**Regional Issues**

Pan Am: EPA received several idling complaints.
EPA: Authority to enforce state idling regulations.
EPA: Efforts to reduce locomotive idling.
Railroads: Why they idle locomotives.
PW: 1Q11 show loss, possibly for year?
Halifax-Portland-Boston: No call last week for new feeder service.**

**New York**

NS-PAS: Work continues at Mechanicville.

**Connecticut**

Three ports: $1 million for another port study.

**Maine**

MNRC: Began service on 15 June.**
MNRC-MMA: No pricing agreement.*
Searsport: MNRC take traffic from already lightly-used breakbulk pier?* MMA pursuing Midwest.*

**Massachusetts**

CSXT: Derailment, Taunton Development customers* Map.*
NS-ST: FRA will watch Revere ethanol plans.
PVRR-PAS: First interchange in many years*
Fall River: Hess LNG withdraws gas plant.*

**New Hampshire**

NHDOT: Updated State Rail Plan out.
MBRX v ST: Still no decision by judge on whether to refer to STB. ST changes attorneys again.*

**Rhode Island**

[No report.]

**Vermont**

VRS-NECR-VAOT: VRS working on CLP. Possible Burlington branch upgrade. Western corridor $$.

**Maritimes/Quebec**

Halifax: Halterm will buy two more super-post-Panamax cranes.*
Labrador: Great Lakes Feeder lands a contract to serve coastal communities.*

**Rail Shippers/Receivers**

A cross-reference to companies mentioned here.

**People, Positions, Events**

Rudy Husband.

**From the Publisher**

Barbadaro watch
In the winter we had the Woodcock watch for CN v MMA. Now we have the Barbadaro watch for MBRX v ST. Frustrating.

- Chop Hardenbergh

Next formal issue: 12 July

REGIONAL ISSUES

PAN AM: COMPLAINTS
TO EPA OF IDLING

25 May, Montague. ‘OVER THE PAST YEAR OR SO, EPA HAS....RECEIVED SEVERAL COMPLAINTS
ABOUT PAN AM’S AND OTHER COMPANIES’ LOCOMOTIVES IDLING’ in a number of communities,¹
including Montague’s village of Lake Pleasant,’ wrote Curt Spalding, EPA regional administrator.

“We are currently in conversations with other federal and state agencies, and with the railroads themselves, in an effort
to understand the circumstances that lead to locomotive idling as well as what can be done in the near term to minimize
idling. Therefore, while neither I nor my staff was able to attend the [Montague] hearing on May 24, 2011 [see 11#05B],
I would like to offer to meet with you and representatives of the rail companies to discuss the issues and potential options
for addressing Montague’s locomotive idling concerns.’

The Montague complaint
Spalding was responding to an 11 May email from Gina McNeely, director of the Montague Board of Health, in which she
raised concerns about the idling of Pan Am Railways (“Pan Am”) locomotives in densely populated areas of Montague,
including the villages of Millers Falls and Lake Pleasant. In particular, your letter describes Montague’s previous attempts
to work with Pan Am and requests EPA’s assistance in reaching a resolution to the issues you have raised to the company,
including asking EPA to participate in a public hearing on May 24, 2011.’

EPA efforts on diesel pollution
Spalding’s letter listed these ways his agency is pursuing lower emissions:

APUs and lower fuel use. ‘For example, EPA has provided grants for retrofitting diesel-powered engines [see 11#04B
Regional] with pollution controls or idle reduction devices that significantly reduce emissions from buses, trucks,
construction equipment, locomotives, etc. Similarly, EPA’s Smart Way Transport program has helped over 2000 diesel-
burning truck and rail carriers greatly reduce their fuel use and thereby reduce their air pollutant emissions’

Emission standards. ‘EPA has also recently updated requirements that apply to locomotives, which set more stringent
locomotive engine emission standards and require new and certain older locomotives (when their engines are rebuilt) to be
equipped with idle reduction technologies, such as automatic engine start/stop systems. EPA also requires that locomotives
burn ultra low sulfur diesel fuel (15 ppm sulfur, reduced from 500 ppm sulfur in low sulfur diesel) beginning in June 2012.
[Canada is following these.²]

¹ In an e-mail, Swaine [see other footnote for identification] was more specific: ‘EPA has recently
received quite a spate of complaints about Pan Am, and other railroads to a lesser extent. Typical complaints
involve very long-duration idling (days, weekends); no crew present; locomotives/trains parked near residences;
all seasons of year. Specific locations of complaints about Pan Am idling include Lowell, Chelmsford, Lake
Pleasant, Ayer/Harvard, Lawrence and Worcester MA, and Pittsfield ME. In some cases, the community has
involved their political reps, who have contacted EPA. EPA is in conversations with railroads, STB, FRA, and other
agencies to identify root causes of idling and address complaints.’

² A 2010 Transport Canada consultation paper on proposed emission reductions for Canadian
railways said the North American locomotive market is centered on the United States because (1) any
locomotive in cross-border movement must meet US standards, (2) most locomotive re-manufacturing is
Enforcement of state statute. ‘Additionally, EPA can enforce state regulations that limit the idling of vehicles, including locomotives, for purposes of reducing air pollution where the regulations have been adopted and approved as part of an "applicable implementation plan" within the meaning of Section 113 (a)(1) of the Clean Air Act. The Massachusetts State Implementation Plan ("SIP") includes various federally-approved portions of the Massachusetts Air Pollution Control Regulations promulgated at 310 CMR § 7.00, including the regulation at 310 CMR § 7.11(2) that applies to diesel powered locomotives. EPA has enforced these regulations as they apply to locomotives. See U.S. v. Massachusetts Bay Transportation Authority and Massachusetts Bay Commuter Railroad Company, LLC, Civil Action No. 10-11311 (D. Mass 2010) [see 11#05B]. {text of letter

EPA: AUTHORITY TO CONTROL STATE IDLING REGULATIONS

STATE REGULATIONS LIMITING LOCOMOTIVE IDLING CAN BE ENFORCED. While some, such as Pan Am, argue that federal statutes pre-empt any state regulation in this area [see 11#05B - Maine], others [including a federal appeals court, see box] say the statutes do not completely pre-empt state regulation, as long as the regulation covers health and safety of the state’s inhabitants (not the railroad’s) and does not unduly interfere with interstate commerce, meaning the ability of the railroads to move traffic unimpeded from state to state.

Another way: federally enforceable state regulation
In some instances, state regulations governing the length of time a railroad locomotive may be left idling has taken on the aegis of federal enforcement, arguably eliminating the question of pre-emption. [See box on federal appeals court decision.]

