Transportation Authority,
Maine and Atlantic Ry,
QCR

Brunswick Department of Transportation,
ATLANTIC NORTHEAST
HRRC
System (Maine Central RR, Portland Terminal RR, Boston & Maine, all leased by
Canadian Pacific Ry,
Cape Cod Central RR,
from the US federal government for these purposes),
energy biorefineries advancing.
Forest Products

Medfield MA?
Common abbreviations

[No report.]

inbound.*
GU:
remove contaminated materials.*
GRS/TRANSRAIL:
NS-GRS:
terminals.
CSXT:
Massachusetts?*
CSXI:
delayed completion.
Transportation plan:
Thinking about freight has
delayed completion.

MASSACHUSETTS

Rail bond bill: Possible language for freight rail.
Massachusetts & Connectic Railroad
Associations: Coincident meetings.*
PW: Boxboard mill in Versailles sold.*
Calais Branch: Vote okays lifting rail.
GRS: Income from air rights?*
Forest Products: Pulp and paper doing ok,
energy biorefineries advancing.*

MASSACHUSETTS

Transportation plan: Thinking about freight has
delayed completion.
CSXI: Clearance improvement in
Massachusetts?*
CSXT: Rail-served trash transfer station in
Medfield MA?  Map of surrounding waste
terminals.
NS-GRS: Improve intermodal service for Ayer.*
GRS/TRANSRAIL: New customer coming, to
remove contaminated materials.*
GU: Still no sale.*  Customer goes to truck
inbound.*

NEW HAMPSHIRE

[No report.]

RHODE ISLAND

[No report.]

VERMONT

VAOT: Proposed budget begins to spend federal
earmarks for western corridor.*
VRS: Rutland railyard relocation marketing study
approved.*
MARITIMES/QUÉBEC

CBNS: Possible rail move for Point Aconi coal.
QCR: An update, but still no sale.

RAIL SHIPPERS/RECEIVERS
A cross-reference to companies mentioned here.

PEOPLE, POSITIONS, EVENTS
Dale Thibodeau, Ian Simpson, Jim Ryan, Stu
Thomas.

FROM THE PUBLISHER

Informative NEARS
As readers will learn in this issue, the North East
Association of Rail Shippers meeting in Newport
provided much news for me. Thanks so much to the
organizers; they do the work to help the rest of us.

PW annual meeting
This meeting on Wednesday was also informative. A
report will emerge this week.

- Chop Hardenbergh

Common abbreviations:  BCLR - Bay Colony RR, BML - Belfast & Moosehead Lake RR, CBNS - Cape Breton and Central Nova Scotia Ry, CCCR - Cape Cod Central RR, CCR - Claremont Concord RR, CFO - chemins de fer Québec System, CMAQ - congestion-mitigation or air quality (money from the US federal government for these purposes), CN - Canadian National Ry, Con DOT - Connecticut Department of Transportation, CPR - Canadian Pacific Ry, CSO - Connecticut Southern RR, CSRX - Conveyor Scenic RR, EOT - Mass. Exec. Office of Transportation, GRS - Gulf Road
REGIONAL ISSUES

NECR: BLET CONTRACT

Cleveland OH. **BLET ANNOUNCED A NEW COLLECTIVE BARGAINING AGREEMENT WITH NECR**, lasting four years and providing wage increases of 12% percent over the life of the contract with improved work rules and discipline procedures. About 50 members approved the new contract by a 2-to-1 margin. “It’s the first [Brotherhood of Locomotive Engineers and Trainmen] contract on the property, and I consider it to be an impressive improvement over the old one,” said Ben Martin, general chairman at NECR.

**NECR comment**

Charles Hunter, NECR’s general manager, wrote on 18 April: ‘The contract negotiation went very well and the NECR is pleased to have completed the negotiations and secured a four-year deal. A long-term agreement brings a peace of mind to both the employees and the railroad. We felt that it was important to recognize the contribution that our transportation employees make in the NECR’s success. We were able to eliminate some arbitraries and streamline the pay process. The new pay rates should be an incentive to hire new employees as well as retain the veteran and skilled employees that currently work here. The new contract maintains the flexibility required to operate the railroad in an efficient manner and does allow for temporary employees when required.’

**The new contract**

The old contract expired about four months ago. Engineers and conductors selected BLET to represent them in 2004. In 2005, they rejected an offer by the company. Negotiations on the latest deal began on 7 February. The vote to accept occurred in April.

**Some interesting terms**

As part of the agreement, the term “Transportation Specialist” was eliminated and the crafts of Locomotive Engineer and Conductor were identified. “It was a matter of pride,” Martin said; the locomotive engineer and conductor crafts were properly named for years until RailTex purchased the railroad in 1995.

The new agreement contains a scope rule that protects the work of locomotive engineers and conductors. “The new agreement provides [job-loss] protection from remote control,” Martin said. “If the carrier ever introduces new technology, then we hold the rights to the work.”

All employees certified as locomotive engineers will receive the engineer’s rate of pay, regardless of what duties they perform.

Members will enjoy various other improvements. Contract language calls for the carrier to pay for members’ work boots, and locomotives will be equipped with improved seats that are upholstered, rotate, are adjustable, and have armrests. “Guys were riding around on toad stools, now we have agreement seats,” Martin said.

The agreement also calls for the carrier to maintain weather-stripping in the locomotives, an important rule considering the cold winters in the region where NECR operates.

