

WEEKLY RAIL RECAP

For the week ending SAT, May 18, 2002

By Dave Mears

(NOTE: The expression "ffd" at the end of a news item means "for further details" and usually represents what I believe to be the most helpful news resource if a reader wants more information on a particular item.)

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

(MON) Flooding in areas of the U.S. Midwest temporarily interrupted some rail operations there. Early in the week, Burlington Northern Santa Fe's main line between Kansas City, KS. and Ft. Madison, IA. was flooded out, but floodwaters receded and the line was returned to service on Wednesday. Also on Wednesday, Norfolk Southern's main line through Decatur, IL. was flooded out. (ffd: BNSF Corp., CRTS)

(MON) Railcar operator GATX announced that its Mexican subsidiary GATX de Mexico had completed acquisition of 2,700 cars from Joseph Transportation Co. A GATX spokesman said that the acquisition increases GATX de Mexico's fleet to 6,200 cars, making it the largest railcar lessor in Mexico. (ffd: GATX Corp.)

(MON) Norfolk Southern announced that it had reached agreement with the Delaware River Port Authority to construct a new intermodal terminal on a portion of the former Philadelphia, PA. U.S. Naval Shipyard. The new facility will be located adjacent to CSX's Greenwich Yard intermodal terminal and the Port Authority's Ameriport intermodal terminal, which is served by Canadian Pacific. Under the agreement, the Port Authority will finance the \$16 million cost of construction and setup and be repaid by NS over 20 years. (ffd: NS Corp.)

(MON) The transport ministry of Canada and the U.S. Department of Transportation signed a memorandum of cooperation on rail-highway grade crossing research. Under the agreement, grade crossing research information will be exchanged between Canada's Transportation Development Center and USDOT's Federal Railroad Administration for a period of 3 years. (ffd: Canada TDC)

(TUE) The Indiana Harbor Belt Railroad was struck by the Brotherhood of Maintenance of Way employees over contract issues. Later in the day, a federal judge issued a temporary restraining order halting the strike, which allowed IHB to resume normal operations. (ffd: CSX Corp.)

(TUE) A Canadian Pacific freight train derailment near Wanamie, PA. trapped 2 crew members in the train's derailed locomotive for over 8 hours. Rescuers had to dig a 15 foot tunnel into the mud in which the derailed locomotive was resting to reach the crew members, who were then removed and taken to a nearby hospital. (ffd: wire services)

(TUE) Amtrak's Silver Meteor passenger train struck a logging truck at a

grade crossing in Coosawhatchie, SC. The collision derailed 10 of the train's cars, all of which remained upright. 14 passengers aboard the train suffered minor injuries. (ffd: wire services)

(WED) The Brotherhood of Locomotive Engineers filed suit against the Union Pacific over UP's use of remote control locomotives in its Des Moines, IA. and Hinkle, OR. rail yards. The suit, which was filed in a U.S. district court in Denver, CO., alleges that UP's introduction of remote controlled locomotives represents a "drastic, arbitrary change in work assignments" that should have first been negotiated with the BofLE. A UP spokesman declined to comment specifically on the suit. (ffd: Omaha World Herald)

(WED) The Association of American Railroads, in partnership with U.S. freight railroads, launched a new communication campaign designed to improve the rail industry's image. An AAR spokesman said that the campaign will focus on 3 main themes: the rail industry's significant contribution to the economy, the societal benefits of moving freight by rail and the important strides railroads have made in using technology to improve efficiency, safety and environmental protections. The AAR also debuted a new web site supporting the campaign, tomorrowsrailroads.org. (ffd: AAR)

(WED) Operation Lifesaver held its annual Congressional Appreciation Awards at Washington, DC.'s Union Station. Awards were presented to U.S. Reps. Jack Quinn (R-NY.) and Bob Clement (D-TN.) for their efforts on behalf of rail-highway and rail-pedestrian safety. The ceremony also premiered a new video, "Emergency Responders: Your Safety First", for use by emergency personnel responding to crossing and trespasser accidents. (ffd: OLS)

(THU) The governors of Montana, Nebraska, North Dakota, South Dakota and Wyoming sent a letter of protest to Burlington Northern Santa Fe objecting to what they say are unfair preferential rates given to a small number of high-volume grain shippers. The letter criticizes BNSF's new lower rates to and from large grain elevators capable of loading approximately 110 rail cars at a time. In their letter, the governors urged BNSF to take additional steps to help smaller grain elevators to remain competitive. (ffd: wire services)