New England idling regulations
All six states in New England have anti-idling regulations. Only Massachusetts and Rhode Island have regulations which are federally-enforceable against locomotives.

Connecticut. Covers all sources. For mobile sources, prohibits most idling longer than three minutes, with an exception for locomotives. {Section 22a-174-18} These regulations are part of Connecticut’s State Implementation Plan, which EPA has approved.

Maine. Only covers motor vehicles. {38 MRSA 585-L}

Massachusetts. Covers motor vehicles (five-minute limit) and locomotives (30 minutes. {310 CMR 7.00 et seq–see below} These regulations are part of the Commonwealth’s State Implementation Plan, which EPA has approved.

New Hampshire. Only covers motor vehicles. {Env-A 1101}

Rhode Island. Covers motor vehicles (five minutes) and off-road diesel unnecessary idling. Also, ‘45.5.10. Operating a vehicle mounted auxiliary power unit or generator set as a means to heat, air condition or provide electrical power as an alternative to idling the vehicle’s main engine is not considered idling.’ {State of Rhode Island and Providence Plantations now done by third parties, and (3) most locomotive are made to US standards.

New Canadian regulations to come into force by the end of 2011 will follow US EPA standards.

{article in Interchange spring.11}

3 Thanks to Abby Swaine of EPA for this listing.
Department of Environmental Management Office of Air Resources Air Pollution Control Regulation No. 45, Rhode Island Diesel Engine Anti-idling Program} These regulations are part of Rhode Island’s State Implementation Plan, which EPA has approved.

Vermont. Only covers school buses, at schools. {Act 48, 25 May 2007}

**EPA enforcement of Massachusetts regulation**

Under the federal Clean Air Act, all states whose air is not clean enough must adopt an ‘applicable implementation plan’ designed to bring the state’s air into compliance with the federal regulations. EPA can enforce state regulations that limit the idling of vehicles, including locomotives, for purposes of reducing air pollution where the regulations have been adopted and approved as part of an “applicable implementation plan” within the meaning of Section 113(a)(1) of the Clean Air Act.

The Massachusetts State Implementation Plan

This includes the anti-idling provision of the state regulations [see box].

The Rhode Island State Implementation Plan

Like Massachusetts, Rhode Island has incorporated its anti-idling statute into its State Implementation Plan.

**EPA: EFFORTS TO CONTROL LOCOMOTIVE IDLING**

13 June, Boston. *EPA IS WORKING ON ‘THE BEST APPROACH TO OBTAINING BETTER RAILROAD COMPLIANCE WITH STATE IDLE LIMITS,’* wrote Abby Swaine of the EPA New England office.

Preference to working out an idling strategy together

‘The EPA New England regional office is just now in the process of trying to sort out these issues by consulting with STB and others. We are in discussions with all parties to try to devise the best approach to obtaining better railroad compliance with state idle limits. Enforcement is one tool we feel we have, but it's very costly for all concerned, so we are also trying

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4 The Clean Air Act (CAA) is the comprehensive federal law that regulates air emissions from stationary and mobile sources. Among other things, this law authorizes EPA to establish National Ambient Air Quality Standards (NAAQS) to protect public health and public welfare and to regulate emissions of hazardous air pollutants.

‘One of the goals of the Act was to set and achieve NAAQS in every state by 1975 in order to address the public health and welfare risks posed by certain widespread air pollutants. The setting of these pollutant standards was coupled with directing the states to develop state implementation plans (SIPs), applicable to appropriate industrial sources in the state, in order to achieve these standards. The Act was amended in 1977 and 1990 primarily to set new goals (dates) for achieving attainment of NAAQS since many areas of the country had failed to meet the deadlines.’ (http://www.epa.gov/lawsregs/laws/caa.html)

5 42 USC § 7413(a)(1) Federal enforcement gives the EPA authority to enforce the ‘state implementation plan’.

6 Swaine works in the diesel assistance program at the EPA New England regional office. Her work beyond compliance assistance includes EPA's SmartWay Transport Partnership, which promotes fuel-efficient freight movement, including via rail, and Diesel Emission Reduction Act grants, which include awards to outfit New England locomotives with APUs, genset engines, and other fuel-saving equipment. (e-mail from Swaine)
to encourage (early, enduring, comprehensive) voluntary compliance.

**State law not preempted**

‘So far, EPA has no reason to believe that any facet of state law represented in approved state implementation plans under the Clean Air Act is not fully enforceable by EPA,’ Swaine wrote. Indeed, it acted under that belief when it proceeded (successfully) against the MBTA and MBCR [see 11#05B - Massachusetts]. A 2010 federal appeals court decision seems to uphold that view in regard to freight railroads. [See box.] EPA could petition the STB for a declaratory order verifying that state idling laws are not pre-empted by the ICC Termination Act, or test this position through a case against a freight railroad, but ‘at this stage is hoping to show progress through voluntary means rather than formal enforcement proceedings.’ {e-mail to ANR&P}

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### APPEALS COURT SAYS

**STATE RULES NOT PRE-EMPTED**

(If federally enforceable as part of a State Implementation Plan)

| ASSOCIATION OF AMERICAN RAILROADS; BNSF RAILWAY COMPANY; and UNION PACIFIC RAILROAD COMPANY, Plaintiffs-Appellees, |
| v. |
| SOUTH COAST AIR QUALITY MANAGEMENT DISTRICT; and THE GOVERNING BOARD OF SOUTH COAST AIR QUALITY MANAGEMENT DISTRICT, |

California treats its local air management plan as part of the State Implementation Plan approved by the EPA. The Court wrote: ‘...California law tasks [the local] District with drafting and proposing an air quality management plan for its region. If approved by the state agency, the California Air Resources Board (“CARB”), then the plan becomes part of the statewide air quality management plan. Additionally, CARB submits the statewide air quality management plan to the [EPA] as part of California’s proposed overall “state implementation plan” under the federal Clean Air Act. “Once approved by EPA[,] [state implementation] plans have the force and effect of federal law.” {citations omitted}

The South Coast District ‘enacted rules in an attempt to reduce [air] pollution. One of the rules limits the permissible amount of emissions from idling trains (through a series of alternative options for achieving that goal). The other two rules impose various reporting requirements, backed by threat of penalties, on railyard operators.’ Unlike Massachusetts, though, the South Coast rules, at the time of the court case, were not yet part of the State Implementation Plan. [emphasis added]

The plaintiff railroads argued that the idling regulations violated federal pre-emption, specifically the Interstate Commerce Commission Termination Act of 1995, which states in part “the remedies provided under this part with respect to regulation of rail transportation are exclusive and preempt the remedies provided under Federal or State law.”

