

## WEEKLY RAIL REVIEW

FOR THE WEEK ENDING SAT, JULY 1, 2006

BY DAVE MEARS

(NOTE: "ffd" indicates a reference "for further details.")

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

(SUN) Extended and widespread rainstorms, continuing from the previous week, notably disrupted passenger and freight train operations in the northeastern U.S. On Monday and due to washouts on CSX, Amtrak canceled service south of Washington, DC, except for its Auto Train. MARC and VRE commuter trains to and from Washington, except for MARC Penn Line service, were also canceled on Monday. On Wednesday, an extensive washout on the CSX Albany-Buffalo main line near Amsterdam, NY halted all train service on that route. CSX was able to one track back in service by Thursday evening and the second track back in service by Friday evening, but so many freight trains had been held that Amtrak trains on that route were suspended through Sunday, July 2 to clear out the freight train backlog. Canadian Pacific Railway lines in the Binghamton, NY area were also affected, with CPR reporting 7 washouts on the line from Binghamton south to the Norfolk Southern connection at Sunbury, PA. NS reported no damage to its Southern Tier line between Binghamton and Buffalo, but said that closed floodgates had halted rail service on the line since Tuesday. Rains and resulting floodwaters began to subside later in the week. (ffd: Amtrak, NARP, Trains, wire services)

(SUN) The Chicago Transit Authority inaugurated service on its new Pink line. The line, which runs over existing subway-elevated trackage, operates between the 54th-Cermack station in Cicero and the Chicago Loop. The line reroutes the 54th-Cermack Branch, formerly called the Douglas Branch of the CTA Blue line, along the Paulina Connector. The recently rehabilitated connector, which links CTA's Blue and Green lines on a north-south alignment west of downtown, was last used for transit service in the 1950s. The Pink line runs 10 miles and serves 22 stations. (ffd: Chicago Tribune, Trains)

(MON) Mexican mining and railroad company Grupo Mexico announced that it would contest last week's ruling by Mexico's Federal Competition Commission against the planned merger of its railroad, Ferromex, with Ferrosur. The combined railroad would be controlled by Grupo Mexico's infrastructure and transport unit. A Grupo spokesman said that Ferromex needs to merge with Ferrosur to be able to compete with the former Transportacion Ferroviaria Mexicana, which was absorbed into the Kansas City Southern system last year. The spokesman added that Grupo is considering appealing the decision through the Commission's administrative process and may also challenge it in the Mexican courts. (ffd: Houston Chronicle, Trains)

(MON) The Federal Railroad Administration released the results of a study that found that a passenger train being pushed by a locomotive has virtually no greater likelihood of derailing after a highway-rail crossing collision than does a train with a locomotive in the lead. The analysis examined grade crossing accidents from 1996 through 2005 and found that only 3 push trains derailed out of 218 collisions and 2 pull trains derailed out of 290 collisions, a statistical difference of less than 1 percentage point. Later in the week, a committee of the California state legislature rejected a ban on push operation. The committee considered the ban in response to the January, 2005 crossing accident

involving a Metrolink train operating in push mode that resulted in the deaths of 11 persons. (ffd: FRA, wire services)

(MON) The Washington Metropolitan Area Transit Authority announced that, with 1 week left in its 2006 fiscal year, its Metrorail subway patronage had exceeded 200 million passengers for that year. A Metrorail spokesman said that this marked the first time since the start of its subway service 30 years ago that its ridership had exceeded 200 million. The spokesman added that, also during FY2006, Metrorail posted 7 "Top 10" ridership days, 4 of which were recorded between June 13 and June 16 during a Washington Nationals homestand. (ffd: WMATA)

(TUE) The U.S. Supreme Court upheld a lower court ruling against BNSF related to the transfer of an employee who had complained about sexual harassment on the job. The employee, Sheila White, who worked for BNSF out of Memphis, TN, had filed 2 complaints with the Equal Employment Opportunity Commission, one alleging that her reassignment amounted to unlawful gender-based discrimination in retaliation for her complaining about sexual harassment, the other alleging that she had been placed under surveillance by the man who had hired her. The court said that a jury was correct in awarding her \$43,000 for her complaints. Legal experts reviewing the court's decision suggesting that the ruling broadened protection of workers who sue their employers for retaliation after they lodge EEOC complaints. (ffd: Trains, wire services)

(WED) The National Carriers' Conference Committee and the United Transportation Union were reported to be "at an impasse" related to their national contract negotiations. The NCCC met with the UTU earlier in the week to discuss its contract offer, which included "substantial benefits and employment security to current employees in return...for staffing changes that would permit us to operate trains more efficiently with fewer people." The offer, originally proposed and rejected by the UTU in the spring, was again rejected by the UTU, after which the NCCC withdrew the offer and said that it would "seek a wage freeze in order to help offset unnecessary costs...by being forced to operate [t&e] assignments staffed with redundant positions." The UTU later released a statement in which it quoted the NCCC's chief negotiator, Bob Allen, as saying, "We are miles apart." (ffd: Railway Age)

