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

operating railroads + ports, intermodal facilities, and government environment

Issue 00:20 20 October 2000

REGIONAL ISSUES
SLR: Update on intermodal traffic, etc.
US: high-speed rail designation. Funding of NE rail and port projects.

CONNECTICUT
HRRC: Canaan customers.
FTR: Island Transportation grade crossing MAINE
Calais: MDOT marketing for tourists.
GRS: Can the Waterville ramp be saved?
MC: Will discontinue service. MDOT meetings on coming passenger service. New customers?
SLR: trestle to Union Branch MASSACHUSETTS
HRRC: still no deal for Berkshire Scenic
MCER: Buys 1.5 miles from CSXT NEW HAMPSHIRE
CCRR: West Lebanon news.
NHCR: Two new customers. Box on MacIntyre facilities in region.

RHODE ISLAND
[No report.]
VERMONT
B&A: STB filings for startup. Plans for doing so.
Amtrak: Hard to tweak service. ABRB master plan.
LVRC: Report on cost to upgrade out.
TSRD: Gilman plant using transload.
VRS: Update on Charlotte commuter service.
Washington County may have new customers.

MARITIMES/QUÉBEC
FTR: QCR going well. Canadian election to slow funding for excursion on QSR.

ATLANTIC NORTHEAST PORTS

PEOPLE, POSITIONS, CALENDAR
Bruce Nett, Marian Pimeo, Bob Bentley.

FROM THE PUBLISHER

The STB handles many matters
Call it the alignment of the stars, or pure coincidence: The STB in early October issued notices or decisions on (1) the withdrawal of the Maine Coast from operating the Rockland Branch and the Lower Road; (2) the transfer of operating rights from Guilford to CDAC for the stretch between Wells River and White River Junction; (3) the transfer of operating rights from Guilford to CCRR for the West Lebanon Branch; and (4) the purchase by the Massachusetts Central of 1.5 miles of track from CSXT.

Three of these steps involve former Guilford property.
Assuming that MDOT can find a strong operator for the former Maine Coast lines, all four steps arguably permit short lines to continue their strong role in the New England rail network.

Note that attorney James Howard handled three of the four STB cases.

The e-bulletin
Print recipients may receive, free of charge, the Atlantic Northeast Rails & Ports e-bulletin. It will give you a news update between the regular issues. You need only send me your e-mail address.

- Chop Hardenbergh

Next issue: 18 August.

REGIONAL ISSUES
16 October, Auburn ME. THE RAILROAD HAS DELIVERED ITS FIRST CONTAINERS FROM HALIFAX. Ed Foley, SLR vice-president for marketing, said the railroad brought in several

The Pacific lane and balance
Containers moving between Asia and New England via Vancouver and Auburn are "working well...We're doing quite a bit with ZIM [see 3 July issue]. APL has slowed down a bit on the inbound but have continued to export several commodities on the export through the 'Vancouver Gateway.' We are presently working with CN and US Customs in Portland on EDI transmission and our ability to speed up the information between the parties; communication is the key in this international business," Foley said. Despite the fact that New England imports much more than it exports, SLR is operating the Auburn ramp balanced both domestically and internationally.

"Eventually that will change." As Auburn catches more and more of the international imports, it will not see an equal increase in the exported containers. "However, that is where the domestic repositioning and the abundance of paper traffic that we currently handle will fill the void. Our ability to drop more freight into the Massachusetts market will also allow us to gain additional loads out and thus keep us balanced," Foley maintained.

Domestic intermodal and balance
Foley characterized domestic loadings as "significantly up inbound and outbound extremely strong." Auburn balances the inbound and outbound traffic by using a triangular system. "Most truckers take a full intermodal unit to a receiver, pick up the empty unit which was delivered the day before, and take it to a paper mill or another domestic shipper."

At the paper mill, the trucker drops the empty and picks up a unit loaded by the paper mill, which he had delivered empty the day before. Then the trucker drives the full load to the Auburn ramp.

"This happens not only in Maine, but dipping down into Massachusetts and New Hampshire as well." Very infrequently does the same company receive raw material by container, and ship finished product out by container.

Site expansion
While "we're not struggling with property we currently have," said Foley, "we need to take the next step" of expanding into an additional 17 acres. "Steamship companies won't give us business if they don't think we have room to accept their traffic." The SLR is negotiating with other steamship lines to use the Auburn ramp.

Bids to construct the new facility will be opened on 20 October. "We hope to announce the winner this Friday afternoon, and have a good portion of it done by the end of December."

Auburn helps Ayer: the dynamics of intermodal traffic
Foley argued that the success in Auburn Maine has helped the GRS terminal in Ayer Massachusetts and for a short while the Waterville Maine operation. "Before Auburn did so well, shippers and receivers would not even consider using an alternative to Boston and New York, "not to mention Vancouver and or Halifax via land bridge service; all intermodal traffic moved along the Boston-Albany line or was trucked from NY using all water service."

Now shippers have some real alternatives. Auburn continues to provide inland freight savings for destinations north of Boston on international containers from the Far East and as far south as Connecticut from Halifax." It will take time to see if Ayer can maintain the balance necessary to show an economic advantage to the lines and provide the much needed backhaul revenue that they need," Foley added.

The three other Maine terminals—Waterville, Bangor, and Presque Isle—have not succeeded in part because they could not balance inbound and outbound loads. "With New England traffic weighted so heavily inbound, the terminal operator must figure out which system to use to balance." The cost of positioning empty equipment eliminates the price advantage of intermodal [see Waterville problems in 6 October issue - NS service to New England].

Foley attributed the balance to working hard with the truckers, to learning about the production cycles, and determining how many chassis are needed. Thus far the railroad has had enough chassis. With further expansion, SLR officials are looking at how they can add value by providing chassis and further reduce steamship companies costs.

Traffic totals
According to Foley, Auburn is doing 1500-1800 lifts a month, well above the rate of about 1100 per month in the second calendar quarter [see 22 September issue]. Carloadings average about 2,000 a month,.also up significantly from the 16,000 or so of the last fiscal year [see Annual Report 2000]. {ANR&P discussion with Ed Foley 16.Oct.00}

UNITED STATES
10 October, DC. THE TRANSPORTATION APPROPRIATIONS BILL CONTAINED PORK FOR ALMOST EVERYONE as approved this day:

Connecticut. According to a press release from Senator Chris Dodd (D), the state received no funding for rail or port projects.

Maine. $1.5 million for an intermodal transportation center on the Bangor waterfront, $600,000 for further Bangor waterfront improvements, $2 million for the Oceangate passenger terminal in Portland, and $1 million for the Calais Branch. {MDOT press release}

Massachusetts. More than $6 million for several state transportation projects, including $1 million for a bus and train center in Brockton, $1.5 million for bridges in Dartmouth and $1 million for a garage at the Attleboro commuter rail station. It also includes $1.2 million for bus service in Lowell, and funds a Provincetown pier, a Springfield train station, development on the North Shore and rail and ferry service in New Bedford. {Alex Canizares in States News Service 11.Oct.00}
Rhode Island. A press release from US Senator Jack Reed (D) listed $17 million for the Freight Rail Improvement Project. In addition, it includes $500,000 for the Pawtucket Commuter Train Layover Facility.

Vermont. $2 million for Bennington to Burlington rail improvement on the west side of the state, requested by Senator Jeffords.

Region. $200,000 to begin the first phase of studying creation of high-speed rail between Boston and Burlington [see 3 July issue].

11 October, DC. THE FEDERAL RAIL ADMINISTRATION DESIGNATED AS A HIGH-SPEED LINE the route from Burlington to Boston, as requested by the states of the region [see 1 September issue].

