Formal issue 12#03A  20 March 2012

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

REGIONAL

CSXT: Overseas boxes from Boston to PW's Worcester intermodal yard. Price increase.**
CSXT: Domestic stays in Boston.

Halifax, Portland, Boston: Feeder up slowly.**
NEW YORK

FGLK: Northeast Freight Transfer focuses on shale business. Parsec took over the Albany intermodal.**

QUÉBEK

[No report.]

CONNECTICUT

[No report.]

MAINE

Propane in Maine: Eastern Propane, Dead River, Maine Energy, Sea-3, & EnergyUSA accounts.*

Maine Legislature: One bond bill left.*
Eastport: Wood chip traffic expected.*
Searsport: Moratorium on DCP tank voted down.*

M A S S A C H U S E T T S

CSXT: Taunton waste facility. WeCareOrganics box.*

ETC v MC: Hearings, ownership. **

GU: Update on improvements.

NS-Pan Am: Global seeks DEP permit.

PAS: Paid all but one tax bill to Town of Ayer.**

PAS: Federal funds for full doublestack study.*

PAS: Pan Am must serve Tighe despite NIMBYs.*

NEW HAMPSHIRE

NHDOT: Passenger study contract turned down.*

MBRX v Pan Am: Pan Am views NHDOT docs.*

MBRX v Pan Am: MBRX brief from new counsel.*

MBRX/NHDOT: RFP to all NH RR's. Open to all.*

MBRX/NHDOT: Two requests for hi-rail trips.*

NEGS: Pan Am completed paying Dearness.*

NEGS: Still wishing for five-days a week service.*

RHODE ISLAND

SVTC: Bruce Hamilton is selling to Eric Moffett.*


VERMONT

NECR: TIGER IV for St.Albans-Canada stretch.*

PAS: Return to White River J. with WTE scrap.

VRS: Railway Age short line of the year.*

VRS: TIGER IV application for GMRC track rehab.*

MARITIMES

Halifax: Metals containers traffic, Irving break-bulk.*

WHRC: Non-rail use of Wolfville lands?*

Saint John: Seeks developers for Long Wharf.*

RAIL SHIPPERS/RECEIVERS

A cross-reference to companies mentioned here.

PEOPLE, POSITIONS, EVENTS

PAS: Personnel changes.

Price increase

The time has come; we have not increased prices since 2005. Generally, look for a 20% increase.

- Chop Hardenbergh

FROM THE PUBLISHER

Next formal issue 2 April.

CSXT: INTERMODAL CHANGE**

1 March, Worcester. **CSXT WILL END INTERNATIONAL SERVICE TO BOSTON**, according to an announcement. 'Effective in April, [s]ervice transition between North Jersey and New England: Current service provided between South Kearny, NJ, and Boston, MA, will be discontinued. Alternate International service will be between Elizabeth Marine Terminal (EZMT) and Stackbridge, MA.'

Bob Sullivan, CSXT spokesperson, provided this explanation: 'The service transition you noted is designed to address the needs of a customer.' {e-mail to ANR&P 7.Mar.12}

**Fuel surcharge increase for two of three terminals**

Millennium Marine Rail (EMT) and New York Container Terminal (NYCT) will increase the fuel surcharge (FSC) on all rail lifts at the PANYNJ to $2.77 per container. As a reminder, Port Newark Container Terminal (PNCT) currently does not apply a rail lift FSC to their rail traffic.

'The FSC of $2.77 will be in addition to the rail lift fee of $58.00, for a total of $60.77 per container. As a courtesy and convenience to our customers, CSX will invoice these charges as a separate line item on the customer rail bill.' {CSXT customer bulletin 8.Mar.12}
CSXT: INTERMODAL UPDATE

15 March, New Jersey. DOMESTIC INTERMODAL WILL CONTINUE TO MOVE OVER BOSTON, Springfield, and Worcester, CSXT reminded its customers. 'As a reminder, International service between South Kearny, NJ, and Boston will be discontinued as of 4/1/12. Alternate International service will be between Elizabeth Marine Terminal (EZMT) and Stackbridge, MA.

'Domestic COFC and TOFC services continue to be provided at the Boston terminal. CSX has superior access to the New England area, with terminals in Boston, Springfield and Worcester, which is currently being expanded to meet customer freight needs.' {CSXT customer bulletin}

REGION: SHORT-SEA SERVICE*

1 March, Boston. AMERICAN FEEDER LINES NOW HAS FIVE CONNECTING CARRIER AGREEMENTS AND IS SLOWLY BUILDING ITS CARGO VOLUMES, said COO Rudy Mack. AFL’s 700-TEU vessel AFL New England began operating a feeder service among Boston, Portland and Halifax in 2011 [see 11#07A].

Mack said AFL has signed Hapag Lloyd, Hanjin, NYK Lines, OOCL, and Zim. Hanjin has service into Boston “so we are trying to move their cargo from Boston to Halifax.” [On 6 March, the Portland terminal had at least 100 boxes, all marked Hapag-Lloyd, stacked at the pier. {ANR&P coverage}]

Positive trend

“Volume-wise it has been slower than expected but it is a positive trend. In December and January we were getting more cargo but at this stage we are not above 50%. On export cargo we are moving more volume than import. Export cargo is pretty heavy so that means about 220 TEU per ship. Import is coming but moving in the right direction.” Mack still hopes to have the vessel running full by April or May.

Economy an issue

Mack said the global economy is still a major issue. “Carriers are under tremendous pressure on the price side and if carriers are under tremendous pressure so are we because they come to us and say we have to do something and we have. We have adjusted our rates as much as we could in order to help the requirement of the carrier. A lot has to do with the fact the volume is not moving as fast as we expected it to move.”

U.S. economy

Mack said he thinks the American economy is improving slightly faster than Europe. “That is good but moving fast does not mean the economy will be booming. The growth in 2012 will be below 5% in my opinion but at least it is moving forward and that’s a good sign. But anything that is happening in America and in Europe is influenced by what is happening in the Far East because the Far East really produces all the cargo for the consumers in Europe and North America. So I don’t think it will be booming, I only hope it will be a growing year.”

Fuel costs

“I think the trade will have to expect additional fuel charges from the whole transport environment and that means also from AFL. Bunkers have become significantly more expensive so we will have to look for additional revenue based on additional increased fuel charges.”

Mack said the three ports have been very supportive of the service but the main concern is still “to increase volume. That is what we doing on a daily and hourly basis. I’m very hopeful that will continue to grow. We have survived so far which is a good sign.” {Rudy Mack in discussions with ANR&P correspondent Tom Peters 1 Mar. 2012}

Exact numbers

Floyd Long, AFL’s finance director, said from the start of the service in July, 2011 until the end of February the
service in both directions has carried a total of 1,934 TEUs. “Southbound (imports) from Halifax we carried 850 TEUs. Northbound (exports) and for this we combined both Boston and Portland, 1,084 TEUs. I would say Boston and Portland have been fairly even.”

Long, formerly with Hapag Lloyd, said “it has been a challenge with the new business but the volumes are coming up nicely.”

