Despite its function as a major rail classification yard for many years, Potomac Yard was not immune to economic pressures and competition from other modes of transportation. Trucks and airplanes eventually reduced the need for goods and materials to be carried by rail and, in turn, the need for rail classification services. Although other factors aided in its downfall, the Yard was closed primarily due to reduced demand for its services. As former Yard Superintendent Jack McGinley stated, "in essence, Potomac Yard had outused its usefulness as a railroad facility." Potomac Yard closed in 1992 after 85 years of service.

The Railroad Revitalization & Regulatory Reform Act of 1976

This law was enacted to restore financial stability to the country’s railroads. One outcome was an increase in services provided by Amtrak, the national passenger train system. Amtrak and freight trains often used the same track through the region which frequently resulted in delays for both passenger and freight carriers. Ultimately, many freight companies found it cheaper and easier to send their trains along other routes to avoid the Alexandria and D.C. area. While joint use of tracks still occurs at present, re-routing of freight lines in the 1970s reduced demand for classification services at Potomac Yard.

The Final Years of Potomac Yard

In the mid-1970s, construction of the Metrorail and implementation of a flood control project at Four Mile Run forced track reconfigurations and service disruptions. After a 1986 labor strike at the Yard and 1987 train collision north of Washington D.C. disrupted service again, railroad companies increasingly diverted their traffic west of D.C. to avoid shipping difficulties.