

**A GENERAL CHRONOLOGY
OF THE
SUCCESSORS OF THE
PENNSYLVANIA RAILROAD COMPANY
AND
THEIR HISTORICAL CONTEXT**

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1978

April 2015 Edition

All data subject to correction and change

- Jan. 2, 1978 Amtrak announces that running times of “Turboliners” between New York and Albany-Rensselaer will be cut by 10 minutes because of track improvements. (NYT)
- Jan. 2, 1978 SEPTA bans smoking on all one-car trains, which amount to 5% of its runs. (Cinders)
- Jan. 3, 1978 Lehigh Valley Railroad Trustee R.C. Haldeman files new reorganization plan calling for distribution of those assets not conveyed to Conrail. (Moody’s)
- Jan. 6, 1978 Dow Jones industrial average falls below 800. (Trager)
- Jan. 8, 1978 Amtrak restores most service cuts of Sep.-Oct. 1977 pending Congressional/DOT review, including all New Haven-Springfield service and *The Clamdigger*; *National Limited* continues to operate via Dayton; *Floridian* reverts to two-night-out schedule; Washington-Cincinnati *Shenandoah* made an overnight train; *Night Owl* and *Hilltopper* “combined” into a Boston-Tri-State, Ky., train. (AmtrakNews, Trains)
- Jan. 8, 1978 *New York Times* reports that Amfleet trains have better on-time record than extra-fare “Metroliners.” (NYT)
- Jan. 8, 1978 Reps. Andrew Maguire, John L. Burton and Tobey Moffett ask General Accounting Office to make complete audit of Conrail in light of heavier than expected losses and threats to abandon some lines in N.J. (NYT)
- Jan. 11, 1978 Labor Dept. announces that unemployment in Dec. 1977 was 6.4%, the lowest in three years. (AmrcnDclds)

- Jan. 1978? Amtrak orders first eight AEM7 electric locomotives to replace GG1's; are to be similar to ASEA Rc4a tested in 1977; 6,100 continuous HP, weigh about 100 tons; will be limited to 8 "Amfleet" cars but run at speeds up to 125 MPH; are to be built in U.S. by EMD with electrical components imported from ASEA in Sweden. (Cinders)
- Jan. 1978 Amtrak and the City of Baltimore approach N.J. DOT pleading to lease some of the order of 230 "Jersey Arrow III" MU cars accumulating in storage pending the re-electrification of the ex-DL&W lines (180 cars) and extension of electrification on the NY&LB (50 cars). (NYT)
- Jan. 1978 Electrification of ex-New Haven line between Woodlawn Jct. and New Rochelle is converted from 11,000 volts, 25 hertz, to commercial 12,500 volts, 60 hertz, but a transformer failure forces restoration of old system. (Cinders)
- Jan. 1978 Conrail assigns full-time responsibility for SEPTA commuter trains to Richard B. Hoffman, Assistant General Manager-Eastern Region. (Cinders)
- Jan. 1978? Trailways Bus System announces fare cuts of up to 50% between certain Northeast Corridor points to compete with Amtrak. (Cinders)
- Jan. 16, 1978 MBTA holds groundbreaking for first phase of Southwest Corridor Project, which will replace Orange Line elevated with tracks in a cut parallel to the old New Haven main line from Back Bay to Roxbury. (MBTA)
- Jan.17, 1978 Budd Company directors accept an offer of Thyssen, AG, a German steel conglomerate, to purchase the all the company's stock for \$275 million. (NYT, Cinders)
- Jan. 18, 1978 MBTA orders 17 rebuilt locomotives for commuter service for \$6.4 million. (MBTA)
- Jan. 18, 1978 Budd SPV-2000 demonstrator with fiberglass shovel-nose begins two days of demonstration runs at Washington; after a press conference at Union Station, makes a round trip to Bowie; then returns to Red Lion under its own power. (Trains, Cinders)
- Jan. 20, 1978 Worst blizzard since Feb. 1969 strikes New York area; 13 inches fall in the city and more in the suburbs; drifts cover third rail on the Port Jefferson Branch, resulting in the restoration of diesel-powered trains west of Huntington; at 8:00 AM, LIRR cancels all but a few diesel-powered trains; Conrail experiences delays up to 3:00 on its Hudson,

- Harlem and New Haven Lines and operates limited service in New Jersey. (NYT, Trains)
- Jan. 20, 1978 Major blizzard hits Philadelphia area with 13 inches of snow and six to eight-foot drifts; Amtrak runs no trains south of Baltimore because of a freight derailment in the B&P Tunnel. (Cinders)
- Jan. 25, 1978 Asbury Park, N.J., station of 1922, once the most luxurious on the NY&LB, razed for replacement by a municipal building. (Railpace)
- Jan. 26, 1978 Because of a shortage of serviceable "Silverliners," Conrail uses GG1's to haul trains of dead "Silverliners" on the Trenton Line for two days. (Cinders)
- Jan. 1978 Severe snowstorms result in increased ridership on SEPTA rail lines; ridership up 10.2% over 1976. (AR)
- Jan. 1978 Major ice jam in lower Susquehanna River causes back-up and flooding of the generator room at PP&L's Safe Harbor Dam reducing the power available to electrified railroads of Amtrak and Conrail; Conrail is forced to halt electric freight operation during rush hours when electric drain is heaviest; conditions continue into the spring. (Cinders)
- Jan. 27, 1978 Deadline for discontinuing Chicago-Valparaiso "dummies" passes; service extended to Apr. 1, 1978. (Shappell)
- Jan. 30, 1978 Transportation Secretary Brock Adams fires Northeast Corridor Improvement Project Director Gen. Kenneth T. Sawyer and Deputy Director Gregory T. Haugan over delays and cost overruns; only 78% of work is completed, but 119% of money spent. (NYT)
- Jan. 31, 1978 Amtrak begins reduced "Night Owl" fares with a round trip for \$1 extra between certain cities in the late night and early morning; runs through May 25. (AR)
- Feb. 5, 1978 Conrail routes *National Limited* via Dayton on a permanent basis. (GO)
- Feb. 1978 Conrail service quality reaches lowest level since conveyance because of severe winter; 24.8% of locomotives out of service. (CR)
- Feb. 6, 1978 Amtrak moves its headquarters from 955 L'Enfant Plaza North to 400 North Capitol Street near Washington Union Station. (Bradley)
- Feb. 6-7, 1978 Major blizzard strikes Northeast, particularly the Boston area which experiences 27 inches of snow and hurricane force winds and 20

deaths; Philadelphia receives 14.1 inches; powdery snow fouls traction motors; GG1's are used to tow "Metroliners." (Cinders, Trains)

- Feb. 7, 1978 Amtrak announces that the pressed steel inserts for concrete ties for the Northeast Corridor manufactured by the Washburn Wire Company of Harlem do not meet specifications and will not be accepted; Washburn may still furnish rebars; reduces minority share of contracts from 40% to 28%; FRA threatens to withdraw funds if Amtrak changes the contract. (NYT)
- Feb. 8, 1978 With over a quarter of its 406-car MU fleet out of action with snow-related problems, SEPTA is forced to run a Saturday schedule, with morning-rush ridership up 50% because of blocked roads. (Cinders)
- Feb. 8, 1978 Former Port Authority Director Austin J. Tobin (1903-1978) dies at New York. (Trager)
- Feb. 9, 1978 SEPTA service begins to return to normal; Conrail tows dead MU cars behind GG1's on the Trenton and Paoli Lines, a practice that continues into the second week of April. (Cinders)
- Feb. 9, 1978 Budd SPV-2000 demonstrator begins two days of display at 30th Street Station with temporary fiberglass shovel nose at one end; demonstration runs are made to Holmesburg and back; then returns to Red Lion to have nose removed. (Cinders)
- Feb. 10, 1978 Conrail uses diesels to tow RDC's on PRSL lines. (Trains)
- Feb. 10, 1978 Eastern, National and Delta Airlines join United and American Airlines in filing with the CAB for discount "supersaver" fares; airlines begin rate wars; on the Northeast-Florida routes, makes the combination of cheap air fare and car rental more economical than Auto-Train, leading to several years of losses and bankruptcy in 1980. (NYT, Railfan)
- Feb. 1978 Buckeye Petrofuels Company organized to operate former properties of Myers propane gas companies purchased by Pennsylvania Company. (AR)
- Feb. 13, 1978 Budd SPV-2000 begins two days of static display at Penn Station. (Cinders)
- Feb. 13, 1978 Amtrak diesels used to tow two rush hour New Haven-New York commuter trains of M-2 "Cosmopolitan" MU cars between New Haven and Stamford to conserve power during problems with aging Cos Cob Power Plant. (Trains)