He said AFL still plans to introduce additional services. “It is still in the long-term plans to do short sea shipping up and down the coast and we are required to have Jones Act vessels to do that. That is a couple of years down the road but for all the initial partners that is one of their goals. The New England feeder service was to get back into the business and get this going. The others take time to build ships and get the funding for that.” {Floyd Long in discussions with Peters 2.Mar.12}

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**NEW YORK**

**FGLK: NEW FACILITY**

12 March, Scranton. **NORTHEAST FREIGHT TRANSFER IS FOCUSED ON GROWING MARCELLUS SHALE BUSINESS**, said Dave Marsh, who handles business development for NEFT. It has three operations at this point:

**Seneca Army Depot**

NERT signed the paper work to open the facility here, Town of Romulus (New York), FGLK railroad station Kendaia, on 23 September 2011, and got its “first cars in December.” Marsh is pursuing moving products through there, ideally located for shale oil work in New York, but New York has barred any.

The Depot, however, is only 37 miles distant by truck from Horseheads New York. With FGLK access to CSXT, NEFT can help shippers avoid the rail congestion on the NS Southern Tier line, said Marsh. “Horseheads on the Southern Tier...is where the action is with NS as it relates to the Marcellus business.”

**Taylor Yard shale**

NEFT has opened a transfer facility at the D&H Taylor Yard of four acres. The company can unload product for the oil fields, dray it to the facility and then load it on trucks.

**Taylor Yard intermodal**

NEFT operates the Taylor intermodal yard for NS, which uses trackage rights to access the yard for one train inbound and one outbound a day, via Binghamton and Buffalo. [According to the company website, NEFT was handling 50,000 lifts a year, including Kenwood presumably.]

**Formerly Kenwood**

Until January 2012, when NS moved its Albany area operations from Kenwood Yard to Mechanicville [see 12#01B], Northeast Freight Transfer operated the intermodal yard for NS.

NS put the new yard out to bid, said Marsh, and Parsec, the Cincinnati-based terminal operator, won the low bid. “We could not go as low.”

**No connection with Integrated Rail Group**

IRG's website lists a “partnership” with NEFT, but Marsh said none now exists. “That must be an outdated website.” [See Rhode Island.] {ANR&P discussion}

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**MAINE**

*Note: The following articles about propane terminals were referenced in the Searsport Propane article of...*
12#02B, but for reasons of space and time were deferred.

EASTERN PROPANE FOR MAINE*

Rail terminal in New Hampshire
Eastern receives under 50% of its product at its Rochester, New Hampshire terminal by rail [450-600 carload a year – see 10#09A]. It can store 900,000 gallons there. The terminal could unload perhaps 16 cars every day, but they seldom arrive so regularly, said Gagne. “Hiccups happen, cars get bunched up.”

NHN “has been a great vendor to work with. They work with us when we need switches. The bumps are really not” NHN.

Dormant rail terminal in Maine
As Gagne said in 2006, Eastern does have a terminal in Wells, Maine, with a rail spur. Eastern has not received by rail there for more than six years. “It's an unmanned facility,” said Gagne, with only two 30,000-gallon tanks. “Sending people to unload the cars is not cost-effective” compared to hauling in propane by truck. “We will again look at bringing it back.”

Sources of rail supply
Ten years ago, recalled Gagne, most of the propane by rail originated in Canada. Now, he has several suppliers: Sarnia, western Canada, the Marcellus shale region, Michigan, and Illinois.

Propane from Texas or Louisiana will move via the pipeline.

Other sources of propane
Eastern has “16 other gas plants” in addition to Wells and Rochester, Gagne explained. It buys from DCP in Providence, it buys from Sea-3 in Newington, and “we are a shipper on the pipeline” so Eastern trucks from Selkirk as well [see 10#09A].

To “manage risk,” Eastern uses several sources. Each has its own cost, which is “always flip-flopping.”

The pipeline is “the least expensive, but there's only so much gas.” Import terminals are always priced better than rail. “We still use rail to manage risk.”

How propane price varies
Gagne gave a brief history of the last decade of propane pricing. Ten years ago, propane was cheaper in Europe. Three years ago, the spot market for propane from European origins began to use European prices. “Until then, the United States had the most expensive pricing for propane.”

Despite increased production of propane from the new shale deposits and from oil sands in the last year,
the price in the United States has not dropped significantly [see graph]. A lot of the new production is going to “Mexico, Central America, South America” because the price there is higher, said Gagne.

In Europe, it costs 30 to 40 cents more per gallon. At this time, because of the mild winter in the United States and the cold winter in Europe, the US price is “around $1.20, and in Europe $1.85.”

To bring in propane by ship, per Gagne, costs only “eight or nine cents a gallon.”

Maine propane prices
Propane Maine 2/13/2012
Residential $3.234
Wholesale $1.387*

*For New York. New England pricing is missing. The price at Mont Belvieu, Texas, was $1.188. {US EIA 'Petroleum and Other Liquids'}

More storage needed
Gagne said that more storage is needed in the Northeast.

Capacity at the import terminals is “not as critical as on the marketer's level.” However, “there's a cost to building plants. To add storage, you need permitting, and that's hard to do. Nobody wants a propane tank in their back yard.” {ANR&P discussion 16.Feb.12}

DEAD RIVER PROPANE IN MAINE*

Dead River terminals in Maine
The company has nine rail-served terminals, said Alan Dorr, general manager for procurement. Five handle oil; four handle propane: [See map in 12#02B.]

Millinocket (propane) NMRC service
Madawaska (oil) See 05#12A
Fort Kent (oil) See 05#12A NMRC service
Presque Isle (oil) 05#12A NMRC service
Caribou (propane) NMRC service

Houlton (oil) 05#12A NMRC service
Hampden (propane) MMA service
Auburn (propane) 05#03B map SLR service
Westbrook (propane) Pan Am service*

*This terminal is not using rail “because service not that good,” said Dorr. While Pan Am has told him the railroad has turned a new leaf, he needs to hear from his suppliers that they want to use Pan Am.

Sources, amount of rail supply
For rail, Dorr receives four Canadian sources: Sarnia, Ontario; Quebec City; Nova Scotia (“not as much this year”), and western Canada. Dead River receives roughly 800 cars of propane a year. That will increase for the next 12-month (1 May to 30 April) contracts because of the purchase of Webber [see below].

Other sources of propane
The company also hauls out of the DCP terminal in Auburn and the Sea-3 terminal in Newington. “We have eight or nine sources of supply,” Dorr said.

On the Searsport DCP tank, “we're neutral.” {ANR&P discussion 16.Feb.12}

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1One voice from New York, where a local shortage has driven some retail prices above four dollars a gallon:

“Our only other choices are adding as much local storage as we can. This is a huge problem, since when dealers go to build a new propane storage facility, often planning/zoning boards throw up obstacles when NIMBYs light to stop it out of unwarranted fears. Today’s propane storage facilities are built to the latest NFPA [National Fire Protection Association] standards with many redundant safety features that keep them totally safe. “Having additional local storage tanks isn’t out of greed – it’s to give us that extra three or four weeks of supply to make sure we can supply our customers at the right prices when they need it,” Taylor explains. “Just-in-time inventory just doesn’t work with propane. We need to have gas on hand so when the pipeline has a problem, or a snowstorm delays railcars from Canada or a ship is late into Providence, RI, that affects the entire Northeast, we don’t have a shortage. We need a safety cushion locally to make sure we can service our customers.” {Dan Hust in Sullivan County Democrat 6.Mar.09}
Expansion
On 12 January, Dead River announced it was purchasing Webber Energy's retail fuels division. Other parts of the Webber business — including Webber Wholesale Fuels, Webber Energy Gasoline, Webber Energy Transportation, Webber Supply Inc., Sargent, Tyler & West Insurance Agency and Webber’s real estate portfolio — are not part of the deal, said Webber President and CEO Mike Shea. “Emotionally, for the owners of the company, it was a hard decision,” he said. “But from a business perspective, we’re comfortable because of the other businesses that make up the Webber group of companies — they’re less volatile, easier to budget for.”

