Formal issue 11#12A 16 December 2011

*Article unchanged from e-bulletin.
**Blue type in article: changes from e-bulletin.
Blue header & table of contents: new article

REGионаL

USDOT: Only one TIGER III freight rail project.
Atlantic Gateway: International Falls, Minnesota, notes it's "not at the end of the road."**
PW-ST: Coal and limestone moving to Bow again.*

NEW YOrK

NYSDOT: 18 rail projects funded by state.
New York: Future for Bayonne Bridge & large ships?**
NYA-CSXT: EPA funds green locomotive for each.
NYA: Transload decision months away.
NS-PAS: Mickeyville intermodal ramp open January.*
Albany: NYSDOT funds Rensselaer wharf work.

QUEBEC

[No report.]

CONNECTICUT


MAINE

MNR: New Cavendish fertilizer facility.*
NBSR-MMA: NBSR's Eastern Maine Railway will buy MMA's Madawaska line.**
MNR: An overview by Allan Kane.**

MASSACHUSETTS

MC: Will brushcut line from Fall River to Rhode Island.
Gold Medal may choose direct service.*

PVRR: Sullivan expands transload. PAS interchange expanding.** Map.

NEW HAMPSHIRE

MBRX-ST-NS: Rail to Monadnock Paper?*

RHODE ISLAND

PW: State poses shutdown of TLA Pond View.

VERMONT

[No report.]

MARITIMES

CN/Dalhousie: More on CN rail lease.*
Sydney: Dredging nearly done, coal transload interest, port governance moving ahead.*

RAIL ШIPPERS/RECEIVERS

A cross-reference to companies mentioned here.

PEOPLE, POSITIONS, EVENTS

[No report.]

FROM THE PUBLISHER

New stuff!
This formal issue has seven new stories, plus blue ink in four earlier stories. I think that's a record.

Chop Hardenbergh
– Next formal issue 29 December –

USDOT: REGIONAL DISAPPOINTMENT
15 December, DC. USDOT SECRETARY RAY LAHOOD ANNOUNCED 46 TRANSPORTATION PROJECTS IN 34 STATES WILL RECEIVE $511 MILLION FROM TIGER III. USDOT received 848 project applications from all 50 states, Puerto Rico, and District of Columbia, requesting a total of $14.29 billion.

Of the freight rail or port applications made by the seven states in the Atlantic Northeast, only one was funded [see complete list of applications in 11#11B]. [However, the Portageville viaduct was partly funded by New York itself, see other article.]

Freight rail or port awards (1)
Merrimack River Bridge Rehabilitation $10 million

Non-freight rail/port awards (5)
Buffalo Main Street Revitalization $15 million
Kennebec Bridge Replacement $10.8 million
Stamford Intermodal Access $10.5 million
Syracuse Connective Corridor $10 million
St.Albans Main Street Reconstruction $2.1 million

Others nearby (Pennsylvania, New Jersey)
Carrie Furnace Flyover Bridge (PA) $10 million
Rutherford (PA) Intermodal Facility Expansion $15 million
South Jersey Port Rail Improvements $18.5 million
IMPaCT Philadelphia $10 million. {USDOT website}

ATLANTIC GATEWAY: NEW VIEW*
10 December, Ranier. A MID-CONTINENT TOWN NO LONGER “AT THE END OF THE ROAD” BUT THE BUSIEST RAIL PORT IN NORTH AMERICA.

International Falls Mayor Shawn Mason said in early December: “We used to think that I Falls [Minnesota] was at the end of the road, but as it relates to transportation and logistics, we’re right smack dab in the middle. What an advantage is that for companies seeking that kind of operations within a business plan.”

Paul Nevanen, director of the county’s main economic development agency, said the status as busiest rail port in North America validates local efforts toward bringing
business into the foreign trade zone, which is located near Ranier and connected to CN's rail line [which proceeds to Duluth then over former Wisconsin Central tracks to Chicago]. {Laurel Beager in International Falls The Journal 10.Dec.11}

**PW-ST: TRAFFIC RESUMES**

8 December, Providence.  *LIMESTONE BEGAN MOVING TO BOW AGAIN*, reported rail observer David Pothier. An 80-car ethanol train came down from Worcester to the Motiva Facility in South Providence. After delivering their consist, they tied their power on to returning PR3. Five locomotives moved general freight and around 25 loads of limestone. {e-mail to ANR&P}

**The scrubber is operational**

The scrubber at the Bow power plant [see 11#10B] started on 28 September. PSNH would like to recover its costs from ratepayers starting 1 January 2012. {Joint Testimony of Robert A. Baumann and William H. Smagula Docket No. DE 11-215 before the New Hampshire Public Utilities Commission 14.Oct.11}

Martin Murray, PSNH spokesperson reported: 'We're continuing to work at optimizing the performance of the scrubber, which was put into service in late September. This optimization will continue into the new year.'

**Movement of coal**

Murray also reported that coal is moving to Bow via truck and rail, but firmly declined to provide even rough dates about the truck move. {e-mail to ANR&P 6.Dec.11} A rail observer in Rhode Island reported that in the current week coal was moving by rail from Providence to Bow. {e-mail to ANR&P 8.Dec.11}

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**NEW YORK**

**NEW YORK: RAILROADS GET FUNDS**

8 December, Albany. GOVERNOR ANDREW CUOMO ANNOUNCED $785 MILLION IN ECONOMIC DEVELOPMENT, including $33.4 million in rail grants. Through a consolidated funding application, businesses and other entities gained streamlined and expedited access to economic development funding from nine state agencies and 29 existing programs.

[Map of New York with rail projects marked] New York. NYS-funded rail projects {ANR&P}
Endorsement of the local Regional Council and the technical scoring of various state funding agencies determined the project awards.

