REGIONAL ISSUES

PW: Annual meeting provides good details.

CONNECTICUT

MMA/CSXT: Palmer exchange doing well.

CSXT: Losing customer Quebecor World.

PW/New Haven: First carloads on new rail.

MAINE

Passenger: Rental car tax to provide revenue.

NEW HAMPSHIRE

Passenger: ST wants exemption from liability.

RHODE ISLAND

[No report.]

VERMONT

[No report. See Regional.]

MARITIMES/QUÉBEC

CN Worldwide: Helps AV Group, others.

RAIL SHIPPERS/RECEIVERS

A cross-reference to companies mentioned here.

PEOPLE, POSITIONS, EVENTS

Dan Hamilton, Tom Hyndman, Tammy Baker-Silver, Lorrie Johnston, Jim Bruno, Joseph Marie, George Campbell.

FROM THE PUBLISHER

Only a few stories this issue

The NEARS meeting was wonderful for networking, but yielded only a couple of stories.

In an effort to bring the issues in line with the calendar, I putting out a shorter-than-normal issue. More next time!

- Chop Hardenbergh Next issue: 16 May.

REGIONAL ISSUES

ST/VRS: HOOSICK OPENS!

21-25 April, North Bennington-Hoosick. **ST AND VRS INITIATED SERVICE OVER THE ‘HOOSICK GATEWAY’ THIS WEEK.** VRS is moving blocks of cars each day to the Bennington Branch, and then putting together the entire train on Friday for ST to move east.

In addition, ST is interchanging a few cars with VRS for CSXT. [In October 2007, when ST and VRS announced the forthcoming Gateway, officials said ST could move CSXT cars for VRS, which has six on-line large feed mills supplied by CSXT from the west. See 07#10A. Moving the cars to Rotterdam Junction NY for interchange to CSXT bypasses the then-congested Selkirk Yard.]

21 April, Monday. VRS spotted 14 loaded Omya cars on the Bennington Branch, and picked up one empty covered hopper from Whitman’s Feed Store [our Directory #1131] and one empty center beam flatcar from Miles Lumber in Manchester [our Directory #1129] for return to Rutland.

22 April, Tuesday. VRS spotted 13 loaded Omya cars on the Bennington Branch. The crew then ran a qualifying move with light engines from North Bennington to Hoosick, thence onto the ST Freight Main through Eagle Bridge [where ST and the Battenkill Railway interchange—editor] to Buskirk, New York, and return.

23 April, Wednesday. VRS brought down nine ballast cars to the Bennington Branch, and unloaded the contents. In addition, it spotted nine loaded Omya cars and two covered hoppers.

ST ran qualifying train RJNB (Rotterdam Junction-North Bennington) with one loaded covered hopper to North Bennington for interchange to VRS.
The northbound VRS train returned to Rutland with the covered hopper and the empty ballast cars.

ST’s EDRJ (East Deerfield-Rotterdam Junction) train spotted 13 empty Omya cars returning from Maine on the interchange track at Hoosick Junction, as well as one loaded hopper.

24 April, Thursday. VRS brought down 10 loaded Omya cars, spotting them on the Bennington Branch, as well as one covered hopper for Whitman’s and one empty covered hopper for interchange to ST/CSXT.

ST’s RJ-1 came out of Rotterdam, lifted the empty Omya cars on the Hoosick interchange track, and brought them to North Bennington. RJ-1 tied onto the CSXT-bound empty covered hopper and returned to Hoosick Junction.

25 April, Friday. VRS brought 12 slurry cars from Rutland to North Bennington, tied onto the 46 cars on the Bennington Branch and proceeded to Hoosick Junction. The 58-car slurry train was dropped on the Eagle Bridge passing track.

ST moved the loaded unit train east later in the evening.

