Leishman lost re-election.*
SLR: Fraser finds new buyer for Gorham mill. *

**Rhode Island**
Providence: TIGER II, other funds will buy two new, electric cranes. Export coal and containers?*

**Vermont**
VAOT: Vermont does not get money for western corridor improvements in HSR II.*

**Maritimes/Québec**
VRS: Northeast Materials sues for grout bill.*

Sydney: Federal funds may not arrive for dredging. Proponents remain optimistic.*

**Rail Shippers/Receivers**
A cross-reference to companies mentioned here.

**People, Positions, Events**

Brian Searles to head VAOT, again. *

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**The wheels of justice grind slowly**

We watch the federal district court in Maine (CN v MMA started end of October) and in New Hampshire (MBRX v ST started in summer) grind away, winter has arrived. MMA and ST are content with the status quo, while MBRX and CN would like a decision “yesterday.” This publisher wishes the courts, and of course the STB, would move more quickly.

- Chop Hardenbergh

Next formal issue 20 Dec.

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REGIONAL ISSUES

NBSR/ST: NEW TRAIN*
23 November, Old Town. **PAN AM AND NBSR BEGAN A NEW SCHEDULE BETWEEN SAINT JOHN AND WATERVILLE.** ST train crew members invited to bid on the job said on 12 November that the new train would begin 23 November. The train will depart from Saint John late evening, and reach Mattawamkeag in the early morning of Tuesday, Thursday, and Saturday.

Out of Mattawamkeag at 0500, the train will operate with an ST crew to Waterville. The Mattawamkeag crew will rest in Waterville, then take the train back the next day, the crew operating *in toto* for six days a week. *(e-mail to ANR&P from rail observer 12.Nov.10)*

The emergence of the new train does not indicate new traffic, just a joint effort “to reduce transit time,” said Ian Simpson, NBSR general manager. *(ANR&P discussion 13.Nov.10)*

Previous service
Experienced train observers believed that ST normally runs Mattawamkeag service five days a week, with a train east one day, and returning west the next day. Old Town Fuel and Fiber is switched probably five times a week, sometimes by the eastbound, sometimes by the westbound.

Transit times from Portland to Old Town are three to four days, on a good week.

First train
This day an observer heard train workers identify a westbound train as SJPO near Lincoln, and then SJWA as it passed through Old Town at 1010. It consisted of three ST locomotives in Guilford livery and 21 cars, including gypsum board, LPG gas, and at the rear one car of pulp logs.

A trace of the pulp car, done by a colleague, showed it left Mattawamkeag at 0700 enroute to Rileys, the railroad designation for the location of the Verso paper mill in Jay.

The train did not stop to switch Old Town Fuel and Fiber, indicating that separate trains will handle the local traffic between Bangor and Mattawamkeag. *(e-mails to ANR&P 15, 16, 23.Nov.10)*

The same three locomotives, apparently per plan, passed Calais Junction [the location in Bangor where the former line to Ellsworth and Calais left the Freight Main—*editor*] with the return train WASJ to Mattawamkeag at 1020AM on 24 November. *(Guilford RailSightings e-list 24.Nov.10)*

Service still operating
Observers have watched WASJ and SJWA fitting into the announced schedule between 2 and 5 December. *(Guilford RailSightings e-list)*

TRAFFIC OVER THE MATTAWAMKEAG INTERCHANGE

From NBSR to ST
The colleague, over the course of 2010, did a non-scientific trace of a sampling of 686 cars. He estimated that number as 10% of the total but representative of traffic. The 686 broke out as follows:

Loaded box cars, 432. The majority originate in Saint John proper. The loads originating at the Flakeboard plant in St.Stephen move west over MMA.

Loaded reefers, 112. Most of these, probably containing Moosehead beer, moved to Greenville, New Jersey, and Montgomery, New York. Two went to Pearland, Texas, and one to California.

Domtar pulp, 44. This moved in boxcars, to Pennsylvania, New York, Tennessee, Michigan, Mississippi, and Mexico. *(Nearly all of the Domtar production moves overseas via Eastport—see 09#12A.)*

CO2 and wallboard, 83. These included CO2 cars to Praxair in Tewksbury [our *Directory* #65], and gypsum wallboard to US Gypsum (Kenco) in Ayer [see 08#12A]. The author confesses he probably underrepresented these.

Scrap, 7. Moving in SSEX (Schnitzer Steel) gondolas to Everett, Massachusetts.

Logs, 5. Moving to Rileys [see above].

INBOUND TO SAINT JOHN
The author found ‘little moving north loaded over this interchange...mostly empties going back.’ MMA, the other Maine railroad interchanging with NBSR, moves loads to NBSR such as clay slurry, wood and chips, and chemicals. *(e-mail to ANR&P from colleague in the industry)*

GUIDE TO FEDERAL RAIL GRANTS**

During the past twelve months, the federal government has announced, or actually sent, grants to states and railroads for freight and passenger rail initiatives. These have occurred under four headings:

High-speed Intercity Passenger Rail (HSR I)
This $9.5 billion program formed part of the American Reinvestment and Recovery Act (ARRA) passed in 2009. Grants were awarded on a competitive basis in January 2010 [see 10#01B].

