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

**REGIONAL**

**MC-Pan Am:** The closing of High Liner processing in New Bedford may move a few carloads to Portsmouth.*

**CMQ:** Shipper Tafisa, with 2500 carloads a year, supports CP-NS merger. Others do not.

**PW:** Steinberg slightly increases its stock holding, to 12.5%.*

**NEW YORK**

No report.

**QUÉBEC**

See Regional re Tafisa.

**CONNECTICUT**

**Pan Am:** Study of Berlin Branch still to come.

**Pan Am Connecticut:**
- Traffic up, Inland receiving good service.*
- Pan Am withdraws its proposal for a Waterbury propane terminal.*

**MAINE**

**Maine crude:** reporting to resume.*

**Maine crude:** Figures through January 2016 show no crude even by pipeline through Maine.

**Pan Am:** More on AIM rail out of Bucksporo. ++

**Pan Am:** Coal move.

**Eastport:** No chips yet.

**Massachusetts**

**Pan Am:** Catania Spagna IRAP work.

**Massport:** Record 2015 based on empty containers. Productivity, truck turnaround charts.

**NEW HAMPSHIRE**

**MBRX:** Moves to dismiss Pan Am lawsuit, move it to STB. Mediation may ensue.*

**RHODE ISLAND**

[No report.]

**VERMONT**

**VRS transload:**
- Wulfson proposes a different site, in South Burlington.*
- Judge denies motion for injunction. ++

**MARITIMES**

**Sydney:** New brand for container project presented at Suez Canal Conference.*

**RAIL SHIPPERS/RECEIVERS**

A cross-reference to companies mentioned here.

**PEOPLE, POSITIONS, EVENTS**

New England Railroad Club Expo on 22 March.

**EDITORIAL**

The coming Rhode Island truck-only tolls gets them to pay their fair share.*

**FROM THE PUBLISHER**

Next issue 21 March

– Chop Hardenbergh

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**Common abbreviations:**
- **BCLR** - Bay Colony RR, **BML** - Belfast & Moosehead Lake RR, **CBNS** - Cape Breton and Central Nova Scotia Ry, **CCCR** - Cape Cod Central RR, **CCRR** - Claremont Concord RR, **CMAG** - congestion-mitigation or air quality (money from the US federal government for these purposes), **CMQ** - Central Maine & Quebec Ry, **CN** - Canadian National Ry, **CNZR** - Central New England RR, **ConnDOT** - Connecticut Department of Transportation, **CP** - Canadian Pacific Ry, **CSO** - Connecticut Southern RR, **CSRX** - Conway Scenic RR, **CSXT** - CSX Transportation (railroad), **EMRY** - see NBSR, **FHWA** - Federal Highway Administration, **FRA** - Federal Rail Administration, **FRTC** - Fore River Transportation Co., **FTA** - Federal Transit Administration, **GU** - Grafton & Upton RR, **GWI** - Genesee & Wyoming Inc, **HRRC** - Houseatonic RR, **MassDOT** - Massachusetts Department of Transportation, **MBCR** - Mass. Bay Commuter RR, **MBRX** - Milford-Bennington RR, **MBTA** - Mass. Bay Transportation Authority, **MC** - Massachusetts Coastal RR, **MDOT** - Maine Department of Transportation, **MERR** - Maine Eastern RR, **MMA** - Montréal, Maine and Atlantic Ry, **MNRY** - see NBSR, **MPO** - Metropolitan Planning Organization, **MTQ** - Québec Ministry of Transport, **NAUG** - Naugatuck RR, **NBDOT** - New Brunswick Department of Transportation, **NBSR** - New Brunswick Southern Ry, **MRAC** - Maine Northern Railway and EMRY, **MDTR** - Maine Department of Transportation, **MERR** - Maine Eastern RR, **MMA** - Montréal, Maine and Atlantic Ry, **MNRY** - see NBSR, **MPO** - Metropolitan Planning Organization, **MTQ** - Québec Ministry of Transport, **NAUG** - Naugatuck RR, **NBDOT** - New Brunswick Department of Transportation, **NBSR** - New Brunswick Southern Ry, **parent of MNRC**, **Maine Northern Railway and EMRY**, **Eastern Maine Railway, NECR** - New England Central RR, **NEGS** - New England Southern RR, **NHCR** - New Hampshire Central RR, **NHDOT** - NH Department of Transportation, **NHN** - New Hampshire Northcoast RR, **NNEPRA** - Northern New England Passenger Rail Authority, **NS** - Norfolk Southern Ry, **NSDOT** - Nova Scotia Department of Transportation, **NYNJ** - New York New Jersey Railroad (PANYNJ subsidiary, former Cross-Harbor), **PAR** - Pan Am Railways - parent of Maine Central RR, **Portland Terminal RR**, **Boston & Maine, all leased by ST**, **Springfield Terminal Ry, PANYNJ** - Port Authority of New York and New Jersey, **PAS** - Pan Am Southern Railway, joint venture of Pan Am and Norfolk Southern, **PVRR** - Pioneer Valley RR, **PW** - Providence & Worcester RR, **QCR** - Quebec Central Ry, **RIDOT** - Rhode Island Department of Transportation, **Seaview-Seaiew Transportation Company, SLQ** - St.Lawrence & Atlantic Ry (Québec), **SLR** - St.Lawrence & Atlantic RR, **ST** - see PAR, **TIRR** - Turner’s Island LLC, **TEU** - twenty-foot equivalent unit (measure of container traffic, equal to a 20x8x8 foot box), **VAOT** - Vermont Agency of Transportation, **VRS-Vermont Rail System (Green Mt. RR Company GMRC + Vermont Ry VTR** + Clarendon&Pittsford RR CLP + Washington County RR **WACR)**, **WHRC** - Windsor and Huntsport Ry.
REGIONAL

MC-PAN AM: FROZEN FISH MOVE*
19 February, New Bedford. **HIGH LINER FOODS ANNOUNCED IT WOULD CLOSE ‘VALUE-ADDED FISH OPERATIONS AT ITS PRODUCTION FACILITY IN NEW BEDFORD’,** Massachusetts, to reduce excess capacity across its North American production network, thereby improving manufacturing efficiency and helping the Company achieve its supply chain optimization objectives. Its remaining facilities provide sufficient capacity to meet the Company's growth objectives going forward. This change does not impact the Company's scallop-processing operations which are also located at the New Bedford facility.’ {company announcement of 4Q15 and full-year operations}

**Effect on rail**
Pierre Bernier, who handles logistics for the cold-storage warehouse adjoining High Liner in New Bedford, said his warehouse received a few cars a year for High Liner. “Most of the base product moves through Bayside and is trucked down here.”

