Helping to move rail and port traffic through New York, New England, the Maritimes, & eastern Québec. A weekly trade newsletter.

**REGIONAL**


**NEW YORK**

Short lines: APU test on seven short lines. D&H: Unit trains of crude continue to Albany.*

**VERMONT**

VRS: Casella restarts rail in Rutland with a carload of cullet to Georgia.* VRS-VAOT: FEMA grants +$11 million for the repair of the WACR bridge over the White River in 2011.* VRS-PW-CN: Vermont legislators and others over the Great Eastern Route.*

**MARITIMES**

CBNS: NewPage purchased and may reopen.* Halifax: Breakbulk way up for 1Q12, but containers and bulk down.* Halifax: Eniligna Canada replaced by Scotia Atlantic Biomass Company as pellet exporter.*

**RAIL SHIPPERS/RECEIVERS**

A cross-reference to companies mentioned here.

**PEOPLE, POSITIONS, EVENTS**

[No report.]

**FROM THE PUBLISHER**

From the banks of the Mississippi

Now in Minneapolis on my 45-day trip, I marvel at the network of track running through the Twin Cities. And I wonder about all the abandoned elevators. The 'City of Lakes' was once the world's leader in flour. What happened?

- Chop Hardenbergh

Next formal issue 15 May
REGIONAL

HALIFAX, BOSTON, PORTLAND: FEEDER GONE

25 April. AMERICAN FEEDER LINES CEASED TRADING LESS THAN A YEAR AFTER THE LINE WAS SET UP. It was primarily used for volumes carried by Hapag-Lloyd on the AEX, PAX and the ATA services. {PR News}

Then “out of business”

“We had to pull the plug because there was not enough volume on the service,” said Rudy Mack, chief operating officer of the New York-based carrier. “You need a certain cash flow to run this service. We don’t have it today. We won’t have it tomorrow.”

Mack said the German investors who had helped launch the company in 2011 were no longer willing to subsidize the money-losing operation. “So we decided to close it. Otherwise it would be irresponsible to bleed money away without the hope to break even within the near future.”

US short-sea dead?

The carrier had hoped to build up to 10 container ships in the U.S. and launch weekly short-sea services that would link up to 18 ports under the Jones Act. “The short-sea, Jones Act idea has died,” Mack said. “If you can’t run a feeder service from Halifax to Boston and Portland, how will you be able to run other short-sea services?” {Peter Leach in Journal of Commerce 26.Apr.12}

What about the subsidies offered?

Only in early April was the fact made known that the Halifax Port Authority and Nova Scotia were providing financial backing for the operation [see 12#04A].

Halifax subsidy. HPA spokesperson Michele Peveril said: “HPA in the early days in the proposal for feeder service in 2011 was interested in providing” financial and development support.

“It has advanced funds to AFL. We saw the business case and extensive private funds; we were comfortable with the people and the proposal last year.

“Because of the arrangement with the customer” she declined comment on the amount HPA advanced.

As for the loss, “the situation will still unfold on the finances. It's early to speculate on what the loss will be, if any.”

HPA has “obviously interest in establishing and maintaining” the connection with New England. Perhaps in the future, “a different vessel, different economic circumstance, or different services, or a different-sized vessel” could make the trade lane work. {ANR&P discussion 30.Apr.12}

Provincial subsidy. Patricia Jreige, spokesperson for the Economic and Rural Development and Tourism, wrote on 30 April: 'The province will not need to pay anything to the Halifax Port Authority. The investment was approved, but given the current situation, it was not executed. Because our investment has not been completed, no provincial dollars are at risk.' {e-mail to ANR&P} [Contrast support to Enligna. See Halifax.]

PAN AM: IMPROVED PERFORMANCE

3 April, Nashville, Tennessee. PAN AM HAS CHANGED THE DYNAMICS OF SHIPPING PULP & PAPER FROM MAINE & NEW BRUNSWICK WITH $300 MILLION in capital improvements and a commitment to customer service, according to a presentation by David Fink, Pan Am president, to the TAPPI

1 In keeping with the trend in industry to avoid detail and provide only a 'brand', the TAPPI website refuses to tell the reader what TAPPI stands for. I believe it represents the initials for The Association of the Pulp and Paper Industry. Similarly the ZTR website does not provide the name of the ZTR company. Furthermore, like many websites, the ZTR website does not provide a location of the company.
Shipping, Receiving, Warehousing Workshop here.

The pdfs from the presentation provide a map of the Pan Am network and list most of the pulp and paper mills within the region, including those not served by Pan Am [though it gives the wrong location for the Twin Rivers mill].

