B&A: Yocum succeeds Sabin as honcho.
Regional rail: CLF moving ahead on NNERAP. Vermont to announce high-speed rail short list.

CONNECTICUT
ConnDOT: Responses to CPTC.
PW: Belle Dock coal move. Wethersfield progress.

MAINE
Amtrak: Start date indefinitely postponed. Issues between Guilford and NNEPRA/Amtrak. Possibility of seizure?

MASSACHUSETTS
HRRC: Correction. Track Class I in the Commonwealth.

NEW HAMPSHIRE
NHDOT: rail plan update, Concord grade crossing.
GRS: Key Packaging hurt by GRS embargo.

RHODE ISLAND
[No report.]

VERMONT
[No report.]

MARITIMES/QUÉBEC
NBSR: Team track in St.Stephen draws closer. Bayside situation, see Ports

ATLANTIC NORTHEAST PORTS
Bridgeport: Study out soon.
New Haven: [See Connecticut - PW.]
Bayside: Expansion start soon?

PEOPLE, POSITIONS, EVENTS
Edgar T.Mead. TRAQ event. Robert Johnson.

From the publisher

Banned by Guilford!
David Fink, GRS executive vice-president and principal spokesperson, told me on 26 February that he viewed the articles in the newsletter in the past couple of weeks as having a “bias against Guilford.
“So I am not going to answer your phone calls. I deal with about 50 reporters, and you’re the second one I have done this to.” Fink declined to name the first.
To my readers, I apologize for losing the access to the official Guilford view which I did get from David Fink. Fink declined to discuss where I had erred, but I stand by my reporting (repeated in this newsletter).
I welcome any comments about this contretemps.

Not silenced by Guilford
Maine State Representative Chris Hall reported being personally threatened with an action for libel by Guilford Rail President Tom Steiniger, in an aside at the Train Riders’ press conference on 22 February. Representative Hall commented only that, after talking with Maine Attorney General Steve Rowe and his own attorney, that he is “confident that any lawsuit would not only fail, but might be a welcome opportunity to reveal much about Guilford's finances.”

The rest of the issue
Readers, you may think that after the snub, I deliberately sought out bad stories about Guilford. Not so. In the process of checking the effect of the four Guilford embargoes issued in the past two weeks, some unhappy customers spoke on the record.
But, as noted in my analysis in a box in this issue, a cost-benefit analysis of Key Packaging and Smurfit Stone shows that GRS is definitely not making money serving those two customers.

Chop Hardenbergh
Next issue: 13 March 2001

REGIONAL ISSUES

B&A SYSTEM
20 February, Northern Maine Junction. CHIEF OPERATING OFFICER DAN SABIN RESIGNED. Fred Yocum assumed his duties, as well as becoming president of the Bangor and Aroostook Railroad.

Who is Fredric W. Yocum Jr?
Yocum joined the Iron Road Railways board in 1999, when Progress Rail purchased preferred stock of IRR [see 27 August 1999 issue]. Although he had consulted with the B&A earlier, he joined the board as Progress Rail’s representative.
Yocum has 30 years’ experience in railroads, culminating as vice-president of operations for CSXT. He also served as chief executive officer for the Iowa Interstate Railroad.
IRR operating situation
Schmidt praised Sabin’s prowess in growing the B&A System. “Dan is one of the founders of Iron Road Railways, a man of great accomplishment and ability. He was instrumental in growing the company and integrating the railroads together, a champion of revenue and traffic growth.”

With the financial challenges facing the company, related to fuel prices and the Conrail breakup, however, Schmidt said the railroad “must take steps to tighten its belt, and improve on its financial performance. The company needs to reduce expenses, in order to attain appropriate levels of productivity.”

“To get to a positive cash flow, “we need to ensure that all of our traffic is compensatory. We need to provide existing customers with quality service to preserve that business and to provide the platform for future traffic growth.”

B&A financial situation
Schmidt also said his company is “close to receiving an infusion of capital which will stabilize the company” while it continues to search for a long-term financial solution, either by sale, merger, or investment.

Sabin’s future
While Schmidt did not say specifically where Sabin will land next, Sabin will focus more on his roles as president and CEO of the Iowa Northern Railroad, where he is a principal owner along with IRR. He will also help the B&A in transition projects, to make sure that projects which make sense at this point proceed to fruition.

What about the Amtrak Express traffic?
Sabin had moved a long way on getting shippers east of Vermont to put product into Amtrak Express cars. The B&A would bring them to White River Junction for attaching to the Vermont. Schmidt had no update on the state of this project. “It’s a great initiative and offers customers additional gateways, routes, and service patterns.” Yocum will look at that along with other such opportunities. {ANR&P discussion 21.Feb.01}

REGIONAL RAIL
26 February, Concord NH. NANCY GIRARD IS MARSHALING FORCES ON TWO PLANS for the CLF-led Northern New England Rail Action Project. The business plan will look at how to finance rail projects, including public-private partnerships. The strategic plan will identify rail priorities and areas for action.

She is using her consultant partner Andreas Aeppli [formerly of A & L Associates, and since a recent merger, of Reebie Associates], and is contacting other consultants for other portions of the project. The plans will indicate what NNEPRA should ask of its other partners.

Once the plans are underway, she will coordinate with the other regional partners on local priorities and planning efforts.

