# **ALASKA RAILROAD CORPORATION**



### **EXEMPT RATE MEMORANDUM NO. 2-Q**

(Cancels Exempt Rate Memorandum No. 2-P)

#### LOCAL CHARGES AND PROVISIONS

FOR

TRANSPORTATION OF FREIGHT, ALL KINDS (Except as Noted) IN TOFC/COFC SERVICE BETWEEN RAMP FACILITIES AT STATIONS SERVED BY ALASKA RAILROAD CORPORATION IN

### ALASKA

### SUBJECT TO CHANGE WITHOUT NOTICE

ISSUED: January 9, 2009

EFFECTIVE: February 1, 2009

**ISSUED BY:** 

Steve Silverstein Vice President, Markets, Sales & Service 327 W. Ship Creek Ave. Anchorage, AK 99501

#### **EXEMPT RATE MEMORANDUM NO. 2-Q**

RULES AND REGULATIONS - GENERAL	RULES AND CHARGES
ITEM 5	ITEM 110
METHOD OF CANCELLING ITEMS	GENERAL APPLICATION
METHOD OF CANCELLING ITEMS As this memorandum is supplemented, numbered items with letter suffixes cancel correspondingly numbered items in the original tariff or in a prior supplement. Letter suffixes cancels ltem 100-A cancels Item 100 and Item 200-B cancels Item 200-A in a prior supplement which in turn cancelled Item 200. TEM 100 TEM 100 This memorandum sets forth the terms and conditions under which ARR will provide transportation of trailers and containers between specifically named intermodal ramp locations. Except as otherwise stated in specific items, service includes loading to rail car and unloading from rail car at respectively designated ramps. The provisions of this memorandum shall be incorporated by shipper and ARR for any transportation provided under this memorandum, and shall also be incorporated in all certificates, receipts, and other documents described within this memorandum and the transportation documents executed by shipper and ARR for any transportation between the parties and any law relating to common carriers shall not apply. In the event the terms and conditions of such transportation documents conflict with those in this memorandum, the terms and conditions of such transportation documents conflict with those in this memorandum, the terms and conditions of such transportation documents conflict with those in this memorandum, the terms and conditions of this memorandum is held by a court or by any agency having or purporting to have jurisdiction over this memorandum or the shipper or ARR, to be unenforceable, such part, item, term or provision shall be considered severable from the rest of the memorandum.	GENERAL APPLICATION         The rules and charges in this memorandum apply to rail trailer-on-flatcar/container-on-flatcar (TOFC/COFC) transportation by rail of:         A. Any freight-laden highway truck, freight-laden trailer, or freight-laden semi trailer.         B. The freight-laden container portion of any highway truck, trailer, or semi trailer having a demountable chassis.         C. Any freight-laden multi-modal vehicle designed to operate both as a highway truck, trailer, or semi trailer and as a railcar.         D. Any freight-laden intermodal container comparable in dimensions to a highway truck, trailer, or semi trailer and designed to be transported by more than one mode of transportation.         E. Any of the foregoing types of equipment when empty and being transported incidental to its previous or subsequent use in TOFC/COFC service.         ITEM 120         Units must be furnished by shipper which are suitable for mechanical lifting and conform to AAR design specifications. ARR will not be responsible for damage caused by mechanical loading. Such units will be accepted at owner's risk.         ITEM 130         LOADING, BLOCKING & BRACING         Shipper shall ensure that lading of vehicles is properly distributed, secured and blocked to withstand the normal shock and vibration of rail transportation, and to permit safe movement by rail. When not so loaded, ARR may reject the shipment or arrange for reloading of the unit by an agent of and at the expense of the shipper.         Shipper shall ensure that shipments loaded to open top trailers are loaded, blocked, b

