



CONRAIL



Freight Trains on Passenger Railroads

Ronald L. Batory

President and Chief Operating Officer

Consolidated Rail Corporation

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Conrail's Experience

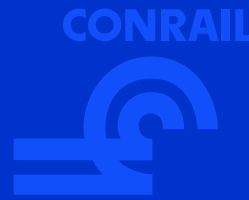


Understanding the past can facilitate the molding of a better future



- ◆ **Significant event chronology**
- ◆ **Event impact on Conrail**
- ◆ **Concurrent opportunities evolving from rail freight and passenger growth**

Events of the 1970's set the stage for freight railroads to gradually divest themselves of passenger train operations



- Pre-1971 • Penn Central and other Conrail predecessor railroads provided all inter-city and most commuter rail passenger services
- 1971 • Amtrak assumes responsibility for intercity passenger service
- 1971-72 • New York-MTA and Connecticut-DOT purchase/lease Penn Central commuter lines
- 1976 • Conrail begins operations – including commuter train service in 6 cities
- Amtrak assumes control of operations on Northeast Corridor
- Commuter agencies can acquire “3R Act” designated lines under “900 Day Option”

Transfer of intercity and commuter rail operations matured considerably between 1977 - 1986



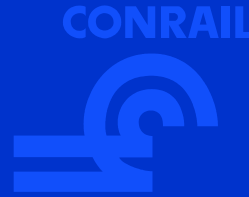
- 1977 • MBTA selects Boston & Maine to operate Boston “South Side” commuter trains
- 1981 • NERSA authorizes the divestiture of commuter train service by end of 1982
- 1983 • Train crews on Northeast Corridor become Amtrak employees
 - Commuter agencies begin “independent” operation of commuter services
- 1986 • Train crews on “Off Corridor” Amtrak trains become Amtrak employees

Freight train presence and associated operations changed considerably throughout the 1980's and early 1990's



- 1980's • Conrail gradually reroutes most through freight trains off Amtrak controlled lines
- 1984 • Conrail obtains trackage rights on CSX between Philadelphia and Washington
- 1987 • Amtrak institutes "Time of Day" and speed restrictions for freight trains on Northeast Corridor
- 1988 • Rail Safety Act of 1988 requires LSL equipment on all Northeast Corridor trains by April 1990
- 1992 • Baltimore MTA Light Rail Line begins "Time Separated" operation
- VRE-Virginia Railway Express starts commuter train service from Washington

Post Split Conrail evolves into another era of change



- 1999 • Conrail Shared Assets begins operations in 3 terminal areas
- 2000 • New Jersey Transit expands train frequency and station presence
- 2001 • Amtrak expands train frequency with some higher track speeds
- 2004 • Southern New Jersey Light Rail Line begins “Time Separated” operation



SEPTA

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Current passenger line partners



Percent of miles interfacing with passenger trains has not changed significantly during Conrail's history...



<i>FACTS</i>	<i>1976</i>	<i>1999</i>	<i>2005</i>
<i>Interface Freight/Passenger Miles</i>	<i>4,928</i>	<i>2,805</i>	<i>181</i>
<i>Total Conrail Route Miles</i>	<i>19,222</i>	<i>10,826</i>	<i>762</i>
<i>Percent of Interface Miles vs. Total Route Miles</i>	<i>26%</i>	<i>26%</i>	<i>24%</i>

...although passenger trains per mile of interface has risen more than tenfold as a result of capacity density changes...



<i>FACTS</i>	<i>1976</i>	<i>1999</i>	<i>2005</i>
<i>Interface Freight/Passenger Miles</i>	4,928	2,805	181
<i>Total Interface Passenger Trains</i>	2,211	2,345	768
<i>Number of Interface Passenger Trains per Mile</i>	0.4	0.8	4.2

...while interface passenger trains per passenger route on Conrail's network has grown 73.6% since its inception.



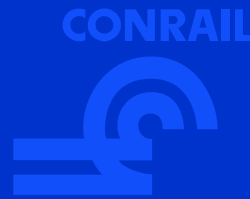
<i>FACTS</i>	<i>1976</i>	<i>1999</i>	<i>2005</i>
<i>Total Interface Passenger Trains</i>	2,211	2,345	768
<i>Total Passenger Routes</i>	55	50	11
<i>Passenger Interface Trains Per Route</i>	40.2	46.9	69.8

The percent of Conrail freight trains operating on passenger routes versus total trains on those routes has declined substantially due to most recent automotive plant closures...



<i>FACTS</i>	<i>1976</i>	<i>1999</i>	<i>2005</i>
<i>Conrail Freight Trains on Amtrak and Commuter Lines</i>	<i>268</i>	<i>136</i>	<i>19</i>
<i>Amtrak NEC and Commuter Trains</i>	<i>2,167</i>	<i>1,950</i>	<i>698</i>
<i>Percent of Conrail Freight Trains versus Total Trains on Amtrak NEC and Commuter Lines</i>	<i>11.0%</i>	<i>7.0%</i>	<i>2.7%</i>

...resulting in the ratio of Conrail freight trains on Amtrak and commuter lines versus passenger route miles declining as well...



<i>FACTS</i>	<i>1976</i>	<i>1999</i>	<i>2005</i>
<i>Amtrak NEC and Commuter Line Route Miles</i>	1,914.4	944.0	170.3
<i>Conrail Freight Trains on Amtrak NEC/Commuter Lines</i>	268	136	19
<i>Conrail Freight Trains Per Amtrak NEC and Commuter Route Miles</i>	0.14	0.14	0.11

...thus driving the number of Conrail freight trains per passenger route to decline by 68%.



<i>FACTS</i>	1976	1999	2005
<i>Conrail Freight Trains on Amtrak and Commuter Lines</i>	268	136	19
<i>Amtrak NEC/Commuter Routes Used by Conrail Freight Trains</i>	45	32	10
<i>Conrail Freight Trains Per Route</i>	6.0	4.1	1.9



What is next? Growth in both rail sectors poses opportunity for a challenging future, either independently or collectively

- ◆ **Inter and Intra capacity coordination among the freight and passenger rail sectors**
 - **Exclusive use**
 - **Train Priority**
 - **Scheduling**

- ◆ **Maximize access to “Operating Windows”**
 - **Accommodate more time sensitive movements**
 - **Continually upgrade C.A.T.D. systems with expanded predictability features**
 - **Minimize operating variability through improved performance of asset reliability**

- ◆ **Continually enhance safety efforts to reduce costs of risk**
 - **Apply technology to hard assets of proven capability**
 - **Employee training and retraining while strengthening retention rates**
 - **Increase positive awareness among general public towards railroad rights of ways and grade crossings**
 - **Continually deploy and maintain protective mechanisms that will support Homeland Security**

Improving use of the existing rail habitat should ease the resolve of pending physical and economic issues

- ◆ **Infrastructure improvements for heavier lading**
 - **263,000 cars versus 286,000/315,000 cars**

- ◆ **Route clearance issues**
 - **Acceptable equipment heights from top of rail**
 - **Station platform design**

- ◆ **Signaling and communication systems**
 - **Locomotive design and performance requirements**
 - **Train control issues**
 - **Train speeds**



QUESTIONS