(WED) The Federal Railroad Administration announced that all new and rebuilt locomotives would be required to meet new crashworthiness standards. The standards include upgraded structural elements such as stronger collision posts, the addition of anti-climbing equipment, strengthened fuel tanks, and reconfigured cab interiors, the latter "to soften many sharp edges and provide better emergency lighting and exits." A FRA spokesman said that the new standards were developed with the assistance of the Locomotive Crashworthiness Working Group of the Railway Safety Advisory Committee. (ffd: FRA, Railway Age)

(THU) A Canadian National freight train derailed in British Columbia's Fraser Valley, approximately 25 miles north of the town of Lillooet. The accident killed 2 crewpersons and seriously injured a third. The derailed train consisted of 1 locomotive and 1 loaded car of lumber. Officials at the scene of the accident said that an investigation as to the cause of the accident "was underway." (ffd: Canadian Broadcasting Company, Railway Age)

(FRI) Officials of the Massachusetts Bay Transportation Authority said that Boston, MA area buses, light rail and subway service would continue running and that negotiations with its transit unions over new contracts would continue. Existing contracts with 29 of 30 Boston transit unions expired on Friday. A MBTA spokesman said, "As in the past, when a contract has expired and before a new one was in place, management and the unions will continue to adhere to the conditions of the old contract." Also on Friday, officials of Los Angeles, CA's Metropolitan Transportation Authority announced that they had reached agreement with their transit unions on a new contract. (ffd:

Boston Globe, NARP)

(SAT) 2 SEPTA commuter trains collided head-on near Abington, PA, north of Philadelphia. The accident injured 30 persons, although a SEPTA spokesman later said that none of the injuries was life-threatening. The collision occurred between the Cressmont and Roslyn stations on the single-track Warminister Line. The SEPTA spokesman said that the cause of the accident was being investigated and that human error was suspected. (ffd: Philadelphia Inquirer)

(SAT) Massachusetts Bay Commuter Railroad officials debuted what they said was the "first ever bike coach." A MBTA spokesman said that the coach had been retrofitted with 40 stationary bike racks and 42 seats. The spokesman added that the coach will be put in service on its Gloucester line this summer, to accommodate the many bike enthusiasts who travel the line during summer months, and would first be used July 2 for the 47th annual "Ride to the Races" cycling event in the Boston suburb of Fitchburg. (ffd: MBTA)

#### STATS – TRAFFIC:

(NOTE: The Canadian carload and intermodal rail traffic mentioned below includes both the Canadian and U.S. operations of Canadian National and Canadian Pacific Railway.)

(THU) For the week ending June 24, 2006, U.S. rail volume grand totaled 33.6 billion ton-miles, up 3.1 percent from the comparable week last year. U.S. carload rail traffic was up 1.8 percent, down 3.8 percent in the East and up 6.5 percent in the West. Notable traffic increases included grain up 17.1 percent and coal up 5.1 percent; notable traffic decreases included nonmetallic minerals down 43.6 percent and metallic ores down 19.5 percent. Also for the week, U.S. intermodal rail traffic was up 7.9 percent, Canadian carload rail traffic was up 2.1 percent, Canadian intermodal rail traffic was up 9.7 percent, Mexico's Kansas City Southern de Mexico's carload rail traffic was down 1.4 percent, and KCSM's intermodal rail traffic was down 10.8 percent.

For the period January 1 through June 24, 2006, U.S. rail volume grand totaled 833.1 billion ton-miles, up 2.6 percent from the comparable period last year. Also for this period, U.S. carload rail traffic was up 1.4 percent, U.S. intermodal rail traffic was up 6.5 percent, Canadian carload rail traffic was down 2.0 percent, Canadian intermodal rail traffic was up 5.8 percent, KCSM's carload rail traffic was down 5.4 percent, and KCSM's intermodal rail traffic was down 6.8 percent. (ffd: AAR)

#### MORE STATS – OPERATING PERFORMANCE:

(NOTE: Effective October 1, 2005, railroads that had been furnished operating performance statistics to the Association of American Railroads began applying a new standardized definitional framework, aimed at eliminating differences in calculation methodology. Concurrent with but unrelated to these changes, Canadian National elected to no longer furnish these statistics.)

(WED) For the week ending June 23, 2006 and versus the previous week, average total cars on line was as follows: BNSF, 224,679 cars versus 224,395 cars; Canadian Pacific, 81,722 cars versus 81,817 cars; CSX, 225,676 cars versus 223,347 cars; Kansas City Southern, 26,918 cars versus 26,957 cars; Norfolk Southern, 202,526 cars versus 203,690 cars; and Union Pacific 322,770 cars versus 322,008 cars.

