Twice-monthly trade newsletter dedicated to the preservation and extension of the rail network in New England, the Maritimes, & eastern Québec.

Operating railroads + ports, intermodal facilities, and government environment

**Issue 00:10  26 May 2000**

**REGIONAL ISSUES**

**CONNECTICUT**

[No report.]

**MAINE**

FTR: McCain a possible Amtrak Express customer. IRAP has $18 million in proposals. Specialty Minerals is looking at a satellite transload.

**MASSACHUSETTS**

CSXT: Cousineau opens West Springfield terminal to draw on southern New England.

GRS: Railway battalion seeking access to Westover.


**NEW HAMPSHIRE**

NHDOT: ‘Rail Council’ created.

West Lebanon: Local concern holds up CCRR operation.

FTR: Nashua RFPs going out.

**RHODE ISLAND**

[No report.]

**VERMONT**

VAOT: Capital budget passed. Details. Update on industrial siding program.

**MARITIMES/QUÉBEC**

[No report.]

**ATLANTIC NORTHEAST PORTS**

Nova Scotia: table of traffic at 11 ports.

**Pictou:** Privatized. Some traffic concerns.

**Sydney:** Port Days, plan to create a port authority.

**Saint John:** New liner services.

**Bayside:** More detail on Jamer.

**PEOPLE, POSITIONS, EVENTS**


**Forest products**

Perhaps because of the growing season, stories on forest products leapt out of the ground at me for this issue. The ports of Pictou and Saint John talk about that traffic, and Stephen Chute of Cousineau talks about moving the traffic from truck to rail [my favorite story].

- Chop Hardenbergh

**Errata:** Last issue, I mistakenly wrote that the theoretical commuter rail in the I-93 median would connect at Woburn MA with the subway. It will connect with the T’s commuter rail.

**FROM THE PUBLISHER**

**REGIONAL ISSUES**

**PW**

23 May. **THE RAILROAD IS MOVING FREIGHT VIA THE CAR FLOAT.** Traffic has grown to about 4 cars per week on the

New York Cross Harbor Railroad. ‘Service has been consistent and cost competitive. Other moves are under review.’ {ANR&P e-mail from PW’s general counsel Deborah Sedares}

MAINE RAILROADS

FOR THE RECORD:

MAINE

ONE B&A/AMTRAK EXPRESS CUSTOMER: According to Rob Elder of MDOT, who spoke at an RTAC meeting in Bangor on 18 May, McCain Foods would like to use the service via Wells River [see 16 May issue].

SOME $18 MILLION IN PROJECTS is sought for the available $2 million in MDOT’s Industrial Rail Access Program, Elder also said. {ANR&P coverage by correspondent Fred Hirsch}

SPECIALTY MINERALS is considering opening a satellite transload facility in Maine, according to Joe Leddy, who works out of headquarters in Bethlehem PA. {The company operates a processing plant in Adams MA which ships lime to Madison ME for its pcc plant there. See 30 April 1998 issue.} {ANR&P discussion 25.May.00}

MASSACHUSETTS RRs

CSXT - MASSACHUSETTS

23 May, West Springfield. THE RAILROAD ACQUIRED A NEW TRANLOAD CUSTOMER here during the first quarter. A CSXT press release stated: ‘As a result of the integration of Conrail in June 1999, CSXT has expanded its efforts helping businesses locate on the rail system in the Northeast. A total of more than $3.8 million in new customer revenue can be attributed to the railroad’s work on six projects in Connecticut, Massachusetts, New Jersey and New York during the first quarter. During this time period, CSXT industrial development efforts helped bring a total of nearly $11 million in investment capital and more than 60 jobs to this new territory.’ {text of press release 18.May.00}

The Massachusetts customer

Cousineau Forest Products of Henniker, New Hampshire opened a transload operation in CSXT’s West Springfield yard during the first quarter. Stephen Chute, the consultant who put together the business for Cousineau, said it took advantage of excess woodchips produced by sawmills in southern New England.

“The chips had moved to SAPPI in Westbrook, Maine, and to a Procter and Gamble mill in Menoopuni, Pennsylvania. But SAPPI closed its pulp mill, and the P&G mill shut down, leaving a surplus of chips at the mills.” Chute was able to develop a market for the chips in Japan, and find a port to ship them on the southern Atlantic coast of the United States. {When the Port of Portsmouth was trying to export woodchips to Japan, it found that the extra cost of running the ship up to New England made the NH chips non-competitive with those in the South—see 29 October 1999 issue.}

“We buy the chips and load them out in West Springfield. CSXT rails them south,” said Chute. Cousineau is now buying from more than six southern New England mills, and has a contract to provide 1250 rail cars/year to the southern port.

How Cousineau got to West Springfield

Chute approached Pat Byrne, who heads CSXT’s industrial development for the Northeast. The railroad put Chute in contact with Eastwood Carriers of Westfield MA to start a pilot project. This worked so well that Eastwood’s yard on Union Street, on CSXT’s main line, could not hold the Cousineau business and its other customers. CSXT then offered Cousineau three new sites, and Chute selected West Springfield as the best. The “beautiful terminal” sits right next to the railyard, with a truck scale and a thousand feet of siding.

The actual loading is subcontracted to KRP Enterprises of Connecticut. Curt Richmond oversees the operation from Cousineau Forest Products headquarters in Henniker NH.

One supplier, Davis Tree and Logging of Danbury CT, has invested a large chunk of capital in a whole-tree chipper. Workers fell the tree and feed it whole into the chipper, which first strips the bark and then chips it into ‘clean chips.’

Other traffic

Cousineau now also procures roundwood in southern New England and transloads it at West Springfield for International Paper’s mills in Erie Pennsylvania and Ticonderoga New York.

“We’re loading out 1,000 tons of roundwood each week from 25-30 producers, both loggers and land-clearers, in southern New England,” said Chute.

The Madison shuttle

Cousineau loads GRS cars with raw bark from Madison Paper, the mill in Madison ME [40% owned by the New York Times and 60% by a Finnish company. In 1998, the NYT used 11,000 tons of the total of 175,000 tons of supercalendered paper produced at Madison. {Annual Report 1998}] This is railed to West Springfield and sold there for the local market. On the backhaul, the cars are loaded with saw logs, transloaded at Madison Paper, and drayed to Cousineau’s saw mill in Strong, Maine.

