

WEEKLY RAIL REVIEW

FOR THE WEEK ENDING SAT, APRIL 16, 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) Union Pacific suffered an on-duty employee fatality. Anthony Peterson, Age 38 and a brakeman, was killed while switching cars in UP's Riverdale Yard in Riverdale, UT. A UP spokesman said that an initial investigation suggests that Mr. Peterson was riding the step of a moving car when he slipped and fell underneath it. Mr. Peterson had been with UP since last September. (ffd: Desert Morning News, Idaho State Journal)

(MON) The Toronto Transit Commission announced that it had reached tentative agreement with the union representing its approximately 8,400 transit workers. A TTC spokesman said that the agreement was reached approximately 12 hours before a union strike deadline. The spokesman added that the agreement includes a \$200 bonus in each year of the new 3-year contract, which also includes wage hikes and increased pension plan contributions. (ffd: Toronto Globe and Mail)

(TUE) BNSF issued a statement saying that it would sue the State of Montana if a bill tying the railroad's state property taxes to grain shipping rates became law. The bill, which passed the Montana House the previous week, follows a 2004 state study that found that BNSF charged Montana grain shippers higher rates than it charged grain shippers in states with more competitive shipping alternatives. However on Wednesday, BNSF announced that it would immediately reduce grain shipping rates out of Montana by 3 to 4 cents a bushel. A BNSF spokesman added that the rate reduction relates to a temporary change in the way the railroad calculates its fuel surcharge on grain shipments and that grain shippers in Minnesota, North Dakota and South Dakota would see a similar rate reduction beginning next year. (ffd: Great Falls Tribune)

(TUE) The U.S. Department of Homeland Security announced \$141.6 million in transit security grants. The grants will be provided through the Transit Security Grant Program. The largest regional grants will go to New York City area commuter rail and transit agencies, who will receive a total of \$37 million. Amtrak will receive approximately \$6.4 million, funded through the Intercity Passenger Rail Security Program, which a USDHS spokesman said will be used to improve security on the Northeast Corridor and at Chicago, IL's Union Station. (ffd: Progressive Railroading, Trains)

(TUE) In testimony before the Senate Commerce Committee, the nominee for Federal Railroad Administration Chief Administrator, Joseph Boardman, suggested that the Bush Administration's proposed zero funding for Amtrak for Fiscal Year 2006 might conditionally not occur. "If we can reform [Amtrak] and make the changes necessary to support passenger rail transportation, that will not occur," said Mr. Boardman, who is presently New York State's Transportation Commissioner. Mr. Boardman added that the zero funding proposal had brought needed attention to Amtrak's situation, "generating...a debate about the future." (ffd: wire services)

(TUE) Canadian National announced that it had reached a tentative agreement with the union representing locomotive engineers operating on the former Illinois Central portion of its system. A CN spokesman said that the new agreement maintains the hourly wage structure and work rules introduced with the current labor contract rather than returning to the mileage-based pay system of previous agreements. The spokesman added that CN is still negotiating with the union representing approximately 1,750 locomotive engineers operating trains in Canada and that both sides have agreed to hold off any job action until at least May 12. (ffd: JofC Online, wire services)

(TUE) Officials of CSX and the City of Baltimore, MD announced that they had put in place safety recommendations made by the National Transportation Safety Board for CSX's Howard Street tunnel. The recommendations follow a July 18, 2001 derailment and chemical fire in the tunnel, which burned for several days and forced the evacuation of portions of the city above and near the tunnel. A city spokesman said that implemented recommendations included providing better breathing equipment for emergency response personnel fighting tunnel fires and improved training. A city lawsuit is pending against CSX to recover approximately \$12 million in damages resulting from the accident. (ffd: WBAL)

(TUE) Seattle, WA's Metro Transit announced that it had developed an online calculator to figure out how much a person commuting by automobile could save by instead taking transit. A Metro spokesman said that the calculator, which was developed in conjunction with AAA Washington, factored in commuting miles, commuting days, cost of monthly parking, cost of gasoline and vehicle fuel efficiency in determining savings. The spokesman added that the calculator was available through the agency's website, transit.metrokc.gov. (ffd: Seattle times)

(TUE) Chinese officials said that construction of the nation's new rail line accessing Tibet was expected to be complete by the end of this year and that the line was expected to start service by July 1, 2006. The line will total approximately 700 miles in length, running between Xining, the capital of Qinghai Province, and Lhasa, the capital of Tibet. Construction, which began in 2001, has been a notable engineering challenge, with the line having to be built at high altitudes, on frozen earth and in extreme weather conditions. An earlier attempt to reach Tibet by rail began in 1958 and ended in 1984. (ffd: Peoples Daily)

(WED) A Union Pacific freight train rear-ended another Union Pacific freight train near Blairstown, IA. The accident derailed a total of 4 locomotives and 6 cars of the 2 trains, and injured 3 crewmembers, although all injuries were later determined to not be life-threatening. The accident occurred on UP's Clinton Subdivision near Blairstown, which locates approximately 30 miles west of Cedar Rapids, IA. (ffd: Des Moines Register, Trains)

