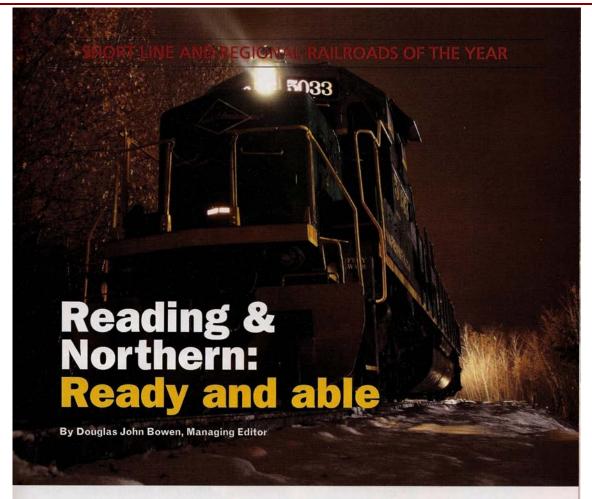
VOLUME 42 NUMBER 8

CHAPTER WEBSITE: WWW.NRHS1.ORG

AUGUST 2011



U.S. energy options in the coming decades will need to be plentiful and diverse.

Count on the Reading & Northern Railroad to contribute to any solution.

nergy drives the Reading & Northern Railroad Co.—from without and from within. Sporting the moniker "The Road of Anthracite," the R&N aggressively serves U.S. energy demand through its movement of coal and its contributions to the rapidly growing hydraulic fracturing ("fracking") natural gas market in Pennsylvania, with both markets likely to grow in the years ahead.

But it's not just the energy moved by 572 open hoppers, 40 Western coal cars, 250 covered hoppers, or 11 gondolas across 320 route-miles that make R&N move, according to President Wayne Michel. To accomplish its goals, it partners with other regional railroads, short lines, and Class I's.

It's also the human energy of the railroad's roughly 150 full-time employees, and a company commitment to job security that withstood even the Great Recession in 2009. "We don't like to let good people go," Michel asserts. "Morale is huge for us."

The continuous excellence pursued by Pennsylvania's largest privately owned regional railroad, in operation since 1983, has garnered it *Railway Age's* 2011 Regional Railroad of the Year award.

It's not the first time the Reading & Northern has been recognized for drive. The regional railroad was a winner of the 2010 American Short Line and Regional Association Mar-

READING & NORTHERN RAILROAD/JOHN VAI

SHORT LINE AND REGIONAL RAILROADS OF THE YEAR

R&N's upfront pledge to its customer base



Anything but ambiguous, Reading & Northern's website home page, www.readingnorthern.com/index. shtml, greets visitors with the following statement:

"Our philosophy is really pretty simple. We aim to give our customers the best possible service we can and that means doing what we say we'll do, and we want to do it in a way that doesn't get anyone hurt. In the process, we want to control costs (control, not necessarily cut) because we hope to make a buck at this, and we hope to have a little fun. That's our philosophy, and it is all done through people."

For 26 years, the philosophy has worked for the railroad, for its employees, and for its customers.

keting Awards Competition—"a great honor," according to CEO Andrew M. Muller, Jr. *Railway Age* previously honored the Reading & Northern as its 2002 Regional Railroad of the Year, and the award is featured among other citations on the wall of the railroad's headquarters (and station building) in Port Clinton, Pa.

But don't expect the railroad to rest on the laurels captured during its first 26 years. "On to the next one," quipped one company executive, not unkindly, concerning the railroad's lat-

Reading & Northern
Railroad

System Map

Rash Marn Line

Rash Rankel Lines

Connecting Railroads

SCALE - 6 MILES (approx.)

Interchange Connections:
NS - Reading, Problecot, Temple,
Lichighton
CP - Taylor
SYRR - Locut Summit
DLRWY - Meboogany, Towards

LRWY - Meboogany, Towards

COLUMBIA

Colum

est honor, indicating awards were a marker of the company's energy and drive—but not the goal.

Coal still contributes mightily

Indeed, "energy" is and may be a big component of the rail-road's future, much as it has been in the past. "The Road of Anthracite" isn't just a nod to what was, but reflects a growing business segment, as Asian demand for anthracite begins to strain Asian resources. Reading & Northern, tapping that market demand, has seen anthracite grow from 15% of its business to 23% in 2010. But problems arose in 2008 when such exports, traditionally routed through the Port of Baltimore, were turned away due to port capacity constraints. Nearby ports in Fairless Hills, Pa., and Wilmington, Del., picked up the slack—by truckload.

Reading & Northern quickly entered discussions with port operators Kinder Morgan, in Fairless Hills, and Port Contractors, in Wilmington, and though export coal demand withered in 2009, discussions resumed last year to seek a rail alternative.

The two port operators chose Rail Barge Truck Services (RBT) of Elizabethtown, Ky., in developing a plan to employ large portable undercar conveyors that could move along a string of railcars to handle coal loads. R&N committed to purchasing one unit for Fairless Hills and one for Wilmington.

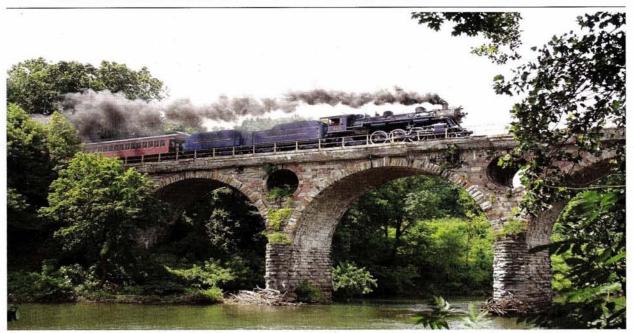
R&N's first unit train of coal was received by the Port of Fairless Hills last December, while Wilmington operations commenced last month. "We now have two new export anthracite facilities, and we made the initial investments," stresses Michel, who anticipates the investment taking the equivalent of 4,000 trucks off the roads in 2011.

Natural gas prospects blossom

Michel is proud of the railroad's willingness to invest strategically, backed by CEO Muller, even before the need might arise. R&N acquired 150 covered hopper cars for coal "when we didn't yet have the business."