High-speed Rail (HSR II)
This $2.5 billion program was funded by normal appropriations in 2010. Grants were awarded on a competitive basis, announced on 28 October 2010. Unlike HSR I, USDOT is
asking for a match of 20% for HSR II.

**Transportation Investment Generating Economic Recovery (TIGER I)**

This program formed part of the American Reinvestment and Recovery Act (ARRA) passed in 2009. Grants were awarded on a competitive basis in February 2010 [see 10#02A].

**Transportation Investment Generating Economic Recovery (TIGER II)**

USDOT and US Housing and Urban Development (HUD) put together a joint program for a second round of funding of both capital grants and planning grants using funds from a $600 million Congressional appropriation. Grants were awarded on a competitive basis, announced on 20 October [see 10#10A].

**NEW YORK**

HSR. Many projects:

$54.5 million for 11 miles of third track Rochester-Batavia.

$87.7 million for ten miles of second track between Rennselaer and Schenectady.

Depot improvements Buffalo-Depew ($0.8M), Rochester ($1.5M).

$2.4 million for grade crossings on CSXT Hudson subdivision.

$1 million for planning on the Empire Corridor.

$3.3 million for improvements to D&H line. {10#05B and USDOT HSR pdf on grant awards}

**HSR II.** Three projects:

$18.5 million to ‘Add crossovers and reconfigure signals at Syracuse station and DeWitt Yard on the Empire Corridor.’

$8 million to ‘Replace old signal pole lines (for electric power to signals and communication lines) with underground cable between Poughkeepsie, NY and near Redhook, NY on the Empire Corridor. Modernizes signaling and communication lines, providing benefits to intercity passenger rail.’

$2 million to complete ‘environmental studies/analysis and preliminary engineering required to replace the Livingston Avenue Bridge’ in Albany on the Empire Corridor. [USDOT list pdf]

TIGER I. $83 million for Moynihan Station [expansion of Penn Station in New York City], phase I (total cost $267 million). {USDOT list pdf}

TIGER II. $16.5 million for Niagara Falls rail station. $10 million for Fordham transit plaza, the Bronx. {USDOT list pdf}

**CONNECTICUT**

HSR. $40 million to upgrade the line from New Haven to Springfield for Amtrak service. [10#01B]

HSR II. $121 million to complete double-tracking New Haven to Springfield [see Connecticut].

TIGER I. Applications for work on each freight railroad, as well as funding for the New Haven Port Authority, were turned down. [10#02A]

TIGER II. ConnDOT made no applications. NECR was turned down for $12.3 million applied through the Town of Mansfield which would improve the track in Connecticut [10#07B].

**Capital Improvements.** PW applied through the Town of Sprague for $5.3 million to upgrade the Willimantic Branch [10#11B].

**MAINE**

HSR. $35 million to upgrade the ST line between Portland and Brunswick to extend Amtrak Downeaster service [10#01B]. Work has begun [10#08B].

HSR II. $600,000 to plan increasing service to seven round trips a day, to Downeaster service Boston-Portland and to Auburn. {USDOT pdf of awards}

TIGER I. $14 million for three major ports [10#02A]. Denied: rehab of the Aroostook County line which MMA is abandoning [10#02A].

TIGER II. $10.6 million for rehab of the Aroostook County line which MMA is abandoning [10#10A].

**MASSACHUSETTS**

HSR. $70 million to upgrade the PAS Connecticut River line for the Vermonter service. No funds for South Coast. [10#01B]

HSR II. $32.5 million to ‘complete environmental studies/analysis and preliminary engineering’ to add seven tracks to the existing 13 in South Station. {USDOT pdf of awards}

TIGER I. $55 million for extension of T service to Wachusetts [see 10#02A]. $20 million Fast Track New Bedford [10#10B].

TIGER II. No awards for rail.

**NEW HAMPSHIRE**

HSR. Not awarded $1.4 million planning grant for Capitol Corridor [10#01B].
Northeast Projects for Freight and Passenger Rail Initiatives

Adirondack Corridor
Service Reliability Initiative

Aroostook Rail Preservation and Rehabilitation Project
Lawrence and Atlantic Railroad Project

Niagara Falls Station - Empire Corridor - NYC to Intermodal Rochester Niagara Falls Center Development Intermodal Project - in progress - FY 2010

High Speed in progress - Congressional Appropriations - Facility - Crossings - Mohawk Valley

Rochester - Rome - Syracuse - Niagara Falls Station - Congestion Relief - Portageville Bridge - Replacement Project - Repairs - in progress

Adirondak Corridor - Adirondacks Corridor - Service - Reliability - Initiative

ATLANTIC OCEAN

LEGEND

October 15, 2010

New York City

Connecticut

New Jersey

New York

Pennsylvania

Delaware

Washington, D.C.

Maryland

Virginia

North Carolina

Florida

Georgia

South Carolina

Ohio

Indiana

Kentucky

Michigan

Wisconsin

Illinois

Iowa

Nebraska

South Dakota

North Dakota

Montana

Idaho

Washington

Oregon

California

Mexico

Canada

Mexico City

South America
HSR II. $2.24 million [10#09A] for ‘Preparation of a Service Development Plan and environmental documentation for the Boston–Concord corridor.’ [USDOT pdf of awards]

TIGER I. No applications.