The $300 million² is noted in a table.³

Results of investments
The penultimate slide noted 'major reductions in transit times for paper traffic, and reduced terminal dwell' as well as 'increased on time performance and consistency.' {pdfs from TAPPI website}

**INVESTMENTS IN INFRASTRUCTURE**

- **2002 – $65M Initial Downeaster Project**
- **2008-2012 – $38M Downeaster Expansion**
- **2008-2012 – $80M System wide upgrades to track, rolling stock, and locomotives**
- **2008 – $5M Danville Junction Rebuild**
- **2009 – $150M Patriot Corridor/PAS Project**
- **2011-2012 – $70M Knowledge Corridor Project**
- **2012-2013 - $3M Hoosic Tunnel Expansion Study**

**MMA-NBSR: CRUDE ARRIVING***

20 April, McAdam. **THE TWO RAILROADS MOVED THIS DAY 40-50 CARS OF CRUDE OIL EAST**, which originated in Saskatchewan, to the Irving refinery in Saint John. {RailsNB e-list}

This report confirms the growing traffic [see 12#04A].

No US oil via CN currently
At this point, wrote Warren Chandler, regional manager CN public affairs, 'CN has the capacity and assets in place to meet the oil industry’s evolving needs. However CN is not moving product from the United States to New Brunswick and CN does not comment on potential or possible traffic.'

He was responding to a report that a major crude move on CN will start in late spring via Chicago. {e-mail to ANR&P correspondent Tom Peters 18.Apr.12}

**VRS-MMA-SLR: SALT MOVING***

19 April. **SALT TRAFFIC FOR WEST MILAN, NEW HAMPSHIRE IS MAGNIFYING TRAFFIC HERE**. MMA’s chief dispatcher wrote 'Traffic will be heavy between Newport and Farnham for at least the next week. VTR is running a 30-car Extra on Saturday into Newport and there are +/-130 cars of rock salt enroute from them for us. We will need to keep 2 locomotives on Job 710 for a bit.'

But no new Pan Am traffic
While Pan Am is working to increase traffic over White River Junction [see 12#03A], little additional appears to be moving via WACR and MMA toward Montreal. {e-mail to ANR&P from MMA chair Ed Burkhardt}

Salt cars to sit on VRS
D&H train 617 on 21 April was reported moving out of Binghamton with 75 loads for interchange to VRS at Whitehall, New York. 'This is the last unit train for the season. There are no empties at Whitehall for them to return with; they are being stored [after unloading – editor] on the VRS system (good money for the VRS) due to mild winter and low call for salt. All the sheds are full.' {D&H e-list}

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² The knowledgable observer notes that all of the money came from outside sources, including the $80 million for system upgrades.
³ Most spell the name of the tunnel as Hoosac. Pan am may be excused: three spellings exist. We have the nearby Hoosick Falls town in New York, and the Hoosic River through Williamstown, Massachusetts.
NEW YORK

NEW YORK: SHORT LINE EMISSIONS TEST

26 April, NEW WEST TECHNOLOGIES AND POWER DRIVES INCORPORATED (PDI) USED FUNDING FROM NEW YORK to do an emissions study with eleven different locomotives operated by seven short lines over three months, November 2011 through January 2012.

Test of equipment
A writeup of the study provided by the EPA noted that before purchasing idle-control technology, short line operators want documented benefits, proof of reliability, and ease of operation.

New West Technologies and PDI used funding from the New York State Energy Research and Development Authority (NRSERDA) and NYSDOT to demonstrate the Powerhouse diesel warming system (DWS).

The equipment: three different kinds
Dave Word, regional vice-president sales - locomotive products for PDI, discussed the situation described in the study. PDI, with a long-standing relationship with General Electric, sells two different pieces:

Pump powered by generator. The Powerhouse DWS-APU circulates water or coolant with an electric water pump powered by an alternator that is driven by a small EPA-certified Kubota onboard diesel engine. The engine is started by a 12-volt battery. An optional electric oil pump can be added to heat engine oil by circulating it through the block. Excess electricity charges the battery. PDI provides the unit split into two frames: the heater and the diesel, which can be set up to 15 feet apart, or stacked. Remote monitoring will also become standard.

Cost: $25,000-$30,000.

Pump powered by shore electricity. The PowerHouse DWS-120, an electric water pump using shore power, circulates heated water or coolant. Unlike other competitive units that require 3-phase, 480-volt, 60-amp shore power, the DWS-120 uses just 5 amps (about half of a typical blow dryer).

Cost: $10,000.

Heater. Both units have installed a Webasto heat-exchanger with a flame, burning diesel from the locomotive fuel tank, and a forced air blower. The heat is exchanged into a water jacket containing the coolant or, in most cases, water.