The Court noted: ‘Generally speaking, ICCTA does not preempt state or local laws if they are laws of general applicability that do not unreasonably interfere with interstate commerce. [Citing the 2001 STB case ruling that the Town of Ayer’s effort to ban a new auto facility was not founded on local health but on an effort to ban the facility itself. See 01#05A]. For instance, the STB has recognized that ICCTA likely would not preempt local laws that prohibit the dumping of harmful substances or wastes, because such a generally applicable regulation would not constitute an unreasonable burden on interstate commerce.’ {citations omitted}

#### Ruling on federally-enforced state statute

‘[N]othing in [the ICCTA’s] section 10501(b) is intended to interfere with the role of state and local agencies in implementing Federal environmental statutes, such as the Clean Air Act [and the federal clean water statutes].’

#### Ruling on pure state statutes

The Circuit Court went even further: ‘Second, to the extent that state and local agencies enforce their generally applicable regulations in a way that does not unreasonably burden railroad activity, ICCTA does not preempt such regulation, despite the

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In the South Coast case, the Court ruled that anti-idling local rules were not federally recognized and therefore did not have the force and effect of federal law. They did unreasonably burden the railroads, and therefore were pre-empted, and could not be enforced. (US Court of Appeals, 9th Circuit, 2010)\(^7\)

### REASONS GIVEN TO IDLE LOCOMOTIVES

In general, locomotives idle for eight reasons. These fit into two categories: reasons outside the locomotive itself, and reasons due to the characteristics of the locomotive.

1. **Bad planning or management or an emergency**
   - Here the train is ready to leave the yard after a brake test, or must stop on the line while underway. The crew cannot move the train, but does not want to shut it off, as they may get permission to start moving.

   1. Train scheduling or makeup (line congestion, cascading delays, etc). Congestion in turn may come from railroads’ failure to provide adequate capacity for increasing freight traffic, or commuter trains.
   2. Crew scheduling (hours of service expire, staffing practices/scarcity, etc)
   3. Track conditions (accident, sun kink, heavy snow, etc) may not permit the train to proceed.

2. **Cold would freeze the engine block and permanently damage it, and the locomotive lacks an APU (or it is not**

### Why crew or management cannot/will not shut off locomotive

If the crew cannot move the train, it can (and must, under Massachusetts regulations) shut off the locomotive after 30 minutes. However, the crew often cannot, or will not, shut off the locomotive for these reasons:

1. Crew members are not trained in loco or idle equipment operation, or choose not to comply.
2. The crew needs the power to generate heat or air-conditioning.
3. The locomotive may not restart, due to weak batteries, worn starters, bad engine, and the like.
4. Tom Hall of the Committee to Improve Rail Service in Maine [see 11#05B Maine] has been told by Pan Am train crews that they are afraid of turning off the locomotives. “They’re in such bad shape, they won’t restart.” \(^{10}\) (This would apply even if the locomotive had an APU or AESS.)

### ALL EMISSIONS REDUCTION SYSTEMS HAVE GOOD PAYBACK TIMES

(‘Reduction of Impacts from Locomotive Idling’, Linda Gaines, Center for Transportation Research, Argonne National Laboratory, a U.S. Department of Energy Laboratory operated by The University of Chicago, 2003)

<table>
<thead>
<tr>
<th>System</th>
<th>Energy saving (gal/d)</th>
<th>Annual savings ($1000s)</th>
<th>Cost ($1000s)</th>
<th>Payback (months)</th>
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<td>15</td>
<td>7.5-15</td>
<td>6-12</td>
</tr>
<tr>
<td>APU or DCHS</td>
<td>60</td>
<td>25</td>
<td>25-35</td>
<td>12-17</td>
</tr>
<tr>
<td>Plug-in</td>
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<td>19</td>
<td>4-12</td>
<td>3-11</td>
</tr>
<tr>
<td>Green Goat</td>
<td>291</td>
<td>122</td>
<td>200</td>
<td>20</td>
</tr>
</tbody>
</table>

Caveats:
- Costs depend on vendor and options included.
- Energy savings depend on climate, duty cycle, locomotive type.

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\(^8\) This discussion is based on conversations during June with Tom Hall of Committee for Better Rail Service in Maine and with Abby Swaine of the EPA [see other article], and the article ‘Reduction of Impacts from Locomotive Idling’, Linda Gaines, Center for Transportation Research, Argonne National Laboratory, a U.S. Department of Energy Laboratory operated by The University of Chicago, 2003
functioning).
8. The locomotive lacks an AESS and the railroad does not want the crew to take the time to redo the brake test [see below].

APUs AND ENGINE TEMPERATURE
Engine temperature problem. To prevent freezing of the engine while not operating the prime mover, railroads employ auxiliary power units (APUs) which heat and circulate cooling water and generate electricity while using much less fuel [see 11#04B Regional].

APUs cost around $30,000. EPA’s SmartWay has verified systems for locomotives among the product lines of Hotstart, Power Drives, Inc. - model DWS-APU, and Teleflex Ecotrans L.P.⁴

BRAKE PRESSURE AND THE AESS
Brake pressure problem. While APUs can keep the locomotive warm and supplied with electricity, they cannot maintain brake pressure in the air-hose system which runs from the locomotive back through all freight cars. To do that, the prime mover of the locomotive must run, which in turn runs the air compressor, which “tops off” the air pressure. The entire train must have adequate brake pressure before it is permitted to move, under FRA rules.

A string of cars separated from a locomotive can have its air “bottled” - that is, kept inside the air-hose system without a connection to the locomotive - for up to four hours. After that, according to FRA regulations, the train crew must perform a brake test before moving the train. Crews must perform this test before their train leaves the yard after making it up.

Such a brake test requires the crew to (1) apply the brakes for three minutes, (2) then look at the brakes on each car to ascertain they are set; (3) release the brakes and watch the entire train roll by at less than 10 miles per hour. The brakes on all cars must operate; a car with bad brakes must be removed.

Thus, for a 60-car train, which can be a mile long, a crew member must walk the length of the train, check each car, and then watch a roll-by. The test can easily last one hour.

