

Information about

MINNESOTA'S RAILROADS *Celebrating 150 years*

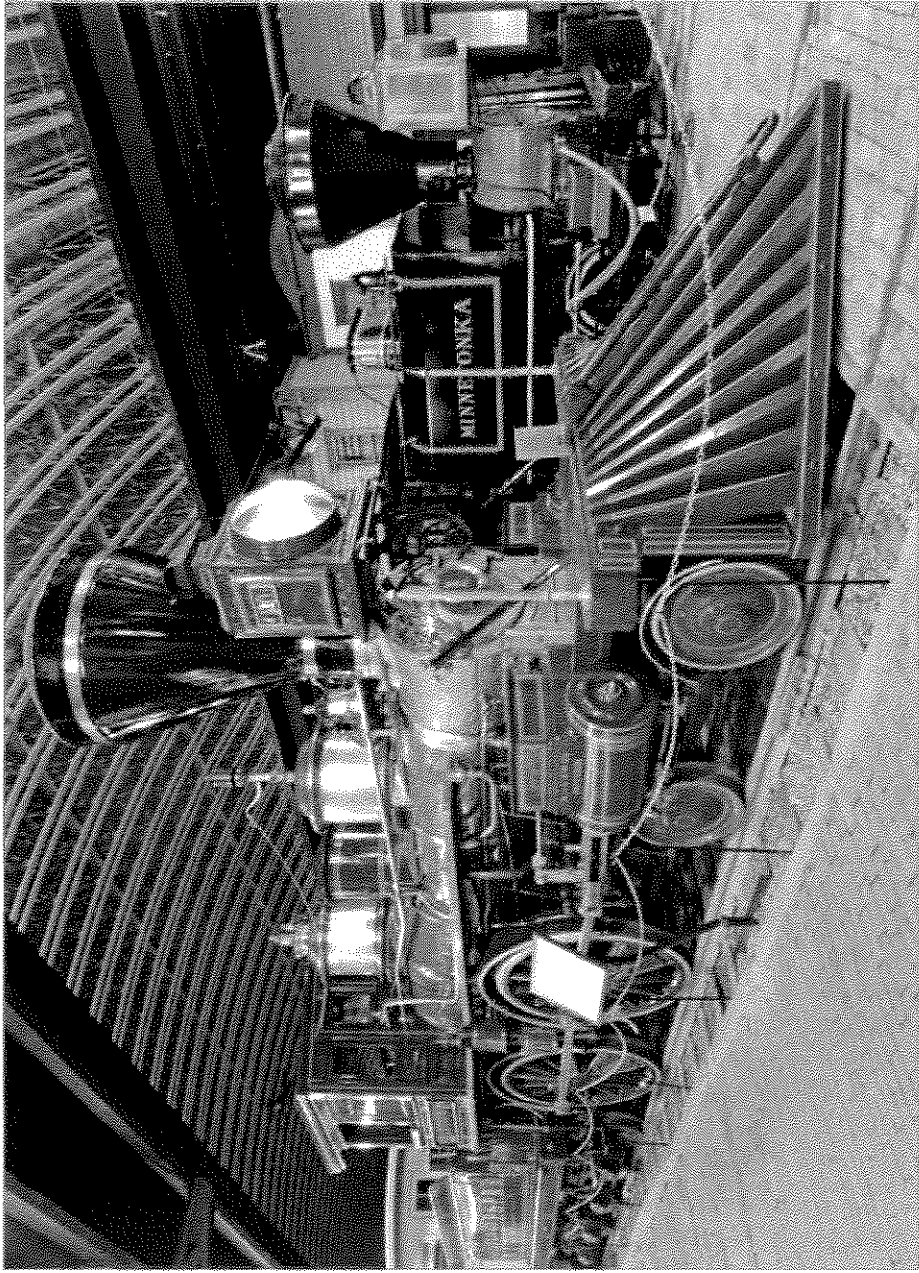
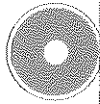


