

WEEKLY RAIL REVIEW

FOR THE WEEK ENDING SEPT 18, 2009

BY DAVE MEARS

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

(SAT) Observance was made of the one year anniversary of the head-on collision between a Metrolink commuter train and a Union Pacific freight train in Chatsworth, CA. The accident killed 25 persons and injured scores more, and was arguably the catalyst for the passage of the Railway Safety Improvement Act later last year, which mandated new safety measures including Positive Train Control technology. In respect of the occasion, Union Pacific covered with tarps the UP locomotive damaged in the collision, which has been stored near the site of the accident at the National Transportation Safety Board's request. (ffd: Ventura County Star)

(SUN) New York Governor David Paterson (D), Senator Charles Schumer (D-NY) and Amtrak President Joe Boardman jointly announced that agreement had been reached to relocate Amtrak's New York City station to the Farley Post Office Building, which will become Moynihan Station. The Farley Building locates across the street from the existing Pennsylvania Station and was built at the same time and to the same scale as old Pennsylvania Station, the latter having been torn down in 1963. The scope of the Moynihan Station project, which at one time included moving Madison Square Garden and constructing new office towers, has been scaled back to focus exclusively on renovating the Farley Building. (ffd: NARP, New York Times)

(MON) Washington's Metro subway system suffered an on-duty employee injury. John Moore, Age 44, a communications and signal worker, was struck and killed by a train near the Yellow Line's National Airport Station. Mr. Moore was the third on-duty fatality to occur on Metrorail so far this year. (ffd: wire services)

(MON) The transportation forecasting firm FTR Associates predicted a slow economic recovery for freight transportation providers. Reporting at a conference by the firm in Indianapolis, FTR suggested that: subdued consumer spending will slow the recovery's pace, leading to continued high unemployment and suggesting a gradual growth in freight volumes; freight transportation will continue to be a buyer's market in the near-term as depressed freight volumes and substantial excess capacity will continue to be the rule; and freight carriers might not reach equilibrium until 2011, unless there's a more rapid recovery than expected. (ffd: Progressive Railroading)

(MON) A West Virginia newspaper reported that West Virginia's rail inspectors "have been named the best in the country." Charleston, WV's Metro News said that West Virginia Governor Joe Manchin had recently honored the state's rail inspectors for this achievement, the result of their having received "exceptional job status" from the Federal Railroad Administration. (ffd: Metro News, wire services)

(TUE) The deadline occurred for applications for federal Transportation Investment Generating Economic Recovery (TIGER) funding. The funding is a part of the American Recovery and Reinvestment Act (ARRA). One of the largest applications submitted was one by Pennsylvania for \$300 million, which would go toward Norfolk Southern's Crescent Corridor public-private partnership project. (ffd: Logistics Management, wire services)

(TUE) GE Transportation announced that it would cut approximately 1,500 jobs at its Erie, PA locomotive manufacturing and assembly facility. A company spokesman said that the cuts were due to the significantly decreased market for new locomotives that had resulted from the current economic downturn. (ffd: Trains)

(TUE) Canadian National announced that it would close approximately 30 percent of its former grain-loading locations across Canada, 53 altogether. A CN spokesman said that most of the locations were "little more than track sidings branching off from main lines where farmers can unload grain from trucks into rail cars with augers" and that most of them have been unused for at

least one year. (ffd: Canadian Wheat Board, wire services)

(WED) The Senate passed an amendment to a \$122 billion appropriations bill for transportation and housing programs that requires Amtrak to accept firearms at all stations at which they accept checked baggage. The amendment stipulates that, if Amtrak fails to comply within six months, it will be denied all federal funding. The Senate's action was followed by widespread criticism, with many noting that the mandate is unfunded and does not provide Amtrak enough time and resources to meet the six month deadline. The amendment, which passed the Senate 68 to 30, now goes to the House for consideration and debate. (ff: NARP, New York Times)

(WED) Maryland announced that it had released its first statewide freight transportation plan. The plan projects a 75 percent increase in freight traffic in the state by 2030, and suggests more than 100 rail, highway and port projects to increase freight transportation capacity, efficiency, and security. (ffd: Progressive Railroading)

(WED) CSX announced the beginning of a new "green" initiative, "Trees For Tracks." A CSX spokesman said that, over the next five years, it would plant one tree for every mile of track, approximately 21,000 trees altogether. It said that it would partner with non-profit groups to implement the plan. (ffd: Trains)

(THU) Media reports indicated that a key member of the House Transportation and Infrastructure Committee may initiate compromise discussions for a temporary extension of the federal surface transportation program. Highways and Subcommittee Chair Peter DeFazio (D-OR) was reported to have put forward the idea of a possible compromise between Chair James Oberstar's (D-MN) bill for a \$500 billion, six-year program and the Senate's proposal for an 18-month extension of the current law, the latter also being supported by the Obama Administration. The current federal surface transportation program expires on September 30. (ffd: NARP, wire services)