Also for the week ending June 23, 2006 and versus the comparable week last year, average train speed was as follows: BNSF, 22.6 mph versus 23.0 mph; Canadian Pacific Railway, 25.2 mph versus 21.4 mph; CSX, 19.1 mph versus 19.8 mph; Kansas City Southern, 24.6 mph versus 22.6 mph; Norfolk Southern, 20.3 mph versus 21.8 mph; and Union Pacific, 21.0 mph versus 21.9 mph.

Finally for the week ending June 23, 2006 and versus the comparable week last year, average terminal dwell time was as follows: BNSF, 24.4 hrs versus 23.8 hrs; Canadian Pacific Railway, 20.0 hrs versus 25.0 hrs; CSX, 25.5 hrs versus 28.1 hrs; Kansas City Southern, 21.6 hrs versus 23.2 hrs; Norfolk Southern, 22.4 hrs versus 23.0 hrs; and Union Pacific, 27.2 hrs versus 27.5 hrs. (ffd: AAR)

#### STILL MORE STATS – EMPLOYMENT:

(MON) As of mid-April, 2006 and compared with mid-April, 2005, Class 1 railroad employment totaled as follows: all employees, 165,850, up 2.6 percent; maintenance-of-way and structures, 34,814, up 3.1 percent; maintenance-of-equipment and stores, 30,105, up 0.7 percent; t&e transportation, 70,036, up 3.3 percent; non-t&e transportation, 7,386, up 0.4 percent; executives, officials and staff assistants, 9,678, up 4.2 percent; and professional and administrative staff, 13,831, up 2.0 percent. (ffd: STB)

#### EXPANSIONS, CONTRACTIONS AND ALIKE:

(MON) BNSF granted Longview Switching Company trackage rights over BNSF's Seattle Subdivision, between Longview Jct., WA and Kelso, WA, totaling approximately 8 miles of line. The purpose of the trackage rights is "to allow for the overhead movement of BNSF and Union Pacific cars being handled by LSC during switching operations in the vicinity of Longview Jct." (ffd: STB)

(TUE) CSX filed to abandon approximately 13 miles of line between Belton, SC and Pelzer, SC. (ffd: STB)

(WED) CSX was reported to be purchasing 1,250 acres for development into a multi-modal logistics center near Winter Haven, FL. The project will be reportedly be carried out in 2 phases. In the first phase, CSX will build automotive and intermodal terminals on about 300 acres, with operations at these beginning in late 2008 or early 2009. The second phase will include warehousing, distribution, and other industrial operations on the remaining acreage. (ffd: Tampa Business Journal, Trains)

(WED) NC Railroad filed to lease, from Norfolk Southern subsidiary Tennessee Railway, and operate approximately 1 mile of line in Oneida, TN. (ffd: STB)

(WED) Officials in Montgomery County, VA announced that the new Norfolk Southern intermodal terminal planned for the Roanoke, VA area would be built in nearby Elliston, VA. A county spokesman said that 70 percent of the approximately \$18 million cost of the facility would be paid for by the state. (ffd: Roanoke Times)

(THU) South Kansas & Oklahoma Railroad filed to discontinue service over, and Union Pacific filed to abandon, approximately 1 mile of line near Coffeyville, KS. (ffd: STB)

#### APPOINTMENTS, ACHIEVEMENTS AND MILESTONES:

(TUE) The Bush Administration announced that it would nominate Robert Sumwalt as vice chairman of the National Transportation Safety Board. Mr. Sumwalt is a former aviation accident investigator and commercial airline pilot. (ffd: Progressive Railroading)

(WED) R.J. Corman Railroad Group appointed Noel Rush to the newly created position of VP-Strategic Development & Planning. Mr. Rush was most recently R.J. Corman's GM-Derailment Services. The company also appointed Edward Quinn VP-Derailment Services, succeeding Mr. Rush. Mr. Quinn was most recently R.J. Corman's GM-Material Sales. (ffd: Progressive Railroading)

(THU) BNSF appointed Mignon Lambley to the newly created position of southern field manager, agricultural products. A BNSF spokesman said that Mr. Lambley's new position is the third such one created for the purpose of acting as liaison between BNSF and its agricultural products shippers. (ffd: Progressive Railroading)

(FRI) The National Mediation Board announced the appointment of Edward Fitzmaurice as its chairman. Mr. Fitzmaurice has been a NMB board member since August, 2002 and previously served as its chairman from July 1, 2003 through June 30, 2004. The NMB oversees U.S. railroad airline labor-management relations. (ffd: Progressive Railroading)

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

HAVE A SAFE AND PROSPEROUS WEEK,

Dave Mears

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