

WEEKLY RAIL REVIEW

For The Week Ending SAT, October 9, 2004

By Dave Mears

(NOTE: The expression "ffd" at the end of a news item represents "for further details" and suggests a reference for further related information.)

THE WEEK'S TOP NEWS (in chronological order):

(SUN) Japan marked the 40th anniversary of its Tokaido Shinkansen Line, more familiarly known as its "bullet train" service. When opened in 1964, the line, which operates 345 miles between Tokyo and Osaka, ran 60 trips a day at a maximum speed of 130mph. Today, the line operates 300 trips a day at a maximum speed of 170mph and last year had an average arrival and departure delay of only 6 seconds. (ffd: Japan Times)

(MON) Burlington Northern Santa Fe suffered an on-duty employee fatality. Geoffrey McIntyre, Age 57 with approximately 40 years service, was killed at the BNSF shops in Topeka, KS. A spokesman said that Mr. McIntyre, who was a machinist, was working on a rail press when a component struck him in the face, causing him to fall and hit his head on the shop's concrete flooring. (ffd: WIBW-13 News)

(MON) Norfolk Southern suffered an on-duty employee fatality. A Norfolk Southern spokesman said that the fatality occurred at the NS yard at Lucknow, west of the Harrisburg, PA. train station. The name and service of the deceased, as well as the circumstances of the accident, were not immediately available. (ffd: Harrisburg Patriot-News)

(MON) The U.S. Congress voted a further extension of the Transportation Equity Act,

TEA-21. This most recently extension is until May 31, 2005. The House and Senate have so far been unable to agree on and pass a new version of the multiyear, multibillion dollar transportation spending law. A spokesman for the American Public Transportation Association said that "it seemed more likely that TEA-21 reauthorization will be dealt with by the next Congress." (ffd: APTA, Railway Age)

(MON) Burlington Northern Santa Fe announced that it would close its Burlington, IA. shops by year's end. The shops, which have operated there in some form for 146 years, have had its workforce reduced to only 39 positions in recent years. A BNSF spokesman said that the affected employees would be offered transfers to BNSF's Galesburg, IL. shops. (ffd: Burlington Hawk Eye)

(MON) The Senate passed legislation aimed at further improving rail tank car safety. The new legislation would initiate a review of tank car inspections, begin development of design standards for pressurized tank cars and conduct further studies related to the safety of older tank cars. The legislation now goes to the House for consideration and debate. (ffd: wire services)

(MON) A Burlington Northern Santa Fe freight train derailed 36 cars near Nasmith, SD. A spokesman said that the train was a unit grain train enroute from Shelby, SD. to Kalama, WA. The spokesman added that there were no injuries in the derailment, the cause of which is still under investigation. (ffd: Golden Triangle News)

(TUE) Pennsylvania Governor Ed Rendell pledged to develop a plan to find needed funding for state transit agencies. "We are going to fashion a plan to send help," said Gov. Rendell. Philadelphia transit operator SEPTA and Pittsburgh transit operator PAT, both of which supplement their farebox revenue through special and not routing funding appropriations, have announced that they will have to significantly raise fares and curtail services if funding is not forthcoming to meet their projected budget deficits. (ffd: Philadelphia Inquirer)

(TUE) Burlington Northern Santa Fe announced completion of this year's portion of the railroad's ongoing project to double track its Transcon Line between Chicago, IL. and Los Angeles, CA. A BNSF spokesman said that approximately 33 miles of double track was added to the line this year and that approximately 60 more miles of double track are planned for next year. (ffd: BNSF Corp.)