Coordinating with CONEG and the high-speed rail project.
Girard said she is in contact with the high-speed rail effort [see 13 February issue] and the CONEG effort [see 30 January issue]. {ANR&P discussion}

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High-speed rail selection
The committee creating a short list for the high-speed rail consultant [see 13 February issue] has made a recommendation for the short list to VAOT’s head, but he has not confirmed the list. {ANR&P discussion with Edna Martineau 26.Feb.01}

CONNECTICUT RRs

CONNECTICUT PUBLIC TRANSPORTATION COMMISSION
20 February, Newington. ConnDOT RESPONDED TO THE RECOMMENDATIONS OF THE CPTC, as required by law though about three weeks late [see 12 January issue for Connecticut Public Transportation Commission recommendations]:

Commuter rail New Haven-Hartford-Springfield
The Department understands and acknowledges the support, which has been expressed from several quarters for the establishment of a commuter rail system between New Haven and Springfield, Mass. However, as the Commission noted, “a new rail service in this corridor would be costly to implement in terms of initial capital expenses, and operating resources,...” Also, as the Commission noted there are substantial existing physical limitations with the existing system.

In 1994 the Department conducted a study of what it would take to initiate a very limited service from New Haven to Hartford in the morning and back at night. It estimated the capital cost at about $9 million. A couple of years ago the Hartford Council of Governments estimated the cost of a somewhat larger plan would cost more than $40 million. In some of its own internal and more recent analysis the Department has estimated what it might take to establish a bi-directional, half hour (in the peak hours and hourly during the rest of the day) service from New Haven to Springfield and arrived at estimates in excess of $200 million. This would include installing a second track for the entire distance, improved signalization, more rolling stock and more parking at enhanced stations.

The wide disparity in cost estimates, coupled with uncertainty as to exactly what kind and level of service would be provided strongly suggests that a much more detailed and professionally done study be undertaken before committing to any new central Connecticut rail service. The Transportation Strategy Board has included such a recommendation in its recommendations to the General Assembly.

Further, given the substantial amount of capital investment that must be made on the New Haven Line of Metro-North it would be difficult to justify diverting the funds that a Central Connecticut rail corridor would take from the needs of Metro-North. Any new rail service would require a major commitment of new capital and operating funds.
Amtrak to construct sidings at Guilford
The Department strongly agrees with the recommendation to construct sidings at Guilford, Connecticut, on Amtrak's Shore Line. As Amtrak has agreed in the past, the construction of the siding at Guilford would provide a better opportunity for both passenger and freight service. Without the construction of this siding, the current freight operator, Providence & Worcester, would be required to use a limited “window” for access to the Shore Line and their customers. Construction of the siding is imperative to provide for future economic development potential as well as for increased train frequency and on-time performance for all parties concerned.

Extending Metro-North service to New Milford
[This recommendation was inadvertently omitted from the 12 January issue.]

9. Extension of Danbury Branch Metro-north Commuter Service to New Milford. [Text of CPTC recommendation.]
Previous studies conducted by the Housatonic Valley Council of Elected Officials (HV CEO) in 1996 and by HVCEO and the Southwestern Regional Planning Agency in their route 7 corridor study (September 2000) should serve as guides for this service extension. The commission urges the General Assembly to make funding available to ConnDOT for this service extension so that it is not accomplished at the cost of cuts to existing services. We believe that the heightened awareness of transportation problems, recently the subject of the transportation summit, should encourage and facilitate the appropriation of these funds.

Department response
The Department cannot support this recommendation at this time. While it clearly understands the support for this proposal within the HVCEO and the SWRPA studies it joins with the Commission in noting that there are no available capital or operating funds within the Department's existing budget which could be diverted to this project.

But the Department's concerns go beyond that limitation. The Department has just recently begun a $22 million program of installing a new centralized signal system on the Danbury branch. Until that system is completed, which will take two years, it is infeasible to consider adding any additional service. Moreover, the Department has just received a $2 million grant from the federal government to begin a comprehensive study of what it will take to re-electrify the Danbury line, including an examination of other improvements that will be necessary. To plan to extend the Danbury line prior to completing that study would be premature.

The Department has been working closely with Metro-North in examining the possibility of running commuter trains over the Maybrook line to Metro-North's Harlem Line. Metro-North has estimated that it would be extremely costly to implement and would, if anything, offer slower service than is now available using the bus that HART now operates from Danbury to Brewster, N.Y.

Recognizing the value to New York bound commuters of a Danbury to Harlem Line connection the Department has been working with Metro-North and the Westchester and NY State Departments of Transportation to explore adding additional commuter bus connections from various locations in the Greater Danbury area to the Harlem Line. Some specific recommendations have been developed and are included within the recommendations of the Transportation Strategy Board to the Connecticut General Assembly.

Work with East of Hudson Task Force on NY access
The Department agrees with the recommendation and representatives of the Departments Bureau of Policy and Planning and Public Transportation will become more actively involved with the work of the East of Hudson Task Force. However, the Department also notes that the New York State Thruway Association has announced its intention to study the feasibility of a new Tappan Zee Bridge across the Hudson River which might incorporate a rail link which could be used as an alternative rail freight crossing. This alternative also offers considerable potential to Connecticut rail freight and the Department will be monitoring this study as well.

Transit to Adraien's Landing
The Department will advocate for good bus access to all major generators in the Adraien's Landing development, and will insist that rail access through the site be maintained in an open enough fashion to allow for maximum utilization during construction and afterwards.

Wethersfield Secondary support
The Department appreciates the Commission's commendation and support for its efforts to establish an alternative route for rail freight service in Central Connecticut and from Central Connecticut to Southeastern Connecticut. However, the Department must emphasize that establishing rail service at a Class 1 or Class 2 (rail freight) level is substantially different that establishing it at Class 4 or Class 5 passenger rail service levels. [text from CPTC]

PROVIDENCE & WORCESTER
21 February. Gateway Terminal Rail Access was described by Coy Angelo, operations manager for the Gateway Terminal. His company had built at its own expense a 30-car siding with a loading facility at the old Southern Connecticut Gas plant at 347 Chapel Street. Gateway uses a hopper to funnel the coal from a ship to trucks, which dray it to the Chapel Street siding for loading into coal cars.

