

WEEKLY RAIL RECAP

For the week ending SAT, April 13, 2002

By Dave Mears

(NOTE: The expression "ffd" at the end of a news item means "for further details" and usually represents what I believe to be the most helpful news resource if a reader wants more information on a particular item.)

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

(SUN) South Korean transportation officials announced agreement with their North Korean counterparts for the North to complete renovation of their portion of the long-idle railway linking North and South. Although South Korea earlier completed renovation of its portion of the railway, work on North Korea's portion has been suspended since late winter. (ffd: International Herald Tribune)

(MON) New York State officials confirmed that the start of work to convert Manhattan's Farley Post Office Building into the new Pennsylvania Station was behind schedule. The officials said that work would now not start until later this year and likely not be complete until 2007, adding that delays were largely the result of further necessary discussions with the U.S. Postal Service over the scope of their facilities that are to remain in the building. (ffd: New York Daily News)

(MON) Construction began on a new Lake Street interlocking complex north of Chicago, IL.'s Union Station. The project, which will run through the next couple of years and cost up to \$75 million, will when complete increase track speed and capacity through the interlocking. (ffd: Metra)

(MON) Staff of the Kansas City Southern Railway moved into their new headquarters building at 427 W. 12th St. in Kansas City, MO. The new 6 story building, known as Cathedral Square, cost \$42.9 million to construct and will house approximately 330 KCS employees. (ffd: Kansas City Star)

(MON) An Amtrak official confirmed that discussions were underway with Burlington Northern Santa Fe over the possible rerouting of Amtrak's Southwest Chief. Amtrak GM Brian Rosenwald said that the discussions were the result of BNSF's announced intention of possibly abandoning up to 400 miles of the Chief's existing route east of La Junta, CO. Mr. Rosenwald added that the new route being considered would shift the Chief onto BNSF's line through Wichita, KS. and Amarillo, TX. (ffd: NARP)

(MON) Union Pacific debuted 2 new television commercials promoting the railroad. A UP spokesman said that the commercials, the first for UP since the 1980's, would run in 30 second spots in 32 cities nationwide. (ffd: Omaha World Herald)

(MON) In a message to investors and employees, NS Chairman David Goode announced a program of corporate goals to be known as "7 and 7." The goals call for increasing NS revenues to \$7 billion, up from \$6.2 billion last

year, and for lowering NS's operating ratio to the 70's, which it had not attained since its co-takeover of Conrail. (ffd: NS Corp.)

(MON) Pittsburgh, PA. officials announced that they would build a new light rail tunnel under the Allegheny River. The new tunnel, targeted for completion in 2007, would connect light rail services in downtown Pittsburgh with PNC Park, the new ball field of the Pittsburgh Pirates. (ffd: Port Authority of Allegheny County)

(MON) Boston, MA.'s Massachusetts Bay Transportation Authority introduced a new third rail protection device. The device, designed and built in-house, is placed on the third rail and produces a visible and audible warning once the rail is reenergized. MBTA officials said that they would make the device available to all Boston area fire and rescue units. (ffd: MBTA)

(MON) Construction began on a rail line bridging north and south Australia. The line, which is targeted for completion in 2004 and is expected to cost approximately \$685 million, will connect the Australian seaport of Darwin with the central city of Alice Springs, where it will then connect with an existing railway to the southern coastal city of Adelaide. (ffd: Nando Times)

(TUE) Massachusetts Bay Transportation Authority officials awarded a \$252 million contract to Cashman Construction Co. and Balfour Beatty Co. to rebuild the rail line between Boston's southern suburbs and Greenbush, MA. for commuter service. Officials said that commuter trains would begin operating on the line by late 2005. (ffd: MBTA)

(TUE) Officials in suburban Chicago, IL. announced that construction would soon start on connections allowing trains to divert from an at-grade CSX/Baltimore and Ohio Chicago Terminal line to an elevated former Indiana Harbor Belt line. Officials said that the project, expected to cost \$6.5 million, will permit discontinuance of the B&OCT line and its 31 grade crossings in the communities of Hammond, Gary, East Chicago and Whiting. (ffd: The Munster IN. Times)

(TUE) Norfolk Southern began demolishing dock structures illegally located between the water and its tracks along the Susquehanna River south of Harrisburg, PA. The demolition, along with an increased trespasser prevention effort, were begun in response to the death of a local youth on railroad property there last summer. (ffd: Lancaster Intelligencer Journal)

