

## WEEKLY RAIL REVIEW

For The Week Ending SAT, October 2, 2004

By Dave Mears

(NOTE: The expression "ffd" at the end of a news item represents "for further details" and suggests a reference for further related information.)

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

(MON) A Burlington Northern Santa Fe freight train derailed 42 cars near Shelby, MT. The train was a unit grain train enroute from Selby, SD. to Kalama, WA. A BNSF spokesman said that there were injuries in the accident and that its cause was under investigation. (ffd: BNSF Corp.)

(MON) An electrical fire in one of the 4 East River rail tunnels connecting Manhattan and Queens disrupted train services through New York City's Pennsylvania Station. The fire, which began approximately 1 PM, was brought under control later that afternoon. Spokesmen estimated that over 100,000 passengers were delayed, with Long Island Rail Road and New Jersey Transit commuter services resuming normal operation late Monday evening and Amtrak intercity services resuming normal operation Tuesday morning. (ffd: NARP, New York Times)

(TUE) California experienced a Magnitude 6 earthquake centered near Parkfield, CA., approximately 60 miles north of San Luis Obispo, CA. Union Pacific temporarily halted its freight train service and also Amtrak service in the region, while it inspected its tracks and trains in a 100-mile radius from the epicenter. Services resumed normal operation the following day. California experienced 2 other notable earthquakes on Tuesday, a lesser one near Parkfield and another, Magnitude 5, near Keene, CA., approximately 23 miles east of Bakersfield, CA. (ffd: Trains)

(TUE) Truck driver John Stokes was sentenced by a Kankakee County, IL. judge to 2 years in prison. Mr. Stokes drove his truck loaded with steel across the CN/IC main line near Bourbonnais, IL. on March 15, 1999, which was then struck by Amtrak's "City of New Orleans" train, resulting in 11 fatalities and 122 injuries. Mr. Stokes was convicted of violating driving time limits and logbook rules, having had only 5 hours of sleep in the 38 hours before the accident. The National Transportation Safety Board investigation of the accident ruled that Mr. Stokes had disregarded warning devices at the crossing where the truck was struck. (ffd: wire services)

(WED) New York State's Metropolitan Transportation Authority approved a 5-year capital plan totaling \$27.6 billion. The plan includes \$2.4 billion for Long Island Rail Road and \$1.6 billion for Metro North Rail Road improvements. In a symbolic move, the 4 MTA board members who represent New York City abstained from the approval vote to protest the plan's lack of any definitive funding source. (ffd: The Journal News)

(THU) The Association of American Railroads reported that freight loss and damage payouts totaled \$135.9 million in 2003. The 2003 number represents a 4.6 percent drop from the \$142.4 million paid out in 2002. The AAR also

reported that the percentage of freight revenue paid out to settle claims declined from 0.33 percent in 2002 to 0.31 percent in 2003. (ffd: AAR)

(THU) The Pennsylvania Department of Transportation announced that it would not be able to fund continuance of Amtrak's "Three Rivers" train, which Amtrak recently announced it would combine with its "Pennsylvanian" train related to its no longer handling mail and express traffic. A PennDOT spokesman said that it could not afford the \$2.5 million subsidy necessary to separately continue the train. Under the Amtrak plan, the "Three Rivers" and the "Pennsylvanian" will be combined on or about November 1 and cut back to operation between New York, NY. and Pittsburgh, PA. only on or about March 1. (ffd: Pittsburgh Tribune-Review)

(THU) Virginia state officials expressed exasperation over delays by CSX in making improvements funded by the state to the CSX main line between Richmond, VA. and the Potomac River. "We're talking 4 years to get something going and that just seems like too much time," said Virginia Department of Rail and Public Transportation Director Karen Rae. Spokesmen for CSX and the state said that the 2 parties still needed to work out several issues related to line improvements, including additional liability coverage the railroad wants the state to assume. (ffd: NARP, wire services)

(THU) Union Pacific announced that it had placed an order for 315 low-emission locomotives from General Electric and General Motor's EMD Division for delivery in the first half of 2005. A UP spokesman said that the new locomotives will satisfy the Environmental Protection Agency's "Railroad-Tier 2" emission regulations that become effective January 1, 2005. The spokesman added that UP's existing fleet of 7,861 locomotives already meeting EPA "Tier 0" and "Tier 1" emission regulations. (ffd: Railway Age, UP Corp.)

(FRI) Railroads in the southeastern U.S. continued to recover from the effects of Hurricanes Ivan and Jeanne, the third and fourth hurricanes to have made landfall in that region so far this hurricane season. CSX resumed service south of Jacksonville, FL., but reported it limited as a result of widespread commercial power outages through central Florida. Amtrak continued to resume train services between New York and Florida through the week, but a spokesman said that its "Sunset Limited" train west out of Orlando would continue to operate between Los Angeles, CA. and New Orleans, LA. only through at least early October. (ffd: CSX Corp., NARP)

#### STATS:

(THU) For the week ending September 25, U.S. carload rail traffic was down 0.2 percent from the comparable week last year, down 3.7 percent in the East, but up 2.7 percent in the West. This week this year versus this week last year, notable traffic increases included metallic ores up 21.6 percent, nonmetallic minerals up 9.4 percent and metals up 7.9 percent; notable traffic decreases included non-grain farm products down 40.9 percent, primary forest products down 14.8 percent and coke down 11.0 percent. Also for the week ending September 25, U.S. intermodal rail traffic was up 10.0 percent – at 231,025 units, a new weekly U.S. intermodal record. Also for the week ending September 25, Canadian carload rail traffic was down 2.0 percent, Canadian intermodal rail traffic was down 0.8 percent, Mexico's Transportacion Ferroviaria Mexicana's carload rail traffic was up 10.4 percent and TFM's intermodal rail traffic was up 21.1 percent, all when ranked with the comparable week last year.