RULES AND CHARGES	RULES AND CHARGES
ITEM 140	ITEM 140 (Cont'd)
LOSS OR DAMAGE TO LADING	LOSS OR DAMAGE TO LADING
ARR shall only be liable for actual loss or damage as set forth in "49 USC 11706" for shipments made under this memorandum except for the following:	Claims shall be filed in writing within nine (9) months of delivery date or reasonable time for delivery, and shall include copy of shipping order (Bill of Lading), invoice, inspection report, or other proof, and paid freight bill. ARR will not accept claims for less than \$250.
ARR's liability shall not exceed \$50,000 per unit at charges named in, or otherwise governed by this memorandum. If shipment value exceeds \$50,000, consignor shall declare lading value and secure a special quote from ARR representative before tendering shipment. If consignor fails to comply, ARR's liability shall not exceed \$50,000. ARR's liability applies only to loss or damage while in ARR's control.	ITEM 145 [A] SHIPPING INSTRUCTIONS Proper shipping instructions are necessary for ARR to provide the correct transportation services and to invoice the appropriate rate. The Shipper is responsible for
If desired, consignor may request the ARR to provide a special quote for insurance on the declared value of TOFC/ COFC consignment over \$50,000 per unit. This request must be made at least five business days prior to shipment in writing.	providing complete and accurate information on the shipping instructions and all shipments must be tendered with complete shipping instructions. ARR requires receipt of shipping instructions prior to shipment acceptance at an ARR facility or prior to
By accepting this offer, consignor recognizes its options under "49 USC 10502(e)" to choose terms for liability and claims outlined in 49 USC 11706, and acknowledges that by accepting this contract, it has chosen to accept the rates and terms for liability outlined in this memorandum, as opposed to the full liability rates available in ARR's published tariffs. ARR is not liable for loss, damage or delay to lading caused by act or default of consignor, act of God, public enemy, authority of law, riots, strikes, vandalism, inherent nature of commodity, or occurring when shipment is not in ARR's possession. ARR shall not be liable for improper loading, blocking or bracing, securement, or lack of protective covering. Consignor is responsible for all damages, except that caused by ARR	dispatching empty equipment for ARR origin drayage. When delivering the equipment to an ARR facility, the drayman is required to provide the applicable: Shipper Intermodal facility destination Hazardous commodity declaration and Emergency Response Guide numbers When hazardous shipments are tendered to ARR all shipping instructions must be complete, including all the hazardous information or documentation, the actual hazardous commodity description and accurate applicable Emergency Response Guide numbers. Any type of FAK commodity description is prohibited for hazardous
negligence. ARR shall not be responsible for damages of any type resulting from delay in transportation of the shipment, unless otherwise specified. ARR shall not be liable until it takes actual possession, and ARR's liability shall cease when it tenders possession to another railroad, drayman, consignee or others for further handling. ARR will not be responsible for any damages considered special or consequential damages including but not limited to lost profits and alternate transportation costs, nor will	commodities. Shipments arriving at ARR facilities with incomplete, missing, or incorrect shipping instructions may be held at origin and or destination until complete and correct shipping instructions are provided to ARR. Detention and storage charges will be assessed at origin and /or destination for shipments that are delayed while shipping instructions are completed or corrected.
ARR be responsible for any damages caused by any act or omission of the shipper or consignee. Consignor shall indemnify ARR and assume all legal defense against any third-party claims for loss, damage, or injury including attorneys fees, for failure to comply with its obligations under this memorandum. (Continued in next column)	If shipment arrives at an ARR facility without proper shipping instructions/documentation the Shipper should send the required shipping instruction/documentation via e-mail or fax to an ARR Customer Service Representative. Shipper must e-mail or fax complete documentation to an ARR Customer Service Representative prior to departure of equipment from ARR Facility. If an ARR Customer Support Representative or other ARR personnel is involved in changing/completing the shipping instruction/ documentation a \$25.00, per document, charge will be assessed to the Shipper.

For explanation of Abbreviations and Reference Marks not explained herein, see last page of this tariff.

