

WEEKLY RAIL RECAP

For the week ending SAT, August 3, 2002

By Dave Mears

TO MY READERS: As some of you are already aware, I've encountered more computer problems in the last two weeks, which I have now repaired and, hopefully, resolved. Following this edition for the week ending August 3, the editions for the weeks ending August 10 and August 17 will be sent during the next 2 days.

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

(MON) Amtrak's "Capitol Limited" passenger train derailed on CSX tracks in Kensington, MD., approximately 10 miles west of Washington, DC. The accident injured 101 persons aboard the train and damaged several of the train's cars. Investigators working to determine the cause of the accident focused on a possible "heat kink" in the rail noticed by the engineer right before the train derailed. Later in the week, CSX instituted temporary systemwide speed restrictions, requiring both passenger and freight trains to reduce to 10mph less than freight train track speed on consecutive days of 90 degree temperatures or when temperatures fluctuate by 40 degrees 2 days in a row. (ffd: wire services)

(MON) San Francisco, CA.'s Bay Area Rapid Transit subway system operated its first test train on its new extension into San Francisco International Airport. The extension, totaling 8.7 miles in length with 4 new stations including the new airport stop, is scheduled to open to the public in late fall of this year. (ffd: Progressive Railroading)

(MON) Passengers on the Metro North Commuter Railroad's New Haven Line continued their efforts to protect bar car service on the line, believed to be the last such operation in the U.S. The effort, initiated in response to ongoing rumors that service would be curtailed to make more train seats available, has included several petitions and a web site, barcar.com. In response, a MNCR spokesman said that there were no current plans to discontinue bar car service, adding that it was about the only profit-making segment of MNCR commuter operations. (ffd: New York Times)

(MON) London, England Mayor Ken Livingstone announced that he was dropping his opposition to a partial privatization of the London Underground subway system. Mr. Livingstone and London Transport Commissioner Bob Kiley had earlier opposed the plan, saying that it would result in a funding shortfall and higher subway fares. The privatization plan, which is supported by the British Government, calls for private investment to fund needed subway system improvements. (ffd: wire services)

(MON) The Japanese Government began drafting a bill to promote the shift of freight traffic from truck transport to rail or marine transport where possible. A government spokesman said that the proposed new law would be a key part of Japan's effort to meet the terms of the 1997 Kyoto Protocol, which calls for industrialized nations to, by 2012, reduce greenhouse gas emissions by 6 percent from their 1990 levels. (ffd: The Japan Times)

(TUE) U.S. National Transportation Safety Board Chairman Marion Blakely criticized U.S. railroads for not moving fast enough related to implementing positive train control technology and reducing operating employee fatigue. Ms. Blakely said that these needs have been on NTSB's "top ten wanted list for 12 years, far too long." Although cognizant of positive train control as "complex with costs involved", Ms. Blakely chided U.S. railroads for the absence of an industrywide plan to unify and implement the technology, adding that its availability and use could have prevented several recent train collisions. (ffd: UTU News)

(TUE) Amtrak announced that it would not bid on a new contract to operate Massachusetts Bay Transportation Authority commuter rail services serving the Boston, MA. area. In a letter to MBTA General Manager Mike Mulhern, Amtrak President David Gunn stated that Amtrak "does not have the flexibility or fiscal resources" to meet the terms of MBTA's proposed new contract, which would fix payments for 5 years with an option for an additional 5 years. Amtrak's contract to operate MBTA commuter rail services expires in mid-2003. (ffd: The Boston Herald)

(TUE) New York's Metropolitan Transportation Authority approved an order for 660 new cars for New York City's subway system. The order, placed with Kawasaki Rail Car and Alstom Transportation, will cost \$960 million and includes an option to purchase 1,040 additional cars in the future. Delivery of the first of the new cars, which will be similar in design to the system's new R143 cars, is expected by 2005. (ffd: Newsday)

(WED) In testimony before the U.S. Senate Transportation Subcommittee, outgoing Surface Transportation Board Chairman Linda Morgan touted the improved situation of U.S. railroads. "Service overall is much better and more customer-focused; the railroads are stronger operationally; and there is much more constructive commercial communication among the various

segments of the rail sector," Ms. Morgan said. Later in the hearing, Ms. Morgan was countered by U.S. Senator Byron Dorgan (D-ND), who alleged industry abuse of so-called "captive" shippers. "There is no doubt in my mind that [railroad] deregulation has led to regional monopolies," Mr. Doran said. (ffd: Railway Age)

