Helping to move rail and port traffic through New England, the Maritimes, & eastern Quebec. A twice-monthly trade newsletter.

Regional Issues
Regional rail: Study scope of work out in week?
CP: SLH disappears, absorbed by CP. Halifax-Massachusetts: Rail competing with feeder.
NY-Boston: Columbia Coastal barge traffic to Connecticut and Boston.
PW: results for 2000

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PW: Wants to serve Seekonk’s Metals USA.
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RHODE ISLAND
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Port of Sydney/CBNS: Municipality bids for SYSCO piers, hopes for bulk traffic.
Port of Halifax: Traffic ok, possible Evergreen call.

People, Positions, Events
Astrid Glynn, Dick Rushmore, Bob Thomas, Eric Moffet.

From the publisher

Rail and port stories
For years, I have had trouble siting stories which had to do with rail access to ports. Finally, I have decided (aided by the support of a cross-section of subscribers) to eliminate the Ports section and put each port into its own state or province. That way, I can write about, for example, rail access to Eastport in a place where both the railroad and the port reader would look.

See you at NEARS! This twice-yearly gathering has an excellent set of presentations laid on, which should provide some good insight into railroading in New England.

-Chop Hardenbergh

Regional Rail
23 March, Montpelier. SCOPE OF WORK FOR THE HIGH-SPEED RAIL STUDY is out in draft, and players in the project are reviewing it. VAOT’s Karen Songhurst hoped that in a week it would go out to the four consultants competing to win the contract. {e-mail to ANR&P}

Canadian Pacific Absorbs SLH
16 February, DC. CPR ABSORBED THE HOLDINGS OF THE ST. LAWRENCE AND HUDSON RAILWAY, according to the notice issued by the STB this day. SLH held the D&H and three small interests: (1) holdings around the Detroit River Tunnel and the Niagara River Bridge; (2) one mile of the Napier Junction Railway near Rouses Point NY; and (3) incidental overhead trackage rights in the Detroit area. {STB Finance Docket No. 34004}

No notice needed in Canada
The transfer of SLH interests in Canada do not require notice to the Canadian Transportation Agency, said spokesperson Michel Herbert [see Quebec/Maritimes]. {ANR&P discussion 23 Mar.01}
Reasoning for the move
On 27 November, Michel Spenard, a spokesperson for the CP, said CP has already subtitled the SLH as the Eastern Network, but the entire corporation will get folded back into CP.

Spenard emphasized that a dedicated management team will remain in Montreal. “The Northeast is still looking at growth, on the line into New York City and on the Expressway intermodal service along the Quebec City-Chicago axis. To maintain a focus on the Delaware and Hudson territory and Expressway, all of the team will have a dual relationship, reporting both to Montreal and to CP headquarters in Calgary.”

The SLH team has built a bilingual, close relationship with provincial authority of Quebec, giving an additional reason to maintain the management in Montreal.

Effect on the Delaware & Hudson
The D&H, the nation’s oldest continuing transportation company, will continue as a legal entity, but for marketing and other branding aspects, all its parts will be seen as the CP system. For that reason, the D&H police in New York and Pennsylvania had to become recertified as CP police.

Expressway to Maine?
Asked about expanding the intermodal system off-line, Spenard noted that CP is already having trouble getting it to Quebec City, because that requires interlining with Quebec Gatineau Railway. He implied that needed resolution first. “We have specialized equipment. On our system, we can know where it is.” {Michel Spenard 27.Nov.00}

BARGE NY TO CT AND BOSTON
19 March, Liberty Corner NJ. COLUMBIA COASTAL TRANSPORT HAS A LOSS AND A POTENTIAL GAIN for barged containers moving north from New York Harbor, according to Tom Delaney, executive vice-president.

Decline in traffic to Boston
After Maersk eliminated its direct call for Boston last autumn [see 12 January issue], Columbia Coastal saw a rise in Boston traffic because Maersk dropped Boston-bound containers in New York. However, Delaney noted, Maersk got its routings using Halifax straightened out in late December [see Massachusetts], and since then, barge traffic returned to its normal levels.

At this point, Columbia Coastal will often use only one barge for the week because of low volume.

The barge can make the port-to-port trip in about 30 hours; “New York to the Cape Cod Canal takes about 24 hours.”

Columbia Coastal is now doing about 25-26,000 boxes a year, down considerably from the traffic of 40,000 in 1990, which at that point included traffic carried by Hale Barge, a company which no longer makes the New York-Boston run. Delaney ascribed the loss to the establishment of Conrail/CSXT rail service from New York to the Worcester PW intermodal terminals (ExpressRail), and to drayage direct to the customer out of New York.

Possible barge traffic to Connecticut ports
Delaney said his company had participated in talks with Greater Bridgeport, New Haven, ConnDOT, and the Port of New York/New Jersey about barge feeder service to the Connecticut ports [see Connecticut]. “This would reduce congestion and air pollution. We’ve committed our resources to this program, and we’re ready to begin additional sailings immediately.”

