REGIONAL ISSUES
CN: Eastern rationalization?
CSX: Discussion of TransFlo terminals.
PW: Some project updates.

CONNECTICUT
[No report - see CSX in regional.]

MAINE
Amtrak: Warrington comments, work continues. Calais branch: Eastport needs a railroad. RFP going out for transload. GRS: Kaolin moving from South Portland. MC: GRS will switch east Augusta customers. MDOT arrangements for Rockland branch. FTR: Rob Elder award.

MASSACHUSETTS

NEW HAMPSHIRE

RHODE ISLAND
Seaview: All American Meat and Seafood open.

VERMONT
VTrans Report on moving Burlington and Rutland...
REGIONAL ISSUES

CN
November. SELLING EASTERN LINES WAS DISCUSSED at a November analyst meeting hosted by CN. The railway has made no secret in recent months of its desire to make more acquisitions; the question has been the target and the timing. According to those present, the company’s executives used the meeting to lay out the criteria for an acquisition, including strengthening of its business originating in Canada, extending its reach into NAFTA markets, and improving the efficiency of its assets. KSU’s rail unit and WCLX’s North American operations have been the most talked-about potential targets. One attendee said that provincially-owned BC Rail was also on the list, and that an acquisition of CP’s rail unit would not be out of the question. Another said that rationalization of CN’s eastern Canada network was under consideration. A decision by CN is expected within the next six months. {Tom Murray in RailStockWatch #27 Dec.99}

CSXT TransFlo
8 December, North Haven CT. TRANSFLO IS UPGRAADING THE CONRAIL BULK TRANSFER FACILITY here, according to Joe Dugary, TransFlo regional business manager. "Currently it doesn't meet CSX TransFlo standards. We like to maintain a consistent commercial look throughout our network, we want to be considered like the McDonalds" in the bulk terminal business. “Once you have visited one of our terminals you can feel confident that any other terminal will look the same.”

Some of the upgrades will include resurfacing the blacktop, repainting safety lines, adding safety showers, and putting up fencing. In addition TransFlo plans to add another 40 car spots to this facility. "We invest in our business to meet our customers needs". TransFlo wants to have a bulk terminal within 50 miles of any major market.

Transplastics currently operates the facility, and will continue to do so.

Other TransFlo locations in the Atlantic Northeast
Most core terminals on CSXT are directly owned by the railroad, and managed either by Laser Material Services (mostly in the South) or Savage Industries (mostly in former Conrail territory). These companies have no interest in the trucking portion of the business, they manage and operate each terminal for CSX TransFlo.

Boston. A full service facility that handles many products, both dry and liquid, with over 100 car spots, this is located in Beacon Park Yard, managed by Savage.

South Boston. Also managed by Savage, this has a scale, fencing, and 25 car spots. [This is not the Boston Terminal Railway, which handles steel for the Big Dig.]

Worcester. TransFlo also owns a terminal in Worcester, operated by Delaware Express Trucking. This terminal has 100 car spots and handles dry products only, mostly plastic resin.

CSX is considering other sites to increase capacity as business demand increases. Also located on CSXT are two independent terminals in Leominster: Delta Bulk [see Massachusetts] (30 car spots with warehousing and packaging capabilities), and O'Leary Transportation (30 car spots.)

Terminals on short lines
CSX TransFlo also "promotes all of these independent operations" on New England short lines:

<table>
<thead>
<tr>
<th>Railroad</th>
<th>Location</th>
<th>Operator</th>
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<tbody>
<tr>
<td>GRS</td>
<td>Leominster</td>
<td>RVJ Inc.</td>
</tr>
<tr>
<td>MCER</td>
<td>Gibbs</td>
<td>A&amp;R Packaging</td>
</tr>
<tr>
<td>NECR</td>
<td>Belchertown</td>
<td>Transplastics</td>
</tr>
<tr>
<td>PVRR</td>
<td>Westfield</td>
<td>PVRR</td>
</tr>
</tbody>
</table>

Dugary said that TransFlo supported the RVJ facility in addition to the two on its own line in Leominster because of the large, 300 car-spot, RVJ capacity. {ARW discussion 14.Dec.99}

PROVIDENCE & WORCESTER
14 December, Worcester MA. AN UPDATE ON SOME PROJECTS OF THE RAILROAD:

Southbridge secondary
This inactive line extends from Webster on the Norwich branch to Southbridge (not to be confused with Southbridge Street Yard in Worcester). PW has discussed selling the line to the Massachusetts Department of Environmental Management for use as a bike path [see Massachusetts]. Currently, the two parties are exchanging proposals. As far as Sedares knew, no one was opposing the rail to trail.

Expansion of Wiser Avenue terminal
PW is working with Intratrans Containers, talking with Worcester about the availability of adjacent sites to expand [see 29 October issue]. Greenwood Yard, on the opposite side of the main line from Wiser Avenue, does not have the space, according to Sedares.

Doublestack access
In 1998, PW and the Massachusetts Highway Department agreed on a project to remove the most serious obstacle between the state line and Worcester: a bridge in Millville. As part of a project to replace five bridges (4 highway and the one railroad) MassHighway will install a temporary bridge with full clearance. Once the other bridges are built, MassHighway will build a
permanent bridge, also with full clearance. Bids from the agency will go out in early 2000.

Sedares said the railroad planned to undercut the remaining obstacles between the state line and Worcester. That would leave the obstacles on CSXT west of Worcester. PW continued to encourage the state to proceed with clearing obstacles in phases. [If it began with the western end, as far as Worcester, that would give full doublestack to several intermodal terminals: Intransit (two in Worcester), CSXT in Worcester and West Springfield, MCER’s in Palmer, and whatever PW would construct in Rhode Island.]

Commuter rail out of Worcester
The Massachusetts legislature [see Massachusetts] appropriated funds for studies of commuter rail from Worcester to Providence, and Worcester to Webster MA. Sedares said “we will work with the T on the studies,” considering passenger traffic and how it could co-exist with the railroad’s freight traffic.