He is still using the Sid Wainer siding to receive railcars. When the rail bridge [see 15#10B] is replaced “in late spring” Maritime will resume rail direct. {ANR&P discussion}

CMQ: TAFISA SUPPORTS MERGER*
25 January. DC. **SHIPPER TAFISA CANADA SUPPORTED THE CP-PROPOSED MERGER WITH NS**, in a letter filed with the STB.

Established since 1992 in Lac-Mégantic, Québec, Tafisa Canada is one of North America’s largest particleboard and thermofused melamine manufacturing facilities. Over the past 20 years, the company has quadrupled its production, increased its employee base from 60 to 325, and firmly established itself as an industry leader. Tafisa is a subsidiary of the Sonae Industria Group in Portugal.

Selling its products to both residential and commercial markets, Tafisa has maintained a balanced share of business between Canada and the United States. Each year, more than 2500 railcars of finished products are shipped using Canadian Pacific’s rail. [CMQ takes the cars to its interchange with CP in Saint-Jean. See 14#09A. Editor].

Tafisa Canada believes a CP-NS combination will create a transcontinental railroad with the scale and reach to deliver improved levels of service to us and enable us to better serve our own customers and communities, while improving safety and enhancing competition.

CP’s proposal is a timely one that introduces a number of positive, future-focussed ideas to vastly improve North America's transportation network. We believe the proposal is in the public interest, as it would improve overall service while creating meaningful competition amongst the Class 1s. Specifically, we believe the following points in CP’s proposal are key:

- increasing capacity for all shippers without creating the need for more infrastructure, creating efficient, reliable single-line service;
- eliminating the “bottleneck approach” when quoting rates and instead quoting rates to which gateway the shipper requests;
- offering unparalleled customer service and competitive rates.

For the above reasons, Tafisa Canada supports the proposed CP-NS combination. We urge the Surface Transportation Board to judge the proposal on its merits and we look forward to a positive outcome. {posted on STB webpage. The STB has created a revamped Major Railroad Merger page and, on a separate page, is posting correspondence related to the potential CP-NS merger}
As does Jointa Galusha and Plains Midstream Canada

Another shipper in the Atlantic Northeast, Jointa Galusha, formerly railed stone to Long Island via the D&H when it ran direct service [see 10#08B]. When D&H-CP discontinued the direct rail and let CSXT run the traffic in haulage, CP priced the move out of existence [see 12#05A New York].

The letter of support, signed by Vice-president John Davidson, provided no detail about the company’s rail moves.

Plains Midstream Canada, which supplies propane to Vermont [see 16#01A] also supported the merger with an anodyne letter.

Opposition from Northeast Recycling

In contrast, Northeast Recycling Solutions of Wilkes-Barre, based on a terrible experience with CP, opposed the merger in a 10 February letter. ‘CP showed … total disregard for the customer and the loss of nearly $100K in out of pocket money lost because of their negligence’ in assisting the customer with obtaining a spur. {posted on STB webpage}

The pro-con count

Canadian Pacific has received more than 80 letters from shippers in support of its proposed takeover of Norfolk
Southern Corporation. Shippers of agriculture and recycling metal back the potential merger of Canadian Pacific and Norfolk Southern railways, while UPS, other major logistics players, elected officials, municipalities, trade groups, and chambers of commerce oppose such a deal, according to an analysis of more than 100 letters written to U.S. rail regulators.

Auto and energy product shippers are split on whether the proposed deal, which NS has rebuffed three times, would improve service via smoother interchanges between the two railways or would hurt service and reduce competition. Although CP has touted the “overwhelming” shipper support it’s received for the proposed tie-up, an analysis shows that type of support is a bit more nuanced, with smaller, Canadian shippers backing the deal, while their larger U.S. counterparts dislike the idea. {Reynolds Hutchins in Journal of Commerce 26.Feb.16}

**PW: MORE INSTITUTIONAL INTEREST**

31 December, New York. **STEINBERG ASSET MANAGEMENT INCREASED ITS OWNERSHIP OF PW SHARES SLIGHTLY, TO 12.5%**. A Form 13G/A filed at the US SEC on 16 February apparently indicates, compared to the PW filing of Form 14-a of 31 March 2015, that Steinberg held 604,538 common shares, of which Michael Steinberg owned 371,509 shares.

The comparison shows:

1. On 31 December 2015 Steinberg Asset Management purchased 5,700 additional shares.

2. On 31 December 2015 Michael Steinberg purchased 3,200 additional shares.

As a result, Michael Steinberg and Steinberg Asset Management own 610,238 shares or 12.5% of those outstanding. Steinberg owns a subset of 374,709 shares or 7.7%.

Form 13G/A stated further: ‘Michael A. Steinberg may be deemed to have beneficial ownership of the securities beneficially owned by Steinberg Asset Management, LLC and Michael A. Steinberg & Company, Inc. In addition, the securities reported as beneficially owned by Michael A. Steinberg include securities held by Mr. Steinberg’s wife and children as well as securities held in trust for Mr. Steinberg's children of which Mr. Steinberg is trustee.’ {SEC website}

**CONNECTICUT**

**PAN AM: STUDY OF BERLIN BRANCH**

2 March, Newington. **CONNDOT HAS NOT FINISHED DISCUSSIONS WITH THE RAILROAD ABOUT WORK ON THE LINE**. Spokesperson Judd Everhart wrote ‘it will be another couple of months before we’ll be able to say anything on this.’ {e-mail to ANR&P}

**The study**

The project began examining possible passenger service on the line. On 31 August 2015, the following went up on the project website:

‘During the past year [2014-2015], the focus of the Central Connecticut Rail Study (CCRS) shifted to:

• finishing the passenger analyses (rail and bus)

• exploring ways to improve freight rail service on the Pan Am Southern line.
The latter efforts included assessing the existing rail infrastructure, examining the current and future freight rail market and opportunities, and evaluating methods for sustaining and improving freight service on the line.