#### RULES AND CHARGES

#### ITEM 150

#### LOAD SPECIFICATION

Without prior approval, shipments may not exceed the following size and weight limitations:

Turpo	Minimums	Maximums				
Type of Unit	Length	Length	Width	Height	Gross Weight (lbs)	
o · T ''	20'	30'	8' 6"	13' 6"	55,000	
Semi Trailer	30' 1"	53'	8' 6"	13' 6"	65,000	
Intermodal	20'	30'	8' 6"	8' 6"	45,000	
Container	30' 1"	53'	8' 6"	8' 6"	55,000	

Subject to prior approval, shipments exceeding the above specifications, or which for any reason are unsuited for normal mechanical handling may be accepted and handled on a non-priority basis, subject to the following charges, which will be assessed separately and individually in addition to all other charges:

All weight exceeding allowable gross weight (\$ per 100 pounds): [I] \$2.57

NOTE: Units exceeding 72,000 pounds will not be accepted.

- B. Shipments not suitable for normal mechanical handling, but suitable for rail ramp loading may be accepted at an additional per unit charge of: [I] \$396.27
- C. Units of unusual size or dimension, or otherwise not suitable for vanlifter handling, but suitable for forklift handling may be accepted for shipment between Anchorage and Fairbanks, by prior arrangement only, at an additional per unit charge of: [I] \$198.13
- D. When shipments exceed the maximum dimensions named in this item, the otherwise applicable Base Rate will be increased by the following percentages:

Type of OverIncrement ofDimensionsOver DimensionsArbitrary Rate				
Length	1 foot or fraction thereof	10%		
Height	Height 1 foot or fraction thereof 10%			
Width1 foot or fraction thereof10%				
NOTE1 : Oversize arbitrary charges will be assessed separately and individually for each increment and each				

separately and individually for each increment and each type of Over Dimension, and in addition to all other charges.

NOTE 2 - An additional charge will be assessed when oversized shipments necessitate a "10 MPH" or "Walking Speed" restriction. The shipper must contact the ARR Marketing Department for rates. [A]

(Continued in next column)

#### **RULES AND CHARGES**

ITEM 150 (Cont'd)

#### LOAD SPECIFICATION

ARR reserves the right, in its sole discretion, to refuse any unit for transportation under this memorandum. Approval and acceptance of overweight or oversized units is at the sole discretion of ARR's appropriate personnel, and entirely dependent upon the unit and time-specific circumstances, including price agreement. Such acceptance and approval shall in no way be construed as universal nor imply any waiver of other charges, rules, or limitations.

For further information or to inquire regarding extraordinary service requirements, contact ARR's Marketing Department.

ITEM 160

#### ADDITIONAL CHARGES

Except where more specifically provided in individual rate agreements, when shipments in the possession of ARR are discovered to be overweight or oversize, or to contain commodities named in Item 170, the following provisions will govern:

- A. When non-compliance is discovered after the shipment has been accepted by ARR at origin or point of interchange, shipper will be given the opportunity to correct or reload the shipment. Consignor and/or consignee may not transfer lading from one vehicle to another on ARR premises without approval of ARR terminal manager.
- B. When non-compliance is discovered en route, notification will be given the shipper, requesting disposition of the shipment. If within 48 hours after notice is given, the shipper fails or refuses to furnish instructions, ARR may take whatever steps it deems appropriate to safely move the shipment to destination or return it to origin at consignor's expense.
- C. When non-compliance is discovered at destination, notice of the non-compliance will be given the shipper or consignee that additional charges are due.
- D. ARR will charge the following accessorial and service charges in addition to all other applicable charges. These charges must be paid in full as advance charges prior to release of unit to consignee:
  - 1. Loading, re-loading, storage, detention, weighing, permitting and added transportation charges.
  - Per unit service charge when non-compliance is discovered at:

Origin	[l] \$133.74
En Route	[I] \$396.27
Destination	[I] \$396.27

For explanation of Abbreviations and Reference Marks not explained herein, see last page of this tariff.

