

WEEKLY RAIL RECAP

For the week ending SAT, September 21, 2002

By Dave Mears

(NOTE: The expression "ffd" at the end of a news item means "for further details" and usually represents what I believe to be the most helpful news resource if a reader wants more information on a particular item.)

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

(SUN) The New York City Transit Authority reopened the No. 1/9 subway line to South Ferry in Manhattan. The line, a portion of which winds through the World Trade Center complex, had been partially collapsed in the September 11, 2001 terrorist attacks. Although the line's Rector Street and South Ferry stations were reopened, the line's Cortlandt Street station, will remain closed pending finalization of World Trade Center redevelopment plans. (ffd: wire services)

(MON) U.S. FBI agents foiled an attempted robbery of merchandise from a Union Pacific freight train. The agents, who had been tipped off, waited inside a boxcar for the train bandits and engaged in hand-to-hand combat with them once they had been discovered. The agents, 2 of whom were injured in the ensuing scuffle, arrested 15 suspects. The incident occurred in Sunland Park, NM., near the Mexican border and on the UP's line west of El Paso, TX. (ffd: Reuters)

(MON) Norfolk Southern temporarily closed its recently rebuilt hump at its Enola, PA. freight yard, located near Harrisburg. An NS spokesman said that the closure was to examine matters related to safe operation of the hump. During the closure, NS is diverting traffic normally classed at Enola to Allentown Yard and also to Conway Yard for classification. (ffd: Harrisburg Patriot News)

(TUE) A Norfolk Southern freight train derailed 2 locomotives and 22 cars near Knoxville, TN. Included in the derailed cars was one carrying sulfuric acid, which leaked vapors and which lead to the precautionary evacuation of 3,000 area residents. The residents were allowed to return to their homes on Tuesday. (ffd: wire services)

(WED) Burlington Northern Santa Fe suffered an on duty employee fatality. Bernie Balkus, Age 52 and a 33 year BNSF employee, was killed when he was leaning over the front of his train's locomotive, fell and was run over. The incident occurred in Yutan, NE. near Omaha. (ffd: UTU News)

(WED) Intermodal rail industry analysts Thomas Brown and Anthony Hatch released a study predicting that, by 2003, intermodal would overtake coal as the greatest source of rail freight revenue. The study also projected a 5 percent annual growth rate for intermodal rail over the next several years, exceeding the projected 3.3 percent annual growth rate for the U.S. GDP. "Intermodal is less expensive and less disruptive than trucks on highways, which makes it universally beneficial," Mr. Brown stated, adding that "hands down, it is the best means for addressing expected increases in freight traffic." (ffd: Railpace)

(THU) California Governor Gray Davis signed legislation for a ballot question in 2004 for a state high-speed rail network. If passed, the state would be authorized to issue \$9.95 billion in bonds for construction of a high-speed rail line linking the San Francisco area with the Los Angeles area, with future extensions to Sacramento and San Diego. (ffd: NARP)

(THU) The U.S. Surface Transportation Board announced a settlement between Union Pacific and Dupont Corporation concerning car charges. The settlement stemmed from one of 5 filings by Dupont and other private freight car operators against UP and Burlington Northern Santa Fe asking the STB to declare that certain UP and BNSF charges for storing or diverting cars were improper because they were already covered under existing tank car allowance formulas. An STB spokesman noted this most recent settlement brings to 4 the number of filings now settled, with one still outstanding. (ffd: STB)

(FRI) Amtrak President David Gunn formally presented Amtrak's proposed FY2003 to the Amtrak Board of Directors. The budget, totaling \$1.2 billion, includes continuation of all current passenger train services, but postpones planned service expansions, such as along Florida's East Coast. The budget also postpones major Northeast Corridor trackwork, but continues passenger car repairs and overhauls. The budget further calls for phaseout of express service, although mail service would be continued. If approved by the Amtrak board, the budget still requires congressional approval via the FY2003 transportation spending bill, which must still be approved by the full House and Senate. (ffd: Washington Post, wire services)

(FRI) Kansas City Southern announced that it would report lower than expected third quarter earnings due to problems implementing its new all-inclusive Management Control System (MCS.) In a prepared statement, KCS said that "despite months of planning and extensive training, office and field personnel experienced considerable difficulties implementing the new system. As a result, KCS experienced considerable congestion throughout its rail network." KCS changed over to the new system on July 14. (ffd: KCS Corp.)