‘Most recently the Department is working with Pan Am Railroad on potential options for growing the market and improving the rail and related infrastructure in the corridor. The latest discussions are expected to continue through the end of this year [end of 2015], and the results will become part of the study report.’

In autumn 2015, Colleen Kissane in ConnDOT Policy and Planning said the discussions with Pan Am were continuing at the Commissioner level. [See 15#09B.]

**PAN AM: CONNECTICUT TRAFFIC***

24 February, Berlin. **THE OPENING OF THE SECOND PROPANE TERMINAL HAS INCREASED TRAFFIC ON THE BERLIN BRANCH.** For example, this day PLED (Plainville-East Deerfield) ran up the ConnRiver line with 38 cars and two locomotives (one PW): 2 loaded centerbeams (likely for CNZR at Hartford), 29 tank cars (one cut of 6 and one of 23), and 7 scrap hoppers (DJJX on many of them). {Bill Sample in Guilford Railroad Sightings e-list}

**The return**

On 25 February, EDPL ran south led by PW 2010, 1 loaded center beam, 3 hoppers and 10 tank cars, and a rail train. On 7 March EDPL with P&W 2010 and MEC 350 had. 2 center beams, 6 empty hoppers, 21 tank cars, and 1 coil steel car. {Guilford Railroad Sightings e-list}

The pair of trains now operates twice a week, according to rail observer Bill Sample. ‘Usually EDPL south Monday and Thursday, PLED north on Tuesday and Friday. ... Trains have generally been 20 plus cars.

**More customers coming?**

The long-underway Frost Bridge construction and demolition transload [see 15#09B] now has a majority of the three-track yard built. A scalehouse/office building is also well along. {e-mail to ANR&P 26.Feb.16}

**Good Pan Am service to Terryville**

Hillel Weisel, director of sales and marketing development for Inland Fuels which owns the second terminal (first is Amerigas), said Pan Am service “has never been an issue. They have lived up their side of the bargain.”

{ANR&P discussion}

**ConnRiver line rebuild will happen on time**

From Springfield to Berlin, Pan Am operates on Amtrak track, which Amtrak is rehabbing for the New Haven-Hartford-Springfield commuter rail. The rail train was delivering rail for the second track on this route.

On 23 February, Amtrak chief Joe Boardman told a US Senate subcommittee hearing of the Commerce, Science and Transportation Committee that the project will be ready in January 2018. {Don Stacom in Hartford Courant 24.Feb.16}

**PAN AM: NO TERMINAL OF ITS OWN***

28 October, Waterbury. **PAN AM WITHDREW ITS PROPOSAL FOR A PROPANE TERMINAL ADJACENT TO ITS LINE HERE.** The railroad in 2015 sought an amendment to the city zoning to permit a propane terminal [see 15#09B].

**City Plan Commission rejects zoning amendment**

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7 PW General Counsel Charlie Rennick confirms: ‘The 2010 is currently under lease and operating on the Connecticut River Line. The 2215 was under lease and operating on the CSO. We occasionally enter into these lease arrangements to assist our business, interchange, and industry partners as needed. As you noted, these units are equipped with cab signals and are ideally suited for this operating area. We also enter into power sharing/run-through arrangements with other operators to not only enhance joint operations but also to meet changing traffic patterns and forecasts.’ {e-mail to ANR&P 26.Feb.16}
On 14 October 2015 (postponed from the 9 September meeting), the City Plan Commission took up this agenda item:

‘Referral from the Zoning Commission: PL 2015-0274 Zoning Regulation Amendment; Petition to Amend Section 4.08 - Master Use Table to establish a “Propane Transload Facility” as a new use in the CA – Commercial Arterial District with a Zoning Permit (staff review) level of review. Applicant: Pan Am Southern, LLC. Public Hearing Date: October 21, 2015.


Recommendation of denial of re-zoning
The minutes of the meeting state: ‘On a motion of Commissioner LaBrecque duly seconded by Commissioner McCasland, the City Plan Commission voted unanimously to ACCEPT staff resolution to DENY the Old Business item #6.

RESOLUTION:
Whereas The City Plan Commission finds that only two feasible locations exist in the CA District given the need for both rail access and suitable lot size for a Propane Transload Facility as defined by this petition, and
Whereas The City Plan Commission finds that one feasible site is adjacent to the I-84/SR 8 “mixmaster interchange” as well as a retail area, and
Whereas The City Plan Commission finds the other feasible is adjacent to a residential apartment complex and shopping/business areas as well as line of sight proximity to Waterbury Hospital,

Whereas The City Plan Commission finds this type of facility will be detrimental to the public safety in the City of Waterbury in each of the two feasible locations allowed by this amendment.