26 April, Saturday. ST’s RJ-1 ran to North Bennington with 11 empty slurry and 2 empty GMRC boxcars. {VRS e-list; e-mail to ANR&P from special correspondent Chris Parker}

**PW: ANNUAL MEETING DETAILS**

30 April, Worcester. *THE ANNUAL MEETING PROVIDED AN OPPORTUNITY FOR QUESTIONS ON THE PAST AND FUTURE* of the railroad.

**Operating revenues**
Chair Bob Eder opened the ‘shareholders questions’ part of the meeting saying that 1Q07 was bad, and PW could not make it up the rest of the year. New England as a whole was down; PW can get a sense of New England numbers because it interchanges with most other New England railroads.

However, in every quarter operating revenues were lower than in 2006:

<table>
<thead>
<tr>
<th>Total revenues</th>
<th>1st Q</th>
<th>2nd Q</th>
<th>3rd Q</th>
<th>4th Q</th>
<th>Total year</th>
</tr>
</thead>
<tbody>
<tr>
<td>2007 revenues</td>
<td>$5,185</td>
<td>$6,972</td>
<td>$7,296</td>
<td>$6,711</td>
<td>26,164</td>
</tr>
<tr>
<td>2006 revenues</td>
<td>6,607</td>
<td>7,243</td>
<td>7,786</td>
<td>6,815</td>
<td>28,451</td>
</tr>
</tbody>
</table>

Operating revenues declined $2.287 million, of which conventional carloads dropped $0.761 million, and intermodal $1.183 million. (The rest of the losses came from ‘other freight-related’, and ‘other operating revenues’.)

**Traffic decline**
Eder pointed to two sectors: coal (PW moved no coal in 1Q07), and intermodal, which was down all year. [Conti later said the company moved 4,000 carloads of coal in 2007, and has already moved 1,200 so far in 2008. {Martin Luttrell in Worcester Telegram & Gazette 1.May.08}]

But, your editor pointed out during the question period, the Class Is were showing similar traffic declines in 1Q08, yet improved revenues by raising rates [see Roy Blanchard’s *Railroad Week in Review* 2.May.08]. President Scott Conti said that because the railroad is confined to a small area, shippers can readily turn to trucks or ships to move traffic. PW therefore has difficulty raising rates.

**Conventional decline**
PW’s carload base dropped 2,983 to 30,797 from 33,780 in 2006. The Annual Report stated: ‘The largest single reduction in conventional traffic volume was construction aggregates which declined by more than half a million dollars. Declines in other areas [forest and paper down $425,000; metal down $356,000; other (which must include
autoracks) down $284,000] were largely offset by increases in coal [up $167,000], ethanol [assume all the chemical sector, $628,000], and automobiles [in other].’

[See table below which illustrates this point. Algebraically, assuming that the declines in other areas exactly offset the increases in coal, ethanol, and autos, and assuming that the ethanol increase was the entire chemical increase, we can deduce that auto revenues came to $135,000. Editor]

<table>
<thead>
<tr>
<th>Sector</th>
<th>2007</th>
<th>2006</th>
<th>gain or loss</th>
</tr>
</thead>
<tbody>
<tr>
<td>chemicals and plastics</td>
<td>$8387</td>
<td>$7759</td>
<td>628</td>
</tr>
<tr>
<td>construction aggregate</td>
<td>3840</td>
<td>4359</td>
<td>-519</td>
</tr>
<tr>
<td>food and agricultural</td>
<td>2777</td>
<td>2749</td>
<td>28</td>
</tr>
<tr>
<td>forest and paper</td>
<td>2756</td>
<td>3181</td>
<td>-425</td>
</tr>
<tr>
<td>metal products</td>
<td>2132</td>
<td>2488</td>
<td>-356</td>
</tr>
<tr>
<td>coal</td>
<td>1818</td>
<td>1651</td>
<td>167</td>
</tr>
<tr>
<td>other</td>
<td>972</td>
<td>1256</td>
<td>-284</td>
</tr>
<tr>
<td>total conventional</td>
<td>$22,682</td>
<td>$23,443</td>
<td>-761</td>
</tr>
<tr>
<td>2007 intermodal</td>
<td>2389</td>
<td>3572</td>
<td>-1183</td>
</tr>
</tbody>
</table>

