Operating railroads + ports, intermodal facilities, and government environment.

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

Formal issue 14#08A 20 August 2014

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

REGIONAL

MMA: Successful locomotive auction.*

NEW YORK

NYA: Plate F coming.* Maps.

QUÉBEC

[No report.]

CONNECTICUT

HRRC: Still hope for passenger service.

MAINE

CMQ: Cleaning up in Millinocket.*

NB&M: Withdraws RRIF loan applications.

Pan Am: More bad news on paper mills.*

Pan Am – Portland: Shaw Brothers has lowest bid on IMT expansion.*

MASSACHUSETTS


Boston: Evergreen calls. Overall container numbers have climbed back to the 2007 level.

NEW HAMPSHIRE

MBRX: Governor and Council postpone vote on contract.*

New Hampshire salt awards.*

NHN: TIGER grant contract signed for 286.*

Pan Am: Sea-3 files at STB for emergency declaration.*

RHODE ISLAND

[No report.]

VERMONT

[No report.]

MARITIMES

CBNS: Capital expenditures, but not to Sydney.*

RAIL SHIPPERS/RECEIVERS

A cross-reference to companies mentioned here.

PEOPLE, POSITIONS, EVENTS

People: Jackson as ConnDOT rail administrator.*

CMQ: Giles will speak in Bangor 10 September.

Central Massachusetts freight railroad talk.

EDITORIAL

[No report.]

FROM THE PUBLISHER

Short issue
Some readers may breathe a sigh of relief at the brevity of this issue.

Due to vacation, and to a dearth of hot news, this issue comes only to about 14 pages, in contrast to previous issues of 20 pages and more.

Look for more pages in the next issue, after Labor Day.

- Chop Hardenbergh Next formal issue 10 Sept.

REGIONAL

MMA: LOCO AUCTION

5 August, Derby rail yard. **THE MMA ESTATE SAW A SUCCESSFUL AUCTION OF 30 LOCOMOTIVES.** Ed Burkhardt of Rail World, who attended, listed 24 serving as collateral for a Bangor Savings Bank loan and six belonging to affiliate Rail World Locomotive Leasing. RWL had 4 units that weren't sold as bids did not reach the reserve price. The total sales was $1.5 million.

'We knew the auctioneer, Adam Jokisch, president and CEO of Adam’s Auction and Real Estate Services, from previous dealings (generally when we were buying locos) and hold him in high regard, and he did a nice job. In round numbers, the auction fetched $1.4 million for 30 locos, a number of which were sold for parts and scrapping.' {e-mail to ANR&P}

**One Maine buyer**

Bids ranged from $10,000 to $200,000, Jokisch said. The bidders came from Maine, Texas, and Mexico. While several left empty-handed, Joseph Pinkham of B and S Scrap Recycling of Hudson bought five locomotives for about $100,000. Pinkham said his company would sell off usable parts and cut the remainder of the locomotives into manageable chunks at the Derby yard before trucking [sic!!] them out. With a single locomotive weighing about 200 tons, the work might take awhile. {Nick Sambides in Bangor Daily News 5.Aug.14}

NEW YORK

NYA: SEEKS PLATE F

3 August, Queens. **THE UNDERCUTTING OF TWO BRIDGES WILL MAKE NYA ENTIRELY PLATE F ACCESSIBLE,**¹ noted James Bonner, marketing and sales director for NYA. [See maps for locations.]

**Existing access to New York**

Both CSXT (from the north) and NS (from across the harbor via the Bay Ridge branch) have Plate F to the NYA interchange in Fresh Pond, said Bonner.

The undercutting will give Plate F access to Long Island City and to the Bushwick Branch, which is Plate F.

**M line subway**

'The most restrictive portion is actually the NYCT’s “M” line bridge just west of the office. The undercut in that area is expected to be done in a fairly straightforward fashion. There are currently three sets of tracks under the bridge.'

**Metropolitan Avenue**

The deck, which carries

---

¹ Editor's note: Some such as Pan Am's David Fink believed Plate F will never get into New York City. See 14#04B.
Metropolitan Avenue and Fresh Pond Road over the Montauk Branch, runs about 250 feet longitudinal and about 75 feet latitudinal), over at one time four tracks. Bonner noted: 'Reducing the number of tracks reduces the span width, and is the “value added” portion to the DOT, in that it reduces the scope and expense of the project, which they obviously support. They are, in turn, willing to participate in the track realignment and undercut. The DOT doesn’t have a timeline\textsuperscript{2} for the required ROW reduction at this time.'