About 80 of those cars now are involved in servicing the growing production of natural gas in the region, lying in Marcellus shale underground. Determined once more to be the economical alternative to truck traffic, R&N quickly positioned itself as a supplier of fracking sand and other commodities required for natural gas extraction. It reopened, rehabilitated, and expanded facilities on part of its 80-acre Pittston Yard facility (outside Scranton), and in concert with D&I Silica, put

SHORT LINE AND REGIONAL RAILROADS OF THE YEAR



The Reading & Northern operates in the hilly and scenic terrain of the Poconos Plateau in eastern Pennsylvania. Though growing energy development options are most notable, the regional railroad has a diversified revenue base, including a profitable passenger excursion business, and makes it expressly clear it has no objections to hosting any future passenger operations on its property.

together a transload operation in a few weeks. "We like to make things happen," Michel says, describing D&I Silica as the "perfect partner" due to its ability to act as a "neutral" party willing to buy and sell sand to all comers.

On Dec. 7, 2009, R&N held a ceremonial opening of its terminal to serve the natural gas business. "There were trucks already lined up for loading," which commenced at 3:00 a.m. the next day, Michel says.

R&N helped convey 1,400 carloads of sand in its first year of operation, and offers 800 car spots, six times the number of any of the railroad's competitors. It also offers twice-a-day switching service as a regularly scheduled option, with the capability of even more frequency given customer notice. Michel says nearly 50 acres remain for redevelopment at Pittston Yard, giving the railroad ample room to grow the business still more.

Other customers, other carriers

Energy sectors aside, Reading & Northern prides itself on a fairly diverse customer base, pointing to customers such as International Paper Co., AEP Industries, Inc., which receives large shipments of plastic pellets to produce packaging films, and consumer products giant Proctor & Gamble (which, as it happens, also has a natural gas well in operation on its Pennsylvania property. Pottsville, Pa.-based Yuengling Beer Co., "America's Oldest Brewery," has expansion plans in the works that will generate more business for the R&N.

R&N, serving eastern Pennsylvania, interchanges traffic with five other regional or short lines, as well as Norfolk Southern and Canadian Pacific. NS and CP each run one through train per day across R&N's trunk line. More than 22,000 carloads were handled directly by the Reading & Northern in 2010—

most of that interchanged with Norfolk Southern—in addition to more than 60,000 carloads of trackage rights business.

The railroad is ready for more. Right-of-way maintenance is taken seriously; Michel says the railroad has committed \$7 million, a mix of its own funds and contributions from the state of Pennsylvania, to upgrade and improve conditions on its system. System capacity is more than adequate. Though R&N has double-tracked portions of its trunk line, stretching from Reading northeast to Scranton, it is eyeing to add more double-track this year by putting additional portions of its railroad back into service. "It's on our radar," Michel says.

Passenger excursions promote the railroad locally, and also generate about \$1 million in annual revenue, Michel says. This year Reading & Northern plans to offer passenger trips for employees of its freight customers as requested—a public relations plus in showing customers just where the railroad reaches and what it can do.

CEO Andrew Muller notes any future use of the Reading & Northern by intercity, regional, or commuter passenger operators would be considered as another potential customer, presuming R&N's interests can be kept whole. "We welcome the opportunity to participate and contribute," says Muller—a contrast from some properties that see passenger operators not as a potential customer but as a problem.

Michel says at least five new development projects are occuring in the regional railroad's territory, and R&N hopes and expects to serve them with its "mix of Class I efficiency and local flexibility matched to meet short line customer needs." Those potential customers might check Reading & Northern's existing clientele; if they do, they'll discover that they'll be hard-pressed to find a better transportation option.



THE POWER DIRECTOR

OPERATION LIFESAVER
Look, Listen & Live

"NEWS FROM THE RAILROAD WIRES"



Congressional Research Service: Amtrak Privatization Plan is Unconstitutional

WASHINGTON — The nonpartisan Congressional Research Service said in Mid-July it believes a plan by house Republicans to privatize Amtrak is unconstitutional, The Hill has reported. The group says privatizing the service would violate the constitution's Takings Clause.

Rep. John Mica, R-Fla., has proposed a bill that would transfer Amtrak's assets to the Secretary of Transportation for sale to private companies. The bill faces little chance of

passage due to vehement opposition from Congressional Democrats.

The report finds "little doubt" that the bill meets the three prerequisites for protection under the takings clause. Though the recommendation doesn't stop Mica from pushing the bill, it's a strong hint that courts might invalidate it.

Rep. Nick Rahall, D-W.Va., an Amtrak supporter and foe of Mica's bill, quickly latched onto the report to blast the bill. "The ideals enshrined in the Constitution by our founding fathers have guided our nation for centuries, and Republicans should not railroad these principles in their flawed rush to privatize Amtrak," he said. "This ideological assault on Amtrak is nothing more than a transcontinental tragedy that will result in a constitutional catastrophe." [TRAINS News Wire]

<u>DOT Announces \$562.9 Million Amtrak Loan to Fund a New Generation</u> of Electric Locomotives

WASHINGTON - On June 29, U.S. Department of Transportation Secretary Ray LaHood announced a \$562.9 million loan to Amtrak under the Federal Railroad Administration's Railroad Rehabilitation and Improvement Financing (RRIF) program that will create hundreds of manufacturing jobs across several states. This is the largest loan issued through the RRIF program to date, and the dollars will finance the purchase of 70 high-performance, electric locomotives from Siemens Industry USA. These locomotives are more energy-efficient and will enable Amtrak to improve frequency, performance and reliability for regional and intercity routes along the Northeast and Keystone Corridors.

Siemens Industry USA is adding 250 new manufacturing jobs in order to design and build 70 new energy-efficient locomotives for Amtrak. Three of Siemens' U.S. manufacturing plants will deliver the equipment order, with traction motors and gear units being produced in Norwood, OH, traction converters and braking choppers being built in Alpharetta, GA, and final assembly of the locomotives in Sacramento, CA. The RRIF loan will also upgrade maintenance facilities and allow for the purchase of spare parts needed to support the new locomotives.

Suppliers from communities around the country will soon be tapped by Siemens Industry USA to provide components for the order, further boosting U.S. manufacturing. For example, PHW, Inc. a company based in East Pittsburgh, PA, has already been contracted to manufacture safety-related parts for the locomotives.

"The RRIF program is a model of how we can leverage federal dollars to spur private investment and build up the economy," said Federal Railroad Administrator Joseph C. Szabo. "It provides steady, affordable financing for major rail construction and expansion projects, and best of all, it comes at zero cost to the taxpayer."

