

WEEKLY RAIL REVIEW

FOR THE WEEK ENDING SAT, FEBRUARY 12, 2005

BY DAVE MEARS

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

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

(MON) The Bush Administration released its proposed FY2006 budget. As reported in last week's WRR, the budget does not include any funding for Amtrak, but does include \$360 million for sustaining Northeast Corridor passenger and freight operations in the event of Amtrak's demise. Comments opposing the absence of Amtrak funding continued through the week. Amtrak President David Gunn called the proposed budget "irresponsible and a surprising disappointment," adding that the Bush Administration had "no plan for Amtrak other than bankruptcy." U.S. Senator Charles Schumer (D-NY.) said that the end of Amtrak would "shred the safety net we'll need in case – God forbid – our airspace is shut down again like it was after 9/11." The budget also excludes any funding for the Alaska Railroad and the Railroad Rehabilitation and Improvement Financing (RRIF) loan program. However, the budget does include \$2 billion in the form of unused tax credits for building a direct rail connection in New York City between Lower Manhattan and JFK Airport in Queens, a project favored by New York Governor George Pataki and budgeted as part of a \$20 billion federal program to help locales affected by the 9/11 terrorist attacks. (ffd: Progressive Railroading, Railway Age, Trains)

(MON) CSX filed with the U.S. Surface Transportation Board to overturn Washington, DC.'s new ordinance banning hazardous material shipments within 2 miles of the U.S. Capitol. The ordinance was passed by Washington's city council the previous week and is currently awaiting Mayor Anthony Williams's signature. In its filing, CSX stated that the ban is pre-empted by federal law regulating interstate rail transportation, adding that it would cause CSX great inefficiencies and hardship while creating little additional security. (ffd: AAR, Washington Post)

(MON) Amtrak resumed operation of its Surfliner passenger trains between Los Angeles, CA. and Santa Barbara. Service had been suspended due to the route having been severely damaged by torrential rains and mudslides in mid-January. An Amtrak spokesman said that Surfliner service further north to San Luis Obispo would resume on or about February 28, at which time Amtrak's "Coast Starlight" train would also resume operation between Los Angeles and Oakland. Also on Monday, Los Angeles commuter rail operator Metrolink resumed operation of its Ventura Line service north of Moorpark to Oxnard. (ffd: NARP, Trains)

(TUE) The U.S. Department of Transportation issued its "record of decision" of recommended mass transit projects. The list recommends new and ongoing projects endorsed for long-term federal funding commitments, also known as full funding grant agreements, and totals \$1.5 billion of the proposed FY2006 federal budget. Funding newly recommended includes \$390 million for New York City's East Side Access for the Long Island Rail Road, \$55 million for a 9.6 mile light serving Charlotte, NC. and \$55 million for Pittsburgh, PA.'s North Shore light-rail connector line. (ffd: Progressive Railroading, USDOT)

(TUE) Pennsylvania Governor Ed Rendell said that he would formally request the state's transportation planning agencies to divert \$85 million originally targeted for highway projects to state transit agencies. A spokesman for the largest Pennsylvania transit agency, Philadelphia's SEPTA, said that the change would forestall planned fare hikes, service cuts and layoffs until at least June. Said SEPTA board chairman Pat Deon, "I am very happy [and] we want to work...to come up with a more permanent fix." The planning agencies are expected to endorse the proposed funding diversions. (ffd: Philadelphia Inquirer)

(TUE) 2 men were arraigned in Kansas City, KS. county court charged with stealing copper wire used for controlling signals on BNSF's Transcon Line. The theft disrupted signal operation on the line the previous Saturday, forcing BNSF to manually dispatch and protect the line between Gardner and Wellsville, which totals approximately 45 trains daily. A BNSF spokesman said that approximately 600 feet of copper wire stolen early Saturday and then replaced, and then another 1200 feet of copper wire was stolen Saturday afternoon. The spokeman said that the second stolen section was replaced and normal signal operation resumed on the line by Saturday night. (ffd: Kansas City Star)

(TUE) Amtrak took delivery of 5 new Class MP15D switching locomotives. The locomotives will replace several existing Amtrak switch locomotives that are approximately 50 years old. Also for Amtrak, 10 new multi-level auto cars were routed to Progress Rail at DeCoursey, KY. for final fittings. The cars will begin replacing those presently in Auto Train service, which were acquired secondhand many years ago. (ffd: Railpace, NARP)