**Intermodal decline**
The Annual Report noted that total containers decreased ‘by 22,678 to 40,505 in 2007 from 63,183 in 2006.’ Frank Rogers, vice-president of marketing, explained that in May 2007 “the western carriers [BNSF and UP] raised their mini-landbridge rates, the eastern railroads did as well. But the increase did not stick.” The shippers began moving boxes around the landbridge, using the all-water routes to the East coast via the Panama or Suez canals. Vessels calling either coast had capacity to make this move happen.

Rogers listed three factors which could change the drop in container traffic at the PW terminals: capacity constraints, mini-landbridge rates going down, or PW getting access to alternative routes [see below].

**How much intermodal moves via New Jersey?**
A significant fraction of PW’s intermodal traffic moves between Worcester [aka ‘Stackbridge’–see08#01A and 07#11A] and the ExpressRail facilities at the container terminals in New Jersey. Rogers said that fraction used to be “a definite minority” of the PW total, but has now become the “majority. Mini-landbridge used to be the majority, but that’s flipped.”

In absolute numbers, the ExpressRail traffic has remained roughly constant.

**New intermodal via CN**
PW now has double-stack access to CN via NECR because of the clearance improvements, especially at the Bellows Falls tunnel. On 29 April, Rogers completed a rate agreement with CN for traffic moving over Prince Rupert.

Traffic will begin moving on that route only when a shipper or ocean carrier decides to use it. At this point it remains a possibility; Rogers pointed out that the rail distance from Prince Rupert to Worcester is the same as that from southern California to Worcester. Moreover, Prince Rupert is two days closer to the Far East.

**New intermodal via ST**
PW could also interchange with ST and its NS intermodal traffic, now going to Ayer. The Gardner to Worcester line has two bridges without the 19’6” of clearance on the rest of the line. Eder said that PW is “in the process of”
improving the clearance at the bridges.

What about full doublestack?
Your editor asked about the status of the effort to get 20'6" of clearance on all rail lines in Massachusetts, because of CSXT’s request for that to happen [see 08#04A] Eder noted that “under the old bill [the Seaport Bond bill of 1996–see 96#05], the state would pay 50% of the cost of clearance, and the railroads would pay the other 50%. But the state never provided its 50%. “We paid 100% of Phase I clearance [19'6"] to Providence.”

If the effort were resuscitated, Eder said, “and any program went ahead, we would be involved.”

Conti pointed out that it made no sense to increase intermodal traffic east of Worcester, where the MBTA wants to increase passenger traffic.

More autoracks
PW also hopes to move autoracks via the Vermont gateway. At the North East Association of Rail Shippers meeting 23-25 April, more than one attendee told your editor that some auto traffic currently landing in Halifax would move to Davisville, and then by PW and other railroads into Canada. [The Halifax Autoport, operated by CN, is “chock-full of cars right now,” Cooper Minis, BMWs, and so forth. [Jay Underwood in AtlanticRails e-list]]

PW officials at the Annual Meeting said “nothing definite” was nailed down on that traffic. Conti emphasized that autos move under long-term contracts. “Davisville is a new port for autos, and it will take time to develop agreements.”

Fuel facility in East Providence
Eder said that the permits from the City of East Provident to run pipes under Dexter Road to the proposed rail-served fuel facility were granted [see map 08#03A]. The project is not currently going ahead, given that “the local oil industry is in havoc” because of the fuel prices.

Track contract in New Haven
Bernie Cartier, vice-president engineering, said that the railroad had just reached agreement with ConnDOT on a $7 million force account contract related to construction of the Q-Bridge. [More in a future issue.]