RESOLVED The City Plan Commission recommends denial of the petition to amend § 4.08 to establish and define a new use entitled “Propane Transload Facilities” to be permitted by a Zoning Permit in the CA District for the above reason.’ {minutes posted on City of Waterbury City Plan Commission site}

Pan Am withdrew the request; Zoning Commission action
After the City Plan Commission recommendation, the City Zoning Commission put the rezoning request on its 28 October agenda, but Pan Am withdrew the request. {minutes posted on City of Waterbury Zoning Commission site}

Weisel testimony
On 1 March, Hillel Weisel, for Inland Fuel, which operates the propane terminal in nearby Terryville [see other article], said that he had “offered advice and expertise” to the Zoning Commission, because the site was one Inland had looked at and ruled out. He noted two safety concerns: a nearby residential apartment complex; and truck access was limited to one point on a curve in a busy road. {ANR&P discussion}

MAINE

PAN AM: COAL MOVE
3 March, Rumford. CATALYST IS STILL BURNING SOME COAL. Spokesperson Tony Lyons reported: ‘The Rumford mill continues to use coal as part of its energy fuel mix. We use natural gas in our lime kiln and dryers and our backup boiler has the ability to switch to natural gas.’ {e-mail to ANR&P}
Some coal is stockpiled at the Sprague terminal in Portland. {editor} On 2 March, Pan Am train PORU (Portland-Rumford) headed out of Portland with a cut of 17 loaded coal cars. One of the coal cars was an old Conrail; the other 16 were NS. {Guilford Rail Sightings quoting railroad.net}

PAN AM: MORE ON PAPER MILL DEBRIS ++

27 January, Bucksport. AIM CONTINUED SCRAPPING THE FORMER VERSO MILL AND SENDING DEBRIS OUT BY RAIL AND TRUCK [see 15#11B].

According to the Maine Department of Environmental Protection (MDEP) permit: ‘The total cost of the project is estimated to be $4,450,000.’ {MDEP website, AIM project page, DEP #L-07713-20-AF-A, #2}

About half of the property, or 123 acres, is occupied by the defunct mill, power generation facilities and associated support facilities, according to DEP.

Future use of the site
AIM officials are exploring uses of the site, and have not decided its fate.

Earlier this year, they indicated that the firm will not use the site as a possible permanent metal recycling facility. {Bill Trotter in Bangor Daily News 9. Sept. 15}

Jeff McGlin, project manager for American Iron and Metals (specifically AIM Development USA LLC, which owns Bucksport Mill LLC, which in turn holds the title to the mill and site), said on 29 February his firm is “exploring all options for redevelopment. It will own and operate the power plant into the future.

“We are talking to some groups for shipping,” using the deep water inbound or outbound. AIM would like to “use the rail into the future” as well as truck access to the site.

1. TRUCK WASTE, RAIL WASTE, POWER PLANT, PERMITS
McGlin reported that AIM is preserving the power plant of the site, and dividing the debris of the rest of the mill either into metal to rail out or into special waste for landfilling.

Solid waste permit
MDEP issued a solid waste permit in September (amended on 11 December) which allowed AIM to, in the ‘associated landfill,’ dispose of 14,000 tons: 8000 tons of concrete, brick, and masonry; 3000 of roofing and insulation; and 1000 of sheetrock, carpet. {special waste landfill S-007713-WD-BG-A 11. Dec. 15}

Site use permit
MDEP’s permit under the Site Location of Development Act, states: ‘The proposed project will generate approximately 14,000 cubic yards of construction and demolition debris. All construction and demolition debris generated will be disposed of at either the Crossroads Landfill in Norridgewock or the Juniper Ridge Landfill in Old Town, both of which are currently in substantial compliance with the Maine Solid Waste Management Rules.’ {MDEP website, AIM project page, DEP #L-07713-20-AF-A, #11}

Which landfill?
Asked about the different locations listed in the two permits, McGlin wrote: ‘We are using both: some to our landfill and some to others listed.’

2. RAIL DESTINATIONS FOR METAL WASTE
‘The proposed project will generate approximately 18,000 tons of metal which will be recycled either at the company’s recycling facility in Montreal, Canada or shipped directly to other mills.’ {MDEP website, AIM project page, DEP #L-07713-20-AF-A, #11}

Varied destinations
McGlin said his company was moving some ‘shred’ metal to the CMQ-served AIM yard in North Bangor.
Bucksport. The former Verso paper mill when it was running (perhaps circa 2011). Now, most of the railcars are gone. {ANR&P}

Bucksport. View on 27 January 2016 of string of high-sided gondolas awaiting loading, or already loaded. Note former turntable in foreground. Compare with aerial. {ANR&P}
Some shred and other metal is moving direct to domestic mills, some to the AIM home yard in east Montreal, and some to Saint John for export [see table].

AIM decides “each month, or sometimes quarterly” on the destination, depending on the market, which “fluctuates.”

He declined to state the number of cars AIM sends out, or how much debris in all would result from the demolition. \textit{\{ANR&P discussion with McGlin 29.Feb.16\}}

**Car trace**

Cars were spotted on a video of the train on 23 January, northbound out of Bucksport, two locomotives leading 11 cars, all with AIMX reporting marks. The table traces those 11 cars over the succeeding 33 days.

<table>
<thead>
<tr>
<th>29 Jan location</th>
<th>Load-Empty Event</th>
<th>Destin</th>
<th>Rept Location</th>
<th>Load-Empty Event</th>
<th>Destin</th>
<th>Rept Location</th>
<th>Recent location</th>
<th>Load-Empty Event</th>
<th>Destin. 26 Feb</th>
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</thead>
<tbody>
<tr>
<td>AIMX 101937</td>
<td>Saint John</td>
<td>L-Z</td>
<td>Contrecoer</td>
<td>NBS R</td>
<td>Moncton</td>
<td>L-P</td>
<td>CN</td>
<td>No info.</td>
<td></td>
</tr>
<tr>
<td>AIMX 14041</td>
<td>Coati-cook</td>
<td>L-P</td>
<td>Montreal East</td>
<td>SLQ</td>
<td>Montreal East</td>
<td>L-Z</td>
<td>Montreal East CN</td>
<td>Oakland ME (25 February)</td>
<td>E-Z Oakland ME</td>
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<td>AIMX 101901</td>
<td>Saint John</td>
<td>L-Z</td>
<td>Contrecoer</td>
<td>NBS R</td>
<td>Moncton</td>
<td>L-P</td>
<td>CN</td>
<td>Saint John (26 February)</td>
<td>L-P Montreal East</td>
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<tr>
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<td>Coati-cook</td>
<td>L-P</td>
<td>Montreal East</td>
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<td>L-Z</td>
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<td>L-Z</td>
<td>Contrecoer NBSR</td>
<td>Brownville ME (26 February)</td>
<td>L-J Unstated</td>
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<td>L-Z</td>
<td>Montreal East CN</td>
<td>Sairojun PQ (26 February)</td>
<td>L-A Montreal East</td>
</tr>
</tbody>
</table>


**Analysis**

Of the 11 cars in the train on 23 January, heading out of Bucksport:

By 29 January, 7 arrived in Saint John. By 4 February:
- 2 went to MonpiggyB (Moncton).
- 2 were empty still in Saint John
- 3 were loaded still in Saint John with a destination of Contrecoer.

