

WEEKLY RAIL REVIEW

FOR THE WEEK ENDING SAT, JUNE 17, 2006

BY DAVE MEARS

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

(SUN) New York's Metropolitan Transportation Authority activated its new and improved website. A MTA spokesman said that the website now features color-coded categories that include news, numbers, programs and regional transit information for each MTA agency, including the New York City Transit Authority, Long Island Rail Road and Metro-North Railroad. The website locates at mta.nyc.ny.us. (ffd: Progressive Railroading)

(TUE) The full House of Representatives voted to increase Amtrak's Fiscal Year 2007 funding to \$1.114 billion. The increase came as an amendment to the FY2007 transportation spending bill and was sponsored by Steve LaTourette (R-OH) and Jim Oberstar (D-MN.) The House voted 266-158 for the bill. The \$1.114 billion is less than the \$1.6 billion in funding proposed by Amtrak for FY2007, but more than the \$900 million wanted by the Bush Administration and recently approved by the House Appropriations Committee. The bill now goes to the Senate for committee consideration, debate and possible further increase. (ffd: NARP, wire services)

(TUE) Calling the current environment for the rail transportation of highly hazardous materials "untentable," representatives of the nation's railroads asked Congress to either provide it with liability limits for this traffic or eliminate its common carrier mandate to carry such substances. At hearings before the House Transportation and Infrastructure Committee's Railroad Subcommittee, an Association of American Railroads spokesman testified that "if railroad risks are not reduced, Congress should relieve railroads of the...mandate to carry TIH (toxic inhalation hazards) and other highly hazardous substances...Railroads should be permitted to decide for themselves whether to accept, and at what price they are willing to accept, such materials for transportation." The spokesman went on to say that such traffic constituted only about 0.3 percent of all U.S. rail carloads. (ffd: AAR, Railway Age)

(TUE) The National Transportation Safety Board released its findings on the May 19, 2004 collision between two BNSF freight trains near Gunter, TX. The NTSB said that the probably cause of the collision was the southbound train crew's failure to adhere to an after-arrival track warrant requiring them to stay in one location until the northbound train arrived. The NTSB also criticized the Federal Railroad Administration for not prohibiting the use off such authority. The crash killed the engineer of the southbound train, seriously injured the conductor of that train, and resulted in the derailment of 5 locomotives and 28 cars among the two trains. (ffd: NTSB)

(TUE) Two modern steam locomotives built in China arrived at the Port of Houston, TX. The two locomotives, recently purchased by the international shortline conglomerate Railroad Development Corporation, are of Class QJ 2-10-2, and one of them pulled the world's last regularly scheduled mainline steam passenger train. A RDC spokesman said that the locomotives were initially moving from Houston to Rock Island, IL for Federal Railroad Administration inspection and would thereafter likely be placed in passenger rail excursion service. (ffd: BNSF Corp., RDC Corp., wire services)

(WED) Two BNSF freight trains collided head-on near Madera, CA. A BNSF spokesman said that five crewmembers apparently jumped off their trains just before the collision, which occurred about 6AM, were taken to nearby hospitals, and that one crewmember was in extremely serious condition. Locomotive and cars were damaged on both trains, and Amtrak San Joaquin train service which also operates on the line was canceled, with buses substituted. The BNSF spokesman said that the cause of the collision was under investigation. (ffd: Fresno Bee, Trains)

(WED) Two Class 1 railroads announced equipment acquisitions. Canadian National announced that they would acquire 50 new Class SD70M-2 locomotives from Electro-Motive Diesel. A CN spokesman said that the locomotives would be delivered in the second half of 2007. And Norfolk Southern announced that it would buy 1,600 new coal cars from FreightCar America, whose car manufacturing facility locates at the former Norfolk & Western car shops in Roanoke, VA. An NS spokesman said that 1,200 of the units would be hybrid stainless steel-aluminum coal gondola cars and that the remaining 400 would be AutoFlood III aluminum bottom discharge cars. The NS spokesman added that it expected to take delivery of the cars through 2007. (ffd: CN Corp., NS Corp.)

(WED) The American Civil Liberties Union announced that it might initiate legal action against the Massachusetts Bay Transportation Authority over the latter's unwritten policy limiting photographs of its property. In a statement, the ACLU called the unwritten policy "in full view of the public neither reasonable nor necessary." A MBTA spokesman acknowledged that there is no written policy, but added that MBTA Police are allowed to question photographers and, if necessary, ask them to stop taking pictures. Proposed or actual bans on rail and transit photography were earlier abandoned by New York's Metropolitan Transportation Authority and New Jersey's NJ Transit. (ffd: Trains)