As part of a comprehensive plan to modernize and expand its fleet of equipment, the 70 Amtrak Cities Sprinter ACS-64 locomotives – still in the

final design phase – will replace existing units that have been in service for 20-30 years with an average of 3.5 million miles traveled. The electric locomotives will begin operating along regional and intercity routes in 2013 on the Northeast and Keystone Corridors, which together serve more than one million Amtrak passengers every month.

The Federal Railroad Administration's RRIF program provides direct loans and loan guarantees through \$35 billion available for railroads to acquire, improve, or rehabilitate rail and intermodal equipment, infrastructure or facilities. RRIF offers a responsible approach to supplementing capital investment for all types of railroads. For more information about the RRIF program, visit www.fra.dot.gov. [U. S. Department of Transportation]

Jury Rules Against Amtrak in Ski Train Dispute



The Ski Train rests at Denver on Feb. 13, 2009. Iowa Pacific's plans to resurrect the train that fall fell apart amid a dispute with Amtrak, and a federal jury has ordered Amtrak to pay Iowa Pacific \$1.1 million. Photo by Bruce D. Barrett

DENVER — A federal jury has

ordered Amtrak to pay lowa Pacific Holdings \$1.1 million for backing out of a deal to restore the Denver Ski Train to operation. Iowa Pacific had hoped to restore the wintertime Denver-Winter Park, Colo., service in time for the 2009-'10 season after former operator Phil Anschutz shut the operation down.

lowa Pacific said it had reached an oral contract with Amtrak, whereby Amtrak crews would operate lowa Pacific's train over Union Pacific trackage rights. After lowa Pacific began taking reservations, Amtrak allegedly changed the terms of the deal, raising the liability coverage requirement from \$2 million to \$200 million in November 2009. lowa Pacific President Ed Ellis said the cost of the additional coverage made operations infeasible.

Amtrak maintained that because it never signed an agreement, it still had the right to change the terms. Ellis said charter operators almost never have an inked deal prior to operating a train. When the company canceled the planned operations season, it refunded 13,000 reservations.

The jury found that an oral contract existed, and that Amtrak breached it. Amtrak issued a statement today, saying, "Amtrak appreciates the time of the jury and the court. We will review the decision and then decide our next course of action." [TRAINS News Wire]

Amtrak Expands Rail Security Efforts with Increased Right Of Way Protection

WASHINGTON – Amtrak is expanding its comprehensive rail security efforts to provide increased Right-of-Way (ROW) protection to detect and deter terrorists seeking to derail passenger trains, testified Amtrak Chief of Police John O'Connor before the U.S. Senate Committee on Commerce, Science and Transportation.

Chief O'Connor said threats against rail transportation are very real and "the recent events after the death of bin Laden serve as a stark reminder that these threats continue to be viable." He stressed the interest of terrorists in derailing trains is of particular concern to Amtrak which "operates high-speed rail trains where catastrophic losses could occur."

The security countermeasures will provide additional ROW protections for passenger trains, particularly those operating on the Amtrak-owned Northeast Corridor. They will join existing Amtrak security efforts focusing on threats related to the use of improvised explosive devices (IEDs) in a station or on a train, or an active shooter scenario.

Historically, Amtrak has used a range of security strategies such as high security fencing, bollards, blast curtains, access control and technologically driven initiatives to protect stations, bridges and tunnels. Amtrak is exploring the expanded use of these strategies for ROW protection.

Since the U.S. raid on the bin Laden compound, Amtrak has bolstered current security actions, expanded ROW patrols in collaboration with other federal, state and local partners, and met with officials from the Transportation Security Administration (TSA) to evaluate next steps based on the intelligence gathered. Amtrak also is reinforcing employee awareness programs, particularly with personnel from its Engineering and Mechanical departments, to encourage vigilance and the reporting of unusual occurrences on the ROW. In addition, O'Connor noted that Amtrak is working with TSA to integrate sensor technology with cameras to monitor for intrusions along the ROW. Other technologies being developed by Amtrak will improve upon existing security strategy and operations, enhance interagency information sharing, and local agency response to Amtrak incidents. [Edited from Amtrak]

Amtrak To Exceed 30 Million Passengers For First Time Ever

WASHINGTON –Amtrak is projecting that for the first time ever its annual ridership will exceed 30 million passengers and in the process set a new all-time record when the current fiscal year ends Sept. 30.

"We are having a very strong year because people around the country are choosing the convenience, efficiency and hassle-free environment of Amtrak to meet their travel needs," said President and CEO Joe Boardman. "Amtrak has wisely invested the federal funding we have received to improve infrastructure and equipment. Continued investment in Amtrak and passenger rail will support the further growth of this increasingly vital transportation option."

Amtrak is basing its projection of more than 30 million passengers on strong June ridership numbers and expected ticket sales for July, August and September. June 2011 was the best June on record with more than 2.6 million passengers for the month and marked 20 consecutive months of year-over-year ridership growth, a streak that began in November 2009.

This strong performance is part of a long-term trend that has seen Amtrak set annual ridership records in seven of the last eight fiscal years, including more than 28.7 million passengers in FY 2010.

Comparing the first nine months of FY 2011 (October – June) to the same time period in FY 2010, national Amtrak ridership is up 6.4 percent so far this fiscal year and all three major business lines are showing gains: the Northeast Corridor up 5.6 percent, state-supported and other short distance corridors up 7.8 percent, and long-distance trains up 3.9 percent.

Factors contributing to the continuing success of Amtrak include high gasoline prices, continued growth in business travel on the high-speed Acela Express trains with free Wi-Fi service, the increased appeal and popularity of rail travel, and effective marketing campaigns. [Amtrak]



Northland Railways Merger Will Put New Face on Old Industry

Three Northland railroads under the Canadian National corporate umbrella are merging into a single U.S. subsidiary.

The merger means two railroads that helped connect the Twin Ports to the Iron Range and Canada for more than a century — the Duluth, Missabe and Iron Range Railway and the Duluth, Winnipeg and Pacific Railway — will officially be absorbed by the Wisconsin Central Railway. Though CN has been operating the railroads for years, their merger into a single U.S.

corporation was approved by the U.S. Surface Transportation Board in May.



"The DM&IR and DWP will cease to exist as separate corporations, and all operations would be as the Wisconsin Central," said Patrick Waldron, a CN spokesman in Chicago. The merger won't affect what the public sees — most trains already are painted with CN on the side. It also won't affect

local operations, Waldron said.

