**Article unchanged from e-bulletin.**

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

Blue header & table of contents: new article

**REGIONAL**

Derailments: Five in ten days.

HRRC: Reorganization; historical facts. Map.*

Portland-Yarmouth ferry: Both proposals turned down. Nova Scotia will try again.*

**NEW YORK**

[No report.]

**QUÉBEC**

[No report.]

**CONNECTICUT**

Connecticut ports: Statewide port authority bill.

**MAINE**

MDOT: 2013 IRAP program ready for submissions.

MDM: Proposal of passenger service to Lewiston.

MMA: Rowland project unveiled soon.*

Pan Am-MMA: Crude oil derailment leads to 2012 traffic volume, and track speed summary.*

Eastport: Thermogen to make torrefied wood.

Portland-Pan Am-SLR: More on Eimskip call, doublestack access via SLR. Freezer needed.*

**MASSACHUSETTS**

Eastport: Chips coming, containers maybe.*

GU: STB suspends Upton citizens proceeding; federal judge takes Grafton complaint under advisement.*

CSXT-Everett: Losing Eimskip? Map.

Pan Am-Portsmouth: Sea-3 considering export capability.*

**RHODE ISLAND**

[No report.]

**VERMONT**

[No report.]

**MARITIMES**

WHRC: Letter-writing campaign to save line.

Canso: Melford misses construction deadline.*

Saint John: Significant tonnage gains for February in nearly all areas.*

**RAIL SHIPPERS/RECEIVERS**

A cross-reference to companies mentioned here.

**PEOPLE, POSITIONS, EVENTS**

Moncton!

Ray Dufour and the Transportation Club of Moncton kindly hosted my presentation on crude by rail [next e-bulletin].

Greater Moncton as the transport hub for the Maritimes has grown to the largest population centre in New Brunswick at 107,086.

- Chop Hardenbergh Next formal issue 2 April

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**Common abbreviation**

NOTE ABOUT REPORTING DERAILMENTS
This newsletter does not generally report derailments; every railroad large and small throughout the Atlantic Northeast is experiencing them – as shown below. However, the first derailment experienced by Pan Am on 7 March, of crude oil, provided insight into the amount of crude moved by MMA and Pan Am to Saint John, as well as the startling fact that Pan Am track between Waterville and Mattawamkeag is rated at only 10 miles per hour.

The others I provide only to show that Pan Am is not alone.

7 March: Pan Am crude train derails 15 cars in Mattawamkeag, three overturn. [See Maine.]
7 March: Pan Am loaded coal train (ex Provport) derails 8 cars in Nashua, none overturn.1
11 March: HRRC 57-car manifest train derails 9 cars in Lee, two overturn. Cause bad wheel.2
12 March: Pan Am train 13-car train derails 4 cars in Bucksport, none overturn.3
17 March: PW empty open-hopper train derails at least 3 cars in New Haven, none overturn.4

HRRC: NEW ORGANIZATION*
7 March, DC. THE RAILROAD PROPOSED TO RE-ARRANGE ITS CONSTITUENT PARTS in a filing of a proposed Notice of Exemption to the Surface Transportation Board. The parts of the organization:

HTC, the Housatonic Transportation Company incorporated in Delaware, owns HRRC, CTC, and a transloading company [Housatonic Logistics? – see 03#05A]. HTC acquired control of HRRC in 1992.
MRC5, Maybrook Railroad Corporation, a Connecticut corporation which owns lines of railroad in Connecticut which it acquired from Consolidated Rail Corporation in 1992. The lines were operated by Danbury Terminal Railroad (“DTRR”) until DTRR merged into HRRC in 1996 and have been operated by HRRC since that date.
HRRC, a class III common carrier. HRRC operates in Connecticut over lines owned by MRC and ConnDOT, and in Massachusetts over a line it currently owns and another owned by CTC.
CTC, the Coltsville Terminal Company, Inc. became a carrier in 2002 when it acquired a rail line in Pittsfield from CSXT pursuant to an Offer of Financial Assistance filed pursuant to 49.F.R. § 1152.27. [See 03#04B.]

