REGIONAL ISSUES
GRS: Dedicated intermodal; second Press Runner, other traffic.
Winstanley: Some rail-served facilities.

CONNECTICUT
CNZR: Home Depot traffic, East Windsor work.
HRRC: New marketing guy. PW stone trains.
Conrail: Shore Line traffic.
FTR: Next Middletown meeting 27 January.

MASSACHUSETTS
Legislature: Rail bills, transportation bond bill.
EOTC: No new Dennis Coffey yet.
MBTA: Commuter rail extensions.
FTR: Doublestack meeting.

NEW HAMPSHIRE
FTR: No NHVT sale yet; Rail Council progress; GTI to Pease Tradeport.

RHODE ISLAND
General Assembly: No bills from RIDOT.
Commuter: Update on TF Green station, Providence, Newport service.
FRIP: First Amtrak contract signed. Raison d’etre of project explained.

VERMONT
GRS: Bridge damage stops traffic to Wilder customer. Explanation of GRS rights between East Northfield and White River Junction.

FTR: LVRC recommendation. Amtrak Quality Conference.

MARITIMES/QUÉBEC
NB Legislature: Short Line Railway Act changes, capital budget.
Québec: New minister of transport.
SLQ: Purchase price of C$7 million.
CBCN: Sydney Steel trial rail production.
VIA: Traffic down.

PORTS
Sydney: DEVCO pier open for business.
Canso: Still a candidate for a mega-container terminal. To acquire federal properties in March.
Eastport: First peat shipment.
Quonset: Evaluation of QPP market analysis; need to reach Midwest.
New London: Discussion of rail pier and development.

FROM THE PUBLISHER
From the regional economy point of view, the GRS traffic pickup and the New London pier story rank very high. But personally, I got a chuckle from the fact that a Guilford customer, Jewell Transport, knocked its own rail service out. I hope Jewell can get rail service back immediately; looks as though the purchase of the Wells River branch by Vermont will take some time.

Like the last issue, this one comes out on a Friday rather than a Thursday. The additional day helps our production. Subscribers: let me know if you find getting the issue a day later inconveniences you at all.

- Chop Hardenbergh

Next issue: 22 January
REGIONAL ISSUES

GRS - NEW TRAINS
4 January, Ayer. **GUILFORD BEGAN RUNNING A DEDICATED INTERMODAL TRAIN** between Ayer and Mechanicville (numbers 268/269), according to Executive Vice-president David Fink. The NS intermodal traffic has grown enough to stop using a mixed train. The manifest freight will resume as PODH/DHPO [see 24 September issue].

The intermodal network
Fink said the Waterville intermodal train (TV-95/96) hauls both Conrail and NS traffic between Ayer and Waterville. The Ayer/Waterville run takes nine hours each way, meaning one crew can do the run and stay within the 12-hour rule. At Ayer, the NS traffic is exchanged with #268/269, while Conrail comes up from Worcester to pick up and drop off with the continuation of TV-95/96.

Automotive traffic/Hoosac Tunnel
Automotive traffic probably will not run with the intermodal, anticipated Fink. Now that intermodal levels have risen enough to justify a dedicated train, it made sense to keep it dedicated.

The clearance work in the Hoosac tunnel [see 3 December issue], which observers anticipate will permit trilevel auto carriers [see Rhode Island], should be done in the next few weeks, said Fink.

A second **Press Runner**
In addition to the increased intermodal traffic, Fink believed that the splitup of Conrail, due on 1 March, will generate more traffic for Guilford because routes to the South, Southwest, and Southeast will become two-line rather than three-line. Much of that traffic could come from the Maine mills.

With its current **Press Runner**, which started a few years ago, GRS daily flushes the Maine mills of outbound paper and paper product cars and assembles them at Rigby Yard in South Portland into NESE (New England/Selkirk). Guilford crews take the train as far as Barber’s, and a Conrail crew takes the train into Chicago. The service does not move as quickly as intermodal, stipulated Fink, but the train does provide consistent times and has proven very successful. In fact, it sometimes has almost more tonnage than it can handle.

When CSX and NS do generate more traffic for the Maine mills, GRS will run **Press Runner** twice a day, or one train every 12 hours. Fink predicted this would happen before the end of the first half of the year.

Other traffic growth/arrival of gas
“We’ve put a lot of switches back in the past year,” Fink stated, which only produce one or two cars a week. As an example he pointed to the team track in Dover, which a lumber company employs for two or three cars a week.

Fink acknowledged that the arrival of the gas pipeline and the use of natural gas by Maine mills would cut into some of the oil movement currently handled by GRS. However, he noted, not all mills will get on the pipeline, and furthermore at this point oil is much cheaper to burn. “We’ll do our best to be competitive with oil.” [ARW discussion]

WINSTANLEY ENTERPRISES
5 January, Concord MA. **A FAMILY-OWNED COMPANY WHICH INVESTS IN GIANT FACILITIES** has bought the 450,000SF building in Bloomfield CT where Home Depot will locate a distribution facility [see CNZR].

Principal Carter Winstanley described the company as a real estate investment and development firm which buys commercial buildings throughout the country but mostly in New England. Generally empty when purchased, Winstanley Enterprises (WE) retrofits the purchased building and leases it out, mostly to tenants who were not at hand when the company bought the building.

**Rail access**
WE does not seek specifically seek rail-served facilities, but Winstanley did note two others in New England. In CT, WE has purchased the former Cableware headquarters building in North Haven, which has a CSO-served rail spur not currently in use. The new tenant, already signed on by WE, will not use rail either. The company also owns several other buildings in adjacent Wallingford, but none on rail.

**New Hampshire site**
Winstanley declined to make public the total number of facilities owned by WE. But he did describe “one of the largest rail-served site in eastern Massachusetts [on GRS] or New Hampshire,” a location off Route 101A in Nashua NH. Here the rail line splits the site. WE owns about two hundred acres on the south side of the line, for which rail spurs could break off from the main line. The company has already sold one site on that side for Delta Education (a manufacturer of educational materials), though it does not have a rail spur.

On the north side of the rail line, where buildings front on Route 101A, WE bought the building former housing an Anheuser Busch recycling operation, and converted it for, and sold it to, Emery Air Freight. WE also bought another building on that side and leases it to Harcross Chemical, which does use rail.

