ARH:

Regional: Operating railroads and ports, intermodal facilities, and government environment.

Issue 11#09A  23 September 2011

*Article unchanged from e-bulletin. **Blue type in article: changes from e-bulletin.

Blue header & table of contents: new article

Regional

HRRC: Passenger operations without operating subsidy looks possible.

USDOT: $$ finally released to N. England states.

New York

FGLK: Assuming ownership of Solvay Yard.*

NS-CP-FGLK Coal detoured due to flood.**

Québec

[No report.]

Connecticut

PW: FRA awards $5.3 million for Willi.

Maine

MMA/Searsport: East Millinocket will re-open.

MMA: More on chip transload in South Lagrange - 45 cars per week.**

MMA: Possible green effort at Derby.*

Massachusetts

CSXT: Dan Bigda may start new four-mile short line on North Brookfield Railroad.*

CSXT: Approval for Transflo in Westboro.*

MC: More on change from John Kennedy to John Delli. To operate excursion in Fall River.**

NS-Pan: More worries on ethanol move.*

New Hampshire

NHDOT: State rail plan delayed until early 2012.*

MBRX/ST: Lawsuit update:
- NORAC says practice similar to CSXT and NS.
- MBRX objection to summary judgement.
- Two Finks deposition on 5 October.

Rhode Island

[No report - see Regional.]

Vermont

VRS and NECR All lines but WACR re-opened.**

Maritimes

CN: Update on potash and salt from mine.*

Halifax: Estonia proposes ‘Horseshoe’ corridor.

Saint John: Shredder may get necessary power.*

Saint John: Logistec renews Navy Island lease.*

Rail Shippers/Receivers

A cross-reference to companies mentioned here.

People, Positions, Events

NEARS - see below.

From the Publisher

North East Association of Rail Shippers

Joe Gearin, who is kind enough to direct NEARS without compensation, informs me that we will have this gathering, in State College, Pennsylvania, a near-record attendance.

And no wonder. It's a very productive meeting.

See you there, 12-14 October.

REGIONAL ISSUES

HRRC: PASSENGER SERVICE

23 August, Kent. **HRRC COULD OPERATE PASSENGER SERVICE PROFITABLY**, according to two studies. Colin Pease, HRRC vice-president special projects, explained:

**Market Street Research**

The first [see 10#06A], by Market Street Research of Northampton, Massachusetts, ‘was designed to be a very careful evaluation of the market and was designed to provide us with not only ridership information but also a lot of information about what would influence a potential rider to use the service.

‘In addition they did a conjoint analysis to determine the intensity of interest in various service options. That study was completed about a year ago and was done to first and foremost determine if it is feasible to operate a private rail passenger service between the Berkshires, northwest Connecticut and New York City.

‘It was also done to develop a strong base on market information and to enable us to develop some sound revenue estimates. We've done some refining since last year but the outcome of the MSR work was that the proposed service is feasible and the median ridership is projected to be two million one-way fares per year. That does not equate to one million new people as many will ride multiple times but the information gave us a good base of information from which we could gain a good understanding of our potential ridership. The service will primarily attract riders from four general markets: commuters, visitors to the region, second homeowners, and students.’

**Latest study: benefits**

Steve Sheppard, director of the Center for Creative Community Development in Williamstown, Massachusetts, presented the second to a handful of local officials, regional planners and governmental agencies here this day. ‘Economic Benefits of Housatonic Railroad Passenger Service’ had this summary:

The proposed rail passenger service would provide important benefits to the region. These include:

- Increased total economic output in the region. The increase during the first decade of the project would total in excess of $625 million dollars additional goods and services produced and sold in the region.
  This increase in economic activity in the region would bring an average of 610 new jobs to the region (with a maximum of 733 jobs during the initial construction and upgrade of the railroad)
  The increase in economic activity in the region would provide Connecticut and Massachusetts state governments, and local governments in the region with nearly $29.5 million in additional tax revenues during the first decade of the project
- During the first decade the affected region would provide the federal government with an additional $55 million in tax revenues
  The value of residential properties located relatively close to (within a few miles of) the passenger stations for the railroad would increase modestly, generating at least $310 million in additional wealth for property owners, and possibly as much as $619 million. Because these impacts will be spread along the entire region, these changes are not expected to generate significant changes in broad land use patterns (although there may be some changes very near the stations)
  The availability of passenger rail service and anticipated levels of demand will reduce automobile traffic on local and regional roadways, saving nearly $1.4 million during the first decade of the project.
  The availability of passenger rail service and anticipated levels of demand will reduce fatal automobile accidents, saving the lives of an expected 8 persons during the first decade of the project and reducing associated costs of fatal accidents by $7.2 million during the first decade of the project.
  Passenger rail service has much lower impact on the climate than private automobile travel. The availability of passenger rail service, along with the expected levels of utilization of the service, would reduce global warming and result in a reduction of global mean temperature of 2.2 x10-7 degrees Celsius.
Thinking behind hiring Sheppard

‘Once we determined that the service is feasible and that it could be run without the need for a public operating subsidy, we looked at various approaches to finding the capital improvements that would be required to rehabilitate track, build stations, and acquire/rehab rolling stock in order to support the proposed service. [Emphasis added.]

‘A number of those approaches involve the use of low-interest loan programs and all or nearly all of the approaches require that the applicant provide a sound cost-benefit analysis. That led us to Steve Sheppard. He had done a great deal of work in the region and was well known to many in the region for his work particularly with some of the larger cultural institutions. He has a very strong base of information for determining the impact of factors such as increased visitor traffic to the region on the local economy.

‘We retained him in the spring of 2011....Steve finished his work this past August and after taking a little time to digest it we hosted meetings in Massachusetts and Connecticut where we invited community leaders, economic development groups and people like that so that they could not only hear the results of Steve’s work but also ask questions of him and also a representative of Market Street Research.