Locomotive leasing
Eder, Conti, and Rogers corrected the impression from an earlier report [see 08#02B] that PW was directly leasing locomotives to ST. The agreement only refers to locomotives used as run-through power on the coal drags to Mt.Tom and Bow. No lease payments are made; PW is ‘paid’ for the use of the locomotives by getting a higher fraction of the total rate paid by the power companies to move the coal.

Use of the Pawtucket Yard
When your editor asked whether the railroad would sell the Pawtucket Yard to Capco Steel [see 08#04A], Eder answered that given the loss of the possibility of construction and demolition debris transloading there, “we are talking to other people about use of the property.” {ANR&P coverage}

MMA/CSXT: PALMER INTERCHANGE
21 April, Maine-CSXT. MMA HAS A “NEW” INTERCHANGE WITH CSXT IN PALMER, put together over the last several years by VRS, NECR, and MMA. According to one official with VRS, the interchange now sees about 1900 carloads a year.

Joe McGonigle, MMA’s vice-president sales & marketing, responded to reports of significantly-increased traffic: ‘We continuously cooperate on traffic destined CSX points where VRS (WACR) and NECR provide overhead services. It has its ups and downs on volume based on many factors, including commodity cycles. Nothing out of the ordinary that I can see at this time.’ {e-mail to ANR&P}
In addition, the lane has carried MMA traffic to southern New England points for many years.

**Track problems**

MMA moves CSXT-bound traffic via Farnham to Newport, then WACR takes it to White River Junction, and NECR to Palmer. Track problems on the Brookport to Richford section have slowed the trains to 10 miles per hour, forcing MMA to change the schedule. Earlier, MMA moved daily to Newport.

Until the track is repaired, MMA will run Newport-Farnham on Mondays and Thursdays, returning on Tuesdays and Fridays. On Wednesdays, the train will run only Newport-Richford.

McGonigle reported on 29 April that the ‘line will receive repairs (ties) this spring (May start). Materials arrived too late last year to begin work. It will then be back to more frequent service.’ {e-mail to ANR&P; rail observer reports in MMA-rail e-list}

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**CONNECTICUT**

**CSXT: LOSS OF CUSTOMER**

1 May, North Haven. *QUEBECOR WORLD WILL CLOSE THE PRINTING PLANT HERE*, after seeking bankruptcy protection in January in Canada. A statement on its Web site said it is consolidating volume in larger and more efficient plants to cut costs and boost productivity, and will close the plant by the end of 2Q08. ‘This program has included investing in and deploying state-of-the-art presses and accompanying technology in fewer but larger facilities to better service customers and to improve performance.’

It also is reducing operations at a plant in Etobicoke, Ontario; each plant will lay off about 350 workers. The North Haven plant, served by CSXT on Amtrak’s Springfield line [our Directory #639], which primarily produces general commercial printed products, will be closed by the end of June. {company website}

**NEW HAVEN/PW: DIRECT CARS**

24 April. *LOGISTEC LOADED ITS FIRST CARS ON WATERFRONT STREET*, said Jay Baird, manager of sales and marketing for the US region [see 08#02A]. The heavy coil steel was loaded out of Logistec’s warehouse right into adjacent coil cars. “We will do four cars tomorrow,” said Baird. The coils move to American Steel [our Directory #428] on PW in Auburn, Massachusetts. Lighter steel still moves by truck. {ANR&P interview in Newport, Rhode Island 26.Apr.08}

A similar move happened in 2006, but from the loading ramp on the track [see 06#05B].

**New date for spurs to terminals**

In March, ConnDOT’s Tom Harley estimated startup on the Waterfront Street late this summer, with rail into the terminals not until 2009 [see 08#02B]. But at the monthly meeting of the Port Authority on 3 April, Domenic LaRosa of ConnDOT told the attendees that ‘the Waterfront Street Reconstruction Project...will begin in January 2009, with work expected to continue through the end of 2010.’

