

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

(MON) Despite recent ridership increases brought on by rising gas prices, New York's Metropolitan Transportation Authority announced that it will need to research possible cuts to subway, bus and commuter rail services to shore up its budget in the face of a projected deficit next year of nearly \$900 million. The Authority's transportation network includes bridges and tunnels in New York City, the city's subway and bus systems, the Metro North Railroad and the Long Island Rail Road. An MTA spokesman said that cuts could be necessary if it does not receive enough additional money from the state and city or if the economic crisis deepens significantly, resulting in still less tax revenues. The spokesman cautioned, however, that any service cuts were purely theoretical at this point. (ffd: New York Times)

(MON) The U.S. Department of Transportation's Office of the Inspector General released a report on the lateness of Amtrak train services on host railroads entitled "Root Causes of Amtrak Train Delays." The report found four top causes: 1) host railroad dispatching practices, some of which result in preference violations; 2) track maintenance practices and their resulting speed restrictions; 3) insufficient track capacity; and 4) external factors beyond host railroads' control. On-time performance for Amtrak trains operating over host railroads has declined notably in recent years. The report recommended that several improvements be adopted, including that there be legislative changes to clarify Amtrak's priority over freight trains and increased enforcement of those rights. (ffd: NARP)

(MON) The Canadian government reminded that it had recently implemented a plan to reduce the Canadian federal excise tax on diesel fuel from 4 cents to 2 cents per base unit over four years. The U.S. abolished a comparable excise tax in January, 2007. In a related story, the Railway Association of Canada reminded that Canadian railroads move 75 percent of that nation's freight tonnage. (ffd: Progressive Railroading)

(TUE) CSX incurred an on-duty employee fatality. Tom Oliphant, Age 46, was struck and killed by a train passing the one he had just worked on. The accident occurred in Philadelphia, PA. Mr. Oliphant had reportedly just returned to duty from a 14-month, disability-related absence. (ffd: Philadelphia Inquirer)

(TUE) Federal agents raided the Railroad Retirement Board field office in Westbury, Long Island, New York. The raid, which seized nine file boxes and five personal computers, was conducted two days after The New York Times reported that nearly all career employees of the Long Island Rail Road – from 93 percent to 97 percent of retirees every year since 2000 – retire as early as Age 50 and soon after begin receiving supplemental disability payments from the RRB. Many of the allegedly disabled retirees were found to have used the same doctors and submitted nearly identical applications. Also on Tuesday, New York State Attorney General Andrew Cuomo announced plans to subpoena all records from the LIRR and its parent, the Metropolitan Transportation Authority, relating to the approval of disability payments. (ffd: New York Times, New York Daily News)

(TUE) Local police departments in 13 states, together with security agents from Amtrak and the U.S. Transportation Security Administration, carried out a "show of force" at more than 150 railroad stations in various East Coast states. Related activities included random searches of passengers and their belongings, as well as other security measures. In a joint statement, Amtrak and TSA said that the drill, the largest of its kind to date, was intended to be a "demonstration of ongoing collaborative capability to expand counter-terrorism and incident response along the Northeast Corridor." (ffd: Amtrak, New York Times)

(TUE) CSX launched a new web page to highlight the company's ethics-driven corporate responsibility beliefs and practices. A CSX spokesman said that the new page, found under the "Responsibility" tab on the company's web site, <<http://www.csx.com/>>www.csx.com, "should make it easier for customers, communities and their representatives, and shareholders to locate information on and understand CSX's core values, business ethics, and community involvement." The web page further organizes critical information about the company into four categories: marketplace, workplace, environment, and community. (ffd: CSX Corp., Railway Age)

(TUE) Google announced the launch of Google Transit for New York. A part of Google Maps online mapping at <<http://www.google.com/>>www.google.com, this new feature allows for point-to-point public transit trip planning that includes transit services throughout the New York MTA's service territory, including New York City Transit, Long Island Rail Road, Metro North Railroad, MTA Bus, Long Island Bus, and Staten Island Railway, as well as other selected other regional connecting services, including New Jersey Transit, the JFK Airport AirTrain, and the Staten Island Ferry. A Google Transit spokesman said that the application even includes walking directions to the beginning or end of a trip. (ffd: CIO Today, Railway Age)

(WED) The U.S. House of Representatives passed a compromise Rail Safety bill. The bill passed was combined with an Amtrak bill that reauthorizes Amtrak and doubles its annual funding. Among the safety-related provisions in the bill is the implementation by 2015 of Positive Train Control (PTC) technology on railroad lines over which commuter and intercity passenger trains are run. Other provisions of the bill address hours of service, guaranteeing a minimum 10-hour disruption-free rest period following 12 hours on duty, and also limits the "limbo time" between when an employee ends his tour of duty and starts his rest period. The bill now goes to the Senate and, if passed there, then goes to President Bush to be signed into law or vetoed. (ffd: Progressive Railroading, wire services)

