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52 YEARS AGO THIS MONTH - MARCH, 1967

The **PENNSY**[®]

News for the Pennsylvania Railroad Family

MARCH 1, 1967



SNOW! See Page Two

A MULTIPLE-UNIT TRAIN SLASHES THROUGH A STORM ON THE MAIN LINE NEAR PHILADELPHIA



THE POWER DIRECTOR

“NEWS FROM THE RAILROAD WIRES”



PHILLY SOLARI BOARD NOW DEPARTING

PHILADELPHIA, Jan. 25, 2019, Trains News Wire — The Solari board at 30th Street Station is to be removed on Saturday, Jan. 26. Area media have reported that the elderly device, dating back to the 1970s and noted for its click-clacking alpha-numeric split-flaps, will be replaced by a digital screen.

The Solari, named for its Italian manufacturer, was the last one in use on Amtrak, and when it was first announced that it would be replaced last year, a hue and cry developed that eventually found more than 1,500 signers on an on-line petition to keep it. In addition, several politicians at the local, state, and national levels tried to use their influence to keep it in place.

It is not clear whether Amtrak's offer to donate the sign to the Railroad Museum of Pennsylvania at Strasburg will carry through. Patrick Morrison, the museum's site director, said a spot is being prepared for it at the museum.

“It's something we've been eyeballing for a long time,” he said. Morrison noted that Amtrak has agreed to shrink wrap and crate the machine and store it until the museum is ready to accept it.

Quite fittingly, “FAREWELL PHILADELPHIA” was spelled out on the special message line at the bottom of the board.

AMTRAK TO DEBUT NEW WESTERN MASSACHUSETTS SERVICE IN JUNE

SPRINGFIELD, Mass., Feb. 4, 2019, Trains News Wire — The upgrade of former Boston & Maine Railroad trackage that allowed the Vermonter to be rerouted via Greenfield, Mass., will begin paying additional dividends this summer, with two more Amtrak round trips to Greenfield.

The new service is made possible by a \$73-million, stimulus-funded infrastructure project that allows the Vermonter to serve Massachusetts' “Knowledge Corridor” communities of Holyoke, Northampton, and Greenfield. That route entered service in August 2015 on former Pan Am Railways trackage. It is far more direct than the prior path on CSX Transportation and New England Central via Palmer and Amherst, Mass.

MassLive.com reports that Pioneer Valley Planning Commissioner Timothy W. Brennan confirmed with Massachusetts DOT officials that the service might start as early June, pending completion of high-level Platform C at Springfield Union Station and tie replacement and bridge repairs on the route. A firm start date and schedules have not been finalized, but Brennan says there will be both morning and afternoon round trips.

A fare structure hasn't been set either, although Brennan was told by state officials that the fares will not be subsidized the way Connecticut is on CTRail and Amtrak's joint New Haven-Springfield operation. The St. Albans, Vt., to Washington, D.C. Vermonter's cheapest Greenfield-Springfield “walk-up” one-way fare is \$18; a two-week-in-advance fare is \$14, but neither of these might work for daily commuters the route hopes to attract. Because the fares are yield-managed, those prices could fluctuate depending upon demand. Though the Vermonter operates through the New Haven-Springfield corridor, the Connecticut-sponsored flat \$12 adult fares between those cities are not honored on it.

Additional trains were always part of Massachusetts' plan to re-establish stations at Holyoke, Northampton, and Greenfield along with a \$1 million operating grant. The new stations' tiny platforms skirted the Federal Railroad Administration's full length (of train) accessibility preferences but do offer level boarding.

However, Massachusetts' commitment is only for a two-year pilot project. It isn't clear what criteria will be used to determine whether the operation is deemed “a success.”

The state purchased the tracks from Pan Am Railways for \$17 million in 2015, paving the way for already-planned capacity-expanding trackwork and signaling. Pan Am retains trackage rights.

AMTRAK TO CONSIDER DIRECT SERVICE TO LONG ISLAND

NEW YORK, Feb. 4, 2019, Trains News Wire — Friday's announcement that Amtrak's board of directors had reached agreement with New York's Metropolitan Transportation Authority on the Penn Station Access project had been expected.

An accompanying possibility — direct Amtrak service to Long Island — was not.

In a press release following the Amtrak board meeting, Stephen Gardner, senior executive vice president, said Amtrak is “looking forward to working together on advancing direct Amtrak service to and from key population centers on Long Island.”

Intercity passenger rail service to and from Long Island, while a new idea for Amtrak, does have precedent. The late 1920s and '30s witnessed through Pennsylvania Railroad sleeping cars between Pittsburgh and Montauk, N.Y., on the far eastern tip of Long Island. A summer-only parlor car service was also offered between Washington and Montauk once a week each way. During the 1939-40 New York World's Fair, some PRR long-distance trains were scheduled to arrive and depart from what is the current Mets-Willets Point Station in the borough of Queens, on Long Island. On Feb. 2, 1939, the inaugural trip of Seaboard Air Line's Silver Meteor departed the same station to Miami.

While these services were largely seasonal, the new service promises more frequent scheduling with full consists. A recent statement by New York Gov. Andrew Cuomo said MTA and Amtrak will study the feasibility of Amtrak running several trains daily from Long Island to

Penn Station and continuing either north to Boston or south to Washington.

The East Bronx service to New York City also has occurred before.

The Penn Station Access project will use Metro-North Railroad to connect Manhattan with the fast-growing East Bronx. From 1909 until 1931, there was an electrified suburban service run by the New Haven Railroad. The Harlem River Branch fielded 20 weekday round trips between a now-vanished terminal in the South Bronx and New Rochelle; it mimicked the proposed Metro-North route for most of the length. In 1908, 12 stations were built to service riders; four new Metro-North stations will be close to locations of those original stops.

The project includes upgrading the right-of-way with new tracks, switches, and station platforms, as well as power, signal, communication, and infrastructure modifications. The MTA will fund this infrastructure investment and has also agreed to share in the future costs of operation,



maintenance, and recapitalization of this line. Prior funding disagreements between the MTA and Amtrak had kept this project in limbo for over 20 years. It is expected the new service will start in 2022 or shortly thereafter.

AMTRAK INCREASES DAILY WEEKDAY SERVICE TO NORFOLK

WASHINGTON, Feb. 11, 2019, Amtrak MEDIACENTER— The Amtrak Northeast Regional will soon offer two weekday departures from Norfolk, Va., to give customers more convenience for travel to Washington, D.C., and the Northeast. Tickets are now available to purchase for travel to and from the waterfront city beginning on March 4.

The first Amtrak Northeast Regional departs Norfolk at 6:15 a.m. every weekday and arrives in Washington, D.C., at 10:45 a.m. Once service begins on March 4, a second Amtrak Northeast Regional will depart Norfolk at 9 a.m. every weekday and arrive in Washington, D.C., at 1:27 p.m. The additional frequency of the Amtrak Northeast Regional will include a stop in Petersburg, Va.

The Norfolk station at 280 Park Ave. is also a stop for the Thruway bus connection for service to the Amtrak station in Newport News, Va.

Amtrak and the Virginia Department of Rail and Public Transportation (DRPT) partner to provide intercity passenger rail service to Richmond, Lynchburg and Roanoke. Amtrak service returned to Norfolk in 2012.

Amtrak offers customers a same-seat trip to and from Norfolk, with intermediate stops in Petersburg, Richmond, Washington, D.C., Baltimore, Philadelphia, New York City, and other cities in the Northeast.