(TUE) Construction began on a new rail line crossing the Andes Mountains of South America. A spokesman for the Association of Latin American Railroads said that the line will run from the Ferrosur Roca's western terminus in Zapala, Argentina across the Andes to connections with Chilean railroads and Pacific ports. The spokesman added that the new line will initially cost \$49 million and will eventually total approximately 120 miles in length. (ffd: Progressive Railroadng)

(WED) A bipartisan group of congressman again introduced the Transportation Equity Act of the 21st Century, also known as TEA-21, to the U.S. House of Representatives. The proposed legislation reauthorizes the existing TEA-21 Act, which originally expired in 2003 and has since been extended 6 times. This latest proposal appropriates approximately \$284 billion for transportation projects over a 6-year period, including approximately \$53 billion for mass transit programs. The proposed amount is less than the \$375 billion earlier wanted by the House and the \$318 billion earlier wanted by the Senate, but is more than the \$256 billion supported by the Bush Administration in the reauthorization legislation that was introduced and subsequently died in the House last year. (ffd: Progressive Railroadng, Railway Age)

(WED) The U.S. Department of Transportation released an internal report stating that its Federal Railroad Administration needs to refocus its safety programs because "significant safety problems persist despite a significant increase in FRA enforcement." The 2-month old report, prepared by USDOT's Office of Inspector General, said that the FRA's approach to regulation, which stresses "partnership" over punishment, might be failing to fix the most persistent safety problems. The report went on to recommend that the FRA adopt safety programs that will "focus field inspection activities, assess when a partnership approach is no longer effective and more traditional enforcement is warranted....and include specific milestones for measuring progress." (ffd: New York Times, Railway Age)

(WED) New York City dedicated its new Whitehall Ferry Terminal, the Manhattan terminus for its Staten Island ferry service. The new facility, which was reconstructed over the past several years at a cost of \$201 million, includes a

new 75-foot-high entry hall and new connecting entryways to the South Ferry station of the Nos. 1 and 9 subway lines. A NYC spokesman said that a reconstructed facility at the other end of the ferry operation, at St. George on Staten Island, was expected to open by next spring. (ffd: New York Times)

(WED) BNSF opened its new centralized radio repair shop in Kansas City, KS. The new facility consolidates radio and related telecommunications repair that had previously been done at 20 different BNSF locations. A BNSF spokesman said that the new facility will perform repairs to BNSF's 3,500 end-of-train devices, 4,500 front-of-train devices, 30,000 handheld radios, 12,000 other mobile radios and 5,500 locomotive radios. (ffd: BNSF Corp.)

(WED) The Port of Los Angeles Harbor Commission announced that it had selected BNSF to codevelop and operate a new intermodal transfer yard to be located approximately 5 miles north of the port. A port spokesman said that the new yard, known as a near-dock facility, would receive containers from the port which would then be put on intermodal trains routed via the new Alameda Corridor rail line out of Los Angeles. The spokesman reminded that the Port of Los Angeles and the adjoining Port of Long Beach receive approximately 7 million containers annually. (ffd: Long Beach Telegram)

(WED) New Jersey public officials released a report urging the construction of a new twin rail tunnel under the Hudson River. The new twin tunnel would supplement 2 existing rail tunnels under the river currently operated by Amtrak, both of which are 95 years old this year. The report stated that the twin tunnel would immediately double rail capacity into and out of New York, meet New Jersey Transit's needs for at least 20 years, and help support New York and New Jersey development. "The tunnel will have national benefits and should be a federal priority," said U.S. Senator Frank Lautenberg (D-NJ.) The report estimated the cost of the twin tunnel at approximately \$5 billion. (ffd: New York Times, wire services)

(WED) France and Germany announced an agreement designed to expedite rail freight services between their 2 countries. Under the agreement, freight trains will no longer stop at the border to change locomotives and crews. Trains from France will run through to Cologne and Mannheim in Germany and trains from Germany will run through to Metz and Lyon in France. A spokesman for the state railroads of both countries said that the new agreement will cut transit time several hours. The spokesman added that necessary operational changes include requiring crews of one country to be fluent in the technical aspects of language of the other country, as well as being qualified on each state railroad's operating characteristics. (ffd: International Herald Tribune)

(THU) Union Pacific announced a series of rate increases for selected shipments to and from some Arizona locations. The rates, which take effect March 1, are designed to reduce demand and thereby help reduce congestion on UP at and through Arizona. A UP spokesman said that "some of the [Arizona] shippers are getting way more cars than they have the ability to unload." UP has suffered congestion in and through Arizona the last several months, due mainly to capacity constraints, but also due to weather-related causes. (ffd: Bloomberg News)