- Feb. 14, 1978 Philadelphia receives another snowfall of 4.4 inches. (Cinders)
- Feb. 15, 1978 Conrail files its new five-year business plan with the USRA; notes it will need an additional \$1.28 billion in Federal support starting in 1979 and will raise \$959 million in private sector for equipment purchases. (NYT, Cinders)
- Feb. 15, 1978 Pres. Carter imposes new system of trigger prices on imported steel to prevent foreign dumping and shore up the collapsing American steel industry.
- Feb. 1978 Ex-Reading "Blueliner" MU No. 9102 is first to receive the new SEPTA color scheme of red, white and blue at Reading shops. (Cinders)
- Feb. 1978 Amtrak appoints Martin Garelick, 53, formerly of the Milwaukee Road, to the new post of Executive VP & Chief Operating Officer. (Cinders)
- Feb. 1978 ICC authorizes new Lykens Valley Railroad Company to be designated operator of ex-PRR line between Millersburg and Elizabethville, Pa., making it eligible for state subsidies. (Cinders)
- Feb. 1978 Raritan River Railroad abandons its Sayreville Branch. (Deibert)
- Feb.? 1978 Wabash Valley Railroad begins operating the ex-PRR line between Decatur and Paris, Ill. (Trains)
- Feb.? 1978 Spencerville & Elgin Railroad begins operating the ex-Erie Lackawanna main line between Lima, Ohio, and the Indiana state line. (Trains)
- Feb.? 1978 Kankakee, Beaverville & Southern Railroad begins operating ex-NYC line between Kankakee and Sheldon, Ill. (Trains)
- Feb. 16, 1978 Grand Trunk Western files with ICC to obtain control of the Detroit, Toledo & Ironton Railroad.
- Feb. 19, 1978 A new production of *On the Twentieth Century* opens on Broadway to rave reviews; features a \$195,500 mock-up of a Henry Dreyfuss streamlined J-3a Hudson; the fold-apart sets create the effect of traveling at speed on the 1938 streamliner. (NYT, Trains)
- Feb. 22, 1978 "Metroliner" discontinued between New York and New Haven because of change in electrical system on former New Haven lines.
- Feb. 22, 1978 Republican Delaware County boss Faith Whittlesey joins with the

- Democratic city and state representatives to have the SEPTA Board fire Chairman James C. McConnon, a Montgomery County Republican leader, and replace him with her candidate John W. MacMurray, a Bryn Mawr investment counselor; Whittlesey's friend, Philadelphia City Managing Director Hillel Levinson, replaces Joseph Pyle, Jr., as Vice Chairman. (Phllnq, Cinders)
- Feb. 24, 1978 SEPTA shifts emergency consist of six dead ex-Reading "green" MU's and a GG1 from the Trenton to the Paoli Line. (Cinders)
- Feb. 26, 1978 Amtrak restores the *Champion* as a separate train via the old Seaboard route through Raleigh. (Cinders has 2/28)
- Feb. 27, 1978 Amtrak reequips the *Montrealer* with "Amfleet" cars; includes loss of "Le Pub" lounge cars with pianos, which are briefly used on other trains before being rebuilt. (Cinders)
- Feb. 27, 1978 GO Transit of Toronto introduces the first true double-deck commuter car in North America, built by Hawker Siddeley of Thunder Bay; has a full-width second floor in contrast to the gallery cars previously used in the U.S. (Trains)
- Mar. 3, 1978 Delaware & Hudson Railway Pres. and former Reading CEO Charles E. Bertrand (1915-1978) dies of a heart attack at his home in Huntingdon Valley, Pa., while shoveling snow. (Railfan, Cinders, AR)
- Mar. 4, 1978 Amtrak train No. 183 derailed in East River Tunnel; Amtrak then bans double-heading E60's except in emergencies. (Cinders)
- Mar. 6, 1978 Southern Railway files with the ICC to discontinue the *Southern Crescent*, Nos. 1-2. (Trains)
- Mar. 6, 1978 Pres. Carter invokes the Taft-Hartley Act to end the 91-day coal strike. (WrldAlmnc)
- Mar. 8, 1978 City of Philadelphia opens bids for first phase of Center City Commuter Connection. (Cinders)
- Mar. 8, 1978 SEPTA's push-pull train still in Reading green derails; cars are then repainted in SEPTA red, white and blue to match FP7 locomotives. (Trains)
- Mar. 9, 1978 Judge Fullam approves Penn Central's reorganization plan subject to vote of stockholders, bondholders and creditors; will pay \$3.5 billion claims of creditors by mix of cash and securities. (NYT)

- Mar. 10, 1978 The government announces that unemployment in Feb. 1978 was 6.1%, a three-year low. (WrldAlmnc)
- Mar. 14, 1978 Two cars of Conrail freight train, one containing chlorine, derail in Trenton, N.J., causing evacuation of surrounding houses. (NYT)
- Mar. 1978 One "Metroliner" run is now covered by a 35-year old GG1 and "Amfleet" cars on a slower schedule as "Metroliner" cars are sent to General Electric for rebuilding. (Cinders)
- Mar. 1978 Conrail orders 132 new diesel locomotives: 67 GE B23-7's, 32 GM GP38-2's and 33 GP40-2's. (Cinders)
- Mar. 1978 SEPTA demolishes Angora station. (Cinders)
- Mar. 1978 Pittsburgh & Lake Erie Company incorporated in Del. by P&LE management and group of Pittsburgh investors for purpose of buying P&LE from Penn Central. (McLean)
- Mar. 1978 Kent P. Shoemaker (1934-), a former Pres. of the Detroit, Toledo & Ironton Railroad, named Pres. of Delaware & Hudson Railway, replacing Charles E. Bertrand, deceased; D&H is losing \$1 million a month. (Cinders, Railfan)
- Mar. 1978 Delaware & Hudson Railway sells its two Baldwin RF16 Sharknose diesels, which are to be used on the Michigan Northern Railway. (Cinders)
- Mar. 17, 1978 Penn Central Trustees file amended plan with U.S. District Court, which is approved by Judge Fullam; stockholders are to receive 1 new share for 25 old shares; Pennsylvania Company is to turn over its 74% of the Connecting Railway stock and 35% of the PB&W stock to the reorganized Penn Central Corporation as a stock dividend and cancel its \$124 million debt to Penn Central. (NYT, AR, Cinders)
- Mar. 19, 1978 Conrail abandons ex-PRSL Wildwood Branch after Paul J. Doyle moves ex-PC passenger cars to create a railroad-themed restaurant and hotel; track removed in Sep. 1978. (PRRFAX)
- Mar. 20, 1978 Pleco, Inc., incorporated in Delaware for the purpose of buying the Pittsburgh & Lake Erie Railroad by Gordon Neuenschwander and other investors who do not want it to be merged into Conrail. (DelCorps, Railpace)
- Mar. 23, 1978 Conrail reports \$76.8 million loss for 4th quarter of 1977; loss for year is \$366,6 million. (NYT)

- Mar. 25, 1978 110-day coal strike ends, longest in U.S. history. (AmrcnDcnds)
- Mar. 26, 1978 SEPTA discontinues station stops at Trainer and Naaman on Wilmington Line. (Shappell)
- Mar. 27, 1978 Penn Central mails 400-page copy of reorganization plan to bondholders, stockholders and creditors for approval; printing and mailing costs alone amount to \$750,000. (NYT)
- Mar. 29, 1978 Frustrated by the political aspects of the job, Amtrak Pres. Paul H. Reistrup announces he will resign effective June 1. (NYT)
- Mar. 31, 1978 Discontinuance of Chicago-Valparaiso "dummies" withdrawn; Northwest Indiana Railroad Transportation Authority (?) agrees to subsidize service until Sep. 28, 1978. (Shappell)
- Mar. 31, 1978 Maryland & Pennsylvania Railroad runs its last train over the portion of the ex-PRR Frederick Branch between Littlestown and Walkersville, Md., after the State of Maryland ends its subsidy; Pennsylvania continues to subsidize the section between York and Littlestown; later the Hanover-Taneytown segment is abandoned, and by 1980 the Maryland Midland Railroad begins operating Taneytown-Walkersville, Md., reached via the Western Maryland Railway. (Hilton, Gunnarsson)
- Mar. 31, 1978 U.S. railroads suffer their worst first-quarter loss ever, \$274 million, because of coal strike and severe winter; rate of return on investment for year ending this date drops to 0.6%. (AAR)
- Apr. 1, 1978 Brotherhood of Sleeping Car Porters dissolved through merger into Brotherhood of Railroad & Airline Clerks because of the dwindling number of sleeping cars.
- Apr. 1, 1978 VIA Rail Canada, Inc., a Canadian counterpart to Amtrak, assumes operation of a restructured long-distance service from Canadian National Railways and Canadian Pacific ___. (Zimmermann)
- Apr. 3, 1978 Amtrak begins this season's Northeast Corridor trackwork program, including 144.8 miles of welded rail, concrete ties, rebuilding 26 interlocking plants, and repairing or replacing 82 bridges. (Cinders)
- Apr. 3, 1978 United States Steel Corporation rolls back another 2.2% price increase announced on Mar. 29. (WrldAlmnc)
- Apr. 4, 1978 Budd SPV-2000 demonstrator leaves Philadelphia for tests on MBTA. (Cinders)

