

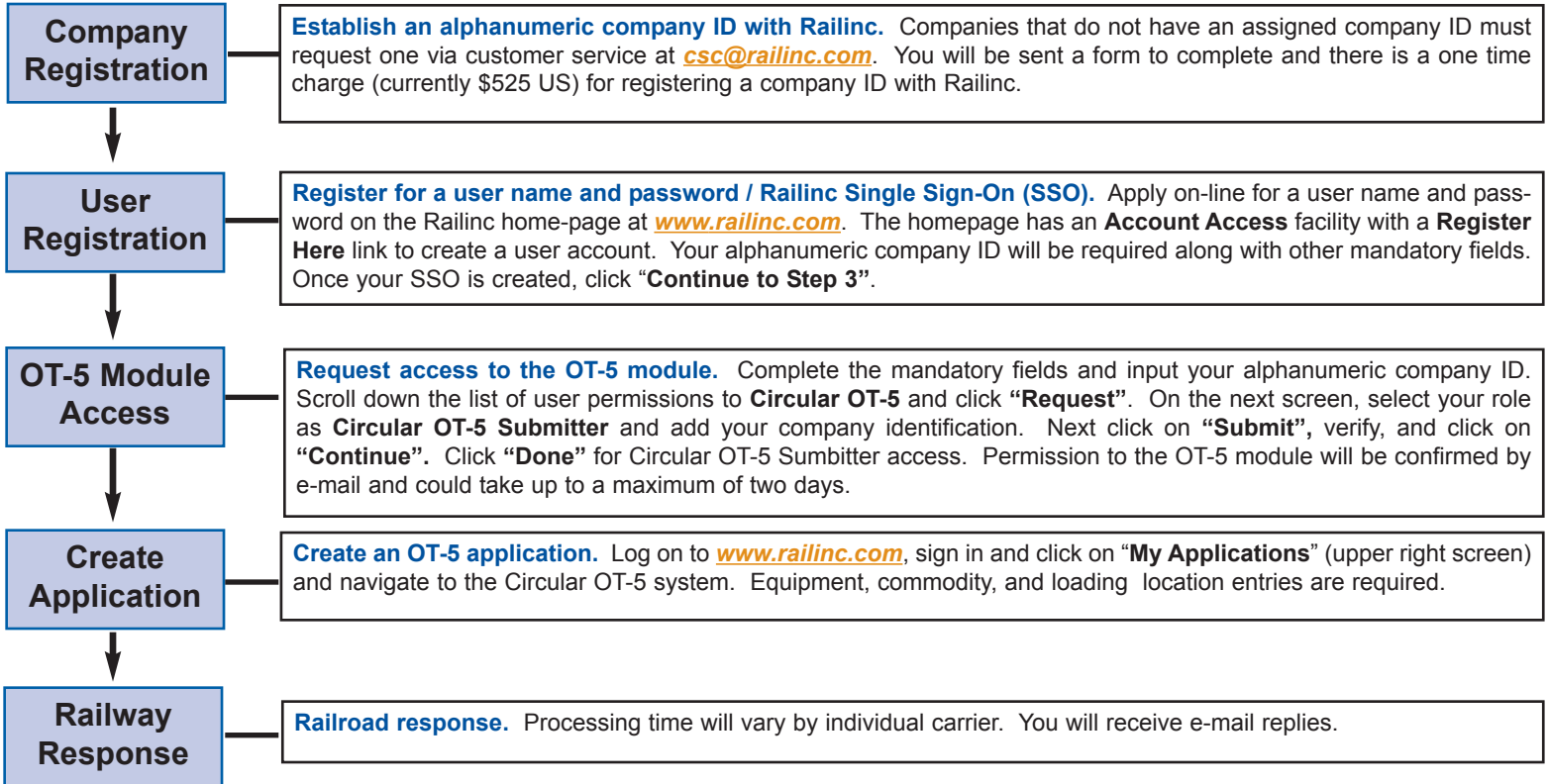
Circular OT-5K

Loading Authority For Private Rail Cars

Tank Car Authorization Becomes Mandatory January 1, 2010

Under Circular OT-5K, loading authority submissions are an Association of American Railroads (AAR) requirement for all private freight cars to be approved for use on railway lines. A new internet-based system for submissions has been introduced and tank cars have been included for the first time. The submissions are the lessee's responsibility due to the specific nature of the information required (e.g. carriers, originating stations, commodities, storage).