Delaney supports the initiative “as an ordinary citizen. I’d like some grass roots support to get trucks off the road. They’re clogging the main artery between Connecticut and New York.” {ANR&P discussion}

HALIFAX-MASSACHUSETTS
FEEDER SHIP HALIFAX-BOSTON
20 March. FEEDER TRAFFIC INBOUND FROM HALIFAX HAS INCREASED 30-40%, according to John Hudson, an official at Atlantic Marine Transportation Agency, the agent for SPM Marine, which operates the ship Shamrock [see 30 January issue]. The additional traffic comes from Maersk, which stopped serving Boston direct in October 2000 [see 17 November 2000 issue].

Why no change in outbound traffic
While inbound has increased due to the Maersk shift, outbound has not. Hudson explained that unlike, for example, Hapag-Lloyd, Maersk makes Halifax its first inbound port of call, but not its last outbound. Instead, Maersk vessels leave from the southern seaboard. Therefore, shippers of boxes out of New England who use Maersk will send them to New York. {ANR&P discussion}

RAIL HALIFAX-AYER
20 March, Randolph MA. HALIFAX-AYER TRAFFIC SHOULD INCREASE this spring, explained Ken Kellaway of Kellaway Intermodal. Right now, it consists of about 75 loads a week, split between two services of the Grand Alliance, which arrive Sunday (AEX - Asia/Europe Express via Suez) and Wednesday (PAX - Europe-Pacific via Panama Cana). Two members of the Alliance use the rail service: P&O Nedlloyd and NYK.

Why no dedicated service
As reported earlier [see 28 July 2000 issue], when 50 containers are ready to move at one time, CN will lay on the dedicated Clipper, said Kellaway. Because the boxes are split between two arrival dates, the shippers cannot now use a dedicated train.

More traffic to come
Kellaway said traffic would increase: “This is the slow time of
year.” Moreover, other carriers are seriously looking at the rail option. And New England shippers will increase their use of the rail option via P&O and NYK, during the contract renegotiations with ocean carriers now occurring.

What makes the rail option attractive

As Kellaway explained, rail has the option of leaving every day on the merchandise trains. While taking considerably longer than the direct Clipper (70 hours versus 36 hours), the merchandise-train option provides better service for the Grand Alliance AEX and PAX (both east and west-bound). {ANR&P discussion}

PROVIDENCE & WORCESTER


Container and carload traffic up

Operating revenues increased to $23.1 million over 1999's $21.9 million in 1999, primarily due to an increase in net revenues from container traffic of $611,000 (25.6%), and to smaller increases in revenue from conventional traffic and other transportation-related services. The volume of containers handled increased by 19.7% during the year, whereas conventional traffic volume was relatively flat. The average revenue received per conventional carloading and container increased due to moderate increases in certain freight rates.

Operating expenses for 2000 came to $22.0 million, an increase of $841,000 over 1999. While operating expenses increased generally across the board, diesel fuel costs increased most significantly, by 60.4%. {PW press release} [For third quarter results, see 17 November 2000 issue.]

PORT OF BRIDGEPORT

23 March. THE BARGE FEEDER STUDY ARRIVED [at my desk - editor]. Although completed on 15 December by Management & Transportation Associates of Essex Connecticut, the Greater Bridgeport Regional Planning Agency did not release it publicly until this month. Highlights:

Proposed service

Daily NY-Bridgeport service on weekdays, using a roll-on roll-off ramps and a small crane on wheels. This would cost less to operate than a large shore crane, which would make the service less competitive with trucking. Each barge would carry 90 to 160 containers.

Cost to shippers, needed funding

According to the study, the barge service could save over truck service at a certain volume. The study compared the cost to get a container to Hartford: $935 for all-truck service, versus $881 for the barge feeder service and truck from Bridgeport to Hartford.

The service would require a $5.65 million infusion of capital funds:
- $1.5 million for equipment to handle and transport the containers. Tugboat and barge costs are assigned to the operating costs.
- $4.0 million for paving and other site improvements.
- $150,000 for an office and maintenance building with equipment, tools, and a guard shack.

Location of facility

The study suggests that a temporary site of 10 to 15 contiguous acres could be used almost immediately, and the city begin work on a permanent site of 20-25 acres for future growth. ‘The former CarTech site or nearby land [see 14 July 2000 issue for discussion and map] may stimulate the development of various businesses along the Seaview Avenue corridor...[if the clearance of ] the railroad viaduct at Crescent Avenue that now restricts truck traffic’ is improved.

Commercial benefit to the region

The study projected job gains from the container facility itself, from work lightening containers (stripping) for road trips (15% of the containers coming into New York Harbor weigh more than the federal weight limit of 100,000 pounds per the study), from work consolidate loads into containers (stuffing), from the need for additional truck drivers, and from the growth of service and manufacturing businesses which use the container shipping service.

Congestion and air quality benefits

The study indicated that a barge feeder service could take 40,000 trucks off I-95 from Greenwich to Bridgeport by the second year, and 70,000 by the year 2020 [compare to the New Haven preliminary results - see below]. ‘This reduction may seem low relative to the 1.6 million trucks now travelling north, and the 1.27 travelling south along I-95 annually through the area. Even so, the section of I-95 through Norwalk and Stamford will benefit from a reduction in truck traffic because it is one of the most heavily-travelled sections of roadway in the nation.’