The two companies' territory did not overlap much. Broadly speaking, Dead River is throughout Aroostook County, while Webber has no presence there. Both are in parts of Washington County, with little overlap. Both are in the Ellsworth and Bangor markets, and in Portland, as well. Webber has a presence in the Rockland/midcoast area, but Dead River doesn’t. Webber has locations throughout York County, while Dead River is basically in Biddeford. {Matt Wickenheiser in Bangor Daily News 13.Jan.12}

MAINE ENERGY (PROPANE)*
Maine Energy in Bangor, sources “the majority” from Canada, said principal Rob Cort. “We have great suppliers” and are adding other suppliers. “We will work with anybody who can help us as we expand.” He declined to discuss how much propane he handles; in 2007 he said 90% of his supply arrives by rail [see 07#03A].

Maine Energy also obtains propane from DCP currently, at its Auburn terminal. Cort said using Pine Tree Propane, DCP's terminal in Bangor, was not a choice.

As for the proposed tank, Cort said it provides an alternative “if we are having issues getting propane. It's a great plan B.”

Will natural gas become a competitor? 'Yes, but there are places it will not be available, and propane will be a great choice.' {ANR&P discussion & e-mail 26.Feb.12}

Terminal location
Maine Energy has an office at 1625 Hammond Street in Bangor, and a storage/transload facility served by MMA where the tracks cross the Cold Brook Road in Hermon. One observer has noted 'always at least one car unloading, and up to four cars on the siding.' {e-mail to ANR&P 28.Feb.12}

ST-PORTSMOUTH: SEA-3 PROPANE UPDATE*
9 February, Newington. THE PROPANE TERMINAL HERE HAS NO CAPACITY ISSUES, said Mike Tracey, Sea-3's vice-president for marketing. He could easily supply more for southern Maine. “Trucking is the limiting factor in the supply chain.”

Tracey meant the 18-wheel trailer transports which load out of rail or marine terminals and deliver to branch storage tanks, not the “bobtails” which deliver to the residence or business. Because the expensive transports are required only in the winter, the large distributors such as Dead River, Eastern Propane, and so forth do not want to purchase equipment which would sit idle more than half the year.

And holding them for a severe winter makes even less sense. {ANR&P discussion}

Rail
Sea-3 has a rail terminal as well, and has received from Sarnia [see 02#01]. In 2007 Tracey said he had not received any Sarnia propane by rail [see 07#07B].

ENERGY USA: MAINE PROPANE*
6 March, Portland. THE RAIL TERMINAL HERE HAD CARS SPOTTED FOR THE TWO LOADING RACKS, at EnergyUSA along Commercial Street seaward from the Sprague terminal [see 12#01A]. {ANR&P coverage}
MAINE LEGISLATURE: ONE BOND BILL LEFT*

14 March, Augusta. **THE JOINT APPROPRIATIONS COMMITTEE WILL HOLD ANOTHER WORK SESSION** on LD851, a bond bill to “invest in railroads” to the tune of $25 million. The Committee earlier defeated two other rail bills and the Searsport container bill [see 12#02B]. {ANR&P discussion with committee clerk Sherry Williams}

EASTPORT: BIOFUEL COMING*

9 March. **THE EASTPORT PORT AUTHORITY HAS REACHED A TENTATIVE AGREEMENT WITH TIMBER BIOFUEL VENTURE to move chips.** Timber Biofuel, a new, Maine-based joint venture, could begin stockpiling chips as early as next month.

Port Director Chris Gardner and the company negotiated terms for a contract; the port authority board will review it on 20 March.

If the agreement is ratified, which Gardner expects, trucks could start as early as 1 April; at least eight weeks of trucking is needed to make the first shipment. Before the first shipment, the Authority's new bulk conveyor system can be tested.

**Tentative terms**

The Authority will lease the bulk storage yard, including the scales and truck dumper, for a set price and also be compensated for the tonnage that is shipped. Federal Marine Terminals, the port terminal operator, will handle the conveyor and the ship.

Timber Biofuel is not committed to a certain annual tonnage. The length of the contract term will be released once the board ratifies the agreement.

"We are very excited and very optimistic that this will all time up very well, and it's going to be great to see this new investment [the $9 million bulk conveyor system – see 11#03A] put to work," said Gardner.

Larry Carrier, a partner in Timber Biofuel Venture, said he and his partners in the company have been in the wood products industry for several generations. He declined to specify the tonnage Timber Biofuel will ship, both for confidentiality and some incomplete details. However, he notes that "a couple hundred thousand" tons a year is possible, with some customers looking for 70,000 tons.

The company is working with nine potential customers in the European markets, which would use the wood chips for biomass fuel.

All the chips will come from poor quality forest residue. Carrier stressed that the company will not compete with the wood pulp industry for wood. "I think the port authority folks and the board, they're great people, and this is a great opportunity at hand. We will all learn together," he says, noting that the European market, the biomass industry and the port infrastructure are all new.

Unlike the previous understanding with Great Northern Timber for the shipping of wood chips, the port authority has now reached an actual contract agreement with Timber Biofuel, Gardner points out.

**Great Northern Timber**

In November 2011, the Authority board voted to negotiate with Great Northern Timber for a contract. Concerns emerged from the Authority about pricing, the annual tonnage, the start date and the length of the contract term; Great Northern had concerns about the wood market.

In December 2011 the port authority board decided to look again at dealing with Timber Biofuel. {Edward French in *Quoddy Tides* 9.Mar.12}

SEARSPORT: DCP MAY PROCEED*

10 March. **THE TOWN MEETING VOTED 297 TO 165 AGAINST A MORATORIUM ON LPG TANK CONSTRUCTION.** {MaineBiz 12.Mar.12}
Next
DCP still needs an Army Corps of Engineers permit to fill some wetlands. Once it has obtained that (which make take some time if the Corps requires an Environmental Impact Statement), it will file with the Town to build the tank.

An additional possible snag: the Maine Superior Court, Kennebec County, may find the DEP wrongly issued its two permits. [See 12#02B.]

Propane sourcing opportunity
As predicted, New Jersey and Delaware refineries are closing [see 12#02B 3.1]. Markwest Energy Partners, located in Denver, sees a market opportunity. Randy Nickerson, Markwest chief commercial officer, said the three Philadelphia refineries to close made up to 30% of the winter propane used in the Northeast. Markwest can fill that demand with its fractionators located in West Virginia. Sunoco, which owns two of the refineries to close, also owns a large network of pipelines distributing products to areas in northeastern Pennsylvania and southern New York. Those regions have a lot of customers who use propane as a heating fuel, but it often must be railed in because no pipelines are available to transport it. With those empty, Markwest could use them to deliver its product.