- Apr. 4, 1978 United Steelworkers of America signs a new contract with Pullman-Standard, ending 27-week strike that has delayed production of Amtrak "Superliners." (Trains)
- Apr. 4, 1978 "C.P. LEECH" placed in service on Conrail's Conemaugh Line; "KISKI" Tower closed. (Railpace)
- Apr. 5, 1978 N.J. Gov. Brendan Byrne announces that he will nominate Louis J. Gambaccini (1931-), General Manager of PATH, to be the next Commissioner of Transportation. (NYT)
- Apr. 9, 1978 New York Stock Exchange lifts ban on trading in Penn Central Company stock after publication of court-approved reorganization plan. (NYT)
- Apr. 9, 1978 Restored Loewy GG1 No. 4935 hauls a special movement of George Pins's private cars *Virginia Beach* and No. 120 *Pennsylvania* from Long Island en route to Chicago on a charter to Applied Devices, an electronics firm. (Zimmermann)
- Apr. 10, 1978 MBTA begins 45-day test of Budd SPV-2000 on its commuter lines. (MBTA)
- Apr. 11, 1978 Pres. Carter announces his anti-inflation plan, including a 5.5% annual increase limit on federal salaries, but rules out mandatory controls. (WrldAlmnc)
- Apr. 13, 1978 Justice Dept. files brief with U.S. Supreme Court in favor of upholding New York City's landmarks law in Grand Central Terminal case. (NYT)
- Apr. 1978 Amtrak regears six, and later eight, GG1's for "Metroliner" speeds of 110 MPH. (Cinders)
- Apr. 1978 Amtrak begins reconfiguring former New Haven electrification from 25-cycle to 60-cycle purchased from commercial power plants to relieve failing Cos Cob Power Plant.
- Apr. 1978 Amtrak agrees to lease up to 70 "Jersey Arrow II's" from N.J. DOT for "Clocker" service; 12 "Jersey Arrows" are already leased to Maryland for three Baltimore-Washington trains; will release 16 "Amfleet" cars to reequip the *Valley Forge* and *Niagara Rainbow*. (Cinders, Trains)
- Apr. 1978 SEMTA is receiving its ex-PRR P85L coaches as rebuilt by Mechtron Industries, Inc., of Wilmington, Del. (Cinders - has 12 being rebuilt in

8/78)

- Apr. ? 1978 House Subcommittee on Transportation & Commerce approves a bill appropriating an additional \$1.2 billion for Conrail. (Cinders - verify NYT)
- Apr. 1978 CAB permits airlines to cut fares up to 50% without prior approval (NYT)
- Apr. 16, 1978 Preservationists led by Jacqueline Kennedy Onassis (1929-1994), architect Philip Johnson (1906-2005) and theater critic Brendan Gill (1914-1997) charter the 8-car *Landmark Express* to travel to Washington to attend U.S. Supreme Court hearing of Grand Central Landmark Case; train includes ex-PRR business car No. 120 *Pennsylvania* owned by George Pins; trip begins with rally at Grand Central. (Belle, AmtkNews, NYT)
- Apr. 17, 1978 U.S. Supreme Court hears Grand Central Terminal landmarks case. (NYT)
- Apr. 17, 1978 GG1-powered “pull train” of 5 dead “Silverliners” makes last run on Train No. 910 from Chester to Suburban Station. (Cinders)
- Apr. 17, 1978 Ex-Delaware & Hudson Railway Baldwin BF16 “Shark-noses” No. 1205 & 1216, the last operating Baldwin cab units, are delivered to the Michigan Northern Railway at Reed City, Mich. (Trains)
- Apr. 17, 1978 New one-day record set on the New York Stock Exchange, with 63.5 million shares traded; the period between Apr. 13 and Apr. 26 sets a 10-day record, with 431.88 million shares traded; the Dow Jones industrials average jumps 62 points. (WrldAlmnc)
- Apr. 17, 1978 CAB announces a further 10% cut in fares on night flights, or a total of 50% lower than regular fares, effective May 15. (NYT)
- Apr. 18, 1978 New Haven Trustee files reorganization plan with U.S. District Court at New Haven. (NYT)
- Apr. 19, 1978 Treasury Dept. announces it is selling some of the U.S. gold reserve to shore up the dollar. (WrldAlmnc)
- Apr. 21, 1978 SEPTA holds formal display of rebuilt and repainted “brighter look” MP54 No. 442 at Suburban Station; a total of 17 MP54's and 26 Reading “Blueliners” are to be overhauled. (Cinders, AR)
- Apr. 21, 1978 Threatened strike by Brotherhood of Railway & Airline Clerks against

Conrail halted by injunction. (Cinders)

- Apr. 23, 1978 Train ferry *Chief Wawatam* is now operating four days a week, up from one day in 1976; operated by Straits Carferry Service Corporation, a subsidiary of the Detroit & Mackinac Railway; Michigan Northern Railway has stayed out of the recent 5% rate increase, making it an attractive route for bulk products from the Northwest and Canada to the Southeast. (Trains)
- Apr. 24, 1978 United Steelworkers return to work at the Hammond Plant of Pullman-Standard, permitting construction of the "Superliners" to resume; however, so many workers have drifted away during the strike that there are delays returning to full capacity; meanwhile, tests have discovered flaws in the original design, requiring further delays for modifications. (Zimmermann)
- Apr. 25, 1978 Alan S. Boyd (1922-), former Pres. of Illinois Centra and first Secretary of Transportation under Pres. Johnson, elected Pres. of Amtrak succeeding Paul H. Reistrup, resigned, effective June 1. (AmtkNews, Gallamore)
- Apr. 25, 1978 Budd Company merged into Thyssen Acquisition Corporation, a wholly-owned subsidiary of Thyssen AG, Europe's biggest steel company; the passenger rail car business is made a separate Transit Division. (BuddCo)
- Apr. 26, 1978 Brielle drawbridge on NY&LB taken out of service for repairs for about four weeks; bus connections provided for stops south of Asbury Park or Sea Girt. (Shappell)
- Apr. 30, 1978 Amtrak raises fares by 2.5%. (Cinders)
- Apr. 30, 1978 Amtrak runs eight "Jersey Arrow III's" from Philadelphia to Washington as preview run of the *Chesapeake* and also to ferry the cars to Washington, where they will replace 8 MP54's on the Washington-Baltimore commuter trains; Amtrak has leased 12 "Jersey Arrows." 2 for the *Chesapeake*, 8 for Washington, and 2 spares. (Cinders)
- Apr. 30, 1978 Amtrak holds preview run of *The Chesapeake* running only Philadelphia-Bowie and return; dedicates refurbished Aberdeen, Md., station. (AmtkNews)
- Apr. 30, 1978 Amtrak inaugurates two local trains: *Chesapeake* between Philadelphia and Washington (funded by Maryland DOT) and *Beacon Hill* between New Haven and Boston; *Beacon Hill* replaces New Haven-Providence local, the *Clamdigger*; *Metroliners* now referred to as "Metroliner"

Service" since "Amfleet" cars are being substituted while original cars in shop; "Metroliner Service" schedules lengthened from 3 hours to over 3:15 because of track rehabilitation. (NB 5/1 is Mon. when Ches. starts regular service; 4/30 was preview);

- Apr. 30, 1978 Amtrak leases 70 NJDOT "Jersey Arrow III" cars for *Chesapeake*, New York-Philadelphia and Philadelphia-Harrisburg service. Amtrak subleases 10 cars to Maryland DOT for Baltimore-Washington locals, replacing last MP54's. (Shappell - inaug. run of Chesapeake was 4/30 to Bowie and back to Balt.)
- Apr. 30, 1978 Amtrak establishes "Manhattan Transfer" across-the-platform connection at Penn Station between one round trip of "Metroliners" and Boston trains with \$5 refund for missed connections. (Shappell)
- Apr. 30, 1978 *Adirondack* rerouted; Albany-Rensselaer to CP-9 to Aqueduct secondary to SS Cabin and then onto the Delaware & Hudson Railway. (Shappell)
- May 1, 1978 Amtrak inaugurates *Chesapeake* Nos. 420-421 between Philadelphia and Washington with NJ DOT "Jersey Arrow III" cars Nos. 588-589; train arrives in Washington at 9:20 AM and departs 4:45 PM; first passenger train to stop at Elkton, Md., since ca. 1964. (Amtk AR, Cinders, CecilCoWordPress)
- May 1, 1978 SEPTA increases fares 5-15%; increases are higher on the Reading side to equalize fares. (Cinders)
- May 1, 1978 Rebuilt MP54 No. 442 returns to service on Media Line train Nos 1749 and 712. (Cinders)
- May 1, 1978 Leased "Jersey Arrow III" MU cars Nos. 580-581, 584-585, 598-599 and 590-591 replace all old MP54's in Baltimore-Washington commuter service. (Cinders)
- Spring 1978 12 SEPTA MP54E5 MU cars leased to State of Maryland for Baltimore-Washington service are laid up at Baltimore and replaced by "Jersey Arrow III's" leased from N.J. DOT. (Cinders)
- May 1, 1978 Amtrak lifts ban on Conrail's operation of electric freight trains during morning rush hours after flood-damaged Safe Harbor Hydro Power Plant is partially restored; ban remains on evening rush hour operation north of Perryville. (Cinders)
- May 2, 1978 Loewy GG1 No. 4935 suffers traction motor fire at Edgewood, Md., but no serious damage. (Cinders)