MASSACHUSETTS LOCOMOTIVE IDLING REGULATION

310 CMR 7.11: U Transportation Media [The ‘U’ indicates universally (in the entire state) enforceable]
[(1) Motor Vehicles]

(2) Diesel Trains.
(a) No person owning or operating a diesel powered locomotive shall cause, suffer, allow, or permit said locomotive to be operated in a manner such as to cause or contribute to a condition of air pollution.
(b) No person shall cause, suffer, allow, or permit the unnecessary foreseeable idling of a diesel locomotive for a continuous period of time longer than 30 minutes. 310 CMR 7.00 shall not apply to diesel locomotives being serviced provided that idling is essential to the proper repair of said locomotive and that such idling does not cause or contribute to a condition of air pollution.
© 310 CMR 7.11(2)(a) and 7.11(2)(b) are subject to the enforcement provisions specified in 310 CMR 7.52.

Any police department, fire department, board of health officials, or building inspector or his designee acting within his jurisdictional area is hereby authorized by the Department to enforce, as provided for in M.G.L. c. 111, § 142B, any regulation in which specific reference to 310 CMR 7.52 is cited.
Automatic start-stop. To avoid the need for the FRA-mandated brake test, the FRA requires the locomotive to be restarted before the four-hour mark, and run to ensure pressure is adequate.

If a locomotive crew is not available, railroads in the past employed ‘maintainers’ to do this manually. However, an AESS (Automatic Engine Start-Stop) is preferable because it requires no oversight nor personnel, now both expensive and scarce.

An AESS can restart the prime mover and build pressure whenever the pressure drops too low. Even with the air bottled, leaky hoses or a drop in ambient temperature can move the pressure below the required 75 pounds.

The AESS

The average road locomotive spends 50% of its run-time in idle...AESS monitors ambient temperature, battery voltage, brake system air pressures and other parameters to safely stop and restart an idle locomotive.

Cutting idling time, which consumes fuel at an average rate of four gallons per hour in a typical 3000 hp locomotive, can save $8000 [\$12,000\(^9\)] per year on an AESS-equipped road locomotive. On switcher locomotives, which spend an even greater amount of their run-time in idle, the fuel savings is even larger. A North American Class 1 Railroad reported savings of $2000 in just the first month after installing Auto Engine Start Stop (AESS) on their EMD Switcher locomotives. {GE website} \(^{10}\)

An AESS costs around $15,000. EPA’s SmartWay Transport Partnership has verified five different AESS models: \(^{11}\) GE Transportation, Motive Power model - Q Tron QEG-1000, Motive Power model - Q Tron Engine Run Manager System (for use in conjunction with an auxiliary power unit), Motive Power model - Q Tron QES-III (micro processor locomotive control with integrated AESS functionality), and ZTR Control Systems/Hotstart Manufacturing Company. \(^{12}\)

PW: 1Q11*

13 May, Worcester. CARLOAD TRAFFIC DROPPED BUT REVENUE INCREASED, according to the 10-Q filed with the Securities and Exchange Commission this day.

Quarterly loss and for year?

PW had operating revenues of $6.85 million, but expenses of $8.67 million, for an operating ratio of 126.6.

Traditionally, PW lost money in the first quarter. However, this time it warned: ‘There is no assurance that market conditions will improve enough to enable the Company to return to profitable operations during 2011.’

Operating revenues

‘Operating revenues increased $680 thousand, or 11.0%, to $6.85 million in the first quarter of 2011 from $6.2 million in the first quarter of 2010. This increase is a combined result of $490 thousand (8.7%) increase in conventional freight revenues, a $29,000 (19.3%) increase in container freight revenues, a $34,000 (25.8%) increase in other freight related revenues and a $127 thousand (52.9%) increase in other operating revenues.'

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\(^9\) If a locomotive operates the same as a working person (40 hours per week, 50 weeks a year), and idles for half that time, it spends a thousand hours idling, and burns four thousand gallons. If all those hours can cut out, that saves, with off-road diesel at three dollars a gallon, $12,000 per year. (editor)


\(^{11}\) http://www.epa.gov/smartway/transport/what-smartway/verified-technologies.htm#idle

\(^{12}\) The ZTR SmartStart system automatically shuts down and restarts the Hotstart system and the locomotive as necessary. (http://www.mytpu.org/tacomarail/environment/eco-friendly-equipment.htm)
Conventional carloads down 4.9%
The increase in conventional freight revenues is attributable to a 9.3% increase in the average revenue received per conventional carloading offset by a 4.9% decrease in traffic volume. The Company’s conventional carloadings decreased by 364 to 7,024 in the first quarter of 2011 from 7,388 in 2010.

Coal a problem
Shipments of most commodities, particularly automobiles, increased during the first quarter of 2011, as compared to the first quarter of 2010, offset by a decrease in the Company’s coal business due to a power plant customer not utilizing coal during the quarter. [Apparently the plant was burning natural gas. Editor] The increase in the average revenue received per conventional carloading is due to a shift in the mix of commodities, as well as some rate changes. There is no assurance that market conditions will improve enough to enable the Company to return to profitable operations during 2011.

Containers up 9.5%
The increase in container freight revenues is the result of a 9.5% increase in traffic volume and a 7.2% increase in the average revenue received per container. Container traffic volume increased by 220 containers to 2,534 in the first quarter of 2011 from 2,314 in 2010. This increase in traffic continues a trend which began late in 2010. This trend, along with improved economic conditions, contributed to the increase in the average revenue received per container.

Other income
The increase in other freight-related revenues is the result of an increase in demurrage income as a result of the adverse weather pattern the Northeast experienced, offset by decreases in switching billings and weighing revenue.

‘The increase in other operating revenues reflects increased maintenance department billings for services rendered to freight customers and other outside parties.

Operating expenses
The Company experienced adverse winter weather conditions in the Northeast during the first quarter. These conditions impacted the Company’s overall operating effectiveness specifically impacting payroll and diesel fuel utilization. In addition, certain other factors, as discussed below, impacted operating expenses for the first quarter of 2011.

‘Operating expenses for the first quarter of 2011 increased by $1,352,000, or 18.5%, to $8.7 million from $7.3 million in the first quarter of 2010. The increase consists of a $102,000 increase in the salaries, wages payroll taxes and employee benefits due to weather-related issues and the hiring of additional Transportation personnel to offset anticipated retirements in 2011, $447,000 in increased diesel fuel prices and weather-related inefficiencies, $107,000 in purchased services relating to bridge repair work performed during 2011, $390,000 due to increased equipment repairs mainly due to the unanticipated repair of locomotives, $117,000 of additional signal material and $116,000 in other materials and supplies due mainly to the increased prices of various lubricants. Increases in other operating expenses were somewhat offset by a decrease in casualties and insurance.’

Interesting notes
Willi work. During the first quarter of 2011, the Company used $655,000 of cash from operating activities. The Company utilized cash of approximately $2,977,000 for capital improvements, the majority of which related to the improvement of the Willimantic Branch. The Company funded the majority ($2,864,000) of these capital improvements with its Construction Loan.

