

DANVILLE FLYER

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DJC Chapter Motor Car Excursion—May 15th—11:30 A.M.

Rather than the usual meal and meeting at Jocko's on May 15, we will head to Foster, Indiana to take a short ride using Jim Montgerard's and Doug Nipper's motorcars. This ride will take place on the Vermilion Valley Railroad, which operates on the former Conrail (P&E) trackage from the state line east of Lynch Road to the former Olin plant west of Covington, now Flex-N-Gate. After arriving at Olin, we will have a picnic featuring burgers and hotdogs provided by Mr. Montgerard at the former Olin cabin once used for company picnics that now serves as the V V RR's headquarters. Please do consider a donation to Jim to help cover his food costs.

Foster is just off US136 right before you get to IN63 headed towards Covington. Turn north at the motel and go north to Foster and when you cross the tracks turn left. You can park back in the grain elevator's parking lot, and the cars will be staged nearby. We will get permission ahead of time to park cars at the elevator. Perhaps a group could share a ride in from Danville.

Please wear attire suited for the railroad environment. No sandals, but sneakers should be OK. Prefer hard shoes or boots if available. If you have a safety vest, it would make the group look "official"!

The trip will start when everyone arrives, hopefully no later than 11:30 A.M (CDT). If time permits, we will ride back past Foster on the return trip and see as much as we can of the line. At the time of this writing, there are a LOT of storage cars on the line, so the far west end may be blocked.

Hope to see you there.

CP Rail Cancels Attempt to Acquire NS

Canadian Pacific announced today that it will end its attempt to merge with Norfolk Southern Corp., and will withdraw a resolution calling for NS shareholders to vote in favor of negotiations between the companies. CP plans "no further financial offers or overtures to meet with the NS board" at this time, according to a CP press release.

"We have long recognized that consolidation is necessary for the North American rail industry to meet the demands of a growing economy, but with no clear path to a friendly merger at this time, we will turn all of our focus and energy to serving our customers and creating long term value for CP shareholders," said CP Chief Executive Officer E. Hunter Harrison.

May 15th – Chapter Motor Car Trip – see adjacent article

May 21 & 22—Engine 401 steams at MRM

May 28th – 30th Rossville Museum Opens 12-4 PM each day.

June 11 & 12 – Engine 401 steams again at MRM

June 25 & 26—Galesburg, IL 2016 Railroad Days at Galesburg High School, \$5

August 20 & 21 – Once again MRM #401 will be under steam

September 18th – Next Chapter meeting

About Us

The DANVILLE JUNCTION CHAPTER, NRHS, is a not-for-profit corporation organized to preserve the history of railroading in Eastern Illinois and Western Indiana and operates a museum located in the former Chicago and Eastern Illinois Railroad depot on East Benton Street in Rossville, Illinois. The museum is open weekends from Memorial Day to Labor Day and features many railroad displays plus a large operating HO model railroad. Membership in the Chapter is open to any-

one having an interest in any aspect of railroading. Dues per year are \$30.00 for Chapter membership in addition to \$50.00 for NRHS membership. Rossville Depot Museum membership is \$30 per year. Meetings are held on the third (3rd) Sunday of each month (except June July, August and December) at the Jocko's Depot Restaurant, Gilbert Street (Illinois Route 1) and Williams Street, next to CSX (former Conrail), in Danville, Il with lunch beginning at 1:00 PM Central Time followed by meeting and program.



Officers for 2016—our 48th Year

- Allen Cooke – President
- Doug Butzow – Vice President
- Dick Brazda– Secretary
- Doug Nipper– Treasurer
- Dave Sherrill – Programs
- Jess Bennett – Historian
- Bob Gallippi – Museum Director
- Rick Schroeder – Editor
- Cooke Business Products - Publisher



Traffic Down—CSX Tightens its Belt

With coal traffic still in a free fall — and expected to drop by 25 percent this year — CSX will continue to tighten its belt in an effort to produce \$250 million in efficiency savings.

To offset the anticipated loss of \$500 million in coal revenue this year, CSX will focus on pricing, efficiency gains, and shutting down lines and facilities where necessary, CEO Michael Ward said during a first quarter earnings call earlier in April. Running longer trains has been a key strategy as the railroad tries to reduce its operating costs. CSX increased train length by 16 percent last year, up to an average of 6,400 feet, Cindy Sanborn, the railroad's executive vice president and chief operating officer, said during the call. Gains have stalled, though, due to siding capacity.