‘We are now focusing even more carefully on issues such as ridership by station or zone and fare structures and from that information will be refining our proforma. Once that is completed we will propose a method for financing the capital improvements for the project. We have indicated that we believe the capital improvements will require investment from both the public and private sectors but thus far have not completed the precise details of the proposed financing plan.

‘We estimate the total project cost to upgrade tracks and structures, construct stations and acquire/rehabilitate rolling stock and locomotives is $200 million.

Proposed routes

‘One concept we like is to extend Metro-North to New Milford and make New Milford a hub. That way our trains could meet Metro-North trains and enable people who want to move to and from locations in Fairfield County, particularly Stamford and South Norwalk to cross-platform in New Milford.

‘The same is true [to New York]. We would run our trains through to [Brewster, New York] and establish a cross platform there. We have done some looking at the engineering [and] believe physically we could make that work. We would also like to be able to run some trains all the way into Grand Central Terminal with Metro-North crews....

‘The reason for operating over to [Brewster–as opposed to reaching New York City via Penn Station] is that it will shave 15 minutes or more from the transit times into the city and it enables us to connect to the Harlem line service which is presently run every half hour.’

‘The above are concepts that would provide the optimum service to the two distinct markets (GCT and SW CT). They are also very compatible with the very large visitor market we will attract coming out of GCT to northwest Connecticut and the Berkshires.

To implement we will need to enter into much more detailed discussions with Metro-North and Connecticut but the New Milford Hub concept with the access to multiple markets is the most service friendly and provides the best transit times. One reason it was never done is because [Brewster] was New York Central and our rail line was New Haven and never the twain (or train) would meet.’ {text of study; e-mail to ANR&P from Pease 13.Sept.11; Kathryn Boughton in Litchfield County Times 24.Aug.11}
LaHood today announced $82.7 million to improve high-speed and intercity passenger rail.’

As one noted commentator who asked for anonymity said: ‘The real news story is how long this took to be released—considerably after good sense would say they should have acted. In fact you can tell that the FRA knows this because they are being all defensive by noting the deadline Congress gave them.’ {e-mail to ANR&P 22.Sept.11}

Rhode Island Department of Transportation
- $26.2 million for the design and construction of an electrified third track parallel to the Northeast Corridor’s main line, and a new platform for the station in Kingston, RI. The third track will permit faster trains to overtake slower trains, reducing congestion and improving on-time performance on the Northeast Corridor for Amtrak and commuter trains. Throughout the Northeast Corridor from Washington, D.C to Boston, $1.75 billion is being invested to improve service.

- $3 million for preliminary engineering and environmental reviews for American with Disabilities Act (ADA) compliant platforms at the Providence station on the Northeast Corridor. The project also includes improved parking and pedestrian access, station repairs, potential reconfiguration of transit circulation and drop-off facilities, and future tunnel improvements.

N. New England Passenger Rail Authority (NNEPRA)
- $20.8 million to alleviate congestion and reduce delays on segments of Amtrak’s Downeaster service. The project will provide critically needed double track, as well as signal and highway-rail grade crossing improvements between Wilmington and Ballardville, Massachusetts. Aging rail will be replaced with new, continuously-welded rail between Lawrence and Bradford, Massachusetts. The T operates commuter trains on this line, and on-time performance for the Downeaster has deteriorated due to bottlenecks within this area. Currently, the Downeaster operates from Boston to Portland and is expanding to Brunswick thanks to previous, federal grants totaling $38 million.

Connecticut Department of Transportation
- $30 million for 6 miles of new double-tracks from Hartford to Windsor, which will connect with an existing siding to create a 9-mile double-tracks segment on Amtrak’s New Haven-Springfield line. In addition, a new 8,500-foot siding will be added through the Hartford Yard to better clear freight trains off Amtrak’s main line. Together, this added capacity will substantially relieve existing congestion in the Hartford area and will support future increases in rail service. The project also includes repairs and maintenance to bridges, signal improvements, and grade crossing improvements. Connecticut previously received $40 million for double track work between New Haven and Hartford to reduce delays and improve travel time.

Vermont Agency of Transportation
- $2.7 million for a 16-mile extension of improved signal and train control technology to enhance the safety and operation of the Amtrak Vermonter service. Additionally, upgrades to the dispatch communication system will be made to enhance its reliability. VAOT previously received $50 million for improvements to the 190 miles of track between St. Albans and Vernon servicing the Vermonter. {USDOT press release}

The 16 miles run from Windsor to White River Junction, so that, when the upgrade is complete, CTC signalling will exist from West River north to White River Junction.

The dark territory [no signals] gap between East Northfield and Brattleboro remains a thorn in the side since CTC was installed in 1964. {Kevin Burkholder and Scott Whitney in New England Rail News e-list 21.Sept.11}
FGLK: TAKING OVER REAL ESTATE*

25 August, DC. **FINGER LAKES WILL ASSUME THE SOLVAY YARD**, under a purchase agreement described in a filing to the STB this day:

‘Pursuant to the regulations of the Surface Transportation Board (the "Board") at 49 CFR §1120.42(e), Finger Lakes Railway Corp. ("FGLK") hereby gives notice of its intent to purchase from CSX Transportation, Inc. ("CSXT"), the improvements comprising the 0.73-mile line of railroad between Milepost QCS 2.88 and Milepost QCS 3.61, together with the adjacent 2.17 miles of unregulated track in Solvay Yard, near Solvay, NY, and to lease the underlying real property. The acquisition, is intended to be intended to be effective as of October 22,2011, or as soon thereafter as the Board gives its approval. As a result of the transaction, FGLK does not expect any new jobs to be available...’ {STB website, filings page, FD 35545}

**Explanation**

Mike Smith, FGLK president, said on 12 September that the Solvay Yard served as the principal interchange yard between the two railroads, and also as the classification yard for FGLK to make up trains going west.