How are the railroads doing?

Both CSXT and GRS are now doing well, said Chute. “The first car to move is always difficult,” Chute noted. “The railroad needs to train the cars, but after they have gone to and fro once, they know how to go back and forth from then on.”

As for car supply, CSXT has made a “pretty large pool available to West Springfield,” he said. And IP supplies its own cars for the roundwood move.

How Chute came across this business

Starting off in ship management, he moved on to working with Roger Hale, the owner and operator of the Turners Island Railroad in South Portland ME. In looking for bark for a biomass fuel project, he came across Cousineau’s operation.
SOME BACKGROUND

On Cousineau
This company, headquartered in Strong, Maine, is held privately, with Randy Cousineau as the principal. Cousineau Forest Products division operates two ‘concentration yards’: Henniker NH, and West Springfield.

In Strong, Cousineau Inc. operates a saw mill; chips from the mill supply local markets. With brokered chips from Henniker, it supplies, all by truck, paper companies such as American Tissue of New Hampshire (Berlin-Gorham), Mead (Rumford ME), International Paper (Jay ME), and Norbord in Ticonderoga NY.

Woodchip supply in southern New England
To those like your editor, the fact that southern New England supplies wood, rather than receives it, startles us. But Chute said “southern New England is a huge fiber producer, a tremendous source of hardwoods. On I-91 you’ll see a steady stream of trailers carrying hardwood logs north to Canada. We’ve captured some of that and diverted it by rail to Madison.”

Cousineau is also working on diverting to rail roundwood now moving by truck to the mills in Rumford and Jay ME. A pilot project may start in a week or so.

Finally, said Chute, the company is looking at markets in Europe.

The perfect woodchip
Chips used to make pulp for paper mills must not have bark on them. When produced specifically for pulp, they measure 7/8ths x 7/8ths square, and 4-10 millimeters thick. {ANR&P discussion}

GRS - WESTOVER
25 May. AN ARMY RAILWAY BATTALION WOULD LIKE TO USE THE BASE for training during the summer. Captain John Rettman, who handles public affairs for the 1205th Railway Battalion, said on 31 May his executive officer and various Army and Air Force officials along with someone from GRS would discuss the battalion’s use of the tracks on the Westover Air Force Reserve base.

The embargoed track
The battalion’s two locomotives are stationed on the PVRR [see 21 January issue], though one spent last weekend in Danbury during Railfan Day. To get a locomotive to the base for training, it will need to pass over the track which GRS embargoed on 22 October 1999 [see 22 November 1999 issue]. Once the battalion has approval to use the base track, it will approach GRS to discuss whether and how to pass over the embargoed track.

The agreement with PVRR
The Army is still negotiating with PVRR to use its track for training as well. “That’s our goal,” said Rettman. He agreed with another official though: “Nothing can be slower than the government and the railroad trying to work together.”

Recruits wanted
The battalion has 62 slots open and is looking for recruits who would like to work on the railroad in the Westover/Westfield area. Contact Rettman at 203-634-7718 or cptrrettman@aol.com. {ANR&P discussion}

FOR THE RECORD:
MASSACHUSETTS

THE BERKSHIRE SCENIC RAILROAD got one step closer to operating on HRRC tracks. Ed Rodriguez of HRRC said the consultant hired by EOTC to look at the state of the tracks has done so, though the report is not yet out. (ANR&P discussion 24 May.00)

STILL NO BOND BILL. The Massachusetts Senate was handling the budget the last two weeks. The conference committee may take up the T portion next week.

GRS FILED TO ABANDON THE BEMIS BRANCH on 18 April with the STB [see 2 May issue]. The branch ‘extends from milepost 8.83 to milepost 10.94, a distance of 2.11 miles....The applicants' entire case for abandonment and discontinuance was filed with the application....The line of railroad has appeared on B&M's system diagram map or has been included in its narrative in category 1 since January 26, 1999...Any interested person may file with the Board written comments concerning the proposed abandonment and discontinuance or protests (including the protestant's entire opposition case), by June 12, 2000. The line sought to be abandoned and discontinued will be available for subsidy or sale for continued rail use, if the Board decides to permit the abandonment and discontinuance, in accordance with applicable laws and regulations (49 U.S.C. 10904 and 49 CFR 1152.27). No subsidy arrangement approved under 49 U.S.C. 10904 shall remain in effect for more than 1 year unless otherwise mutually agreed by the parties (49 U.S.C. 10904(f)(4)(B)). {STB Docket No. AB-32 (Sub-No. 89) served 18 May.00}

NH RAILROADS

NHDOT
17 May, Concord. THE LONG-AWAITED RAIL COUNCIL WAS CREATED [sort of] when Governor Jeanne Shaheen established by executive order the New Hampshire Integrated Transportation and Rail Advisory Council. She charged the council with identifying and addressing international, national, regional and local issues that may affect transportation in New Hampshire.

"Our new economy demands a superior transportation system, and we need to provide choices to our residents and businesses. We need to look at our transportation system as a whole and integrate various transportation options - roads, air, rail, buses, and pedestrian and bicycle paths – to give the widest possible range of choices to our residents, businesses and..."
visitors."

The council includes a cross-section of people involved in transportation issues: transportation users and providers, environmental organizations, and tourism and economic development officials. Leon Kenison, the commissioner of the Department of Transportation, will chair the council.

New Hampshire has begun developing statewide aviation, rail and public transit plans. The advisory council will review all three plans to ensure that they are complementary and integrated.

Advisory Council Members
Leon Kenison, Commissioner, Department of Transportation
Matt Jacobson, St. Laurence & Atlantic Railroad
Benjamin E. Clark, Plymouth & Lincoln Railroad
Steve Wells, COAST
Bob Fennerty, NH North Coast Railroad
Jim Jalbert, C & J Trailways
Harry Blunt, Concord Trailways
Kevin Dillon, Manchester Airport
Geno Marconi, NH State Port Authority
Raymond Burton, Executive Councilor
Peter Griffin, NH Railroad Revitalization Association
Caroline McCarley, State Senate
Bob Spoerl, Trails Bureau, Dept. Resources and Econ. Dev.
Robert J. Sculley, NH Motor Transport Association
Nancy Girard, Conservation Law Foundation
Jim Hurley, Eastern Propane
Tim Murphy, Southwest Regional Planning Commission
Andrew Singelakis, Nashua Regional Planning Commission
James Wemyss, Groveton Paperboard, Inc.
George Katsakiores, House of Representatives
David A. Fink, Guilford Rail Systems [governor’s press release]

The initial meeting of the Council was not set as of 26 May.

