ATLANTIC

RAIL WATCH
operating railroads + their intermodal facilities, ports, and government environment

Issue 99:7  7 April 1999

REGIONAL ISSUES
Statistics on train miles, passenger counts, and train accidents for New England railroads.
See pages 10-11.

CONNECTICUT
Legislature: Commuter bills fail, tax-exemption still alive.
DOT: Commuter rail no go in east.
PW: Middletown seeking planning funds.

MAINE
DOT: Breakout of transportation bond funds. IRAP decision soon.
Amtrak: Opening briefs on rail. Bids out, station meeting.
B&A: Presque intermodal service?
Calais Branch: Excursion service? Rail authority?
GRS: More on Hunt pullout from Waterville.

MASSACHUSETTS
No report.

NEW HAMPSHIRE
Legislature: Passenger liability goes to study again. Study of commuter to Kittery supported.
Local ‘taxation’ of state leases supported. Northern revitalization supported. Two-member crews failed.
Nashua commuter: Study underway.
NHVT: NHDOT bought. Concern about CSRX.
FTR: Rail Council proposal held up.

RHODE ISLAND
FRIP: Update on contracts.

VERMONT
LVRC: Meeting but no change.
WACR: No new negotiation yet.
Wells River: Meeting.

MARITIMES/QUÉBEC
CFQ: New CFMG name.
VIA: Over budget.

PORTS
Halifax: No movement. CP favors New York.
Eastport: Expand political base?
Portland: Update on scrap shipper.
Portsmouth: New Bulkloader gm, traffic lacking.
Quonset: Stakeholders finish without recommendation but with 24 principles.

FROM THE PUBLISHER
Best story: the fact that CN has such heavy traffic to Halifax it will not pull out. While I support short lines and regionals, the Atlantic Northeast does need Class I trunk lines as well, and CN provides a great trunk line, as does Conrail.

Best facts: the train miles, passenger counts, and train accidents.

Date of issue
Because of the NorthEast Association of Rail Shippers meeting in Rockland Maine on 23-24 April [contact Bill Donovan at 508-428-1224 to attend this great event] and a vacation, you will have the next issue around 30 April.

- Chop Hardenbergh

Next issue: 30 April.
5 April. ALL BUT ONE RAIL BILL FAILED TO MAKE IT OUT OF COMMITTEE. Randy Collins, a staff member of the Joint Transportation Committee, explained that any member can propose a bill, but that the House and Senate chairs (Democrats) of the committees and sometimes the ranking minority (Republican) member decide which bills the committee will take up. Proposed bills receive a number (PHB... or PSB.... depending on whether introduced by a Senate or House member) but not full drafting. When the screeners decide to take up a bill, the Legislative Commissioner’s office drafts full language, and it becomes a ‘Raised Bill’.

However, the committee may conduct a public hearing on a proposed bill without raising it, and that did happen with several of the bills. The legislature set 5 April as the deadline for most committees to make a decision on raised bills. Collins said the Transportation Committee had decided on all proposed bills two weeks earlier.

PSB 615 would have established a study of the feasibility of connecting the Danbury railroad line with the Brewster NY rail line. Introduced by Senator Cappiello, referred to Committee on Transportation. Public hearing on 1 February.

PHB 5132 to establish commuter rail service between Hartford and New Haven. Introduced by Representatives Abrahms, Donovan, and Dillon and others. Public hearing on 1 March.

PHB 5231 asked ConnDOT to maintain the Danbury commuter rail line stations by placing trash bins at all stations and keeping platforms free of litter and weeds. Introduced by Representative Boucher, referred to the Committee on Transportation. Public hearing on 25 January.

PHB 5232 appropriated funds to study the modernization of the southwestern Connecticut and the Danbury commuter rail lines. Introduced by Representative Boucher, referred to the Committee on Transportation. Public hearing on 25 January.

PHB 5510 empowers the State Bond Commission to issue $900,000 in bonds to establish a Railroad Museum of New England in Thomaston. Introduced by Representative Piscopo, referred to the Committee on Commerce. [Fate unknown.]

PHB 6289 concerned a high-speed rail line between Hartford and New Haven. Introduced by Representative Farr, referred by Transportation on 2 February to the Finance Committee.

Raised Bill No. 6871 exempts sales of railway locomotives and maintenance of way items from the sales and use tax, as of 1 October 1999. The Finance Committee held a public hearing 19 March [see 22 March issue, Connecticut Railroad Association].

ConnDOT positions

Jack Reidy, head of the commuter rail operations, said the department had put a price tag on all the commuter bills, and as a result the legislature had decided to kill them. ConnDOT did support the Hartford-New Haven effort, and opposed the Danbury bills.

Reidy explained that the Danbury line has but one track and could not handle significant service expansion at this point. The department is looking at electrifying it, adding signals, and possibly new equipment.