TIGER II. No rail awards. Did not get: $30 million for MBTA to Plaistow, $2.2 million for the NHN line, $10 million for the SLR line, or $14 million for the Portsmouth port terminal [see 10#09A].

RHODE ISLAND

HSR. $1.2 million for a second station platform in Kingston. [10#01B]

HSR II. No awards.

TIGER I. $22.3 million for QWEST, Quonset Wind project [10#10B]. ProvPort application for $39.4 million turned down [10#11B].

TIGER II. $10.5 million for Providence for cranes [see Rhode Island].

VERMONT**

HSR. The state received $50 million for a track upgrade from St.Albans to Massachusetts state line [10#01B; started 10#11A].

And Vermont received $500,000 planning grant to look at rerouting the western Amtrak corridor service via North Bennington to Rutland.1 But it was denied $73 million for the line between Burlington and Rutland [10#01B].

HSR II. The state again got no funding for the western corridor. [Chris Parker in Vermont Rail Action Network bulletin 4.Nov.10]

TIGER I. No awards.

TIGER II. No awards.

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1. The planning grant application made no pre-determination or specification that the current Ethan Allen Express service would be re-routed. It is a planning study to determine options for providing passenger service in the southwestern area of Vermont and New York's Capital District and its surrounding region. It's unlikely that NYSDOT would have participated in something that stated upfront it would reduce services to the communities along the current route.

In fact, the study outcome could mean additional services that complement the existing [Ethan Allen].

‘For more details directly from the application, you can go to our website, using the following link, and get the whole story by clicking on the Track 3 segment: http://railroads.vermont.gov/ARRA.htm.’ [e-mail to ANR&P from VAOT planner Karen Songhurst 29.Nov.10]

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NEW YORK

CSXT/D&H: LAST TRAIN TO NY

3 December. D&H HAS NOTIFIED THE BROTHERHOOD OF LOCOMOTIVE ENGINEERS that it will operate the last pair of trains Kenwood Yard-Fresh Pond, #s 416/417, on 12/13 December. [e-mail to ANR&P from reliable source]

Thereafter, CSXT will move the D&H traffic in haulage on its regular daily train from Selkirk to Fresh Pond. According to the filing with the STB, CSXT will move D&H cars south out of Kenwood in the early morning to Selkirk, depart Selkirk in the late evening, and arrive at Fresh Pond the next morning [see 10#06A].

CSXT traffic to Montreal

No notice has set a time for CSXT to begin to operate its own train north over the D&H, though rumor points to 1Q11. [e-mail to ANR&P from reliable source]

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CONNECTICUT

ConnDOT: MORE NEEDED

3 December. FREIGHT RAILROAD REPRESENTATIVES CALLED ON THE STATE to do more for their service, in responding to questions from a reporter. Charles Hunter of RailAmerica, which owns NECR and CSO, said: “We understand that passenger and commuter rail is extremely important in Connecticut, but so is freight rail. Freight rail is connected to jobs. People who work in these facilities depend on freight rail. It's kind of being left behind in Connecticut, and it needs to be a higher priority.”

State Representative David McCluskey, D-West Hartford, a member of the General Assembly's Transportation Committee said he's frustrated. “The freight rail lines in our state are undercapitalized. They have one real lobbyist. None of the environmentalists I have talked to have tried to run with freight rail.”

One key improvement: raising the track capacity from 263,000-pound cars to 286,000-pound cars.

Isn't the federal government already spending?

PW spokesperson Marie Angelini acknowledged that freight can benefit from passenger rail projects [such as the New Haven-Springfield improvements—see other article] on the lines. “We're seeing a lot of attention being paid to passenger railroads. By and large, a railroad that someone decides has a route that is a good and worthy passenger route will get huge dollars to upgrade for passenger rail. It's also very helpful to freight because it improves the lines...”

Railroads are good for moving construction debris, wood, gravel, recyclable glass, animal feed, and chemicals—lots of them, “all kinds of things you don't want on the highway next
In 2009, P&W recorded 2,498 revenue movements on the Traffic on the Willimantic Branch. Beginning this year, 2010, ethanol trains destined to serve the southern New England fuel market began using the line [unfortunately not, due to the derailments—see 10#11A Regional], with increased carloads noted as market conditions improved. Beginning in September 2010, twenty unit trains (of eighty cars each) of ethanol were committed for the balance of 2010, with fourteen (14) unit trains remaining to be moved as of this date.’

Improved turn times; autos to West coast
‘The 21-mile segment from Plainfield to Willimantic currently has a five-hour round trip running time. With track improvements, round trip running time will be reduced to 1.5 hours. That savings would allow P&W to operate one (1) crew from Worcester with a turn at Willimantic and still complete all switching requirements, while realizing a substantial savings in cost....

‘This time schedule will also assure that transcontinental shipment of automobiles from the Port of Davisville may be conducted [more efficiently—PW officials suggested waiting until the work is done to decide just how many days the better track would shave off the time. {e-mails to AMR&P] More efficient rail freight operations will, therefore, improve the economic competitiveness not just of the Windham region but of Connecticut and the remainder of southern New England as well.’ {text of Application}

History of application
Sprague First Selectman Cathy Osten said on 23 November that she had worked “for some time” with PW on the application. “The railroad needed a municipal partner [as did NECR—see 10#07B] because ConnDOT was concentrating on passenger rail” and would not file a TIGER II application [see 10#07B]. USDOT turned down an initial application for similar work from PW and the town for $12 million in TIGER I funds [see 09#10B and 10#02A].

