

WEEKLY RAIL REVIEW

FOR THE WEEK ENDING SAT, APRIL 9, 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):

(SUN) Amtrak experienced an unusually high number of significant service disruptions for a single day. Early Sunday morning, service remained suspended on Amtrak's Springfield Line between New Haven, CT and Springfield, CT due to flooding on the nearby Connecticut River. The line had been taken out of service due to expected flooding the previous evening. The line was reopened later Sunday morning. Also later Sunday morning, the Portland section of Amtrak's "Empire Builder" passenger train derailed its consist of 1 locomotive and 4 cars in the Columbia River Gorge near Home Valley, WA. The accident, which occurred on BNSF track, injured approximately 30 persons, 14 of whom were taken to area hospitals. On Sunday afternoon, an Amtrak "Empire Service" passenger train derailed 3 of its 6 cars near Lyons, NY. No injuries were reported in the accident, which occurred on CSX track. (ffd: NARP, Trains)

(SUN) Metro North Commuter Railroad put its Spring, 2005 timetable into effect. Although nearly all train origin departure and destination arrival times are the same, about one-third of trains have had their interim station arrival and departure times changed slightly to better reflect on-time performance. Noting that MNCR's on-time performance has been 96 percent the past 2 years but that surveyed rider satisfaction about on-time performance has been declining, MNCR President Peter Cannito said that the timetable changes "are intended...to increase customer satisfaction." (ffd: New York Times)

(MON) The American Short Line and Regional Railroad Association made its annual awards for safety achievement at its annual meeting in Anaheim, CA. The top prize winners in each category were as follows: 250,000 man-hours and above, the Wheeling & Lake Erie Railway; between 50,001 and 250,000 man-hours, the Dallas, Garland & Northeastern Railroad; between 10,001 and 50,000 man-hours, the Western, New York & Pennsylvania Railroad; between 1 and 10,000 man-hours, the Chesapeake & Albemarle Railroad; and for switching and terminal railroads, the Terminal Railroad Association of St. Louis. (ffd: ASLRRRA, Railway Age)

(MON) A consortium representing the New York Jets Football Team won the rights to develop the site above the Long Island Rail Road's West Side Yards in Manhattan into a new sports stadium. A spokesman for New York's Metropolitan Transportation Authority, which owns the site, said that factors influencing the decision included the recent commitment by New York City to extend the Number 7 subway line from Times Square to 10th Avenue to serve the new stadium and then down 11th Avenue to 34th Street to serve the Javits Convention Center. A spokesman added that, pending necessary final approvals, the stadium would be ready for the team's 2009 season. Contingent on the stadium being built, the National Football League has made New York City the site of the 2010 Super Bowl Game. (ffd: New York Jets, New York Times)

(MON) 2 railroads increased their planned 2005 locomotive purchases. On Monday, Norfolk Southern announced that it would acquire 50 6-axle, 4,000-horsepower locomotives from General Electric. An NS spokesman noted that the railroad had already planned to this year acquire 52 6-axle, 4,000-horsepower locomotives from Electro-Motive Diesel and that all 102 locomotives were expected to be received by the fourth quarter this year. On Wednesday, Canadian National announced that it would acquire 75 new locomotives, 50 Class ES44DC engines from General Electric and 25 Class SD70M-2 engines from Electro-Motive Diesel. A CN spokesman said that locomotive delivery would start in the fourth quarter this year and conclude by mid-2006. (ffd: NS Corp., CN Corp.)

(MON) Union Pacific said that it would replace its rail switches where necessary in the greater Los Angeles, CA area to prevent vandalism. The announcement follows a March 9 incident allegedly caused by a 14-year-old city youth who threw a switch under a moving train causing it to derail. Related to this derailment, a UP spokesman said that the railroad was "taking steps to make [its] switches less vulnerable to this kind of vandalism." Related to other derailments that have recently occurred in the Los Angeles area, the spokesman said that UP would increase its frequency of advanced rail testing in Los Angeles from every 90 days to every 60 days. (ffd: San Gabriel Valley Tribune)

(MON) Women-only cars went into rush-hour service on commuter trains serving Tokyo, Japan. Such cars were previously only available on late-night trains. A spokesman for East Japan Railways said that the women-only cars respond to the recent increase of women being molested or "groped" aboard trains, with reported incidents having increased to 2,201 in 2004 from 778 in 1996. (ffd: Trains, wire services)

(TUE) A federal judge reviewing CSX's appeal to overturn Washington, DC's recently enacted ban on hazardous material shipments within 2 miles of the U.S. Capitol proposed a 30-day cooling-off period so that CSX and the city might reach a settlement. "We need to spend our money and time trying to settle this case so that everyone can leave with their heads high," said U.S. District Court Judge Emmett Sullivan. However on Thursday, lawyers for CSX told the court that a settlement wasn't possible and asked the judge to make a definitive ruling on the matter. Judge Sullivan said that he was "disappointed" at CSX's position, adding that he couldn't remember the last time an attorney was unwilling to discuss a settlement. The judge then said that he would rule on this matter before April 20. (ffd: Washington Post, wire services)

