



U.S. Department of
Transportation

News:

Office of the Assistant Secretary for Public Affairs
Washington, D.C. 20590

FOR IMMEDIATE RELEASE
Tuesday, February 3, 1987

FRA 01-87
Contact: Ownie M. Smolko
Tel.: (202) 366-4570
Contact: Wendy M. DeMocker
Tel.: (202) 366-0881

DOLE REQUIRES PAYMENT OF \$100 MILLION FROM CONRAIL TO THE U.S. TREASURY

Secretary of Transportation Elizabeth Hanford Dole today announced that Consolidated Rail Corporation (Conrail) will be paying an additional \$100 million to the U.S. Treasury.

"This \$100 million is a further payment to the American taxpayer for the sale of Conrail, and it will go toward reducing the federal deficit. For years, Conrail benefited handsomely from the support of the American taxpayers, so much so that it was able to accumulate a sizeable amount of excess cash. Now, with the pending sale of the railroad, this excess cash is being returned to the taxpayers," Dole said.

In October, 1986 Congress passed the Conrail Privatization Act, which authorizes Secretary Dole to sell the government's common stock interest in Conrail. It is expected to be the largest initial public offering of a U.S. industrial company.

The sale legislation required Conrail to transfer an initial \$200 million to the Treasury Nov. 20, 1986, and gave the Secretary the option of requiring the railroad to pay up to another \$100 million. After being advised by the six co-lead investment banking firms managing the Conrail public offering that the maximum economic return to the United States would be obtained by requiring Conrail to pay the full \$100 million and that such a payment would not have a material effect on Conrail's financial viability, Secretary Dole made her decision. The co-lead managers also advised her that the additional \$100 million payment would not affect Conrail's ability to pay dividends.

"The Conrail sale is a major privatization success story and has become the flagship for further privatization efforts. Turning certain functions of the government over to the private sector where they can be handled more efficiently is an important effort, and given the federal deficit, a timely one, as well," Dole said.

MORE

The United States has owned Conrail since 1976, when the company was formed after the bankruptcies of seven northeastern railroads. The government invested several billion dollars in Conrail in the course of restoring vital service and repairing the company's financial strength.

The sale legislation authorized the Secretary, in consultation with the Secretary of the Treasury and Conrail's Chairman, to select investment banking firms to lead the offering based upon specific criteria set forth in the legislation. It also included a series of public interest covenants that Secretary Dole sought to protect the American taxpayers' investment in Conrail.

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News:

Office of the Assistant Secretary for Public Affairs
Washington, D.C. 20590

FOR IMMEDIATE RELEASE
Friday, March 27, 1987

FRA 04-87

Contact: Wendy DeMocker
Tel.: (202) 366-0881

STAMFORD GARAGE OPENS

Federal Railroad Administrator John H. Riley officially marked the opening of the Stamford, Connecticut Transportation Center Parking Garage today with a ceremony at the new parking facility.

"This opening moves Stamford one step closer to having the newest and most modern railroad passenger facility in the country. Passengers will no longer have to walk several blocks between the temporary parking facilities and the station," said Riley.

The parking garage, built as part of the Federal Railroad Administration's Northeast Corridor Improvement Project, has 850 parking spaces on five levels and an adjoining lot. There is closed circuit TV surveillance as well as a security force on duty to provide safe access to the facility for parking patrons. The garage is owned by the State of Connecticut and leased to the City of Stamford. There are monthly parking permits available for commuters as well as daily parking for Amtrak passengers. There is also hourly parking available.

The Stamford Transportation Center project includes a train station, which is still under construction with portions expected to be open later this year and the completed intermodal transfer facility, consisting of a bus terminal, taxi stand and short-term parking, in addition to the parking garage.

"I look forward to the day when the long-awaited station is officially opened and the patience of the citizens of Stamford and surrounding communities is finally rewarded with a modern intermodal transportation facility," said Riley.

