

WEEKLY RAIL REVIEW

FOR THE WEEK ENDING SAT, MARCH 12, 2005

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):

(MON) The U.S. Departments of Homeland Security, Justice and Transportation filed briefs in federal court opposing Washington, DC.'s ban on hazardous material transport within 2 miles of the U.S. Capitol. CSX recently asked the court to overturn the ban, which was earlier approved by the D.C. City Council and is scheduled to go into effect April 11. CSX has said that it is already voluntarily rerouting hazardous material shipments away from the city. The Department of Transportation's brief comments, "The risk to the nation of transporting hazardous materials is minimized by permitting railroads to carry such cargo on routes where time in transit will be minimized....As a general matter, that is accomplished by using the shortest route having the best quality of track." (ffd: AAR, Trains)

(MON) Amtrak's "Three Rivers" passenger train made its final run. The train, which was posted for discontinuance related to the end of Amtrak mail and express service, operated over CSX's line between Pittsburgh, PA. and Chicago, IL., and so also ends Amtrak service to several Ohio cities, including Akron and Youngstown. Amtrak service over the remainder of the train's route between Philadelphia, PA., Harrisburg, PA. and Pittsburgh will continue. (ffd: wire services)

(MON) RailAmerica said that it would appeal the U.S. Surface Transportation Board's recent decision setting the terms of sale of the Toledo, Peoria & Western's 76-mile line between La Harpe, IL. and Hollis, IL. to the Keokuk Junction Railway. A RailAmerica spokesman said that the ordered sale price of \$4.2 million would result in a book loss of approximately \$800,000. A RailAmerica spokesman said that the sale price "does not properly reflect the line's value and provides inadequate compensation to RailAmerica." (ffd: RailAmerica Corp.)

(MON) The U.S. Federal Railroad Administration released preliminary rail accident/incident statistics for 2004. In 2004, the train accident/incident ratio totaled 6.93 events per million train-miles, a reduction of 11.3 percent from 2003. The employee on-duty casualty ratio totaled 2.44 events per 200,000 man-hours, a reduction of 10.6 percent from 2003. Trespasser fatalities totaled 480 in 2004, a reduction of 4.4 percent from 2003. However, grade crossing fatalities totaled 369, an increase of 11.5 percent from 2003. (ffd: AAR, New York Times)

(MON) The State of New York announced that it had reached agreement with CSX related to the state's investigation of practices at several CSX grade crossings in the state. Under the agreement, which was handled through the office of New York Attorney General Eliot Spitzer, CSX will pay the state \$1.5 million, \$500,000 of which will fund a program to reimburse local police for their costs in protecting crossings identified as having malfunctioning warning devices. A spokesman for the attorney general's office said that CSX had earlier failed to make quick repairs to malfunctioning devices as required by law, failed to alert local police and failed to maintain appropriate records of these malfunctions.

As part of the agreement, CSX pledged to now fix malfunctions within 24 hours. (ffd: wire services)

(MON) Commuter railroads serving New York, NY. released their 2004 ridership totals. Metro North Commuter Railroad reported 70.76 million trips, up slightly from 70.72 million trips in 2003. Long Island Rail Road ridership dropped slightly to 79.9 million trips from 80.9 million trips in 2003. On Thursday, New Jersey Transit reported commuter rail ridership of 64 million trips, a 5.2 percent increase over 2003. NJT also reported light rail ridership of 11.3 million trips, an increase of 24.3 percent over 2003. In reporting light rail ridership, an NJT spokesman noted the expansion of Hudson-Bergen Line service in Northern New Jersey and the start of River Line service in Southern New Jersey during the year. (ffd: Progressive Railroading, Railway Age)

(MON) Philadelphia, PA. commuter rail and transit operator SEPTA and TWU Local 234, which represents SEPTA transit workers, agreed to a 30 day extension of their existing contract, so that negotiations on a new contract may continue. The existing contract had been set to expire on March 15. (ffd: SEPTA)

(TUE) The Federal Railroad Administration released new standards for Positive Train Control (PTC) systems. The standards were published as a final rule in the Federal Register. An FRA spokesman said that the new standards for PTC – a technology which uses on-track detection devices along with Global Positioning System satellites and which can remotely stop trains in certain circumstances – establish minimum requirements that railroads will use as a uniform framework for developing PTC systems. The spokesman added that the standards also require PTC systems to be at least as safe as the conventional wayside signal systems they will replace. (ffd: RT&S)

(TUE) Amtrak announced that it was rescheduling its "Sunset Limited" passenger train, which operates between Orlando, FL. and Los Angeles, CA., in an effort to improve the train's on-time performance. An Amtrak spokesman said that the train's eastbound schedule was being lengthened 8 hours and its westbound schedule was being lengthened 3-1/2 hours. The spokesman added that the schedule change relates to times the train is operating over Union Pacific between New Orleans, LA. and Los Angeles, and that times the train is operating over CSX between Orlando and New Orleans would be unaffected. The UP's heavily congested, mainly single track line between New Orleans and Los Angeles has resulted in frequent delays to the "Sunset Limited", with the train one day last year arriving Los Angeles 49 hours late. (ffd: Amtrak, Trains)