Boston to Auburn ME included also
As requested by Maine and other states, the FRA also designated this corridor for high-speed rail. NH Representative Charlie Bass said, "This designation is welcome news and another positive step in diversifying the available modes of transportation for New Hampshire and Northern New England. Revitalizing the rail system in New Hampshire will help reposition our existing infrastructure in many of our downtowns to take advantage of new economic development, including new tax revenues, job creation, and new small business spin-off opportunities." {Bass press release}

"It makes getting (a train) to Lewiston/Auburn and beyond much more doable in my mind," said John Melrose, Maine's commissioner of transportation. "It makes us more competitive to go after federal funds." Melrose said Maine has committed more than $12 million to improve rail lines, proving to the federal government that the state is serious. That established commitment, he said, improves Maine's chances of receiving federal money.

Senator Olympia Snowe (R, Maine) agreed: "This will allow us to get our fair share in with respect to the rail system," she said. "Almost every other state in the country has had Amtrak, and so the fact that we are in a position now to have the benefits of viable passenger service for rail . . . is going to be great."

Snowe, who was instrumental in getting federal approval to increase the speed on the Boston-to-Portland rail line to 79 miles per hour, said rail service is coming back into vogue, and fast trains are key to success. "The high-speed aspect of this rail service is a critical component. I would have been seriously concerned if we could not have gotten this high-speed rail." High-speed corridors are defined as rail lines where train speeds of 90 mph or greater are possible. {Joshua Weinstein in Portland Press Herald 12.Oct.00}

CONNECTICUT RRs

HRRC - CONNECTICUT

17 October, Canaan. ONE CUSTOMER EXISTS ON THE FORMER CENTRAL NEW ENGLAND SECTION in Canaan: Speciality Minerals. The ‘old’ Central New England once ran from Hartford to New York state; most of it has disappeared. Two track sections remain: the one in Canaan now a spur heading east off the HRRC main line, and the Griffins line operated by the ‘new’ Central New England owned by A.J.Belliveau.

Specialty Minerals
This company mines limestone on quarries along the former CentralNewEngland. The Processed Minerals group of Specialty Minerals mines, processes and markets, from four mineral sites across North America. natural calcium carbonate (limestone), dolomite, talc, and chlorite. {www.mineralstech.com/body_specialty.html }

An employee at the plant, located on the spur, said in anticipating of shipping more product, the company is putting in a second switch off the main line and a switch inside the plant, and a second loading site at the plant.

Canaan also houses two other rail customers:

Sheffield Plastics
Sheffield Plastics, a subsidiary of the Bayer Corporation, has an on-line plant in Sheffield MA, and an off-line plant. The off-line plant is served from a team track in Canaan.

Sheffield Plastics is the second largest producer of polycarbonate sheet in the world.

Becton, Dickenson
This publicly-held health products company produces in Canaan BD Falcon brand Conical Centrifuge Tubes and Specimen Containers. {www.bd.com} It is located on the main line. {plant locations from HRRC}

FOR THE RECORD: CONNECTICUT

THE GRADE CROSSING FOR ISLAND TRANSPORTATION in North Haven was removed around 1 October [see 21 March issue], according to Gilbert Smart, who handles crossings for ConnDOT. The track removed from Universal Drive had permitted CSXT to serve that location. Smart stressed the removal "is not necessarily permanent. It remains on our crossing list and can be reactivated." {ANR&P discussion 19.oct.00}
MAINE RAILROADS

CALAIS BRANCH
17 October, Ellsworth-Calais. **MDOT WANTS TO MARKET THIS SECTION TO MAJOR ENTITIES.** In a RFP issued in mid-October, the department requested ‘qualifications and proposals for the production of a video to promote development of the Calais Branch Rail Line. The MDOT’s intent is to use this film to solicit interest from the recreational and tourism industries in partnering with the MDOT in the development of this rail line. ‘The goals of this project are to: increase utilization of transportation options; encourage visitors to travel in Maine without their cars; support economic development in Eastern Maine.... The Calais Branch offers an uncommon opportunity for excursion rail service combined with ecotourism activities and cruise ship access in Bar Harbor and Eastport.’ Responses are due 20 November.

Why market the opportunity?
Tracy Perez, who is handling the RFP for the Office of Passenger Transportation, recognized that local operators have expressed an interest in operating excursions on the line (particularly from Ellsworth east), “but none have the economic resources to come to the table to provide capital investment.”

By using the video, she hopes to pique the interest of the large-scale, substantial people in the tourism industry, who won’t see an RFP for excursion operators “in a Maine newspaper.” The department believes success will require a substantial commitment, including purchasing the train equipment and constructing hotels. “Developing tourism in Washington County means increasing lodging capacity; Eastport has only 30 beds and would be overwhelmed by one tourist bus.”

Time frame
Perez hoped to get the video within four months. Following marketing to the tourism industry, “at some point we will do an RFP. If the major players tell us we’re crazy to think about the Calais Branch as a tourist attraction, then we’ll rethink our approach.”

But if substantial national companies find the idea attractive, “that gives us leverage to go to the Legislature” to ask for funds to upgrade the track. (NR&P discussion 17.Oct.00)

GRS - MAINE
16 October, Waterville. **HOW THE GRS INTERMODAL RAMP COULD HELP ECONOMIC DEVELOPMENT** in the Waterville area was discussed by the Central Kennebec Strategic Planning Project over the summer of 2000.

Status of Waterville ramp
Built with GRS funds, the facility uses a packer obtained as a lease from MDOT. [The siting and lease were arranged through

the Mid-State Economic Development Commission. When some of the municipalities supporting the commission stopped their funding, the Commission lost its staff in September 1999. The 10-year lease remains extant, with low payments in the first few years.]

Over the past year, traffic at the ramp has varied; observers at this point view it as moribund.

An effort to revive the ramp
According to the October version of the draft report of the Planning Project (put together with the assistance of the Maine Development Foundation), it ‘brought together people from Fairfield, Oakland, Waterville, Winslow and surrounding towns to create a regional economic development plan based on collaboration among towns governments, businesses, and community members. We formed a planning committee of town officials, business people, educators, and representatives from citizen groups and community institutions. The committee held bi-weekly planning sessions throughout the summer of 2000 and hosted two community-wide meetings to encourage public comment and involvement.’

The section of the draft project report devoted to infrastructure stated:

‘In many areas of basic services and infrastructure, town governments and quasi-public utilities share the primary responsibility, expertise, and resources. In these cases, collaborative planning and management can benefit the region in two ways:

1. Cost savings through direct cooperation and sharing resources....
2. Better return on investments through collaboration to address regional needs.

...We believe that transportation, utilities, public works, public safety, and other municipal functions offer similar opportunities for residents to benefit from better service at lower cost.

goal
‘By the year 2002, cooperation and collaboration between municipalities and public utilities will maximize the return on public investment through increased efficiency, economies of scale, and a better managed match between capacity and demand.’

measurements
- Line item savings in equipment and service costs.
- Increased volume of freight shipped through the intermodal terminal....’ (text of draft report from KVCOG)

Subcommittee on infrastructure
The Project set up a subcommittee on infrastructure, which held two meetings on the question of the intermodal facility. Eley Keene, executive director of the Kennebec Valley Council of Governments (KVCOG), chaired the subcommittee.
First meeting
Keene invited the two major shippers in central Kennebec, SAPPI (plant in Hinckley on GRS) and Chinet (plant on Fairfield on GRS), and other smaller shippers to discuss their use of the intermodal ramp located in downtown Waterville in the GRS yard.

At the first meeting, Greg Boyd, head of Chinet’s Fairfield plant, described his problem with intermodal shipping. The plant’s product, paper plates and other kitchen items, weigh relatively little. Chinet wants to use the large, 53-foot trailers. Unlike the 48-foot trailers, two of these will not fit on a flatcar for intermodal shipping, thereby making the cost of the move expensive.