The spur constructed as part of the Q-bridge project at Belle Dock has a dock permitting a fork lift to access a box car to handle break-bulk cargo, but no facility to handle bulk material such as the coal. [ANR&P discussion]

This day, a string of loaded coal cars was parked on the Belle Dock spur. Mary Tanona, PW general counsel, explained: 'The coal cars are stored, empty, in Norwich yard. When the coal arrives in New Haven, the cars are spotted at Gateway Terminal and loaded, 25-30 cars at a time. The Belle Dock is used for switching and making up the train consist, and the customer siding is used for loading. Yesterday's coal train was 78 cars long, plus power.' [e-mail to ANR&P 22.Feb.01]

27 February. Progress on the Wethersfield
SECONDARY. Tanona reported that work has continued through all the bad weather on the Valley Line rebuild between Cromwell and Hartford. Much new rail is installed. Approximately every 3rd tie has been replaced between Rocky Hill Industrial Park and Hartford.

Clean-up and tamping track remains. [e-mail to ANR&P]

MAINE RAILROADS

20 February. THE YET-AGAIN DELAY IN AMTRAK SERVICE TO MAINE provoked one Maine legislator, Chris Hall, to call ‘for the state to use its power of eminent domain to take land from Guilford that may be needed to start the service.’ [See box for text of 17 February press release.]

The delay
NNEPRA has scrapped its 1 May start date, and has declined to project a new date.

Portland Press Herald reporter Tom Bell wrote: ‘If the project is delayed until after this summer’s tourist season, then officials should think about delaying service until next spring, said Jeff Monroe, Portland’s transportation director. He said it’s important that the service starts successfully, and he worries that there won’t be many riders if it begins in fall or winter.

‘Also, he said, if the trains begin traveling at only 59 mph, which would lengthen the trip to Boston by 15 minutes, then people riding the train for the first time may be disappointed and not come back.’

Causes for delay
Amtrak, the Northern New England Passenger Rail Authority (NNEPRA), and Guilford are battling over several issues.

Speed of train. The Surface Transportation Board (STB) told GRS that if tests showed the newly-built Plaistow-Portland track had a particular track modulus (bending of the track), then Amtrak could run at 79 miles per hour. Guilford is refusing to accept that any tests could show this.

Bell wrote this: ‘David Fink, a Guilford executive who has been negotiating with the rail authority and with Maine Transportation Commissioner John Melrose, said that there is no acceptable testing method available, and that the only alternative is a costly upgrade of the rail bed. He said Guilford doesn’t believe that the crushed granite being installed under the tracks now is deep enough to meet requirements for rail rigidity.’

Bell also wrote: ‘Phil Harriman, a former legislator from Yarmouth who was involved in rail issues, said the upgraded track exceeds the safety standards of others that Amtrak uses. He said he suspects that Guilford is trying to find ways to prevent passenger service from living up to public expectations. “This is a running joke, that this (train service) is all a mirage and this isn’t going to happen,” he said. “The more Guilford deploys these tactics, I’m sure it fuels people’s skepticism that it won’t happen.”

‘[GRS executive vice-president David] Fink said Guilford is thinking only about safety and still wants the project completed. He said, however, that any proposal to test the rails is flawed because it would ensure the rails’ safety only at the particular time and location of the test. “There is no way to test for this on a daily basis,” he said.

‘Fink said that Guilford, which now runs freight trains on the line in southern Maine and New Hampshire, has suffered because it has not been allowed to use its track for the half of each day devoted to upgrades. He said the delays have inconvenienced Guilford’s customers, and the idle trains have created tremendous costs for his company.’

Stations. Before leasing its land for passenger depots in the towns scheduled for Amtrak stops, GRS has said it wants complete indemnification for any environmental hazards discovered. NNEPRA is resisting this, and the parties are still negotiating the issue.

Layover facility. Amtrak still needs a layover facility for the trains. GRS has yet not been willing to provide this facility on its own property, nor to permit NNEPRA to access other appropriate sites.

Correction to e-bulletin. Amtrak and NNEPRA sources confirmed that no delay has occurred in Amtrak crew qualifying. Amtrak will not run qualifying trips if the trackwork is incomplete; completion is expected in a couple of months.

What is to be done?
Amtrak is planning to return to the STB next month. [Tom Bell in Portland Press Herald 21.Feb.01; text of Hall press release} Hall is suggesting that Maine seize whatever property is necessary to start service.

Charles Fisher, the House chair of the Transportation Committee of the Maine Legislature, said Maine’s governor and commissioner of transportation are working out a game plan to get this final step taken to start service. In the not too distant future, they hope to meet with Guilford, New Hampshire transportation officials, Massachusetts officials, and Amtrak to come to final conclusions.

Other Maine legislators comment
Fisher said the Transportation Committee is disappointed in yet another delay: “This is the 11th year of the process. It’s time for process to come to an end, for trains to start running.” Senate co-chair Jill Savage (R, Union) noted: “The committee fully supports state efforts to resolve the last few issues, and get trains this spring as planned.”

As for whether Maine should seize property, Fisher said, speaking only for himself: “The legal process will take a whole lot longer than negotiating. At the end of the day, are we better off? I don’t have an answer for that.”

Fisher added that paying Guilford more money was “not acceptable from my viewpoint, unless I get some new information. Either we get train service, or we don’t. Guilford now has a good
stretch of track [paid for by Maine], which can be used by both passenger and freight, and used efficiently."