(FRI) New Jersey Transit announced that they would hold their annual "Try Transit Festival" at NJT's Hoboken Terminal on September 29. An NJT spokesman said that the festival would coincide with the opening of the new extension of the Hudson-Bergen light rail line into Hoboken Terminal. Later in the week, another NJT spokesman said that the Secaucus Transfer Station, now nearly complete, will likely not open until early 2004. The spokesman said that the delay will allow time for Port Authority Trans Hudson service to Lower Manhattan, curtailed since the PATH Station was destroyed in the World Trade Center attack, to resume to a new station there, which will then free up space aboard NJT trains needed for passengers transferring at Secaucus. (ffd: NARP)

STATS:

(THU) For the week ending September 14, U.S. carload rail traffic was up 1.9 percent from the comparable week last year, up 2.4 percent in the East and up 1.5 percent in the West. This week this year versus this week last year, notable traffic increases included non-grain farm products up 23.4 percent, metallic ores up 22.6 percent and coke up 14.1 percent; notable traffic decreases included primary forest products down 16.5 percent and grain down 10.1 percent. Also for the week ending September 14, U.S. intermodal rail traffic was up 10.2 percent (totaling 201,459 trailers and containers, the second highest weekly volume ever), Canadian carload rail traffic was up 1.4 percent, Canadian intermodal rail traffic was up 15.4 percent, Mexico's Transportacion Ferroviaria Mexicana's carload rail traffic was up 18.0 percent and TFM's intermodal rail traffic was up 23.8 percent, all when ranked with the comparable week last year.

For the period January 1 through September 14, U.S. carload rail traffic was down 1.0 percent, U.S. intermodal rail traffic was up 5.4 percent, Canadian carload rail traffic was down 3.0 percent, Canadian intermodal rail traffic was up 9.7 percent, TFM's carload rail traffic was up 1.7 percent and TFM's intermodal rail traffic was up 6.3 percent, all when ranked with the comparable period last year. (ffd: AAR)

ACQUISITIONS, ABANDONMENTS AND ALIKE:

(WED) Burlington Northern Santa Fe granted Union Pacific temporary trackage rights on BNSF's line between Fort Worth, TX. and Temple, TX., totaling 129 miles. The purpose of the trackage rights is to allow UP to temporarily close its neighboring line to perform a "blitz" maintenance project. (ffd: STB)

(FRI) Utah Transit Authority and Union Pacific announced that they had formalized an agreement whereby UTA will pay UP \$185 million 1) for space for a commuter rail track on UP's line between Salt Lake City, UT. and Ogden, UT. 2) for space for a commuter rail track on UP's line between Salt Lake City and Spanish Fork, UT. 3) for future access to UP's line between Ogden and Brigham City, UT. 4) to acquire abandoned UP lines to Roy, Orem, Payson and South Jordan, all in Utah. A UTA spokesman said that plan to start commuter rail service between Salt Lake City and Ogden by 2007. (ffd: NARP)

PERSONNEL CHANGES:

(MON) Stan Bagley resigned as Amtrak's Executive Vice President and Chief Operating Officer. Mr. Bagley was a 28 year veteran of Amtrak and had been president of its Northeast Corridor Business Group prior to assuming the EVP-COO position. (ffd: Progressive Railroadng)

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(CORRECTION: For WRR for the week ending September 7, I reported on a CSX on-duty employee fatality as having occurred in Madisonville, IN. Madisonville is actually in Kentucky, approximately 45-50 miles south of Evansville, IN. on CSX's Henderson Subdivision. Thanks to WRR Reader Brian Carlson for his update.)

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,
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