CSXT does use the yard to serve two customers, and it will continue to do so: a small chemical plant, the successor to the giant Allied Chemical plant here, and a power plant which burns coal. The plant sends its steam to the chemical plant and to the Rock-Tenn paperboard plant, served by FGLK.

FGLK will buy the track, and lease the underlying land from CSXT. Using internal funds, it will rebuild the yard, a ‘relic’ Smith labelled it. CSXT selling it to FGLK ‘makes sense. CSX has been very helpful. It’s going to work out.” {ANR&P discussion}

**NS-CP-FGLK**

On 13 September, NS detoured a coal train from the Southern Tier at Corning up FGLK to Solvay [see other article] to CSXT. CSXT re-crewed the train as a X332; it is destined for Bow, NH.

The Souther Tier reopened on 12 September. On 13 September, CP reopened the line between Binghamton and Albany. {Benjamin Martin in NERN e-list 13.Sept.11}
## CONNECTICUT

### PW: FUNDS FOR THE WILLI

14 September, DC. **THE TOWN OF SPRAGUE AND PW WON THE LARGEST GRANT, $5.3 MILLION**, as part of nearly $20 million for nationwide rail line relocation projects across the United States in eight cities and states. The FRA received 51 applications from across the country for the Rail Line Relocation and Improvement (RLR) grants, seeking more than $202 million.

‘Sprague, Connecticut – Providence & Worcester Railroad Willimantic Branch – $5,302,900 to upgrade track on the Providence and Worcester Railroad Company’s Willimantic Branch, allowing freight operations to increase speed from 10 mph to 40 mph. Located in a rural section of east central Connecticut, the Willimantic Branch serves local shippers, and improvements will provide for more efficient movement of freight shipments originating from or destined to customers across the nation or overseas.’ {text of USDOT press release}

**Sprague is overjoyed**

Cathy Osten, first selectman in Sprague, said on 22 September she was “dancing around the office” when she got the news. “It shows that municipal government and private business can work together....It can mean a complete revitalization of the whole area.”

In the application [see 10#11B] Osten said that Sprague noted that it was “trying to develop an old mill site and another building recently vacated. This [higher-speed track] would allow freight to move less expensively and thus be a reason to use this area. Osten credited “Dave McCluskey, a former state representative, who helped immensely.” He actually came to her and asked whether the town would be willing to be a partner with PW.

Osten praised PW Vice-president of Marketing Frank Rogers. “He has been so absolutely helpful in all that we have done. He looks at the area, [shows us how to] work together to market the area from a freight perspective. Having someone like that is a godsend to the Providence & Worcester.” {ANR&P discussion 22.Sept.11}

## MAINE

### MMA: CUSTOMER BACK

**THE EAST MILLINOCKET MILL WILL RE-OPEN**, after these events:

**Purchase on 16 September**

Cate Street [see 11#08B] bought the mills ‘in escrow’ for an undisclosed price from Brookfield Asset Management. A final mill sale is expected 27 September.

**21 September visit**

Richard Cyr, chief executive officer of the new ‘Great Northern Paper’ and senior vice president of Cate Street Capital, and other company executives visited Great Northern Paper Company's East Millinocket mill to meet with the media.

Cate Street’s need for wood in Berlin New Hampshire* and at the Katahdin mills gives it enough bulk-buying power to make its paper manufacture extremely competitive, as indicated by the orders backlog and the financial backers helping the company restart the mills, Cyr said.

**Re-open East Millinocket by 10 October**

On 21 September, Great Northern announced plans to start filling a full year of orders with 215 workers by 10 October,
and a deadline of 30 October to ship the first order. “It is a very short window. It puts a lot of pressure on everybody,” said Cyr.

Environmental permits
Also on 21 September, Maine state officials signed documents transferring to Cate Street most of the environmental permits issued originally to Brookfield, contingent on the state’s taking ownership of a landfill used by the mills and the financial liability of closure costs.

East Millinocket investment
Of the $20 million to $25 million to be invested at East Millinocket, about $15 million will cover GNP’s startup costs. The rest likely will pay for improvements to the mill’s wood yard, Cyr said.

“We have a very solid plan to reopen the [East Millinocket] mill and build on the operations moving forward and maybe add some very cool technologies in Millinocket,” company spokesperson Scott Tranchemontagne said. “It is a long-term vision of taking advantage of the synergies offered by that whole area. That’s not to say that there won’t be hurdles to overcome, but we wouldn’t have gotten to this point if we didn’t have a solid plan.”

Torrefied wood: replacing coal
Cyr and Tranchemontagne said Cate Street is studying starting torrefied wood manufacture at the Millinocket mill. The charcoaled wood chips burn at a 1-to-1 ratio with, and could replace some of the coal burned in, electricity plants to help those plants reduce their pollutants, Cyr said. “It has zero [harmful] emissions, and it handles the same as coal,” Cyr said, calling torrefied wood manufacturing “as labor-intensive as the paper industry. The similarities between them are uncanny.”

Cate Street’s other subsidiaries purify industrial water and recycle plastic bottles. Those efforts and the production of torrefied wood would fit well within the mill sites with their easy access to industrial water, hydroelectric power, rail lines and the bountiful wood supply offered by the nearby Golden Road, said Tranchemontagne. He called torrefied wood the most likely second generation development in Millinocket. {Nick Sambides and Christopher Cousins in Bangor Daily News 16 & 21.Sept.11}

The Millinocket mill
Market conditions will dictate the reopening of the Millinocket mill, which closed and laid off 150 workers in September 2008. That mill’s restart is not expected for several months. It appears to need a $10 million to $14 million investment before it can restart, Cyr said. The company plans to use liquefied natural gas to fire the Millinocket mill until natural gas lines are installed in the next two or three years.

The railroad will be ready: Searsport traffic
Ed Burkhardt, MMA chair, wrote on 22 September: ‘We are very excited about resumption of operations at East Millinocket, and are equally pleased with the possibility of the Millinocket paper mill reopening as well. Of course we plan to provide good customer service as traffic develops.