(WED) The American Short Line and Regional Railroad Association announced its 2005 Marketing Award winners. This year's winners are the California Northern Railroad, which partnered with Apex Bulk Commodities, Owens Corning and Union Pacific to capture new pumice traffic; the Red River Valley & Western Railroad, which partnered with Burlington Northern Santa Fe to make improvements allowing its customers to utilize 286K-capacity cars and 110-car unit grain trains; and R.J. Corman Company, which partnered with Alcan and CSX to capture new steel ingot traffic moving between Berea, KY and Russellville, KY. Further details about each winner's achievements are available on the ASLRRRA website. (ffd: ASLRRRA)

(WED) The New Jersey Department of Transportation announced its proposed Fiscal Year 2006 Transportation Capital Program. Included in the plan, which totals \$2.7 billion in federal and state monies for New Jersey transportation

improvements, is \$1.1 billion proposed for New Jersey Transit. An NJT spokesman said that the plan includes funds to overhaul 148 Class Comet III and Comet IV commuter rail cars, replace 230 Class Arrow III commuter rail cars and undertake major improvements to NJT's Newark Broad Street, Metropark, South Amboy and Trenton stations. (ffd: NJDOT, Progressive Railroading)

(WED) Reno, NV. officials predicted that their 2.1-mile railroad trench project would be complete by this Thanksgiving. The trench lowers the Union Pacific main line through the city to below grade, eliminating downtown grade crossings. A city spokesman said that approximately 95 percent of the trench has now been dug and that approximately one-third of the concrete work is finished, with new railroad planned to be laid in the trench beginning in September. (ffd: Reno Gazette-Journal)

(WED) Canadian National announced that its carload customers may now obtain "virtually instantaneous" pricing via its website. A CN spokesman said that prices are available for all carload traffic moving from CN origins to all destinations on CN, to all destinations on CSX, and to some commodity-specific destinations on BNSF, Norfolk Southern and Union Pacific. A CN spokesman said that pricing to Canadian Pacific destinations was expected to be available by August, 2005. (ffd: CN Corp., Railway Age)

(THU) The Bush Administration formally submitted to Congress its proposed Amtrak reform legislation. The bill, which is similar to legislation proposed in 2003 and which died that session, would privatize Amtrak, converting it to a train operator with virtually no infrastructure ownership. The bill also calls for a 50-50 federal-state partnership with no federal operating funding except for specific maintenance, with those states funding intercity rail passenger service having the option to contract with train operators of their choice, and with those operators gaining the preemptive right to operate over freight railroads. Also on Thursday, bipartisan legislation reauthorizing Amtrak was introduced in Congress as HR 1630. Additional to reauthorizing Amtrak, this bill provides \$2 billion in annual funding during the next 3 fiscal years to finance Amtrak capital, operating and retirement obligation expense. Amtrak has said that a \$2 billion annual amount "would be sufficient to begin to address critical needs...restoring the Amtrak system, including the Northeast Corridor, to a good state of repair." Also on Thursday, the Railroad Infrastructure Development and Expansion Act for the 21st Century was reintroduced in Congress as HR 1631. That bill, also known as RIDE-21, would provide \$60 billion for high-speed rail and rail infrastructure projects over a multi-year period. The above bills were all referred to committee for initial consideration. (ffd: Railway Age, Trains, USDOT)

(THU) New York City Transit President Larry Reuter ordered several changes to New York City subway operations aimed at reducing subway service disruptions, which have lately escalated in number. A NYCTA spokesman said that the changes included more extensive removal of trash from subway tunnels and stations to prevent trash fires and a pilot program emailing notice of both sudden and planned service disruptions to subscribing subway riders. Additionally, Mr. Reuter's superior, Metropolitan Transportation Authority Chairman Peter Kalikow, has also asked for a review of MTA's capital plan to see if any planned subway improvements can be accelerated. (ffd: WCBS)

(THU) Philadelphia, PA transit operator SEPTA and the union representing its transit workers announced that they would extend contract talks another 60 days, until June 15, so that negotiations to reach a new agreement could continue. A SEPTA spokesman said that the 2 sides continue to be deadlocked on matters including employee health care costs, toward which represented transit workers presently make no contribution. Commuter rail services operated by SEPTA are not affected by the current negotiations. (ffd: SEPTA, Railpace)

(THU) The new chairman of VIA Rail Canada said that he hoped to be able to improve the VIA's passenger rail services

without massive new injections of government funding. VIA CEO Paul Cote said that he intends to focus on innovation and improving customer service, predicting that public support and ridership will follow. "People will support an organization that delivers quality and value for money," said Mr.Cote, who has been with VIA since 1978. (ffd: Canadian Press)

(FRI) Amtrak removed all 20 of its Acela trainsets from service, following the discovery of potentially dangerous cracks in trainset brake discs, or rotors. An Amtrak spokesman said that cracks were found in 300 of the approximately 1,400 integral hub/rotor assemblies on the 20 trainsets. The spokesman added that it was uncertain how long the majority of Acela trainsets would be out of service, but that railroad mechanical personnel hoped to have a better estimate by next week. The spokesman added that Amtrak would work to add extra cars and trains to accommodate Acela passengers. The Acela trainsets were last all taken out of service in August, 2002, following discovery of cracks in trainset yaw damper bracket assemblies. * Late Update *: On Sunday, April 17, Amtrak announced that it had cleared 1 Acela trainset for revenue service and would operate it on Monday, April 18. (ffd: Amtrak, NARP, Railway Age, Trains)

