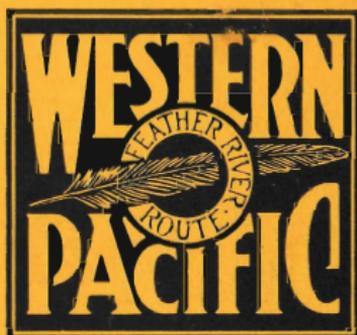


THE  
**WESTERN PACIFIC  
RAILROAD CO.**

SACRAMENTO NORTHERN RAILWAY  
TIDEWATER SOUTHERN RAILWAY CO.



CAR HIRE  
DEMURRAGE  
SWITCHING  
*WHAT ARE THEY?*

Issued by: Director-Transportation  
San Francisco  
JUNE 15, 1973

## FOREWORD

This booklet is not an official document, and may not be used as such. Many questions are asked about these three subjects, and this is an attempt to answer them in a very general way.

Car hire, demurrage and switching are complicated subjects, and it would be impossible to cover all phases of these subjects in a booklet of this size.

Any additional information may be secured from your immediate supervisor or calling:

### PER DIEM AND SWITCHING QUESTIONS:

Mr. J. E. Baker, San Francisco  
Manager-Car Planning      x 439

### DEMURRAGE QUESTIONS:

Mr. J. Long, Sacramento  
Chief Demurrage Clerk      x 365 or 242

What is car hire?

What is demurrage?

What is switching?

Car hire, demurrage and switching charges have a lot to do with revenue affecting Western Pacific, Sacramento Northern and Tidewater Southern properties. Questions and answers herein, in brief form, have been prepared to assist ALL EMPLOYEES in a better understanding of what these items cover and what is necessary to protect company revenues. Close teamwork of all employees is essential for desired results.

R. E. Artusy  
Director-Transportation

## CAR HIRE

1. Q.—WHAT IS CAR HIRE?

A.—Car hire is the daily rental (Per Diem) and/or mileage charge for the use of most RAILROAD OWNED freight cars.

2. Q.—WHAT ARE THE RENTAL AND MILEAGE CHARGES?

A.—DAILY RENTAL charges vary from \$.63 to \$38.58, plus comparable incentive rates on plain box cars.

MILEAGE charges vary from slightly over one cent (\$.0139) to over fourteen cents (\$.1403) per mile.

These charges are based on value and age of the individual car and apply to both loaded and empty cars while on WP system rails. See the EXAMPLE of the Car Hire Table on Page 12. This table changes quite rapidly and YOU SHOULD REFER to your latest issue of "The Official Railway Equipment Register".

3. Q.—WHAT IS INCENTIVE PER DIEM?

A.—Incentive per diem is an additional daily rental charge for all Plain Unequipped box cars. Rates vary from \$.32 to \$12.98 per day. WHY?

This piece of equipment is constantly in demand and creates the greatest shortage of cars in the country. This additional per diem is intended to expedite their use for all carriers and to be used by receiving roads to build or purchase this car type.

4. Q.—WHEN DID THESE CHARGES GO INTO EFFECT?

A.—The ICC prescribed TIME/MILEAGE AND INCENTIVE PER DIEM Charges effective September 1, 1970, with the Time/Mileage

rates retroactive for period  
August 1, 1969 thru  
August 31, 1970.

5. Q.—WHAT IS PURPOSE OF CAR HIRE CHARGES?

A.—To give the equipment owner a fair return on their investment by having the equipment user pay in proportion to the use made of the car.

6. Q.—HOW MUCH DOES WP PAY FOR CAR HIRE?

A.—Prior to Time/Mileage rates WP paid only a daily charge (per diem) for each foreign car on WP rails.

During 1971 our average payment for each foreign car was \$3.56 per day with approximately 2,600 foreign railroad cars on WP System every day, our monthly CAR HIRE cost was approximately \$277,680.

7. Q.—TO WHOM ARE CAR HIRE PAYMENTS MADE?

A.—To the car owning road.

8. Q.—WHAT IS A CREDIT OR DEBIT CAR HIRE RAILROAD?

A.—A CREDIT road is a road that collects more car hire for its owned equipment from other roads than the amount of car hire payments made to other roads.

A DEBIT road is a road that pays more car hire costs to foreign roads than it collects for its owned cars from other roads.

9. Q.—IS WP A CREDIT OR DEBIT RAILROAD?

A.—WP is a CREDIT road.

Until 1972, WESTERN PACIFIC was a DEBIT CAR HIRE ROAD. During early 1971 we saw

the trend turning towards WP becoming a CREDIT ROAD, which was a result of many factors, some of which are:

- (1) Teamwork.
- (2) Improved Freight Car Utilization through Centralized Freight Car Control.
- (3) Time/Mileage rates.