**Accepting new buildings**
Winstanley said WE is continually approached by brokers, corporations, and individuals with buildings for sale. “We’ll look at anything.” Contact him at 978-287-5000. [ARW discussion 5 Jan.98]
**CONNECTICUT RAILROADS**

**CENTRAL NEW ENGLAND**

5 January, Hartford. **THE CONTRACT TO OPERATE THE GRIFFINS INDUSTRIAL TRACK “IS BEING PROCESSED FOR SIGNATURE”** according to ConnDOT’s Carl Rosa, following the award of the contract to CNZR in October [see 5 November 1998 issue]. ConnDOT will not provide any funds for the operation of the line, but will improve two grade crossings.

**Interchange with CSO**

CNZR President A.J.Belleview said he is completing the details of the interchange in Hartford with CSO.  The railroads plan a different configuration than now exists, construction of which will occur on Amtrak property. So Amtrak is also involved in the discussions.

**Anticipated traffic**

According to ConnDOT [see 8 October issue - Connecticut], the only current customer on the line, Home Depot in Bloomfield, will start with 2,500 cars annually and then ramp up to 3500.

To handle that traffic, Home Depot has commissioned a spur into its facility, leased for ten years from Winstanley Enterprises [see Regional]. The spur will permit spotting nine cars at nine doors for plywood unloading on the west side of the facility, and seven centerbeam lumber cars on the south side for unloading through one of three overhead doors. The other two doors will serve trucks, which will enter the building for loading.

Bruce Holt, the manager of the facility, said trucks will serve Connecticut and Long Island initially. Particular products may travel as far as Maine, though trucks out of the rail-served Norwood MA facility will handle most of eastern New England. Holt anticipated startup in April. {ARW discussions 5&6.Jan.99}

6 January, East Windsor. **CNZR IS CONTINUING TO RE-OPEN TRACKAGE** from East Windsor and the Massachusetts line, for which it has operating rights. ConnDOT is assisting this effort by paying 70% of the cost of improving grade crossings [see 27 August 1998 issue]. A.J.Belleview said three crossings of town roads are done, and the railroad will do three crossings of state routes in the spring. {ARW discussions 5&6.Jan.99}

**HRRC**

4 January. **THE RAILROAD WILL SOON ACQUIRE TWO NEW CUSTOMERS**, according to the newly-appointed vice-president of sale and marketing, Rian Nemeroff. He took up his duties on 16 November; he was working for Conrail most recently as regional manager for short line marketing and previously as market manager within the Forest Products Group.

He brings particular expertise in paper, wood, and pulp from his Conrail experience and earlier work as transportation manager for Scott Paper and another position with International Paper.

Nemeroff will also play a major role in inter-carrier and governmental relations and will coordinate HRRC’s transition into the post-Conrail environment. {ARW discussion; HRRC press release}

5 January, Derby-Danbury. **PW HAS RESUMED RUNNING TILCON STONE TRAINS OVER DERBY** [see 2 July 1998 issue - PW story]. ConnDOT wanted the freight off the passenger corridor because: (1) it was interfering with a massive installation of continuously welded rail on the Danbury Metro-North branch; (2) it was damaging the welded rail; and (3) it was interfering with Metro-North commuter operations. Conversations with Carl Rosa, Peter LaBouliere, and Jim Foxx of ConnDOT’s rail operations office in New Haven indicated:

- The department sunk $600-$700,000 into about ten miles of HRRC track. ConnDOT awarded a contract for tie replacement to New England Railroad Construction of Bridgeport. According to HRRC Vice-president Ed Rodriguez, the state required no refund permission, though the public money was invested directly in a private company. “We did very little except give permission to redo the track.” The improvement not only got the Tilcon trains off the passenger tracks, but improved safety on the HRRC track on the eastern end, which was in “terrible shape.” Any derailment could end in disaster, because the ROW is perched on a ledge above the Housatonic River.

- HRRC was not using the eastern half of the Danbury-Derby track; it ran only about halfway to Derby, to the Stevenson Lumber Company. The western half “is in good shape.” The contractor inserted ties, added some gravel, and resurfaced. The track now meets at least Class I standards.

- The improvements were done between March and June 1998, and the stone trains resumed running through Derby soon thereafter. {ARW discussions 4&5.Jan.99}

6 January. **HRRC AND THE BERKSHIRE SCENIC HAVE MADE PROGRESS** [see 18 December issue]. Rodriguez said the two had reached an agreement in principal on an operating agreement, and now awaited some funding from the Commonwealth. {ARW discussion 6.Jan.99}

**CONRAIL - CONNECTICUT**

December. **WHY DID CONRAIL HANG ONTO THE FREIGHT TRAFFIC WEST OF NEW HAVEN?** Initially that section too was offered for sale as part of the Connecticut cluster, but Conrail ended up retaining it after selling the rest to CSO. At most, about 2,000 carloads move on Conrail here. ARW cannot answer the question of why, but did obtain information on what Conrail now operates:

- a local out of Oak Point Yard in the Bronx which works east. Oak Point Yard serves in order of importance: (1) the major produce facility at Hunt's Point Terminal Market; (2) a Garbage Transfer Station at Oak Point; (3) Garbage Transfer Station at HarlemRiver Yard; (4) NYAR Interchange Traffic; and (5) the few remaining customers on the Hudson and New Haven Lines.
- a local out of New Haven which handles local traffic in New Haven and the small amount of traffic down around Bridgeport, with cars interchanged with CSO.

The other freight traffic on the line consists of the PW unit stone trains from New Haven to Fresh Pond destined for Prima Asphalt (NYAR delivery) or directly to LIRR for maintenance of way use. {ARW e-mail correspondence with John Krattinger of the Conrail Technical Society}

FOR THE RECORD:
CONNECTICUT

THE NEXT MIDDLETOWN RAIL COUNCIL meeting will occur on 27 January [see 3 December issue]. {ARW discussion with chair Hugh Cox}

MAINE RAILROADS

AMTRAK MAINE-

5 January. AN UPDATE ON SOME POINTS was provided by Mike Murray:

Tie purchase. Murray has ordered 30,000 of the approximately 80,000 ties needed. He is considering a new bid for the remaining 50,000 ties, since the state paid what now looks like a high price for the first 30,000.