FINGER LAKES REGION

Finger Lakes Railway. The railroad will construct a new transload rail yard in Auburn, Cayuga County, as well as a 2,640' passing siding to enhance train operations. The transload facility will provide central New York businesses with access to rail transportation without making a large capital investment, servicing companies that do not have a rail line into their facilities but use/ship large quantities of material. $508,240

Norfolk Southern Railway. NS will replace the Portageville Viaduct, which carries the Southern Tier Corridor over the Genesee River in Letchworth State Park. The current weight and speed restrictions on the bridge were identified in the 2009 New York State Rail Plan as one of the top ten rail bottlenecks in New York. $2,000,000 [The project was not funded by USDOT – see other article.]

Ontario Midland Railroad. It will rehabilitate the main line track between Sodus and North Rose to restore rail service to businesses along the line. Track conditions in this area deteriorated to the point that the railroad cannot be safely operated. $1,658,009

CENTRAL NEW YORK

New York Susquehanna & Western. Construction of a new rail siding in Preble will accommodate a manufacturing investment by Bestdeck in its Preble facilities, and enhance efforts to develop other nearby parcels at the north end of Cortland County. The project will comprise construction of a 1,781-foot rail siding from the New York Susquehanna & Western’s main line to the Bestdeck manufacturing facility. $350,000

New York, Susquehanna & Western. A new transload terminal in Cortland [30 miles from the new transload in Auburn – see above] will provide central New York businesses with access to rail transportation. $917,442

Port of Oswego Authority. It will reconstruct roadways within the East Terminal to improve truck accessibility within the Port, rehabilitate the rail line that serves the East Terminal, and construct a secure, open-storage area to accommodate increased traffic and new commodities. $1,750,000

NORTH COUNTRY

Delaware & Hudson. Bombardier Mass Transit Corporation will expand its Omega facility in Plattsburgh by 57,000SF and extend the railcar test track by 2,100 feet to increase efficiency, flexibility and capacity for new contracts. $2,500,000

Former Mohawk, Adirondack, and Northern. Reopen and rehabilitate 46.25 miles of rail line to serve Newton Falls Fine Paper, Benson Mine and Slack Chem. The project will restore the most efficient, safe, reliable and environmentally acceptable transportation of materials in a cost effective manner. $9,972,000

Massena Terminal Railroad. It will rehabilitate its main line and yard tracks to safely accommodate unit trains for the ALCOA West Plant. Bridges will be put into a state of good repair, new rail, ties and ballast will be installed, and a new switch will be installed to improve the line's connection with CSX Transportation. $1,637,600

New York and Ogdensburg. Ogdensburg Bridge and Port Authority will rehabilitate eight bridges and the track
between Ogdensburg and Norwood to accommodate the increased weight of modern rail equipment. $450,000

The track is operated by VRS.

**CSXT.** The St. Lawrence County Industrial Development Authority has sponsored the rehabilitation of the bridge over the Oswegatchie River and the rail spur serving the Clearwater Paper Company at Natural Dam on the Oswegatchie River, near Gouverneur. The project will allow for resumed direct rail service to the Clearwater Paper Company which will reduce transportation costs and keep the mill economically viable. The project will preserve jobs at Clearwater Paper and will reduce truck traffic on State Route 58. $200,000

**CAPITAL REGION**

**Albany.** The Albany Port District Commission will replace 600 feet of deteriorated, 1920s-era wharf with a modern, high-strength wharf on the east side of the Hudson River, doubling the capacity of the Rensselaer side of the Port. This project will complement the recent reconstruction of the wharf on the west side of the river. $11,456,700 [See other article.]

**Clarendon & Pittsford Railroad.** It will restore the northern leg of the wye between the Clarendon & Pittsford Railroad and Canadian Pacific Railway and rehabilitate the Canal Street bridge in Whitehall. This restored connection will improve the connection between the two railroads, allowing rail traffic to flow more efficiently. The project will also benefit Amtrak's Adirondack service, as the project will reduce freight-related delays in the corridor. $1,100,000

**CSXT.** In Claverack Industrial Park, Town of Greenport, the Columbia County Industrial Development Authority will develop a new transloading facility to serve Hudson Valley businesses that lack direct rail access. $2,208,600 [Location supplied by an official of the IDA. {ANR&P discussion 15.Dec.11}]

**MID-HUDSON**

**Middletown & New Jersey Railway.** It will rehabilitate the rail line between Campbell Hall and Warwick, as well as portions of track in Middletown and between Walden and Montgomery. $1,656,000

**SOUTHERN TIER**

**Wellsboro & Corning Railroad** The railroad will restore 11 miles of main line railroad track from Corning to the state line and reconstruct approximately 3,500 feet of former second main track. $1,800,000

**New York, Susquehanna & Western.** The Chenango County Industrial Development Authority will restore the Binghamton-Utica rail corridor which has been out of service between Chenango Forks and Sherburne since the floods of 2006. The project will repair the railroad embankments and drainage structures, realign stream channels to their original course under the railroad bridges, clear vegetation and debris for the safe use of the rail corridor, and replace ties to allow rail freight service to resume. $772,422

**Bath & Hammondsport Railroad.** The Steuben County Industrial Development Authority will rehabilitate approximately two miles of the Hammondsport Industrial rail track in Steuben County, move and extend a run-around track for safer operations, and improve grade crossings so that the B&H Rail Corp. can provide rail service to the Bath Industrial Park. $727,578

The rail service could attract shale gas-related companies and other businesses to the industrial park, said IDA director Jamie Johnson. “We have some prospects, but nothing formalized,” Johnson said. “They tell us, ‘Once you get the rail operational, give us a call.’ So this puts us in a situation now where we have an active rail line.” {Derrick Ek in Corning Leader 11.Dec.2011}
NEW YORK: LARGE SHIPS

14 November, New York.  THE COAST GUARD WANTS PUBLIC COMMENT ON RAISING THE BAYONNE BRIDGE. PANYNJ submitted a work plan to lift the deck from 151 feet above mean low water to 215 feet. [See 10#12B with more details and map.] Comments were due by 9 December.