**Plate F this autumn**
The undercutting will happen this autumn, wrote Bonner. {NYA tour 15.July.14; e-mail to ANR&P 3.Aug.14}
**CONNECTICUT**

**HRRC: PASSENGER PLANS**

11 August. **THE RAILROAD WANTS TO MOVE FORWARD IN CONNECTICUT TOO**, following the announcement in July that MassDOT would purchase the HRRC trackage in that state [see 14#07A and Massachusetts] for future passenger rail.

Colin Pease, HRRC vice-president for special projects, remarked recently: “Running a train from Point A to Point B doesn't necessarily mean you'll get any economic growth from your investment unless you have the critical ingredient – a way to attract people from one area with money to come to another area to spend it. We have that.” Affluent New Yorkers have long had second homes in the Berkshires, as well as in northwestern Connecticut towns such as Cornwall and Salisbury.

HRRC would either connect with Metro-North in Danbury where passengers would change for Norwalk, or use its rights to run to Brewster, New York. The railroad reported it could shave 15 to 20 minutes of trip time by sending passengers west to the Southeast station just north of Brewster on Metro-North's Harlem line. {Don Stacom in Hartford Courant 11.Aug.14}

**MAINE**

**CMQ: MILLINOCKET CLEANUP**

4 August, Millinocket. **CMQ HAS DEMOLISHED THE COAL SHED AT MILLINOCKET AND PULLED THE TURNTABLE OUT OF THE PIT**. The coal tower, engine house, round house and yard office remain, for now. The coal shed was particularly decrepit and a liability issue.

The yard has seen virtually no use in over a year except to store cars. {railroad.net}

**Explanation**

John Giles, CMQ president, explained the railroad did so to 'clean up the place, turn scrap into real cash, reduce liability, and be a responsible neighbor.' {e-mail to ANR&P}

**Traffic recovering**

Giles said on 6 August that traffic levels are already at 40% to 50% of MMA's level of two years ago. {AP in MaineBiz 6.Aug.14}

**Millinocket not**

The paper mill in Millinocket, owned by Cate Street Capital, is now a shell: the last machine, no.11, was sold at auction in June. Some doubt that Cate Street's plans for a pellet mill will ever come to fruition. {Jess Bidgood in New York Times 2.Aug.14}

**NB&M: LOANS WITHDRAWN**

20 August, Saint John. **THE TWO RRIF APPLICATIONS FOR EMRY WERE WITHDRAWN**, said General Manager Ian Simpson. The USDOT inspector general included them in the study of the length of time FRA was taking to act on loan applications [see 14#07B (article not listed in Table of Contents)]. By 31 December 2013, FRA had one for 579 days, and the other for 761 days. {ANR&P discussion}

**PAN AM: BAD NEWS ON PAPER MILLS**

13 August, Old Town. **OLD TOWN FUEL AND FIBER CEASED PULP OPERATIONS AND FURLOUGHS ABOUT 180 EMPLOYEES**. According to its statement:

'Effective immediately all Old Town mill operations will be indefinitely suspended. The impact of foreign competition and our competitive position due to high wood and energy costs have made it difficult to sustain
operations at this time. All employees not needed for securing the facility will be furloughed. During this idled period ownership will be pursuing options to secure the long term viability of the facility.'

Everett Deschenes, director of market pulp and fiber at the mill, confirmed the news. Bill Mayo, Old Town city manager, released a statement thanking Lynn Tilton, CEO of New York City-based Patriarch Partner, which bought the former Georgia-Pacific mill in November 2008, and all the mill’s employees. 'The city has faced this situation before and we will keep moving forward. The city will work with the mill and state officials to try and find a new buyer and keep Old Town moving forward in a positive direction.' {Whit Richardson in Portland Press Herald 14.Aug.14}

Install tissue machines?
John Williams, president of the Maine Pulp and Paper Association, said that the mill is faced with rising wood costs and a globalizing market for pulp, where new eucalyptus plantations in South America are adding to competition from pulp mills elsewhere in the United States and Canada.

“I don’t think it’s as good of a product,” Williams said of the eucalyptus pulp, “but it’s similar, and there are a lot of new eucalyptus mills coming on line. The trees grow overnight. The fiber is inexpensive, and it produces a quality product. It’s replacing what we produce.”

