*Article unchanged from e-bulletin.

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

Blue header & table of contents: new article

REGIONAL

Crude through Maine: None by rail in April.

Mountain Division: Another Schwanke presentation. TIGER VI application for feasibility study.* Map.

NEW YORK

[No report.]

QUÉBEC

MMA-CMQ: CTA extends MMA certificate. No word on CMQ certificate.*

CONNECTICUT

PW: New propane terminal on NEC? ++

MAINE

MDOT-Pan Am: MDOT bought track from Pan Am to get to IMT. ++ Map.

Pan Am: Will sell Phin Sprague land to expand.

Portland: Progress on permitting new terminal.

SLR: Update on all (?) Maine shippers.

MASSACHUSETTS


MC: Track extension to South Terminal in New Bedford.* Map.

PAS: Mt.Tom to close.*

Boston: Containers up 7%.

NEW HAMPSHIRE

Pan Am: More coal to Bow.

Pan Am: More Sea-3 resistance.*

[No report.]

VERMONT

[No report.]

MARITIMES

Halifax: 1Q14 Containers down 15%.

Saint John: 1Q14 Containers up 4%.

Sydney: Stories on container terminal, Marine Group, cruise terminal.

RAIL SHIPPERS/RECEIVERS

A cross-reference to companies mentioned here.

PEOPLE, POSITIONS, EVENTS

Emmons Lancaster, Jan Okolowicz.

EDITORIAL

A slowdown

With the startup of CMQ, at least in Maine, events region-wide have slowed. That gives me a chance to do other, survey articles such as the one on SLR customers in Maine.

- Chop Hardenbergh Next formal issue 24 June.

REGIONAL

CRUDE THROUGH MAINE: Zero by rail in April.

### Barrels of Crude by Month through Maine

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### MOUNTAIN DIVISION: SCHWANKE REDUX*

29 May, Standish. **THE ROUTE 113 COMMITTEE AGAIN CONSIDERED POSSIBLE SHIPPERS FOR A NEW FREIGHT SERVICE**, when David Schwanke presented his plans for the Golden Eagle Railway, updated from his March presentation [see 14#03A].

Caroline Paras, economic and community planner for the Greater Portland Council of Governments and staffer for the Committee, led off by noting that the Committee has held 50 meetings going back ten years. The members are “tired of talking about it” yet until now had no opportunity to proceed without state and federal funds. Golden Eagle Railway presents an opportunity to proceed.

**Schwanke presentation**

(as supplemented by discussions afterward with Michael Taylor, who is assisting Schwanke, and with NHCR's Dick Currier)

New target: Colebrook. Because of the ownership and access snafu around the former Twin State trackage from St. Johnsbury to the New Hampshire border, Schwanke is looking at using a foreign trade zone in Colebrook to accept product from Canada and put it on rail, much as RCP Transit does in Island Pond, Vermont on the SLR [see 97#16].

Need for cooperation with SLR. To reach Colebrook, a freight carrier would need to run over about 13 miles of the SLR between Groveton and North Stratford [see map]. Schwanke needs to talk to SLR to secure a “time slot.”

Working with NHCR and MDOT. Schwanke hopes to get permission from MDOT to high-rail the Maine section “this summer” and to meet with MDOT Commissioner David Bernhardt “within the next month.”

He displayed a thick business plan which “is in the hands of MDOT” and 14 other parties, including “Vermont and New Hampshire.”

Working with VRS. He has had excellent discussions with Roger Desrosier and David Wulfson.

Working with Pan Am. Schwanke acknowledged that to get to Portland, “we have to partner with Pan Am, which is a vital part of this.”
Working with CSRX. He reported that Conway Scenic would be “thrilled to see” freight service again. He has a verbal agreement with it.

Financing. Schwanke is seeking funding from major American corporations, as many as 30 to 50, who would pay for a “sponsorship” which does not expose the corporations to the liability which an investor role would. He has talked to 22, and held face to face meetings with three.

He estimated he could become profitable (“even one cent”) in year three. He will need $40 to $45 million to get to New Hampshire.

Capacity. Tony Donovan of the Rail Transit Coalition asked whether the line would have capacity to carry 286,000-pound cars. No, said Schwanke.

Bill Whitney of Pan Am said from the audience that Pan Am did not have 286 capability in Maine either. “We need to upgrade two bridges to get 286 to Portland.”

Passenger. This will happen after the freight service, Schwanke said. “It will be ten years before we can get the track to Class 3” which is needed for regular passenger service. But once freight is running, passenger service could happen “one to two years later.”

Shippers. He has no one signed up yet, but he does have a verbal agreement with one shipper “here tonight.” He said he would not carry tar sands oil.

He does envision moving propane, heating oil, aggregate, farm products, and wood pellets. “I need to know what [each shipper is] able to pay.”

Timing and stages. In the first stage, Schwanke would provide service from Portland to North Conway; he’d like to start that by autumn 2015. In stage two, he would extend service from Conway to Groveton.

Insurance. Walt Stapleton of United Shortline Insurance Services explained that he had received a detailed 14-page application from Golden Eagle which “denotes expertise in railroading.” Stapleton has “quoted and is prepared to insure” the railroad “from start-up to full plan” with the basic $10 million liability up to the $50 million required by Class Is. Coverage would include passenger and freight.

NHCR
Dick Currier, who is partnering with Ed Jeffrey on the NHCR, addressed the gathering. He characterized NHCR as a “story of survival.”

It started with NHDOT buying the line to Colebrook to preserve rail access to Ethan Allen Furniture across the Connecticut River in Beecher Falls, Vermont. NHCR won the right to operate the line. Ethan Allen closed the plant soon thereafter.