Fisher has a railroad background. He worked for the Chesapeake and Ohio railroad in Ohio and Michigan before coming to Maine in 1969. As a rail fan, he collects railroadiana. {ANR&P discussions 21.Feb.01}

**WILL THE PAST REPEAT ITSELF?**

GRS lost the Connecticut River line to Amtrak in 1988

During the 1980s and early 1990s, Amtrak ran a train between New York City and Montreal called the *Montrealer*. Operating through Connecticut and then Springfield Massachusetts and up the GRS line to White River Junction, it turned left there onto the Central Vermont (CV, now NECR) to Burlington and Montreal.

In 1988, CV and the Boston and Maine [a Guilford subsidiary then and now] shared the Conn River line. Under a 1930 agreement, CV permitted B&M to maintain and use the CV line between East Northfield and Brattleboro Vermont, as well as to use (while CV maintained it) the line between Windsor and White River Junction, and gave B&M dispatching over the trackage between White River Junction and East Northfield MA. In turn, B&M gave CV the right to use its trackage between Brattleboro and Windsor. But GRS did not maintain the line adequately, requiring Amtrak to run at 10 miles per hour, and experience a derailment.

In 1988 in response to a petition by Amtrak, the ICC used a law written when Amtrak was created to convey most of the B&M rights in the line between East Northfield VT and White River Junction VT from GRS to Amtrak. [Amtrak in turn conveyed it to CV.]

The rights under the 1930 agreement, plus the right-of-way between Brattleboro and Windsor, GRS lost to Amtrak. Amtrak acquired right of way of about 627 acres, save fiber optic easements, leaving GRS with about 281 acres. [4 ICC 2nd 761, 1988] {GRS appealed this decision, won in the Court of Appeals, but lost in the US Supreme Court. {National Rail Passenger Corporation v. Boston & Maine Corporation, 503 US 407, 118 Led 2nd 52, 112 SCt 1394 (1992)}]

Could Maine law permit a seizure?

The State of Maine does have a colorable claim to seizing the station sites, and the site for a layover facility, assuming Guilford is not now using them “for railroad purposes.”

Three ways to seize the station properties and start service
1. MDOT, using the State Railroad Preservation Act, could seize the station sites and the layover site (or access to the layover site) arguing that the property, not used in railroad service, is not subject to the STB aegis. The proceeding could be begun by a municipality which wants Amtrak service.
2. Use normal town eminent domain law.
3. Have Amtrak proceed, under federal law. Amtrak can require

a rail carrier to provide service, by going to the STB, which might order GRS to turn over the station sites. Editor.

**TEXT OF HALL PRESS RELEASE {17.Feb.01}**

**GUILFORD HOLDS UP AMTRAK ONCE AGAIN; LEGISLATOR CALLS FOR STATE TO USE EMINENT DOMAIN POWER**

The long-awaited startup of Amtrak passenger service to Portland, scheduled for May 1st, now looks set for another indefinite delay....

Guilford has consistently opposed Amtrak service since it was first proposed eleven years ago, although Federal law gives Amtrak the right to operate over any railroad. Maine and New Hampshire believed that they had an agreement with Guilford to cooperate with Amtrak in exchange for re-building the company’s main line to Portland. The main line was re-built last year and is used today by Guilford’s freight trains.

Guilford is reported to have told the Northern New England Passenger Rail Authority that three issues must be resolved before it will allow preparations for service to commence. These are: indemnifying Guilford for possible environmental claims relating to the station platforms alongside the Guilford tracks; the location of a servicing facility for the trains in Portland; and the speed of trains.

The environmental liability is a new requirement from Guilford. The site of a service facility has been debated with Guilford for at least two years, with Guilford refusing to allow servicing to be done on its property, but also refusing to allow the state to build spur tracks to access other sites. The train speed issue was thought to have been resolved in 1999 when the Surface Transportation Board ruled that the trains could operate safely at their design speed of 79 m.p.h., as elsewhere in the country, subject to testing the new track.

However, Guilford takes the position that no testing can prove that the trains are safe at 79 m.p.h., so it does not have to permit that speed. No testing has been done.

Democratic State Representative Christopher Hall of Bristol, a transportation economist, called yesterday for the state to use its power of eminent domain to take land from Guilford that may be needed to start the service.

“The taxpayers have bought Guilford a beautiful new high-speed train line between Portland and Massachusetts,” said Representative Hall. “Over $60 million of federal and state money has gone into the line, in addition to $20 million or more on locomotives and equipment, and additional funds to build stations and a new exit from I-295. This money will have been wasted if we get no train service.

“Guilford has charged outrageous prices for the track work. The taxpayers have paid far above market rates. For example, Guilford has been paid $85 for every tie installed, compared to normal industry costs of between $35 and $50 per tie. The Northern New England Passenger Rail Authority...
had no option but to pay Guilford’s prices, because Guilford would not allow any other contractor to do work on its line. Competitive bidding was impossible, and we have all paid dearly to boost Guilford’s profits.

“Now Guilford has got everything it wanted — a new main line and hefty profits from its construction — it has no incentive to cooperate any further with the state. Guilford appears to hope it can make Amtrak go away by creating new delays, or, failing that, get the state to pay out once again to resolve these new issues.”

A possible way for the state to pay extra money to Guilford would be to pay an inflated price for the Union Branch track in Portland, which the state and city hope to buy from Guilford to allow access to a permanent station site on Marginal Way.

Rep. Hall continued, “Guilford is holding Maine taxpayers to ransom. They are continuing the same tactics they have successfully used for ten years — throwing up legal roadblocks to delay Amtrak and get higher payments out of the state. The state should call their bluff. The Maine Department of Transportation has the power of eminent domain to take from Guilford the Union Branch, the station sites, and the land needed for servicing the trains. There is even a precedent, in Massachusetts and Vermont, of an entire main line being taken away from Guilford when it refused to cooperate with Amtrak and adequately maintain the route of Amtrak’s Vermonter train.