(TUE) A spokesman for Canada's Western Grain Elevator Association, representing public and private grain businesses that handle more than 90 percent of Western Canada's grain exports, complained that Canadian National and Canadian Pacific were struggling this year "in spotting cars for loading and, once loaded, in providing timely delivery to the customer," which they said represented an "inability to provide regular and consistent service on the prairies." Noting that this year's crop was below-average, the Association spokesman asked "How will CN and CP respond when production and export levels return to more normal levels?" In response, a CN spokesman said that the railroad had overcome winter-related service issues and was consistently moving grain cars, although the spokesman did note that there was "a developing gap in predicting ship arrivals at ports, which is beginning to cause some concern about the potential for port congestion." (ffd: Canadian Press, Progressive Railroading)

(TUE) In a notable bottleneck, a spokesman for Russian Railways said that it was experiencing severe train congestion after a change in Russian port tariffs triggered a steel export rush. The spokesman said that the problem started when the Russian government raised steel export tariffs by 12 percent at all key ports except at the Black Sea port of Novorossiisk. The spokesman added that "naturally, steel companies made a dash for Novorossiisk" and that 105 trains carrying steel products were now bottlenecked near the port with an additional 259 trains enroute to the port. Russia is the world's No. 2 steel exporter, with steel products accounting for around 20 percent of total Russian exports. (ffd: wire services)

(WED) Norfolk Southern suffered an on-duty employee fatality. James Dixon, a brakeman with 25 years' NS service, was killed while switching cars at the NS's yard in Selma, AL. An NS spokesman declined to discuss specific details of the accident until a related investigation was completed. (ffd: Selma Times-Journal)

(WED) The nations of Azerbaijan, Georgia and Turkey signed an agreement to construct a new rail link between the eastern Turkish city of Kars and the southern Georgian town of Akhalkalaki. A spokesman for the 3 nations said that the new link would enable Azerbaijan to gain rail access to Turkey, a strategic trading partner, via Georgia. The spokesman added that the expected cost of the new link is approximately \$400 million. (ffd: Baku Today)

(WED) A United Nations study said that better transport, including better rail transport, would help to halve poverty levels on the African continent. Speaking in Ethiopia's capital of Addis Ababa, U.N. Undersecretary General for Least Developed and Landlocked Countries Anwarul Chowdhury said, "African countries inherited roads and other transport infrastructure at independence, but the governments that took over neglected them, while using their resources for other less important things." Mr. Chowdhury noted that 10 out of Africa's 15 landlocked countries spend up to 40 percent of their export earnings on transport and related insurance. (ffd: wire services)

(THU) Secretary of Homeland Security Michael Chertoff said that his department would recommend that warning placards continue to be put visibly on hazardous material shipments. Mr. Chertoff acknowledged the debate that by identifying hazardous material shipments "we [would be] giving people a target, or a bulls-eye," but added that "when you go out and you confront an emergency and a hazard, you have to know what you are facing. You have to know if you've got a chemical problem. You've got to know if there's some kind of explosive problem. And you need to have the kind of warning that those placards give you." (ffd: USDHS, wire services)

(FRI) Forbes Magazine ranked 4 U.S. railways in the upper fourth of its annual list of the world's top 2,000 global firms. BNSF ranked the highest at Number 281, followed by Union Pacific at No. 288, Norfolk Southern at No. 361 and CSX at No. 500. The Forbes list ranks the world's top 2,000 publicly owned corporations by total sales, profits, assets and market value. (ffd: Forbes Magazine, Progressive Railroading)

(SAT) In one of the first of its kind ever and indicative of the U.S. rail industry's current hiring initiative, the Chicago Department of Transportation hosted a "Railroad Career Expo." A DOT spokesman said that the event included hiring representatives from Amtrak, the Belt Railway of Chicago, BNSF, Canadian National, Canadian Pacific, CSX, Genesee & Wyoming, METRA, Norfolk Southern and Union Pacific, who conducted informational workshops on employment opportunities that included mechanical engineering, transportation, management and security. The event was co-sponsored by the Illinois Department of Transportation and the Illinois Department of Commerce and Economic Opportunity. (ffd: City of Chicago)

STATS – TRAFFIC:

(THU) For the week ending April 2, 2005, U.S. rail volume grand totaled 32.3 billion ton-miles, up 2.2 percent from the comparable week last year. Also for the week, U.S. carload rail traffic was up 1.6 percent, down 3.4 percent in the

East, but up 5.7 percent in the West. Also for the week, U.S. intermodal rail traffic was down 0.1 percent, Canadian carload rail traffic was down 1.0 percent and Canadian intermodal rail traffic was down 4.9 percent.

For the month of March, 2005, U.S. carload rail traffic was up 2.5 percent, compared with March, 2004. Notable traffic increases included coke up 14.2 percent, coal up 6.7 percent and chemicals up 2.3 percent; notable traffic decreases included waste and scrap materials down 10.5 percent and motor vehicles and equipment down 8.4 percent. Also for the month, U.S. intermodal rail traffic was up 3.0 percent, Canadian carload rail traffic was down 0.6 percent, Canadian intermodal rail traffic was up 5.1 percent, Mexico's Transportacion Ferroviaria Mexicana's carload rail traffic was down 3.3 percent and TFM's intermodal rail traffic was down 13.8 percent.