Second meeting
At the second subcommittee meeting, no one from SAPPI could attend. However, the committee asked Keene to ask MDOT put pressure on GRS to perform at its ramp. Keene suggested that shippers put pressure Guilford, but the committee asked that he talk to MDOT.

A talk with MDOT
Keene reported that he then spoke with Rob Elder, head of MDOT’s Office of Freight Transportation. Elder told Keene that MDOT had talked to GRS about the service problem at the facility.

Just after that talk, on 14 August GRS executive vice-president David Fink was quoted as saying the traffic at the ramp had turned around [see 18 August issue], predicated on a service turnaround for NS out of Mechanicville [see 22 September issue].

The attitude of SAPPI
Since no one from SAPPI had presented anything to his subcommittee, Keene called Doug Daniels, head of the Hinckley plant. Daniels said SAPPI would like to ship a certain percentage of his product intermodally, but he was dissatisfied with the service. If GRS refused to improve the service, Daniels told the railroad, SAPPI would pull all of its product off the railroad, and use truck exclusively.

In response, GRS did improve the intermodal service for SAPPI for awhile, but then the connecting railroads failed, and the service again went bad.

According to Keene, Daniels said if GRS offered good service at what it should cost, he is ready to ship intermodally.

A third meeting
With this information in hand, Keene called a third meeting of the infrastructure subcommittee, and invited Bob Turner, who works out of Auburn for Hub Group, a national intermodal marketing company. Unfortunately, only Turners showed up to the late August meeting. But he told Keene that the inconsistent service of Guilford was a problem, that Guilford was making no promises of consistent service, and that Hub was draying intermodal units, for all its customers in the Waterville area, to Auburn, Boston, or Worcester to use SLR or CSXT.

However, Turner said, Hub was running a couple of cars on the GRS-NS route to Waterville as an experiment, to see if the service had improved. As of October, though, NS had so much traffic out of Ayer that it had no equipment to spare to reposition into Waterville.

How can service at the Waterville ramp improve?
Keene noted that the Project report did not contain any comments about GRS. “It’s the kind of report on what are we going to do, rather than describe the problems.”

He anticipated that the Project would ask KVCOG to work with GRS and the state to get changes made and to monitor the changes. The draft report anticipates that the four municipalities involved (Fairfield, Waterville, Winslow, and Oakland) would set up a more formal Central Kennebec River Alliance to carry out the recommendations.

And, concluded Keene, “I probably should pay more attention to the intermodal situation, more than I do now.”

{ANR&P discussion 16.Oct.00; Turner e-mail to ANR&P 18.Oct.00}

MAINE COAST
5 October  THE MAINE COAST RAILROAD INTENDS TO TERMINATE SERVICE ON THE ROCKLAND BRANCH AND THE LOWER ROAD, according to two notices issued this day. MDOT is seeking an interim operator. Text of notices:

Rockland branch
Maine Coast Railroad ("Maine Coast"), which is currently the operator of a line of railroad owned by the Department of Transportation of the State of Maine ("Maine DOT") between Brunswick ME and Rockland ME (the "Rockland Branch") in accordance with a modified certificate of public convenience and necessity, hereby gives notice, pursuant to 49 CFR 1150.24, of its intent to terminate service on the Rockland Branch 60 days after the date of this Notice. Copies of this Notice are being served by mail on the Maine DOT and all persons who have used the line within six months of the date of this notice.

MAINE COAST RAILROAD CORPORATION
By its attorney
James E. Howard
Charlestown MA

Dated: October 5, 2000
Finance Docket No. 31727

Lower Road
The notice covering the Lower Road from Brunswick to Augusta was covered by a notice with the same wording except for the docket number and the rail line. {Finance Docket No. 32271}

The docket numbers (Lower Road, Finance Docket No. 32271) and (Rockland Branch, Finance Docket No. 31727) were used when STB predecessor the ICC issued certificates of public convenience and necessity 10 years ago, according to an STB attorney.

The reasoning of Maine Coast
On 10 October MC issued this statement: ‘This is a business decision, based on the fact that the Maine Department of Transportation (DOT) has chosen not to continue negotiations on a new lease, which would have replaced the existing one.’

Bob Bentley, one of the owners who is “acting as
president,” said the board of the railroad had discussed the step and “we feel it is warranted and appropriate. Beyond that, I do not want to comment.”

MDOT position
John Melrose, MDOT commissioner, said on 6 October after the department had received the MC notice: "We have been notified that Maine Coast Railroad Corporation, the current operator on those lines, petitioned the Surface Transportation Board Oct. 5 for discontinuance of service on those lines,” Melrose said. "Under STB regulations, they must continue providing service for 60 days from the date of petition, meaning we have until Dec. 4 to find a temporary operator to replace them. We're confident we can do that within the available time frame, thereby assuring continued service to shippers.

"We're confident we will find both the temporary and permanent operators we need to continue the rejuvenation of rail service as part of our statewide transportation network,” he continued. MDOT is in the middle of a $33-million project to rehabilitate the Rockland branch, improvements Melrose says will make the line even more attractive to businesses and shippers.

Rob Elder, head of the department’s Office of Freight Transportation, made these points:

- The current operating agreement expires on 16 October. MC and MDOT had negotiated for some months about renewal terms, and remained at loggerheads over issues which Elder summed up as two points: a requirement that MC sign a statement of financial viability, and MC’s proposal to cap maintenance costs at a level lower than MDOT wanted.

MDOT requires all major contractors, such as those constructing highways, to sign a financial viability statement. This became the “fatal flaw in the negotiations,” said Alan Bartlett, MDOT’s rail coordinator. "They could not say they were financially capable of upholding the terms of the contract.” Per Bartlett, an attorney for the company said that if it signed the contract as worded it would be in default immediately.

- MC’s notice to throw in the towel probably did not reflect negotiating tactics. Rather, as Elder said, “we knew we were in tough negotiations.”

- The state is seeking an interim operator; Elder firmly believed he would find one before MC left.

- MDOT will issue an RFP for a permanent operator; it expects to take six months to make the award. “We already had a draft RFP ready,” because of the difficulty of the negotiations, Elder said. The department would like to take six months to “make sure we get all qualified short lines” aware of the opening.

The department will “take this opportunity to consolidate the issues into a good arrangement.”

Potential interim operators
Several Maine rail carriers have already expressed interest in taking over, Spinney said, including the St. Lawrence & Atlantic Railroad. Guilford Rail System is another possibility, he said, along with the Belfast and Moosehead Railroad. "A temporary operator is very certain,” Spinney said. "There is a lot of potential on that line.” (Susan Rayfield in Portland Press Herald 12.Oct.00; Greg Foster in Lincoln County News 11.Oct.00)

Robert Grossman, head of SLR as well as its parent Emons Transportation, wrote that SLR is evaluating whether becoming the interim operator made sense for his company.

Issues Maine Coast was facing
Spinney said the railroad had not kept up with routine maintenance over the last 10 years, such as replacing ties and broken rails, and cleaning culverts. Such activities were a condition of the lease."Supposedly, they didn't have the money to do it. In the interest of preserving the freight service, we kept stepping up to the plate and paying for things they should have paid for.”

In addition to the difficult lease renewal situation, ANR&P can list these other problems:

- Grimmell Industries, the scrap dealer, could have provided some financial assistance if MC were able to serve that customer in Topsham. However, the STB decided in favor of Guilford’s continued right to operate there [see 22 September issue].

- The delay on the Lewiston Industrial Track meant that MDOT’s plans to connect the SLR with that track were, as Elder put it, “off in the distance.”