#### **EXEMPT RATE MEMORANDUM NO. 2-Q**

RULES AND CHARGES	RULES AND CHARGES
ITEM 170	ITEM 200
ARTICLES NOT ACCEPTED	STORAGE
Except where specifically provided, or in individual rate agreements or quotations, rates or charges will not apply when any of the following articles are included in the lading:	If consignee is unable to accept units after notification of their availability for delivery, storage charges will be assessed as follows:
<ul> <li>A. Articles of extraordinary value as described under Rule 3 of UFC.</li> </ul>	[I] \$44.58 (per unit per day, after free time has expired, for the first two days )
<ul> <li>B. Hazardous waste or substance as listed in Title 40 CFR 261.</li> </ul>	[I] \$76.78 (per unit per day thereafter)
C. Hazardous materials, in bulk.	Forty-eight hours free time will be allowed and computed from 7:00 AM of the next following regular week day after notification.
<ul> <li>D. Materials designated Class A or Class B explosives by U.S. Department of Transportation (DOT) Hazardous Materials Regulations, Title 49 CFR.</li> </ul>	The above named rates will also apply for detention of ARR owned chassis or units for pickup or delivery, except that time will be computed from the first 7:00 AM after
E. Iron or steel pipe or piling when loaded on open top containers or trailers.	placement.
NOTE: ARR reserves the right at its sole discretion to refuse to accept any articles other than those listed above.	Additional handling, pickup, delivery or redelivery services, or attempts will be charged at equipment and manpower rates named in this memorandum in addition to storage and detention charges.
ITEM 180	When empty units which have been tendered to ARR for return movement are picked up or otherwise diverted by
PAYMENT OF CHARGES	consignor before return movement is effected, storage rates named in this item will apply with no allowance for
ARR requires prior payment of charges for all services provided under the terms and conditions of this memorandum unless shipper receives credit approval from ARR's Accounting Department.	free time.
ITEM 190	
CLAIMS	
Claims for overpayment of freight charges must be filed in writing within one year from the date of original freight bill.	
For explanation of Abbreviations and Reference Marks	not explained herein, see last page of this tariff.