WEST LEBANON

24 May. **A PUBLIC INFORMATION MEETING ON THE RAILROAD RE-START** will occur on 14 June. NHDOT had planned to have a public meeting around 22 May [see 16 May issue], but following a meeting among NHDOT Commissioner Leon Kenison, Executive Councilor Ray Burton, and Lebanon City Manager Jim McSweeney, the state decided it needed more information. Particularly, it wanted to know more about the Claremont Concord Railroad’s (CCRR) proposal for the Westboro Yard, because several citizens had raised various concerns [see 16 May issue].

Barnes, CCRR general manager, said that while the railroad was willing to work with the city and state, she was concerned that a couple of people’s objections to the return of rail service may take a disproportionate influence. “It’s a little bit frustrating” Barnes said.

Who’s objecting?
“No one has called us to object,” said Barnes. In fact, “we have had pro-rail people call us.” Recently a member of Lebanon’s Planning Board came down to Claremont to observe the operation there, and said he supported the return of rail.

The Upper Valley Trails Alliance would like state help in persuading the Claremont Concord Railroad to allow a separated portion of the bridge between West Lebanon and White River Junction to remain open to pedestrians and bicycles after the trains return. The bridge would be part of a proposed trail linking Lebanon and Hartford.

Who’s in charge
Barnes emphasized that under the CCRR operating agreement, the railroad does not determine use of the 24-acre Westboro Yard along the Connecticut River [see map].

CCRR was asked by NHDOT to come up with some suggested future uses of the Westboro Yard. So Barnes listed the south part of the yard a manufacturer who would ship or receive by rail, a warehouse for transloading, and petroleum distribution from the existing fuel tank. Farther south, the yard could become a community park on the river. “In our five year plan” CCRR will probably build an engine house in the north part of the yard.

CCRR also suggested taking down the existing buildings except for the bunkhouse. However, “the state would make any decision,” Barnes said. “If they’re salvageable, the state will do it.” The state will also decide on the tenants for the yard.

As for contamination in the yard, the state again has responsibility. It recently signed a contract with Jacques Whitford Co. Inc., which has an office in Portsmouth, to evaluate contamination of the Westboro yard. Whitford is preparing to clean up oil and other contaminants in the Connecticut River near the yard, and the new $74,300 contract includes investigation of the extent of potential contamination from asbestos, oil, and ash in the yard and its buildings. Further cleanup of the area would be the next step. The state has set aside $200,000 of the sales payment to GRS, the former owner, to clean up the yard [see 13 August 1999 issue].

Customers
Twin State Sand and Gravel would become the primary customer in the beginning, railing gravel over from Vermont [see 4 February issue]. Other initial customers would include Irving Oil [one report has this at 50 cars a week from Saint John NB] and Janci Metals.

CCRR anticipates other customers such as Barker Steel [see 26 May 1999 issue], Johnson and Dix, Suburban Propane, Timken Aerospace, and Valley News.

The Twin State service
This company currently provides gravel, asphalt, and fuel oil. In addition, pointed out owner Bud Ames, it would like to work with a neighbor to develop a 100-acre site to lease to tenants who want rail service. To access this, it would run a new siding in from the south [see map]. Although the city approved re-zoning the area as ‘industrial, rail-access,’ Ames is still slogging through the Planning Board and Zoning Board procedures. “The city is not opposed to development, but it does not take a leadership role, either.”

Twin State now has rail into its gravel facility via a siding east of the main line, currently unused. It would revive this
siding, which could also serve the two asphalt plants and a fuel oil facility.

**The gravel operation**
According to Ames, NECR and CCRR may agree to use a temporary siding for service this summer. NECR will apply to VAOT for industrial siding funds. Twin State will seek a permanent siding south of the temporary siding into Twin State’s quarry.

**Concerns about traffic; new road alignment**
Initially, rail operation will decrease truck traffic, as gravel to Twin State will move by rail. However, McSweeney pointed out, truck traffic could rise back up if current businesses, or new customers proposed by CCRR for Westboro yard, increased their distribution traffic.

The city could reduce some traffic impact on the residential area by rerouting Glen Road.

**The public meeting**
On 22 May, McSweeney, NHDOT’s Jim Marshall and Finn Posner, Lori Barnes, Steve LaValley (a major CCRR stockholder), Ken Ryder who heads the city’s public works department, and Ken Niencyk who runs the planning department, met and agreed that NHDOT will announce at the end of this week the day of a public information meeting in Lebanon, which will provide an opportunity for concerned citizens to hear the plans for the railroad, and to ask questions. CCRR will present its proposed operation, and NHDOT will present long-range plans for that part of the use of the Westboro railyard not used by CCRR.

“Not everyone will be overjoyed with the project,” predicted McSweeney, “but they will have a good opportunity to understand it.” {ANR&P discussions 24 & 25.May.00; Kristina Eddy in Valley News 17.May.00}

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**FOR THE RECORD:**

**NEW HAMPSHIRE**

FOR THE NASHUA COMMUTER RAIL, NHDOT will send out RFPs in the "next few days" for preliminary engineering.

{ANR&P discussion with Kit Morgan 24.May.00}

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**VERMONT RAILROADS**

**VAOT**
15May, Montpelier. **THE VERMONT GENERAL ASSEMBLY PASSED THE TRANSPORTATION CAPITAL BUDGET** for FY01, which starts 1 July. Representative Dick Pembroke of Bennington said the legislature was able to add about $2 million for rail by removing other VAOT projects which were not going forward during FY01. He was “very happy with it, it’s one of the best budgets for rail.” {ANR&P discussion 24.May.00}

The bill, H.0853, contained the following changes to the capital budget submitted by VAOT:

**Rail program statewide—money added**
1(b)(12) The schedule for the rail program statewide project for development and evaluation is amended as follows: in budget year fiscal year 2001, by striking the figure for “other” and total figures $519,000 and inserting in lieu thereof $639,000 and by striking the state figure $183,800 and inserting in lieu thereof $303,800.