No room for terminals in Jersey City or Brooklyn

'One of the significant factors common to all of these studies is the clear commitment on behalf of the PANYNJ that the container terminals at Port Newark and Port Elizabeth are the key to accommodating the Port’s long-term future container ship demand. Expansion options for facilities east of the bridge were thoroughly evaluated—even with large increases in productivity, Port Jersey and Red Hook could not handle the Port’s commerce within their current footprints. An expansion of these facilities into mega terminals would require extraordinary coordination between the various private terminal operators in the Port. Most importantly, the expansion of facilities of the Port Jersey peninsula would require extensive improvements of the local roadway and rail networks and facilities on the Brooklyn site of the Port would discharge massive amounts of cargo onto the already congested roadway networks in the east-of-Hudson region.' {National Environmental Policy Act (NEPA) Work Plan, page 1-4}

Dredging already underway to 50 feet

The U.S. Army Corps of Engineers has been deepening shipping channels of the Port of New York and New Jersey since the mid 1990s. A program of dredging and blasting has deepened the shipping channel of the Kill Van Kull to approximately 50 feet beneath the Bayonne Bridge. The program continues with the goal of achieving a 50-foot channel between the Port Newark-Elizabeth Marine Terminal and the Atlantic Ocean by 2012. {National Environmental Policy Act (NEPA) Work Plan, pages 1-3, 1-4}

Matching the Panama Canal: How big a ship for the Newark and Port Elizabeth Terminals?

At what the Authority deems the most beneficial height of 215 feet, that would still not permit the largest ships. It would, however, accept the largest ships through the expanded Panama Canal:

'At present, restrictions on vessels that traverse the Panama Canal makes the Port of New York and New Jersey less vulnerable to the clearance requirements of the Bayonne Bridge. While the Bridge does not accommodate exactly the same KTHW [keel to height] as the Canal, restrictions are similar, and many shippers use vessels that can navigate both facilities. In 2015, the deepening and widening of the Panama Canal will allow for ships of up to 255 KTHW and approximately 12,000 TEU to use the Canal; however, vessels of this size would not be able to traverse the Bayonne Bridge.' {page 1-4}

Budget, funding

For 2012, the Port Authority has budgeted $15.2 million for work on the bridge, which it would like to complete in 2016. {Peter Leach in Journal of Commerce 7.Dec.11; Journal of Commerce 15.June.11}

Greenville Yard

The agency also plans to spend $12.4 million on the revival of the Brooklyn Marine Terminal [see 11#11A] in Sunset Park in Brooklyn and $198,000 on infrastructure at Brooklyn’s Red Hook Terminal.
At the New Jersey end of the harbor floats, it plans to spend $58.3 million on the development of a rail ramp for the municipal waste move [see 11#11A]. {Peter Leach in Journal of Commerce 7-Dec.11}

Largest ships elsewhere
This month, Mediterranean Shipping Company said carriers must deploy the biggest vessels possible on the Asia-Europe trade to minimize losses. Diego Aponte, MSC vice-president, said he expects the Asia-Europe route to remain unprofitable until 2013 because of weak demand and a glut of capacity.

“Economies of scale are essential. Freight rates will be under pressure for many years,” Aponte said. “Volume growth is there, but it will never be explosive like it used to be in 2007.” Carriers that lack global reach won’t survive in the future, he said.

MSC’s partnership with CMA CGM is a bid to keep pace with Maersk Line after the world’s largest carrier placed orders for 20 ships with 18,000 TEU capacity, valued at $3.8 billion, and launched a seven-days-a-week service between four Asian and three north European ports. {Bruce Barnard in Journal of Commerce 8-Dec.11}

There's a [larger] boat leavin' soon, for New York
In February/March 2012, OOCL will deploy 3 x 5,400 TEU vessels as replacements for 3 x 4,250 TEU vessels, one of which is presently operated by Zim. Port rotation will be Rotterdam, Hamburg, Le Havre, Southampton, New York, Norfolk, Charleston, Rotterdam. {PR Newswire 12.11}

NYA-CSXT: GREEN LOCOMOTIVES
13 December, New York City. EPA WILL HELP FUND TWO GENSET LOCOMOTIVES to operate within city limits. These two conversions, for which EPA will supply $2 million, will save an estimated 31,000 gallons of fuel each year and remove an expected 32 tons of nitrogen oxides and 0.64 tons of particulate matter from the air annually. Removing 32 tons of nitrogen oxides from the air is the equivalent of taking over 4,300 personal automobiles off of the road each year.

NYA with Waste Management participation
NYA will operate the first retrofitted locomotive, based at the Fresh Pond Rail Yard in Queens, for service in Queens and Brooklyn. It currently serves on the Bushwick and Lower Montauk branches in Brooklyn and Queens, serving over 20 local businesses including the DSNY Varick Avenue truck-to-rail waste transfer station, operated by Waste Management.

New York & Atlantic and Waste Management will cover the additional conversion costs. After repowering, the locomotive will become the first in the region to meet EPA Tier 4 emission standard, not required until 2015.

NYA President Paul Victor said: “NY & A supports the acquisition of this lower emission locomotive. This unit will join NY & A’S existing locomotive fleet which is currently in the process of being upgraded with state of the art idle minimization technology. NY & A will work with the other participants to finalize the construction and acquisition of this lower emission green locomotive.”