Customers experience a comfortable and enjoyable way to travel on a national network serving more than 500 destinations, and benefits such as a free and generous baggage policy, free Wi-Fi, no middle seat and an easy, streamlined boarding process.

The Amtrak Northeast Regional offers Coach and Business Class seating with power outlets for charging laptops and mobile devices. The Café Car offers sandwiches, salads, snacks and hot and cold beverages, including a variety of wine, beer and soda.

Ticketing and reservations can be done on Amtrak.com, Amtrak mobile apps, or by calling 800-USA-Rail. Boarding documents can be self-printed, or customers using a smartphone or mobile device can present the eTicket to the conductor by opening a document in their email.



VIRGIN TRAINS USA DELAYS PUBLIC OFFERING

MIAMI, Feb. 13, 2019, Trains News Wire – Virgin Trains USA has postponed its previously-announced public stock offering.

Company spokesman Ben Porritt issued the following statement to financial reporting outlets: “As we explored a public offering, a number of alternative financing sources became available that allow us to keep the company private and meet our growth strategies.”

A source tells Bloomberg News that Virgin’s initial public offering was expected to price below the \$17 to \$19 per share range originally envisioned in Virgin’s Security and Exchange Commission prospectus. The outlet reports that Chicago-based investor Josef Schuster says, “It’s a great concept, but I think it’s going to be difficult for shareholders at the outset to make money on this deal.”

Reuters quotes another investment advisor at Patriarch Partners LLC Eric Schiffer, “Had they come lower on pricing, it would have hurt the investors, so they decided to hold for awhile, grow, and then come back again. But it will come back for sure,” he says.

Keeping Virgin’s venture private during upcoming West Palm Beach-Orlando International Airport track and right-of-way construction relieves company exposure to second-guessing by stockholders who prefer immediate financial returns over long-term investment strategies.

Another industry observer tells *Trains News Wire* that contributions from individuals willing to assume the risk and keep any rewards for themselves would provide more stable financing than what a gyrating stock market delivers.



BOAT MEETS CSX BRIDGE IN ALBANY, NY

ALBANY, N.Y., Jan. 25, 2019, Trains News Wire — One of eight boats that broke free from their moorings in New York’s Capital Region early Friday is lodged under the Livingston Avenue Bridge in Albany. The bridge is used by Amtrak and CSX Transportation for east-west traffic in New York and beyond.



AMTRAK EMPIRE SERVICE TRAIN 281 FROM NEW YORK PENN STATION TO NIAGARA FALLS, N.Y., CROSSES THE LIVINGSTON AVENUE BRIDGE IN ALBANY, N.Y., AS THE CAPTAIN JP III CRUISE SHIP REMAINS WEDGED AGAINST THE BRIDGE ON FRIDAY, JAN. 25 - DAN KITTAY

“There has been no damage to the structure, and no cancellation of any of our trains,” says Amtrak spokesman Jason Abrams. There have been minor delays of trains because of speed restrictions on the bridge of 10 mph, Abrams says. The normal speed on the bridge is 25 mph.

While CSX owns the bridge, a CSX spokeswoman says the tracks are leased to and maintained by Amtrak. State, local, and federal officials were responding to the incident. The U.S. Coast Guard has sent two ice breakers to the scene, says Coast Guard spokesman Petty Officer Steve Strohmaier. They were expected to arrive Friday afternoon. The smaller of the two boats will go under the bridge and attempt to break up ice that surrounds the boat. Commercial tug boats will then attempt to pull the stuck boat free from where it is wedged against the bridge, Strohmaier says.

The wedged boat is the Captain JP III, a 300-foot passenger cruise ship based in Troy, N.Y. It and the other boats likely came loose due to a large amount of ice that had been freed up because of warmer weather and rain, says Department of Environmental Conservation Commissioner Basil Seggos. The ice slammed into the boats, causing them to break free from their moorings and head downstream. They hit several vehicle-carrying bridges on their journey, causing each of the bridges to be temporarily closed and then reopened after inspections.



NORFOLK SOUTHERN REPORTS FOURTH-QUARTER AND FULL-YEAR 2018 RESULTS

NORFOLK, Va., Jan. 24, 2019, NS News – Norfolk Southern Corporation today reported fourth-quarter and 2018 financial results.

Net income was \$702 million and diluted earnings per share were \$2.57 for the fourth quarter and \$2,666 million and \$9.51, respectively, for the full year.

“Norfolk Southern’s financial results in 2018 clearly demonstrate improved financial performance and our commitment to delivering shareholder value,” said James A. Squires, chairman, president and CEO. “Our confidence to deliver improved value to our shareholders – as underscored by our recently announced dividend increase – is heightened by NS’ momentum heading into 2019 and by an array of initiatives to serve customers better and operate more efficiently.”

The 2017 results for the fourth quarter and full year included the effects of re-measurement of net deferred tax liabilities (“2017 tax adjustments”) resulting from the enactment of the Tax Cuts and Jobs Act of 2017, which added \$3,482 million to net income in both periods and increased diluted earnings per share by \$12.10 for the fourth quarter and \$12.00 for the full

year. Fourth-quarter 2018 net income decreased by \$3,266 million and diluted earnings per share decreased by \$11.22 compared to 2017. For the full year, net income in 2018 decreased by \$2,738 million and diluted earnings per share decreased by \$9.10 compared to 2017.

Absent the 2017 tax adjustments to the 2017 results, fourth-quarter 2018 net income increased \$216 million, or 44 percent, and diluted earnings per share increased by \$0.88, or 52 percent, while full-year 2018 net income increased by \$744 million, or 39 percent, and diluted earnings per share increased by \$2.90, or 44 percent.

FOURTH-QUARTER SUMMARY

> Railway operating revenues of \$2.9 billion increased 9 percent, due to an increase in revenue per unit, including increased rates, higher fuel-surcharge revenue, and higher volumes. Overall volumes were up 3 percent, reflecting growth in the major commodity categories of intermodal and coal, while merchandise was relatively flat.

> Railway operating expenses increased \$147 million, or 9 percent, to \$1.8 billion. Prior year expenses were impacted by the 2017 tax adjustments, which decreased railway operating expenses by \$151 million. Excluding the 2017 tax adjustments, railway operating expenses compared with last year's results were \$4 million lower, driven by higher property sales, which were primarily offset by higher inflation-driven costs and increased volume-related expenses.

> Income from railway operations was \$1.1 billion, an 8 percent increase year-over-year, and an all-time record. Income from railway operations compared to prior year's results, excluding \$151 million in the 2017 tax adjustments, increased \$231 million, or 27 percent. The railway operating ratio, or operating expenses as a percentage of revenues, was 62.8 percent.

2018 SUMMARY

> Railway operating revenues of \$11.5 billion increased 9 percent compared with 2017, due to an increase in revenue per unit, including increased rates as well as higher fuel surcharge revenue and higher volumes. Overall volumes were up 4 percent, reflecting growth in the major commodity categories of intermodal and merchandise, which offset a decline in coal.

> Railway operating expenses of \$7.5 billion increased \$470 million, or 7 percent, compared with last year. Prior year expenses were impacted by the 2017 tax adjustments, which decreased railway operating expenses by \$151 million. Railway operating expenses compared with last year's results, excluding the 2017 tax adjustments, were higher by \$319 million, or 4 percent, due to higher diesel fuel prices, volume-related expenses, and increased costs associated with overall lower network velocity. These expenses were partially offset by higher property sales.

