

WEEKLY RAIL REVIEW

FOR THE WEEK ENDING SAT, DECEMBER 18, 2004

BY DAVE MEARS

(Editor's Note: The expression "ffd" at the end of a news item represents "for further details" and suggests a reference source for further related information.)

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

(UPDATE: Following final preparation of last week's edition, additional details were received concerning the December 10 collision between 2 UP freight trains in Niland, CA. It was initially reported that one of the crew members, Kenneth Leonard, Age 44, had been taken to hospital with only a broken leg; in fact, Mr. Leonard died late Friday of both leg and internal injuries sustained in the accident. The other crew members of the 2 trains were also hospitalized, with one requiring surgery for a broken jaw. These additional details were provided to the media by UP's Regional Director-Public Affairs Mark Davis, who also noted that the accident had occurred at approximately 6:45AM on December 10.)

(MON) Amtrak filed papers in federal court contending that its 1998 agreement with New York State to upgrade passenger rail service between New York, NY. and Albany, NY. is invalid and unenforceable. The filing includes mention of the 3 Rohr Turboliner trainsets rebuilt in New York State for this service, which Amtrak took out-of-service in June, including that the parties were mistaken about the condition of the trainsets, the costs and feasibility of upgrading them and the capabilities of the contractor. The filing responds to New York State's lawsuit filed several weeks ago against Amtrak over the agreement, which seeks \$477.3 million in compensation and damages. (ffd: Albany Times-Union, NARP)

(MON) The Irish Academy of Engineering released a white paper entitled "Vision of Transport In Ireland." The paper calls for a bridge or tunnel to be built across the North Channel connecting Northern Ireland and Scotland by 2050. An Academy spokesman said that the connection "would change Ireland from a peripheral island to a fully connected part of Europe." (ffd: Belfast Telegraph)

(TUE) The New York City subway system suffered an on-duty employee fatality. Harold Dozier, Age 54, was struck by a Manhattan-bound "B" train near the line's Newkirk Avenue Station in Brooklyn. Mr. Dozier, a 13-year system employee, was serving as a flagman protecting trackwork when he was struck. (ffd: New York Times)

(TUE) New York State's Metropolitan Transportation Authority approved a series of fare increases and service changes for its New York City commuter rail and transit operations. The changes include increasing the cost of the monthly MetroCard from \$70 to \$76 and the weekly MetroCard from \$21 to \$24, although the \$2 transit base fare will remain unchanged. Commuter rail fares on the Long Island Rail Road and the Metro North Railroad will also increase an average of 5 percent. An MTA spokesman said that the increases would take effect in early March. (ffd: New York Times)

(TUE) 2 passenger trains collided near Khampur in the northern Indian state of Punjab. The crash killed 27 persons and injured scores of others. An Indian rail official said the accident appeared to be the result of a "communications snag" between 2 dispatchers on the line, which caused the trains to be routed toward each other on the same track. (ffd: wire services)

(WED) New York City officials announced that they had begun rebuilding the 8-mile rail line across the northern portion of Staten Island. A spokesman said that the line, long out-of-service and acquired by the city in 1994, was being rebuilt at a cost of \$72 million and would serve the Howland Hook Container Terminal, a waste transfer center at Fresh Kills and other Staten Island industrial sites. The line crosses the Arthur Kill straits to a rail connection in New Jersey via a lift bridge renovated by the city several years ago. The spokesman added that the line was expected to ready for service by early 2006. (ffd: New York Times, Railpace)

(THU) The board overseeing Philadelphia, PA. commuter rail and transit operator SEPTA voted to cut service by 20 percent and increase its base fare from \$2 to \$3 effective in March, which would then make it the highest base fare in the nation. The board's actions were necessitated by the Pennsylvania state legislature not yet providing any additional funding toward a projected \$63 million budget deficit for SEPTA. In Pittsburgh and due to a similar funding shortage, the board overseeing that city's PAT system voted to cut service 27 percent and increase its base fare from \$1.75 to \$2.50. On Friday, the City of Philadelphia filed suit to halt SEPTA's fare increase and service cuts. Also on Friday, Pennsylvania Governor Ed Rendell again vowed to work with the legislature to provide adequate and more permanent funding for the 2 agencies. (ffd: KYW Radio, Philadelphia Inquirer)

(THU) Chicago, IL.'s Chicago Transit Authority announced that it would hold off any fare increases and service cuts necessitated by a projected \$82.5 million budget deficit. A CTA spokesman said that delay was to give the Illinois state legislature time to provide additional funding. "I am deathly afraid of what will happen if [lawmakers] don't do anything in the spring, " said CTA Chairman Carole Brown. (ffd: Chicago Tribune)

(THU) A coalition of attorneys filed suit against CSX seeking \$500 million in compensation and damages related to a long-closed crosstie treatment plant in Hull, FL. The suit contends that the facility's chemical remnants continue to contaminate soil, groundwater, air and neighboring properties. The plant, which was operated by a CSX predecessor railroad, has been closed for more than 50 years. (ffd: Progressive Railroading)

(THU) Canadian Pacific Railway CEO Robert Ritchie called for better tax policy that would in turn allow a better North American rail network. In a speech before the Canadian Railway Club, Mr. Ritchie said that the entire North American surface transportation infrastructure is in desperate need of more capacity to keep pace with the growth in global trade, but that railroads have been specifically constrained in their investments by what he calls unfair taxes. "We would not have a capacity issue to deal with if that [tax] money was available for reinvestment, " said Mr. Ritchie. (ffd: Canadian Press)