CSXT
CSXT will operate the other Genset locomotive at the Oak Point Rail Yard in Port Morris, Bronx to serve the Bronx and Queens. (In 2009 CSXT got a CMAQ grant for four Genset locomotives in the Bronx.) It currently powers the daily interchange trains between the South Bronx and Queens. After repowering, it will meet EPA Tier 3 emission standards, and will complement the four GenSet locomotives that CSX already uses in the area. CSX is participating financially and supplying one of its locomotives suitable for retrofit. {NYC Economic Development Administration press release}

More detail
The applicant. EPA required a public sponsor. Since, as Josh Nelson, spokesperson for New York City
Economic Development Corporation noted, “one of many roles of NYCEDC is developing and promoting freight, EDC is a logical point.” However, EDC is not technically a city agency, so the official partner became New York City Department of Small Business Services. All of the work was a partnership, though, he emphasized.

**How long does the locomotive remain in the City?** In a commitment letter, CSXT agreed to keep the refurbished locomotive 'in the local area' for five years.

NYA said in a commitment letter to NYCEDC that the locomotive (actually a mother-slug set) will remain within EPA Region 2 'for the duration of NYA's concession' on the Long Island Railroad.

**How much will the locomotive rebuild cost?**
The city will put the work out to bid, Nelson said. Applicants estimated each Genset conversion would cost in the neighborhood of $2 million.

For the CSXT conversion, EPA will pay $1,000,000, mandatory match is $455,789, voluntary cost share $367,369 (CSXT said it would pay up to $750,000), and total project cost $1,823,158.

For the NYA conversion, EPA will pay $1,000,000. mandatory match is $633,083, voluntary cost share is $899,248, and total cost $2,532,331.

**Who will own the locomotive?**
CSXT will own its locomotive. Waste Mamahgememt, which has committed $1,400,000 to the rebuild, will acquire the locomotive and lease it to NYA. \{ANR&P discussion 15.Dec.11; text of applications\}

**NYA/BROOKLYN: TRANSLOAD BIDS**
15 December, New York. **THE SELECTION COMMITTEE FOR THE SOUTH BROOKLYN TRANSLOADS** will not make a decision for “several months,” said Nelson. He explained that in addition to reviewing the proposals, the committee will interview the applicants it would like to. \{ANR&P discussion\}

**NS-ST: MECHANICVILLE OPENING**
11 December, Mechanicville. **VARIOUS REPORTS INDICATE THE NEW RAMP MAY OPEN SOON.**

**SMS Rail report**
Jeff Sutch, president of SMS Rail Services whose subsidiary SNY operates the line to the temporary auto terminal in Voorheesville [see 10#06B], said he had heard that the intermodal ramp will open as of 1 January, but that he has he will continue to handle vehicles at his location "for the near future." \{ANR&P 7.Dec.11\}

**Halfmoon report**
Steve Watts, who serves as a planning officer for the Town of Halfmoon in which most of the yard lies [see 10#06B] and which is the lead town for the planning and construction oversight, said, “We have no indication of any opening. Contractors pulled [took out] a bunch of building permits for the yard...but have not pulled any COs [certificates of occupancy]. The site manager visited the town office a few days ago, and said nothing about an opening.” \{ANR&P discussion 8.Dec.11\}

**Office car special report**
Various reports have the Pan Am Office Car Special running in mid-December out of Waterville.

**Site visit**
One rail observer reported that on 4 December Mechanicville looked good. Construction crews were working there. Two new orange NS container cranes were present, very different from the old oil-stained yellow ones at CP's Kenwood yard.

But - the access road off Route 67 [see map in 09#04B] still had a big gap between the creek bridge and
the yard. {NERN e-list 11.Dec.11}

**ALBANY: RENSSELAER WHARF**

8 December, *THE PORT OF ALBANY-RENSSELAER DISTRICT COMMISSION RECEIVED $11.5 MILLION FOR RECONSTRUCTION OF ITS WHARF* on the Rensselaer side of the Port District. The award was part of $785 million in economic development grants announced by Governor Andrew Cuomo [see other article]. The ARPDC will replace 600 feet of deteriorated, 1920s-era wharf with a modern, high-strength wharf on the east side of the Hudson River, doubling the capacity of the Rensselaer side of the Port. This project will complement the recent reconstruction of the wharf on the west side of the river. NYSDOT is the funding agency. {governor’s Web siteCFAAwards Booklet.pdf}

A multi-year major wharf reconstruction project on the Albany side of the Port took place in late October of this year. [See other article.]

**Project details**

The wharf consists of 600 feet of its original 1920s era construction of wood-timber pile and 600 feet of wharf deterioration renders the older wharf section completely weak. Prepared by Moffatt and Nichol, at the Rensselaer 1980s, but it can only be used to temporarily store material immediately before ship arrival. Ships can only be loaded using slower ship’s gear because the wharf cannot bear the weight of a shoreside crane....

[A replacement modern high-strength wharf section] would have sufficient weight bearing capacity to support a mobile harbor crane.' With the second 600-foot segment rebuilt the wharf can accommodate to two ships simultaneously. The Port estimated that this will then double the annual numbers of vessels docked from approximately 8-12 currently to 16-24, and enable barge traffic as well.