PHOTO BY JEFF TERRY



MINNESOTA'S RAILROADS AT A GLANCE

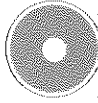
Number of railroads	19
Total mileage (8th in the nation)	4,387
Total carloads carried	3,599,900
Total tons of freight carried	243,400,000
Employees (14th in the nation)	4,095
Total wages paid	\$306,600,000
Average wages per employee, and fringe benefits	\$105,760
Railroad retirees	14,913
Payments to retirees	\$276.4 million
Property taxes	\$38,600,000

Top commodities originated in state	Carloads	Percent of State's total
Iron ore/taconite	565,600	53%
Farm products	185,100	21%
Food products	88,800	9%
Stone, sand, gravel	53,600	5%
Chemicals	30,900	3%
All other	206,500	9%
TOTAL (5th in the nation)	1,150,400	

Top commodities terminated in state	Carloads	Percent of State's total
Iron ore/taconite	474,900	51%
Coal	138,400	23%
Farm products	52,300	7%
Chemicals	37,900	5%
Stone, sand, gravel	27,300	3%
All other	234,200	12%
TOTAL (9th in the nation)	965,000	

Source: Association of American Railroads for the year 2010

Cover photo: The William Crooks, operated by a Great Northern Railway predecessor, pulled the first train to run in Minnesota, on June 28, 1862. Today, it resides at the Lake Superior Railroad Museum in Duluth, Minn. Adjacent is the *Mintrotorka*—one of four construction locomotives purchased by the Northern Pacific Railway in 1870. Both railways merged and today are part of BNSF Railway.
Photo by Jeff Terry.



INTRODUCTION

Minnesota's Railroads — Contributing to the Economic Vitality of the State

Railroads have been a part of the Minnesota landscape since the first train operated between St. Paul and St. Anthony (now Minneapolis) in 1862. Railroads helped build the state, reaching west from the Mississippi and St. Croix rivers, where goods were offloaded onto rail cars for settlers to move west and north. For more than 150 years, railroads have contributed to the economic well being of the state by providing vital transportation services to its citizens and industries, while paying millions of dollars to the state in taxes.

Railroads provide important commercial links for Minnesota farmers, the taconite industry, manufacturers, and other businesses. Since railroads are able to move goods at very competitive rates, they are able to hold down costs for shippers, which helps promote stability and economic growth in greater Minnesota. For example, the cost of shipping agricultural products by rail is much less than the cost of shipping by truck, which helps farmers earn higher profits and lowers the costs of products for consumers.

Minnesota railroads provide a vital pathway for the movement of taconite pellets from plants on the

Mesabi Iron Range to Lake Superior ports and inland steel mills. Minnesota originates three-fourths of the iron ore mined in America.

Each year, Minnesota's railroads move thousands of containers of freight that otherwise would move by truck. By keeping this freight on the rails rather than the road, there is less pollution and highway damage — saving Minnesota taxpayers millions of dollars in highway maintenance costs. Railroads are also fuel-efficient, which helps to conserve energy and reduce pollution. According to the U.S. Department of Energy, railroads are four times more fuel efficient than trucks and roughly equal to waterborne freight. Emissions from railroad locomotives are 75 percent less than trucks, according to the U.S. Environmental Protection Agency.

Minnesota's railroads are rarely in the spotlight, but go about their business quietly and efficiently. This CD provides background information about the railroad companies that operate in the state. Included are maps, a list of major commodities they carry, railroads' economic contribution to the state and communities they serve, and a list of key personnel at each company.

DID YOU KNOW ...

- Minnesota railroads rank first in the nation in the number of tons of iron ore originated and third in origination of farm products and food products.
- A railroad car typically handles three times more freight than the average large truck.
- Railroads are roughly four times more fuel efficient than trucks and reduce greenhouse gas emissions by 75 percent.
- According to the Federal Railroad Administration, railroads have increased fuel efficiency 99 percent since 1980—doubling their freight volume using the same amount of fuel.