Even better, the Enterprise pipeline in early 2012 nearly doubled what it charges to ship from the Mont Belvieu refineries in Texas. MarkWest’s interconnection to the system in Pennsylvania costs “about half” for the same products to reach their destinations. {Anya Litvak in Pittsburgh Business Times 9.Mar.12}

More on MarkWest
On 6 March, MarkWest Utica, a joint venture between MarkWest Energy Partners and The Energy and Minerals Group (EMG) focused on the development of significant natural gas gathering, transportation, and processing and natural gas liquid (NGL) transportation, fractionation, and marketing infrastructure in the Utica shale in eastern Ohio, announced the execution of a letter of intent with Gulfport Energy Corporation to provide gathering, processing, fractionation, and marketing services in the liquids-rich corridor of the Utica. {Markwest website}

MASSACHUSETTS

CSXT: PROPOSED NEW CUSTOMER*
1 March, Newark, New Jersey. TAUNTON OFFICIALS TOURD A SAMPLE WASTE TRANSFER STATION here. Taunton is deciding between two proposals to deal with municipal solid waste when the municipal landfill closes, at the latest early 2015. It hopes to decide by May.

WeCare Organics LLC
WeCare, based in Jordan, New York proposes, on a city-owned parcel off Fremont Street near Myles Standish Industrial Park, a $15 million dual transfer station/materials recovery facility (MRF), in addition to a biosolid sludge conversion plant adjacent to the city’s waste water treatment plant on West Waster Street.

Rail
The WeCare MRF and the transfer station would each utilize existing rail and trucks to haul away trash and recyclables that have been processed, according to WeCare.

Fred Cornaglia, commissioner of Taunton’s Department of Public Works, said he was quite impressed with the baling system at the Newark site, which is the same concept being proposed for Taunton by WeCare. Cornaglia said he was especially pleased with the “quietness” of what he called rail-movers, small train engines that towed and pulled rail cars loaded with compacted bales of trash and waste.

Jeffrey LeBlanc, president of WeCare, wrote on 9 March that he expects to move eight to nine cars a
Interstate Waste Technologies

IWT, based in Malvern, Pennsylvania was designated as the preferred vendor to build a waste-to-energy facility on the city-owned parcel. It now proposes an $800 million, much larger facility, in the industrial park near the city parcel, which would handle 1500 tons per day. IWT proposes to build a prototype plant to convert municipal solid waste to gasoline. No such facility yet exists in the world. IWT said it will pay much more to Taunton than would WeCare. [Charles Winokoor in Taunton Gazette 23.Feb, 27.Feb, 5.Mar.12; e-mail to ANR&P from LeBlanc 9.Mar.12]

MORE ABOUT WECARE

The company's website states: 'WeCare Organics is responsible for the final resolution of the largest volumes of non-hazardous residual waste streams in northeastern United States. Providing turnkey residuals management products and services to public and private communities alike, WeCare Organics is the responsible, single-source solution in the ever-changing world of residuals management.'

In addition to several other operations, it now operates two rail-served facilities, shown on its website.

Yarmouth, Massachusetts

LeBlanc wrote: "The Yarmouth Transfer Station is small and does both truck transfer and rail. It has been mostly truck transfer over the last couple of years due to the small seasonality volume." [e-mail to ANR&P 9.Mar.12]

Bernie Reagan, who serves as general manager for BCLR, described the operation when BCLR handled the move for a different company. The human biosolids were dried in large sheds in Yarmouth, adjacent to the rail-served transfer station. Once dry, it was moved by front-end loader across the parking lot and placed in open-top intermodal containers which were fastened to a flat car. When loaded, BCLR would pull the train of loaded trash containers and the flat car to Middleborough, and interchange the flat car to CSXT, which delivered it to South Carolina, along with other Boston waste [see 09#04A] handled by Republic.

In 2007, WeCare bid a better price for the disposal of the biowaste. "We were shipping a carload a week,” said Reagan, but the move went to truck. {ANR&P discussion 14.Mar.12}

Plymouth, Maine

Soil Preparation Inc (SPI) is owned by Leblanc's partner, Wes Gregory, and is listed on the WeCare website. It has used rail nearby for delivery of lime. [e-mail to ANR&P 9.Mar.12]

As of 2004, Pan Am delivered SPI hoppers (the company owned seven) to a siding in East Newport. SPI drayed the lime to Plymouth, where it is used to treat biosolids and liquid waste. [See 04#02A.]

ETC CAPITAL v MC: UPDATE**

The court in Michigan will hold a hearing on Cape Rail's motion to dismiss at the end of March. The judge won't decide until early April.

ETC has filed a notice of appeal of the Massachusetts case. [See 12#02B.]

Ownership

Jon Delli Priscoli owns 50% of Cape Rail, he apparently said during an interview. [Jose Martinez in Boston Globe 18.Mar.12]

According to court filings [see 12#02B], Cape Rail, the parent of MC, has 10,000 shares: the Podgurskis own 6400, John Kennedy 3200, Ted Michon 200, and Dan Wahle 200. [Thus if Jon Delli owns 50%, he has acquired 5000 shares from the Podgurskis, apparently. Editor]
GU: UPDATE
18 March, Grafton. **GU IS UPGRADING TRACK FROM CLASS 1 TO CLASS 2**, as part of line-wide improvement, according to owner Jon Delli Priscoli and others. Trains average seven miles per hour moving between the interchange with CSXT in Grafton and the large bulk terminal in West Upton. Over the 16.5 miles the crew must flag each crossing.

The West Upton terminal
Last week, two hoppers of wood pellets from Colorado awaited unloading via vacuum tubes for repackaging. A dozen tank cars awaited transloading to truck of isopropyl alcohol, food oils, and biodiesel fuel. [See 12#02A.]

GU is building a large retention basin in the northwest corner of its West Upton yard to handle possible spills. It has also agreed to supply local fire departments with special foam to fight chemical fires.

GU is redeveloping the terminal to the tune of $20 million. Delli Priscoli said the tracks running to Hopedale should be ready by summer, and into Milford by Christmas. The state is paying $1 million to upgrade nine grade crossings. {Jose Martinez in *Boston Globe* 18.Mar.12}

NS/PAN AM: NEW ETHANOL MOVE
8 March, Chelsea. **GLOBAL DID NOT ADDRESS PUBLIC SAFETY CONCERNS** during a hearing held in the Revere City Council chamber to address Global's request for a waterways permit.

Global said it would restore two sidetracks, capacity 20 cars each, now on its property along a ROW adjacent to the Chelsea Creek and their property line. Ethanol from the cars would move via a pipeline into its tank farms on either side of the bordering highway [see map in 10#08A].

Federal regulations on air quality require Massachusetts gasoline to contain at least 10% ethanol. Global already blends ethanol on its site with its gasoline, bringing it in by truck or barge. However, Global's ethanol throughput would increase significantly; by how much was not available.

Officials said Global supplies all of Logan Airport's aviation fuel and deicing requirements and a large amount of local fuel for vehicles and home heating.