BLET members will also enjoy a 401k savings plan at NECR with a company match up to $2,500 per year. Water and ice will also be provided. {BLET press release 17.Apr.06}

MMA: BLET TO REPRESENT

19 April, Cleveland. **THE BROTHERHOOD OF LOCOMOTIVE ENGINEERS AND TRAINMEN WON AN ORGANIZING VICTORY** as approximately 70 MMA workers voted in favor of BLET representation. They were unrepresented until nearly six months ago when General Chairman Mike Twombly began talking to MMA workers about the benefits of union representation. Twombly represents members at the Springfield Terminal/Delaware & Hudson lines. {BLET press release}

**Differing opinions**

According to an engineer on another railroad with connections to the MMA workers, the workers voted for a union in part because those who had union representation when working for predecessor Bangor & Aroostook Railroad “just felt they should have a union.” They and others believe first, that MMA is treating them relatively well, and second MMA is making an effort to grow the business. {ANR&P discussion 23.Apr.06}
GRS: MORE ON THE PAN AM NAME

20 April, Newport RI. **SOME ADDITIONAL REASONS FOR REBRANDING THE RAILROAD AS PAN AM** were provided by David Fink, executive vice-president of Pan Am Railways, during the railroad executives panel at NEARS. [I will continue to use Guilford, as breaking a habit of 12 years comes hard, and slowly introduce ‘Pan Am’. *Editor*] “We began as a tie-treatment plant in Guilford, Connecticut,” where Dave Fink [David’s father] met Timothy Mellon and they decided to purchase the Boston and Maine and then the Maine Central Railroad.

That has expanded to a treatment plant, a sawmill, and a co-generation facility in Mattawamkeag, Maine; the treatment plant remains in Connecticut. In addition, the partners now own the railroads, two airlines, and are starting a quarry [in North Anson, Maine—see 05#10B].

To reflect that growth, the owners decided to rebrand the operations.

**Trying to hire more crew**

Fink was participating in a panel representing all Class Is and some New England short lines. Each recounted steps it was taking to reduce capacity crunch. Fink noted that GRS has taken on 50 new conductors. “But to get 50, we needed to hire 80 for training [the other 30 drop out during training].” And to hire 80, his railroad had to interview several hundred, many of whom failed a drug test during the interview process.

Even after completion of training, many new hires cannot abide the 24/7 nature of the work. “If you are hired and you are working the spare board, you cannot call in sick. You’ll get fired.” [ANR&P coverage]

GRS: SOME NOT PAYING CAR HIRE

20 April, Newport RI. **THERE ARE A NUMBER OF RAILROADS WHICH “SIMPLY DON’T PAY CAR HIRE”** when due, said Al Fisher, regional vice-president-sales for the First Union Rail Company, a railcar lessor, during a panel at the spring North East Association of Rail Shippers meeting here. This includes some short lines out west, and “we are aware of Guilford.” In fact, First Union Rail filed a second car hire suit recently [see below]. Its first suit, said Fisher, cost him a significant amount in legal fees; this suit should cost less.

**Is this wide-spread?**

Fisher called the problem “not contagious” but he wished he had an enforcement mechanism other than court; “it’s been going on for some time. I wish the AAR [American Association of Railroads] would step in.” He recognized that he could not limit the use of his cars: “I cannot tell my customers, you may use my cars but not on this railroad, and not on that railroad.” [ANR&P interview]

**The 2004 case**

On 4 March 2004, First Union Rail Corporation (FUR) filed an amended complaint in US District Court in Massachusetts seeking about $303,000 in car hire and car lease. While FUR does not own the cars, nor ships the contents, it per the complaint ‘is the designated car hire receivables agent for the subject car hire payments.’

On 17 March 2004, FUR and ST stipulated to dismissal of the case, because they had reached an agreement on 12 March. The parties agreed that they could return to court to enforce the agreement. {Case No. 03-12374-DPW}

**The 2006 case**

On 30 March, FUR filed to recover $200,853.35 in the United States District Court for the Federal District of North Carolina, Charlotte Division. FUR was represented by Robert Bowers, an attorney practicing in Charlotte.

Why North Carolina? The complaint stated ‘because a substantial part of the events and omissions giving rise to [the] claims occurred in this District and Defendants have made payments to this District and failed to make payments that it agreed to direct to this District.’

Exhibit B attached to the complaint contains a ‘Statement of Account’ for various dates, asking ST to ‘remit payment to AFCX Car Hire [also UMP Car Hire, STMA Care Hire, NOKL Car Hire, FURX Car Hire, CBRY Car Hire, AERC Car Hire], c/o First Union Rail, PO Box 60134, Charlotte NC.’ Amounts are due for each ‘primary mark’. {Case 3:06-cv-00151, First Union Rail Corporation v. Springfield Terminal Railway Company, et al}
CONNECTICUT RAIL BOND BILL

17 April, Hartford. THE CONNECTICUT GENERAL ASSEMBLY WAS CONSIDERING A BOND PACKAGE FOR FREIGHT RAIL and other infrastructure.

Original bill: $240 million for freight
Senate Bill 582, sponsored by Senate President Pro-Tem Donald Williams and Representative Diana Urban (R, Stonington), would have provided $595 million for rail transit, $625 million for bus transit, and $240 million for freight transportation.

Freight Rail Improvement Fund. The bill would have created a Fund to provide financing to freight railroads and permit the State Bond Commission to issue $50 million in bonds. The proceeds ‘shall be used by the Department of Economic and Community Development to provide financing for railroad companies to improve rail lines and create new industrial zones.’

