

# Private Railroad Ready To Offer Local Service

MAR 11 1981

By MANLEY J. ANDERSON

The president of a private railroad headquartered in Little Valley is ready to offer rail service to the Jamestown area if the U.S. Railway Association curtails its Southern Tier operations.

This is the word today from Robert Dingman who heads the 65-mile-long New York & Lake Erie Railroad serving rail needs between Salamanca and Cattaraugus and Gowanda to Buffalo.

The USRA, which oversees operations of Conrail which presently serves New York's Southern Tier, is expected to tell Congress April 1 there is not enough traffic on the former Erie-Lackawanna line to justify its continuance.

If this occurs, Dingman said he understands the state Transportation Department would prefer that an established Class One railroad take over the service from Youngstown, Ohio, to Binghamton. He said he feels the state agency will attempt to come up with an alternative to the present service and could look to his rail line as a last resort.

"We're they're last card you might say and they'd rather not play it," Dingman commented.

He went on to say, "We would be interested if it were in the cards for us." The railroad president said his line would orient traffic from this area toward Buffalo since the service routes from there are much better.

Dingman said service would be from Jamestown to a switching point to Buffalo and then west over the Norfolk and Western Railroad.

He said his railroad presently is attempting to obtain property Conrail plans to abandon, which would provide the private line with added traffic. Dingman said studies indicate that the railroad market potential in Erie County is about four times greater than Conrail estimates.

He said it is proposed to acquire a line from South Dayton to Waterboro and a connection to a line leading into Jamestown. He said this would provide the possibility for offering service to Kennedy, Falconer and Jamestown if the state DOT is unable to obtain another line to take over Conrail's present service.

Dingman said that among major rail users on this route are Jamestown's light plant, Agway Feed Division at Poland Center, the Falconer warehouse of Kling Division of Ethan Allen, 84 Lumber at Kennedy and Blackstone Corp. in Jamestown.

The rail head said of Conrail's Southern Tier rail line, "We have to face the realization it is not a main line any more. Conrail's need for it is nil." He said traffic generated and terminated between Binghamton on the east and Youngstown on the west is not adequate to support the system in its previous manner.

Dingman said the line from Binghamton to New York City is "secured" as a result of state bond issue commitments. He added that the state DOT feels Conrail has no real commitment west of Hornell and very little commitment to continue operations from Binghamton to Hornell.

He said a New York state shippers survey is expected to be completed within a week. Dingman said it is being prepared by Mike Klass, a state DOT employee since September 1979 and formerly a vice president with his line and a Southern Tier West rail transportation analyst.

Dingman's rail line began on Oct. 15, 1978, with 14 miles of tracks between Salamanca and Cattaraugus. It added the Buffalo to Gowanda section April 13, 1980, and connected the two sections Aug. 2, 1980.

He said the line still is being subsidized and will require a continuing subsidy to remain in operation unless it can add considerably more carloads to its traffic. He said it now handles about 500 cars a year and needs to reach 2,000-2,500 carloads if it is to operate without a subsidy.

Dingman said it is known that facilities using rail service in Kennedy, Falconer and Jamestown generate about 3,000 carloads of traffic a year.

The railroad president said of the independent operation, "Our experience is that it's been a tough ballgame. This is the world's most over-regulated, over-paperworked industry. We're still not making it." Dingman noted that the subsidy for his rail operation began April 1, 1976.