The waterways regulation
Massachusetts General Laws Chapter 91 describe when activities on the Commonwealth's waterways require a permit:

'The provisions of Chapter 91 apply to existing unauthorized activities as well as new projects proposed in, under, or over publicly owned waterways of the Commonwealth including: flowed tidelands, filled tidelands, great ponds and navigable non-tidal rivers and streams.

Chapter 91 authorization is required for the following jurisdictional activities:
1. Placement, construction or alteration of any structure, regardless of size, whether permanent or seasonal.
2. Unauthorized placement of any fill or unconsolidated material that is confined or expected to remain in place in a waterway.
3. Any use of fill or structures not currently authorized.
4. Any use of the authorized premises or structures other than the authorized use, whether expressed or implied....' {‘Chap 91 Waterways permit guide’, an introductory document (not statute or regulation) available at http://www.mass.gov/dep/water/approvals/c91permgd.htm

Global's plan
The Global application, filed on 19 September 2011, said most of the fill where Global will rebuild the tracks was licensed by the Department of Public Works in 1932 and 1933. It conceded that two unlicensed areas of fill exist, totalling 9,488 cubic yards. The entire fill was 'in place for many years before the Waterways Regulations went into effect in 1989, and therefore [the unlicensed areas] qualify for the grandfathering...' As part of the permit, Global asked that for licensing of the 9,488 cubic yards.
The 'proposed [rail] improvements are water-dependent-industrial' because marine terminals for bulk materials are covered, and rail lines qualify because they are 'dependent on marine transportation'. {text of application}

**Response by opponents**
About 500 citizens testified, and were outraged that neither Global nor DEP addressed the public safety concerns.

Many public officials and environmental groups testified that the 'Water Dependent Use' aspect of the DEP regulation did not apply to the movement of ethanol by rail into the facility, nor should the permit Global seeks allow use of the unlicensed area for industrial use. Global needs the land for the expansion and rail facility.

Jay Ash, Chelsea city manager, and other public officials are gravely concerned with risk to public health and safety since each train would carry around 1.8 million gallons of ethanol in close proximity to infrastructure such as key bridges in the region as well as schools, hospitals, and residencies along the ROW. Ash provided a very lengthy and comprehensive series of questions to DEP and Global officials during his testimony at the meeting, none of which received a response from DEP or Global personnel.

**Pro-railroad testimony**
While neither NS nor Pan Am sent any representatives, Daniel Lauzon, representing the Brotherhood of Locomotive engineers spoke in an effort to explain the benefits of rail transport and to diffuse the concerns about ethanol rail derailments the past few years, explaining the safety assurances made by railroad operating personnel in the movement of hazardous cargos – to no avail. He was jeered by the audience several times; his living in Rockport was met with calls of “then move the tanks to Rockport!”

**DEP decision**
DEP will close the hearing responses on 28 March, take several months to review all written input, then issue a draft decision. Those who commented previously are given 20 days to challenge the draft. DEP then issues the final decision. {ANR&P coverage by special correspondent Frank Demasi}

**PAS: FULL DOUBLESTACK?**
2 March, DC. USDOT IS GIVING MASSDOT $2 MILLION FOR THE PRELIMINARY ENGINEERING TO CLEAR THE PATRIOT CORRIDOR for full doublestack (20'6") clearance from Ayer to Mechanicville. Secretary Ray LaHood announced the grant as part of the FRA Rail Line Relocation and Improvement competitive grant program. The FRA received more than $67 million in state and local government requests; LaHood announced that 12 cities and states will share $16.9 million.

PAS needs 19 obstructions removed: two tunnels and 17 roadway, railroad, or pedestrian bridges. {text of announcement}

**More detail**
- Contact person is Paul Nelson at MassDOT.

- MassDOT previously applied for funding for this project in the TIGER II round, and in the 2010 round of Rail Line Relocation funding.

- According to the application, filed by MassDOT in cooperation with NS, PAS, and PAR, the engineering will cost $3 million; NS will provide the additional $1 million. PAS, PAR, and NS will also provide in-kind services.
- The bulk of the work consists of improving vertical clearance in the Hoosac Tunnel and the adjacent Little Tunnel via raising the ceiling and undercutting.

- This first phase includes state and federal environmental permitting. Phase 2 will consist of final design and engineering, and could occur 'as early as 18 to 24 months after' conclusion of Phase 1. In Phase 3 workers will do the actual construction.

- PAS is now increasing the Corridor to 286,000-pound capacity, and has completed track work. 'For example, the improvement in Patriot Corridor track structures have helped to remove long-term slow orders in which train speeds were limited from 10 to 25 miles per hour. Today, Pan Am Southern intermodal trains now operate at track timetable speeds of 30 miles per hour in curves and 40 miles per hour along most other stretches, resulting in corresponding on-time performance improvements.'

- In 2009, the Ayer intermodal terminal performed 44,738 lifts, and in 2010, 56,480 lifts.

- The lack of full doublestack constrains growth because of the higher cost; NS only offers service for Chicago.

- Intermodal trains undergo filet and toupee operations in Mechanicville now.

- 'According to the Massachusetts State Rail Plan, 68% of all inbound, outbound, and through freight shipments traveled via truck a distance greater than 250 miles. Particularly important to the region served by Pan Am Southern was the growth in truck traffic along State Route 2, a parallel state highway to the Patriot Corridor. During the period 1996-2005, truck traffic grew 25% along Route 2 while truck traffic statewide grew at a more modest rate of 2.2%.'

- 'Notably, the Ayer intermodal facility, which currently has space for approximately 250 containers or trailers,
has contiguous land nearby that could potentially be purchased to accommodate new growth as a result of an increase in intermodal traffic due to the removal of double-stack clearance obstructions along the Patriot Corridor in the coming years.¹

- 'A minimum height of 21 feet, 9 inches has been determined as adequate to handle double-stack railcars through the Hoosac Tunnel, with the majority of this clearance improvement being accomplished by volumetric removal of rock and brick liner (mechanically grinding and removing the existing material from the tunnel’s walls and roof). Some of the required clearance may be gained by full section cleaning of the existing ballast (undercutting), which may also improve the groundwater drainage issues found in the tunnel, particularly at the west end of the structure.'¹

- 'The preliminary engineering and project-level compliance with NEPA and MEPA for double-stack clearance along the Patriot Corridor will be performed by one or more contractors. An announcement of bidding opportunity will be advertised in a public forum for contractors meeting qualifications.' {text of MassDOT application 19.Oct.11}

Norfolk Southern spokesperson Dave Pidgeon said there's no timetable for when the clearance project might start, or when work would be completed. Any effect on noise at the Mechanicville yard, once the fillet operation is no longer needed, was unclear. That noise has drawn the complaints of a number of neighbors in Halfmoon. The yard occupies land in Halfmoon, Stillwater and Mechanicville. {Eric Andersson in Albany Times Union 2.Mar.12}

**History**

In 1856 work began on the tunnel. On the west side crumbling stone required six to eight layers of brick in tube form to support the tunnel. Eventually 7573 feet of the tunnel would be built with a brick lining, and 6690 feet would have brick arching. In all 20 million bricks were used; the first train used it in 1875.