(THU) Seattle, WA. resumed service on its monorail line between Seattle Center and Westlake Center. Service had been suspended so that both monorail trains could be rewired following a fire on one of them last Memorial Day Weekend. The line was built in 1962 for the city's World's Fair exposition. (ffd: KOMO TV)

(THU) A South Korea "bullet" passenger train broke the 350 kilometer per hour speed barrier during a test run. South Korea inaugurated high-speed rail services last April following 8 years of related construction. A South Korean spokesman said that only 3 other countries – France, Germany and Japan – have built trains that can travel at 350 kilometers per hour or faster (350 kilometers per hour is equivalent to approximately 218 miles per hour.) (ffd: Agence France Presse)

(SAT) Washington, DC.'s Metrorail subway system began service over a new 3-mile extension of its Blue Line in neighboring Prince Georges County, Maryland. The extension serves 2 new stations, one at Morgan Boulevard, which is within walking distance of the Washington Redskins' FedEx Field, and the other at Largo Town Center, which was formerly the site of the Capital Centre sports arena and is now a retail megaplex. The extension is the first since completion of the original 103-mile Metrorail system. (ffd: NARP)

#### STATS:

(THU) For the week ending December 11, U.S. carload rail traffic was up 3.6 percent from the comparable week last year, up 4.5 percent in the East and up 3.0 percent in the West. Notable traffic increases included metallic ores up 20.4 percent, lumber and wood products up 11.8 percent and coal up 6.8 percent; notable traffic decreases included non-grain farm products down 44.3 percent, primary forest products down 11.7 percent and coke down 7.4 percent. Also for the week ending December 11, U.S. intermodal rail traffic was up 12.3 percent, Canadian carload rail traffic was up 5.2 percent, Canadian intermodal rail traffic was up 0.3 percent, Mexico's Transportacion Ferroviaria Mexicana's carload rail traffic was up 18.5 percent and TFM's intermodal rail traffic was up 37.5 percent.

For the period January 1 through December 11, U.S. carload rail traffic was up 2.8 percent, Canadian carload rail traffic was up 6.9 percent, Canadian intermodal rail traffic was up 0.3 percent, TFM's carload rail traffic was up 3.5 percent and TFM's intermodal rail traffic was up 8.6 percent, all when ranked with the comparable week last year. (ffd: AAR)

#### ACQUISITIONS, ABANDONMENTS AND ALIKE:

(TUE) Florida Central Railroad filed to abandon approximately 4 miles of its Forest City Spur, between Toronto, FL. and Forest City, FL. (ffd: STB)

(TUE) Texas North Western Railway filed to abandon approximately 22 miles of its Capps Spur between Capps, TX. and Morse Jct., TX. and, also, between Norse Jct., TX. and Pringle, TX. (ffd: STB)

(TUE) Union Pacific granted Burlington Northern Santa Fe overhead trackage rights over approximately 5 miles of line in the Fort Worth, TX. area as follows: over UP's Duncan Subdivision between Tower 60 and Tower 55 and, also, over UP's Fort Worth Subdivision between the connection to BNSF's Fort Worth Subdivision and the connection to BNSF's Cleburne Subdivision. (ffd: STB)

(WED) Kansas City Southern announced that it had reached final agreement with Mexico's Grupo TMM to acquire the latter's interest in the Transportacion Ferroviaria Mexicana Railway for approximately \$660 million, payable over several years. The deal acquiring TFM, which operates from Mexico City through Northeast Mexico to Laredo, TX., enlarges the Kansas City Southern holding company to a 6,000-mile system comprised of 3 railroad divisions: the Kansas City Southern, the Texas Mexican Railway and the TFM. (ffd: KCS Corp., Trains)

(THU) Union Pacific filed to abandon approximately 6 miles of its Coeur'd Alene Industrial Lead between Feeley Spur, ID. and Gibbs, ID. (ffd: STB)

(FRI) Alabama & Tennessee River Railway filed to lease, from CSX, and operate approximately 122 miles of line between Birmingham, AL. and Guntersville, AL. and, also, the Ivalee Branch in Moragne, AL. (ffd: STB)

#### PERSONNEL CHANGES AND ALIKE:

(MON) Paul Tellier resigned as CEO of rail products manufacturer Bombardier. Mr. Tellier, who had cut more than 16,000 Bombardier positions, closed factories and sold the company's recreational products unit as part of a 3-year cost-cutting initiative, had 1 year remaining on his employment contract. Mr. Tellier had been the CEO of Canadian National prior to coming to Bombardier in 2002. (ffd: Railway Age, Trains)

(FRI) CSX announced that Chuck Wodehouse would retire as president of CSX's CSX Technology Unit at year's end. Mr. Wodehouse was a 26-year employee of CSX and its predecessor companies. A CSX spokesman said that John West, most recently CSX Technology's VP-Applications Development, would take over as president. (ffd: CSX Corp.)

(FRI) Betty Monro, Acting Chief Administrator of the Federal Railroad Administration, announced that she would retire effective immediately. Ms. Monro had temporarily headed the FRA since Allan Rutter's departure last April. (ffd: FRA, UTU)

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

HAPPY HOLIDAYS,

AND BEST WISHES FOR A GREAT 2005,

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