

WEEKLY RAIL REVIEW

FOR THE WEEK ENDING SAT, AUGUST 13, 2005

BY DAVE MEARS

(Note: As happens – usually once during the summer – I was unable to put out WRR in a timely manner. It is here “caught up” and I should be “back on schedule” by tomorrow. Thanks for your patience. Dave M.)

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

(MON) Protesters blocked Canadian National's main line, demonstrating against what they perceived as CN's poor response to the August 3 derailment that spilled several cars of diesel fuel and related oils into Alberta's Lake Wabamum. The protesters noted that the oil had created a slick on the lake, covering birds and other wildlife and threatening the local water supply. An Alberta government spokesman said that CN was working to contain the spill but added, “It's still spreading. It has breached some of the [containment] booms.” (ffd: Calgary Herald, Trains)

(MON) The Port of Vancouver, BC reported that containers are again being trucked out of the port complex following settlement of a strike by serving truckers. A spokesman for a mediator settling the strike said that a deal had been worked out that boosts rates paid independent truckers and adds a fuel surcharge for at least a year. A port spokesman said it would take from 1 to 6 weeks to clear out the backlog of approximately 25,000 containers holding at the port. (ffd: Canada National Post)

(TUE) Canadian Pacific operated the first train utilizing its new trackage rights over Norfolk Southern between Windsor, ON and Chicago, IL. The new trackage rights operate over NS's ex-Wabash line between Detroit, MI and Butler, IN, and there utilize a new connection to NS's ex-New York Central line on into Chicago, IL. A CPR spokesman said that it expects to slowly shift all its Detroit-Chicago traffic from a CSX routing to an NS routing, although CPR said that it would retain its CSX trackage rights for the foreseeable future. (ffd: Trains)

(TUE) BNSF Railway announce that it had reached agreement to convey to container lessor Swift Intermodal approximately 3,800 53-foot containers currently leased by BNSF. BNSF had earlier declared its intention to no longer manager its own trailer and container fleet. The spokesman added that BNSF would allow free interchange of the containers under the National American Container System Program through December 31, 2006. (ffd: BNSF Corp.)

(WED) A truck carrying explosives lost control, turned over and exploded in eastern Utah. Although the truck's driver was able to escape with minor injuries, the truck was completely consumed in the explosion, which created a huge crater in the highway and destroyed a portion of Union Pacific's ex-Denver & Rio Grande Western main line running alongside the highway. UP and Amtrak temporarily halted their respective train services through the site. The destroyed track segment was rebuilt and train service on the line resumed the next day. (ffd: wire services)

(WED) Illinois Governor Rod Blagojevich signed into a law a new state intercity passenger rail fund. Under the law, \$50

will be deposited into the fund each time a state employee travels Amtrak between Chicago, IL and Springfield, IL, the state capital, on official business. On Thursday, the governor signed legislation making it easier for Illinois municipalities to offer tax breaks and other incentives to encourage development of intermodal rail facilities. Provisions of that law include providing developers a sales tax exemption on building materials used for constructing and upgrading intermodal facilities. (ffd: AAR, NARP)

(WED) The National Retail Federation issued its first monthly "Port Tracker" report. The report analyzes and assesses conditions at the 8 major U.S. east and west coast ports. The report said that congestion is currently "low" for 75 percent of the ports and "medium" for the remainder. A low ranking means there is no serious cargo congestion and a medium ranking indicates there is potential congestion at a port or on a connecting inland transportation system. (ffd: Progressive Railroading)

(THU) The Utah Transit Authority ordered 12 bi-level passenger cars for its planned commuter rail line. Passenger rail car manufacturer Bombardier will build the cars and is expected to deliver them by the summer of next year. A UTA spokesman said that the new line, which will operate between Salt Lake City, UT to just north of Ogden, UT and total approximately 44 miles in length, was expected to be operational in less than 3 years. (ffd: AAR)

(FRI) The Department of Homeland Security lowered the terror threat for U.S. transit systems from "orange" meaning high to "yellow" meaning elevated. The elevated threat level had been in effect since the July 7 bus and subway bombings in London, England. A USDHS spokesman said that, despite the threat level lowering, many U.S. transit systems were expected to retain heightened security measures. (ffd: NARP)

STATS – TRAFFIC:

(THU) For the week ending August 6, 2005, U.S. rail volume grand totaled 32.7 billion ton-miles, up 1.9 percent from the comparable period last year. U.S. carload rail traffic was up 1.0 percent, down 1.1 percent in the East, but up 2.8 percent in the West. Notable traffic increases included non-grain farm products up 69.8 percent, nonmetallic minerals up 17.0 percent, and grain up 13.2 percent; notable traffic decreases included waste and scrap materials down 13.2 percent and primary forest products down 11.7 percent. Also for the week, U.S. intermodal rail traffic was up 7.6 percent, Canadian carload rail traffic was up 5.3 percent, Canadian intermodal rail traffic was down 3.3 percent, Mexico's Transportacion Ferroviaria Mexicana's carload rail traffic was down 2.8 percent, and TFM's intermodal rail traffic was up 0.8 percent.