"Most people won't notice a thing. For employees, it's going to mean the company on their paycheck is Wisconsin Central," he said.

CN officials now are negotiating with union leaders representing workers at all three railways in hopes of moving all employees under a single contract. Waldron said CN hopes to have the deal done by the end of the year.

The move will streamline corporate issues but also allow more free movement of trains between the three railroads. Under U.S. railroad laws, the three railroads currently are considered separate entities, and CN must change crews as cargo moves through the region.

CN currently has 1,400 employees under their Wisconsin Central subsidiary, 110 in the DWP and 361 in the DM&IR. CN operates major rail yards in Proctor and Oliver, outside Superior, as well as the ore docks in Duluth and Two Harbors. CN also owns the Great Lakes Fleet of freighters.



The Duluth, Winnipeg and Pacific runs from Rainy River, Ontario, to Oliver, Wis., and has been running CN trains for years, moving huge amounts of cargo imported into Canada from Asia and destined for the

U.S. Heartland through Chicago. That market is beginning to recover from the global recession, Waldron said.



The Duluth, Missabe and Iron Range Railway has for decades moved Iron Range taconite iron ore to Duluth and Two Harbors for shipment to the lower Great Lakes. Taconite shipments on the railroad are near all-time high levels.

The Wisconsin Central line runs from Superior to the Chicago area with several spur lines. Waldron said Wisconsin Central is the largest of the three lines. [John Myers, Duluth News Tribune]



CSX Transportation Breaks Ground on \$100 Million Massachusetts Rail - Yard Expansion

On June 6, CSX Transportation officials joined Massachusetts Gov. Deval Patrick and Lt. Gov. Timothy Murray to mark the start of construction on a \$100

million expansion of CSXT's rail facility in Worcester. CSX is moving its freight operations out of the Beacon Park yards in Boston to existing rail yards in Central and Western Massachusetts, and plans to make Worcester its freight hub for New England. When completed, the freight yard will encompass 79 acres. The expansion will also permit increased passenger rail traffic between Worcester and Boston.

The groundbreaking marks "an important milestone" in CSXT's rail transportation agreement with Massachusetts, which was designed to expand the Massachusetts Bay Transportation Authority (MBTA) commuter-rail service and improve the state's transportation infrastructure, MBTA officials said in a prepared statement.

The project will lead to the development of a "green" terminal that will provide more shipping options for New England businesses, as well as create more options for riders and increased trains along the Worcester/Framingham line to Boston's South Station, officials said.

Finalized in 2009, the CSXT-Massachusetts agreement allowed the state to buy the Boston-to-Worcester rail line property rights from CSXT to accommodate increased freight and passenger service, while also taking control of dispatching and maintenance on the line. The MBTA already has been able to add five Framingham-Boston commuter trains to

Worcester on CSXT's Boston line.

The agreement also allowed the state to buy the New Bedford-Fall River Line from CSXT, as well as the Boston Terminal track and West First Street Yard in South Boston. CSXT acquired the acreage required for the rail yard expansion through direct negotiation with landowners.

[Progressive Railroading and Railway Age Rail Group News]

CSX Increases 2011 Capital Investment to \$2.2 Billion; Declares Quarterly Dividend

JACKSONVILLE, Fla., July 13, 2011 -- The CSX Corporation (NYSE: CSX) Board of Directors today authorized an increase in 2011 capital investment for certain asset purchases - primarily railcars to meet the growing near-and long-term demand for export coal. As a result, the company now expects to make 2011 capital investments of \$2.2 billion, up from the previously announced \$2 billion.

The increase is consistent with CSX's previously announced intention to reinvest an average of 18 percent of its revenues back into its business through 2015. It also supports the company's near- and long-term financial guidance.

Also today, the Board of Directors approved a \$0.12 per share quarterly dividend on the company's common stock. The dividend is payable on September 15, 2011, to shareholders of record at the close of business on August 31, 2011. [CSX Corp.]



The Economy and Environment Get a Boost as Construction Begins on Birmingham Regional Intermodal Facility

MCCALLA, ALA. –Norfolk Southern's CEO Wick Moorman and Alabama Gov. Robert Bentley joined state and local officials and business leaders June 7 to officially break ground on the new Birmingham Regional Intermodal Facility here. The \$97.5 million facility is part of the railroad's multi-state Crescent Corridor initiative to establish an efficient, high-capacity intermodal freight rail route between the Gulf Coast and the Northeast. It occupies a 316-acre site adjacent to the Jefferson Metropolitan Park in McCalla and is expected to open in late 2012.

"The Birmingham Regional Intermodal Facility is ideally located to serve the Southeast and is a critical component of our Crescent Corridor," said Moorman. "We thank Secretary LaHood and USDOT for their efforts to form public-private partnerships to create jobs and economic development opportunities. We commend Gov. Bentley and his administration for their awareness of the economic and environment benefits this facility brings to Alabama. Finally, we recognize the Alabama Department of Transportation, the Alabama Development Office, the Jefferson County Commissioners, the Jefferson County Economic and Industrial Development Authority, the Birmingham MPO, and the Birmingham Business Alliance for their active participation in the planning of this project."

The Birmingham Regional Intermodal Facility is expected to create or enhance 8,600 jobs in central Alabama over the next 10 years, and its capacity will grow to handle 165,000 containers and trailers annually. The terminal will utilize the latest in gate and terminal automation technology, which shortens the waiting time for trucks entering the terminal, improving truck driver productivity and air quality. Additionally, state-of-the-art low emission cranes and hostler tractors will operate within the terminal.

In 2010, the Birmingham Regional Intermodal Facility was selected to participate in the Sustainable Sites Initiative (SITES™) Pilot Program. This national initiative, a partnership of the American Society of Landscape Architects, the Lady Bird Johnson Wildflower Center and the U.S. Botanical Garden, in conjunction with stakeholder organizations including the U.S. Green Building Council (USGBC), seeks to establish and encourage sustainable practices throughout each phase of a landscape's design, construction, operation, and maintenance periods. NS also will

construct the main administrative building to LEED (Leadership in Energy and Environmental Design) Certification standards.

