

# Your Questions Answered

About the ALL Erection & Crane Rental Corp.  
Optional Undercarriage Recovery Cost (U.R.C.) Policy





This undercarriage insurance program offers you cost control, allowing your estimates to include repair costs *and* to assess repair costs to specific farm sites—even if the crane moved to different sites during the rental term.



*Thank you for your interest in the ALL Undercarriage Recovery Cost (U.R.C.) Policy. Because wind farm work is demanding, the terrain is rugged, and distances between work sites can be long, crawler cranes often exceed normal wear and tear to the undercarriages.*

*In all but a few cases, crane rental companies must make substantial repairs as soon as the cranes come off each rental period. The customer is responsible for any damage that exceeds what is considered normal wear and tear.*

**To help our customers estimate jobs more precisely, including these repair costs, ALL offers the optional Undercarriage Recovery Cost Policy.**

## ***A Monthly Premium Option for the Repair on Crawler Crane Undercarriages on Wind***

### **Q: Why the need for a U.R.C. policy for wind farm rentals?**

**A:** Wind farm work is demanding. The terrain is often rugged and distances between work sites can be long. Crawler cranes, which can be on a wind farm job site for up to three years or more, often travel much farther in 6 months than the average crawler will travel in its lifetime. When a crawler is on a wind farm project for extended periods, these factors can cause excessive wear and tear to the undercarriages. Repair costs can range from \$50,000 for a 100-ton crane to \$300,000 or more for a 440-ton crawler.

### **Q: How do I benefit from the U.R.C. policy?**

**A:** *This undercarriage insurance program offers you cost control. Now your estimates can include repair costs AND these repair costs can be assessed to specific farm sites—even if the crane moved to different sites during the rental term.*

You see, customers utilize the cranes for long periods of time (in some cases, three years or more) and sometimes move them to other projects. As some farm projects close, the cranes may be moved to another project. Once the project is completed, our customers want to close the books on that job. But as a rental customer, you are responsible for any excessive wear and tear to the undercarriage. ALL's usual practice—common to competitors as well—is to bill for the cost of the repairs upon return of the crane. Being assessed a repair bill many months after a project's close makes it difficult or impossible for our customers to, in turn, bill their customers for the repairs. The U.R.C. policy helps our customers estimate job costs better—sharing the cost of undercarriage damage across the duration of the rental term, but also from project to project.

### **Q: What does ALL get out of the U.R.C. policy?**

**A:** The truth is that the current method of billing repair costs can be a losing proposition for all concerned. These repair costs can range from \$50,000 for a 100-ton crane to \$300,000 or more for a 440-ton crawler. When some customers are unhappy with the large additional costs after the job has been closed, a dispute is aired, and we end up settling for less than the cost of the repairs. We lose money, and we also make a valued customer unhappy.

That is contrary to our belief that service is everything. It's that simple. Whether you're renting a crane or buying a television, you won't go back to the company if you aren't happy with the service. Our goal is to make you—and every customer—satisfied with their ALL experience.

## ***r of Excessive Wear and Tear d Farm Project Sites***



### **Q: How does the U.R.C. policy work?**

**A:** The projected total cost of the repairs is broken down into a fixed monthly premium that will be charged to the applicable job throughout the rental term. With this arrangement, you will know your cost up front, and you won't receive an undercarriage repair bill at the end of the rental term. The U.R.C. is an option; however, we will include the U.R.C. (stated as a monthly fee) with all wind farm quotes in case you are interested in the program.

*As part of a proactive maintenance program, customers must monitor hydraulic oil use for dissipating heat in the motor.* Heat guns will be supplied to any customer who chooses to purchase the U.R.C. plan. The heat guns will help you verify motor temperatures, and mandatory report forms will be supplied for recording when temperatures were checked. That way, when evidence of overheating is found, a cool-off period will be enforced that should dramatically reduce the incidence of burned-out motors. ALL technicians will train you to use the heat guns to monitor motor temperatures. Incidentally, this practice of utilizing heat guns has proven to reduce damage and associated costs to crane undercarriages on wind farms already.