\footnote{3 The name of the station is listed as ‘MonpiggyB’ apparently a reference to the piggyback (TOFC) terminal in Moncton. \textit{Editor}}
By 29 January, 4 were in Coaticook on SLQ with a destination of Montreal East. By 4 February, all four had reached Montreal East, but were still loaded.

By 26 February, 2 had returned to Bucksport, 3 were sitting empty in Oakland, Maine at the AIM facility [see 16#01B]. One was in Riviere du Loup, one Sairoisjun PQ moving to the AIM facility in Montreal East. One was in interchange. One was in Portland enroute to North Adams (perhaps to Specialty Minerals?) {editor}

EASTPORT: NO CHIPS YET

16 February. THE PORT AUTHORITY PURCHASED THREE GENERATORS TO POWER THE CONVEYOR, instead of relying on electricity from Emera Maine [formerly Bangor Hydro - editor]. According to Director Chris Gardner, Emera would have charged about $14,000 to power the conveyor to load chips into each ship, while powering the generator would cost only $5000/ship.

Because the generators will save the stevedore, Federal Marine Terminals, about $1400/month on its current electric bill which includes a standby demand charge, FMT will defray the purchase cost by increasing its monthly rate for leasing the conveyor system.

Gardner believed that the Authority will recover the cost of purchase and installation, about $25,000, within four years. [The cost does not include the pollution generated by the generators – probably more than that generated by Emera to produce power. Editor]

Salt, tissue
Gardner said the Authority is still talking to New England Salt [see 16#02A], and is working on the possible export of tissue from the new mill in Baileyville – though any export would not occur immediately after the mill begins operation later in 2016. {Edward French in Quoddy Tides 26.Feb.16}

Ship calls
The Qaamutik left with 7000 tonnes of pulp for Italy on 31 January. The Lisbon Trader left on 3 February for China with 22,000 tonnes of pulp. The Star Ismene left on 18 February for Sweden with 6700 tonnes.

At Bayside, the Mexican Bay left on 20 February with paper for Guatemala. {Quoddy Tides 12 & 26.Feb.16}

MAINE CRUDE: REPORTING TO RESUME*

2 March, Augusta. THE MAINE ATTORNEY GENERAL’S OFFICE DECIDED THAT THE NEW STATUTE DID NOT BAR MONTHLY REPORTING OF CRUDE BY RAIL STATISTICS. Dave Madore, spokesperson for the Maine Department of Environmental Protection, said that the Attorney General’s office concluded that the law does not prevent his agency from releasing summaries of the monthly crude oil volumes traveling by rail and the companies that transported it. “We had decided to stop reporting the data until we had a better idea about what was permitted under the new law. We didn’t want to go against its spirit or intent.”

Madore himself ‘initiated a dialog with staff and the AG’s office to seek guidance prior to Dave Sherwood’s FOA request’ [see 15#11A, 16#01B, and below]. Assistant Attorney General Mary Sauer handled the guidance.

Neither a press release nor a statement about the decision was issued by MDEP, wrote Madore. {e-mail to ANR&P}

The figures show that no crude transited Maine by rail since the agency stopped reporting in October. [See other article.]
regulation specialist, drafted a letter to lawmakers warning of the need to balance the public’s right-to-know with security concerns: ‘We trust the members of this Committee will consider both of these issues as they evaluate the merits of this legislation.’ But the letter was never submitted, legislative records show.

**Assistant attorney general note.** In May, days before the final vote in the House and Senate, Mary Sauer, an assistant attorney general, warned environmental officials to seek ‘clarification from the legislative committee … to avoid legal arguments and litigation down the road.’ Regulators never consulted with lawmakers, nor did lawmakers seek out their opinion. {Dave Sherwood in Pine Tree Watchdog, the publication of the Maine Center for Public Interest Reporting, 2.Mar.16}

### MASSACHUSETTS

**PAN AM: IRAP AT WORK**

19 February, Ayer. **THE CATANIA SPAGNA NEW SPURS ARE IN USE.** The shed to cover them will come later; the foundations are in place. {e-mail to ANR&P from Bruce Nelson}
Ayer. The Catania Spagna manufacturing facility on 19 February with two more spurs. In 2015, using a Massachusetts grant from the Industrial Rail Access Program, Catania rehabbed the left two spurs, and built the right two spurs. (courtesy Bruce Nelson) A trace of the left-hand car on 3 March shows it moving through Barbers in Worcester – interchanged to CSXT – and reaching Selkirk, enroute to West Fargo, North Dakota via the Chicago Clearinghouse. (trace from colleague) Though the car is not traced to a specific shipper, Cargill operates an oilseed processing plant in West Fargo. The facility processes canola and sunflower seeds into edible oil for food processing and foodservice businesses, flaxseed for linseed oil for industrial use, and protein meal for animal feed. (Cargill press release 11.Sept.13)

Catania Spagna. From an earlier proposal, as reported in 15#09B.
12 February. **CONLER TERMINAL FINISHED CY15 UP 11% IN CONTAINER VOLUME OVER CY14.** Conley Terminal handled 237,166 TEUs over the course of the 2015 calendar year, with growth in both import volume and export volume. Export volumes increased 5.4%; import volumes increased 8.1% over 2014.