**Charlotte-Burlington—money reduced**
(13) The schedule for the railroad program, system preservation railroads, project Charlotte-Burlington is amended by striking in budget year FY 2001 the “other” figure $1,000,000 and inserting in lieu thereof $700,000 and by striking the state figure $200,000 and inserting in lieu thereof $140,000 and by striking the federal figure $800,000 and inserting in lieu thereof $560,000.

**Rutland rail yard**
(14) A new project, Rutland railroad yard, is added to the listing for the rail program, development and evaluation. The city of Rutland has determined that the Otter Creek Route 4/7 site be designated for the location of the Rutland rail yard. The sum of $120,000 appropriated to the agency of transportation for railroad purposes shall be reallocated to the city of Rutland for the necessary environmental assessment and permits, and for the project scoping and definition. This project shall include a study of the feasibility of constructing an intermodal highway to a rail freight transfer center in the Otter Creek Route 4/7 Rutland rail yard.

**Green Mountain tie work: money increased**
(19) The schedule for the rail program project Bellows Falls-Rutland for the Green Mountain Railroad is amended as follows: in budget year fiscal year 2001, by striking the “other”, total and state figures $250,000 and inserting in lieu thereof $830,000. This funding is for: cross-tie installation between Bellows Falls and North Clarendon; a turnout upgrade for the Bellows Falls rail yard; the Riverside rail yard; the Chester rail yard; and for rail installation between East Clarendon and North Clarendon.

**Industrial sidings**
(20) The schedule for the rail program statewide project for three-way partnerships is amended as follows: in budget year fiscal year 2001, by striking the “other” and total figures $450,000 and inserting in lieu thereof $705,000, by striking the state figure $150,000 and inserting in lieu thereof $235,000 and by striking the local figure $300,000 and inserting in lieu thereof $470,000.

**NECR Burlington branch**
(21) A new project is added to the rail program, Burlington to Essex, for New England Central Railroad for maintenance as follows: in budget year fiscal year 2001, to “other”, total and state figures $170,000.

**VTR improvements in Rutland**
(22) A new project is added to the rail program, Rutland, for Vermont Railway for the purchase and installation of welded rail and a power switch as follows: in budget year fiscal year 2001, to “other”, total and state figures $305,000.
Wells River trackwork
(23) A new project, Hartford-Newbury RR, is added to the rail program as follows: in budget year fiscal year 2001, by adding “other”, total and state figures $350,000. This project is to reimburse the state’s interim operator of the former B&M White River Junction-Wells River line for expenditures incurred to maintain and rehabilitate the line between MP S-123 (White River Junction) and MP S-163 (Wells River), together with the former B& M yard in White River Junction, following he December 10, 1999 purchase by the state. To be eligible for reimbursement, expenditures shall be reasonable and approved by the agency of transportation.

VTR bridge check
(24) A new project is added to the rail program, Rutland-Florence for Cooper E rating status of bridge structures, the design of needed improvements, and their construction as follows: in budget year fiscal year 2001, to “other”, total and state the figure $100,000.

Amtrak brochures
(c) Pursuant to Sec. 2 of Act No. 18 of 1999 (advancement or cancellation of projects), the general assembly approves cancellation of the following project: (1) Brattleboro STP EH96(10) (Amtrak heritage trail brochure grant);

Sec. 5. RAIL CAPITAL INVESTMENT POLICY PLAN
The sum of $40,000 is appropriated from the transportation fund to the agency of transportation policy and planning program (account # 0408811901). The federal funds appropriated in Sec. 1(b)(12) of No. 18 of the Acts of 1999 shall be expended, along with funds appropriated in this section, by the agency to produce a rail capital investment policy plan, which shall be submitted to the House and Senate committees on transportation by January 15, 2001. The plan shall be created by the agency of transportation through a cooperative effort with railroads operating in Vermont, the Railroad Association of Vermont, shippers, receivers, regional planning commissions, the Chittenden County Metropolitan Planning Organization, public transit operators, regional development corporations, the conservation law foundation, the agency of commerce and community development and the general assembly. Included in the policy plan shall be recommendations to the general assembly for statutory changes necessary to implement the plan. At a minimum, the plan shall include the following:

(1) A vision of what a fully-implemented rail system would be like, including intermodal connections, regions to be served, individuals to be served, businesses to be served, and a multi-year funding program that is within the state’s reasonable capabilities to achieve such a system;

(2) An analysis of the current funding system, including proposals, if any, for changes to the current system;

(3) Options for future development of double-stack rail freight, including the secretary conferring with his or her counterpart in Massachusetts to determine the possibilities for cooperative efforts in developing a double-stack rail corridor;

(4) A statement as to the role of rail transportation in the state’s total transportation delivery system;

(5) An examination of current users of rail transportation, as well as areas of the state with potential for rail use that presently are underserved;

(6) Options for transportation and rail infrastructure improvements that would directly lead to a reduction of commercial motor vehicles that are currently transporting goods and freight on state highways;

(7) A statement outlining rail investment priorities for the state;

(8) Examination of the current signal maintenance program and recommendations for state funding; and

(9) A study of the feasibility of attaching passenger rail cars to freight trains for the movement of rail passengers. The study shall include, but not be limited to, examination of any federal statutes or regulations that address the issue of connecting passenger rail cars to freight trains, the various issues surrounding freight and passenger scheduling, and the potential for ridership.

WCRC agreement approved
Sec. 6. WASHINGTON COUNTY RAILROAD COMPANY; APPROVAL OF OPERATING AGREEMENT
The general assembly hereby approves the September 30, 1999 operating agreement between the state of Vermont, agency of transportation and Washington County Railroad Company for lease and operation of the state-owned railroad line between Montpelier Junction and Graniteville.

