

WEEKLY RAIL REVIEW

FOR THE 7 DAYS ENDING FRI, APRIL 4, 2008

BY DAVE MEARS

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

(MON) The U.S. Federal Railroad Administration proposed what it called "sweeping and revolutionary changes" in standards for construction of railroad tank cars carrying poison inhalation hazard (PIH) commodities. The proposed rules require such cars to be equipped with puncture-resistant protection that is strong enough to prevent penetration at speeds up to 25mph for side impacts and 30mph for head-on impacts. They would also set a maximum speed limit of 50mph for any train with a PIH tank car and a temporary speed restriction of 30mph for all such cars traveling in dark territory that don't meet the puncture-resistance standard. As customary, the FRA invited public comment on the proposed new rules. (ffd: Baltimore Sun, FRA, Progressive Railroading)

(MON) The New York City Council approved a plan to implement congestion pricing for vehicles entering Manhattan below 60th Street on weekdays. The plan would electronically bill drivers of cars and trucks entering there and then fees of up to \$21, which would then go towards needed transportation improvements in the city and the region. The plan now goes to the New York state legislature for final consideration. A city spokesman said that, if the legislature approves congestion pricing by April 7, it would then allow the city to gain \$354 million in federal funding for transportation needs, including funding to implement the plan. (ffd: Newsday, Railway Age)

(MON) The United Transportation Union announced that it would hold internal trials for seven of its officers related to the proposed merger of the UTU and the Sheet Metals Workers International Association. That merger, which was approved by the UTU's membership last summer, is opposed by the UTU's new international president, Mike Futhey, and has been blocked by a federal court's restraining order, which was recently extended until early May. The seven have been internally charged with "improper conduct" related to dissemination of information about the proposed merger to the UTU membership. (ffd: Railway Age)

(MON) The Utah Transit Authority announced that its new FrontRunner commuter rail line serving Salt Lake City, UT would start service on April 26. The new line follows a Union Pacific line from Salt Lake Intermodal Hub Station to suburban Pleasant View Station. A UTA spokesman said that it had built 38 miles of new track, running just east of existing UP trackage, for the FrontRunner train and that they will use new Bombardier bi-level cab cars, each with capacity for over 200 passengers. (ffd: UTA)

(MON) A new entrance was opened to the Port Authority Trans Hudson (PATH) subway station at the World Trade Center in Manhattan. A PATH spokesman said that the new entrance will allow the former entrance to be closed in accommodation of ongoing reconstruction of the World Trade Center site. The spokesman noted that, at the site, work on the 1,776-foot-tall Freedom Tower has nearly reached street level, the foundations for the World Trade Center Memorial are nearly complete, and work on new Towers 3 and 4 is now underway. (ffd: PATH, RT&S)

(TUE) CSX announced that they were beginning work on a new \$4.5 million dispatching center in Huntington, WV. CSX announced last year that they would decentralize train dispatching, much of which is presently centralized at a Jacksonville, FL facility. A CSX spokesman said that other new dispatching centers will be located in Baltimore, MD, Cincinnati, OH, Florence, SC, Nashville, TN, and Atlanta, GA, additional to dispatching centers already in service at Calumet City, IL, Indianapolis, IN, and Selkirk, NY. (ffd: CSX Corp.)

(TUE) The U.S. Federal Railroad Administration announced that it was now, and for the first time, making its investigation reports of major train accidents and other incidents available online. An FRA spokesman said that the reports, which generally focus on "high-consequence" train-to-train collisions, derailments, certain grade crossing collisions, and employee fatalities, are now online for 2005 and 2006, and also for the first quarter of 2007. The reports may be accessed at <<http://www.fra.dot.gov/us/content/1696>><http://www.fra.dot.gov/us/content/1696>. (ffd: FRA, Railway Age)

(TUE) Metro North Railroad announced that work was continuing to progress on its new \$91 million station to serve New York City's Yankee Stadium. A MNRR spokesman noted that construction of the new station has necessitated moving MNRR's Hudson Line approximately 50 feet west to allow for completion of two center-island platforms. The existing Yankee Stadium, constructed in 1923 and renovated in the mid-1970s, is being replaced by a new and adjacent stadium, and the MNRR spokesman said that the new station is expected to be ready for the new stadium's opening in Spring, 2009. (ffd: MNRR, Progressive Railroading)