The consistent growth in 2015 can be attributed to the strong regional economy and the higher levels of productivity, both of which make Conley an efficient alternative to other U.S. East coast ports including those in New Jersey and New York. {Massport press release}
Conley Terminal Adjusted Gross Productivity for All Vessels

Severe storms in February impacted productivity

Average adjusted gross productivity for the period Feb 2015-Jan 2016 is 30.98

Productivity is determined by averaging the number of containers lifted per hour per crane during the time vessel

Boston productivity. {massport.com accessed 4.Mar.16}

Port of Boston. {massport.com accessed 4.Mar.16}
Empties?
The press release did not mention that the 11% increase, far above either imports or export increase, is due to a nearly 33% increase in empties, from 32,631 to 42,873 [see bar chart].

Massport spokesperson Matthew Brelis said that Massport did get paid for handling the empty containers. {e-mail to ANR&P 7.Mar.16}

NEW HAMPSHIRE

MBRX: PAN AM LAWSUIT*

24 February, Concord. **THE TWO PARTIES AGREED TO TRY MEDIATION IF THE CASE IS NOT DISMISSED.** Pan Am must respond to the MBRX motion to dismiss by 10 March.

THE PROCEDURE

Peter Leishman, MBRX owner, believes in the coming months:
- The judge will decide the MBRX motion to dismiss or defer to the STB.
- If that is not granted, the parties will begin mediation.
- If that fails, Pan Am must respond to MBRX discovery requests. MBRX has already responded to Pan Am requests. {e-mail to ANR&P 29.Feb.16}

MOTION TO DISMISS OR STAY PENDING STB

On 22 February, MBRX moved to dismiss Pan Am’s lawsuit (which aims to collect allegedly unpaid trackage fees [see 15#12A]), or to defer to the STB for its expertise.

STB exclusive jurisdiction

MBRX argued that federal law expressly allocates to the STB the question of rates.

‘Any remedies that may be available arising from a dispute over trackage rights, rates, and the operation of transportation by rail carriers would necessarily require a state court to determine applicable and appropriate rates for freight rail service. This dispute falls within the exclusive jurisdiction of the STB under these circumstances, and this action is preempted by the comprehensive statutory scheme of the ICCTA. See 49 U.S.C. § 10501(b). Plaintiffs should be required to bring this matter to the dispute resolution and/or mediation procedures available at the STB.

‘Plaintiffs' state law claims are preempted by the ICCTA. The only available remedy is to proceed before the STB for a determination of the rights and obligations of the parties upon expiration of their agreement, and the appropriateness and reasonableness of any terms under the parties' current relationship, such that the Complaint must be dismissed.

‘First, the STB is the designated authority who must approve the terms of rate agreements between rail carriers. See 49 U.S.C. § 10706(a)(2)(A) ("a rail carrier providing transportation subject to the jurisdiction of the Board under this part that is a party to an agreement of at least 2 rail carriers that relates to rates (including charges between rail carriers and compensation paid or received for the use of facilities and equipment), classifications, divisions, or rules related to them...shall apply to the Board for approval of that agreement under this subsection.") (emphasis added).”

4The statute cited does not address trackage fees. It was written to address anti-trust concerns, apparently. ‘The STB also has the authority to (1) set rates, hear complaints regarding overcharging, and issue orders to stop related violations, 49 U.S.C. §10704(a)(1) (2000); (2) exempt railroads from antitrust laws, 49 U.S.C. § 10706(a)(2)(A) (2000); and (3) prohibit the abandonment of railroad lines or the discontinuance of transportation services on grounds that it will have a serious, adverse impact on rural and community development, id. § 10901(a), (c).’ ‘Note: Protecting Communities from Unwarranted Environmental Risks: A NEPA Solution for ICCTA Preemption,’ Shata L. Stucky, *Minnesota Law Review* February 2007
In the alternative, the Court should defer to the STB
MBRX argued that if the Court did not dismiss the Pan Am complaint outright, it should still seek guidance from the STB on trackage rights fees:

‘The Court would also benefit substantially from the STB’s analysis of the appropriate terms for the expired trackage rights agreement. These are matters outside the purview of the state’s judicial system, and expressly assigned to a federal administrative agency with regulations and protocols applicable to disputes such as this.

‘If the matter is stayed and referred to the STB, the STB will thereafter be able to provide the Court with the appropriate terms to be considered as governing the relationship of the parties. Such a determination would indisputably aid the Court in its analysis of the contract claims. Accordingly, if this matter is not dismissed outright as argued supra then it must be stayed and referred to the STB for analysis of the relevant terms that govern the relationship of the parties.’ {Memorandum of Law filed with motion to dismiss, New Hampshire Superior Court Docket No. 226-2015-CV-00348}

VERMONT

VRS: SOUTH BURLINGTON PROPOSAL*
17 February, Burlington. DAVID WULFSON PROPOSED A NEW LOCATION FOR THE TRANLOAD, IN SOUTH BURLINGTON. His letter to the Town of Shelburne Selectboard stated:

Dear Chairman and Members of the Selectboard:

I am writing to share with the Selectboard the results of my promised efforts to try and identify an alternative location for the rail facility currently designed for our property in Shelburne. A great deal of thought has gone into this search, and I have worked with both real estate professionals and our engineering team at VHB to find other properties that might serve the needs of the railroad while accommodating your publicly stated interest in purchasing the property.

Not the K-Mart plaza
As I have said in the past, the availability of suitably-sized parcels in Chittenden County with direct access to both the railroad and highway is limited and, we have found, very expensive. As an example, some people have suggested that the former K-Mart plaza in South Burlington would be a better location than Shelburne but the acquisition costs of the land alone, at more than $13 million, would appear to make this option prohibitively expensive.

Additionally the K-Mart site poses other problems. For instance the site is about a quarter mile from our rail line and at an elevation that poses significant engineering problems and may not even be feasible.