When digging commenced the contract called for a height of 20' 6", and a maximum width of 24' with a base width of 23'. The actual dimensions ended 18 feet tall and 14 feet wide. {Hoosactunnel.net}

In 1997, with the financial assistance of NS [see 99#11], the tunnel was cleared for 19'6". That permits fully enclosed auto racks, two 8'6" international boxes stacked but not 9'6" domestic boxes. According to one source with knowledge of the 1997 project, most of the work involved knocking off protrusions from the roof with a big grinder. The workers were able to knock down a section, pick up the rock and run trains and then continue on.

'What was critical though is that there are substantial sections of the tunnel that are supported with brick lining and they were already at the required height or a bit above and thus did not need to be disturbed.

'There may have been a few sections where ties could be removed and rail fixed to the tunnel floor to gain a few inches…. No one really knows what is behind those bricks. At the time we really didn't want to find out.' {e-mail to ANR&P 5.Mar.12}

**PAR: TIGHE WAREHOUSE***

1 March, Whinchester. SUPPORTERS OF FREIGHT RAIL SHOWED UP at a meeting here to discuss the switching at Tighe [see 11#12B]. Cynthia Scarano, Pan Am executive vice-president informed residents: “We’re obligated to deliver to them because we’re a common carrier. The customer contacted us and wanted to
make deliveries in that area.”

Freight trains operate between 8PM and 6AM to avoid running into the commuter rail. “We have a 10-hour window along the Lowell branch to make all our deliveries,” Scarano said.

State Representative Jason Lewis (D-Winchester), who also attended the meeting, said that Tighe “looks at it as a way to grow his business. He has the right to offer freight service, as a way to market his property.”

{Daniel Marra in winchesterpatch.com 2.Mar.12}

**PAN AM: PAYING TAXES**

17 March, Ayer. PAN AM SOUTHERN PAID ALL TAXES OWING, LEAVING only one bill outstanding as of this day. {Town website}

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<tr>
<th>BOSTON &amp; MAINE CORP</th>
<th>2012</th>
<th>Real Estate</th>
<th>$2,572.92</th>
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**NEW HAMPSHIRE**

**NHDOT: NO RAIL STUDY**

7 March, Concord. THE NEW HAMPSHIRE EXECUTIVE COUNCIL TURNED DOWN THE PASSENGER RAIL STUDY CONTRACT on a 3-2 vote. Under it, entirely paid for with non-state funds (private and federal) [see 10#11B], URS Corporation would study the 'NH Capitol Corridor' to evaluate and analyze transit options, costs, benefits, and impacts of a range of transportation alternatives within the Boston-Nashua-Manchester-Concord corridor.'

Michael Pillsbury, NHDOT deputy commissioner, wrote to the New Hampshire Rail Transit Authority and other interested parties: 'As many of you know, we contacted all five Councilors in advance of today’s vote (meeting personally with four of them) and to say I am disappointed would be an understatement.

'As a next step, I will meet soon with the New Hampshire Rail Transit Authority, Federal Transit Administration and Federal Railroad Administration to discuss the effect of today’s Council vote. In closing, I do want to express my appreciation to each of you for your tireless efforts to date. The viability of passenger rail in NH remains an important transportation question that needs to be thoughtfully examined, sooner rather than later.' {e-mail to ANR&P 7.Mar.12}

Councillor Dan St. Hilaire, R-Concord, said he seriously considered backing the study but ultimately decided the state’s primary focus should be finding the money to pay for the $300 million widening of Interstate 93. “Given the choice, my constituents want to see the widening of I-93 because that is what can eliminate the traffic jams we have every weekend during the summer. Once the widening of I-93 was completed, we could look at getting the funding for rail.” {Kevin Landrigan in Nashua Telegraph 8.Mar.12}

A comment

Peter Leishman, New Hampshire state representative and owner of MBRX, wrote: 'I think a study (hopefully the last) of Lowell to Nashua would have made more sense, would have been cheaper and my guess would have received the support of [Councillor] Dave Wheeler....Passenger service between Nashua and Concord, no matter what a study shows, will be extremely expensive and will require a State subsidy when the State is finding it difficult to fund the developmentally disabled and other health and human services.' {e-mail to ANR&P 7.Mar.12}

**MBRX v PAN AM: NEW WRINKLE**

13 March, Concord. BOTH PAN AM AND MBRX REVIEWED THE EXTENSIVE CORRESPONDENCE between MBRX and NHDOT, and between Pan Am and NHDOT over at least a decade, during visits to state government offices. Peter Leishman, MBRX owner, said he had piggy-backed on a Pan Am right to know request, but Leishman had “no idea” why Pan Am would pay attorneys, and a dollar a page, for hundreds of
pages. [Especially since the record in the federal case is now closed; the case is on appeal with the MBRX brief

MBRX has hired New York appellate firm Watkins, Bradley & Chen LLP, with Adam Francois
Watkins as lead counsel. {First Circuit website, case 12-1031}

MBRX/NHDOT: RFP PROCESS**
Concord. **THE RFP FOR THE HILLSBORO BRANCH ASKS FOR RESPONSES BY 21 MARCH.** The
operator is required to maintain the state-owned track to FRA Class 2.

Cooperation with Granite State and Pan Am
'The respondent must provide...indication of its ability to provide freight service to the existing shipper on the
line...and proof of operating or trackage rights or ability to obtain rights on the portion of the Hillsboro Branch
owned by Pan Am Railways in Milford to the Granite State Concrete facility.

Evaluation
Criteria include experience, 'proposed cost and revenue structure including revenue to NHDOT'. The
department will 'attempt' to notify each applicant of its decision by 11 April 2012. [Leishman said Granite State
wanted to begin operation around that date.]

STB filing required
'All parties submitting proposals understand that the Agreement will require the selected Operator to terminate
its operations, relinquish the property, and file documents for discontinuance of service with the Surface
Transportation Board, upon the expiration of the terms of the Agreement or upon any breach thereof by the
Operator. Parties submitting proposals further understand that such provisions may be subject to enforcement
by bond, surety, or power of attorney provision.'

[This apparently addresses the current situation, where the MBRX contract to operate is terminated by
NHDOT, but MBRX retains the common carrier requirement from the STB – see 12#01B]. {text of RFP}

Who will bid?
Per Leishman, the RFP was sent by e-mail to representatives of all railroads operating in New Hampshire.
ANR&P asked each (NECR, Pan Am, SLR, NHCR, NEGS, NHN, CCRR, VRS, and MBRX), and received two
response by press time. Leishman said he is preparing a bid, which had letters of support from the only current
customer, Granite State, and Monadnock Paper [unhappy with ST – see 11#12B]. {ANR&P discussion
7.Mar.12}

David Wulfson of VRS said 'we are looking, not sure if interested.' {e-mail to ANR&P 7.Mar.12}

Mine safety
Leishman said that potential operators should be aware that Granite State, the only customer, requires that
crews entering its property be certified by the federal Mine Safety and Health Administration.

