

## WEEKLY RAIL REVIEW

FOR THE WEEK ENDING FRIDAY, DECEMBER 25, 2009

BY DAVE MEARS

(Note 1: Feeling much better now – especially now that I'm caught up and current! Thanks to everyone for their patience – and best wishes for a safe, prosperous and altogether Happy New Year. Dave M.)

(Note 2: This week included Christmas Eve and Christmas Day.)

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

(SAT) A blizzard-like snowstorm blanketed the U.S. East Coast, notably impacting rail operations. Snow totals included about 16 inches around Washington, DC, about 20 inches around Baltimore, MD and Philadelphia, PA, and 26 inches on Long Island. Passenger railroads serving the region generally continued service, but did cancel some trains during the worst periods of the storm. On Long Island, a Long Island Rail Road train that encountered a series of weather-related malfunctions took over five hours to travel the 50 miles from Manhattan's Penn Station to Ronkonkoma. Many of the region's freight railroads temporarily discontinued service and/or held trains out of impacted areas. (ffd: New York Times, wire services)

(MON) New York City officials noted the completion of the first phase of the new extension of the subway system's No. 7 Flushing Line. The line is being extended from its present western terminus at Times Square to 34th Street and 11th Avenue to better serve the West Side of Midtown Manhattan, including the Javits Convention Center. Officials said that they hoped to open the 2.1-mile extension by December, 2013. (ffd: NYMTA, Progressive Railroading)

(MON) A Palo Alto, CA resident announced that he is working on an air bag for trains that would protect railroad trespassers. Steve Raney, who works for Advanced Transportation Systems Ltd., said that the air bag would act as a cushion when it first strikes the person, and then would form into a firm wedge, scooping up the person as the train brakes to a stop. Mr. Raney said that he plans to ask the Transportation Research Board for \$450,000 in funding for design development and implementation. (ffd: San Jose Mercury News)

(TUE) In a video submitted as testimony to the U.S. Securities & Exchange Commission, Warren Buffet extolled the virtues of U.S. railways. "The rail business is not going anyplace," Mr. Buffet said. "It's going to be right here in the United States. There's going to be four big railroads that are moving more and more goods. So it's...a good business." Mr. Buffet, who is seeking official permissions to purchase nearly all BNSF stock, made his comments in a question-and-answer video with BNSF CEO Matt Rose. (ffd: wire services)

(WED) An electrical problem on Amtrak's Northeast Corridor near North Bergen, NJ resulted in the suspension of NEC train service during the morning hours. An Amtrak spokesman said that service was restored at about 1130AM and that trains were running at or close to schedule by about 4PM. (ffd: Washington Post)

(WED) A judge declined to issue a temporary restraining order that would have compelled Amtrak to operate the Rio Grande Scenic Ski Train between Denver, CO and Winter Park, CO. The National Association of Railroad Passengers reported that Amtrak and Iowa Pacific Holdings, which was to operate the ski train, could not reach agreement related to contract liability and insurance requirements. (ffd: Denver Post, NARP)

(THU) New York City subway system officials said that they had begun testing “countdown clocks” in some subway stations. The clocks count down the number of minutes until the next train. A subway spokesman said the clocks are being tested on the system’s No. 6 Lexington Avenue Line and that it was planned to install them on several other lines by mid-2011. (ffd: wire services)

STATS:

(THU) For the week ending December 23, 2009, U.S. rail volume grand totaled 30.4 billion ton-miles, up 0.3 percent from the comparable week last year. U.S. carload rail traffic was down 0.1 percent, down 5.1 percent in the East and up 3.5 percent in the West. Additional to ton-miles and U.S. intermodal traffic (see below) having increased, 11 of 19 carload commodity groups also increased, including metallic ores up 50.9 percent, motor vehicles and equipment up 28.1 percent, and grain up 22.8 percent. Also for the week, U.S. intermodal rail traffic was up 9.4 percent, Canadian carload rail traffic was up 6.5 percent, Canadian intermodal rail traffic was up 2.3 percent, Mexican carload rail traffic was up 24.8 percent, and Mexican intermodal rail traffic was up 34.9 percent.