- May 3, 1978 Pres. Carter withdraws nomination of Anthony Haswell of the National Association of Railroad Passengers to the Amtrak Board; Haswell has antagonized union leaders, who had previously supported him, by reversing himself and stating that job reductions and work rules changes are necessary to save the passenger train. (NYT, Trains)
- May 5, 1978 Amtrak lifts remaining restrictions on Conrail electric freight service. (Cinders)
- May. 5, 1978 Dept. of Labor announces that unemployment in Apr. fell to 6%, the lowest in three and a half years. (WrldAlmnc)
- May 8, 1978 Transportation Secretary Brock Adams finally delivers the DOT report on restructuring Amtrak, originally due Mar. 1, to Congress; recommends that 8,100 of 27,000 route miles be eliminated to save \$118 million by 1980, a 43% cut; trains to be discontinued include the *Colonial*, *Hilltopper*, *Floridian*, *Shenandoah* and *Adirondack*. (NYT, Wilner, Cinders)
- May 9, 1978 Conrail reports record \$216 million loss for 1st quarter of 1978; total loss since formation is now \$788 million. (NYT)
- May 9, 1978 Lykens Valley Railroad begins regular operations over ex-PRR line between Millersburg and Elizabethville, Pa., closed since Hurricane Agnes in 1972. (Cinders, Railfan)
- May 13, 1978 Conrail operates Monmouth Park race train Saturdays and holidays through Aug. 4. (Shappell)
- May 15, 1978 Conrail adopts new system of designating preferred freight trains as already used on Western railroads; symbol consists of two-letter code for origin, two letters for destination, and single number indicating date of departure and a letter suffix if two or more such trains are dispatched on the same day; TrailVan trains retain "TV" symbols. (Cinders)
- May 15, 1978 House Interstate & Foreign Commerce Committee passes bill appropriating \$613 million in operating subsidies for Amtrak in FY 1979, plus \$130 million for capital improvements; freezes system until Oct. 1, 1979 and allows Amtrak to contract to operate commuter services; Senate passes bill for only \$510 million in operating subsidies. (NYT, Cinders)
- May 1978 N.J. DOT receives first of 10 E8's and E9's rebuilt at Illinois Central Gulf's Paducah Shops for NY&LB service. (Cinders)

May 1978? N.J. DOT transfers ex-CNJ RDC's No. 551, 555 and 559 to Atlantic City service; 555 is used for parts. (Cinders)

May 1978 Eight Delaware & Hudson Railway passenger cars displaced from the *Adirondack* are now operating in MTA commuter service between Grand Central Terminal and Poughkeepsie. (Trains)

May? 1978 SEPTA introduces new monthly commuter rail pass. (Cinders)

May 16, 1978 Conrail closes "TRUXALL" Tower; "BLAIR," "ALUM" and "TOMS" placed under Pittsburgh Dispatcher, completing CTC between Conpitt Jct. and Aspinwall. (Raipace)

May 18, 1978 Budd SPV-2000 demonstrator returns to Philadelphia at the rear of the *Night Owl* after tests for the MBTA. (Cinders)

May 18, 1978 Seaboard Coast Line Industries, Inc., terminates merger discussions with Southern Pacific Company. (NYT)

May 20, 1978 Budd SPV-2000 demonstrator displayed at Lindenwold PRSL station as part of National Transportation Week observance; Boston and Chicago have turned down revenue tests. (Cinders, Trains)

May 21, 1978 Lancaster Chapter of NRHS operates fan trip to Baltimore with Loewy GG1 No. 4935 and No. 4933. (Cinders)

May 22, 1978 Louis J. Gambaccini takes office as N.J. Transportation Commissioner. (NYT)

May 25, 1978 Penn Central Transportation Company creditors approve reorganization plan. (NYT)

May 26, 1978 NY&LB Manasquan River drawbridge at Brielle reopens as single track. (Shappell)

May 26, 1978 Legalized gambling begins at Atlantic City with the opening of Resorts International's casino in the former Haddon House hotel of 1929; the faded resort is gradually made over as Las Vegas East, with mixed results. (PhlInq, NYT)

May 27, 1978 Louis S. Thompson becomes head of Amtrak's Northeast Corridor Improvement Project, replacing Gen. Kenneth T. Sawyer. (NYT, Cinders)

May 29, 1978 Amtrak now has GG1's and "Amfleet" cars assigned to three "Metroliner Service" round trips; schedule is lengthened to 3:25.

(NYT)

- May 30, 1978 Budd SPV-2000 demonstrator operates between Philadelphia and Allentown. (Cinders)
- May 31, 1978 Conrail abandons last 1.4 miles of Fort Washington Branch after state subsidy expires. (Cinders)
- May 31, 1978 Budd SPV-2000 demonstrator moved to Chicago for tests on Milwaukee Road. (Cinders)
- June 1, 1978 Alan S. Boyd becomes third Pres. of Amtrak, replacing Paul H. Reistrup, resigned in frustration between conflicting demands of the Carter Administration and Congressional supporters of Amtrak who demand trains in their thinly-populated districts; except for a stint as Pres. of the Illinois Central from 1969 to 1976, Boyd is a career government bureaucrat. (AmtrakNews, Trains)
- June 1, 1978 Pennsylvania Company management contract to Victor Palmieri & Co. expires and Frank Loy replaces Palmieri as CEO. (AR)
- June 1, 1978 Work begins on first phase of Center City Commuter Connection with underpinning of Reading Terminal. (SEPTA)
- June 5, 1978 Penn DOT extends SEPTA/Conrail Philadelphia-Bethlehem commuter service to Allentown over old Lehigh Valley Railroad main line; only facility at Allentown is an unlighted platform at the old LV station. (Shappell, Cinders)
- June 5, 1978 Chicago's Regional Transportation Authority displays new equipment at Chicago Union Station, including Budd SPV-2000 demonstrator, Budd bi-level coaches, a Fiat railcar, GO Transit bi-level coach and a new bi-level "Highliner" MU car built by Bombardier. (Cinders)
- June 6, 1978 30th Street Station placed on National Register of Historic Places. (Kyriakodis)
- June 6, 1978 Ex-PRR 44-tonner No. 9999 moves west after being sold by Conrail to a Midwestern steel company. (Cinders)
- June 6, 1978 California voters approve Proposition 13, which cuts property taxes by 57%, the beginning of a suburban revolt against high taxes. (WrlldAlmnc)
- June 9, 1978 The new Democrat-dominated SEPTA Board fires General Manager William R. Eaton over his continued loyalty to former Board Chairman

James C. McConnon; replaced by Comptroller-Treasurer Joseph T. Mack (1925-2000) as General Manager, pro-tem. (PhlInq, Cinders)

- June 9, 1978 Washington-Baltimore local No. 400, consisting of four leased NJDOT "Jersey Arrow III" MU cars, rear-ends Amtrak No. 60 near Seabrook, Md.; 68 persons injured and all four tracks blocked for several hours. (NYT, Cinders)
- June 12, 1978 SEPTA's ex-Reading six-car push-pull train returns to service in new red, white and blue paint scheme. (Cinders)
- June 14, 1978 Federal Railroad Administration begins series of hearings on rail safety. (Cinders)
- June 15, 1978 Conrail transfers ex-Reading lines Allentown-Emmaus Jct. and Hellertown-Bethlehem from Eastern Region/Reading Division to Atlantic Region/Lehigh Division.
- June 1978 LIRR East End parlor car service is being re-equipped with electric-heat cars rebuilt from MU coaches; two trains still run with conventional cars, including ex-B&O observation *Amagansett* on *Shelter Island Express* to Greenport. (Cinders)
- June 1978? State of New Jersey buys the North Jersey Coast line from Rahway to Bradley Beach (NY&LB) from Conrail. (Railfan - verify)
- June 1978 *Broadway Limited* has the worst on-time performance of any Amtrak long-distance train, 1.7%. (Trains)
- June 1978 With completion of order of 238 cars for ex-Erie Lackawanna lines of N.J. DOT, General Electric Company ceases the manufacture of commuter cars at Erie, Pa. (Trains)
- June 1978 SEPTA returns the ex-Reading 5-car push-pull train with an ex-Reading FP7 at each end to service between Philadelphia and Reading, now painted in SEPTA red-white-and-blue. (Railpace)
- June 1978 Southern Railway confirms that it is studying the purchase of Illinois Central Gulf Railroad from IC Industries, Inc. (Trains)
- June 17, 1978 Freight rates increased about 2%. (AR)
- June 17, 1978 LIRR G5 4-6-0 No. 35 is taken by truck from an East Meadow, N.Y., park to the Black River & Western Railroad in Ringoes, N.J. for restoration. (Trains)