(FRI) The new owner of the famed Red Caboose Motel in Paradise, PA, near Strasburg, said that the motel would reopen for business in June. The motel, which was originally opened in 1970 but closed a few years' ago, consists of approximately 40 retired cabooses remodeled for overnight occupancy. The new owner, Larry DeMarco, said that he would be spending approximately \$2 million to acquire and renovate the motel. Formal ownership of the motel property was transferred to Mr. DeMarco on Friday, from Susquehanna Bank, which had taken the property in foreclosure from its last owners. (ffd: Lancaster Intelligencer Journal)

STATS – TRAFFIC:

(THU) For the week ending April 9, 2005, U.S. rail volume grand totaled 32.1 billion ton-miles, up 5.9 percent from the comparable week last year, which last year included the Good Friday holiday. U.S. carload rail traffic was up 4.9 percent, up 2.2 percent in the East and up 7.0 percent in the West. Notable traffic increases included crushed stone, sand and gravel up 12.6 percent, grain mill products up 11.5 percent and metals up 9.2 percent; notable traffic decreases included primary forest products down 8.7 percent and metallic ores down 6.5 percent. Also for the week, U.S. intermodal rail traffic was up 6.2 percent, Canadian carload rail traffic was up 4.0 percent, Canadian intermodal rail traffic was up 0.2 percent and Mexico's Transportacion Ferroviaria Mexicana's carload rail traffic was up 6.9 percent.

For the period January 1 through April 9, 2005, U.S. rail volume grand totaled 440.8 billion ton-miles, up 3.5 percent from the comparable period last year. Also for this period, U.S. carload rail traffic was up 2.7 percent, U.S. intermodal rail traffic was up 7.5 percent, Canadian carload rail traffic was up 1.8 percent, Canadian intermodal rail traffic was up 4.6 percent, TFM's carload rail traffic was up 3.9 percent and TFM's intermodal rail traffic was up 7.7 percent. (ffd: AAR)

MORE STATS – "BIG 6" OPERATING PERFORMANCE:

(FRI) For the week ending April 9, 2005 versus the comparable week last year, average train speed as follows: BNSF, 23.3 mph versus 25.7 mph; Canadian National, 25.6 mph versus 24.4 mph; Canadian Pacific, 24.4 mph versus 25.1

mph; CSX, 19.2 mph versus 20.3 mph; Norfolk Southern, 21.7 mph versus 23.1 mph; Union Pacific, 21.6 mph versus 21.6 mph.

Also for the week ending April 9, 2005 versus the comparable week last year, average terminal dwell time was as follows: BNSF, 10.1 hrs versus 9.7 hrs; Canadian National, 12.5 hrs versus 13.5 hrs; Canadian Pacific, 32.4 hrs versus 25.3 hrs; CSX, 28.9 hrs versus 28.2 hrs; Norfolk Southern, 24.4 hrs versus 22.1 hrs; Union Pacific, 27.3 hrs versus 31.8 hrs.

(Note: Concerning the above statistics, AAR comments that "one railroad's performance metrics cannot meaningfully be compared to another railroad's, due to differences in the carriers' calculation methodologies, operational strategies, network characteristics, terrain, traffic mix and volume, length of haul, extent of passenger operations, and other factors, such as weather.")

EXPANSIONS, CONTRACTIONS AND ALIKE:

(TUE) Georgia Central Railway filed to acquire, from CSX, and operate approximately 58 miles of line between Macon, GA and East Dublin, GA. (ffd: STB)

(TUE) Union Pacific filed to abandon approximately 16 miles of its Thornton Industrial Lead, between Flint, IA and Thornton, IA. (ffd: STB)

(WED) BNSF granted temporary overhead trackage rights to Union Pacific over approximately 596 miles of BNSF line between Kansas City, KS and both Wichita, KS and Fort Worth, TX. The purpose of these temporary rights is to allow UP to perform "blitz" track maintenance on its nearby lines. (ffd: STB)

(WED) Indiana Rail Road filed to abandon approximately 3 miles of its Ellettsville Branch, in and near Ellettsville, IN. (ffd: STB)

APPOINTMENTS, ACHIEVEMENTS AND ALIKE:

(THU) Union Pacific announced the following appointments in its marketing and sales area: Eric Butler as VP & General Manager - Industrial Products and Julie Krehbiel as VP & General Manager - Automotive. Mr. Butler has been with UP since 1986 and Ms. Krehbiel has been with UP since 1988. (ffd: UP Corp.)

(SAT) Union Pacific confirmed the retirement of Bonnie Leake, its first female locomotive engineer. Ms. Leake, who works out of Las Vegas, NV, had been with UP for 39 years and became UP's first female engineperson in 1974. (ffd: Las Vegas Sun)

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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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