

## WEEKLY RAIL REVIEW

FOR THE WEEK ENDING SAT, JUNE 3, 2006

BY DAVE MEARS

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

(NOTE: As most are likely aware, the week ending June 3 included the U.S. Memorial Day Holiday.)

(SUN) Two Union Pacific freight trains collided at slow speed on the main line near San Antonio, TX. Both train crews reportedly jumped before impact, sustaining minor injuries. A total of 4 cars were derailed. A UP spokesman said that the cause of the collision was under investigation. (ffd: Fort Worth Star-Telegram, Trains)

(TUE) A CSX freight train derailed 25 cars near Tribes Hill, NY, on the main line between Albany and Buffalo. There were no injuries in the derailment, however, 30 homes near the accident were temporarily evacuated as a precaution in case an errant lightning strike ignited any of the derailed cars containing flammable ethanol. The derailment caused several freight trains to be held and Amtrak to cancel its "Lake Shore Limited" and some "Empire Service" passenger trains. The line was partially reopened the following day and completely reopened later in the week. (ffd: Albany Times-Union)

(WED) Continuing the escalating partnership between railroads and large trucking companies, Schneider National announced that it had teamed with CSX and Kansas City Southern to offer new intermodal rail service between the Marion Industrial Center near Marion, OH and Kansas City, MO. A Schneider spokesman said that Schneider will operate the ramp and drayage in Marion and that there will be departures from each city six days a week. The spokesman added that the service, which starts June 5, will be linked to the Dallas, TX and Mexico gateways by year's end. (ffd: Progressive Railroading, Railway Age)

(WED) The Department of Transportation's Bureau of Transportation Statistics issued trade data between the United States, Canada and Mexico for March, 2006. The BTS report stated that the value of imported goods moving via rail into the U.S. from these countries totaled \$8 billion, a 14 percent increase compared with March, 2005. The report also stated that the value of exported goods moving via rail out of the U.S. to these countries totaled \$3.6 billion, an increase of 10.8 percent compared with March, 2005. (ffd: Progressive Railroading, USDOT)

(THU) Several Brotherhood of Maintenance of Way Employees staged a novel protest against Amtrak at a minor league baseball game. The protest took place at a New Jersey Jackals game in Little Falls, NJ. The team is owned by Floyd Hall, a member of Amtrak's Board of Directors. The protestors, who walked onto the field just after the singing of the National Anthem, exclaimed that they have not had a new contract in 7 years and went on to accuse Amtrak of not bargaining in good faith. The protestors were removed from the field and one of them was arrested. (ffd: NARP)

## STATS – TRAFFIC:

(NOTE: The Canadian carload and intermodal rail traffic mentioned below includes both the Canadian and U.S. operations of Canadian National and Canadian Pacific Railway.)

(THU) For the week ending May 27, 2006, U.S. rail volume grand totaled 34.5 billion ton-miles, up 3.6 percent from the comparable week last year. U.S. carload rail traffic was up 2.6 percent, down 0.1 percent in the East, but up 4.9 percent in the West. Notable traffic increases included metals up 19.1 percent, crushed stone, sand and gravel up 9.7 percent, and coal up 6.0 percent; notable traffic decreases included primary forest products down 17.8 percent, nonmetallic minerals down 12.4 percent, and pulp, paper and allied products down 9.4 percent. Also for the week, U.S. intermodal rail traffic was up 7.1 percent, Canadian carload rail traffic was down 6.2 percent, Canadian intermodal rail traffic was up 3.6 percent, Mexico's Kansas City Southern de Mexico's carload rail traffic was up 2.3 percent, and KCSM's intermodal rail traffic was down 7.5 percent.

For the period January 1 through May 27, 2006, U.S. rail volume grand totaled 699.2 billion ton-miles, up 2.2 percent from the comparable period last year. Also for this period, U.S. carload rail traffic was up 1.0 percent, U.S. intermodal rail traffic was up 6.2 percent, Canadian carload rail traffic was down 2.5 percent, Canadian intermodal rail traffic was up 4.9 percent, KCSM's carload rail traffic was down 5.9 percent, and KCSM's intermodal rail traffic was down 7.3 percent. (ffd: AAR)

## MORE STATS – OPERATING PERFORMANCE:

(NOTE: Effective October 1, 2005, railroads that had been furnished operating performance statistics to the Association of American Railroads began applying a new standardized definitional framework, aimed at eliminating differences in calculation methodology. Concurrent with but unrelated to these changes, Canadian National elected to no longer furnish these statistics.)

(WED) For the week ending May 26, 2006 and versus the previous week, average total cars on line was as follows: BNSF, 222,390 cars versus 223,621 cars; Canadian Pacific, 84,047 cars versus 83,754 cars; CSX, 222,104 cars versus 222,107 cars; Kansas City Southern, 26,703 cars versus 26,932 cars; Norfolk Southern, 201,370 cars versus 202,745 cars; and Union Pacific 323,706 cars versus 323,757 cars. (Comparative totals from last year are not yet available.)