IT IS IMPORTANT TO ALL THAT WESTERN PACIFIC RETAIN ITS PRESENT STATUS OF A CREDIT CAR HIRE RAILROAD. WE CAN THROUGH CLOSE TEAMWORK.

10. Q.—DOES WP PAY THE CAR OWNING ROAD CAR HIRE FOR EACH DAY EACH CAR IS ON WP RAILS AND FOR EACH MILE MOVED?

A.—Yes, we pay the owning road the daily rental rate per car for each and every day their car is on WP System Lines, whether standing still or moving, and in addition, we pay Mileage charges for each mile the car moves on our line either loaded or empty. Also, we pay incentive rates on general service box cars.

11. Q.—HOW CAN WE REDUCE CAR HIRE COSTS?

A.—A number of ways are available, some of which are:

- (1) Do not hold foreign cars for prospective loading.
- (2) Report surplus cars to Customer Service Center, San Francisco (x 431 through 436)
- (3) See that home route instructions are understood and complied with.
- (4) Move empty cars promptly after receipt of disposition.
- (5) Deliver cars to connections before midnight.

(6) See that reclaim rules are understood and complied with.

(7) See that all cars are properly identified as to car type on all inventories, yard checks, billing and train consists. Consult "THE OFFICIAL RAILWAY EQUIPMENT REGISTER". Our Car Trace System also identifies car types ('01' or '03' inquiry).

(8) Do not furnish high CAR HIRE rate cars for loading when a car in a lower CAR HIRE rate will meet the requirements.

(9) See that special equipped cars—auto parts cars, covered hoppers, DF cars, multi-level flat cars, etc.—which generally falls in the higher Car Hire Rates, are handled expeditiously both loaded and empty. By so doing we can avoid excessive Car Hire Payments, increase Utilization of such cars, thus—reduce number of these expensive cars required.

(10) See that all personnel involved in the movement of cars understand Car Service /Car Hire Rules which are in the editorial section of "THE OFFICIAL RAILWAY EQUIPMENT REGISTER".

(11) Insure that proper billing accompanies all loaded and empty cars to avoid NO BILL situations—which not only creates additional CAR HIRE COSTS, but also has a serious adverse effect on our service and customer relations.

(12) Do not use foreign cars for company material service. Order all car requirements from Customer Service Center, San Francisco (x 431 through 436).

12. Q.—DO WE PAY CAR HIRE ON A CAR WHICH WE RECEIVE FROM A CONNECTION AND DELIVER TO A CONNECTION THE SAME CALENDAR DAY?

A.—Yes—we have to pay the mileage rate for all miles the car moves on our line. We do not pay the daily rental charge if the car received is delivered to a connection prior to 12:00 Midnight the same day received.

13. Q.—WHY IS IT IMPORTANT TO DELIVER CARS TO OUR CONNECTIONS BEFORE MIDNIGHT?

A.—Because the daily rental charge covers the 24 hour period from midnight to next midnight. If we deliver 12:01 AM we have to pay for that calendar day.

14. Q.—WHAT ARE WESTERN PACIFIC SYSTEM CAR REPORTING MARKS?

A.—WP, WPRB, WPLX, WPMW, SN, AND TS.

15. Q.—DO WP SYSTEM CARS HAVE ANY EFFECT ON OUR CAR HIRE ACCOUNT?

A.—Yes—we receive daily car rental and/or mileage charges for each WP System car on a foreign railroad.

16. Q.—HOW DOES DELAY TO WP SYSTEM CARS AFFECT OUR CAR HIRE ACCOUNT?

A.—When WP System cars are delayed being held for prospective loading, or under load with company material, it is necessary that a foreign car, on which we must pay car hire cost, be used to replace the system car not available for use.

17. Q.—DOES THIS MEAN THAT FOR EACH DAY WP SYSTEM CAR IS NOT DELAYED, WE IN EFFECT SAVE A DAY'S CAR HIRE?

A.—Yes—we pay the daily rental rate on any foreign car while car is on WP rails or industry rails served by WP, whether loading or unloading.

19. Q.—DO WE PAY CAR HIRE ON FOREIGN CARS WHEN THEY ARE BAD ORDER?

A.—Normally, yes—bad order cars should be promptly placed on repair tracks and removed promptly after repairs to avoid delays and excessive car hire payments.

20. Q.—WHEN ANY OF OUR CONNECTIONS ARE UNABLE TO ACCEPT CARS WHICH WE HAVE OFFERED FOR DELIVERY, ARE WE RESPONSIBLE FOR THE CAR HIRE WHILE CARS ARE BEING HELD ON OUR LINE?

A.—Yes.

21. Q.—HOW CAN WE PROTECT OURSELVES FOR THE CAR HIRE WHEN IT IS NOT OUR RESPONSIBILITY THAT THE CONNECTION CANNOT ACCEPT CARS?