Fuel usage
The heater is 'typically required to only operate 50% of the time to maintain a cooling system temperature of above 100 degrees F in the coldest of weather,' wrote Word later. When operating, the heater does consume 1 gallon per hour, but if it is only required to operate 50% of the time then the average fuel consumption rate is only 0.5 gallon/hour.

An idling locomotive burns three to six gallons per hour. The DWS-APU uses ½ gallon per hour at average operating temperature (not the coldest), including the heat exchanger. The DWS-120, an electric pump which can use shore power, circulates the coolant fluid, using the equivalent of 0.016 gallons per hour, giving a total of 0.516 gallons per hour in the coldest weather.
New York: home to short lines
Some 42% of the overall rail infrastructure is owned and operated by 29 separate transportation companies. Seven of these participated in the study [see table and map].

Payback period
While two of the 11 locomotives equipped with DWS did not operate, the other nine demonstrated that the price of the fuel saved would pay for the units within 7.9 months, on average.

"Unfortunately, even this payback period may not be enough for a short line railroad that has very thin operating margins and would have to borrow to pay for the equipment."

Word pointed out that government subsidies are available, including EPA. “Many of our customers take advantage of this matching program.” {ANR&P discussion with Word 26.Apr.12; text of study writeup; PDI website}

A comment from FGLK
On 13 April, Mike Smith, a principal of Finger Lakes Railway, said that NYSERDA paid for the equipment, and his railroad contributed the cost and work of installation. The units can become the property of the railroads if they agree to pay a stipend to NYSERDA.

“The [DWS-AUP] worked out well. It's a good product...We will buy a couple [of the DWS-120] and see how it goes.” FGLK calculates the 120s will repay the purchase price within seven to eight months, even though they will 'tend to shut our units down more than many, and go lower in temps before running them, to save fuel.'

Smith is familiar with PDI competitors such as Hotstart and ZTR Control Systems LLC of Minneapolis. “The ZTR system, that works well too. The system recognizes the water temperature of the locomotive. If it falls below a point, the system starts the whole engine, and then will shut it down at a certain temperature. It monitors battery charge, and won't shut off the engine if there is insufficient battery charge to keep the locomotive running.”

Such a restart system, said Smith, is “a little less expensive than diesel APUs; in the end it burns more fuel and has other ongoing operating expenses. {ANR&P discussion; e-mail on 30.Apr.12}

A comment from a competitor
ZTR Marketing Manager Len Auer replied: 'APUs have many moving parts, which can lead to significant long-term maintenance and replacement costs. Restart systems, such as ZTR’s SmartStart®, are completely microprocessor-based and virtually maintenance-free. In addition, the new SmartStart® SAVER™ option provides wireless fleet reports of the restart system performance and opportunities to save even more.' {email to ANR&P 30.Apr.12}
D&H: CRUDE, ETHANOL*
23 April, upper Canada. **BLOCKS OF PETROLEUM ARE MOVING TOWARD ALBANY** this day [see above]: train 642 of Albany Ethanol was at Bolingbroke, Ontario with 81 loads; train 608 was a few hours behind with 81 cars of crude. {D&H e-list}

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CONNECTICUT

CONNDOT: SURPLUS MATERIALS*
19 April, Newington. **SEVEN RAILROADS IN THE STATE WILL SPLIT FIVE MILES OF TRACK MATERIEL**, according to a ConnDOT announcement this day. In accord with a new state statute, ConnDOT is recycling the used materials to six freight railroads and one railroad museum:

**Distribution of Surplus Track Material**

**Crossties with tieplates**

Central New England Railroad Company
1600 crossties for the Griffins Industrial Track located in Hartford and Bloomfield, and for the Armory Branch in East Windsor and Enfield.

Connecticut Southern Railroad Company
400 crossties for the Bradley Spur in Suffield and Windsor Locks.

Housatonic Railroad Company
1600 crossties for the Berkshire Line in New Milford, Kent, Cornwall, Canaan, and North Canaan.

Naugatuck Railroad Company
2500 crossties for the Torrington Branch, in Waterbury, Watertown, Thomaston, Litchfield, and Torrington.

Pan Am Railways
400 crossties for the Terryville Secondary in Waterbury.

Providence & Worcester Railroad Company
6,400 crossties for the Willimantic Secondary Track in Windham and Sprague, and the Middletown Secondary Track in Middlefield, Middletown, and Cromwell.

Valley Railroad Company
1,100 crossties for the Connecticut Valley Line in Old Saybrook, Essex, Deep River, Chester, and Haddam.

**131 lb. rail with joint bars (to be distributed in the autumn of 2012)**

Central New England Railroad -- 1.25 miles for the Griffins Industrial Track and Armory Branch.

Naugatuck Railroad Company -- 0.75 miles for the Torrington Branch.

