

WEEKLY RAIL REVIEW

For the week ending SAT, December 13, 2003

By Dave Mears

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

(SUN) Union Pacific suffered an on-duty employee fatality. Jody Herstine, Age 37 with 5 years' UP service, was killed when he was struck by the locomotive he was operating with a remote control device. The accident occurred in San Antonio, TX. (ffd: wire services)

(SUN) An early winter snowstorm dumped up to 14 inches of snow on parts of the Northeastern U.S., hampering some rail operations there. Related to the storm, CSX closed its 3 Northern New Jersey intermodal terminals due to the snow and accompanying blizzard-like conditions. The terminals were reopened Sunday into Monday. (ffd: CSX Corp., Railpace)

(MON) Burlington Northern Santa Fe announced that they had partnered with Shell Oil and Lomita Rail Terminal to ready a train capable of hauling ethanol, an alternative vehicle fuel intended for California markets. A spokesman for the consortium said that BNSF was prepared to assemble a 95-car unit train for transporting ethanol and that the entire train could be unloaded in less than 24 hours at special unloading facilities built at Lomita Rail Terminal's Carson, CA. facility. (ffd: Grain Journal Magazine)

(WED) Norfolk Southern announced that it would spend \$810 million in 2004 for capital improvements. An NS spokesman said that this would include \$517 million for track and related infrastructure improvements and \$258 million for equipment. The spokesman added that equipment spending would include \$178 million to acquire 100 new 6-axle locomotives, upgrade several existing locomotives, certify and rebuild 390 multi-level vehicle racks, and acquire 212 bi-level vehicle racks at the end of their lease. (ffd: NS Corp.)

(WED) The U.S. Department of Health and Human Services named Union Pacific one of 8 winners of the department's first "Innovations in Prevention" awards. A USDHHS spokesman said that UP was recognized for its "Health Track" program, which is designed to identify at-risk employees and intervene to provide them with benefits including company-sponsored exercise programs and general health education and disease-management tips. (ffd: Progressive Railroading)

(THU) Canadian Pacific Railway President and CEO Robert Ritchie called for Canada to create and implement a strategy to address looming capacity constraints in the nation's surface transportation infrastructure. In a speech before the Toronto Railway Club, Mr. Ritchie urged Canadian leaders to develop "a new, collective vision" for an efficient, integrated and sustainable transportation infrastructure that would support the competitiveness of the Canadian economy. (ffd: AAR)

(THU) Norfolk Southern and Union Pacific announced that they had recently completed joint movement of 4 school buses in specially designed "unilevel" cars built by TTX and Trinity Industries. The buses were moved from Winston-Salem, NC. to Wilmington, CA., where they were tendered to Pacific Harbor Line for final delivery and unloading. "With the introduction of unilevel cars, we can now provide the same type of enclosed, secure service for large vehicles that we offer for new automobiles," said PHL spokesman Don Norton. Mr. Norton also noted that the buses would be fueled by liquid natural gas and that rail is advantageous for the transport of such vehicles, due to the challenge of finding alternative fuels when deadhead driving such vehicles long distances. (ffd: AAR)

(FRI) Los Angeles, CA.'s Metropolitan Transportation Authority announced that they would revise transit fares effective January 1. An MTA spokesman said that the base fare would drop from \$1.35 to \$1.25 and that senior citizen, student and disabled fares would remain the same, but that the cost of weekly, semi-monthly and monthly passes would increase. The spokesman added that MTA would also introduce a Metro Day Pass, good for unlimited bus and subway travel on the day of purchase. (ffd: Progressive Railroading)

(FRI) The U. S. Department of Transportation's Bureau of Transportation Statistics released its ninth annual "Transportation Statistics Annual Report." The report analyzes trends and developments related to travel, freight movement, system extent and condition, and the economic performance of transportation, safety, energy, and environmental consequences related to the U.S. transportation network. The report may be ordered from BTS by phone, mail or email. (ffd: USDOT)

(FRI) Metro North Railroad announced that it would not seek restitution from Edwin Gallart, who on October 29 made national news when he dropped his cell phone into the toilet bowl of the MNRR commuter rail car restroom he was using and got his arm stuck trying to retrieve it. Emergency personnel had to be called to free Mr. Gallart, which required the bowl being torn apart, and MNRR officials had earlier said that they would attempt to recover its approximately \$3,000 reinstallation cost from him. "The expense of trying to recover, we now believe, would be economically unfeasible," a MNRR spokesman said. (ffd: New York Times)

STATS:

(THU) For the week ending December 6, U.S. carload rail traffic was up 5.0 percent from the comparable week last year, up 9.3 percent in the East and up 1.8 percent in the West. This week this year versus this week last year, notable traffic increases included coke up 45.2 percent, crushed stone, sand and gravel up 20.4 percent, waste and scrap materials up 18.5 percent, and grain up 18.4 percent; notable traffic decreases included metallic ores down 19.9 percent. Also for the week ending December 6, U.S. intermodal rail traffic was up 7.0 percent, Canadian carload rail traffic was up 14.3 percent, Canadian intermodal rail traffic was down 0.6 percent, Mexico's Transportacion Ferroviaria Mexicana's carload rail traffic was down 23.8 percent and TFM's

intermodal rail traffic was down 15.3 percent, all when ranked with the comparable week last year.

For the period January 1 through December 6, U.S. carload rail traffic was up 0.1 percent and U.S. intermodal rail traffic was up 6.7 percent. Cumulative U.S. intermodal rail traffic reached 9,399,690 units, a new annual record and with 3 reporting weeks still remaining in the year. Also for the period January 1 through December 6, Canadian carload rail traffic was up 0.2 percent, Canadian intermodal rail traffic was up 6.5 percent, TFM's carload rail traffic was down 3.0 percent and TFM's intermodal rail traffic was up 11.7 percent, all when ranked with the comparable period last year. (ffd: AAR)

ACQUISITIONS, ABANDONMENTS AND ALIKE:

None of note this week!

PERSONNEL CHANGES:

(MON) General Electric announced that it would combine GE Transportation Systems, representing its locomotive business headquartered in Erie, PA., with GE Aircraft, which is headquartered in Evandale, OH. The combined unit will be known as GE Transportation, with rail-related businesses known as GE Rail. GE also appointed Dave Calhoun to head GE Transportation, with Charlene Begley continuing to head GE Rail. (ffd: Railway Age)

(TUE) Canadian National appointed David Edison in charge of the integration of BC Rail, which the province of British Columbia recently announced it would lease to CN to operate, into the CN system. Mr. Edison was previously CN's VP-Pacific Division. A CN spokesman said that the integration was expected to take approximately 3 years. (ffd: CN Corp.)

(THU) The Bush Administration appointed Kirk Van Tine Deputy Transportation Secretary. Mr. Van Tine will serve as Acting Deputy until he is confirmed in that position by the U.S. Senate. Mr. Van Tine succeeds Michael Jackson, who resigned from USDOT last August. (ffd: USDOT)

(FRI) Continuing the many recent changes in the senior leadership of CSX, a CSX spokesman announced that Bob Grassi would retire as president and CEO of CSX's World Terminals subsidiary. Mr. Grassi will be replaced in that position by Andrew Fogarty, currently CSX's SVP-Corporate Services. (ffd: CSX Corp.)

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Weekly Rail Review 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 weeklyrailreview@aol.com to receive it, with my compliments.

HAVE A SAFE AND PROSPEROUS WEEK,
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