(TUE) An organization of CEO's of member companies of the Philadelphia, PA. Chamber of Commerce announced a new initiative supporting Amtrak and intercity rail service. A spokesman for the organization, CEO Council For Growth, said that the initiative was "taking shape" and that they had already met with Amtrak officials and members of Congress to plan strategy. "We believe interregional rail is critical to our region," said CEO Thomas Caramanico. "We can't have an interruption in service. We need a longer-term passenger-rail solution that may or may not be Amtrak." (ffd: Philadelphia Inquirer)

(WED) The American Society of Civil Engineers issued a statement giving U.S. rail infrastructure an overall grade of "C Minus." The ASCE's grading was part of an overall evaluation of U.S. infrastructure, the latter being assigned a "D" grade, down from a "D Plus" grade given the previous year. An ASCE spokesman said that rail was specifically being graded for the first time this year on the ASCE's annual U.S. infrastructure "report card." The spokesman added that the grading was based on criteria including growth of U.S. rail traffic, traffic chokepoints that have arisen across the rail network and "projected long-range infrastructure capital needs in the \$200 billion range cited by the Association of American Railroads and the American Association of State Highway and Transportation Officials, among others." (ffd: Railway Age, wire services)

(WED) A federal magistrate sided with the Long Island Rail Road in the latter's dispute with the union representing its locomotive engineers related to nonunion labor operating new LIRR commuter rail cars in a leased maintenance yard. The magistrate, Robert Levy, recommended that a U.S. District Court grant an injunction to prevent any related job action against LIRR. The Brotherhood of Locomotive Engineers had argued that the use of nonunion labor to move cars at Arch Street Yard in Long Island City, which has been leased to Bombardier for warranty work on new Class M7 cars for the LIRR, was illegal under its contract with the railroad. (ffd: Newsday)

(WED) The Canadian government announced plans to sell its fleet of 12,400 freight cars to a consortium of Canadian farm organizations. A government spokesman said that fleet, which is used to transport Canadian grain to market, would be sold to the Farmer Rail Car Coalition under terms to be negotiated by the end of April. The spokesman reminded that the government announced in 1996 its intention to helpfully dispose of the fleet. (ffd: AAR, Trains)

(THU) The U.S. House of Representatives passed replacement legislation for the Transportation Equity Act. The new legislation is formally H.R. 3, the "Transportation Equity Act, a Legacy for Users" (TEA-LU). The legislation, which was approved by the House 417 to 9, provides \$284 billion in federal funding for transportation projects over the next 6 years, \$52.3 billion of which is for federal transit programs. The bill now goes to the U.S. Senate for debate. The Senate has been working on its own version of TEA legislation. (ffd: New York Times, Progressive Railroading)

(THU) U.S. Secretary of Transportation Norman Mineta continued his efforts to sell the Bush Administration's plan to reform Amtrak. Speaking outside St. Louis, MO.'s Union Station, Mr. Mineta noted that the President's plan would establish a 50-50 federal match for state investment in passenger rail infrastructure and open passenger rail service to competition, adding that maintaining the status quo "will lead to disaster." Plan criticism continued, including from the National Association of Railroad Passengers and the Midwest High Speed Rail Association, the latter commenting that the plan leaves too many questions unanswered, such as how much money the federal government is prepared to match and where that money is to come from. (ffd: St. Louis Post-Dispatch, USDOT)

(THU) On the occasion of the one-year anniversary of the train station bombings by terrorists in Madrid, Spain that killed 191 persons, 2 leading U.S. senators called for more federal money for rail security. U.S. Senators Joseph Biden (D-DE.) and Chuck Schumer (D-NY.) said that, since September 11, 2001, the Bush Administration had spent \$24 billion to boost aviation security, but had invested less than \$450 million on rail security. "Terrorists...know we're doing a lot on air security, so the next time they want to hurt somebody they're going to look at the rails," said Mr. Schumer. (ffd: wire services)

(THU) BNSF said that it would file suit against the State of Montana if the state enacts a law that would raise BNSF property taxes if BNSF doesn't reduce grain freight rates out of Montana. The bill, authored by Montana Rep. Bob Bergren (D-Havre), would increase taxes on railroads that charge Montana farmers more for shipping than they charge similar customers in other states. A government spokesman said that BNSF hauls more than 90 percent of Montana grain to West Coast markets and that a state report last year found that its farmers pay roughly 50 percent more for shipping than do farmers in states where greater competition exists. A BNSF spokesman added that it would be "mind boggling" to calculate the bill's new tax and rate formulas. (ffd: wire services)