(WED) The Washington Metropolitan Area Transportation Authority said that it will need \$11.3 billion in capital funding between

2010 to 2020 to bring its network of subway, bus and paratransit services to a state of good repair. The funding request does include money for some hoped-for expansion projects, such as light rail lines on former railroad rights-of-way in the city's Anacostia section and in suburban Maryland, which a WMATA spokesman said "are just about off the table [for active consideration] right now." The spokesman added that, by 2020, system subway ridership was expected to grow 22 percent to about one million trips a day, and system bus ridership was expected to grow about 9 percent to about 600,000 trips a day. (ffd: Railway Age)

(THU) In the wake of the Metrolink commuter train crash earlier in September, the Los Angeles County Metropolitan Transportation Authority approved a series of safety improvement recommendations aimed, it said, at "preventing further train accidents." Among the recommendations is that Metrolink staff locomotive cabs with two engineers, implement automatic train stop technology on trains already equipped to handle those systems, and install video cameras and digital video recorders or equivalent technology to monitor engineers and other staff inside locomotive cabs. The Authority also called for Metrolink to establish a "Commuter Rail Safety Peer Review Panel" to evaluate the agency's existing safety plans and operating procedures, as well as review such plans for freight lines. (ffd: Los Angeles Times, Progressive Railroading)

(THU) Canada's Canadian Transportation Agency ruled that Canadian National failed to meet service obligations to four grain shippers, although it dismissed two other complaints against CN, including one from the Canadian Wheat Board. The Agency found that CN did not meet requirements mandated by the Canada Transportation Act to provide adequate and reasonable service during the 2007-08 crop year that ended July 31. The CTA ordered CN to "confirm a minimum of 80 percent of shippers' requested freight cars; deliver 90 percent of these confirmed cars on time; and meet these performance standards on a 12-week rolling average through the crop year." (ffd: Railway Age)

(THU) The U.S. Federal Railroad Administration announced that it had readied for release its "Essential Elements of a Railroad Bridge Management Program." The program includes nine "essential elements" that apply to all railroads, which include a detailed bridge inventory, implementing procedures for bridge design and safety ratings, ensuring bridge inspectors are properly qualified, establishing procedures for performing bridge inspections, and developing a plan to protect train operators after a critical bridge problem is discovered. In announcing the program, the FRA also commended the American Short Line and Regional Railroad Association and its Bridge Committee for working to create a model bridge management program for shortline and regional railroads. (ffd: Progressive Railroading)

(THU) The New York City Transit Authority said that it was continuing to designate general managers for each of its subway lines, which it said would allow for greater decentralization and more responsive management of the subway system. Once the appointments were complete in early 2009, 18 GMs will be in charge of NYCTA's 26 subway lines, with some managers assigned to more than one line where ridership is lower or lines share the same track. A NYCTA spokesman said that this series of changes was the first major managerial reorganization of the subway system since its unification from the former IRT, BMT and IND lines more than 60 years ago. (ffd: NYCTA, Progressive Railroading)

(FRI) The State of New York announced that it would replace, and not rebuild, the Tappan Zee Bridge, which carries the New York State Thruway across the Hudson River near Tarrytown, NY. The state said that it had looked at rebuilding the 52 year-old bridge, whose approaches to the main span have notably degraded, but that it would be more cost-efficient to build a new bridge. Including in the new bridge's design will be room for dedicated bus lanes and for railroad tracks that would be part of a new Metro North commuter rail line connecting MNR's Suffern Line with its Hudson Line. The state said that it currently has no funding plan for the new bridge and its extras, which are expected to total approximately \$16 billion. (ffd: New York Times)

(FRI) The U.S. Surface Transportation Board determined the cost of capital and revenue adequacy for the railroad industry for the Year 2007. The STB said that the cost of capital for the year was 11.33 percent, a 1.39 percent increase from the previous year, and that Norfolk Southern and the Canadian Pacific subsidiary Soo Line Railroad were the only Class 1 railroads revenue adequate for the year. The STB considers a railroad revenue adequate if it achieves a rate of return on net investment (ROI) equal to at least the current cost of capital, representing the cost of borrowing, for that railroad. (ffd: STB)

(FRI) Amtrak and the City of Washington reminded of festivities on October 4 and 5 celebrating the 100th anniversary of Washington Union Station. The station was beautifully restored and expanded for commercial development in the early 1980s, and is now one of the major focal points of the city. Included in the festivities will be an exhibit of historic locomotives and passenger cars. Notable among the locomotives will be former Pennsylvania Railroad Class GG1 Locomotive No. 4935, which is being towed to the event from the Railroad Museum of Pennsylvania in Strasburg PA, where it has been a stationary exhibit for many years. (ffd: Amtrak, wire services)

STATS – CLASS 1 RAIL TRAFFIC:

(EDITOR'S NOTE: Canadian traffic includes that on the U.S. operations of Canadian National and Canadian Pacific.)