Lease of state-owned track
Sec. 7. 5 V.S.A. § 3405 is amended to read:§ 3405. LEASE FOR CONTINUED OPERATION (language added in italics)
The secretary, as agent for the state, with the approval of the governor and, when the general assembly is in session, the general assembly, and when not in session, the legislative joint fiscal committee, is authorized to lease all or any state-owned railroad property to any responsible person for operation of a railroad, provided that approval for the operation, if necessary, is granted by the Interstate Commerce Commission. The lease shall be for a price and shall be subject to any further terms and conditions as, in the opinion of the secretary, are necessary and appropriate to accomplish the purpose of this chapter.

Sec. 8. BURLINGTON RAILROAD YARD RELOCATION
The agency of transportation is directed to evaluate the feasibility of funding options for a proposed relocation of the Burlington railroad yard, including assessment of potential federal, state, local, private and innovative funding options. The agency shall report its findings to the House and Senate committees on transportation no later than January 15, 2001.

U.S. Route 4 in New York; Vermont East-West Highway
Section 26: (a) The secretary of the Vermont agency of transportation shall contact the commissioner of the New York
state department of transportation to determine the New York plans for upgrading U.S. Route 4 in New York from the Vermont border at Fair Haven to New York Route 149 and from Route 149 to I-87. The secretary shall stress the importance of this corridor to both states, and encourage commencement of the planning and upgrading process. A report shall be filed by the secretary with the House and Senate committees on transportation by January 15, 2001.

(b) The secretary of the agency of transportation shall develop a report incorporating past and current studies for the movement of freight by rail and commercial motor vehicles along an east-west corridor from Rutland to the New Hampshire border. The report shall take into consideration the resources available to the state, the current transportation capital program and project development plan, and improvements to the current transportation infrastructure which would have the potential to increase rail freight shipments through the corridor. This report should synthesize all previous studies related to the feasibility of constructing a new highway or reconstructing existing highways, and any combination of the two. The data resulting from this review shall be reported to the legislature by January 15, 2001. {legislative website}

ITEMS IN THE BUDGET NOT AMENDED BY THE GENERAL ASSEMBLY

Raelene Jacobs, who handles legislative matters for VAOT, listed the following:

Montpelier-Barre
$250,000 of state money for repairs.

Albany-Burlington
For selected track improvement between Bennington and Rutland, the state would provide $588,528 to match $2,354,111 in federal dollars.

Lamoille Valley
For waste disposal and other work, $220,00 in state money.

Amtrak
For FY01, $650,000 in state money and $900,000 in federal money to pay the subsidy for the Vermonter and the Ethan Allen.

Burlington-Essex Junction
$183,000 in state and $335,000 in federal money for future rail work.

Grade crossing in Sharon
For a re-located grade crossing, new flashers, and gates, $250,000. [Presumably to make more safe the future Gas Supply trucks.]

Property management
To handle the state-owned track and rights of way, $700,000, and for bridge repair, $1,050,000.

Administrative support

For the rail division, $1.2 million, including the new positions of director and business manager. {ANR&P discussion 25.May.00}

23 May, Montpelier. AN UPDATE ON THE INDUSTRIAL SIDING PROGRAM was provided by Dick Bowen of VAOT’s rail division [see 14 April issue]. NVR is still applying for the siding for Caulkins Sand and Gravel in Lyndonville. Bowen is now proposing to fund Burlington Electric’s planned unloading shed this year, as long as the work is “obligated and under contract” by 1 July, the end of FY00.

NECR and CCRR have applied for funds for a permanent spur into the quarry of Twin State Sand and Gravel [see New Hampshire]. {ANR&P discussion}

SAINT JOHN

May. KENT LINES RECEIVED AN AWARD FROM FREIGHT FORWARDERS for the best service among lines calling Canada. Graham Fraser, new vice-president of Kent Line, said the Toronto-based Canadian International Freight Forwarders Association found that Kent’s Toronto-based staff had a strong sense of commitment, especially in shipping to the Caribbean.

“We have a particular focus in the region. It’s our back yard. It’s the trade we specialize in,” Fraser pointed out.

New service
Kent is adding non-stop service from the Port of Miami via a vessel-sharing arrangement with Seaboard Marine of Miami. Kent’s new, larger container vessels will ply that route. The Kent Express has been in service since October 1999. The Kent Sprint, the second and last of the two 1,000-TEU vessels of the class completed at Saint John Shipbuilding, is undergoing sea trials and will go into service in June [apparently not the end of May, as B&A predicted—see ??].

Kent also operates direct breakbulk service from Canada and the United States to northern Europe, the Mediterranean, and the Caribbean. {John Stuart in Atlantic Transportation Journal summer.00}

May. WALLENIUS-WILHELMSEN LINES ADDED A NEW FORTNIGHTLY CALL for the port this month, for its ro-ro ships plying between North America and Australia/New Zealand (ANZ). It already made a monthly call to pick up forest products bound for Europe.

Chris Connor, executive vice-president of Wallenius-Wilhelmsen Americas (Wallenius and Wilhelmsen merged in 1999), will unveil further traffic when he speaks at Saint John Port Days 5-6 June. “We’re pretty happy with Saint John,” he said in a recent interview. “Now we’re trying to build on that for some additional commodities....

“A number of factors were in our thinking when considering Saint John, but the most significant was our capacity. We deal
primarily in certain commodities, like forest products, automobiles, and farm equipment, and Saint John enhances our opportunities for breakbulk cargoes like these, and we’re hard at work to increase them.

**The Forterm role**

Paul Doiron, president of Logistec-owned Forterm, said his firm played a role in attracting the ANZ service. “We were able to identify a number of potential cargoes that could be attracted to Saint John with this regular service. The first one was Great Northern Paper [in Millinocket ME] and it is working extremely well. There are other shippers as well who are beginning to ship on a regular basis with that line who were not previously coming to Saint John.

The ANZ traffic has boosted the port’s forest products 30% above 1999. “We are seeing some increased tonnage not only in forest products but also in containers and in project cargo as well.