(TUE) The International Union of Railways released a report on international passenger rail and freight rail traffic. The report stated that passenger rail and freight rail traffic continues to grow in many parts of the world. The report noted that, in 2007, freight rail traffic grew more than 7 percent in China, Russia, and India, and about 1 percent in Europe. The report further noted that U.S. freight rail traffic declined about 1 percent in 2007. (ffd: Progressive Railroading)

(WED) Immigrant advocates protested at Pennsylvania Station in New York City. The advocates said that they were protesting U.S. Customs & Border Protection agents boarding Amtrak trains near the Canadian and Mexican borders to perform checks for individuals attempting to enter the U.S. illegally. An Amtrak spokesman said that the practice of allowing officials onto trains for such purposes is legal and that they would continue. (ffd: NARP, New York Sun)

(WED) BNSF put the second main track in service on its new \$41.2-million above-grade overpass in Olathe, KS. A BNSF spokesman said that the new overpass will allow the removal of the street level main tracks and crossings through the town. The spokesman noted that roughly 7,000 vehicles a day were being blocked by the approximately 44 daily BNSF trains running through Olathe. (ffd: RT&S)

(THU) Union Pacific said that they may reopen their north-south coastal main line near Oakridge, OR as early as next week. The line has been blocked by a massive landslide off Coyote Mountain that occurred on January 19. A UP spokesman said that, once reopened, some UP freight trains would be operated through the line while remaining work to stabilize the mountainside is completed, and that Amtrak's "Coast Starlight" train would resume operating on the line at some date in the near future. (ffd: Register-Guard Newspaper, Railway Age)

(THU) A report prepared by the U.S. Department of Transportation's Office of Inspector General said that delays to Amtrak trains on freight railroads cost the passenger railroad nearly \$137 million in Fiscal Year 2006. The report said that the amount represented overtime costs, extra fuel costs, and lost passenger revenue. The report noted that more than 97 percent of Amtrak's 21,000 route miles run on "host railroad" tracks and that, between Fiscal Years 2003 and 2007 and owing largely to the rise in freight train traffic, on-time performance for Amtrak long-distance trains declined from an average of 51 percent to 42 percent. (ffd: Progressive Railroading, USDOT)

(THU) The Museum of the American Railroad, presently located in Dallas, TX's Fair Park, announced that it will move to a new 12.3-acre site in suburban Frisco, TX. The museum, which has been at Fair Park for about 50 years, draws about 30,000 annual visitors and includes in its collection a Union Pacific "Big Boy" steam locomotive and a Pennsylvania Railroad Class GG1 electric locomotive. (ffd: Dallas Morning News, Trains)

(FRI) Amtrak announced that it would suspend train service between New York, NY and Boston, MA on its Northeast Corridor Line from Saturday, June 14 to Tuesday, June 17. The suspension is to allow critical work to be completed on the new bridge on the line spanning the Thames River near Groton, CT. An Amtrak spokesman said that passengers will be able to ticket between New York and Boston on those days via Springfield, riding the "Lake Shore Limited" between Boston and Springfield, MA, and then changing trains to ride between Springfield, New Haven, CT, and New York. (ffd: NARP)

(FRI) More developments ensued in the escalating proxy fight between CSX and the TCI and 3G Capital Partners hedge funds. Following CSX filing suit against the two hedge funds on March 17, TCI and 3G this date filed a countersuit against CSX. In their suit, the hedge funds accuse CSX of various actions that amounted to "spring-loading," representing the improper awarding of stock or options prior to disclosing material information that may boost share price. The TCI and 3G suit alleged that CSX

directors have “gone to extraordinary lengths to entrench themselves in their current positions.” The hedge funds have said that they will propose a slate of five new directors for the CSX board at the company’s next annual meeting. (ffd: Railway Age)

