

## WEEKLY RAIL REVIEW

For The week ending SAT, March 27, 2004

By Dave Mears

(NOTE: The abbreviation "ffd" represents "for further details" and denotes a website or other news reference where further details of this news item may be found.)

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

(SUN) A Burlington Northern Santa Fe freight train derailed 26 cars. There were no injuries in the accident, the cause of which is still under investigation. The derailment occurred near the desert community of Ludlow, approximately 50 miles east of Barstow. (ffd: wire services)

(MON) U.S. Department of Homeland Security Secretary Tom Ridge announced that USDHS will work with railroads and transit agencies to develop a set of best practices as a resource for dealing with potential terrorist attacks and, also, that USDHS will work to develop new explosive detection technologies that recognize the differences in protecting aviation, rail, and transit. In announcing the USDHS effort, Mr. Ridge commented, "One particularly challenging area is trying to preserve the flexibility, convenience and easy access to mass transit and railroads particularly, and then balance that off with security...trying to find that balance is something that we need to do." (ffd: NARP)

(TUE) Association of American Railroads President Edward Hamberger discussed the security plan implemented by AAR member railroads to enhance rail security. In testimony before the U.S. Senate Commerce Committee, Mr. Hamberger said that the railroad industry "on their own initiative...conducted a thorough risk analysis of the rail network to identify vulnerabilities and develop countermeasures. This result in the implementation of an industrywide risk-based rail security plan that uses CIA and intelligence community best practices." Mr. Hamberger added that the rail industry is currently at Alert Level 2, which includes more than 50 specific security-related measures." (ffd: AAR)

(TUE) The American Short Line and Regional Railroad Association reported that more short lines are reporting rail car events electronically and on a more timely basis, but that many still aren't complying with industrywide reporting standards that took effect January 1. An ASLRRA spokesman said that 32 short lines that previously weren't reporting events now are and that 207 short lines have increased overall reporting. But the spokesman added 175 short lines had reporting compliance ratings of 75 percent or less and that 150 short lines had a zero rating. (ffd: ASLRRA)

(WED) Railway Age announced its Short Line and Regional Rail Road "Railroad of the Year" awards for 2004. The Nittany & Bald Eagle Railroad won the Short Line award and the Wheeling & Lake Erie Railway won the Regional award. A Railway Age spokesman said that the Nittany & Bald Eagle was recognized for "having recovered from a loss of 50 percent of its annual carloads in just 3 years" and that Wheeling & Lake Erie was recognized for "having solved a grain shipper and grain receiver's trucking problems by bringing rail into the equation." (ffd: Railway Age)

(WED) The South Florida Regional Transportation Authority announced that it would abandon near-term plans for new Tri-Rail commuter rail service in favor of an extension of Metrorail subway service to Florida International University. The new commuter rail service would have operated out of Miami, FL. on existing CSX tracks parallel to State Road 836. A SFRTA spokesman said that the Metrorail extension would total approximately 6 miles and cost approximately \$440 million, and that they hoped to it in service by 2012. (ffd: The Miami Today)

(WED) The U.S. Railroad Retirement Board announced that railroad employees can now get estimates of their future annuities via the RRB's web site. In a prepared statement, the RRB said that an employee can access this new service, called "Retirement Planner," by visiting the RRB website at <<http://www.rrb.gov/>>www.rrb.gov and clicking on "Main Line Services" for directions on establishing an RRB Internet service account. Once an employee establishes their online account, they will be able to get annuity estimates for themselves and their spouses. (ffd: Railroad Retirement Board)

(THU) The Railway Association of Canada called for the Canadian government to reform railroad depreciation rates. "The difference in tax policy approach means that it takes U.S. railroads 8 years to depreciate their locomotives and

freight cars and 20 years for Canadian railroads," said RAC President & CEO Bill Rowat. "That means Canadian [railroad] assets are obsolete in their market long before they're physically worn out." Mr. Rowat added that reform would allow railroads to "be more competitive with other transportation modes." (ffd: Progressive Railroading)

(THU) Norfolk Southern dedicated a new \$15 million rail yard serving the new Honda assembly plant at Lincoln, AL. An NS spokesman said that the new yard "will be used to load and initiate rail transportation of outbound Odyssey minivans manufactured at Lincoln and will be used to support the transportation of additional Honda models that are to be produced there in the new future." The new yard includes 8 tracks in the rail loading area that can accommodate up to 104 multilevel auto rack cars. (ffd: NS Corp.)

(THU) Burlington Northern Santa Fe announced a new customer notification system available to BNSF rail customers by web site subscription. A BNSF spokesman said that the new system would include service advisory notices that included the date, time and location of service disruptions, and when normal service will be resumed. The spokesman added that notifications also include a list by car of any of a customer's shipments potentially impacted by a service disruption. The spokesman referred to the new system as "the first of its kind in the rail industry." (ffd: BNSF Corp.)

(FRI) A Metra locomotive collided with a Metra commuter train at the Ogilvie Transportation Center (the former Chicago & North Western Station) in Chicago, IL. The collision, which was at a slow speed, occurred when the locomotive was backing through an interlocking that the train was approaching. Approximately 20 commuters received minor injuries in the accident. A Metra spokesman said that equipment and track damage was minimal. (ffd: WMAQ TV)

#### STATS:

(THU) For the week ending March 20, U.S. carload rail traffic was up 5.7 percent from the comparable week last year, down 0.4 percent in the East, but up 11.5 percent in the West. This week this year versus this week last year, notable traffic increases included coke up 33.7 percent, non-grain farm products up 22.0 percent and waste and scrap materials up 14.6 percent; notable traffic decreases included motor vehicles and equipment down 7.5 percent and nonmetallic minerals down 7.0 percent. Also for the week ending March 20, U.S. intermodal rail traffic was up 10.1 percent, Canadian carload rail traffic was up 7.6 percent, Canadian intermodal rail traffic was down 6.9 percent, Mexico's Transportacion Ferroviaria Mexicana's carload rail traffic was up 3.3 percent and TFM's intermodal rail traffic was up 16.2 percent, all when ranked with the comparable week last year.

For the period January 1 through March 20, U.S. carload rail traffic was up 3.0 percent, U.S. intermodal rail traffic was up 6.9 percent, Canadian carload rail traffic was up 6.2 percent, Canadian intermodal rail traffic was down 2.2 percent, TFM's carload rail traffic was down 7.3 percent and TFM's intermodal rail traffic was down 6.7 percent, all when ranked with the comparable period last year. (ffd: AAR)

#### ACQUISITIONS, ABANDONMENTS AND ALIKE:

(MON) Burlington Northern Santa Fe filed to abandon approximately 16 miles of line between Aurora, NE. and Central City, NE. (ffd: STB)

#### PERSONNEL CHANGES:

(WED) Genesee & Wyoming appointed James Andres Chief Accounting Officer & Global Controller, effective with the forthcoming retirement of current G&W CAO Alan Harris. Mr. Andres, who was most recently Controller for New Venture Gear Company. (ffd: G&W Corp.)

(WED) Terminal railroad New York Regional Rail appointed Donald Hutton EVP-Government Relations. Mr. Hutton was most recently a member of the Executive Staff of the New York State Thruway Authority. (ffd: NYRR Corp.)

(THU) Indiana Rail Road appointed Tony Orr VP-Operations and Lon Van Gemert VP & GM of IRR's new subsidiary, Dependable Rail Services. (ffd: Progressive Railroading)

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

HAVE A SAFE AND PROSPEROUS WEEK,  
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