Using The Circular OT-5 Internet-Based System



Entering Cars In The System

The easiest way to get your list of Procor car numbers to create an OT-5 application is to go to [Procor Link-Net®](#). Click on **OT-5 Equipment Number Assistance** on the **Control Centre**. Cars can be sorted and an equipment number text file created to be copied into the OT-5 application screen.



Additional Information

Railinc Instructions and Manual

[Click Here](#)
Links appear at the bottom of the page.

Railinc Customer Service Contacts

Access and technical support: csc@railinc.com or call 1-800-544-7245.
Questions about submissions: Jim Pinson, at james.pinson@railinc.com or (919) 651-5047.

FAQ's

See the following pages provided by Procor regarding submission responsibility, process questions, and changes and updates.

Frequently Asked Questions

Loading Authority For Private Rail Cars

Document Updated: October 14, 2009

Submission Responsibility

Why is loading authority required?

The OT-5 process provides the basic framework governing private car access to railway lines. Under OT-5, railroads are not obligated to use private cars if they are in a position to furnish suitable cars to shippers. Historically, OT-5 was limited to freight cars as the railroads do not supply tank cars to shippers due to their specialized nature and more complex maintenance requirements. A new development in 2007 was BNSF's introduction of a private car registration system, including tank cars, to provide additional information to manage the private car fleet on its network in order to maintain fluidity. The BNSF initiative and the AAR's OT-5J have been superseded by OT-5K, which provides a single channel for railroads to obtain private car information, to assist in managing demands on their systems and to authorize loadings. OT-5K requires loading authorizations for all private cars, including tank cars.

When do I need to submit tank car loading authorizations?

Tank car loading authorizations do not become mandatory until January 1, 2010; however, sufficient lead time should be allowed to receive railroad confirmation(s) before the 2010 calendar year starts.

If my freight cars (non-tank) are already OT-5 approved, will I need to re-submit my cars via the new system?

There is no need to re-register unless cars are added or removed from your fleet. Railroads have the option of loading existing data into the new system.

I lease my cars. Who is responsible for submitting the OT-5 application?

The lessee or the car owner is referred to as the controlling entity in the Circular; however, due to the specific nature of information required (e.g. car movements, commodity, storage), the submissions are the lessee's responsibility. If shippers load cars which they do not control, such as cars operated by their customers, they should ensure that the lessee of the equipment received OT-5K loading authority.

Does Circular OT-5 apply to shippers located in Canada and Mexico?

Yes. Shippers in Canada and Mexico must request loading authority.

Does the Circular OT-5 apply to Class II and III railroads?

Yes. It applies to all subscribers to the Car Service and Car Hire Rules.

Who should complete the application for subleased cars?

The Circular states, "The controlling entity (owner or lessee) must apply for loading authority." The entity with the best knowledge of how the cars will be loaded should complete the loading application.

What will happen if I do not submit my cars for authorization?

The occasional loading of a private car that is not listed on an OT-5 application will be left up to the parties involved. Applicable tariffs or agreements should govern this circumstance.

Process Questions

What is the application process?

The Association of American Railroads requires use of Railinc's Circular OT-5K application process which is an internet-based system at www.railinc.com.

How much time is required for loading authority approval?

Processing time will vary by individual carrier. However, please keep in mind that initial requirements are obtaining a registered company ID and sign-on access from Railinc, before submitting the application and receipt of a reply from the originating carrier(s).