An incentive payment of $50 or more per container may have to be offered to shippers for about two years to encourage them to partake in the new service. These payments may come from the Port Authority and the State of Connecticut, but once the service proves itself, the incentive will likely not be needed. {text of study}
PORT OF NEW HAVEN
27 March. **THE OFFICIAL STUDY OF BARGE FEEDER SERVICE HAS EMERGED**, and it apparently differs little from the draft [see 13 February issue].

For comparison with the Bridgeport study, the study by Frederic R. Harris calls for thrice-weekly barge service, with starting volumes reaching 20,000 annually within three months. Barges would unload at New Haven Terminals’ existing facilities, then move to either Westchester Motor Line’s North Yard facility or the City of New Haven’s East Shore Parkway for ultimate inland distribution.

The service would require an initial public investment of $8 million. Harris estimated the truck transport to a consignee in East Hartford would cost $680. Based on an annual volume of 10,000 containers northbound and 10,000 containers southbound, barge transport would cost $685 if using roll-on roll-off, but only $635 if using lift-on lift-off. (text courtesy Herb Burnstein of the South Central Regional Council of Governments)

MAINE RAILROADS

AMTRAK - MAINE
12 March. **AMTRAK ASKED THE STB TO RESOLVE THE SPEED QUESTION**. The filing did not, however, ask the STB to resolve the other outstanding questions.

**Only use the STB method?**
The filing did not request the STB to change the method of testing, despite strongly-held beliefs at NNEPRA, Guilford, and by a former NNEPRA project manager [see 13 March issue] that the testing would not work. Amtrak argued that the testing by the Transportation Test Center ‘is reasonable and can be expected to yield reliable results.’ Moreover, ‘[o]nce an adequate track modulus is demonstrated, no further track modulus testing should be required.’

**Proposed procedural schedule**
The filing noted that Amtrak had planned to start service on 1 May, but GRS track rehab ‘is not now slated for completion until July of this year.’ Amtrak believed track modulus testing could occur in July. ‘Accordingly, Amtrak urges the Board...to rule on the motion not later than June 30.’

Amtrak submitted its supporting evidence as part of its motion, and suggested GRS file its response within 45 days of Amtrak’s submission, and Amtrak file its rebuttal 15 days thereafter. (text of filing, STB Finance Docket No.33697)

**Guilford’s suggestion**
On 19 March, GRS filed with the STB asking for 45 days to respond to Amtrak’s motion. Amtrak said it had no objection, but continued to want the STB to decide by 30 June. [Assuming the STB issued an order on 1 April, that would give Guilford until 15 May to file its response, Amtrak another 15 days to file a rebuttal, and then the STB a month to decide the matter. (text of Amtrak response)

B&A: TRACKAGE RIGHTS TO CN
21 March, Madawaska. **FRASER PAPER MAY OBTAIN CN RAIL SERVICE** via an agreement between the B&A and CN. The US Surface Transportation Board (STB) issued two notices about the service this day:

**Grant of trackage rights by BAR and VBBC**
BAR will grant ‘limited local trackage rights’ over the BAR’s Van Buren branch, from milepost 0.0 in Madawaska to milepost 22.72 at Canadian Junction. Van Buren Bridge Company (VBBC), a subsidiary of the BAR, will grant limited local trackage rights on its track, from milepost 0.0 at Canadian Junction to the border at milepost 0.31.

According to the notice, VBBC will also grant trackage rights over the VBBC from the border to CN’s line at St.Leonard.

**Purpose of trackage rights: Fraser comment**
The notice states: ‘The trackage rights will allow CNR to directly access a specified shipper in Madawaska, thus providing that shipper with enhanced rail service options.’ (text of filing, STB Finance Docket No. 34014 decided 14 March, published 21 March)

Austin Durant, vice-president of materials management for Fraser Paper (the specified shipper), described the agreement as between CN and B&A. “We support it, it will be business as usual, B&A will serve mill. But it guarantees that if something goes wrong with B&A, CN can step in to serve us.” {ANR&P discussion 23.Mar.01}

**Grant of trackage rights to Waterloo Railway Company**
In a second notice, the Waterloo Railway Company acquired, pursuant to the same agreement, trackage rights identical to that granted to CN. WRC is a wholly owned direct subsidiary of Illinois Central Railroad Company (IC), and IC is, in turn, a wholly owned, indirect subsidiary of CNR. The notice states: ‘It is not presently expected that WRC will conduct rail operations on the Madawaska Line.’ (text of filing, STB Finance Docket No. 34015 decided 14 March, published 21 March)

**STB/CTA authority**
The grant of trackage rights, as long as sufficient notice is given, is exempt from STB oversight, under 49 CFR 1150.41. [CTA has no jurisdiction–see *Quebec/Maritimes*.]

