

# ATSI Initiative

September, 2005

Lisa Stabler – CWC Chairman



ASSOCIATION OF  
AMERICAN RAILROADS

TOMORROW. ARRIVING BY TRAIN.



# Actions Since Last Meeting

- ◆ Cost Recovery for Repairs Made on Line-of-Road
  - ◆ Recovery of added repair costs due to repairs made on line-of-road
  - ◆ Recovery of costs, not recovery of damages
  - ◆ Adjustable setout criteria based upon road's business model
  - ◆ Request made for ARB to consider potential rule changes
  - ◆ Expected implementation 2<sup>nd</sup> Quarter 2006
- ◆ Rule 88-Mechanical Requirements for Acceptance
  - ◆ Define conditions which should be remediated by a car owner during a significant shopping event



# ATSI Re-Focus

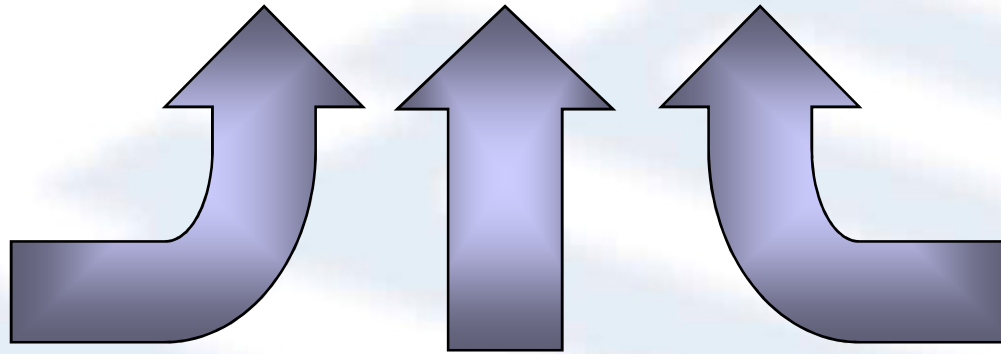
- ◆ Changing maintenance paradigm not efficient for some repairs
- ◆ Require car owners to proactively intervene for extensive repairs
  - ◆ For truck hunting, estimates are less than 10,000 cars per year
  - ◆ Other identified repairs should be of similar magnitude
- ◆ Car owners must receive advanced notification of car condition – InteRRIS/EHMS
- ◆ Utilize RAMP-ed for home shop movement



# ATSI Initiative

## 3 Prong Approach

Rule 88 –  
Mechanical  
Requirements  
for Acceptance



Required  
Shopping for  
Extensive  
Repairs

Cost  
Recovery for  
Service  
Interruptions



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# CRB Overhead Study

- ◆ ARB will examine these items for potential inclusion in the current overhead rate
  - ◆ Detector capital cost, calibration and on-going maintenance costs
  - ◆ Material costs changes
  - ◆ Car per diem
  - ◆ Cost of the inspection process for all cars, not just the car identified as deficient by the inspector
  - ◆ Railroad cost of capital



# 2005 EHMS Status

- ◆ On budget
  - ◆ \$1,490,000 actual vs. \$1,500,000 budgeted
- ◆ 2005 Enhancements
  - ◆ Wheel profile information added to InteRRIS
  - ◆ Using CRB records and EW to create a CRH record
  - ◆ Data integrity issues addressed
  - ◆ Maintenance Responsible Party management
  - ◆ Enhanced ability to determine present car remediation status



# 2006 EHMS Project Request

- ◆ Planned Enhancements
  - ◆ Clear Alerts More Efficiently
  - ◆ Leverage RAMP-ed technology for dispositioning empty cars
  - ◆ Consolidate Separate Databases
  - ◆ Add Detector Alerts as needed to EHMS
  - ◆ Enhance Security
  - ◆ Generate EHMS-related Statistics



# 2006 EHMS Costs

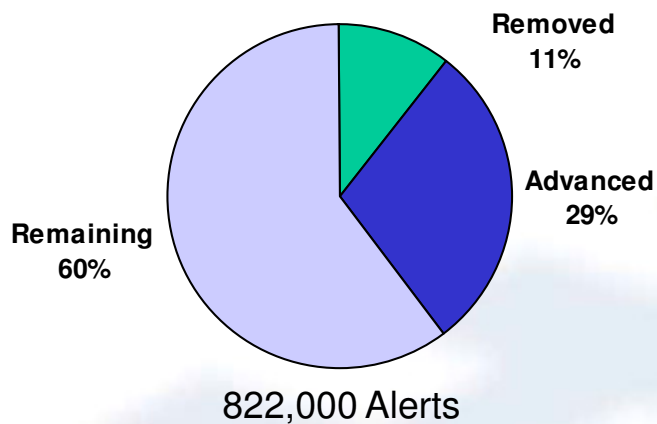
- ◆ Software Development Costs
  - ◆ Railinc FTE – 12 heads
- ◆ Railroad Development Costs - \$1.25 million
  - ◆ Combined estimates from 6 Class I Railroads
- ◆ System Fees and Maintenance
  - ◆ \$1,375,000
    - ◆ Reduction from original request of \$1,600,000
  - ◆ Split between car owners and railroads
    - ◆ Car owners - \$41,000, billed on a per car basis
    - ◆ Railroads - \$1,334,000, billed on a revenue ton mile basis