Planning and design through construction is estimated at $12.7 million. The APDC has previously expended around $100,000 on studies on the wharf’s condition, bathymetric surveys, soil borings, and other preliminary work. It will provide $1.273 million directly to the project. The project will begin immediately upon the grant award and is expected to take 24 months to complete. The estimated service life of the reconstructed wharf is 50 years. {NYS Consolidated Funding Application of The Albany-Rensselaer Port District Commission for Rensselaer
Wharf Reconstruction, provided by Richard Hendrick, port general manager, and Tom McGuinness, it manager, to ANR&P correspondent Laurel Rafferty, 14 Nov. 11

Port study consultant
On 29 November, Brian Durand, spokesperson for the Office of Policy and Management, which is coordinating the RFP, wrote: ‘Pursuant to Connecticut General Statutes (sec. 1-210), information regarding the contractor selection process will not be made publicly available until the negotiations with the selected vendor have ended and the State has a fully executed contract. We assume that will happen at some point in late December or early January.’ {e-mail to ANR&P}

On 14 December, Durand noted that ‘work will not begin until we have a contract. The RFP stated that the state’s expectation was for work to begin on December 15 [see 11#11B]. However, it does not appear we will have a signed contract by then.... Our expectation is still to have an executed contract in the coming weeks however, at which point work is to begin.’
Holyoke. A string of predominately Norfolk Southern boxcars sits at the Pioneer Valley/Pan Am interchange in Holyoke 13 November 2011. {courtesy Charles England}

State Pier operator
Chuck Beck, ConnDOT transportation maritime manager, wrote on 12 December that though the due date for proposals to operate the State Pier in New London has passed [see 11#11B], he could not divulge the names of the bidders ‘at this time.’ {e-mails to ANR&P}

MAINE

MNR: NEW CUSTOMER*
12 December, Fort Fairfield. CAVENDISH WILL COMBINE SEVERAL FACILITIES INTO ONE HERE.
In October 2011, Cavendish Agri Services began construction on Route 1A of a larger facility to collect, store and distribute agricultural fertilizer. Mary Keith, Irving spokesperson, said: “The expanded facility (46,500 square feet) will be operational by April 2012 and [construction] has not interrupted current service to customers. Approximately 40 workers in total have been employed in the various phases of the project. [The plant will combine the Caribou plant and others – see below.]

“The fertilizer plant is one of the largest buildings of its kind on the East Coast. State-of-the-art technology will provide best in class blends for the growers in the region. This investment is a major step forward for Cavendish Agri’s commitment to service and quality excellence the growers have come to expect.”

Fort Fairfield Town Manager Dan Foster said Cavendish “have a facility on the McShea Siding Road to store fertilizer. They bring fertilizer into Aroostook County, store it and then sell it during the spring … when people are out planting potatoes. They have a lot of acres themselves, so I’m sure they have their own customer base that they sell the product to.

“My vision is that they are consolidating these other places into one central location to be able to store this product,” he said. “They’re building a brand new facility on a whole new lot. Buck Construction is doing the work.” {Scott Mitchell Johnson in Presque Isle Star-Herald 21.Oct.11}

Rail access for Cavendish
Fort Fairfield bought the last 8.5 miles of the line in 2003 from the Bangor and Aroostook bankruptcy estate [see 03#07A], and won a grant to rehab it [see 04#11A]. Allan Kane [see other article] said MNR had built a spur into the new facility, which Cavendish will own.

Tony Levesque, economic development director for Fort Fairfield, said on 12 December that Cavendish had to close its Caribou plant because a new bypass used the property, and it was putting other plants into Fort Fairfield as well.

The new facility lies northwest of the point where Route 1A crosses the MNR line near the Fairmont Siding.

Other rail use
Near the new Cavendish site, three silos belong to County Grain [see 05#09A] are located at Fairmont Siding. Lucerne Farms did consider putting in its own siding [see 05#09A]. The Town put in a switch and 100 feet of rail, but Lucerne never extended it

McShea Siding, when Cavendish closes its small facility, will have no rail traffic. But Smith Farms, the nation's leading broccoli producer, has purchased the remainder of McShea Siding Industrial Park and has said it will build a grain silo there.

Levesque said that downtown, MNR is hauling out metal scrap from the dismantling of the Interstate Foods french fry plant (formerly A&P), a 210,000SF structure which they refused to sell after closing it in 1993. JR Simplot's subsidiary Atlantic Custom Processing attempted to make a go in the facility [see 04#11A]. The plant has a long-disused spur the railroad is employing.

The Boralex biomass energy plant was going to bring in long logs, but that has not happened. Aroostook Starch, which had rail plans, stopped production in 2005 [see 05#09A]. After it was bought by a partnership based in Portland, it resumed production. Levesque said nothing is moving by rail now, but the plant has expressed interest in extending a spur up the hill to the plant. {ANR&P discussion}
MMA-NBSR: TOP OF MAINE**

6 December, Chicago. **MMA WILL SELL THE MADAWASKA-VAN BUREN-ST.LEONARD LINE TO EASTERN MAINE RAILWAY,** wrote Ed Burkhardt, chair of MMA and head of its majority owner, RailWorld. ‘We have accepted the offer of Eastern Maine Railway (JDI) [J.D.Irving]....Before closing, we must conclude a definitive asset purchase agreement and secure concurrence from the FRA, who holds a mortgage on the line under our RRIF loan. Additionally, we have asked MDOT to permit us to transfer the balance remaining from a LRFA upgrading loan that is specific to this line to the buyer.

‘All of this will take awhile, but we hope to close on the transaction in January.' {e-mail to ANR&P}

Use of the line
Currently, MMA stations a locomotive on the line and serves several customers. It still does not serve the Twin Rivers paper mill. {ANR&P talk 1.Dec.11} [Moulton comment omitted because erroneous. Editor]

Willard Emery, who runs the Logistics Management Services facilities (subsidiary of MMA), said his new Van Buren location [moved to make room for border post – see 11#08B] is now fully operational. While it is getting direct MMA rail service, it handles no Twin Rivers paper, and he could not name a local warehouse which did. {ANR&P discussion 6.Dec.11}

Jeff Dutton, president of Twin Rivers, asked whether the mill would go back to direct rail [see 11#03B], wrote: 'We will certainly evaluate this.' {e-mail to ANR&P 6.Dec.11}

Why NBSR?
Burkhardt explained how NBSR became the buyer. The line was not losing money. MMA invited CN, Twin Rivers, NBSR, and others to make an offer. There would be value for CN, as their trackage rights don't get them to the Twin Rivers paper mill, as the Federal District Court determined. But they already have Twin
Rivers business at Edmundston, and never really wanted to operate across the river in Maine.' CN did not put in a bid.