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News:

Office of the Assistant Secretary for Public Affairs
Washington, D.C. 20590

FOR IMMEDIATE RELEASE
September 8, 1987

FRA 05-87
Contact: Wendy M. DeMocker
Tel.: (202) 366-0881

FRA TO EXAMINE CSX RAIL OPERATIONS

Federal Railroad Administrator John H. Riley announced today that the Federal Railroad Administration (FRA) will conduct a full audit of CSX Transportation Company's Baltimore Division (formerly part of the Chessie System railroad).

"The safety performance of this division is lagging behind that of other railroads, and of the CSX system as a whole. We want to find out why. The audit we are commencing this week will assess every phase of the Division's operations - from 'hardware' issues, like track and signal inspections, to training, communications and accountability issues," Riley said.

The audit, which begins today, will concentrate on six areas. First, mainline track throughout the division will be examined by FRA inspectors and the federal government's track geometry vehicle, which utilizes the latest technology to detect flaws in the roadbed.

Over the next four weeks, FRA inspectors will accompany CSX track inspectors on their daily routes to determine the inspector's level of training and knowledge of federal track regulations. The FRA inspectors will determine how thoroughly CSX inspectors check the track, and assess the adequacy of CSX's staffing resources in relation to their inspection needs.

Second, the FRA will review the railroad's training procedures for maintenance employees and assess the adequacy of CSX's staffing resources in that area.

Third, the FRA will place federal inspectors in each of the major railroad yards throughout the Baltimore Division to examine equipment repair procedures and pre-departure train inspections. The FRA will determine whether the railroad has a sufficient amount of materials on hand to meet its maintenance needs for track and equipment repairs.

Fourth, the FRA will review the railroad's operating procedures to ensure that they are consistent and thorough. Procedures used by CSX to ensure compliance with federal safety regulations will be examined. FRA operating practice inspectors will ride CSX trains to observe the train crews compliance with train handling rules.

MORE

Fifth, FRA signal inspectors will look at the status and maintenance levels of all signal apparatus, including safety equipment such as electronic sensors used to detect overheated journals, equipment dragging from a train, or oversized loads.

Finally, FRA will assess the railroad's internal communications process and accountability structure throughout the Baltimore Division.

The audit will cover 1,324 miles of track. More than 30 FRA inspectors specializing in track, signal, operating practices, and motive power and equipment will conduct the audit. The audit will be managed from the Federal Railroad Administration's Washington headquarters.

This full audit is an expansion of the FRA's recently completed inspection of track, signals and equipment along 226 miles of CSX track from Harper's Ferry, W. Va., to McKeesport, Pa.

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News:

Office of the Assistant Secretary for Public Affairs
Washington, D.C. 20590

FOR RELEASE MONDAY
September 28, 1987

FRA 06-87
Contact: Wendy M. DeMocker
Tel: (202) 366-0881

FRA GIVES GRANT TO OPERATION LIFESAVER

The Department of Transportation's Federal Railroad Administration today announced it will award a grant of \$299,000 to Operation Lifesaver, Inc., a non-profit organization dedicated to educating the public on the dangers of rail-highway "grade-crossings."

"Operation-Lifesaver is one of the most important tools we have to help us reduce, and hopefully one day eliminate, deaths and injuries where highways and railroad tracks meet," Secretary of Transportation Elizabeth Dole said.

"Every year, hundreds of people are killed at grade-crossings, and thousands very seriously injured, often because they failed to heed warnings to stop, such as flashing lights, or, believing they could beat the train, simply drove around a gate protecting the crossing, and into the path of an oncoming train. Operation Lifesaver warns people of these dangers, using educational materials bearing such telling words as 'Maybe you can beat the train. Maybe you're dead wrong,'" Secretary Dole said.

Federal Railroad Administrator John H. Riley said, "Operation-Lifesaver has been an effective and active organization, with coordinators for 49 states, and has been a factor in the decline in grade-crossing accidents over the years due to its educational efforts and ideas to make grade-crossings safer."