> Income from railway operations was \$4 billion, a 12 percent increase year-over-year, and an all-time record. Income from railway operations compared to prior year's results excluding \$151 million in the 2017 tax adjustments, increased \$588 million, or 17 percent.

> The railway operating ratio was a record 65.4 percent.

NORFOLK SOUTHERN CAPITAL SPENDING TO HOLD STEADY

MARCO ISLAND, FL., Jan. 24, 2019, Railway Track & Structures - Norfolk Southern is the latest Class 1 railroad to say its 2019 capital spending will be on par with 2018 levels — about \$1.8 billion.

Jon Zillioux, NS assistant vice president – sourcing, told attendees at the NRC Conference in Marco Island, Fla. that the railroad was looking to “enhance and tweak” infrastructure as it pushes for lower operating ratios. Design and construction (D&C) spending will be “on par with 2018.” Norfolk Southern’s capital spending has declined dramatically since a record \$2.4 billion capital plan was announced in 2015.

In a call with Wall Street analysts Jan. 24, NS executives declined to give detailed numbers on the 2019 capex forecast, saying the railroad would release further details at its Investors Day in Atlanta on Feb. 11. There is

some room for a slight increase in capital spending. The railroad sees 16 percent to 18 percent of revenue as a “solid range” for capital spending during the next few years. Assuming the use of a 17 percent figure, capex would reach about \$1.9 billion in 2019.

Railway operating revenue rose 9 percent in 2018 to \$11.5 billion compared with 2017.

The full year railway operating ratio for 2018 was a record 65.4 percent, That marks the third year in a row where NS posted a decline in operating ratio.

RAIL, TIES, CONSTRUCTION

Overall, the railroad is “progressing 72 projects” in 2019, Zillioux said. Details of the capital spending plan show that there are six network capacity projects, spread across Alabama, South Carolina, Georgia, Virginia and Pennsylvania, in the design stage now. Four other projects are already under way.

Norfolk Southern is also planning considerable work at its intermodal facilities, including expansion plans in both Kansas City-Voltz and Chicago-Calumet.

Other projects include a rehab of the tower in Elkhart, Ind., and construction of an operations building in Pitcairn, Pa.

Rail replacement will be down slightly overall in 2019, but the railroad plans to add nearly 253 miles of double rail. By contrast, a slight increase is expected in tie replacement as some 2.5 million wood crossties and 2.1 million metric tons of ballast will make its way onto NS property.

For grade crossings, NS is looking to keep spending at roughly 2018 levels.

Wayside will return to “roughly pre-PTC levels,” while grinding and testing will “tip up a bit,” Zillioux said.

NORFOLK SOUTHERN SHOOTS FOR 60 PERCENT OPERATING RATIO TARGET UNDER PSR

ATLANTA, Feb. 11, 2019, Trains News Wire — Norfolk Southern’s embrace of Precision Scheduled Railroading will put the railroad’s operational house in order and improve financial results, including a 60-percent operating ratio by 2021.

“We decided to adopt Precision Scheduled Railroading because it works,” Norfolk Southern CEO Jim Squires said in kicking off the railroad’s investor day presentations on Monday.

NS over the next three years will follow the playbook the late CEO E. Hunter Harrison used at Canadian National, Canadian Pacific, and rival CSX Transportation.

Executives’ investor day presentations often touched on the five principles of PSR: Serve customers, manage assets, control cost, work safely, and develop people.

NS officials say the implementation of Precision Scheduled Railroading will produce familiar results, including lower costs, higher profits, and better service all while using fewer people and smaller locomotive and car fleets that roll through fewer yards.

But NS also is departing from the Harrison playbook in significant ways.

First, it’s working with customers as it redesigns local service through process it calls clean sheeting. Shipper input is sought at the outset, during the design of service changes, and then after the new service is put in place.

Second, NS is increasing the frequency of local service to daily, up from three or five days per week, across most of the system.

Third, it’s building the new operating plan from the ground up by teaching field employees PSR concepts and involving them in service-design changes in local and regional yards.

NS also aims to keep growing its overall traffic volume and revenue while it transitions to the new operating plan. Executives did say, however, that

they will continue to prune lower-margin merchandise and intermodal traffic, as the railroad has done in recent years.

NS laid out specific goals for the next three years:

- An operating ratio of 60 percent by 2021, down from 65.4 percent in 2018. The operating ratio this year should settle around 64.4 percent. The goal matches CSX's 60-percent goal for 2020, although CSX executives said last month they expect to beat the goal this year.
- Revenue should grow at a compound annual rate of 5 percent, led by intermodal and merchandise. Coal revenue is expected to fall slightly as demand falls.
- A 500-unit reduction in the active locomotive fleet.
- A reduction of 500 employees this year, and 3,000 by 2021 — or 11 percent of the total — with most of the layoffs coming through attrition. The headcount reduction will come from productivity gains. Fewer crews will be needed as tonnage moves on longer, heavier trains, and smaller locomotive and car fleets will require fewer shops and mechanics.
- Maintain capital spending at between 16 and 18 percent of revenue.

The changes are weighted to the second and third years of the plan because NS won't begin implementing its new Thoroughbred Operating Plan 21, or TOP21, until around July 1, after the clean-sheeting process is complete at all yards across the system.

NS will blend traffic from its four service networks — intermodal, automotive, merchandise, and bulk — to boost train length, reduce terminal dwell, improve crew and locomotive utilization, and create capacity.

The railroad also will strive to balance its network by operating the same number of trains in each direction every day, which executives say keeps crews and power in the right places at the right times.

The railroad expects to close or downgrade some yards as cars are handled fewer times en route. NS did not provide details.

Executives said they don't expect to spin off lower-density routes to create short lines.

NS PLANS TO CULL 500 LOCOMOTIVES

ATLANTA, Feb. 11, 2019, Trains News Wire — The ongoing modernization of Norfolk Southern's locomotive fleet will be a key element of the financial and operational gains the railroad is seeking with its shift to Precision Scheduled Railroading.

Norfolk Southern's new TOP21 operating plan will reduce the size of a locomotive fleet that will become more reliable, more productive, and spend less time in the shop, CEO Jim Squires said during the railroad's investor day on Monday.

"We have really four initiatives under way to reduce the size of our locomotive fleet," says Doug Corbin, assistant vice president and chief mechanical officer.

NS will run heavier trains with increased use of distributed power, continue its DC-to-AC conversion program, reduce the size of the switching fleet as local and yard service becomes more efficient, and run the same number of trains in each direction every day, which balances power requirements and keeps locomotives where they are needed.

"Through those four initiatives, we do intend to pull over 500 locomotives out of the fleet," Corbin says.

NS aims to increase locomotive productivity by 30 percent by 2021, based on gross ton-miles per unit, and boost train length by 12 percent, to an average of 7,130 tons.

The smaller fleet will be able to handle more tonnage, Corbin says, because it will have higher tractive effort due to the near doubling of the percentage of AC-traction locomotives on the active roster.

"Computerized control of AC-traction technology gives us a huge boost in the amount of freight we can move with a locomotive with no additional

horsepower," Corbin says. "That's the beauty of this program."

NS will ramp up the DC-to-AC conversion program, which has completed 190 units since it began in 2016. The program allows NS to get a modern locomotive for half the cost of buying new.

"We've been very pleased with the results," Corbin says.