‘We have been in talks with the GNP management, and the level of cooperation has been excellent. They are highly professional, and have hired a well-regarded management team.

‘You are correct the initial traffic is programmed to move via Searsport, and we have agreed on a service package for this traffic and the planned inbound commodities. We will do all we can to support their marketing effort and expansion plans.’ {e-mail to ANR&P}

An unofficial MMA source estimated hundreds of loads would move to Searsport to meet the end of October deadline. {e-mail from S.Greenlaw to ANR&P 22.Sept.11}

*As Cate Street revitalizes its mills, the company began construction this week on a $275 million biomass boiler in Berlin,
N.H., that will generate 75 megawatts of electricity in late 2013.

**MMA: NEITHER RAIN, NOR...**

28 August, South Lagrange. *AN EXPLANATION OF THE CHIP TRANSLOAD* came from correspondent Rod Bushway. On this day, during Tropical Storm Irene, he photographed MMA workers making the usual delivery of wood chips from Porter to South Lagrange for drayage to Old Town [see 11#08B].

The photo shows, from left, a B-39-8 locomotive with remote control equipment [look closely at the nose of the lead locomotive] and one of the MMA remote-control equipped cabeese, followed by a B-23 locomotive and then high-sided gondolas containing the chips.

The wood chips are unloaded into trucks by a device atop the gantry with a bucket to scoop out the chips and load them into trailers.

As sometimes happens on stormy days, a conductor drove a company car down to the reload center so the engineer would not have to go remote on the ground. {e-mail from ANR&P correspondent Rod Bushway}

**Service reasonable**

Everett Deschenes, who manages fiber procurement for Old Town Fuel and Fiber, said roughly 45 carloads a week were arriving at South Lagrange.

MNR delivers the cars to MMA which spots the cars at the transload [see photo] too early. Deschenes said “it’s too early to tell” about service quality, though thus far it has been “reasonably good.”

The mill also receives chips from Houlton, trucked in. {ANR&P discussion 15.Sept.11}
MMA: FIGHT GLOBAL WARMING*
14 September. **MMA IS CONSIDERING PARTNERING TO BUILD GREEN LOCOMOTIVES AT ITS DERBY SHOPS.** Ed Burkhardt, MMA chair, said more details would be forthcoming 'in due course.' [e-mail to ANR&P]

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**MASSACHUSETTS**

CSXT: NEW SHORT LINE?*
14 September, North Brookfield. **TWELVE NEW RAIL FACILITIES COULD SPRING UP** along a four-mile branch off CSXT, said Richard Chabot, selectman of the Town of North Brookfield. He explained that the town owned, as the North Brookfield Railroad Company, the entire four miles of the former North Brookfield branch which begins in East Brookfield and terminates in North Brookfield [see box].

On 15 September, track contractors will walk the four miles to get some sense of the work required to relay track on the right of way. [Viewed on Google, the right of way appears intact to North Brookfield, with some question about the end points. One can see definite encroachment in East Brookfield just off the CSXT Boston line. Editor]

Chabot said a private party wanted to build the track and operate the line. The party has $5.5 million to do so, plus access to locomotives and rolling stock. He said he could talk about the party “in several weeks.”

The party has “seven or eight” potential customers who would locate on the line, plus “three or four” existing
companies on the line who would like to use rail, he said. \{ANR& P discussion\}

The party: Dan Bigda
Longtime industry track and safety consultant Tony Jewell of Indusrail reported on 14 September that Dan Bigda of Boxcar Services is the party behind the branch proposal. Jewell was not surprised about the proposal, though creating a four-mile branch off CSXT in the center of the state might look like folly to some. “With CSX pulling out of Boston, many people are scurrying looking for places to transload to get into the Boston market. Brookfield is located near two interstates,” I90 and I290, he said. \{ANR&P discussion 14.Sept.11\}

Indeed, the New England Automotive Gateway did just that in East Brookfield off CSXT, building an entire new auto terminal and then expanding it [see 04#10B, 06#04A]. Still, one wonders why at least one of the seven or eight interested parties does not locate on the property opposite the point at which the former North Brookfield branch began. On Google, one can see a double-ended siding and two additional spurs, with the land vacant. \{editor\}

Possible customers
Techno-Bloc. Reporter Brad Miner said later that the site formerly used by Chase Precast at 70 East Brookfield Road will be used by Techo-Bloc of St-Hubert, Quebec, a maker of commercial and residential paving stones, retaining walls and masonry veneer. [The site appears to have had a spur into it, looking at Google aerial. \Editor\]

In July, Eric J. Emanuel, Techo-Bloc’s chief operating officer, said the site should be fully operational in spring 2012. It will allow the company to better serve its network of dealers throughout New England and upstate New York. “Our plan is to launch this facility as a distribution site, and once that’s established, we’ll start work on a production plan.” Work is under way, he said, to redo the office complex, and once that’s done the entire plant will be retrofitted to meet Techo-Bloc’s needs and specifications.

In announcing the company’s plans for North Brookfield, Emanuel said Techo-Bloc had been searching for a strategic location to expand its business and had been looking at sites for about a year when the economy tanked. “We put things

In 1875, local interests secured a charter for the North Brookfield Railroad, built the line, and leased it to the Boston & Albany Railroad in 1876. The B&A operated passenger service until 1935, and its successors operated freight until 1972, when the line was abandoned. {Ronald Dale Karr, The Rail Lines of Southern New England 1995}

The 2007 Town of North Brookfield Community Master Plan, Transportation Chapter, states:

‘There is an extensive freight rail network in Central Massachusetts that is currently utilized by five freight rail providers. The CSX rail line runs east to west from Boston to Springfield via Worcester and carries a significant volume of freight. This rail line passes through Charlton Depot and South Spencer before passing through East Brookfield just south of Route 9 and then continuing westward.