For the period January 1 through September 25, U.S. carload rail traffic was up 3.1 percent, U.S. intermodal rail

traffic was up 9.5 percent, Canadian carload rail traffic was up 8.1 percent, Canadian intermodal rail traffic was up 0.1 percent, TFM's carload rail traffic was up 1.8 percent and TFM's intermodal rail traffic was up 4.3 percent, all when ranked with the comparable period last year. (ffd: AAR)

#### ACQUISITIONS, ABANDONMENTS AND ALIKE:

(MON) The R. J. Corman Railroad Company filed to a portion of its Dawkins Line between Dawkins, KY. and Evanston, KY., totaling approximately 36 miles. (ffd: STB)

(WED) Burlington Northern Santa Fe filed to abandon approximately 26 miles of line between Neva, KS. and Los Springs, KS. (ffd: STB)

(WED) Burlington Northern Santa Fe filed to abandon approximately 21 miles of line between Kane Jct., TX. and Newgulf, TX. (ffd: STB)

(THU) RailAmerica announced its intention to sell its British Columbia-based E&N Railway by mid-2005. The railroad, which totals approximately 181 miles, was acquired from Canadian Pacific Railway in 1999. (ffd: RailAmerica Corp., Railway Age)

(THU) A consortium of Saskatchewan farmers and farm companies announced their purchase of the 300-mile Great Western Railway, which operates between the towns of Limerick and Bracken in southwestern Saskatchewan. A spokesman for the consortium said that the purchase will permit continued service on the line, which the previous operator, OmniTrax, had announced plans to discontinue service on. The spokesman added that the Saskatchewan government had provided a 15-year interest-free loan toward the purchase. (ffd: Toronto Star)

(THU) Washington State commuter rail operator Sound Transit announced that they had purchased approximately 7 miles of Burlington Northern Santa Fe's Lakeview Subdivision between Tacoma Dome, WA. and Lakewood, WA. A spokesman for the agency said that the line would be used to extend commuter rail service in the near future. The spokesman added that BNSF would continue to provide freight service on the line. (ffd: Progressive Railroading)

(THU) Tonopah & Tidewater Railroad filed to lease, from Pan Western Corp., and operate approximately 3 miles of line in Clark County, NV. (ffd: STB)

(FRI) Canadian Pacific Railway and Norfolk Southern Railway announced a series of trackage rights agreements between the 2 railroads. Under the agreement, which is subject to STB approval, NS will have trackage rights on CPR's Delaware & Hudson Railway between Saratoga Springs, NY. and Binghamton, NY. Concurrently, CPR/D&H will discontinue trackage rights over NS between Binghamton and Buffalo, NY. Also under the agreement, CPR will move NS freight as haulage between Rouses Point, NY. and Sarasota Springs, NY. and NS will move CPR freight as haulage between Buffalo, NY. and Binghamton, NY. (ffd: CPR Corp., NS Corp.)

(FRI) The U.S. Surface Transportation Board granted Burlington Northern Santa Fe's earlier request to abandon approximately 2 miles of line in and near Brainerd, MN. (ffd: STB)

(FRI) Indiana & Ohio Railroad filed to acquire, from CSX, CSX's Cincinnati Terminal Subdivision between Cincinnati, OH. and Oakley, OH. and, also, CSX's Midland Subdivision between Oakley, OH. and Columbus, OH., totaling approximately 107 miles. (ffd: STB)

(FRI) Spokane County, WA. filed to acquire, from Burlington Northern Santa Fe, BNSF's Columbia River Division's, Geiger Spur Line, totaling approximately 5 miles. (ffd: STB)

(FRI) Union Pacific filed to abandon its St. Joseph Industrial Lead, totaling approximately 31 miles of line between Elwood, KS. and Robinson, KS. (ffd: STB)

(FRI) Union Pacific filed to abandon approximately 1 mile of its Monfort Industrial Lead, in and near Kersey, CO. (ffd: STB)

#### PERSONNEL CHANGES AND ALIKE:

(FRI) Kansas City Southern appointed Robert Terry SVP and General Counsel. Mr. Terry was most recently an executive of Farmland Industries, Inc. (ffd: KCS Corp.)

(FRI) Norfolk Southern announced the following executive appointments: Charles "Wick" Moorman as President; L.I. Prillaman as Vice Chairman and Chief Marketing Officer; Stephen Tobias as Vice Chairman and Chief Operating Officer; Henry Wolf as Vice Chairman and Chief Financial Officer; James Hixon as EVP-Finance and Public Affairs; Mark Manion as EVP-Operations; Kathryn McQuade as EVP-Planning and Chief Information Officer; John Rathbone as EVP-Administration; Donald Seale as EVP-Sales and Marketing; and James Squires as SVP-Law. (ffd: NS Corp.)

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(NOTE: This month marks the 5th anniversary of my "Weekly Rail Review" and its forerunner, and represents a good opportunity for me to bring my mailing list up to date. During the next several weeks, you may receive an email query from me asking that you validate and update the reference information I have on file for you. This will also be an opportunity for any of you to let me know if you would like to be unsubscribed. Information provided will be for my mailing list file only and not for anyone else. As always, I thank you for your interest in "Weekly Rail Review" - my way of keeping up with the news of our industry and keeping in touch with my acquaintances in it.)

Weekly Rail Review is edited from public news sources and published weekly to the rail and transit industries and those interested in them. Send an e-mail to <mailto:weeklyrailreview@aol.com>weeklyrailreview@aol.com to receive it, with my compliments.

HAVE A SAFE AND PROSPEROUS WEEK,  
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