Cross Harbor
PW is receiving some traffic on a regular basis via the New York Cross Harbor Railroad [see 27 August issue]. This far about 60 cars have arrived. “It’s a viable route and we hope to see it grow.” CSXT brings the traffic to New Haven.

New Haven Station
The litigation was dismissed more than a year ago [see 23 June issue]. If CSXT stops using the facility, PW has the right to acquire it. {ARW discussion}

MAINE RAILROADS

AMTRAK - MAINE
9 December, Augusta. AMTRAK PRESIDENT GEORGE WARRINGTON DISCUSSED MAINE SERVICE during a conference sponsored by the Maine Better Transportation Association. Passenger rail service to Portland "will fund extraordinary private investment and job creation" along the route in Maine and New Hampshire.

Warrington, who said he had long wanted to say thanks to Maine for pushing for the service, singled out MDOT Commissioner John Melrose, NNEPRA head Mike Murray, and TrainRiders Northeast President Wayne Davis among others for persisting in efforts to fund and prepare for the service now slated for start-up in late 2000.

Warrington added that with Maine as a "strategic partner," Amtrak would "help solve very fundamental transportation problems," noting that Maine has been a leader in recognizing that fact. He also predicted the new service was "going to be an extraordinary winner for Amtrak," competitive and much more comfortable than other public transportation. "Passenger (rail) service has to be part of 21st century transportation."

Warrington hinted at specific equipment for the route, saying nine coaches will be designed for the route, and will likely include accommodations for bicycles and luggage. Some such storage could even be in the locomotive.

Asked by an audience member about service possibilities to Augusta and Bangor, Warrington answered, "It's all about money," reminding the gathering that "the end game is showing self- sufficiency" by 2003 as mandated by Congress. With a growing number of passengers plus successful endeavors in express and postal contracts, Warrington said he has no doubt Amtrak will be able to sustain itself in three years.

Looking at the bigger picture, Amtrak's president said a north-south rail link between stations in Boston was a "long term vision" of his. He also proudly proclaimed next spring's advent of Acela service along the Northeast corridor to Boston. He admitted Amtrak's image, including its pointless arrow, has been that of a tired salesman, and predicted Acela will be a major part of redefining Amtrak. {Fred Hirsch coverage}

14 December, North Billerica MA WORK CONTINUES ON THE PORTLAND-PLAISTOW SECTION. David Fink, GRS executive vice-president, said rail-laying had ended because of the low temperature, but signal, maintenance, and other work continued. "We have sixty people out there right now.” In the next couple of weeks NNEPRA and GRS will reach agreement on a schedule of work for the coming year.

Weight of rail
GRS still opposes the use of 15-pound rail to go 79 miles per hour, unless the k value is raised [see 3 December issue]. If NNEPRA refuses to do the necessary work, “when the train starts running, and can’t go 79,” people will know why. {ARW discussion}

Good work!
Brett Rekola of Louis Berger, who is overseeing the track work, did a production inspection last week and pronounced the Guilford crews’ work “really good.” {ARW discussion 17.Dec.99}

CALAIS BRANCH
9 December, Bangor. EASTERN MAINE LACKS THE ROADS, RAILWAYS AND BUILDINGS needed to attract or retain businesses, according to Dennis Donovan, senior managing director of The Wadley-Donovan Group, which specializes in matching towns with companies looking to locate or expand a business.

He spoke at a daylong conference this day to discuss what is wrong with current methods of attracting business, and to outline which steps to take to get companies to locate in Eastern Maine. "The problem is you're off the decision-making radar screen of a lot of companies," he said. Donovan, who represents such companies as GTE, Hughes Aircraft, Kodak Imaging Systems and CIGNA, said that the absence of an east-west highway and a rail system to Eastport "accentuates the disadvantage" that eastern Maine has when competing with other regions in the country to attract business. {Bangor Daily News 10.Dec.99 cited in Maine Business News website}
17 December. The RFP for a Calais Branch Transload went out 17 December [see 3 December issue: Ports]. The Eastern Maine Development Commission wants proposals for a marketing and engineering study to determine the best location for rail/truck transload by 3 January at 2PM. For an information packet, call 207-853-6096, fax 853-4111, or e-mail srogers@edmar.com. {Bangor Daily News 17 Dec.99}

GRS - MAINE
13 December, South Portland. Kaolin began moving out of Portland by rail from the Sprague Energy facility. According to facility manager Tom Dobbins, Dry Branch Kaolin (DBK) has brought the clay into Maine from Brazil beginning Easter 1998 [see 8 January 1998]. Up to this point, trucks were moving it to various customers.

Switching the yard
MDOT’s Industrial Rail Access Program (IRAP) provided one half of the $568,000 cost, with Sprague the other half [see 30 April issue]. Maine Track Maintenance did the work, laying new track into a building, and rehabbing some existing track. With a Trackmobile, Sprague switches the four car spots created.

Dobbins had praise for the training provided by GRS, both in safety and in operating the Trackmobile. “They also did a great job helping us with the startup.”

The traffic
Dobbins said four cars moved out ‘to a joint-use track’ 13 December, and two on 15 December. Sprague drops the cars on this track, and GRS picks them up. The cars are heading to International Paper mills in Jay ME and Corinth NY. He figured to have 50-60 cars in use at any one time.

DBK itself owns between 1600 and 1800 railcars. The owner of DBK, IMERYS, a French industrial group, also bought English China Clays in early 1999, one of the largest clay companies in the United States. {ARW discussion 15 Dec.99; DBK website; IMERYS website}

Maine Coast
14 December, Augusta. GRS Will Switch the Customers in East Augusta, contrary to the impression of earlier reports [see 15 October and 22 November issues], and thus will not cut any railroad jobs. David Fink, GRS executive vice-president, said his railroad will provide switching five days a week, and “if it makes sense,” interchange the cars with MC across the bridge to west Augusta. {ARW discussion}

Preparations to re-open track
Three actions must happen to open the track. The Augusta Parking District gravelled over the tracks for about a thousand feet to create parking. MDOT Commissioner John Melrose has given the 30-day notice necessary to ask the parking district to remove the gravel [see 3 December issue].

