

## **Car Hire/Liability Continuity System**

### **How does DDCT LCS work?**

When an incident is created, the Liability Continuity System (LCS) turns off and DDCT LCS turns on and starts evaluating the equipment. DDCT LCS will move car hire liability to and from the equipment owner's account by using DDCT special road marks (DSP8, DSP7, DVR7, SHP8, SHP8, DEAD) under Car Hire Rule 7 and 8. The DDCT special road marks go in the "To Road" or "From Road" fields in the TRAIN6x message.

### **When a car is marked as On Hand at a shop, does the car go into the shop's account?**

DDCT LCS places the car in the equipment owner's account if it is not already there.

### **How do repairs that are marked complete at the designated shop affect car hire?**

When repairs are marked complete, an End State status is placed on the car and normal LCS processing resumes.

### **What happens when equipment is moving or is reported under haulage when the equipment is entered into DDCT?**

Below are haulage terms that will help you understand various scenarios:

Haulage Road: The railroad that is actually moving the car

Liable Road: The railroad that is liable for car hire

Two-road haulage: Two roads are involved. The "to road" is moving the car, and the "from road" remains car hire liable. Events are masked as "from road"

Three-road haulage: Three roads are involved. The "to road" is masked to the liable road and the original "to road" is moving the car. Events are masked as "liable road."

For example,

- If a car is under haulage when it is damaged, the haulage is ended and "F" message is sent. A GAP record is created to place liability with the damaging carrier, if needed. The possession check will allow any road that had possession of a car on the incident date to create the incident. If no events are found for the incident date, the previous day will be used until an event is found. When a car is under haulage, only the haulage road will be able to enter the incident if only movement events are shown for the incident date. If interchanges are reported on the incident date, each road that had possession of the car could open the incident.
- The haulage road will be car hire liable if liability needs to be given back to a carrier. For example, 720 hours has been hit and car hire needs to come out of the owner's account.

Scenario: A car is moving under haulage and an incident is created:

**Example 1**

LCS Activity:

1/1/2010 DERF → XX - Interchange is reported as two-road haulage, E message sent for haulage start

1/2/2010 DERF - Movement event reported by XX masked to DERF

1/3/2010 DERF - Movement event reported by XX masked to DERF

1/4/2010 DERF - Movement event reported by XX masked to DERF

DDCT Activity:

1/4/2010 - DDCT incident identified with incident date 1/1/2010

- DERF or XX may open the incident

**Example 2**

LCS Activity:

1/1/2010 DERF → XX - Interchange is reported as two-road haulage, E message sent for haulage start

1/2/2010 DERF - Movement event reported by XX masked to DERF

1/3/2010 DERF - Movement event reported by XX masked to DERF

1/4/2010 DERF - Movement event reported by XX masked to DERF

DDCT Activity:

1/4/2010 - DDCT incident identified with incident date 1/3/2010

- DERF may not open the incident

LCS Activity:

1/5/2010 DERF → XX - Gap created to end haulage and place car hire into XX's account. F message sent to show haul end

1/5/2010 XX → XX - XX opens incident

***Scenario:** An incident has been created. The car is moving to the shop for repairs, and an interchange is reported under haulage:*

Two-Road Haulage:

Car hire is in the account of the damaging carrier (for this example DERF is the damaging carrier)

ABCD → YY - Car is moving to the Shop and interchanged under haulage

YY → DSP7 - Gap is created because car has been interchanged from damaging carrier

- 720 hours since interchange

DSP7 → YY - Car hire goes back into the account of the haulage road

Three-Road Haulage:

Car hire is in the account of the damaging carrier (for this example ABCD is the damaging carrier)

DERF → ZZZZ - Interchange reported with XX as the liable road, this is how it was originally reported

DERF → XX - Interchange is masked due to haulage, the car is moving to Shop and is interchanged under haulage

XX → ZZZZ - Gap created for continuity and to allow car hire to go haulage road if 720 hours are reached

ZZZZ → DSP7 - Gap is created because car has been interchanged from damaging carrier

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| - 720 hours since interchange

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DSP7 → ZZZZ - Car hire goes back into the account of the haulage road

**How does DDCT LCS handle the delivery to a shop when the shop is full and they do not respond to DDCT that the shop has the equipment?**

Equipment will be considered on hand at the shop by one of two actions.