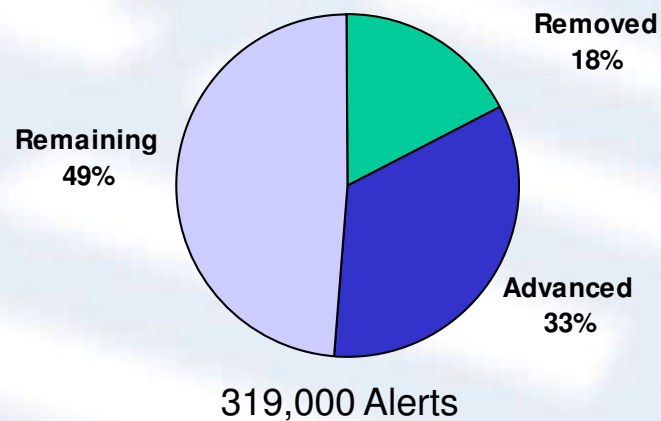


# EHMS Statistics – WILD Remediation

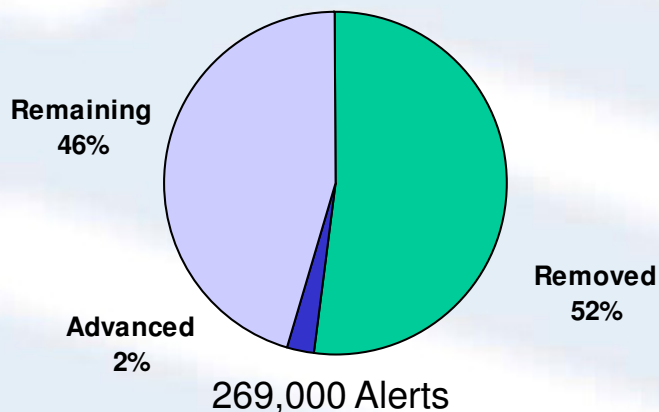
## Window of Opportunity



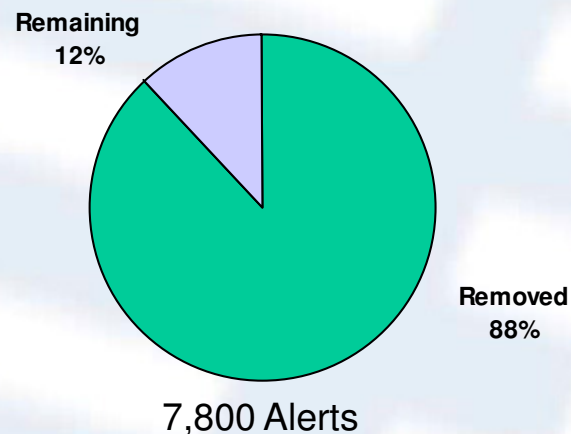