Rail Siding Fund. The bill would provide financing to freight railroads ‘to improve rail lines and create new industrial zones’ and permit the State Bond Commission to issue $50 million in bonds. The proceeds ‘shall be used by the Department of Economic and Community Development for the purpose of helping businesses improve their use of railways that move freight.’

Air freight terminal. The bill would also permit bonding of $20 million for an air freight terminal at Bradley International Airport.

Rail-port connections. The bill would provide bonding of $120 million to establish freight rail service with connections to the ports of New London, Bridgeport, and New Haven.

Why the attention to freight?
The Connecticut Railroad Association [CRA—see box for more description] played a major role in getting freight bonding into the package with transit bonding. According to HRRC’s Rian Nemeroff, Senator Williams had an orientation to freight. “He believes that we [the railroads] can help the state in terms of the transportation-oriented problems.”

Nemeroff cited an op-ed piece by Williams in the Hartford Courant of 13 February 2005, which called the lack of adequate transportation a threat to growth in Connecticut. The senator called on his colleagues to join him in an effort ‘moving freight into ports and onto rail lines.’

Working with the CRA lobbyist, PW’s Frank Rogers and Nemeroff met with Williams several times, and Williams “rolled out the plan” embodied in the Senate bill 582. NECR’s Jack Dail “testified in Hartford on the bill,” said Nemeroff, citing the following letter. {ANR&P discussion 17.Apr.06}

Support of Connecticut Railroad Association
The CRA, composed of eight freight railroads (PW, GRS, HRRC, CSXT, CSO, NECR, CNZR, and NAUG) noted in a letter supporting bill 582 that the bill specifically focused on ‘maximizing the use of freight rail, an industry which has largely been ignored in the past....’

‘Within the freight rail sections of the bill, there are two action items that we unanimously support.

Rail improvement fund. ‘First is the provision of funds to improve the overall viability of freight service to, from, and within Connecticut. The state is primarily a consuming area, meaning loaded railcars come into the State from Massachusetts, and empty railcars head back north, with a major exception: the recent development of waste products shipping by rail.’

CRA called for upgrades to 286,000-pound cars. The current limit of 263,000 pounds ‘provides incentives to stop railcars short of Connecticut and transfer the contents to truck for final delivery into Connecticut.’ The resulting traffic problems create costs for businesses and ultimately consumers.

Industrial siding fund. ‘The second item we support is the funding to help businesses connect to, or improve, their use of rail by the establishment or improvement of direct rail sidings. Companies have competing uses for their available capital and generally the addition of rail service is not a top priority. The result is a further reliance upon truck transportation with the
resultant' problems. {text of support letter}

Status of bond bill
Bill 582 has now died, said a staffer for Representative Urban. The Finance Committee did not get a chance to act on it after it passed the Transportation Committee. However, the proposed bonding or parts of it “will become part of a bond package” which the General Assembly will pass, probably a few days before the Constitutionally-imposed adjournment of 3 May.

He noted that even after the legislature approves of the issuance of bonds, the state Bond Commission must issue them, a process which could take some time. {ANR&P discussion 17.Apr.06}

26 April, Hartford. **THE CONNECTICUT HOUSE INCLUDED SOME RAIL FREIGHT LANGUAGE IN A MAJOR BOND BILL** as the legislature scrambled in the last days before adjournment: a $2.3 billion, 10-year transportation package that would pay for new railroad stations and more trains around the state. { Christopher Keating in Hartford Courant 28.Apr.06}

Precise freight language omitted
Unfortunately, the language backed by CRA which would have created specific funds for freight rail [see above] did not make the bill as it emerged from the House.

Jennifer Maloney, of the lobbying firm Gaffney Bennett which represents CRA, noted however that the bill does make reference to ‘the development and use of port and rail freight facilities and services, including trackage and related infrastructure.’

Maloney called the language ‘important because it specifically mentions rail infrastructure improvements and track improvements which is a top priority for the railroads. Section 24 includes freight rail in any studies that will be conducted in coming years. The result of these studies will determine which projects the money will spent on. ‘It is important that the CRA remain in contact with the agencies of cognizance to keep them informed of the benefits of freight rail in the state....

‘Due to the need for such a widespread transportation upgrade in [Connecticut], some compromises had to be made, and more research is necessary in order to determine where the funds are best spent. The good news about this bill, as approved by the House, is this language will be in statute, it entitles the railroads to existing funds as well as future funds for transportation improvements. The amount, of course, to be determined.’ {e-mail to ANR&P 28.Apr.06}

PW: BOXBOARD MILL SOLD
21 April, Versailles. **CASCADES WILL BUY THE MILL HERE FROM CARAUSTAR**, [our Directory #521] according to an announcement this day, for a total purchase price of US$ 14.5 million. Closure of this transaction is subject to the approval of the environmental authorities of the State of Connecticut. The parties anticipate these formalities will be completed within a month.

The coated recycled board mill is a state of the art manufacturing facility with an annual production capacity of close to 180,000 short tons which represents an estimated 7% of the North-American coated recycled boxboard manufacturing capacity. Concurrently with the signature of the purchase agreement the parties also signed a five-year board supply agreement pursuant to which Cascades will supply annually 30,000 short tons of coated recycled board to Caraustar's folding carton plants.

Cascades said the mill will provide production closer to its customers. {Cascades press release}
MAINE

CALAIS BRANCH

6 April, Augusta. **SOME WOULD TIE THE LIFTING OF MUCH OF THE CALAIS BRANCH TO RESTORATION OF RAIL TO EASTPORT.** During the meeting of the Transportation Committee [see 12 April issue], State Representative Charles Fisher (D-Brewer) said the state has made the mistake of pulling up rail lines before. “We now have a port in Eastport that will never be fully developed because the tracks aren’t there. If you pull up tracks they will never go back down.”