**So what’s happening?**
This agreement was negotiated by IRR President Bob Schmidt, B&A System President Fred Yocum, and CN. Schmidt said: “The B&A and CN entered into a mutually-beneficial commercial...
arrangement that related to the filings and allowed for financial remuneration to the BAR. The parties agreed to keep the terms confidential.” {ANR&P discussion}

FRASER PAPERS NEXFOR

The Madawaska-Edmundston complex of Fraser Papers Nexfor was hailed 6 December 2000 by the group's president as the centerpiece of the international pulp, paper and dimensional lumber company. Bert Martin, a native of Edmundston, New Brunswick, who moved up through the company's ranks from engineer to president, believes what he says. More importantly, Martin said, investors also believe the complex, separated by the St. John River, is the company centerpiece. Martin was one of three Fraser speakers at Wednesday's University of Maine at Fort Kent Business Networking Breakfast attended by about 150 business people from both sides of the river. {Bangor Daily News 7.Dec.00}

Madawaska paper mill

Opened in 1925, the Madawaska mill has grown in size and paper-making capability to produce 422,000 tons of lightweight paper products a year. The mill operates eight paper machines to produce fine papers, and coated and uncoated groundwood papers. As a specialized producer, continuing investments in advanced technologies and equipment are key to producing high-value products. New precision coating capabilities as well as a machine conversion from commodity light-weight coated papers to super calendered (SC) release liner allow the Madawaska mill to meet the stringent quality standards of specialty customers.

Fraser's Product Development Center is also part of the Madawaska mill. Its three primary laboratories act as the proving ground for developing optimal paper performance.

Edmundston pulp mill, paperboard mill, power plant

Operating since 1917 as northwestern New Brunswick's first hardwood pulp mill, the Edmundston complex shares common log preparation and power generation facilities to manufacture pulp and paperboard and generate power.

Pulp is shipped via pipeline to Fraser's Madawaska mill in Maine. The paperboard mill produces about 120 tons per day of commodity grades and highly specialized boards. The deinking plant processes about 50 tons per day.

A $130 million cogeneration facility burns bark to make steam and electricity which are used in the pulp and paper making process. This new complex makes the Edmundston operation self-sufficient in steam and boasts many environmental benefits.

{http://www.nexfor.com/company/fraser.htm}

Use of rail

Austin Durant, Fraser’s vice-president for materials management, said the Madawaska mill ships about 75% outbound by rail, and a significant amount of supplies and materials inbound, both to Madawaska and to Edmundston. The majority of outbound rail goes via CN, but Fraser also ships B&A/CDAC/CP and B&A/GRS. {ANR&P discussion 23.Mar.01}

[If Madawaska produces 422,000 tonnes, and three-quarters goes out by rail, about 300,000 tonnes goes by rail. Assuming a railcar holds 50 tonnes, the mill generates about 6,000 carloads a year outbound, and to that must be added the inbound volume! - Editor]

MASSACHUSETTS RRs

PW SERVICE TO SEEKONK MA

8 March, Seekonk. THE TRACKS ARE NOT YET REPAIRED TO METALS USA, said Sherri Viara of that company. Rail access would mean she could avoid using the transload facility at Dominion, and PW would bring the product directly here. [PW will assume the trackage rights formerly held by CSXT–see 17 November 2000 issue.]

However, she noted, she has not brought in rail cars to Dominion for four or five months. “Things have quieted down.” {ANR&P discussion}

16 March, Worcester MA. PW WANTS TO START SERVICE TO METALS USA AS SOON AS POSSIBLE, wrote Mary Tanona, the railroad’s general counsel. ‘It is my understanding that there is only a seasonal slowdown.’

Crossing and track condition

‘P&W is working with town and state officials to perform the work in the roadway.’ [The state severed the line at Route 152 to improve the grade crossing.]

PW is also working with MBTA on restoring the track to operating condition.

Track access

Tanona noted that an agreement with MBTA, recorded in Bristol County MA Registry of Deeds, gives PW overhead rights only on the East Junction Secondary in Massachusetts, to service Newport. A new trackage rights agreement does not pose a problem.

Current transload

Metals USA last transloaded from Dominion, a company located on Higginson Avenue in Lincoln RI. {e-mail to ANR&P}
QUINCY BAY TERMINAL
13 March, Boston. **OPERATION OF THE FORE RIVER RAILROAD TRACKAGE WAS PUT OUT TO BID** by its owner, the Massachusetts Water Resources Authority (MWRA). ‘The Authority is seeking RFQ/Ps from firms in connection with its Fore River Railroad Proposals to operate its freight railroad which extends from the former Quincy Shipyard to the CSXT interchange in East Braintree. Interested firms may obtain the complete RFQ/P from the Authority's Document Distribution Dept., 100 First Ave., Charlestown, MA 02129, telephone: (617) 788-2575 on or after March 14, 2001.’

Bids are due 12 April.

**The bid document contains facts about the current operation:**

**QBT and current traffic**
As part of the clean-up of Boston Harbor, MWRA purchased the former General Dynamics Quincy Shipbuilding Division along with the stock of the Fore River Railroad Company (FRRC). The Quincy Bay Terminal Company won the bid to operate the trackage in 1990 for a five-year period with a five-year option. QBT and MWRA agreed to extend the agreement for six months to avoid changing operators in mid-winter, so the current agreement expires on 30 June 2001.

QBT now serves two customers with a possible third:

**Twin Rivers Technologies (TRT).** This company began operation at the former Procter and Gamble facility in 1995, ‘and has grown to become a primary provider of fatty acids for P&G. It receives and ships raw material and finished products by tank car, and requires switching every weekday with occasional weekend service,’ as it operates 24/365.

The plant needs to store about 150 rail cars; it can store about 26 within the plant and the remainder on FRRC trackage, which storage will not generate revenue for the operator.