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WEBSITES OF MINNESOTA RAILROADS

RAILROADS:

Amtrak (National Railroad Passenger Corp.):
<http://www.amtrak.com/about-amtrak>

BNSF Railway:
<http://www.bnsf.com>

CN:
<http://www.cn.ca>

Canadian Pacific Railway:
<http://www.cpr.ca>

Minnesota Commercial:
<http://www.mnncr.net>

Minnesota Prairie Line:
<http://www.tcwr.net/mpi>

Northern Lines Railway:
<http://www.anacostia.com/nlr/nlr.html>

Northern Plains Railroad:
<http://www.nprail.com>

North Shore Scenic Railroad:
<http://www.northshorescenicrailroad.org>

Otter Tail Valley Railroad
<http://www.gwrr.com>

Progressive Rail:
<http://www.progressiverail.com>

Red River Valley & Western Railroad Company:
<http://www.rrvw.net>

Twin Cities & Western Railroad Company:
<http://www.tcwr.net>

Union Pacific Railroad:
<http://www.uprr.com>

RAILROAD ORGANIZATIONS/ASSOCIATIONS:
American Short Line and Regional RRs Assn:
<http://www.aslrta.org>

Association of American Railroads:
<https://www.aar.org/Pages/Home.aspx>

Federal Railroad Administration:
<http://www.fra.dot.gov>

MN DOT, Off. of Freight, Railroads & Waterways:
<http://www.dot.state.mn.us/aboutrail>

MN Regional Railroads Association:
<http://www.minnesotairailroads.com>



MINNESOTA RAILROADS AND MILEAGE

In 2013, there are 19 railroad companies operating in Minnesota on 4,387 route miles of track. A total of 3,666 miles, or 84 percent of the mileage, is owned by the state's Class I railroads.

Railroads are divided into three "classes" by the Surface Transportation Board (STB), which replaced the Interstate Commerce Commission as the federal economic regulator of railroads. Based on 2011 statistics, Class I railroads are those that had annual operating revenue of \$433.2 million or more.

Class II railroads have annual operating revenue between \$34.7 million and \$433.2 million. In addition, Minnesota has 14 Class III railroads, which have annual operating revenue of less than \$34.7 million. "Regional railroads" are line-haul carriers operating at least 350 miles of road and/or earning revenue exceeding \$40 million, but less than a Class I. Regional and short-line railroads generally are lighter-density lines that have been spun off by a Class I carrier.

While some of these smaller lines have existed independently for years, most were created in the 1980s following passage of the Staggers Act, which helped restore railroads to profitability by freeing them from overregulation.

All carrier-owned railroad track in Minnesota must comply with safety standards set forth by the Federal Railroad Administration and is subject to periodic inspections. About two-thirds of the track in the state is FRA Class 3 or 4, permitting freight trains to operate at speeds up to 40 and 60 mph, respectively. All railroad equipment must also comply with federal safety standards, including regular maintenance. In addition, railroad operating personnel must be familiar with FRA rules and regulations and successfully complete training on safety and operating rules. Locomotive engineers must be certified by the FRA in order to operate a locomotive and go through recertification every three years.

Minnesota's Railroads	
Railroad	Mileage owned in Minnesota
Class I	
BNSF Railway (BNSF)	1,584
Canadian Pacific Railway (CP)	1,222
CN (Canadian National Railway)	425
Union Pacific Railroad (UP)	435
National Railroad Passenger Corp. (Amtrak)	0
Class II	
Class III	
Twin Cities & Western Railroad Co. (TCWR)	146
Minnesota Northern Railroad (MNN)	120
Minnesota Prairie Line Inc. (MPLI)	94
Progressive Rail Inc. (PGR)	80
Otter Tail Valley Railroad (OTVR)	71
Northern Plains Railroad (NPR)	45

Minnesota Southern Railroad Co. (MSWY)	42
St. Croix Valley Railroad (SCXY)	36
Minnesota Commercial Railway Co. (MNNR)	35
North Shore Scenic Railroad (NSSR) <i>(St. Louis & Lake Counties Regional Rail Authority between Duluth and Two Harbors)</i>	25
Northern Lines Railway, LLC (NLR)	17
Cloquet Terminal Railroad Co. (CTRR)	4
Minnesota, Dakota & Western Ry. Co. (MDW)	4
Red River Valley & Western Railroad (RRVW)	2



The day Minnesota railroads turned 150

THURSDAY, JUNE 28, 2012—On this very day, Minnesota railroads turned 150 years old. And today, they're doing better than ever.