Time for response
Osten said she had no indication how soon USDOT would respond. The work force would be ready within 90 days of a positive response. “We are shovel ready.”

Quest for industry
Osten said that the eastern part of Connecticut has an attraction for industry because of its highly-trained workforce, formerly employed at plants such as Pratt & Whitney and Electric Boat. “I’ve been working as hard as I can” to attract industry to Sprague, a town of less than 3,000 people.

Companies like to see infrastructure, as well as towns which are making the effort to improve infrastructure, per Osten. The rail application shows that.

The rail line can replace, to some extent, easy on-off access to major highways. Sprague lies only ten minutes from I-395, but the local roads run through residential areas. Osten said that companies don’t want to run through these areas, and the rail line can replace trucking to some extent. [Sprague has, in the locality of Versailles, two major plants: Cascades—our Directory #521—and Amgraph #522.]

AMTRAK: NHHS LINE*
26 October, DC. USDOT AWARDED ConnDOT $121 MILLION for improvements to the line for future commuter service, though the state had sought $220 million.

Coupled with $266 million in state bonding and a previous $40 million federal grant, the $121 million will be enough to get the commuter rail system running by late 2015 with double track between New Haven and Springfield, ConnDOT Commissioner Jeffrey Parker said.

The plan for 110 miles per hour service linking Boston, New York, Montreal and DC doesn’t envision service starting until 2020 at the soonest. That initiative is costlier and far more complex than the commuter operation, since it requires electrification of the line and extensive coordination with rail systems in New York, Vermont, Massachusetts, and Canada. {Don Stacom in Hartford Courant 26.Oct.10}

PW: WILLI UPGRADE*
27 October, Sprague. PW AND THE TOWN OF SPRAGUE APPLIED FOR $5.3 MILLION IN FEDERAL FUNDS, under USDOT’s ‘Program for Capital Grants for Rail Line Relocation and Improvement Projects’, announced in September. According to the application:

‘The proposed project includes rail replacement to upgrade the status of the Willimantic Branch [Plainfield to Willimantic] from FRA Class 1 track conditions with 10 mile per hour (mph) operations, to FRA Class 3 conditions with 40 mph operating speeds. The proposed project includes the request for approximately $5.3 Million in funding. Engineering and design has been completed by the P&W. The Town of Sprague (through funding provided by P&W) intends to participate in twenty percent (20%) cost-sharing for construction of these improvements, for a total project cost of $6,628,650.

Build on other federal dollars
‘To date, many of these improvements [for the doublestack and autorack corridor via NECR and PW] have been paid with income from [PW] operations. The proposed project will support significant prior federal investment in several rail projects including the Freight Rail Improvement Project in Rhode Island and the Bellows Falls tunnel project in Vermont, among others.

‘The State of Connecticut-owned portion of the Willimantic Branch is comprised of ninety (90)-year-old eighty-pound rail, the smallest rail size on P&W’s entire system and on any active freight rail line in New England and, possibly, the United States. The significance of the Willimantic Branch upgrade, and its implications for the region for years to come, cannot be overstated.’

Traffic on the Willi
‘In 2009, P&W recorded 2,498 revenue movements [on the Blackberry.” {Christine Woodside in Connecticut Mirror 3.Dec.10}
MAINE

CN v MMA: MOVE FASTER*
28 November, Bangor. **MMA ASKED THE COURT TO MOVE UP THE SCHEDULE ON ITS MOTION TO COMPEL ARBITRATION** [see 10#11A]. MMA noted that CN’s motion for a preliminary injunction is scheduled first. Its motion, which would do away with the need for a hearing about a preliminary injunction is scheduled later.

MMA argued that CN’s withdrawal of the motion for a temporary restraining order indicated the need for an emergency had passed. {filing on court website, case 10-cv-0452}

CN v MMA: UNION MOVE*
30 November, Bangor. **UNIONIZED WORKERS AT TWIN RIVERS MOVED TO INTERVENE** in the CN v MMA case. Formally in three bargaining units totalling 480 workers, the ‘United Steel, Paper & Forestry, Rubber, Manufacturing, Energy, Allied Industrial and Service Workers International Union (USW) AFL-CIO, CLC and United Steelworkers Local Unions 4-0291, 4-0365, and 4-1247 (hereinafter referred to collectively as the "United Steelworkers" or "Union") are represented by Jonathan Beal of Portland.

**Truck move to transload**
The Memorandum of Law states {page 3}: ‘Without the consistent and reliable rail service provided by CN, the Madawaska Mill would instead move finished product by truck approximately two miles across the St. John River into Canada. Once in Canada, Twin Rivers would load the paper onto rail cars to be shipped on the CN rail line. This transition to truck transportation would result in the immediate elimination of 10 to 12 bargaining unit jobs in the Madawaska Mill shipping department.’