NBSR and others did, and NBSR's price was enough to justify selling it.

The rest of the MMA
Burkhardt noted that MMA had had 'no talks with VRS. There have been on and off talks with others in the past, but nothing to report on now.' {e-mail to ANR&P 12.Dec.11}

MAINE NORTHERN RAILWAY**
1 December, Augusta. AN OVERVIEW OF THE RAILROAD WAS PRESENTED AT THE RAILROAD PANEL during the annual Maine Transportation conference put on by the Maine Better Transportation Association. Allan Kane, director of sales and logistics, substituted for the scheduled Ian Simpson, who was "called away on very important business" [see the MMA sale announcement], said the panel host, MDOT rail administrator Nate Moulton.

Kane has worked with Irving for 16 years. He is responsible for the Railway's sales, marketing, distribution centers and reloads in Maine and New Brunswick.

About JD Irving
JD Irving has seven divisions: forestry & forest products, transportation, shipbuilding & industrial marine, retail & distribution, industrial equipment, construction services & building materials, specialty printing, consumer products (Cavendish and other companies).

About JD Irving transportation

Presence in Maine
JD1 is among the “top five private land owners in North America, and the largest in Maine,” Kane said. It has 3.4 million acres of freehold land with 1.25 million of those in Maine.

JD1's Cavendish Agra has locations in Caribou, Houlton and Presque Isle. JD1 also has a sawmill in Dixfield.

The new railway
When Kane spoke, JD1's railways owned 521 miles: 174 for NBSR including terminal tracks, 106 for EMR, and 233 for MNR. [The Madawaska line will add 25 miles to that total – see other article.] EMR/MNR has offices in Mattawamkeag and Oakfield, with a total of 50 employees. While running repairs are conducted in Maine, major ones occur at the shop in Saint John.

At this point MNR is using four GP-38s, and will add two more when NBSR acquires, very soon, two more six-axle units. “The demand is there,” said Kane, so NBSR will send two more GP38s to Maine. The system has 115 chip cars, 260 log cars, and 460 boxcars.

New track
The TIGER grant of $10.5 million is funding the upgrade of track. At this point, about half the main line permits 25 miles per hour, the rest 10 miles per hour. By 2012, after the work, the main line will all be 30 miles per hour, and the branches 25 miles per hour, said Kane.

In questions after the presentation, Moulton said that the existence of many, many private crossings was one factor limiting the speed to 30 miles per hour. The curving nature of the line does not permit seeing far down the track.
By the end of the TIGER work, MNR will have 50,000 new ties and a resurfacing of the entire railroad.

Some movements
The system is now moving logs to Woodland, Maine, and may soon move chips there. Chips and logs are moving to Saint John.

The future
While MNR is moving traffic, Kane noted that “it's lower value: logs, chips, and residual fiber. There's not a lot of finished product. That should happen when the housing market comes back.”

He also sees possibilities in distribution, noting the “great success” of the distribution center in Saint John, around which are now clustered “several reloads.” With fewer and fewer branch lines, these are a way to bring on non-rail customers. For NBSR, “25% of its traffic touches a truck at either end. We can apply similar approaches in Maine.”

Current traffic
The system has had “great success with three routing options (CN, MMA, Pan Am) which give our customers three competitive options.”

A chart of the MNR carloads by week indicated the highest was 245, the average about 178. “We've had many weeks of over 200 cars. By 2012, we estimate we will have 300 cars on the line each week.” [That would total 15,000 cars per year over the 233 miles, still short of the rule of thumb of 100 carloads, but within shooting distance. Editor]

Connections to ports
Asked by your editor whether MNR would favor NBSR's “home” of Saint John, Kane responded that “we are open for business to any port. We do not differentiate.” If Eastport begins to export woodchips, “we are happy to move chips to them.” [That would need a transload. Editor]

Cooperation with MMA
Kane noted that NBSR is a haulage railway. It does not provide rates for any traffic except local. Over the Madawaska line, it has been interchanging directly with MMA east of the paper mill, and MMA moves the traffic to CN.

From Millinocket to Brownville Junction, MMA and MNR cooperate closely in moving traffic. Sometimes the MNR crew will move MMA cars, and vice versa; sometimes they will each haul only their own traffic.

New siding
Kane also said: 'We have constructed a new siding in St. Croix [formerly Pinkham Lumber – see 05#08B]which now gives us two sidings for loading. Each siding can hold about 20 cars so we can load one siding for northbound log moves and the other siding for southbound moves. {ANR&P coverage}

MASSACHUSETTS

MC: NEW BUSINESS??
5 December, Fall River. THE RAILROAD WILL BEGIN BRUSHCUTTING SOUTH OF THE CITY, from a point just south of the Gates of the City along Mt. Hope Bay to the Massachusetts-Rhode Island border, 2.5 miles.