"We're bumping up against challenges in single-track territory where siding length is an issue for us," Sanborn says.

So CSX is extending sidings on its key Nashville-Cincinnati corridor, where siding length limits trains to 6,500 feet, Sanborn says.

(Continued on page 4)

2016— April Meeting Minutes

The meeting was called to order at 1340 by President Cooke.

The minutes of the previous meeting were approved.

The treasurer's report was provided and approved. A repair of the toilet at the depot and utility charges were the only expenses for the month. Among income items, the Urbana show netted \$274.55.

The May 15 meeting will be held on the Vermilion Valley RR. The start is scheduled for 1100 at Foster. Members are encouraged to donate for their share of the lunch.

A spring trip is targeted for May 21. Driving to Matteson will feature the viewing platform near the CN loop connections. A ride on Metra will be taken to Homewood for the Homewood Rail Fest. Metra Saturday service is hourly. Departure is scheduled for 800 from Cooke on Liberty. Lunch will be in Homewood.

The depot opening is scheduled for Saturday, May 28, with cleaning scheduled to start by 9 am. Allen will procure soda and candy supplies for the depot. A somewhat smaller assortment will be provided this year.

A short report was provided on the C&EI meeting on the 16th including the evening speaker, the stop at Westville depot and the road trip.

It was mentioned there is still work remaining on the soffit at the depot. The meeting adjourned at 1354. A video on the Illinois Railway museum at Union was presented by Jesse Bennett.

The May meeting program is noted on page 1. We also welcome young Tom Gallagher to our group.

(Continued from page 1)

Since late last year, CP executives have been pushing for a merger with NS, arguing that the creation of a North American transcontinental railroad would enhance competition, ease freight congestion and improve service to shippers.

NS rejected all three of CP's financial offers, however. Earlier this month, NS CEO James Squires encouraged employee shareholders to oppose a CP resolution calling for merger discussions between the companies' boards. The resolution was scheduled to be considered at NS' annual meeting next month. In response to CP's announcement this morning, NS officials said the company is committed to pursuing its five-year strategic plan to streamline operations, cut expenses and maintain "superior" customer service.

"The Norfolk Southern team has made significant progress and is on track to achieve annual productivity savings of more than \$650 million and an operating ratio below 65 percent by 2020," the statement read. "We are confident the continued execution of our plan will deliver superior value to all of the company's stakeholders by best positioning Norfolk Southern to succeed." The NS statement also thanked the company's shareholders.

"We thank our shareholders for their input and support throughout this process and our employees for their hard work and dedication to strengthening Norfolk Southern as a critical component of the nation's transportation infrastructure."

CP's announcement follows recent statements by U.S. government officials who expressed opposition or concern about the proposed merger. The most recent statement came from the U.S. Department of Justice (USDJ), which late last week filed a reply in opposition to CP's petition for a declaratory order on its proposal for the creation of a voting trust pending the Surface Transportation Board's review of the merger.

"Canadian Pacific's voting trust proposal would compromise Norfolk Southern's independence and effectively combine the two railroads prior to completion of the STB's review," said Assistant Attorney General Bill Baer of the Justice Department's Antitrust Division in a press release. "That makes no sense. We urge the STB to preserve its ability to review the impact of the proposal on competition and consumers before Canadian Pacific starts scrambling the eggs."

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Construction is under way to lengthen the sidings at Cave City and Morgantown, Ky., and Mitchellville, Tenn., on the Mainline Subdivision between Nashville and Louisville, CSX spokeswoman Melanie Cost says. The work is expected to be complete by mid-year. The line is part of CSX's Southeast Corridor linking Chicago and Florida.

"These extensions will support strong current and future volume on the corridor, especially for our automotive market," Cost says.



"These siding projects are being driven by business needs and future opportunities rather

than any specific 'target' train length," Cost tells Trains NewsWire. "CSX's work to build longer sidings is part of the company's overall strategic investment to match network resources to the changing business mix we see – as we manage through the decline in coal and make decisions now to maximize long-term opportunities in merchandise, including automotive, and intermodal."