NHCR then survived moving aggregate for SLR track work, and repairing boxcars for the paper mill traffic [two in Groveton, one in Berlin, one in Gorham – editor] but the mills closed.

NHCR then found income storing cars, by adding operation of NHDOT track south of Groveton. The railroad still provides service to Rymes Heating Oil terminal located next to the car shop, and occasional service to the transload track at Hazens for Presby Environmental.

New Hampshire Economic Development
Benoit LaMontagne, North Country regional resource specialist for the state, told the group he had worked with Schwanke “for the past year.” He has “focussed on Canadian companies who want to come to the United
“States” especially transport companies like Bombardier who need to build in the United States because of Buy American provisions. He envisioned assembly of subway cars in Colebrook, Berlin, or Groveton. \{ANR&P coverage\}

Possible shippers
Taylor noted that the railroad “is a contender to move Eimskip containers.”

Steel. Gary MacFarlane of HarMac, a rebar fabricator in Fryeburg which transloads in Ossipee [see 00#23], asked about a siding. Schwanke said, “We would come out and talk to you. Perhaps you could use an existing siding in the vicinity?” MacFarlane then asked about cars. Schwanke said the railroad could lease cars.

HarMac [see below] was mentioned as a possible shipper in the 2007 HTNB study of reviving the Mountain Division [see 08#03A], as were Ciment Quebec and Limington Lumber.

Others. Paras, who wrote the TIGER VI application for a $215,000 feasibility study [see below], noted 12 shippers who have expressed strong interest, 11 of whom wrote letters of support for the application. Some of them:

- Limington Lumber. 'Due to the cost of trucking, the company is limited to purchasing lumber from a 75-mile radius.'

- New England Castings in Hiram. The company 'purchased the 100,000SF Sensata plant in Standish, vacant since 2007, to enable it to expand into the gas turbine market.'

- Pequawket Water Company, Fryeburg. 'Access to rail will reduce transportation costs....'

- Grandy Oats of Hiram. 'Rail connected to the port would allow the company to pursue international sales.'

- HarMac 'fabricates and reinforced steel 'cages' for commercial structures, heavy infrastructure, and precast and tilt-up applications across the Northeast.'

- K&W Aggregates in Brownfield is 'expanding into lumber [and] has already purchased land around the tracks for a siding' to load product.

- P.Y. Estes, the application noted, 'has already spent $100,000 of its own funds to build a new headquarters, including a loading platform, next to the Mountain Division at Milepost 31.7' in West Baldwin.

- Green Thumb Farms, Fryeburg, 'has developed an award-winning line of premium vodka and gin from their very own potatoes,' and 'was a previous customer on the Mountain Division.'

- Dearborn Precision, Fryeburg, was recently acquired for $83.5 million, and produces components for aerospace, oil, and gas. 'Rail would be cost-effective for shipping both inputs and finished products.'

- F.E.Wood is still pursuing the pellet business [see box in 13#05A].

**TIGER VI**

The Committee has submitted an application for a new feasibility study, arguing that new circumstances justify another look since the 2007 study [see above]:

- Eimskip container service in Portland.

- The possibility of domestic barge service in Portland.

- The resumption of ferry service from Portland to Nova Scotia.

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2 The report concluded that generating a revenue base for the Mountain Division in Maine was 'problematic.' {08#03A}
- The Schwanke proposal.

- The development at Thompson's Point in Portland (passenger service).

- The Portland Biotechnology Park on Mile 3.7.

The application emphasizes passenger, including commuter, as much as freight. {text of application}

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**QUEBECE**

**MMA-CMQ: CERTIFICATE EXTENDED***

29 May, Ottawa. *THE CANADIAN TRANSPORTATION AGENCY EXTENDED THE CERTIFICATE OF FITNESS FOR MMA TO 30 JUNE*. In a communique, CTA stated that based on the information submitted, the Agency found that MMA/MMAC has demonstrated that there is adequate third-party liability insurance coverage, including self-insurance, for the proposed railway operations.

During its review, the Agency found that MMA/MMAC continues to have a self-insured retention amount of $250,000 in its liability insurance policy and continues to hold $25,000,000 in third party liability insurance coverage.
Continued operations up to and including June 30, 2014
The Agency decision stated in part: 'The Agency examined the information provided by MMAR to assess MMAR’s railway operating risks and risk exposure for the extension period. The Agency notes that MMAR will not resume international service between Quebec and Maine, U.S.A.

'At the same time, based on the information provided by MMAR, the Agency finds that there will be a decline in the overall volume of commodities transported by MMAR from June 1, 2014 until June 30, 2014, including in the volume of dangerous goods when compared to the period of April 1, 2014 until June 1, 2014. In addition, MMAR reaffirms that it will not transport any crude oil.

Traffic decrease; railway compliance
'The decline in the overall volume, including in the volume of dangerous goods, combined with the short extension period, contribute to lowering MMAR’s risk exposure during the June 1, 2014 up to and including June 30, 2014 period.

'MMAR asserts that its primary goal is the operation of the railway on a completely safe basis. MMAR points out that there have been a number of safety directives of a more general, industry-wide nature which have been promulgated in both Canada and the United States.

'According to MMAR, it is complying with each, and where there is a conflict between the orders of the two countries, MMAR operates to the most restrictive standard of the two.

Transport Canada inspections
'Transport Canada has informed the Agency that MMAR has been subject to several inspections since July 6, 2013 and, specifically, since March 20, 2014. MMAR remains subject to a number of notices and orders. To Transport Canada’s knowledge, MMAR is operating in compliance with the conditions set out in those notices and orders.

