

WEEKLY RAIL RECAP

For the week ending SAT, May 4, 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) New Amtrak timetables went into effect for Northeast Corridor and national services. Among the changes effected include conversion of 3 Metroliner trains to Acela Express trains, with the latter now totaling 16 roundtrips between New York, NY. and Washington, DC. Other changes include the removal of sleeping and dining car services on the "Silver Palm" and its renaming as the "Palmetto", and the rescheduling of the "Pennsylvanian" so that it leaves Philadelphia, PA. later in the morning and leaves Chicago, IL. not in the morning but instead in the late evening. (ffd: Amtrak)

(MON) General Motors named Union Pacific as its "Supplier of the Year" in 2001, the first time that a railroad has received this award from GM. Last year, GM selected UP to provide all its rail transportation west of the Mississippi River. (ffd: UP Corp.)

(MON) The U.S. Surface Transportation Board said that it would work to provide a better basis for considering small railroad rate case costing issues. The STB said that it was considering using Uniform Rail Costing System regional average variable costs to act as surrogate for small railroad variable costs and invited public comments on this matter. (ffd: STB)

(MON) Canadian National and Canadian Pacific announced that it had sold the former Michigan Central bridge across the Niagara River near Niagara Falls, NY. for conversion to a vehicle bridge exclusively for the use of large commercial trucks. Last year, a new trackage rights agreement between CN and CP allowed CP to reroute its trains through the Niagara Falls gateway onto CN's International Bridge route via Fort Erie, ON. (ffd: CN Corp.)

(MON) 11 Egyptian railway workers pleaded innocent to charges of gross negligence in connection with the fire last February aboard an Egyptian passenger train that killed 364 persons. The workers were accused of failing to equip the train with functioning fire extinguishers, allowing too many passengers aboard and continuing to run the train while the fire was underway. (ffd: wire services)

(TUE) The U.S. Federal Railroad Administration instituted a special safety watch over Amtrak. In announcing the action, FRA spokesman Robert Gould said that it did not mean that Amtrak was considered unsafe, but rather that Amtrak's current financial and operational situation warranted this effort. (ffd: Washington Post)

(TUE) At the annual American Short Line and Regional Railroad Association

meeting in Orlando, FL., Burlington Northern Santa Fe CEO Matt Rose said that BNSF would soon require e-compliance of connecting regional and shortline railroads. Mr. Rose stated that BNSF needed electronic reporting by regionals and shortlines to be "100 percent by year end and the reporting lag to be no more than 8 hours." Mr. Rose added that, in the future, BNSF would only consider a regional and shortline operator for additional outsourcing opportunities that is e-compliant and can report these standards. (ffd: BNSF Corp.)

(TUE) Attorneys for a man who had fallen asleep on Canadian Pacific/Delaware & Hudson railway tracks in New York State and then lost a leg when he was run over announced that they had settled with CP/D&H for \$1.7 million. The attorneys said that, while the man admitted to having had 4 to 5 beers prior to falling asleep on the tracks, the crew of the train that ran over him failed to blow the horn after having spotted him, as state law and railroad operating rules required. (ffd: The Buffalo News)

(WED) Norfolk Southern was named in a class action lawsuit asking for reparations for the descendants of slaves who had helped build NS predecessor railroads prior to 1865. Last month, CSX was named in a similar lawsuit. (ffd: wire services)

(THU) U.S. Secretary of Transportation Norman Mineta and Association of American Railroads CEO Edward Hamberger announced creation of a "Surface Transportation Information Sharing and Analysis Center." Secretary Mineta said that the center "will help ensure that intrusions on transportation information technology - such as viruses and attacks - do not disrupt the nation's transportation operations." Mr. Hamberger announced that the AAR had retained EWA-IIT Corp. of Herndon, VA. to establish and operate the center. (ffd: USDOT)

(THU) The U.S. Federal Railroad Administration announced the winners of the annual E.H. Harriman Memorial Safety Awards for the best railroad safety records last year. Gold medalists by category were: 15 million man hours or more, Norfolk Southern; 4 million to 15 million man hours, Kansas City Southern; less than 4 million man hours, Duluth, Winnipeg and Pacific; switching and terminal companies, Conrail Shared Assets. (ffd: AAR)