**MWRA Residual Pellet Processing Facility.** This receives sludge by barge from MWRA’s Deer Isle sewage treatment plant, and processes it into fertilizer pellets, shipped to other parts of the state and nation for marketing and distribution. MWRA also has a long-term agreement with ECDC Environmental of Utah to dispose of sludge cake, which is shipped by rail. The pellets are stored in Quincy in nine silos, total capacity 34,000 cubic feet, and loaded into railcars via gravity. Currently MWRA requires storage for about 30 cake cars and 10 pellet cars.

**Massachusetts Heavy Industries.** This company took over the former shipyard with the intent of building ships, but has fallen into bankruptcy without laying any keel. It could have received steel by rail.

<table>
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<th>Year</th>
<th>TRT cars</th>
<th>MWRA cars</th>
<th>Income (millions)</th>
<th>License Fee</th>
<th>Expense (includes fee)(mill.)</th>
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<td>600</td>
<td>176</td>
<td>$0.465</td>
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<tr>
<td>2000</td>
<td>1593</td>
<td>497</td>
<td>$1.253**</td>
<td>$107,766</td>
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</table>

* Costs for 2000 estimated; license and revenue payments actual.
** 2100 cars at $1.253 million comes to $550 per car, to bring them to an interchange with CSXT in South Braintree.

**New license and operating agreement**
The term will extend for five years, with an option to extend by mutual agreement for five years. The Licensee will pay to MWRA $10,000 per year and a percentage of the gross revenue from any source over $250,000. [The bidder has the honor of deciding how high a percentage it wants to offer the MWRA.]

**Next step**
After receipt of the proposals on 12 April, MWRA will select qualified finalists, who will submit their best license fee offer. ‘The proposer offering the highest percentage of gross revenue will be the first-ranked. If more than one offers the same percentage, the proposer deemed most qualified in the first stage will be the first-ranked.’

MWRA intends to notify finalists by 27 April, accept license fee proposals by 5 May, and give the notice to proceed on 1 July.

{FRRC bid document 14.Mar.01}
PORT OF BOSTON

STATISTICS FOR 2001

<table>
<thead>
<tr>
<th>Year</th>
<th>Container Import (short tons)</th>
<th>Container Export (short tons)</th>
<th>AWS boxes</th>
<th>OTR boxes</th>
<th>Total boxes</th>
<th>AWS auto tons</th>
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<td>316,828*</td>
<td>78,453</td>
<td>4,343</td>
<td>82,796</td>
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<td>345,464*</td>
<td>84,279</td>
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<td>88,535</td>
<td>96,648</td>
<td>80,540</td>
<td>198,881</td>
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</table>
% chge | -2.5%                        | -8.3%                         | -6.9%     | +2.0%     | -6.5%       | +14.8%        | +14.8%          | -28.4%      |

*These numbers do not include: (1) containers handled by Eimskip vessels at a terminal in Chelsea which came to 34,788 short tons in 1999; and (2) the over-the-road boxes, which came to 64,149 short tons in 1999. (Massport statistics)

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NH RAILROADS

GENERAL COURT

14 February. **NH DOT EXPLAINED THAT HB 413 WAS NOT INIMICAL TO RAIL REVITALIZATION.** Prepared testimony delivered this day reads:

1. **Amendment to RSA 228:60-b, II**
   State law gives the Department of Transportation the right of first refusal on the sale of property offered by railroads. When it receives a notice of a proposed sale, the Department notifies the city or town as well as other state departments. Within the past year the Department of Transportation has exercised its right at the request of the Department of Resources and Economic Development, the town of Goffstown and the city of Dover and purchased three parcels of land that will be used as part of larger trail systems. Without this amendment, the Department of Transportation will have to retain title to these parcels, which will make it more difficult, especially for the municipalities, to develop, manage and maintain their trail systems. The title to railroad properties purchased by the Department of Transportation that have a potential for future railroad use will continue to be retained by the DOT.

2. **Amendment to RSA 228:67**
   This amendment is designed to correct an inconsistency between RSA 228:57, which allows the Commissioner of Transportation to sell, transfer or lease railroad properties for public purposes, and RSA 228:67, which allows such sale or transfer but excludes the railroad bed and right of way. This provision, along with the definition of “corridor,” is confusing in that an isolated parcel of a long-abandoned rail corridor might be considered part of a “main line” and thus could not be sold to a city or town for trail purposes. The other reason the Department of Transportation is seeking this amendment is that the state would like to be able to return state-owned active railroad lines to the private sector if a railroad company is capable of maintaining a line. The state now owns 193 miles of active railroad corridor, making us the largest railroad landowner in the state. In the long term, it might be preferable for private companies to own some of these corridors, but under the current law the Department of Transportation could not sell these properties.

[3. Final change]

The final change requested is the removal of a sentence calling for reimbursement of money to the Federal Railroad Administration (FRA). The FRA no longer funds railroad acquisition projects, so this provision would not apply to most railroad corridors. Reimbursement for those corridors that were acquired with Federal funds from any agency is already required by Federal regulations and existing grant agreements, so it is not necessary to require it in state law.

The preservation of railroad corridors and development of an improved rail system is a priority of the Department of Transportation, as evidenced by acquisition of 92 miles of active and 147 miles of abandoned corridor since 1993, and these proposed changes in no way represent a retreat from that position. (text from NH DOT)

**Morgan comments**

Kit Morgan, who drafted the testimony, agreed that NH DOT would have the power to decide which properties ‘have a potential for future railroad use’ and which could be sold for non-railroad uses.