'With respect to the operation of a tourist train over a part of MMAR’s railway network, MMAR advised that Orford Express inc. will be not be operating in the 2014 season.

'Based on the circumstances, the Agency finds that MMAR has demonstrated that there is adequate third-party liability insurance coverage, including self-insurance, for MMAR’s railway operations up to and including June 30, 2014.

CMQ application
Chantal Laflamme, CTA spokesperson, added: 'On March 24, 2014, the Agency received an application for a certificate of fitness from Central Maine and Québec Railway Canada Inc. (CMQR). The Agency is currently reviewing the information submitted, and following up on any necessary additional information required to complete its application.' {CTA communiqué and Decision 205-R-2014 29.May.14}

CONNECTICUT

PW: NEW PROPANE TRAFFIC? ++
25 May, Clinton. GLOBAL PARTNERS PROPOSED A PROPANE TERMINAL HERE to the Town of Clinton on 27 March, on six acres within the 37-acre site. PW, operating on Amtrak's Northeast Corridor, would switch in propane tank cars for unloading into 12, 45,000-gallon steel storage tanks (total 540,000 gallons). Operating from 07h00 to 20h00 six days a week, Global would load up to 20 delivery trucks per day during winter peak, which equates to up to 600 cars per year.³

Diane Whitney, an attorney for Global Companies, said the company will not be using the former Stanley Bostitch building. Rather, it is demolishing a portion of the building that Whitney said is in deplorable shape.

³ 20 trucks at 3,000 gallons = 60,000 gallons/day = 360,000 gallons/week at 30,000 gallons/car = 12 cars per week = 600 cars per year if at peak volume. 16 cars/switch = 36 switches per year. Editor
Nimby resistance

“We're concerned about the traffic,” said Nick Marro, president of the Windermere West board of directors. “All those trucks have to come past our property” [on Cottage Road, just off Route 1 in Madison, neighboring to the west]. John Guszkowski, a town planning consultant for Clinton, said he doesn’t anticipate any traffic problems because this proposal is “really not changing traffic patterns.”

Though the fire marshal and deputy fire marshal have, according to the application, “no comments or concerns” regarding the project, residents in Madison put public safety at the top of their list of concerns.

“The biggest threat to a fire or a leakage is human error,” Marro said. “Those tanks are going to be right next to the railroad tracks [actually some distance away – editor] and, granted, the chances of a derailment happening right there are minute, but it could happen.”

“The long and short of it is that the town’s concern is public safety,” Guszkowski said. “That’s what will be scrutinized.”

Guilford resistance

For more than two years, J.J. Sullivan Fuel Oil has been trying to build a bulk propane site [not on rail] in Guilford [just west of Clinton] and has been met with steep opposition. Many of the concerns exhibited by Guilford residents are shared by those against the Clinton proposal. {Sean Carlin in New Haven Register 25.May.14}

Stanley Bostitch closed

The plant closed in 2009 [see 08#12A] and moved production of staples to East Greenwich, Rhode Island. Stanley then closed the East Greenwich facility in 2010 [see 10#02A].

Unilever closed Clinton plant

Unilever, which operated a manufacturing plant in Clinton east of the Stanley site and on the north side of the
tracks, closed it in December 2012. {New Haven Register 5.Dec.13}

Why at this site?
Among other reasons for choosing the former Stanley Bostitch location in the Town of Clinton is probably the existence of a functioning switch off Amtrak’s NEC. PW spokesperson Charlie Rennick reported that ‘the costs for installing a new switch off the NEC range significantly depending on a number of factors including location, design, and track geometry (e.g., grade, curvature of the track, tangent track, etc.).’ {e-mail to ANR&P 3.June.14}

A few years ago prices in the $250,000-$500,000 were quoted. Editor

2 June, Clinton. THE CLINTON PLANNING AND ZONING COMMISSION CONSIDERED THE PROPANE TERMINAL PROPOSAL. Neighbors in Clinton packed town hall to show their opposition. “You'll never be able to sell your house. Who's going to buy it if this thing goes through?” resident Merle Wade asked.

“Whether you live in Clinton or Madison, whether you visit Hammonasset State Park and you're from the state of Connecticut this is potential for disaster,” said Marian Kirby, a member of the Windemere West Owner's Association [in Madison].

Global appears
Global Partners representatives tried to ease concerns, reporting an estimate of fewer than two trucks an hour leaving the facility, which “is in harmony with the surrounding property, is sufficiently protective of the public and is appropriate for location on this property.”

The town said the fire marshal signed off on this project. Another meeting in the coming weeks will discuss more of these concerns. {Josh Chapin in NBC Connecticut 3.June.14}

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MAINE

MDOT-PAN AM: PORTLAND TRACK*
30 April, Portland. PAN AM SOLD MDOT THE TRACK TO THE INTERNATIONAL MARINE TERMINAL on this day, wrote Nate Moulton, MDOT rail honcho, on 28 May.

The terms of the deal – particularly what track access Pan Am retained – were not disclosed. Under Maine statute, 23 MRSA § 63, the terms of negotiation and appraisal are confidential until nine months after project completion.

The track was deemed not under STB jurisdiction so no filing in DC was required. {e-mail to ANR&P}

PAN AM: MORE ON PARCELS
6 June, Portland. THE MDOT-SPRAGUE DEAL AND THE PAN AM-SPRAGUE DEAL ARE NOT FINISHED. MDOT [see story above and map] has purchased the 'Freight Corridor' from Pan Am.

MDOT will also [see 14#05A] purchase 18 acres from Phin Sprague, who is moving his boatyard from the East End to the West End; Sprague in turn will purchase 13 acres from Pan Am with his 'Canal Landing' entity.

