

## WEEKLY RAIL REVIEW

FOR THE WEEK ENDING SAT, SEPTEMBER 9, 2006

BY DAVE MEARS

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

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

(SUN) The White Pass & Yukon Railway suffered an on-duty employee fatality. The fatally injured employee, whose name, age and years of service were not immediately available, was on a work train consisting of one locomotive and eight cars of gravel that derailed near Bennett, BC. Three other White Pass & Yukon workers were injured in the accident. The narrow gauge tourist railroad is North America's busiest of its kind, with more than 430,000 riders annually. (ffd: Trains)

(SUN) An Austrian Railways train broke the world speed record for electric locomotives on a new stretch of track in southern Germany. The locomotive, a Siemens-built Eurosprinter ES64U4, first set a record of 213.75 mph on a new stretch of track built between Kinding and Allersberg, and then went on to set a new record of 221.82 mph less than an hour later. The new record eclipsed the earlier one of 205.67mph set over 50 years ago, May 28-29, 1955, by two French Railways electric locomotives operating between Bordeaux and Dax, France. (ffd: Deutsche Presse Agentur)

(MON) A new survey of rail shippers judged Canadian National first on a basis of dependability, ease of doing business, and value for money, followed by Norfolk Southern, CSX, BNSF, Canadian Pacific Railway, and Union Pacific. The survey queried on a 1 to 5 scale and it was reported that none of these railroads were able to amass a cumulative score greater than 3.65. The survey also found that shippers expected to pay 9.7 percent more for rail transportation in 2006 than in 2005. The survey was conducted by the Wall Street investment firm UBS. (ffd: Traffic world)

(TUE) Officials of the federal government and Norfolk Southern announced that they had reached agreement on funding improved tunnel clearances as part of the Heartland Corridor project. The officials said that the federal government will pay \$95 million, earmarked from SAFETEA-LU appropriations, and Norfolk Southern will pay the remaining \$55 million. The project will raise clearances in 28 tunnels between Ohio and the Port of Hampton Roads, Virginia to allow routing of double-stack intermodal trains. (ffd: Norfolk Southern Corp., Virginian Pilot)

(TUE) Officials of Dallas Area Rapid Transit announced that construction was underway on work that will double the agency's light rail system to 93 miles by 2018. A DART spokesman said that work was now underway on the \$1.7 billion Green Line, which will extend 27.7 miles southeast of Dallas from Pleasant Grove to Carrollton. The spokesman added that the agency expects to open the Orange Line from northwest Dallas to North Irving in 2011; an Orange Line extension to DFW International Airport in 2013; a Blue Line extension from Garland to Rowlette in 2010; a second Blue Line extension to Interstate 20 in 2018; and a second rail line in the Dallas Central Business District in 2013. (ffd:

## Progressive Railroading, RT&S)

(WED) BNSF announced that it had installed global positioning systems (GPS) in about 600 road switching and yard locomotives to help boost locomotive utilization and productivity. A BNSF spokesman said that the GPS devices can determine a locomotive's location, speed, direction and condition. The spokesman added that BNSF expects to have GPS devices in about 1,000 such locomotive's by year's end. (ffd: BNSF Corp., Progressive Raiilroading)

(WED) CSX announced that it will conduct its first-ever e-business customer seminar on October 5 and 6. A CSX spokesman said that the event will include breakout training sessions on CSX's e-business tools and customer services, including demonstrations on how to submit shipping instructions, manage plant inventory and demurrage, monitor traffic, and view, dispute and pay freight bills. The event is to be held at the Orlando World Center Marriott in Orlando, FL. (ffd: CSX Corp.)

(WED) Virginia Governor Timothy Kaine announced that the extension of the Washington, DC area Metro subway system to Dulles Airport would be elevated through the Tysons Corner, VA area instead of tunneled. The Governor said that the additional costs of tunneling would have jeopardized further funding for the \$4 billion project. The decision means that construction on the extension from West Falls Church to Dulles Airport will begin late next year on a schedule to reach Reston, VA by 2012 and the Airport and Loudoun County by 2015. (ffd: Washington Post)

(THU) Union Pacific officials announced that its Total Car Management System would be available for use with mechanical refrigerator boxcars by October 1. A UP spokesman said that the system will allow customers to order mechanical reefers via the Internet and then track their movement online. The system is already in use to order and inform about non-mechanical insulated boxcars. (ffd: Capital Press, UP Corp.)