(THU) A white acidic powder found on the Metra commuter rail line between Chicago, IL and Aurora, IL curtailed the evening rush hour on the line. The powder, found in bags on the tracks through Downers Grove, IL, was later determined to be stearic acid, a non-hazardous substance used in the production of soap. Metra service on the line was suspended in both directions at 4:30PM and later resumed about 8:30PM. The bags were later determined to have fallen out of a container or boxcar aboard a BNSF freight train. (ffd: Chicago Tribune)

(THU) The Federal Railroad Administration endorsed expanded use of toll-free telephone numbers posted at highway-rail grade crossings. "Over 75 percent of grade crossings with flashing lights and gates, and over 60 percent of all public grade crossings, have such emergency numbers posted," said FRA Chief Administrator Joe Boardman. "More grade crossings need to have emergency numbers posted so that more potential tragedies may be avoided." An FRA spokesman said that it will provide necessary operating software and work to identify possible startup funding to encourage smaller freight railroads to join together and establish combined toll-free emergency call-in systems to cover crossings not part of any existing program. (ffd: FRA)

(THU) The board overseeing Washington, DC's Washington Metropolitan Area Transit Authority approved a \$1.9 billion budget for Fiscal Year 2007, a \$400 million increase compared with WMATA's FY2006 budget. A WMATA spokesman said that the new budget would be used for purposes including more eight-car trains, establishing an inspector general's office, purchasing 122 new passenger cars, and purchasing additional bomb-resistant trash cans. (ffd: Progressive Railroading)

(THU) The National Center for Intermodal Transportation called for the U.S. "to adopt a serious commitment to intermodalism." In comments made at a hearing of the House Transportation and Infrastructure Committee, NCIT

Co-Director Patrick Sherry said that "the best hope for the future of transportation in this country will come from the adoption of a truly intermodal transportation system." Among Mr. Sherry's suggestions were the establishment of a USDOT undersecretary for intermodal policy reporting to the Secretary of Transportation. "The USDOT established an Office of Intermodalism," said Mr. Sherry, "but it lacked appropriate resources and, likely, the political clout to effect meaningful change." (ffd: Progressive Railroading)

(THU) New Jersey Transit operated a special train honoring the 150th anniversary of Railway Age Magazine. The train, which operated between Hoboken, NJ and Bay Head, NJ and return, was operated with locomotives and cars of the Juniata Terminal Company and the Morristown & Erie Railway. Sponsorship of the train also raised \$20,000 for the American Public Transportation Foundation scholarship fund. A Railway Age spokesman said that the train, dubbed the "Sesquicentennial Limited," will be featured in the pages of the July and September issues of the magazine. (ffd: Railway Age)

(FRI) New York's Metropolitan Transportation Authority assured the safety of the Manhattan station planned for the Long Island Rail Road East Side Access project. "I have full confidence that the security concerns of everyone have been reviewed...and I don't see any reason at the moment to make any changes," said Mitchell Pally of the MTA board of directors. Some commuter advocacy groups had questioned the ability to, in an emergency, evacuate the new station, which is planned for approximately 150 feet below street level and below the existing Grand Central Terminal. The East Side Access Manhattan station, together with the new Moynihan Station and the new 34th Street Station being planned as part of the new twin rail tunnels beneath the Hudson River, will increase to six the number of passenger rail stations in Manhattan over the next few decades, these three additional to the existing Pennsylvania Station, Grand Central Terminal, and 125th Street Station. (ffd: Newsday)

STATS – TRAFFIC:

(NOTE: The Canadian carload and intermodal rail traffic mentioned below includes both the Canadian and U.S. operations of Canadian National and Canadian Pacific Railway.)

(THU) For the week ending June 10, 2006, U.S. rail volume grand totaled 34.4 billion ton-miles, up 6.5 percent from the comparable week last year. U.S. carload rail traffic was up 5.5 percent, up 4.0 percent in the East and up 6.6 percent in the West. Notable traffic increases included metals up 20.6 percent, crushed stone, sand and gravel up 12.2 percent, grain up 9.8 percent, and coal up 9.7 percent; notable traffic decreases included primary forest products down 13.5 percent, metallic ores down 12.0 percent, and lumber down 10.3 percent. Also for the week, U.S. intermodal rail traffic was up 9.6 percent, Canadian carload rail traffic was up 0.4 percent, Canadian intermodal rail traffic was up 11.7 percent, Mexico's Kansas City Southern de Mexico's carloads rail traffic was down 3.6 percent, and KCSM's intermodal rail traffic was down 16.1 percent.

For the period January 1 through June 10, 2006, U.S. rail volume grand totaled 765.4 billion ton-miles, up 2.4 percent from the comparable period last year. Also for this period, carload rail traffic was up 1.3 percent, U.S. intermodal rail traffic was up 6.4 percent, Canadian carload rail traffic was down 2.3 percent, Canadian intermodal rail traffic was up 5.5 percent, KCSM's carload rail traffic was down 5.7 percent, and KCSM's intermodal rail traffic was down 7.5 percent. (ffd: AAR)

MORE STATS – OPERATING PERFORMANCE:

(NOTE: Effective October 1, 2005, railroads that had been furnished operating performance statistics to the Association of American Railroads began applying a new standardized definitional framework, aimed at eliminating differences in calculation methodology. Concurrent with but unrelated to these changes, Canadian National elected to no longer furnish these statistics.)