Possible South Burlington location
We have, however, identified a location in South Burlington that may be worth considering, although it would require the purchase of three separate properties and impose some significant engineering challenges as well. Acquisition costs for the South Burlington location on Shelburne Road and south of Bouyea Lane would amount to approximately $6.15 million and there would be additional costs associated with the required engineering and demolition of an existing building if we were to relocate our facility and sell the Shelburne property, as well as temporary storage costs during the delays associated with any relocation.

As part of our feasibility analysis I have engaged VHB to prepare a Concept Plan for this alternative location and I am submitting it with this letter so that you may see the issues we would need to overcome in order to make this possible. I have also attached a memorandum describing the preliminary work done by VHB in preparing the layout shown. I would suggest we find time as soon as possible to meet if this is an option that the Selectboard would like the railroad to pursue.

The three properties are presently listed for $1.4 million, $0.75 million, and $4.0 million.

Adjustment in Shelburne design
I also want to let the Selectboard know that we have been listening to the community and have engaged in additional site review and engineering that could allow for an adjustment in the design for the existing Shelburne property to increase the distance of the salt sheds from the river corridor and the abutting lands of The Nature Conservancy as well as other project features. We would like to learn whether you as a Selectboard are interested in seeing these project changes or others similar to those we have already suggested if the alternative location in South Burlington is determined to be
financially unworkable.

In conclusion I think it important to note that our rail line ends at College Street in Burlington so our search area for alternate sites for rail access was necessarily limited to Chittenden County. Moreover, any location to the south of Shelburne will lead to a significant increase in traffic in the village center, a result that neither of us want. The two sites described above are the only other sites available for locating this rail facility, other than our property in Shelburne. Both South Burlington sites border residential and/or hotel properties and will be far more visible to immediate neighbors, which is not the case in Shelburne. As noted above each of the South Burlington sites also pose significant engineering problems, confirming our original belief that we have chosen the best site in Chittenden County, on rail and with direct access to US Route 7.

I look forward to your reply, and sincerely hope to have the opportunity to meet to discuss how we might address your concerns.

**Layout of possible South Burlington location**

Scott Burbank, an engineer with VHB, wrote the following to Wulfson about the South Burlington site:

![Diagram](https://example.com/diagram.png)

*Shelburne-South Burlington-Burlington* (vertical not to scale). Showing current location of salt shed in Burlington, desired location of shed in Shelburne, and possible alternative site in South Burlington. *(ANR&P)*

The purpose of this memorandum is to discuss the layout of the Shelburne Transload Facility on the Alternative South Burlington site located east of the Vermont Railways’ tracks, west of US Route 7, and south [north? 5] of Bouyea Lane (Nesti Drive).

The existing site has an existing building on the south side of the property and Bartlett Brook running east to west on the north side of the property. Wetland features are located immediately adjacent to Bartlett Brook on both the north and south side of the brook. Additionally, stormwater treatment facilities including a grass-lined swale and pond are permitted to be installed along the northwest side of the property. These stormwater facilities have been designed and permitted through the National Pollutant Discharge Elimination System (NPDES) General Permit 3-9030 and therefore cannot be relocated without going back through the design and permitting process.

In order to avoid the stormwater facilities the siding track must enter the property from the south and extend northeast, crossing Bartlett Brook and its wetland feature once at the northeast corner of the property.

To avoid impacts to the stormwater treatment facilities and Bartlett Brook and its wetland features, the salt sheds are located on the southeast side of the property and will require the removal of the existing building for their installation. The

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5 According to my maps, if the Bartlett Brook borders the north side of the property, it must lie *north* not south of Bouyea Lane aka Nesti Drive. Phone calls to clarify this were not returned by publication time. *Editor*
office/shop building is located in the only remaining space which is the southwest side of the property. The salt sheds and the office/shop buildings are drawn to the same dimensions as those for the Shelburne Transload Facility. {texts posted on Town of Shelburne website}

Any response?
On 2 March, Shelburne Town Manager Joe Colangelo wrote:

‘A result of a Special Selectboard Meeting on February 2, 2016 which included an executive session (closed door) discussion with Mr. Wulfson and two other representatives of VRS, and the Selectboard and Town Manager, was that VRS investigated an alternative location for the intermodal facility.

‘They did that and provided information regarding a site in South Burlington. … The Town and VRS have not met to discuss this location. The Selectboard will next discuss this topic amongst itself (and with the Town Manager) March 8th in executive session.’ {e-mail to ANR&P}

VERMONT: PRE-EMPTION ++
1 March, DC. THE US SUPREME COURT DECIDED THAT VERMONT’S EFFORT TO COLLECT HEALTH CARE DATA WAS PRE-EMPTED BY ERISA.

Note: While this case concerns a completely different federal act (Employment Retirement Income Security Act) than the statute creating the STB and broad federal pre-emption (the Interstate Commerce Commission Termination Act – ICCTA), nevertheless those who want to underscore the ICCTA’s goal of a uniform system of railroad regulation should find succor here.

In its 7-2 decision, the Court upheld the Court of Appeals for the Second Circuit in reversing the US District Court decision. The Second Circuit stated: ‘one of ERISA’s core functions—reporting—[cannot] be laden with burdens, subject to incompatible, multiple and variable demands, and freighted with risk of fines, breach of duty, and legal expense.’ {Gobeille v Liberty Mutual Insurance Company, 577 US ____ (2016)}

Judge William Sessions opinion that the Vermont effort to collect the data was not pre-empted was overruled by the Second Circuit. Session is presiding over Shelburne’s argument that the VRS transload is not pre-empted from local regulation.

Shelburne v VRS: no preliminary injunction
On 7 March in Burlington, the US District Court, William Sessions presiding, denied Shelburne’s motion for a preliminary injunction to halt the VRS work.

The Court also held that it was premature for Vermont Rail System to assert federal preemption. The court further held that even if preemption were applicable, the exceptions to preemption might come into play in this matter, Shelburne Town Manager Joe Colangelo said.