However, he cautioned, the amendments apply only to property taken under the right of first refusal. “Without exception, these have been isolated pieces,” not a part of contiguous rail line.

Active rail corridors, or corridors which might lend themselves to rail use, do not come to NH DOT under the right of first refusal. When Guilford, or another railroad, asks the state to waive its right of first refusal, “the railroad has another buyer and a price.”

In these instances, if a governmental entity wants the section concerned, it must ask NH DOT to exercise its right of first refusal, and then acquire from NH DOT the use of the property. Current law forbids NH DOT to transfer the property to another entity, and if NH DOT steps aside and does not exercise its right, the entity has no assurance that the railroad will sell the
property to the entity.

In the case of active, or possibly active lines, the railroad comes to the state with an offer to sell; NHDOT does not acquire the property under the first-refusal section. \{ANR&P discussion 19.Mar.01\}

**NHDOT: RAIL PLAN**

19 March. **THE RAIL PLAN IS NEARLY FINISHED**, said Morgan. NHDOT and consultant VHB have gone through all the comments; he expects a final plan “next week.” Upon arrival, the department will make it available to the general public via print ($20), website (free), or floppy disk (price not available). [See 30 January issue.] \{ANR&P discussion\}

**GRS - NEW HAMPSHIRE**

**SALEM INDUSTRIAL TRACK ABANDONMENT**

9 March, Salem. **GRS SAID IT WOULD ABANDON THE SALEM INDUSTRIAL TRACK** from milepost 1.4 to milepost 4.4 [see map in 27 February issue].

The notice stated that “the line and the structures thereon are in need of significant rehabilitation, and existing and reasonably foreseeable traffic levels will not be sufficient to support either this rehabilitation or the ongoing and future maintenance of the line.”

GRS plans to file on or after 9 April for the actual abandonment. Interested parties then have 45 days to file their comments. \{text of notice in Docket No.AB 32 88X 26 May 2000\}

**NHDOT purchase**

Morgan said the department and railroad have discussed the sale of this track section for some time. He hoped to combine the purchase of the already abandoned section (Key Packaging to Salem Depot) with the purchase of the instant section. \{ANR&P discussion 19.Mar.01\}

**What will Key Packaging do?**

On 21 March, President John Flynn said he is looking at four or five options to receive the plastic pellets he needs. One would use a trackmobile. Transload will cost him 0.5 cents per pound; for 120 cars of 180,000 pounds, that comes to $110,000. If he can get decent service using a trackmobile, he would welcome any savings. \{ANR&P discussion 22.Mar.01\}

**GRS: NASHUA COMMUTER SERVICE**

19 March, Concord. **NHDOT HAS BEGUN WORKING WITH PARSONS BRINCKERHOFF** on the preliminary engineering of MBTA service from Lowell to Nashua. A kickoff meeting will occur with the steering committee for the project in the latter half of April.

Morgan expected the consultant to finish the engineering in a year, and service to begin about two years after that. \{ANR&P discussion\}

**NEW ENGLAND SOUTHERN**

**LANGDON AVENUE EXTENSION OVER TRACKS**

16 March, Concord. **NEGS ALSO OPPOSED A GRADE CROSSING** in this city, which would permit vehicle traffic between Route 3A and Hall Street as an extension of Langdon Avenue. [See 27 February issue for CLF and Guilford opposition.] Railroad President Peter Dearness told Paul Sanderson, the hearing officer, that the grade crossing would directly interfere with his switching operation. “We do switching in that area, and serve two or three customers. On one track we leave cars sitting, just south of the proposed crossing.”

Concord wants to build the new road independent of a possible new shopping center, Dearness explained. The road will
improve east-west traffic flow in the city. Some, such as Dearness, have argued over the last three years in favor of a bridge rather than a grade crossing.

**Location of new road**

Dearness pointed out that contrary to CLF’s report, the city wants to locate the new road in the former railroad shop area [not, as CLF maintained, the railroad yard]. “Concord once had 4,000 railroad employees and five railroads,” so the shop area was substantial. In the shop area, a developer wants to construct a shopping center.

**Expected decision**

Paul Sanderson, NHDOT hearing examiner, said he expected to make a decision by 31 March.

**CIMENT QUEBEC SITE AND SIDING CONSTRUCTION**

16 March, Concord. **CIMENT HAD COMPLETED THE THREE-STOREY STEEL FRAME** [presumably for the operations building - see 12 January issue] and grooves in the concrete slab foundation which will permit railcars to run through the building, according to rail observer Mark Scyocurka. Dearness expected to begin track work in early April (after the snow melts); half of one of the two sidings is completed. When the railroad shed is done, the track gang will continue north, out of the building, to a switch. The switch will create access to two 500-foot spurs.