Dan Bird, human resources director at the mill, said the company is applying for federal Trade Adjustment Assistance funds to help employees, as the eucalyptus is one of the “primary issues.”

In addition to trade competition, Bird said the mill also had problems with its biomass boiler. It has been a progressive shutdown, he said. “We shut down to make repairs to our biomass boilers and ended up finding more work than we expected.”

According to EPA records, an April evaluation found the mill out of compliance, resulting in $126,000 in fines.

Williams hoped the mill could reopen with new investment and continue to produce pulp, but that new technologies or the addition of tissue paper machines could help [see Woodland Pulp 14#03A] generate new revenue and reduce its exposure to global changes in pricing for pulp. “[With tissue-making machines] you have some other options and you’re not quite as much at the whim of the market prices. [Fuel & Fiber] can’t just charge what they need to for their pulp when they’re getting competition from so many other places.” {Darren Fishell and Nok-Noi Ricker in Bangor Daily News 14.Aug.14}

Madison mill value drops
13 August, Madison. **THE VALUE OF THE MADISON PAPER INDUSTRIES MILL IS SET TO DECREASE BY NEARLY $150 MILLION.** Citing the declining market for paper products in North America, Madison's board of assessors reached that conclusion after a frank discussion with the company's management. William Van Tuinen, assistant to the board of the assessors, said this week: “It's a very, very substantial reduction in valuation”

The paper mill's valuation is now $80 million, a steep decrease from its previously assessed value in 2013 at $229.7 million. {Waterville Morning Sentinel cited by MaineBiz 13.Aug.14}

While Pan Am no longer serves the Madison mill [see 13#11B], the news is another sour note.

**PAN AM-PORTLAND: IMT EXPANSION**
13 August, Augusta. **MDOT NAMED SHAW BROTHERS OF GORHAM THE APPARENT LOW BIDDER ON THE INTERNATIONAL MARINE TERMINAL EXPANSION.** MDOT announced these bids, including two below the estimated cost of $9.27 million:

• Shaw Brothers of Gorham $8.57 million.
• Wyman & Simpson Inc. of Richmond $8.87 million.
• CPM Constructors of Freeport $9.98 million.
• Sargent Corporation of Stillwater $10.02 million.

MDOT spokesperson Ted Talbot said the department will review the bids over the next two to three weeks before it officially awards the contract. The marine terminal expansion, with a total project cost of approximately $18 million, is expected to begin construction in September and finish by the end of August 2015. {MaineBiz 14.Aug.14}

**MASSACHUSETTS**

**HRRC: FORMAL ABANDONMENT**

15 August, DC. **HRRC FILED AT THE STB A NOTICE OF EXEMPTION TO ABANDON THE ROUGHLY TWO MILES OF TRACK** owned by affiliate Coltsville Terminal Company, and to to discontinue the HRRC running rights on the line [see 14#07A]. {STB website, filings page, Docket No. AB-733A and AB-1121X} [See map.]

**BOSTON: NEW CALL**

20 August. **EVERGREEN CALLED THE PORT AS A NEW MEMBER OF THE CKYHE ALLIANCE** when its *Ital Lunare* arrived, marking the first time Evergreen Line has called Boston directly in nearly 30 years. The *Ital Lunare* has been added to the weekly AWE2 (NUE2) service of the recently expanded CKYHE* alliance; it calls Qingdao, Shanghai, and Ningbo, China before crossing the Pacific Ocean, transiting the Panama Canal, and then calling New York, Boston, and Norfolk.

* COSCO, “K” Line, Yang Ming, Hanjin, and Evergreen. In addition to CKYHE, Mediterranean Shipping Company (MSC) calls Boston twice weekly.
**Volume increase to 2007 level**

Boston container traffic grew 13% on the AWE2 service, and the number of containers per call on the service also increased 15%.

Crane productivity (up 15%) and truck turn times (30 to 32 minutes) have steadily improved as volumes grew to their highest levels since 2007 [see 14#06B]. {Massport press release}

---

**NEW HAMPSHIRE**

**MBRX: CONTRACT TABLED***

5 August, Concord. *DESPITE THE SUPPORT OF NHDOT, THE GOVERNOR AND COUNCIL TABLED THE CONTRACT TO OPERATE ON THE HILLSBORO BRANCH* until 3 September. [More on the discussion when the audio recording is posted on the G&C website.]