(THU) For the week ending September 20, 2008, U.S. rail volume grand totaled 32.8 billion ton-miles, down 6.8 percent from the comparable week last year. A spokesman for the Association of American Railroads, which compiles these statistics, suggested that "much of the decline may be attributed to disruptions caused by Hurricane Ike." U.S. carload rail traffic totaled 312,662 units, representing a decline of 4.3 percent in the East, a decline of 10.4 percent in the West, and a decline of 7.8 percent altogether. Notable traffic increases included metallic ores up 16.6 percent and coal up 2.2 percent; notable traffic decreases included lumber and woods products down 25.0 percent, grain down 22.6 percent, and chemical down 21.7 percent. U.S. intermodal rail traffic totaled 234,286 units, down 6.2 percent. Also, Canadian carload rail traffic was down 13.9 percent,

Canadian intermodal rail traffic was up 2.1 percent, Mexico's Kansas City Southern de Mexico's carload rail traffic was down 28.2 percent, and KCSM's intermodal rail traffic was up 8.0 percent.

For the period January 1 through September 20, 2008, U.S. rail volume grand totaled 1.28 trillion ton-miles, up 1.0 percent from the comparable period last year. Also for this period, U.S. carload rail traffic was down 0.1 percent, U.S. intermodal rail traffic was down 3.1 percent, Canadian carload rail traffic was down 4.3 percent, Canadian intermodal rail traffic was up 4.1 percent, KCSM's carload rail traffic was down 5.0 percent, and KCSM's intermodal rail traffic was up 8.5 percent.

MORE STATS – "BIG 7" (EXCEPT CN) OPERATING PERFORMANCE:

NOTE: Earlier this year, Kansas City Southern combined operating performance data for its domestic (Kansas City Southern) and Mexican (Kansas City Southern de Mexico) operations. As a result, correct comparative data for KCS for last year is not available at this time.)

(WED) For the week ending September 19, 2008 versus the comparable week last year (except for KCS), average total cars on line was as follows: BNSF, 228,914 cars versus 235,317 cars; Canadian Pacific, 83,775 cars versus 81,622 cars; CSX, 226,766 cars versus 219,327 cars; Kansas City Southern, 46,548 cars; Norfolk Southern, 199,493 cars versus 201,604 cars; and Union Pacific, 305,009 cars versus 310,740 cars.

Also for the week ending September 19, 2008 versus the comparable week last year (except for KCS), average train speed was as follows: BNSF, 23.3 mph versus 22.9 mph; Canadian Pacific Railway, 23.8 mph versus 23.5 mph; CSX, 19.3 mph versus 21.4 mph; Kansas City Southern, 26.1 mph; Norfolk Southern, 21.1 mph versus 21.4 mph; and Union Pacific, 23.1 mph versus 22.2 mph.

Finally for the week ending September 19, 2008 versus the comparable week last year (except for KCS), average terminal dwell time was as follows: BNSF, 23.8 hrs versus 24.9 hrs; Canadian Pacific Railway, 20.4 hrs versus 21.1 hrs; CSX, 25.1 hrs versus 22.3 hrs; Kansas City Southern, 19.8 hrs; Norfolk Southern, 21.6 hrs versus 21.1 hrs; and Union Pacific, 27.1 hrs versus 25.3 hrs. (ffd: AAR)

EXPANSIONS, CONTRACTIONS AND ALIKE:

(MON) Utah Central Railway announced that The Andersons has opened a new railcar repair shop on its line in Ogden UT. The shop will repair railcars owned and managed by The Andersons, as well as railcars of other car owners. (ffd: wire services)

(THU) Iowa Northwestern Railroad filed to abandon approximately 37 miles of line between Mackenzie Jct IA and Braaksma IA. (ffd: STB)

(THU) Chartwell International Corporation was reported by the Mid-Hudson News to be searching for a buyer for the Middletown & New Jersey Railway. Chartwell acquired the railway in 2006. The newspaper also reported that interest in selling the railroad has evolved since a deal to develop a construction and demolition debris transfer station on the line fell through. (ffd: Mid-Hudson News, Trains)

(FRI) BNSF filed to abandon approximately six miles of line between Kennydale WA and Wilburton WA. (ffd: STB)

(FRI) BNSF filed to abandon approximately eight miles of line between Woodinville WA and Redmond WA. (ffd: STB)

(FRI) Georgia Southwestern Railroad filed to acquire, from CSX, and operate approximately two miles of line in and near Lynn GA. (ffd: STB)

APPOINTMENTS, ACHIEVEMENTS AND MILESTONES:

None of note this week.

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Weekly Rail Review (WRR) 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.

BE SAFE AND PROSPER,
Dave Mears
Cherry Hill, New Jersey, USA