MDOT eminent domain
Sprague reported that MDOT has acquired the 18 acres via eminent domain, though at a price well below what Sprague believes is the market value. Sprague called the arrival of Eimskip “a wonderful thing”; he has long supported terminal expansion.

But establishing a fair price is “brutal.” He noted that MDOT Commissioner David Bernhardt “has done everything he could to soften DOT's brutal approach to eminent domain.”

As well, “some people at the City have been good. They helped through two quick planning processes to move two buildings” westward.
Nonetheless, Sprague definitely plans an appeal on the price.

**Pan Am parcels**
Throughout this process, “Pan Am has been really honorable,” said Sprague. President David Fink said that if Sprague agreed to move, Fink would go to Iceland, and convince Eimskip to come. “He would sell me property to the west, under the premise that Sprague received enough for the 18 acres to buy the property to west. David continues to honor that agreement. I would not be able to do this if he had not stuck with his word.”

Even after MDOT purchased for a price less than what Pan Am was asking, “he has continued to help us out.” {ANR&P discussion}

**PORTLAND: NEXT STEP FOR IMT**
10 June. **THE CITY IS HOLDING A PLANNING BOARD WORKSHOP THIS DAY**, and quite probably the final meeting will occur on the 24th of June. {e-mail to ANR&P from consultant Craig Morin}

If so, then MDOT could put the track work and the construction of the IMT extension out to bid in early July. *Editor*

**Eimskip traffic**
Projections for 5,000 containers to pass through the terminal in the first year proved accurate, said Patrick Arnold, director of operations for the Maine Port Authority at the IMT. He was hoping for 6,000 in the second year of Eimskip business. He anticipates gradual growth at an expanded terminal, as state and regional companies engaged in exports discover the rail-to-terminal link. “If you really want it to work and you want to
get a good return on investment on tax dollars, you have to give it time to work, and you have to put it into the right things.” {David Harry in The Forecaster 4.June.14}

**SLR: THE MAINE CUSTOMERS**

13 April, Augusta. *SLR HAS 12 CUSTOMERS IN MAINE; others are served via transload, said Charles Hunter in a presentation to the Maine DOT's Passenger Rail Advisory Council. Most traffic originates or terminates in Auburn.*

After the meeting, he acknowledged that while the Auburn customers overall are doing well, the intermodal terminal itself is not.

**Locations, trains**
The SLR and its Canadian counterpart SLQ are managed in GWI's Canadian region. Customer service is handled in Auburn.

The railroad operates four locals out of Auburn, serving Mechanic Falls, South Paris, and Portland. {ANR&P coverage}

**2012 traffic and other details**
In 2012, Mario Brault, reported that 2007-2011 GWI had spent $13.3 million on capital expenditures on the line from to Auburn, and planned an additional $3.06 million that year. [Compare the total of $16.36 million over six years to Giles' plan to spend $120 million over two years on CMQ, a railroad of similar length.]

SLR has 93 workers, and does about 23,000 carloads a year. {presentation in Montreal 15.Oct.12}

**HEREWITH THE 12 CUSTOMERS, 9 DIRECT SERVICE AND 3 TRANSLOADS.** The listing – in no particular order – is based in part on a 2013 presentation by Ed Foley, vice-president sales & business development for the Genesee & Wyoming's Northeast Region East Roads.

**SLR MAINE #1: CASCADES**

14 April, Auburn. *CASCADES AUBURN FIBER RAILS PRODUCT TO QUEBEC MILLS*, at a rate of 2,000 to 3,000 carloads a year. Officials at the plant said the use of rail has increased, and “we use rail quite a bit.” The facility now has four car spots after extending the track “a couple of years ago” [see footnote in 11#03A noting three car spots]; an aerial photo [q.v.] shows 13 cars on the spur.

**The product and customers**
The officials reported that “the mix has changed” of the outbound wetlap pulp; the mill produces different grades.4

In 2006,5 the mill described its product as 'deinked pulp shipped in wet-lap form to converting plants for the manufacture of tissue paper, toweling, napkins and also printing and writing papers made from recycled fibres.'

**Containers**
“We've received two or three containers of waste paper. We have one in the works coming in.”

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4 The mill employs Casella Organics to manage byproducts. 'Key to [Casella's] ability to provide long-term value is a program that combines a diversity of outlets. Over the years, we have developed a number of beneficial uses (BioMix soil, direct land application, animal bedding, and more) for the fiber and our expertise allows us to be very flexible with program management - pursuing the highest and best use of the material whenever possible. In addition, our diversity of outlets helps them to manage residuals inventory onsite, so despite a lack of storage space there is never an issue of having a backlog of material disrupt their operations. {Casella Organics website}

5 Cascades Inc. acquired the deinked pulp manufacturing systems in Auburn, Maine from Stone and Webster in 1998. Cascades Auburn Fiber applied to the Chlorine Free Products Association to receive the CFPA TCF or PCF Mark Certification. Notice of certification was announced 6 September 2006.
Existing and future customers
Depending on the week, “we'll send one car a week to the Cascades tissue mill in Ransom, Pennsylvania, one to two cars a week to the Domtar mill in Windsor, one to two to Richmond Logistics for distribution to East Angus and Kinsey Falls. Last week we sent out ten cars.”

Cascades is discussing traffic to Toronto, and to Ticonderoga, New York. The difficult winter impeded truck delivery for some pulp users, making rail more attractive.

The mill sends out no product via container. It does supply mills in Maine, but all by truck.

SLR service
The railroad switches the plant. “They treat us pretty well,” said one official. “When we need special service, they usually provide it.” {ANR&P discussion}

SLR MAINE #2: BURNHAM & MORRILL
This customer does about 30 carloads a year. SLR has sought to discontinue freight service to B&M, in Portland; B&M and SLR are now negotiating possible financial assistance to SLR to continue the service [see 14#02B].