For the period January 1 through December 23, 2009, U.S. rail volume grand totaled 1.44 trillion ton-miles, down 15.5 percent. Also for this period, U.S. carload rail traffic was down 16.5 percent, U.S. intermodal rail traffic was down 14.6 percent, Canadian carload rail traffic was down 18.7 percent, Canadian intermodal rail traffic was down 14.8 percent, Mexican carload rail traffic was down 10.1 percent, and Mexican intermodal rail traffic was down 13.6 percent. (ffd: AAR)

STATS CONTINUED – MASS TRANSIT RIDERSHIP:

(TUE) The American Public Transportation Association reported that mass transit ridership was down 4 percent the first nine months of this year versus the first nine months of last year. The number of rides fell in 146 of 197 bus systems and in 50 of 64 rail transit systems. An APTA spokesman noted that 60 percent of mass transit ridership is made up of Americans going to and from work and so “the ridership fall is greater than expected because unemployment rose so quickly.” (ffd: USA Today)

STATS FURTHER CONTINUED – ALL U.S. FREIGHT TRAFFIC:

(WED) The U.S. Department of Transportation’s Bureau of Transportation Statistics reported the final results of a 2007 commodity flow survey. The report stated that rail movements that year totaled approximately 1.9 billion tons and 1.3 trillion ton-miles, representing 40 percent of all ton-miles. The report also stated that trucking accounted for another 40 percent of all ton-miles and that all rail, truck and water shipments totaled 12.5 billion tons and 3.3 trillion ton-miles. (ffd: USDOT, US Department of Commerce)

EXPANSIONS, CONTRACTIONS AND ALIKE:

(SAT) Seattle, WA’s light rail system opened its 1.7-mile extension to SeaTac and Sea-Tac International Airport. The extension completes the line from downtown Seattle that opened July 18. (ffd: RT&S)

(MON) New Jersey Transit announced plans to close its Great Notch Rail Station in Little Falls, NJ because of low ridership to and from that station. AN NJT spokesman said that ridership had fallen off notably since the 2004 opening of its Montclair State University Station, about one mile away from Great Notch. (ffd: NJ Transit, Progressive Railroading)

(MON) The Toronto Transit Commission broke ground for construction of its Sheppard East light rail line. When complete, the line will run 8.4 miles along Sheppard Avenue from the Don Mills subway station. (ffd: Railway Age)

(TUE) The Port of Seattle announced that it had purchased the 42-mile BNSF line between Snohomish, WA and Renton, WA, which runs via the east side of Lake Washington. The purchase price was \$81.4 million. BNSF will continue to provide freight rail service over the line, which is also slated for future commuter rail service and a bike and hiking trail alongside it. (ffd: Trains)

(WED) The Indiana Railroad filed to abandon approximately 23 miles of line between Crane, IN and Bedford, IN. (ffd: STB)

(THU) Freedom Rail Management filed to acquire a controlling interest in the Columbia & Reading Railway. (ffd: STB)

#### APPOINTMENTS, ACHIEVEMENTS AND MILESTONES:

(SUN) FreightCar America announced the resignation of its CEO Christian Ragot. Replacing Mr. Ragot is Edward Whalen, who had been the company's SVP-Marketing & Sales prior to his retirement in 2008. (ffd: ABC News, Johnstown Tribune-Democrat)

(TUE) Canadian Transport Minister John Baird announced the appointment of Marc Laliberte as president and CEO of VIA Rail Canada. Mr. Laliberte succeeds Paul Cote, who is retiring after a 32-year VIA Rail career that included a five-year term as CEO. (ffd: Progressive Railroading)

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BE SAFE AND PROSPER,

Dave Mears

Cherry Hill, NJ