By 2021, NS will convert 527 of its 1,200-unit fleet of DC-traction Dash 9s that were purchased between 1994 and 2004, Corbin says. That will boost the AC-traction percentage of the fleet to 61 percent, up from the current 32 percent.

The rebuilding contract runs past 2021, NS officials noted, so it's likely that the railroad will convert more AC-traction units beyond its current three-year plan.

NS will supplement the rebuild program by buying some new locomotives, Corbin says.

By using fewer locomotives NS hopes to reduce its operating expenses at it aims for a 60-percent operating ratio by 2021, down from 65.4 percent last year.

A smaller, more reliable fleet needs fewer shop workers, Corbin explains, and AC-traction power needs fewer replacement parts than their DC-traction cousins.

And moving tonnage on fewer, longer trains also reduces fuel consumption. The practice better matches horsepower to tonnage and keeps locomotives running in their higher power range, which is more fuel efficient, Corbin says.

NEW NORFOLK SOUTHERN OPERATING PLAN TO BLEND TRAFFIC AND BUILD LONGER TRAINS

ATLANTA, Feb. 12, 2019, Trains News Wire — Expect to see big changes on Norfolk Southern as the railroad launches its new Precision Scheduled Railroading operating plan, TOP21, over the summer.

The most visible differences will include longer trains with distributed power, the increased use of general purpose trains that combine different types of traffic, and locals that operate daily. Harder to see, but no less important, will be blocking changes that allow cars to bypass intermediate terminals.

"The goal of TOP21 is to make the entire network more efficient," CEO Jim Squires said during the railroad's investor day presentations on Monday.

Increased reliability also is a goal.

"Our new mantra is don't promise anything you can't deliver and then deliver what you promise," Squires says.

Service will become more reliable, NS says, because the new operating plan is simpler to execute, day in and day out. It also will enable NS to bounce back more quickly from disruptions, such as the extreme cold and snowstorms that gripped its Northern Region last month, Chief Operating Officer Mike Wheeler says.

NS will blend different traffic types into general purpose trains. So that 60-mph intermodal traffic isn't slowed when traffic is combined, NS has raised merchandise speeds to match on much of the railroad, up from 50 mph.

"We used to talk about as many as four separate networks. An intermodal network, an automotive network, carload, and unit train," says John Friedmann, vice president of network planning and optimization. "And while it made certain intuitive sense to think of this way, broken down along commodity lines, it really ignored the shared nature of our locomotive and our crew resources, as well as the limited nature of our line capacity."

NS has begun combining traffic on some trains already.

Train 23G, an international intermodal train linking Louisville, Ky., and Norfolk, Va., pauses in Knoxville, Tenn., to pick up 15 or so loads of export coal also bound for the port.

Handling coal on an intermodal train means three things: The coal doesn't sit in Knoxville until enough volume builds to run a unit train. The coal, and hoppers, move faster, reducing cycle time. And NS can drop train starts by shifting the bulk traffic into intermodal trains, which saves locomotives, fuel, and crews while opening up capacity on the main line.

In Winston-Salem, N.C., northbound carload traffic is taking a faster, shorter route by hitching a ride on an automotive train. Carload traffic gathered at Winston-Salem used to first run south to the hump yard at Linwood, N.C., where it would be classified and put on a northbound merchandise train.

The new arrangement saves about 100 miles, reduces car handling, and frees up capacity at Linwood.

"This is the kind of different thinking that we are infusing into our operating plan," Friedmann says.

NS also will run the same number of trains in each direction every day to keep crews and power in balance.

The new plan also reduces NS's dependence on major terminals by pre-blocking cars at local terminals and then relying on block-swapping en route.

NS is increasing local service frequency to daily across much of the system.

"What this does is it helps keep the system in motion at all times," Friedmann says.

NS will measure the effectiveness of its operating changes using five key metrics.

Goals for 2021 built around the metrics include increasing train and engine crew productivity 34 percent measured by gross ton-miles per worker; increasing average train weight by 12 percent; boosting locomotive productivity 30 percent on a ton-mile basis; and reducing the number of cars online by 12 percent.

NS also created a service delivery index, which compares the railroad's performance to 2018. The goal of the opaque metric, which measures compliance with customer commitments, is a 40-percent improvement by 2021.

LOCAL SERVICE AND TERMINAL OPERATIONS UNDERPIN NEW NS OPERATING PLAN

ATLANTA, Feb. 12, 2019, Trains News Wire — Norfolk Southern is taking a two-pronged approach to operational changes as it adopts Precision Scheduled Railroading.

First, it's redesigning local service from scratch using a process that it has dubbed clean-sheeting. Second, NS will begin making systemwide operating changes that affect road trains once the first round of clean-sheeting is completed in June.

The idea, NS officials said during the railroad's investor day on Monday, is to have local operating officials make terminals and first- and last-mile service more efficient and reliable. Then the Atlanta-based network planning and optimization group will put the new TOP21 operating plan into action, linking the local service with road trains.

Senior Vice President of Transportation Mike Farrell says the principles of clean-sheeting include departing on time; switching cars within six hours; right car, right block, right train; and work safely.

The six-hour switching goal creates a sense of urgency, he says.

The redesign of local service involves customers from the get-go, unlike the way Precision Scheduled Railroading was implemented at railroads led by the late E. Hunter Harrison.

"We're not doing it to our customers, we're doing it with our customers," says Farrell, who has experience with Harrison's operating model while working at both Canadian National and Canadian Pacific.

One of the key changes is increasing local service frequency to daily across much of the system, which reduces the amount of time cars sit in yards as

well as the number of cars on line.

"No one at Norfolk Southern intends for a single carload of customers' freight to sit in our yard when it could be at their dock," says Ed Elkins, vice president of industrial products.

In Youngstown, Ohio, for example, a merchandise customer's 150 cars ate half the capacity of a yard when it had local service three days per week. "There were cars everywhere," says Floyd Hudson, superintendent of the Pittsburgh Division.

NS increased local service to five days per week and talked to the shipper about different ways to handle what amounted to a six-day inventory of cars. This reduced the number of cars in the yard, but not by enough, Floyd says.

When NS shifted to daily service, the number of that customer's cars in the yard dropped to eight per day, improving the railroad's on-time performance, reducing dwell, and freeing up space in the yard.

Not all customers have experienced this sort of improvement. A merchandise shipper tells Trains News Wire that the promised daily service has yet to materialize and the five-day service his facilities receive is prone to missed switches, released loads that aren't pulled, and incorrect delivery of empties.

NS officials have said clean-sheeting remains a work-in-progress, with a first pass done on half of the terminals on the system.

Clean-sheeting has improved operations within terminals, officials say.

It has virtually eliminated the rehumpping of cars at the classification yard at Allentown, Pa., for example.

The service redesign also enabled NS to reduce pullback assignments at Enola Yard, outside Harrisburg, Pa., from three per shift to just one. The pullback jobs shuttle between the classification yard and forwarding yard, where they assemble outbound trains.

"With clean-sheeting you can do things you never thought were possible," says Josh Lafferty, who was an assistant superintendent of the Harrisburg Division before being named superintendent of the Pocahontas Division.

PITTSBURGH AUTHORITY BILLS NS \$3 MILLION FOR DERAILMENT REPAIRS

PITTSBURGH, Feb. 7, 2019, Trains News Wire — The Port Authority of Allegheny County is billing Norfolk Southern about \$3 million for damages to its light rail system resulting from an NS derailment last summer, the *Pittsburgh Post-Gazette* reports.