SLR MAINE #3 & #4: DCP AND DEAD RIVER TERMINALS
31 March, Auburn. THE TWO PROPANE TERMINALS HERE WERE JAMMED WITH CARS, and the sidings at Lewiston Junction held more.

DCP terminal #3
In 2013, Ed Foley said: 'Expansion in this facility is DCP Midstream in Auburn. We will see an increase in business, as well as increase in capital to expand their gantries. Currently they have five. This fall [2013], we are told they will move to seven gantries which we hope will bring more business with it.”

Dead River #4
As shown in the aerial photo, Dead River is located across the track from the intermodal terminal [see 12#03A]. Per Foley, it has recently expanded.

SLR MAINE #5: BOSTON BRANDS
22 April, Lewiston. THE EMPIRE ROAD TERMINAL CONTINUES IN OPERATION, said an official at Boston Brands of Maine.

Sazerac Company, a New Orleans-based liquor distiller, completed its acquisition of the former Beam Inc. bottling plant in Lewiston this month and began operations, using the former Beam terminal on Empire Road to transload ingredients. Its flagship product is Mr. Boston Coffee Brandy, which will compete with
Maine's best-selling liquor, Allen's Coffee Flavored Brandy. Sazerac has hired back about 60 employees, roughly half of the plant’s former workers.

**The Empire Road terminal**
The rusty wheels on the two tank cars at the terminal on 31 March [see photo at earlier time] hinted at a long stay there. They left in April, arriving in the Toronto yard on 20 April enroute to Peoria. {trace provided by colleague}

### SLR MAINE #6: MOM
23 April, Auburn. **MAINE ORGANIC MILLING RECEIVES BETWEEN 15 AND 20 RAILCARS A YEAR**
HERE, at the former Blue Seal facility. {ANR&P discussion with employee}

MOM took over the site in May 2010 [see 10#06A].

**SLR MAINE #7: MAINE WOOD TREATERS**
22 April, Mechanic Falls. “**WE ARE STILL RECEIVING BY RAIL, BUT IT'S BEEN TOUGH,**” said President Hal Bumby. Over the past ten years, the base rate and the surcharge [for fuel] has more than doubled, much of that due to oil prices. “We have not been able to pass on [all of] the increased costs.”

Bumby said while both the terminating switch costs and the long-haul rates have increased, the long-haul has increased significantly more.

**A shift in lanes**
Maine Wood Treaters still does about the same amount of traffic. Bumby declined to provide a number for competitive reasons, but given his four-car siding, it probably comes to 500-1000 carloads a year.

CN once moved most of the inbound product, Southern yellow pine. Bumby, in search of lower transportation costs, now uses “an eastern railroad” which interchanges with Pan Am which delivers to the SLR in Danville Junction.

But he did not blame only CN – he added BNSF as well. Bumby warned that the railroads could push the rate increases too far, and “lose customers like us. We are at the end of the track” of a haul of a couple of thousand miles. “We are retiring more burden” for the railroad. but it is harder for us to pass that increase on. {ANR&P discussion}

**Need for 286**
In 2013, Foley noted: 'The industry continues to move at a higher capacity, so we have 20 miles of track that we need to upgrade [to 286,000-pound capacity] in New Hampshire and Vermont, and we are hopeful that we will be successful in getting a grant.' {Foley in USDOT FHWA Freight Planning, Talking Freight Seminar Series, 'Growth of Inland Intermodal Facilities', 19.June.13}

In a letter supporting SLR's application for a TIGER II grant – which was not approved – Bumby wrote [see 10#09A]:

'For the past fifteen years since we began buying Southern Pine and shipping via rail, our many vendors have had difficulty meeting the weight restrictions of the original track design of the SLR. I can’t tell you how often I’ve received calls from the CN about overweight cars which needed some product to be off loaded before the shipment could continue. This cost my suppliers time and money and lowered the volume shipped per car which lowered our efficiencies and increased our costs. Due to this I’ve probably been a real pain to the SLR having asked them repeatedly over the years to remedy this and improve their track to handle 286,000 lb. rail shipments like everywhere else.’

On 22 April, Bumby wrote, 'It's still a problem.' {e-mail to ANR&P}

**SLR AUBURN #8: MB Bark - CMP**
23 April, Scarborough. **MB BARK HAS CENTRAL MAINE POWER AS A TENANT**, said Jim Hiltner, chief operating officer of CPRC Group, which owns MB Bark. SLR lands utility poles in its intermodal yard; Central Maine Power drays the poles to a site in the MB Bark facility. {ANR&P discussion}

Bob Drake of Savage, which once handled utility poles at the end of the track, wrote that it no longer does. '[T]hey are handled at the intermodal yard.' {e-mail to ANR&P}

**Future tie handling**
Foley in 2013 said at the MB Bark facility, “We're going to tie a track in there. We are going to be able to bring in used ties from our line. Those will be chopped down and shipped and sent back up to the paper companies to use as fuel.” {USDOT FHWA Freight Planning, Talking Freight Seminar Series, 'Growth of Inland Intermodal
Facilities', 19 June.13}

**SLR AUBURN #9: PIONITE**

This company did once use rail: Bing aerial photos show a car on its siding. SLR’s Laura Therrien declined to comment, and a call to the company was not returned by publication time.

**SLR MAINE TRANSLOAD #10: SAVAGE SAFE HANDLING**

[For complete coverage of this facility, see 14#05A.]