Second, grade crossings and their signals must begin functioning. And third, the bridge needs some timbers; MDOT’s Rob Elder called them “minor.” Guilford engineers are assisting the department in re-opening the track. {Betty Adams in Kennebec Journal 11 Dec.99}

16 December, Augusta. MDOT Has Re-arranged the Work to Upgrade the Rockland Branch. The story has two threads, according to Russ Spinney, head of MDOT’s Multimodal Planning:

NS availability
This autumn, based on a conversation with Allan Bartlett, rail honcho for the Office of Freight Transportation, Norfolk Southern sent an unsolicited ball-park estimate of the cost of redoing the 30+ miles of the branch. NS has some construction crews which may have spare time in the next two years. Since the figure looked attractive, Bartlett and other MDOT officials hirailed the branch with two senior NS engineers.

As an estimate, the engineers said NS would ensure that 100% of the ties were effective, that the bed had 12 inches of ballast, and provide new, 115-pound continuously welded rail, for $20 million.

NS claimed to do one mile a day of undercutting/ditching/ballasting, and two miles a day of tie and rail work.

Scope of work of consultant contract
During the same period, MDOT was working out the contract with Vanasse Hangen Brustlin (VHB), the consultant selected to do the design for the upgrade [see 24 September issue]. In the process of laying out the scope of work, “we kept paring away at what VHB would do, resulting in work which so differed from the original proposal” that MDOT decided to take a different tack.

Current approach
As a result of the approach from NS and the VHB discussions, Spinney has decided to do the design work for the project in house, with VHB called on “as needed.”

MDOT will use several contracts to cover the work. The first, to be bid within a month, will cover brush cutting and removal of old ties to permit ditching. The second, to begin in late winter, will cover repairs to structures. A third, to begin in late winter and early spring, will identify all track work, ditching, and undercutting necessary.

Finally, MDOT will put the actual trackwork out to bid, thinking that NS or other national companies would bid on it. Spinney is assuming that the complete project could take two years.

Funding
MDOT had earlier taken a different approach to this contact, under the suggestion of FHWA that if highway contractors could bid on some of the work, they might provide some innovation and lower cost to track construction. However, that depended on having no traffic on the line; Maine Coast is increasing traffic. So, said Spinney, MDOT is doing it the conventional way.

If NS can do the work for $20 million - or even $30 million, well under the estimate of TAMS and LS Transit Systems (now
Systrans) of $70-80 million, that would leave some money for bridge work. {ARW discussion}

FOR THE RECORD:

MAINE

ROB ELDER WAS GIVEN A FHWA AWARD for ‘transportation excellence’ during the MBTA conference in Augusta on 9 December [see Amtrak]. On 15 December, Elder, the head of the Office of Freight Transportation in MDOT, said he got the award as a “complete surprise” from the district office for innovative solutions to freight problems, including the use of CMAQ funds. “It reflects on the work of the whole staff of this Office,” Elder said. {ARW discussion}

MASSACHUSETTS RRs

LEGISLATURE

November. THE TRANSPORTATION BOND BILLS CONTAINED MANY ITEMS OF INTEREST TO RAIL [see 12 November issue].

General transportation bond

In House No. 4877, the ‘Senate and House of Representatives in General Court assembled’:

Rail-trail, Section 2 EOTC. [Please, a plea to the General Court to make clear the ridiculously-squished-together-language.]

- $1.3 million ‘for the acquisition of the inactive spur line of the Providence and Worcester Railroad Company known as the Southbridge Secondary Track that extends from the town of Southbridge through the town of Webster for an eleven-mile recreational bike trail; provided further, that this shall be expended for the purpose of removing the inactive Providence and Worcester Railroad bridge over Route 131 in Southbridge;’

- ‘the Massachusetts Highway Department shall conduct a study to determine sufficient funding for land acquisition from the Boston & Maine Railroad in association with the construction of a recreational path from School Street to Grove Street in the town of Watertown;’

Planning, Section 36. The bill established a commission to ‘develop a comprehensive, long-range, surface transportation finance plan for the commonwealth.’ The commission shall file the plan six months after the effective date of the act, and an updated plan every year thereafter by 15 December.

Rail/truck corridor, Section 37. EOTC is ‘authorized and directed to spend not more than $30 million for’ a dedicated commercial freight corridor to preserve truck access between Conley Terminal to the existing port haul road, ‘including development of a cost estimate for acquiring a parallel rail easement to connect the Conley terminal to the rail line that ends at the marine industrial park in South Boston.’ EOTC must file the plan for the corridor by 1 April 2000.

Rail to road, Section 38. EOTC is ‘authorized and directed’ to spend no more than $10 million to build a truck bypass road in East Boston, one-half mile in length, ‘along the northern portion of a dormant railway right of way, between the foot of the Chelsea street bridge and a point opposite the Day Square section’ thence under the Route 1A overpass and connecting to the north service area of Logan airport.

MBTA bond

The legislature also passed House No. 4865, which authorized $225 million for the Massachusetts Bay Transportation Authority. Rail items:

Fall River/New Bedford. Section 2 said ‘funds may be expended’ for design and permitting. In Section 15, the legislature said that the T is ‘authorized and directed to use an extension of the Stoughton commuter rail route through the municipalities of Stoughton, Easton, Raynham, and Taunton in order to provide’ service to the two cities, but no money could be expended ‘until an environmental review of said project is completed.’

Greenbush, Renovations to North Station, Completion of rail service to Worcester, Reconstruction of commuter station and rail facility in Gloucester. Section 2 said ‘funds may be expended’ for all these projects.

Studies of new service. Section 2 said ‘funds may be expended’

- ‘to conduct a feasibility study regarding the re-establishment of the commuter rail line to Gardner on the existing Fitchburg/Gardner spur line,’

- ‘to conduct a feasibility study of providing additional rail service from Haverhill to Reading....[and]

- ‘a feasibility study concerning the extension of commuter rail service from the city of Lawrence to the city known as the town of Methuen.’

The studies are due 160 days after the effective date of the act.