The Crescent Corridor is a program of independent projects and improvements geared toward creating a high capacity 2,500 mile intermodal route spanning from New Jersey to Louisiana that touches 26 percent of the nation's population and 30 percent of the nation's manufacturing output. It provides the shortest intermodal double stack route between the South and the Northeast. When fully operational it will handle more rail freight traffic faster and more reliably, creating or benefiting more than 70,000 green jobs by 2030 and producing these estimated annual public benefits:

- ♦ 1.3 million long-haul trucks diverted from interstates
- ♦ \$146 million in accident avoidance savings
- ♦ 1.9 million tons in CO2 reduction
- ♦ \$575 million in congestion savings
- \$92 million in highway maintenance savings
- ♦ 169 million gallons in fuel savings

The Crescent Corridor program of projects is estimated to cost \$2.5 billion for full development. In addition to the McCalla facility, Crescent Corridor projects currently planned for development include new independent intermodal facilities at Charlotte, N.C., Greencastle, Pa., and Memphis, Tenn.; the expansion of the Harrisburg, Pa. intermodal terminal; and the addition of freight rail capacity in Virginia and Mississippi. In addition to facility investments, the program includes significant investments in rail route improvements consisting of additional passing tracks, double track projects, improved signaling systems and other track speed enhancements. [Norfolk Southern Corp.]



NJ Transit Announces New Security Initiative

NEWARK, NJ — As part of the agency's commitment to maintaining a heightened sense of vigilance across the transit system, NJ TRANSIT Police Chief Christopher Trucillo June 8 announced a new and convenient way for customers to report suspicious activity or unattended

packages: text messaging. Through this initiative, called "Text Tips" or "Text Against Terror," customers will be able to report suspicious activity, packages or vehicles around NJ TRANSIT facilities or onboard the system by sending a text message to NJTPD (65873). Messages will go directly to the NJ TRANSIT Police Department.

Text Tips will complement NJ TRANSIT's existing security hotline — 1-888-TIPS-NJT — which was established in 2003 to enable customers to call in reports of suspicious activity or unattended packages across the system. All calls are investigated, and all information is confidential. (To report a crime in progress or request immediate police or emergency assistance, customers should call 911 or the NJ TRANSIT Police Communications Center at 1-800-242-0236 or 973-378-6565.)

When reporting a tip, customers are encouraged to provide as much information as possible, such as the location of the suspicious activity or package, the nature of the activity, and a description of the person(s) involved. After the text is received by NJ TRANSIT Police, customers may receive a follow-up text message to gather additional information.

To make it even easier for customers to report suspicious activity while en route, NJ TRANSIT has also launched a special security page on the mobile version of njtransit.com, accessible from web-enabled mobile devices. [NJ Transit]





A Blast From the Past With a Nod to the Future

Passengers on SEPTA's Media/Elwyn line might

think they have taken a trip back in time when they arrive at Morton Station, where a recently completed improvements project has restored the station to its 19th century glory.



View of station from Yale Avenue after improvements

Built by the Pennsylvania Railroad in 1880, the High Victorian Gothic-style facility, with its passenger and freight stations and outbound shelter, is the last completely intact station in Delaware County. It is also one of the last remaining 19th century suburban complexes in the Delaware Valley.

SEPTA General Manager - and

Morton Station commuter - Joseph Casey was joined by elected officials and community members to celebrate the station at a ribbon cutting on June 9.

"Morton Station has been a landmark and hub of borough activity for more than 120 years," said Casey. "The renovations pay homage to the station's rich history."

The station has played a key role in the borough's development from farming community and vacation destination to commuter suburb. The borough has long been identified with Morton Station. The station's image is used on the borough's calendar cover and the insignia of the local police department.

In addition to landscaping, renovations outside of the station included replacing the track-side porch, stairs and ramp with a slip resistant concrete porch, stairs and ramp; removing the wood structure on the porch of the Yale Avenue side; and restoring the original masonry and millwork. Railings like the originals were also installed.

The year-long improvements project was part of a three-station capital construction contract funded by the American Recovery and Reinvestment Act and included improvements at Clifton/Aldan Station on SEPTA's Media/Elwyn Line and Folcroft Station on the Authority's Wilmington/Newark Line. [SEPTA]

THIS MONTH ON THE PENNSY

PRR, PRSL & LIRR EVENTS IN AUGUST

Aug. 1900 - Cardington Branch of Philadelphia & Delaware County Railroad opens between Fernwood and Millbourne Mills near Upper Darby.

Aug. 1, 1910 - Penn Station New York building substantially completed; after Board Meeting directors and officers travel from Philadelphia to Penn Station on special train; at 3:30 pm, Pres. McCrea dedicates Cassatt statue and declares station officially open; party tours station and Sunnyside Yard before returning to Philadelphia.

Aug. 1920 - Juniata Shops turns out Class K4s No. 3774; no further locomotives produced for two and a half years because of depression.

Aug. 15, 1930 - PRR signs agreement with City of Pittsburgh for new station and street improvements; Depression will delay project until after World War II.

Aug. 1940 - Last of fifth lot of 20 GG1's, No. 4908, built at Juniata.

Aug. 23, 1950 - Last run of passenger service between Lock Haven and Tyrone and between Milesburg and Bellefonte, Pa.

Aug. 1960 - PRR seeks to discontinue The South Wind.

Aug. 1, 1967 - Pullman-Standard/United Aircraft Turbotrain leaves Hammond, Ind., Pullman plant enroute to testing on Northeast Corridor.

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



BIG BLUE MEMORIES

CONRAIL EVENTS IN AUGUST

Aug., 1981 - Reading Shops closed.

Aug. 1, 1983 - Perkiomen Branch transferred to the East Penn Railway.

Aug. 29, 1983 - 800 workers recalled for work at Juniata Locomotive Shops.

Aug. 22, 1986 - NS CEO Robert Claytor withdraws offer to buy Conrail.

Aug. 3, 1987 - Valley Junction tower closes.

Aug. 22, 1998 - Surface Transportation Board approves CSX/NS takeover application.



TIMETABLE 08-11

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

Through October, 2011

History of the Philadelphia & Reading Railroad and the Civil War - Pulling for the Union exhibit at the Reading Railroad Heritage Museum, 500 South Third Street, Hamburg, Pa. Adm: \$4-5 based on age. Info: 610-562-5513 or www.readingrailroad.org.

Saturday, Aug. 6, 2011

B&O Railroad Historical Society Mini-Convention at Hyndman, Pa.. Info: www.borhs.org.