- Similarly, the problems encountered in Amtrak’s reaching Portland continually put off Amtrak reaching Brunswick, and hence the possibility of MC providing passenger service to riders going beyond Brunswick.

- While MC got more traffic with the opening of east Augusta, MC had not convinced Guilford to permit MC to switch the shippers in east August.

- Finally, the strike at Bath Iron Works virtually idled the steel fabricating plant at Hardings, which received steel by rail.

Affected customers
MC serves Maine Yankee, Dragon Products and Chemrock Corporation of Thomaston, Bath Iron Works Harding plant in Brunswick, and Pine State Tobacco and Candy Company in Augusta, as well as the connection to the east Augusta customers. .

Columbia Propane
Columbia Propane in Waldoboro was arranging with MC to restore propane delivery. The manager there reported that his unloading system still needed work.

Dragon Products response
Dragon, the major receiver and shipper on the line, took consolation from MDOT’s promise to get an interim operator.
Jim Jaffray, who handles transportation for Dragon, said on 10 October that by December, the plant will have laid in all its coal for the winter because Dragon does not like to try to unload coal during the freezing weather. It will need the train to move its product to the Rockland spur for piping to a barge. The barge runs through the winter, though not at the frequency it runs during the construction season. [ANR&P discussions 10.Oct.00; with Columbia Propane 20.Oct.00; Rockland Courier Gazette 7.Oct.00; Greg Foster in Lincoln County News 11.Oct.00]

THE LEGAL STRUCTURE
FOR A DISCONTINUANCE OF SERVICE

Under the United States Code of Federal Regulations, when a state acquires a rail line and contracts with an operator to provide service, ‘only the operator incurs a common carrier obligation.’ The operator is exempted from the statutory requirements governing the startup and termination of operations. But the operator must apply for a ‘modified certificate of public convenience and necessity.’ (49 CFR 1150.22)

‘The operator must file a notice with the Board for a modified certificate of public convenience and necessity. Operations may commence immediately upon the filing; however, the Board will review the information filed, and if complete, will issue a modified certificate notice.’

The modified certificate of public convenience

The STB regulations call for the following in the application for a ‘modified certificate of public convenience and necessity’:

‘(b) A notice for a modified certificate of public convenience and necessity shall include the following information: (1) The name and address of the operator and, unless the operator is an existing rail carrier: (i) Its articles of incorporation or, if it is unincorporated, the facts and organizational documents relating to its formation; (ii) The names and addresses of all of its officers and directors and a statement indicating any present affiliation each may have with a rail carrier; and (iii) Sufficient information to establish the financial responsibility of the operator. (2) Information about the prior abandonment, including docket number, status and date of the first decision approving the abandonment. (3) The exact dates of the period of operation which have been agreed upon by the operator and the State which owns the line (if there is any agreement, it should be provided); (4) A description of the service to be performed including, where applicable, a description of: (i) The line over which service is to be performed; (ii) All interline connections including the names of the connecting railroads; (iii) The nature and extent of all liability insurance coverage, including binder or policy number and name of insurer; and (iv) Any preconditions which shippers must meet to receive service. (5) The name and address of any subsidiaries, and (6) Sufficient information to establish the financial responsibility of any subsidiaries (if the subsidiary is a State, the information should show that it has authority to enter into the agreement for subsidized operations). (c) The service offered and the applicable rates, charges, and conditions must be described in tariffs published by the operator to the Board’s rules. (49 CFR 1120.23)

How to discontinue service

The operator on a state-owned line stops service in a manner different from that on a privately-owned line. ‘An operator may not terminate service over a line unless it first provides 60 days’ notice of its intent to terminate the service. The notice of intent must be: (a) Filed with the State and the Board, and (b) Mailed to all persons that have used the line within the 6 months preceding the date of the notice.’ (49 CFR 1120.24)

Thus the operator need only provide notice. No one may intervene to halt the stoppage of service, nor must the operator use data to show the stoppage makes sense economically, nor even list a reason for stoppage.

2 October, Bath. MDOT COMMENTED ON THE PROPOSED ROCKLAND BRANCH PASSENGER SERVICE at a series of meetings. The first was sponsored by TrainRiders/Northeast this day. The department expects proposals for track work on the line by 25 October; it plans to spend a total of $33 million, including more than $28 million for track rehabilitation, more than $3 million for bridge rehabilitation and about half a million for culvert work.

A new alignment through Bath?

John Melrose, MDOT commissioner, said the highway work to provide a new approach to the new Route One bridge in Bath presents an opportunity to straighten out the rail line, which now loops to the north before running back south through downtown Bath to the Carleton Bridge over the Kennebec River.

This would cut travel time. During the question-and-answer session that followed Melrose’s presentation, representatives from Newcastle, Waldoboro and Warren made their pitch to have the train stop in their communities. “We do need to make train service competitive with driving,” Melrose said. “So that once the tracks and trains are in place, local residents will be tempted to leave their cars and use the train to commute to work. We have L.L. Bean in Freeport, the Navy base in Brunswick, BIW in Bath, all of which draw workers from Wiscasset and up the coast. These people would take the train if it was a viable choice.

Melrose said for rail service to be competitive, it must “be fast and frequent” which is one of the problems with the Brunswick-to-Rockland corridor as it is now. Officials estimate the time for the Rockland-to-Brunswick trip as one hour and 50 minutes, compared to about one hour 10 minutes by car.

Constructing a new alignment along the median strip of Route One between Cook’s Corner [Brunswick] and Bath “makes a lot of sense,” said Bath City Manager John Bubier. “I don’t think there would be that much added cost by putting in a new track,” Bubier said.

Work on the Route One viaduct in Bath is not included in the current rail budget figures. Ed Hanscom, an engineer in DOT’s planning office, said funding for the preliminary study of the Leeman Highway project could come in the next biannual budget. [Bob Kalish in Brunswick Times Record 18.Oct.00]

A second meeting was planned for Newcastle on 12 October.
19 October, Augusta. **AMERICAN TISSUE OF MAIN MAY GO BACK TO RAIL**, said Marian Pineo, traffic manager for the northeast [see People]. The company is planning another paper machine in spring 2001. {ANR&P 19.Oct.00}

**SLR-UNION BRANCH**

18 October, Portland. **PRELIMINARY ENGINEERING OF THE NEW TRESTLE TO PORTLAND** is moving ahead smoothly, according to Russ Spinney, head of MDOT’s Office of Multimodal Development. “Only the crossing of the Eastern Promtrail is presenting problems.” The consultants are looking at trail over rail or trail under rail. As for the wish of trail proponents to put a trail alongside the trestle as a way to push the trail network to Falmouth, Spinney characterized that as a costly option. MDOT would prefer to utilize the existing trail which crosses the mouth of Back Cove on Tukey’s Bridge, a less direct route than using the trestle.

Ron Roy, head of MDOT’s Office of Passenger Transportation, said the department is not looking at reviving the existing SLR trestle, or running standard-gauge tracks down to India Street, or using that corridor and the existing trestle to create a wye to turn trains.

Spinney put the target date for completion of the preliminary engineering and obtaining permits for the work as late spring 2001, at which point MDOT would put the construction out to bid.

**Connecting with the Union Branch**

The trestle will lead the SLR tracks to a connecting point with the Union Branch at Forest Avenue. MDOT has asked the consulting consortium to look at, although not engineer, four alternatives for the lead: (1) use the existing Union Branch alignment landward of Marginal Way and I-295; (2) run a new alignment down Marginal Way (east side, west side, or the middle); (3) run a new alignment alongside I-295 at the Marginal Way level; and (4) run a new alignment alongside I-295 on an elevated causeway.