Bridge work. GRS asked NNEPRA to bid this work. NNEPRA is now getting an assessment of the necessary work on the bridges, and will bid the work after writing the bid documents.

Extension to Brunswick. NNEPRA is currently concentrating on getting the Portland service running, and has made no decision about how to pursue service to Brunswick. But the board has written in decision points about Brunswick in its flow chart. By mid-summer, Murray expects to be able to begin a survey of the conditions on the line.

“Our goal is to have three things done as soon as we begin to complete the Plaistow-Portland work.” He listed this as a cost estimate for improvements on the Portland-Brunswick line, an environmental impact assessment, and locations for three stations (Yarmouth Junction, Freeport, and Brunswick). {ARW discussion}

Faster construction?

GRS has said the work would take two construction seasons. A spokesperson for Governor Angus King said, “We’re going to talk to them some more and meet with them and see if we can work out a faster schedule. Michael Dukakis, a member of Amtrak’s board, said: “If you want to move a project forward, you put more people on it.”

But Murray cautioned that signal equipment ordered now would take six to 12 months to deliver. {Wall Street Journal 6.Jan.99}

CONSTRUCTION WORK will occur here at 1PM, with an Amtrak train in attendance, according to Fink. {ARW discussion 6.Jan.99}

FOR THE RECORD
MAINE

WONDERING ABOUT THE LEWISTON LOWER ROAD? MDOT still needs to gather information: an appraisal, a title search, and an environmental assessment. With those in hand, according to the department’s Allan Bartlett, negotiations with owner GRS will begin [see 24 September 1998 issue]. {ARW discussion 6.Jan.99}

SHOW ME THE MONEY! IRR has reached the final stages of bringing on board an additional equity partner, said spokesperson Ben Coes. He expects a successful conclusion in the near future. {ARW discussion 5.Jan.99}

NORAILROAD BILLS YET LISTED at the Legislative Information Service in Augusta. The Legislature convened on 6 January. {ARW discussion 5.Jan.99}

MASSACHUSETTS RRs

MASSACHUSETTS LEGISLATURE

6 January. THE GREAT AND GENERAL COURT WILL ENTERTAIN SEVERAL RAIL-RELATED BILLS introduced by Joe Sullivan (D, Braintree), chair of the Transportation Committee:

- One allowing communities to request a ban on the blowing of whistles so long as the community has one of four alternative safety mechanisms in place.

- One requiring railroads to install and maintain effective heating and ventilation equipment in locomotive cabs and ensure crews have proper sanitation facilities.

- One requiring EOTC to study the relative cost and effectiveness of cab signals, speed controls, and automatic train-stop mechanisms for passenger trains.

- One creating a revolving loan fund for transportation projects, independent from the Commonwealth’s annual federal appropriations. {Sullivan press release 2.Dec.98}

Transportation bond bill

Astrid Glynn, a deputy secretary of EOTC [see 5 November 1998 issue], said the bill submitted to the legislature will only indicate broad categories for expenditures, such as a certain figure for commuter rail. However, during the legislative process legislators will probably direct some of the funds for specific projects. Once passed by the legislature, the bond bill is enacted. It does not go to the voters for final approval. {ARW discussion 6.Jan.99}
Robin Bavaro, EOTC spokesperson, said the bond bill will go to the legislature in January. Both EOTC and MBTA are filing 15 other bills each, but none affecting rail. {ARW discussion 8.Jan.99}

**EXECUTIVE OFFICE OF TRANSP.**

7 January. **KEVIN SULLIVAN WILL BECOME THE NEW SECRETARY OF TRANSPORTATION AND CONSTRUCTION**, succeeding Pat Moynihan, who will head up the Central Artery project. Sullivan currently heads the Massachusetts Highway Department, and formerly served as mayor of Lawrence. Governor-elect Paul Cellucci will swear Sullivan in after Cellucci himself is sworn in this day, according to EOTC spokesperson Robin Bavaro.

**Successor to Dennis Coffey**

Since his departure last summer, EOTC has lacked a supervisor of rail transportation. Glynn said she had a short list of potential successors, but the coming of Sullivan has delayed making a final selection. {ARW discussions 6&7.Jan.99}

**MASS BAY TRANSIT AUTHORITY**

6 January. **AN UPDATE ON THE STATUS OF SEVERAL POSSIBLE COMMUTER RAIL EXTENSIONS:**

**Fall River/New Bedford.** On 28 October 1998 T officials and local lawmakers broke ground near the Turner Street Bridge in Fall River for restored commuter rail service. As a first step, the T is conducting a $5 million bridge rehab program as far as Myricks, where the tracks split to Middleborough or Attleboro. {Providence Journal cited in The Callboy 12.98}

According to MBTA planner Clay Schofield, the legislature has directed the T to look at only the commuter service through Middleborough. However, that route would prove very slow, and the T is looking at running either through Raynham - on a currently inactive stretch - or Attleboro. Officials in both towns are resisting the service restoration.

A 1998 transportation bond bill contained funding for studying the alternative routes, but failed to clear the legislature. Schofield anticipated the language would be reintroduced this year.

**Boston-Newport RI.** While some would like to see commuter service restored to Newport via Fall River, Schofield said the market for it did not exist. Two years ago, he examined the potential ridership to the Boston-Cambridge employment center and, based on the 1990 census data, found only 20 riders. Even adding in reverse commuting and tourist trips would not justify the service. [See Rhode Island.]

**Saxonville branch (out of Natick).** Given the recent loss of the branch’s only shipper, Wonderbread [see 18 December issue: Maine - Nissen expansion], use of the branch for passenger transportation might make sense. Schofield is musing about a road, or a shuttle, between Natick and the intersection of the branch’s ROW (sans track) with the Massachusetts Turnpike.

**Gardner extension.** Following the request of a legislator, Schofield looked at the possibility of reviving rail to Gardner from Fitchburg. The T switched to buses from Fitchburg in the 1980s, when service stopped during the Guilford strike. As in the Newport case, “it makes no sense when looking at the ‘journeys to work.’”

