

WEEKLY RAIL REVIEW

For the week ending SAT, February 14, 2004

By Dave Mears

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

(MON) Tower 17 was closed in Rosenberg, TX. The tower, which was believed to be the last manned interlocking tower operating in Texas, is located on the Union Pacific line between Houston, TX. and San Antonio, TX. The tower and its contents will be moved at a later date to the Rosenberg Railroad Museum. (ffd: Rosenberg Herald-Coaster)

(TUE) Amtrak released its proposed FY2005 budget totaling \$1.798 billion. Of that amount, \$570 million is for operations, \$791 million is for capital (of which \$352 million is for infrastructure and \$349 million is for equipment), \$262 million for debt service, \$75 million for working capital and \$100 million to repay the U.S. Department of Transportation's \$100 million loan. The budget contrasts with the Bush Administration's FY2005 budget proposal of \$900 million for Amtrak, which was announced on February 2. (ffd: NARP, Railway Age)

(WED) The Surface Transportation Policy Project released a policy paper entitled "The State of the Nation's Intercity Rail: Federal Investment Could Relieve Congestion and Improve Travel Choice." The paper reports on the worth of further national investment in intercity rail, stating that "...dedicated federal investment in the nation's rail infrastructure is critical to America's mobility and economic growth." The report may be viewed on the STPP's website, www.transact.org. (ffd: STB)

(WED) The American Short Line and Regional Railroad Association held its annual "Railroad Day On The Hill." The event brought together representatives of the nation's railroads, rail suppliers and customers for a day-long series of meetings with U.S. Representatives and Senators. The day concluded with the ASLRRA's annual legislative dinner and related entertainment. (ffd: ASLRRA)

(THU) The U.S. Senate passed the Safe, Accountable, Flexible, and Efficient Transportation Equity Act (SAFETEA) of 2003 to renew highway and transit programs last authorized by TEA-21. The act appropriates funding of \$255 billion for highways and \$56.5 billion for transit over a 6-year period. The act also authorizes \$350 million in capital grants for short lines and regional railroads, creates a "Build American Corporation" to issue transportation infrastructure bonds and includes language reauthorizing Amtrak. The act now goes to the U.S. House of Representatives for further debate. (ffd: NARP)

(THU) Canadian Pacific Railway declared a force majeure in effect on its grain shipping contracts, suspending any demurrage or other late penalties arising from the late delivery of cars loaded with grain or grain products. A CPR spokesman said that severe cold and blizzards in the Canadian Prairies, combined with avalanches that shut down its main line for several days, have made it impossible to maintain normal operations in recent weeks. (ffd: The Western Producer)

(THU) The Governor of New Mexico declared that a commuter rail line would be serving Albuquerque, NM. by 2005. Governor Bill Richardson said that the line, which would run between Belen, NM. through Albuquerque to Bernalillo, NM. already has \$30 million in state funding for startup and that New Mexico would seek an additional \$25 million in funding from the federal government. "The process to create a commuter rail line is well underway...we want to be a beachhead that says that rail works," said Gov. Richardson. (ffd: New Mexico Business Weekly)

(FRI) New Jersey Transit announced that it had reached agreement with the U.S. Coast Guard to restrict openings at Portal Drawbridge, which locates on the Amtrak Northeast Corridor near NJT's new Secaucus, NJ. station. An NJT spokesman said that the an unexpected increase in Hackensack River traffic has caused more bridge openings with resulting train delays, with 25 bridge openings delaying 93 trains in December, 2003 alone. The new agreement, which restricts rush hour openings, begins March 1 for an initial 90-day test period. (ffd: Middletown Times Herald-Record)

STATS:

(THU) For the week ending February 7, U.S. carload rail traffic was down 4.1 percent from the comparable week last year, down 2.9 percent in the East and down 5.1 percent in the West. This week this year versus this week last year, notable traffic increases included coke up 36.4 percent, nonmetallic minerals up 16.4 percent, and crushed stone, sand and gravel up 11.6 percent; notable traffic decreases included metallic ores down 14.5 percent, coal down 8.4 percent and motor vehicles and equipment down 7.6 percent. Also for the week ending February 7, U.S. intermodal rail traffic was up 7.2 percent, Canadian carload rail traffic was down 5.4 percent, Canadian intermodal rail traffic was up 1.8 percent, Mexico's Transportacion Ferroviaria Mexicana's carload rail traffic was up 0.5 percent and TFM's intermodal rail traffic was down 9.9 percent, all when ranked with the comparable week last year.

For the period January 1 through February 7, U.S. carload rail traffic was up 1.2 percent, U.S. intermodal rail traffic was up 5.8 percent, Canadian carload rail traffic was up 1.4 percent, Canadian intermodal rail traffic was down 1.3 percent, TFM's carload rail traffic was down 8.4 percent and TFM's intermodal rail traffic was down 18.6 percent, all when ranked with the comparable period last year. (ffd: AAR)

ACQUISITIONS, ABANDONMENTS AND ALIKE:

(MON) CSX filed to abandon approximately 9 miles of line between McNalley, KY. and East David, KY. (ffd: STB)

(TUE) The Hennepin County Regional Railroad Authority filed to abandon approximately 44 miles of line between Wayzata, MN. and Hutchinson, MN. (ffd: STB)

(TUE) Norfolk Southern filed to abandon approximately 4 miles of line between Bethlehem, PA. and Hellertown, PA. (ffd: STB)

(WED) Central Midland Railway filed to lease, from Missouri Central Railroad, and operate approximately 244 miles of line between Vigus, MO. and Pleasant Hill, MO. (ffd: STB)

(WED) Norfolk Southern filed to discontinue service over approximately 31 miles of line between Mansfield, IL. and Bloomington, IL. (ffd: STB)

(THU) The Pennsylvania & Southern Railway filed to operate approximately 25 miles of industrial track located inside the Cumberland Valley Business Park and the Letterkenny Army Depot, both in Chambersburg, PA. (ffd: STB)

(FRI) The Springfield Terminal Railway filed to abandon approximately 1 mile of the former Boston & Maine Tewksbury Branch in Middlesex, MA. (ffd: STB)

PERSONNEL CHANGES:

(WED) Shortline and terminal railroad operator OmniTrax appointed Carl Hollowell Western Region-VP-Operations. Mr. Hollowell was previously with RailAmerica. (ffd: OmniTrax Corp.)

* * *

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

HAVE A SAFE AND PROSPEROUS WEEK,
Dave Mears
Cherry Hill, New Jersey, USA