A.—By reclaiming under the provisions of Car Hire Rule 15.

22. Q.—WHAT PROCEDURE IS NECESSARY UNDER CAR HIRE RULE 15 TO PROTECT OURSELVES IN SUCH INSTANCES?

A.—It is necessary that we notify the road for whom we are holding cars DAILY prior to midnight of the total number of cars so held, and within 48 hours from midnight of the day offered, furnish the initials and numbers of the cars to the road for whom we are holding cars. A definite record must be maintained by the train dispatcher or yardmaster of the notification to the foreign connection that we are unable to deliver cars, showing date, time and the party notified as well as the name of the party transmitting the notification.

23. Q.—WHY IS IT NECESSARY TO NOTIFY THE RAILROAD FOR WHOM WE ARE HOLDING CARS PRIOR TO MIDNIGHT

DAILY OF OUR INTENTION TO RECLAIM UNDER RULE 15?

A.—To avoid any controversy in regard to the reclaim which would ensue by not notifying the connection DAILY.

24. Q.—WHAT IF WE ARE UNABLE TO ACCEPT CARS FROM OUR CONNECTIONS?

A.—The connecting line will follow the same Rule 15 procedure to make the WESTERN PACIFIC responsible for the Car Hire while they are holding cars for us and we are unable to accept. It is absolutely necessary that we keep a permanent record of the time, date and name of party notifying us of cars holding and also of the time, date and party we notify when we are able to accept cars.

25. Q.—HOW DOES THE COMPLIANCE WITH HOME ROUTE INSTRUCTIONS AFFECT CAR HIRE?

A.—Proper application of home route instructions permits quicker disposal of foreign line equipment which saves Car Hire days.

26. Q.—HOW DOES THE PREPARATION OF INTERCHANGE REPORTS AFFECT CAR HIRE?

A.—It is extremely important that interchange reports be made promptly, legibly and correctly so that the Manager-Car Accounting will be in a position to settle Car Hire accounts with foreign lines without penalty payments.

27. Q.—WHAT ARE PENALTY CAR HIRE PAYMENTS?

A.—If Car Hire is not reported to car owner within a prescribed period, the Car Hire rate increases 15% per car. This penalty can be avoided if interchange reports are made correctly and promptly forwarded to Manager-Car Accounting.

OUR CAR HIRE DEBIT CAN BE REDUCED BY PROPER HANDLING OF SYSTEM AND FOREIGN EQUIPMENT. THE PROMPT MOVEMENT OF ALL CARS MAKES FOR LESS CAR HIRE PAYMENTS AND INSURES BETTER SERVICE TO OUR CUSTOMERS WHICH IN TURN WILL ATTRACT MORE BUSINESS TO THE WP. THIS SHOULD AND MUST BE THE GOAL OF EACH AND EVERY EMPLOYEE.

### DEFINITIONS

#### HOME CAR

A car on the road to which it belongs.

#### FOREIGN CAR

A car on a road to which it does not belong.

#### PRIVATE CAR

A car having other than railroad ownership.

#### HOME

A location where a car is in the hands of its owner.

#### HOME ROAD

A road which owns a car or upon which the home of a private car is located.

#### HOME JUNCTION

A junction with the home road.

### DEMURRAGE

#### 1. Q.—WHAT IS DEMURRAGE?

A.—Demurrage is a charge assessed against the shipper or receiver of freight for delay to a car held for loading, unloading, forwarding directions or for any other purpose after the free time allowed by Tariff.

#### 2. Q.—WHAT DOES DEMURRAGE REPRESENT, AS DEFINED BY THE INTERSTATE COMMERCE COMMISSION?

A.—Demurrage represents, in part, compensation to the carrier and, in part, a penalty to

discourage undue detention by the shipper or receiver.

#### 3. Q.—WHY IS DEMURRAGE IN A TARIFF, AND WHAT CAN BE DONE ABOUT IT?

A.—Demurrage Tariffs contain rules and charges approved by the Interstate Commerce Commission. When cars delayed by a shipper, demurrage must be assessed in accordance with tariff provisions to comply with Interstate Commerce Commission regulations. Non-compliance of Interstate Commerce Commission regulations would result in both the carrier and customer being subject to possible penalties. Cars are built to move freight, not store freight.

#### 4. Q.—WHY MUST DEMURRAGE BE CHARGED AGAINST A CUSTOMER?

A.—Overlooking demurrage charges due from a customer is illegal, and would allow for discrimination between shippers.

#### 5. Q.—WHAT ARE THE MOST FREQUENT PROBLEMS WITH DEMURRAGE?

A.—Problems usually begin with neglect of details, and because those responsible for demurrage are sometimes not fully aware of its importance. Accurate yard check record is most important.

