

# Memorandum

U.S. Department  
of Transportation

**Federal Railroad  
Administration**

## **UNION PACIFIC MEXICAN CROSS BORDER OPERATIONS**

### **Inspections**

FRA requires that Class I air brake inspections be performed at point of origin. In addition, a slightly less rigorous test must be performed every 1000 miles or at the point a train is interchanged between two railroads. For US/Mexico operations, trains are generally interchanged and inspected at the border, but the logistics of many border points have necessitated slight changes, particularly as traffic levels between the US and Mexico have risen significantly in the past several years.

Currently, Union Pacific (UP) has over ten northbound trains per day which are pre-blocked in Mexico by the TFM (Mexican railroad) at the downtown yard in Nuevo Laredo. In response to concerns expressed by the City of Laredo, UP previously received FRA authorization allowing for expedited inspections on the bridge, followed by a more complete Class I airbrake inspection at Port Laredo (12 miles inland). This waiver was one of the first process changes that helped mitigate congestion in the Laredo area during the late 90s. The FRA waiver freed up capacity over the single-track bridge, which is owned and operated by the Tex-Mex Railroad. Approximately two years ago the UP and TFM began pre-blocking run-thru trains to further eliminate congestion at Laredo on both sides of the bridge. However, the northbound run-thru trains from Mexico are currently being stopped on the main track in downtown Laredo so that U.S. carmen can perform a 1000-mile air-brake inspection. This process blocks numerous public crossings and takes a significant amount of time.

Union Pacific has requested FRA approval for TFM employees to conduct and certify 1000-mile air-brake inspections for the three to four daily TFM northbound run-thru trains destined for the U.S. UP asserts this request would save approximately five hours per run-thru train, significantly reducing congestion and increasing capacity at the Gateway since they will be able to traverse downtown Laredo following a crew change. The remainder of the northbound trains (six to eight) that are currently destined to switch at Port Laredo will continue to yard at Port Laredo for switching and inspection by U.S. carmen.

In reviewing this request, FRA has noted that in fact the relief that is required would be from the requirement to conduct an initial terminal air brake inspection at the border (or, in this case, just north of the City). FRA is not presently able to recognize air brake or other mechanical inspections conducted in Mexico due to the lack of compatible standards and the absence of arrangements with Mexican authorities for reciprocal inspections. FRA recognizes that the absence of compatible standards could be addressed through originating carrier compliance with FRA regulations. FRA has sought to put in place arrangements for reciprocal inspections within the framework of NAFTA and will renew that effort in multilateral talks this summer. In the interim, FRA notes that waiver authority (previously used for similar purposes) may be able to enhance the efficiency of rail transportation across our southern border.

Union Pacific has advised the Carmen's Union that based on the current workload there will be no adverse effect on employees they represent at Laredo. UP states that the San Antonio Service Unit is in the process of hiring additional carmen at Mexican/U.S. Gateways (Laredo, Eagle Pass, Brownsville) to support the expectation of increased business. It is anticipated that 13% more mechanical car employees will be hired in 2004.

Union Pacific proposes that components of the TFM mechanical inspection would be contingent upon FRA approval of:

- \$ Acceptable equipment for conducting these tests in Mexico;
- \$ Certification of appropriate expertise of the TFM employees;
- \$ Ability to audit TFM practices and adherence to FRA standards;
- \$ Ability to audit TFM training records;
- \$ Acceptable standards of quality control at TFM;
- \$ TFM infrastructure to conduct appropriate inspections;
- \$ Appropriate staffing by SCT to enforce FRA standards in Mexico; and
- \$ Agreement that FRA can stop the trains to inspect at any point within the U.S.

### **Train Crews**

Currently, Mexican and U.S. train crews interchange on the international bridge. TFM crews deliver northbound trains to the international bridge over the Rio Grande River. The interchange in both directions is performed by UP power exclusively.

Concomitant with the 1000-mile air-brake process request is a joint UP/TFM proposal that outlines the use of a unique pool of Mexican and U.S. citizens who would interchange trains within the Free Trade Zone. The Free Trade Zone is approximately a 25-mile radius from the Rio Grande River Bridge and is governed by the Department of State. These crews would be a discrete pool who would have in their possession a special laser visa which will allow foreign nationals of both countries to work within this strictly defined area. TFM and UP officials have jointly discussed this proposal with both the U.S. and Mexican consulate at Laredo and Nuevo Laredo. The responses were very positive, and UP anticipates no problem with approval. Eliminating the crew swap that currently occurs at the middle of the international bridge would provide a safer environment for the crew as well as save an additional 15 to 20 minutes per train. If this proposal indeed saves 15 minutes per train movement in either direction on the Bridge, it would effectively increase bridge capacity by up to eight trains per day, with the additional benefit of increasing speed over the Bridge, thereby reducing congestion in both Gateway cities and improving speed and efficiency of regulatory agencies located at the Bridge.

Work that remains to be completed in order to achieve run-thru crews is:

- \$ Establishment of a bilingual joint command center at Laredo;
- \$ Staffing of this command center with managers from the TFM, Tex-Mex, and UP Railroad;
- \$ Procurement of laser visas for Mexican citizens to perform this unique service in the U.S.;
- \$ Procurement of these special working visas for U.S. Citizens to perform work in Mexico;
- \$ Specific definition of the special working area defined by the State Department; and
- \$ Special Access through immigration checkpoints of both U.S. and Mexico.
- \$ These employees must be able to cross the International Gateway on rail bridges versus the normal pedestrian immigration checkpoint.

## **Parallel Operations**

### **Mexico**

In general, it is expected that U.S. railroads accepting trains from Mexican railways will conduct full mechanical inspections before proceeding. The following exceptions have been made to avoid congestion, blocked crossings, and pedestrian exposure in densely populated border towns:

In 1996, UP received authorization to bring trains from the border north approximately 12 miles where initial terminal air brake inspections (now Class I inspections) are performed. Subsequently, Tex Mex/KCS trains were also permitted to proceed north through Laredo to have a full inspection at a yard 14 miles north. Similar arrangements were approved for Brownsville, Texas, in February of 2004 (7.9 miles). In each case, train line continuity is verified through a Class III brake test prior to movement from the border.

At Eagle Pass, BNSF trains move to an interior point 7 miles inland for inspection after a set and release, and trains being delivered to UP are shoved a very short distance into the UP yard where they are inspected and tested.

In Nogales, FRA issued a waiver in May of 2001 allowing trains to proceed to a yard about 7 miles away, to avoid blocking downtown Nogales streets following a Class III test when the UP picks up the train at the border.

Crews change at the US/Mexico border and do not operate into each others' countries. Exceptions are limited to shoving moves for very short distances to effect interchange.

### **Canada**

Most US/Canadian interchanges are at interior yards, in some cases about 40 miles away from the border. FRA accepts initial terminal air brake tests (Class I tests) conducted in Canada, because applicable regulations are generally compatible, and periodic reciprocal joint inspections with Transport Canada inspectors verify compliance.

For several US/Canada trains, crews may change at locations up to about 40 miles inland. The US and Canada accept each other's certification requirements for locomotive engineers, but as of June, 2004, Canadian crews operating into the US must comply with US alcohol and drug rules where the length of haul exceeds 10 miles (subject to review of case-by-case waiver requests). US crews operating into Canada are required to have Canadian work permits.