(THU) Massachusetts Governor Mitt Romney unveiled the state's next long-term transportation spending plan. The plan

calls for a total of \$31 billion in spending over a 20-year period. Including in the plan are \$670 million for expansion of commuter rail service between Boston, Bedford and Fall River, and \$314 million to extend Boston's Blue rail transit line to Lynn. Mr. Romney said that the plan is intended to move state transportation forward after focusing too much attention and money on the recently completed "Big Dig" highway project, whose cost totaled approximately \$14.6 billion. "There's been a huge sucking sound coming from the tunnels," Mr. Romney added, "and that means we have to go back and maintain and repair what has long been neglected." (ffd: Boston Globe)

STATS – TRAFFIC:

(THU) For the week ending March 5, U.S. rail volume grand totaled 32.1 billion ton-miles, up 5.6 percent from the comparable week last year. Also for the week, U.S. carload rail traffic was up 4.1 percent, up 1.3 percent in the East and up 6.5 percent in the West. Notable traffic increases included petroleum products up 12.5 percent, coal up 9.2 percent and crushed stone, sand and gravel up 7.9 percent; notable traffic decreases included nonmetallic minerals down 6.8 percent and waste and scrap materials down 5.4 percent. Also for the week, U.S. intermodal rail traffic was up 7.6 percent, Canadian carload rail traffic was up 4.2 percent, Canadian intermodal rail traffic was up 14.3 percent, Mexico's Transportacion Ferroviaria Mexicana's carload rail traffic was up 3.5 percent and TFM's intermodal rail traffic was up 7.0 percent.

For the period January 1 through March 5, U.S. rail volume grand totaled 280.0 billion ton-miles, up 3.6 percent from the comparable period last year. Also for this period, U.S. carload rail traffic was up 2.7 percent, U.S. intermodal rail traffic was up 10.3 percent, Canadian carload rail traffic was up 3.2 percent, Canadian intermodal rail traffic was up 6.0 percent, TFM's carload rail traffic was up 7.8 percent and TFM's intermodal rail traffic was up 16.0 percent. (ffd: AAR)

MORE STATS – "BIG 6" OPERATING PERFORMANCE:

(THU) For the week ending March 5, average train speed was 24.4 mph for BNSF, 24.7 mph for Canadian National, 25.1 mph for Canadian Pacific, 19.1 mph for CSX, 21.4 mph for Norfolk Southern and 20.9 mph for Union Pacific. Average train speed is calculated by dividing train miles by hours operated, excluding dwell time.

Also for the week ending March 5, average terminal dwell time was 9.6 hrs for BNSF, 14.4 hrs for Canadian National, 34.3 hrs for Canadian Pacific, 30.0 hrs for CSX, 24.9 hrs for Norfolk Southern and 28.6 hrs for Union Pacific. Average terminal dwell time is the average time a car is at specified terminal locations, expressed in hours. (ffd: AAR)

(Note: Concerning the above statistics, AAR comments that "one railroad's performance metrics cannot meaningfully be compared to another railroad's, due to differences in the carriers' calculation methodologies, operational strategies, network characteristics, terrain, traffic mix and volume, length of haul, extent of passenger operations, and other factors, such as weather.")

ACQUISITIONS, ABANDONMENTS AND ALIKE:

(WED) The Rocky Mount & Western Railroad filed to abandon approximately 5 miles of line between Momeyer, NC. and Spring Hope, NC. (ffd: STB)

(THU) Georgia & Florida RailNet filed to acquire, from the Georgia Department of Transportation, and operate approximately 17 miles of line between Nashville, GA. and Willacoochee, GA. (ffd: STB)

(FRI) The Appalachian & Ohio Railroad filed to acquire, from CSX, and operate the following line segments, all of which are in West Virginia: between Berkeley Jct. and Cowen; in and near Berryburg Jct.; in and near Century Jct.; in and near Buckhannon; between Burnsville and Gilmer; in and near Cowen; in and near Island Creek Jct.; and between Hampton Jct. and Alexander. These segments total approximately 159 miles. (ffd: STB)

PERSONNEL CHANGES AND ALIKE:

(TUE) Canadian National appointed Ed Harris EVP-Operations. Mr. Harris was previously CN's SVP-Operations. Mr. Harris started with CN predecessor Illinois Central in 1968. (ffd: CN Corp.)

(WED) The U.S. National Transportation Safety Board announced the following appointments: Dan Campbell as Executive Director for planning, policy and transition issues; Joseph Osterman as Managing Director; and Karen Lanier as Deputy General Counsel. (ffd: NTSB)

(FRI) Kansas City Southern appointed William Wochner VP-Sales and Marketing for coal business and contracts. Mr. Wochner, who joined KCS in 1981, was most recently its VP and General Solicitor. (ffd: KCS Corp.)

(FRI) The Red River Valley & Western Railroad appointed Andrew Thompson SVP & General Manager. Mr. Thompson was most recently VP-Packaged Commodities for BNSF. (ffd: Red River Valley & Western Co.)

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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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