On 29 April, Harley explained: ‘By the time, the Contractor’s bid is fully validated and a contract awarded, it is likely to be [November or December].’ The need to acquire temporary rights across private property to detour traffic has held up bidding the project, which Harley put as 23 July. {e-mail to ANR&P}

**No rail move of contaminated material**

Material removed during the ongoing Quinnipiac Bridge project will be tested at the site of the demolished New Haven Terminals warehouse on Waterfront Street. Commissioner Miller asked about the soil testing area, and questioned whether or not contaminated material would be going out on the rail. Mr. LaRosa stated that it is expected that the area will remain until 2016 and assured Commissioner Miller that nothing will come on to the site except corridor material and that at this time there are no plans to have it move out on rail. This will be the central
area for soil testing and the amount of dirt stored on the site will fluctuate but will be used for the current projects in New Haven. {minutes from Port Authority}

MAINE

PASSENGER: $ TO UPGRADE LINE
23 April, Augusta. *A BILL PROVIDING FUNDING FOR RAIL CAPITAL IMPROVEMENTS* was signed by Governor John Baldacci. [See next article for how this will be accomplished.]

Source of funds
The text of LD 2019 states that beginning on 1 July 2009, half of the revenue (about $2.5 million) from the tax on rental cars will flow into the STAR [State transit, aviation, and rail] Transportation Fund.

[The bill states nothing about how those additional funds would be used. One may draw solace from the title, *An Act To Make Capital Rail Improvements for Economic Development Purposes*, and from the summary, which concludes that the bill revenue will ‘support transit, aeronautics and rail transportation, including the Downeaster train service.’

Also, the bill was initially sponsored by the House chair of the Transportation Committee, and titled *An Act To Implement the Recommendations of the Governor's Task Force on Passenger Rail Funding.*]

Purpose
State Senator Dennis Damon (D, Trenton) and State Representative Boyd Marley, co-chairs of the Legislature's Transportation Committee, said the money would let the state complete a passenger rail link and upgrade 22 miles of rail lines north of Portland to accommodate freight service.

Maine Eastern Railroad, which operates passenger and freight rail service between Brunswick and Rockland, also would benefit from extended rail service.

“Every day, I hear people complaining about the condition of our roads and the high cost of fuel,” Marley said. “Anything we can do to balance that off, especially by taking more cars and trucks off the roads, can only help.” [Dennis Hoey in *Portland Press Herald* 2.Apr.08]

23 April, Portland. *THE STRUCTURE OF THE FINANCING AGREEMENT* remains to be worked out, said NNEPRA Executive Director Patricia Quinn.

However, all stakeholders agree that MDOT or NNEPRA would apply for $31.5 million from the FRA’s Railroad Revitalization Infrastructure Fund (RRIF), the amount estimated for upgrading the tracks between Portland and Brunswick.

Quinn is proceeding with an application to the FRA for a RRIF loan. MDOT will pledge money from the STAR fund to repay the loan. FRA, MDOT, and NNEPRA will work out the agreements to cover that arrangement.

The extension to Brunswick
Quinn said ST, which will do the track work, and NNEPRA have worked out a two-year schedule to get the track improved so the *Downeaster* can run to Brunswick. *ANR&P discussion*
MASSACHUSETTS

BCLR/MC: WATUPPA

22 April, DC. **BCLR WILL CONTINUE TO SERVE MID-CITY SCRAP**, located on the EOT-owned part of the Watuppa line, for another 12 months, according to a BCLR filing made this day at the STB:

MC and BCLR, under the supervision of EOT, are continuing to discuss long-term arrangements for service on the State Watuppa Line, but an agreement has not been reached. In these circumstances, MC and BCLR have entered into an agreement dated as of April 18, 2008 and signed on April 21, 2008, which has been approved by EOT, pursuant to which BCLR will continue to operate the State Watuppa Line until April 16, 2009, unless BCLR files a notice to terminate prior to such date.