**Purchasing the Union Branch**

Roy said the department continues to negotiate with Guilford about the purchase of the Union Branch [see 19 June issue]. {ANR&P discussions 19&19.Oct.00}

**NH RAILROADS**

**CCRR - WEST LEBANON**

12 October, DC. **THE STB CLEARED THE PATH FOR CCRR TO RESUME RAIL OPERATION HERE.** Like the decisions on Wells River-White River [see Vermont] and the Maine Coast [see Maine], understanding the regulatory scheme takes some doing.

The Governor and Council okayed the purchase of the line for $790,000 on 21 July 1999. On 30 July 1999, NHDOT closed the deal with Guilford, which provided that GRS would cooperate with NHDOT in assigning the operating rights to a designated operator [see 13 August 1999 issue].

The operating agreement with CCRR received approval from the Governor and Council on 14 July 2000; the agreement for a period of 10 years gives CCRR the opportunity to buy the property at the end of the agreement [see 19 June issue].

**New Hampshire notifies STB of West Lebanon branch**

‘The State of New Hampshire Department of Transportation (NHDOT), a noncarrier, has filed a notice of exemption under 49 CFR 1150.31 to acquire approximately 2.8 miles +/- of rail line from Boston and Maine Corporation (B&M) from milepost 140.00.
to milepost 142.78 in West Lebanon, NH. NHDOT certifies that its projected revenues as a result of this transaction will not result in the creation of a Class II or Class I rail carrier. The Board published the notice on the service date of 12 October.

This transaction is related to a simultaneously filed notice of exemption in STB Finance Docket No. 33930, Claremont Concord Railroad Corporation-Operation Exemption-Line of the State of New Hampshire Department of Transportation, wherein Claremont Concord Railroad Corporation seeks to operate the track being acquired by NHDOT. The transaction is expected to be consummated on or shortly after October 6, 2000. (1) (STB Finance Docket No. 33929)

Claremont Concord becomes operator

Claremont Concord Railroad Corporation (CCRR), a Class III rail carrier, has filed a notice of exemption under 49 CFR 1150.41 to operate pursuant to an agreement entered into with the State of New Hampshire Department of Transportation (NHDOT) approximately 2.8 miles +/- from milepost 140.00 to milepost 142.78 in West Lebanon, NH. CCRR certifies that its projected revenues as a result of this transaction will not result in the creation of a Class II or Class I rail carrier.

This transaction is related to a simultaneously filed notice of exemption in STB Finance Docket No. 33929, State of New Hampshire Department of Transportation-Acquisition Exemption-Line of Boston and Maine Corporation, wherein NHDOT seeks to acquire track owned and operated by Boston and Maine Corporation. The transaction is expected to be consummated on or shortly after October 6, 2000. (1) (STB Finance Docket No. 33930, service date 12 Oct.00)

Footnote 1 to both decisions. ‘NHDOT reported that it intended to consummate the transaction on or shortly after September 25, 2000. The earliest the transaction can be consummated is October 6, 2000, the effective of the exemption (7 days after the exemption was filed). NHDOT’s representative has been notified and has confirmed that consummation would not take place before October 6, 2000.’

James E. Howard of Charlestown MA handled both matters.

The siding for gravel on NECR

Lori Barnes, CCRR general manager, met with NECR’s Charlie Moore on 19 October to discuss construction of a siding in Vermont to onload product for Twin State Sand and Gravel. Barnes reported afterward: “Everything’s going along fine, we are all working together.” {ANR&P discussion 20 Oct.00}

NEW HAMPSHIRE CENTRAL

1 September, North Stratford. THE SLR WANTS TO BUILD A SPUR FOR STANLEY INTERNATIONAL here. The company, which buys and ship logs, would like a spur 300-400 feet long directly into its new log yard off Route 3. At this point, Stanley must dray the logs to a parcel along the rail line in downtown North Stratford from which SLR picks up the logs.

As of 18 October, the siding remains unbuilt. “We’re looking for some funding for the siding,” Foley said. {Edith Tucker in Coos County Democrat 26 July.00; ANR&P discussion 18 Oct.00}

16 October, North Stratford. MacINTYRE FUELS WILL OPEN ITS SIXTH FACILITY here, in partnership with the owner of the railroad, Ed Jeffery. The company will fund three tanks (one each for diesel fuel, kerosene and #2 heating oil) on railroad-owned land, as well as a new 500-foot siding. These will sit north of Jeffery’s car repair building.

NHCR will hire two more people to handle the new traffic, bringing Jeffery’s payroll to six, plus four in a sister car repair shop in Richmond PQ.

THE MacINTYRE OPERATION

Roch MacIntyre’s company, based in Middlebury, has several divisions:

- MacIntyre Terminal Operations
- MacIntyre Petroleum Transport
- MacIntyre Truck Stop (Rockingham VT, offering Sprague Energy diesel fuel)
- MacIntyre Plumbing and Heating
- MacIntyre Petroleum Equipment
- MacIntyre Petroleum Sales - Commercial/Industrial

MacIntyre Terminal Operations

This division currently operates four facilities, and is constructing three others. All terminals receive fuel primarily by rail and some by means of transport truck, to be stored and later distributed to large wholesale accounts and smaller home heating accounts.

MacIntyre Terminal Operations also hosts two large wholesale marketers, Sprague Energy and Ultramar Energy, who throughputs light distillate fuels (Kerosene, #2 Fuel Oil, and Low Sulfur Diesel) through its facilities. http://www.middlebury.net/macintyre/

The facilities:

- Middlebury VT. The original facility, it receives petroleum products from the Ultramar Refinery in St. Romuald Quebec. This opened in 1988.
- Rutland VT. Work on this facility was completed in July 1999.
- North Walpole NH. This facility started operating in 1996.
- Burlington VT. This facility started operating in 1993.
- White River Junction. MacIntyre has a building permit for an oil transfer facility located at the site of the former roundhouse. It should open in November 2000.
- North Stratford NH. Construction scheduled autumn 2000 [see this issue].
- Barre Town. Track rehab is underway for a new facility here [see Vermont].
The oil traffic
MacIntyre will receive product from Portland tanks. Safe Handling of Auburn will dray the fuel from the tanks to its East Deering transload site; SLR will move it by tank car to North Stratford; and NHCR will move it the final 1.25 miles to the transload facility. MacIntyre will employ sixteen tank cars: eight getting loaded in Portland, and eight making a daily trip.

Ed Jeffery, owner of the New Hampshire Central, limns the market area from St.Johnsbury in the west, to Berlin in the east, and Littleton to the south. [Edith Tucker in Coos County Democrat]

Other traffic/repair shop
NHCR in the past has hauled veneer logs and gravel. In 1996, Jeffery opened the enclosed car repair shop which provides the bulk of the railroad’s revenue.

VERMONT RAILROADS

VAOT - STATE RAIL PLAN
19 October, Montpelier. AN UPDATE ON THE RAIL CAPITAL INVESTMENT POLICY PLAN was provided by Scott Bascom, VAOT planner. As called for by the legislation funding the plan [see 2 May issue], the process has an advisory committee with about 19-20 people or entities which meets in the morning preceding the monthly Vermont Rail Council confab.

Thus far, the consultant has interviewed all rail operators and reviewed background material. Bascom is calling for a draft draft report (the ‘draft report’ must go to the General Assembly by 15 January) by 15 December.

The plan should identify rail needs, and a way to prioritize those needs, and come up with a selection process for rail projects. VAOT, using the process, could then go to the legislature on annual basis.

Bellows Falls tunnel
Consultant VHB as a contract add-on is looking at the Bellows Falls tunnel and how to raise clearances on that section. Bascom said that report will have a later delivery date, sometime in the spring.

