

## WEEKLY RAIL RECAP

For the week ending SAT, March 2, 2002

By Dave Mears

(NOTE: The expression "ffd" at the end of a news item means "for further details" and usually represents what I believe to be the most helpful news resource if a reader wants more information on a particular item.)

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

(SUN) Egyptian authorities reported that the previous week's fire aboard a passenger train was not started by a portable cooking stove as earlier suspected, but instead by an electrical short circuit aboard one of the cars. 373 passengers aboard the train perished in the fire, which occurred several miles south of Cairo. (ffd: BBC)

(MON) New York Governor George Pataki proposed a reduction in railroad property taxes as part of the state's FY2003 budget. Under the proposal, railroads would receive a 45 percent reduction in their property taxes over 7 years and a 10 year exemption on property taxes on newly constructed or renovated properties. (ffd: Crain's New York)

(TUE) 2 rail unions announced that they were in merger talks with other unions. On Tuesday, the Brotherhood of Maintenance of Way Employees announced that it was conducting merger discussions with the United Steelworkers of America. On Wednesday, the Brotherhood of Locomotive Engineers, whose members recently turned down a proposed merger with the United Transportation Union, announced that it was conducting merger discussions with the Teamsters Union. (ffd: wire services, Progressive Railroading)

(TUE) The Northern Indian Commuter Transportation District announced that its South Shore Railroad commuter line's ridership hit a 40 year high in 2001. A NICTD spokesman added that they will shortly offer a \$40 million bond issue to overhaul the South Shore commuter cars acquired in 1982. The South Shore operates between Chicago, IL. and South Bend, IN. (ffd: Chicago Tribune)

(TUE) The Guinness Book of Records announced that the twin skyscrapers atop the railway station in Nagoya, Japan has earned the designation of "world's largest building housing a railway terminal." The twin towers, totaling 4.4 million square feet of office space, were opened in 1999. (ffd: wire services)

(WED) At a hearing of the U.S. House Appropriations Subcommittee, Amtrak President George Warrington appealed for \$1.2 billion in Amtrak funding for FY2003, more than double the amount earlier proposed by the Bush Administration. Mr. Warrington added that Amtrak's efforts to dramatically reduce its expenses during the last fiscal year never included consideration of service cuts. "It is important to maintain (political) support", Mr. Warrington said. (ffd: wire services)

(THU) Burlington Northern Santa Fe CEO Matt Rose announced that BNSF would work to redesign its carload service network. In a speech to the Pacific Northwest Association of Rail Shippers, Mr. Rose said, "Today many of the efficiencies and much of the service potential of our carload service network is being lost through the inefficiencies of traditional carload gathering and distribution. A redesign of the carload network must have as its basis the development of new gathering and distribution networks.:" (ffd: BNSF Corp.)

(THU) Amtrak announced a 30 percent discount for adult travel between March 7th and June 15th, with accompanying children between 2 and 15 traveling at a 50 percent discount. The offer is good for travel on trains excepting Acela Express, Metroliner and Auto Train and requires a minimum 7 day advance purchase. (ffd: Amtrak)

(THU) The Capital Program Review Board of New York, NY.'s Metropolitan Transportation Authority gave nominal approval to MTA's plan to offer \$14.6 billion in bond sales for new projects, which would be the largest municipal bond sale ever. An MTA spokesman said that the proceeds would be used to fund large scale projects such as the Second Avenue Subway and Long Island Rail Road "East Side Access" to Grand Central Terminal. (ffd: wire services)

(FRI) Norfolk Southern reported that it had budgeted approximately \$700 million in capital spending in 2002, down from approximately \$725 million in 2001. An NS spokesman said that 2002 capital spending would include \$173 million to purchase 50 new locomotives and upgrade existing locomotives, and \$482 million for "roadway" projects, including \$366 million for track and bridge improvements. (ffd: NS Corp.)

(FRI) China retired the last steam locomotive based in the Zhengzhou, a city in central China's Henan province. Officials of the Chinese national railway system used the occasion to announce their intention to retire all 276 steam locomotives still in operation by the end of the month. (ffd: Xinhua News)

STATS:

(THU) For the week ending February 23, U.S. carload rail traffic was up 0.3 percent from the comparable week last year, down 1.4 percent in the East, but up 1.7 percent in the West. This week this year versus this week last year, notable traffic increases include motor vehicles and equipment up 18.2 percent, lumber and wood products up 13.3 percent and crushed stone, sand and gravel up 8.0 percent; notable traffic decreases include coke down 15.5 percent, primary forest products down 13.5 percent and pulp and paper products down 12.8 percent. Also for the week ending February 23, U.S. intermodal rail traffic was up 7.7 percent, Canadian carload rail traffic was down 2.2 percent, Canadian intermodal rail traffic was up 13.8 percent, Mexico's Transportacion Ferroviaria Mexicana carload rail traffic was down 5.2 percent and TFM's intermodal rail traffic was down 33.3 percent, all when ranked with the comparable week last year.

For the period January 1 through February 23, U.S. carload rail traffic was down 2.4 percent, U.S. intermodal rail traffic was down 0.9 percent, Canadian carload rail traffic was down 6.1 percent, Canadian intermodal rail traffic was up 0.2 percent, TFM's carload rail traffic was down 7.3 percent and TFM's intermodal rail traffic was down 10.0 percent, all when ranked with the comparable period last year. (ffd: AAR)

#### ACQUISITIONS, ABANDONMENTS AND ALIKE:

(FRI) The Western New York and Pennsylvania Railroad began freight operations between Corry, PA. and Meadville, PA. WNYP acquired the line from the Northwest Pennsylvania Rail Authority in January. (ffd: WNYP RR LLC)

(FRI) Union Pacific filed to abandon approximately 2 miles of line near Trimont, MN. (ffd: STB)

#### CHANGING PEOPLE AND PLACES:

(TUE) Boston, MA.'s commuter rail and transit operator Massachusetts Bay Transportation Authority appointed Michael Mulhern its General Manager. Mr. Mulhern is a 23 year MBTA employee. (ffd: MBTA)

(CORRECTIONS (2 of them again!)): The recent \$55.7 million initial judgment against CN/IC involved a crossing accident in Bloomingdale, IL., not Bloomington; thanks to Tuch Santucci for his update here. Also and concerning last week's mention of new cars for New York City's L subway line, my thanks to Joseph Korman for correcting the New York Daily News article

from which the item is excerpted: "(The new train control system managing train speed and distance between trains)...is a few years away. The new cars are equipped with the necessary components to operate with the new system when it is installed (on the L line).")

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Weekly Rail Recap is edited from public news sources and published weekly, usually on Monday or Tuesday, to the rail and transit industries and those interested in them. Send an e-mail to [djmservices@aol.com](mailto:djmservices@aol.com) to receive it, with my compliments.

HAVE A SAFE AND PROSPEROUS WEEK,  
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