June 20, 1978 Amtrak dedicates new station at Miami, Fla. (AmtrakNews)

June 22, 1978 City of Philadelphia holds groundbreaking for Center City Commuter Connection; work is then delayed by lawsuits and city politics. (SEPTA)

June 23, 1978 Bombardier-MLW Limited renamed Bombardier Inc. and becomes the top public company in the Bombardier group. (Moody's)

June 26, 1978 Conrail Pres. Richard D. Spence (1925-) is forced to resign as the scapegoat for poor operating performance caused by worn out equipment and the harsh winter; no reason given in the press release; Spence serves as Pres. of the Louisville & Nashville Railroad until 1980. (NYT, Cinders, WwaW)

June 26, 1978 U.S. Supreme Court upholds constitutionality of New York City landmark law by 6-3 decision, preventing Penn Central from building a 53-story office tower over Grand Central Terminal; upholds validity of landmark designation on aesthetic grounds and designating a single building, not an entire district, as a landmark under the city's police powers; Justice William Rehnquist (1924-) for the minority, holds that the ruling violates the Fifth Amendment by taking private property without compensation. (Nevins, Roberts, NYT)

June 26, 1978 Amtrak begins installation of concrete ties on the Northeast Corridor with its new track laying system (TLS) at Wood River Jct., R.I. (AR)

June 27, 1978 MBTA agrees to buy South Station from the Boston Redevelopment Authority for \$4 million; to be redeveloped into a new trade and transportation center. (MBTA)

June 28, 1978 SEPTA appoints Joseph T. Mack (1925-2000), formerly Treasurer & Controller, as acting General Manager and hires Louis T. Klauder & Associates to help find a permanent General Manager. (SEPTA)

June 29, 1978 Penn Central petitions Judge Fullam to issue final approval of reorganization plan. (NYT)

June 30, 1978 Amtrak dedicates new station at Canton, Ohio. (AR)

Summer 1978 Amtrak retires its only ex-NYC "T-motor" Class T3 No. 4678 used in wire service at Grand Central Terminal. (Cinders)

July 1, 1978 Amtrak abolishes Northeast Corridor Region; smaller Corridor organization remains at Philadelphia under John K. Shoemaker; Eastern Central and Western Regions also abolished and 10 division

- superintendents retitled division managers. (Cinders)
- July 1, 1978 Amtrak expands package express service to include pick-up and delivery at 25 major cities in cooperation with Purolator Courier Corporation. (Cinders)
- July 1, 1978 *Broadway Limited* begins carrying sacked mail in baggage cars for the first time since 1967. (Cinders)
- July 1, 1978 Armco Steel Corporation renamed Armco, Inc. (AI&SI)
- July 7, 1978 Dept. of Labor reports unemployment at a four-year low at 5.7%. (WrldAlmnc)
- July 10, 1978 Brotherhood of Railway & Airline Clerks strikes Norfolk & Western Railway over job protection and desire to represent additional employees; cuts off connection to struggling stepchild Delaware & Hudson Railway; 3,000 supervisors take over operations with two-man crews and 250-mile days, raising both productivity and safety; by the end of the strike, 15% of the old work force is performing 43% of the pre-strike business. (AR, Striplin, Cinders, Trains)
- July 12, 1978 Amtrak dedicates new station at Rochester, N.Y. (AR)
- July 12, 1978 Conrail's Cincinnati Division merged into Columbus Division. (GO)
- July 1978 Number of Conrail locomotives out of service reduced to 15.8%, down from high of 24.8% in Feb. 1978. (CR)
- July 16, 1978 Conrail moves its main Delmarva switching yard from Dover to Harrington after neighbors at Dover complain of noise. (Cinders)
- July 16, 1978 Chesapeake & Ohio Railway abandons Cheviot Hill line between Cincinnati and Cheviot to make room for its new Queensgate Yard in the Mill Creek Valley; last run of the *Cardinal* by this route. (Railfan, Trains)
- July 17-18, 1978 Auto-Train Corporation operates test train to check clearances for proposed operation over B&O-Conrail to Cranford, N.J. (Cinders)
- July 18, 1978 Budd SPV-2000 demonstrator returns to Red Lion Plant from Chicago. (Cinders)
- July 21, 1978 Railroads agree with UTU, BLE, Brotherhood of Railroad Signalmen, and the sheet-metal workers for wage increases and cost of living adjustments of up to 35% over three years with no mention of the crew

consist issue. (NYT, Trains)

July 23, 1978 NY&LB No. 5386, 8 cars, derailed east of Spring Lake by rail buckled from heat. (Shappell)

July 23, 1978 Amtrak operates test train Pittsburgh-Altoona using two PennDOT ex-Reading RDC's. (Shappell)

July 23, 1978 PATCO increases fares by average of 27%. (Cinders)

July 24, 1978 Realty Hotels, Inc., sells Biltmore, Barclay and Roosevelt Hotels at Grand Central Terminal. (Cards)

July 26, 1978 Amtrak Board approves construction of a station at Baltimore-Washington International Airport (BWI) with a shuttle bus connection to the terminal. (Trains)

July 27, 1978 Judge Fullam reserves decision on Penn Central reorganization plan. (NYT)

July 28, 1978 MTA fires LIRR Pres. Robert K. Pattison over poor performance in winter and consultant's report that finds management "bad"; replaced by former military officer and Grumman Corporation official Francis S. Gabreski, who has no railroad experience; Gov. Hugh Carey pushed for the firing because the poor state of the LIRR threatened to become an issue in the fall election. (NYT)

July 28, 1978 SEPTA closes agency at Cynwyd. Pa. (Shappell)

July 28, 1978 Bureau of Labor Statistics announces that inflation in the second quarter is running at the rate of 11.4% a year. (WrldAlmnc)

July 30, 1978 SEPTA station at Washington Lane, Pa., damaged by fire. (Shappell)

July 30, 1978 Conrail increases Philadelphia-Allentown passenger service from one to four round trips on weekdays and three on weekends. (Cinders)

July 31, 1978 Amtrak establishes new station stop at Dearborn, Mich. (Amtk AR)

Aug. 1, 1978 Conrail posts Chicago-Valparaiso "dummies" for discontinuance on Sep. 29. (Shappell)

Aug. 1, 1978 Waynesburg & Washington 2-6-0 No. 4 fired up for first time since 1936 and run on a short test track at the Greene County Historical Society Museum two miles east of Waynesburg; operated as an exhibit from time to time. (Koehler)

- Aug.? 1978 Conrail reorganizes marketing and sales forces around five business groups based on car type: "gondola & flat," "covered hopper & tank," "open top hopper," "box car", "TOFC," and "automotive"; eliminates Central Region field offices, leaving only East and West. (Guide)
- Aug. 2, 1978 Conrail reports \$60.9 million loss for 2nd quarter, more than twice the loss for the same quarter in 1977. (NYT)
- Aug. 3, 1978 A new record day on the New York Stock Exchange; 65.4 million shares traded. (WrldAlmnc)
- Aug. 6, 1978 Last run of N.J. DOT-Conrail shuttle on ex-CNJ line between Cranford and Bayonne with RDC No. 553; Newark Bay Bridge is then taken out of service. (Cinders)
- Aug. 7, 1978 MBTA places 60 modern push-pull commuter coaches in service; leased from GO Transit in Toronto. (MBTA)
- Aug. 13, 1978 Amtrak equips *National Limited* with "Amfleet" cars and HEP sleeper; Washington section uses conventional equipment with transfer at Harrisburg; change from electric to diesel moved from Harrisburg to North Philadelphia, but causes so much delay that E60's run through to Harrisburg, despite 50 MPH restriction between Philadelphia and Harrisburg; first regular assignment of E60's west of Philadelphia. (AmtkNews, Shappell, Cinders)
- Aug. 15, 1978 Octoraro Railway reopens line as far as Lincoln University. (Cinders)
- Aug.? 1978 First two ex-Great Northern "Jersey Builder" cars No. 109 and 112 are repainted in N.J. DOT blue and silver livery. (Cinders)
- Aug.? 1978 House & Senate conference committee approves compromise Amtrak funding bill providing \$600 million in operating subsidies, \$130 million for capital projects, and directing the Secretary of Transportation to submit a report on route restructuring by Dec. 31, 1978; if Congress fails to act within 90 days, changes would take effect Oct. 1, 1979. (Cinders)
- Aug.? 1978 Conrail announces it will spend \$15.1 million to upgrade Juniata Locomotive Shops. (Cinders)
- Aug. 17, 1978 Judge Fullam issues final decrees and consummation order approving Penn Central reorganization. (MB,)
- Aug. 17-20, 1978 Budd SPV-2000 demonstrator makes four runs between Lindenwold