Public meetings
The consultant will conduct four meetings around the state. The first one took place in Ascutney last week. The second occurs in Rutland on 26 October. The third happens at the MPO in Burlington on 7 November. In addition to the rail plan discussion, per Bascom, Paul Craven will present the issue of commuter extension to Essex Junction, and Charlie Miller will discuss commuter rail and Amtrak rerouting. The fourth and final meeting will occur in White River Junction at the end of November. [ANR&P discussion]

B&A - WHITE RIVER JUNCTION
10 October, DC. THE STB SUPPORTED AN EARLY START FOR B&A TO WHITE RIVER JUNCTION. A brief chronology of the line will help to understand the issue:

1848 The Connecticut and Passumpsic Rivers Railroad built the line between White River Junction and Wells River, eventually forming part of the line to Montreal.
1887 The Boston and Maine leased the line which became the Passumpsic Division, or the ‘Pompie.’
1995 Guilford, which had purchased the B&M, discontinued service north of Wilder because the bridge between Wells River and Woodsville NH became unsafe.
1997 Guilford offered to sell the section [see 9 October 1997 and later issues]. It continued to serve one customer at Wilder with a carload every two months or so [see 10 January issue].
1999 On 10 December VAOT bought the section and filed a request with the STB for a new operator on 3 December. [See 17 December 1999 issue.] GRS conveyed a freight operations easement to the Green Mountain Railway (GMRC, part of Vermont Rail Systems) so GMRC would become the temporary operator.
2000 VAOT conducted an RFP process for a permanent operator and in May, awarded the operating agreement to B&A Systems (more specifically, to CDAC, part of the B&A). GMRC agreed to continue to operate as needed.

Who has the operating rights?
Under the terms of GRS’ sale to VAOT, GRS retained a freight railroad operations easement which it conveyed to GMRC. The Easement is subject to the terms of the Operating Agreement between GMRC and VAOT signed the same day as the sale.

According to the STB: ‘On September 19, 2000, CDAC, a Class III rail carrier, filed a verified notice of exemption under 49 CFR 1150.41 (notice) to acquire and operate Green Mountain Railroad Company’s (GMRC) exclusive freight railroad operations easement (easement) over approximately 40.3 route miles of rail line (line) owned by the State of Vermont (State). (2) The line extends from White River Jct., VT, to Wells River, VT, between milepost 123.2 and milepost 163.5.

Transferring the operating rights
Under 49 CFR 1150.41, the change from one Class III operator to another on a line owned by a third party is exempt from more onerous STB procedures, as long as the resulting railroad does not have revenues above the level of Class III railroads. The exemption takes effect 7 days after the notice is filed.

However if the resulting railroad has revenues above the $5 million level, it must post a notice to potentially affected employees at least 60 days in advance of the change of
CDAC seeks waiver

To change operators sooner than the permitted 60 days after 18 September, CDAC sought a waiver by motion filed 19 September 2000. The STB found:

In its motion, CDAC requests that the Board waive the 60-day notice period and permit the transaction to be consummated no sooner than 10 days after its certification to the Board, or September 28, 2000. CDAC states that no employees of GMRC who work on the line will be adversely affected by the conveyance of the easement from GMRC to CDAC. (3) CDAC further states that it is not planning to hire any additional employees to operate and maintain the line but that it will use Vermont-based CDAC employees. Thus, CDAC notes that GMRC employees who work on the line will not have the option of working for CDAC on the line but may remain with their current employer who intends to retain them.

CDAC has also submitted letters supporting the waiver request from the United Transportation Union, Northern District and New England Lines, and from the Brotherhood of Maintenance of Way Employees, Northeastern System Federation, as representatives of CDAC employees.

As additional support for granting the motion, CDAC indicates that the line is in very poor physical condition and can be operated only as excepted track. CDAC further indicates that it has customers who desire immediate service on the line and that it is essential that CDAC be able to perform some urgently needed maintenance before the onset of cold weather conditions in northern Vermont, which can be expected to occur by mid-November. CDAC argues that the 60-day notice requirement in this transaction simply delays the use of the line by willing and able shippers and delays the commencement of rehabilitation work on the line.

The purpose of 49 CFR 1150.42(e) is to ensure that rail labor unions and employees who would be affected by the transfer of a line are given sufficient notice of the transaction before consummation. (4) While we ordinarily do not grant waivers of the employee notice requirement, the record here reflects that there will be no job loss on GMRC, that notice has been provided to GMRC employees as of September 15, 2000, that there is union support for the waiver, and that waiver would permit needed maintenance to occur before winter. (5) Given these unusual circumstances, we will accept CDAC’s September 18 certification to the Board, grant the waiver request, and waive the remainder of the 60-day requirement under 49 CFR 1150.42(e) with respect to this transaction. Granting the waiver request will have the effect of making the exemption for the acquisition and operation transaction in this proceeding effective on the service date of this decision. (STB Finance Docket No. 33934: decision granting waiver service date 10.Oct.00; notice of posting of proposed change in operator service date 16.Oct.00)

No transfer yet

The B&A still has no signed operating agreement with VAOT, according to the agency’s assistant attorney general, John Dunleavy. When asked, “GMRC must deed over the easement to next designated operator.” VAOT is waiting for GRS and B&A to work out an access agreement, before okaying the transfer of the freight operating easement.

GRS access to White River Junction yard

“We made a commitment to GRS that it would have access to the yard for its traffic,” said Dunleavy, and the B&A and GRS are still working that agreement out. B&A has the responsibility for maintenance of the yard, so the two railroads need to work out the GRS contribution to the maintenance, and well as which tracks the GRS trains will use, and so forth.

The B&A has entered the property under an interim access agreement with GMRC, who currently holds the operating rights. Dunleavy was optimistic that GRS and the B&A will hammer out the agreement, though he saw “a certain amount of distrust” between them. {ANR&P discussion 18.Oct.00}

17 October. POSSIBLE CUSTOMERS for the new service were listed by Lucy Gibson, transportation official at the Two Rivers-Ottawaqueeh Regional Commission. In addition to Jewell Resources and Twin State Fertilizer [see below], she recited names of wood dealers, furniture makers, lumber yards, oil dealers, as well as wood chip users Ryegate Associates and Kimberly Clark. In particular, she hoped that shippers and receivers could move much of the truck traffic now on Route 5 to rail.

Ryegate Associates

This company operates the wood-chip power plant placed in East Ryegate only eight years ago, sited there in part to take advantage of the track. “But we have never used rail,” said plant manager Tom O’Reilly. Ryegate gets almost all of its woodchips from a 50-mile radius.

O’Reilly did attend a couple of meetings two years ago about restarting traffic from the south. “But I haven’t heard from anyone in quite awhile. If the railroad started up, we may get to use it someday. We’re not even set up to use rail right now.”

Twin State Fertilizer. This company received the only traffic delivered by GMRC when it operated the line: a total of eight cars of fertilizer. Craig Trischman of Twin State said without rail, he got bulk delivery by driving a truck to Montreal and lining up with 100 other trucks to get a 25-ton load.

He’s looking forward to rail: “it’s the only way for bulk delivery.” He can receive his potash from New Brunswick mines directly by rail, and phosphate via ship and rail from the Port of Montreal. In fact, he has two locations in Bradford on rail; one in the south, and one in the north. “Bradford used to have two railroad stations,” Trischman said in amazement.

He deplored the loss of rail service. “This line used to see 100 cars a day. But Guilford provided the lousiest service. They could not tell me within two weeks when my car would arrive,” so he went to truck.

Green Mountain provided “super service,” Trischman said. “These guys tracked the car and called me to say when the car would arrive, and every car except the last arrived on time.” That last one became tardy because of the problem with the White
River bridge [see 1 September issue].
Trischman emphasized that the section held many other customers. “They were geared up for rail, then service went to bad.” The rail is still there, heavy rail, and we should fix it.” He cited Morrison Grain, a feed dealer in Barnet, as another company wanting to use rail but now trucking feed from Albany.