**Framingham-Clinton.** This month the T signed a contract with the Central Transportation Planning Staff (CTPS) for a study of the commuter rail potential on this Conrail-owned stretch called the Fitchburg secondary. CTPS serves the transit agencies, the T, and EOTC in looking at transportation. It maintains a model of passenger movement in the Boston area, put together at a cost of millions of dollars.

Conrail has many customers on this secondary, including: the Framingham Industrial Park with the MetroWest News, International Paper and the Thermun Company; Marlborough with Safety Clean (tank cars shipped out of waste oil); Ken’s Foods (corn syrup); Suburban Propane (propane), Mass Container (cardboard and paper); Northborough with Toy’s R Us warehouse and Nucor (paper products); Clinton (Reiser scrap yard); Sterling (a lumber yard and a grain company); and Leominster (a plastics company or two and a bulk transfer yard for plastic pellets). {ARW discussion 6.Jan.98; customers from NERAL e-mail list}

**FOR THE RECORD:**

**MASSACHUSETTS**

**DOUBLESTACK CLEARANCE PROJECT:** At a meeting in December, the government agencies and railroads involved agreed to review funding sources [see 5 November 1998 issue]. For the Worcester-Boston stretch (funded by Massport and the state government), the state will look at what its various agencies could pay for. A followup meeting within the month will aim toward consensus on what should be done and who should pay for what.

The meetings are facilitated by Joe Sullivan, House chair of the legislative Transportation Committee. He does this because the Committee is in touch with the agencies involved, and because the Committee passed the Seaport bond bill, which is providing the funding source for the state contribution to the project. {ARW discussion 5.Jan.99 with John MacDonald, a research analyst at the Transportation Committee, who succeeded Chris Campbell}

**NH RAILROADS**

**NEW ENGLAND SOUTHERN**

6 January, Concord. **THE RAILROAD WILL NOT PERMIT SNOWMOBILING THIS YEAR** on the line it operates from Concord north. President Pete Dearnness gave two reasons:

- In past years the railroad has needed construction equipment in early spring to re-open the line because the snow sleds have packed the snow so hard. He would like to avoid this while
trying to reach his customer in Tilton, Quin-T.

- NEGS has a potential customer north of Concord who will require service two to three times a week, through the winter. Although the customer, whom Dearness declined to name until the deal is definite, will not need service until April, the railroad wants the snowmobilers to know now that they cannot use the line. This will lessen the chances of an accident next winter, hopes Dearness.

Salt traffic low
New salt customer Barrett Transportation [see 2 July issue] has completed receiving road salt. Due to the mild early winter, only 35,000 tons moved over NEGS, less than expected. “In peak years we would receive 1600 carloads of salt, before the Akso Salt mine in New York collapsed,” said Dearness. {ARW discussion}

FOR THE RECORD:
NEW HAMPSHIRE
NO RESOLUTION ON NHVT. Kit Morgan, NHDOT’s rail administrator, said the state had not yet purchased the inactive section [see 18 December 1998 issue]. It wanted NHVT to lease back the section, so that NHVT and not the state had the operating responsibility. So negotiations about the lease and operating language were going on. The same language may be used when NHDOT purchases the active track as well.

RAIL COUNCIL? Morgan said the department is still working on language for the function of the council [see 18 December 1998 issue] and potential members. It will discuss the draft, when ready, with the NHRRA. {ARW discussion 6 Jan. 99}

GUILFORD TRANSPORTATION INDUSTRIES WILL MOVE its headquarters from Nashua to the Pease Tradeport. Dave Fink, head of both GTI and subsidiary Pan Am, predicted Pan Am will move its headquarters from Nashua to the Pease Tradeport. Dave Fink, head of both GTI and subsidiary Pan Am, predicted Pan Am will

5 January. RIDOT REACHED AGREEMENT WITH AMTRAK ON THE ‘TRACK 7 PROJECT’ in December, according to RIDOT project manager for the FRIP, Peter Janaros. Under the design-build contract, Amtrak will rehab an existing third track between Providence and the Boston Switch, where the PW main line turns northwest toward Worcester. Rehab will include creating 21’1” clearance for doublestack trains. While 20’6” would provide sufficient clearance, Amtrak asked for the extra 7 inches. It will own and maintain ‘track 7’; as it ballasts the track, it wants to be able to allow the track to ride up on new ballast and not cramp the clearance.

The track 3 project
Work on a similar contract with Amtrak for the stretch between Providence and Davis are “well-advanced,” said Janaros. For track 3, Amtrak will connect a series of existing sidings. The track 7 project will get done more easily. RIDOT is predicting completion at the end of 2001 or the beginning of 2002.

PW clearances
RIDOT holds monthly meetings with PW to discuss the clearance effort. PW’s status report at the 17 December meeting showed the railroad was “well ahead of schedule” [see 2 July and 11 September 1998 issues] and “will be done” with clearing its section between the Boston switch and Worcester before the FRIP is complete, Janaros said.

Why bother if no doublestack traffic exists?
Janaros acknowledged that PW, which holds the exclusive freight rights along Amtrak’s Northeast Corridor (NEC) line in Rhode Island, currently has no call for doublestack trains. Furthermore, the decision by Sea-Land/Maersk not to include Quonset Point/Davisville in the short list for the super container terminal [see 18 December issue] puts the day for such a call farther off.

But, Janaros explained, the FRIP is needed regardless of clearances, just to preserve existing freight service ‘given the anticipated restricted operating windows expected due to the frequency of trains service on the NEC.’ And if the work must be done, the state wanted to look to the future, when doublestack and tri-level auto carrier clearance would be needed.
Trilevel clearance could help now. Cars are currently offloaded elsewhere and trucked to the Auto Port at Quonset Point, then trucked back.

**So why have some shared track?**

Despite the new construction, the 28-mile stretch between Boston Switch and Davisonville will have five miles of shared track [see *Ports* 18 June 1998 issue]. Janaros remarked that building a third track in the shared track section, in East Greenwich, would mean changing the character of the town, affecting eight or nine historic bridges, and perhaps some impact on the bay. Furthermore, going to the full-build option would cost $167 million, while the partial-build option chosen by RIDOT will cost only $122 million. [ARW discussion; quote and figures from Executive Summary of FRIP Final Environmental Impact Statement 1.98]

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**Vermont Railroads**

**GRS Wells River**

4 January, Wilder. *A Damaged Bridge Has Cut Off A Customer Here*. Jewell Transport, a trucking company, owns a siding at mile post 124.59 north of White River Junction on Guilford’s ‘White River Junction Running Track.’ Primarily a trucking company according to principal Max Jewell, it also transloads from its main building.