“Time is time to stop paying Guilford’s ever-rising price, and time to start the trains operating.”

Further information: Chris Hall, (207) 563-8604
State Representative, Bremen, Bristol, Cushing, Damariscotta, Friendship, Monhegan, South Bristol

21 February. AMTRAK COULD SEIZE GUILFORD’S FREIGHT MAIN between Portland and Plaistow, according to two attorneys familiar with the federal statutes and the Guilford situation. One, Jim Howard, practices before the Surface Transportation Board. He handled the 1988 ConnRiver case for Guilford through the ICC stage. (Guilford used another firm to handle the appeal to the US Supreme Court.) [ANR&P discussion 22.Feb.01]

David Fink, GRS executive vice-president also noted, according to Jonathan White in the Brunswick Times Record: “The state has no power of eminent domain to take land from us, although Amtrak does.”

The federal statute
Sec. 24311. Acquiring interests in property by eminent domain (c) Authority To Condemn Rail Carrier Property Interests
(1) If Amtrak and a rail carrier cannot agree on a sale to Amtrak of an interest in property of a rail carrier necessary for intercity rail passenger transportation, Amtrak may apply to the Interstate Commerce Commission for an order establishing the need of Amtrak for the interest and requiring the carrier to convey the interest on reasonable terms, including just compensation. The need of Amtrak is deemed to be established, and the Commission, after holding an expedited proceeding and not later than 120 days after receiving the application, shall order the interest conveyed unless the Commission decides that -

(A) conveyance would impair significantly the ability of the carrier to carry out its obligations as a common carrier; and
(B) the obligations of Amtrak to provide modern, efficient, and economical rail passenger transportation can be met adequately by acquiring an interest in other property, either by sale or by exercising its right of eminent domain under subsection (a) of this section.

(2) If the amount of compensation is not determined by the date of the Commission’s order, the order shall require, as part of the compensation, interest at 6 percent a year from the date prescribed for the conveyance until the compensation is paid.
(3) Amtrak subsequently may reconvey to a third party an interest conveyed to Amtrak under this subsection or prior comparable provision of law if the Commission decides that the reconveyance will carry out the purposes of this part, regardless of when the proceeding was brought (including a proceeding pending before a United States court on November 28, 1990).

Opinion: How Amtrak may use the statute
Section 24311(c) requires that Amtrak first make an offer to purchase the property in question. In the case of the 1988 ConnRiver line seizure [see box], Amtrak had already agreed with the Central Vermont (now the New England Central) to take the track which Amtrak acquired from Guilford.

Undoubtedly, given Amtrak’s financial straits, it would not want to own the Freight Main itself and would seize only the platform locations and the layover facility.

To pay Guilford for the Freight Main, it would need another party in the wings ready to buy it, as permitted under 24311(c)(3). It might ask the states of Maine and New Hampshire to acquire the line; in the case of Maine, that might happen, but New Hampshire does not yet have such a pro-railroad attitude.

Even if Amtrak wanted to acquire the Freight Main, no natural candidate to operate it exists, because on this stretch of the Freight Main no regional carrier connects with Guilford. Here, GRS connects only with the New Hampshire Northcoast, a short line unlikely to want to assume operating the Freight Main.

Is Amtrak thinking along the line of a seizure?
Bill Epstein, Amtrak spokesperson, confirmed that as far as getting Guilford to permit Amtrak to run at 79 miles per hour, “we were always planning to file by early March, possible earlier than that.” Asked if Amtrak were considering adding into the filing the issues of the depot sites and the layover facility, he said: “In this filing we are focusing on track speed but that does not preclude any other actions.”

However, sources within Amtrak and NNEPRA said that bringing in other issues is still on the table as an option. But the two organizations are very conscious of a time constraint. Getting together the paperwork to file on the other issues would require at
least 30 days. After filing, the STB by 24311(c)(1) has 120 days to rule. Assuming the STB ruled that GRS had to turn the necessary land over to Amtrak, NNEPRA and the towns concerned could then begin to build the platforms necessary to board the trains.

Using the STB to resolve the situation—taking 150 days plus construction time—could take longer than negotiating, these sources said. If a last ditch effort did not entice Guilford to change its mind, then “we might come back to a different set of proposals,” per one source. Another said, “Stay tuned for developments.”

Guilford has not shown a willingness to negotiate quickly, however. “We presented the layover facility design to the railroad a month and a half ago, and we still have not heard a response,” said one source. {ANR&P discussion 21.Feb.01}

22 February. AN UPDATE ON THE THREE REMAINING ISSUES came both from GRS executive vice-president David Fink, and from the Northern New England Passenger Rail Authority.

Speed on the track. Fink said the company is taking issue with train speeds of 79 miles per hour because of safety. "That track will not be upgraded to that level. In the corridor of straight tracks between Boston and Washington, trains can run at 150 mph over 3 feet of crushed rock in the rail bed. We have 3 inches."

NNEPRA said: ‘Amtrak will shortly submit a proposed test program to the Surface Transportation Board, and will request an order giving Amtrak access to Guilford’s tracks for the purpose of performing these tests resulting in the decision that permits operation at up to speeds of 79mph. Such speeds are necessary to operate a competitively efficient transportation alternative.’

Platforms and station construction. Fink said the issue of environmental liability is one of ground contamination and Guilford should not be responsible for cleanup costs of pollution it did not cause.