Ray Godcher, rail planner, said the department had not taken a position on the sales tax exemption bill. {ARW discussions 6.Apr.99}

DEPARTMENT OF TRANSPORTATION

1 April, Willimantic. COMMUTER RAIL SERVICE WOULD PROVE TOO COSTLY IN EASTERN CONNECTICUT, according to the just-completed Eastern Connecticut Rail Feasibility Study. ConnDOT’s Office of Intermodal Planning found a need for a subsidy of $40 per head, due to low population and employment density. ‘The regions are now, and are anticipated to remain, predominantly rural in nature,’ the study determined.

But John Filchak, executive director of the Northeastern Connecticut Council of Governments, said: “I’m a little disappointed. I think we all realized that if you tried to apply a daily commuter service here [over NECR or PW lines], it wasn’t going to make sense. I think a different type of service, maybe something that ran Monday through Friday with a couple of runs in the morning and a couple runs in the afternoon, and the picture may be different.”

The report priced track upgrades to class 3 operation at $1.4 million per mile. Each line needs 23 miles of rail replacement. Operating expenses came to $17.7-18.2 million per year. {Matt Sheley in Norwich Bulletin 1.Apr.99}

PROVIDENCE & WORCESTER

6 April, Middletown. THE RAIL COUNCIL IS APPLYING FOR PLANNING MONEY under TEA-21. Brian O’Connor of the Middlesex Chamber of Commerce, who is assisting the Rail Council, said TEA-21 authorized $10 million for the Hartford to Old Saybrook passenger rail [see 5 February], with $496,000 in planning money. Now the Council must convince Congress to actually appropriate that money.

“We’re working with the Mid-State Regional Planning Commission” on a scope of work, submitted to both the FTA and the office of Senator Christopher Dodd. O’Connor said he hoped to hear within a month whether the Senate Appropriations Committee has earmarked that planning money.

If Congress makes available the funding, then the Council will get the study done. Some such as Ray Godcher expressed skepticism about the feasibility of commuter service. The
population is relatively low along the corridor to Hartford, and the costs for rehab and operating would be relatively high.

But O'Connor said the Council sees the “biggest need” in freight, with commuter operations and excursion rail to a new stadium in Hartford other generators of traffic. {ARW discussion} [See above for study of Willimantic area].

MAINE RAILROADS

MAINE DOT

March. HOW THE DEPARTMENT PLANS TO SPEND $39.9 MILLION for rail from the proposed state transportation bond issue [for passenger-related discussion, see 12 March issue; for freight-related, see 26 February issue]:

<table>
<thead>
<tr>
<th>State</th>
<th>Federal</th>
</tr>
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<tbody>
<tr>
<td>bond/funds</td>
<td></td>
</tr>
<tr>
<td>980,000/</td>
<td></td>
</tr>
<tr>
<td>1,320,000/</td>
<td>[MDOT will also use $998,000 left from last bond issue.]</td>
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</tbody>
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Calais Branch - phase I rail upgrade Bangor-Trenton, plus engineering of rail to Eastport. [See below.]

Lewiston-Auburn rail connection 6,000,000 (all state funds)

Development of passenger facilities 170,000/ in the area. 680,000

Rockland Branch rehab and development 7,500,000/ 8,000,000

[See 12 March issue.] Includes $6 million for intermodal passenger facility in Rockland.

Trail development

The bond issue includes under rail subtotals $250,000 in state bond and $1 million in federal funds for development of the Mountain Division, Downeast (Calais Branch), and Eastern (Kittery-South Portland) trails over or near former and existing rail lines. {crib sheet text from MDOT;ARW discussion with Alan Stearns, policy director, 7.Apr.99}

Hearing on the bill is set for 12 April.

5 April. THE DEPARTMENT WILL SOON RELEASE THE IRAP SELECTIONS. Allan Bartlett in the Office of Freight Transportation said the Industrial Rail Access Program had $1.22 million in general fund bond money, and the possibility of $800,000 in CMAQ funds if the project is located in an area where the air quality does not attain federal standards. The supporters of the project must match the government money dollar for dollar. Thus at least $2.5 million will be spent if all the bond allocation is used [see 26 February 1999 and 18 June 1998 issues]. {ARW discussion 5.Apr.99}

AMTRAK - MAINE

2 April, DC. GUILFORD AND AMTRAK FILED OPENING BRIEFS with the STB on the issue of weight of rail [see 22 January issue]. Reply briefs are due 22 April.

Amtrak stated: ‘NNEPRA is proceeding to install 115-pound rail on the line....If, through its decision on this issue, the Board agrees with Amtrak and NNEPRA on the rail weight issue, then Amtrak’s trains will operate over the Plaistow-Portland line at speeds up to 79 miles per hour; if the Board disagrees, then Amtrak’s trains will operate over the line at the speeds permitted by the Board.’

It makes a difference

The additional speed will cut the trip time by 12 minutes, to 2 hours 30 minutes. As the brief stated: ‘Amtrak’s marketing projections for the Portland-Boston service indicate that a 12 minute reduction in running time will translate into 38,000 more passengers a year, or more than 100 additional riders per day. This increased ridership will generate some $450,000 in additional annual revenues, nearly all of which will directly reduce the service’s operating losses and contribute to its long-term viability because Amtrak will be able to accommodate these additional passengers without adding more cars or locomotives to its trains.’