Jewell owns Evergreen Recycling, which handles scrap metal. Evergreen sends out a car of scrap every now and then from Wilder. Jewell also owns Jewell Resources, which has a scrap metal yard in Lyndonville and handles municipal scrap.

For G.H. Evarts and Company, a Springfield NH lumber outfit, Jewell transports hardwood to Wilder for loading on railcars. Sheri Rollins, traffic manager for Evarts, said she notifies GRS when she needs an empty. When the empty arrives in Wilder, Jewell uses two trucks to move the product to Wilder, and loads it into the car. Rollins said the wood, either “surfaced” or logs, goes to Calgary or elsewhere in Western Canada. Rollins found GRS service adequate, with a few cars arriving late.

The bridge damage

In early December, an overweight Jewell truck got wedged under the GRS bridge over US Route 4 in Hartford VT. A VAOT engineer examined the bridge on 6 January, confirming that rail was bent and the bridge itself moved on the abutment. Pending repair GRS cannot serve Wilder.

GRS and Jewell are discussing a resolution of the service problem on 7 January. Perhaps, Karen Songhurst of VAOT thought, the repair would get wrapped into the sale of the line from GRS to the state.

Some have suggested that Evarts could use the Claremont and Concord for transloading, pending repairs. The CCRR lies about the same distance from Plainfield as Wilder. [ARW discussions 4&6 Jan.98; NERAIL e-mail list]

**GRS Access to Wilder**

Since some confusion has arisen relative to the ownership of the Connecticut River line, ARW draws the reader’s attention to the two Interstate Commerce Commission (ICC - predecessor to STB) decisions on the point.

In 1988 in response to a petition by Amtrak, the ICC conveyed most of the B&M rights in the line between East Northfield VT and White River Junction VT from GRS to Amtrak. [Amtrak in turn conveyed it to the Central Vermont, predecessor of NECR.]

Amtrak acquired right of way of about 627 acres, save fiber optic easements, leaving GRS with about 281 acres.

Prior to this proceeding, CV and B&M had shared the line. Under a 1930 agreement, CV permitted B&M to maintain and use its line between East Northfield and Brattleboro as well as to use (while CV maintained it) the line between Windsor and White River Junction, and gave B&M dispatching over the trackage between White River Junction and East Northfield MA. In turn, B&M gave CV the right to use its trackage between Brattleboro and Windsor. These rights under the 1930 agreement, plus the right-of-way between Brattleboro and Windsor, GRS lost to Amtrak. [4 ICC 2nd 761, 1988] [GRS appealed this decision, won in the Court of Appeals, but lost in the US Supreme Court. [National Rail Passenger Corporation v. Boston & Maine Corporation, 503 US 407, 118 Led 2nd 52, 112 SCt 1394 (1992)].]

What GRS retained and received

GRS is entitled to serve its line north of White River Junction under an agreement with CV imposed by the ICC in 1990, when the two railroads were unable to reach agreement on some terms. Under the agreement, GRS received the right to operate over the line between East Northfield MA and the point named “Bank” in White River Junction where GRS ownership began.

GRS has only overhead rights on the CV Lines, meaning the 13.4 miles between White River Junction and Windsor, and the 10.6 miles between Brattleboro and East Northfield MA. On the former B&M line, that 48.8 miles between Brattleboro and Windsor, GRS has the exclusive right to serve ‘all existing shippers and shippers’ facilities’ including new shippers at these facilities, as long as GRS maintains three days per week service.

Existing shippers and shippers facilities shall mean industries and facilities at rail sidings which received or tendered rail shipments during the twelve months immediately prior to the Conveyance Date [9 September 1988].

Both GRS and NECR have the right to interchange traffic with GMRC at Brattleboro or with CCRR at Claremont. [6 ICC 2nd 539, 1990]

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FOR THE RECORD:

**Vermont**

MEETING ON LAMOILLE VALLEY: On 5 January the proposal review committee meeting went “very well,” said Songhurst. A draft decision will go to the secretary for review. Once the bidders are notified (“I’m going to guess that will happen in the next few weeks,” said Songhurst) the public will learn the results.

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THE AMTRAK QUALITY CONFERENCE [see 18 December
1998 issue] had 100 people to the morning session and 50 stay for the breakout, according to Songhurst. A summary of the meeting with a draft report will appear next week. "We got good feedback on the current service and some support for some of our new ideas." She expected a one-year contract between the state and Amtrak will cover the current year, and then an ensuing three-year contract will contain some of the ideas discussed at the Quality Conference. {ARW discussion 6.Jan.99}

MARITIMES/QUÉBEC RRS

NEW BRUNSWICK LEGISLATURE
6 January. THE 1999 LEGISLATURE COULD TAKE UP HOUSEKEEPING REVISIONS OF THE SHORT LINE RAILWAY ACT which NBDOT is still working on [see 19 November issue]. Nancy Belding, transport policy advisor, said no other rail-related legislation was expected this year. {ARW discussion}

Capital budget
On 18 December, Transportation Minister Sheldon Lee announced a $197 million capital budget today, noting the budget, combined with the separate Fredericton-Moncton Highway project, means "the highest level of road work in the province's history."

"New Brunswickers will continue to see an abundance of highway activity in our province in the coming year and the years ahead," Lee said. "Expenditures on the Fredericton-Moncton Highway Project are expected to be in the order of $200 million in the coming year. This work, coupled with the work to be done under the Department of Transportation $198-million capital budget, will mean the highest level of road work in the province's history." {NBDOT 18.Dec.98}

Belding said this year and for the past few years, the capital budget has included $100,000 for rail safety projects. This would cover crossing improvements on the provincial railways, or a 10% match to a federal expenditure on federal railways. {ARW discussion}

QUÉBEC
15 December JACQUES BARIL BECAME NEW TRANSPORT MINISTER, following the success of the reigning Parti Québécois at the polls. Former minister Jacques Brassard becomes minister for natural resources.

