No comments received.

C-13000, 11/10/17, Appendix A – No comments received.

C-13001, 11/10/17, Rules 5, 6 and 7 – Multiple comments received, prompting changes to Rules 5 and 6. Changes primarily included correcting cross references and updates to figures to for clarity. Additional changes to Rule 5 are listed below. These changes will be included in the January 2018 Field Manual.

Removal of 5.A.1.d(8) Coupling below minimum height above the top of rail.

Update to 5.B.3. Standard end air hoses applied must comply with ~~have the standard wide lip coupling design per AAR Standard MSRP S-491.~~

Update to 5.B.5. All brake system hoses (except end air brake hose assemblies, which must meet MSRP M-601) ~~and hoses of less than 1/2 inch inside diameter~~ removed for cause must be replaced with hoses meeting MSRP M-618 and M-927 requirements, or approved alternate.

Removal of 5.B.6. Hoses of less than 1/2 inch inside diameter must be replaced with hoses of wire reinforced construction. (Renumber remaining 7-20 to 6-19.)

Update to 5.C.2: ~~Hose assemblies reconditioned must be equipped with wide lip~~ Reconditioned hose couplings and nipples must comply with MSRP S-491 and must be ~~assembled by~~ equipped with ferrule clamping.

Correction to 5.E.20. Report air hose support adjustment per Job Code ~~1626~~ 1165, Condon Code 9, Why Made Code 19. Report renewal of support with a 5.A.1.i. defect as Why Made Code 04 and Condon Code 1 or 2.

Accordingly, the various proposals as issued in the above listed letters, with the changes noted, stand approved and have been included in the January 2018 AAR Interchange Rule books.

Sincerely,
Nichole Fimple
Executive Director, Rules and Standards

Safety and Operations
Association of American Railroads
425 Third Street, SW, Suite 1000, Washington D.C. 20024

Attachment(s):