(FRI) Metro North Railroad announced that it will put new train schedules into effect on its Hudson, Harlem, and New Haven Lines on April 6. The new schedules add 67 trains each week, representing 4,439 trains operated weekly by MNRR, which a spokesman said represented a 35 percent increase in scheduled trains on these lines since 1983, when MNRR took over train operations from the former Conrail. The spokesman noted that ridership is growing most rapidly at its northernmost stations, among them Poughkeepsie, NY, Wassaic, NY, and New Haven, CT. (ffd: New York Times)

(FRI) The Henry Ford Museum in Dearborn, MI announced that it had acquired Pennsylvania Railroad Class GG1 locomotive No. 4909. The museum is purchasing the GG1 from the Leatherstocking Railway Historical Society of Milford, NY, which has owned the locomotive for many years but has not been able to restore it. A museum spokesman said that the transformer and any asbestos will be removed from the locomotive prior to its being moved to Dearborn and that, once there, it will be restored by the museum in the PRR’s famed Tuscan-red-with-pinstripes paint scheme. (ffd: Oneonta Morning Star, Trains)

STATS – “BIG 7” TRAFFIC

(EDITOR’S NOTE: Canadian traffic includes that on the U.S. operations of Canadian National and Canadian Pacific.)

(THU) For the week ending March 29, 2008, U.S. rail volume grand totaled 34.4 billion ton-miles, up 7.5 percent from the comparable week last year. Also for the week, U.S. carload rail traffic was up 5.6 percent, down 7.1 percent in the East, but up 17.2 percent in the West. Also, U.S. intermodal rail traffic was down 2.7 percent, Canadian carload rail traffic was down 6.0 percent, and Canadian intermodal rail traffic was up 2.9 percent.

For the month of March, 2008, U.S. carload rail traffic was down 0.1 percent, compared with March of last year. Notable traffic increases included grain up 13.9 percent and coal up 5.9 percent; notable traffic decreases included motor vehicles and equipment down 19.4 percent and crushed stone, sand and gravel down 13.4 percent. Also for the month, U.S. intermodal rail traffic was down 5.7 percent, Canadian carload rail traffic was down 7.7 percent, Canadian intermodal rail traffic was down 2.7 percent, Mexico’s Kansas City Southern de Mexico’s carload rail traffic was down 1.3 percent, and KCSM’s intermodal rail traffic was up 2.6 percent.

For the First Quarter, 2008, U.S. rail volume grand totaled 431.5 billion ton-miles, up 2.3 percent from the first quarter last year. Also for the quarter, U.S. carload rail traffic was up 1.1 percent, U.S. intermodal rail traffic was down 4.1 percent, Canadian carload rail traffic was down 2.5 percent, Canadian intermodal rail traffic was up 4.7 percent, KCSM’s carload rail traffic was down 4.5 percent, and KCSM’s intermodal rail traffic was up 10.7 percent. (ffd: AAR)

MORE STATS – “BIG 7” (EXCEPT CN) OPERATING PERFORMANCE:

(EDITOR’S NOTE: This past week, Kansas City Southern combined operating performance data for its domestic (Kansas City Southern) and Mexican (Kansas City Southern de Mexico) operations. As a result, correct comparative data for KCS for last year is not available at this time.)

(WED) For the week ending March 28, 2008 versus the comparable week last year (except for KCS), average total cars on line was as follows: BNSF, 230,250 cars versus 224,655 cars; Canadian Pacific, 83,838 cars versus 82,712 cars; CSX, 220,914 cars versus 227,492 cars; Kansas City Southern, 50,000 cars; Norfolk Southern, 199,036 cars versus 207,187 cars; and Union Pacific, 304,899 cars versus 309,206 cars.

Also for the week ending March 28, 2008 versus the comparable week last year (except for KCS), average train speed was as follows: BNSF, 24.3 mph versus 23.5 mph; Canadian Pacific Railway, 23.8 mph versus 22.1 mph; CSX, 20.8 mph versus 19.8 mph; Kansas City Southern, 26.2 mph; Norfolk Southern, 21.9 mph versus 21.1 mph; and Union Pacific, 22.4 mph versus 22.0 mph.

