CHALLENGES

A premature deadline that ignores manufacturing capacity would create a shortage of tank cars to move materials critical to U.S. energy production and manufacturing.

- Most North American tank car manufacturing capacity is already reserved for planned repairs, maintenance, and replacement of other rail cars.
- Like other industries, rail car manufacturers have faced shortages of materials and workers.
- Building rail cars for specific commodities requires a fair amount of engineering design, regulatory approval, and manufacturing work, so it takes additional time for car manufacturers to switch over operations and ramp up production.

BACKGROUND

6 Production Facilities

Only 6 facilities in North America are authorized to manufacture new rail tank cars, while 23 facilities can modify existing tank cars to the DOT-117R100W standard.

One Year from Tank Car Order to Delivery

While it takes only about approximately 3-4 weeks to assemble a new tank car, it takes on average a full year from the actual order of a tank car to its final delivery. This accounts for lead times to secure raw materials (currently there is a 6 month lead time for steel); secure certified parts, design, etc.

Up to $170,000

A new DOT-117 tank costs $150,000 to $170,000.

INFORMATION BASED ON DATA FROM RAILWAY SUPPLY INSTITUTE

The Railway Supply Institute ("RSI") is the international trade association of the railway supply industry. RSI members collectively build more than ninety-five percent (95%) of all new railroad tank cars and own and supply for lease over seventy percent (70%) of railroad tank cars operating in North America.