In addition, the union noted that Twin Rivers foresees a possibility that the entire mill would shut down if the deal with CN did not take effect. {text of Memo from court website, case 10#06B, Smith contacted the railroad about moving the transload closer. He found Dan Wahle and the rest of the

MASSACHUSETTS

MC: NEW CUSTOMER*
3 December, Fall River. **GOLD MEDAL BAKERY IS CONSIDERING DIRECT RAIL**, according to Jeff Smith, director of transportation. The company, which has existed here since 1912 but is not related to Gold Medal Flour (Pillsbury), receives flour from mills in Buffalo, Ayer (Horizon Milling), and Hudson New York.

Until 20 years ago, Gold Medal received flour direct from Buffalo using the spur then owned and operated by Conrail running south out of the Fall River Yard to the Rhode Island state line. At that time, service became so inadequate, and the railroad was “ever so slightly more arrogant” about improving it, that Gold Medal went to all truck.

In 2008, Gold Medal again started using rail from Buffalo, though only to a transload in Worcester. When MC became the operator of the track to Fall River in 2010 [see 10#06B], Smith contacted the railroad about moving the transload closer. He found Dan Wahle and the rest of the
railroad “highly motivated and extremely interested”, and the Buffalo mill was “happy to accommodate” the extended move.

As of two months ago, the flour is arriving at the Fall River State Pier, about two cars a week, whence Gold Medal transloads it. CSXT moves it Buffalo-Selkirk-Framingham-Taunton, and MC brings it to Fall River.

**Future direct rail**
MC is brushing out the spur south to the state line now, to understand how much rehab is necessary, said Smith. If he can get direct rail, he might go to three cars a week.

MC is exploring other traffic opportunities on the spur. {ANR&P discussion}

**Holyoke.** PVRR working on the bridge over the canal along South Street. To the left lies the yard where PAS and PVRR will exchange. To the right, PVRR line to Westfield. {courtesy Mike Rennicke}

**PVRR/PAS: INTERCHANGE**
30 November, Holyoke. **REHAB OF THE PHYSICAL INTERCHANGE TRACKS IS NEARLY COMPLETE HERE,** reported PVRR General Manager Mike Rennicke. ‘PAS is pretty much finished on their side,’ installing new 115-pound rail on the grade crossing, ‘nice job.

‘We still have about 2+ weeks to finish the bridge. Slow going as each timber has to be individually dapped.

‘Both PAS and PVRR are working on our interchange agreement [see 10#03B].’ {e-mail to ANR&P}

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**NEW HAMPSHIRE**

**ST: COMMUTER/INTERCITY**
29 October, Concord. **THE STATE CAN COMBINE THE FTA AND FRA GRANTS,** said Michael Pillsbury, NHDOT deputy commissioner, at the New Hampshire Rail Transit Authority’s regular monthly meeting. The $2.24 million in the TIGER II Federal Rail Administration planning grant [see Regional] will fund completing a service development plan and NEPA documentation from Boston to Concord.

The $1.9 million Federal Transit Administration grant², to look at commuter, will now be used to combine with the FRA funds, to look at intercity, for the study on the same corridor. NHDOT has received word from FRA saying that they are ready and willing to work with NHRTA to pull both planning grants together, the first time in history these two federal agencies will work together on a planning grant. The result of the plan will set the stage for final design and engineering. {minutes of NHRTA meeting}

Later, NHRTA chair Peter Burling wrote in a short advocacy piece that the state should proceed with this work to answer ‘questions are all those that thoughtful people have raised over the course of the past few years. Will it work? What will it cost? Are there better alternatives? How will it affect the economy? How will it effect the environment?... A relatively

²This is a FY 2009 allocation of funds in the FTA Alternatives Analysis program (Section 5339 of the Federal Transit Act). The money was allocated but the grant still needs to be approved by the FTA. {e-mail to ANR&P from Kit Morgan 6.Dec.2010}
minor state match will be required, but the funds to make the match are available thanks to an appropriation in a prior budget.’ {note circulated by NHRTA e-mail}

**NHDOT will bid the planning**
On 28 October, NHDOT rail administrator Kit Morgan said the state would put the planning out to bid by consultants ‘as with the rail plan.’ {e-mail to ANR&P}

**What about Pan Am?**
No reports have indicated that David Fink, president of Pan Am Systems, has changed his mind about not participating in the state effort to start passenger service [see 10#02A, 09#10A, 09#07B].

**MBRX: HEARING DELAYED**
23 November, Concord. *PETER LEISHMAN AGREED TO A TWO-WEEK EXTENSION OF THE HEARING ON A TEMPORARY INJUNCTION* which would require ST to permit him to operate his trains. On 29 September US District Court Judge Barbarado ordered ST to hold another railroad hearing and report back on 29 November [see 10#09A]. ST didn’t manage to schedule the hearing until 29 October [see 10#10B], and only furnished the transcript to Leishman on 22 November.

Because of its own tardiness, ST requested to postpone the 29 November appearance before Barbarado for two weeks, so it could review the transcript and issue the administrative decision. Leishman agreed to a two-week extension.