**SLR MAINE TRANSLOAD #11: NEPW LOGISTICS**

NEPW has 9 warehouses, six with rail: 4 on SLR (Mechanic Falls, South Paris, and two Auburn) and 3 on Pan Am [see 13#09B]. Traffic is divided roughly equally. In 2013, the SLR warehouses did about 3500 carloads. {e-mail 21 May.14 to ANR&P from NEPW chief Drew Gilman}

**SLR MAINE TRANSLOAD #12: MAINE INTERMODAL TERMINAL**

Maine once sported four intermodal terminals: MMA/Presque Isle, MMA/Northern Maine Junction, Pan Am/Waterville, and SLR/Auburn. Only Auburn remains. Its traffic was once reported as part of Genesee & Wyoming traffic counts, but GWI stopped that. Traffic dropped considerably in 2009 compared to halcyon days [see 09#10B and 09#05A]. During a 31 March 2014 visit, not much intermodal traffic was evident [see photo].

* A revision of the list in 13#09B: NEPW sold its Livermore Falls building in 2013.
Customers: switched from domestic to import

In 2013, Foley reported that L.L. Bean, FMC Biopolymer, and all of the main paper companies use the MIT. 'In 1994 we opened a terminal and 100% of the business was domestic US to US points, bridging through Canada. Today 95% of it is import and a small percentage of that is import/export; 5% is domestic freight.'

He explained that in 1994, NS was not offering direct service via PAS. 'The competition was Boston or Worcester. As you saw in the previous presentations, there is an awful lot of focus and attention to the Northeast market. This is probably one of the more strategic and difficult markets to compete in. We know we're a niche player in a niche market, but there are a lot of challenges in the market. We are only 165 miles north of Boston. The challenges are hours of service, turns per shift, capacity, fuel cost, and we believe all those in time will allow us to expand the business here in Auburn.' {USDOT FHWA Freight Planning, Talking Freight Seminar Series, 'Growth of Inland Intermodal Facilities', 19 June 13}

MASSACHUSETTS

MC: MORE ON EPA DISPOSAL ++

28 May, New Bedford. MORE DETAIL ON THE RAILING OF DEWATERED SLUDGE (aka filtercake) was provided by Kelsey O'Neill of EPA, community coordinator for the New Bedford Harbor decontamination work. Due to a legal settlement, much more money is now available for the work, and the pace will pick up

7 The settlement was reached in 2012; EPA spent a year receiving public comment, and had a group intervene in the settlement. It was accepted by the court 18 September 2013. It will provide $366.25 million from AVX Corporation, parent of Aerovox, the main creator of the PCB contaminant. A previous settlement for $104 million included a reopen clause to allow going back for more funding if the original settlement did not allow for completion of the cleanup. The award will permit EPA to finish the task in six or seven years, rather than the 40 years estimated
considerably.

Transportation and off-site disposal of PCB-contaminated waste generated at EPA’s desanding and dewatering facilities have been conducted via truck and rail since 2005. [See 09#04B.] Rail is the preferred method of transport and the dewatering facility is equipped with a rail spur from the City of New Bedford rail yard where rail cars are stored.

TSCA sand and oversize material generated at the Sawyer Street desanding facility, upriver from the dewatering facility, is loaded into trucks and hauled to the dewatering facility where the shipment is loaded onto the rail cars.

The waste is loaded onto the rail cars in the dewatering facility [see photo] and transported to an approved TSCA landfill in Romulus, Michigan. When the dewatered sludge, called cake, is trucked, it moves to the MHF transload facility in the PW Worcester railyard.

When rail not used
Although rail transport is preferred, when EPA found it not cost-effective due to difficulty in securing rail cars for the season or not accessible due to bridge reconstruction, EPA would truck directly from the desanding and dewatering facilities to the Worcester transload facility.

Rail was used 2005 through 2010; trucks 2011-2013; and rail again in 2014.

Number of railcars 1200/year?
Approximately 5 rail cars, holding 100 tons each, leave the site daily. 'We do use rail, but occasionally the rail is shut down (most recently due to an oil spill); on those days we truck the materials to Worcester.

'We typically dredge 20 days each month. So at approximately 5 cars a day, that would be an estimated 100 rail cars per month. We have in the past only dredged about 40 days per year, but expect that number to be much higher, closer to the 20 days monthly year round, due to the settlement money now funding the site.' {e-mails to ANR&P 28-29.May.14}

MC: TRACK CONSTRUCTION IN NEW BEDFORD*
16 May, New Bedford. THE TRACK WORK TO THE SOUTH TERMINAL was explained by MC President Chris Podgurski and Jean Fox, project manager of the South Coast Rail project at MassDOT.

New Bedford Yard. This work was completed in 2004.

if dependent on public funding. {e-mail to ANR&P from O'Neill}
South to Union Street (State Pier). MC did this as force account work in 2013, as part of the New Bedford Route 18 reconstruction project recently completed.
State Pier. Podgurski wrote: 'We are hoping that the Commonwealth endorses the idea to reconstruct the trackage that currently exists in the [State] Pier.' [See photo.]

State Pier to Merrill's Wharf. Podgurski wrote: 'The current project that is underway is the reconstruction of about 600 feet of track that will eventually lead to the South Terminal Project in New Bedford. It is part of a MassDOT-City of New Bedford reconstruction of McArthur Drive. We are connecting the new track to what exists in the street towards the NSTAR facility. Rail Works is performing the track work and AA Will Corporation is performing the Heavy-Civil portion under contract with Mass Coastal.' Railworks did 550 feet in April and May 2014.