Jewell Transportation. This company in Wilder received the last GRS traffic in 1999, amounting to 6-8 carloads over the year. An official there on 17 October said he had not seen a train into Wilder for several months. {ANR&P discussions 17.Oct.00}

25 October, White River Junction. THE B&A EXPECTS ITS FIRST INTERCHANGE WITH NECR this day, according to chief operating officer Dan Sabin. On 10 October, Sabin reported he was finalizing the interchange agreements with NECR, and that he expected the interchange working with GRS by the end of October.
‘The first of five crossing signal cases have been rewired. Bridge and track material are being delivered to the line and inspections have begun. We will have representatives in the field by next week working out contact numbers, etc. for on-line customers.
‘The first traffic to the line is expected to be paper and lumber to reloads in the Palmer area and intermodal trailers from Presque Isle to Mass. Central at Palmer. Looks like three day per week service for the first few weeks, continuing track, signal and bridge work.
‘We hope to have the north 12 miles at 25 miles per hour by December 1, remainder at 10 miles per hour for the winter.
‘We plan to work a Brookport-Newport-St. Johnsbury-Wells River-White River Junction turn with crews relayed for hours of service until the track is improved. Traffic will connect with westbound #903 and eastbound #904 at Brookport.
‘Once the operation is in place, we will commence working on AMTRAK Express and other traffic.’ {e-mail to ANR&P 10.Oct.00}

NORTHEAST KINGDOM PLANNING
19 October, St.Johnsbury. THE NORTHEAST VERMONT DEVELOPMENT ASSOCIATION plans a rail study for this fiscal year 2001, which began on 1 October. The year’s work program calls for a railroad study, meaning a comprehensive evaluation of the railroads serving the Northeast Kingdom. The study will contain an assessment of future service options, both passenger and freight, as well as rail/truck intermodal facilities.
‘A consultant specializing in rail planning will be procured for this project.’ {language from NVDA}

AMTRAK - VERMONT
14 September, Montpelier. TWEAKING AMTRAK’S SERVICE DID NOT COME CHEAPLY, according to Ed Courtemanch, an Amtrak representative speaking with the Vermont Rail Council following the presentation of the report on capital costs for the ABRB service [see 15 September issue].

Service to Montreal. Courtemanch said extending service from Vermont to Montreal (as opposed to the Adirondack service through New York state) would greatly increase revenue, but triple the cost. Amtrak has an historic arrangement with the D&H which permits going to Montreal on the New York side. Amtrak does not rule out Montreal from Vermont, but in the short term, Amtrak is not inclined to review this connection.

Changing the use of Palmer. Courtem anch saw no solution which is not expensive.

Curtailing the Vermonter at Burlington. Looking at ridership, Essex Junction looks high in terms of ridership to the town itself, but comparing with the population of Burlington, the ridership at Essex Junction looks low. Courtemanch noted that Burlington could serve as a hub with the Vermonter, the Ethan Allen, and ferry service across Lake Champlain. A bus could run to Montreal. {minutes of VRC meeting}

12 October, Montpelier. VAOT WOULD LIKE A MASTER PLAN FOR ABRB, said Charlie Miller, head of the rail division. “We’re already doing work, and just got $2 million more [see Regional]. What we’ve got to do is a master plan showing how to accomplish improvements: in what segment, in what order. We’ll do a combined talk with the legislature and the communities involved, and put it together over next year while we do improvements.” {ANR&P discussion 19.Oct.00}

LAMOILLE VALLEY
14 September, Montpelier. VERMONT RAIL LINK PLEADED FOR SUPPORT FOR RAIL USE of the corridor, at the Vermont Rail Council. Brad Worthem, who along with Peter Snyder created Vermont Rail Link, said VRC does not have the mission of supporting snowmobile trails in this corridor. He noted that only the Conservation Law Foundation is advocating for the Rail Link mission. Within state government, no one is advocating for the rail corridor.

Bill Rossmassler of the Lamoille County Planning Commission said that Worthem made excellent points.

Worthem expressed concern that the consortium working on the future of the corridor will ask for RFPs on the corridor from bidders who may not be experienced in the rail corridor. Rail Link is willing to give up the Hardwick to St.Johnsbury section for trail, but not the rest of the corridor, which must be preserved for rail. {minutes of VRC meeting}

19 October, St.Albans. THE LAMOILLE VALLEY CONSORTIUM HAS RECEIVED THE DRAFT CORRIDOR ASSESSMENT.

Status of the lease
John Dunleavy, assistant attorney general, said Clyde Forbes indicated his Lamoille Valley Railroad Company, which currently holds the operating agreement on the entire line, would “get off when we want them to, in return for the cash value of the Fonda branch sublease.” The handover would take place as a transfer of the lease and the common carrier obligation. This not as simple as merely ending the ‘modified certificate of public
convenience and necessity’ with a 60-day notice [the STB refused that effort] as is happening with the Maine Central [see Maine]. Forbes could formally abandon the line and the state could hire a new operator under the modified certificate method, but Dunleavy put the cost of formal abandonment at $30,000 to $50,000. Vermont wants Forbes to hold the lease until a new operator can assume it. {ANR&P discussion 18.Oct.00}

Will the consortium hold the lease?
Catherine Dimitruk, executive director of the Northwest Regional Planning Commission in St.Albans, heads the consortium. Dimitruk said consortium members were expressing reluctance to have common carrier responsibilities. Therefore, VAOT may not hand over the lease of the line to the consortium; the consortium may become advisory only, or take just the sections not used for rail. {ANR&P 10.Oct.00}

Next step
Charlie Miller, head of VAOT rail division, said the consortium will review the report, and prepare an RFP and put it out. The consortium is still only advising the agency, however, so the secretary will make the final decision on the use of the corridor. Asked if this meant more waiting [the agency already went through one RFP process], Miller responded: “I want a resolution, I don’t want this thing to hang around.

Bill Rossmassler of the Lamoille County Planning Commission, a member of the consortium, said it would meet on 23 October to review the report. {ANR&P discussions 18.Oct.00}

20 October. AN ASSESSMENT OF THE REPORT was provided by Vermont Rail Link’s Pete Snyder, who said he never met with the consultants themselves, Edwards and Kelcey out of Manchester NH. “My overall opinion? The study was actually very well done, more than I ever expected.” In summary, the consultants estimated $22 million to re-open the line from end to end to Class I standards. To take out the rail and put in a bike path with a crushed stone surface would cost $61 million end to end.

Snyder characterized the proposed rail line rehab as “a lot more work than we had ever advocated. We can keep the project more affordable,” he thought, noting the consultants put installation of grade crossings at $250,000 each.

Furthermore, his company envisioned opening the line segment by segment. “We would reopen half the railroad, from the west end to Morrisville, at a cost of $5 million.” This would serve substantial rail business. Later he would do Morrisville to Hardwick, and perhaps to Greensboro Bend. Re-opening to St.Johnsbury would be put off, and perhaps never happen.

Whether any rail will come back “goes back to politics,” believed Snyder, since in the end the secretary of VAOT will determine how high the bar is set. “We believe a practical, phased approach can be done for less.” {ANR&P discussion 20.Oct.00}

TWIN STATE
18 October, Gilman. AMERICAN PAPER MILLS IS USING TRANSLOAD for its outbound product, according to plant manager Jennifer Cusick: Quest Warehouse in St.Johnsbury (and the B&A System) and New England Public Warehouse in West Paris, Maine (and SLR).

Inbound, the mill gets trucked pulp from the sister mill at Berlin New Hampshire operating under the name Pulp and Paper of America.