"FRA is pleased to provide this grant for such a worthy and important program. This grant will give Operation-Lifesaver the ability to expand its public awareness program, bringing such things as films to school children, and other educational materials to communities all across the country," Riley Said.

Riley made the announcement during a speech to the National Rail-Highway Crossing Safety Conference in Denver, Colo. The three-day conference is co-sponsored by the U.S. Department of Transportation and the Association of American Railroads.

Operation-Lifesaver, Inc. was incorporated as a non-profit agency on Aug. 19, 1986, and is headquartered in Washington, D.C. Previously, Operation-Lifesaver was run by the National Safety Council.

MORE

The Federal Railroad Administration has 325 safety inspectors across the country, each of whom dedicates at least four full days a year to educating their communities on safe practices at grade-crossings.

The FRA issued a "Rail-Highway Crossing Report" in July 1985, suggesting ways to make grade-crossings safer. The FRA is custodian of a computerized National Rail-Highway Crossing Inventory which is available to assist states and railroads in establishing project priorities. The Federal Highway Administration administers a highway trust fund program which provides money to states for safety improvements at crossings. These may include equipping crossings with warning devices or improving the crossing area with pavement markings, signs, train-detection circuitry, or by removing visual obstructions.

GRADE-CROSSING ACCIDENT STATISTICS

YEAR	<u>1980</u>	<u>1981</u>	<u>1982</u>	<u>1983</u>	<u>1984</u>	<u>1985</u>	<u>1986</u>
ACCIDENTS	10,611	9,295	7,748	7,161	7,281	6,919	6,396
FATALITIES	833	728	608	575	649	582	616
INJURIES	3,890	3,293	2,637	2,623	2,910	2,687	2,458

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News:

Office of the Assistant Secretary for Public Affairs
Washington, D.C. 20590

FOR IMMEDIATE RELEASE
Wednesday, January 20, 1988

FRA 01-88
Contact: Angela Sullivan
Tel.: (202) 366-0881

FRA ISSUES FINAL STANDARDS FOR TRAIN SAFETY DEVICES

Secretary of Transportation Jim Burnley has issued final performance standards for the automatic train control (ATC) devices that are to be installed on all trains operating in the Northeast Corridor between Washington, D.C. and Boston. These safety devices will automatically stop a train if an engineer fails to obey signals ordering the train to slow or stop.

"The first Automatic Train Control devices on the Northeast Corridor freight trains will begin appearing in a matter of months," said Secretary Burnley. "And the Northeast Corridor--which is already the safest and most modern rail corridor in the nation--will grow progressively safer with the installation of each device."

All carriers operating in the Northeast Corridor must place their orders for ATC equipment within the next 30 days. Installation must begin immediately upon receipt of the equipment and be completed no later than July 1, 1990. The Federal Railroad Administration (FRA) has retained jurisdiction over the installation schedule so it can accelerate that schedule if production time of the ATC equipment permits it to do so.

"We have subjected the ATC design to months of simulations, and are confident that the equipment will work as safely and effectively in the freight environment as the conventional equipment now works in the passenger environment," said Federal Railroad Administrator John H. Riley. "Arguments raised by several freight railroads that ATC cannot be safely used in a freight environment are simply wrong, and we have no intention of delaying the target dates for installation."

All Amtrak passenger locomotives are currently equipped with ATC devices. However, many freight and commuter locomotives operating in the Northeast Corridor are not ATC equipped.

ATC makes use of two hardware elements, a signal transmission system located in the rail and a receiver unit in each locomotive and power unit. If a train operator does not comply with a more restrictive signal indication (signal to slow down), the train's brakes will be applied automatically.