‘The Company intends to fully draw down the balance of the funds available under the Construction Loan during the second quarter, at which time the Construction Loan will convert to an amortizing loan with monthly payments of approximately $30,000, including principal and interest.'
Shipper gets federal tax credit. The Company expects to assign its Federal income tax credit under Internal Revenue Code Section 45G to a qualified shipper under substantially similar terms and conditions as it has done in prior years.

License fee, $2.6 million income The Company expects the renewal of an existing licensing arrangement, whereby the Company will provide a license along its right of way for a period of 25 years. The Company anticipates payment in full upon the execution of the license agreement, currently anticipated in November 2011. The Company expects to receive $2.6 million in cash at the time of renewal.

Material weakness. PW concluded that its internal controls were not adequate to account for income taxes, and is in the process of correcting this ‘material weakness.’

Cash flow
In 1Q11, PW’s cash declined from $1.517 million to $619,000. {text from SEC website}

HALIFAX-PORTLAND-BOSTON**
15 June. THE AFL NEW ENGLAND FIRST VOYAGE MAY OCCUR AT THE END OF THE MONTH. Jack Humeniuk, International Longshoremen’s Association representative and chief of operations for PortsAmerica at the Portland container terminal, said the ship left its lay berth in Portland [see 11#05A] for Halifax on 13 June. It will leave Halifax for Portland “when the first import cargo arrives” which may not occur in time for the 17 June sailing.

The AFL New England would then sail from Halifax on the following Friday, reach Portland on Monday, and Boston on Tuesday. {ANR&P discussion}

Customers who would use AFL
“FMC BioPolymer has always had a very good relationship with the port of Portland and if economically feasible we try to support the port and the state of Maine,” said Jim Fitzwater, spokesperson for FMC Corporation, which employs 130 people in Rockland. [FMC imports seaweed, and has considered direct rail. See 06#08A.] “We will absolutely evaluate all our options taking into consideration frequency of service, transit times, vessel capacity, free time allowed at the port and other offerings including costs.”

Jim Theriault, vice president of marketing and materials handling for Sprague Energy Corporation, said his company warehouses and ships a lot of bulk pulp from Maine mills [especially Old Town Fuel and Fiber–see 11#02B] out of its Merrill’s Marine Terminal in Portland.

Container service out of Portland will allow mills to containerize pulp in Portland into smaller shipments, for other export destinations via Portland. Now, the mill must move product down to Boston or New York for stuffing and shipping.

Previous container service didn’t work well in Portland, said Theriault, because it was operated by Hapag Lloyd. Competitors were reluctant to use the feeder. AFL, he noted, is a third party, not a competitor. {Matt Wickenheiser in Bangor Daily News 27.May.11}

NEW YORK

NS-PAS: TERMINAL WORK
17 June, Mechanicville. WHILE NO NEW TRACK IS LAID, WORKERS ARE DOING THE FOUNDATIONS for the new intermodal/automotive terminal here [see 11#04B], such as digging trenches for drainage pipes, and cutting grades for retaining walls and track beds.

A work schedule of a few weeks ago indicated track laying the last week of June, and wiring for signals finished at the end of July. ‘From what I saw today, that looks like the time table they are using’, though drainage still needs to be
CONNECTICUT

N.HAVEN, N.LONDON, BRIDGEPORT
15 June, New London. THE THREE DEEP-DRAFT PORTS WERE REFERRED TO in two pieces of legislation before the Connecticut General Assembly this year, according to information presented to the Connecticut Maritime Commission’s meeting here.

Ports and marinas infrastructure
Some entity reduced the proposed capital budget from $25 million to $6 million with $1 million for a strategy for economic development in Connecticut’s three deep draft ports, according to Captain Chuck Beck, CMC secretary. He did not know who initiated the reduction or why. ConnDOT will administer the capital funds.

Statewide Port Authority
Commissioner Larry Miller told the meeting that a bill to create a Statewide Port Authority (SWPA) and a bill to fund the Cruise Ship Task Force both failed.

Commissioner Tom Dubno (of Gateway Terminals) stated the Connecticut Maritime Coalition is still trying to meet with the governor on maritime issues. The Coalition intends to pursue the creation of the SWPA during the recently announced special session starting in September. {draft minutes of meeting from Beck}

MAINE

MNRC: STARTUP**
15 June, northern Maine. THE RAILROAD ASSUMED OPERATING 233 MILES HERE from MM. Geoff Britt, communications officer with J.D. Irving, Limited, said Irving is not deterred by the decline in the housing market and consequent hit on northern Maine forest products shippers. "Markets turn around....We have the new technology to improve the rail assets and maintain the rail assets.

Using GPS tracking systems, Britt said clients will not only have up-to-the-minute scheduling, but maintenance on the track will run smoothly.

MNRC will use six locomotives and 30 people. This brings the Irving rail fleet up to 20 locomotives. Currently sister lines NBSR and EMRY employ 155 people between them. {Polly Leger in New Brunswick Telegraph-Journal in Bangor Daily News 18.June.11}

STB decision
On 15 June, the Board issued ‘a modified certificate of public convenience and necessity,’ the “license” to operate. ‘MNRC states that it will receive no subsidies in connection with its operations and that there will be no preconditions that shippers must meet to receive service.’ {STB website, decisions page, Docket No. FD 35521}

Dispatching
According to MMA chair Ed Burkhardt [see other article], ‘We [MMA] have made an agreement with them to handle the train dispatching on the MNR, as the FRA wouldn't give them an exemption to do the dispatching from Saint John. We are hoping for a cooperative relationship between MMA and MNR.’ {e-mail to ANR&P 14.June.11}
MNRC-MMA: PRICING

14 June, Northern Maine Junction. **MMA AND MNRC HAVE NO AGREEMENT ON PRICING**, wrote Chair Ed Burkhardt. ‘We have proposed to keep all rates in place to/from stations on the Red Line (MNR effective tomorrow) also involving movement over MMA, and divide them between MMA and MNR on a mileage pro rate of the revenue previously accruing to MMA, with a minimum of 25%. This is a very normal method of dividing revenue between railroads.

‘We have no indication that MNR will accept this proposal, in fact they are indicating they require higher prices. As of this writing we have no agreement with them covering interline routing, car supply, etc.

‘Very little of this business is susceptible to CN or ST routing. A good bit of it terminates on MMA, and another significant portion involves CP. I just see total confusion on the part of MNR. I will keep you advised as this plays out.’