'When the brush clearing project is finished in about two weeks, the Railroad will begin to install thousands of ties and improve the track for about 2.5 miles to the Gold Medal Bakery. This section of railroad track has not been used on a regular basis for more than 25 years. As a result of that disuse, brush has grown
up along and within the rail bed and ties have not been replaced on a regular maintenance schedule. In all, Mass Coastal has the freight rights to several miles of track in Fall River, from Freetown to the Rhode Island border, including the spur that runs out to the State Pier.' {MC press release 5.Dec.11}

**Possible customer**

The possibility of serving Gold Medal began a year ago, when the bakery contacted MC. At that point it switched from receiving flour from Buffalo via a transload in Worcester [see 10#11B], to 'transloading flour at the State Pier in Fall River....MC has committed to open the rail to our siding as a general business decision. When the track is open GMB would then consider moving the transloading to our siding,' wrote Jeff Smith, director of transportation for Gold Medal. {e-mail to ANR&P 6.Dec.11}

**PW trackage rights**

PW has overhead trackage rights to serve Rhode Island's Aquidneck Island, but has never used them. Now that the rail bridge to the island is gone, future use looks impossible. But what about a customer in the continental part of Rhode Island? The track, owned by the state of Rhode Island, runs three miles. A Google tour shows a tank farm at the north end as the only possible existing customer. {editor}

**PVRR: NEW FACILITIES**

9 December, Holyoke. **SCRAP CUSTOMER SULLIVAN HAS PURCHASED A PARCEL OF LAND AND A BUILDING ON JED DAYS LANDING** here, at the end of our “BASF lead” which parallels the Connecticut River and next to the leased parcel we have been using to transload steel for them, wrote Mike Rennicke, PVRR general manager.

Sullivan will expand his operation on this new site and increase the business that the PVRR is handling. W J Riegel did the installation of the new spur [see photo], wrote Rennicke, which is now complete and open for business.

**More expansion in Holyoke**

'We are also in the process of creating an eight-car runaround behind Hazen paper on the 'Horn Track' which feeds the BASF lead. This is being built to facilitate the increased volumes of business in Holyoke including the ongoing traffic from PAS.'

**PAS interchange**

Volumes have slowed a bit at the interchange, Rennicke said, as the crane mat business concluded [see 11#05B]. 'We are presently receiving lumber, feed and other products both via NS and also over Millers Falls from CN/NECR out of Canada.

'PAS just recently extended our interchange and extended it all the way north just below the Passenger Station north of Mosher Street. This will now give PAS phase and track access from both north and southbound movements. This improvement was in our original joint plan as a second will allow greater numbers of cars and improved access. PAS did a fair amount of work upgrading this section and plans on coming back again in the spring to further upgrade our joint facility.'

The spur which ran onto the Griffin Warehouse and Trucking south of Appleton has now been removed. {e-mails to ANR&P 23.Nov.11 and 9.Dec.11}
Sullivan is not yet using the new spur
Vice-president Brian Powell explained that Sullivan is still “loading scrap at the old spur.” The company is just at the beginning stages of employing the new facility for “future expansion. We have nothing at the current moment.” He expected something to happen in the spring and summer.

Access to two railroads
Sullivan is one of the few customers in the entire Atlantic Northeast to be served by two railroads. “We have chosen to let competition take its course and be dual served,” noted Powell. “We load out of both facilities.

Scrap via Pan Am to Providence
Sullivan once sent export scrap to Boston, but has changed to Providence. “Boston is a very busy destination, and we get better turnaround times on our cars to Providence. There's less freight into Providence.” The cars move Pan Am to Gardner and then PW to Providence. {ANR&P discussion 14.Dec.11}

Holyoke. Yankee Candle and Sonoco Products stopped using the Holyoke steam in 2010 [see 10#06A].
NEW HAMPSHIRE

MBRX-ST-NS: JOINT TRAFFIC?*
9 December, Milford. Leishman discussed serving Monadnock Paper Mills in Bennington with an NS representative. 'I have been talking with Monadnock Paper Mills about moving pulp, clay and starch - all of which are moving now by truck. Nearly 100% of the mill's raw material once moved by rail. This traffic would move through the Mechanicville gateway.'

New trackage rights agreement?
'Additionally, PAR and I have agreed get together to discuss the long-expired trackage agreement' under which MBRX uses three miles of Pan Am line to reach the Granite State processing plant.

A 'kinder, gentler' Pan Am?
He added, 'I do see what appears to be a nicer PAR... and I think sitting down to discuss issues is always the best approach.' But he was not invited to the 6 December 'New England Short Line Symposium' at which Pan Am brought together representatives of most of the short lines which Pan Am serves [see announcement in 11#11A Events]. {e-mail to ANR&P}

RHODE ISLAND

PW: CUSTOMER UNDER PRESSURE
14 December, East Providence. TLA Pond View Must Come Under Compliance with both state and local laws.

State law
According to a press release this day, the Department of Environmental Management issued a Notice of its Intent to Suspend the construction and demolition debris processing facility license that was issued on 2 May 2011 to TLA-Providence, LLC to operate the TLA Pond View processing facility at One Dexter Road in East Providence.

The Notice is required because the General Assembly amended the Refuse Disposal Act under RI General Laws § 23-18.9-8 to stipulate that '[n]o construction and demolition debris processing facility shall be issued a license or be able to operate unless it has (1) [r]eceived a letter of compliance from the host municipality that all applicable zoning requirements and local ordinances of the host municipality have been complied with.'

On 26 July DEM asked TLA to provide the Department with the requisite "letter of compliance" no later than 31 October [it cannot – see below].

As TLA has failed to provide the requisite letter, DEM has issued the Notice of Intent to Suspend requiring TLA to provide DEM with a Letter of Compliance from the City of East Providence on or before 4 January. 'Failure to comply with the required action shall compel DEM to institute appropriate legal action to suspend the License.'

Local action
The City of East Providence issued a Letter of Non-Compliance for TLA to DEM on 26 October [see 11#10B], because TLA was handling more tonnage than permitted under the new statute. {text of DEM press release}
TLA response
On 15 December, TLA Regional Vice-president Jack Walsh said he is confident this situation will be decided in his company’s favor when it goes to Superior Court. Business is operating as usual at the facility, and he has no intention of changing that.