## Opportunistic Repairs



## AAR Condemnable

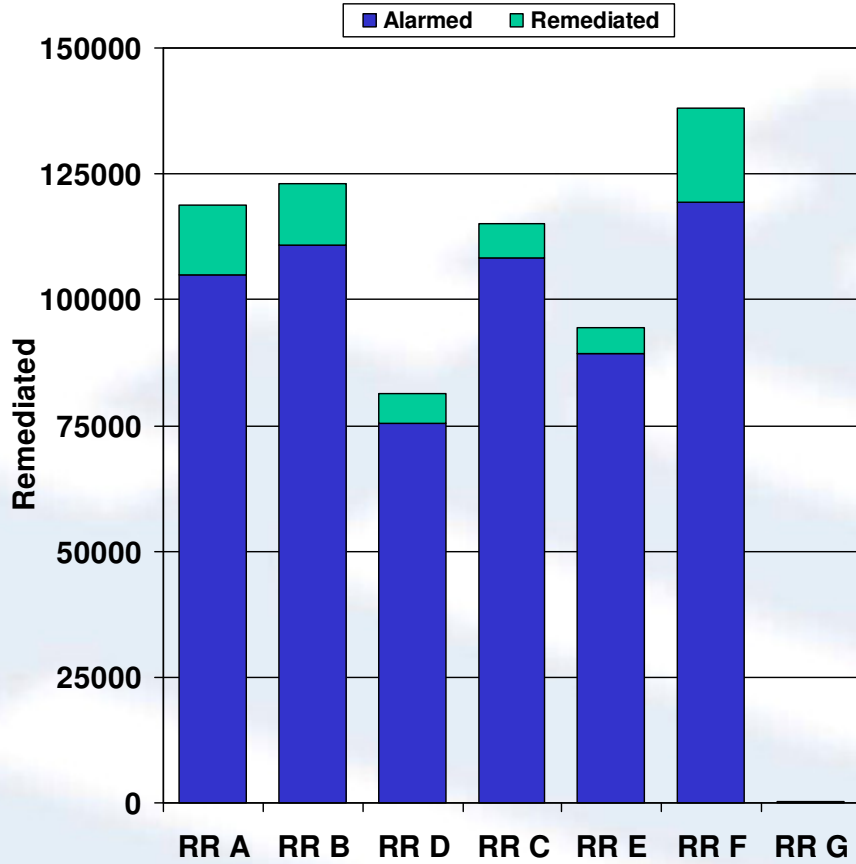


## Final Alert

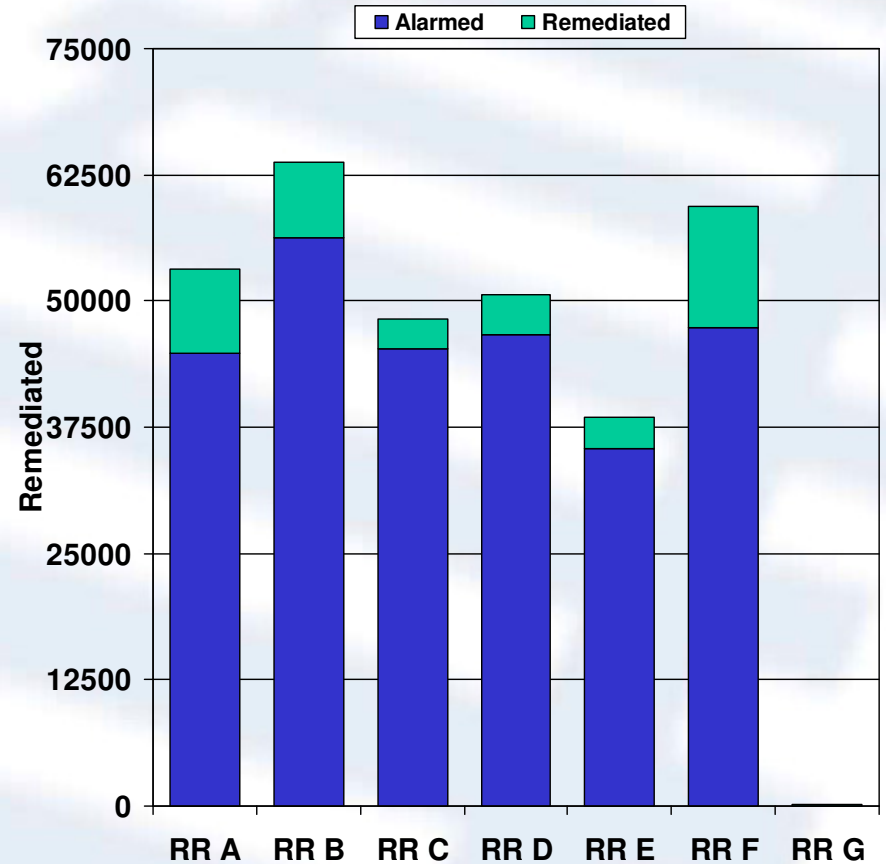