NNEPRA said: ‘Rights to construct and maintain platforms must be acquired before constructing the platforms at each of the seven station locations in Maine and New Hampshire. Outstanding requirements include reconciliation attributed to environmental issues and platform maintenance provisions. Once resolved, the platforms and station construction process will begin.’

Layover facility. Fink said Guilford is in the process of selling a parcel off Sewall Street, near Thompson Point in Portland's Fore River, for a rail yard, where trains will be refueled, cleaned and restocked with food. A railroad station is proposed to be built nearby, close to the Trailways bus station at 100 Sewall Street.

NNEPRA said: ‘This facility is required for the overnighting of Amtrak equipment. In order for this facility to be constructed, a site agreement needs to be reached between NNEPRA and Guilford Rail System (GRS). In addition, Amtrak

is finalizing an amendment to their agreement with GRS reflecting the location of the Portland Station at Sewall Street. {NNEPRA press release 21.Feb.01; Jonathan White in Brunswick Times Record 22.Feb.01 for Fink remarks}

22 February. GUILFORD PRESIDENT DAVE FINK CLASHED WITH AMTRAK SUPPORTERS at a press conference in Portland called by TrainRiders Northeast to address the impasse.

Four Guilford officials attended: Dave Fink, president of Guilford Transportation Industries, the parent organization of all the railroads as well as the Pan Am airline; David Fink, his son and GRS executive vice-president; Thomas Steiniger, president of the railroads making up Guilford Rail System; and one other official.

Portland Press Herald reporter Tom Bell, covering the event, described it thus: ‘After hearing someone remark about the use of eminent domain, the elder Fink walked to the podium. "I'm the owner of that property you want to take," he said. Excerpt from the story follows:

In a tone that was loud and sometimes angry, Fink said Guilford is not standing in the way of passenger service. But he said he will not allow trains to travel more than 59 mph because the new rail, rated at 115 pounds, is not engineered for higher speeds....No test available will convince him otherwise. "I'm the person who sets the standards on my railroad. We are not going to jeopardize other people's safety. That is all there is to it."

Fink said rail authority officials have known for two years about his objections; he faulted them for not taking the dispute to the Surface Transportation Board earlier. But Michael Murray, executive director of the rail authority, said attorneys had advised the agency to finish the railroad upgrade before going back to the Surface Transportation Board. The federal and state government is spending $60 million to upgrade Guilford's line, and the work is almost finished.

A 115-pound rail is used by several other Amtrak lines where trains operate at 79 mph, according to the National Association of Railroad Passengers. "The standard running speed is 79 mph," said John Grayback, a civil engineer and member of TrainRiders Northeast. "All we are asking for is the standard practice and nothing more." {Portland Press Herald 23.Feb.01}
As noted in the embargo, only US Gypsum is affected. This track was listed for abandonment in 1999 [see 30 April 1999 issue].

**WAKEFIELD TRACK EMBARGO**

<table>
<thead>
<tr>
<th>Railroad:</th>
<th>ST RAIL SYSTEM</th>
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<tbody>
<tr>
<td>Embargo No.:</td>
<td>2-01</td>
</tr>
<tr>
<td>Effective Date:</td>
<td>02/12/2001</td>
</tr>
<tr>
<td>Commodity:</td>
<td>All Traffic to, from or via the following station on the Wakefield Jct. Industrial track in the state of Massachusetts: Wakefield FSAC 00705</td>
</tr>
<tr>
<td>Cause:</td>
<td>Ice and snow conditions</td>
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**Customers affected**

The Smurfit Stone plant in Wakefield alongside Route 128 is apparently the only customer affected on that end of the Wakefield Industrial Track. Due to previous embargoes, no traffic has travelled on the Danvers end for several years. {ANR&P observations 2.2001}

**Effect on Smurfit Stone**

Chet Wiezbowski, an official at the Smurfit Stone Corporation plant in Wakefield (formerly a Jefferson Smurfit plant) said his company used 10-15 railcars a month. “It used to be a significant amount, but we had to go to more trucks to get more efficient delivery.”

The embargo will affect the company. Wiezbowski said GRS told him the company, located 2+ miles from the main line at Wakefield Junction, would not get service for the rest of the winter, due to the “very deplorable condition of the tracks.” It could be the first step to actually abandoning the line. [Some of the line, though not that to Smurfit Stone, was listed for abandonment in 1999–see 30 April 1999 issue.]

The official said: “I’ve been battling these guys for years and years, and have nothing but bad words for them. They don’t invest money in the condition of the track.” At one point GRS proposed a plan to solicit funds from EOTC, “but they never did that.”

Smurfit Stone has two choices: truck material here, or send it to a transload facility. “But Guilford is actually still servicing us until they get rid of a backlog of cars.” He has seven or eight cars remaining to deliver.

Asked how he persuaded the railroad to do that despite the embargo, Wiezbowski said, “They’re obligated to supply product here, and I hung over their heads. I told [a Guilford marketing official] they had botched the situation so badly, that they did not have numbers in line. I told him, ‘You have a responsibility to bring product to me, if you do not you will shut the plant down [and generate] bad publicity.”

As far as the numbers, GRS asked him to pay more for the transload. Wiezbowski refused, noting he had a delivered price from the paper mills, so he was not obligated to pay more for the transload.

Wiezbowski added, “I know people like Dick Willey, and Syd Culliford. I deal with these people day in and day out. They have totally mismanaged the situation. In the overall scheme of things they don’t have the money to invest in the track.” But, he noted, Dick Willey said GRS doesn’t make any money coming down here, they are losing money given the cost of equipment and crews.

Noting the possibility of the plant closing and the attendant loss of manufacturing jobs, Wiezbowski continued: “It’s surprising to me that the state has not pressured people like GRS to cut this crap out. We are one of the bigtaxpayers in town; if we had to shut plant down because of idiots like Guilford,” the town would lose the tax revenue and the well-paying jobs.