“We already appealed the [City of East Providence] letter of non-compliance in Superior Court. All these issues are going to go back to court and an unbiased judge who doesn’t look at the politics will side with the company. We’re waiting for our day in court. We’re happy to continue to operate here in the city.” {Victor Alvarez in eastbayri.com 15.Dec.11}

Rail impact
As noted earlier [11#10B], PW serves TLA daily. One rail observer estimated three to six cars leave the facility each day. {e-mail to ANR&P}

MARITIMES

CN: DALHOUSIE SPUR*
7 December. MORE ON THE DALHOUSIE SPUR WAS PROVIDED by Brian Hyslop, the port’s director of business development [see announcement in 11#11B]. The port has a two-year lease with options “and if we exercise those options we will have rail service for 21 years.” He would not discuss details of the lease because of a confidentiality agreement with CN.

“We have taken on this line for the long term. What it does is it enables me when I go to trade shows, etc. and I have brokers asking if the port has rail service, I can say yes we have rail service and we can beat Halifax on the transit time into Montreal, Toronto and Chicago.”

Hyslop said the port is already working on a number of projects which they hope to announce in the first quarter of 2012.

The six-mile line will operate as a short line and be called North Shore Railroad Inc., Hyslop said. CN will operate and maintain the line under the agreement. {Discussion with ANR&P’s Tom Peters 7.Dec.11}

CN to operate
CN had stopped service on the line in December, 2010. 'CN followed the federally regulated process and under the provision of the law, CN discontinued its rail operations over this line but left the rail infrastructure in place,' said CN's Julie Senecal. 'The Port of Dalhousie came to CN with a proposal to lease the spur.' {Julie Senecal in an email to ANR&P’s Tom Peters 6.Dec.11}

SYDNEY: COAL TRANSLOAD?*
24 November. THE APPROACHING END OF DREDGING IS LEADING TO POSSIBLE NEW TRAFFIC, said Jim Wooper, chair of the Sydney Marine Group. Netherlands-based Boskalis International, contracted to carry out the $38 million dredging project, will meet its completion target of 21 December. The 8.5-kilometre channel will be dredged to a minimum depth of 16.5 metres; the spoils, over 4 million cubic feet, are deposited near a greenfield site to form 175 acres of reclaimed land, the site proposed for a new container terminal. [See 10#12A]. “Things are going well. The (dredged) material is a bit finer than anticipated which means the shaping has been a bit of a challenge but Boskalis is managing it. Other than that there have been no surprises,” Wooper said.

Coal one new interest
“The most activity lately has to do with coal transshipment companies in the U.S. Midwest looking to get product here via the Lakes. I have been talking with a knowledgeable source and our rough calculations have suggested that we would go from about 50,000 tonne loads [Nova Scotia Power now imports coal via Sydney] – see 03#09B] to about 130,000 tonnes. They also indicated to me that they have sourced boats (Capes) that
will do 160,000 tonnes,” Wooder said.
“So we are looking at tripling of capacity for coal and that produces a huge consequential impact on our shipping economies. So I am hopeful and encouraged that there are things that are starting to pop up,” he said.

**Container terminal update**
Talk of building the modern container terminal on the greenfield site owned by Laurentian has been somewhat subdued in the past few years since the downturn in the global economy. [See 09#11A.] But the idea for a 1.5 million TEU terminal is not dead, according to Wooder. [See 11#11B.]
“‘There certainly continues to be interest in it. The fact is when you look and see the massive piece of real estate being reclaimed from the harbour it is a very compelling site to behold. I think the news of this is circulating in circles where it needs to be heard and continues to attract interest. Those details I can’t get into,” he said.

**Port Governance**
Sydney is also well down the road to a new governance structure. Wooder said the biggest difference in the new governance model is that it has more representation from port users and operators. “So there is a new commercial marine group and also a separate multi-modal group that includes the airport authority, the rail (CBNS) and the truckers’ association.” A process is underway to get the new membership organized into their respective classes which will be followed by the appointment of the first board, expected at the end of March.

**Harbour dues**
One of the main issues the new board will deal with is harbour dues. Presently the federal government collects approximately $500,000 in dues from the port and Sydney wants Ottawa to allow the port to collect and keep that money as a revenue source. Only Transport Canada and Canada Port Authorities can collect and keep those dues. “Transport Canada has engaged with us at senior bureaucratic levels and we are proposing that we enter into some sort of management agreement that would allow us to recover the harbour dues,” Wooder said. Talks with Transport Canada continue. {Jim Wooder in discussions with ANR&P correspondent Tom Peters 24.Nov. 11}

**RAIL CUSTOMERS**

Described in this issue.
Cavendish Agri (MNR, Maine) New Fort Fairfield plant.
Gold Medal (MC, Massachusetts) May do direct rail.
Monadnock Paper (MBRX, New Hampshire) Start service?
NS intermodal (PAS, New York) Open Mechanicville ramp?
PSNH (ST, Regional) Coal and limestone by rail resumed.
Sullivan Scrap (PVRR, Massachusetts) New spur built.
TLA Pond View (PV, Rhode Island) State to suspend?

**EDITORIAL**

**Status of lawsuit**
Pan Am filed its response to our motion to dismiss promptly on 21 November. We filed our reply 28 November [text of both available on request]. Now Judge Nancy Torresen, who today is deciding on the rights of the Occupy Augusta protestors, will decide whether to dismiss Pan Am's lawsuit.
  
As of today, no word. The decision will probably not come down until January.

I continue to thank all the people who have encouraged me about the Pan Am's defamation lawsuit [see 11#10B], especially those who have contributed to the legal defense fund. You may still do so:
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Coverage
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.

Frequency and the e-bulletin
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.’

E-ISSUE