BCLR, as requested by EOT, had filed to terminate service on this line on 16 April [see 08#02A]. {STB filings page Finance Docket No. 29963}  

Thus BCLR will continue to serve, on its part of the Watuppa [located in New Bedford, Dartmouth, and Westport, Massachusetts—editor], Dartmouth Building Supply [our Directory #296] and Colonial Beverage [#295], and Mid-City Scrap [#298] on the MC/EOT part of the line.

CSXT: TRACK TO PORT

1 May, Boston. **BOSTON IS REVIVING TRACK 61**, from the main line to just past the cement silos at the end of Drydock Avenue. Podgurski Corporation [Podgurski is a major investor in MC—see 08#02A] was hired to ‘restore the flangeways and clearances to allow a CSXT test locomotive to traverse the track from the end of CSXT to the end of track just past the cement silos.’ {e-mail to ANR&P from Chris Podgurski 1.May.08}

Building track into the Marine Terminal

The Boston Redevelopment Authority, which owns the Massport Marine Industrial Park [see 05#06B and map in 03#03A], is planning to extend Track 61 into the Park. VHB’s Richard Carey, who is doing the design work, anticipates bidding this summer or early autumn. {DataFax Rail Project Guide 30.Apr.08 & 5.May.08}

NEW HAMPSHIRE

PASSENGER LIABILITY

9 April, Concord. **THE SENATE TRANSPORTATION COMMITTEE PASSED A COMMUTER RAILROAD LIABILITY LIMIT** in HB 1404. The text would read:

238-A:18 Liability Policy for Passenger Service.

I. Agreements between the [New Hampshire Rail Transit] authority and a railroad for the provision of passenger rail service shall provide that the authority shall secure and maintain a liability insurance policy covering the liability of the authority and the railroad for property damage, personal injury, bodily injury, and death arising out of such commuter rail service. Such policy shall:

(a) Name the authority as named insured, and the railroad as an additional insured.

(b) Have policy limits of not less than $75,000,000 per occurrence annually and $75,000,000 in the aggregate annually.

(c) Be subject to self-insured retention in an amount not less than $7,500,000, ½ applicable to the operating railroad, whether public or private, and ½ applicable to the authority.
II. In no event shall the authority or the railroad be liable in excess of the coverage limits of such insurance policy for any claim for damage, whether compensatory or punitive, for property damage, personal injury, and death arising out of such passenger rail service. (text from website)

The need for the liability cap
The state’s trial lawyers strongly oppose creating any cap. [Earlier attempts to pass a bill failed. See for example 00#03.] Stephen Williams, executive director of the Nashua Regional Planning Commission, insisted the $75 million cap for a single accident was sufficient. The Massachusetts Bay Transit Authority has such a cap, and in nearly 25 years, it has never approached the cap in a system far larger than New Hampshire’s proposed network. MBTA liabilities in 2005-06 were $300,000. “There is a fear for the potential of very high level of claims for these operations but that is not born out by the actual history,” Williams said.

[The 26 March collision between a runaway centerbeam car and an MBTA train could change that record. MBTA has already filed suit for costs estimated at $1 million–see 08#04A.]

State Senator Peter Burling, the authority chair [see 08#04A] said: “The other side of that is, if we don’t do this, we won’t have rail. It is just simple. We operate on the bounds of reality on one side and common sense for the other.”

The cost of liability insurance for the authority with a cap would be $375,000 a year. Without any limit on damages, Williams said it would cost $1.4 million. Under this plan, the MBTA would self-insure with the state rail authority to cover injuries up to $7.5 million annually. State Senator Robert Clegg (R, Hudson) said he can support the bill but will ask the Senate to give the same liability protection to private contractors that work on the state’s transportation system.

ST position
During the committee hearing this day, Cynthia Scarano of ST said the bill threatens to make her company liable for accidents. “We worked with these issues in other states. We feel the same level of cooperation is feasible in New Hampshire,” Scarano told the Senate Transportation Committee. [Kevin Landrigan in Nashua Telegraph 10.Apr.08]

According to State Representative Peter Leishman, who sponsored the bill and attended the hearing, ST would like a ‘no liability’ clause to protect ST ‘from any exposure from an accident. She also indicated to the committee they were interested in providing the service vs the MBTA. I think that comment surprised many in the room.’ [e-mail to ANR&P from Leishman 9.Apr.08] [NHRTA is assuming that MBTA will provide the service–see 08#04A.]