ST.LAWRENCE & ATLANTIC (QUÉBEC)
23 December, York PA. EMONS ANNOUNCED IT HAD COMPLETED ACQUISITION at a cost of C$7 million of the SLQ [see 3 December 1998 issue]. Emons in a separate transaction purchased ten 2,000 horsepower locomotives as well as certain other equipment and materials. As a result of this transaction closing later than anticipated, SLQ began operating the line on December 1, 1998, under an interim agreement with CN.

Emons further announced that this acquisition was financed by LaSalle National Bank of Chicago. The Company’s existing loan agreement with LaSalle was amended to include funding for this transaction, which includes a C$6.6 million seven-year term loan, and a US$2 million three-year term loan. {Emons press release}

CAPE BRETON AND CNS
6 January, Sydney. THE TRIAL RAIL PRODUCTION BY SYDNEY STEEL WENT “EXCEPTIONALLY WELL” according to reports from CN personnel watching the process in autumn 1998 [see 13 August issue]. A Sydney Steel spokesperson said this day the 10,000 tons of rail were sent in early December, and the company awaits formal notification from CN that they meet CN specifications. If they do, the company hopes to win some of the orders CN is placing this year.

Sale of the company
The company spokesperson also said that a five-year business plan by Hoogovens, the Dutch firm planning to purchase Sydney Steel [see 3 December issue], has reached the provincial cabinet. The unions, principally United Steelworkers, will get a briefing on the plan on 19 January. Assuming all goes well, closing will take place in March.

Customers in the United States
Hoogovens believes that once it assumes ownership of the plant, it will level the playing field with other rail producers “in the free world,” said the spokesperson. The United States has argued that provincial ownership meant a subsidy and unfair pricing. Once the US countervailing duties are lifted, Hoogovens with the help of the weak Canadian dollar, should have a excellent chance of selling into the United States. {ARW discussion}

NEW BRUNSWICK SOUTHERN
5 January, Saint John. THE RAILROAD CAR SHOP IS DOING OUTSIDE WORK and has done so since mid-1998, said General Manager Dale Thibodeau. It has restencilled cars for GE Capital and repaired TTX centerbeam cars. “We welcome all car business, and will provide very competitive prices.” Locomotive work, at this point, is limited only to NBSR power.

Traffic
The railroad had an “outstanding year, with 1999 expected bigger and better” - perhaps with the addition of Sea-Land and Maersk containers moving between New York and Halifax [see 18 December issue]. Thibodeau noted that currently NBSR did not interchange any containers with CN for Saint John, thought it did for the New England Clipper service between Ayer MA and Halifax. {ARW discussion}

VIA RAIL
December. EASTERN TRANSCONTINENTAL SERVICES WERE NOT MEETING BUDGET. Through November, revenue came to
$17.3 million ($2.2 million below budget), cost to $35.5 million ($0.7 million above budget). Through October, ridership came to 218,952, 13.5% below budget. {VIAlogue winter.98}[These figures may provide further impetus to the proposal to franchise all of VIA.]

ATLANTIC NORTHEAST PORTS

SYDNEY

29 December. IN 1992, DEVCO INSTALLED FACILITIES FOR RECEIVING BULK COMMODITIES as well as exporting coal, at its International Pier here. This resulted when the domestic electricity demand rose while product at the Cape Breton Development Corporation (DEVCO) coal mines dropped due to mine problems. As a result, DEVO exports dropped to virtually nothing. In the last two years, DEVCO has had to import US coal - through the Martin Marietta facility in the Strait of Canso - to meet its contract with Nova Scotia Power [see 22 June 1998 issue].

Pier open for business

Tom Fleming, director of marketing for DEVCO and also for DEVCO's railroad, DVR, said he is looking for opportunities to move other bulk commodities such as salt over the 180-meter pier. It offers a 52-foot depth at the pier, although a bar at the harbor entrance gives only 38 feet of water there. “The bar is dredgable, but right now we can handle a Panamax vessel not fully loaded.”

Served by DVR which interchanges with CBCN [see Canada], DEVCO markets its pier as the ‘closest North American mainland port to Europe, Africa, and the Middle East’ as well as ‘closer to South American ports than is New York’ [true! according to my globe, for points east of French Guiana]. Contact Fleming at 902-842-2208.

Other piers

Sydney offers two other piers. Sydport’s 65-meter one handles various traffic, while the 275-meter Sydney government wharf, in a downtown location, handles no commodities currently. {ARW discussion}

STRAIT OF CANSO

22 January. THE STRAIT REMAINS A CANDIDATE FOR A MEGA-CONTAINER TERMINAL. The proposed site at Bear Head [see map 7 March 1997 issue], which could accommodate post-Panamax ships, is controlled by the Business Development Corporation, a branch of the Nova Scotia Department of Economic Development.

The Halterm option

Halterm Limited, the company which operates the Halifax International Container Terminal (in turn owned by the Halifax Port Corporation) was held equally by CN Rail and Newfoundland Capital Corporation until 1997, when it was sold through a share offering to create an income fund. CN still controls Halterm via a 10-year management agreement, and CN intermodal vice-president Craig Littzen chairs the Halterm board.

According to George Reid, manager of industrial properties for the Business Development Corporation, Halterm holds an option to purchase land at Bear Head which expires in May 1999, but the corporation might make a deal with Halterm beyond the deadline. Several other potential buyers are considering the Bear Head land.

During the summer and autumn of 1998, Halterm did engineering tests on the Richmond County site. Halterm vice-president Doug Rose said the company is evaluating the results, but could not say when a decision will be made. "It's a feasibility study on our part to see if a facility could be built, and if so, under what conditions."

No "mystical link" exists between the Bear Head proposal and Halifax’s Maersk/Sea-Land bid, he said. But industry sources say Halterm would like to develop some type of facility at the Strait, regardless of how Halifax fares in its Maersk/Sea-Land bid.

Kurt Andersen, Atlantic region director for Maersk Canada, said while Maersk/Sea-Land is focusing on three short-list candidates [Halifax, New York/New Jersey, and Baltimore - see 18 December issue], "I really don't think I can rule (Bear Head) in or out. We are looking at all the different possibilities in connection with the request for proposals."