{e-mail to ANR&P}

NBSR-SEARSport-SAINT JOHN*

7 June, Searsport. **CONCERN ABOUT RAIL TRAFFIC FOR SEARSport** was again expressed by David Gelinas [see 11#05A] as a result of the leasing of 233 miles of northern Maine rail line by MNRC from the state. Gelinas serves as president of the Searsport/Bucksport Chapter of the Propeller Club of the United States and works as a harbor pilot and docking master on the waters of Penobscot Bay and River.

He fears that any rail cargo moving to or from overseas points and generated for northern Maine will shift to Saint John, NBSR’s terminus.

**Break-bulk pier underused**

‘This potential shift to Canada is especially disconcerting when considering the short history of the new bulk dock in Searsport, which was ostensibly constructed to serve this very hinterland. In 2010, a total of 10 ships called there; so far in 2011, there have been two. Not one ton of forest products from northern Maine have moved across this dock in several years. By any standard, this publicly funded facility is grossly...
underused.’

**Action needed?**
‘Between the $25 million spent to construct the new pier in Searsport [at the turn of the century—see 99#15] and the $21 million spent on the northern Maine railroad, the best “return” on these investments made by Maine’s taxpayers would be to strengthen the connection between these two valuable state-funded transportation assets, not to segregate them. Where a northern Maine shipper could formerly access the port of Searsport using one railroad, they will now need to ship over two [see pricing article]. By contrast, Saint John can now be accessed using only one railroad, where formerly it took two. It is essential that the Maine Legislature and the current administration be proactive in ensuring that MMA and EMR will work cooperatively to offer timely and cost-effective service over the north-south rail link to the port of Searsport.’ {op-ed article in *Bangor Daily News* 7June.11}

**MMA has different view**
Ed Burkhardt, MMA chair, wrote on 15 June: ‘On the Searsport matter, there has been no movement between Searsport and Red Line stations [the MNRC stations] in many years other than a few cars of fuel oil each year. Frankly, there isn’t any traffic that can switch to Saint John!

‘I think Captain Gelinas has in mind movement of export potatoes and lumber from Aroostook County via Searsport. None of this traffic moved in the time MMA has been operating except a very few cars several years ago of export lumber. These markets have completely changed over the years, and not for the better insofar as Maine is concerned. I certainly agree with him the dry cargo pier at Searsport is underutilized!’

**Possible Searsport to Midwest traffic**
Burkhardt continued: ‘There is hope, however, with installation of the large crane currently being planned, which would permit the loading and unloading of Panamax-size vessels handling pig iron, fertilizers, mill scale, and other bulk commodities, and steel coils and slabs moving to or from points in the Midwestern states and Canada. MMA has identified this traffic, and has been working with the Maine Port Authority to realize its potential. None of this is Maine business, but can be handled at Searsport if it can provide proper facilities. We are happy to see this progress, and believe Captain Gelinas will be happy as well.’ {e-mail to *ANR&P* 15June.11}

**Liquid bulk pier active**
Gelinas wrote on 14 June: ‘Liquid bulk cargo continues to move over the old steam-crane pier, and Sprague and Irving have done an excellent job keeping that dock busy.’ {e-mail to *ANR&P*}

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**MASSACHUSETTS**

**CSXT: TWO INDUSTRIAL PARKS**
1 June, Taunton *A RAIL RECEIVER AND AN INDUSTRIAL PARK WILL PROBABLY PAY TO REPAIR TRACK* after thieves took out two sections of rail this day, causing a derailment.

**CSXT service**
The CSXT train, a consist of a lead locomotive, two cars, and another locomotive, was enroute to Agar Supply, a food service company, with two carloads. The crew spotted the missing rails but could not halt the train in time, the engine’s front truck dropping into the space where the rail was, remaining upright.
Spur ownership

The Taunton Development Corporation (TDC) owns the spur into Myles Standish Industrial Park, the Agar location. TDC director Dick Shafer said he expects Agar Supply, other rail users, and the TDC will come together to decide how much each party is liable for paying to repair the damage to the rail line. Shafer also said it’s reasonable to assume security measures will have to be improved in the park.

Taunton, showing the two industrial parks, plus other CSXT and MC [see 11#04B] customers. (ANR&P)
Maintenance
Joey DeAngelis, owner of DeAngelis Railroad Contractors, the Worcester company hired by Agar to perform general maintenance of the rail line and currently repairing it, said that what as an extreme inconvenience, in other circumstances could have been “a major disaster.” DeAngelis also noted that a piece of rail, more than 100 feet away, had buckled and torn away from its moorings because of the intense pressure released when the thieves cut through the steel.

Who will buy the scrap?
Joe Enos, owner of Enos Metals on Dana Street in Taunton, said his scrap yard doesn’t pay for steel, but yards that do are paying only 12 to 15 cents per pound. Enos, 77, said his late father years ago taught him that a reputable scrap metal yard never buys railroad iron. “That’s always a no-no,” because of the likelihood of it being stolen. “I don’t know who would buy it.” {Charles Winokoor of Gatehouse News Service in heraldnews.com 1.June.11}

MYLES STANDISH INDUSTRIAL PARK
This park has one steady user, two occasional users, and one past user, according to Shafer. As in 2002 [see 02#02A], CSXT twice a week serves the spur, built in 1974 off the Middleboro Main using a part of the former line between Attleboro Junction and Mansfield.

Agar Supply. An independent food service and retail distributor since 1940, with a 285,000SF facility at 225 John Hancock Road. {Agar website}

Shafer said Agar receives both dry and refrigerated goods, more of the latter.

Quad/Graphics. This company succeeded Quebecor in 2010, which in turn succeeded Retail Printing in 2001. The facility, on John Hancock Road, has a side track, but uses very little rail.

Versacold, 455 John Hancock Road. This company succeeded P&O Logistics which succeeded Condyne Logistics. Its side track sees very little rail.

Huttig Building Products. This distribution facility has not used rail “in years,” Shafer said.

LIBERTY AND UNION INDUSTRIAL PARK
This park, also operated by the Taunton Development Corporation, has three areas, and no rail customers though, due to its location right on the Middleboro Main, CSXT could provide service five days a week. Phase I [see map] has Jordan Furniture’s 900,000SF central warehouse and offices plus another four facilities with another six companies.

Phase II, on the south side of the CSXT line, already has two distributors who have not chosen to install side tracks. Phase III, on the north side, will have one to three parcels, two of which could use rail.