State Senator Kevin Raye (R-Washington County), who was invited to address the committee on the plan, said he agreed with the benefits of a trail, but worried about losing the rail line for the future. He also wanted its approval tied to restoring the tracks in Eastport. “After 20 long years, we deserve some economic benefit from this corridor [by creating the trail but]....I have struggled with rail removal...The previous administration did a terrible injustice to the port by surrendering that corridor.” He asked if the committee would consider tying its approval of the trail plan “to pursuing restoration of that vital link.”

State Representative Harold Emery (R-Cutler) agreed, saying, “I would support tying this into that proposal as well.”

Pro-trail people encouraged

After the meeting, members of the Sunrise Trail Coalition said the meeting generally went well, but they were concerned about tying the plan to Eastport. “Nobody will get anything,” said co-chair Sally Jacobs of Orono, if the two projects are linked. Bill Ceckler of Hancock, the other co-chair, said: “Some day that rail is going to come back. The trail people, right from the start, understood maintaining the rail right-of-way is number one.”

As for the rail to Eastport, the state needs to “look at the trail as a separate issue and get it done,” Ceckler said, adding that access to Eastport is a “complicated and expensive proposition.”

27 April, Augusta. **THE TRANSPORTATION COMMITTEE VOTED 11-2 TO PERMIT THE LIFTING OF TRACK BETWEEN ELLSWORTH AND AYERS JUNCTION, A DISTANCE OF 86 MILES. REPRESENTATIVES BOYD MARLEY (D, PORTLAND) AND DUSTY FISHER (D, BREWER) VOTED AGAINST.**

Skip Rogers, who runs the stevedoring for Eastport, lamented the vote. In prepared remarks, not presented because the Committee heard no one but the MDOT commissioner, he noted that despite the commitment to redo the rails, ‘Business usually happens in increments and with little lead-time. Should the rail be removed to build a trail, I cannot imagine the enterprise that would trigger the reconstruction of over 80 miles of rail with berms, bed, bridges and level crossings all at once.’

GRS: INCOME FROM AIR RIGHTS?

13 April, Old Orchard Beach, Maine. **A DEVELOPER WOULD LIKE TO BUY AIR RIGHTS FROM GUILFORD,** to build a $50 million 100-room hotel and 450-car parking garage in this summer tourist community. For the past two months, Tim Swenson and Old Orchard Beach officials have talked with Guilford Rail about obtaining air rights above about 350 feet of train tracks that run parallel to West Grand Avenue.

Some town officials said the tracks that bisect downtown Old Orchard Beach create an obstacle to economic development, by occupying prime real estate and blocking pedestrian and vehicle traffic. If Swenson succeeds in building the tunnel, Town Councilor Jim Long said, “It’s a model that could be applied over and over in Old Orchard Beach.”

Swenson said Guilford officials have told him that the project is technically feasible, and negotiations now center on a price for the air rights. The developer declined to say what the rights might cost, but he said that obtaining them is critical for the project to move forward. “Guilford could make or break the project.” he said.

Town Manager Jim Thomas, who has participated in the talks with Guilford, noted that 18 trains a day pass through Old Orchard Beach [this includes the current four Downeaster round-trips, to grow to five editor], and Guilford has insisted that it does not want any breaks in service, he said. {Seth Harkness in Portland Press Herald 13.Apr.06}

FOREST PRODUCTS: OK?

26 March, Augusta. **THE MAINE FOREST PRODUCTS COUNCIL DOES NOT NOTICE A DECLINE IN PRODUCTION,** wrote Peter Triandaffilou, president. ‘Sawmill and paper mill production is at near-record levels. That’s worth repeating: We’re producing as much or more product than in the past. By volume, Maine is the second-largest
paper-producing state in the nation. There are major recent and planned expansions at our pulp, paper and sawmill facilities. These will help keep our industry competitive in the years to come....

‘Our forest is in good shape, supporting sustainable harvest levels that have been stable for many years. The Maine Forest Service reports increasing inventories across the state and a healthy distribution of tree-size classes....

Industry wages
‘Increased productivity means that the jobs that remain are high-paying and more secure. In fact, Maine paper mill and sawmill wages have risen steadily since 2000....

‘Troubled mills have been purchased and reopened by firms and investors who want to succeed here in Maine. This is good news and, with luck and hard work, this will happen in Old Town as well....

‘Our businesses consistently support research at the University of Maine to develop new products and processes for our industry, from new engineered wood products to bio-fuels.’ {op-ed in Maine Sunday Telegram 26.Mar.06}

New Hampshire biomass market strong
In the short term, the outlook in this state is bleak. Yet there are more markets now for low-grade hardwood than the last time the pulp mill and the connecting paper mill in Gorham shut down - in 2001, because of the bankruptcy of then-owner American Tissue Inc. - said Jasen Stock, executive director of the New Hampshire Timberland Owners Association.

In the long term, alternative energy markets will expand for loggers and landowners who can hang on for a few years, Stock said. He mentioned New England Wood Pellet of Jaffrey, which is rapidly expanding its capacity, as well as the PSNH plant in Portsmouth [see 12 April issue].

In addition, RJ Chipping Enterprises of Shelburne, which buys logs, then chips them for use at the NewPage pulp and paper mill in Rumford, Maine, recently expanded its capacity by 300,000 tons a year, Stock said.