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U.S. Department of
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M-49
News:

Office of the Assistant Secretary for Public Affairs
Washington, D.C. 20590

FOR IMMEDIATE RELEASE
Monday, February 1, 1988

FRA 02-88
Contact: Angela Sullivan
Contact: William Loftus
(202) 366-0881

FRA REPORT ON CONRAIL
DETAILS SAFETY PROBLEMS

Federal Railroad Administrator John H. Riley today released a five-volume report detailing "significant safety problems" found by FRA inspectors during an assessment of the Consolidated Rail Corporation's (Conrail) operations, equipment and safety programs.

Release of the 800-page report marks the culmination of seven months of field work by more than 80 federal inspectors from the eight FRA regional inspection staffs. Since it began in 1986, the assessment process has resulted in the filing of 1,729 violation reports, subjecting Conrail to up to \$2 million in civil penalties.

In addition, the report contains 445 separate recommendations for improving Conrail safety practices and procedures. Principal among them is a recommendation that Conrail centralize its safety function into a single, independent Office of Safety reporting directly to the Vice President of Operations. FRA will use the assessment report to target its oversight of the Conrail system over the next 120-days. At that time, FRA will commence a follow-up assessment to police Conrail's compliance with its recommendations.

The report generally gives Conrail high grades for track and signal maintenance, but finds serious, systemic problems in the company's training programs, and in its approach to compliance with federal operating regulations.

Administrator Riley said, "The problems cited in the report are serious but reparable. Conrail has the necessary resources and a good senior management team.

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"Conrail's program for maintaining mainline track and signals is among the best in the industry. Its problems stem from a failure to apply the same emphasis to the human side of safety -- to training, operational testing, and rules compliance. The purpose of the report is to identify these problems and help Conrail resolve them," Riley said.

"Although the report focuses on management issues, it would be a serious mistake to conclude that Conrail's problems are solely the responsibility of management. Over the course of the assessment, FRA developed serious concern over the attitudes and practices of some segments of Conrail's workforce. In particular, tampering with essential safety equipment seems to be a systemic problem in virtually every region of the Conrail system. Our decision not to focus on this type of issue is simply a reflection of the fact that this agency has no enforcement jurisdiction over railroad operating employees," Riley said.

Highlights of the report by category:

TRAINING

In every area inspected, FRA found a general failure by the majority of Conrail officers and employees to know and understand relevant federal regulations. This failure permeates most departments and crafts.

ACCIDENT/INCIDENT REPORTING

In its audit of Conrail's 1986 personal injury cases, FRA found numerous instances in which employee injuries were not reported. Monetary damages were significantly underestimated in reports of rail equipment accidents. Consequently, some accidents went unreported as federal threshold levels were not accurately recorded. Overall FRA found no effective internal auditing of accident/incident files to ensure proper reporting.

MOTIVE POWER AND EQUIPMENT

Locomotives and freight cars inspected by FRA's assessment team showed unacceptable defect levels. FRA found car inspectors responsible for train yard inspections were not provided with wheel gauges and measuring instruments necessary to properly perform their duties. Roller bearing failures on freight cars were 18.7 percent above the average of all Class I railroads.

SIGNALS AND TRAIN CONTROL

FRA inspection of the signal and control system found Conrail has a good set of standards and instructions for the construction, installation, and maintenance of its signal systems and rail/highway crossing warning devices. However, FRA found the absence of an effective method of monitoring the work in the field and enforcing Conrail's standards and instructions. Of 618 locomotives inspected, 53 had defective cab signal whistles, many attributable to employee tampering.

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OPERATING PRACTICES

FRA found several areas in which Conrail did not comply with federal laws and regulations because the carrier chose to interpret those regulations in a manner at variance with their apparent literal meaning. An analysis of the operating rules uncovered several Conrail rules that were inconsistent with other Conrail rules and/or with federal regulations.

ALCOHOL AND DRUGS

The assessment team found that Conrail was slow in implementing reasonable cause testing for alcohol and drug use and that supervisors of operating rules, responsible for administering the alcohol and drug tests, did not receive training for this task. FRA found that the operational alcohol and drug test results submitted by Conrail in its annual report to FRA were incomplete under federal standards.