Vermont Rail issued a press release after the hearing indicating the town’s request for preliminary injunction had been rejected. In an email, Wulfson wrote, ‘Today we won. We are still working. I am quite pleased the court denied the town’s motion for an injunction today and am glad to move forward in the court case without delaying the project. It has always been my preference to work directly with the town and avoid court. If town officials want to further discuss the project, I am happy to meet with them.’

A consolidated hearing for preliminary and permanent injunction is now scheduled for May. {Lynn Monty in Shelburne News 7.Mar.16; court website, case 2:16-cv-16}

Hearing on pre-emption
‘[T]he Court ordered the parties to immediately engage in preemption-related discovery related to (i) whether preemption was applicable, (ii) if applicable, what exceptions would be relevant, (iii) if applicable, whether

5Case 2:11-cv-00204-wks Document 61 Filed 11/09/12
preemption would extend to Barrett Trucking or be limited to just railway portion.

‘The Court recognized that its determination was fact-based by scheduling a full three-day evidentiary hearing over the Vermont Railway’s suggestion for a fifteen-minute hearing. The Court also consolidated the preliminary injunction hearing with a hearing for a permanent injunction.

The parties will exchange discovery within ten days, memoranda of law will be filed by the end of April, and a hearing for a permanent injunction will be scheduled soon thereafter. {Town of Shelburne press release 7.Mar.16}

**MARITIMES**

**SYDNEY: NEW BRANDING**

23 February, Cairo. **SYDNEY PROONENTS MADE A PRESENTATION AT THE SUEZ CANAL GLOBAL CONFERENCE**, which considered, *inter alia*, the new Panama Canal and the Northern Sea Route through the Arctic.

Hazem Ghonima, president of TAF Consultants Canada, covered the topic ‘The Port of Sydney Canada and the New Suez Canal’ with sections on: strategic options and considerations; economic, trade, and logistics factors & their efficiency on ENCA; North American ports and challenges; the solution and the new building super hub; and location of Suez Canal in the Great Circle Route across the Atlantic. {conference agenda on conference website}

**Novaporte: the new name**

On 10 February, Harbor Port Development Partners (HPDP) and the Port of Sydney announced NOVAPORTE as the new brand for Sydney’s new container terminal: and NOVAZONE as its adjacent logistics park.

“The name reflects the international nature of our project”, said Albert Barbusci, chief executive officer of HPDP. “NOVA is Latin for new and port is spelled with an E to recognize that this will be both a gateway and transshipment hub.”

On 11 February, Marlene Usher, head of the Port of Sydney, viewed the rebranding as differentiating the container project from other projects at the Port of Sydney.”

“‘The Harbor Port Development Partners felt that they needed to kind of separate that and they have been working on a brand. They feel they are close to a project and felt it was a good time to put it out there.”

NOVAPORTE needs many components: a contractor, a shipping line, a terminal operator, a financier. “They have to have all of the pieces in place. It’s not just build it and they will come. So they are doing it (rebranding) as a sign they are close and they are trying to get the brand out there and trying to attract industry people,” Usher said. Plus, she added, with the adjoining logistics park, the HPDP are making people aware there is potential for “a mega-hub on the East Coast.”

**Confusing?**

Container terminal proponents have been marketing the port as the Port of Sydney. Does the project rebranding confuse potential clients, especially

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7 And coincidentally or not, the first word of Nova Scotia. **Editor**
8 The Port of Sydney is home to marine services companies McKeil Marine and Canadian Maritime Engineering, ferry service Marine Atlantic, and bulk-materials handling facilities owned by Provincial Energy Ventures and Logistec. {Novaporte press release}
9 Several global firms are partners and supporters of the Novaporte project including China Communications and Construction Company, US engineering firm Bechtel, railway partners Genesee & Wyoming via their subsidiary Cape Breton and Central Nova Scotia Railway and Canadian real estate development company Canderel. {text of Novaporte announcement}
among marine industry people in Asia, which has been a major area of the HPDP’s marketing efforts?

Usher responded that some concern for confusion would exist if the project weren't “so far down the road. We are talking to China every week. We are in ongoing discussions with them, so I don’t see any confusion.” The port has been in touch with all the major Asian players, she added.

**This year?**

Many pieces of the puzzle are yet to fall into place, but Usher believed announcements will be made this year about construction of a major, ultra-modern container terminal. {Halifax Chronicle Herald 12.Feb.16}

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**RAIL FREIGHT FACILITIES**

Described in this issue.
AIM (Pan Am, Maine) Metal moving out from mill.
Catania (Pan Am, Massachusetts) New spurs open.
Catalyst (Pan Am, Maine) Coal moving in.
High Liner (MC, Massachusetts) Closing New Bedford.
High Liner (Pan Am, New Hampshire) More cars.
Inland (Pan Am, Connecticut) Service good.
Tafisa (CMQ, Quebec) Supports CP-NS merger.
VRS salt transload (VRS, Vermont) In court.

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**EDITORIAL**

**EDITORIAL: TOLLS FOR TRUCKS?**

On 11 February, Rhode Island adopted the sensible approach of requiring trucks to pay the cost of highway maintenance – or at least move toward doing that. RIDOT estimates that tractor-trailers create 70% of the damage to state highways, but pay only 20% of the revenue needed for the infrastructure.

The state is forced to raise revenue in some way: it has the highest rate of structurally deficient bridges in the country: 23%.

The General Assembly authorized tolls of up to $20 on *only* large commercial trucks for a statewide trip on Interstate 95, which, RIDOT estimated, will yield $45 million a year or a 10% increase for the agency's budget. Overhead gantries with electronic readers will collect the tolls at more than 10 spots on I-95.

Combined with $420 million worth of bonding, the state would pay for repairs or replacement of 650 bridges in the next decade, dropping the percentage of structurally-deficient bridges to under 10%, as required by federal law, according to RIDOT spokesperson Charles St. Martin. {Daniel Vock in Governing 23.Feb.16}

One wonders how much rail traffic could improve if all states adopted measures requiring trucks to pay their true cost of maintenance. Or, even better, pay the external costs of congestion, human health, and environmental damage.
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 unto itself.’

FORMAL E-ISSUE