#### 6. Q.—UNDER WHAT CONDITIONS ARE CARS NOT SUBJECT TO DEMURRAGE RULES?

A.—Cars loaded with L.C.L. freight at freight house, or with company material for use of the railroad and cars set out to reduce tonnage, or bad order condition, or cars received under load with livestock, or private cars on private tracks.

THE OFFICIAL RAILWAY EQUIPMENT REGISTER

CODE OF CAR HIRE RULES AND INTERPRETATIONS—FREIGHT—CONTINUED.

(REVISED\*)

CAR HIRE RATE TABLE  
As Prescribed in I.C.C. Docket No. 33145

Cost Bracket (See Note 1)	0-30 Years		0-5 Years		6-10 Years		11-15 Years		16-20 Years		21-25 Years		26-30 Years		Over 30 Years	
	Charge Per Mile	Daily Time-Haul	Charge	Time	Charge	Time	Charge	Time	Charge	Time	Charge	Time	Charge	Time	Charge Per Mile	Daily Time
\$ 0-1 000	1.75c		\$1.07		\$1.03		\$1.00		\$0.96		\$0.92		\$0.89		1.68c	\$0.82
1 001-3 000	1.83		1.34		1.27		1.20		1.13		1.05		0.98		1.68	0.84
3 001-5 000	1.97		1.89		1.75		1.60		1.46		1.31		1.17		1.68	0.89
5 001-7 000	2.12		2.44		2.22		2.01		1.79		1.57		1.36		1.68	0.94
7 001-9 000	2.27		2.98		2.70		2.41		2.12		1.83		1.55		1.68	0.99
9 001-11 000	2.41		3.53		3.17		2.81		2.45		2.09		1.73		1.68	1.03
11 001-13 000	2.56		4.08		3.65		3.22		2.78		2.35		1.92		1.68	1.08
13 001-15 000	2.71		4.62		4.12		3.62		3.12		2.61		2.11		1.68	1.13
15 001-17 000	2.85		5.17		4.60		4.02		3.45		2.87		2.30		1.68	1.18
17 001-19 000	3.00		5.72		5.07		4.43		3.78		3.13		2.49		1.68	1.23
19 001-21 000	3.15		6.27		5.55		4.83		4.11		3.35		2.67		1.68	1.27
21 001-23 000	3.29		6.81		6.02		5.23		4.44		3.65		2.86		1.68	1.32
23 001-25 000	3.44		7.36		6.50		5.64		4.77		3.91		3.05		1.68	1.37
25 001-27 000	3.59		7.91		6.97		6.04		5.11		4.17		3.24		1.68	1.42
27 001-29 000	3.73		8.46		7.45		6.44		5.44		4.43		3.42		1.68	1.47
29 001-31 000	3.88		9.00		7.92		6.85		5.77		4.69		3.61		1.68	1.51
31 001-33 000	4.03		9.55		8.40		7.25		6.10		4.95		3.80		1.68	1.56
33 001-35 000	4.17		10.10		8.88		7.65		6.43		5.21		3.99		1.68	1.61
35 001-37 000	4.32		10.64		9.35		8.06		6.76		5.47		4.18		1.68	1.66
37 001-39 000	4.47		11.19		9.83		8.46		7.09		5.73		4.36		1.68	1.71
39 001-41 000	4.61		11.74		10.30		8.86		7.43		5.99		4.55		1.68	1.75
41 001-43 000	4.76		12.29		10.78		9.27		7.76		6.25		4.74		1.68	1.80
43 001-45 000	4.91		12.83		11.25		9.68		8.08		6.51		4.93		1.68	1.85
45 001-47 000	5.05		13.38		11.71		10.07		8.42		6.77		5.12		1.68	1.90
47 001-49 000	5.20		13.93		12.20		10.48		8.75		7.03		5.30		1.68	1.94
49 001-51 000	5.35		14.47		12.68		10.88		9.05		7.29		5.49		1.68	1.99
51 001-53 000	5.49		15.02		13.15		11.28		9.42		7.55		5.68		1.68	2.04
53 001-55 000	5.64		15.57		13.63		11.69		9.75		7.81		5.87		1.68	2.09
55 001-57 000	5.79		16.12		14.10		12.09		10.08		8.07		6.05		1.68	2.14
57 001-59 000	5.93		16.66		14.58		12.50		10.41		8.33		6.24		1.68	2.18
59 001-61 000	6.08		17.21		15.05		12.90		10.74		8.59		6.43		1.68	2.23
61 001-63 000	6.23		17.76		15.53		13.30		11.07		8.85		6.62		1.68	2.28
63 001-65 000	6.37		18.30		16.00		13.71		11.41		9.11		6.81		1.68	2.33
65 001-67 000	6.52		18.85		16.48		14.11		11.74		9.37		6.99		1.68	2.38
67 001-69 000	6.67		19.40		16.96		14.51		12.07		9.63		7.18		1.68	2.42
69 001-71 000	6.81		19.95		17.43		14.92		12.40		9.89		7.37		1.68	2.47
71 001-73 000	6.96		20.50		17.91		15.32		12.73		10.15		7.56		1.68	2.52