Pawtucket layover facility. Section 9 said the T could expand service to Providence and ‘is further authorized to build and operate a layover facility in the city of Pawtucket in the state of Rhode Island. The current layover facility in the city of Attleboro shall be relocated to the city of Pawtucket, as required by section 118 of chapter 305 of the acts of 1996, not later than 30 months after the effective date of this act. Said service expansion and facility relocation shall not in any way restrict the selection of a commuter rail service provider.’

Service out of Worcester. Section 10 required the T to study commuter rail service between Worcester and Providence along the PW line, and between Worcester and Webster to the
Connecticut state line, along the PW’s Norwich branch. The studies are due a year after the effective date of the act.

**Readville expansion.** Section 14 barred the T from expanding the Readville Layover Facility. {text of bills}

### PUBLIC RAIL/TRUCK TRANSFER FACILITIES

*Note: this table purports to provide an overview of all public transfer facilities (except intermodal) in Massachusetts. Readers who spot an error or omission should please contact ARW.*

<table>
<thead>
<tr>
<th>Railroad</th>
<th>Site</th>
<th>Operator</th>
</tr>
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<tbody>
<tr>
<td>BCLR</td>
<td>Taunton</td>
<td>Gallo Construction*</td>
</tr>
<tr>
<td></td>
<td>Millis</td>
<td>BCLR**</td>
</tr>
<tr>
<td></td>
<td></td>
<td>* Gallo handles flyash and salt in Taunton. Other bulk products could be handled there.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>** A regular customer of BCLR uses a track on Island Avenue and pressure-differential cars. In the past, BCLR has offered a similar setup in Tremont and Yarmouth.</td>
</tr>
<tr>
<td>CSXT</td>
<td>Boston</td>
<td>TransFlo (Savage)</td>
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<tr>
<td></td>
<td>Leominster</td>
<td>Delta Bulk, O’Leary Transport</td>
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<td>Mansfield</td>
<td>Delta Bulk</td>
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<td>South Boston</td>
<td>TransFlo(Savage)</td>
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<td>Springfield</td>
<td>Windsor Distribution</td>
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<td></td>
<td>Worcester</td>
<td>TransFlo (DE Exp)</td>
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<td></td>
<td>Worcester</td>
<td>Delta Bulk</td>
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<td>GRS</td>
<td>Cambridge</td>
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<td>Fitchburg</td>
<td>GRS</td>
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<td></td>
<td>Ayer</td>
<td>GRS</td>
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<tr>
<td></td>
<td>Leominster</td>
<td>RVJ Inc.*</td>
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<tr>
<td></td>
<td></td>
<td>*Also promoted by CSXTransFlo. GRS Executive Vice-president David Fink said RVJ operates a dry bulk facility here which has grown from 150 to 300 car spots in the last few years. President Ronnie Johansson “likes our service; we work well with him, and he has grown quite a bit.” {ARW discussion}</td>
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<tr>
<td>MCER</td>
<td>Palmer</td>
<td>MCER (containers)</td>
</tr>
<tr>
<td></td>
<td>Gibbs Crossing</td>
<td>MCER*</td>
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<tr>
<td></td>
<td>Ware</td>
<td>MCER**</td>
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<tr>
<td></td>
<td>Thorndike</td>
<td>MCER***</td>
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<tr>
<td></td>
<td>South Barre</td>
<td>Barre Reload****</td>
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<td></td>
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<td>*Gibbs is located in Palmer just south of the Ware line. A&amp;R Packaging is the primary user here. MCER has just increased the car spots here to about 150, and “we’re still putting on more,” reported Bob Williams, marketing director. He is close to landing a steamship company for the Palmer intermodal yard.</td>
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<tr>
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<td>** A&amp;R Packaging [30 April issue] uses part of the Ware yard for its warehousing and distribution operation. It also offers packaging.</td>
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<td>*** According to Williams, the railroad has a siding at Thorndike at which it has done one- or two-car transfers.</td>
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<td>**** Barre Reload [see 30 April issue] offers a breakbulk facility, transloading and storing lumber, steel, and paper. It shares owners with MCER. {ARW discussion 14.Dec.99}</td>
</tr>
<tr>
<td>NECR</td>
<td>Belchertown</td>
<td>Quaboag Transfer</td>
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<td></td>
<td>Belchertown</td>
<td>Transplastics</td>
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<td>Palmer</td>
<td>Transplastics</td>
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<td>Palmer</td>
<td>Quaboag Transfer</td>
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<tr>
<td>PVRR</td>
<td>Holyoke</td>
<td>RDS</td>
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<td></td>
<td>Westfield</td>
<td>PVRR*</td>
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<tr>
<td></td>
<td>Westfield</td>
<td>Windsor Distribution</td>
</tr>
<tr>
<td></td>
<td>* Delta Bulk [q.v.], General Polymers, division of Ashland Chemical {PVRR website}, and CSX TransFlo [q.v.] all use the Westfield Yard.</td>
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<tr>
<td>PW</td>
<td>Worcester(Greenwood)Mid-States Pack</td>
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<tr>
<td></td>
<td>Worcester(Southbridge) Delta Bulk</td>
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<td></td>
<td>Worcester</td>
<td>MHF</td>
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### DELTA BULK RAIL/TRUCK TRANSFER

15 December, West Bridgewater MA. **THIS COMPANY, A SUBSIDIARY OF J.P.NOONAN, OPERATES TRANSFER FACILITIES at four rail-served facilities in Massachusetts, all on leased land. According to Bob Wing, director of sales, Delta does most of rail transfer operation (chemicals and dry bulk), while J.P.Noonan operates “one of the largest tanker truck fleets in New England.”**

**Leominster.** Served by CSXT, this has 30-car spots with plans to increase to 70. Delta Bulk also offers a warehouse and packaging service.

**Mansfield.** J.P. Noonan operates this rail/truck facility served by CSXT; it offers 30-40 spots - “essentially unlimited” - in the yard. It does minerals such as soda ash, sand, and cement.

**Westfield.** Delta Bulk offers services out of the PVRR yard, where it leases track.

**Worcester.** This facility, located in PW’s Southbridge Street Yard, offers unlimited car spots and steam heat. According to Wing, it also offers the only location in New England for handling flammables.