While HRRC has rights in New York, it does not currently operate there.6

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1 A northbound coal train derailed just before the Nashua River at the Bridge Street crossing, but no spillage. {Carol Rabidoux in Nashua Patch 7 Mar.13}
2 See map of HRRC for Lee location. North of Schweitzer-Mauduit's Columbia Mill, two cars of plywood landed in the river. Apparently a flange malfunctioned at a switch near Columbia Mill, said the project manager for the railroad company, Matthew Boardman, later. One car leaning toward the river contained plastic resin pellets bound for Sheffield Plastics in Sheffield, said Robert Bass, the railroad company's general manager; a number of the other derailed cars were empty. Edward Rodriguez, HRRC executive vice-president, said the tracks in the area are maintained regularly. The train speed limit through Lee is 10 miles per hour. {Ellen Lahr in Berkshire Eagle}
3 FRA reports listed 12 Pan Am derailments from 2008 through 2012, and the same number for MMA. {Mario Monetto in Bangor Daily News 13 Mar.13}
4 The accident occurred on the bridge carrying Amtrak's Shore Line over the Little River, in East Haven, permitting New Haven-Springfield service to continue, but blocking all New Haven-Providence traffic. Amtrak suspended direct New York-Boston service, used buses for intermediate passengers, and ran Boston-New Haven via Springfield until late afternoon, when workers completed clearing the track and trains resumed.
5 The lines acquired from Conrail in 1992 consist of the Maybrook Line and the portion of the Berkshire Line shown in the map as owned by MRC. MRC also acquired the Beacon Line referred to in footnote 6, infra, but transferred that line to Metro North Railroad in 1995. In 1992, when MRC acquired the line from Conrail the name of the corporation was Maybrook Properties Inc. In 2009, the company was reincorporated in Connecticut and changed its name to Maybrook Railroad Company.
6 HRRC has freight operating rights over the so-called Beacon Line owned by Metro North Railroad between its connection with the Maybrook
The shareholders owning 99% of HTC, which in turn owns 100% of HRRC and CTC, also own 100% of the stock of MRC.

**Reason for rearrangement**

HTC, incorporated in Delaware, desires to become a Connecticut corporation in lieu of continuing as a Delaware corporation, and desires to remain in control of HRRC and CTC. HTC has no property, assets or activities in Delaware and is qualified as a foreign corporation in Connecticut thus creating unnecessary corporate administration, expense, and taxes.

The purpose of this filing is to permit HRRC to transfer ownership of the portion of the Berkshire Line in Massachusetts to MRC, which will streamline administration and enhance the financial condition of HTC and HRRC by consolidating ownership of the privately-owned portion of the Berkshire Line, by relieving HRRC of the burden of the payment of a significant mortgage obligation secured by the property to be transferred, and by

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Line at the New York/Connecticut state line and its connection with the Hudson Line in Beacon, New York, a distance of approximately 41.1 miles, and over the Harlem Line owned or leased by the New York Metropolitan Transportation Authority between MP 22.0 in North White Plains and MP 81.6 in Wassaic, New York. HRRC has not operated over either of the New York lines in several years because there are no freight rail customers. HRRC discontinued its common carrier obligation over the Harlem Line pursuant to a Board-granted exemption.
reducing administration expenses.

HRRRC would continue to operate the line through retained perpetual and exclusive common carrier freight operating rights exercised pursuant to an Operating Agreement between HRRC and MRC.

The reincorporation of HTC in Connecticut and the transfer of ownership of the Massachusetts rail line from HRRC to MRC will not result in adverse changes in service level, will not result in any significant operational changes and will not result in a change in the competitive balance with carriers outside the Housatonic corporate family. {STB website, filings page, FD 35723}

PORTLAND-YARMOUTH FERRY*
5 March, Halifax. **NOVA SCOTIA REJECTED THE ONLY TWO PROPOSALS TO OPERATE A FERRY SERVICE** between Yarmouth and New England which it received. Quest Navigation Inc. of Maine and Maritime Applied Physics Corp of Baltimore did not meet minimum criteria, said an evaluation committee. A search for an operator will continue. {Nova Scotia government release 5.Mar.13} [See 12#11B Regional.]

CONNECTICUT

CONNECTICUT PORTS**
9 March, Hartford. **THE STATE NEEDS A STATEWIDE PORT AUTHORITY**, said Tony Guerrera, co-chair of the General Assembly’s Joint Transportation Committee. It is considering SB 1043, which would direct ConnDOT to work with the department of economic development to design a port authority. The bill has no specifics about who would serve on its board, its financing, its powers, oversight, or transparency rules.

More than a dozen maritime business owners told legislators that a coordinated approach to marketing and investments is vital. Without a specific agency promoting the industry, businesses have watched as port infrastructure deteriorated, harbor channels went without dredging and grew shallower, and some coastal
communities changed zoning rules to discourage commercial shipping.

Representatives from the Bridgeport and New London ferry operators, which both operate with unused capacity, say some of the solutions appear simple — but aren’t. They said the state could build their ridership and reduce highway traffic by placing promotional signs along westbound I-84 and southbound I-91 near the center of the state. They said a port authority would have more success at cutting through state bureaucracy to make that happen.

When Guerrera asked how much impact signs would have, Fred Hall, vice president of the Bridgeport & Port Jefferson Steamboat Co., said they might bring a 10 to 15 percent increase in passengers. {Don Stacom in *Hartford Courant* 9.Mar.13}

[See 12#11B for support from Connecticut Maritime Commission, and 12#11A for study calling for statewide aid.]