The August derailment sent cars from an NS stack train down a hill onto the light rail route below. It closed the Station Square light rail station for 18 days and required 22 days for a full return to service. Its bill covers the cost of replacing 1,600 feet of track, 4,000 feet of overhead electrical lines and supports, fiber optic lines for signaling, a retaining wall, and a sidewalk.

A Norfolk Southern spokesman declined comment.



NJ TRANSIT SAYS ATLANTIC CITY, PRINCETON LINES WON'T REOPEN UNTIL SPRING

NEWARK, N.J., Jan. 25, 2019, Trains News Wire — NJ Transit's Atlantic City line and Princeton Dinky shuttle rail line will not open until spring, the agency's executive director says.

New Jersey 101.5 radio reports that restoration of the Atlantic City line and the line connecting the Northeast Corridor to Princeton University campus, are being held up because of continuing engineering and equipment issues. Also delayed is through service to New York on the Raritan Valley line. (The agency also cited the shutdown of the federal government as a factor, because NJ Transit is still awaiting approval from the Federal Railroad Administration on its two-year extension of the deadline for full positive train control operation. (An agreement announced Friday, Jan. 25 would

end that shutdown, at least temporarily.)

The agency said service would resume sometime in the second quarter, which begins April 1.

“Our goal is to begin restoring a service that remains reliable and predictable for customers as quickly as possible,” executive director Kevin Corbett said.

Service on the Atlantic City line was discontinued Sept. 5. At the time, Corbett promised the service would be restored at the start of the year. NJ Transit also announced that a 10-percent systemwide discount on rail fares would end Jan. 31, although a 25-percent discount for those using buses instead of trains on the Atlantic City line will continue.

FRA SAYS IT HAS NO PART IN RESTORING SERVICE ON SHUT-DOWN NJ TRANSIT LINES

ATLANTIC CITY, Feb. 5, 2019, Trains News Wire — While NJ Transit has said a need for federal approval is one reason it has not restored service on its Atlantic City line and other suspended services, a Federal Railroad Administration spokesman said the FRA has no role in reopening those lines.

FRA spokesman Warren Flateau told NJ.com that “NJ Transit may, at any time, resume commuter service on those lines.”

In addition to the Atlantic City line, the commuter railroad has suspended service on its “Princeton Dinky” shuttle service between the Northeast Corridor and the Princeton University campus, as well as through service to New York on the Raritan Valley line. It cited the need for federal approval as one factor in delaying the restoration of service until at least April, after initially promising it would be resumed by Jan. 1.

David Peter Alan, chairman of the Lackawanna Coalition, a commuter advocacy group, told NJ.com, “We are relieved to know that NJ Transit can restore service on every line without special permission. That is one excuse for delay that they cannot invoke. We are tired of waiting, and we want all of our trains back.”

NEW JERSEY OFFICIALS TOUR TUNNEL, PRESS FOR GATEWAY PROJECT FUNDING

NEW YORK, Jan. 29, 2019, Trains News Wire — it’s normally a 34-minute run on an Amtrak Regional train from suburban Metropark station in New Jersey to New York’s Pennsylvania Station. Monday morning, a special Amtrak train made an 8-minute stop en route that isn’t on the timetable.

In this case, the delay was planned. The train was carrying a contingent of New Jersey politicians, providing an up-close look at Northeast Corridor infrastructure, with an emphasis on one of the aging North River Tunnel tubes beneath the Hudson River damaged by Hurricane Sandy.

On board the train, with ACS-64 locomotive 648, café car No.43589, and theater/track inspection car American View were New Jersey Gov. Phil Murphy, U.S. Sens. Cory Booker and Bob Menendez, eight New Jersey members of the U.S. House of Representatives, the Speaker of the New Jersey General Assembly, Craig Coughlin, and over three dozen members of the media.

Afterward, Gov. Murphy and the other politicians held a press conference at NJ Transit’s Penn Station waiting area to press for federal support of the \$13 billion Gateway Project, which would add a new tunnel under the Hudson.

“The rehabilitation of the existing North River Tunnel and construction of the new Hudson Tunnel is crucial to the tri-state area, and in particular New Jersey,” Murphy said. “It is time for the Trump administration to prioritize the needs of commuters and our nation’s economy and commit to funding the Gateway Program.”

The \$13 billion Gateway Program will include the construction of a new tunnel, followed by repairs for the North River Tunnel, that will expand capacity for commuter and regional train service and alleviate pressure on the existing tunnel. According to Amtrak, any major repairs will require at least one tunnel tube to be closed, which will have catastrophic effects on

the regional and national economies if the new tunnel is not constructed by that time.

“This is killing our region,” Booker said. “Anybody who’s faced the massive delays that we see on a regular basis knows this is undermining the quality of life for millions and millions of people. We need to move with a sense of urgency.” Menendez called the situation “a transportation ticking time bomb.”

An agreement reached under former President Barack Obama had pledged that the federal government would pay half the cost of the project, but President Donald Trump’s administration subsequently said there was no such deal, so the project remains unfunded.

Before reaching the tunnel, the train slowed to travel over the Portal Bridge over the Hackensack River. The two-track, moveable swing span, opened in 1910, has been a constant source of operating problems. In the last six years, Amtrak spent an average of \$1.5 million per year to operate, maintain, and rehabilitate the existing Portal Bridge. Occasional malfunctions create delays for both Amtrak and NJ Transit. A \$1.5 billion fixed-span bridge which would lift the tracks above marine traffic has been designed but is not yet fully funded, although New Jersey has pledged \$600 million.

The 108-year old North River Tunnel has been in disrepair and in dire need of replacement since Hurricane Sandy, when salt water flooded and damaged the tube. Amtrak Senior Vice President Stephen Gardner explained tunnel infrastructure to the lawmakers during the stop in the south tube. Current maintenance for the North River Tunnel varies. When crews are able to obtain a schedule window one of the North River Tunnel tubes, they perform as much maintenance as possible including leak remediation, repair or removal of broken and fragmented concrete from the Sandy-damaged bench walls, and other routine maintenance. Due to heavy train volume, track and tunnel outages are extremely complicated to schedule and coordinate. It costs about \$7 million per year to keep the North River Tunnel tubes operating; as the tunnel continues to age and its condition deteriorates, operating and maintenance costs could reach an estimated \$21 million by 2037.



SEPTA BOARD AWARDS CONTRACT FOR KOP RAIL PRELIMINARY DESIGN TO HTNB, INC.

PHILADELPHIA, Jan. 24, 2019, SEPTA Press Release (Edited) - The SEPTA Board voted today to award HTNB, Inc., a contract to advance engineering of the King of Prussia Rail (KOP Rail) extension of the Norristown High Speed Line (NHSL).

“SEPTA has to look at ways to increase capacity and expand the system to meet current demand and support future growth,” said SEPTA Board Chairman Pasquale T. Deon Sr. “The King of Prussia Rail project represents the type of investment that can transform mobility - figuratively and literally forming the backbone of an already thriving community.”

This contract will progress the engineering and architectural design from the conceptual Locally Preferred Alternative (LPA), completing 15 percent of the total design (Phase I). An option is also incorporated to continue advancing engineering to 30 percent complete (Phase II). HTNB, Inc. will be involved in taking into consideration the public’s needs as the design is developed and finalized.

The total Phase I contract amount is \$7,282,209, funded from an existing federal grant. The contract amount for the Phase II option is \$27,328,176 (subject to availability of funding).