Asked why CSX's overall train speeds are lagging other railroads in returning to 2013 levels, Sanborn said, "We're never satisfied with where we are."

The railroad's service plan tries to strike a balance between productivity and efficiency savings, she explains. Currently the railroad's service levels are allowing it to reap price increases. "We're seeing great performance in our double-track territories," Sanborn says. CSX aims to increase density on its main routes, which opens up opportunities for additional savings.

"Changes we are making are not short-term reactions to temporary economic conditions," Sanborn says of last year's cutbacks in hard-hit Appalachian coal fields. She was asked whether CSX expects to further reduce the size of its coal network in response to anticipated traffic levels. "We're never done in any of this," Sanborn says. CSX will continue to look at demand as it changes and take steps to cut costs as required, she says.

With volume down — CSX's gross ton-miles are off 10 percent vs. a year ago — the railroad has reduced the size of its locomotive fleet accordingly. CSX has 400 fewer active locomotives currently, a 10-percent reduction compared to the first quarter of 2015, Sanborn says. Some 275 units are stored and 96 leased locomotives will be returned

in the second and third quarters, she said. That reduction will be offset by the delivery of 100 new locomotives this year

BNSF Cancels Intermodal Project

BNSF Railway Co. may cancel plans to build a new intermodal rail facility near the ports of Los Angeles and Long Beach following a California judge's recent ruling that found fault with the proposed project's environmental review process.

After reviewing California Superior Court Judge Barry Good's ruling, BNSF officials are "troubled by what the decision represents and uncertain whether moving forward with the project is feasible at this time," said BNSF Executive Vice President and Chief Marketing Officer Steve Bobb in a press release.

"We will confer with Port of Los Angeles officials, but it is not clear whether or how the project could be built under the framework set by the decision," Bobb said.

The Class I has spent more than 10 years working to advance the \$500 million "Southern California International Gateway" project, which BNSF and port officials have said would greatly improve the region's air quality, create jobs and reduce truck traffic on local roadways.



The judge's ruling was in response to lawsuits filed against the project over concerns that it would have a harmful impact on the environment.

"With this decision, California sends a clear signal to companies interested in investing in the state that their business isn't welcome, regardless of how green it will be or how it will support the regional and state economy," said Bobb. "It sets a chilling precedent for not only the rail industry, but the entire goods movement sector, which employs more than a million Californians.

Progressive Railroading 4-11-16



Indiana Rail Road—CN Award

The American Short Line and Regional Railroad Association (ASLRRA) has honored the Indiana Rail Road Company (INRD) with its 2016 Railroad Marketing Award for INRD's successful Indiana intermodal service, which INRD operates in partnership with CN.



In 2013, INRD and CN established an all-rail option for trans-Pacific import and export freight moving to Indiana via the Canadian West Coast ports of Prince Rupert, B.C., and Vancouver. Cargo moves by rail in 20- and 40-foot ocean containers in doublestack configuration.

INRD and CN jointly built what they describe as “a modern and user-friendly intermodal hub at INRD’s Senate Avenue Terminal, less than a mile south of Lucas Oil Stadium in downtown Indianapolis. The service features a reliable, industry-best 22-day average transit time for cargo moving from key Asian ports such as Shanghai and Busan, South Korea, to Indianapolis; a fast and efficient routing around Chicago; and personalized service at INRD’s Indianapolis terminal.”

“Speed, consistency and aggressive market outreach in the Indiana business community has resulted in a 30% year-over-year volume growth since INRD operated its first intermodal train on July 23, 2013,” the railroad said. “The service has led to job growth in central Indiana, and for the general public, it means thousands of truck trips—which previously used Interstate 65 from Chicago-area intermodal ramps have been diverted to rail, reducing highway congestion and emissions.”



Additional growth is on the horizon, as CN will offer intermodal service from the Port of Mobile, Ala., beginning in mid-2016, and major capacity expansion projects at Prince Rupert and Vancouver will be completed in mid-2017.