Also for the week ending May 26, 2006 and versus the comparable week last year, average train speed was as follows: BNSF, 22.3 mph versus 24.5 mph; Canadian Pacific Railway, 23.8 mph versus 22.3 mph; CSX, 19.9 mph versus 19.0 mph; Kansas City Southern, 24.2 mph versus 22.6 mph; Norfolk Southern, 21.6 mph versus 22.6 mph; and Union Pacific, 21.2 mph versus 20.9 mph.

Finally for the week ending May 26, 2006 and versus the comparable week last year, average terminal dwell time was as follows: BNSF, 23.5 hrs versus 23.6 hrs; Canadian Pacific Railway, 20.9 hrs versus 27.3 hrs; CSX, 24.7 hrs

versus 30.5 hrs; Kansas City Southern, 20.4 hrs versus 24.9 hrs; Norfolk Southern, 21.2 versus 22.3 hrs; and Union Pacific, 27.4 hrs versus 27.3 hrs. (ffd: AAR)

STILL MORE STATS – SAFETY -- JANUARY THROUGH FEBRUARY, 2006:

(THU) The Federal Railroad Administration released preliminary safety data for the first two months of 2006. During these first two months and compared with the first two months of 2005, train accidents declined 7.9 percent, rail-highway grade crossing fatalities declined 3.5 percent, and the frequency of crossing collision per train-mile was 1 every 3.81 million train-miles. Also for this period, the number of human factor-caused train accidents decreased 12.8 percent and the employee on-duty casualty rate decreased 12.7 percent. (ffd: AAR, FRA)

EXPANSIONS, CONTRACTIONS AND ALIKE:

(WED) Union Pacific filed to abandon approximately 4 miles of their El Dorado Subdivision between Gilcrest, AR and El Dorado Jct., AR. (ffd: STB)

(WED) V&S Railway filed to acquire the Hutchinson & Northern Railway, totaling approximately 6 miles of line. (ffd: STB)

(WED) The Surface Transportation Board approved Wyoming & Colorado Railroad's earlier filing to abandon approximately 24 miles of line between Walcott, WY and Saratoga, WY. (ffd: STB)

(THU) The Kansas City Business Journal reported that BNSF would build a new intermodal transportation facility and logistic park at Gardner, KS, approximately 30 miles southwest of Kansas City, MO. The newspaper reported that BNSF had told state and local officials that the facility and park would encompass approximately 1,000 acres and that total investment over a 20-year period would reach nearly \$1 billion. (ffd: Trains)

(THU) The Providence & Worcester Railroad released a statement that it had "entered into a confidentiality agreement with RailAmerica with respect to exploring possible business opportunities." The statement added that "there is no agreement [at the present time] relating to any such business opportunities." The P&W operates in Massachusetts, Rhode Island, Connecticut, and New York. (ffd: P&W Corp.)

(FRI) Rail car manufacturer and supplier Trinity Industries announced that it had reached agreement to sell its Trinity Fittings Group to Levin Leichtman Capital Partners. Trinity Fittings Group operates plants in Russellville, AR and Enid, OK, which will be renamed Hackney Ladish Corporation. (ffd: Progressive Railroading)

(FRI) Genesee & Wyoming announced that it had completed its previously announced sale of its Western Australia operations and certain other assets to Queensland Rail and Bacoock & Brown Limited for \$971 million. G&W further announced that it had completed its previously announced acquisition of Wesfarmers' 50 percent ownership of the South Australian operations of the Australian Railroad Group for \$15 million. The latter will be renamed Genesee & Wyoming Australia Pty Ltd. (ffd: G&W Corp.)

(FRI) The Surface Transportation Board approved Union Pacific's earlier filing to abandon approximately 3 miles of line between near Redwood Road and near 4th West Street in Salt Lake City, UT. (ffd: STB)

#### APPOINTMENTS, ACHIEVEMENTS AND ALIKE:

(WED) Union Pacific appointed Tom Florence General Superintendent-Transportation Services of its Los Angeles Service Unit. Mr. Florence was previously UP's Superintendent-Transportation Services of UP's El Paso Service Unit. UP also appointed Andy Yedlick Superintendent-Transportation Service of its El Paso Service Unit. Mr. Yedlick was previously Transportation Superintendent at UP's San Bernardino, CA dispatching center. (ffd: UP Corp.)

(THU) The Bush Administration nominated Charles Nottingham to be the new chairman of the Surface Transportation Board. If confirmed, Mr. Nottingham will fill the seat left vacant by the resignation of Roger Nober late last year. Mr. Nottingham is currently the Associate Administrator for Policy and Government Affairs of the Federal Highway Administration. (ffd: Railway Age)

(FRI) BNSF appointed Jo-ann Olsovsky AVP-Telecommunications. Ms. Olsovsky was most recently Director-Enterprise Network Services for Verizon Communications. (ffd: BNSF Corp.)

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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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