The NHSL currently provides service between SEPTA’s 69th Street and Norristown Transportation Centers, serving the Main Line area in Delaware and Montgomery counties, and connecting to Center City Philadelphia.

SEPTA GETS BOOST FOR SNOW REMOVAL

PHILADELPHIA, Feb. 6, 2019, SEPTA Press Release - Harsh winter weather can significantly hinder public transportation service. SEPTA’s Norristown

High Speed Line (NHSL) is especially susceptible to drifting snow due to the location of its tracks, which sit uncovered at higher points in Delaware and Montgomery counties. Snow accumulations of eight inches or more impede the trains and can cover the tracks and electrified third rail, affecting operations and forcing SEPTA to suspend service.

"In my 30 year career at the Authority, there have been several storms that have forced us to shut down the Norristown High Speed Line for days at a time," said SEPTA General Manager Jeffrey D. Knueppel. "This has been a real hardship on both our customers and our crew. We've had a need for equipment that will remove snow quickly and efficiently so that we can resume service as soon as possible."



To help combat the snow's impact on NHSL service, SEPTA has acquired new tools: a Rail Maintenance Vehicle (also known as a Utility Track Vehicle or UTV) and a cab flat car. Together, the equipment will be used as a work train Prime Mover. Among the many jobs the equipment can handle is plowing snow from the tracks.

"The equipment has plows in the front and rear and is equipped with a 100 cubic-feet-per-minute (CFM) standalone air compressor that supplies air to airline reels on both ends of the vehicle that can be used to clear switches and obstruction areas on the line," said SEPTA Assistant General Manager of Engineering, Maintenance & Construction Bob Lund. "Compressed air will also be utilized to clear snow from the electrified third rail."

The UTV contains a fully enclosed cab for personnel plus one operator. In addition to the plows and air compressor, the vehicle also has a crane driven by the main engine source; a hydraulic tool circuit; a stand-alone diesel powered generator set; and controls for the braking system of flatcars.

The equipment's use is not limited to winter storms. Year-round, the Prime Mover will be used for delivering and picking up materials used for work and maintenance projects; towing rail vehicles; replacing and repairing rail and ties; and providing supply for hydraulic, pneumatic, welding and electric tools.

The UTV joins SEPTA's complement of winter weather equipment, including high-velocity snow blowers and brining equipment. "Having all of these tools at our disposal helps us to stay on top of bad weather and keep service running or restore it quickly in case of a suspension," said Lund.

THIS MONTH ON THE PENNSY

PRR, PRSL & LIRR EVENTS IN MARCH

Mar. 25, 1904 - Freight station at 30th & Market Streets in Philadelphia damaged by fire.

Mar. 26, 1909 - LIRR asks for bids for 120 Class MP54 steel MU cars for Penn Station service; 50 MP54's being tested on steam lines without motors.

Mar. 25, 1914 - PRR Board authorizes negotiations with City of Philadelphia for amended ordinance for Darby Creek Low Grade Line from Cobbs Creek to West Philadelphia.

Mar. 12, 1919 - Philadelphia & Port Deposit Railway Post Office (RPO) extended to Philadelphia & Perryville RPO via Octoraro Branch.

Mar. 12, 1924 - PRR Board appoints committee to explore lease of N&W, particularly legal obstacles.

Mar. 1, 1929 - At Philadelphia Chamber of Commerce transit forum, Pres.

Atterbury proposes replacing the Market Street Elevated in West Philadelphia with a subway to 69th Street and two extra tracks to bring PRR suburban trains to City Hall; also connecting Chestnut Hill Branch with Broad Street Subway and a subway under Arch Street leading to a tunnel to Camden for PRR local trains.

Mar. 28, 1934 - Pennsylvania-Reading Motor Lines, Inc., leases all bus operations to Public Service Coordinated Transport, which becomes the dominant bus carrier in southern New Jersey.



Mar. 13, 1939 - PRR S1 6-4-4-6 No. 6100, lettered "Americas Railroads" arrives at New York World's Fair, having traveled over the Poughkeepsie and Hell Gate Bridges, and is set in place on rollers.

Mar. 17, 1944 - PRR inaugurates No. 458, *The Sailor*, a coach-only day train from Cape Charles to New York with connection by steamboat *Elisha Lee* from Norfolk; meals by coach lunch attendants.

Mar. 15, 1949 - *Broadway Limited* re-equipped; Raymond Loewy's design is more subdued than the 1938 train, with plain plastic laminates instead of exotic wood veneers and metal foils; two trainsets and diesels cost \$4.6 million; includes restored telephone service between New York and Harrisburg; features observation lounge cars *Mountain View* and *Tower View* with master room and shower; like all postwar PRR observations, these are flat end, instead of teardrop like on the *Twentieth Century Limited*.

Mar. 19, 1954 - New ore pier No. 122 at Greenwich, South Philadelphia, opens; used for imported iron ore; rubble from Broad Street Station and Chinese Wall used as fill under pier and yard; pier is operated for PRR by Hanna Mining Company through its subsidiary Tidewater Dock Company.

Mar. 11, 1959 - PRSL Executive Committee authorizes retiring the line between Newfield and Mays Landing, New Jersey.

Mar. 1964 - PRR announces \$1.1 million improvement project at Enola Yard.

CHRISTOPHER T. BAER, HAGLEY MUSEUM AND LIBRARY VIA PHILADELPHIA CHAPTER, PRRT&HS - USED WITH PERMISSION



TIMETABLE 03-19

For Lancaster Chapter News,
see "INSIDE THE BACK PAGE"

Saturday, March 2, 2019

Thirty-Third Annual Harrisburg Railroad Show & Collectors Market sponsored by the Harrisburg Chapter, NRHS at the I. W. Abel Union Hall (Steelworkers Union), 200 Gibson St., Steelton, PA 17113. Donation at the door-\$5.00, under 12, free. Info: Mark Irvin, 3814 Leyland Dr., Mechanicsburg, PA 17050. Phone: 717-732-3867 or irvinwepfer@msn.com.

Saturday & Sunday, March 2-3, 2019

Roundhouse Model Train Show at the B&O Railroad Museum, Pratt Street, Baltimore, MD. Info: www.trainshow.com

Saturday, March 9, 2019

Rail Passengers Assn. (NARP) Regional Member Meeting DE, NJ, PA, Fellowship Hall, Zion Lutheran Church, 15 South 4th St., Harrisburg, PA 17101 - directly opposite the Amtrak Harrisburg Station. Info: [www.https://www.railpassengers.org](https://www.railpassengers.org)

Sunday, March 10, 2019

Daylight Saving Time begins. Turn your clocks AHEAD one hour.