Finally for the week ending March 28, 2008 versus the comparable week last year (except for KCS), average terminal dwell time was as follows: BNSF, 25.9 hrs versus 23.6 hrs; Canadian Pacific Railway, 22.4 hrs versus 23.5 hrs; CSX, 22.5 hrs versus 23.9 hrs; Kansas City Southern, 19.3 hrs; Norfolk Southern, 21.4 hrs versus 22.4 hrs; and Union Pacific, 25.1 hrs versus 25.5 hrs. (ffd: AAR)

STILL MORE STATS – SAFETY:

(MON) The U.S. Federal Railroad Administration released preliminary safety statistics for January, 2008. Compared with the previous January, grade crossing fatalities were down 27.3 percent to 23 and trespassing fatalities were down 12.1 percent to 29. There was only one on-duty employee fatality this January, compared with three last January. (EDITOR'S NOTE: As reported in recent editions, additional on-duty employee fatalities have since occurred.) Also in January, total reportable accidents and incidents declined 11.0 percent to 961. (ffd: FRA, Railway Age)

EXPANSIONS, CONTRACTIONS AND ALIKE:

(TUE) Florida Midland Railroad filed to abandon approximately 4 miles of its Wildwoods Branch, between Wildwood, FL and Orange Home, FL. (ffd: STB)

(TUE) The U.S. Surface Transportation Board approved Union Pacific's earlier request to abandon approximately 6 miles of its Chaska Industrial Lead between Merriam, MN and Chaska, MN. (ffd: STB)

(THU) The Surface Transportation Board published its "Notice of Available of Final Scope of Study" for the Environmental Impact Statement for the Alaska Railroad's proposed new 80-mile line between Delta Jct., AK and North Pole, AK. (ffd: STB)

(THU) Burlington Junction Railway filed to acquire, from BNSF, and operate approximately 3 miles of line in Montgomery, IL. (ffd: STB)

(THU) Caterpillar Corporation announced that it had acquired Lovat Corporation, a manufacturer of tunnel-boring machines used in construction of road and railway tunneling. "This acquisition is Caterpillar's entry into the rapidly expanding tunnel-boring machine business," said a company spokesman. (ffd: RT&S)

(THU) CSX filed to abandon approximately 17 miles of its Southern Region's Huntington-East Division's Sewell Subdivision, between Rainelle, WV and Nallen, WV. (ffd: STB)

(THU) The Surface Transportation Board approved Mid-Michigan Railroad's earlier request to abandon approximately 16 miles of line between Lowell, MI and Prairie Center, MI. (ffd: STB)

(THU) Norfolk Southern filed to grant temporary overhead trackage rights to Nittany & Bald Eagle Railroad over approximately 55

miles of NS line between Lock Haven, PA and Driftwood, PA. The purpose of the temporary trackage rights is "to allow N&BE to adequately bridge train service for temporary, seasonal traffic originating on the N&BE for delivery to an offline destination." (ffd: STB)

(THU) VAE Nortrak North American announced that it had acquired majority ownership of DAMY Cambios de Via S.A. de C.V. VAE Located in Guadalajara, MX, DAMY produces specialty trackwork. (ffd: Progressive Railroadng)

APPOINTMENTS, ACHIEVEMENTS AND MILESTONES:

(MON) Union Pacific appointed Kurt Zalar the Superintendent-Transportation Services of its Wichita Service Unit. Mr. Zalar, who was most recently Director-Intermodal Terminal Operations in Oakland, CA, succeeds Steve Truitt, who recently resigned from UP to become Florida East Coast Railway's VP for transportation, mechanical engineering, and intermodal operations. (ffd: UP Corp.)

(TUE) Genesee & Wyoming appointed Paula Henry the SVP of its Rocky Mountain Region and, concurrently, president of its Utah Railway. Ms. Henry, who was most recently the chief operating officer of Tacoma Rail, succeeds James Davis, who recently retired. (ffd: Progressive Railroadng)

* * *

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

BE SAFE AND PROSPER,

Dave Mears

Cherry Hill, New Jersey, USA