BY STEVE GLISCHINSKI

June 28—On this day in 2012, people in Minnesota drove their cars; headed to work, perhaps caught a flight, or maybe even grabbed a seat on Amtrak's EMPIRE BUILDER on its journey between the Midwest and the Pacific Coast.

Minnesotans thought nothing of making these trips, though they would not have been possible—if not for events 150 years ago.

On that long-ago day in 1862, a tiny steam locomotive built in New Jersey named the *William Crooks* pulled a passenger train from St. Paul to St. Anthony, near what is today Minneapolis. It was the first train to run in Minnesota and marked the beginning of the railroad industry in the state.

When Minnesota territory achieved statehood in 1858, fewer than 200,000 people were living within its borders. Transportation was largely by riverboat, horse, or ox cart. For Minnesota to grow, it needed better transportation, and that meant railroads.

Trackwork begins

So it was that work on the state's first railroad line began in St. Paul in 1861. The rail, cars and locomotives arrived upriver by barge. After fits and starts, the first ten miles of track was laid, and the *William Crooks*, named for the line's chief engineer, was ready to pull the first train. The St. Paul DAILY PRESS of June 29, 1862, said the invitation-only affair included Minnesota's governor and lieutenant governor, St. Paul's mayor and several "aldermen," directors of the St. Paul & Pacific Railroad (which built the line), and about 100 citizens. It left St. Paul at "about half past two o'clock and returned at six o'clock," when an evening banquet was held.

After the Civil War, the state and its railroads grew up together: when one thrived, so did the other. Unless you lived near a river, the railroad was the only practical way for Minnesotans and their products to travel more than a few miles.

Railroad leaders

Minnesota railroad leaders prospered and, in some cases, became famous. They included James J. Hill, the "Empire Builder," whose Great Northern Railway would reach the West Coast – and included the original St. Paul & Pacific line. Less remembered are Adolphus Stickney, who built the Chicago Great Western that connected the Twin Cities with Omaha and Kansas City, and W.D. Washburn, who had already made a fortune in lumber and milling when he became the first president of the Soo Line in 1883.

