

WEEKLY RAIL REVIEW

FOR THE WEEK ENDING JUNE 12, 2009

BY DAVE MEARS

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

(MON) FRA Chief Administrator Joe Szabo spoke on a podcast on the Let's Talk Trains website, <<http://www.letstalktrains.us/>>www.letstalktrains.us. Mr. Szabo commented on the emerging high-speed rail initiative, including that the emphasis in the U.S. will not be so much on raising top speeds of passenger trains as on addressing bottlenecks and other factors that force train to run slowly. He added that he expects passenger rail improvements to happen in a fashion similar to how the Interstate Highway System was built, with certain corridors built up in the first phase, and then supporting segments built out concentrically. (ffd: NARP)

(MON) Groundbreaking was held for the start of construction on the two new passenger rail tunnels to be built under the Hudson River between New Jersey and New York. Officials spoke of the tunnels, which will cost \$8.7 billion, as "the nation's single largest transportation project." Scheduled for completion by 2017, the tunnels will be used by New Jersey Transit commuter trains. (ffd: Times Herald-Record, wire services)

(MON) Progressive Railroading reported on the number of locomotives stored by Class 1 railroads due to the economic downturn. According to the magazine's website, BNSF has over 900 locomotives stored; Canadian National has 281 stored; Canadian Pacific has 350 stored, representing 23 percent of its fleet; CSX has 600 stored, representing 15.8 percent of its fleet; Kansas City Southern has 360 stored; Norfolk Southern has 400 stored, representing 11 percent of its fleet; and Union Pacific has 2,100 stored, representing 25 percent of its fleet. In total, the Class 1's have nearly 5,000 locomotives stored. (ffd: Progressive Railroading)

(MON) St. Louis officials reported that it would use \$12 million in federal stimulus funding provided through the state of Missouri to restore some transit services. The regional transit authority serving St. Louis was forced to cut about one-third of its bus and light rail service last March due to budget shortfalls. Signs at some discontinued bus stops in the city had placards on them reading that, "Due to lack of funding, service to this bus stop is suspended." (ffd: St. Louis Post-Dispatch)

(MON) VIA Rail CEO Paul Cote said that VIA was prepared to be "a key player" in any new high-speed passenger rail initiative proposed by the Canadian government. In testimony before a House of Commons Transport Committee, Mr. Cote noted that, since 1990, VIA has increased ridership by 33 percent and revenues by 110 percent because of improvements to service and infrastructure. (ffd: Canwest News Service)

(MON) Ohio's Cuyahoga Valley Scenic Railroad introduced a new headset audio tour system for passengers. The new system narrates about attractions along the train's route. The system, which uses a global positioning system to activate narrative as an attraction is approaching, was made possible by a \$350,000 federal grant. (ffd: Akron Beacon Journal)

(MON) Jim Justice, who recently purchased the Greenbrier Resort from CSX, announced plans to put a 50,000-square-foot casino underground near the hotel's main entrance. Alluding to the earlier Cold War-era emergency bunker for Congress that is on the Greenbrier grounds, Mr. Justice said, "We'll have a second bunker...it's got to go underground...[we're] not building a structure that takes away from the style and elegance of the Greenbrier." Mr. Justice said that he hopes the casino will be finished by next spring. (ffd: Charleston Gazette)

(TUE) The Bipartisan Policy Center unveiled a new plan which it said was aimed at transforming federal surface transportation policy. The plan, "Performance Driven: A New Vision For U.S. Transportation Policy," proposes to narrow the federal program to six core "mode neutral" formula programs that award federal transportation dollars based on system condition and performance.