### EXEMPT RATE MEMORANDUM NO. 2-Q

TEM 210       ITEM 400         ARR will not provide service for protection of lading from next or cold or to overcome tendency of such freight to soperation. ARR will assume no tisk for loss or damage to lading caused by freezing, thawing, or deferioration.       Holiday - New Year's Day Memorial Day Last Monday in May May Memorial Day Last Monday in May May Memorial Day Last Monday in May Memorial Day Last Monday in May Memorial Day Last Monday in May Memorial Day Memorial Day Movember 12 (Last Monday in Caused by freezing, thawing, or deferioration.         Upon prior request and dependent upon availability of gaupment, ARR may fumish power for operation of 22-0vot electical units at additional charges as follows:       November 11         That May Mith assessed in Match 30       1 or more units [1] \$70.59       Holidays which fail on a Saturday or Sunday will be observed on the preceding Friday or the following per unit charges will be assessed in addition to all other charges:         first 24 hours (or part thereof)       [1] \$64.39         esch day thereafter (or part thereof)       [1] \$64.39         true action of a Special Fuel Charge Increase Supplement to Memo 2. will apply on rates published therein and on contracts and other agreements which are subject to Memo 2.         Item 300	RULES AND CHARGES	RULES AND CHARGES
ARR will not provide service for protection of lading from heat or cold or to overcome tendency of such freight to deteriorate or decay. Shipper must provide own mechanical protective service and assume responsibility for to goard assume no risk for loss or damage to lading caused by freezing, thawing, or deterioration.       Holiday - New Year's Day President's Day Independence Day July 4       Third Monday in February Last Monday in May Independence Day July 4         Upon prior request and dependent upon availability of equipment, ARR may furnish power for operation of 220-volt electrical units at additional charges as follows:       Veteran's Day November 11       First Monday in September 25         Image: The tot March 30 or more units [I] \$70.59       November 11       Fourth Thursday in November 25         In addition, if power service is furnished at destination yard, the following per unit charges:       Image: I	TEM 210	ITEM 400
heat or cold or to overcome tendency of such freight to deteriorate or decay. Shipper must provide own mechanical protective service and assume responsibility for ts operation. ARR will assume no risk for loss or damage to lading caused by freezing, thawing, or deterioration. Upon prior request and dependent upon availability of equipment, ARR may furnish power for operation of 220-volt electrical units at additional charges as follows: $\boxed{Date Volume Rate(per unit)}April 1 to September 15 each 1 or more units [I] $70.59each yearIn addition, if power service is furnished at destination yard,the following per unit charges will be assessed will beassessed in addition to all other charges:first 24 hours (or part thereof) [I] $64.39each day thereafter (or part thereof) [I] $67each day thereafter (or part$	PROTECTIVE SERVICE	DEFINITION OF TERMS
April 1 to September 15 each       1 or more units       [I] \$70.59         September 16 to March 30       1 or more units       [I] \$70.59         September 16 to March 30       1 or more units       [I] \$70.59         In addition, if power service is furnished at destination yard, the following per unit charges will be assessed will be assessed in addition to all other charges:       Area designated by ARR for handling intermodal trailers and containers         Shipper - Consigner, Consignee, Connecting carrier, or their agent       Shipper - Consigner, Consignee, Connecting carrier, or their agent         ITEM 300       FUEL SURCHARGE         Issuance of a Special Fuel Charge Increase Supplement to Memo 2 will apply on rates published herein and on contracts and other agreements which are subject to       Unit	heat or cold or to overcome tendency of such freight to deteriorate or decay. Shipper must provide own mechanical protective service and assume responsibility for ts operation. ARR will assume no risk for loss or damage to lading caused by freezing, thawing, or deterioration. Upon prior request and dependent upon availability of equipment, ARR may furnish power for operation of 220-volt electrical units at additional charges as follows:	President's Day Memorial Day Independence Day Columbus Day Veteran's Day Veteran's Day Third Monday in February Last Monday in May First Monday in September Second Monday in October Veteran's Day Thanksgiving Day November 11 November
Appint to september 16 back in the units is the units in the units in the units is the unit is the units		
In addition, if power service is furnished at destination yard, the following per unit charges will be assessed will be assessed in addition to all other charges:       Ramp - Area designated by ARR for handling intermodal trailers and containers         first 24 hours (or part thereof) [I] \$64.39 each day thereafter (or part thereof) [I] \$64.39       II] \$64.39         ITEM 300       FUEL SURCHARGE         Issuance of a Special Fuel Charge Increase Supplement to Memo 2 will apply on rates published herein and on contracts and other agreements which are subject to       Item agent	year     September 16 to March 30     1 or more units     [I] \$70.59	will be observed on the preceding Friday or the
ITEM 300     described in ITEM 110       FUEL SURCHARGE     Issuance of a Special Fuel Charge Increase Supplement to Memo 2 will apply on rates published herein and on contracts and other agreements which are subject to     described in ITEM 110	the following per unit charges will be assessed will be assessed in addition to all other charges: first 24 hours (or part thereof) [I] \$64.39	intermodal trailers and containers Shipper - Consignor, Consignee, Connecting carrier, or their agent
Issuance of a Special Fuel Charge Increase Supplement to Memo 2 will apply on rates published herein and on contracts and other agreements which are subject to	ITEM 300	
	ssuance of a Special Fuel Charge Increase Supplement to Memo 2 will apply on rates published herein and on contracts and other agreements which are subject to	

#### RULES AND CHARGES

# ITEM 500

#### ACCESSORIAL EQUIPMENT AND LABOR

The following charges for accessorial services will apply at equipment and labor rates where reference is made to this item or when additional services are performed which are not specifically covered in this memorandum. The furnishing of equipment and labor is dependent on availability. Time will be computed from the time of dispatch and will continue until return to point of dispatch.

When equipment is furnished, charges will be assessed separately for equipment and operator at applicable hourly rates. Equipment will not be furnished without operator.

Services provided for equipment and labor furnished will be assessed in increments of one-quarter hour.