(WED) U.S. Secretary of Transportation Norman Mineta announced that the Department of Transportation's web site had been modified to accept public comment. Mr. Mineta asked that individuals and group use the web site to express their opinions and offer ideas related to the future of the nation's surface transportation programs. (ffd: USDOT)

(WED) The U.S. Federal Railroad Administration released preliminary railroad safety statistics for January through April, 2002. Comparing with January through April of the previous year, the statistics showed a decrease in FRA reportable train accidents from 1,025 to 826 and a decrease in highway-rail grade crossing accidents from 1,108 to 983. However, the statistics also showed an increase in employee on-duty fatalities from 2 to 7 and an increase in trespasser fatalities from 140 to 172. (ffd: Progressive Railroading, FRA)

(THU) DTE Rail Services announced the acquisition of Mid-States Railcar for \$2.7 million. A DTE Rail Services spokesman said that Mid-States's Clinton, IN. plant would continue in operation. (ffd: Progressive Railroading)

#### STATS:

(THU) For the week ending July 27, U.S. carload rail traffic was up 1.5 percent from the comparable week last year, up 0.5 percent in the East and up 2.3 percent in the West. This week this year versus this week last year, notable carload increases included non-grain farm products up 21.5 percent, coke up 10.3 percent and metallic ores up 7.5 percent; notable traffic decreases included primary forest products down 6.8 percent and coal down 2.1 percent. Also for the week ending July 27, U.S. intermodal rail traffic was up 9.0 percent, Canadian carload rail traffic was down 4.2 percent, Canadian intermodal rail traffic was up 10.5 percent, Mexico's Transportacion Ferroviaria Mexicana's carload rail traffic was up 2.8 percent and TFM's intermodal rail traffic was down 1.9 percent, all when ranked with the comparable week last year.

For the period January 1 through July 27, U.S. carload rail traffic was down 1.7 percent, U.S. intermodal rail traffic was up 4.7 percent, Canadian carload rail traffic was down 3.4 percent, Canadian intermodal rail traffic was up 7.9 percent, TFM's carload rail traffic was down 1.6 percent and TFM's intermodal rail traffic was up 6.4 percent, all when ranked with the comparable period last year. (ffd: AAR)

#### STATS CONT. - 2nd QTR., 2002 RESULTS - PART 3:

(THU) Shortline/regional conglomerate Genesee & Wyoming reported second quarter net income of \$7.4 million, an increase from \$5.1 million in the second quarter last year. Revenues were \$52.1 million, an increase from \$44.2 million in the second quarter last year. G&W also reported an operating ratio of 84.8 percent, a decrease from 86.5 percent in the second quarter last year. (ffd: G&W Corp.)

(FRI) Shortline/regional conglomerate RailAmerica reported second quarter net income of \$7.6 million, an increase from \$4.2 million in the second quarter last year. Revenues were \$115.3 million, an increase from \$93.5 million in the second quarter last year. Rai.America also reported that its North American operations had an operating ratio of 74.6 percent, a decrease from 76.2 percent in the second quarter last year. (ffd: RailAmerica Corp.)

#### ACQUISITIONS, ABANDONMENTS AND ALIKE:

(FRI) CSX filed to abandon approximately 1 mile of its Sequoia Supply Industrial Track in Indianapolis, IN. (ffd: STB)

#### CHANGING PEOPLE AND PLACES:

(SAT) The American Shortline and Regional Railroad Association appointed Richard Timmons President. Mr. Timmons was most recently Norfolk Southern's Regional VP for Public Affairs for New York and Pennsylvania and was earlier a 32 year career U.S. Army officer, retiring with the rank of three star general. (ffd: ASLRRRA)

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(Corrections: In the last edition, I referred to new NS trackage rights as being between Sunbury, PA. and Mechanicville, PA.; Mechanicville is, of course, in New York State. Also in the last edition, I referred to Norfolk Southern's 2nd Qtr., 2002 operating ratio as having been 81.9 percent; in fact, it was 79.8 percent, the first time that ratio has been below 80 percent since NS's co-takeover of the former Conrail 3 years ago. Thanks here to the sharp eyes of, among others, Alan Collins, Alexander Mitchell and Ken Thomas.)

Weekly Rail Recap 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 djmservices@aol.com to receive it, with my compliments.

HAVE A SAFE AND PROSPEROUS WEEK,  
Dave Mears

Cherry Hill, New Jersey, USA