Merrill's to NSTAR. Podgurski commented: 'The actual path of the track between what we are rebuilding and the South Terminal has yet to be determined due to conflicts.' So the alignment from Merrill's to NSTAR is not yet determined. {e-mails to ANR&P 16-28.May.14}

PAS: CUSTOMER CLOSING*

2 June, Holyoke. **THE MT. TOM COAL-FIRED PLANT WILL CLOSE 1 OCTOBER**, said spokesperson Carol Churchill said. The 146-megawatt plant in Holyoke has stopped making electricity, but workers probably will remain employed until 1 October. The plant’s owner, GDF Suez Energy North America, notified the facility’s 28 employees this day.

“It’s a difficult market for an old plant and a coal plant like Mt. Tom to compete in,” Churchill said. “It has been operating pretty sporadically.” GDF Suez is considering what to do with the property. “We are evaluating uses, including a solar site.”

Representatives of ISO New England, the region’s grid operator, said the agency has not received a formal retirement request for Mt. Tom, but does not expect an immediate impact from its loss.

Fate of other coal plants
Salem Harbor Power Station was shuttered, as scheduled, this day; its owners plan to reopen it as a natural gas-burning facility in 2016. Brayton Point in Somerset, which also uses coal, is expected to close in 2017. {Erin Ailworth in Boston Globe 2.June.14}

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(e-mail to ANR&P from Massport's Lynn Vikesland 6.May 14)

BOSTON: CONTAINERS UP*

[Compare Saint John and Halifax.]

NEW HAMPSHIRE

PAN AM: MUCHO COAL

9 June, Binghamton, New York. THE 32nd COAL TRAIN OF THE YEAR MADE ITS WAY TOWARD BOW this day, while FirstLight was announcing the closing of its coal plant at Mt.Tom [see Massachusetts]. In 2013, the 32nd coal train moved on 17 September. {dandh e-list}

PW limestone

As reported [see 14#05A], PW still moves limestone trains from Provport to Bow about every six weeks. The latest, pulled by three PW locomotives, moved on 7 June. {PW e-list}

PAN AM: SEA-3 RESISTANCE*

2 June, Portsmouth. THE CITY COUNCIL VOTED TO APPEAL THE NEWINGTON APPROVAL OF THE PROPANE FACILITY [see 14#05A]. City Attorney Bob Sullivan explained the “the pros and cons of various options” in executive session with the Council. Sullivan said after a previous meeting that the city has never filed an appeal of a decision made by a board in a neighboring town.

Assistant Mayor Jim Splaine made the motion for City Attorney Bob Sullivan to take “any and all actions necessary and appropriate to appeal the decision.”

Venue for appeal

[Tom Morgan, Newington town planner, said Portsmouth could appeal to the Newington Board of Adjustment, or directly to Superior Court. The City has 30 days from the Planning Board decision on 19 May – or 18 June – to file the appeal with the Planning Board. {ANR&P discussion 3.June.14}]

Local opposition voiced

The vote followed comments by a series of speakers who implored the City Council to file the appeal. Portsmouth resident Richard DiPentima, who has led much of the opposition among residents in the city against the proposed expansion of Sea-3, noted that Newington made its decision based only on the safety of the site, and not concerns raised by area residents and officials about the safety of Pan Am's railroad tracks.

“That leaves it up to Portsmouth to defend its own interest,” DiPentima said. “Are we going to let a
threat to our community go unchallenged?” His wife, Catherine DiPentima, also urged the council to appeal what she called “the reckless decision of the Newington Planning Board.” She noted that propane is particularly dangerous because it is an “unodorized gas” that first responders could have difficulty detecting. “You have a particular special responsibility to protect our irreplaceable waterfront.”

Catherine DiPentima also credited City Councilor Stefany Shaheen with raising the idea of creating quiet zones in Portsmouth at city rail crossings.

[Mini-editorial: Hmmm, let's not let dangerous propane in town, but if we do, let's have quiet zones so that large trucks crossing the tracks won't hear trains coming. Editor]

Memo
Peter Britz, the city's environmental planner and sustainability coordinator, wrote in a recent memo that getting approval of the Federal Rail Administration for quiet zones would require 'quite extensive [work but]...taking even some of the steps required in the process is likely to further rail safety....In order to establish a quiet zone, the key provision is that the [rail] crossing must have adequate supplemental safety devices installed. At a minimum, the supplement safety devices must include gates and flashing lights.' {Jeff McMenemy in seacoastonline.com 2.June.14}

**MARITIMES**

HALIFAX: 1Q14 BAD WEATHER PUSHES CONTAINERS DOWN 13.2%
Overall tonnage at the Port of Halifax dropped 12.9% in 1Q14 to 2,036,973 metric tonnes compared to 2,337,465 in 1Q13.

Containerized cargo was hit the hardest, down 13.2% in 1Q14 to 97,799 TEUs compared to 112,670 TEUs in 1Q13. Tonnage dropped 15.6% from 965,869 tonnes to 814,857 tonnes.

General cargo dipped 9.1% to 105,595 tonnes compared to the same period in 2013 and bulk cargo decreased 11.1% to 1,116,521 tonnes compared 1Q13.