Wing pointed out that Delta has a truck terminal and offices in West Springfield, adjacent to the CSXT railyard, but no rail access at this point. Delta also has rail-transfer facilities in Plainfield CT (primarily soda ash), Burlington VT, and Rutland VT (the last two relatively inactive). {ARW discussion 16.Dec.99}
14 December, Chicopee. “WE WANT TO SEE TRAFFIC IN WESTOVER GROW,” said GRS Executive Vice-president David Fink. “The issue is not who will operate the track” to the Westover Industrial Park [GRS has embargoed due to the condition of the track - see 3 December issue], “we will. The question is how to pay for repairing the track.”

Additional customers
Second, rail traffic on the Westover Industrial Track must grow; the number of cars moving on the line now does not make keeping it open worthwhile, “regardless of who would operate it.” According to Fink, the GRS marketing department has approached the Westover Metropolitan Development Corporation (WMDC) with several ideas for new customers who would use rail: lumber reloads, plastics, or autos.

“The park does not seem to welcome heavy commercial operations,” said Fink. “But we cannot keep a track operating if the park is devoted to high-tech...We need rail customers, and a commitment from them to use the track.”

One last effort
Fink has the commitment of Astrid Glynn, EOTC deputy secretary, to meet with WMDC officials, park customers, and the railroad to figure out how to pay the $300-$400,000 needed for a track upgrade. “If it’s important to keep the track operating, we need to find a way to fund it.” {ARW discussion}

NECR - RAIL/TRUCK TRANSFER
14 December, Bondsville. QUABOAG TRANSFER HAS ONE MAIN FACILITY in the Village of Bondsville, Town of Palmer MA, and one satellite facility in Belchertown MA.

Bondsville. Kirk Bryant, principal of the company, said on 14 December that he expected to receive this year about 3700 railcars and 6-7,000 trucks (mostly lumber, but also other building products). Quaboag provides storage and reload for area sellers.

Belchertown. Quaboag recently purchased a 25-acre site just west of the NECR main line, off North Liberty Street, zoned for rail-truck transload. A small warehouse at the location, which has easy access to Route 181 and Route 21, both of which connect to the Massachusetts Turnpike, is used to store some specialty products.

Bought with an eye to future expansion, the site does not yet have a rail spur. Bryant said some of his customers had asked for isolation from other customers. The Belchertown site will permit him to meet that request when one is made in the future.

Traffic up. Quaboag will see a ten-year high of 3700 carloads in 1999 [see 22 March 1998 issue]. Bryant attributed that to the quality of service the company can offer. “We’ve been here 23+ years, and we know how to operate.” Quaboag has developed, over 15 years, custom software which provides control so well that other companies have recently asked about purchasing it.

Competition? Over the past twenty years, competitors have come and gone, Bryant related. When the company began, “we didn’t have much competition.” In the early 1980s the company did 5,000 carloads a year. Then competition, and rates direct to the customer, made inroads, and Quaboag’s traffic dropped.

Much of the competition did not survive, however; at least four companies located on NECR went out of business. Other public reload centers exist in Hawleyville CT (on HRRC), Willimantic CT (on NECR) and in Ayer MA (on GRS). But Bryant sees no direct competition: “We have no one we are quoting against.” {ARW discussion}

FOR THE RECORD: MASSACHUSETTS
THE EOTC FREIGHT REPORT will actually emerge, according to an EOTC announcement, at a meeting of the Freight Advisory Council on 20 December [see 10 September issue]. To get your copy hot off the press, be there: 10 Park Plaza conference rooms 5&6 2-5PM. If you cannot attend, call Mark Berger at 617-973-7340 to obtain a copy. {FAC communication}

NH RAILROADS

LEGISLATURE
10 December. RAIL LEGISLATION FOR THE NEXT SESSION:

HJR #6 This bill encouraging the reopening of The Northern Rail Line from Concord to White River Junction is scheduled for a second public hearing on 5 January. In the first hearing, held by the Senate Transportation Committee under Sen. Ned Gordon (R-Bristol) bus and Rails to Trails interests appeared in opposition.

Having already passed the N.H. House on a unanimous voice vote, HJR #6 would launch a feasibility study of the line. A Tuck School of Business Administration (Dartmouth) study now exists, but legislators seek to update it in today’s fast-changing world of transportation.

Representative George Katsakiores (R-Derry) is introducing back-up legislation (#2458) which will bring in the MPOs affected: Central NH Regional Planning Commission, Lakes Region, and Upper Valley.

Katsakiores’ legislation also includes for study The Eastern Line; Newburyport, MA. to Kittery, ME. It establishes a 12-member task force.

Constitutional amendment Concurrent Resolution (2154.0/04/09) would amend Article 6A of the state constitution allowing up to 9% of Highway Trust Fund revenues to be used for rail, the feeling being that since diesel fuel used by railroads also goes into the fund, rail should get some of the revenue back.

Rail safety. A bill supported by NHDOT clarifies state authority when it comes to regulating rail safety. Passage of this bill (2524.0/04/09) would authorize the DOT to carry out investigations, surveillance and enforcement of rail safety under
the Federal Railroad Safety Act of 1970, and adopt rules under RSA 541-A, NH’s Administrative Procedures Act, for regulating signals, train control, motive power and other rail equipment. {Malcolm Taylor in NE News Service}

**GRS - LINE SALES**

16 December. **NHDOT WILL BUY A PART OF THE HAMPTON BRANCH** by the end of year, said Rail Coordinator Kit Morgan.

**Portsmouth branch complications**

However, the other parcel discussed recently [see 3 December issue], the Portsmouth branch in Manchester, has run into complications with abuttors. While the state wanted to buy all four parcels GRS had agreed to sell to abuttors, two asked NHDOT to reconsider. After walking the line last week, Morgan said he would recommend that the state release two parcels for direct sale from Guilford to the abuttors, as long as they agreed to a railroad easement in favor of the state. {ARW discussion}

**NHDOT - WEST LEBANON**

15 December, Concord. **THE DEPARTMENT RECEIVED THREE PROPOSALS TO OPERATE THE LINE**: Claremont Concord, Green Mountain Railroad, and Westboro Lease Partners (a combined effort of Peter Dearnness and Dan Nash). The other two railroads who attended the pre-bid conference, HRRC and NHC, told Kit Morgan, NHDOT rail coordinator, that they would not bid.