Future of rail?
Cusick said she would like to have rail back, but because American Paper has become the only customer on the Twin State (and on the New Hampshire Vermont, for access from New Hampshire), the cost of rail service is prohibitive. “We’re maintaining the tracks in the mill yard” on the chance that rail service will return. {ANR&P discussion}

Current production
Earlier, Cusick said that the company is manufacturing and shipping rolls of bond paper to the printing plants of American Forms in Plano Texas, Leola Pennsylvania, and Wheeling Illinois. The Berlin/Gorham mill is also getting orders from these plants. American Paper Mills’ parent, American Tissue, purchased American Forms (formerly CST/Star) in May. {Edith Tucker in Coos County Democrat 21.June.00}

VRS - COMMUTER SERVICE
14 September. AN UPDATE ON THE SERVICE was provided at the Vermont Rail Council this day. Charlie Miller, director of VAOT’s rail division, listed these items remaining:

- concluding an operating agreement between the potential operator (probably VRS) and VTA. If VRS and VTA cannot reach agreement, the operator function will be put out to bid.
- training of the train crews.
- a decision on the location of the station in South Burlington.

Miller declined to set a target start date before the operating agreement is concluded. Jim Fitzgerald, executive director of the Vermont Transportation Authority which has the responsibility for the commuter service, said negotiations with VRS and the Chittenden County Transit Authority are progressing. A contract for the marketing of the service should soon be awarded. {VRC minutes 14.Sept.00}

VRS - WASHINGTON COUNTY
18 October, Montpelier. VRS WILL GAIN A SUBSTANTIAL CUSTOMER as early as this autumn, when a MacIntyre Fuels transload facility goes on-line. According to Dick Bowen of VAOT and Scott Whitney of VRS, the railroad will run on a long-dissused spur east of the former Barre Junction, once part of the Montpelier and Wells River Railroad [see map]. The spur, maybe one-quarter mile long, formed part of a wye with the line to Barre.

Other customers
The railroad, a part of the Vermont Rail System (VRS) called Washington County Railroad Company, has four current customers. Allen Lumber in Barre receives about three cars a
WASHINGTON COUNTY RAILROAD.
Operator Vermont Railway System, Owner VAOT.
week. The Bombardier plant on Millstone Hill receives vehicle shells and ships out completed cars; VAOT pays WCR a subsidy to serve Bombardier.

Also on Millstone Hill, the Rock of Ages granite plant ships out perhaps three or four cars a year. Todd Patten of the company’s Visitor Center said rail cars are used when a customer specifies rail. The final customer, Fulton Company, receives used silicon carbide (an abrasive) in gondolas of about 50 per year, as well as by truck from local granite works. Dave Neddo, the plant manager, said Fulton removes the impurities and trucks the pure silicon carbide to the steel industry in Ohio, which uses it to make guideways for the molten metal. Fulton trucks because the customer pays the shipping and asks for truck delivery.

Fulton currently unloads in Barre City behind Allen Lumber, but Neddo said the railroad is working to revive the track as far as the Rock of Ages plant, near the Fulton location.

Potential customer

A spur runs off the main line in Barre City a short distance across the Winooski River. VRS would like to use the spur to load granite on cars. Bowen said the safety of the timber pile bridge over the river is under examination. (ANR&P discussions with Bowen and Patten 17&19.Oct.00; Whitney article in BLHS Bulletin 8.00)

Atlantic Northeast Ports

Saint John

19 October, Dieppe NB. CAVENDISH FARMS IS LOOKING AT AN ALL-WATER ROUTE to ship its french fries to Mexico, according to Vince Taddeo, director of international sales. “We’re shipping a fair amount of product to Mexico right now by truck or rail, and would like to do a lot more.” The truck route is limited by US truck weight rules, meaning Cavendish can ship only 45,000 pounds per truck, rather than the 56,000 pounds in Canada. “The extra 11,000 pounds mean a lot” because Taddeo “needs to be competitive with other shippers going to Mexico from other parts of North America.”

As for railcars, they consume a lot of time, and right now have very high costs. Consequently Cavendish has asked Kent Line to look at the cost of service to Mexico out of Saint John. According to Port Progress, Cavendish already uses Kent Line to ship frozen foods of various types to Latin markets.

Overall, Kent Line ships about 800 TEUs to the Caribbean [see route map in 6 October issue]. (ANR&P discussion 19.Oct.00; Port of Saint John Port Progress 9.00)

Maritimes/Québec RRs

For the Record:

Quebec-Maritimes

“THINGS ARE GOING WELL ON THE QCR” said Michel Champoux, railroad manager. Inbound freight is beginning. The track crew is completing work on the section from Vallee Jonction to Charny, and will finish the Vallee Jonction to Saint-George section; both will open this autumn.

The railroad is still discussing moving traffic for the Cascades paper mill. Champoux said QCR would not go after container traffic yet. “We’re now capturing traffic natural to the railroad: heavy material over a long distance.”

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The Canadian Election Will Slow Funding for the proposed Montreal to Eastern Townships excursion train, according to MP Denis Paradis (Liberal, Brome-Missisquoi). He anticipates that during the 36-day campaign [Vote probably 27 November. Oh, I wish for the parliamentary system here] he will raise the subject of trains, noting that they can bring additional tourists.

Federal money could support the effort to bring people from Montreal; a link to Vermont could help also. (ANR&P discussions 10.Oct.00)

Maritimes/Québec RRs

For the Record:

Ports

BOSTON overcame a labor problem on 17 October. ILA clerks were conducting a slowdown because of long-planned layoffs. The port in turn cut out the overtime hours which permitted the gate at Conley to open one hour early, and to stay open through lunch [lunch? Who can do lunch in this age of globalization?]. This led to a blockade of Conley by independent truckers. The blockade was lifted and overtime reinstated when the ILA agreed to stop the slowdown. (17.Oct.00 Statements of Mike Leone, Massport Port Director)

Maritimes/Québec RRs

For the Record:

People

In October, Bruce Nett died in Fort Fairfield, Maine. Nett, until
he became sick, was a moving force behind the Fort Fairfield Railroad Museum and its effort to preserve the history of access to the town by both the Bangor and Aroostook Railroad and the Canadian Pacific Railroad. Bangor Daily News 4.Oct.00


Bob Bentley related why he had left as president of the New York Cross Harbor Railroad [see 22 September issue]: “I was hired on a three-year turnaround contract, which I believe I successfully completed.” His family had remained in Barre, Massachusetts while he worked there, and he wanted to get back, “as much as I enjoyed New York.”

### CALENDAR

**October**

11th Town of Ayer and GRS submit order to refer dispute to STB.

13th VAOT holds a series of meetings on the State Rail Capital Investment Policy Plan
- 13 October, Ascutney
- 26 October, Rutland
- 7 November, Burlington
- end November, White River Junction

18th NNEPRA begins series of public meetings on Amtrak service start
- 18 October Exeter
- 24 October Plaistow
- 1 November Dover
- 2 November Kingston
- 8 November UNH Exeter
- 14 November Portland
- 20 November Wells
- 29 November Saco

19th Eastern Maine Railroad Development Commission, Cherryfield. Agenda:
- Acquisition of land for a rail alignment into Eastport
- Search for a potential operator of the Calais Branch line
- Developing a strategy for dealing with opponents of the Calais Branch line restoration.

19th CCRR-NECR meeting on Twin State siding

23rd Kickoff meeting, Conservation Law Foundation NNE rail study group

24th NH rail plan outreach meeting with North Country Council, Bethlehem


25th Parsons Brinckerhoff to supply a fee proposal for the Nashua work [see 22 September issue]

25th New deadline for bidders on the reconstruction of the Rockland branch in Maine. Extended from 20 September.

25th Consortium on future of LVRC, tentative meeting to review consultant report, Vermont.

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