Thursday-Saturday, March 21-23, 2019

2019 NRHS Spring Conference in Birmingham, AL. Info: www.nrhs.com

Friday & Saturday, March 22-23, 2019

East Coast Large Scale Train Show, York Expo Center, 334 Carlisle Ave., York, PA 17404. Info: <http://www.eclsts.com>

Saturday, March 30, 2019

Philadelphia Chapter, PRRT&HS Meeting at the Drexel Hill Methodist Church, 600 Burmont Rd., Drexel Hill, PA 19026. Info: www.philaprrths.com

Saturday, April 6, 2019

Delaware Train Show, Nur Shrine Center, 198 S. DuPont Highway, New Castle, DE 19720. Info: www.toysshows.org

Thursday-Saturday, April 11-13, 2019

Eastern Division - TCA York Train Show, York Expo Center, 334 Carlisle Ave., York, PA 17403. Info: www.easterntca.com

Monday & Tuesday, April 22-23, 2019

Commemoration of the Lincoln Funeral Train at Elizabethtown's Stone Gables Estate. Info, schedules and tickets at www.TheStarBarn.com

Saturday, May 4, 2019

Columbia Railroad Day by the Columbia Historic Preservation Society, 19-21 North 2nd St., Columbia, PA 17512. Info: www.columbiahistory.net/1324-2/

Tuesday-Sunday, May 7-12, 2019

2019 NRHS Golden Spike Rails Convention at the Radisson Hotel-Downtown, 215 West South Temple, Salt Lake City, Utah 84101. The telephone number is: 1-801-531-7500. Info: www.nrhs.com

Wednesday-Saturday, May 15-18, 2019

PRRT&HS Annual Meeting/Strasburg at Wyndham Lancaster Resort and Convention Center, 2300 Lincoln Highway East, Route 30, Lancaster, PA, 17602, 717-299-5500. Info: www.prrths.com

Saturday, May 18, 2019

Three River Valley Flyer, A Railfan RDC Mainline Excursion over the Reading & Northern Railroad departing Port Clinton - by the Lehigh Valley Chapter, N.R.H.S. Info: www.lehighlines.org or CNJ91507@yahoo.com

Sunday, May 19, 2019

PCC II Trolley Excursion in conjunction with the East Penn Traction Meet in Allentown, Pa. on May 17-19, 2019. 11:00 A.M. to 3:00 P.M., departing from SEPTA's Elmwood Depot traversing SEPTA Routes 11, 13, 34 and 36. \$45.00 per person. Snacks and drinks will be available for purchase on the car. To reserve a seat, please mail check for \$45.00, made out to FPT, INC., to Harry Donahue, 103 Mulberry Court, Morgantown PA 15433. Info: Harry Donahue HAD2709@aol.com or Bill Monaghan TROLLEYDRIVER@comcast.net.

Thursday-Saturday, Oct. 17-19, 2019

Eastern Division - TCA York Train Show, York Expo Center, 334 Carlisle Ave., York, PA 17403. Info: www.easterntca.com



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STRASBURG, PA

[WWW.RRMUSEUMPA.ORG](http://www.rrmuseumpa.org)

717-687-8628

Saturday, March 9, 2019 - Reading on the Rails Day

Sunday, March 10, 2019 - Charter Day

Saturday, April 6, 2019 - Rails & Ales

Sunday, June 30-Sunday, July 7, 2019 - Reading Railroad Days

NICKEL PLATE ROAD NO. 757 HEADS HOME TO OHIO

STRASBURG, Pa., Feb. 11, 2019, Trains News Wire — Nickel Plate 2-8-4 No. 757 has begun its long journey back to Bellevue, Ohio, to the Mad River & NKP Railroad Museum, after more than 50 years at the Railroad Museum of Pennsylvania. It left the museum for the last time on Monday morning. The Strasburg Rail Road delivered it to its interchange track at Leaman Place Junction, where Norfolk Southern picked up for a special 25 mph move back to Ohio. A freshly painted NKP caboose will travel with the engine, carrying lubricants and tools and providing shelter for the crew.



NKP 757 PASSING THE READING & COLUMBIA RAILROAD IN COLUMBIA, PA
NORFOLK SOUTHERN PHOTO

Its return to Bellevue will be a homecoming for the locomotive. The 1944 Lima engine, based in Bellevue, was retired in mid-1958, and along with several other identical engines, was stored in the Nickel Plate Road yard there. It was promised to a city park, but it was never moved. Two years after the Norfolk & Western acquired the Nickel Plate in 1964, the engine was donated to the fledgling Railroad Museum of Pennsylvania. Its companion engines were not so fortunate and were scrapped.

The Pennsylvania museum decided more than a year ago to de-access the locomotive, even though it was one of the first artifacts displayed by the museum. While the modern fast-freight locomotive was always a popular exhibit, it was far down on the priority list for restoration, and the Mad River & NKP Railroad Museum of Bellevue offered to give it a good home and a prompt cosmetic restoration.

The Mad River museum immediately began fund-raising to return the engine to Ohio and support its restoration, and paid and volunteer mechanics made several trips to Pennsylvania during the spring, summer, and fall of 2018 to prepare the engine to travel on its own wheels. This included overhauling the air brakes, cleaning and repacking axle bearings, and removing the side rods and polishing and lubricating crankpins and bearings before replacing the rods.

The trip to Ohio is better than 400 miles and will take several days.



STRASBURG RAIL ROAD

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[WWW.STRASBURGRAILROAD.COM](http://www.strasburgrailroad.com)

1-866-725-9666

Monday-Friday thru Nov. 8 2019 - Shop Tour at 12:00 P.M.

Through Friday, April 5, 2019 - Lancaster, Oxford & Southern Motorcar

Friday-Sunday, April 19-21, 2019 - Easter Bunny Train

Saturday, May 4, 2019 - The Great Train Robbery

Saturday-Sunday, June 22-30, 2019 - Day Out with Thomas - With Percy!

WEST CHESTER RAILROAD

WEST CHESTER RAILROAD GRADE CROSSING INCIDENT

WEST CHESTER, PA, Feb. 8, 2019, West Chester Railroad facebook page - Off to a rough start to 2019. During the early morning hours of Feb 5, a truck towing a low boy trailer traveling south on Glen Mills road bottomed out and tore up our railroad crossing. It hit with such force that it broke one of the rails and bent the entire alignment of the crossing. The driver of the truck did not stop and continued without filing a report. The crossing will have to be repaired before our 2019 season begins. If anyone has any information about this incident, please contact us at info@westchesterRR.com. Thank you.



LESS THAN CARLOAD SHIPMENTS LOCAL AND NATIONAL NEWS

COMMISSION PROHIBITS SIEMENS' PROPOSED ACQUISITION OF ALSTOM

BRUSSELS, Feb. 6, 2019, European Commission News - The European Commission has prohibited Siemens' proposed acquisition of Alstom under the EU Merger Regulation. The merger would have harmed competition in markets for railway signalling systems and very high-speed trains. Today's decision follows an in-depth investigation by the Commission. The takeover would have combined Siemens' and Alstom's transport equipment and service activities in a new company fully controlled by Siemens. It would have brought together the two largest suppliers of various types of railway and metro signalling systems, as well as of rolling stock in Europe, both also with leading positions globally. The merger would have created the undisputed market leader in some signalling markets and a dominant player in very high-speed trains. It would have significantly reduced competition in both these areas, depriving customers, including train operators and rail infrastructure managers of a choice of suppliers and products. The Commission received several complaints during its in-depth investigation, from customers, competitors, industry associations and trade unions. It also received negative comments from several National Competition Authorities in the European Economic Area. Stakeholders were worried that the proposed transaction would significantly harm competition and reduce innovation in signalling systems and very high-speed rolling stock, lead to the foreclosure of smaller competitors and to higher prices and less choice for customers. Since the parties were not willing to offer adequate remedies to address these concerns, the Commission blocked the merger to protect competition in the European railway industry. Commissioner Margrethe Vestager, in charge of competition policy, said: "Millions of passengers across Europe rely every day on modern and safe trains. Siemens and Alstom are both champions in the rail industry. Without sufficient remedies, this merger would have resulted in higher prices for the signalling systems that keep passengers safe and for the next generations of very high-speed trains. The Commission prohibited the merger because the companies were not willing to address our serious competition concerns."