- and Atlantic City; on Aug. 18, it rescues passengers from N.J. DOT RDC No. 551, which had broken down near Hammonton en route to Atlantic City. (Cinders)
- Aug. 1978? Connecticut DOT suspends RDC service between Bridgeport and Waterbury and substitutes buses.
- Aug. 21, 1978 Amtrak removes southbound Track No. 4 from service between "BRILL" and "BALDWIN" for rebuilding with welded rail. (Cinders)
- Aug. 29, 1978 Conrail operates last regular P70 coach at New York, No. 1726 on North Jersey Coast train No. 3320; last P70's are replaced by newly-refurbished coaches in 5400-series purchased from Penn Central; P70 club car No. 1734 still operates in Tuscan red. (Cinders)
- Aug. 30, 1978 Former PRR official and Norfolk & Western Railway Pres. Herman H. Pevler (1903-1978) dies. (Trains)
- Aug. 30, 1978 Prime interest rate hits 9.25%. (WrldAlmnc)
- Sep. 1, 1978 "Morning Cup" begins operating coffee and donut concession in SEPTA stations on the Media line. (Shappell)
- Sep. 6, 1978 Amtrak inaugurates bargain round-trip fares outside Northeast Corridor. (Cinders)
- Sep. 6, 1978 Norfolk & Western Railway resumes spotting coal cars at mine tipples; within two weeks, coal tonnage is at 36.3% of normal. (AR, Trains)
- Sep. 9, 1978 Work begins on first section of Center City Commuter Connection tunnel between 10th & Race Streets. (SEPTA)
- Sep. 15, 1978 Mercersburg Railway, Inc., incorporated in Pa. to take over the ex-PRR Mercersburg Branch. (PaCorps)
- Sep.? 1978 Amtrak Board approves conversion of 136 conventional cars to HEP. (Cinders)
- Sep.? 1978 Conrail begins \$13.2 million modernization of ex-CNJ Allentown Yard. (Cinders)
- Sep.? 1978 N.J. DOT purchases 374 route-miles and 130 passenger stations from Conrail. (Cinders)
- Sep. 1978 SEPTA exercises "900-day" option and purchases 169.4 miles from Conrail, including West Chester, Norristown, Doylestown and New

- Hope Branches and most of Bethlehem Branch up to the Bucks-Lehigh County line. (Cinders)
- Sep.? 1978 House and Senate conference committee has frozen Amtrak's route structure until Oct. 1, 1979; U.S. DOT is to submit its final recommendations for route changes by Dec. 31, 1978, after which Congress will have 90 days to reject it. (Cinders)
- Sep. 1978 Former Conrail Pres. Richard D. Spence named Pres. of Louisville & Nashville Railroad. (Cinders)
- Sep. 17, 1978 Amtrak converts *Niagara Rainbow* to "Amfleet" equipment. (Cinders)
- Sep. 19, 1978 *Wall Street Journal* runs an article noting how the Penn Central reorganization has been a windfall for lawyers, with \$36 million still being billed for legal fees. (WSJ)
- Sep. 20, 1978 Full House passes \$755 million Amtrak appropriation for FY 1979 by 267-127 vote, including \$600 million in operating subsidies, \$130 million for capital projects and a "buy American" clause placing a ceiling of \$100,000 on each purchase of foreign materials. (NYT, Cinders)
- Sep. 22, 1978 Federal Reserve Board raises the discount rate to 8%. (WrldAlmnc)
- Sep. 23, 1978 MTA begins "Train to the Plane" subway service running from 6th Avenue & 57th Street non-stop to ___ with a bus shuttle to JFK Airport. (Feinman)
- Sep. 26, 1978 Federal subsidies for rail commuter service drop from 80% to 50% of operating deficits. (Cinders)
- Sep. 26, 1978 Brotherhood of Railway & Airline Clerks extends strike to 73 other railroads that were supporting the Norfolk & Western Railway through a mutual aid pact that provides N&W with \$800,000 per day; Conrail is not struck and Amtrak operations in Northeast Corridor are not disrupted. (Striplin, Cinders)
- Sep. 28, 1978 Amtrak orders 15 additional AEM7's. (Zimmermann)
- Sep. 29, 1978 Court orders continuance of Chicago-Valparaiso "dummies" through Oct. 10. (Shappell)
- Sep. 29, 1978 Pa. Gov. Milton Shapp signs a mass transit budget averting the loss of \$175 million in federal funds for SEPTA; Pa. provides \$50 million in matching funds; money is to be used mostly for subway improvements,

- including 125 new cars for the Broad Street Line. (SEPTA)
- Sep. 29, 1978 Federal judge in Washington issues a restraining order ending the Clerks' strike for a 60-day cooling-off period. (Trains)
- Sep. 30, 1978 Rail Services Planning Office reports to Secretary of Transportation on Amtrak's route structure as required by Amtrak Improvement Act of 1978. (Rept.)
- Sep. 30, 1978 Maryland DOT fares increased by 20%. (Shappell)
- Sep. 30, 1978 Northmont Industries, Inc., incorporated in Pa. at Mercersburg; serves as the parent company for the Mercersburg Railway, Inc., and Lykens Valley Railroad Company. (PaCorps)
- Oct. 1, 1978 Amtrak merges Northeast Corridor Operations into National Operations.
- Oct. 1, 1978 NJ DOT fares increased by 10-27%. (Shappell)
- Oct. 1, 1978 Revised main tracks placed in service through old Columbus Union Station site; tracks moved to one side to permit construction of convention center. (GO)
- Oct. 2, 1978 SEPTA expands "Morning Cup" food and beverage service to 12 stations. (Cinders)
- Oct. 5, 1978 General Accounting Office releases a study raising questions about the profitability of Conrail; it predicts \$3 billion in losses between 1978 and 1982. (PhInq)
- Oct. 10, 1978 Chicago-Valparaiso "dummies" ordered continued until further notice pending court hearings. (Shappell)
- Oct. 11, 1978 Amtrak dedicates refurbished station at Jackson, Mich. (AmtkNews)
- Oct. 12, 1978 David K. McConnell is elected Pres. of the Erie & Pittsburgh Railroad, replacing Edward L. Claypole; there have been no meetings since 1974 from which to date Claypole's departure; McConnell is elected for the purpose of liquidating the company and folding it into a reorganized Penn Central. (MB)
- Oct. 13, 1978 Four leased Delaware & Hudson Railway Alco PA-4's make last runs on Boston area commuter trains for MBTA; last run of a PA in the U.S.; units sold by D&H and sent to Mexico; replaced on MBTA by new F-40's on Oct. 16. (Trains)

- Oct. 15, 1978 Congress passes the Humphrey-Hawkins “full employment” Bill; sets a completely unrealistic goal of reducing unemployment from 6% in 1978 to 4% by 1983; at the same time, the inflation rate is to be cut from 3% in 1983 to 0% in 1988, but not in a way that will “impede” cutting unemployment, which is impossible. (WrldAlmnc)
- ca. Oct. 1978 NJ DOT acquires 374 miles of right of way and 130 stations from Conrail and Amtrak for \$17.5 million; mostly former EL, CNJ and PRSL lines. (orig. deadline was 9/18!!)
- Oct.? 1978 Amtrak moves United Aircraft “TurboTrains” from Ivy City, Washington, to 30th Street Station area for dead storage. (Cinders)
- Oct. 1978 Conrail tears up the ex-PRR Xenia-Springfield Branch. (Shell)
- Oct.? 1978 Ex-Conrail Pres. Richard D. Spence becomes Pres. of L&N, replacing A. Paul Funkhouser, who becomes ___ of Seaboard Coast Line Industries, Inc. (Trains)
- Oct.? 1978 Conrail announces a two-year program to upgrade the ex-Lehigh Valley Oak Island Yard at Newark to permit downgrading of ex-PRR Waverly Yard and ex-CNJ Elizabethport Yard. (Trains)
- Oct. 16, 1978 PATH Hudson River Tunnels named a National Engineering Landmark. (PtAuth)
- Oct. 17, 1978 Connecticut DOT announces order of 12 Budd SPV200's for New Haven-Springfield service; successor to the popular Budd RDC is unsuccessful. (Zimmermann)
- Oct. 17, 1978 Amtrak accepts the first “Superliner” coach No. 34013, 18 months behind schedule, at its 21st Street Yard in Chicago. (Zimmermann)
- Oct. 20, 1978 “Worst week in history” (thus far) concludes on Wall Street with the Dow down 59.08 to close at 838.01 on fears of recession. (WrldAlmnc)
- Oct. 22, 1978 Octoraro Railway runs special passenger train to mark reopening of line between Kennett Square and Oxford for first time since 1971. (Cinders)
- Oct. 23, 1978 Penn Central Energy Group, Inc., incorporated in Pa. (PaCorps)
- Oct. 24, 1978 Penn Central Company dissolved by merger into Cleveland Technical Center, Inc., which then merges into Penn Central Transportation Company; Penn Central Transportation Company renamed Penn Central Corporation, completing reorganization; Trustees resign and

return company to management; reorganized company has assets of \$5 billion and a \$2 billion tax loss carry-forward; old stockholders receive 1 share in the reorganized company for each 25 old shares. (Moody's, NYT, Cinders - PaCorps show PCCo. dissolved 12/31/79)