73 001-75 000	7.11		21.05		18.39		15.73		13.06		10.41		7.75		1.68	2.57
75 001-77 000	7.26		21.60		18.88		16.13		13.39		10.67		7.94		1.68	2.62
77 001-79 000	7.41		22.15		19.37		16.54		13.72		10.93		8.13		1.68	2.67
79 001-81 000	7.56		22.70		19.86		16.95		14.06		11.19		8.32		1.68	2.72
81 001-83 000	7.71		23.25		20.35		17.36		14.39		11.45		8.50		1.68	2.77
83 001-85 000	7.86		23.80		20.84		17.77		14.72		11.71		8.68		1.68	2.81
85 001-87 000	8.01		24.35		21.33		18.18		15.05		11.96		8.87		1.68	2.86
87 001-89 000	8.16		24.90		21.82		18.59		15.38		12.22		9.06		1.68	2.90
89 001-91 000	8.31		25.45		22.31		19.00		15.71		12.48		9.25		1.68	2.95
91 001-93 000	8.46		26.00		22.80		19.41		16.04		12.74		9.44		1.68	3.00
93 001-95 000	8.61		26.55		23.29		19.82		16.37		13.00		9.62		1.68	3.05
95 001-97 000	8.76		27.10		23.78		20.23		16.70		13.26		9.81		1.68	3.09
97 001-99 000	8.91		27.65		24.27		20.66		17.03		13.52		10.00		1.68	3.14
99 001-101 000	9.06		28.20		24.76		21.09		17.36		13.78		10.19		1.68	3.19
101 001-103 000	9.21		28.75		25.24		21.52		17.69		14.04		10.38		1.68	3.24
103 001-105 000	9.36		29.30		25.73		21.95		18.02		14.30		10.56		1.68	3.29
105 001-107 000	9.51		29.85		26.22		22.38		18.35		14.56		10.75		1.68	3.33
107 001-109 000	9.66		30.40		26.71		22.81		18.68		14.82		10.94		1.68	3.38
109 001-111 000	9.81		30.95		27.20		23.24		19.01		15.08		11.13		1.68	3.43
111 001-113 000	9.96		31.50		27.69		23.67		19.34		15.32		11.32		1.68	3.48
113 001-115 000	10.11		32.05		28.18		24.10		19.67		15.56		11.50		1.68	3.53
115 001-117 000	10.26		32.60		28.67		24.53		20.00		15.80		11.69		1.68	3.57
117 001-119 000	10.41		33.15		29.16		24.96		20.33		16.04		11.88		1.68	3.62
119 001-121 000	10.56		33.70		29.65		25.39		20.66		16.28		12.07		1.68	3.67
121 001-123 000	10.71		34.25		30.14		25.82		21.00		16.52		12.25		1.68	3.72
123 001-125 000	10.86		34.80		30.63		26.25		21.33		16.76		12.44		1.68	3.77
125 001-127 000	11.01		35.35		31.12		26.68		21.67		17.00		12.63		1.68	3.81
127 001-129 000	11.16		35.90		31.61		27.11		22.00		17.24		12.82		1.68	3.86
129 001-131 000	11.31		36.45		32.10		27.54		22.33		17.48		13.01		1.68	3.91
131 001-133 000	11.46		37.00		32.59		27.97		22.67		17.72		13.20		1.68	3.96
133 001-135 000	11.61		37.55		33.08		28.40		23.00		17.96		13.39		1.68	4.01
135 001-137 000	11.76		38.10		33.57		28.83		23.34		18.20		13.57		1.68	4.05
137 001-139 000	11.91		38.65		34.06		29.26		23.68		18.44		13.76		1.68	4.10
139 001-141 000	12.06		39.20		34.55		29.69		24.01		18.68		13.95		1.68	4.15
141 001-143 000	12.21		39.75		35.04		30.12		24.34		18.92		14.13		1.68	4.20
143 001-145 000	12.36		40.30		35.53		30.55		24.67		19.16		14.32		1.68	4.25
145 001-147 000	12.51		40.85		36.02		30.98		25.00		19.40		14.51		1.68	4.29
147 001-149 000	12.66		41.40		36.51		31.41		25.33		19.64		14.70		1.68	4.34
149 001-151 000	12.81		41.95		37.00		31.84		25.66		19.88		14.89		1.68	4.39
151 001-153 000	12.96		42.50													

7. Q.—HOW MUCH FREE TIME IS ALLOWED FOR LOADING OR UNLOADING A CAR?

A.—Loading or unloading—Varies from 24 hours up

Diversion, Reconsignment & Reshipment—  
24 hours

Cars ordered and not used—None

8. Q.—IF A CAR IS NOT UNLOADED BUT RE-CONSIGNEE, RESHIPMENT OR DIVERTED, HOW MUCH FREE TIME IS ALLOWED?

A.—Only twenty-four (24) hours.