Providence & Worcester Railroad -- 3 miles for the Willimantic Secondary Branch. {ConnDOT press release and attachment}

**Source of materials**

The materials are available because ConnDOT paid to re-hab the fourth main line between Milford and New Haven to assist the re-opening of a passenger depot in West Haven. In mid-April, Metro-North was replacing a freight track with a passenger rail track. [See photo.]
CONNECTICUT PORTS

25 April. **THE STUDY ON THE THREE DEEPWATER PORTS WILL GET NO PUBLIC VETTING.** Consultants Moffett & Nichol were given a completion date: 15 May [see 12#04A New London]. Only the final report will be made available to the public once presented to and accepted by the state. {e-mail to ANR&P from ConnDOT's Chuck Beck}

MAINE

MAINE LEGISLATURE: SOME MONEY?

26 April, Augusta. **THE APPROPRIATIONS COMMITTEE APPROVED RAIL AND PORT MONEY** in the bond package it reported out to the full Legislature this day. The solons will return to Augusta on 15 May to vote on the five separate bonds, which totals $95.9 million. Maine voters will decide in the November election about the bonds.

**Rail and port items**
The transportation bond bill, LD 894, totalled $51.64 million, including $1.5 million for the Industrial Rail Access Program, $1.5 million for Eastport warehousing, $3 million for Searsport dredging [see Searsport], and $2 million for Searsport materials holding. {Republican caucus press release}
SLR: NEW BRANCH

24 April, Augusta. MDOT HIRED HNTB TO WORK ON THE NEW AUBURN TRACK, said Catherine Rand, the project manager. The department had intended to bid the work in March, but now will await the design. HNTB will do it in two stages: first build on the existing railbed, and second build the new spurs and sidings and do environmental work.

Depending on what HNTB finds especially in the environment, the new tracks may need to move. MDOT plans to bid the first stage this construction season.

The plan

Initial thoughts of entering the “Rangeley Branch” from the SLR main line were cancelled when SLR found the extent of its right-of-way would not permit a new lead track to the east [see schematic]. Now, the serving railroad will access the Branch from the Lewiston-Auburn Railroad. {ANR&P discussion}

More on the Lewiston-Auburn Railroad new branch

The railroad is owned 75% by Lewiston, and 25% by Auburn as originally set up in 1881, said Lucien Gosselin, who heads the Lewiston-Auburn Growth Council which is paid by the two cities to manage it. The SLR leases the track. Gosselin added:

Why called the Rangeley Branch? Eaton, Peabody, the law firm, researched the ownership of the branch and found that on very old maps the line was called the 'Rangeley Branch,' part of the Portland and Rumford Falls Railway.

Authority to operate outside the two cities? The Maine Legislature a few years ago approved a revision to the original charter permitting the railroad to outside the two towns [see 06#02A]. This was necessary because the branch extends 1500 feet into the Town of Poland.

Ownership of new branch. The railroad acquired the right of way beginning at the Auburn-Poland boundary to
the L-A main line from CPRC Group, the owner of MB Bark [see 06#02A]. The railroad acquired the balance of 1500 feet from George Field.

**Power pole operation.** MB Bark is running a power pole transload for Central Maine Power. The poles arrive by rail at the SLR's Maine Intermodal Terminal, and are trucked – as bark was once trucked – to the MB Bark facility.

As a condition of the sale of the right-of-way, MB Bark will get a rail spur into its facility [see schematic].

**Avoiding the West Hardscrabble Road crossing of the L-A main line.** The original line went through this crossing. To use it, L-A would have had to spend a million dollars, according to MDOT and SLR estimates. Further complication arose from the plan to extend a runway of the Lewiston-Auburn Airport.

In early planning, the idea arose to dead-end the Branch and not connect to the L-A main line. Gosselin asked the engineers to re-examine the situation, and they came up with a plan involving a reverse curve which would permit a connection to the L-A main line and still avoid the expense of the crossing.

**The freight and passenger advantages of opening the Branch.** Gosselin said that many years ago, when Matt Jacobson ran the SLR, he noted that operating passenger service through the Junction would require additional track, because the SLR used its main line to assemble trains.

The Rangeley Branch, according to the current scheme, will add 14,000 feet of track. That will not only permit passenger service, “if and when it comes,” said Gosselin, but also help freight by providing rail access to MB Bark, and rail access to the rear of the MIT. {ANR&P discussion 30.Apr.12}
NS-PAN AM: LEGISLATORS ENTER*

18 April, Boston. A BILL TO SLOW THE ETHANOL TRAINS TO REVERE WAS INTRODUCED INTO THE MASSACHUSETTS GENERAL COURT. Senator Anthony Petruccelli the week before added an amendment to a state transportation bond bill that would prohibit the state’s Department of Environmental Protection (DEP) from issuing Global a Chapter 91 permit [for new projects on filled wetlands – see 12#03A] to do work for the ethanol unloading and storage facility until a comprehensive safety study is completed. The study, explained Petruccelli, would examine safety and environmental impacts.