**Update**

On 15 March by a vote of 34-0, the Transportation Committee agreed to eventually substitute new language for the bill. The original bill stated only: 'The Department of Transportation, in consultation with the Department of Economic and Community Development and other stakeholders, shall develop policies for the initiation of a state-wide port authority.' {General Court website}

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### MAINE

**MDOT: IRAP $$**

15 March, Augusta. THE DEPARTMENT WILL HAVE $600,000 TO MATCH OTHER MONIES for its Industrial Rail Access competitive funding program, according to the MDOT website. Applications are due by 30 April for awards available on 1 July. Applicants must provide (or find) 50% of the total cost; the state will provide the balance. {MDOT website}

**MDOT: PASSENGERS TO LEWISTON**

18 March, Portland. PROPOSED SERVICE FROM PORTLAND WOULD NEED $138 MILLION IN CAPITAL according to the 'Smart Growth Mobility Project report,' released by the Maine Rail Transit Coalition.

**Funding**

The study recommends a combination of $20 million in private investments and $27 million in state bonds, making the project eligible for $91 million in federal transportation grants.

Operating the service would cost $3.8 million, the report concludes, which could be covered by user fares and 'value capture': recouping investment in the rail infrastructure by capturing additional tax revenues generated from property value growth which would perforce occur along the rail corridor.

**Service**

The study suggests a commuter service from 05H00 to 02H30 seven days a week, year-round, with intermediate stops in Falmouth, Yarmouth, and Pownal. {Seth Koenig in *Bangor Daily News* 16.Mar.13}

**MMA: BROWNVILLE PROJECT**

11 March, Brownville Junction. THE LOCOMOTIVE PROJECT may see the light of day in “two to four weeks,” said Ross Rowland, one of the funders. The project is repowering a locomotive – to run on an alternative fuel? {ANR&P discussion}
PAN AM: OIL TRAIN DERAIL**

7 March, Mattawamkeag. A UNIT CRUDE OIL TRAIN DERAILED 15 CARS COMING INTO THE NBSR INTERCHANGE, about 05H00. Thirteen of the total 96 cars toppled, spilling merely a total of three gallons at a spot 300 feet from the Penobscot River. All cars were loaded at the Bakken field in North Dakota. [One CSXT and two BNSF locomotives (presumably six-axle) led the train. {on-scene report from Carl Dentremont}]

The track was rated FRA Class 1, permitting freight speeds up to 10 miles per hour. The Federal Railroad Administration investigation of the accident is continuing, but it appears that the train was moving no faster than the speed limit. Firefighters said train crew members told them it was traveling 8 miles per hour when the derailment occurred.

A slow speed would be logical, Pan Am Executive Vice-president Cynthia Scarano said from Pan Am headquarters in North Billerica, given that the train was approaching the interchange point.

Of the more than 220 million gallons of oil that crossed Maine in 2012 according to the Maine Department of Environmental Protection (MDEP), Pan Am hauled about 105 million gallons, Scarano said. Pan Am has 900 workers in the U.S. Northeast and expects to hire 35 to 40 new train/engine crews this year, she said.

Frequent derailments

Scarano said the track was in excellent condition for a Class 1 line; the Mattawamkeag stretch of tracks is rated Class 1 more for its use than condition.

Federal Railroad Administration workers inspected the track in autumn 2012 and found no significant defects, Scarano said. Pan Am, which typically inspects its tracks at least once a week, inspects the Mattawamkeag-area tracks four times a week.

[A reliable source wrote this on 11 March: 'Our understanding is that FRA, after a walking inspection, ordered Pan Am to install approximately 1000 ties per mile to retain Class I status or be closed down. Pan Am had a crew out there most of the summer putting in the ties as ordered.' {e-mail to ANR&P}]

Other sources said the rail was only 85-pound, but with adequate tie and ballast it could sustain heavy traffic. {ANR&P discussions 16 & 19.Mar.13}

Pan Am does regular maintenance and upgrades on its rail lines and “did a big project from Mattawamkeag south replacing ties” and other repairs recently, Scarano said.

Mattawamkeag resident Timothy Coombs said he wasn’t surprised at the accident. The track has experienced recent heavy use and often punishing weather conditions. “It is just something that happens all the time,” Coombs said. “They usually don’t lay on their sides like they did today, but it happens down here four or five times a summer. They usually just derail.”

A tiny spill; sturdy cars

No cars ruptured, said Scarano; the oil spilling was that which typically accumulates around the two hatches atop the tank when tanks are filled or emptied. Scarano said a severe leak into the river was never very likely.

About a gallon of oil came from each of three overturned tankers, Mattawamkeag Fire Chief Robert Powers said. “Three gallons — that’s amazing [when you] have the cars laying on their sides, a couple of them in trees,” Powers said. “They’ve built the rail cars to sustain derailment. We are very thankful that that’s where we are at right now.”