(FRI) Amtrak announced that it would return its one full-length dome car to the consist of its "Adirondack" train from October 1 through November 10, so that the train's passengers might better witness fall foliage. The dome car was built in 1955 for the Great Northern Railway. The car won't clear the tunnels into New York City and so will operate on the train between Albany, NY and Montreal, QB. (ffd: Amtrak, Albany Times-Union)

(FRI) CSX and local police raided a home in Deptford, NJ to recover a significant amount of rail equipment allegedly stolen by the homeowner. "We are in the process of recovering a significant amount of railroad equipment, not only belonging to CSX but to several other major railroads as well," said a CSX spokesman. Included in the recovered equipment were two full-size signal masts and displays located in the backyard of the home, which had been wired to the home's electrical system and were fully functional. (ffd: Gloucester County Times)

(FRI) CSX announced the schedule of the annual Santa Train, which was first operated by CSX predecessor Clinchfield Railroad. The train will operate November 21 and make 14 stops at locations in Kentucky, Virginia and Tennessee. A total of 15 tons of donated toys will be distributed to thousands of children who live along the train's route. Country music singer Wynonna Judd will be the special guest aboard the train. (ffd: Miami Herald, wire services)

STATS:

(THU) For the week ending September 12, 2009 – which this year included the Labor Day Holiday, but last year did not – U.S. rail volume grand totaled 28.2 billion ton-miles, down 19.0 percent from the comparable week last year. U.S. carload rail traffic was down 19.8 percent – down 21.8 percent in the East and down 18.4 percent in the West – and U.S. intermodal rail traffic was down 25.8 percent, Canadian carload rail traffic was down 22.1 percent, Canadian intermodal rail traffic was down 27.5 percent, Mexican carload rail traffic was down 1.0 percent, and Mexican intermodal rail traffic was up 8.4 percent.

For the period January 1 through September 12, 2009, U.S. rail volume grand totaled 1.02 trillion ton-miles, down 17.5 percent from the comparable period last year. Also for this period, U.S. carload rail traffic was down 18.4 percent, U.S. intermodal rail traffic was down 16.9 percent, Canadian carload rail traffic was down 23.1 percent, Canadian intermodal rail traffic was down 16.5 percent, Mexican carload rail traffic was down 14.4 percent, and Mexican intermodal rail traffic was down 19.4 percent. (ffd: AAR)

(NOTE: Canadian traffic totals include those of the U.S. operations of Canadian Pacific Railway and Canadian National.)

#### EXPANSIONS, CONTRACTIONS AND ALIKE:

(MON) Dallas Area Rapid Transit began revenue service on the first segment of its new Green Line light rail line. This first segment runs from downtown Dallas to the MLK Jr. stop. DART light rail expansions over the next four years will extend service to Irving, Las Colinas, and DFW International Airport. (ffd: Trains)

(TUE) Energy Solutions announced its acquisition of the 11-1/2-mile Oak Ridge Railroad, which operates in and near the East Tennessee Technology Park. The railroad was acquired from Heritage Railroad Corporation. (ffd: Knoxville News Sentinel)

(WED) Canadian Pacific filed to abandon approximately one-quarter mile of former Soo Line Railroad near Colfax, MN. (ffd: STB)

(WED) R.J.Corman Railroad/Tennessee Terminal filed to discontinue service over approximately one-half mile of railroad in and near the Airport Industrial Park in Memphis, TN. The rail line is owned by BNSF. (ffd: STB)

(THU) Squaw Creek Southern Railroad filed to lease, from Norfolk Southern, approximately 13 miles of former Central of Georgia Railroad between Machen GA and Newborn, GA. (ffd: STB)

(THU) Short line conglomerate Watco Companies announced that it would purchase 36 miles of line in Idaho from Rio Grande Pacific, and will operate it as the Boise Valley Railroad. The BVRP will run two lines, the 11-mile "Wilder Branch" between Wilder and Caldwell and the 25-mile "Boise Cut Off" between Nampa and a point southeast of Boise. (ffd: Progressive Railroading, Watco Companies)

(FRI) The engineering and consulting firm Balfour Beatty announced that it had reached an agreement to acquire Parsons Brinckerhoff for \$626 million. Parsons Brinckerhoff presently operates more than 100 offices and employs 12,650 workers worldwide. (ffd: STB)

#### APPOINTMENTS, ACHIEVEMENTS AND MILESTONES:

(FRI) The Obama Administration announced its nominations of Eroll Southers to head the U.S. Department of Homeland Security's Transportation Security Administration. If approved by the Senate, Mr. Southers would succeed Kip Hawley, who resigned as TSA head concurrent with the change of administrations last January. (ffd: wire services)

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BE SAFE AND PROSPER,

Dave Mears

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