“The severe winter weather this past season has been felt across North America and Europe. It affected the integrity of the North Atlantic vessel schedule, port operations and intermodal rail service. All three of these factors combined have affected our 1Q14 over 1Q13 throughputs,” said Halifax Port Authority’s Lane Farguson. {HPA release 7 Apr. 2014}

Total 2013 TEU stats; Ceres majority
In 2013 the Port of Halifax handled 442,173 TEUs, a slight increase over 2012 which stood at 416,572 TEUs. {HPA website}

The Fairview Cove terminal, operated by Ceres, handles the majority of TEUs, approximately 230,000 a year while the Southend terminal, operated by Halterm, handles in excess of 200,000 annually. {ANR&P correspondent in discussions with Calvin Whidden, Ceres and Ashley Dinning, Halterm, 6.Mar.2014}

Whidden said in Q1 of this year Ceres handled approximately 50,000 TEUs, down about 10,000 TEUs for the same period in 2013. He felt the decline was due to bad weather and the fact the G6 Alliance incorporated the Grand Alliance’s AEX service thus eliminating one weekly call. {Whidden in an e-mail to Peters 23.Apr. 2014}

Zim Container Line, the longest-calling line and the leading carrier at Halifax, moved approximately 25% of the containerized cargo over Halifax in 2013. {source in discussion with ANR&P correspondent Tom Peters 6.Mar.14}

SAINT JOHN: 1Q14 CONTAINERS UP*
The Port of Saint John recorded an increase in container cargo tonnage in 1Q14 to 116,215 tonnes, up from 110,128 metric tonnes in 1Q13. TEUs were also up, 4.1%, over the same period to 17,332 from 16,645.

Liquid bulk declined to 5,745,575 metric tonnes from 6,832,444 in 1Q13. Breakbulk dropped
considerably from 25,209 metric tonnes in 1Q13 to 8,220 tonnes in 1Q14. Dry bulk declined from 362,894 metric tonnes in 1Q13 to 298,390 metric tonnes in 1Q14.

Salt and potash
Saint John Port Authority’s Paula Copeland said dry bulk was down due to the concentration of mining salt at the new mine in Sussex and working through salt deposits before reaching the potash deposits.

'The salt extraction, which has been higher than normal for several months starting in late 2013, was utilized more in Atlantic Canada and New England over this winter mitigating road conditions.

'The need for this salt was greater this year in our region than in past years. Therefore, due to mining more salt and moving more salt by truck in the region, this export tonnage figure was impacted.'

She said the primary reason break bulk was down so much 'is that forest products previously moved by break-bulk method are going by container.' (Copeland in e-mail to Peters 23.Apr. 2014)

SYDNEY: PORTS DAY STORIES*
14-15 May. **THE ANNUAL SYDNEY HARBOUR PORTS DAY YIELDED SOME NEWS NOT ANNOUNCED FROM THE DAIS.** Those that provided the information did not want to be identified.

Sydney container terminal announcement soon?
A source involved with port labour said he expects an announcement, possibly by the end of the summer, on plans by investors to move forward with a new container terminal. He declined to name investors; speculation centers on Maersk and JP Morgan Chase, but the source would neither confirm nor deny that speculation.

Cape Breton Regional Municipality, which owns the 500-acre greenfield site earmarked for a terminal, hired two US-based consultants in 2012 to market the site globally. [See 12#07A.]

Marine Group revival?
A source close to port operations reported a move afoot to revive the Sydney Marine Group, which was spearheaded by Jim Wooder and comprised of port stakeholders. It led the fundraising for the entrance channel dredging to 17 metres [and thus permitting deeper-draft coalers still barred by lack of a new nerved system – see 14#05A]. The group disbanded after the dredge was completed in 2012.

The source said the local port community is not happy with the port decisions of the CBRM council, as well as the lack of a marine background among councilors. CBRM owns the Sydney Marine terminal, operated by the Sydney Port Corporation, and the greenfield site designated for a container terminal.

However, concerns exist about creating a new port governance model also, reported the source. He said reviving the Sydney Marine Group as an advisory body to CBRM would bring port and marine experience into the decision making.

Marine Terminal expansion?
CBRM Mayor Cecil Clarke said the municipality has applied to both the provincial and federal governments to pay 1/3rd each of a $20 million extension of the Sydney Marine Terminal, the main cruise ship dock. {Clarke and others in discussions with ANR&P correspondent Tom Peters 15.May 2014}

RAIL FREIGHT FACILITIES

Described in this issue.

Boston Brands (SLR, Maine) One of 12.
Burnham and Morrill (SLR, Maine) One of 12.
Cascades (SLR, Maine) One of 12.
Central Maine Power (SLR, Maine) One of 12.
DCP (SLR, Maine) One of 12.
Dead River (SLR, Maine) One of 12.
EPA (MC, Massachusetts) Filtercake outbound.
Global Partners (PW, Connecticut) Clinton propane terminal?
HarMac (Maine) Possible Golden Eagle customer.
Maine Intermodal Terminal (SLR, Maine) One of 12.
Maine Organic Milling (SLR, Maine) One of 12.
Maine Wood Treaters (SLR, Maine) One of 12.
Mt. Tom [GDF Suez, FirstLight) (Pan Am, Massachusetts) Closing.
NEPW (SLR, Maine) One of 12.
Public Service of NH (Pan Am, New Hampshire) Mucho coal.
Sea-3 (Pan Am, New Hampshire) Resistance to propane terminal.

**PEOPLE, EVENTS**

Bridge/track engineer **Emmons Lancaster** has passed away. Among other things he was a long time member in the Seashore Trolley Museum and a founder of the **Maine Narrow Gauge Railroad**.

**Jan Okolowicz**, railroad and transportation project manager with **Parsons Brinckerhoff** in Boston, took a voluntary retirement option this past December after spending 21 years with the company.
Atlantic Northeast Rails & Ports
PO Box 357, Freeport, Maine 04032
Vox 207-865-2922 Fax 866-484-4490
Chalmers (Chop) Hardenbergh, publisher and editor
editor@atlanticnortheast.com
www.atlanticnortheast.com

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

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

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

Two asterisks indicate the story is updated with the blue font showing what is updated.

Readers building a personal archive of the newsletter should discard the e-bulletins. The newsletter archive on the web at www.atlanticnortheast.com is open to all.

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

FORMAL E-ISSUE