MDEP and Clean Harbors crews will be working with Pan Am to transfer oil from the 13 tankers to 20 smaller tank cars. The work likely will continue for two or three days, said MDEP spokesperson Samantha Warren, who said the spill could have been “disastrous.”

Workers emptied the first car at about 9:15 p.m. The offloading went well, but the work “will be
delicate,” she said. “There are still hundreds of thousands of gallons of crude oil in derailed cars within sight of
the Penobscot River,” Warren added, joining a chorus of voices from the state Legislature and environmentalist
community that called the accident’s lack of environmental damage a miracle.

This is the second time in less than a year that a Pan Am derailment threatened the Penobscot River,
Warren said. Four cars derailed, with two going into the river, near the Bucksport-Orrington town line in May
2012. The cars carried nonhazardous clay slurry used in papermaking. [Nok-Noi Ricker and Nick Sambides in

Greater spill danger: home oil tanks
Warren said the state’s rails have carried untold millions of gallons of hazardous materials over the years, most
associated with papermaking. Since 2011, MDEP has worked on new emergency response measures for an oil
spill on a railroad: developing detailed maps of where the rails cross waterways, environmentally sensitive
areas, and sources of drinking water; and compiling a list of access points ranging from highways to woods
trails that emergency responders can use to get to an accident.

Warren pointed to another source of environmental pollution posing much greater danger because of the
frequency of incidents: at least one of Maine’s 400,000 home heating oil tanks fails nearly every day. “From a
response perspective, that is much more of a concern.” [Christopher Cousins in Bangor Daily News 7.Mar.13]

TRACK CONDITION
In 2010, President David Fink said: “We can run on the branches 10 or 25, on the main line 25 or 10 now.
There's no need to go faster.” [see 10#05B Regional.]

In keeping with this approach, Pan Am has for some time (at least since 2009) maintained all track north
of Bangor at 10 miles per hour [see table], though the timetable issued in November 2012 calls for 25 miles an
hour for the track. [Reportedly, the track work done by Pan Am between Waterville and Mattawamkeag did not
permit an increase in speed, but did permit Pan Am to operate foreign six-axle locomotives east of Waterville.
See 12#12B Regional.]

From Bangor to Waterville similarly the track is maintained for 10 miles per hour. From Waterville to
Auburn the timetable speed increases to 40 miles per hour; along the 49-mile stretch, trains can travel 25 miles
per hour over 29 miles of track (the rest at 10) – but nowhere at the timetable speed.

Between Auburn and Royal Junction in Yarmouth, Pan Am lists the 18 miles of track at 40 miles per
hour, but trains can only travel tops 25 miles per hour for 15 miles, the rest ten [see table]. (At Royal Junction,
the Downeaster joins the Freight Main from the Brunswick Branch, and Pan Am is required to maintain the
track to passenger train speeds, which translates for nearly all the distance to minimum 40 miles per hour
freight, from that point to Plaistow, New Hampshire. Editor]

Comparison with NBSR
Ian Simpson, NBSR general manager, reported in December that his main line was operated at 40 miles per
hour [see 12#11B]. NBSR would raise the speed of all track in Maine to at least 25 miles per hour.

BACK TO SPLITTING THE TRAIN
After the derailment, Pan Am returned to the method it used before the track project to move the 100-car trains
between Waterville and Mattawamkeag: splitting the trains. Rail observers said on 15 March, the loaded unit
train out of Waterville had only 70 cars.
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(source: Pan Am Timetable #2 November 2012, and Temporary Speed Restriction Summaries)

*WINN is MP3. The three miles between WINN and the NBSR interchange are all 10 miles per hour.

# In Timetable #1 of 1998, Pan Am listed track speed from MP3 to MP56 as 30 miles per hour, and from MP56 to Royal Junction in Yarmouth, MP 185, as 40 miles per hour. Slow orders reduced most of that to 10 miles per hour, but some 48 of the 182 miles were slow-ordered to 25 miles per hour. These sections are not shown in the table

**Equipment restrictions**

Pan Am’s Timetable 2, in addition to the speed restrictions noted above, limited equipment as well:

Keag to Milepost 199 (Portland): No cars over 263,000 pounds.
Keag to Waterworks (Bangor): six-axle locomotives prohibited.
Bangor to Keag: each GP40 rated at 2000 tons for this stretch, though for 2900 tons west of Bangor. {Timetable}

One source explained that the hills on the line east of Bangor, combined with the less than perfect track, explained why the 2900 tons dropped to 2000. She also said that Pan Am must have issued special operating bulletins to permit the six-axle locomotives. {ANR&P discussion 19.Mar.13}.

EASTPORT: NEW TRAFFIC

22 February, Portsmouth. **THERMOGEN INDUSTRIES SIGNED A LETTER OF INTENT TO BUILD A TORREFIEd WOOD PELLET MANUFACTURING FACILITY** on land adjacent to the port’s Estes Head Terminal. The Port Authority Board discussed and signed the Letter at its regular board meeting 19 February.