(FRI) Two longtime critics of Amtrak called into question a relationship between Amtrak and the National Association of Railroad Passengers whereby Amtrak pays NARP approximately \$30,000 annually. "NARP has allowed itself to be compromised in its role as a passenger advocate by financial dependence on Amtrak," said Anthony Haswell, who helped found NARP back in the late 1960s, and Joe Vranich, in a joint letter. A NARP spokesman said that the money is given by Amtrak to cover expenses involved with operating Amtrak's customer advisory board, which NARP helps manage. "It's basically a break-even deal; we do not make a profit on it," said NARP Executive Director Ross Capon. (ffd: Boston Globe)

(FRI) The Long Island Rail Road noted that its \$300 million renovation of Jamaica Station in Queens is just about complete. A LIRR spokesman said that the renovation of the station has been underway for nearly six years and has included replacement of wooden beams, waiting rooms and mezzanines. The station is used by about 98,000 LIRR riders daily. (ffd: New York Times)

## STATS – TRAFFIC:

(THU) For the week ending September 2, 2006, U.S. rail volume grand totaled 34.9 billion ton-miles, up 4.2 percent

from the comparable week last year. Also for the week, U.S. carload rail traffic was up 2.4 percent – down 1.6 percent in the East, but up 5.6 percent in the West – U.S. intermodal rail traffic was up 7.6 percent, Canadian carload rail traffic was up 4.4 percent, and Canadian intermodal rail traffic was up 4.2 percent.

For the month of August, 2006, U.S. carload rail traffic was up 1.1 percent, compared with August, 2005. Notable traffic increases for the month included metals and metal products up 13.6 percent, coal up 6.3 percent, and grain up 4.5 percent; notable traffic decreases included coke down 20.6 percent, nonmetallic minerals down 13.6 percent, and motor vehicles and equipment down 12.0 percent. Also for the month, U.S. intermodal rail traffic was up 6.2 percent, Canadian carload rail traffic was up 1.2 percent, Canadian intermodal rail traffic was up 5.0 percent, Mexico's Kansas City Southern de Mexico's carload rail traffic was down 0.8 percent, and KCSM's intermodal rail traffic was up 2.5 percent.

For the period January 1 through August 31, 2006, U.S. rail volume grand totaled 1.17 trillion ton-miles, up 2.7 percent from the first 8 months of last year. Also for this period, U.S. carload rail traffic was up 1.5 percent, U.S. intermodal rail traffic was up 6.4 percent, Canadian carload rail traffic was down 1.2 percent, Canadian intermodal rail traffic was up 5.9 percent, KCSM's carload rail traffic was down 4.7 percent, and KCSM's intermodal rail traffic was down 5.5 percent. (ffd: AAR)

#### MORE STATS – OPERATING PERFORMANCE:

Not reported this week.

#### STILL MORE STATS – CLASS 1 EMPLOYMENT:

(FRI) In July, 2006 and comparing with July, 2005, total Class 1 railroad employment was up 2.2 percent. Executives, officials and staff assistants increased 3.8 percent, maintenance of way and structures employees increased 3.6 percent, professional and administrative staff increased 2.7 percent, and train & engine employees increased 2.3 percent. (ffd: STB)

#### EXPANSIONS, CONTRACTIONS AND ALIKE:

(TUE) Minnesota Northern filed to abandon approximately 17 miles of its Ada Subdivision between Beltrami and near Ada, MN. (ffd: STB)

(TUE) STV Group Incorporated announced that it was acquiring Ralph Whitehead Associates of Charlotte, NC. Ralph Whitehead Associates is a 155-person civil and transportation engineering firm. STV is an engineering, architectural, planning and construction management consulting firm headquartered in Douglassville, PA and New York, NY. (ffd: RT&S)

(TUE) Union Pacific announced that it was withdrawing its application to acquire BNSF's line between Rockview, MO and Sikeston, MO. UP had wanted to acquire the line, for which it would have swapped to BNSF a stretch of UP track in Colorado, so that it could implement direction running. A UP spokesman said that it was withdrawing its application due to local opposition to the plan, adding that "the company needed to increase its freight capacity in the area now and the review process was taking too long." (ffd: Southeast Missourian)

(WED) The Intermountain Railroad filed to acquire, from Wyoming & Colorado Railroad, approximately 1 mile of line near Walcott, WY. (ffd: STB)

(THU) Watco Companies announced that it would not now purchase the Minnesota, Dakota & Western Railroad from Boise Cascade. Boise Cascade issued a statement that the conditions for sale "...were net met within the timeframe specified..." but the Duluth News Tribune reported that a complicating factor may have been inclusion in the sale of the international bridge between International Falls, MN and Fort Frances, ON, Canada that is partially owned by MD&W. The MD&W serves paper mills in International Falls and connects with the Canadian National in Rainer, MN. (ffd: Duluth News Tribune, RT&S, Trains)

#### APPOINTMENTS, ACHIEVEMENTS AND MILESTONES:

(TUE) The Bush Administration nominated Mary Peters to be the new U.S. Secretary of Transportation. Ms. Peters was most recently chief of the Federal Highway Administration and earlier in charge of the Arizona Department of Transportation. If confirmed by the Senate, Ms. Peters will replace Norman Mineta, who resigned in July after six years' service as USDOT Secretary. (ffd: Railway Age, wire services)

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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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