1. The equipment is reported on-hand through DDCT
2. The equipment is reported interchanged to "SHOP" through the ER  
XXXX → SHOP

DDCT LCS will place the equipment into the account of SHP7, SHP8 on whichever action occurs first. If both actions occur within 120 hours, DDCT LCS will use the DDCT reporting. If outside 120 hours and a reporting has already occurred (Equipment Repository reporting or reported through DDCT), the second reporting will be ignored.

**What happens to current LCS messages where there is a hard interchange from SHOP?**

If repairs are reported as complete, and the interchange is reported out of the SHOP, LCS has been flagged to evaluate the car due to the repairs being marked complete. LCS will evaluate the interchange reported out of SHOP and create the appropriate Gap records for continuity. If repairs are not reported complete and the interchange is reported out of shop, DDCT LCS will remain active and car hire will remain with the equipment owner. Car hire will move from SHP7/SHP8 to DSP7/DSP8 because the car is moving to another shop for additional repairs.

**Does DDCT LCS follow the same schedule as LCS?**

Yes. DDCT LCS runs after LCS runs and will continue to age events for 120 hours before evaluation.

**Normally a reclaim is allowed for "to" and "from" shop. How does the handling carrier get money back if the system states that the car is complete but they haven't notified the railroad that they are getting liability?**

If repairs are marked complete, DDCT LCS will be flagged to turn off and LCS will resume evaluating the equipment. Car hire will remain in the account of the equipment owner until LCS decides that car hire needs to be changed. This can happen by three consecutive events or an interchange being reported. LCS will create the appropriate Gap record for continuity.

**What is the SPLC code for Gap records created by DDCT LCS?**

DDCT LCS will create Gap records with SPLCs of all 9s, as is done with non-DDCT Gap records when the SPLC cannot be determined.

**What happens if a car is in haulage and the DDCT incident is generated? In this case, Road B is hauling for Road A so LCS states that the car is in B's account. However, Road A reports the incident. What does DDCT do with the LCS messages?**

It depends on the scenario. For example, for Rule 107 a car is moving under haulage and an incident is entered in to DDCT. The haulage is ended and the LCS code of "F" is sent to indicate that haulage has ended and car hire will be placed into the account of the damaging carrier. If haulage is reported after the incident has been created, then the haulage will remain active for tracing purposes. DDCT LCS will look at the haulage interchange as an interchange and not a movement event. Car Hire move into the account of the owner using one of the special DDCT road marks. If 720 hours passes before the car is interchanged to another railroad or reported at SHOP, then car hire will move into the haulage road's account.

**How is disposition handled when a car is released from the shop? How is the handling carrier supposed to get this money back if the system states that the car is complete but they haven't notified the railroad that they are getting liability?**

When the car is marked as Repairs Complete, car hire will remain in the owners account (SHP7,SHP8) until there is an interchange reported to a carrier. At that time, a GAP would be created SHP7 → SHOP and the SHOP → Carrier. If the interchange out of SHOP is reported without a Repairs Complete action from DDCT, then it is assumed that the car is going to another SHOP for additional repairs and car hire will move from (SHP7,SHP8) to (DSP7,DSP8). Once repairs are marked complete, LCS will turn on and create GAP records to place car hire with the carrier moving the car.

**When disposition for a Rule 107 incident is provided and settlement is offered and accepted, at when is car hire turned off?**

When settlement is accepted in DDCT, a message goes to LCS and the car is put in 'Dead' status. This turns off LCS/DDCT LCS evaluation for the equipment. The equipment will need to be added back to the Umler® system for LCS evaluation to be turned back on.