- Oct. 1978 Richard Dicker (1914-1993) elected Chairman of the reorganized Penn Central Corporation; Dicker has served 25 years with the Equitable Life Assurance Society of the United States, which had been the largest Penn Central bondholder, and was a member of the Penn Central creditors' committee. (NYT)
- Oct. 24, 1978 Pres. Carter announces a program of voluntary wage and price controls calling for maximum annual increases of 7% but rules out inducing a recession; it also excludes about 40% of workers and has no noticeable effect on inflation; his failure to impose mandatory controls stokes self-fulfilling fears that inflation will increase. (Trager, Samuelson)
- Oct. 24, 1978 Pres. Carter signs the Airline Deregulation Act of 1978 deregulating the airline industry and abolishing the Civil Aeronautics Board by 1984; airline may now cut fares by up to 50% without CAB approval; causes increased competition and the eventual failure of many of the old established firms. (WrldAlmnc, Gallamore - see below - verify NYT)
- Oct. 24, 1978 Cleveland, Cincinnati, Chicago & St. Louis Railway, Connecting Railway, and Chicago, Kalamazoo & Saginaw Railroad (what others) sell remaining rail lines to Penn Central Corporation.
- Oct. 24, 1978 Beech Creek Railroad, Northern Central Railway, Michigan Central Railroad leave receivership. (MB)
- Oct. 25, 1978 Pres. Carter appoints Civil Aeronautics Board Chairman Alfred E. Kahn (-2010) to head his anti-inflation program. (WrldAlmnc)
- Oct. 27, 1978 Amtrak accepts first "Superliner" coach No. 34013 from Pullman-Standard at Hammond, Ind. (Trains)
- Oct. 28, 1978 Conrail abolishes Reading Division of Eastern Region; ex-Reading main line east of Phoenixville, New York Branch, Bethlehem Branch and other lines in Philadelphia are ceded to Philadelphia Division and remainder, including Phoenixville-Reading and Allentown-Reading-Harrisburg, to Harrisburg Division; dispatcher's desk "A" transferred from Reading Terminal to 30th Street Station, desk "D" to Amtrak's Harrisburg station; desk "B" covering commuter lines remains at Wayne Jct.. (Cinders)
- Oct. 28, 1978 Last run of *National Limited* three-times-a-week Washington section

- No. 430-431 over the "Port Road" with Loewy GG1 No. 4935 and extra coach-diner for railfans; last passenger train between Middletown and Perryville; effective Oct. 29, Washington-Kansas City through cars carried daily to and from Philadelphia on a Northeast Corridor train and attached at 30th Street; Washington section increased from tri-weekly to daily. (AmtkNews, Trains)
- Oct. 28, 1978 Amtrak dedicates new station at Schenectady, N.Y.; revenue service over restored ex-NYC main line through Schenectady begins Oct. 29; track had been taken out of service Sep. 1, 1974. (AmtkNews)
- Oct. 28, 1978 SEPTA drops names from express commuter trains on Chestnut Hill and Trenton Lines; cuts Wilmington service from 41 to 34 trips because of Delaware's refusal to increase the subsidy. (tt, Cinders)
- Oct. 29, 1978 Amtrak *Niagara Rainbow* service between Buffalo and Welland, Ont., rerouted from Black Rock International Bridge to Niagara Falls and Suspension Bridge; Amtrak dedicates new station at Niagara Falls, N.Y., (former LV freight station) and establishes station at Exchange Street, Buffalo; *Empire State Express* also extended to Niagara Falls. (Shappell, AmtkNews, Trains)
- Oct. 29?, 1978 Amtrak assigns leased "Jersey Arrow II's" to some New York-Philadelphia runs to relieve equipment shortages. (PTJ - see 1/2/79)
- Oct. 29, 1978 SEPTA issues new uniform timetables for its commuter rail lines, replacing ex-PRR and ex-Reading forms. (Cinders)
- Oct. 29, 1978 Pres. Carter signs the Airline Deregulation Act of 1978, eliminating federal control of routes and fares and phasing out the CAB; increased competition and new no-frills airlines result in plunging fares that draw intercity passengers from both trains and buses, threatening the bus companies and some of the older, established airlines. (wiki, Schisgall, - verify)
- Oct. 30, 1978 Over the last week, the dollar falls to record lows against the Japanese yen and German mark. (WrldAlmnc)
- Oct. 31, 1978 "Morning Cup" cancels coffee and donut concession at certain SEPTA stations, including those on the Media line. (Shappell)
- Oct. 31, 1978 Amtrak abandons St. Louis Union Station in favor of small mobile module station at the foot of 16th Street; last train from Union Station is Laredo-Chicago *Inter-American*; first train into the new station is the *National Limited*. (Shappell, Trains)

Oct. 31, 1978 Conrail transfers track maintenance and operating responsibility for the Chicago North Joint Tracks between Peoria Street and Western Avenue to the Milwaukee Road. (KRobbins)

Oct. 31, 1978 Federal Reserve Board raises the discount rate to an unprecedented 9½%; banks raise their prime rate to 10½%. (WrldAlmnc)

Nov. 1, 1978 Pres. Carter announces "massive intervention" to support the dollar in international currency markets; includes raising the discount rate from 8.5% to 9.5% and buying up excess dollars on foreign markets. (WldAlmnc)

Nov. 1, 1978 Pres. Carter rejects the AFL-CIO's demand for mandatory wage and price controls. (WrldAlmnc)

Nov. 1, 1978 Dow Jones industrial average registers a then-record increase of 35.4 points in response to Pres. Carter's actions to strengthen the dollar. (WrldAlmnc, Trager)

Nov. 1, 1978 New crew consist agreement between Conrail and UTU goes into effect, reducing freight train manning requirements; trains up to 70 cars can operate with one brakeman instead of two, plus one conductor; Conrail will make additional payments to remaining crew members; will save \$100 million per year; a single contract and set of work rules replaces the 43 separate contracts inherited from the predecessor companies. (WSJ, Cinders)

Nov. 1, 1978 Mercersburg Railway begins operation of former PRR line between South Penn Jct. and Mercersburg, Pa.; Mercersburg Railway is a subsidiary of Northmont Industries, Inc., of Mechanicsburg, which also operates Lykens Valley Railroad. (Cinders, Watts)

Nov. 1978 Conrail sells the former PRR South Penn Branch to the Commonwealth of Pennsylvania; Mercersburg Railway formed as designated operator. (PRRFAX)

Nov. 1, 1978 Grand Trunk Western Railroad ends car ferry service between Muskegon and Milwaukee, once used by the PRR. (Barnett)

Nov. 1, 1978 Railroads petition ICC for 7% rate increase. (AR)

Nov. 2, 1978 Pres. Carter signs bill authorizing \$1.2 billion in additional funding for Conrail. (Cinders)

Nov. 3, 1978 Amtrak dedicates new St. Louis station. (AmtkNews)

- Nov. 6, 1978 Pres. Carter signs an \$18.7 billion tax cut with reservations, because most benefits flow to those making over \$15,000 a year. (WrldAlmnc)
- Nov. 7, 1978 Republicans pick up 3 Senate and 12 House seats and 9 governorships; Democrats still have large majorities in Congress. (WrldAlmnc)
- Nov. 8, 1978 Pres. Carter signs the Surface Transit Assistance Act, providing \$54 billion in subsidies to highway and transit projects. (WlrdAlmnc)
- Nov. 9, 1978 Pres. Carter signs National Energy Act of 1978; deregulates natural gas prices and grants tax credits for energy conservation; encourages use of coal by utilities, creating short-term boom in coal traffic. (WrldAlmnc)
- Nov. 9, 1978 After attempts to secure its preservation fail, the rear half of the golden-domed 1906 Blenheim Hotel in Atlantic City is imploded by the new owner, the Bally Manufacturing Corporation; the front half is given a reprieve in the hope of making it the entrance to the new casino, but it too is imploded on Jan. 4, 1979. (NYT)
- Nov. 14, 1978 CSX Corporation incorporated in Va. as a holding company to control Chessie System, Inc., and Seaboard Coast Line Industries, Inc. (Trains - check Moodys)
- Nov. 15, 1978 Amtrak reopens Track No. 4 between "BRILL" and "BALDWIN" after three months' rebuilding; work continues between "HOLMES" and "GRUNDY." (Cinders)
- Nov.? 1978 Pres. Carter signs Amtrak Improvement Act of 1978 authorizing \$755 million for FY 1979; the Act changes Amtrak's charter calling for it to be run as a for-profit corporation but no longer be a for-profit corporation; it also orders Amtrak reduced to a smaller, more cost-effective network; Amtrak's expenses have risen from \$192.5 million in 1971 to over \$1 billion in 1978; deficit per passenger-mile has risen from 5.5 cents in 1972 to 14.3 cents in 1978. (Cinders, Gallamore, Wilner - verify)
- Nov. 16, 1978 Representatives of VIA Rail Canada inspect Amtrak "TurboTrains" at 30th Street Station, possibly as a source of parts. (Cinders)
- Nov. 16, 1978 Seaboard Coast Line Industries, Inc., and Chessie System, Inc., announce they will merge to create largest U.S. rail system; blocks hostile takeover of SCL by Southern Pacific Company. (NYT)
- Nov. 17, 1978 Delaware & Hudson Railway's first transcontinental Sea-Land container train arrives at Oak Island Yard from Oakland, Calif.; train runs weekly via Union Pacific Railroad and Norfolk & Western