For the period January 1 through August 6, 2005, U.S. rail volume grand totaled 983.4 billion ton-miles, up 2.3 percent from the comparable period last year. Also for this period, U.S. carload rail traffic was up 1.4 percent, U.S. intermodal rail traffic was up 6.1 percent, Canadian carload rail traffic was down 0.4 percent, Canadian intermodal rail traffic was up 2.1 percent, TFM's carload rail traffic was up 0.2 percent, and TFM's intermodal rail traffic was up 6.7 percent. (ffd: AAR)

MORE STATS – "BIG 7" OPERATING PERFORMANCE:

(WED) For the week ending August 6, 2005 versus the comparable week last year, average train speed was as follows: BNSF, 22.5 mph versus 25.0 mph; Canadian National, 26.4 mph versus 25.1 mph; Canadian Pacific, 24.8 mph versus 25.5 mph; CSX, 19.7 mph versus 19.8 mph; Kansas City Southern, 21.5 mph versus 25.0 mph; Norfolk Southern, 22.3 mph versus 22.7 mph; and Union Pacific, 21.3 mph versus 21.4 mph.

Also for the week ending August 6, 2005 versus the comparable week last year, average terminal dwell time was as follows: BNSF, 10.3 hrs versus 9.9 hrs; Canadian National, 12.1 hrs versus 14.7 hrs; Canadian Pacific, 22.2 hrs versus 26.9 hrs; CSX, 29.0 hrs versus 28.0 hrs; Kansas City Southern, 23.8 hrs versus 23.8 hrs; Norfolk Southern, 21.7 hrs versus 21.7 hrs; and Union Pacific, 28.4 hrs versus 30.2 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) The Paducah & Louisville Railway announced that it would lease, from CSX, and operate approximately 125 miles of line in Indiana and Illinois. A PAL spokesman said that it would form a new railroad, the Evansville Western Railway, to operate the line between Evansville, IN and Okawville, IL. (ffd: Evansville Courier-Press, Progressive Railroading)

(WED) BNSF filed to abandon, and Minnesota Commercial Railway filed to discontinue service over, approximately 1 mile of line in and near Maplewood, MN. (ffd: STB)

(WED) The Surface Transportation Board granted the adverse application of the cities of Peoria, IL and Peoria Heights, IL, to remove Pioneer Railcorp as the operator of service over Kellar Branch, which is owned by those cities. Central Illinois Railway will be the new operator of the line. (ffd: STB, Peoria Journal Star)

(THU) CSX announced that it would work to expand track capacity on its Southeast Corridor Lines between Chicago, IL and Florida and on its River Line between Selkirk, NY and Northern New Jersey. A CSX spokesman said that related infrastructure improvements would include increasing the number of passing sidings and improving signals. The spokesman added that CSX's annual capital expenditures would total approximately \$1.4 billion in 2006 and 2007. (ffd: CSX Corp.)

(THU) Union Pacific and the Canon City and Royal Gorge Railroad jointly filed to discontinue the traffic control system over their line between Canon City, CO and Parkdale, CO, totaling approximately 13 miles. (ffd: FRA)

(THU) Kansas City Southern filed to abandon approximately 1 mile of line in Springhill, LA. (ffd: STB)

APPOINTMENTS, ACHIEVEMENTS AND ALIKE:

(MON) Union Pacific appointed Brian Gorton Superintendent-Transportation Services-Wichita Service Unit. Mr. Gorton was most recently Director-Transportation Services at North Little Rock, AK and was earlier a transportation manager for the former Conrail. In Wichita, Mr. Gorton replaces Todd Wimmer, who was recently promoted to General Superintendent-Portland Service Unit. (ffd: UP Corp.)

(TUE) Norfolk Southern appointed Ray Rumsey AVP-Communications & Signals effective August 16. Mr. Rumsey replaces Gerry Sniffen, who retired earlier this year. Mr. Rumsey was most recently NS's Chief Engineer-Line Maintenance-Eastern Region and was earlier Chief Engineer-Roadway Assets for the former Conrail. (ffd: Progressive Railroading)

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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 receive it, with my compliments.

HAVE A SAFE AND PROSPEROUS WEEK,

Dave Mears

Cherry Hill, New Jersey, USA