Rail installation
According to Shafer, to install a side track the owner must pay. “If that becomes very expensive, we may seek state grants for both road access and for a spur.” {ANR&P discussion 3.June.11}

Quad/Graphics - other
In addition to the John Hancock Road facility, Quad/Graphics purchased Quebecor World’s East Taunton plant at 1133 County Street [see map]. {Quad/Graphics website}
**NS-ST: MORE ON ETHANOL**

15 June, DC. **THE FRA WILL OVERSEE THE ETHANOL TERMINAL IN REVERE** [see 11#05A] if it gets underway, said Warren Flatau, FRA spokesperson. “What I can...tell you with certainty is that should it come to fruition, FRA would absolutely be an active participant in monitoring the start of such operations and monitoring them once they convene because, obviously, we have a direct interest. We enforce many of the federal hazardous materials regulations for rail.”

He also said: “We have been monitoring developments closely and have had meetings with the State Fire Marshal’s Office as well as the Chelsea City Manager.

**The project is not yet definite**

“We also met with Global seeking to confirm whether the project will or will not happen. However, because of the proprietary nature of the project, we weren’t able to learn much. We were told it may happen...It’s certainly not some unknown project, but the regulators here indicated when they met, [Global] would not share information because from their point of view it is still proprietary.” {Seth Daniel in reverejournal.com 15.June.11}
Harbor Island and several in Maine. None has been built on land, although two offshore ports were built about 10 miles off Gloucester, where LNG is vaporized on ships and pumped through an underwater pipe to shore. {Beth Daley in Boston Globe 14.June.11}

NEW HAMPSHIRE

NHDOT: STATE RAIL PLAN
17 June, Concord. THE STATE RELEASED THE UPDATED NH RAIL PLAN. ‘It addresses both freight and passenger rail needs. The Lynch administration has a forward-looking vision of how rail can spur economic development for businesses and ease commuter and visitor travel in the state.’ The full plan is available on the NHDOT website [more in a future issue]. {TrainRiders Northeast website}

MBRX v ST: MORE DETAIL
9 June, Concord. ANOTHER CHANGE IN ATTORNEYS BY PAN AM. Kevin Verge, who filed the pre-trial statements and the jury instructions, has withdrawn. Verge also participated in the telephone conference on 7 April, along with Pan Am house counsel Robert Burns. [If Pan Am gets a new outside attorney, it will have to pay extra to get that attorney up to speed. Maybe it will go with Burns, in an effort to save money. Editor]

Judge to rule on motion
Barbadaro, per the court website, will rule on defendants’ motion to dismiss, which he said he would do before the trial began [see 11#04B]. He told the parties in his ‘monkey wrench’ ruling [see 11#05B] that as part of the ruling, he had to decide whether the matter belongs at the STB. {court website, case 10-cv-264}

ST no wish to abandon
MBRX owner Peter Leishman in March wrote to ST attorney Robert Burns: ‘As you may know, the MBRX agreed to grant overhead trackage rights to B&M/ST in September of 1999 between milepost 16.36 (Wilton) to milepost 19.67 (Lyndeboro). The STB approved the agreement on September 13, 1999 (STB Finance Docket No. 33794).

‘The Board Secretary, Vernon A. Williams, noted that "Before B&M/ST can discontinue its operations over the rail lines, it must obtain appropriate authority under 49 U.S.C. 10903 from the Board." Additionally, the agreement signed between the MBRX and B&M/ST requires the MBRX to maintain the trackage for the use by B&M/ST from mile post 16.36 - mile post 19.67 along with many other conditions.

‘As the B&M/ST has not used the above referenced trackage for several years, I would like to inquire whether B&M/ST is interested in abandoning its rights to use this line and terminate the trackage rights agreement between the MBRX and the B&M/ST or does B&M/ST wish to continue with this trackage rights agreement?’

On 4 April, Burns replied: ‘I’m told we have no immediate interest in abandoning our Trackage Rights at this time.’
{text of exchange from Leishman 8.June.11}

VERMONT

NECR-VRS-VAOT: AN UPDATE
15 June, Burlington. VRS WILL IMPROVE THE CLP LINE FOR AMTRAK, by spending $750,000 of its own money this summer. David Wulfson, VRS president, made the announcement at a Chittenden County Metropolitan Planning
Organization meeting here. The work will bring the line between Rutland and Whitehall to track speed.  

[Amtrak in winter had called the line the worst over which it operated. See 11#03A. On 19 June the Ethan Allen took an hour to move from Whitehall to Rutland, 'an improvement. Ties await installation, and ballast awaits spreading. {e-mail to NERN e-list 19.June.11}]

More on the CLP work
- New York State is investing $2.5 million in CLP track improvements over the next two years.
- Amtrak is working closely with both VRS and New York State on these improvements.
- 12,200 ties will be replaced.
- eight miles of track will be surfaced in Vermont and New York.
- VRS will improve three crossings in Vermont and New York funds will improve an additional five crossings.
- The work in Vermont began in April and will be completed by the end of October 2011.
- Passengers on the Ethan Allen will see a 26% reduction or 18 minutes saved between Rutland and Whitehall.

Attendees
In addition to Vermont Rail Action Network (VRAN)’s Christopher Parker, Charlie Moore, and Brad Worthen, attendees included Rick Moulton, a VRAN founder and Vermont Rail Council member, Secretary of Transportation Brian Searles; Deputy Secretary Sue Minter; House and Senate Transportation Committee Chairs Pat Brennan and Sue Minter; Charles Hunter of NECR; Mary Anne Michaels of VRS; Jeff Munger of US Senator Bernie Sanders’ office; David Crawford, Essex Junction Village Manager; VAOT Rail Director Joe Flynn; Dawn Francis from the Lake Champlain Chamber; and about 100 others.

A railroad orientation
The meeting included a train trip between Burlington and Essex Junction operated by a crew off the NECR chip train [moving chips from Shelburne Limestone in Swanton to the Burlington Electric plant–see 10#05B], using GMRC passenger cars.

Possible 286 upgrade
The eight-mile NECR-owned Burlington branch has jointed rail with 10 miles per hour track speed. Its North Ave Tunnel in Burlington received more than a million dollars of stabilization work recently [see 09#01B], paid for by funds from the Western Corridor earmark obtained by then-US Senator Jim Jeffords.

CCMPO is paying for load testing on several through truss bridges to determine the cost of raising the weight limit on the branch 286,000 pounds.

VAOT priorities
In his remarks, Flynn said getting Amtrak to Montreal is now the agency’s #1 priority and the Western Corridor is the #2 priority (a switch from a month ago).

VRS flooding
Flynn also noted that VRS, especially on the WACR ConnRiver line, had 44 separate sites where flooding affected the line, for which restoration will be 75% paid for by FEMA. He sounded impressed by the quantity of work VRS did to quickly return the line to service.