It would also include a connectivity program that would improve the condition and performance of existing transportation systems that connect the nation. (ffd: Progressive Railroading, NARP)

(TUE) Toronto's GO Transit commuter rail system said that it would start seasonal weekend and holiday train service between Toronto and Niagara Falls. Trains will operate on a two-hour schedule between Toronto Union Station and the Niagara Falls VIA Rail station. Trains will operate four times daily on weekends and holidays beginning June 27 and concluding October 12. (ffd: GO Transit)

(TUE) Union Pacific announced that it had recently upgraded its entire fleet of 4,950 mechanically refrigerated boxcars. UP said that the engines powering refrigeration have been upgraded to meet California Air Resource Board (CARB) emission standards, which take effect July 17. UP added that the cars also use global positioning technology to track trip progress, including monitoring temperature, fresh air exchange and diagnostics. (ffd: UP RR)

(TUE) CSX debuted a new GenSet locomotive on a track of the recently rebuilt rail station and transit center in Trenton, NJ. CSX said that it would partner with PSE&G, the state's largest power utility, to purchase three of the GenSet locomotives and put them in service in CSX rail yards in the state. The GenSet locomotives are manufactured by National Railway Equipment Company and feature "ultra-low" diesel engine emissions. (ffd: CSX RR, Progressive Railroading)

(TUE) New York City opened a half-mile segment of a new urban park built on an elevated rail line. Running between Midtown and Lower Manhattan on the borough's west side, the line was originally constructed by the New York Central Railroad in the 1930s and last saw freight rail service in 1980. An additional 10-block segment of the new park will open next year. (ffd: CSX, Trains, wire services)

(WED) Kansas City Southern announced that trains operating to and from its Mexican gateway will use a new route starting June 17. The new route is the former Southern Pacific Railroad line between Victoria and Rosenberg, TX, which KCS bought from SP successor Union Pacific in 2001 and began rebuilding in 2007. The new route shortens KCS's cross-border routing by about 70 miles and eliminates the need to operate over 160 miles of other UP-owned track. (ffd: Progressive Railroading, Trains)

(WED) New Jersey Transit announced that it would purchase nine additional Class ALP-46A electric locomotives, bringing the total order for these new locomotives to 36. NJT presently owns 29 Class ALP-46 locomotives and 32 Class-44 locomotives, and hopes to eventually retire the latter. NJT said that the new ALP-46 locomotives can pull 10 multi-level commuter rail cars in regular service, while the older ALP-44 locomotives can only pull six such cars. (ffd: NJ Transit)

(WED) 25 luxury passenger cars last owned by defunct GrandLuxe Rail Journeys were purchased by Xanterra Parks & Resorts. Xanterra owns the Grand Canyon Railway. Noting that it also owns resorts in seven U.S. national parks, Xanterra's president said that the cars would be used to "enhance the national parks experience." (ffd: Trains)

(WED) Delaware River Port Authority officials said that a planned 18-mile light rail line between Camden, NJ and Glassboro would likely not qualify for federal transit funding and that the approximate \$1.3 billion cost may need to be funded by the state. They said that the state was committed to the project and that they were hopeful of obtaining other federal funding, including possibly an "earmarked" appropriation. (ffd: Philadelphia Inquirer)

(WED) The Chicago Transit Authority approved a contract allowing AT&T-Cingular Wireless to lease segments of CTA wireless communications infrastructure for a period of 10 years. The contract will allow AT&T wireless customers to use their cell phones and mobile devices in CTA subways. Cricket Communications, Verizon Wireless and U.S. Cellular already have agreements in place with CTA that allow their customer's wireless devices to work in Chicago subways. (ffd: RT&S)

(THU) The Brotherhood of Locomotives and Trainmen and the United Transportation Union, which have often disputed each other

the last several years on various issues, jointly filed a petition with the Federal Railroad Administration seeking an emergency order prohibiting the use of one-person crews in all train operations, including remote control and conventional switching operations. In their filings, the BLET and UTU cited a May 10 fatality at the CSX rail yard in Selkirk, NY, alleging that "an employee was killed while working alone and using a remote control device." (ffd: Railway Age)

(THU) The Surface Transportation Board directed Union Pacific to quote rates for moving chlorine to disputed destinations. Last January, UP quoted rates for chlorine moving from a US Magnesium plant in Rowley, UT to several destinations, but refused to quote rates to four destinations, because 1) although UP previously published rates to those destinations, US Magnesium never shipped to them, and 2) moving chlorine to those destinations, which would have included moving it via federally-defined High Threat Urban Areas, was "not a reasonable request" when there were abundant supplies of chlorine from nearer origins. In their decision, the STB said that UP had a common carrier obligation to quote the rates. (ffd: STB, Railway Age)