**Next steps**

The department will form a selection committee to review the proposals in January, perhaps conduct interviews, and decide by February. Bud Ames [see below] has received an invitation to sit on the committee.

**Coordinating with Vermont**

Noting that its neighbor state had just acquired the Wells River branch and the White River Junction yard, Morgan hoped that the railroad eventually getting the operation of Wells River, and the railroads on the Connecticut River line (GRS and NECR), coordinate to provide shippers access to West Lebanon.

A key to attracting new business to West Lebanon, he said, could be permitting GRS or NECR to run via trackage rights directly to customers in West Lebanon. This would obviate switching fees paid to both the Wells River and West Lebanon operator, thereby reducing the cost to the shipper, though the short line operators would reap lower fees. Faced with the switching fees, the shipper might transload in White River Junction and dray the product into West Lebanon. {ARW discussion 16.Dec.99}

**Twin State Sand and Gravel**

Ironically, the customer who provided the main impetus for restoring traffic to West Lebanon may not use it immediately. Bud Ames, principal of Twin State, said he would like to begin the rail traffic next year by draying sand product from his quarry in Hartford down to the NECR main line. Sand permits an easy startup, since it is easy to unload, and spillage harms nothing. NECR (or another short line) would then move it to his processing facility in West Lebanon.

Ames reported that GMRC had inquired to NECR about direct loading on the main line, and received a negative reaction. That would leave Ames with two alternatives: building a siding alongside the main line (VTrans has funds in its industrial siding program which would pay for this - see Vermont), or the more difficult construction of a siding into the quarry itself, which lies many feet above the main line. {ARW discussion 16.Dec.99}

**FOR THE RECORD:**

**NEW HAMPSHIRE**

A HEARING ON RAIL THROUGH MANCHESTER AIRPORT will occur on 22-23 February [see 3 December issue], according to Nancy Girard of plaintiff Conservation Law Foundation. The two parties are finishing pleadings at this point. {ARW discussion 16.Dec.99}

**RHODE ISLAND RRs**

**SEAVIEW TRANSPORTATION**

16 December, Davisville. **A RAIL SPUR TO A NEW CUSTOMER IS ALMOST COMPLETE**: All American Meat and Seafood warehouse in West Davisville Industrial Park, just off the wye to Seaview Transportation. Steve McKiernan, principal, said All American differentiates itself from other rail warehouses because “we know how to handle and ship food products.” He will also sell product. He is currently trucking product from the just-finished warehouse.

Located in Davisville because of access to four modes of transportation, All American will both receive and ship food product by rail in January 2000, after Joe Deangelis of Worcester, the contractor, completes the spur. For example, one food producer intends to ship in 400-500 carloads a year, and rail out to consumers 200-300 carloads.

**Future expansion**

Banking on the lower cost of shipping by rail (“especially for points beyond Chicago”), McKiernan plans a second, standard freight warehouse in the next three to five years. New England receivers attracted by the rail rates have fewer places to use, due to rail abandonments and the shortage of land with rail access. {ARW discussion}

**VERMONT RAILROADS**

**VTRANS - MOVING OF RAIL YARDS**

VTRANS - MOVING OF RAIL YARDS
13 December, Waterbury. **SOME 40 PEOPLE WERE INVITED TO LOOKING AT MOVING RUTLAND AND BURLINGTON YARDS.** Groups included the advisory committee to the study [see 24 September issue], VTrans officials, the Vermont Rail Council, and others. However, according to Scott Bascom, the VTrans planner and project manager, three people came: Anthony Otis of the Vermont Railroad Association, Dan Grahovac from VTrans, and Mark Germanowski from the Rutland Regional Planning Commission.

The group viewed the results thus far on possible sites, presented by consultants VHB. The consultants looked at 10 sites for each yard and presented a matrix of advantages and disadvantages for each site for each yard. The prospects for the two yards differ, Bascom said.

The Rutland Yard. The Rutland Yard takes trains from three directions (GMRC from the east, CLP from the west, and VRS from the north, and rebuilds the trains.

Rutland stakeholders look at their yard as part of their history and want to retain it, only moving it to one particular site just south of its current location. The rail line crosses a major highway, Route 4, at this point. Rutland would like to create an overpass and major interchange here. This would save VTrans some of the $30,000 premium it pays to cover liability at three especially dangerous crossings in the state, the Rutland grade crossing being one of them.

The Burlington Yard. Many in Burlington find the rail yard an impediment to access to Lake Champlain. But finding a new site for this yard, especially if northeast, presents problems, Bascom noted. More rail traffic would run north through the recreational area along Lake Champlain. Plus, NECR owns the track; would it want to sell? The Northern Avenue tunnel presents clearance problems. Wetlands bar the use of adequate sites, or else they lie far out on the NECR main line. South, the consultants found only one possible site.

The Burlington Yard contains several shippers, and provides an interchange point between VRS and NECR.

**Funding.** The committee report will contain a set of possible sites and an estimate of the cost of moving the yards, which Bascom estimated at $30-$40 million. The state does not have the money to pay for this, and the projects would not be eligible for TEA-20 Surface Transportation Program money.

What about bonds? State government has decided not to issue any more bonds at this point, because doing so would jeopardize its good bond rating.

**Next steps**

The consultants will make no recommendations to the committee. The committee in turn will make no recommendations, but only provide a study to the Vermont Rail Council, VTrans, and the General Assembly showing several alternative sites for each yard, and an estimate of the cost of moving the yard to those sites.