But prices dropping
In 2005 from one job, logger Josh Boire sent 54 truckloads of hardwood chips to Groveton Paper Board Company in Groveton, and eight truckloads of hardwood logs to the Fraser Papers’ pulp mill in Berlin. Together, they bought more than two-thirds of what he cut. Groveton closed in January, and Berlin will close in May.

The Jaffrey and Portsmouth facilities do not offer an alternative. High fuel prices preclude trucking wood from northern New Hampshire to Portsmouth or Jaffrey, and the high-quality chips that fetched him $42 a ton at Groveton Paper Board are worth only $26 as boiler fuel, said Boire.

Pulp mill future bleak
According to a March report by analysts at TD Securities, overseas competition could close the remaining hardwood pulp mills in the northeastern United States and eastern Canada over the next few years.

Huge eucalyptus plantations and pulp mills in Brazil can make pulp, dry it and ship it to North America more cheaply than the paper companies can manufacture pulp in their own heavily forested back yards, said Peter Gordon, vice president for finance at Fraser, of Toronto.

While Brazil exports little eucalyptus pulp now, analysts expect large quantities to enter the North American market within the next year, Gordon said. “These tree farms in Brazil are growing eucalyptus to full height in 10 years. The fiber is very cheap and they just grow these trees in concentric rings around a huge pulp mill.”

At a two-day conference on the challenges confronting Maine's pulp and paper industry organized by the Maine Pulp and Paper Foundation at the University of Maine, attendees heard that
locally, the cost of a ton of hardwood pulp has risen from $28 to $40 in the last few years, with similar increases for softwood pulp.

“It's pretty simple,” said Don Tardie, a former Fraser Paper executive who now consults. “There are plantations in South America, China and Indonesia that can get a tree (to maturity) in seven years and our balsam fir takes 40 years to mature. That's pretty difficult to beat.”

Paper strong
Fraser has said it might shut one of five paper machines in Gorham, but Gordon said the overall outlook for the paper industry is improving, because of a wave of consolidations and plant closings.

Safe Handling offers a use
At the two-day conference, Ford Reiche, president of Auburn's Safe Handling (a handler of raw materials to most of Maine's paper mills), said he has sought ways to reduce production and transportation costs. A grant the company received in 2005 has begun to pay off [see 05#07B]. Working with other partners, Safe Handling has been testing a new technology that converts organic trash such as wood waste and sludge into energy at a low cost with negligible environmental impact. Acknowledging that the technology carries “a ton of risk” and costs “a ton of dough,” Reiche said it also represents exciting potential to lower energy costs.

“I may be too embarrassed to come back next year (if it doesn't pan out), but I'm too excited to wait until next year to talk about it,” he said.

But will biomass use much rail?
During the second day of the Orono conference, Eric Kingsley of Innovative Natural Resource Solutions said UMaine is leading research into converting wood into energy. Despite regulatory and tax complications, there's potential for Maine's forest industry to find new life. “Biomass is a real competitor for fiber and it's only going to grow,” he said, but cautioned a new industry will be difficult to launch and likely controversial. “Bioproducts may be our salvation, kiss of death or a great diversion. Watch. Listen. Participate.” {Katharine Webster of AP in Portland Press Herald 3.Apr.06; Carol Coulta in Lewiston Sun-Journal 6 & 7.Apr.06}

Conversion of biomass into energy may well utilize the trees of the Atlantic Northeast, but the energy, in the form of electricity or a fuel, will likely not travel outside of the region. At the extreme, then, railroads must face the possibility that the massive pulp and paper mills which produce a significant amount of the traffic in the region will disappear, and with them the rail traffic of inbound chemicals and outbound pulp and paper. Editor

MASSACHUSETTS

STATE TRANSPORTATION PLAN
23 April, Boston. THE LONG-AWAITED PLAN WILL NOT APPEAR UNTIL THE END OF 2006, according to the head of the 13-member Transportation Finance Commission, created by the legislature two years ago. It planned to have the report out by late 2005, then that deadline was pushed back to this spring. By all accounts, the commission, comprised of leading specialists in transportation and business, has faced a daunting task. Legislators wanted as the commission's final report a comprehensive, apolitical, and unimpeachable evaluation of Massachusetts transportation over the next three decades, from highways and bridges to proposed expansions of the commuter rail system, including how to fund the work.

Freight handling still to come
Commission Chair Stephen J. Silveira, a vice president at the lobbying firm ML Strategies, said that finishing the study has been more challenging than he initially thought, and that major issues remain, including how to handle freight on highways, rail lines, and at ports, which members have not yet been able to fully explore. “I don't know that we could do it any faster,” said Silveira, who was appointed to the commission by Governor Mitt Romney.

Romney plan
A year ago, Romney released a preliminary version of his 20-year transportation plan, which called for repairs to 600 of the worst bridges and for the state to commit money to expand the commuter rail, including a $670 million proposal to extend the system to Fall River and New Bedford. Romney's final report will be out this month or next. {Scott Helman in Boston
RTAC contribution
The Boston Area Regional Transportation Advisory Council (RTAC) Freight Committee enlisted its members and friends in identifying issues and needs including funding requirements of freight rail, intermodal, and trans-ship facilities in Massachusetts for the Transportation Finance Commission.

The Freight Committee hosted Silveira at its December 2005 meeting, to hear about the Commission’s efforts and to ensure the Committee is considering the movement of freight in its deliberations.