#### EQUIPMENT CHARGES - OPERATOR (LABOR) NOT INCLUDED

(The Minimum Charge will be applicable rate for one quarter hour)

#### FORKLIFT

Capacity	3 Tons	15 Tons	Over 15 Tons
Rates per hour (\$)	65.17	97.89	130.32

#### VANLIFTER

Capacity	N/A
Rates per hour (\$)	195.49

#### CRANE

Capacity	20 Tons	Over 20 Tons
Rates per hour (\$)	97.89	137.10

#### LABOR CHARGES (\$ Per Hour)

(The Minimum Charge will be the applicable rate for one hour)

, , , , , , , , , , , , , , , , , , , ,				
Location	Straight Time	Overtime	Double Time	
Anchorage	56.02	83.44	104.97	
Fairbanks	60.15	90.23	120.01	

The Minimum Charge will be the applicable rate for one hour.

#### **RULES AND CHARGES**

# **ITEM 1000**

#### SPECIFIC LINE HAUL CHARGES

Bookings are subject to space availability for common carrier convenience. Rates named herein will apply on shipments booked and tendered to ARR under this Memorandum.

From	То	Volume per Year (NB)	Rate per Unit (\$)	Loaded Returns (\$)	Subject to Notes
Anchorage	Whittier	Any Quantity	575.84	575.84	2,3,4,5
Whittier	Anchorage	Any Quantity	575.84	575.84	2,3,4,5
Anchorage	Fairbanks	Any Quantity	671.19	331.88	1,2,3,4,5
Fairbanks	Anchorage	Any Quantity	671.19	671.19	1,2,3,4,5

Note 1: Commodity Exceptions:

The following rates are listed as "Commodity Exceptions" and supersede the above listed Fairbanks rates:

Specific Commodities, VIZ: Iron or Steel Pipe, Piling or Casing; Freight All Kinds, in loads exceeding maximum dimensions named in Item 150

Between	And	Volume	Rate	Loaded Returns	Subject to Notes
Anchorage	Fairbanks	Any Quantity	875.52	Not Available	2,3,4

Note 2: Rates do not apply on:

- (a) Commodities more specifically described elsewhere in this memorandum.
- (b) Shipments exceeding maximum dimensions named in Item 150.
- Note 3: Empty Returning Units:

Rates include return of empty units to ramp of origin, or positioning of empty units for subsequent loaded movement. Units authorized free return under provisions of this note must be tendered within 30 days of loaded movement or empty positioning. Substitution of like units will be allowed. No combination of inbound (return) loads and empty units shipped during any 30-day period may exceed the number of outbound loaded units shipped in the immediately preceding 30-day period.

#### Note 4: Dunnage Returned:

Rates includes return of unit containing dunnage of no more than 10,000 lbs. per unit to ramp of origin (subject to conditions in Note 3).

Note 5: Oversize Shipments:

Subject to Oversize Arbitrary charge (See Item 150)

For explanation of Abbreviations and Reference Marks not explained herein, see last page of this tariff.

ABB/ REF       EXPLANATION         AAR ARR       Association of American Railroads ARR       Alaska Railroad Corporation Code of Federal Regulations NOS       Not otherwise Specified STB         SUFface       Transportation Board STCC       Standard Transportation Commodity Code UFC         UFC       Uniform Freight Classification, UFC 6000- series         [A]       Addition/New         [C]       Change in wording resulting in neither an increase or decrease in charges         [D]       Cancel/Eliminated         [I]       Increase         [R]       Reduction/Decrease         %       Percent
ARRAlaska Railroad CorporationCFRCode of Federal RegulationsNOSNot otherwise SpecifiedSTBSurface Transportation BoardSTCCStandard Transportation Commodity CodeUFCUniform Freight Classification, UFC 6000- series[A]Addition/New[C]Change in wording resulting in neither an increase or decrease in charges[D]Cancel/Eliminated[I]Increase[R]Reduction/Decrease
[C]Change in wording resulting in neither an increase or decrease in charges[D]Cancel/Eliminated[I]Increase[R]Reduction/Decrease
% Percent