(WED) The Bush Administration announced that it was postponing release of its much-anticipated position paper relating to the future of Amtrak and U.S. intercity passenger services. Wire services reported that the delay stemmed from disagreement between administration officials over whether or not to propose the franchising of at least some of Amtrak's services to private or quasi-private concerns. At congressional hearings later in the week, Mercer Management consultant William Rennie testified that several individuals or consortiums had indicated possible interest in taking over some Amtrak services, including the operators of Paris, France's Metro subway. (ffd: wire services)

(WED) Illinois state officials announced that an automated camera placed at Burlington Northern Santa Fe's River Road crossing in Naperville, IL. had reduced the number of motorists running down-position crossing gates by more than 80 percent. Officials said that the camera was resulting in approximately 50 traffic citations being issued each month to violators. (ffd: Chicago Tribune)

(WED) Canadian Pacific Railway CEO Rob Ritchie said that CPR was exploring possible operation of rail passenger services in partnership with Canadian

federal and provincial authorities. "Talks have been underway with various governments for more than a year," Mr. Ritchie said at a conference in Calgary, AB., but added, "It's still too early to know what success we will have." (ffd: National Post)

(THU) Kansas City, MO. officials awarded a \$5 million contract to construct a new Amtrak passenger station. The station, which is expected to be completed later this year, will be located in the complex of the old Kansas City Terminal station, which was remodeled into a \$250 million shopping, entertainment and community center in 1999. (ffd: wire services)

(FRI) Officials including U.S. Secretary of Transportation Norman Mineta and California Governor Gray Davis opened the Alameda Rail Corridor in Los Angeles, CA. The Corridor, costing \$2.4 billion and representing one of the largest public-private rail partnerships ever, provides a new 20 mile rail freight line - 10 miles of which is below grade, known as the Mid-Corridor Trench - linking the ports of Long Beach and Los Angeles with BNSF and UP rail yards near Los Angeles Union Passenger Terminal. (ffd: Long Beach Daily News)

STATS:

(THU) For the week ending April 6, U.S. carload rail traffic was down 3.7 percent from the comparable week last year, down 7.1 percent in the East and down 0.9 percent in the West. This week this year versus this week last year, notable traffic increases included non-grain farm products up 19.1 percent, metals and metal products up 9.3 percent, chemicals up 9.0 percent and lumber and wood products up 7.0 percent; notable traffic decreases included coal down 6.6 percent, coke down 29.5 percent, motor vehicles and equipment down 15.0 percent and grain down 9.0 percent. Also for the week ending April 6, U.S. intermodal rail traffic was down 1.1 percent, Canadian carload rail traffic was down 2.8 percent, Canadian intermodal rail traffic was up 2.6 percent, Mexico's Transportacion Ferroviaria Mexicana's carload rail traffic was up 27.4 percent and TFM's intermodal rail traffic was up 91.3 percent, all when ranked with the comparable week last year.

For the period January 1 through April 6, U.S. carload rail traffic was down 3.8 percent, U.S. intermodal rail traffic was down 0.4 percent, Canadian carload rail traffic was down 5.2 percent, Canadian intermodal rail traffic was up 2.1 percent, TFM's carload rail traffic was down 6.5 percent and TFM's intermodal rail traffic was down 1.9 percent, all when ranked with the comparable period last year. (ffd: AAR)

ACQUISITIONS, ABANDONMENTS AND ALIKE:

(MON) Canadian National and Canadian Pacific announced that they would begin removing trackage on portions of their jointly owned Canadian Southern Line through Ontario. CN and CP earlier received permission to abandon portions of the line, leaving in service the segments between Niagara Falls and Attercliffe, Welland and Fort Erie, and St. Thomas and Windsor. (ffd: The Hamilton Spectator)

(TUE) Southern Gulf Railway granted Burlington Northern Santa Fe trackage rights on 5 miles of line in the vicinity of Sulphur, LA. to allow BNSF to serve the Nelson Generating Station there. (ffd: STB)

(FRI) CSX filed to abandon approximately 2 miles of line in the vicinity of Delaware, OH. (ffd: STB)

CHANGING PEOPLE AND PLACES:

(MON) CSX appointed Carolyn Sizemore VP and Controller. Ms. Sizemore replaces James Ross, who is retiring. (ffd: CSX)

(TUE) Shortline and regional conglomerate RailAmerica appointed Sara Wilkins VP-Investor Relations and Corporate Communications. (ffd: RailAmerica Inc.)

* * *

Weekly Rail Recap is edited from public news sources and published weekly, usually on Monday or Tuesday, 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