Silveira received:
- freight stakeholder points of contact;
- samples of actual and estimated costs of bringing Massachusetts branch lines up to 286,000-pound weight requirements
- an outline of double-stack and tri-level auto routes and estimated costs to bring the suggested rail corridors up to modern standards. {e-mail to ANR&P from Frank Demasi, co-chair of RTAC Freight Council}

CSXI: CLEARANCE IMPROVEMENT?
21 April, Newport RI. CSXT WOULD LIKE TO ACHIEVE FULL DOUBLESTACK CLEARANCE INTO WORCESTER, said Rob Girardot, director of product segmentation for CSXI, during a panel on intermodal shipping at the spring North East Association of Rail Shippers meeting (NEARS) here. Amidst projects the railroad plans over the next five years (2006-2011) shown on one slide, Girardot had “terminal expansion and full doublestack in New England 2008”.

Since this project has languished for years after the passage of the Seaport Bond bill authorized the work (though the bill did not provide immediate funding) [see 01#11B], I asked Girardot why the optimism. He said that over the winter the railroad had hired a consultant to take a close look at the project. Moving forward, however, depended upon cooperation with the Commonwealth.

Capacity
He showed a table indicating that for railroads in general, overseas containers move 58% by rail, 42% by truck. On the domestic side, only 23% move by rail, and 77% by truck. CSXI has about 60+% international containers, and it anticipates growth in international. CSXI is examining using run-through trains of only international traffic separately from domestic traffic. However, “we do not project intermodal growth everywhere. Intermodal is not the best solution everywhere.”

While Girardot did not originate the following observation, he found it worthwhile repeating. The US transportation system had excess capacity in 1980, prior to de-regulation of railroads. For the next 20 years, railroads could grow their traffic into their capacity. We have reached the end of that one-time ‘free ride’. {ANR&P coverage}

NS-GRS: INTERMODAL SERVICE
21 April, Newport RI. WHILE GRS SERVICE FOR NS INTERMODAL TRAFFIC HAS IMPROVED, said Ed Elkins, “we are still not satisfied.” [The map accompanying Elkins’ presentation showed Waterville, Maine, as a station on the NS intermodal network, though no traffic has moved through there for several years. Editor. “We have additional projects to enhance capacity and improve consistency in New England.” [The service to the GRS terminal in Ayer–our Directory #124 was rated “pretty consistent” in October 2005–see 05#10A.]

Asked whether he could provide more detail on the projects, Elkins declined. Asked whether he could provide a rough date on which an announcement about the projects might emerge, Elkins just shook his head. “I have no idea.”

No track projects
Asked more generally whether NS anticipated projects in the Northeast, Elkins said in general the railroad was concentrating on the former Southern tracks, much of which remains single track. In the Northeast, “we have substantial capacity for growth today.”

Debbie Butler, vice-president customer service for NS (which includes much more than responding to customers: service design, crew management, etc) underscored that point several times during the conference for the railroad in general: “We are not capacity-constrained.” {ANR&P coverage}

CSXT: TRASH TRANSFER STATION?
16 April, Medfield MA. NIMBYS HAVE ALREADY LINED UP TO OPPOSE A TRUCK-TO-RAIL TRANSFER FACILITY in this town. Currently, Medfield residents dump their own trash at the Medfield transfer station; Medfield trucks
then move the waste to Millbury's incinerator. Since 1988, Solid Waste Committee member Tony Centore said, the cost of disposing of Medfield's waste in Millbury has increased 300%, to $658,148.

The proposal: rail to landfill instead

The Town of Medfield’s trash transfer station lies north of Route 27 and just west of the BCLR’s Millis Branch. TransLoad America Inc. of South Orange, N.J., proposes using six acres adjacent to the transfer station (but farther away from BCLR and accessed only by CSXT) where trash from surrounding towns would be collected, baled within a newly-erected building, and loaded onto railcars, which would carry it to landfills in the Midwest.

The facility's suggested maximum capacity would be 1,000 tons of trash per day. Centore said, per year, the town would make $150,000 from leasing the land, $25,000 in taxes, $507,000 from tipping fees and save $420,000 per year by using the new facility instead of the current system of shipping waste to Millbury. In total, the operation would generate $1,102,000 per year.

The town this year faces a $1 million property tax increase to cover a deficit in the town's $44 million budget.

Similar proposals have been made to town officials in recent years, said BCLR’s Bernie Reagan. The site's location along a rail line has made it attractive.

The Solid Waste Study Committee

“I think it’s going to be the wave of the future,” said Centore, who gave a presentation on the proposal last week to the Committee. The town could keep control of the facility and avoid the problems other communities have experienced by leasing the land rather than selling it, setting up restrictions in the contract, and working as partners with the facility's operator. He said the town could limit the hours of operation, amount of trash handled, and number of trucks.

Public Works Superintendent Ken Feeney said he was told by officials from CSXT that the rail transportation of trash is the company's fastest growing business area and that the company has encountered no problems with the bales leaking, breaking, or smelling.

Committee member Cynthia Greene said she would like the study to determine what type of operation the town would accept at the site.

Committee member and former Selectman John Harney has fought the proposal and opposes further study of it. He said the odors, vermin, and dust that a large trash operation would generate, as well as the increased truck traffic, make it "self-evident" that the proposal should be voted down. Harney also worried that Medfield might experience problems like those at transfer stations in other towns, like Holliston, where a small amount of unauthorized radioactive material was discovered in a shipment.

Most of the eight residents who attended last week's Solid Waste Committee meeting also spoke out against the proposal. "This is a huge issue for Medfield and not one you can take back if you don't like it later on,” said John Gersuk.

An intelligence approach

Trash removal costs will only increase over time and those who oppose studying the issue are "sticking their heads in the sand,” Town Administrator Michael Sullivan said.

