

WEEKLY RAIL REVIEW

FOR THE WEEK ENDING SAT, JULY 8, 2006

BY DAVE MEARS

(NOTE: "ffd" indicates a reference "for further details.")

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

(SUN) The nation of China opened its new rail line to Tibet. The line, the first into Tibet, totals 710 miles between Xining, the capital of Qinghai Province, and Lhasa, the Tibetan capital. The line is considered an engineering marvel, with much of it built on permafrost, and includes tunnels altogether totaling 19 miles in length and bridges altogether totaling 85 miles in length. The line reaches elevations up to approximately 16,500 feet and will operate trains with pressurized passenger cars, equipped with airline-style drop-down masks for use in case of depressurization. (ffd: Chicago Tribune, NARP)

(MON) Adding to current efforts to legislate some re-regulation of railroads, U.S. Senator Herb Kohl (D-WI) introduced "The Railroad Antitrust Enforcement Act of 2006." The act would repeal antitrust exemptions that, according to Mr. Kohl, "enable freight railroads to abuse their dominant market power and raise rates for those who rely on them to ship dozens of vital commodities." Later in the week, USA Today published a report quoting several shippers who allege that high rail rates and poor rail service have significantly increased their costs. The report noted the case of Dairyland Power Cooperative of LaCrosse, WI, who said that they were hit with a 93 percent freight rate increase when their 3-year contract with their serving railroad expired January 1. (ffd: NARP, USA Today)

(MON) Work began on a 2.5 mile spur off of New Jersey Transit's Pascack Valley Line that will allow NJT trains to serve the New Jersey Meadowlands Sports Complex. An NJT spokesman said that this project is proceeding attendant with the recent agreement on construction of a new stadium, adjacent to the existing Giants Stadium, for the NFL's New York Giants and New York Jets. The spokesman added that the funding for the \$150 million spur is being provided by the Port Authority of New York and New Jersey, and that the line is scheduled to open in 2008. (ffd: NARP, RT&S)

(MON) In an interview with Traffic World magazine, BNSF Chairman Matt Rose said that his railroad and its competitors would likely resist congressional advances to find a government solution to rail capacity constraints. Mr. Rose agreed that capacity is indeed a problem for railroads and their shippers, but commented that the federal government is the wrong instrument to effect change. "For the first time as a country, I think we [the railroads] are challenged to create more rail capacity," said Mr. Rose. (ffd: Traffic World)

(MON) Amtrak announced that the at-seat electrical outlets on its Acela Express trainsets would temporarily be disconnected due to electrical problems. An Amtrak spokesman said that some of the outlets had been experiencing electrical shorts and that "disconnecting the outlets will reduce the possibility of passenger injury and damage to our passengers' electronic devices." The spokesman added that the outlets would be reconnected once the Amtrak Mechanical Department had solved the problem. (ffd: Trains)

(MON) The Federal Railroad Administration announced that it would conduct a 90-day audit of railroad compliance with hazardous material transportation regulations. An FRA spokesman said that the audit would begin at once and that special attention will be given to second and third shifts, and to weekends. The spokesman added that violations that FRA inspectors will be looking for include improper placement of hazmat cars in trains and missing or improper documentation of hazmat shipments. (ffd: FRA)

(MON) BNSF reported that more than 3,100 railfans had signed up for its new Citizens for Rail Security program. The program involves railfans in BNSF security, asking them to be on the lookout and to report suspicious activity. A BNSF spokesman said that, while the program does not grant access to BNSF property or facilities, participants do receive an official identification card and are able to access news and information on the CRS website. (ffd: Railway Age)

(MON) A subway train crashed in the city of Valencia in the eastern part of Spain. The accident killed at least 30 persons and injured scores of other, most of who were in a subway car that overturned. Initial reports from officials investigating the accident indicated that the train was traveling at twice its authorized speed when it derailed. (ffd: Trains, wire services)

(MON) A spokesman for British rail infrastructure owner Network Rail said that it had requested special government funding of 7 billion pounds (approximately \$10.5 billion) for next year, additional to its annual operating subsidy of between 4 billion and 5 billion pounds. A Network Rail spokesman said that the extra funding would be spent on "extra rolling stock, platform lengthening, and the provision of additional tracks to relieve bottlenecks." A spokesman added that the rebuilding of Birmingham's New Street and London's Waterloo Stations would also be undertaken. (ffd: From UK newspapers, courtesy of WRR Reader Iain Frew)

(WED) Canada's Transport Canada ministry ordered Canadian National to use only locomotives equipped with dynamic brake while operating southbound on its line between Kelly Lake and Polley in British Columbia. The order stems from the crash of a runaway train the previous week on the line near the town of Lillooet, which did not have a locomotive equipped with dynamic brake. The crash killed 2 crewpersons on the locomotive and critically injured a third. (ffd: Progressive Railroading)