The cement, arriving from Quebec by rail, will move from the shed into the four silos Ciment Quebec will also build. {ANR&P discussions & NERAILS e-list 16.Mar.01}

**NHVT/NEW HAMPSHIRE CENTRAL**

23 March. **AN UPDATE ON EXPANSION** was provided by Dick Currier, vice-president and treasurer of NHC.

**MacIntyre Fuels facility**

The first two tank cars were loaded in Portland on 22 March, and began their journey via SLR to MacIntyre’s new facility in North Stratford [see 13 February issue]. SLR will set the cars out in North Stratford, said Currier, and NHC will bring them two miles up the line to the facility, which has tanks with a capacity of 350,000 gallons.

**Other traffic**

Currier explained that the fuel facility would provide the only regular carload traffic for the line. Columbia Sand and Gravel in Columbia Falls, which several years ago was shipping significant amounts for SLR ballast, has fallen to a car here and there. Similarly, the veneer log yard has stopped shipping as well.

**New Hampshire Vermont**

When NHC begins operating over the former NHVT trackage this year [see 13 March issue], NHC will continue to refer to it as the New Hampshire Vermont Railroad, said Currier. {ANR&P discussion}

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**RHODE ISLAND RRs**

**QPD/FREIGHT RAIL IMPROVEMENT**

21 March, Providence. **AN UPDATE ON THE FRIP** was provided by Kazem Farhoumand of RIDOT’s bridge division. The new and refurbished track from Providence to North Kingston will enable PW to provide double-stack service to Quonset Point.

“It’s going well, we have a few contracts issued, and more to come.” [Numbers refer to the sheet of the map in the Environmental Impact Statement January 1998.]

**Contracts out**

- Garnett Street, to raise the footbridge. (A.3-2)
- Cranston Street Viaduct (A.3-5), one of the biggest.
- Lincoln Avenue Bridge construction parallel to the existing bridge (A.3-3). Farhoumand said his division had done the bid review and chosen the contract, “but I am not sure if we have awarded the contract.”

**Undecuttings**

Amtrak has completed all the necessary undercuttings of 37 highway bridges. (ES-7)

**Non-FRIP projects**

RIDOT has two projects which affect the FRIP but are not funded through it: the Hunts River Road (aka Post Road, aka US Route 1) bridge (A.3-1) (out to construction); and the Greenwood Avenue bridge, for which RIDOT is now reviewing the bids.

**The remainder of the bid packages**

“We’re feverishly working on the rest of project,” Farhoumand explained. He expected completion in late 2003. The balance consist of:

- The Wellington Avenue portion (A.3-4)
- The boat section in Providence, needed because of the high water table (A.3-5)
- Rocky Hollow Road bridge raising (A.3-2): the division is advertising this.
- The remainder consist of site preparation on Amtrak property. Once completed, Amtrak will come back to lay the track.

Local contractors have won all of the bids, in part because out-of-state contractors don’t want to bid on smaller contracts. The largest, the $24 million Cranston project, did attract “at least one non-local” contract, per Farhoumand, but it did not wind up as low bidder. {ANR&P discussion}
AGENCY OF TRANSPORTATION
23 March, Montpelier.  **AOT HAS HALF A DOZEN APPLICATIONS** for the Rail Siding Economic Enhancement Fund in FY02, said Dick Bowen, the fund’s administrator. He will act on them after the legislature decides how much it will appropriate for the fund; VAOT requested $500,000, which under the three-way match (railroad, state, customer) would produce an investment of $1.5 million.  {ANR&P discussion}

VERMONT RAILROADS

VERMONT RAILWAY SYSTEM

NEW OMYA RAIL SPURS
14 March. **THE PLAYERS IN THE MIDDLEBURY SPUR EFFORT MET** at a high level: OMYA’s head of Vermont operations Jim Reddy; VAOT Secretary Brian Searles; CLF attorney Mark Sinclair, and a representative from VRS.

OMYA brought the group up to date on transportation studies it is doing for the Middlebury spur [see 30 January issue] and the new Danby quarry. The company is looking at four non-highway options (conveyor, rail, cable-cars, and pipeline) and hopes to finish in a couple of months, said Sinclair. Preliminary results indicate that the other three options look more expensive than rail at both sites.

The company has a strong commitment to rail, OMYA told the meeting per Sinclair, but in terms of Middlebury, a spur would not pay for itself if the cost were borne completely by OMYA. The company is reluctant to spend any more money for permitting without a commitment from the state. In turn, Searles reiterated his willingness to be a financial partner, but emphasized that VAOT would not pay the entire cost for the spur.

At a followup meeting on 10 April the sides will seek a clear action plan stating what the state is willing to bring to table, and what OMYA will commit to. Sinclair felt more optimistic because he perceived that Reddy, newly-arrived from California, has the ability to deal with environmental groups and state regulation.

Status of petition to Vermont Environmental Board

“I think the petition [to force OMYA to move--see 30 January issue] woke OMYA up,” said Sinclair. To allow negotiations to continue, CLF requested, and was granted, a 60-day stay.  {ANR&P discussion}

COMMUTER BURLINGTON/CHARLOTTE
5 March, Burlington. **THE CHARLOTTE COMMUTER SERVICE ADDED TRAINS** this week. The train is going to expand its service from four trips in each direction to nine, and add weekend service with five trips a day Saturdays and Sundays. The Vermont Transportation Authority, which oversees the running of the commuter train, always intended to add more trips, Fitzgerald said, but decided to do it sooner than planned after Fletcher Allen Health Care called and said they wanted to encourage their employees to take the train instead of driving.