“Most people in my competition have dealt with this group at one time or another and have the same issues we have.” {ANR&P discussion 27.Feb.01}

**Not affected by an embargo: Merrimac Paper**

This company is located barely yards from the GRS Freight Main and the Lawrence Yard [see map in New Hampshire]. Ron Lizotte, corporate director of procurement, said Merrimac Paper is “still getting rail service, though not so good service....It’s always been bad.” Even though located very close to the yard, “we have to beg for service.”

Merrimack uses rail inbound for secondary and virgin fiber, from which it makes paper. Lizotte estimated the traffic at over hundred cars a year. {ANR&P discussion 27.Feb.01}

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**THE GUILFORD EXPLANATION OF EMBARGOES**

David Fink, GRS executive vice-president, said the railroad has been fighting the ice and snow all winter. “We have struggled the best we can to get to our customers. However, with one customer on a eight-mile stretch of track......” [See New Hampshire.]

**ANR&P ANALYSIS: GRS not making money on some**

An industry commonplace states that for short lines to make money, they need between 100 and 200 carloads per mile per year. Most shortlines, according to your editor’s calculations, hover right around 100/mile/year. Guilford, on the other hand did about 157 carloads per mile per year in the late 1990s.

Looking at the Salem Industrial Track [see New Hampshire], GRS must move under two hundred carloads a year the 4+ miles from Lawrence to Salem for Key Packaging, leaving the ‘per mile per year’ figure far short of one hundred.

Over on the Wakefield Industrial Track, again GRS is moving under two hundred carloads per mile per year, this time only about 2+ miles. That ‘per mile per year’ comes in at around 100, within the normal range but well short of the GRS average.
**Housatonic Railroad**

15 February. **THE RAILROAD'S TRACK IN THE COMMONWEALTH IS CLASS 1**, said Ed Rodriguez, executive vice-president. In correcting a reporting error in the *Berkshire Eagle* [which I then inserted into the 13 February issue - editor], he wrote that the track is not excepted track. ‘Housatonic does not operate any excepted track and most of the railroad is class 2.

‘Housatonic does continue to improve its track conditions throughout its lines, including the portion on which Berkshire Scenic desires to operate.’ {e-mail to ANR&P}

**NH Railroads**

**NHDOT**

22 February. **THE PUBLIC HEARING ON THE RAIL PLAN** elicited many comments. The department announced that it would accept further comments from the public only until 2 March. {ANR&P discussion with Bill Boudreau of NHDOT 26.Feb.01}

16 February, Concord. **CLF AND GUILFORD BOTH OPPOSED A GRADE CROSSING** in this city, which would give access to a new, large development in Guilford’s former freight yard, much now leased to New England Southern Railroad. Both David Fink, GRS executive vice-president, and Nancy Girard of the Conservation Law Foundation noted that plans for a high-speed rail corridor through the city were moving ahead [see Regional].

Paul Sanderson of NHDOT, who was conducting the hearing for NHDOT which must approve the crossing, heard from both CLF and Guilford that a separated-grade crossing would be required. The City of Concord argued that the cost was too much. He took the matter under advisement. {ANR&P discussion with Girard 26.Feb.01}

**Guilford Rail - NH**

26 February, Salem. **KEY PACKAGING IS SUFFERING FROM THE GUILFORD EMBARGO**, said Chief Executive Officer John Flynn.

**About Key Packaging**

The company makes plastic bags for retail use, a business with slimmargins, where pennies matter. Flynn said he competes on a national basis by bidding. “Our strength lies in the Northeast, because of the cost of outbound transportation.” Rail brings plastic pellets inbound; well over a hundred cars arrived in 2000, and the company will grow significantly in 2001.

Manufacturing at this location began 26 years ago; the
owners located the plant on the rail line knowing they would need rail service to deliver raw materials.

Chronology of the embargo
On 5 January, Guilford published in the local paper its three-year system diagram map, listing once again the Salem Industrial Track as planned for abandonment in the next three years.

On 8 January, Key received its regular Monday delivery. On 15 January, cars of plastic pellets were located in Lawrence Yard, but were not delivered. Key’s traffic manager called GRS, and was told that the railroad had put off future deliveries for some time due to winter conditions.

With such short notice, Key “was scrambling, and in fact had to shut some lines for awhile,” said Flynn. His company orders resin 30 days in advance. Via transloading (from as far away as Indiana) and trucking, Key got back on track. Temporarily, the company is getting its pellets by transload from points in Massachusetts not on Guilford.

Economic impact
Rail provides the most economic way to receive raw materials, Flynn stated. All his competitors are located on rail lines, so that if he has to receive by the more expensive method of truck or transload, he has a tougher time competing.

Treatment by Guilford
Per Flynn, “Most disheartening was the lack of notice” that Guilford would stop supplying the railcars. “We have no recourse, because Guilford has a monopoly. Poor service is an offensive weapon, to get rid of rail customers [the railroad] doesn’t particularly care for any more....

There’s supposed to be an official process for rail spur abandonment via the STB. By using a winter embargo or poor service, Guilford is circumventing the process, and unofficially getting to the endpoint they desire.”

Moving not a good option
Unlike B&D Warehouse, which moved from Salem to Lawrence [see box], Flynn did not view moving as a good option. The company uses heavy manufacturing equipment, with special building requirements such as high roof clearance. Furthermore, the move would disrupt the company; most important, it would face the potential of losing employees. “We have long-term, well-trained employees very hard to replace in a tight labor market.”