PROTECTION OF WORKERS

Conrail's compliance with blue signal protection rules is poor: 31 percent of FRA inspections resulted in a finding of deficiency. The rule is an employee protection procedure requiring a blue flag marker to notify locomotive engineers that employees are working on equipment on the flagged track. The report concluded that the carrier has attempted to circumvent this regulation by giving train-crew job titles to other workers, apparently in an effort to exempt their duties from those covered by the rule.

TRACK

The FRA report found Conrail's mainline track in good to excellent condition. However, the number of defects reported by Conrail track inspectors was substantially lower than those reported by federal inspectors examining the same tracks.

OPERATIONAL TESTING PROGRAM (CORPS)

Conrail's operating rules testing program (CORPS) is not in compliance with federal regulations because it fails to provide for testing under all operating conditions, fails to state the purpose of each test and fails to establish frequencies for each test. The CORPS guidelines do not include explicit specifications for recording test levels appropriate for each class of officer. Program norms (quality control audits) do not prevent inclusion of duplicative reports of tests conducted. FRA found duplicative reporting.

HAZARDOUS MATERIALS

Conrail has not established an effective data base to measure its employees compliance with federal or railroad regulations. The study found Conrail has also underreported hazardous materials incident costs. Intermodal units inspected had 18 percent with the wrong placard and 12 percent with incorrect shipping papers.

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SAFETY PROGRAMS

FRA found that Conrail's safety department does not exercise adequate managerial overview of the company's safety initiatives. The safety audit programs that are in place often are not used.

STRUCTURES

Conrail's structural inspection program was found to be well conceived and executed, and is the single most important factor in the safety of Conrail's bridges and structures.

Copies of the report may be obtained by contacting FRA's Office of Public Affairs, 400 7th Street, S.W., Washington, D.C. 20590, telephone (202) 366-0881.

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Washington, D.C. 20590

FOR RELEASE FRIDAY
September 30, 1988

FRA 04-88
Contact: Lou Brott
Tel.: (202) 366-0881

RULE EXPEDITES AUTOMATIC TRAIN CONTROL FOR NORTHEAST CORRIDOR

The Federal Railroad Administration (FRA) has issued orders expediting by three months the time required for automatic train control (ATC) devices that are to be installed on all trains operating in the Northeast Corridor (NEC) main line, including connecting lines. These safety devices automatically stop a train if an engineer fails to obey signals to slow or stop.

FRA amended orders issued on Nov. 16, 1987 to implement portions of the Rail Safety Improvement Act of 1988. Under the statute, all trains operating on the Northeast Corridor main line between Washington, D.C. and Boston must be equipped with ATC devices by April 1, 1990 rather than July 1, 1990, as had earlier been ordered. The statute and the orders also require trains operating on the rail line between Philadelphia and Atlantic City to be equipped by April 1, 1990.

Additionally, the amended orders require that after July 1, 1990, every train operating over any portion of the connecting lines from Philadelphia to Harrisburg, Pa.; New Haven, Conn., to Springfield, Mass.; and New York City to Albany, N.Y. must be equipped with ATC devices.

FRA also issued a final order requiring installation of ATC by the Springfield Terminal Company and related Guilford Transportation Industries railroads (Boston & Maine Corporation and Maine Central Railroad Company). These railroads, because they do not operate on the NEC main line, were not subject to earlier orders requiring installation of ATC devices.

All Amtrak passenger locomotives are currently equipped with ATC devices. However, many freight and commuter locomotives operating in the Northeast Corridor are not ATC equipped.

ATC makes use of two hardware elements, a signal transmission system located in the rail and a receiver unit in each locomotive and power unit. If a train operator does not comply with a signal to slow down, the train's brakes will be applied automatically.

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