The Port Authority recently acquired an industrial site adjacent to the cargo port operations located on Barron Road.³ Thermogen will lease part of that site for a facility capable of producing 200,000–300,000 tons of wood pellets.

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³ Chris Gardner, executive director of the Authority, explained that the site consists of three parcels. One it has acquired. The second was used to extract pearl essence from herring scales using chemicals, leading to site contamination. Engelhard Corporation acquired the business, and later sold it in 2006 to BASF, the German chemical company, which shut the facility. {Diana Graettinger in Bangor Daily News 11.Aug.06; EPA remediation website} The Authority will acquire the site when remediation is complete.

The third, a strip of land alongside the BASF site, Eastport is also acquiring. {ANR&P discussion}
torrefied wood pellets annually. [See photo for site.]

The Letter proposes that Eastport would enter a 20-year lease with Thermogen, with an option to extend for another 20 years. Depending on the size of Thermogen’s facility, it would create approximately 75 new jobs in Eastport and over 300 jobs in the woods. The facility at full capacity is expected to cost approximately $120 million, with final costs to be determined following engineering and site design to determine the facility’s scale.

“This site is ideal for both Thermogen and Eastport,” said Cate Street Capital President/CEO, John Hallé. “Our clean fuel product, torrefied wood pellets, will be shipped overseas as an alternative fuel for coal-fired power plants that need to reduce harmful emissions. Locating next to the Port of Eastport would greatly reduce our shipping costs while providing new, incremental business for the port.”

Following completion of engineering and site design, Thermogen will formally begin the permitting process with a goal of starting construction as early as possible in 2014.

Cooperative discussions
Hallé praised Governor LePage, his staff, and state and port officials for working collaboratively with Thermogen on this opportunity. “Rosaire Pelletier, the state senior forest products advisor, first introduced us to Eastport a few years ago and we’ve enjoyed a good relationship with the Port Authority ever since. After many visits and discussions, we’re proud to reach this agreement that could result in good new jobs for Eastport, additional business for the port and a location that makes a lot of sense for Thermogen.”

Eastport Port Director Chris Gardner credited former Senate President Kevin Raye for introducing the new market tax credit law that may assist in the project. He also thanked the federal and state delegations for their support of the recent conveyor investment which played a major role in making the Port of Eastport an attraction for a project like this [see 11#03A].

Millinocket construction underway
The company has already begun site preparations for a production facility in Millinocket [see 12#08A]. Construction will begin later this spring, and by the end of this year, the Millinocket site is expected to start producing torrefied wood products, reaching commercial operations in early 2014.

Coal-fired power plants will burn the torrefied wood in lieu of coal to lower emissions and meet increasingly stringent environmental regulation. Thermogen has secured the exclusive North American rights for proprietary microwave technology to produce its torrefied wood product, named Aurora Black®.

Thermogen ‘torrefacts' biomass material left from wood harvesting operations ['slash'], changing the properties of wood using microwave technology, not heat. Result: a black pellet which burns with similar BTU heat output and handling characteristics as coal, but much cleaner. {Cate Street press release}

More details
To supply the Eastport facility, Thermogen will buy 800,000 tons of wood annually within 50 miles of Eastport, spending $25 million each year on wood.

Under the two-year lease agreement, Thermogen will pay the port authority $5,000 a month, or $60,000, the first year, and $90,000 the second year. The company's plans will require energy transmission infrastructure capable of delivering up to 12 megawatts of power, and the port authority has agreed it will inform Thermogen of any proposed project at their site that would use more than 5 MW of power. Gardner says that clause gives the company time to protect its investment, if necessary. After the initial two-year contract with the port authority, both parties will be looking at continuing with ongoing 20-year contracts.

"This is an industry that will be around for a long time," Hallé says. "This is a long-term industry that has legs." Pointing out that more and more industries are converting to cleaner fuels such as pellets because of government mandates to no longer burn coal, he notes that England will be burning 10 million tons of pellets annually and New England an estimated 3.5 million tons. Coal-fired plants will burn the torrefied wood in lieu of coal to lower emissions and meet new environmental regulations.

White pellets (compressed wood) have about 6,500 to 7,500 BTUs per pound, while the torrefied pellets
have up to 11,000 BTUs per pound. Also, with white pellets, significant investment must be made for fire suppression, which is not an issue with the black pellets. The black pellets can be burned both in commercial and industrial operations and also for residential use.

That plant will have a capacity of 100,000 tons a year. Cate Street Capital also is constructing a biomass power plant at a former pulp mill in Berlin, New Hampshire {Edward French in Eastport Quoddy Tides 22.Feb.13}

**PORTLAND-PAN AM-SLR: MORE ON EIMSKIP**

11 March. MORE DETAIL ON THE FUTURE OF THE NEW CALLe came from interviews with various players in the transportation and manufacturing field:

Pan Am Railways
The difference between feeder services and Eimskip – a steady customer base – means it will bring loaded
containers, said Michael Bostwick, senior vice president of marketing and sales at Pan Am Railways. The railroad will be able to find customers to fill containers for the return trip to Europe. Moving loads both ways keeps costs down and prices competitive.