Other options
Flynn believed that the company needed to stay. Best: find a way to get GRS to continue. Alternatively, Key had to find a way to cut some delivery costs. The state could buy the track, and let it out to another rail operator. [ANR&P discussion 26.Feb.01]

“it was never on my agenda, but now there seems to be a real bunch of possibilities.” Frye noted it would become the only public transload facility shy of McAdam or Saint John.

The St. Stephen Development Board, an arm of the town, owns the unsold land in the St. Stephen Industrial Park, through which the NBSR line runs to the Maine border and an interchange with the GRS switcher serving the Georgia Pacific plant. Saunders plans a spur 900 feet long off a single switch, with an intermodal ramp at the end, side loading, maybe gravity unloading. The siding will also make NBSR switching easier, as it lies only one mile from the Maine border.

He is not looking for grants to build the siding, but possibly loan guarantees. The amount of businesses showing interest indicates that the facility will pay for itself. “We can finish the siding in a manageable period of time, by the end of July.”

Customers?
Locally, said Saunders, everyone is excited about another access onto the rail line. “What happens at GP up in the air.” Frye listed four possible customers, which Saunders confirmed:

- Frye’s own company Bayside Stevedoring, which will use it to bring product for outbound maritime shipments. Even though rail comes very close to the port, it does not come dockside, so he’d have to droy the product anyway. “Fifteen miles to St.Stephen or one mile is not much difference.”

- SWP, a maker of value-added fencing and other cedar products. The company represents 40% of all cedar production in New Brunswick. Much of its raw material comes from northern Maine. The product goes to the US Eastern seaboard.

- A company making aboveground petroleum storage tanks for domestic use. It provides them to the Boston area.

- A metal fabricating facility which would bring raw steel inbound by rail.

The industrial park has another seven to ten businesses, said Saunders.

Companies with private sidings
These include Ganong Chocolate [which also uses intermodal service–see 28 July 2000 issue, and ships chocolate overseas via Halifax–see 12 March 1999 issue], Flakeboard, and WoodChem, which feeds Flakeboard resin glue [see 22 September 2000 issue]. [ANR&P discussions 26.Feb.01]

NEW BRUNSWICK SOUTHERN

NEW BRUNSWICK SOUTHERN

26 February. THE DEVELOPMENT BOARD IS MOVING AHEAD WITH THE TEAM TRACK, said Don Saunders, director of the Board. “Peter Frye was the sparkplug to get the idea of a transload facility accepted.” Saunders said

1 According to two sources who have talked to Georgia Pacific, in addition to the normal car fee, the company is paying NBSR $800,000 a year for ten years to help maintain the track from St.Stephen to McAdam. GP uses upwards of 4,000 carloads a year, so that adds about $200 per car to the cost of doing business. {16 July 1999 issue}
made an error which needed correcting, delaying the publication by about two weeks. \{ANR&P discussion\}

**BAYSIDE**

26 February. **THE PORT CORPORATION IS EXPECTING WORK ON THE EXPANSION** of the laydown area to start in a month, said Peter Frye of Bayside Stevedoring. “We’ve gotten most federal approvals on environmental impact, and we’re waiting to get provincial approval.” That should match the schedule of the JAMER quarry \{see 3 March and 3 November 2000 issues\} which will go back into production another month.

Frye explained that the fill material will come from the quarry. Though the port will still pay for it, transportation costs will amount to virtually nothing.

The port stakeholders will turn to the rail access issue once the expansion is in hand. \{ANR&P discussion\}

**Bayside traffic**

Frye said his warehousing was not too bad, but his stevedoring business was terrible, due to financial problems with the shipper and the shipping line to Cuba. \{ANR&P discussion 26.Feb.01\}

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**PEOPLE, POSITIONS, EVENTS**

Edgar T. Mead Jr., died on 22 February, after a life-long interest in railroads and transportation. Among the 14 books and more than 100 professional and technical articles Mead published in the fields of railroads, transportation economics and finance are several on Maine’s narrow gauge railroads. Translating interest to action, Mead also stepped in on numerous occasions to save steam locomotives from the scrapper’s torch. Tourist lines at New Jersey’s Pine Creek Railroad and in France and Ireland are now operating thanks to locomotives that Mead purchased and preserved. **R.I.P.**

Vanasse Hangen Brustlin, Inc. (VHB) announced that Robert Johnson joined the Boston-based Transit & Rail Group as a Senior Project Manager. Most recently, Johnson oversaw outside contractor planning and construction services for the MBTA Commuter Rail Operation. At VHB, Johnson will coordinate design efforts on multi-disciplined rail projects including the New Bedford/Fall River Commuter Rail Extension Project.

Thomas W. Jackmin, P.E., joined VHB’s Massachusetts Transportation Team as a Senior Project Manager. At VHB, Jackson will assist in directing VHB’s role in the Massachusetts Bay Transportation Authority’s (MBTA) New Bedford/Fall River Commuter Rail Extension Project.

James J. Brennan joined VHB’s Transit & Rail Group as Senior Rail Operations Specialist. He most recently served as the MBTA’s Deputy Director of Railroad Operations.

**CALENDAR**

22 March. The Nova Scotia Legislature will open. No railroad bills are expected.

3 May. The TRAQ Group (Transportation by Rail Across Quebec) is organizing a Railway Colloquium on Safety & Security on 3 May 3 in Sainte-Foy, PQ at the Hotel Gouverneur. Present: CN, Ultramar, VIA Rail, Transport Canada, Transport Quebec, Quebec-Cartier, Montreal Metro and many more.

For information please contact Louis-François Garceau. traq@total.net Vox: (418) 832-1502 Or go to http://www.total.net/~yahwe/tut/indextraq.htm and click on Colloque sur la sécurité ferroviaire.