‘There is an abandoned rail spur that extends from the active CSX railroad in a northerly direction through East Brookfield and into North Brookfield for a length of four miles before it concludes at the former Aztec property. This was the North Brookfield Branch of the Boston & Albany Railroad. Bought by the Penn Central Railroad in 1968, the North Brookfield Branch was abandoned in 1972. The tracks have been pulled up and all that remains is the railroad right-of-way.

‘The Town of North Brookfield bought [?] See below] the right-of-way in the late 70s and set up a corporation to manage this resource. This corporation is known as the North Brookfield Railroad Company and the Town’s Board of Selectmen acts as the Corporation’s Board of Directors. The Company files corporate income tax on an annual basis. Currently there are no plans under consideration for either reviving the railroad or using its right-of-way for other purposes. It should be noted that East Brookfield owns its portion of the railroad right-of-way and the Town’s 2006 Open Space & Recreation Plan has targeted the right-of-way for future use as a rail-trail, bike path or roadside trail.’ {town website] [Note, given the above history, either the town bought the railroad company from Penn Central, or the ownership of the company reverted to the town after abandonment. \Editor\]

Spencer branch
The former B&A branch to Spencer [see map] underwent a similar history. Penn Central also abandoned it in 1972. {Karr, ibid}
on hold and had been looking again for about a year. We looked at two other sites, Taunton and Uxbridge, but it was land only. In North Brookfield we had a good match — good location, utilities and infrastructure already in place.”

Known as a trendsetter in the industry for new products and new design, Techo-Bloc’s reputation is based upon meeting the most rigorous specifications for concrete products, Emanuel said. {ANR&P discussion 15.Sept.11; Miner in Worcester Telegram & Gazette 23.July.11}

Quabaug Rubber. Miner suggested this company might also use rail. Located in North Brookfield, it is the exclusive producer of Vibram soles in the United States. {ANR&P discussion 15.Sept.11}

More on land and governance
Two months ago, abutters to the right-of-way complained to North Brookfield selectmen about the actions of the North Brookfield Rail Trail Committee and an increase in illegal all-terrain vehicle and dirt bike activity. “Frankly, I'd rather have the trains,” said one frustrated abutter.

The North Brookfield Railroad Company has as its board the three selectmen of North Brookfield (Chabot, Mary Walter, and Jason Petraitis) plus local attorney Blaise P. Berthiaume. {Brad Miner in Worcester Telegram & Gazette 14.Sept.11}

CAFE RAIL: NEW TRACK*
13 September, Hyannis. MORE FACTS ABOUT THE CHANGE IN LEADERSHIP emerged when Cape Rail Inc. officials introduced a new management team and laid out a new vision for the railway's future. Cape Rail owns the Mass Coastal Railroad (MC) and the Cape Cod Central Railroad (CCCR).

Cape Rail received private varnish, a car built for Harold S. Vanderbilt in 1928 and delivered via Amtrak and MBCR. Cape Rail President Chris Podgurski attributed the change to some “minor differences of philosophy” and the desire to maintain relationships with MassDOT and SEMASS, the waste-to-energy facility. “The company has gone through some changes that were needed over the last three years since we started the freight operations.”

Ownership
Kennedy still has an {one-third {Edward Maroney in Barnstable Patriot 2.Sept.11}} ownership stake in the company but an"exit strategy" for him is in the works, Podgurski said. Kennedy provided a prepared statement to the Cape Cod Times this day: ‘The railroads and transportation infrastructure are vital to our region's economic success. It is my hope that the railroads will continue to play a large role in keeping this region moving forward. These railroads that I helped build, operate and grow over these last three decades have been a labor of love.’

As part of the changes, John Delli Priscoli, president of Grafton and Upton Railroad, was named to Cape Rail's board of directors and as the company's new chief executive officer.

Transload possible for MC
Delli Priscoli helped relaunch passenger rail service on the Cape in 1999 before selling out his share in the venture.* He then bought the GU [see 08#03B], where he has crafted a model for rail service that provides development assistance and transloading facilities along the railroad in a one-stop shop for freight customers, he said during the meeting in the railcar. “There is potential on the Cape for that type of scenario.”

MC is already been working on a transload with MassDOT at the transfer station in South Yarmouth, Podgurski said. It could serve as an off-loading location for large electrical transformers that can only be delivered to the Cape by rail.

Passenger service
The Cape Cod Regional Transit Authority is working with the state and consultants on weekend passenger rail service between Cape Cod and Boston by summer 2012, said Julie Quintero-Shulz, mobility manager with the transit authority.
Among the remaining hurdles for the Cape-to-Boston rail service are an analysis of the tracks, approval from the Army Corps of Engineers, which is responsible for the railroad bridge over the Cape Cod Canal, and a study of several grade crossings, Quintero-Shulz and Cape Rail chief financial officer John Pearson said. {Patrick Cassidy in cape cod online 14.Sept.11}

*More history.* Kennedy worked as superintendent of transportation and operations for the Cape Cod line, then operated as the Cape Cod and Hyannis [see 03#01B] from 1981 to 1988.


In 1999 Delli Priscoli acquired the Cape Cod line, and hired Kennedy. In late 1999, Delli Priscoli gave up the operation; Kennedy persuaded two local business people, Phil Doherty and Tim Biliouris, to purchase it [00#01].

Kennedy ran it until late 2002, when he was let go [see 03#01B]. He returned with Podgurski in 2007 [see 07#09A].

CAPE RAIL: MORE

21 September, Fall River. CITY OFFICIALS AND THE RAILROAD ANNOUNCED DINNER TRAIN SERVICE NEXT YEAR, during a tour on the private varnish.