(WED) CSX announced that it had signed an agreement with the State of Virginia to undertake approximately \$65 million in state-funded improvements to CSX's line between Richmond, VA. and Washington, DC. The agreement follows complaints made the previous week by Virginia state officials that CSX was continuing to delay the improvements, funding for which was appropriated by the state in 2000. In a letter to Governor Mark Warner, CSX CEO Michael Ward noted that the agreement "was the first of its kind for CSX and many of its terms and conditions have set a precedent that should make our business dealings easier in the future." (ffd: Richmond Times Dispatch)

(WED) Kansas City Southern announced that Mexico's Foreign Investment Commission had reversed its decision of the previous week and now endorses KCS's acquisition of Grupo TMM's ownership stake in Transportacion Ferroviaria Mexicana Railway. Approval from the commission is necessary for a company headquartered outside of Mexico to gain majority control of a Mexican company. KCS now has until June 15, 2005 to complete the purchase of TFM, which would then create an approximately 6,000-mile rail system running from the U.S. Midwest through Mexico. (ffd: Kansas City Star)

(WED) Connecticut Governor Jodi Rell debuted the first of 26 commuter rail cars recently acquired by the state second-hand from Virginia Railway Express. The cars, which will continue with VRE markings until sometime next year, cost the state approximately \$14 million. The cars will be used in the state's Shore Line service operating between New Haven and New London, which will in turn allow the return of 26 cars presently in that service to Metro North service operating between New York and New Haven. (ffd: Stamford Advocate)

(WED) New York City officials announced that the former New York Central High Line on Manhattan's west side would become an elevated city park. The line, which was last used for rail freight service in 1980, runs approximately 1-1/2 miles between the connection to Amtrak at 34th St. and Gansevoort St. in Manhattan's now-fashionable Meatpacking District. City officials said that the conversion would require approximately \$60 million to \$100 million in design and construction costs. Many plans have been proposed for the line over the last two decades, including one that would have turned the line into the world's longest swimming pool. (ffd: USA Today)

(WED) Canadian Pacific Railway officials announced that they would again run their traditional holiday trains, one in the U.S. and one in Canada. The trains, which are decorated with lights and displays, will tour 25 locations in the U.S. and 50 locations in Canada and include live stage shows. The U.S. train will start its journey on December 1 in Scranton, PA., concluding in Minot, ND. on December 16. (ffd: CPR Corp.)

(THU) Union Pacific suffered an on-duty employee fatality. Shawn Young, Age 31, was killed when a car he was walking alongside derailed and fell on him. Mr. Young had been a UP employee since last August. The accident occurred in Springfield, IL. (ffd: Springfield State Journal Register)

(THU) The Association of American Railroads and the American Short Line and Regional Railroad Association announced an expansion of the Rail Industry Agreement, which was established in 1998. A spokesman for these organizations said that, under the expanded agreement, so-called "paper barrier" provisions will be clarified, with intentions that include enabling a small railroad that purchases a line from a large railroad to interchange traffic with a third railroad. The spokesman added that the expansion will also make the Rail Industry Working Group a formal part of the agreement initiative. (ffd: AAR, Progressive Railroading)

(THU) Officials of Washington, DC.'s Metro subway system approved a \$236 million upgrade to the subway's electrical power distribution system. A Metro spokesman said that the upgrade would allow sufficient power to enable the operation of 8-car subway trains; Metro presently operates only 4 or 6-car length trains. The spokesman added that Metro hoped to lengthen about one-third of its trains to 8 cars by 2008, allow approximately 30,000 more riders during peak periods. (ffd: Washington Post)

(THU) The Association of American Railroads announced that it had chosen Virginia Tech's College of Engineering to host an affiliated laboratory for research in critical technical areas of railroading. An AAR spokesman said that it would provide Virginia Tech with an annual grant of \$200,000 to establish a railway technologies laboratory. AAR also supports affiliated labs at Texas A&M and the University of Illinois at Urbana-Champaign. (ffd: AAR)

(THU) Pennsylvania Transportation Secretary Allen Biehler announced \$7.8 million in state grants to fund several rail freight improvement projects in Pennsylvania. "These grants provide the capital necessary to maintain and expand rail freight operations in Pennsylvania," said Sec. Biehler. Included in the grants is \$500,000 to Norfolk Southern for engineering of a connecting track from its Lurgan Branch to its Port Road Secondary near Lemoyne, PA. (ffd: Railpace)