MBRX has crew members so certified, and they load and unload the cars. {e-mail to ANR&P
10.Mar.12}

Hi-rail inspections
NHDOT has requested hi-rail trips on 19 March (Pan Am) and 20 March (RailAmerica), said Leishman. Three
Pan Am officials, including the vice-presidents of transportation and engineering, made the trip from Wilton
into Bennington. {e-mail to ANR&P 19.Mar.12}

NEGS v PAN AM: DONE!
7 March, DC. **THE SETTLEMENT WAS COMPLETELY PAID BY THE END OF 20112**, said NEGS
President Peter Dearness, who was in DC for 'Railroad Day on the Hill.'
Pan Am settled his lawsuit in 2010 [see 10#05A]. {ANR&P discussion}

NEGS: TRAFFIC?
8 March, DC. THE RAILROAD COULD GET SIGNIFICANT TRAFFIC TO ITS TRANSLOAD if Pan Am would provide five days a week service, Dearness said. He estimated it currently at one to two trains a week by the Nashua switchers, NA-1 and NA-2. {ANR&P discussion}

RHODE ISLAND

SVTC: CORRECTIONS TO E-BULLETIN(k)
Integrated Rail Group is located in Broad Brook (not Bond Brook), Connecticut.

SVTC: CHANGE IN OWNERSHIP**
12 March, Davisville. THE INTEGRATED RAIL GROUP WILL TAKE OVER THE SEAVIEW RAILROAD. Eric Moffett, IRG principal, said the transaction “ends up as sale.” At this point, Moffett will work to “learn the business.” He realizes that as a short line operator, he must “deliver cars day and night.” He has “had an engineer’s license from past experience,” so he expects to be at the throttle.

Hamilton, said Moffett, will stay on for awhile. Seaview has had the franchise to operate the rail at the Quonset Business and Commerce Park for more than 20 years. {ANR&P discussion; IRG website}

History of SVTC
The Seaview Transportation Company began switching the Park with its first 10-year contract in 1991. It operates as an industrial railroad, earning a switching fee from the customers at their locations, and interchanging the cars with PW in West Davisville. As such, it is not subject to STB purview. SVTC pays the park a percentage of gross revenues. {Atlantic Northeast Rail and Marine Transport Review 1999}]

What is the Integrated Rail Group?
Integrated Rail Group, located in Broad Brook, Connecticut, is an organization designed to bring together different aspects of the transportation industry under one roof. {company website}

It was formed in late 2006 by Eric Moffett [see 07#03B People], who was providing assistance to GU [see 10#10A People].

[In 2008, Integrated Rail Group's then-partner, Northeast Freight Transfer, advocated a niche container terminal at Davisville. Moffett and Evan Matthews, operations manager of the Port of Davisville, explained the concept to a New England Railroad Club group. See 08#05A. Moffett said he is no longer associated with NEFT. See New York.]

[In 2009, Moffett's Fulton Empire Line provided switching services to Northeast Biofuels, the predecessor to Sunoco in Volney, New York. See 11#03A.]

Moffett was invited to the 23rd Annual CSX Short Line Workshop in St. Augustine earlier in March, representing GU and MC. 'His new responsibilities with Seaview Transportation conflicted with his representation' of those railroads.

Those short lines were represented by Sean Giardino, who is MC director of sales and marketing. {e-mail to ANR&P from Tony Giobbie, CSXT short-line development manager 19.Mar.12}

PW-DAVISVILLE: AUTO UPDATE*
28 February. GOVERNOR LINCOLN CHAFFEE SAID THE PORT RANKED SEVENTH IN NORTH AMERICA as an auto importer. In 2011, NORAD (North Atlantic Distribution) brought in 150,000 autos by ship, 41,000 by rail, and about 2,000 trucks, for a total of 193,000.

Mike Miranda, NORAD president, said 2011 car imports were hurt by the impact of the tsunami on
Japanese manufacturers. In 2012, he estimated, NORAD would bring in a total of 265,000 cars by ship, rail, and truck, from Volkswagen, Ford, Porsche, Subaru, Audi, and Bentley. NORAD is talking to three more major auto manufacturers, which he declined to name.

Dredging needed
Chafee urged state legislators to approve a measure contained in his FY13 budget that would authorize the RI Economic Development Corporation to issue $7.5 million in revenue bonds for maintenance dredging along the Davisville piers. [Rhode Island wanted to do it without federal funds so it would not need to charge the Harbor Maintenance Tax – see 09#01A].

"If we don't dredge, we don't exist," Miranda said. Miranda said auto-carriers calling Davisville ships have a 28-foot draft but the next generation require 30 feet.

David Preston, a Quonset Development Corporation spokesperson, said the project would deepen the shipping channels to 32 feet. Much of the environmental and engineering preparation has been done. State officials estimate that, with General Assembly authorization, the work could begin in October.

The Legislative Port Commission recommended against using Army Corps of Engineers to dredging, partly because the Corps work is backed up, and because of the HMT issue. {Andy Smith in Providence Journal 29.Feb.12}
map in 10#03B for St.Jean interchanges]. CN will deliver them to the Arcelor Mittal plant in Contraconer. {Kevin Burkholder in NERN e-list 9.Mar.12}

Reportedly the cars originate at wTe on PAS in Greenfield. {e-mail to ANR&P from Vermont railfan 16.Mar.12}

**End of some NECR haulage?**

In 2010 [see 10#04A], NECR began moving some Pan Am traffic from the re-opened interchange in Miller's Falls to WACR. Now Pan Am will use the scrap train to move the overhead traffic to the Junction. The scrap cars formerly were interchanged to NECR at Miller's Falls.

But on 19 March, the first scrap load arrived in the Junction via the NECR interchange. PAS has still not run that far north. {Kevin Burkholder post to NERN 19.Mar.12}

**More on wTe Recycling**

The facility is located in the Cheapside area of Greenfield, near where the Deerfield River empties into the Connecticut. The Google aerial photo shows seven loaded cars awaiting lifting near a switch on the Freight Main, which meets the ConnRiver line just west of wTe. The Bing aerial photo shows five, and the Bing side view shows four. The contents of all cars is granular. {websites}

**VRS: AWARD**

7 March, Chicago. *RAILWAY AGE NAMED VRS SHORT LINE RAILROAD OF THE YEAR*. It will make the award on 24 April at the ASLRRA annual meeting in Indianapolis.

The award notice recited VRS' improved *Ethan Allen* service, its recovery from Hurricane Irene, and its moving 130,000 tons of rock during a 10-week period to repair Route 107 in Bethel. "Short lines such as Vermont Railways offer tangible proof that the American work ethic is alive and well," said *Railway Age* Managing Editor Douglas John Bowen. {Railway Age press release; vtwesternrailcorridor.com}

**VRS: TIGER APPLICATION**

29 February, Montpelier. *VAOT WILL APPLY FOR A TIGER IV GRANT FOR THE GREEN MOUNTAIN* track owned by the state, it announced at the Rail Council meeting this day. The availability of funds was announced 10 days ago, with applications due just 2½ weeks later.

GMRC would receive $10 million in federal funds with a $3 million local match to buy 18 to 20 miles of new stick rail (115-pound in 80-foot lengths) to replace the old 90- and 105-pound rail from the 1800s still in place. GMRC would also rehabilitate six bridges and install ties.

VRS is now replacing some 90-pound with 105-pound rail removed from the Vermont Railway between Rutland and Burlington.

Why jointed rail and not welded? Cheaper and funds are limited, though welded rail and its reduced maintenance costs are in fact a better investment if Vermont had the funds.