**Other Forterm callers**

Doiron noted that Kent Line, Gearbulk, Hoegh, and Star Shipping use Forterm. “We also have traditionally strong markets in the Middle East, so more frequent calls by the National Shipping Company of Saudi Arabia is very good news.” {Chris Williams in Atlantic Transportation Journal summer.00}

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**NOVA SCOTIA PORTS**

*THE PROVINCE HAS 11 INTERNATIONAL PORTS*, more than any other Atlantic province or New England state, possibly rivaling Québec. {table produced by ANR&P with additional input from Chris Hall of Stafford Business Advisors}

*Note:* Unlike the United States, where the Corps of Engineers maintains and publishes (albeit late!) accurate and comprehensive commodity-by-port statistics, Canada keeps them confidential, to protect commercially sensitive information at the many single-shipper ports (such as Pictou, Pugwash, etc.).

Please provide updates or corrections, and comments as this remains a work in process.

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**ESTIMATED 1999 NOVA SCOTIA PORT THROUGHPUT**

*Excludes ro-ro ferry traffic*

<table>
<thead>
<tr>
<th>Port</th>
<th>Tonnes loaded</th>
<th>Tonnes discharged</th>
<th>Principal commodities and shippers</th>
</tr>
</thead>
<tbody>
<tr>
<td>Hantsport</td>
<td>1,500,000</td>
<td>0</td>
<td>Gypsum [US Gypsum] (out)</td>
</tr>
<tr>
<td>Shelburne</td>
<td>10,000</td>
<td>30,000</td>
<td>Frozen fish (in), containers [Eimskip] (in and out)</td>
</tr>
<tr>
<td>Liverpool</td>
<td>125,000</td>
<td>0</td>
<td>Newsprint [in containers -Bowater Mersey Paper Co.] (out)</td>
</tr>
<tr>
<td>Halifax</td>
<td>6,200,000</td>
<td>7,820,000</td>
<td>In: Crude oil [Imperial Oil], rubber [Michelin Canada], flour [Halifax Grain Elevator Ltd.], automobiles [Autoport] refined petroleum [Imperial Oil, Irving], containers. <strong>Out:</strong> gypsum [National Gypsum], forest products, containers.</td>
</tr>
<tr>
<td>Sheet Harbour</td>
<td>50,000</td>
<td>200,000</td>
<td>Woodchips [Northern Fiber Terminal]; project cargoes [offshore development and pipeline contractors]</td>
</tr>
<tr>
<td>Strait of Canso</td>
<td>6,200,000</td>
<td>4,800,000</td>
<td>Out: Crude oil transshipments [Statia Terminals], gypsum [Georgia-Pacific and US Gypsum], aggregates [Martin Marietta], pulp and paper [Stora-Enso, Kimberly-Clark]. <strong>In:</strong> kaolin [English China Clays] project cargoes [gas processing plant development] , coal [Martin Marietta wharf], Gypsum [US Gypsum]</td>
</tr>
<tr>
<td>Little Narrows</td>
<td>900,000</td>
<td>0</td>
<td>Refined petroleum products, coal [NSPower] (in),</td>
</tr>
<tr>
<td>Sydney</td>
<td>50,000</td>
<td>300,000</td>
<td>containers [Marine Atlantic, to Newfoundland] (out)</td>
</tr>
<tr>
<td>North Sydney</td>
<td>300,000</td>
<td>0</td>
<td>Salt [Canadian Salt Co.] (out)</td>
</tr>
<tr>
<td>Pugwash</td>
<td>100,000</td>
<td>0</td>
<td>Pulp [Kimberly-Clark] (out)</td>
</tr>
<tr>
<td>TOTAL N.S.</td>
<td>15,435,000</td>
<td>13,150,000</td>
<td></td>
</tr>
</tbody>
</table>
NOTES

Halifax. The only port to publish annual port cargo throughput statistics. It does not break down its total between tonnage loaded and discharged. Total throughput for 1999 was 14,018,831 tonnes. In 1999, tonnages increased over 1998 in every category of cargo except ro-ro traffic (predominantly imported automobiles).

Sheet Harbour saw significant one-time project cargo activity as the principal onshore point for the Sable Island gas project and the associated Maritimes and Northeast gas pipeline. Sydney saw a shift in 1998-99 from being a predominantly export to a predominantly import port, with the closure of most of DEVCO’s coal mining capacity and the wind-down of operations at Sydney Steel, which rolled its last rails in May 2000. Coal is now imported for Nova Scotia Power’s thermal plants via Sydney’s DEVCO International Pier and the Strait of Canso.

Strait of Canso includes the Statia Terminals transshipment facility, part of which was converted in 1999 to a gas fractionating plant for the Sable Island project. This is expected to ship significant quantities of light oil, propane and butane-and-products of gas production—by sea and rail. Other major terminals at Canso are the Mulgrave public wharf, and the Martin-Marietta aggregate quarry wharf. In 1998 the Stora-Enso paper mill began importing kaolin for its new supercalendered paper machine, under a three-year contract with English China Clays, Ltd. The Mulgrave wharf also exports pulp and paper: Stora-Enso no longer produces market pulp, although it ships newsprint and value-added papers, and Mulgrave handles a portion of the market pulp exports of Kimberly-Clark’s mill at Abercrombie Point, near Pictou.

PICTOU

3 March. TRANSPORT CANADA TRANSFERRED PIER C MARINE TERMINAL, effective immediately to Pictou Marine Terminals, a wholly-owned subsidiary of the site’s sole user Straitline Stevedores Limited. The transfer agreement includes a $1,000,000 federal contribution to be used exclusively for operational and maintenance costs. Transport Minister David Collenette, together with Senator Bernie Boudreau, Leader of the Government in the Senate and Nova Scotia’s representative in the federal Cabinet, and Jim MacKelvie, general manager of Straitline Stevedores Limited, made the announcement.

The port, open year around, has a 7-meter depth. {Canadian Coast Guard Harbours and Ports}

Current traffic

MacKelvie said in May that his company primarily moves forest products through the terminal. About 100,000 tonnes of pulp per year go out on ships. [According to Chris Hall, transportation consultant, the Kimberly Clark mill (formerly Scott) in Abercrombie Point (across the harbor from Pictou) provides the pulp for export. For example, the Paleisgracht called Pictou in April and arrived 27 April in Eastport ME to pick up more pulp from Georgia Pacific, bound for Vlissingen and Chatham. {ANR&P discussion with Hall; The Quoddy Tides 12 May.00}]

Another customer exports telephone poles. The pier will also see cruise ships, and a tall ship visit this year, as well as periodic dockings by the replica Hector.