Perhaps fitting to those accustomed to thinking commuter rail service to Boston will never come, the train arrived 40 minutes late to a press conference scheduled to begin at 1030AM. Cape Rail, the excursion sister company to MC, said the start date, the route, and the price are not settled. {Grant Welker in Fall River Herald News 21.Sept.11}

New Bedford visit: customer note
The same day, the train proceeded to New Bedford and stopped near Sid Wainer and Sons. Sid Wainer unloads cars of potatoes from Idaho and citrus from the West coast, said Tom Furtado, vice president of operations and director of sales. “We plan on using (rail) more in the future.” {Brian Boyd in New Bedford Standard-Times 22.Sept.11}

CSXT: NEW TERMINAL OK*

13 September, Westboro. SELECTMEN UNANIMOUSLY APPROVED THE SITE PLAN OF THE BULK TRANSFER STATION OPERATED BY TRANSFLO TERMINAL SERVICES, a subsidiary of CSX. Transflo has permission to install six new tracks and construct two new buildings — the main office and terminal center and an equipment garage — on 16 acres. The approval also included a future expansion to add four new tracks on six acres.

About 70% of the materials are classified by the state Department of Transportation as nonhazardous, such as food products, de-icing fluid, biodiesel, and latex and pigments used in coatings and paint. The remaining 30% are classified as hazardous and include corrosive materials and cleaning supply ingredients.

Town Manager James Malloy said Transflo agreed to establish a $1 million off-site mitigation fund. The fund will be used for hazardous materials training for the town’s 35 firefighters over the next 20 years; to buy a foam unit for the Fire Department; to buy and install an electronic height sensor for the East Main Street bridge approach; to install a traffic signal at Walkup Drive and Flanders Road; and to pave Walkup Drive or paint the East Main Street bridge.

Conditions attached to the site plan approval include: the Fire Department is to be notified of any transfer of hazardous materials outside the 6AM to 6PM hours of operation, trained Transflo employees or contractors are to make transfers, and a traffic management plan shall prohibit traffic from 105 Flanders Road to the intersection of Flanders Road and Route 30. {Donna Boynton in Worcester Telegram and Gazette 14.Sept.11}

NS & PAN AM: MORE ON ETHANOL*

11 September, Fitchburg. THE POSSIBLE ETHANOL MOVE TO REVERE STIRRED UP MORE CONCERN. A story this day noted Global ‘plans’ to move the ethanol, but no Global or Pan Am official would speak to the reporter. The story did note the concern of fire departments along the route.
“There is stuff going through on the trains all the time,” Chief Robert Pedrazzi of Ayer said. “Obviously it’s a concern, but is it any more of a concern than anything else on the rail. They ship everything. Anything the railroad ships comes through here and we have no say. It’s a problem — the more stuff that goes through, the more potential there is to have something happen. It’s a numbers game.”

Jennifer Mieth, spokesperson for the state’s Department of Fire Services, said the state is holding multi-state trainings focusing on ethanol. “We are getting them prepared on an emerging issue and providing them with the knowledge of techniques and tactics they’ll need. They need to determine locally if they have what they need to address a potential incident.” {Paula J. Owen in Worcester Telegram & Gazette 11.Sept.11}

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**NEW HAMPSHIRE**

**NHDOT: DELAY IN RAIL PLAN**

12 September, Concord. **DUE TO BUDGET ISSUES, NHDOT IS RESCHEDULING PUBLIC MEETINGS ON THE STATE RAIL PLAN UNTIL EARLY 2012.** According to a statement from Carol Morris, who is handling public outreach for the plan process, “National and State budgetary issues, along with uncertainty on transportation funding, current staff reductions, and the scheduling of 27 public hearings on the State’s Ten Year Transportation Improvement Program conducted by the Governor’s Advisory Commission on Intermodal Transportation, all have led to the need to delay the meetings and completion of the Rail Plan.

‘In addition to these issues, the effects of Tropical Storm Irene and the pending appointment of a new Department Commissioner have made it advisable to postpone the meetings. For these same reasons, NHDOT has also postponed the Rail Plan Technical Advisory Committee meeting originally scheduled for September 23 until early 2012. Please contact Kit Morgan, NHDOT, should you have any questions.’ {e-mail to interested parties}

**MBRX: LAWSUIT UPDATES**

12-13 April, Wilmington, DE. **THE MBRX PRACTICE AT GRADE CROSSINGS IS SIMILAR TO CLASS Is, though Pan Am has argued the MBRX practice violates the rule [see 11#07B]. At the Northeast Operating Rules Advisory Committee meeting this day, it entertained the interpretation of the applicable rule. The minutes of the meeting summarize the result:**

c) **Interpretation of Rule 138(e) – Milford & Bennington Railroad**  
(1) NORAC is more restrictive than 49CFR218.99 in that the regulation says an employee must be “stationed” at the crossing, and NORAC says “on-ground.”  
(2) Some entities have interpreted “stationed” to mean “riding the equipment” is acceptable, including NS & CSXT. FRA Headquarters hasn’t formally accepted this interpretation, and interprets “stationed” to mean “on the ground.”  
(3) Ongoing litigation resulted from an incident on Pan Am property involving a MBR train. Pan Am is not currently aware of a change in FRA interpretation of 49CFR218.99.  
(4) The Committee will not consider revision of Rule 138(e) until this litigation has been closed. {text of minutes}

15 September, Concord. **MBRX OBJECTED TO PAN AM’S MOTION FOR SUMMARY JUDGEMENT.** It argued that material facts remained in dispute.

It also argued that a standard of good faith and fair dealing applied to the Trackage Rights Agreement under which Pan Am barred Leishman for life.

‘[A] rational jury could find that Defendants 1) exercised their discretion under the rules compliance provisions in bad faith to get rid of Mr. Leishman, for spite and/or as a pretext for the purpose of constructively terminating the TRA;  
and 2) exercised their discretion to hold hearings in bad faith by failing to provide reasonable notice for the first two
hearings, unreasonably refusing to provide guidelines or rules for the hearings, unreasonably interfering with Mr. Leishman’s
defense and unreasonably refusing to admit relevant evidence, all in furtherance of creating a plausible justification for the
lifetime ban.’ {Court website, 10-cv-00264-PB}

5 October, Concord. **MBRX HAS SCHEDULED DEPOSITIONS OF THE TWO FINKS.** [To depose is to ask
verbal questions of the person who is under oath and before a person transcribing the colloquy.] David Fink fils (David
Armstrong Fink) and David Fink pere (David Andrew Fink) will appear at the offices of Craig Donais, MBRX counsel.
{text of Notices of Deposition}.