(THU) New York's Metropolitan Transportation Authority ordered 352 new electrical multiple unit commuter rail cars. The cars, which will cost a total of \$600 million, will be manufactured by Bombardier and placed in service on the Long Island Rail Road. (ffd: Progressive Railroading)

(THU) The U.S. Federal Railroad Administration announced that it would enhance its Emergency Notification System for reporting highway-rail grade crossing problems with GIS capability. The FRA said that it would offer the new enhancement to states and railroads at no cost. (ffd: USDOT)

(FRI) Operation Lifesaver, the rail industry's grade crossing safety and trespasser prevention program, designated May 12 through 18 as National Operation Lifesaver Week. (ffd: OLI)

(SAT) A coalition of state and local government officials, rail labor representatives, environmental activists and business leaders announced that they would hold a rally in support of adequate funding for a national rail passenger network. The coalition said that the rally would be held Wednesday, May 8, on Capitol Hill in Washington, DC. (ffd: wire services)

STATS:

(THU) For the week ending April 27, U.S. carload rail traffic was down 2.3

percent from the comparable week last year, down 3.7 percent in the East and down 1.1 percent in the West. Also for the week ending April 27, U.S. intermodal rail traffic was up 9.7 percent, Canadian carload rail traffic was down 1.4 percent and Canadian intermodal rail traffic was up 13.8 percent, all when ranked with the comparable week last year.

For the month ending April 27, U.S. carload rail traffic was down 2.5 percent. Compared April, 2002 with April, 2001, notable traffic increases included crushed stone, sand and gravel up 7.6 percent, motor vehicles and equipment up 6.3 percent and chemicals up 5.7 percent; notable traffic decreases included metallic ores down 11.9 percent, coal down 6.7 percent and grain down 4.5 percent. Also for the month of April, 2002, U.S. intermodal rail traffic was up 7.4 percent, Canadian carload rail traffic was up 0.7 percent, Canadian intermodal rail traffic was up 10.0 percent, Mexico's Transportacion Ferroviaria Mexicana's carload rail traffic was up 38.3 percent and TFM's intermodal rail traffic was up 80.8 percent, all when ranked with April, 2001.

For the period January 1 through April 27, U.S. carload rail traffic was down 3.5 percent, U.S. intermodal rail traffic was up 1.4 percent, Canadian carload rail traffic was down 3.9 percent, Canadian intermodal rail traffic was up 4.0 percent, TFM's carload rail traffic was up 3.7 percent and TFM's intermodal rail traffic was up 13.2 percent, all when ranked with the comparable period last year. (ffd: AAR)

STATS CONTINUED - MORE 1ST QTR., 2002 RESULTS:

(TUE) Shortline, regional and overseas rail conglomerate Genesee & Wyoming reported net income of \$5.4 million for the first quarter this year, down from \$6.6 million for the first quarter last year. Noting the effect of G&W's recent acquisitions of the South Buffalo Railway and the Emons Transportation Group, revenues were \$48.3 million for the first quarter this year, up from \$42.9 million in the first quarter last year. (ffd: G&W Corp.)

ACQUISITIONS, ABANDONMENTS AND ALIKE:

(WED) Union Pacific granted Burlington Northern Santa Fe temporary trackage rights between Omaha, NE. and Sioux City, IA., for the purpose of allowing BNSF to conduct a forthcoming "blitz" maintenance-of-way project on their rail route between these cities. (ffd: STB)

(THU) South Chicago & Indiana Harbor Railway filed to acquire Chicago Short Line's lines, trackage rights and other assets, pursuant to an agreement between ISG Corp. and LTV Corp. (ffd: STB)

CHANGING PEOPLE AND PLACES:

(THU) CSX appointed Jeffrey McCutcheon and Robert Haulter each as an SVP-Human Resources. Mr. McCutcheon will report to EVP-Corporate Services Andrew Fogarty and Mr. Haulter will report to President Michael Ward. (ffd: CSX Corp.)

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(EDITOR'S NOTE: Apologies to my readers that I'm a little late with WRR this week, but I should be back on schedule with next week's edition.)

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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