# WILD Remediation Statistics

## Window of Opportunity

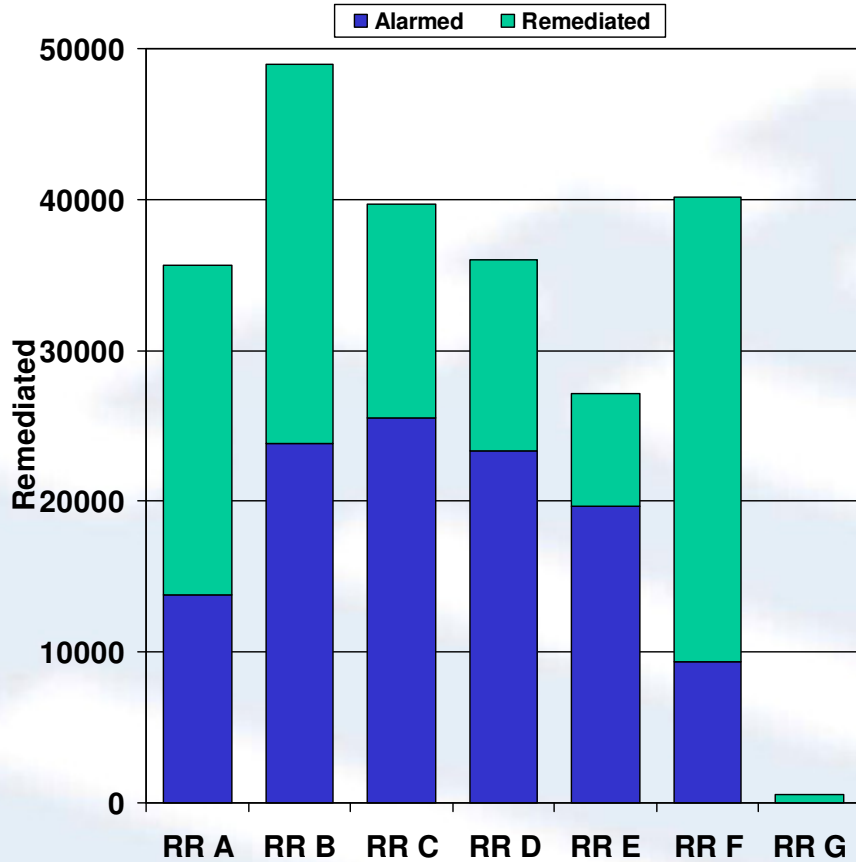


## Opportunistic Repairs

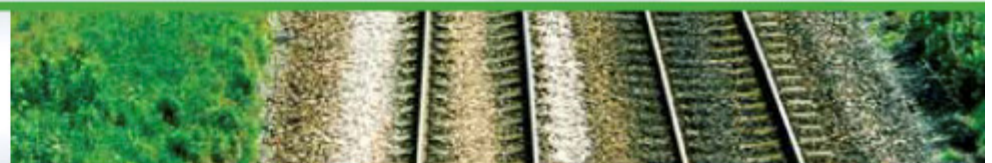
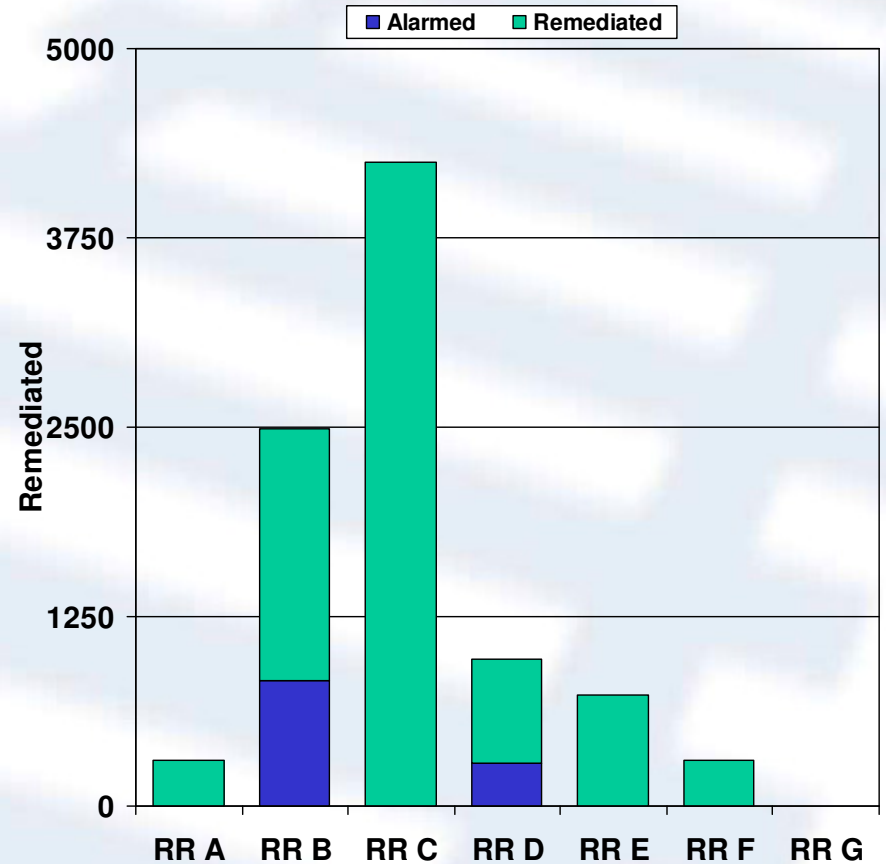