**Proposed contract**

Submitted along with the agenda was the proposed contract and a letter explaining the NHDOT support. The agreement would run until 31 December 2023, with a provision to renew for another 10 years subject to Governor and Council approval.

**Selection process**

The letter stated: 'Four proposals were received by the November 21, 2013 deadline, however one was considered to be non-responsive and subsequently only three proposals were scored and further evaluated by the evaluation committee.

'The evaluation committee members that independently reviewed proposals and participated in consensus scoring of the three responsive proposals were Louis Barker (NHDOT railroad planner), Mark Richardson, PE (NHDOT Bridge Design Bureau administrator), and Shelley Winters (NHDOT Rail & Transit Bureau administrator). The evaluation committee convened on January 10, 2014 to conduct their consensus scoring and evaluated the proposals, on a scale of 1 to 100, based on the six criteria included in the request for proposals with each criterion having an assigned scoring weight.

'The criteria, as listed in the request for proposals, were:

- Maintenance plan (10%)
- Business and marketing plan (20%)
- Operating plan (10%)
- Operating equipment provided (10%)
- Financial ability to operate short line service and financial references (20%)
- Operating and management experience and overall ability to perform the required services, including its ability to provide freight service to the existing shipper on the line (30%)

**Scoring results of the three railroads which were evaluated**

- New Hampshire Central Railroad 83 points Excellent: Total applicability
- Milford-Bennington Railroad 77 points Excellent: Total applicability
- Iowa Pacific Holdings, LLC 30 points Good: Some applicability

**Why MBRX**

'The New Hampshire Central Railroad and the Milford-Bennington Railroad proposals were both within the “Excellent” rating category and worthy of additional consideration. After subsequent review of the top two proposals, the Department recommends entering into agreement with the Milford-Bennington Railroad as it is in the best interest of the State and the shipper (Granite State Concrete), as follows:
- Milford-Bennington Railroad currently operates on the line under a modified certificate issued by the US Surface Transportation Board (STB) for the only shipper currently requiring service.

- Over the last four years (2010-2013), the Milford-Bennington Railroad has expended approximately $25,000 in order to make repairs above and beyond normal maintenance requirements; and

- Milford-Bennington Railroad and the shipper, Granite State Concrete, have enjoyed a good working relationship for over 20 years and allowing Milford-Bennington Railroad to continue to operate the line would provide seamless rail service to the shipper.

**Payment**

‘Per the agreement, each operating year the Milford-Bennington Railroad shall pay 5% of its gross revenue to the State and this revenue shall be credited to the NH Special Railroad Account. Additionally, the Milford-Bennington Railroad is required, annually, to invest at least 20% of its revenue in the maintenance of the State-owned Hillsboro Branch Railroad line.’ {text of cover letter}

**Operation**

Leishman reported that MBRX has operated for three weeks, after finally completing locomotive repairs [see 14#06A]. On this day, the train did two round trips. {ANR&P discussion}

**NH SALT***

27 June, Concord. MORTON, EASTERN MINERALS, AND GRANITE STATE MINERALS SUBMITTED THE WINNING BIDS FOR ROAD SALT [see table]. Morton [see box] will serve its districts from terminals in Portsmouth and Newington.

---

**SALT: MERGER OF MORTON AND ISCO**

When Morton parent K&S bought ISCO in 2009, it kept it separate, as ISCO was viewed as a small, lean organization. However, K&S in 2013 decided to merge the two.

ISCO will operate until September 2014, when all terminals will become Morton. The winning Morton bids in New Hampshire will be handled from terminals in Portsmouth and Newington.

The first nine terminals below are all supplied by combination of Chile rock salt and Inagua solar salt. Chile has a lot of excess capacity.