“They're bringing loads in, and we're helping bring loads out,” he said. “We have a broad range of markets that are opening up because of this.”

The connection to SLR and intermodal
To help the port and the railroad, MDOT will remove a small bridge on Cassidy Point Drive, which crosses the rails near the Merrill terminal, said Commissioner David Bernhard. Removal of the bridge, which is redundant, will allow Pan Am to move doublestacks [see 13#02B] for the waterfront.

While the Pan Am Freight Main does not permit doublestacks south of Portland [see 13#02A], Pan Am can rail them to the SLR in Auburn, which does have clearance to the rest of North America. A realistic destination for Portland trains would be the U.S. Midwest via rail connections in Chicago, according to SLR President Mario Brault.

Maine Pulp & Paper Association
For pulp and paper bound for Europe, manufacturers may benefit from using the port of Portland rather than New York or Boston because of lower transportation costs, said John Williams, president of the Association.

Eimskip and Maine opportunities in Newfoundland
Larus Isfeld, North American manager, said as the only international carrier calling Newfoundland and Labrador, Eimskip could serve the ExxonMobil Hebron project [see Regional 13#02B] and two hydro projects in Labrador. Work on one of the projects has just started. Construction materials for the projects could be supplied through Portland by rail from as far away as Houston.

Maine companies in the fabrication, construction, and heavy equipment business could play a role, Gylfi Sigfusson, president and CEO of Eimskip Logistic Services Inc. said during a tour of the International Marine Terminal on 9 March. “There is a huge opportunity for Maine businesses to capitalize on the billions being spent in the projects in Newfoundland.”

The move to Portland reduces the sailing time to the United States, allowing for a bimonthly shipping schedule rather than its current monthly schedule. The move also allows the company to add new routes and ports of call in Greenland, Iceland, and Europe, Sigfusson said.

Seafood, potatoes, blueberries: cold storage needed
Eimskip will need a large cold-storage warehouse on the waterfront to store its seafood, mostly haddock and cod. Company officials hope that its shipping business will spur a Maine company to build the warehouse [see box].

For Maine farmers and food producers, the service to Europe could open up new markets, particularly for its seed potatoes and frozen blueberries, said Walter Whitcomb, commissioner of the Maine Department of...
Agriculture.

A return to past glory?
“It harkens back to the day when the Portland terminal was the hub for the Grand Trunk Railway,” Whitcomb said of the railroad which positioned Portland as a critical ice-free seaport for Canada and spurred Portland's growth for decades.

Indeed, Eimskip's move to Portland is the best news for the city's waterfront since 1845, when Portland entrepreneur John Poor convinced the Montreal Board of Trade to build the railroad to Portland rather than Boston, said Jack Humeniuk, representative for the International Longshoremen's Association and chief of operations for Ports America at the Portland container terminal. “This to me is a lot like that. It's not as big, but maybe second to that. There is a huge economic benefit.”

EIMSKIP PROFIT DOWN
On 1 March, Eimskip reported a net loss of E1.0 million (about US$1.3 million) in 4Q12, down 261.5% from a profit of $0.8 million in 4Q11. However, quarterly operating revenue was $137.3 million, increasing 5.4% from $130.3 million in 4Q11.

For the full year of 2012, the Icelandic shipping company posted profit of $16.6 million, down 3.1% from $17.1 million in 2011. Annual operating revenue rose 7.7% from $500.6 million in 2011 to $539.1 million in 2012.

Transported volume in the company’s liner services in the North Atlantic in 2012 increased 3.4% year-over-year, although the transported volume in the company’s refrigerated forwarding services fell by 0.6%, following considerable gains in 2010 and 2011. CEO Gylfi Sigmundsson said in a written statement operational results of 2012 “are in line with our expectations.” {Eimskip website

Olafur Hand, Eimskip's marketing director, looked out over the harbor and remarked that Viking explorers who had settled Iceland had also landed in what is now Maine. “We found this place one thousand years ago. And now we're back.” {Tom Bell in Portland Press Herald 11.Mar.13}

Portland only call?
Eimskip officials said on 9 March that the line would only call Portland, and not Everett. [See box in Massachusetts.]

EASTPORT: CONTAINERS, CHIPS*
12 March, Miami. THE PORT IS ANTICIPATING WOOD CHIPS, AND OPEN TO CONTAINERS, said Executive Director Chris Gardner, attending a cruise ship conclave here.

Timberland is actively marketing the chips it will export from Eastport [see 12#12B]; “they have met the financial responsibilities of their lease,” he said.