“The people of Revere and East Boston deserve to hear more answers to very important questions related to the transportation of ethanol,” said Petruccelli. “With the proposed language in the transportation bond bill, it is our hope that some time and pressure might be applied to federal regulators to provide that information.” Petruccelli warned that the federal government would have to fund such a study because of federal jurisdiction over rail lines. [Petruccelli seems to be asking for an STB environmental study, but the amendment does not mention the federal government. Editor] {John Lynds in East Boston Free Times 18.Apr.12}

Text of amendment
Messrs. Petruccelli and DiDomenico move to amend the bill (Senate, No.2213) by inserting at the end of the bill the following new section [which was adopted as amendment #10]:

SECTION XX. Notwithstanding any general law or regulation to the contrary, the department of transportation shall commission a study to determine the impact on the public safety of transporting ethanol by train through the communities of Boston, Revere, Everett, Cambridge, and Chelsea. Public safety issues to be studied shall include, but not be limited...
to, the proximity to residences, elderly housing complexes, schools, hospitals, health care facilities and other population and demographic characteristics, and emergency response capabilities. Said report shall be completed within six months of enactment and copies shall be provided to the senate committee on ways and means, the executive office of public safety and security, and the department of environmental protection. The department of environmental protection shall not issue a license under chapter 91 of the general laws for the transportation of ethanol through the communities of Boston, Revere, Everett, Cambridge and Chelsea until it has received said report. [legislative website]

**Federal interest**

US Senator Scott Brown (R) said in an earlier interview that he would hesitate to back the ethanol by rail without local approval. “For me, these kinds of issues are about location and concerns of those in the area who would be impacted,” said Brown. “For instance, I opposed the proposed LNG project in Fall River [see 11#06A] because I felt that it posed a safety threat to area residents. Community approval must be sought and granted before any project moves forward, especially if the safety of neighborhood residents is at stake.” [Seth Daniel in *Revere Journal* 11.Apr.12]

[In other words, senator, say goodbye to interstate commerce, national defense bases, airports, and power lines, not to mention eminent domain. Build nothing nowhere near anyone. *Editor*]

**CSXT: MORE INTERMODAL CHANGES***

23 April. *BOSTON AND BUFFALO INTERMODAL SCHEDULE ADJUSTMENTS BEGIN THIS DAY.*

[A VB = availability, GCO = gate cut off.]

- **Boston arrivals:** schedules to Boston are being adjusted to accelerate the transit time and improve reliability. When put in place, traffic will be available in Boston within a tighter window that aligns more closely with scheduled arrival time.
  - City of Industry to Boston (Earlier AVB): CO 1800-0 Monday through Friday. AVB 1700-6
  - Northwest Ohio to Boston: GCO 2300-0 Daily. AVB 0600-3

- **Buffalo, NY, to Elizabeth Marine Terminal (EMT)** service will be increased from the current two days per week to six days per week (Monday – Saturday). GCO 1300-0 Monday through Saturday. AVB 1100-3. [CSXT customer notification]

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**NEW HAMPSHIRE**

**MBRX v PAN AM: updates**

[See 12#04A for previous updates.]

**NHDOT decision**

Although the department gave the impression [see 12#04A] that it would decide by 20 April, according to sources the department has created a review committee which will decide later, possibly much later. [ANR&P discussion 30.Apr.12]

**Operation**

Granite State Concrete agreed to switch from a generator to land-line electrical power at its quarry in Milford, and applied months ago for a permit to have a PSNH power line cross the state track. That permit was not granted until 27 April. The quarry now awaits the installation of the power line.

At that point, the quarry can operate, and Leishman can begin once again moving stone to the Granite State Concrete processing plant in Milford. [ANR&P discussion 30.Apr.12]
First Circuit
For readers awaiting the Pan Am reply brief eagerly: the First Circuit granted Pan Am extra time, so it is not due until 8 May. {court docket no. 12-1031 18.Apr.12}

PAN AM: COAL ARRIVING*
21 April, Binghamton NY. ANOTHER NS TRACKAGE-RIGHTS TRAIN MOVED TOWARD THE BOW POWER PLANT, with 88 loads. Despite the apparent lack of use for 2012 [see 12#04A], contracts seemingly require PSNH to receive the coal it has ordered. {D&H e-list}

RHODE ISLAND

PW: CUSTOMER STILL SHIPPING*
19 April, East Providence. TLA POND VIEW SENT OUT SIX LOADS THIS DAY, and is still operating, despite the legal, financial, and regulatory imbroglios [see 12#03B]. {e-mail to ANR&P from correspondent}
VERMONT

VRS: REVIVED CUSTOMER*
16 April, Burlington. **CASELLA SENT A LOAD OF CULLET TO GEORGIA** for customer Specialty Materials Inc, reported Scott McCalla, who serves as Casella Waste Systems senior rail analyst [see 12#03B Regional].