Western corridor
Munger described continuing to try to get funding for the Western Corridor [see 11#03A]. {Christopher Parker coverage in VRLAN Update 17.June.11}
LABRADOR: GREAT LAKES CONTRACT*

June. GREAT LAKES FEEDER LINES AND CAI MARINE INC. WILL START MULTI-YEAR CONTRACTS BY THE GOVERNMENT OF NEWFOUNDLAND AND LABRADOR this month to provide passenger, vehicle, and freight services for the Labrador marine service. {Canadian Sailings 18.Apr.11}

Aldert van Nieuwkoop, president of the Burlington, Ontario-based Great Lakes, said the company has a five-year contract to provide cargo service with its vessel Dutch Runner “to about 8 to 10 ports” along the north Labrador coast from Lewisporte and Happy Valley-Goose Bay. The contract is worth $2,111,400. {Emily Hobbs, NL Government, in an e-mail to ANR&P’s Tom Peters 13.May.11}

CAI Marine Inc. of Moncton, New Brunswick, will operate the MV Northern Ranger and provide shore-based administration services, including ticketing and reservation services and shore-based freight handling, through two five-year contracts. The company has also been awarded a three-year contract to operate the passenger ferry MV Sir Robert Bond. {NL release 4.Apr.11}

CAI President David Chaulk said his three contracts will generate about 60 to 70 seasonal jobs in 10 ports. {In discussions with ANR&P’s Tom Peters 12.May.11} The Northern Ranger contract to provide passenger and freight for Goose Bay, Black Tickle, and ports north of Nain is worth $2,321,400. The Sir Robert Bond contract for passenger, freight and vehicle service to these north Labrador ports is worth $2,092,700.00. The contract to provide administration services for shore-based operations for these passenger, freight, and vehicle services is worth $2,538,700.00. {Emily Hobbs in email to Tom Peters}

Great Lakes did similar work for France

Van Nieuwkoop said Great Lakes Feeder Line operated the Dutch Runner for the French government between the French islands of St. Pierre and Miquelon and Halifax. “That was a weekly call and similar type of cargo. Some ro/ro, trucks and trailers, some project cargo and that is what we expect on this service. So this will be a two-week service going to the outlaying communities supplying really the native people with their daily, weekly or monthly needs.”

The service will operate from early June until late November or early December, depending on ice conditions, said Van Nieuwkoop. {In discussions with Tom Peters 12.May.11}

“We were on [the French] contract (albeit that the contract was renewed about every three to six months or so) from October 2008 through June 2010. During each renewal further reductions were made to the point that in June 2010 it was no longer appealing to us.’ {e-mail to Peters 10.June.11}

HALIFAX*

7 June. Macquarie Infrastructure Partners will purchase two new super post-Panamax cranes for its Port of Halifax. “The investment in new cranes is indicative of Port of Halifax’s confidence in the long-term strength of the Halifax market,” said Port of Halifax President and CEO Ashley Dinning. {Halifax Port Authority release 7.June.11}

Terminal expansion

Halifax Port Authority is presently working on a three-phase project to expand and enhance Pier C (Halterm) in the port’s

A NOTE ON SHIP SIZE

According to one definition, a Panamax ship (one which can get through the current Panama Canal, pre-widening) holds 3600 TEUs. A post-Panamax vessel holds 4000 TEUs. A super post-Panamax vessel holds 7000+ TEUs.

Width the problem

A port crane must reach across the breadth of the ship. Panamax vessels are 12-13 container-widths wide. Post-Panamax generally are considered 18 wide, while super-post-Panamax are 22 wide or more. {editor}
south end. The $35-million project, 50% cost-shared with the federal government under the Atlantic Gateway program, includes deepening at the berth to 16 metres which was completed in March; extending the berth by approximately 80 metres which will be completed by the end of this year or early 2012; and upgrading the truck marshalling yard which will also be completed by early 2012.

“The completion of this pier project and the addition of the new cranes will allow the terminal to work two super post-Panamax ships simultaneously,” said HPA’s Michele Peveril. The Ceres-operated terminal in the port’s north end at Fairview Cove already has the capability to handle two super-post-Panamax ships at one time.

Peveril said HPA is not involved in funding the cranes and its only contribution was to the terminal expansion project. {HPA’s Peveril in discussions with ANR&P’s Tom Peters 7June.11}

**Super post-Panamax ships arriving**

Dinning said Macquarie hopes to select a crane supplier by August and have the new equipment operational by this time next year. “We already have ships of the size that require super post-Panamax cranes, however, my mandate from shareholders is to increase business. I have inherited a very good business operation from my predecessor and what we are about is to maximize the volume going through these facilities. At the end of the day what this is about is exponential growth, creating the right service and right environment that attracts more and more carriers to this part of the world,”

Vessels in the CKYH Alliance (Cosco, ‘K’ Line, Yang Ming, Hanjin, MOL) that call Halterm use vessels in the 6,000 TEU range and are worked with the two super post-Panamax cranes already at the terminal.

Dinning sees potential cost savings with the additional cranes. “Any cargo being discharged in New York or in Montreal and brought here (to Halifax) means someone has got to pay for that additional cost and the consumer is paying for that. If that cargo can be discharged directly here that is lot more cost-effective which means that our cost of living here is somewhat reduced, if you like.”

He knew of boxes dropped in Montreal and moved to Halifax because the ship calling Montreal did not call Halifax. But he does not know of boxes dropped in New York and trucked to Halifax.

Dinning wouldn’t discuss price in an interview; he did say Halterm’s existing cranes can reach 22 containers across, and the new ones will reach 23. {Dinning in discussions with Tom Peters 7&10June.11}

Industry sources say new cranes of this type which can reach 22 to 24 containers across cost in the range of US$8 million to US$10 million. {Discussions with Peters}

**Increased competitiveness**

The HPA said the port has the present capability to triple its present volumes, from 2010’s 435,461 TEUs. {HPA website}

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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.*

Agar (CSXT, Massachusetts) Derailment.
FMC Biopolymer (MERR, Maine) Use Portland?
Global (ST, Massachusetts) FRA will oversee.
Railroad Distribution (PVRR, Massachusetts) Mats from PAS.
Sprague (ST, Maine) Portland intermodal?
PEOPLE

Rudy Husband is promoted to Norfolk Southern Railway resident vice-president for Pennsylvania and the New England states, to handle government relations. He will operate from the Harrisburg Division offices effective July 1, 2011. NS will find a successor to handle corporate communications.