In support of its position to use 115-pound rail, Amtrak noted that its trains already run at 79 over 115-pound continuously-welded rail it owns - New Haven to Springfield - and others own - Auburndale to Miami Florida. {text of Amtrak brief}

Update on materials

Bids on ties were due 7 April, spikes and plates 12 April. NNEPRA will solicit bids for rail soon. {ARW discussion with Mike Murray 7.Apr.99}

NNEPRA meetings

The marketing committee of NNEPRA’s board will meet on 9 April. The station committee, which has representatives from New Hampshire as well as Maine towns, will meet on 22 April. The full board meeting on 9 April will receive a proposed NNEPRA strategic plan from MDOT. {MDOT announcement}

BANGOR AND AROOSTOOK

5 April, Presque Isle. INTERMODAL SERVICE MAY SOON START. Larry Clark, executive director of the Presque Isle Industrial Council (PIIC), described three projects moving forward:

The loader

Purchased from Mi-Jack, this arrived in March [see 22 January issue]. The seller assembled the machine, and will return soon to train the operators. “We expect it to be operational in mid-May,” said Clark.

The machine will have a spreader from Sweden, with pins enabling it to pick from the top, the side, or the bottom of trailers or containers.
The operator
PIIC did select LMS as the operator of the facility. Clark is currently negotiating the terms of a contract to operate the facility.

Interim operation
Intermodal service could begin from a temporary facility at the former International Paper building [see 30 April 1998 issue]. Clark expects to meet with B&A officials in the next few days to discuss that. Discussions are also ongoing with potential users of the interim facility.

Equipment
Clark is looking to the railroad to supply the railcars, he said. As for the intermodal units, those will come either from the customer or from the railroad. {ARW discussion 5.Apr.99}

CALAIS BRANCH
15 March, Maitland FL. A RENEWED PROPOSAL FOR EXCURSION RAIL SERVICE was submitted to MDOT Commissioner John Melrose by Maxx Robinson and Bill MacDonald. Both have, in the past, submitted proposals to do start-up excursion trains on lines out of Ellsworth.

Under this proposal, accompanied by a four-minute video, Robinson would run a light-weight rail car - “doodlebug” - in the summer of 2000, west from Ellsworth to Green Lake, and east to Tunk Lake. The operation would cost no public money, and would meet FRA regulations.

Robinson derided the concept of a 60 miles-per-hour passenger operation between Bangor and Ellsworth. ‘Believe me, John, Monica’s blue dress will hang in the Smithsonian long before this is going to happen.’ {text of letter}

6 April, Augusta. THE FIRST OF TWO PRESENTATIONS ON THE LINE’S FUTURE opened this day. Representative Al Goodwin of Eastport testified in favor of his bill LD 1159 to the Maine Legislature’s Transportation Committee. It called for the creation of the Calais to Eastport Rail Authority and the transfer of ownership of that part of the Calais Branch to the Authority from MDOT. MDOT opposed bill.

LD 1159 and LD 1853, which would expand the membership of the Northern New England Passenger Rail Authority, are tied with LD 1870, which would expand the membership of the Eastport Port Authority [see Ports]. Like LD 1870, LD 1853 would expand NNEPRA’s board to include three members from Washington County, one member from each district of the county commissioners. [Apparent]ly Representative Al Goodwin from Eastport, who introduced all three bills, is seeking some attention for the needs of his district.

Goodwin and MDOT also squared off on LD 1853. With LD 1159 and LD 1853, which would expand the membership of the Calais-Ayres Junction line in phase one of the Calais Branch re-opening [see 26 February issue]

To handle the rehabbed line, MDOT would like to use the Maine Port Authority, rather than the Calais to Eastport Rail Authority concept, according to Skip Rogers [see Eastport]. Most of the state commission who made the recommendations to the Legislature [see 3 December issue] agreed with that approach.

Officials of MDOT implied the department would not oppose the EMRDC request. According to Rogers, EMRDC will have three speakers: Chris Hall, the consultant from Stafford and Associates who studied the line for EMRDC; Diane Tilton, executive director of the Sunrise County Economic Council; and himself.

Preparation for presentation
EMRDC planned a meeting on 7 April to prepare for the hearing, and also to discuss acquisition of land in Charlotte, the site of Ayers Junction, for a cross-dock facility. {EMRDC notice;ARW discussions 5.Apr.99}

GRS - WATERVILLE INTERMODAL
2 April, Waterville. J.B.HUNT HAS STOPPED OFFERING SERVICE TO THE RAMP here. Mike Howard, director of intermodal operations at company headquarters in Lowell, Massachusetts, confirmed earlier reports [see 22 March]. “We were not making any money” at the rates charged. Truckers were charging the same rate or less from Maine to Chicago.

Is Hunt still serving Maine? “Absolutely,” said Howard. In some cases the company will dray loads to Massachusetts intermodal ramps. In other cases the loads will go over the road.