9. Q.—WHEN DOES FREE TIME BEGIN?

A.—At the first 7:00 AM after actual or constructive placement of the car or after written or telephone notice of arrival is given when such notice is required by tariffs.

10. Q.—WHEN DO DEMURRAGE CHARGES START AND WHAT ARE THE RATES OF SUCH CHARGES?

A.—Demurrage charges start after allowed FREE TIME.

Rates are as follows:

Charges vary from \$10 a day to \$50 a day dependent on the Rules and Category to which the car applies.

11. Q.—WHAT BASIC TARIFFS COVER DEMURRAGE RULES AND CHARGES?

A. 1. B.B. Maurer Freight Tariff 4 Series, General, Storage and Special Demurrage Rules and Charges.

2. P.C.D.B. Tariff 8 Series on Freight for Ocean Movement.

3. T.C.F.B. Tariff 29 Series on Export Freight at Pacific ports.

12. Q.—WHAT ARE THE BASIC SUPPORTING RECORDS FOR DEMURRAGE?

A.—Yard checks, inbound W/B's, outbound W/B's, car orders, diversion and reconsignment orders, spotting instructions, switch orders, interchange reports.

13. Q.—WHEN SHOULD A NOTICE OF ARRIVAL BE SENT?

A. 1. Unloading on public-delivery (team tracks). (Removal of part of contents is considered notice.)

2. Diversion, reconsignment, or reshipment orders, including cars held in transit by consignor, consignee, or owner.

3. To complete load, or partly unload on Public-Delivery (team) tracks.

4. Surrender of bill-of-lading, or payment of lawful charges before delivery to consignee.

5. Surrender of bill-of-lading, or payment of lawful charges before delivery to connecting, or switching line.

6. Instructions from consignee as to what plant car is to be placed for unloading.

7. Delivery at special facilities furnished by carrier, when necessary to unload cars such as derricks, cranes, trestles, automobile platforms, etc. (Demurrage Rule 5, Section C.)

8. For inspection before placement, when required by Federal, State, County, or City authorities. (Rule 4, Section A.)

9. For clearnace at Mexican border points. (Rule 3, Section C.)

10. Freight in bond for Customs entry and Government inspection. (Rules 2, Section B, and 4.)

11. Equipment moving on own wheels held

on railroad tracks. (Storage Rule 2, Section A and Rule 5, Section C.)

12. Reduction of overload transit.

14. Q.—WHAT IS CONSTRUCTIVE PLACEMENT?

A.—Demurrage Tariff requires notice of constructive placement, in writing, be sent or given on cars withheld from placement on other-than-public delivery track. EXAMPLES—when notice of constructive placement should be sent:

1. Track fully occupied with other cars either loading or unloading.

2. Spot to which car ordered placed, occupied by other car.

3. Track or spot to which car ordered placed, occupied by trucks, cars, material, or other obstruction on track preventing placement.

4. Where consignor or consignee directs placement, or spotting of cars, for loading or unloading, as desired after arrival.

5. Closed or locked doors, or gates, prevent entrance to plant premises to place or pull cars, during regular switching hours.

6. When switching line received notice from line-haul carrier of cars held account consignee's inability to receive cars.

7. Cars are held short of destination, because consignee is unable to receive cars on other than Public-Delivery track.

(Agent at hold point, or in possession of waybills, must immediately notify destination Agent—initials and numbers of cars so held and destination Agent must promptly issue constructive placement notices.)

15. Q.—WHEN IS AN INBOUND CAR CONSIDERED CONSTRUCTIVELY PLACED WITHOUT WRITTEN OR PHONE NOTICE?

A.—When placed on the private spur track of the consignee, but cannot be placed in an accessible place to unload from any cause attributable to the consignee.

16. Q.—WHAT IS THE "AVERAGE AGREEMENT" ARRANGEMENT?

A.—Patrons are privileged to have detention to cars computed under an optional arrangement called an "Average Agreement Plan". This is a monthly arrangement on a debit and credit basis which is intended as an incentive for more prompt release of cars. Credits are given for cars loaded or unloaded within the first twenty-four (24) hours of free time and debits on cars when held beyond the free time. At the end of the month, debits and credits are balanced in line with the ICC Formula to compute the Demurrage Bill.