**Damages**
Leishman wrote this day: ‘We also calculated our losses from Pan Am’s action. Collectively Granite State and MBRX lost nearly $800,000 (this includes attorney fees too). This is based on the volume of stone moved by truck (a large amount of stone was moved to Milford from their quarry in Westford, Massachusetts) that would have moved by rail Wilton to Milford.’ {e-mail to ANR&P}

**New date**
On 2 December the Court agreed to extend the date for status reports to 13 December, at which time each party will file a status report. The parties noted that the hearing transcript contained 300 pages. {court website, case #1:10-cv-00264}

**MBRX v ST: DERAILMENT, DEAL?**
2 December, Amherst NH. *ST DERAILED TWO CARS ON THE HILLSBOROUGH BRANCH* enroute to Hendrix in Milford [see 10#06B for earlier derailment]. Peter Leishman, owner of MBRX, noted in an e-mail that ‘I have over the years suggested to ST/Guilford/Pan Am they sell the 3 miles from Milford to Wilton and we would give them trackage rights to Wilton (at no cost) as we gave them trackage rights from Wilton to Lyndeboro so they could move the Downeaster stone to Portland.’

Sell Hillsborough?

**Why doesn’t ST sell Leishman not only the three miles, but also the entire Hillsborough? [See map 09#07B.] Perhaps in trade for the damages Leishman may collect in the lawsuit? In this way, ST would eliminate the need to run over the line for a few cars a week; Leishman could move them in haulage. As well, ST would remove the need to maintain the line, which as the derailments indicate is not in good shape. He reports he is interested in such a deal. {e-mails to ANR&P 2-3.Dec.10}**

**ST v ETHICS: APPEAL DROPPED**
23 November, Concord. *BECAUSE LEISHMAN IS NO LONGER A LEGISLATOR*, ST dropped its appeal of the State Superior Court’s decision that it had no jurisdiction to review the Ethics Panel conclusion on Leishman’s behaviour with respect to the renewal of his lease of the state trackage [see 10#09A].

According to the motion to withdraw, assented to by the state:

‘Representative Leishman will no longer be a member of the General Court for the next legislative session, having lost his re-election bid. The results of that re-election bid survived a recount and that result now appears to be final.

‘As Peter Leishman will not be a member of the General Court by the time that this appeal would be decided, any ultimate remedy involving disciplinary action against Mr. Leishman is prohibited by statute. See NH RSA 14-B :4 VIII .(d)(2), "provided that no action shall be taken against an individual who is no longer a member of the general court."

‘The lack of jurisdiction of the Committee for any disciplinary action against Mr. Leishman, as sought by Petitioners in this appeal, renders this appeal moot.’ {text of motion in Supreme Court Docket No. 2010-0681}**

**SLR: FRASER MILL NEW BUYER**
30 November, Toronto. *FRASER ANNOUNCED YET ANOTHER POSSIBLE BUYER FOR ITS GORHAM MILL.* ‘[I]t ha[s] been advised by M&M Consulting and Contracting (“M&M”) that M&M would not be completing the acquisition of the Company’s paper mill in Gorham, New Hampshire on November 30th as scheduled.’ M&M was announced as the buyer 4 November [see 10#10B]; earlier [see 10#09B] a deal with Merchantbanc fell through.

Now, Fraser ‘announced that it had reached an agreement with Counsel RB Capital to sell the Gorham mill by way of a back-up bid. The agreement with Counsel RB Capital is subject to certain conditions, including court approval, and is scheduled to close on December 8, 2010.’ {Fraser press release}

**PROVIDENCE: NEW CRANES, BIZ?**
15 October. *PROVPORT WON A $12 MILLION TIGER II GRANT FOR CRANES,* according to an announcement from
Rhode Island’s Congressional delegation. [Senator Jack Reed press release]

In 2009 it applied for $39.4 million to acquire two cranes, and install wind turbines and solar panels [see 09#11A] under the TIGER I program, but received nothing [see 10#02A]. Rhode Island’s other major port, Quonset/Davisville, did receive funds to acquire a mobile crane in TIGER I [see 10#10B].

In August 2010, the City of Providence and ProvPort again applied, seeking $39.5 million for similar work. [“We are trying to protect the existing jobs,” William Brody, legal counsel for ProvPort, said. “If we lose the cranes, and we don’t come up with reasonable solutions to replacing [them], we’re putting a couple thousand existing jobs in jeopardy…One of the expectations we have is that the cranes will be able to go down to Quonset and help out,” said Brody. [Alex Kuffner in Providence Journal 22.Oct.10]]

USDOT told ProvPort it would receive a TIGER II grant for $10.5 million of its application ‘to fund the acquisition, development and deployment of two barge-based cranes to replace the existing cranes and expand operations,’ according to ProvPort spokesperson Josh Fenton.

[Each crane will cost about $11 million. ProvPort must match the grant with $2.2 million of its own money and is seeking state funding and considering bonds to raise the balance of what’s needed to buy them. [Alex Kuffner in Providence Journal 22.Oct.10]]

The application listed four ways in which the cranes will help.

**Current crane near the end**

According to the text of the application: ‘The existing cranes are Clyde Model 28s built in 1979. The expected life-cycle of this model of crane is thirty years.’ [One crane has failed. Brody said the cranes recently went to New Jersey for repairs. One came back repaired and the port is still not sure if the other can be fixed.]