**Source of material: Rutland Recycling Center**
In November 2011, Casella’s Rutland MRF (materials recovery facility) completed an upgrade from a manual dual stream facility to an automated Zero-Sort® facility.

A Zero-Sort® [Casella's trade name for the collection system in which consumers do not need to sort their recycled material – in Maine this is called 'single-sort' – *editor*] facility receives mingled recycling, like paper, plastic, cardboard, glass and metal, all in one vessel. It is put onto the tip floor, and run through a series of steps to sort the specific material by type. Workers keep the machines running, control quality, sort some specific materials, and handle the finished baled materials.

Although automated, the facility actually created more jobs. Recycled material is no longer trucked to more efficient sorting facilities around the state; Rutland can sort more than three times more material at this facility than before; and more people are needed to do that.

**Glass at a recycling facility**
Recycled glass is often difficult to handle at a recycling facility. Casella's Zero Sort process removes glass and
a small amount of other non-recyclable material (like bottle caps) from the mix at the start. It then breaks up larger pieces of glass and any whole bottles.

Because cullet (crushed glass) is selling at a low price now, and unprocessed crushed glass even lower [see box], Casella does not sort the glass. Often, glass recycling, due to its heavy nature and low demand, is a cost rather than a revenue stream for a recycling facility.

**The rail move**

Casella has not shipped glass out of the Rutland facility since 1998. The move to Specialty Materials presented a good opportunity to prove the concept, get Casella back on rail, and create the efficiency of a rail move, said McCalla. The rail car holds the equivalent of five truckloads, and loading one car versus five trucks provides further labor savings and handling efficiencies.

For the first move, “SMI supplied its own car, an old open-top hopper car. We received and loaded it on 14 April; the car was weighed and lifted by VRS on 16 April.”

### MORE ON CULLET PRICING

**Use of cullet**

In 1986, glass container industry representatives said they were willing to buy as much cullet as they could get if free from contamination (e.g., ceramics) and color–sorted. Cullet has several advantages over virgin materials in the container industry. Each 10% of the batch displaced by cullet saves 1 to 5% of the energy used to make virgin glass.

In addition, using cullet may extend the life of the glass furnace due to the lower temperatures needed to melt the cullet, and can give a marketing advantage to firms that use it for consumer products. Furthermore, although greater effort has been put into recovering glass, recovery rates are still low; as a result, the supply of flint and amber cullet is short. {Gordon Stewart, “Cullet and Glass Container Manufacture,” *Resource Recycling*, March/April 1986 cited in EPA}

**Use of mixed cullet**

In the United Kingdom, glass from materials recycling facilities most often goes to aggregates makers. Viridor’s new glass processing plant in Sheffield has also been highlighted as a significant development in the sector as it produces glass for the glassmakers from mixed material, some of which is from materials recycling facilities. {letsrecycle.com 26.July.11}

**Price of cullet**


In 2011 the price was similar, even for mixed cullet. Headwaters Cooperative Recycling in Butte, Montana, with help from the state and participating local governments, used its mobile glass pulverizer in 2011 to turn 600 tons of stockpiled glass into cullet. With the sharp edges removed, cullet can be put to a number of uses: an alternative to gravel and sand in landscaping, walking paths, pipe bedding, septic sand filter systems, as aggregate in cement walls, blocks, and paving stones, and in road base.

Prices listed on the website: 3/8 inch glass cullet, $17.00/ton; for 110 tons or more $15.00/ton. {myartgrant.com/blogspot accessed 23.Apr.12}

**Cost of rail**

At a price of $15/ton or $1500 for a 100-ton car, margins appear non-existent. For a sample transportation price: BNSF open quote system gives $7856 per car from City of Commerce, California, to Warner Robins, Georgia in open-top hopper. {BNSF website} A ballpark estimate for the move to Georgia, which like the BNSF rate is a two-line move, is probably about half the BNSF rate, or $3500. {editor}
The loading
Casella built the glass-conveyor in two weeks for the loading. Cullet is moved from the storage bunker by a front-end loader, and dumped into a hopper. The conveyor moves the cullet from the hopper at the rate of 3100 pounds, or one bucket, per two minutes. “We loaded 98 tons in the car,” McCalla noted.

Of the test move, McCalla said, “So far so good. There are three more cars on the way, and we hope this will become a regular rail movement.” Casella plans to move one car per week of recycled glass in 2012.

Casella hopes this glass move can lead to other recycled material moves out of the facility.