A source at Conrail’s Worcester ramp confirmed that Hunt is using that facility “hot and heavy” with loads drayed from Maine.

What will replace the Hunt service?
A person close to the Waterville situation said Hunt, which was shipping upwards of 100 loads a week via the ramp, encountered two problems. First, since the loads almost all move outbound, the service providers had to pay to move empty equipment up from Massachusetts. Second, Hunt uses Conrail exclusively in New England, leaving Hunt’s rates close to competitive over-the-road rates.

Maine shippers who had used Hunt have switched either to over-the-road, or to traditional IMC such as the IMC Hub Group. Total intermodal use has dropped, the person believed, to over-the-road, or to traditional IMC such as the IMC Hub Group. Total intermodal use has dropped, the person believed, though Hunt’s use of the ramp has increased - much of that via NS.

Rail observers reported 15 trailers and four empty cars eastbound on 31 March with no Hunt trailers as had been the norm, and on 5 April, the train westbound had 7 trailers for Conrail, 28 for NS via Ayer. {ARW discussions 2 and 6.Apr.99; NERAIL reports from Pete Lester and Brandon Kulik}

Hunt financial status
Back in late March, Gruntal & Company analyst Steve Lewins reiterated a hold rating on J.B. Hunt Transport, saying the
Nashua.Railroad company's shares were fairly valued. "March business has been uneven with big retailers more tightly controlling supply chains and paper and manufacturing industries showing on-again, off-again demand," Lewins wrote in a research note. {Reuters 23.Mar.99}

**NH RAILROADS**

**NH LEGISLATURE**

Update on the following bills:

**HB575**, limiting passenger liability to $75 million for regular service and $5 million for excursion service. NHDOIT supported the concept [see 12 March issue].

A hearing on 16 March in the House Judiciary Committee found no proponent who could answer some relatively detailed questions about the bill, and the trial lawyers banded together to oppose the bill. Kit Morgan, NHDOIT rail administrator, said Guilford Rail Systems sent no one to testify, though its lobbyist attended the hearing.

On 31 March, the committee filed a report asking for another study on the question. [The legislature conducted a study in 1997, resulting in the House Transportation Committee voting 13-2 against a liability limitation - see 23 October 1997.]

**HB 444**, establishing a legislative study committee to review re-establishing passenger rail service on the Eastern Line between Newburyport MA and Kittery ME, and to report back by 1 November 1999. Sponsored by representatives from the area, it was referred to the Transportation committee. After a hearing on 2 March, the House passed the bill on 25 March.

Some questioned the need for a legislative study, since a local study is already underway [see 22 October 1998 issue].

**HB709**, sponsored by Gene Chandler of Bartlett. This would provide to each town with a state-owned rail line operated by a private company a certain percentage of the user fee [see 22 January issue]. At a hearing on 11 March in the House Municipal and County Government Committee, NHDOIT supported the bill. Kit Morgan, the department’s rail administrator, said the bill was moving along. It was reported out of Municipal and County Government on 25 March. On 6 April, the Finance Committee will hear the bill.

**HJR 6**, supporting the revitalization of the Northern Line from Concord to Lebanon. The House Transportation Committee held a hearing 10 March [see below], and on 25 March voted it ‘ought to pass’ by a 20-0 with enthusiasm expressed by some committee members for establishment of a NH Rail Council and update of the Tuck/Dartmouth College study of potential for the line.

After passage, it will go to the Senate Transportation Committee, chaired by Ned Gordon. He has expressed "serious reservations" about introducing commuter service to Nashua. {NHRRA report by Tink Taylor}

Gordon said in February he supported re-opening the line, but questions where the state would find the estimated $60 million. “That’s the equivalent of what the state spends on its entire capital budget. I don’t see that investment being made, until there are some concrete projects.” {New Hampshire Business Review 26.Feb-11.Mar.99}

**SB34**, requiring at least two crew members on trains. Introduced by Rick Trombly [see 26 February issue], this had a hearing on 2 March, with Kit Morgan testifying against. On 23 March the Senate Transportation Committee found the bill inexpedient to legislate. {NH Webster website, unless otherwise noted}

**NH COMMUTER - NASHUA**

19 March. **REGIONAL PLANNING COMMISSIONS AGREED: ‘NASHUA FIRST’**. Andrew Singelakis, executive director of the Nashua Regional Planning Commission (NRPC), said planning organizations in Manchester, Rockingham County, and Strafford County have agreed to let Nashua have first crack at the ‘New Start’ funds available under TEA-21 [see 5 February issue].

That means the two efforts to provide service (to Portsmouth [see above], and through Salem) will take a back burner. NRPC has hired Vanasse Hangen Brustlin as a consultant to complete a study by the end of April of the specifics necessary. Then Nashua will make its New Start application.

NHDOIT Commissioner Carol Murray said the state needed a “showcase” before rail is restored to other parts of the state. “We need a success story for commuter rail. We’re really focussing on this corridor as something we can hold up to people.”