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**RHODE ISLAND**

[See Regional for funding release.]

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**VERMONT**

**VERMONT: RECOVERY**

*This updates the article in 11#08B, and in e-bulletin(gg), about the aftermath of Hurricane Irene, which swept through Vermont on 30 August.*

**VRS**

Rutland to Bellows Falls (NECR interchange). re-opened 16 September 16.

Rutland to North Bennington and Hoosick Junction (PAS interchange). Reopened 19 September.

New York and Ogdensburg. Line is in full service. {Ed Fitzgerald e-mail to VRS customers and others

**Thank yous**

‘This exceptional recovery could not have been accomplished without the notable contributions and cooperation by the
Vermont Agency of Transportation. Specifically, we want to thank Trini Brassard, Assistant Director, and Mladen Gagulic,
Civil engineer, and all the resident engineers and employees of the Vermont AOT who played a role in helping VRS restore
service on our lines.

‘Likewise, there were a number of construction contractors, engineers and suppliers who helped rebuild the railroad and we want to thank them also. RJ Corman and its employees provided expertise and outstanding effort helping to reconstruct miles of railroad. In addition to Corman, other contractors and engineers who contributed heavily to the recovery effort were: Engineers Construction Inc., Vanasse Hangen Brustlin, Inc., Barrett Trucking Company, Lane Construction, Jacobs Engineering Group, Kubricky Construction Corp., Renold Construction, Shelburne Limestone, Luzenac, and others. Our sincere thanks to all of them.’ {Ed Fitzgerald, VRS vice-president of marketing, 19.Sept.11}

**NECR**

On 19 September, NECR re-opened the last six miles of the Roxbury Subdivision, between West Braintree and Roxbury. More than one-half mile of 20- to 30-foot embankment was completely leveled to river height in the storm. Crews were brought in from RailWorks, Atlas Construction, and others to restore the NECR as a through route.
WACR

The bridge out in White River Junction is now targeted for re-opening by 10 October. {Kevin Burkholder e-mail to ANR&P 22.Sept.11}

MARITIMES

CN: POTASH UPDATE*

2 September, Sussex. **DESPITE GLOBAL ECONOMIC UNCERTAINTY, WORLD DEMAND FOR POTASH REMAINS STRONG**, wrote Stewart Brown, general manager of Potash Corporation of Saskatchewan (PotashCorp), New Brunswick division. ‘Sales are strong again in 2011 and we expect 2012 to be a good year due to low world-wide potash inventories and strong market conditions.’ {Brown in an email to ANR&P’s Tom Peters 12.Sept.11}

PotashCorp is the largest potash producer in the world at about 20% of the global production. It estimated global demand in 2011 at 55 million to 60 million tonnes. {PotashCorp website}

Plant expansion

The New Brunswick plant is undergoing a $1.6 billion expansion which per Brown is ‘progressing well. We had some issues last year with grouting in our service shaft though good progress was made at the production shaft which is now excavating the shaft station at the 850-metre level.’

‘Construction on the Picadilly mill is also progressing well and we expect initial commissioning in Q1-2013 and potash from the Picadilly mine in Q1-2014 when the permanent hoisting system and mining machines are in place.’

Surface facilities being constructed as part of the expansion: a new compaction plant, precipitator, process water pump house, pipeline, wet mill, maintenance shop, warehouse, mine offices, salt storage building, production headframe, service headframe and other related infrastructure.

Local production levels

In 2010 the Sussex plant exported 780,000 tonnes or about 95% of its production, equivalent to about 7,800 rail car loads, through its facilities, operated by Furncan Marine, at the Port of Saint John. ‘Brazil being our biggest customer but product is also being sold to other Caribbean, Central American and South American customers.’ {Brown in email}

When the new mine is in full production it will have a capacity of nearly 2 million tonnes of potash annually. {PotashCorp website}

Salt in the mix

In addition to the potash, the New Brunswick firm also produces about 600,000 tonnes of salt a year. ‘Salt is still being sold through Cargill (Ltd.) with approximately 200,000 tonnes shipped through the Port of Saint John and 400,000 tonnes by truck from the site in 2010 to customers in Eastern Canada and the northeast United States,’ Brown wrote. {Brown in email}

Ship numbers up

Trevor Durant, Furncan’s operations manager in Saint John, anticipated an increase in potash shiploads this year. Furncan handled about 30 shiploads in 2010 but “we will have more than that this year, somewhere around 50 ships I would think. That’s just an estimate.”

Vessel sizes range from 6,500 gross tonnes to 25,000 gross tonnes. “Typically the bigger ships go to Brazil and the smaller cargoes go to places like Columbia and the Dominican.
“Business is up and the forecast is very favorable. When the new mine opens its is looking very favorable to try and produce 2 million tonnes. That is going to be super busy.” {Trevor Durant in discussions with Peters 13.Sept. 11}

Q2 results
PotashCorp (TSX, NYSE) reported record second quarter earnings of $0.96 per share ($840 million), 81% above the $0.53 ($480 million) earned in the same quarter in 2010. Second quarter sales volumes for potash hit 2.5 million tonnes, 32% higher than the same period in 2010. First half potash sales were 5.3 million tonnes. The strongest demand came from Asian countries (other than China and India) and from Latin America. Shipments to these regions accounted for 51% and 32% respectively. North American shipments hit 0.8 million tonnes in the second quarter, up from 0.6 million in the same period in 2010. First half shipments in 2011 to North America totaled 1.9 million tonnes. {PotashCorp release}

HALIFAX: ESTONIAN GATEWAY?