# WILD Remediation Statistics

## AAR Condemnable

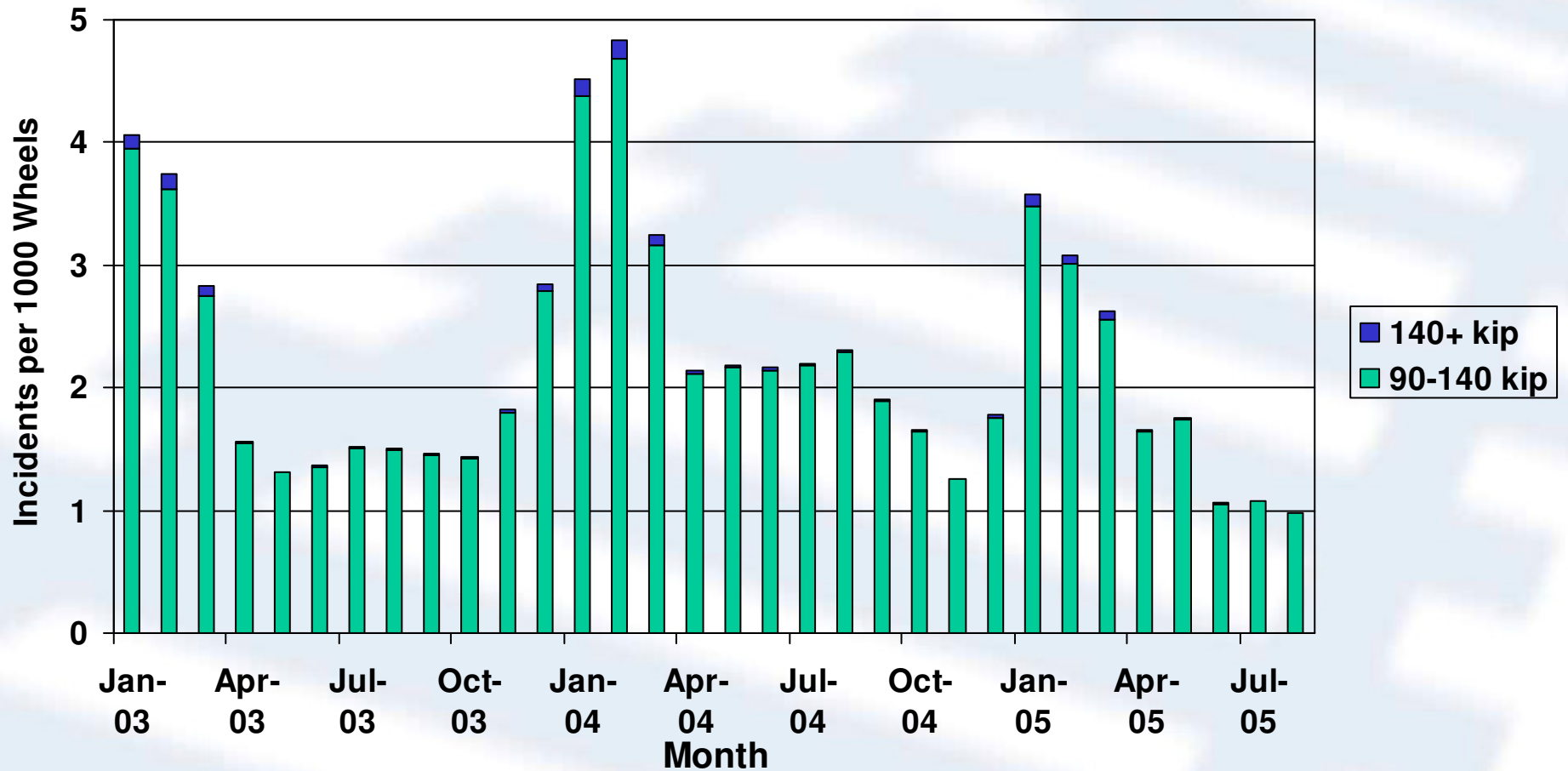


## Opportunistic Repairs



# High Impact Wheels

## Per 1000 Wheels Past a Detector





# ATSI Request for SOMC

- ◆ Support 3-prong approach for ATSI
  - ◆ Cost recovery on line-of-road
  - ◆ Car condition after shopping dictated by Rule 88
  - ◆ Home shopping process for extensive repairs
- ◆ Support continuation of EHMS in 2006 along with associated total projected cost of \$1,375,000