No rail

MacKelvie noted that rail formerly ran right to the port, but that it was removed some years ago [1986, according to Christopher Andreae in Lines of Country (1997)]. “It was a backward step; we could do more cargo if we had rail.” For example, some of the ships picking up the pulp also discharge imported steel rails at other ports. “That rail could come here.”

[CBNS still serves the Kimberly Clark mill, the current end of track of the branch. {Atlantic Northeast Rail & Marine Transport Review 1999}]

Reload operation

Straitline also owns rail-served Truro Reload and Storage in Truro. “We handle 99% outbound lumber,” said MacKelvie, “but we have also handled lumber inbound.” Reload, rather than stevedoring, has the best growth potential for Straitline.

Canso operation

Straitline also handles other pulp at Mulgrave in the Strait of Canso, about 50,000 tonnes per year. “We’ve done this for the past five years, either because of winter operations or because deeper water is needed.” {ANR&P discussion 24 May.00}

Possible future use

In 1999, the Pictou Regional Development Commission wrote a plan for economic development which included several port- and rail-related steps:

Action 4.7.2 called on the Commission to identify the most promising export markets for Pictou County businesses, by autumn 1999. Action 4.7.3 would create trade missions to the most promising markets; an effort to be done by the Pictou Regional Development Commission, the Nova Scotia Department of Economic Development & Tourism, and the Chamber of Commerce in spring 2000.

Action 4.7.5 proposed to investigate the need for mini-containers for small and medium enterprises who ship less than container loads. The Cape Breton and Central Nova Scotia Railway, the Canadian Manufacturers Association, the Atlantic Provinces Transportation Commission, and the Chamber of Commerce would investigate this in autumn 1999. {Regional Development Commission website}

24 May. A FEW IN TOWN WANT TO RESTRICT TRUCK OPERATIONS. MacKelvie explained that Straitline, the mayor of Pictou, and the paper mill had a gentleman’s agreement to restrict hours of trucking to 7AM to 10PM. “A lot of thought and planning went into this.”

Because his terminal does not have an on-site warehouse, all pulp must be loaded directly from the truck to the ship. When a ship calls, 12-20 trucks move continually, within the hours of operation, in a one-hour cycle to load the ship.
Disgruntlement
A few people in town are concerned that the trucks harm the tourist trade. MacKelvie reported that three of them, sitting on the Business Improvement District Commission, voted to ask the town to restrict trucks to between 8AM and 6PM, six days a week, and to limit trucks to only 200 per month.

This would change the nature of the terminal, according to MacKelvie. “We know we compete head to head with other, larger ports. Our forte is we have a flexible, non-unionized workforce.”

In response to the proposed limit, about 20 stevedores held a protest march. {ANR&P discussion; Halifax Herald 18.May.00}

SYDNEY/NORTH SYDNEY
17-18 May. The future of the port was discussed by speakers during the annual Sydney Port Days.

Professor Mary Brooks
The professor, who directs the Centre for International Business at Halifax’s Dalhousie University, led a seminar entitled: ‘Thinking Globally, Acting Locally Charting our Course for the Future.’ In a discussion on 25 May, she recounted the three parts of her presentation.

First, the global environment in which ports now operate, in different market sectors. The seminar concluded that Sydney could not play a role as a container port, except with the occasional container on deck. Participants also concluded that efforts in the bulk area were best spent retaining the existing customers.

Brooks did not discuss the specifics of the SYSCO, DEVCO, and Sydport situations [see below] because other speakers did that during Port Days. Dan O’Halloran of Halloran Campbell [see below] discussed the devolution of Sysco and DEVCO.

Second, thinking locally about other roles the port could play, such as support of off-shore oil and gas; on-shore warehousing and distribution; manufacturing and assembly; and waterfront tourism including cruise ships.

Third, Brooks called for closer ties in the region among the governments involved, so that they cooperated with each other, rather than competed against each other. Even New England and Atlantic Canada should act in concert on the national level.

However, Brooks supported competition in the private sector, for example that between Halterm and Ceres in Halifax. {ANR&P discussion 25.May.00}

Sir Graham Day
A prominent person in the province and the man who headed the effort to convince Maersk/Sea-Land to locate a facility in Halifax, Day described to a luncheon audience the strategic view of an ‘operational audit’ looking inward, and an ‘environmental scan’ looking outward. In the latter, he said, no Canadian port would ever become a Hong Kong, or a Rotterdam, or a Singapore.

Inbound bulk [coal, coke, petroleum products] and cruise ships provide most of the port’s traffic. Bulk carriers call several times in most months. Perhaps the bulk traffic could make Sydney a transhipment point.

As for containers, Day noted that the east coast Canadian ports—Halifax, Saint John, and Montréal—do not provide enough population to serve as a destination; they all act as transshipment ports.

Finally, he noted, the successful ports either are privately operated, or if public are operated on a commercial basis. {text of speech}

23 May. Local officials plan to create a port authority, said Don Rowe, harbor master and head of Rowe Stevedoring Services. A group of officials from the local Board of Trade and Cape Breton Regional Municipality (170,000 population, covering all of Cape Breton county, amalgamated from all smaller municipalities) has received a $100,00 feasibility study done by O’Holloran & Campbell consultants of Halifax.

The facilities of Sydney Harbor
Sydney proper has three facilities, which the officials want to bring under the umbrella of the port authority:

DEVCO International Pier. Upgraded in 19922-1994 [correcting story in 99#01], this pier sees coal imports (775,00 tonnes in 1999) for nearby Nova Scotia power plants [see 12 May 1999 issue]. The federal government is selling DEVCO, the coal operation, which will include both the railroad which serves the pier (DVR), and the pier itself.

SYSCO pier. This serves the Sydney Steel Company and has rail; it lies to the south of the DEVCO property. Currently underutilized (150,00 tonnes in 1999) [scrap metal—see 12 May 1999 issue], it will be sold along with the company; for which the province is struggling to find a buyer.

Sydney Government Wharf. Situated in downtown Sydney off Esplanade, the federally-owned facility is for sale. The majority of petroleum product (destined for local consumption) is offloaded here by pipeline to the Esso tank farm.