Saturday and Sunday, Aug. 6-7, 2011

Greenberg's Train and Toy Show at the Maryland State Fairgrounds, 2200 York Road, Timonium, MD 21093. In fo: www.greenbergshows.com/schedule

Friday Evening, Aug. 12 & 19, 2011

Strasburg Rail Road special wine tasting aboard the 7:00 pm train. Info: www.strasburgrailroad.com.

Saturday and Sunday, Aug. 13-14, 2011

Greenberg's Train and Toy Show at the New Jersey Expo Center, 97 Sunfield Ave, Edison, NJ 08837. Info: www.greenbergshows.com/schedule

Friday Evening, Aug. 19, 2011

Annual Bill Wagner Summer Dinner by the Philadelphia Chapter, NRHS at the Moonstruck Restaurant, 7955 Oxford Ave, in the Fox Chase section of Philadelphia - a one block walk from SEPTA's Fox Chase Regional Rail station. Cost \$46.00 per person by Monday, August 8, 2011. Reservations with remittance payable to "Philadelphia Chapter, NRHS" at Summer Dinner, Philadelphia Chapter, NRHS, PO Box 7302, Phila, Pa. 19102-7302.

Sunday through Monday, Aug. 28-Sept. 5, 2011

53nd Annual Summer Show at the Williams Grove Historical Steam Engine Association. Info: www.wghsea.org.



Saturday and Sunday, Sept. 3-4, 2011

Railfest 2011 at Steamtown National Historic Site.
Railfest 2011 celebrates the 25th Anniversary Year
of Steamtown National Historic Site, the 40th
anniversary of Amtrak, and the 125th anniversary
of Scranton's electric trolley system. Info:
www.nps.gov/stea

Saturday and Sunday, Sept. 10-11, 2011

The Great Lehigh Valley Train Meet at the Merchants Square Mall, 1901 South 12th St., Allentown, Pa.18103. Info: www.valleygoto.com/train.

Saturday through Sunday, Sept. 17-25, 2011

Day Out with Thomas on the Strasburg Rail Road. Info: www.strasburgrailroad.com.

Saturday, Sept. 24, 2011

Railroad Heritage Day by the Ma & Pa Railroad Preservation Society at Muddy Creek Forks, Pa. Info: www.maandparailroad.com.

Sunday, Sept. 25, 2011

Farewell to the Faithful Silverliners over SEPTA Regional Rail lines by the Philadelphia Chapter, NRHS. Further info on Page 9 of this Dispatcher.

Thursday through Saturday, Sept. 29 - Oct. 1, 2011

At The Crossroads 2011 Convention by the Penn Central Railroad Historical Society at the Crowne Plaza Hotel in Indianapolis, Ind. Info: www.pcrrhs.org.

Saturday and Sunday, Oct. 1-2, 2011

The Susquehannock and The Pittsburgher Special Fall Foliage Excursions in conjunction with Railfest 2011 by the Altoona Railroaders Memorial Museum. Info: www.railroadcity.com.

Friday through Sunday, Oct, 7-9, 2011

Fall Spectacular 2011 at the East Broad Top Railroad. Info: www.ebtrr.com.

Thursday through Saturday, Oct, 13-15, 2011

The Fine Scale Model Railroader Expo 2011 at the Holiday Inn, Peabody, Mass. Info: www.modelrailroadexpo.com.

Saturday, Oct. 15, 2011

Steamtown Excursion to Dansbury Station Rededication. Ex-Reading FP7 diesels power a 100-mile round-trip from Scranton to East Stroudsburg, Pa. Info: www.nps.gov/stea.

Thursday through Sunday, Oct. 27-30, 2011

N.R.H.S. Fall Conference at the DoubleTree Downtown Hotel, 700 N. King Street, Wilmington, DE. Hosted by the Wilmington Chapter.

Saturday and Sunday, Oct. 29-30, 2011

The Great Scale Model Train Show at the Maryland State Fairgrounds, 2200 York Road, Timonium, Md. Info: www.gsmts.com.

Saturday and Sunday, Nov. 5-6, 2011

Tentative dates - awaiting Amtrak and Norfolk Southern approval

Roanoke Chapter, N.R.H.S. Fall Foliage Amtrak Excursions from Roanoke, Va. to Abingdon/Bristol, Va. on Nov. 5 and Bluefield, W.Va. on Nov. 6. Info: www.RoanokeNRHS.org.

ROUTE 741 EAST, STRASBURG, PAWWW.RRMUSEUMPA.ORG

717-687-8628

Through Saturday, Dec. 31, 2011

RAIL TRAFFIC CONTROL: Managing the Crossroads of Commerce

Friday and Saturday, Aug. 12-13, 2011

Hogwarts Express Parties

Saturday, Sept. 24, 2011

Members Day

Friday, Oct. 7 thru Sunday, Oct. 9, 2011

Model Railroading Days

Sunday, Oct. 9, 2011

Garden Railways Tour



RIDING THE READING...

READING COMPANY EVENTS

IN AUGUST

Aug. 4, 1961 - Ogontz station building leased to the Chelten Hills Model Railroad Club.

Aug. 4, 1975 - American Freedom Train changes from ex-Reading T1 No. 1 to ex-SP No. 4449 at C&NW's Proviso Yard near Chicago., III.

Aug. 16, 1986 - Demolition started on ex-RDG bridge over Vine Street in Philadelphia.



"AWAY" CHAPTER MEETING MINUTES

CALLED TO ORDER: The "Away" Membership Meeting of the Lancaster Chapter, National Railway Historical Society was held in an Open Air car at the Strasburg Rail Road, Strasburg

Pa. on Monday, July 18, 2011. The meeting was called to order at 8:00 p.m by President Tom Shenk with 60 members present and no guests. President Tom Shenk led those assembled in the Pledge of Allegiance.

MINUTES: President Tom Shenk asked for a motion to approve the June Membership Meeting Minutes. Evan Russell approved the motion and Bill Richard seconded the motion. The June membership minutes were approved as printed in the *Lancaster Dispatcher*.

MEMBERSHIP: There was no chapter membership report due to the absence of First Vice President Fred Kurtz. Tom Shenk announced that the Chapter made \$1190.00 from the sale of 238 Strasburg Rail Road tickets this evening. If anyone is interested in purchasing tickets to ride the Strasburg Rail Road train, contact Tom Shenk or Glenn Kendig.