The Nashua service could cost $50 million if it includes Manchester, while Salem service could go as high as $250 million. (The figures include operating costs.) “What is really clear is that if we try and open every possible extension, we’ll get nothing,” said Singelakis. {Joshua Trudelle in Nashua Telegraph 21.Mar.99}

**NHVT**

30 March, Concord. **NHDTV BOUGHT THE LINE FROM CLYDE FORBES**. Some $1.3 million paid for the track and signals, the right-of-way, and some ancillary parcels. Forbes has agreed to stay on as operator to the end of 2000, with a 60-day notice provision if the department finds a permanent operator, said Kit Morgan, rail administrator.

Under the agreement, Forbes will not pay a user fee as the other short lines do, but he does agree to invest 20% of his revenue in maintenance.

**What about the Twin State?**

No progress here, said Morgan. He would have liked to link a deal for TSRD to the NHVT deal, but could not. The department will now begin to work on that [see 22 January issue].

**Any possibility of an operator?**

Morgan is discussing the situation with several individuals. He would like to have other potential business to offer the operator before going further. Perhaps, he mused, Commonwealth Wood
Treatment, which now uses a transload facility in Groveton on the SLR, could be persuaded to move back to all rail at its Littleton site [see 8 January 1998].

**Landlocked CSRX?**
The department recognizes that the Conway Scenic Railroad (CSRX) relies on the connection to the national rail network provided by NHVT. If NHVT cannot survive, that connection would disappear.

Could a southern connection replace it? Not under current GRS policy. The railroad has continued to refuse to sell a 3000-foot stretch in Ossipee which would create a connection between CSRX and the New Hampshire Northcoast (NHN). As long as GRS refuses to sell that stretch, NHDOT will not buy the balance of the track between Ossipee and Conway. {ARW discussion 5.Apr.99}

**FOR THE RECORD:**

**NEW HAMPSHIRE**

THE NEW HAMPSHIRE RAIL COUNCIL PROPOSAL awaits internal action by NHDOT. “I have asked some of my people to shape it up so we can forward it to Governor Shaheen for her approval,” said Commissioner Leon Kenison. He is not waiting to see whether the Legislature passes HJR 6, which calls for a rail council [see above]. {ARW/discussion 6.Apr.99}

FINALLY AN ABANDONMENT appears underway for the section of the Manchester and Lawrence Branch through the airport. On 16 March, GRS filed a notice of intent to file, within 60 days, a Notice of Exemption with the STB on 16 March. (text from GRS) *******

MORE TRAFFIC FOR NHC? The Columbia Sand and Gravel operation in Columbia NH is seeking a permit to excavate gravel at a site across Route 3 from the current pit. Products could move out by truck, or by train via the New Hampshire Central, whose tracks run parallel to Route 3. {Edith Tucker in Coös County Democrat 17.Mar.99} *******

A SALE OF THE CROWN VANTAGE mills in Berlin and Gorham took place in March. “Berlin views it positively,” said Morgan, because the mills will receive some investment. [SLR must be breathing a sigh of relief!]

**RHODE ISLAND RRs**

**AMTRAK - PW**

7 April. *AN UPDATE ON THE FRIP* was provided by its project manager, Peter Janaros. In the *track seven* section for which a contract is already executed [see 8 January issue], Amtrak just completed installing a switch at the Boston Switch permitting PW to use Amtrak lines. This frees up the PW track for the upgrades needed.

In the *track three* section, from Providence south to Davisville, Janaros has a draft contract from Amtrak and is reviewing it. He expects to execute that contract this spring.

Under both contracts, Amtrak will do the track work and subcontract some of the other structural items. Janaros expected the track three work to finish by autumn 2000, and the track seven section to be clear for doublestack access by the end of 2001 or the beginning of 2001, though some finishing touches may remain. {ARWdiscussion} [See Quonset in 22 March issue for train capacity of FRIP when completed.]

**VERMONT RAILROADS**

**UPDATE ON THREE RAILROADS**

VAOT Assistant Attorney General John Dunleavy supplied this information:

LVRC: On 2 April, Peter Snyder met with legislators and VAOT officials to discuss the infusion of some public funds into his possible operation [see 22 March issue]. The possibility does not look promising.

The agency has agreed that when Clyde Forbes’ lease on the west end of the line expires in a few years, it will permit NECR to take over without payment of a fee for the lease, as long as NECR operates the WACR line.

Washington County: Due to the attention the General Assembly demands, the Agency has not worked on the long-term contract for NECR to operate the WACR [see 26 February issue]. The 90-day contract will probably get an extension so the two parties can negotiate this summer.

The 90-day contract does contain the clause covering the Lamoille Valley lease [see above] and presumably it would carry over to the long-term contract.