(FRI) The Federal Transit Administration announced 77 grants to transit agencies and state departments of transportations. The grants total \$909.4 million and are to be funded through the American Recovery and Reinvestment [stimulus] Act. Among the grant recipients are the Chicago Transit Authority, which will receive \$240.2 million to conduct preventive maintenance, rehabilitate its subway system, and renovate stations and support facilities, and the Los Angeles County Metropolitan Transportation Authority, which will obtain \$225.1 million to upgrade Metro Rail and Metro Bus facilities and equipment, widen the staircase at a Red Line station in downtown Los Angeles, and replace fiber optic equipment in the rail system. (ffd: FTA, Progressive Railroading)

(FRI) "The Taking of Pelham 123" opened in movie theaters across the country. The new movie, a remake of the 1970s film of the same name, involves hijackers taking a New York City subway train and its passengers hostage. The film's name refers to a method for identifying individual subway trains: the train taken hostage operated on the No. 6 Line, originated at Pelham Bay Park station, and departed that origin at 1:23PM. (ffd: wire services)

(FRI) Trains Magazine issued an apology for a promotional advertisement it emailed earlier in the day. The ad, which promoted Kalmbach family magazines as a Father's Day gift, showed a father and son walking in the gauge of a railroad track. In its apology, the magazine referred to the photograph as "highly inappropriate," adding that it was "dedicated to promoting railroad safety in all our efforts...we truly regret the use of this photo." (ffd: Trains)

STATS:

(THU) For the week ending June 6, 2009, U.S. rail volume grand totaled 27.4 billion ton-miles, down 18.8 percent from the comparable week last year. Carloads – which were down 19.8 percent altogether, down 24.4 percent in the East and down 16.5 percent in the West – nevertheless totaled, 260,282, the highest number in nine weeks. Also for the week, U.S. intermodal rail traffic was down 20.1 percent, Canadian carload rail traffic was down 27.9 percent, Canadian intermodal rail traffic was down 19.7 percent, Mexican carload rail traffic was down 19.9 percent, and Mexican intermodal rail traffic was down 21.9 percent.

For the period January 1 through June 6, 2009, U.S. rail volume grand totaled 615.6 billion ton-miles, down 18.4 percent. Also for this period, U.S. carload rail traffic was down 19.5 percent, U.S. intermodal rail traffic was down 16.9 percent, Canadian carload rail traffic was down 24.0 percent, Canadian intermodal rail traffic was down 15.0 percent, Mexican carload rail traffic was down 14.5 percent, and Mexican intermodal rail traffic was down 20.6 percent. (ffd: AAR)

(Note; Canadian railroad traffic includes both the Canadian and the U.S. operations of Canadian National and Canadian Pacific Railway.)

EXPANSIONS, CONTRACTIONS AND ALIKE:

(MON) CSX filed to abandon approximately one-half mile of Brunswick Subdivision line in Brunswick, GA. (ffd: STB)

APPOINTMENTS, ACHIEVEMENTS AND MILESTONES:

(MON) The Federal Transit Administration appointed Therese Watkins its Deputy Administrator. Ms Watkins was most recently the deputy executive director of policy for the San Francisco Bay Area Metropolitan Transportation Commission. (ffd: USDOT)

(TUE) The Obama Administration appointed Deborah Hersman the chairman of the National Transportation Safety Board. Mr. Hersman has been an NTSB member since 2004 and prior to that was a staff member of the Senate Commerce Committee. Also appointed was Harry Hoglander as a National Mediation Board member. Mr. Hoglander has been an NMB member since 2002 and prior to that was a legislative specialist for Rep. John Tierney (D-MA). (ffd: Progressive Railroading)

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BE SAFE AND PROSPER,

Dave Mears

Cherry Hill, NJ