What is the criteria for application approval?

Application approval for shipper provided cars cannot be denied by the carrier(s) except for reasons of safety, mechanical factors or inadequate storage space. The railroad's use of private cars other than tank cars is not required unless railroad provided cars are not available.

How frequently should OT-5 loading applications be completed?

A submitted and approved OT-5 application can stay in effect up to 10 years. The application form includes a calendar feature that allows you to pick a start date and an end date. Basically, there are two ways to handle OT-5 applications: 1) completing a single registration to encompass all the cars involved without regard to lease expiration, or 2) completing separate registrations for each lease expiration. The single registration approach will require more frequent updates to reflect lease expiration dates.

How do you enter cars in the system?

Rail cars can be entered singly or in ranges. When entering cars, there is a limit of 500 cars per individual submission. (Procor Link-Net®'s Rider facility can provide a downloadable list of Procor car numbers.)

Can a car be on more than one application at a time?

No. A car can only be on one application in the new system for a carrier at a time. This requirement means that as cars change service, the OT-5 application needs to be updated.

What mechanical information is required on the new OT-5K form?

None. The only requirement is the car type.

How can cars be registered if specific loading points are not known?

Cars should be registered for the possible loading points.

Can cars loaded at more than one location served by a carrier, and used to ship more than one commodity, be registered on a single application?

Yes. The OT-5 system will accommodate multiple commodities, loading locations and carriers in a single application.

Should cars shipped to more than one destination be registered for all destinations?

No. Destinations are not required. Circular OT-5 requires that shipment origins be provided.

Is there an OT-5 pre-authorization available?

Yes. There is a pre-authorization application. It allows you to communicate intentions of requesting authorization for loading authority, for planning purposes. These applications are only valid for six months.

Process Questions (continued)

Do third party agents need the Railinc ID of the controlling entity to register the cars?

Railinc recommends that ID's not be shared. Third party agents can register for an ID. There is no requirement that the controlling entity's ID be used in the registration process.

What is the Railinc Identification?

Companies submitting OT-5 loading authorization applications will need to have a company ID. Valid identifiers are an AAR assigned reporting mark (four letter marks ending in X) or a Railinc assigned alphanumeric identifier. Companies that do not have an assigned company ID must request one by e-mailing csc@railinc.com.

Can data provided through the OT-5 process be viewed by parties other than the submitter and the approving carrier?

No. Only the parties to the application can view the application.

Is there a channel to communicate concerns or offer suggestions regarding the process?

Yes. Mr. Jeffrey Usher, Assistance Vice President Business Services, Association of American Railroads, issued the Circular. Mr. Usher can be contacted via the AAR's Safety and Operations main number, which is (202) 639-2200. The fax number is (202) 639-2439. (The AAR has a Contact Us link on their homepage at www.aar.org.)

Changes and Updates

When information on the registration changes, how is the registration updated?

Applications that have been approved by carriers can be amended and resubmitted. Changes in UMLER/EHMS (Universal Machine Language Equipment Register/Equipment Health Management System) or the Customer Identification File will result in automatic changes to the application. The OT-5 User's Manual contains instructions for amending an application or the Railinc Customer Support Centre (1-877-Railinc) can assist.

Should the OT-5 application be changed to reflect changes in how a car will be used, such as changes in the loading point or commodity?

Yes. Permanent changes should be reflected in the OT-5 application.

What are the requirements if my fleet changes?

Application submissions must be made for fleet additions, likewise, existing authorizations must be cancelled if the approval is still active for cars no longer in your fleet. Furthermore, sequence is important when new applications are submitted and the controlling entity changes. A car must be electronically removed from any existing loading authority before a submission by a new controlling entity will be permitted - a submission error message will be displayed if cars are already approved with another company. Subleases are treated the same as any other fleet change. If a sublease is initiated, the sublessor should remove the cars from their existing loading authority and the sublessee should make an application submission, and subsequently reverse the process at sublease termination.