Sullivan also said that while everyone generates trash, many balk at dealing with it in their own back yards, an attitude he said is
selfish and short-sighted. “If everyone took that attitude, where would you get rid of the trash in your own back yard?”


Town meeting vote
The warrant article was amended from a straight vote on the issue, when per Selectman Ann Thompson the need for further study became evident.

Town officials said that if the public appears receptive to the transfer station proposal, they will sign a shorter-term extension to the current trash removal contract with Waste Management Inc., so they could quickly take advantage of the TransLoad proposal.

On 24 April, a warrant article asking if the town should continue to study the proposal neither passed nor failed, said Sullivan on 27 April. Three votes were taken; the last one passed, 403-370, the measure calling for study, but too many ballots were cast. So the town decided to postpone a decision until a special town meeting in the autumn. {ANR&P discussion}

GRS/TRANSRAIL: NEW CUSTOMER
17 April, Wilmington. OLIN WILL USE RAIL TO MOVE OUT CONTAMINATED MATERIAL FROM THE SUPERFUND SITE here. On 6 April, Olin engineer Tom Morrow attended a briefing for Wilmington residents on the status of the cleanup, along with representatives of the federal Environmental Protection Agency and Massachusetts Department of Environmental Protection.

The site received official Superfund designation on 18 April. EPA project manager Jim DiLorenzo explained how federal government would incorporate existing state data and Olin’s cleanup actions into the Superfund process. A full investigation and assessment of potential human health and environmental risks is forthcoming, he said. Cleanup options will then be considered. Community meetings will be scheduled starting in the summer. {Melissa Russell in Wilmington Advocate 13.Apr.06; Franklin Tucker in Advocate 20.April.06}

In a discussion on 17 April from his office in Charleston, Tennessee, Morrow said he could not provide an estimate of the amount of material, nor how quickly it would move. That depended upon the results of a test of the decontamination process, which will not end until the beginning of 2007. But he will use rail: “It is much cheaper. We will use Guilford.” {ANR&P discussion 17.Apr.06}

What about the proposed New England Transrail site?
Ron Klempner, one of the officials of NET, wrote that NET could do the work, but whether it would depended upon the location of the material, the amount, the type (hazardous versus non-hazardous), and so forth. {e-mail to ANR&P 17.Apr.06}

At the 6 April meeting, State Representative James Miceli [see 06#02B] demanded to know how, after causing so much contamination to the environment, Olin could sell the property to NET to build a railroad reloading center that would transport and store construction debris. “How could you, after all this destruction and human misery caused by this company, after all we see here tonight, get a company like Transrail here. It would be the second worst thing, on top of the worst thing that has ever happened to this community.”

Morrow responded that the company had a legal right to sell the property once they cleaned it up. Miceli retorted, “You have a legal right, but not a moral right. I would think you would try to do something to atone for your sins.” {Melissa Russell in Wilmington Advocate 13.Apr.06}

Future of Transrail
During an interview at the NEARS meeting on 20 April, Ron Klempner, one of the principals of NET, said that the Section on Environmental Analysis at the STB had asked for comments about NET’s application to create a railroad by early May. [See 05#12A for filing, and 06#03A for opening of STB proceeding.]

He anticipated that his site would be released by the Superfund process by the end of 2006, so that he could begin development, assuming he gets the okay from the STB. {ANR&P interview}

GRAFTON & UPTON
24 April, Worcester. STILL NO SALE OF NEW ENGLAND’S SMALLEST FREIGHT RAILROAD, according to official Karen Busenburg. Responding to rumors of a sale, she said “it’s close, but we have no purchase and sale agreement.”
Customer Washington Mills
Irwin Nichols, who manages rail for the mill [our Directory #350] located in North Grafton, said he had stopped using rail inbound. “It’s all by truck, more cost-effective.” He faulted neither GU nor CSXT for the loss of about 75 carloads a year.

Outbound, he still ships about 50 cars of abrasives. He had heard only rumors about a sale, but acknowledged that the mill was a part owner of the railroad. {ANR&P discussions}

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VERMONT

VRS: RUTLAND YARD RELOCATION
20 April, Rutland Town. THE TOWN PLANNING COMMISSION APPROVED THE FINAL PAYMENT FOR A MARKETING STUDY on the proposed relocation of the railyard: $3000. But leading up to the vote, members of the Commission challenged Matthew Sternberg, executive director of the Rutland Redevelopment Authority, on environmental and economic aspects of the relocation plan.

Tom Turner, a member of the commission, asked about delays in the creation of an Environmental Impact Study for the proposal [see 05#12A]. Sternberg said he hoped the study would be finished this summer, but couldn’t commit to a specific timetable because the study is being reviewed by state and federal agencies over which he has no control. “It’s already taken eight months longer than I anticipated it would or wanted it to. But I think the project will be better for it in the end.”

Sternberg also pledged there would be plenty of time to discuss and review the findings of the EIS before any action would be required from the town or Rutland City. In the interim, various groups involved in the project are planning to start pitching some of the development sites to businesses that could make use of railroad transportation, with the hope of getting some development started even before the railyard is moved. “The sense of our consultant [Eyal Shapira–see 05#12A] …… is that [the sites are] competitive. He believes these sites may be marketable given the rail that’s already there today.” {Brendan McKenna in Rutland Herald 21.Apr.06}

VERMONT: PROPOSED RAIL BUDGET
3 April, Montpelier. THE 110% INCREASE IN THE STATE RAIL BUDGET DERIVES FROM THE FEDERAL EARMARKS contained in the SAFETEA-LU 2005 authorization bill, explained Dick Hosking, interim manager of VAOT’s rail section. {ANR&P discussion}

The table below, which reflects the proposed budget submitted to the Vermont General Assembly by the governor, shows how the state would begin to spend the earmarks for the ‘Gateway’ corridor on the west side of the state [see 12 April issue]. Total dollars needed, about $170 million [see 03#02B], so this budget constitutes only a first step toward the total corridor plan.