(WED) For the week ending June 9, 2006 and versus the previous week, average total cars on line was as follows: BNSF, 221,677 cars versus 220,605 cars; Canadian Pacific, 83,180 cars versus 83,659 cars; CSX, 222,487 cars versus 220,938 cars; Kansas City Southern, 26,488 cars versus 26,846 cars; Norfolk Southern, 203,131 cars versus 202,186 cars; and Union Pacific 319,990 cars versus 321,244 cars. (Comparative totals from last year are not yet available.)

Also for the week ending June 9, 2006 and versus the comparable week last year, average train speed was as follows: BNSF, 22.7 mph versus 23.2 mph; Canadian Pacific Railway, 24.9 mph versus 21.8 mph; CSX, 20.1 mph versus 19.3 mph; Kansas City Southern, 24.8 mph versus 23.1 mph; Norfolk Southern, 21.8 mph versus 22.0 mph; and Union Pacific, 21.6 mph versus 21.4 mph.

Finally for the week ending June 9, 2006 and versus the comparable week last year, average terminal dwell time was as follows: BNSF, 22.4 hrs versus 22.9 hrs; Canadian Pacific Railway, 20.2 hrs versus 24.9 hrs; CSX, 24.3 hrs versus 28.8 hrs; Kansas City Southern, 19.6 hrs versus 22.4 hrs; Norfolk Southern, 21.8 hrs versus 21.7 hrs; and Union Pacific, 26.0 hrs versus 26.3 hrs. (ffd: AAR)

EXPANSIONS, CONTRACTIONS AND ALIKE:

(MON) Simmons-Boardman, publisher of Railway Age Magazine and other transportation publications, announced that it had acquired Davison Publishing of Orlando, FL. Terms were not disclosed. A Simmons-Boardman spokesman said that Davison Publishing will be a wholly-owned subsidiary of Simmons-Boardman, will continue to have offices in Orlando and will be operated under the direction of Robert DeMarco, Simmons-Boardman SVP. Simmons-Boardman also operates Simmons-Boardman Books and the Railway Educational Bureau out of its Omaha, NE office, as well as a Conference Division out of its New York, NY office. (ffd: Railway Age)

(TUE) BNSF filed to acquire and operate Union Pacific's line between Union, CO and Sterling, CO, totaling approximately 25 miles of line. Concurrently, Union Pacific will acquire and operate BNSF's line between Rockview, MO and Sikeston, MO. (ffd: STB)

(WED) Klutts Equipment Company opened a new manufacturing facility in Muskogee, OK. The company will manufacture railroad maintenance-of-way equipment, including the Gon-Topper, tie inserters, small tampers, push carts, rail heaters and other specialty machines. (ffd: Strategic Rail Finance)

(WED) BNSF agreed to grant Union Pacific permanent overhead trackage rights between Portland, OR and North Portland, OR, totaling approximately 8 miles of line. The purpose of the trackage rights is to create an additional overhead routing for UP trains in the Portland, OR area. (ffd: STB)

APPOINTMENTS, ACHIEVEMENTS AND MILESTONES:

(MON) BNSF announced the following appointments: Bob Lease as VP-Central Operations, succeeding Mark Kotter, who has announced that he will retire at the end of this year; Dave Freeman as VP-North Operations, succeeding Steve Goodall, who will take Mr. Freeman's place as AVP & Chief Engineer-South Operations; Rob Reilly as GM-Chicago Division, succeeding Mr. Lease; and Dick Ebel as GM-Los Angeles Division, succeeding Mr. Reilly. BNSF also announced that its Gulf and Texas Divisions would now report to Chris Roberts, VP-South Operations. (ffd: BNSF Corp.)

(WED) Kansas City Southern appointed Arthur Shoener President and COO. Mr. Shoener was most recently KCS's EVP and COO, and was earlier Union Pacific's EVP-Operations. Mike Haverty will continue to serve as KCS Chairman and CEO. (ffd: KCS Corp.)

(THU) Canadian National appointed Stan Jablonski SVP-Sales and Jean-Jacques Ruest SVP-Marketing. Mr. Jablonski and Mr. Ruest will report to James Foote, EVP-Sales and Marketing. (ffd: CN Corp.)

(FRI) The National Transportation Safety Board appointed Jim Southworth as the new chief of the NTSB's Railroad Division, which investigates railroad accidents. Mr. Southworth joined the NTSB in 1998 as an investigator, and was earlier with the Association of American Railroads. (ffd: NTSB)

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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

Cherry Hill, New Jersey, USA