‘The reliability and long-term viability of the remaining crane is highly questionable. The failure of the remaining crane would be an economic catastrophe for Southern New England as the Port’s existing economic activity and those jobs that are supported by its operation would be put at risk.’

**Electric, mobile cranes - Buy America**

Fenton wrote that ‘A combination of funding sources including US DOT TIGER II, the State of Rhode Island and ProvPort will fund the acquisition of the two barge-based [electric] cranes. Federal law requires that both the cranes and the barges be selected through a bid process.’

He also said that ‘there is a blanket waiver [of the Buy America provision] of this class of cranes’ so like Davisville [see 10#10B], Provport may seek bids from anywhere.

The ‘date is not certain’ about when ProvPort will seek bids, wrote Fenton. Interestingly, according to the Application, Senesco [the barge builder in Quonset—see 05#05A] might construct it. The Application claimed a ‘Provisional Order for the Barge and Crane (to be constructed in Rhode Island by Senesco)’ could be found at provport.com/TIGER. [As of 23 November, that ‘Order’ is not there.]

[The new cranes will be ordered from a manufacturer in Austria or Germany. No American company makes the cranes, according to ProvPort honcho Bruce Watson. The barges, however, will be ordered from an American company. One possibility is Senesco Marine, based in Quonset Point, North Kingstown. [Alex Kuffner in Providence Journal 22.Oct.10]]

**Bulk traffic; coal imports and (more on!) coal exports**

ProvPort handles inbound coal destined for power plants in Mt.Tom, Massachusetts and Bow, New Hampshire. [editor]

The application stated: ‘This project also will allow for expansion of activities to include a projected two million tons of coal to be exported [see 10#05A] through the Port of Providence...ETC Capital has targeted the Port of Providence for these export activities for the Black Rock mine in Kentucky...According to Martin Associates, an estimated 190 full-time direct positions per 1 million tons of coal’ can be generated.

A report from Bentley College concluded: ‘The largest direct benefit [of the cranes would result] from a major company seeking to use ProvPort for coal operations, a project that requires several upgrades to make the operation economically feasible. Based on the company’s projections of exporting between 1 – 2 million tons of coal out of Providence on an annual basis, the facility would generate between $2.9 million and $5.8 million per year, with a present value of between $39.8 million and $79.7 million per year. It would also add another $1.3 million in increased personal income due to added capacity. Most importantly, it would contribute between 190 and 380 direct jobs in Rhode Island.’

Fenton added that: ‘This is presently under negotiations. ETC Capital submitted a letter of interest and support during the TIGER II application process.’ [The text of the letter was not among the attachments on the website.]

**Feeder container**

‘Container traffic has increased dramatically in and around the ports in the northeast region that consist of New York, New Jersey, Baltimore, Philadelphia, Wilmington, Boston, Richmond and Portland. Presently, the New England region is underserved….In June of 2009, the ProvPort location (as part of the route I-95 Corridor) was designated by MARAD as part of America’s Marine Highway – the federal effort to improve competitiveness and improve energy efficiency….Through the creation of a container port at ProvPort, the ReNEWable Port project will remove on average 1,000 trucks per week off the northeast corridor highway system (primarily, Route I- 95). Instead of primarily trucking from Port of Newark to New England destinations, this project will divert these diesel-fueled tractor trailers and replace them with barge transportation and

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3 E-mails and phone calls over a three-week period to reach ETC for further information were not returned. An internet search found Blackrock Coal LLC in Lexington, Kentucky, and references to a possible export out of Pikeville, Kentucky. [editor]
short truck deliveries.’

** Overseas container service? 
 One attachment to the TIGER II Application came from The Containership Corporation of Copenhagen. A letter dated 30 June 2010 from Captain Franck Kayser said ProvPort ‘present[s] [an] interesting opportunity for TCC to establish its product in the Trans-Atlantic and Trans-Pacific markets and TCC is interested in pursuing market opportunities on the back of an efficient container terminal being established in Providence.’

‘TCC’s business model is to operate between 2 and 4 ports with container vessels in the size range of 2,500 to 5,000 TEU.’

TCC ‘operates presently one container line between the Chinese port of Taicang and Los Angeles USA’ which it started 17 April 2010 with a five-ship service. ‘TCC intend to establish a total of 5 to 6 services over the next 2-3 years due to the anticipated increase in global container volume.’

[The TCC website stated that it had added Qingdao to its Los Angeles lane as of November 2010. {website}]}

** Renewable energy 
 ProvPort will continue to pursue the renewable energy part of the grant, which USDOT did not fund. Fenton said: ‘ProvPort is seeking other potential funding sources for those initiatives.’

{e-mails to ANR&P 26.Oct.10 to 24.Nov.10}

** Feedback from USDOT 
 Per Brody, DOT officials told port directors at a summit in Washington earlier this year that they would offer port officials feedback on their applications before the launch of TIGER II. [Fenton did not indicate whether they or city officials had obtained any feedback.] {Chris Barrett in Providence Business News 1.Mar.10}

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** VERMONT**

** VAOT: NO HSR II DOLLARS* 
 28 October, DC. **NO FUNDS FOR WESTERN CORRIDOR WORK WERE GRANTED** by USDOT in its second round of passenger rail funding [see Region]. {Chris Parker in Vermont Rail Action Network bulletin 4.Nov.10}

Later in the month, Trini Brassard, VAOT assistant director of operations, said the $73 million, which would have enabled extension of the Ethan Allen to Burlington from Rutland, was necessary as the state annual rail budget only amounted to $20 million.