Fletcher Allen has parking problems, and the problems are expected to become worse with a construction project starting there. So the VTA decided to start the extra train trips.

Jim Fitzgerald, executive director of the Vermont Transportation Authority and the manager of the train, said he’s also happy about the operation: “We’ve never operated a late train. This is the gospel truth: I have not received in three months one complaint about the train being dirty, not on time, or the cars were cold or uncomfortable.”

Champlain Flyer passengers are riding free of charge, but Fitzgerald will recommend that the VTA start charging riders in May. He has no idea how much it’s going to cost, but it won’t cover the costs of running the train. "You can't charge enough to make that much money,” Fitzgerald said. "The train would be subsidized, just like the roads are subsidized and the airports are subsidized.”

About 1,900 commuters rode the train during its first month of operation. Last month, about 2,500 people rode it, including 760 who used special weekend trains during the Burlington Winter Carnival.

Expansion to Middlebury and Vergennes

Service could be expanded to include Middlebury and Vergennes; Charlie Miller, director of the Vermont Rail Division, is holding public forums in each place to talk about that idea this week.  {Anne Wallace Allen of AP in Burlington Free Press 5.Mar.01}

QUEBEC/MARITIMES RRs

CANADIAN TRANSPORTATION AGENCY
23 March.  **THE CTA DOES NOT HAVE JURISDICTION OVER TWO RECENT RAILROAD ACTIONS**, explained Michel Herbert, a spokesperson. Neither the acquisition of trackage rights by CN over Van Buren Bridge [see Maine] nor the absorption of SLH by CP [see Regional] needs CTA review, unlike the need for STB action for the part of the transactions taking place in the United States.  {ANR&P discussion 23.Mar.01}

CAPE BRETON AND CENTRAL N.S.

GOLDBORO BUILD-IN
26 March, Halifax. **THE ADDITIONAL FUNDS FOR PRELIMINARY ENGINEERING** were found by Bill Connally, Bill Connally, investment and trade officer for the Guysborough County Regional Development Authority (GCRDA) [see 13 March issue]. He expected to announce the contract for the Goldboro build-in by the end of March.  {ANR&P discussion}

SYSCO SALE AND PORT OF SYDNEY
27 March, Sydney. **CAPE BRETON REGIONAL**
MUNICIPALITY WILL BID FOR SYSCO’S PIERS when the assets are auctioned off this day. “We have a plan here, an opportunity to redevelop Sydney,” said Mayor John Morgan. The Council voted unanimously to offer $250,000 for the piers. If purchased, the municipality would lease them to companies moving bulk freight through the harbour. [DEVCO hopes to do that also, using its International Pier.]

Economic development officer John Whalley acknowledges the offer is low, but he believes it demonstrates how serious the municipality is about economic recovery. “We're hoping that the federal and provincial governments will recognize this.”

Mayor Morgan said earlier he was well received by MLAs in Halifax the week before, when he pitched his idea, but the provincial government needs to decide what it wants from the demise of Sydney Steel: money for the plant's assets, or an economic revival in Sydney. {CBC website 23 & 16.Mar.01}

PORT OF HALIFAX
15 March. A POSITIVE REVIEW OF THE PORT was recently presented by David Bellefontaine, president of the Halifax Port Authority. Port traffic is holding its own, after a record-breaking year in 2000. With or without a drop in the economy, the Authority is hoping for a new call by a steamship line; Evergreen is one of the leading candidates.

The local union and employer’s association is addressing the skilled labor shortage; training programs have increased the workers available.

Scapa Flow transhipment facility
Bellefontaine said Halifax had helped finance the study of such a hub, and is cited as the likely North American transshipment point. However, he cautioned that the project remained very much in the conceptual stage. {Tom Peters in Halifax Herald 15.Mar.01}

PEOPLE, POSITIONS, EVENTS
Eric Moffet, former regional sales manager for CSXT out of West Springfield, has become a TOFC (trailer on flat-car) expert for VRS.

Dick Rushmore, about one year ago, became vice-president for finance for the B&A System. Bob Thomas assumed Rushmore’s work as assistant vice-president for sales and customer service.

Astrid Glynn, deputy secretary for multimodal, was given an additional hat as deputy secretary for capital asset planning, at the Massachusetts Executive Office of Transportation and Construction.

CALENDAR
29 March. Proposals due for Lamoille Valley.
10 April. Eastern Maine Railroad Development Commission, Cherryfield. Agenda: Insurance legislation, permits for washout repair, meeting with Baldacci, rate from Guilford [see 13 March issue].
10 April. Follow-up meeting on financing two new spurs for OMYA marble moves.
11-13 April. Northeast Association of Rail Shippers, Newport RI. Good panels, and always a good time. Contact Bill Donovan at 508-428-1224.
12 April. Bids due on Fore River Railroad operation [see QBT].
27 April. Finalists for Fore River Railroad notified.
5 May. Finalists must submit their license fee bid.

Purpose
Atlantic Northeast Rails & Ports, nee Maine RailWatch (1994-1997) and later Atlantic RailWatch (1998-1999 - coverage expanded to southern New England with the 2 July 1998 issue), is dedicated to the preservation and extension of the regional rail network. The editor believes that by publishing news on railroads and ports, he spotlights action needed 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.’