VRS did well
“Vermont Railway have been excellent partners,” said McCalla. “They have been very understanding and attentive to our service needs. They delivered, picked up, and weighed the car as promised. They trace the cars daily and report their progress to us to keep us informed and to allow us together to plan the schedule. Their freight billing system is extremely easy to use. Vermont Railway values each carload they handle and each customer they work with, and it is appreciated.” {e-mail to ANR&P 23.Apr.12}

NECR-PW-CN: OCS*
12-13 April. MEMBERS OF THE VERMONT HOUSE TRANSPORTATION COMMITTEE AND OTHER OFFICIALS were given a tour of the Great Eastern Route (Montpelier-Willimantic-Plainfield-Worcester) as well as the Port of Providence. Railroad officials accompanied them. {Vermont General Assembly notice}

Reasoning
Chuck Bohi, a member of the Committee, wrote: "'Dog and Pony Show" does not do justice to the need to make decision-makers aware of the need to upgrade Vermont's railroads (NECR-VRS) so they can compete more effectively for overhead business. I am old enough to remember a time when railroads were very visible and did much to regulate the rhythms of rural communities. Even then, however, it was through traffic that made our rail system viable. Today, many Vermonters see trains as a source of noise and other problems. They are not, in most cases, aware of the significant role played by the railroads in our economy. That lack of knowledge extends to political decision-makers at the legislative level. Trips like this one are an important way to make legislators and others more aware of the railroad's importance.' {e-mail to NERN list 10.Apr.12}

VRS-VAOT: FEDERAL ASSISTANCE*
19 April, Montpelier. GOVERNOR PETER SHUMLIN AND VERMONT'S CONGRESSIONAL DELEGATION ANNOUNCED A FEDERAL EMERGENCY MANAGEMENT AGENCY GRANT above $11 million under the Public Assistance program related to the extensive work done on WACR rail bridge 501 over the White River. The total estimated cost for the project currently stands at $14.8 million. VAOT worked to stabilize, reopen, and ultimately restore the important transportation link in record time. {government press release}

MARITIMES

CBNS: SHIPPER MAY RE-OPEN*
17 April, Port Hawkesbury. PAPERWORKERS VOTED 85% TO ACCEPT A CONTRACT ULTIMATUM at the Point Tupper pulp and paper mill, formerly Stora Enso then NewPage [closed summer 2011 – see 11#08B].

In January, Pacific West Commercial Corporation (PacWest), an affiliate of Stern Partners Inc. of Vancouver, won the right to purchase the mill assets. {Remo Zaccagna in Halifax Herald 4.Jan.12}
Conditions before re-opening
PacWest aims first to restart Machine #2, which makes supercalendered paper. "We need to make it," said spokesman Marc Dube of an ambitious restart date. "The busy time in our grades of paper is fall, pre-Christmas. It is also the time of year customers choose who their key partners are going to be in the coming year."

Pacific West still needs to complete negotiations on electricity rates with Nova Scotia Power. NewPage’s electricity bill during its last year of operation was about $116 million. The company also needs to negotiate access to wood fibre on Crown lands. Dube said the new company will need the same amount to supply both Machine #2 and a new on-site biomass electricity-generating station owned by Nova Scotia Power. {Aaron Beswick in Halifax Herald 18.Apr.12}

But for rail
The older, newsprint machine will not restart, so that rail volumes will not return to what they once were. Editor

HALIFAX: 1Q RESULTS*
19 April. BREAKBULK WAY UP, BULK AND CONTAINERS DOWN showed from the 1Q12 results posted by the Halifax Port Authority this day.

<table>
<thead>
<tr>
<th>Cargo Type</th>
<th>Q1 2012</th>
<th>Q1 2011</th>
<th>Variance</th>
<th>y-t-d 2012</th>
<th>y-t-d 2011</th>
<th>Variance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bulk</td>
<td>1,190,342</td>
<td>1,473,030</td>
<td>-19.2%</td>
<td>1,190,342</td>
<td>1,473,030</td>
<td>-19.2%</td>
</tr>
<tr>
<td>Breakbulk</td>
<td>47,444</td>
<td>20,392</td>
<td>+132.7%</td>
<td>47,444</td>
<td>20,392</td>
<td>+132.7%</td>
</tr>
<tr>
<td>Containerized*</td>
<td>734,499</td>
<td>832,614</td>
<td>-11.8%</td>
<td>734,499</td>
<td>832,614</td>
<td>-11.8%</td>
</tr>
<tr>
<td>Ro/Ro</td>
<td>65,326</td>
<td>62,000</td>
<td>+5.4%</td>
<td>65,326</td>
<td>62,000</td>
<td>+5.4%</td>
</tr>
<tr>
<td>Total</td>
<td>2,037,611</td>
<td>2,388,036</td>
<td>-14.7%</td>
<td>2,037,611</td>
<td>2,388,036</td>
<td>-14.7%</td>
</tr>
</tbody>
</table>

* Imports came to 41,777 TEUs, exports to 47,437 TEUs.