North Sydney has two facilities. The government wharf, formerly owned by Transport Canada, was sold to M/V Osprey, a fishing operation. Marine Atlantic operates a ferry terminal in North Sydney, with twice-daily sailings to Newfoundland [a service caught up in the Terms of Union dispute with CN—see 14 April issue]. Neither has on-dock rail.

Sydport, recently sold by the province to private purchaser Laurentian Energy [see 15 October 1999 issue], serves a fair-sized industrial park across the south arm of the harbor from downtown Sydney. The park and its pier have rail.

The plan of the group
The local officials are negotiating with Transport Canada to purchase Sydney Government Wharf as the first step toward a port authority. “We have made no official proposal; we have met for one year” putting one together [see 12 May 1999 issue], said Rowe. Armed with the O’Holloran Campbell study, he expects the group to offer a specific amount of money in the next several
weeks.

The group has met with politicians, management, and the union of Sydney Steel about purchasing the pier when the company is sold.

Similarly, the group has approached the federal government about the DEVCO pier. “DEVCO can’t break apart the sale of the facilities [all four parties bid on the entire package—see 21 January CBNS],” said Rowe, but federal officials have promised that the group will have first crack at buying the pier from the new owner of DEVCO.

BAYSIDE

24 May. A DESCRIPTION OF JAMER’S OPERATION was provided by Danny Williard, head of Arundel Corporation, a subsidiary of Florida Rock Industries (FRK).

Ownership and operation of Jamer

Jamer Materials (Jamer) was formed in 1997 by two individuals to expand Port Bayside by removing the granite on provincial land which immediately surrounded the port [see 3 March issue]. In February of this year Florida Rock Industries (FRK) acquired one-half interest and became a general partner in Jamer. Atlantic Coast Materials (ACM - principal Randy Waterman) continues to hold the balance. Danny Williard, president of the Arundel Corporation (a wholly-owned FRK subsidiary) is primarily responsible for Jamer. Arundel manages the FRK operations in Maryland and Virginia. Miller Esson, general manager, is responsible for Jamer day to day operations. [The Esson family owns M.F.Esson of Miramichi, which builds crushers and screeners and other rock-handling equipment. {ANR&P discussion with Esson official 25.May.00}]

Bayside Bulk Terminals Corporation (BBBTC), which loads out the granite aggregate from the quarry; is wholly owned by Jamer.

Bayside port management

As described earlier [see 3 March issue], the Bayside Port Corporation has 11 shares and 13 seats on the board. Williard said BBTC owns four shares.## The other seven are held by Bayside Food Terminals (2)(principal Peter Frye), Bayside Potato Port (1) (owned by McCain Foods), Champlain Stevedoring (1) (principal Maureen Worrell), Logistec Stevedoring (1), Charlotte County Ports (1), and Westroc (1). Each share represents one vote; in addition, local municipalities* have one vote in common but no shares, and union St.Croix Stevedores and Associates** has one vote but no shares.

*St.Stephen, St.Andrews, McAdam, and St.George. Bayside, an unincorporated territory, has a ‘local service district’ and is governed by the province, lying between St.Stephen and St.Andrews.
**St.Croix Stevedores and Associates is a local, non-ILA union.
#Charlotte County Ports offered to buy the entire port [see ANR&P 99#02].
## These nominally belonged to Wilson Sand and Gravel, disbanded at the end of 1999, Jamer Materials, Bayside Materials Handling, and one other.

Impact on the community

According to Peter Frye, vice-president of the port corporation, when Jamer began, it accepted hours of operation at the quarry as 7-7 five days a week for the permit. Frye warned people that the quarry is located in an industrial park, and no one in peak season could accept those hours.

Yet some neighbors were objecting to the dust and the traffic, and Frye to the lack of notice about blasting; he recently received only a 45-minute notice.

Williard said Jamer now took “very seriously” its relation to the community and wanted to “operate taking into account the concerns of the community. The hours [of operation] are what they are. We would like to get community support to mitigate any concerns.”

The impact of rail

Williard doubted that Jamer would ever rail the aggregate out; “too many inland quarries exist.” However, rail would help other customers expand the port. Indeed, Jamer is cutting away first the granite closest to the pier in order to provide more space for operations for additional port users.

Competition with Saint John and Eastport

Would Bayside grow at the expense of these nearby ports, especially if it got rail? Williard did not believe so. Speaking personally, and generally rather than to the specific situation, he believed that when one improves commerce at any one location, the entire industry benefits. “It’s short-sighted to oppose the growth of a nearby port.” {ANR&P discussion 24.May.00}

PEOPLE, POSITIONS, EVENTS

Brett Rekola of Louis Berger Group has completed consulting work for NNEPRA on the Portland-Boston Amtrak service as of May 14, 2000. He began consulting engineering and project development work on this project in 1993, thinking the job might last 11 months!

He will now return to Berger’s offices in Needham to focus on rail projects. Berger is currently providing consultant services for the Acquidneck Island Rail Initiative, MDOT rail initiatives, and the Metra Westside Extension a $202 million commuter rail capacity expansion project in Chicago.

On 26 May, Emons Transportation announced that Matthew C. Jacobson, Vice President of the Company, submitted his resignation effective June 18, 2000, to pursue personal interests. Jacobson is also President and Chief Operating Officer of the St. Lawrence & Atlantic Railroad Company (“SLR”), the St. Lawrence & Atlantic Railroad (Quebec) Inc. (“SLQ”) and aine Intermodal Transportation, Inc., the three operating subsidiaries that comprise the New England/Quebec Operations.

Robert Grossman, chair of Emons commented, "We are sorry to see Matt leave. He has served the Company well for the
past four years and has been instrumental in repositioning and
growing our business. We wish him much success in his new
pursuits."

Mr. Jacobson stated, "This position has expanded my
knowledge of the rail transportation industry. I am certain the
qualified management team in place will continue to operate the
New England/Quebec operation smoothly upon my departure."

Mr. Grossman concluded, "We have a strong management
team in place in our New England/Quebec operation, which will
report directly to me until we hire a successor. Although we will
miss Matt's continued contribution, this will not deter Emons'
continued growth and customer focus." {Emons press release}