### **Q: What if I choose not to purchase the U.R.C. policy?**

**A:** The U.R.C. policy is optional. All we ask is that you decline the program in writing when you receive your project quote.

### **Q: How can I determine whether I need this policy?**

**A:** This is not a one-size-fits-all policy and, if you don't need the U.R.C. based on your conditions and use plans, we will tell you. So what conditions are we talking about? It depends on several





factors, including but not limited to how long the crane will be on your job, the distances between your work sites, and whether the roads are hard or soft. The combination of these influences affect wear to the undercarriage.

One of our sales associates will be happy to come out to your job site and help you determine whether you could benefit from the convenience of the U.R.C. program. Again, using the program is entirely up to you.

### **Q: What repairs does the U.R.C. policy cover, and what does the package include?**

**A:** In working with our manufacturers and our service departments that perform the repairs, we have determined the typical covered elements of a repair/rebuild of the undercarriage:

- New intermediate roller assemblies including seals, shafts, and bushings
- Weld repair / re-machine side frame bores as required
- New front idler roller assembly including seals, shafts, and bushings
- New rub bars on side frames

In addition, the following items may be required on some rebuilds based on the wear:

- Re-manned output drive
- Re-manned input drive
- New or rebuilt drive tumbler included with the drives
- Two complete new sets of crawler pads

### **Q: How do I know the undercarriage is in good condition when I rent the crane? What if some damage already exists?**

**A:** Most components of the undercarriage are internal and can only be measured—literally—once the undercarriage is dismantled after failure. However, the widely accepted standard life of a crawler undercarriage, if used in normal conditions, is about 15-20 years. Soft ground and other factors common to wind farm environments shorten that life to just a few years. When the crawlers come off rent, our service department thoroughly goes over the machines to prepare them for re-rent. Any excess wear discovered at that time must be addressed before we re-rent our machines, and the cost of these repairs is assessed to the prior rental customer. To control these costs, the U.R.C. policy option has become a necessity for us.



**Q: How is “normal” wear and tear defined? When does it qualify as “excessive” wear and tear?**

**A:** Customers are responsible for the excessive wear and tear on machines based on 176 hours a month of service. “Normal” wear is based on how the crane is used. Crawlers are manufactured to crawl. They are not manufactured to crawl long distances or on soft ground. According to factory recommendations, all crawler cranes shall be worked and traveled on firm and level surfaces, preferably on crane mats. On wind farms, we appreciate that this often can’t be the case.

**Q: Why does ALL have this policy when other crane companies don’t?**

**A:** Actually, the U.R.C. plan was born out of customers’ requests for just such a program. Customers asked for a policy so they are able to control and easily manage their monthly equipment rental costs. The truth is, as an industry leader, we are stepping up. We have strong customer relationships in wind power, and we see this optional program as a way of protecting both our respected fleet and our loyal customers.

**Q: What does the U.R.C. policy cost?**

**A:** After performing an extensive analysis on the costs of rebuilding the undercarriages on our crawler cranes—working with manufacturers and our service departments that perform the repairs—we have established a fixed monthly amount per crane based on size of the crane.

Cranes from 80 to 199 tons = \$2,500/month

Cranes from 200 to 399 tons = \$4,000/month

Cranes 400 tons and over = \$7,000/month

**Q: What if the premiums I have paid during the rental term add up to more than the repairs actually cost?**

**A:** Insurance is designed to ensure peace of mind. ALL did NOT implement U.R.C. as a money maker but rather as a way of better managing very important customer relationships. The program is entirely optional, but the damage to crawlers coming off wind farm sites is also entirely real.

An ALL Family of Companies representative will gladly help you assess your real needs for the program based on your unique conditions. Then the choice is yours.



# **ALL**<sup>®</sup>

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