For the First Quarter, 2005, U.S. rail volume grand totaled 408.7 billion ton-miles, up 3.3 percent from the First Quarter, 2004. Also for this 3 month period, U.S. carload rail traffic was up 2.5 percent, U.S. intermodal rail traffic was up 7.6 percent, Canadian carload rail traffic was up 1.6 percent, Canadian intermodal rail traffic was up 4.9 percent, TFM's carload rail traffic was up 3.7 percent and TFM's intermodal rail traffic was up 4.2 percent. (ffd: AAR)

MORE STATS – "BIG 6" OPERATING PERFORMANCE:

(FRI) For the week ending April 2, 2005 versus the comparable week last year, average train speed was as follows: BNSF, 23.4 mph versus 26.4 mph; Canadian National, 25.8 mph versus 24.5 percent; Canadian Pacific, 24.7 mph versus 24.2 mph; CSX, 19.6 mph versus 20.5 mph; Norfolk Southern, 22.6 mph versus 23.4 mph; Union Pacific, 22.1 mph versus 21.3 mph.

Also for the week ending April 2, 2005 versus the comparable week last year, average terminal dwell time was as follows: BNSF, 9.9 hrs versus 9.7 hrs; Canadian National, 13.5 hrs versus 14.1 hrs; Canadian Pacific, 32.6 hrs versus 28.3 hrs; CSX, 29.0 hrs versus 27.3 hrs; Norfolk Southern, 23.9 hrs versus 21.9 hrs; Union Pacific, 27.6 hrs versus 31.7 hrs.

(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.")

EXPANSIONS, CONTRACTIONS AND ALIKE:

(TUE) The Boot Hill & Western Railway filed to abandon approximately 16 miles of line between Bucklin, KS. and Wilroads, KS. (ffd: STB)

(TUE) The Surface Transportation Board granted Union Pacific's earlier request to abandon approximately 1 mile of its Dry Valley Subdivision in Caribou County, ID. (ffd: STB)

(TUE) Union Pacific agreed to grant overhead trackage rights to BNSF over approximately 99 miles of Union Pacific's line between South Jct., TX. and Tower 55 in Fort Worth, TX. The purpose of this agreement is to allow BNSF and UP to implement directional running over their lines between these points. (ffd: STB)

(FRI) BNSF agreed to grant Union Pacific temporary trackage rights over approximately 70 miles of BNSF's line between Spokane, WA. and Sandpoint, ID. The purpose of this agreement is to allow UP to use BNSF's line while UP performs maintenance on its nearby line. (ffd: STB)

(SAT) Genesee & Wyoming's First Coast Railroad began operation of approximately 32 miles of line leased from CSX. The lines extend from Yulee, FL. to Fernandina, FL. and from Yulee to Seals, GA. (ffd: CSX Corp.)

APPOINTMENTS, ACHIEVEMENTS AND ALIKE:

(MON) New York Times Report Walt Bogdanich was among several winners of the 2004 Pulitzer Prize, journalism's highest award. Mr. Bogdanich won the award in the National Reporting category for "his heavily documented stories about the corporate cover-up of responsibility for fatal accidents at railway crossings." This is the second Pulitzer for Mr. Bogdanich, who also received the award several years ago for reporting for the Wall Street Journal. Later in the week, the Association of American Railroad's criticized the Pulitzer Jury, remarking on the AAR website, "We believe that there are serious flaws in the research and reporting upon which this series is based, many of which were documented and brought to the attention of the reporter and his editors. [These] were ignored." (ffd: Columbia University, AAR)

(MON) John Hamilton was appointed President and CEO of Electro-Motive Diesel, the former Electro-Motive Division of General Motors now owned jointly by Greenbriar Equity Group and Berkshire Partners. Greenbriar and Berkshire also appointed Jerry Greenwald as Non-Executive Chairman of EMD. (ffd: Trains)

(WED) Darius McCollum, Age 39, was sentenced to 3 years in prison after having pleaded guilty to illegally entering a Long Island Rail Road yard and attempting to operate a locomotive out of the yard. Mr. McCollum has gained notoriety in the New York City area for having impersonated city transit workers and attempting to throw switches and operate subway trains, offenses for which he has been arrested over 20 times since Age 15. (ffd: wire services)

(THU) A spokesman for the Transportation Security Administration announced that the head of the TSA, retired Coast Guard Admiral David Stone, would resign his position at the end of June. The Washington Post reported that Mr. Stone's departure anticipates a significant reshaping of TSA's responsibilities attendant with a planned reorganization of its parent organization, the Department of Homeland Security, which is now being worked on by new DHS Secretary Michael Chertoff. (ffd: Washington Post)

(THU) The Bush Administration nominated Maria Cino to be Deputy Secretary of the Department of Transportation. (ffd:

AAR)

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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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