Though the GMRC will still lack 286,000-pound capacity because of other bridge limitations, getting it in better repair will keep it competitive for CP overhead traffic through Vermont. {Chris Parker of Vermont Rail Action Network coverage 2.Mar.12}

**MARITIMES**

**WHRC: RE-USE RAIL PROPERTY?**

28 February, Wolfville. *BOB SCHMIDT IS EXPLORING WAYS TO DEVELOP UNDERUSED RAILWAY LANDS* in Wolfville, 60 miles west of Halifax. WHRC's grain hauling to two co-operatives ended in 2009.

Schmidt, WHRC president and CEO, said: “Over the years, even before the grain business got less, I always looked at that land and thought being one block parallel from main street it could be a nice urban infill
project with some smaller buildings of mixed use, residential and commercial.” The town may need development land since it is somewhat landlocked between marsh land and a major highway.

**The land**
The parcel ranges in width from 66 feet to 150 feet and runs about six or seven blocks through the town. Track remains; it needs maintenance and a bridge at Avonport requires upgrading. When the bridge became “problematic” the railway began to offload the grain in Windsor and truck it to customers beyond Wolfville. It amounted to a “couple hundred carloads a year.”

**Developer?**
The whole idea is still very preliminary; Schmidt hasn’t decided on how to proceed with development. “Over my career I have done some developing and remodeling and enjoyed and liked it and am not afraid to do it. But I’m not afraid to partner with someone or do a joint venture or whatever. From my perspective while our rail traffic is shut down indefinitely [see 11#11A], we are looking at all opportunities to create some additional ongoing revenue to improve the financial or long-term viability of the railway and keep the company afloat” until the production of gypsum resumes.

**Public meeting**
Schmidt held a public meeting in Wolfville 22 February to discuss his ideas. “Some people were cautiously receptive as long we maintained the charm and the views and didn’t overbuild.” A small minority wanted to preserve the rail corridor in case there was a possibility for future commuter rail. They were concerned “that once the rail was gone it’s gone.”

Schmidt said he would take that feedback and go back to the drawing board to see what development might be possible but still try and maintain a rail corridor. “If we were just going to take on total development we would likely file for discontinuance of service with removal of rail or abandonment. However, now we will see if there is a way to do both [develop and maintain the rail corridor] and if so we will look into it with the [Nova Scotia Utility and Review Board].” {Schmidt in discussions with ANR&P correspondent Tom Peters 28.Feb.12}

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**HALIFAX: BULKING UP**
9 March. **TWO MAJOR DEVELOPMENTS SHOULD INCREASE TRAFFIC HERE.**
Vale products
Vale, the mining company developing the nickel mine in Voisey’s Bay, Newfoundland and Labrador, will use Halifax as a transshipment hub for finished product from its new processing plant. In Long Harbour, Newfoundland, Vale is building a $2.8 billion processing facility finished in 2013. “[It] will have the capacity to produce approximately 50,000 metric tonnes of nickel, 5,000 metric tonnes of copper and 2,000 metric tonnes of cobalt,” said Vale’s Bob Carter.

Quebec City out
Since 2005, the Voisey’s Bay mine has sent 10 to 12 vessels annually to Quebec City on the 30,000-ton capacity vessel MV Umiak 1, where the concentrates are transshipped to Sudbury, Ontario and Thompson, Manitoba to Vale facilities for processing. The finished products are distributed to global markets. That method will be phased out once the Long Harbour facility is operating.

Vale will package the results of the processing, called concentrates, for each customer at Long Harbour and load the packages on the Umiak.

Logistics company sought
The Umiak will deliver the packages to Halifax. Resupply products for the mining operation, such as food, chemicals, spare parts, and other items will be loaded in Halifax for the Umiak’s return trip.

Vale has issued an RFP for a third-party logistics supplier to provide warehousing at the port, and will also seek a contract with a stevedoring company in Halifax, said Halifax Port Authority’s George Malec.

The packages will be loaded into containers for shipping. Carter said Halifax was chosen as the hub port because of its global connections. {Carter in an email to ANR&P correspondent Tom Peters 9.Mar.12; Malec discussions with Peters 14.Mar.12}

Irving work
Halifax is also expected to see its breakbulk business increase as Irving Shipbuilding Inc. begins construction of new federal combat vessels [see 12#01A]. Halifax Port Authority’s George Malec said the authority has been in direct talks with the Irving group about moving product over Richmond Terminal. {Andrew Macdonald, allnovascotia.com 6.Mar.2012}

The port is cost-sharing a $73 million upgrade of Richmond Terminal with the federal government to enhance its ability to handle breakbulk cargo. {HPA release 30.Apr.09} The upgrade is scheduled to be completed in 2013 and Malec said the completion of the project should coincide with Irving’s shipbuilding schedule.{allnovascotia.com 6.Mar.2012}

Irving’s Mary Keith said how much product will move over Halifax has not been determined. “There is nothing to confirm at this time until we have contract, engineering and related procurement (yet to be finalized).” {Mary Keith in an email to Peters 13.Mar.2012}

SAINT JOHN: WATERFRONT OPPORTUNITY*
8 March. SAINT JOHN PORT AUTHORITY HAS ISSUED A REQUEST FOR PROPOSALS TO DEVELOP LONG WHARF on the east side of the harbour. Jim Quinn, the authority’s president and CEO, said the 14-acre site is underutilized and the authority wants this “valuable asset” to generate more revenue. “It is one of most valuable pieces of property we have and it does not generate near the volume of revenue it should.”

Process
“We decided as part of our land use plan we would go out and find out what proposals the private sector may have for that area,” Quinn said. Any ideas that come forward must be consistent with the authority’s letters patent.

“It is a chance to develop Long Wharf in a way that it would marry into our maritime business and go from there,” he said. The authority is also working with a community harbour association that wants to develop berthage for some fishing boats and pleasure craft as part of the wharf complex. {Jim Quinn in discussions with
Present and past uses
The wharf is used now as a secondary terminal for larger cruise ships and an occasional layby vessel. In its heyday the wharf was a bulk cargo facility for limestone and salt plus general cargo. A cargo shed, which was taken down in 2007, had been used for transit cargo. {Pat Riley, ILA Local 273 in discussions with Peters 8.Mar. 2012}

RAIL SHIPPERS

Described in this issue.
Dead River (MMA, SLR, MNRC, Pan Am, Maine) Five oil, four propane terminals.
Eastern Propane (NHN, Pan Am, Maine) NHN doing good job.
Energy USA (Pan Am, Maine) Propane terminal.
Global (Pan Am, Massachusetts) Ethanol terminal opposed.
Maine Energy (MMA, Maine) Propane terminal.
NORAD (SVTC, Rhode Island) Autos increasing.
Sea-3 (Pan Am, Maine) New Hampshire propane terminal.
Tighe (Pan Am, Massachusetts) NIMBYs complain.
WeCare Organics (CSXT, Massachusetts) Proposed Taunton transfer facility.
WTe Recycling (Pan Am, Massachusetts) Routing via MMA?

PEOPLE, EVENTS

At Pan Am Railways, MG Rooks is now general manager west, JM Medeiros now director of manpower, CN Lynch now superintendent central, JW Schultz now acting general manager east. {announcement 4.Mar.12} In spring 2011 Schultz moved from MMA to become vice-president transportation for Pan Am [see 11#03B].

Sean Giardino is director, sales and marketing for Mass Coastal Railroad
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