Railway. (Ciinders)

- Nov. 20, 1978 Orange Line of DC Metro opens extension to New Carrollton near Amtrak's Capital Beltway Station; this portion of Orange Line generally follows the old PRR and Anacostia Branch on fill or an elevated structure. (NYT)
- Nov. 21, 1978 MBTA christens first two of five new locomotives, *Henry D. Hershey* and *James A. McGrath*; first new locomotives in Boston commuter service since the 1950s. (MBTA)
- Nov. 29, 1978 Amtrak sets 80 MPH limit to all GG1's, including those geared for 100 MPH service, thus eroding on-time performance. (Cinders)
- Late 1978 Pittsburgh Dispatcher's office moved from the passenger concourse of Pennsylvania Station to the new regional headquarters in suburban Greentree. (Railpace)
- Dec. 1, 1978 Conrail postpones abandonment of hundreds of miles of unprofitable branches for one year, hoping for a better regulatory environment. (NYT)
- Dec. 1, 1978 Shell Oil Company is the first to begin nationwide gasoline rationing to its dealers. (WrldAlmnc)
- Dec. 2, 1978 Amtrak operates 3 special trains to Army-Navy Game at JFK Stadium, one from New York and 2 from Washington, a new low in service; New York train consists of 13 "Amfleet" cars and George Pins's private cars *Virginia Beach*, *Shenandoah* and *Pennsylvania*. (Shappell)
- Dec. 3, 1978 *Southern Crescent* No. 2 derailed at speed on curve at Shipman, Va., south of Charlottesville; 6 killed and over 40 injured; fatalities include African American dining car chef Louis Price, who was featured in company advertising; two E-8's and 5 cars, including sleeper-lounge *Crescent Shores*, are scrapped on the site. (NYT, southernrailway)
- Dec. 1978 SEPTA announces it has chosen Andrew G. Schiavone, 51, head of Long Island's Metropolitan Suburban Bus Authority, as its next General Manager. (Cinders)
- Dec. 4, 1978 SEPTA transfers 10 of 11 remaining ex-Reading green MU's to Media Line trains No. 716-747, because of shortage of serviceable "Silverliners"; first time Reading MU cars are operated on ex-PRR lines; after this, cars are used interchangeably to cover shortages into the early 1980s. (Cinders)

- Dec. 6, 1978 Lykes Corporation, holding company for the former Youngstown Sheet & Tube Company, merged into LTV Corporation, making it the ___ steel producer; only the Indiana Harbor Plant of Youngstown Sheet & Tube becomes part of the new company; the Brier Hill and Campbell/Youngstown plants are closed. (DirObsSec, Warren - Seely & AI&SI notes YS&T merged into Jones & Laughlin Steel Corp. a sub. of LTV Corp)
- Dec. 8, 1978 SEPTA Board postpones action on appointment of Andrew G. Schiavone after press reveals critical information from a 1976 grand jury investigation. (Cinders)
- Dec. 11, 1978 New York General Building, the former NYC headquarters on Park Avenue just north of Grand Central Terminal, is renamed the Helmsley Building after its purchase by the big real estate firm Helmsley-Spear, Inc. (NYT)
- Dec. 11, 1978 ICC grants railroads revised request for an average 7.7% rate increase. (N&W AR 7.7 on N&W coal & ore, probably lower overall)
- Dec. 13, 1978 Amtrak Pres. Alan S. Boyd issues a “mission statement” stating that Amtrak will not be able to run at a profit and suggesting a “contract” with Congress to provide adequate long-term funds and specify a realistic route structure. (Trains)
- Dec. 13, 1978 Pres. Carter’s inflation adviser Alfred Kahn announces a modified program relaxing limits on fringe benefits and tightening them on profit margins; predicts this will hold inflation at 6.5% in 1979. (WrldAlmnc)
- Dec. 15, 1978 Freight rates increased 7%. (AR)
- Dec. 1978 Penn Central Corporation tells Special Court it could have sold its rail properties for \$2.2 billion in 1976, not the \$500 million valuation placed on them by the USRA. (Cinders)
- Dec. 1978 General Accounting Office study indicates that if current traffic trends continue, Conrail could lose \$3 billion between 1978 and 1982. (Cinders)
- Dec. 1978 N.J. DOT has repainted 7 of 35 former Burlington Northern “Jersey Builder” cars in its blue and silver livery. (Cinders)
- Dec. 1978 Conrail is rebuilding its Enola engine terminal. (Cinders)
- Dec. 1978 SEPTA decides to refurbish all 38 ex-Reading “Blueliner” MU cars and 27 ex-PRR MP54's between now and 1980; includes red, white and

- blue exterior paint; will not include 18 New Jersey-owned MP54's or 11 Reading "green" cars. (Cinders)
- Dec. 20, 1978 SEPTA Board deadlocks 5-5 on appointment of Andrew G. Schiavone as General Manager. (Cinders)
- Dec. 22, 1978 Pennsylvania Company purchases the last shares of Great Southwest Corporation still in public hands, converting it to a wholly-owned subsidiary. (Moody's)
- Dec. 26, 1978 With growing demonstrations against the government of Shah Mohammad Reza Pahlavi (1919-1980), Iran halts oil exports. (WrldAlmnc)
- Dec. 29, 1978 Dow Jones industrial average closes at 805.61, down from 831.17 in Dec. 1977. (Trager)
- 1978 Conrail posts highest operating loss of \$385 million. (CR) (check if higher in 1980s?)
- 1978 Penn Central and Amtrak settle all their claims and counter-claims, mostly involving the loss to Amtrak from deteriorated track in Indiana, by a payment by Penn Central to Amtrak of \$40 million, \$15 million in three annual cash installments and \$25 million in notes to be paid out of money received from the valuation case before the Special Court. (Amtk AR)
- 1978 Penn Central Corporation sells its interest in Richmond-Washington Company, the holding company for the Richmond, Fredericksburg & Potomac Railroad. (Compt)
- 1978 Pennsylvania Station, Newark, placed on the National Register of Historic Places. (NYT)
- 1978 Penn Towers, Inc., sells apartment and office building at Penn Center. (Compt)
- 1978 Penn Central has rails removed from Waynesburg & Washington Railroad. (Koehler)
- 1978 Penn Central Corporation sells Madison-North Vernon, Ind., trackage to the City of Madison for short-line operation.
- 1978 US DOT issues report calling for 40% cutback in Amtrak; public hearings develop substantial support for Amtrak system.

- 1978 Conrail sells Newark-Sodus, N.Y. branch. (or 1979?)
- 1978 Amtrak takes 34 “Metroliner” cars out of service for rebuilding by GE.
- 1978 MTA assigns a new U-34-CH and 8 new push-pull cars to the ex-Erie Lackawanna Port Jervis Line; leased State of New Jersey RDC’s moved to the Pascack Valley Line. (MTA AR)
- 1978 Richmond, Fredericksburg & Potomac Railroad installs third “piggypacker” machine at Potomac Yard. (AR)
- 1978 Norfolk & Western Railway begins through freight operation over the ex-PRR Cincinnati-New Castle line between East St. Louis and Portsmouth, Ohio, and Roanoke to Decatur. (AR)
- 1978 Federal Railroad Administration issues its report, *A Prospectus for Change in the Freight Railroad Industry*; it estimates \$5.4 billion in deferred maintenance accumulated over the last decade; it calculates the capital shortfall for the period 1976-1985 at \$13-15 billion, exclusive of Conrail and the LIRR; the choice for government will be nationalization and subsidy or deregulation (Gallmore - verify NYT?)
- 1978 General Motors Corporation regains the top spot as America’s wealthiest corporation; Exxon Corporation falls to second place. (AmrcnDcds)