(WED) The Federal Transit Administration announced that it had approved a \$700 million Full Funding Grant for the Dallas Area Rail Transit system. A DART spokesman said that the grant would be put toward a \$2.5 billion expansion of DART light rail lines. A DART spokesman said that additional lines planned will double the DART light rail system to a total of 90 route miles by 2013. (ffd: RT&S)

(WED) The American Trucking Association announced that driver turnover for the largest trucking carriers hit a 10-year low in the first quarter of this year. An ATA spokesman said that the turnover rate dropped to 116 percent in the first quarter, down from 136 percent in the fourth quarter of 2005. The spokesman added that the "the rate still remains high and hasn't been below 100 percent since the fourth quarter of 2002." (ffd: Railway Age)

(THU) The Department of Homeland Security announced \$388 million in Fiscal Year 2006 grants to help “prevent, protect against, respond and recover from terrorist attacks, major disasters and other emergencies that could impact this country’s critical infrastructure.” The funding includes \$136 million for transit and \$7.2 million for Amtrak, the latter for them to “continuing improving security in the Northeast Corridor and Chicago, and begin enhancing security on the West Coast.” (ffd: NARP, Progressive Railroading)

(THU) An early morning Long Island Rail Road train being yarded derailed at the throat of LIRR’s West Side Yard in Manhattan. The derailment significantly impacted the morning rush hour, with approximately 50 LIRR commuter trains delayed an average of 20 minutes or more. The derailed train was cleared away later in the day, but related track damage forced one track to continue out of service, resulting in further delays and service adjustments continuing into the evening rush hour. (ffd: Newsday, wire services)

(THU) The National Transportation Safety Board issued its report on the June 28, 2004 head-on collision between a BNSF freight train and a Union Pacific freight train near Macdona, TX. The report blamed the fatigue of the crew of the colliding UP train for the accident, noting that they had had limited sleep in the days prior to the accident, but also blamed the UP conductor’s consumption of alcohol the evening before the accident as a contributing factor of his fatigue. The collision derailed a total of 4 locomotives and 36 cars on both trains, and also ruptured a car of liquefied chlorine, which resulted in 3 persons – the UP conductor and 2 nearby residents – dying from the effects of chlorine gas inhalation. (ffd: NTSB, wire services)

(THU) Senators Robert Byrd (D-WV) and Patty Murray (D-WA) were reported to have written to the Secretary of Transportation and to Amtrak Board Chairman David Laney in opposition of the outsourcing of any Amtrak reservation jobs to foreign entities. Having been informed that the Amtrak Board of Directors would invite private vendors to take over major parts of its national reservations system, including vendors based overseas, Mr. Byrd and Ms. Murray said that they would, if necessary, insert language into the federal appropriations bill for the next fiscal year banning Amtrak from outsourcing jobs to foreign countries. (ffd: Bluefield Daily Telegraph, NARP)

(THU) Rail safety advocates criticized the new Disney-Pixar computer-animated film, “Cars.” The criticism stems from a scene in which the main character – a red car named “Lightening McQueen” – races a locomotive and ignores warning lights and signals to narrowly beat it to a crossing. A spokesman for one of the organizations critical of the scene, the DuPage Illinois Railroad Safety Council, said that they would work to try and have the scene deleted before the film is released on DVD. (ffd: Chicago Tribune)

(THU) The Chicago Transit Authority announced that cellular phone service would soon be available in tunnels of CTA subway-elevated lines. A CTA spokesman said that U.S. Cellular had paid CTA \$3 million for the rights to provide cell phone service in the tunnels. The spokesman added that service would begin this summer after testing was completed. (ffd: Chicago Tribune)

(FRI) Amtrak resumed full train service on its Empire Corridor Line serving New York State. Train service had been halted for several days the previous week due to severe flooding on the CSX line it travels on between Amsterdam, NY and Utica, NY, but had been gradually resumed through the week. The New York, Susquehanna & Western Railway reported that its freight train service, which was also affected by regional flooding, had also resumed normal operation. (ffd: Amtrak, Railpace)

(FRI) The 125,000-member United Transportation Union announced a "strategic alliance" with the 850,000-member United Steel Workers union. A UTU spokesman said that, as a result of the alliance, the two unions will "coordinate organizing and legislative activities, and share knowledge and resources." The UTU represents railroad, bus and mass transit workers in the U.S. and Canada, and the USW represents transportation, steel, aluminum, can, mining, manufacturing and chemical industry workers in the two countries. (ffd: Progressive Railroading)

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 July 1, 2006, U.S. rail volume grand totaled 33.9 billion ton-miles, up 3.7 percent from the comparable week last year. U.S. carload rail traffic was up 2.8 percent, down 3.0 percent in the East, but up 7.4 percent in the West. Also for the week, U.S. intermodal rail traffic was up 3.7 percent, Canadian carload rail traffic was up 0.9 percent, and Canadian intermodal rail traffic was up 1.2 percent.