Bascom mailed the draft to those who did not attend, with a request for comments by Christmas. Consultants will review the comments and deliver a final draft to Bascom by 7 January, and he in turn will get it to the legislature by 15 January 2000. **[ARW discussions 10&17.Dec.99]**

**VTRANS - SIDING FUND**

15 December, Montpelier. **SOME EXPRESSIONS OF INTEREST** were received by Dick Bowen, VTrans administrator of the fund which supports construction of industrial sidings. However, none of the $500,000 appropriated by the legislature is committed [see 24 September issue]. If no project gets underway by the end of the fiscal year 30 June 2000, the funds will go back to the treasury. **[ARW discussion 15.Dec.99]**

**AMTRAK - VERMONT**

14 December, NY-VT. **DISCUSSIONS ON ACCESS TO GRS TRACK MOVE FORWARD,** said GRS Executive Vice-president David Fink. The two sides are using the agreement covering Amtrak service to Maine as a model; he has met with Sue Compton of VTRANS, and Pat Garahan of RaiLink, the consultant [see 29 October issue]. They are discussing maintenance and insurance. **[ARW discussion]**

**WELLS RIVER**

10 December. **THE STATE PURCHASED THE WELLS RIVER LINE** as well as the White River Junction Yard from Guilford for $3.3 million. No restrictions on interchange were included in the agreement, according to VTRANS Assistant Attorney General John Dunleavy. **[ARW discussion 13.Dec.99]**

New operator

VTRANS filed a request for change in operator with the STB on 3 December

**Relationship with New Hampshire**

NHDOT is concerned about coordination with Vermont in terms of a new operator for both the Well River and West Lebanon sections. [See New Hampshire.]

**Cost to upgrade**

The legislature’s Joint Fiscal Committee signed off on the purchase in November, allowing the agency to use $1.7 million carried forward from last year, and $1.6 million set aside for repairs on the Rutland-Burlington stretch. VTRANS plans to spend about $500,000 upgrading the tracks. **[AP in Manchester Union Leader 23.Nov.99]**

**Transfer of operations**

Under the agreement, GRS has several days to vacate the premises. David Fink, GRS executive vice-president, said his railroad will have moved out in the next few days. “We’ll figure out how to operate on the Connecticut River line without using the White River Junction yard.”

The only customer on the Wells River line, Jewell Transport in Wilder, sent out about one carload a quarter, Fink explained. That carload contained some lumber from Fink’s own
company, Aroostook and Bangor Resources (ABR). The logs come into company mills (two in Connecticut, one in Maine) and are sawn into lumber. ABR then sells the lumber to a mill in West Springfield NH, where it is graded and mixed with lumber from other points, and finally trucked to Wilder and loaded on a railcar.

Now, Fink said, ABR lumber will go directly to a GRS storage facility in Ayer, for transfer to boxcar as needed. \{ARW discussion 14.Dec.99\}

**NOVA SCOTIA DOT**

10 December. *THE DEPARTMENT IS PURSUING RAIL INITIATIVES* on several fronts, according its minister, Gordon Balser, who also serves as minister for the Department of Economic Development. *ARW* asked him about progress in developing the plank in the party platform calling for improved rail connections through New England and support for provincial short line railroads [see 24 September issue]. Balser said that the Department of Transportation and Public Works would have the primary responsibility for the policy, but because transportation is viewed as a tool for economic development, the government is involving Economic Development as well. He noted that the two departments worked closely together seeking the location of the Maersk/Sea-Land terminal in Halifax [see 12 May issue].

That effort also showed how rail links to New England, particularly Boston, would help. If the rail link to New York / New England was stronger, it would have made Halifax a more attractive container port for Maersk Sea-Land. "Our rail line in Nova Scotia is up to standard, in fact above standard, and we would like to develop a strategy with the New England governors to improve the rail lines in New England."

**The impact of port expansion**

Balser pointed out that following the Maersk/Sea-Land decision to focus on New York, the Halifax stakeholders continued to look at port expansion. "If we expand our port capacity," how could some of that move effectively into New England? When the premiers met with the New England governors on 4 October [see 15 October issue], the governors recognized that improved rail links would benefit their states as well. Balser's transportation department is looking to "put the wheels on the wagon" of rail links. As port business grows in this expanding economy, Nova Scotia will continue to encourage the New England governors to look at the issue of better rail links that can strengthen trade ties between both regions and expand economic opportunities in Canada and the Northeast states.

[Don Stonehouse of NSDOT Policy office later offered some suggestions on how to proceed: increase the traffic base by talking to shippers and carriers about opportunities to use rail to get to New England. \{ARW discussion 16.Dec.99\}\]

**What about sea links?**

Balser acknowledged that officials in Gloucester MA are looking for a Canadian port of call for a new ferry service and have been working with officials in the Town of Shelburne, the southernmost tip of Nova Scotia. [See 10 September issue]. This presents another way to move freight to New England. That effort would not interfere with the improved rail links: "There's enough traffic to go around, and that area of the province could benefit." The government would "look carefully" if requested to facilitate in the effort, but does not subsidize international ferry operations.

**Assisting short lines**

Asked about the government policy toward the two short lines, Balser noted that the Windsor and Hantsport (WHRC) is making money. He recently met with officials of the other, the Cape Breton and Central Nova Scotia Railway (CBNS) because of the potential impact if the coal mines at DEVCO and Sydney Steel both close [see below]. The railway indicated it might have difficulty keeping the Hawkesbury-Sydney portion of its line open in that event.

Balser said with the closure of DEVCO, the federal government had earlier agreed to create an $80 million fund for economic development on the Island. Federal, provincial, and local economic development officials are studying how best to use that money, and some of it could be used to keep the line open. Viable business would still have to be developed to use the train service.

**Georgia Pacific?**

The officials of CBNS also discussed the possible spur to a new Georgia Pacific gypsum mine. Balser has listened to the rationale for both a rail connection and for improved highways. "Rail makes a very compelling case" and the government is looking at its options [see below].

**More emphasis on rail**

Balser drew attention to the government's effort to look at all modes, not just highways. 'Voluntary Planning,' an arms-length group advising the government, will soon publish The Way Ahead, a report which presents a framework to co-ordinate a multi-modal transportation strategy.