He has visited Bear Head twice this year and said the site has many advantages, including a very deep channel, proximity to world shipping lanes, and an untouched site where "you could build whatever you want."

Strait of Canso effort

Blaine Gillis, consultant to the Strait of Canso Superport Agency, said he had approached various stevedoring firms months before Halterm initially expressed interest in the Strait [see 4 December 1997 issue]. Then came Halterm, followed by his approach to Sea-Land/Maersk [see 4 June 1998 issue].

Canso is pushing the federal government and the province to give the Bear Head project "equal treatment. If it doesn't go to Halifax, and there is a possibility for a terminal in the Strait ... the same public support would be sought." Melford, across the Strait from Bear Head, provides a second excellent site for a container operation.

Gillis said that while Maersk/Sea-Land officials did not invite the Strait area to bid on the superterminal, "they said they may be getting back to us once they finish that process."{See 13 August issue.}

Mayor Billy Joe MacLean of nearby Port Hawkesbury said Halterm, CN Rail, and Maersk/Sea-Land have been interested in Bear Head for some time. Sea-Land officials told him it is the best virgin site they’ve ever seen, with the potential to move two-thirds more cargo with one-third less staff than Halifax and with shorter turnaround times.

Rail links and other questions

While the Strait site is even closer to shipping routes than Halifax is, it has challenges, according to Rose. "Wind is one of them, and inland rail links is another; they both require considerable work."

Peter Touesnard, general manager of CBCN Railway, said...
only conceptual discussions have occurred; planning remains in the infancy stage. CN Rail mapped out potential rail routes for the area in the 1970s, and the short-line railway has reviewed those plans. Extending a line to Bear Head would not be hard, but determining the cost would be. Sources say the rail link would be about 10 kilometers long and could cost $3 million to $4 million. CBCN is already cleared for doublestack, Touesnard said.

Gillis said a Bear Head operation would ship containers inland by rail initially, although development of sea feeder services, which move containers with smaller ships, could eventually take cargo to Montreal and New York.

A "consolidation yard" for inland-bound containers could be built in Truro or Moncton. This would land containers bound for Atlantic Canada, and would also strip and stuff containers for local distribution. Gillis said nothing firm was set up for such an idea. The executive director of the Colchester Regional Development Agency, Dan Uberoi, has suggested locating such services in the Truro area.

As for wind, that concerned not the ships, but the huge container cranes which cannot move on their tracks against wind higher than 40 miles per hour. By ascertaining the direction, frequency, and speed of the wind a design firm can plan crane movement in order to minimize wind as a factor, Gillis said.

The Halifax option

Rose stressed Halifax is Halterm's home base and there is no plan to leave the facility. But that did not restrict Halterm from considering expansion elsewhere. Dennis Creamer, vice-president of the port corporation, said the Halterm lease expires in 2000, but a Halterm departure "hasn't even crossed our minds." Still, he said, the port could survive without Halterm.

"The Port of Halifax is a major port in the world. A lot of stevedoring companies would like to come here if Halterm left." {Tom Peters et al, in Halifax Herald 22 Dec. 98; ARW discussion with Gillis 4 Jan. 98}

5 January. THE PORT CORPORATION WILL SOON ACQUIRE THE FEDERAL PROPERTIES [see 5 November 1998 issue]. Gillis said he expected to meet with Transport Canada officials at the end of January to reach general agreement on how much Transport Canada will pay to renovate the facilities in Mulgrave and Port Hawkesbury which the Strait of Canso Superport Corporation will inherit.

The Corporation should take over the facilities in two or three months after the general agreement is reached. {ARW discussion}

EASTPORT

3 January. EASTPORT IS LOADING ITS FIRST CARGO OFPEAT. The product, 37,000 cubic yards of it, came via truck from the Worcester Peat Company in Washington County to the new Estes Head pier.

The Russian ship Boris Livanov came up the coast from South Carolina, where it had discharged cement, to take on the peat, which will take five days to load. Stender, the German company which will receive the peat, looked to the United States after its regular suppliers, located in the Baltic states, had a wet season. Stender sells mulch integrated with the peat to bulb growers and nurseries in Europe.

Prior to this, three paper-related shipments had gone out across the new pier. {ARW correspondent Fred Hirsh discussion with Skip Rogers of Federal Marine}

QUONSET POINT/DAVISVILLE

17 December. THE COLUMBUS GROUP EVALUATED THE MARKET ANALYSIS DONE BY THE DEVELOPER, Quonset Point Partners (QPP), at the stakeholders meeting. The private Virginia firm, which focuses primarily on port-related activities, was hired by the Army Corps of Engineers. It maintains a set of trade-forecasting models with which to predict future trade developments. Presenters Bob West and Ben Hackett of the Group made the following points:

- QPP demonstrated a clear understanding of what is necessary to operate QPP’s proposed hub port.

- Container trade is expanding, and the long-range North Atlantic container trade outlook is positive, even without an expansion of the Asian economy.

- QPP’s projection looks too aggressive for the first year, and relatively conservative for later years (5% comports with the Columbus Group forecast of about 4.5% for the North Atlantic). The presenters questioned how QPP could capture 20% of the total North Atlantic container trade in the first year (about 670,000 of the 3,400,000 TEUs in 2002).

- QPP’s assumption that it would get four calls a week from post-Panamax ships assumes that four strings of post-Panamax ships would be operating along a horseshoe deployment (Los Angeles - Asia - Europe - East Coast, and back again). But the North Atlantic does not have enough cargo base to support that number of horseshoe strings.

If a string called at Halifax and New York, shipping lines would not call QPD.

- QPD would probably not succeed as a feeder port. These need four features: (1) a relatively large manufacturing or consuming market in its catchment area; (2) sea feeds competitive with land transportation; (3) good intermodal connectivity; and (4) efficient cargo handling and terminal clearance.

QPD lacks the manufacturing or consuming market nearby. Moreover, according to the Columbus Group report, the sea feed cannot compete with truck rates from New Jersey, and intermodal connectivity is not yet in place. The report concluded that ‘Quonset Point would have a very difficult time establishing itself as a viable feeder port even if the best of terminal facilities were to be available.’