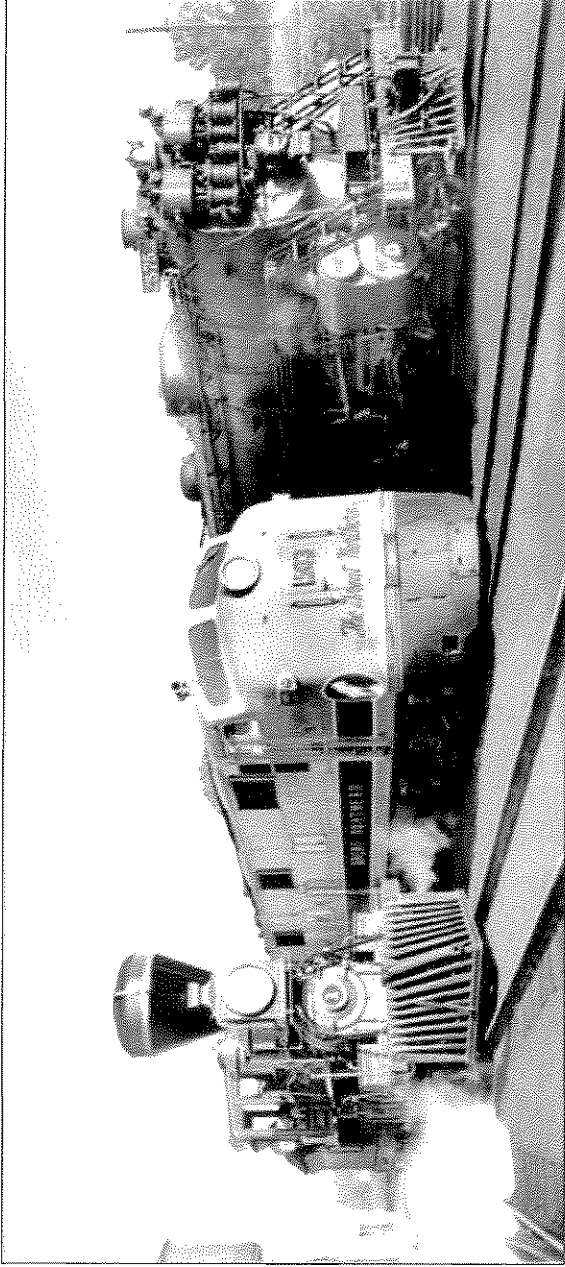
Minnesota became a center of railroad activity. Great Northern and Northern Pacific were based in St. Paul, while mid-sized lines such as the Soo Line and Minneapolis & St. Louis were based in Minneapolis. Duluth was headquarters for the Duluth, Missabe & Iron Range, owned by US Steel. It moved long trains of iron ore from the Mesabi and Vermilion Iron Ranges to huge docks at Duluth and Two Harbors.

Crucial in World War II

It could rightly be argued that the Missabe and neighboring Great Northern railways were crucial in World War II—moving Minnesota ore that mills needed to make steel for the tanks, ships, and planes, which led to victory. Railroads employed thousands of Minnesotans to keep the trains moving.

With the end of World War II, railroads spent millions to modernize their lines. Steam locomotives were replaced by diesels.





GREAT NORTHERN RAILWAY PHOTO, MINNESOTA HISTORICAL SOCIETY COLLECTION

PARADE OF POWER—In 1945, Great Northern Railway lined up a trio of locomotives: the *William Crooks*; the *William Crooks*; E7 diesel No. 503A, built in 1945 for the *Empire Builder*; and No. 2575, a 4-8-4 built in 1930 for express passenger service.

Unfortunately, in the 1950s and 60s, competition from trucks and automobiles using government-subsidized highways took away freight and passenger. Overregulation and money-losing operations forced many railroads to the brink of bankruptcy. Minnesota railroads fell from public consciousness.

Deregulation and revival

The industry was deregulated in 1980, and the renaissance that followed allowed railroads to recapture market share. They now handle 40 percent of all intercity commercial freight. Rail freight rates today are 45 percent less than they were 30 years ago.

Railroads made it through the economic downturn that began in 2008-09 almost as though it never happened. Despite traffic dropping 20 to 30 percent, railroads continued to reinvest billions of dollars on their physical plants to get ready for an anticipated upturn in traffic.

From 2007 through 2012, Union Pacific, the largest publicly held U.S. railroad, invested nearly \$18 billion to support and improve its network and operations, including a record \$3.7 billion in 2012. Amtrak, the national passenger railroad, carried a record 31.2 million passengers last year.

Today, the *William Crooks* rests in quiet retirement at the Lake Superior Railroad Museum in Duluth. You can examine the locomotive up close and imagine 150 years ago—what that day must have been like. It is a great monument to Minnesota railroad history—a history whose ending chapter has yet to be written.

Steve Glischinski began taking photographs of railroads in 1970 at the age of thirteen. Since then, his photographs of railroads in action have been published in many books and magazines. He is a correspondent for TRAINS magazine and organizes railroad photography charter trips and the Railfan Weekend at the Lake Superior Railroad Museum. He lives in Shoreview, Minn. He is author of several books including MINNESOTA RAILROADS: A PHOTOGRAPHIC HISTORY, 1940-2012 (August 2012).