**Does the government have the money?**

Balser underscored what others had said earlier: the private sector is booming, but the government must climb out of a deficit of about $497 million as its first priority, so it does not have money readily available for rail ventures. \{ARW discussion\}

**CBNS**

6 December, Truro. *PROCESSING TITANIUM MAY SAVE THE SYDNEY STEEL PLANT*, according to one analysis. An anonymous caller to the *Halifax Herald* noted that Titanium Corporation of Canada Limited, a private company, discovered titanium ore near Truro. Mining the ore, estimated in the millions of tonnes, would provide the Sydney Steel Corporation (SYSCO) a preferential source of titanium, from a Nova Scotia source.
Furthermore, Titanium Corporation and its partner, Nar Resources Ltd., a publicly traded company based in Toronto, suggest that a titanium ‘slag facility’ would best be located near SYSCO. That slag plant would separate titanium slag and create an iron byproduct. The liquid iron byproduct could then be fed directly into the steel mill's electric arc furnace. According to a Nar press release, the slag plant would offer "a significant cost benefit," compared to the world price for scrap, and would contribute to a reduction in power and electrode consumption.

The process of creating the titanium slag also generates gases, which could be used as fuel by SYSCO, the release said. The caller also suggested a branch line could be built to the titanium deposits in orderto ship ore to Cape Breton by rail, thus making the rail line to Sydney that much more viable, rather than in jeopardy because of the closing of SYSCO.

Hoogovens role

Nar Resources and Titanium Corporation already hired Hoogovens Technical Services to conduct a viability study of the mineral deposit, focusing on SYSCO as the primary market for the mineral. The province is paying Hoogovens $700,000 per month to run the Sydney steel mill, until the end of this month. Hoogovens Technical Services is a subsidiary of Corus Group, the company created from the 6 October merger of Royal Hoogovens (a Dutch company) and British Steel PLC. {Halifax Herald 7.Dec.99}

16 December, Melrose Cape Breton. RAILING GYPSUM TO PORT HAWKESBURY remains under study, according to Don Stonehouse of NSDOT. His office is looking at the draft study now [see Balser above, and 3 December issue].

In addition, consultant ADI submitted the study to the local NSDOT office in Port Hawkesbury, where Robert Carroll is coordinating a committee advising the work. Carroll said the first meeting of the committee was attended by community members from Melrose and Port Hawkesbury and well as members of other provincial departments, but the next one, scheduled for 23 December, will consist only of NSDOT members, including Carroll and representatives of engineering and traffic. The attendees will tell ADI of their responses to the draft. {ARW discussions 15&16.Dec.99}

HALIFAX

7 December. HALTERM RESUMED THE TWO LEGAL PROCEEDINGS against the Halifax Port Authority, when negotiations about the future rental fee broke down [see 22 November issue] following a proposal issued by the Authority on 1 December. According to Halterm, ‘This proposal effectively reverts to the 900% increase which HPA originally proposed August 25, 1999, and requires Halterm to give up its ten-year lease renewal option in exchange for a renewal limited to only two years....

‘A review of competing port costs in North America concludes that Halterm’s current lease costs are consistent with those of its competitors...Halterm is presently operating under a 12 year lease which began in 1988 and contains a provision for annual increases.’ {Canada newsgirl via e-mail}

In 1999, Halterm will pay a base rent of $523,000; add to that berthing fees, capital repayments, and other items, and Halterm will contribute nearly $5.7 million to the HPA, up substantially from its original lease payments of $0.4 million in 1971.

Authority response

David Bellefontaine, Authority president, said it had no alternative but to look for another operator when Halterm’s lease ends next year [December 2000]. The latest Authority proposal did not contain a 900% increase. “What we tried to do was accommodate their two-year concern. The reason for that was the Ceres lease terminates in two years and Halterm’s concern was we would inject a large increase or any increase for the first two years of their renewal which would make them uncompetitive with Ceres. I put this in writing to them that we would not make them uncompetitive with another terminal operator in Halifax.” {Tom Peters in Halifax Herald 8.Dec.99}

CTA filing

Gordon Shurson, senior complaint and investigation officer at CTA, said an application was received from Halterm on 8 December, and received by the Port Authority the same day. The latter now has 30 days from 8 December to respond, and then Halterm will have 10 days to reply. CTA has 120 days from 8 December to make a decision [so look for one in the beginning of April]. {ARW discussion 15.Dec.99}

15 December. THE STUDY OF THE CONTAINER TASK FORCE IS NOT YET COMPLETE, said Wade Elliott, executive director of the Halifax-Dartmouth Port Commission. [See 15 October issue - some result was going to emerge in November 1999.] {ARW discussion}

FOR THE RECORD:

PORTS

NSDOT MINISTER GORDON BALSER WAS DRUMMING up business in New York 2 December [see Nova Scotia]. He spoke to an audience of senior shipping executives, gathered at the New York Yacht Club. {NSDOT press release}

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EASTPORT WANTS SOME CRUISE SHIPS. A coalition of political and business officials would like to bring passengers ashore from the new pier. Problem: what would they do on arrival? The coalition is asking local businesses to come up with attractions for the tourists. {Aaron Porter in Ellsworth American 9.Dec.99}
EDITORIAL

Regional Rail Improvement, Please

Prevailing opinion holds that southern New England suffers because its rail lines do not have full doublestack access. Inbound receivers must pay more for shipping; manufacturers may locate elsewhere because of higher outbound shipping costs. Furthermore, southern New England highways receive more truck traffic because the easy way in, full-doublestack containers on rail cars, is blocked.

Massachusetts has thus far refused to take the lead in this. While it has funds for some of the doublestack clearance, it has declined to begin because the state cannot do all the clearance. Apparently Massport would like to have doublestack access as far as the CSXT yard in Boston. Since the state owns the lines from Framingham in, the state would have to pay most of the expense of clearing the obstacles.

Yet clearing the obstacles on the western end of CSXT’s line, as far as Worcester, would do wonders for intermodal traffic. Four existing terminals (three in Worcester, one in West Springfield) would have full doublestack clearance. Plus, PW could run doublestack trains down from Worcester into future Rhode Island terminals.

Massachusetts has funds to do that, CSXT is ready. The entire region would benefit. The New England governors have agreed to take a regional approach to rail [see 3 December issue]. As a first step, the other New England states must ask Massachusetts to take a regional approach to rail and release the funds for full double-stack to Worcester.
FIRST CLASS