The winter of 2013-2014 was for salt suppliers the biggest year in history. This year, producers are concentrating on refilling terminals, but the domestic salt mines can only produce so much per day. {ANR&P discussion with source 6-7.14}

Former Morton terminals
South Portland
Newington
Providence (Provport, Shipyard Street)
New Haven

ISCO
New Haven (Gateway)
Charlestown
Portsmouth (Market Street)
Providence (Allens Avenue Sprague)
Searsport

Morton Canada
Pugwash, Nova Scotia, served by truck. It supplies the Atlantic provinces.
Granite State owns a terminal in Portsmouth just downriver from Morton, which uses the Market Street Terminal. Eastern Minerals has a terminal in Chelsea on Boston Harbor. Editor

**NHN: TIGER GRANT CONTRACT***

13 August, DC. **USDOT REACHED AGREEMENT ON THE TRACK UPGRADE FUNDED BY A TIGER GRANT.** An agreement providing the $1.4 million Transportation Investment Generating Economy Recovery (TIGER) grant [see 13#09A but correcting the grant figure] has been formally reached for the New Hampshire Northcoast Rail Improvement Project, U.S. Representative Carol Shea-Porter (D-New Hampshire) announced. {Shea-Porter press release}

The funding will upgrade the NHN 42-mile main line to carry 286,000-pound cars, and repair 0.7 miles of washed out track north of the gravel pit in Ossipee served by NHN [see 13#09A].

**PAN AM: SEA-3 TO STB***

1 August, DC. **SEA-3 ASKED THE STB TO RULE THAT PORTSMOUTH'S EFFORT TO SLOW ITS RAIL TERMINAL EXPANSION WAS PRE-EMPTED** by federal law. SEA-3 sought emergency action because Portsmouth's pending ZBA appeal hearing occurs 25 August.

On 4 August, Portsmouth City Manager John Bohenko briefed the City Council on the filing in a memo. It stated in part: 'the petition does not accurately characterize the city's appeal, its request for a safety study, and the city's actions regarding its concerns about rail safety.' City Attorney Bob Sullivan will prepare a response to the petition, Bohenko said on 4 August. {Jeff McMenemy in seacoast.online 5.Aug.14}

**THE FILING**

A. Region needs propane; price too high to import
A.1 Regional need
A.2 Overseas price too high, facility use lower
A.3 Current sourcing.

B. Portsmouth trying to regulate rail move
C. Local regulation not permitted.
   C.1 Federal limits on local regulation.
   C.2 Portsmouth must work with the FRA.

The Sea-3 petition, filed by Alan McEachern of Portsmouth, stated:

**A. PROPANE DEMAND**

**A.1 Regional need**

'Historically, SEA-3's Facility has received and distributed approximately 174 million gallons (4,142,857 barrels) of LPG per year to the New England market, supplying approximately 40% of New England's propane needs. The majority of this product has come from international sources via 12-13 ship deliveries per year, with a smaller amount of domestic propane arriving by rail over the Newington Branch.' {5}

**A.2 Price too high to import; facility use much lower**

'According to the U.S. Census Bureau's 2009 American Community Survey, domestically-produced propane is now substantially cheaper than internationally-produced propane. Due to this price difference, it is no longer economically viable to import propane to New England via ship and Sea-3's distribution figures have dropped as a result, as shown by the...table, which sets forth the number of truck transports from Sea-3's Facility on an
annual basis as well as the number of truck transports per day for the busiest month of the year, for the period 2009-2013.

'Sea-3 has owned and operated the Facility at 190 Shattuck Way in Newington since 1975. The Facility contains two primary refrigerated storage tanks having a total storage capacity of 560,000 barrels. The only other propane storage facility of similar capacity in New England is the TEPPCO Terminal in Providence, Rhode Island, which lacks rail access.' {page 5}

A.3 Current sourcing

'With New England's propane primary storage tank facilities now virtually dormant, the region has been forced to rely on rail and truck shipments to satisfy demand on an as-needed basis.

'As a result, 75% of all LPG now comes into New England by rail from various production facilities throughout the U. S. and Canada with the remaining LPG being trucked into New England, primarily from the terminus of the TEPPCO pipeline in Selkirk, New York.

'The effect of this market change has been to eliminate Sea-3's ability to stockpile propane. As a result, retail propane distributors now face shortages during the critical winter heating season due to supply and logistical bottlenecks as they all compete for the delivery of product at the same peak-demand periods.

'The Facility's current rail capacity is too small to meet market demand. With just three unloading berths, the Facility can only receive six rail cars per day, or 198,000 gallons, enough to fill just 18 tank trucks per day, falling far short of normal winter market demand. The...table illustrates the amounts involved in both gallons and barrels (42 gallons = 1 barrel).