Containers
The Port Authority is continuing to work with Cianbro on its proposed East-West Highway [see 13#02B] and the containers it might handle. “The worst thing we can do is immediately discount” any new ideas, Gardner maintained. “We need to be open as much as possible” to new traffic. {ANR&P discussion

MASSACHUSETTS

GU: STB, COURT UPDATE**
7 March, DC. THE BOARD SUSPENDED THE PROCEDURAL SCHEDULE of the petition filed by some Upton citizens seeking a ruling that GU's activities in the Upton yard were subject to local and state regulation [see 13#01B].

On 24 January the board instituted a proceeding, and set up a schedule for filings, but denied discovery. The petitioners asked the Board to reconsider, as they would like some discovery to look at the documents and
other actions of GU and other entities; GU believes the discovery is unnecessary.

On this day the Board suspended the procedural schedule while the Board considers again whether to grant discovery. It did not provide a date by which it would complete the reconsideration, or restart the case. {STB web site, decisions page, FD 35652}

The Grafton federal hearing
In Worcester at US District Court on 11 February, Judge Timothy Hillman took under advisement the Town of Grafton's request to declare GU’s propane facility subject to local and state regulation [see 13#01A]. According to the court website, as of 18 March he had not decided. {case 12-cv-40164}

CSXT-BOSTON: EVERETT SERVICE
9 March. EIMSKIP WILL STOP CALLING EVERETT, making Portland its only US call [see Maine], said officials of the shipping line during their visit to Portland this day.

The schedule posted on its website [see box] indicates it will end the Everett call. However, the map on its website continues [compare map in box with that in 13#02B] to show Everett as a seasonal or occasional call.

Preferred comment
“We will continue to work with Eimskip, as we have for the past 35 years, to steer traffic to Everett,” said Ryan Martin, who handles marketing for the Preferred Freezer facility which serves as the Eimskip terminal in Boston Harbor. {ANR&P discussion 19.Mar.13}

NEW HAMPSHIRE

PAN AM-PORTSMOUTH: PROPANE EXPORT?*
26 February, Newington. SEA-3 IS CONSIDERING CONSTRUCTING PROPANE EXPORT CAPABILITY AT ITS TERMINAL HERE, said Michael Tracey, vice-president of marketing, from the home office in Houston. The company would need to “reconfigure the specifications of the propane, and add a refrigeration system....That would give us the flexibility to import and export.”

Export did occur – of import
Tracey noted that the Newington terminal did export “inventory which was in the tank about a year, imported from Europe.” Sea-3 wanted to get rid of it and sold it internationally, getting the tanks down to zero.”

Sea-3 Florida going to export
TransAmmonia AG, bought Sea-3 in 1985 when it only had the Newington terminal. In 2000 Sea-3 opened the Florida terminal in Tampa, a 50,000-metric ton propane import facility at the Port of Tampa. {Sea-3 website}

Now, said Tracey, the company wants to export, and is installing in Florida refrigeration units and rail terminal which will accept 12 cars a day on a 12-spot siding. Why not make it larger? “Do you know how tight the tank car market is now?”

No import occurring
At this point, every available pressurized tank car is needed to move propane from continental refineries; no import terminals are now functioning on the West coast or the East coast. {ANR&P discussion}

Searsport export?
DCP is already using Chesapeake for export, reported Tracey.  

http://seekingalpha.com/article/1233821-dcp-midstream-partners-lp-management-discusses-q4-2012-results-earnings-call-transcript: “In our Wholesale Propane segment, I'm excited to report that we’ve successfully exported 6 million gallons of propane out of our Chesapeake terminal
In Searsport, the DCP proposal is undergoing examination by the Searsport Planning Board [see on January. Further work is required to export purity products on an ongoing basis. However, we are encouraged by the commercial results and will continue to explore this opportunity.”

Iceland-centric map shows three calls in North America: Portland, Halifax, and Argentia. The tiny dotted line indicates optional/seasonal calls into Everett.

No immediate Everett calls will occur according to the new schedule. {Eimskip website} [Compare 13#02B.]

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REY - Reykjafoss, SKO - Skógafoss

- Reykjafoss voy 312 will only load in Norfolk April 4th.
13#01B]. DCP has long maintained it has no interest in exporting from that terminal, but it will not relinquish the possibility. In February 2013, Rosslyn Elliott, a spokeswoman for DCP, wrote in an e-mail: 'We maintain we have no intent on developing this as an export terminal. It is designed for import. If anything changes, it would require significant redesign and re-permitting. That’s not a light undertaking. Again, we view this in long-term value, not short-term cyclical highs and lows.' {Kathryn Seelye in New York Times 22.Feb.13}

**MARITIMES**

**WHRC: SAVE THE LINE!**

14 March, Elmsdale. **RAIL ADVOCATES URGE A LETTER CAMPAIGN TO MLAs** (members of the Nova Scotia Legislative Assembly) to advocate keeping the Windsor to Windsor Junction section which CN as the new owner [see 13#02A] proposes to abandon.