INRD President and CEO Peter Mills accepted the award April 6 on behalf of the Indianapolis-based railroad, during the ASLRRA's annual convention at the Gaylord National Resort in National Harbor, Md. “At a time when the soft economy and loss of coal and other bulk commodity traffic has really challenged all railroads, our intermodal

service with CN has been a true bright spot and holds great potential for growth,” said Mills. “We appreciate the trust the Indiana business community put in us and CN as we took this from an idea, to a start-up, to a product with real momentum.”

CN Executive Vice President and Chief Marketing Officer JJ Ruest said: “We congratulate Peter Mills and the INRD team for this well-deserved rail industry recognition. CN believes its supply chain collaboration with INRD is helping to make our mutual Indiana import and export customers more competitive in their end markets.”

FRA Lists 15 Most Dangerous Crossings

As the next step in its ongoing efforts to increase safety at railroad crossings, the Federal Railroad Administration (FRA) has released a list of railroad crossings in the United States where multiple incidents have occurred in recent years. The list includes 15 crossings where 10 or more incidents have occurred during the last decade.

The list follows FRA Administrator Sarah Feinberg's recent letter to state department of transportation secretaries, which urged increased cooperation to improve safety at crossings and provided a detailed round up of federal financial resources and FRA expertise available to states.

“Knowing where repeat injuries and fatalities occur helps states focus their time and resources on areas where they can have an impact,” said U.S. Transportation Secretary Anthony Foxx. “Preventing incidents and fatalities at railroad crossings is one of the department's top priorities and I urge states to work with FRA to achieve this life-saving goal.”

FRA tracks safety data at the nation's more than 200,000 railroad crossings. FRA data show there are 15 crossings across the United States where at least 10 incidents occurred over the past decade. While fatalities have not occurred at all 15 crossings, the potential for injuries and loss of life could be significant due to repeated incidents. The list of crossings can be found [here](#).

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Many of the 15 crossings are at busy, multiple lane intersections in neighborhoods with significant truck traffic or have tracks crossings roadways on a diagonal. Many crossings close to a traffic intersection also have their warning systems interconnected to traffic lights. If sequenced and working correctly, these interconnected systems can help prevent vehicles from stopping over railroad tracks where there is limited roadway between the tracks and the nearby intersection. In February, FRA reissued a safety advisory and sent a letter that called on states to partner with railroads to verify that these interconnected systems



account for current highway traffic patterns. Fifty percent of the crossings FRA released today have interconnected systems.

"I urge our state partners to join FRA in taking additional actions to improve crossing safety. I know that, together, we can do more to save lives," Administrator Sarah Feinberg wrote to states in a letter. "FRA is ready and willing to help our partners in any way we can."

Last year, FRA launched a new, comprehensive campaign to reverse the uptick in fatalities at railroad crossings. The campaign includes partnering with tech companies to use FRA data that pinpoints the country's approximately 200,000 railroad crossings and add crossing alerts to map applications. FRA has also worked with local law enforcement to increase enforcement around railroad crossings. In 2015, 244 individuals died at railroad crossings, down from 264 in 2014.

In March, FRA launched a redesigned website to serve as a one-stop shop to help drivers, pedestrians and law enforcement stay safe around railroad crossings. The launch follows the agency's award of nearly \$10 million in grants for nine projects in eight states to upgrade and increase the safety of railroad crossings along energy routes.

Via Railway Age 5-2-16

Editor: Five of the crossings are in Arizona with only one crossing near us, that being on the north side of Muncie, Indiana and there is one in Cleveland, Ohio. The rest are distant from our area.

NS Safety Train

In keeping with a strong tradition of safety, Norfolk Southern today rolled out a new educational train and website to help first responders across its network respond to potential rail-related incidents.

The train and website are part of Norfolk Southern's Operation Awareness & Response (OAR) program. OAR was launched in 2015 to cultivate and strengthen relationships with local first responders by providing classroom, web-based, and field training on hazardous materials transportation, as well as information about rail operations.



The NS hazmat safety train is comprised of:

A 2,000-horsepower, 273-ton locomotive painted in honor of emergency responders with insignia recognizing police, fire, and emergency services

Two boxcars converted into classrooms, each capable of holding 30 people

Four styles of tank cars, including DOT-105, DOT-111, DOT-112, and DOT-117, to illustrate a variety of car valves and fittings

Two 89-foot flatcars designed to transport intermodal containers

"The NS hazmat safety train is like a rolling classroom, delivering hands-on training directly to emergency responders in communities along our rail lines," said John Irwin, Norfolk Southern assistant vice president safety and environmental. "We are committed to moving these materials as safely and efficiently as possible, and building partnerships with emergency first responders

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across our network is a vital part of operating a safe rail network.”