(THU) The U.S. National Transportation Safety Board announced that it would hold a symposium to discuss positive train control technology. The meeting will be held March 2 and 3 at the NTSB Academy in Ashburn, VA. "The goal of this symposium is to reinvigorate the dialogue between industry and both state and federal agencies on the issues relevant to the implementation of positive train control systems," said NTSB Chairman Engleman Connors. PTC has been on the NTSB's "most wanted list" of transportation safety improvements since its inception in 1990. (ffd: NTSB)

(FRI) Railway Age Magazine announced the winners of its 2005 Short Line and Regional Railroads of the Year competition. The magazine declared the Cedar Rapids & Iowa City Railway as Short Line of the Year and the Red River Valley & Western Railroad as Regional of the Year. A magazine spokesman said that the Cedar Rapids & Iowa City was recognized "for exceptional achievements in productivity, safety and customer service" and that the Red River Valley & Western was recognized "for outstanding business achievements through Class I partnership, marketing, and customer service efforts." (ffd: Railway Age)

STATS:

(THU) For the week ending February 5, U.S. rail volume totaled 31.2 billion ton-miles, up 10.2 percent from the comparable week last year. U.S. carload rail traffic was up 9.0 percent, up 5.2 percent in the East and up 12.1 percent in the West. Notable increases included coke up 22.5 percent, metallic ores up 20.3 percent and coal up 14.0 percent; notable decreases included primary forest products down 12.7 percent and nonmetallic minerals down 8.9 percent. Also for the week ending February 5, U.S. intermodal rail traffic was up 9.9 percent, Canadian carload rail traffic was up 13.7 percent, Canadian intermodal rail traffic was up 4.4 percent, Mexico's Transportacion Ferroviaria Mexicana's carload rail traffic was up 16.6 percent and TFM's intermodal rail traffic was up 27.9 percent.

For the period January 1 through February 5, U.S. rail volume totaled 150.8 billion ton-miles, up 1.9 percent from the comparable period last year. Also for the period, U.S. carload rail traffic was up 1.1 percent, U.S. intermodal rail traffic was up 7.9 percent, Canadian carload rail traffic was up 2.7 percent, Canadian intermodal rail traffic was up 1.8 percent, TFM's carload rail traffic was up 6.2 percent and TFM's intermodal rail traffic was up 25.0 percent. (ffd: AAR)

MORE STATS:

(MON) The U.S. Federal Railroad Administration released preliminary safety statistics for the first 11 months of 2004. During this period, train accidents were down 1.0 percent, highway-rail crossing accidents were down 1.9 percent and trespasser accidents were down 8.9 percent, all when ranked with the comparable period in 2003. However, highway-rail crossing fatalities were up 12.6 percent. Trespasser fatalities were down 5.5 percent.

Also and for the Full Year 2004, no on-duty U.S. railroad maintenance-of-way employee or related engineering contractor was reported killed by a moving rail car, locomotive or piece of machinery. An FRA spokesman added that 2004 was the first year without such a fatality since the adoption of new rail roadway worker protection rules in 1997. (ffd: Progressive Railroading, Railway Age, USDOT)

ACQUISITIONS, ABANDONMENTS AND ALIKE:

(TUE) CSX granted Finger Lakes Railway overhead trackage rights over approximately 2 miles of CSX line in and near Auburn, NY. (ffd: STB)

(TUE) The U.S. Surface Transportation Board granted CN-Soo Line's earlier request to abandon approximately 5 miles of its West Allis Line between Milwaukee, WI. and Wauwatosa, WI. (ffd: STB)

PERSONNEL CHANGES AND ALIKE:

(MON) The Reading, Blue Mountain & Northern Railroad appointed Wayne Michel its President. Mr. Michel was most recently RBM&N's EVP and was earlier a marketing director with the former Conrail. (ffd: RBM&N Corp.)

(WED) U.S. Senator Trent Lott (R-MS.) was appointed chairman of the Senate Committee on Commerce, Science and Transportation's Surface Transportation and Merchant Marine Subcommittee. The subcommittee has responsibility for managing Senate legislation related to railroads and Amtrak, as well as automobiles, trucks, maritime and ports, driver safety, transportation of hazardous materials, pipelines and transportation research. (ffd: Railway Age)

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

HAVE A SAFE AND PROSPEROUS WEEK,

Dave Mears

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