'Based on its current rail capacity of six cars per day, it would take Sea-3 one hundred and nineteen (119) receiving days to fill its Primary Storage Tanks, assuming no distribution of product. This offload capacity is inadequate to build and maintain a stockpile going into the critical winter heating season. In order for consumers to benefit from the stabilizing effect of Sea-3's Primary Storage Tank Facility, and avoid future fuel emergencies, Sea-3 must be allowed to increase its railcar off-loading capacity.

'Any significant delay in proceeding with Sea-3's proposed improvements at this point in time will likely push the project completion date beyond the 2015-2016 winter heating season, meaning that New England's propane consumers will have to go at least two more winters without a fully operational primary storage facility in the region.

'...250,000 New England households [currently] heat with propane, as indicated by a Declaration of Emergency issued by the State of New Hampshire on December 27, 2013, which specifically cited the absence of propane at Sea-3's Facility as a cause of the emergency.

B. PORTSMOUTH TRYING TO REGULATE RAIL

'[A]fter Portsmouth filed its Superior Court Petition and ZBA Appeal, it publicly stated to New Hampshire's

---

3 Meaning, actually, ability to finance stockpiling. The tanks are still there. Editor
4 In its appeal, Portsmouth wrote: 'The impact of Sea-3's [sic] expansion will be immediate because Pan Am has represented that it would be improving the tracks to accommodate a larger volume of LPG transported by rail cars that can travel at higher speeds. The City would be required to improve several rail crossings at an estimated cost of $2,400,000.00 million dollars. Although part of the cost may be deferred by working with NH DOT, some 20% of these costs will be borne by City taxpayers. Citizens of Portsmouth will not only be obligated to pay for improved roadways at rail crossings, but will be supplementing Newington's Fire Department, given their limited number of firefighters and equipment, in the event of an incident at the site. The City's taxpayers will pay for this burden and will not receive any of the tax benefit
Governor that its purpose in appealing the Planning Board's Decision was to compel a study of the risks and hazards of transporting LPG through the City. {9-12}

'Having publicly admitted that its purpose in appealing the Planning Board's Approval is to impose a per se impermissible preclearance requirement on rail operations, Portsmouth should not be allowed to indirectly regulate rail operations by seeking to overturn the Planning Board's Approval on non-railroad issues, particularly when it failed to raise these issues itself at the Planning Board and publicly stated that it had no issues with the site plan....

C. IMPERMISSIBLE REGULATION

C.1 Federal limits on local regulation

'In interpreting the reach of [Title 49, section] 10501(b) preemption, the Board and the courts have found that it prevents states or localities from intruding into matters that are directly regulated by the Board (e.g. railroad rates, services, construction, and abandonment). It also prevents states or localities from imposing requirements that, by their nature, could be used to deny a railroad's ability to conduct rail operations. Thus, state or local permitting or preclearance requirements including building permits, zoning ordinances, and environmental and land use permitting requirements are preempted.'

Any attempt to have the Planning Board's Approval overturned [the Portsmouth appeal seeks to overturn the Newington Planning Board's okay for the Sea-3 expansion – see 14#07B] based on its refusal to regulate Pan Am's transportation of LPG rail cars is plainly preempted by § 10501 (b). Portsmouth's alternative request that the Planning Board be compelled to require a study from Sea-3 on railroad impacts as a condition of approval is likewise preempted by§ 10501(b) as a per se impermissible pre-clearance requirement.

C.2 Portsmouth must work with FRA

'If Portsmouth has any safety concerns regarding the Newington Branch rail line, it must address those concerns to the Federal Railroad Administration which is solely responsible for the safety of the Newington Branch rail line under the Federal Railroad Safety Act ("FRSA").

Need for emergency action

'Sea-3 asks that this Board consider its request on an emergency basis because state and local action to overturn the Planning Board's Approval is imminent and may result in significant delay to the completion of Sea-3's proposed improvements, leading to future fuel shortages in New England.' {STB website, filings page, Finance Docket No. 35853}

---

5 Sea-3 cited Boston and Maine Corp. & Springfield Terminal Railroad Co. - Petition for Decl. Order, Finance Docket No. 35749 at 3 (S.T.B. July 19, 2013). This decision stopped Winchester, Massachusetts' effort to shut off rail service to Tighe. The STB wrote [see 13#07B]:

'The Town’s zoning decision holds that use of the Montvale Yard as a freight yard is not allowed pursuant to municipal zoning laws, and its order requires all rail traffic to the warehouse “to immediately cease and desist.” Such an attempt to prohibit common carrier rail transportation directly conflicts with the most fundamental common carrier rights and obligations provided by federal law and the Board’s exclusive jurisdiction over that service. The Town’s actions are therefore plainly preempted by § 10501(b).'