Christopher Parker, head of the Vermont Rail Action Network, said: “The new chair of the [US] House Transportation committee is Representative John Mica, a Republican from Florida, and he’s been quoted as saying the problem with the high-speed grants that have been awarded is they fund slow-speed trains to nowhere. And, you know, that’s us. [And Mica is correct. The boys inside the Beltway need to stop spreading the money around to inadequately fund everybody, and fund one or two projects which will create high-speed rail for many folk. Think Florida. Editor] From the national perspective, we are John Mica’s nowhere.” {Peter Hirschfeld in Rutland Herald 25.Nov.10}

** VRS: GROUT NEWS* 
 15 November, Burlington. **NORTH EAST MATERIALS GROUP SUED ITS CUSTOMER** for failure to pay for delivery of granite scrap pieces, called grout, to Florida [see 10#10B]. According the complaint filed this day, Northeast Materials Group (NEMG) has its principal place of business in Graniteville, Vermont, and its customer, PBDH Construction, Inc has its principal place of business in Deerfield Beach, Florida.

*The claim*
NEMG agreed to sell PBDH 48,000 tons of granite ‘sized as per specifications to be delivered to the Sugarland Express Railroad Siding located at Lake Harbor, Florida. PBDH approved the rock. NEMG delivered rock, but PBDH failed to pay $315,933.70. {text from court website}

** Further comment **
PBDH planned to use the granite in the rehabilitation of the Herbert Hoover Dike, a 143-mile series of levees and structures surrounding Lake Okeechobee in Florida, as it won a $3.4 million federal contract to do so.

Ed Duggan, one of the owners of Northeast Materials Group, was not sure why NEMG was not paid, though he ventured PBDH is unhappy about the dispute over the size of the grout. Until the financial dispute is resolved, he said, the Northeast Materials Group will ship no more granite to Florida.

NEMG has no other contracts; Duggan sees no large ones on the horizon, though his company may land minor ones in New York.

VAOT is continuing its project to construct the second track in Montpelier [see 10#10B]. In the next three to four weeks the agency will move relay rails from the western side of the state to use in Montpelier. {Thatcher Moats in Rutland Herald 26.Nov.10}

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** QUEBEC/MARITIMES**

** SYDNEY: NO FEDERAL FUNDS?* 
 22 November. **THE FEDERAL GOVERNMENT HAS “OTHER OPTIONS” TO CONTRIBUTE TO THE DREDGING** of Sydney Harbour, said Nova Scotia Deputy Premier Frank Corbett.

He was responding to a letter in mid-November from federal Transport Minister Chuck Strahl to John Morgan, mayor of the Cape Breton Regional Municipality, which said federal funds are only available for dredging port facilities or ferry terminals the federal government owns or operates. ‘However, the department does not have any programs to finance the
dredging at private port facilities. Having owners and users responsible for harbour improvements at private facilities ensures that decisions are based on market forces and business discipline.

Corbett said: “I’m battered but not bruised on this one. There are other options whether it’s through Atlantic Canada Opportunities Agency or whatever to look at that dredge piece. We have liked to have gotten a positive response from Transportation but that is certainly not the last answer.”

The Nova Scotia government has pledged $15.2 million towards the $38 million project provided the federal government gives $19 million as requested by the Sydney Marine Group (SMG). The provincial government has allowed SMG to draw $300,000 from its pledge to develop a detailed design of the project. [See 10#09A.]

Project delayed
The deputy premier said it now looks like the project won’t start until next year. “The hope was that everything would have been lined up for the dredging company to come in and do their dredging work. That window of opportunity has passed for this season. The time line was something like late August to probably to about this time of year so obviously they would have just been finishing up now. So now, hopefully in 2011 they could hit that time line.” {Discussions with ANR&P’s Tom Peters 22.November.10; letter citation in Cape Breton Post 19.November.10}

Jim Wooder, chair of the SMG, wrote on 22 November that he had nothing further to add to the discussion. “We carry on under the assumption that it will happen.” {e-mail to ANR&P’s Tom Peters}

Letter upsetting
Strahl’s letter caused MLA Cecil Clarke (Cape Breton North, Progressive Conservative) to call a press conference to try calm dredging proponents. He told the press that he had it on good authority that Ottawa would in fact throw in its share for the project.

The first proposal was sent to Transport Canada; Strahl’s letter was just an administrative response. The real proposal has been sent to Prime Minister Stephen Harper. Clarke called the incident a “miscommunication.” {Mary Ellen MacIntyre in Halifax Chronicle Herald 19.November.10}

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**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.

Gold Medal Bakery (MC, Massachusetts) New.
Fraser Papers (SLR, New Hampshire) New buyer.
Twin Rivers (MMA, Maine) CN would like to serve.

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**PEOPLE**

The man who held the position of commissioner of the Vermont Agency of Transportation from 1999 to 2003 under Governor Howard Dean, Brian Searles, will take that same position next year under new governor Peter Shumlin. Searles will leave his post as director of the Burlington International Airport to accept the appointment.

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