ESTONIAN LOGISTICS AND TRANSPORTATION EXPERTS ARE CONSIDERING THE ‘TRANSATLANTIC HORSESHOE’ as a trade corridor between Memphis, Tennessee and Afghanistan. The Port of Halifax plus CN and the Halifax airport, along with the Port of Tallinn, would become part of a corridor connecting North American inland regions with Russia, Central Asia and China. {Ingrid Teesalu, ERR News, Estonia 20.Sept.11}

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Location info on Shipcsx.com
CSX-served at Ray’s Transportation, 55 Windsor Highway (Rt.32), New Windsor, NY.
Halifax Gateway Council
The Estonian delegation had approached the Halifax Gateway Council to visit the area and meet with transportation providers. “They were quite pleased with what they saw,” said the Council’s Nancy Phillips. The Estonians were looking at facilities for breakbulk and ro/ro cargo because they trade a lot in heavy equipment and automobiles.

“There is a huge airplay in this as well. The airport (Halifax Stanfield International Airport) has focused on the Baltic countries because they would like to be able to land and refuel a lot of planes here that want to do transatlantic flights. Finnair stops here now and there is also cargo potential,” she said. A delegation from Halifax plans to visit Estonia toward the end of October. {Nancy Phillips in discussions with ANR&P’s Tom Peters 22.Sept.11}

Estonians comment
In written comments to the Halifax Gateway Council, Illimar Paul, development manager for the Estonian Logistics Cluster, said the following after the delegation’s trip.

‘We have investigated the North American freight market since 2009. During our first mission to Memphis, TN, it became clear that one of the most competitive transport routes connecting main distribution hubs with the ocean is based on CN services via the Port of Halifax. From our strategic point of view, this is the most competitive transatlantic route to and from North America.

‘In this logistics system, CN and the Port of Halifax together with the terminals and 3PLs (third party logistics providers) are operating a transit gateway similar to what Estonia is doing regarding the market of 300 million consumers through the Port of Tallinn and Estonian Railways, with the assistance of terminal operators and 3PLs. Effective range of Estonian transit operations covers Russia, CIS (Commonwealth of Independent States), Central Asia (main focus on Kazakhstan), Afghanistan and Northern China (Urumqi).

‘We have developed a proposal for the Port of Halifax, CN and Greater Halifax Partnership about creating an alliance with the Estonian government, Port of Tallinn and Estonian Railways for joint development, marketing and sales of a transport corridor with the code name “Transatlantic Horseshoe”. The name comes from the shape of the corridor on the globe: Memphis-Chicago-Halifax-Tallinn-Moscow-Astana-Almaty-Urumqi or Afghanistan and vice versa.

‘We believe, that in such a strategic partnership we are able to attract more cargo into this corridor compared to working separately.’ {Illimar Paul in comments to HGC 20.Sept.11}

Trade with Estonia
Primary Canadian exports to Estonia are fish and seafood products, machinery, and miscellaneous chemical products. Exports totaled $30.5 million in 2009.

Canadian imports from the country include electrical and electronic equipment, furniture and bedding, toys, sports equipment, and some food products. Import total in 2009 was $21.6 million. {Canadian Government website}

The U.S. was Estonia’s 9th trade partner in the first half of 2009 (with 3.1% of Estonia’s total trade turnover). Estonian export to the United States in the first half of 2009 totalled $207 million and import was $95.4 million.

Estonia’s primary exports to the U.S. are manufactured goods, machinery and equipment, medical and measurement apparatus. Imports from the United States are machinery and equipment, transport vehicles, and mineral products. {Estonian Embassy website}
SAINT JOHN: POWER ENROUTE*
14 September. **THE AMERICAN IRON AND METAL SHREDDER WILL GET POWER.** Its project for the west side of the harbor was in jeopardy because of the lack of enough electricity [see 11#08B]. Port Authority President Jim Quinn wrote, following a meeting on the subject, that ‘Saint John Energy has agreed to provide a temporary distribution line which will allow NB Power to provide service to the AIM project at the West Side Port property.

‘I understand this assistance is possible as it fits within Saint John Energy’s present five-year plan to upgrade its own facilities within the area. In the meantime, I understand the longer term requirement for a transmission line into the lower West Saint John area remains and will be addressed within the next two years.’ {e-mail to ANR&P correspondent Tom Peters}

**SAINT JOHN**
14 September. **LOGISTEC RENEWED ITS LEASE AT NAVY ISLAND TERMINAL** [see map in 11#03B] to 2020, according to an announcement by the Saint John Port Authority. Logistec also operates Rodney Container Terminal at the Port of Saint John under a separate lease.

The recently signed agreement also returns control of one cargo shed to the Port Authority which is part of the Port’s overall strategy to create value-added services for cargo shippers, particularly relevant to the Port’s North-South marketing focus. {Port Authority press release}

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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.*

Global (PAS, Massachusetts) Mum on ethanol.
Great Northern Paper (MMA, Maine) Name revived.
Old Town (MMA, Maine) Chip transload.
Pelletier (MNR, Maine) Chip transload.
PotashCorp (CN, New Brunswick) More traffic.
Quabau (N.Brookfield, Massachusetts) New RR.
Rock-Tenn (FGLK, New York) Served at Solvay.
Sid Wainer (MC, Massachusetts) More rail?
TechnoBloc (N.Brookfield, Massachusetts) New RR.

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Malcolm Laughlin, editor
Chop Hardenbergh, publisher

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The newsletter covers the operating freight railroads and ports in New England, the Maritimes, and eastern Québec, as well as the government environment they function within. Coverage includes passenger rail and ships when relevant to freight operations.

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*ANR&P* appears at least four times a month. We send a formal issue twice a month, via post or e-mail. Between the issues, we send out the *e-bulletin*, only by e-mail. All information in the *e-bulletin* is included, and often updated, in the issue.

   Stories not updated for the issue are noted with an asterisk. I urge readers to look at the issue’s updated stories (those without an asterisk).

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Purpose

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