

2. THE COMMISSION COMMENDS AMTRAK AND THE CONNECTICUT SOUTHERN RAILROAD FOR REACHING A TENTATIVE AGREEMENT TO LOWER TRACKAGE FEES ASSESSED BY AMTRAK ON FREIGHT MOVEMENTS OVER ITS SPRINGFIELD LINE, WHICH IS THE DOMINANT FREIGHT GATEWAY INTO CONNECTICUT. WE URGE PROMPT FINALIZATION OF THIS AGREEMENT. WE ALSO ENCOURAGE AMTRAK AND GUILFORD RAIL SYSTEM TO PURSUE A SIMILAR ARRANGEMENT FOR THE LATTER'S FREIGHT SHIPMENTS ON THIS LINE.

Last year, the Commission highlighted the economic and transportation impacts caused by the high rate at which Amtrak assesses trackage fees on freight operations on its Springfield Line, which runs from Springfield to New Haven. Freight operators are assessed over \$.90 per car mile for each car traveling on this line, with the charge assessed in both directions. This fee must be added into the shipping rates of the affected freight operators and, at up to \$100 per carload, it has a chilling effect on their competitiveness with the trucking industry for cargoes which are compatible with either mode of shipment.

During 1998 and 1999, the Commission wrote to all the members of the Connecticut Congressional delegation regarding this situation, and had discussions with Mr. Harry Harris, ConnDOT Bureau Chief of Public Transportation, and with staff of Congressman Christopher Shays' office. In particular, we thank Bureau Chief Harris for his efforts to raise this issue with Amtrak.

In August of this year, a draft agreement was reached between Amtrak and Connecticut Southern Railroad to reduce fees assessed by Amtrak on all traffic in excess of a baseline level of 16,400 cars annually* on this line. For traffic above this level, the car-mile fee will drop from \$.92 to \$.44, a reduction which could save \$50 per carload. Connecticut Southern anticipates that the extra volume of business this lower rate will generate could actually result in an additional \$1,000,000 of fee revenue to Amtrak, producing a benefit for both railroads involved. While the Guilford Rail System has not yet negotiated a similar agreement with Amtrak, the same financial motivation exists for that carrier as well as the same benefit to Amtrak of additional trackage revenue. Therefore, we encourage Amtrak and Guilford to use the Connecticut Southern agreement as a pattern for a similar pact between them.

* Depending on the commodities carried, one carload of cargo on the rails translates to 3 to 4 truckloads if transported by highway. Therefore, the 16,400 carloads of business that Connecticut Southern currently brings into our state over the Springfield Line conservatively equals 50,000 truckloads of cargo. This does not include freight shipped over this line by Guilford Rail System.