CHAPLAIN: Chaplain Doris Geesey read the "thoughts" of Jenkins Lloyd Jones. Doris reported that she sent a card and planter on behalf of the Chapter to John Irwin, who is having heart problems. Doris received a thank you card from John. David Woerner had cataract surgery. Sandy Jones will complete her chemotherapy treatments by the end of August. George Crouse retired from his job on June 30th - Chapter members may remember that his daughter, Lynn had triplets last October.

TREASURER: Treasurer Toady Kennel gave the Treasurer's Report for the month of June.

TRIPS: Dennis Allen announced that he is working on an available date for the Arizona trip get-together at the Christiana Freight Station.

NATIONAL DIRECTOR'S REPORT: Smoke Shaak reported on the National Convention in Tacoma, Washington that he attended from June 20 to June 26. Topics discussed at the Board Meeting were the changing of the NRHS Bylaws. Final details still being worked on are how the Chapters will be divided into Zones. Recipients of the NRHS Grants were also discussed. Smoke also announced that next years' National Convention will be held in Cedar Rapids, Iowa. Tom Shenk reported that the Lancaster Chapter will also be revising our Bylaws. One idea is to reduce the number of Board and Chapter Membership Meetings each year. Tom also announced that the Chapter Board will present any discussions or decisions needed to the Chapter Membership for approval.

BOARD OF DIRECTOR'S REPORT: There was no Board of Director's Meeting for the month of July.

ANNOUNCEMENTS: Marlyn Geesey thanked everyone who attended the joint Garden Railroad Open House with Jane and Richard Rutledge on Saturday, July 9. Tom Shenk announced that he needs volunteers to serve on the 2011-2012 Nominating Committee. If anyone is interested in serving on the Committee, please contact Tom. Tom also requested that if anyone has any ideas of places for future chapter "Away" meetings, please contact him.

ADJOURNMENT: The Chapter Meeting was adjourned at 8:15 p.m.

Respectfully Submitted: Donetta M. Eberly - Secretary



LESS THAN CARLOAD SHIPMENTS LOCAL AND NATIONAL NEWS

Engines in Jersey Central, Lackawanna Colors Debut at Anthracite Railroads Historical Society Convention



Freshly repainted locomotives representing anthracite-hauling railroads Lackawanna and Jersey Central hauled photo trips at the Anthracite Railroads Historical Society convention in Steamtown over the weekend of June 4-5, 2011.



Lackawanna-painted F3s 663 and 664 pulled trips from the Steamtown platform to Winton Siding near Moscow, Pa., while Jersey Central RS3 1554 served as the yard switcher. The event was the first public performance for the three

units in their new liveries.

The society owns Nos. 664 and 1554, while the Tri-State Chapter of the National Railway Historical Society owns No. 663. The Fs are ex-Bangor & Aroostook units that wore Jersey Central paint until recently. Photos in this article by Robert Kaplan. [TRAINS News Wire]

East Penn Railroad Leases York Industrial Track

Regional Rail, LLC, on July 8 said it has entered into an agreement with Norfolk Southern Corp. to lease and operate the Class I railroad's York Industrial Track, which runs from York, Pa., to Stony Brook, Pa. Regional Rail said

the line will be operated as part of its subsidiary East Penn Railroad, LLC, which serves southeastern Pennsylvania and Delaware. Kennett Square, Pa.-based Regional Rail filed the notice of exemption with the Surface Transportation Board last week and plans to initiate service on the line on August 1.

Regional Rail Vice President Al Sauer said, "The presence of a number of existing customers, along with the opportunity to reactivate rail service to other customers and the ability to provide transload services to non rail served facilities gives us an established base from which to grow and expand the carload traffic on the York Line." [Railway Age Rail Group News1



Adirondack Scenic Train Ready for Launch

ADIRONDACK NORTH CREEK, N.Y. — Iowa Pacific's Adirondack Scenic Railroad is prepared to launch excursion service on its North Creek-Saratoga Springs, N.Y.,

route, the Associated Press has reported. The first train is set to operate in mid-July. Iowa Pacific won the contract to operate the ex-Delaware & Hudson line earlier this year. It has plans to operate the excursion service in addition to freight trains. The region is a tourist center, and local officials hope the trains will draw more visitors from New York.

Two daily trains will run Thursday through Monday between North Creek and Saratoga Springs, while a third will run between Hadley/Luzerne and North Creek. Trains will connect with Amtrak's Adirondack at Saratoga Springs. The company will operate two full-length dome cars on the trains.

THIS MONTH'S BANNER PHOTO

One of the more colorful paint schemes belonged to the Atlantic Coast Line Railroad. Shown is ACL Electro Motive Division E6A No. 508 at Richmond, Va. in July, 1955. Built between 1940 and 1942, the Atlantic Coast Line rostered 23 of these units.

Farewell to the Faithful Silverliners

Chartered Excursion Train

September 25, 2011

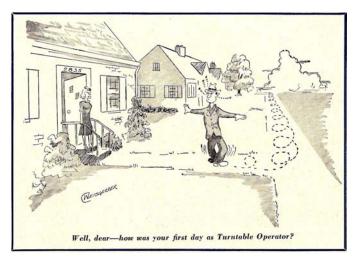


Sponsored by Philadelphia Chapter NRHS, the excursion will run on SEPTA on Sunday, September 25, 2011. Special train leaves Suburban Station, 16th St. & JFK Blvd. in center city Philadelphia, at 10 AM, picking up passengers at 30th Street Station at 10:05 AM. Fare: \$50.00 per person. Former PRR and Reading lines will be covered with numerous photo stops and lunch stop scheduled. Train will return to Suburban Station and 30th Street about 5 PM. Event will mark the upcoming retirement of America's oldest electric MU cars still in regular service, SEPTA's former PRR and RDG Budd Silverliner II's (built 1963) and former PRR St. Louis Silverliner III's (built 1967).

Order tickets from: Philadelphia Chapter, NRHS, P.O. Box 7302, Philadelphia, PA 19101-7302, enclosing SASE. For further information, email ayrestower@comcast.net or telephone (215) 947-5769.



Bon Voyage to all Chapter Members and Friends traveling "Out West" on the Lancaster Chapter's America the Beautiful tour. Have a safe and enjoyable trip. Bring back lots of photos, slides or digital media to show at a Chapter Meeting.



FROM THE PENNSY, PRR'S EMPLOYEE MAGAZINE - APRIL 1953





LANCASTER CHAPTER ANNUAL PICNIC SUNDAY AFTERNOON, SEPTEMBER 25, 2011 CHRISTIANA FREIGHT STATION



Doors open with Chapter Board Meeting at 3:00 pm
Picnic starts at 4:00 pm

The Chapter will provide its famous Barbeque Chicken and drinks. Members are asked to provide their own place settings and a covered dish to share.