**How can someone find out more about DDCT and how car hire is impacted?**

See the [Car Hire for DDCT presentation](#) for additional information. The [TRAIN II Manual](#) also has a DDCT section. The Car Hire Rules 7 and 8 are available in the [OT-10](#) Circular.

**We have an agent mechanical on our line. They handle car hire and are wondering how car hire implications will be handled at that point. Does the car hire stay in the handling line carrier's account until the car is interchanged back to the mainline? If the agent mechanical is not able to fix the car on our R.I.P. track, and subsequently calls it into their shop, what effect does that have on the car hire when we interchange it to shop?**

It depends on the rule (Rule 1, 108, 95, 107) that the incident is entered under. If it is a Rule 107, car hire remains with the damaging carrier on incident creation. If it is a Rule 108 incident, car hire remains with the handling carrier until DV/Dispo has been requested. At that point we move car hire to the owner. An intermediate carrier will have 720 hours of relief. If the car is not interchanged to another carrier or reported to a SHOP, car hire is assigned to the handling carrier. When the car is reported on-hand at the shop by the repair shop or if the car is interchanged to SHOP, car hire will be in the account of the owner (SHP7/8).

**When a heavy bad order is entered into the DDCT, but the car isn't interchanged to SHOP until a few days later, what happens with the car hire? Does the entry into DDCT create the LCS record(s) that put the car hire into the car owner's responsibility or is it the actual interchange to shop?**

For Rule 108, car hire is placed into the owners account once the DV/Dispo has been requested through DDCT. If it takes longer than 720 hours to get the car to interchange or to the shop, car hire will move back to the handling carrier.

**According to DDCT documentation, LCS transfers car hire responsibility to mark owner by interchanging the car to special road mark DSP7 or DSP8. Is that what we are supposed to use instead of SHOP or is that what LCS creates in the records?**

DDCT LCS will use new special road marks to show that equipment is in the owners' account. These new special road marks should not be reported to Railinc and the Equipment Repository. If equipment is reported interchanged to SHOP, then DDCT LCS will evaluate the interchange and move car hire into the owner's account if it is not already in the owner's account. Using SHP7/8 to show the car at shop enables you to report interchanges to SHOP.

**Does car hire responsibility go back to the handling carrier if a car is removed from a Rule 1 incident?**

If a car is removed and there are no additional open incidents, LCS will evaluate the events and determine car hire responsibility. This will likely be the handling carrier.

**When a car is restencilled, how does LCS handle the old and new car?**

Currently, LCS drops the old car and DDCT LCS processing stops. The new car begins analysis by LCS after the first three moves/events that are reported to the Railinc Event Repository.

**What happens when a car is marked as being dismantled and interchanged to a shop?**

When car is marked as being dismantled, LCS processing stops and the car is marked Dead.

**Does a request for disposition stop the car hire for cars being handled under Rule 107?**

In the case of Rule 107, the damaging carrier gets no car hire relief until the car is interchanged to another carrier or to a SHOP, unless:

1. If the settlement for the car is accepted and the car is to be dismantled, car hire will be moved into the owners account. CSXT → DSP7 will be the LCS gap record created and sent as a TRAIN message. The system will then move the car to DEAD, DSP7 → DEAD. This message will only be sent to the car owner as a TRAIN message. Once a car has been moved to DEAD, all events reported after will be marked as "X" for inactive and will not be used. The only way that the system can be turned on once a car goes to dead is to call Railinc and have the table updated.
2. The other time that the damaging carrier can receive car hire relief is when the DV/Dispo is requested. If the car owner takes longer than 15 days to provide DV/Dispo, car hire will be moved into the owners account, CSXT → DSP7. This will send a TRAIN message. When the owner provides DV/Dispo, then the car will move back in to the damaging carrier's account until settlement has been accepted or the car is interchanged to an intermediate carrier or to a SHOP

**Note:** In the case of Rule 1 and Rule 108 incidents, the car moves to the owner's account when DV/Dispo is requested.

**Note:** When there are multiple incidents open for the same car and there are multiple events for the car; DDCT will not send updates to LCS until the last reporting/last cycle is an End State.

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