6 Sea-3 cited See Green Mtn. R. R. v. State of Vermont. 404 F.3d at 642-43 (2005). Here the Court said of Vermont's Act 250 [see 05#04B]: 'Act 250's pre-construction permit requirement is preempted for two reasons: (i) it “unduly interfer[e]s with interstate commerce by giving the local body the ability to deny the carrier the right to construct facilities or conduct operations,” and (ii) it can be time-consuming, allowing a local body to delay construction of railroad facilities almost indefinitely....' We need not draw a line that divides local regulations between those that are preempted and those that are not, because in this case preemption is clear: the railroad is restrained from development until a permit is issued; the requirements for the permit are not set forth in any schedule or regulation that the railroad can consult in order to assure compliance; and the issuance of the permit awaits and depends upon the 15 discretionary rulings of a state or local agency.'
CBNS: MORE GWI $$

4 August, Antigonish. PRESIDENT MARIO BRAULT SAID: “WE ARE WORKING ON A MORE AGGRESSIVE CAPITAL PLAN GOING FORWARD …We will continue to replace some ties and improve the service through a ballast program, perhaps improving rail in some locations. We have a very detailed and refined bridge-repair program we will focus on in the year to come.”

He declined to outline by how much the company’s budget for improving track conditions between St. Peter’s Junction and Truro will change in the coming years.

Track speed
With respect to the many speed restrictions placed on portions of the railway due to track and bridge conditions, CBNS is not looking for higher speeds. “We are generally happy with speeds of [25 to 30 miles] an hour.”

The railway is not moving perishable goods and so is not competing with the trucking industry for speed. “If you need to move a car from Port Hawkesbury to Stellarton, we won’t be competitive. But if you need to move something to Chicago, our relationship with CN makes us competitive. We are competitive over longer distances and on very heavy loads.”

Brault declined to respond to critique of the track condition [see 14#06A], saying he has previously addressed those concerns, but did say the railway is safe and is maintained according to the NSDOT regulations governing it.

More traffic?
“We are very excited about the future of the railway,” Brault said. He pointed to proposed projects including the container terminal for Melford and the expansion of the NuStar terminal. “While the line is profitable from St. Peter’s to Truro, it’s not busy enough. We could easily double or triple the traffic without suffering.” {Aaron Beswick in Halifax Chronicle Herald 4.Aug.14}

PEOPLE, EVENTS

*ConnDOT named Carl Jackson, currently associate director of the District of Columbia's Department of Transportation, as the Connecticut Department of Transportation rail administrator, beginning in late August. Most of his energy will go to the passenger rail operations of the New Haven Line, Shore Line East, and the New Haven-Hartford-Springfield, though he will also manage the freight-rail program.

Jackson has worked for MTA Long Island Rail Road as a conductor and trainman, and later in management positions: the Chicago Transit Authority as a general manager; Connex of Canada (now Veolia) as general manager and chief operating officer; the Macon Transportation Authority in Georgia as general manager and chief executive officer; and the city of Greenville, S.C., as director of public transportation.

CMQ: EVENT*

RAIL REBIRTH IN EASTERN & NORTHERN MAINE: THE NEW CENTRAL MAINE AND QUEBEC RAILWAY

Featured speaker:

John Giles, President
Central Maine and Quebec Railway

Learn more about CMQR's plans for growing its business and better connecting the Maine heartland to major Canadian and American population centers to the west through Montreal and with world markets through the
Port of Searsport.
Wednesday 10 September, 07h30 to 09h00 Lancaster Room, Hollywood Casino, Bangor.

RAIL FREIGHT FACILITIES

Described in this issue. Sea-3 (Pan Am, New Hampshire) Files at STB.
Old Town (Pan Am, Maine) Shuts its paper mill.

Atlantic Northeast Rails & Ports
PO Box 357, Freeport, Maine 04032
Vox 207-865-2922 Fax 866-484-4490
Chalmers (Chop) Hardenbergh, publisher and editor
director@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.

Pricing
Subscriptions cost $495 for professionals, $125 per year for students, young and old. (Add $100/year for print issue). Introductory prices available. The e-bulletin, sent by e-mail at least weekly between issues, is free of charge to all subscribers.

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.’