For the month of June, 2006 and comparing with June, 2005, U.S. carload rail traffic was up 3.5 percent. Coal traffic for the month totaled 569,263 carloads, more than any previous month on record. Also for the month, U.S. intermodal rail traffic was up 7.5 percent, Canadian carload rail traffic was up 0.6 percent, Canadian intermodal rail traffic was up 8.2 percent, Mexico's Kansas City Southern de Mexico's carload rail traffic was down 2.0 percent, and KCSM's carload rail traffic was down 4.3 percent.

For the 2nd Qtr., 2006 and comparing with the 2nd Qtr., 2005, U.S. carload rail traffic was up 2.3 percent, U.S. intermodal rail traffic was up 7.3 percent, Canadian carload rail traffic was down 1.7 percent, and Canadian intermodal rail traffic was up 6.9 percent.

For the 1st Half, 2006 and comparing with the 1st Half, 2005, U.S. rail volume grand totaled 867.0 billion ton-miles, up 2.6 percent from the comparable period last year. Notable traffic increases included crushed stone, sand and gravel up 6.0 percent and coal up 4.2 percent; notable traffic decreases included nonmetallic minerals down 22.6 percent and chemical down 2.5 percent. Also for the half, U.S. intermodal rail traffic was up 6.4 percent, Canadian carload rail traffic was down 1.9 percent, Canadian intermodal rail traffic was up 5.7 percent, KCSM's carload rail traffic was down 5.3 percent, and KCSM's intermodal rail traffic was down 6.6 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 June 30, 2006 and versus the previous week, average total cars on line was as follows: BNSF, 223,715 cars versus 224,679 cars; Canadian Pacific, 81,835 cars versus 81,722 cars; CSX, 227,257 cars versus 225,676 cars; Kansas City Southern, 27,265 cars versus 26,918 cars; Norfolk Southern, 203,491 cars versus 202,526 cars; and Union Pacific 322,606 cars versus 322,770 cars.

Also for the week ending June 30, 2006 and versus the comparable week last year, average train speed was as follows: BNSF, 22.9 mph versus 22.6 mph; Canadian Pacific Railway, 25.1 mph versus 21.9 mph; CSX, 18.2 mph versus 19.1 mph; Kansas City Southern, 24.5 mph versus 21.3 mph; Norfolk Southern, 19.9 mph versus 21.4 mph; and Union Pacific, 21.0 mph versus 21.0 mph.

Finally for the week ending June 30, 2006 and versus the comparable week last year, average terminal dwell time was as follows: BNSF, 23.9 hrs versus 24.0 hrs; Canadian Pacific Railway, 20.3 hrs versus 25.4 hrs; CSX, 26.5 hrs versus 29.0 hrs; Kansas City Southern, 21.8 hrs versus 24.2 hrs; Norfolk Southern, 23.9 hrs versus 22.7 hrs; and Union Pacific, 27.2 hrs versus 28.2 hrs. (ffd: AAR)

EXPANSIONS, CONTRACTIONS AND ALIKE:

(MON) Conrail-Shared Assets filed to abandon approximately 6 miles of its Robbinsville Industrial Track, between Hamilton, NJ and Washington, NJ. (ffd: STB)

(MON) Iowa Northwestern Railroad filed to acquire, from Dickinson Osceola Railroad Association, and operate approximately 38 miles of line between Superior, IA and Allendorf, IA. (ffd: STB)

(WED) BNSF filed to abandon approximately 2 miles of line near Coeur D'Alene, ID. (ffd: STB)

(WED) Iowa River Railroad filed to acquire and operate 1) from North Central Railway, approximately 11 miles of line between Ackley, IA and Steamboat Rock, IA, and 2) from Union Pacific, approximately 32 miles of line between Steamboat Rock, IA and Marshalltown, IA. (ffd: STB)

(WED) Knoxville & Holston River railroad filed to lease, from CSX, and operate approximately 2 miles of line near the Third Creek Spur in Knoxville, TN. (ffd: STB)

(THU) Chicago, Lake Shore & South Bend Railroad filed to acquire, from Norfolk Southern, and operate approximately

3 miles of line in South Bend, IN, including the spur leading into the University of Notre Dame. (ffd: STB)

(FRI) The Surface Transportation Board granted Norfolk Southern's earlier request to discontinue service over approximately 2 miles of line between Park Avenue and near Tidewater Jct. in Norfolk, VA. (ffd: STB)

(FRI) The Southern Railway of British Columbia was named operator of the former E&N Railway line serving Vancouver Island, British Columbia. The railway will operate passenger and freight service under the name Southern Railway Vancouver Island. The Island Corridor Foundation purchased the 181-mile E&N line earlier this year. The foundation is managed by 13 First Nations groups and 6 Vancouver Island municipalities. (ffd: Progressive Railroading)

APPOINTMENTS, ACHIEVEMENTS AND MILESTONES:

None of note this week.

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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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