(FRI) The U.S. Department of Transportation announced a \$73.8 million federal grant for the New York City East Side Access Project. The project involves the design and construction of a new, alternative route for Long Island Rail Road commuter trains into a new terminal between the Grand Central complex, utilizing the 63rd St. tunnels constructed for LIRR trains several years ago. A USDOT spokesman said that this most recently grant brings the total federal funding for this project to \$155.3 million; approximately \$6 billion required for the project's completion. (ffd: USDOT)

(FRI) In an effort to assist the recovery of the Florida tourism industry, Amtrak announced a special 20 percent discount on all travel to Florida. An Amtrak spokesman said that Auto Train travel is included in the sale and that all trips must be made before October 28. (ffd: NARP)

STATS:

(THU) For the week ending October 2, U.S. carload rail traffic was up 0.9 percent from the comparable week last year, down 5.4 percent in the East, but up 6.0 percent in the West. Also for the week ending October 2, U.S. intermodal rail traffic was up 8.8 percent, Canadian carload rail traffic was up 8.5 percent and Canadian intermodal rail traffic was up 1.1 percent, all when ranked with the comparable week last year.

For the month of September, 2004, U.S. carload rail traffic was up 0.8 percent from September, 2003. This September versus last September, notable traffic increases included metallic ores up 17.5 percent, primary metal products up 13.2 percent and coal up 2.6 percent; notable traffic decreases included nonmetallic minerals down 21.3 percent and motor vehicles and equipment down 7.2 percent. Also for September, U.S. intermodal rail traffic was up 9.5 percent, Canadian carload rail traffic was up 3.1 percent, Canadian intermodal rail traffic was up 1.9 percent, Mexico's Transportacion Ferroviaria Mexicana's carload rail traffic was up 15.2 percent and TFM's intermodal rail traffic was up 21.9 percent, all when ranked with September last year.

For the period January 1 through September 30, U.S. carload rail traffic was up 3.0 percent, U.S. intermodal rail traffic was up 9.5 percent, Canadian carload rail traffic was up 8.1 percent, Canadian intermodal rail traffic was up 0.2 percent, TFM's carload rail traffic was up 2.3 percent and TFM's intermodal rail traffic was up 4.6 percent, all when ranked with the comparable period last year. (ffd: AAR)

ACQUISITIONS, ABANDONMENTS AND ALIKE:

(SUN) Texas Southwestern Railroad began operating Burlington Northern Santa Fe's former Carlsbad Subdivision, which SWRR is leasing from BNSF. The line runs between Loving Jct., NM. and Clovis, NM., totaling approximately 263 miles. (ffd: BNSF Corp.)

(THU) Burlington Northern Santa Fe agreed to grant Union Pacific trackage rights over BNSF's line between Mill Creek., OK. and Joe Jct., TX., totaling approximately 51 miles. The purpose of the trackage rights is to permit UP to move ballast trains for its maintenance-of-way projects. (ffd: STB)

(FRI) Illinois RailNet announced that it had purchased, from Burlington Northern Santa Fe, 2 rail lines totaling approximately 25 miles. The 2 lines are between Oregon, IL. and Mt. Morris, IL. and between Zearing, IL. and LaSalle, IL. (ffd: BNSF Corp.)

PERSONNEL CHANGES AND ALIKE:

(SUN) William "Bill" Schmidt passed away at Age 90. Mr. Schmidt began his railroad career on the Milwaukee Road in 1936 and was an editor of Railway Age from 1942 to 1956. Mr. Schmidt, who was also a well-known speaker on railroads, continued to work in the industry until 1989. (ffd: Railway Age)

(MON) The Association of American Railroads appointed Jeff Usher Senior Director-Business Services. Mr. Usher was previously a manager with the former Conrail and with Norfolk Southern. (ffd: AAR)

Rail services supplier Greenbrier Corporation appointed Benjamin Whitely Chairman. Mr. Whitely succeeds Alan James, who will continue to serve Greenbrier's board. (ffd: Railway Age)

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Weekly Rail Review is edited from public news sources and published weekly to the rail and transit industries and those interested in them. Send an e-mail to <<mailto:weeklyrailreview@aol.com>>weeklyrailreview@aol.com to receive it, with my compliments.

HAVE A SAFE AND PROSPEROUS WEEK,
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