The presenters also said feeding Boston from a hub at QPD would be better done by truck than sea feed.

- In conclusion, the presenters said QPP’s proposal is realistic, but depends upon participation by one or more operating companies. The Columbus Group recommended a broader marketing program; talking to European and Asian shipping lines
as operating companies; conducting an analysis to determine the dredging needed depending on ship size; and re-analysis of first-year figures.

- In response to questions, the presenters said if the United States can continue to pull in cargo at recent rates, it can handle more ports. They anticipated New York could not handle the growth over the next 20 years if growth continued at current rates.

Rhode Island Economic Policy Council
The 20-person EPC serves as a non-partisan advisory board to the governor. It is currently looking at how Rhode Island can position itself to compete regionally and internationally. [Editor’s note: the Atlantic Northeast is not going to succeed if the states and provinces continue to compete among themselves. I believe only a regional approach will succeed. See Rail and Marine Transport in the Atlantic Northeast 1999, chapter 7, forthcoming.]

Michael Gallis, a consultant to EPC, discussed his analysis of this question, making these points:

- An enormous industrial corridor is growing in the Midwest. The ability of the East Coast to access this corridor is critical, with the New York-Chicago lane the largest access route. A major movement north to Halifax would damage the New England/Rhode Island economy, bypassing it and adding to its isolation as a trading cul-de-sac.

- Despite the trend toward a knowledge economy, the old economies remain surprisingly vital and will remain important for the future of the region.

- Rhode Island presents New England’s only alternative to Halifax as a hub port.

Deadline extension
Stakeholders discussed whether to extend the deadline in light of the Sea-Land/Maersk decision [see 18 December issue], but came to no conclusion. {summary of stakeholder’s meeting; ‘Review of Economic Analyses for Quonset Point Port Development’ from Columbus Group, 12.98; Columbus Group flip charts from presentation}

NEW LONDON
1 December. THE PORT MAY GET SOME CONTAINER TRAFFIC if the hopes of CN come to fruition [see 18 December 1998 issue: Regional - Nova Scotia]. This could be handled at one of the port’s two piers.

General background
The Thames River in eastern Connecticut is better known today for its Electric Boat submarine yards in Groton and for the US Coast Guard Academy than for freight. In 1996, the port saw just 633,000 tons of freight traffic, of which 85% (538,000 tons) were refined petroleum products through the Amerada Hess terminal. Much of the balance consisted of salt at the CN pier; the port also boasts ro-ro ferry service from the eastern end of Long Island NY.

The ‘CN pier’
CN apparently retained ownership of the one New London pier when it sold the Central Vermont Railroad to RailTex. CN has leased it to Continental Salt which has one other facility, in Port Newark. Salt for roads and water conditioning arrives by ship and goes out by truck. Greg Marshall of Continental Salt referred to the facility as ‘Pier 5.’

More on the State Pier
The Admiral Harold E. Shear State Pier, newly-rehabilitated in 1998, was named after a former Federal Maritime Administrator, who lives in the area and was instrumental in getting the funds to rebuild. It plays a key role in the state’s plans to capture a share of regional ocean freight.

At the terminus of the New England Central (NECR) main line to Montréal as well as on the Amtrak Northeast Corridor and Interstate 95, the general cargo State Pier is operated by Logistec Connecticut, Incorporated, a subsidiary of the Montréal-based stevedoring and terminal operating company. It leased the pier in 1997 after its renovation.

Logistec Connecticut also leases terminals in New Haven [see
5 November issue] and Bridgeport. These were purchased from the bankrupt New Haven Terminal Company by an employee-owned firm in 1995. {Battle for Market Share: Rail and Marine Transport in the Atlantic Northeast 1999, forthcoming}

In April 1993, two sections on the east side collapsed when the pier was not in use. Subsequently, the state rehabbed two-thirds of the eastern side which is leased to Logistec along with about six acres of upland. The state plans to build a warehouse and rehab the rest of the pier, for a total cost of about $25 million.

Traffic consists of lumber - softwood from British Columbia and elsewhere, which arrives by rail and ship for Sherwood Lumber Company, which distributes the lumber throughout the area. Also steel coils, and recently paper exports, have moved through the pier, every bit of which is now used. The state would like to open the west side of the pier for additional cargo handling, paper storage, and Logistec is seeking additional cargo.

Rail access
NECR’s line runs near to the pier, and two tracks - one on each side of the center line - run down the pier. However, a 30-foot section is missing between NECR’s tracks and the pier. Installation should have happened in July, but municipal plans to develop all the back land put a hold. {ARW discussions with Alan Stevens, head of Connecticut’s Office of Water Transportation, and Steve Davis of Logistec Connecticut}

The city’s economic development plan
In October, the New London Development Corporation (NLDC), a private non-profit entity, began putting together for the municipality a plan for the area around the piers served by the railroad. It covers an area roughly bounded by the Thames River, the I-95 bridge, Crystal Avenue, Water Street, and Adelaide Street.

According to Greg Coenen, the consultant who is managing the project for NLDC, by January 1999 the Corporation should have a draft plan, aimed at having the land which supports the piers work better. NLDC is also working on four other projects which in toto will transform the city, one of which will address the waterfront/ train station area, just south of the railroad piers.

Pending completion of the plan, some work was put on hold: the completion of the track to the Shear pier, the construction of a warehouse to serve the pier, and other development.

NLDC has hired Milone, MacBroom & Associates, an engineering consulting firm in Cheshire CT [who also is helping design rail-to-trail construction in New Haven], to assist with the mechanics of the plan. On 5 January, Coenen said the Corporation should finish the draft by mid-January. After approval by the NLDC Board, the Corporation will discuss the plan with the railroads, and will probably release it to the public.

Coenen saw “no reason the rail cannot be connected” to the pier because the plan envisions accommodating rail, cargoes, and the port itself.

Once approved by the NLDC Board, it will go to the state’s Department of Economic and Community Development, which paid for it. After that, the report will circulate to state agencies such as the ConnDOT and the Department of Environmental Protection.

Then it will come back to New London, to the regional planning commission. After that, it will go through the conventional city processes of the zoning board and the city council.

Coenen anticipated ultimate approval in March or April 1999. {ARW discussion 8.Dec.98}