From *Trains News Wire*: Siemens, based in Germany, and French-based Alstom both have significant profiles in the North American passenger market. Siemens has built or is building equipment for Amtrak, VIA Rail Canada, and Florida's Brightline/Virgin Trains USA, while Alstom is building the next generation of high speed trainsets for Amtrak's Northeast Corridor.



PROGRESS ON READING COMPANY 2100 BOILER WORK

CLEVELAND, Ohio, Feb. 11, 2019, *Trains News Wire* — Boiler and firebox work are just about completed on Reading No. 2100, the famed 4-8-4 leased by American Steam Railroad. The new firebox side sheets, welded in place and drilled and reamed, await new

staybolts, says Steve Harvey, president of the non-profit.

"We can just about smell the coal smoke," Harvey told *Trains* on Thursday. The project needs about \$29,000 to see the firebox and boiler phase completed, he said. In total, about \$255,000 is still needed in the Fire Up 2100 campaign to return the 1960s eastern Pennsylvania fantrip favorite to service. The engine has been undergoing restoration since it arrived in Ohio in 2015.

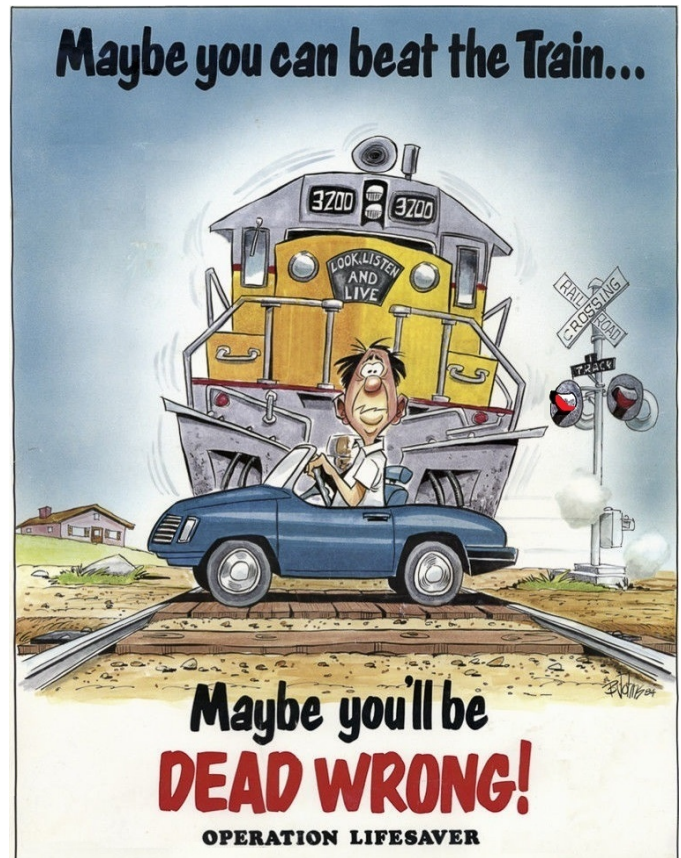
Harvey said a crew of 8-12 volunteers is working on the tender, preparing to reinstall the stoker that was removed during an unsuccessful conversion to oil-firing. Fortunately, the stoker and its engine were not scrapped and are on hand. In addition to tender work, repairs are necessary to the running gear, Harvey reported. At least one roller bearing in the pilot truck must be replaced, and rod brasses must also be modified or replaced. There is air brake and plumbing work remaining, and all the front-end screening removed must be replaced before a fire is lit.

The project moves at the speed of donated funds, Harvey said. "If fund-raising continues at the present rate, we're probably looking at a 2020 fire-up," he said. Harvey says what is happening now is the assembly phase of the project. When everything is ready, American Steam plans a few test runs before making the engine available for excursion service.

THIS MONTH'S BANNER PHOTO

Forerunner of the Silverliner, PRR Pioneer III No. 152, Class MP85E, on the Reading Company, October 3, 1961 - City of Philadelphia, Department of Records photo.

OPERATION LIFESAVER REMINDS YOU...



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“INSIDE THE BACK PAGE”

UPCOMING LANCASTER CHAPTER ACTIVITIES

MARCH 10, 2019 - SUNDAY, 2:00 AM - DAYLIGHT SAVING TIME BEGINS. TURN CLOCKS AHEAD ONE HOUR

MARCH 17, 2019 - SUNDAY, 2:00 PM - CHRISTIANA FREIGHT STATION - CHAPTER MEMBERSHIP MEETING

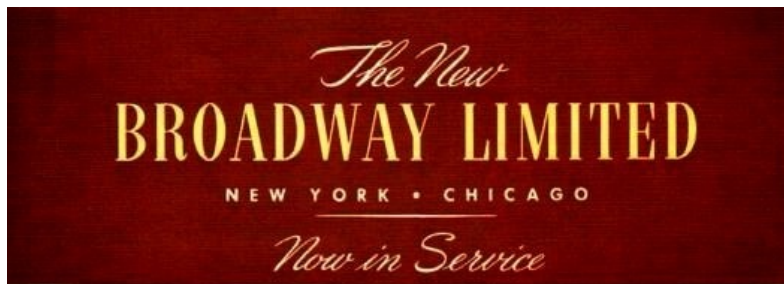
Join us for the first Regular Chapter Membership Meeting in 2019. Program to be determined.

APRIL 8, 2019 - MONDAY, 7:00 PM - CHRISTIANA FREIGHT STATION - CHAPTER BOARD MEETING

APRIL 15, 2019 - MONDAY, 7:30 PM - CHRISTIANA FREIGHT STATION - CHAPTER MEMBERSHIP MEETING

FINAL CALL - 2019 NATIONAL & CHAPTER MEMBERSHIP RENEWALS ARE PAST DUE!

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ROOMETTES for one. Full-length bed, wardrobe, complete toilet facilities.



DUPLEX ROOMS for one person. Full length bed becomes comfortable divan during day. Toilet facilities.



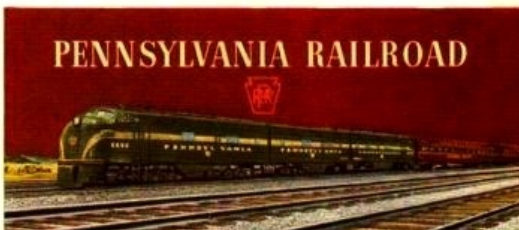
COMPARTMENTS for two. Sofa-seat and lounge chair. Lower and upper beds, Wardrobe, enclosed toilet annex.



BEDROOMS—for one or two—in three new styles. Lower and upper beds, wardrobe, enclosed toilet annex.



DRAWING ROOMS—for three. Sofa-seat and lounge chairs . . . three beds, Wardrobe, enclosed toilet annex.



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MEMBERSHIP MEETING NOTICE

LANCASTER CHAPTER, INC., N.R.H.S.
SUNDAY CHAPTER MEETING
CHRISTIANA FREIGHT STATION
10 RAILROAD AVE., CHRISTIANA, PA.
SUNDAY, MARCH 17, 2019, STARTING AT 2:00 PM

LANCASTER CHAPTER, INC.
NATIONAL RAILWAY
HISTORICAL SOCIETY
10 RAILROAD AVENUE
CHRISTIANA, PA 17509-1416
PHONE: 610-593-4968
CHAPTER WEBSITE: WWW.NRHS1.ORG



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