Picnic is free for chapter members and \$5.00 for guests.

Join your Chapter friends for a leisure, fun-filled afternoon with great food, drinks, snacks and desserts while watching Amtrak trains pass the historic Christiana Freight Station and our Chapter Caboose.



Amtrak's eastbound Pennsylvanian passes the historic Christiana, Pennsylvania stations and our Chapter caboose, Conrail No. 21153, on December 6, 2008. Photo by Jonathan Ferraro.



"INSIDE THE BACK PAGE"

UPCOMING LANCASTER CHAPTER ACTIVITIES

AUGUST

AUGUST 15, 2011 - MONDAY, 7:30 PM - CHRISTIANA FREIGHT STATION. REGULAR CHAPTER MEMBERSHIP MEETING



Larry Eastwood and Frank Tatnall have produced another fantastic PowerPoint presentation that any fan of the Reading Company or steam power will love. Entitled "Reading Iron Horse Rambles, 1959-1964", it chronicles one of the nation's best publicity and good-will events of the period - and endeared the Reading Company in the hearts of many loyal fans. Re-live the Reading's "Glory Days" of steam. All are welcome - bring a friend or two!

SEPTEMBER

SEPTEMBER 3-11, 2011 -LANCASTER CHAPTER "AMERICA THE BEAUTIFUL" TOUR - SOLD OUT



SEPTEMBER 25, 2011 - SUNDAY, 3:00 PM - CHRISTIANA FREIGHT STATION. ANNUAL CHAPTER PICNIC

Doors open and Chapter Board Meeting at 3:00 pm - Picnic starts at 4:00 pm. The Chapter will provide its famous Barbeque Chicken and drinks. Members are asked to provide their own place settings and a covered dish to share. Picnic is free for chapter members and \$5.00 for guests. Join your Chapter friends for a leisure, fun-filled afternoon with great food, drinks, snacks and desserts while watching Amtrak trains pass the historic Christiana Freight Station and our Chapter Caboose.

OCTOBER

OCTOBER 17, 2011 - MONDAY, 7:30 PM - CHRISTIANA FREIGHT STATION. ANNUAL CHAPTER MEMBERSHIP MEETING WITH ELECTION OF CHAPTER DIRECTORS FOR 2011-2012. COME OUT AND VOTE - BRING A FRIEND!!!



Dale Woodland returns with a fantastic traction program entitled *Trolleys of the Liberty Bell Route* - an interesting look at the Lehigh Valley Transit Company. The Lehigh Valley Transit Company (LVT) was a Pennsylvania interurban rail transport company that operated a network of city and interurban trolley lines. Among LVT's lines was the 45-mile Liberty Bell High Speed trolley line from Allentown to Upper Darby. The Liberty Bell High Speed Line is

considered the last of the eastern U.S. high speed, side of road, over hill and dale, town street to farm land interurbans in the United States. If you like trolleys and interurbans, this is YOUR show - don't miss it!

NOVEMBER

NOVEMBER 7, 2011 - MONDAY, 7:30 PM - CHAPTER BOARD MEETING. FIRST MEETING OF THE 2012 BOARD NOVEMBER 18, 2011 - FRIDAY EVENING - ANNUAL CHAPTER BANQUET AT THE SHADY MAPLE RESTAURANT

We return to the Shady Maple Restaurant, one of the Chapter favorites, with a fantastic program presented by Steve Barry. A wonderful meal, fellowship and door prizes round out the evening. Further information will be available in the Lancaster Dispatcher.

CHAPLAIN CONTACT INFORMATION:

Doris Geesey Email: rscooter2@comcast.net

Phone: 717-347-7637 Please keep our Chaplain informed of member news

Glad to Have You Aboard!

Hope you will be with us soon again.

Hope you will be with us soon again.

PENNSYLVANIA RAILROAD

REVERSE SIDE OF PRR FORM A.D. 6277 - SEAT CHECK



LANCASTER DISPATCHER AUGUST 2011

LANCASTER CHAPTER BOARD of DIRECTORS

| President: | Tom Shenk | 717-560-1186 |
|---------------------|------------------------------|--------------|
| 1st Vice President: | FRED KURTZ | 717-625-1204 |
| 2NDVICE PRESIDENT: | G LENN K ENDIG | 610-593-6313 |
| SECRETARY: | DONETTA EBERLY | 717-866-5514 |
| TREASURER: | LEORA KENNEL | 610-593-6592 |
| EDITOR: | ED MAYOVER | 302-834-3662 |
| HISTORIAN: | EVAN RUSSELL | 610-269-7054 |
| CHAPLAIN: | Doris GEESEY | 717-347-7637 |
| 1st Director: | CINDY KENDIG | 610-593-6313 |
| 2ND DIRECTOR: | Tom McMaster | 717-274-5325 |
| NATIONAL DIRECTOR: | HAROLD SHAAK | 717-484-4020 |

MEMBERSHIP MEETING NOTICE

THE REGULAR MEMBERSHIP MEETING OF THE LANCASTER CHAPTER, NRHS WILL BE HELD AT THE CHRISTIANA FREIGHT STATION, CHRISTIANA, PA ON MONDAY, AUGUST 15, 2011, STARTING AT 7:30 P.M.

LANCASTER CHAPTER
NATIONAL RAILWAY
HISTORICAL SOCIETY

10 RAILROAD **A**VENUE

CHRISTIANA, PA 17509-1416

PHONE: 610-593-4968

CHAPTER WEBSITE: WWW.NRHS1.ORG

The LANCASTER DISPATCHER is published monthly as the newsletter of the Lancaster Chapter, NRHS and is mailed to each member of the Chapter as one of the benefits of membership. Annual membership dues are \$56 (includes both Lancaster Chapter and National). Opinions and points of view expressed herein are those of the editor, staff or contributors and not necessarily those of the membership, officers, or the NRHS. The deadline for all items submitted is the fourth Monday of the preceding month. Address changes or corrections should be sent to: Fred Kurtz, 668 Snyder Hill Rd., Lititz, PA 17543-8945 or email: fkurtz@nrhs1.org



EIRST MAIL

EDITOR 10 RAILROAD ÅVENUE CHRISTIANA, PÅ 17509-1416