4 May, Concord. ST IS ASKING THE FULL STATE SENATE TO GIVE IT A COMPLETE EXEMPTION FROM LIABILITY, wrote Leishman. [Perhaps reasoning like CSXT which would like no-fault liability in Massachusetts–see 08#04A. Editor]

‘If the bill isn’t out soon it will die, which will be a disappointment as the MBTA, NH House and the NHDOT have supported it. I know the House Transportation Committee chair is fighting hard to see the bill is passed as proposed. It is very unlikely the bill, if amended, would pass in the House. Too many members, including myself, don't support a complete waiver of liability for anyone.’ {e-mail to ANR&P}
CN: CN WORLDWIDE RESULTS

24 April, Newport RI.  **CN WORLDWIDE NORTH AMERICA WAS DESCRIBED** at the North East Association of Rail Shippers spring conference here by Marie-Chantel Savoy, director of marketing and business development. CNW “offers a complete logistics package to its customers.” It is growing: CNW generated half a million truck moves in the last 12 months. It also owns vessels and bulk terminals.

**CN Worldwide and AV Group**

As an example, Savoy mentioned a customer in the Maritimes to whom CNW showed it could do best utilizing four ports, not just one. In an interview after the presentation, she named the customer as AV Group, which has two dissolving pulp plants in New Brunswick [see 07#08B]. It was using only Saint John to ship the product which was going to India. When the company began shipping to Taiwan, “We were able to show them alternatives.” Saint John does not have a direct route to Taiwan.

Savoy pointed out three other ports it could use: Montreal, New York, and Vancouver.

**Is CN favoring truck over rail, and demarketing rail to Halifax?**

No, said Savoy. But it does use truck to supplement rail. In one case, a customer wanted a move in 24 hours. She could not get a rail rate that quickly, so she told the customer CN would use its truck fleet for the first month, while it lined up the rail move.

In another instance, the railroad could not get the right cars immediately. CNW arranged to forward the product to a transload facility whence it trucked the product to destination.  

Other comments on CN Worldwide and intermodal

On 21 April, Jim Foote, executive vice-president Sales and Marketing, noted in his webcast presentation during the company comments on 1Q08 results, that intermodal was up 14%, in part because it was the first full quarter with the new port in Prince Rupert in operation [see 08#04A in Halifax article]. That was “offset by declines in East coast, in Halifax.” CN saw “good demand on domestic side, primarily from new customers off the highway in Canada.”

During the question and answer session, responding to Cherilyn Radbourne of Scotia Capital Markets, Foote said that CN Worldwide had “two components. The first is international freight forwarding, and we’re on track with expectations to grow that little business to $100 million.”

The other is the North American one of trucking, warehousing, and bulk transloads. “This had 14% revenue growth in the quarter,” noted Foot. “It’s easy to adapt and expand that footprint, consistent with how to run the rest of the company. We can overlay that model in many segments.”

**Eastern Canada**

Foote lamented the closing of “an eastern Canada paper mill..in Miramichi” [referring to UPM Kymmene–editor] which will “never come back” even though it was a “productive and [relatively] new facility. We need a change in [the] coated sheet paper [market] for that to come back.”

But in eastern Canada, CN has been “trying to bring more and more intermodal traffic on from the domestic intermodal side. [That effort has] been working well [though] delayed because of the first quarter operating conditions. It’s progressing, and a big part about why we are more bullish on intermodal in the second half of the year.

“New customers have come on line, we have taken traffic off of the highway, we are more and more trying to provide transportation solutions.

