

WEEKLY RAIL RECAP

For the week ending SAT, December 21, 2002

By Dave Mears

(SPECIAL NOTE: I'm playing catch-up here again, but expect that WRR will again be current on or about the first part of January. Also, many of you have sent me e-mails of holiday greeting and about various other matters; I thank you for them and look forward to soon answering them.)

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

(MON) A bus and subway strike in New York, NY. was temporarily averted when union negotiators elected to avoid a work stoppage, so that further discussions could take place between New York's Metropolitan Transportation Authority and its transit unions. Later in the week, officials of both sides announced that a tentative agreement had been reached, which they would later submit to union memberships for ratification. New York City's buses and subways are used by approximately 7 million riders daily. (ffd: wire services)

(MON) Amtrak President David Gunn reminded key congressional appropriations persons of Amtrak's need for a minimum of \$1.2 billion in FY2003 funding. "There are no easy options to any of us if the funding level falls below \$1.2 billion," Mr. Gunn stated. As with much other federal funding, Amtrak's FY2003 funding remains unappropriated into the New Year, with the Senate Appropriations Committee having voted for \$1.2 billion and the House Appropriations Committee having voted for \$762 million. (ffd: wire services)

(MON) Britain's Strategic Rail Authority announce that it would provide \$93 million in bailout funding for Connex, which operates intercity passenger rail services southeast out of London, England. A government spokesman said that Connex would have had to halt some services without the funding. The spokesman added that, in return for the funding, Connex's route franchises would end 5 years sooner, in 2006 instead of 2011. (ffd: NARP)

(TUE) Norfolk Southern closed the eastbound hump at its Conway Yard near Pittsburgh, PA. All classification will now be done via the westbound hump. Conway had been one of the few remaining dual hump operations in the U.S. (ffd: CRTS)

(TUE) Canadian National announced its intention to acquire 350 new 50-foot boxcars and 200 new center-beam flatcars. The boxcars will be used for paper products service and the flatcars for lumber service. A CN spokesman added that 100 of the new boxcars would be built at CN's Transcona Shops near Winnipeg, MB., marking the first new car construction there in several decades. (ffd: CN Corp.)

(WED) CSX announced that it would sell its domestic container shipping subsidiary, CSX Lines, to a venture consortium known as The Carlyle Group. A CSX spokesman said that CSX would receive \$300 million in cash and securities for the subsidiary, the sale of which will be completed in the first quarter of 2003. (ffd: CSX Corp.)

(WED) The Western New York & Pennsylvania Railroad operated a test train over its newly repaired Southern Tier Extension into Hornell, NY. A spokesman for the WNY&P said that it expected to resume regular service over the line by Spring, 2003. The WNY&P last year began a lease of the line from Norfolk Southern to operate local freight service. (ffd: Hornell Evening Tribune)

(THU) Burlington Northern Santa Fe announced that it had closed 421 highway-rail grade crossings in 2002. A BNSF spokesman said that this made 1,571 crossings closed by BNSF over the last 3 years, representing 4.7 percent of its system crossing total. (ffd: BNSF Corp.)

(THU) Trinity Industries announced that it had reached agreement with Rescar Inc. to sell to Rescar Trinity's 16 rail car repair facilities in 12 states. A Trinity spokesman said that the agreement would "allow Trinity Rail to focus on its core businesses of designing, manufacturing, leasing and managing rail cars." (ffd: Progressive Railroading)

(FRI) China announced that it had completed the first 75-mile segment of its new rail line into Tibet. The route, whose high altitudes and year-round frozen ground are posing unique railway engineering challenges, will total 693 miles, stretching from the Chinese city of Golmud to the Tibetan capital of Lhasa. A Chinese government official added that the line is expected to be finished in 2007 and will cost approximately \$3.3 billion to complete. (ffd: wire services)

ACQUISITIONS, ABANDONMENTS AND ALIKE:

(NOTE: Due the U.S. Surface Transportation Board's website having been down when the last WRR was prepared, information here is in 2 parts, the first related to filings for the week ending December 14, the second related to filings for the week ending December 21.)

(MON) Union Pacific filed to abandon approximately 3 miles of its San Jose Industrial Lead between Valbrick, CA. and Cahill, CA. (ffd: STB)

(TUE) Burlington Northern Santa Fe filed to abandon approximately 11 miles of line between Reynolds, NE. and Endicott, NE. (ffd: STB)

(THU) Burlington Northern Santa Fe filed to abandon approximately 2 miles of line in Redlands, CA. (ffd: STB)

(THU) Union Pacific filed to abandon approximately 2 miles of its Ninth Street Electric Industrial Lead between Emeryville, CA. and Berkeley, CA. (ffd: STB)

(FRI) The Puget Sound & Pacific Railroad filed to lease, from Union Pacific, and operate approximately 2 miles of line between Blakeslee Jct., WA. and Raisch, WA. (ffd: STB)

(FRI) CHS Holdings, Inc. filed to abandon its entire railroad, constituting 2 miles of line in Pembina County, ND. (ffd: STB)

(FRI) CSX filed to abandon approximately 3 miles of line between Painesville, OH. and Grand River, OH. (ffd: STB)

\* \* \*

(WED) The Dallas, Garland & Northeastern Railroad announced that it had reached agreement with the Kansas City Southern to acquire and operate approximately 2 miles of KCS line in West Dallas, TX. (ffd: RT&S)

(FRI) The Western Illinois Railway filed to acquire, from Toledo, Period & Western, approximately 72 miles of line between La Harpe, IL. and Peoria, IL. (ffd: STB)

CHANGING PEOPLE AND PLACES:

(TUE) Burlington Northern Santa Fe appointed John Lanigan EVP and Chief Marketing Officer. Mr. Lanigan was most recently CEO of Logistics.Com, which is being sold to Manhattan Associates, and was previously with Schneider National Inc. Mr. Lanigan replaces Chuck Schultz, who will retire later this year. BNSF also announced the following additional appointments: Marc Allen as AVP-Automotive, Katie Farmer as AVP-Carload Equipment, Dick Ebel as AVP-Intermodal Direct Marketing, Ed Zajac as AVP-Intermodal/Automotive Equipment, John Lucas as IMC/Truckload Marketing, Dave Fleenor as AVP-Sales-Industrial Products, Cal Reynolds as AVP-Perishable Marketing and Thomas Williams as General Director-IMC Marketing. (ffd: BNSF Corp.)

(FRI) CSX announced that Paul Reistrup would retire as CSX's AVP-Passenger Integration. Mr. Reistrup, who joined CSX at the time of its co-takeover with Norfolk Southern of the former Conrail, was earlier Amtrak's second president and, earlier still, head of passenger services for the former C&O/B&O. Past his retirement, Mr. Reistrup's duties will be covered by VP-Passenger and Operations Planning John Gibson and AVP-Passenger and Operations Planning Jay Westbrook. (ffd: CSX Corp.)

\* \* \*

Weekly Rail Recap 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 djmservices@aol.com to receive it, with my compliments.

HAVE A SAFE AND PROSPEROUS WEEK,  
Dave Mears  
Cherry Hill, New Jersey, USA