Norfolk Southern also launched its new JoinNSOAR.com website today to provide the public with information about transporting hazardous materials and the economic benefits of moving hazardous materials by rail.

Following today’s kickoff, the NS hazmat safety train will travel to 14 states across the railroad’s network. Upcoming training sessions, which are by invitation, will include Harrisburg, Pa.; Baltimore; Chicago; Alexandria, Va.; and Columbia, S.C. The train’s schedule and contact information can be found at JoinNSOAR.com.



Attending today’s kick-off were U.S. Rep. Bill Shuster; Richard Flinn Jr., director of Pennsylvania Emergency Management Agency; John

O’Neill, founder, president and CEO of the Firefighters Education and Training Foundation; Roger Wynkoop, vice president of Trinity Rail Group; and Frank Reiner, president of the Chlorine Institute and a member of TRANSCAER’s governing task group.

During the ceremony, Norfolk Southern announced that it won its 16th National TRANSCAER Achievement Award. The TRANSCAER award recognizes exceptional achievement in support of voluntary efforts by companies to help communities prepare for and safely respond to incidents involving transport of hazardous materials.

Last year, Norfolk Southern provided training for 4,792 emergency responders, government officials, members of the media, and others in 18 states. The training included classroom seminars, hands-on sessions with rolling stock, table-top simulations, full-scale drills, and exercises at training centers operated by NS and the Association of American Railroads. Norfolk Southern also was instrumental in developing the AskRail™ mobile app, which provides real time rail information to first responders.

— A Norfolk Southern news release. April 22, 2016.

No June meeting and last issue of the DANVILLE FLYER until September when we return to having meetings.

CSX to the Kentucky Derby

One of the world’s most lavish annual sports traditions will bring VIP guests, policymakers, and leaders from all across the world into Louisville, Ky., for the 142nd annual Kentucky Derby on Saturday, May 7 — and many of them by rail.

For CSX, the company’s participation in the annual horse racing tradition will come trotting into downtown Louisville in the form of its office car train. CSX will be escorting a trainload of customers and employees using its executive EMD F40PH fleet and luxurious passenger car train set.

Jay Westbrook, CSX assistant vice president of passenger operations says the Class I railroad’s involvement in the tradition is an opportunity to serve customers and collaborate with Kentucky state officials on new ways to spur economic development.

“It is a special train that is operated to thank customers. We also recognize the train can provide mutual benefits for the government and CSX,” Westbrook says. Each year, the railroad invites the Governor of Kentucky and his staff to ride along for the experience. For this year’s tradition, Kentucky Gov. Matt Bevin will be unable to participate, but other representatives from customers served by the railroad will be on board.

In previous years, Westbrook says that as many as 15 passenger cars would be part of Kentucky Derby consist with power provided by two of the railroad’s four executive locomotives. When necessary, the railroad will lease additional cars from other organizations. Each year, the train is deadheaded from Jacksonville, Fla., to Frankfort, Ky., in the days leading up to the derby. Once it arrives in the state’s capital city, it is prepped and furnished with supplies for Saturday’s trip to Churchill Downs. The office car train then follows CSX-owned tracks to Louisville early Saturday in advance of the race. CSX also partners with R. J. Corman Railroad Group to operate along track they lease from Frankfort, Ky., to Anchorage, Ky.

Westbrook says the tradition been a part of the railroad’s history for many decades – a tradition inherited by the Louisville & Nashville Railroad and other predecessor railroads that are now part of the CSX system.



How tomorrow moves

TRAINS On-Line 4-29

Danville Junction Chapter, NRHS
PO Box 1013
Danville, IL 61834-1013

Phone: 217-552-6514
Email: rickschro1@gmail.com

We're on the Web!
www.danvillejct.org

Photo of the Month



Norfolk Southern 1074, the Lackawanna SD70 Ace with Dash 9-44CW #8932 head up the westbound RoadRailer #255 at Philo, Illinois on April 12, 2016. Photo by Rick Schroeder