Jay Underwood, one of the advocates, suggested the letters focus on:

1. The opportunities that retaining the branch would provide at the head of the Annapolis Valley.
2. The potential for job creation as the result of 1.
3. The potential to relieve truck traffic on Highway 101.
4. The reduced cost of maintaining Highway 101 as a result of 3.
5. The preservation and possible expansion of employment on the WHRC.
6. The need to incorporate rail infrastructure more fully into an integrated provincial transportation policy. {AtlanticRails e-list}

**CANSO: MELFORD MISSES DEADLINE**

8 March, Halifax. **MAHER MELFORD TERMINAL INC. IS NEGOTIATING WITH NOVA SCOTIA BUSINESS INC. FOR AN EXTENSION** to start construction of a $350 million marine container terminal on the Strait of Canso.

Melford has spent $25 million in private money to date. It considers it could start with cargo volumes similar to those in the first year of operation at Prince Rupert, which opened in 2007 with one carrier, COSCO, and handled 185,000 TEUs. {allnovascotia.com 4.Mar.13}

As a condition of purchasing 315 acres of land from the province at the Strait, Melford was required to begin construction by 23 February 2013 [see 12#10B]. It has not, and will not until it lands a commitment from a major carrier. 'Serious discussions are on ongoing – for lack of a better word. We are at the due diligence stage with a few,' Melford spokesman Richie Mann wrote.

Good title needed

'The February 23 date for a start of construction was not realistic,' wrote Mann. 'For example, we do not have title to the property. We continue to work through that process with the province, municipality and private landowners. There are no major issues, but lots of survey, deed issues, and deals with about 100 private properties. Everyone involved wants this to work so [they are] working together to ensure realistic dates for all project components are established to support the effort. That is in progress and should be done soon.' {e-mail to ANR&P correspondent Tom Peters 8.Mar.13}

NSBI spokesperson Cindy Roberts said the land is owned by the Department of Natural Resources ‘and NSBI is responsible for promotion and land administration. Maher Melford are currently working through the land administrative requirements to be in a position to complete the land acquisition process.’

She did not say how long an extension Maher Melford was seeking. {e-mail to Peters 8.Mar.13}

**Land for rail branch**
Maher Melford needs to build a 20-mile branch line to CBNS. Mann noted, 'Some of the rail will be on provincial lands which will be included with purchase from the province. The majority dissects private properties. We have about 75% of those completed and the others are progressing. Snow pushed our surveyors out for a few weeks but all are back on track now.'

[The cost of the spur is estimated at $50 million. {allnovascotia.com 4.Mar.13}]

Land for highway
'There are no land acquisition issues for road. Any upgrades on Highway 344 will be the responsibility of the province. (The federal government announced previously they would cost share some work in the area.) We will construct a “loop road” around the terminal site to connect Highway 344 on either side of the terminal, but that land is part of the terminal land purchase.' {e-mail to ANR&P correspondent Tom Peters 8.Mar.13}

SAINT JOHN: FEBRUARY NUMBERS
12 March. PORT SAINT JOHN REPORTS SIGNIFICANT Tonnage GAINS IN NEARLY ALL SECTORS OF PORT TRAFFIC FOR THE MONTH OF FEBRUARY 2013.

- Liquid bulk: + 4% over February 2012 (from 4,515,279 to 4,679,667 metric tonnes)
- Dry bulk: +134% (from 94,274 to 221,048 metric tonnes)
- Forest products - (none moved via breakbulk in February)
- Containers: + 64% (from 43,204 to 70,737 metric tonnes)
- Containers (TEUs): + 40% (from 7,469 to 10,473 TEUs)
- Vessels Calls: + 12% (from 110 to 123 vessels)

Recently, Port Saint John was also recognized in Progress Magazine’s annual Book of Lists as the leading port by tonnage in Atlantic Canada. {Port press release; e-mail from Port Authority's Paula Small 12.Mar.13}

RAIL FREIGHT FACILITIES

Described in this issue.
Preferred Freezer (CSXT, Massachusetts) Eimskip call ending?
Sea-3 (Pan Am, New Hampshire) Export propane?
Thermogen (MMA, Maine) Facility in Millinocket moving ahead.

PEOPLE, EVENTS

PEOPLE

Following the acquisition of Rail America by Genesee & Wyoming, Ed Foley became vice-president Sales & Business Development for the Northeast region [see 13#01B]. Doug Low, who handled sales and marketing for NECR, and Mark Bromirski, who did the same for CSO, are now working directly under Ed; Ed reports to Kevin Bowser, vice-president Sales and Marketing for the Northeast Region. Ed retains pricing responsibility for the SLR. {e-mail from Chuck Dianis, GWI communications manager, 11.Mar.13}