### SPECIAL DEMURRAGE

1. Q.—WHAT DETERMINES A SPECIAL DEMURRAGE SHIPMENT?

A.—A shipment moving under a rate item making reference to special demurrage rules and charges.

2. Q.—HOW DOES SPECIAL DEMURRAGE SHIPMENTS DIFFER FROM REGULAR DEMURRAGE WHEN THE CONSIGNEE OR CONSIGNOR IS AN AVERAGE AGREEMENT SUBSCRIBER?

A.—Average agreement does not apply on special demurrage shipments. Charges are on an individual car basis.

3. Q.—WHAT FREE TIME IS ALLOWED, AS

A GENERAL RULE, FOR SPECIAL DEMURRAGE SHIPMENTS?

A.—24 hours.

4. Q.—A GENERAL DESCRIPTION REGARDING THE PURPOSE OF SPECIAL DEMURRAGE?

A.—In recent years, rail carriers have made large investments in newly developed equipment particularly freight cars with increased capacities and lower freight damage potential. When considering new transportation rates, equipment investment becomes a paramount factor to determine reasonable rates and a fair return on investment. To meet competition, carriers inaugurated a program of lower rates coupled with high volume loading with provisions that the equipment would be fully utilized. To assure proper utilization, it was necessary to curtail liberal detention privileges by use of "Special Demurrage" applying only in connection with freight rates, making specific reference thereto.

Refer to PCDB Advice Circulars, Individual Rate Items, and Special Demurrage Items for specific information on this.

5. Q.—WHAT IS MEANT BY THE TERM INTERSTATE SHIPMENTS?

A.—Traffic moving from a point in one state to a point in another state; between points in the same state but passing within or through another state en route, and between points in the United States and foreign countries.

6. Q.—WHAT IS MEANT BY THE TERM "INTRASTATE SHIPMENTS?"

A.—Any shipment wholly within one state.

7. Q.—WHAT IS MEANT BY THE TERM "DOMESTIC SHIPMENT"?

A.—Any shipments, except freight for Ocean Movements.

8. Q.—WHAT IS MEANT BY "CAR ORDER"?

A.—An order or request for a car to load by a shipper for a certain date.

9. Q.—WHAT IS MEANT BY THE TERM "APPROPRIATED CAR"?

A.—Any car which the shipper has by some means utilized for loading without placing a car order for same.

10. Q.—IF THERE IS A CHARGE, WHEN SHOULD A BILL BE ISSUED ON A SPECIAL DEMURRAGE SHIPMENT?

A.—As soon as possible after the car is released (within 48 hours.)

11. Q.—WHAT RULES COVER A CAR CONTAINING IMPORT FREIGHT?

A.—General rules, same as domestic shipments.

12. Q.—WHEN DOES DEMURRAGE APPLY TO A LEASED CAR?

A.—When held off spot on railroad tracks.

13. Q.—WHAT IS A FOREMAN'S WORK LIST, FORM 16, USED FOR IN DEMURRAGE?

A.—To show actual placement location, date and time.

14. Q.—WHAT IS THE FREE TIME ON CARS ORDERED AND NOT USED?

A.—None.

15. Q.—WHAT IS THE FREE TIME FOR CARS HELD FOR DIVERSION OR RECONSIGNMENT?

A.—24 hours.

16. Q.—WHAT IS THE FREE TIME FOR CARS HELD FOR EXPORT CONTAINING GENERAL COMMODITIES?

A.—Varies—refer to latest orders.

17. Q.—HOW IS THE DEMURRAGE TIME SHOWN ON CARS LOADED AT ONE INDUSTRY AND SWITCHED TO ANOTHER INDUSTRY AT THE SAME STATION FOR UNLOADING?

A.—Show the loading and unloading movements separately.

18. Q.—WHAT IS MEANT BY THE “TWO-FOR-ONE” RULE?

A.—When, through no fault of the consignor or consignee,

1. the lading of a car is transferred by a railroad into two or more cars

2. when two or more small cars are furnished by a railroad in lieu of one large car ordered by the shipper and freight charges are computed on the basis of one carload shipment. (Demurrage rules will be applied as for one car only as long as any of such cars are detained.)

19. Q.—WHAT IS THE FREE TIME ALLOWANCE ON A CAR UNDER FREIGHT DEMURRAGE RULES WHICH HAVE STOPPED TO A PARTLY UNLOAD?

A.—48 hours, same as a completely unloaded car.

20. Q.—WHAT IS THE FREE TIME ALLOWED ON A PRIVATE CAR, LOADED ON A PRIVATE TRACK AND SWITCHED FROM THE PRIVATE TRACK AND HELD IN THE RAILROAD YARD FOR FORWARDING INSTRUCTIONS?