Wells River: Dunleavy and VAOT rail coordinator Susan Coemption will meet on 15 April in North Billerica MA to discuss the sale by GRS of the line from White River Junction to Wells River. {ARW discussion}

**MARITIMES/QUÉBEC RRs**

**CN TRAFFIC HALIFAX-MONCTON**

3 March, Halifax. *HOW CRAZY WOULD CN BE TO DISCARD THE MONCTON-HALIFAX LINE?* Some in the Halifax port and business community believe that if Maersk and Sea-Land decide against pushing any new traffic through the port, CN may dump the line. Support for this view comes from the belief that the Halifax line is used to only 30% of capacity, and from the statements by CN President Paul Tellier in recent months that the company should look for future growth south of the border. {Tom Peters in Halifax Herald 3.Mar.99}

Total Halifax rail traffic
According to Pierre Leclerc, CN spokesperson, CN moves about 120,000 carloads (including intermodal) per year to and from Halifax.

Trains originating/terminating in Halifax
CN generally runs three trains westbound a day, one of which (#105) runs mixed, carrying auto traffic, manifest freight, and the traffic from the interchange with WHRC at Windsor Junction.

Eastbound, CN runs the same three trains. West of Truro, the Truro turn serves on-line shippers plus the interchange traffic with CBCN.

Local gypsum traffic
CN also runs gypsum unit trains from Milford, about 38 rail miles from Halifax, to Wright’s Cove in Dartmouth where the rock is stockpiled and loaded onto ships for the US East coast. Two round trips a day, of 70-75 cars a train, would produce about 42,000 carloads if the trains run six days a week, 50 weeks a year.

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<thead>
<tr>
<th>CN Traffic Halifax-Moncton</th>
<th>carloads</th>
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<tbody>
<tr>
<td>Gypsum</td>
<td>42000</td>
</tr>
<tr>
<td>CBCN (the Truro turn)</td>
<td>16600</td>
</tr>
<tr>
<td>WHRC</td>
<td>1440</td>
</tr>
<tr>
<td>Intermodal traffic (210,000 lifts, 5 per car)</td>
<td>42000</td>
</tr>
<tr>
<td>Manifest freight</td>
<td>9360</td>
</tr>
<tr>
<td>Auto traffic</td>
<td>9369</td>
</tr>
<tr>
<td><strong>TOTAL CARLOADS</strong></td>
<td><strong>120769</strong></td>
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</tbody>
</table>

Source: For CBCN, WHRC, and intermodal lifts, see Atlantic Northeast Rail and Marine Traffic 1999. Using the known number of lifts, and an average intermodal unit/car (assuming many articulated cars), we figure 42,000 lifts. Given the known interchange figures with CBCN and WHRC, plus the gypsum traffic, we end up with about 30 carloads of manifest freight and 30 auto-carloads per day, six days a week, 52 weeks per year.

{ARW discussion with John Pearce and Bruce Haslett of Halifax, as well as Pierre Leclerc of CN 31.Mar-3.Apr.99}

[Two intermodal trains of 70-75 cars a day would produce 42,000 carloads a year. Since the trains run each way, that would give 84,000 carloads a year. So maybe the gypsum is not counted, especially since it does not reach Moncton. CN did not return calls by press time to confirm.]

[The study did not apparently consider a revival of rail between Willimantic and Hartford. ConnDOT bought the line from Willimantic to Manchester in 1976 and transferred it to the Department of Environmental Protection in 1987. CSO owns and operates over the balance.]

CN: POTASH IN NEW BRUNSWICK
2 April, Sussex. THE MOVEMENT OF POTASH FROM SASKATCHEWAN IS SUSPENDED, according to an official of Potash Company of Saskatchewan (PCS), because of the shutdown of the milling facilities [see 12 March 1999 issue: Saint John.]

A review of the potash facilities/ownership
PCS owns facilities in Sussex and Norton, New Brunswick, as well as other potash mines in Saskatchewan and facilities making other fertilizers such as nitrogen and phosphate.

The Sussex facility, on the CN main line between Moncton and Saint John, contains a mine as well as a milling facility. Some 90% of the Sussex product is railed to Saint John for export; the other 10% moves by truck or rail for domestic customers.

The Norton facility contains a mine and a mill as well, but the mine - then owned by the Potash Company of Canada - was shut in 1997; PCS later purchased the mine and the mill.

To supply the Norton facility, PCS sends by rail some of its Saskatchewan product. Because of steep grades, the 96-car train is broken in Moncton and delivered as four 24-car trains to Norton, or more precisely an area of Norton known as Clover Hill. PCS calls it the ‘Cassidy Lake’ facility because it sits beside said lake.

Why the shutdown?
According to the official, Brazil receives much of the potash exported from New Brunswick. The low Brazilian dollar means the country cannot afford as much potash as earlier. Therefore, both mills are shut for six to eight weeks, and potash is no longer arriving from Saskatchewan. {ARW discussion}

Potash in general
New Brunswick and Saskatchewan (mostly the latter) hold half the world’s supply of potash. The PCS New Brunswick operation has a 770,000 tonne annual capacity, while the Saskatchewan operations can do about 9 million tonnes. The Sussex mine also produces about 650,500 tonnes of rock salt, all of which moves out by truck [see 9 April 1998 issue].