Clarification on bulk definition
Port Authority spokesperson Michele Peveril explained: 'For Halifax stats our product in containers is "containerized." Free-flowing product shipped in the hold of a vessel is "bulk." "Breakbulk" would be bagged, for instance, but not in containers. Anything in a container is "containerized" even though it gets loaded free-flowing into that container.' {e-mail to ANR&P 24.Apr.12}

The port is now able to containerize bulk cargo such as locally produced soybeans, destined for markets in Indonesia, for example.

Breakbulk results
Quarterly results released 18 April by HPA showed the port handled 47,444 metric tonnes of break bulk cargo versus 32,381 metric tonnes in the fourth quarter of 2011. “It’s been a concerted effort by the port authority and our private-sector partners to improve the competitiveness and infrastructure for handling break bulk cargo,” Peveril said. “There’s quite a variety of break bulk products moving through Halifax and that’s an area we’ve really been pushing and promoting in Halifax.”

Why the decline in boxes
Volatility in the Nova Scotia pulp and paper sector contributed to the decline in containerized cargo exports.
Peveril said the usually steady supply of export boxes helps keep traffic volumes at an even keel. “Our port, unlike many ports, is fairly balanced with the imports and exports that we handle; many ports don’t have much export available to basically refill containers as they leave the port,” she said. “Recent local developments do have an effect. However, imports did play a role in balancing those production issues.”

**Why the decline in bulk**
The dwindling demand for local gypsum products and volatility with refined and crude oil products contributed to the 19% drop in bulk cargo volumes, Peveril said. {Colleen Cosgrove in *Halifax Herald* 19.Apr.12}

**Meanwhile, at Prince Rupert**
On the West coast, the port most comparable to Halifax on the East is Prince Rupert: small or no local market and a great connection via CN to the heart of the continent.

It reported 1Q12 that boxes increased 95% [!] to 1.28 million tonnes. Its rival Vancouver also increased 10.5%. {CIFFA eBulletin 23.Apr.12}

**HALIFAX: NEW PELLET EXPORTER**
16 April. *

**Enligna history**
In 2008, Enligna, a German company, bought the MacTara pellet facility which was exporting wood pellets via the Halifax Grain Elevator. In 2009, Enligna announced that the province was loaning it $2.42 million to expand the facility from 80,000 tons per year to 100,000 tons per year. {see 09#10A].

In August 2011, Enligna Canada filed for bankruptcy protection. {foresttalk.com 18.Aug.11}

**The new owners**
In February 2012, Viridis Energy, a Vancouver-based company, completed acquisition of some of Enligna's assets under the name Scotia Atlantic Biomass Company: 20 buildings on four properties with a total of 157 acres and a separate 22-acre wood lot. The five pellet presses, capacity 110,000 tonnes of wood pellets per year, make the site the largest wood pellet manufacturing plant in Atlantic Canada. {Newsbrief 6.Feb.12}

CFO Michele Rebiere said in February that the company would make regular 25,000 metric-ton shipments to a European customer, reflecting “the plan to focus on bulk shipments of pellets to larger industrial customers in Europe where utilities use pellets for energy generation....Just to put this into perspective, the previous owners of the plant were moving 6,000 metric-ton shipments at a time.” {Bill Power in Halifax Chronicle Herald 7.Feb.12}

**Start date**
On 16 April, Rebiere said Viridis Energy is currently undertaking the preliminary work required to resume operations, doing maintenance on equipment, putting partial staff on payroll, and making the necessary preliminary orders. The company expects the plant to be back in full operation by the end of April or early May.

'Ve will export virtually all of our capacity through Halifax Grain elevators, and [as before], it will be trucked down to the port from Musquodoboit.' {e-mail from Rebiere to ANR&P correspondent Laurel Rafferty 16.Apr.12}
RAIL SHIPPERS

Described in this issue.
Casella (VRS, Vermont) First car of cullet in 14 years.
Global (NS-Pan Am, Massachusetts) Legislators concerned about unit ethanol trains.
Granite State Concrete (MBRX, New Hampshire) Not started operating yet.
MB Bark (SLR, Maine) Transloading power poles for CMP.
Northeast Utilities (Pan Am, New Hampshire) Coal still arriving at Bow.
TLA Pond View (PW, Rhode Island) Still operating.
West Milan (SLR, see Regional) Blocks of salt cars moving via WACR.

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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 imubes 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.’

FORMAL E-ISSUE