A.—None after 1st, 7:00 a.m. (If received before 4:00 p.m.)

21. Q.—WHAT IS AN INDUSTRIAL INTERCHANGE TRACK?

A.—The interchange track of a company doing the switching for themselves.

## SWITCHING

1. Q. WHAT IS INTRA-PLANT SWITCHING?

A.—Intra-plant switch is the movement from one point to another point within the same plant or industry. All requests for intra plant switching moves shall be furnished in writing by the industry at time of movement.

2. Q.—ARE ALL INTRA-PLANT SWITCHES CHARGEABLE?

A.—No.

3. Q.—IF A LOADED CAR IS PLACED FOR UNLOADING AT ONE SPOT, THEN IS SWITCHED TO ANOTHER SPOT FOR RELOADING, IS THIS INTRA-PLANT?

A.—No, as this is first placement of empty car.

4. Q.—IF AN OWNER'S EMPTY CAR IS PLACED AT AN INDUSTRY AND THEN ORDERED TO A REPAIR, CLEANING, STORAGE, OR HOLD TRACK AT THAT INDUSTRY, AND MOVED TO A LOADING TRACK OR RACK, IS THIS AN INTRA-PLANT SWITCH?

A. Yes, but not a chargeable one.

5. Q. IS THE MOVEMENT OF A LOADED CAR FROM THE LOADING DOCK OR PLATFORM TO THE STORAGE OR HOLD TRACK WITHIN THE PLANT A CHARGEABLE SWITCH?

A.—Yes.

6. Q.—WHAT MUST BE DONE TO ACCOMPLISH AN INTRA-PLANT SWITCH?

A.—No intra-plant switch, either chargeable or not chargeable, should be made without written request properly signed by the industry and the railroad conductor accepting orders, showing date and time cars were spotted or pulled, engine number, and conductor's signature. On completion of tour of duty these orders should be turned over to the agent of station serving the industry.

7. Q.—WHAT IS A TERMINAL SWITCH?

A.—A car received from an industry on our line for delivery within the switching district in which loaded, to a foreign connection for line haul movement or a car received from a connecting line on which it received a line haul for delivery to an industry on our line within the switching district of the point of delivery.

8. Q.—WHAT IS MEANT BY LINE HAUL?

A.—A line haul is any transportation service performed by carrier over its rails between two points on its line, that is not switching service.

A railroad handling cars in joint line haul (interline) service receives a percentage or division of the through rate (or freight charges) applicable to the shipment involved.

9. Q.—DO WE HAVE TO PAY CAR HIRE ON CARS HANDLED IN TERMINAL SWITCHING SERVICE?

A.—Yes.

10. Q.—HOW CAN WE PROTECT OURSELVES FOR THE CAR HIRE ON CARS HANDLED IN TERMINAL SWITCHING SERVICE?

A.—By a terminal switching reclaim under the provisions of Car Hire Rule 5.

11. Q.—WHAT PROCEDURE IS NECESSARY UNDER CAR HIRE RULE 5 TO PROTECT OURSELVES FOR THE CAR HIRE IN SUCH INSTANCES?

A. Responsible forces must fill out the prescribed reclaim form presenting same to the connection road haul carrier to have our line reimbursed for the per diem accrued.

12. Q. WHAT IS LOCAL SWITCHING? (INTRA-TERMINAL SWITCHING)

A. Local switching is a movement (other than intra-plant) of a car from one industry or location on our line to another industry or location on our line within the same switching district.

13. Q. WHAT IS INTER-TERMINAL SWITCHING?

A. Car moved from a track on our line to an industry or track on a connection line within the same switching district.

14. Q. WHAT IS CROSSTOWN MOVE?

A. Same as Inter-Terminal Switch.

15. Q. WHAT IS INTERMEDIATE SWITCHING? (TRANSFER SWITCHING)

A. Intermediate switching is moving a car from one railroad via our line to another railroad.

16. Q. WHAT IS MEANT BY INTERLINE MOVE?

A. When two or more railroads are involved in the movement of a car.

17. Q. WHAT IS THE USE AND PURPOSE OF FORMS 434037 AND 434038?

A.—The switch list prepared by the agent for the yard conductor to move cars for placement

at the industry designated. Yard conductor should show date, time cars were spotted, engine number, and upon completion of the work, sign and turn list over to the agent of station serving the industry. On cars released for movement out of the industry, yard conductor should require a switch list, signed by the representative of the industry, showing load or empty. After work has been completed he should date, sign and turn list over to agent of station serving the industry.

18. Q.—WHAT REVENUE DOES THE WESTERN PACIFIC DERIVE FROM THE VARIOUS TYPES OF SWITCH MOVEMENTS LISTED ABOVE?

A.—The specific switching charges vary depending upon location and type of service performed.