In 1998, Saskatchewan produced 14.2 million tonnes of potash. The other major potash company, IMC Kallium, ranks among the world’s largest producers, representing about 36% of North American capacity or 9.9 million tonnes. {PCS and IMC websites}

CFQ SYSTEM
1 April, Cambellton. THE SYSTEM IS USING CFMG REPORTING MARKS for some locomotives. According to the lettering on the side, that abbreviation stands for chemin de fer de la Matapédia et du Golfe. Other marks include NBEC for New Brunswick East Coast, and CBC for chemin de fer Baie des Chaleurs. {rail observer e-mail}

A company spokesperson confirmed that the name of the railway which assumed operation on CFG’s new stretch from Matane to Riviere-du-Loup changed from chemin de fer de la Matapédia à chemin de fer de la Matapédia et du Golfe [see 26
February issue. [ARW discussion 7.Apr.99]

VIA RAIL CANADA

31 December. EASTERN TRANSCONTINENTAL SERVICES DID NOT MEET BUDGET for 1998. Revenues came in at $19.3 million, well under the $39.3 million cost. The deficit of $20 million exceeded the budgeted deficit of $16.5 million.

The trains met on-time criteria 73%, better than the Western Transcontinental of 68% but below the 81% Corridor performance (Québec City to Windsor). [VIAlogue 1Q.99] [Regrettably, the issue did not contain ridership figures, for the first time.]

ATLANTIC NORTHEAST PORTS

HALIFAX

6 April. NO MOVEMENT YET from Sea-Land and Maersk in their effort to select an East Coast port for the new joint container facility. Don Stonehouse of the Nova Scotia DOT said his office is awaiting detail from the carriers on the traffic which the two carriers would want to move between Halifax and the New York area.

With that data - how many refrigerated cars anticipated, how quickly the boxes must move, etc - he can evaluate how well the offerings of the New England railroads can respond to the carriers’ needs. He will then share the findings on the best alternatives with CN.

Date of decision?

Like all previous deadlines, the most recent ‘end of March’ has now passed. Perhaps, mused Stonehouse, the carriers would use the occasion of the international intermodal conference in Atlanta this month - one year after the original announcement - to state their selection. [ARW discussion]

CP favors New York

Canadian Pacific Railway, however, supports the New York bid because that railway has expanded heavily into the U.S. Northeast, hoping to pick up the booming north-south trade that came with the North American free-trade agreement. "We would definitely like to get the traffic out of New York," said Michel Spénard, a spokesman for CPR’s eastern subsidiary, St. Lawrence & Hudson Railway. "For us, this is a major piece of the puzzle." [Oliver Bertin in Toronto Globe and Mail 3.Apr.99]

An historical explanation: ‘CP’s eastern strategy changed steadily in the 1990s as the company sought a return on its rail assets comparable to its other diverse operations. In 1991 it acquired the Delaware and Hudson routes from Montréal to Philadelphia and New Jersey from Guilford Transportation, thus opening US mid-Atlantic ports to on-line CP traffic for the first time. CP’s own shipping interests were focused on transatlantic service from the Port of Montréal, while Saint John served primarily as a terminus for north-south routes – the same markets served by Philadelphia. Initially targeting service from Eastern Canada to Australia and New Zealand, CP began in 1992 to shift container traffic from Saint John to Philadelphia. In 1993, after a protracted process of abandoning all CP branches feeding New Brunswick traffic into the Saint John to Montréal main line, CP filed to abandon the main line itself. After an outcry from the Maritimes, CP sold the line as an operating rail route – but in two parts. Irving interests acquired the eastern portion of the route, from Saint John as far as Brownville Junction, Maine, while Iron Road Railways, the parent of the Bangor & Aroostook, acquired the western portion into Québec.’ [Atlantic Northeast Rail and Marine Transport 1999]

EASTPORT

9 April. A BILL TO EXPAND THE POLITICAL BASE of the port, LD 1870 in the Maine Legislature was scheduled to emerge this day, but the hearing is now postponed.

The bill will increase the representation on the board of the Eastport Port Authority from only citizens of Eastport to citizens of Washington County. Concomitantly, all Washington County municipalities will underwrite the bonds of the Port Authority. Currently, because of the Authority’s status as a quasi-municipal body, only the City of Eastport is liable in case of default. The bill will also increase the amount of money the Authority can raise via bonds.

The reasoning

According to Gerald Morrison, one of the two harbor pilots for Eastport, broadening the base will accomplish three things. First, the cross-section of people eligible to serve broadens, so that people with maritime experience could serve. At this point, none of the five members has any experience in the shipping industry.

Second, communities affected by the port activity can get representation. “The new pier was built with state funds,” said Morrison; the effect of the port expansion goes far beyond Eastport.

Third, the increased bonding capacity means the Authority can do more. As Skip Rogers, head of Federal Marine’s stevedoring operation in Eastport noted, the Authority could, for example, fund a rail yard as the end point of rehabilitated track from Calais to Ayers Junction.