The House has passed the budget, H.881; the Senate is very close to passing it. {General Assembly website}

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*Some state funds are available from carry-forward, and are not included in the requested appropriation: TSRD legal and negotiation $75,000, VAOT bridge inventory $360,000.

**Some federal funds come from FRA, some from FHWA.
CBNS - POINT ACANI COAL MINE  
25 April, Stellarton.  CBNS COULD MOVE COAL FROM SYDNEY MINES after a strip mine opens on Boularderie Island in Point Aconi, according to an environmental registration document submitted to the Province. It states in part:

Coal will be transported from the site to customers using local roadways appropriate for the transport trucks. The market for the coal product may include, but is not limited to, NSPI. Coal may be trucked directly to NSPI’s Point Aconi facility, trucked to NSPI’s Trenton facility or by train to Trenton via a loadout facility planned for the North Sydney/Sydney Mines area. A sketch of the proposed facility is provided in Appendix H. Up to 250,000 tonnes of coal could be loaded out annually via the rail loadout facility if logistics, markets, and economics are favourable.(page 9)

The facility would be completely enclosed. Bottom dump highway trucks would drive into a building enclosure, dump into a floor hopper and then exit the building. Coal dumped into the floor hopper would be transported within an enclosed conveyor to the rail car loading building. This building would contain a hopper with a 2000 tonne capacity. Rail cars would drive in under the hopper for loading. It is anticipated that eleven rail cars will be loaded daily.... (page 31)

There is a cumulative impact of increased local and regional traffic from the proposed undertaking and other ongoing and proposed activities. While the increased truck traffic cannot be eliminated, its impacts can be mitigated via route selection, and potentially use of rail (if economically feasible). This impact is short term, regional and reversible. (Page 91) {text from website}

Public response
John Chisholm, owner of Antigonish-based Pioneer Coal Limited, has operated seven open strip mines in the past 26 years, so he says he's used to fighting for them. He faced critics in Stellarton when he opened a mine in that community 10 years ago. It’s a massive open pit, crawling with workers and machinery extracting 300,000 tonnes of coal a year. “Now everybody thinks it's a great thing,” said Chisholm. Stellarton Mayor Art Fitt supports the mine. “When strip mining first came to Stellarton not only myself but a lot of the residents thought what we were hearing was going to destroy the town. Eleven years later we're in good shape,” said Fitt.

Chisholm said he waded through two years of red tape and met every requirement the government called for. Despite the opposition in Cape Breton, he's still planning to break ground in Point Aconi in a couple of months. {CBC news webposted 5.Apr.06}

CBNS interest?
The railway is working with Chisholm on several other possibilities, said Roy Budgell, manager of market development. But Pioneer Coal has not mentioned the Sydney Mines possibility as of yet. {ANR&P discussion 25.Apr.06}

QCR: AN UPDATE  
20 April, East Angus. JEAN-MARC GIGUÈRE STILL OWNS THE QUEBEC CENTRAL; no sale has yet occurred [see 04#12A].

Chaudière subdivision
Some of this section, between Vallée Jonction and Morisset station, is now re-opened, after work last summer. It sees one small train (10 cars average); it remains closed beyond Morisset Station(milepost 30) to Lac Frontière.

Two MMA center-beam cars were spotted for loading at Morisset Station on 28 April.

Vallee subdivision
This sub, which extends from Charney to Sherbrooke, sees one small train a week from Vallée-Jonction to Sherbrooke. On the same sub north, from Vallee-Jonction to the interchange with the CN at Charny, three trains a week run because of the presence of a grain elevator at St-Lambert.
Levis subdivision
The service on this section, which turns off the Vallee subdivision at Scott-Jonction, is as required for a grain elevator. The MTQ authorized QCR to lift some track on this subdivision to help QCR to raise money for cash flow. {Martin Laflamme and Stéphane Descoteaux in MMA-Rail e-list}

RAIL SHIPPERS

Described in this issue.
Our Directory of Rail Shippers & Receivers in Southern New England has more information on the companies denoted with their directory number.

Caraustar/Cascades (PW, Rhode Island #521)
NS intermodal (GRS, Massachusetts #124)
Washington Mills (GU, Massachusetts #350)

PEOPLE

Dale Thibodeau left as general manager of both New Brunswick Southern Railway and Sunbury Transport in early February. Tim Fielding has become general manager of Sunbury, but the general manager of NBSR has become Ian Simpson.

Stu Thomas has assumed the duty of interim general manager at Cape Breton and Central Nova Scotia Railway. When Peter Touesnard went to Texas in mid-winter, Jim Ryan, the assistant general manager, stepped in but has stepped down to deal with an illness. Thomas serves as general manager for the Southern Ontario Railway, another RailAmerica property.
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Purpose

Atlantic Northeast Rails & Ports, née Maine RailWatch (1994-1997) and later Atlantic RailWatch (1998-1999), is dedicated to the preservation and extension of the regional rail network. The editor believes that publishing news on railroads and ports spotlights needed action to preserve the rail network. The publication also imbues the region with a sense of an interdependent community, employing the network to move rail and port traffic. ‘No railroad is an island, entire onto itself.’