“Now when we go into customers where we have traditionally sold box car kinds of solutions, we are also giving them intermodal solutions, to round out our complete offering. We are gaining traction, for example in eastern
Canada we are adding 400 to 500 additional containers from these kinds of activities.” {CN website, audio replay}

More on CNW
CN announced the creation of CN Worldwide North America on 9 April 2007. According to its website, it operates:

Warehouses. None in the Atlantic Northeast.

Ground. ‘CN WorldWide Ground leverages the speed and reliability of CN intermodal network across North America. When it can't wait, our fleet is on line 24/7 - providing short and long haul delivery. You can also rely on our truck brokerage capabilities to give you efficient options. We only work with the best carriers who extend our proven track record.’

Marine bulk. ‘With our marine transportation and marine transloading capabilities, customers can reduce costs through marine transportation for bulk commodities such as taconite, ore, coal, gypsum, salt, and more.

‘Having carried more than a billion tons of dry bulk cargo alone, we have the scale and experience to help you manage your entire bulk shipping function, enabling you to leverage our operating discipline to optimize your assets and logistics chain.’ {CNW website}

Autoport. While not listed on the CNW website, according to the CN main website CN’s Autoport is managed by CNW North America. It consists of 16 processing and distribution facilities (8 in the United States, 8 in Canada).

New to the region? This helps:

RAIL SHIPPERS

Described in this issue.
Our Directory of Rail Freight Facilities in New England has more information on the companies denoted with their directory number.

American Steel (PW, Massachusetts 428)
Logistec (PW Connecticut #545-1)
Monument Industries (VRS, Vermont–see map #1132)
Omya (VRS/ST, Vermont #1122)
Quebecor World (CSXT Connecticut #639)
Whitman’s Feed (VRS, Vermont 1131)
Dan Hamilton, former director of supply chain for Sappi, has become president of Nexus Distribution Company. Tom Hyndman, who also worked on Sappi logistics, has also joined Nexus. Both will eventually work out of the Chicago office.

Tammy Baker-Silver has taken the position of now-retired Kathy Dalrymple as logistics manager for Verso Paper. Baker-Silver formerly held a similar position at NEPW Logistics. Baker-Silver has also assumed the presidency of the North East Association of Rail Shippers.

Lorrie Johnston of Operations and Safety at New Brunswick Southern Railway received the 2008 Roger Cyr Award from the Railway Association of Canada. The new award is given to individuals in recognition of their efforts to reduce railway crossings collisions and trespass accidents.

Jim Bruno, formerly logistics team leader with Myllykoski North America, has taken a new position with Unilever out of a Trumbull, Connecticut office: transportation specialist for bulk, intermodal, and rail.

Connecticut Governor Jodi Rell recently nominated Joseph Marie as commissioner of the Connecticut Department of Transportation. Marie currently is the director of operations and maintenance for Phoenix’s Valley Metro, and is directing the start up of the $1.4 billion Central Phoenix/East Valley Rail System. [Wow! A commissioner with rail experience. Editor] He will succeed Ralph Carpenter, who retired 1 January.

George Campbell has become commissioner of the New Hampshire Department of Transportation. Campbell formerly served as commissioner of MDOT from 1980 to 1984 and from 1984 to 1986 as senior assistant vice president for Guilford Transportation (now Pan Am Systems) of North Billerica, Massachusetts. [Wow! Also in New Hampshire, a commissioner with rail experience!]
North Bennington, Vermont. VRS brings in the last block of loaded Omya limestone slurry. The remaining cars for the unit train are stored on the Bennington Branch that can be seen turning off to the right.

On the track to the viewer’s left, a worker applies brakes to the rolling stock of the feed mill. A derail is in place on the tracks in the event that the brakes fail to do the job.

Behind the train action a feed truck arrives to do its part in the distribution system. {courtesy David Eade}
Stories not updated for the issue are noted with an asterisk. I urge readers to look at the issue’s updated stories (those without an asterisk).

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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 unto itself.’

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**E-ISSUE**