Bill postponed

Both Rogers and Morrison said that Representative Al Goodwin, who introduced the bill, was seeking to kill it because of strong opposition within Eastport, which Goodwin represents. On 6 April legislative leaders agreed to postpone the hearing on the bill until January 2000, due to the political conflict. [ARW discussions 5&6.Apr.99]

[For discussions on Calais Branch rail, see above.]

PORTLAND

7 April. FORMER PORTSMOUTH TRAFFIC CONTINUES TO MOVE VIA MERRILLS’ MARINE TERMINAL. A subsidiary of Prolerized New England, New England Metals Recycling, in 1998 leased the assets of Tewskbury Metals, which
formerly shipped scrap metal through Portsmouth but now uses Portland [see 7 August 1997].

Prolerized and European Metals Recycling had a deal to jointly own the assets [see 8 March 1998 issue] but EMR pulled out of the deal soon thereafter, and Prolerized decided to lease, rather than purchase, over a five-year period. The Tewksbury assets are owned by a trust. [ARW discussions with official at NEMR yard in Tewksbury MA and with P.D.Merrill]

PORTSMOUTH

15 March. BULKLOADER RECEIVED A NEW GENERAL MANAGER, after Pam Davis, who had succeeded Gerald Connors in December [see 18 December issue], departed. John Coady, who had helped set up the Bulkloader operations, came from one of Bulkloader’s sister companies, Prolerized New England, the major scrap dealer with a wharf operation in Everett on Boston Harbor. Bulkloader is co-owned by Hugo Neu Corporation of New York and Schnitzler Steel. Hugo Neu and Schnitzler also operate Prolerized as a joint venture [see 19 June 1997 issue]. Andy Feuerstein, senior vice-president of Hugo Neu, said that Davis left on the same terms as Connors, “pursuant to a mutually agreed-upon resignation to pursue other interests.”

Continued concern about traffic

No regular cargo has passed over the pier since the arrival of Bulkloader. Under the contract with the Port Authority of New Hampshire, which owns the facility, the company must bring in 150,000 tons of cargo by the end of the second year, on 1 August. Coady said on 19 March, “We probably won’t make it.” [Two ships could bring that much in - why not divert some scrap out of Everett?]

Potential customers fall into two groups: shippers already using a port but looking for a better deal, and shippers looking to break into foreign markets. At the end of 1998, Bulkloader had a promising lead for two companies who wanted to export woodchips, but then found woodchips were available more cheaply in Europe.

The Authority expanded the port in 1996 [see 28 November 1996 issue] with the expectation of drawing more traffic, specifically containers on barges. By 1998, according to supports of expansion revenues would come to $8 million. In the event, they came to under $450,000, most of which constituted the $350,000 fee paid by Bulkloader.

What to do?
The Port Authority of New Hampshire has the contractual right to terminate the Bulkloader operating contract at the end of the second year, on 1 August, when a payment of $375,000 is due. The port could lose the guaranteed payment Bulkloader has agreed to for the third year of $400,000, because it currently is not bidding for a new operator.

Authority Executive Director Tom Orfe said in February that other companies have expressed interest in bidding on a deal like Bulkloader’s.

In a letter to Stephen Foss, chair of the Authority, announcing the change in general managers, John Neu stated: ‘The strong dollar, the facilities at Portsmouth, logistics, a very competitive non-union force in Portland [meaning Merrill’s

QUONSET POINT

22 March. STAKEHOLDERS AGREED ON 24 CRITERIA by which to judge a port proposal during their final meeting. However, they could not come to consensus on any one port proposal. These criteria generally follow common sense, including community involvement and environmental awareness. Some of the 10 economic principles follow:

(15) Agreed: Private financing of a container port is preferable and must be based on long-term contractual commitments.

(16) Agreed: Marketability of a container port shall be compared to alternative uses of Quonset Point-Davisville port and park.

(22) Agreed: The size of the port shall be determined with consideration of existing and approved infrastructure.

The report will now go to the governor. As principle 12 stated, the ‘Stakeholders’ process should not be construed as a substitute for federal, state, and local responsibilities or the environment or scoping analysis required by NEPA [the National Environmental Policy Act].’ [text from facilitators]
1998 Atlantic Northeast Railroad
Train Miles, Passengers Transported, Train Accidents

*Total train miles*: the movement of one train for one mile = one train mile.

*Train accident*: An event involving on-track equipment that results in monetary damage to the equipment and track above a certain threshold. In 1998, this threshold was $6,600. Lading, clearing costs, and environmental damage are not included.

The table does not include Canadian railroads. Some railroads only reported for part of the year. Some railroads did not report, which are indicated by ‘n/a’. The table does not include system totals.

The table includes excursion-only railroads not normally covered by *Atlantic RailWatch*.

This data is required by the Federal Rail Administration from the railroads, and made available on its website.

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**NBSR System**

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**Plymouth&Linc System**

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**Valley Railroad System**

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**VRS (System)**

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March 18, 2002

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