(THU) The 5 other railroads in the Bangor & Aroostook rail system filed for bankruptcy; the Bangor & Aroostook itself filed for bankruptcy late last year. The filings clear the way for the eventual purchase of the 6 B&A family railroads, which is presently being negotiated with a consortium fronted by Rail World, Inc. and for a reported purchase price of approximately \$62 million. (ffd: Bangor Daily News)

(THU) The U.S. Department of Transportation announced that it would propose new security requirements for shipments of hazardous materials. A USDOT spokesman noted that the proposed new regulations would require that hazmat shipment paperwork include the name and address of each consignor and consignee, as well as the shippers' USDOT hazmat registration numbers. The spokesman said that comments on the proposed new regulations would be due at the USDOT's Research and Special Programs Administration office by June 3. (ffd: AAR)

(THU) Mexico's Federal Competition Commission blocked the proposed merger of Mexican railway companies controlled by Grupo Mexico SA and Grupo Carso SA. The Commission ruled against the proposed merger on antitrust grounds, stating that the merged company would dominate 70 percent of Mexican international rail traffic and 64 percent of Mexican domestic rail traffic. (ffd: BofLE News)

(SAT) Representatives of Union Pacific and the city of Council Bluffs, IA.

dedicated the new home of the Union Pacific Railroad Museum collection. The collection will be housed in Council Bluff's former Carnegie Library building, which is presently undergoing renovation to accommodate the collection and is expected to open again in early 2003. The UP's museum was located in UP's headquarters building until 1996. (ffd: UP Corp.)

STATS:

(THU) For the week ending May 11, U.S. carload rail traffic was down 3.1 percent from the comparable week last year, down 5.8 percent in the East and down 0.7 percent in the West. This week this year versus this week last year, notable traffic increases included nonmetallic minerals up 26.0 percent, non-grain farm products up 13.0 percent and waste and scrap up 8.4 percent; notable traffic decreases included coke down 28.3 percent, primary forest products down 15.2 percent, metallic ores down 13.0 percent and coal down 8.4 percent. Also for the week ending May 11, U.S. intermodal rail traffic was up 11.0 percent, representing the fifth consecutive weekly gain over last year. Also for the week ending May 11, Canadian carload rail traffic was down 0.3 percent, Canadian intermodal rail traffic was up 11.6 percent, Mexico's Transportacion Ferroviaria Mexicana's carload rail traffic was down 25.1 percent and TFM's intermodal rail traffic was down 18.9 percent, all when ranked with the comparable week last year.

For the period January 1 through May 11, U.S. carload rail traffic was down 3.5 percent, U.S. intermodal rail traffic was up 2.4 percent, Canadian carload rail traffic was down 3.5 percent, Canadian intermodal rail traffic was up 4.8 percent, TFM's carload rail traffic was down 4.2 percent and TFM's intermodal rail traffic was up 5.8 percent, all when ranked with the comparable period last year. (ffd: AAR)

ACQUISITIONS, ABANDONMENTS AND ALIKE:

(THU) WFEC Railroad Company granted overhead trackage rights to the Kiamichi Railroad over WFEC's entire 14 mile rail line locating in Choctaw and McCurtain Counties, OK. The rights will allow Kiamichi to serve the Western Farms Electric Cooperative in Hugo, OK. (ffd: STB)

(FRI) CSX filed to abandon 1 mile of line in Lima, OH. (ffd: STB)

CHANGING PEOPLE AND PLACES:

None of note this week.

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(CORRECTION: In last week's edition, I referred to Metrolink's new "91 Line" as a new direct service between Los Angeles, CA. and Riverside, CA. In fact, direct Metrolink service between Los Angeles and Riverside has been available for several years over the Union Pacific route between these cities. The new "91 Line" service is over the Burlington Northern Santa Fe route between these cities, which until now had required a change of trains. Thanks to WRR Readers Les Dean and Rob Mandeville for their update here.)

Weekly Rail Recap 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 djmservices@aol.com to receive it, with my compliments.

HAVE A SAFE AND PROSPEROUS WEEK,
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