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**Issue 04#11B 4 December 2004**

*Article unchanged from e-bulletin.

**REGIONAL ISSUES**

**PW/New Haven/ProvPort:** Barge of coal moving to Bow.

**Industrial coal:** Massey proposes single distribution point in Portland for all New England. More about Massey and industrial coal users.*

**High-speed rail:** Congress provides money to look at Boston-Springfield-New Haven.

**PW:** 3Q04 income up, coal cars down.

**LNG siting:** Congress says only FERC can determine siting.

**Congestion:** States look to rail.

**CONNECTICUT**

**PW:** Atlantic Wire uses rail.

**New Haven:** City and ConnDOT coordinating relaying rail on Waterfront Street with Q bridge.*

**MAINE**

**Amtrak:** Maine wants New Hampshire to contribute. Maine riders down, New Hampshire up.

**GRS:** Correct Deck getting siding.

**MMA:** No new sawmill.

**SLR:** Congress gives $500,000 for five new tracks. Location not yet determined.

**Searsport:** Para Pigmentos building kaolin facility.

**Portland:** Update on rail and coal figures.*

** MASSACHUSETTS**

**CSXT/EBSR:** EBSR gets STB protective order.*

**GRS:** Infrequent service means Costa drays from Albany. Embargo of Crystal Cold Storage eased.

Will file to discontinue service on Mystic Wharf.

**Connecticut commuter:** Congress appropriates money to extend New Haven-Springfield study northward.

**Boston:** Massport not yet leased 333 Medford Street, or the Marine Terminal.

**New Bedford:** Still no Corps contract award.

**NEW HAMPSHIRE**

[No report.]

**RHODE ISLAND**

**PW:** Possible new customer in West Kingston.

**VERMONT**

**GRS v NECR:** GRS refiles action as formal complaint.*

**MARITIMES/QUÉBEC**

**Halifax:** Grand Alliance rotation changed.

**RAIL SHIPPERS/RECEIVERS**

A cross-reference to companies mentioned here.

**EDITORIAL**

Bravo, ‘Charlie’.*

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**FROM THE PUBLISHER**

This issue uses a word new to me, ‘beneficcate’, thanks to Massey’s Gary Smith. It means, per my dictionary, to process raw materials, such as ores (coal in this case).

- Chop Hardenbergh

Next issue: 17 December

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REGIONAL ISSUES

PW/NEW HAVEN/PROVPORT COAL

29-30 November. A BARGEFUL OF COAL WAS RAILED TO THE BOW POWER PLANT OUT OF THE GATEWAY TERMINAL, according to eyewitnesses and officials of the companies involved. On the 29th, PW's switcher job NH-1 brought in 20 empty REGX hoppers, and on 30 November the switcher brought out 16 loaded hoppers. On 1 December, more empties were enroute to Gateway's Chapel Street terminal on the Belle Dock Industrial Track. {PW e-list}

Gateway initially handled imported coal for Northeast Utilities (NU); the offloading was later moved to ProvPort [see 02#09B]. This coal is enroute to NU’s plant in Bow, NH.

Why

During the past year, Bow has received a mix of domestic coal via NS, and overseas coal via PW/GRS through ProvPort. However, ProvPort has not recently handled Bow coal; NU resumed shipping coal via Portsmouth [see 19 November issue].

Most recently, Northeast Utilities (Bow's owner) planned to add domestic coal by barge because NS problems were slowing its delivery of coal to New England. According to Jay Baird, marketing official at ProvPort, NU did not want to mix the domestic coal with the offshore coal, and decided to use Gateway for at least one barge.

ProvPort itself definitely has the space and capability: “Everything is moving well to Bow and Mt.Tom. We have space to handle the coal by rail, truck, or barge after it leaves the ship,” said Baird. {PW e-list; ANR&P discussions}

Equipment distribution

The Bow power plant uses a rotary dumper to empty the inbound coal cars (it actually turns the cars upside down); the dumper requires cars designed to rotate, so Bow cannot receive coal in regular bottom-dump hoppers. The Mt.Tom plant uses a bottom-dump.

NEW ENGLAND INDUSTRIAL COAL

23 November, Portland. MASSEY IS LOOKING TO THE MERRILL MARINE TERMINAL FOR A MODERN INDUSTRIAL COAL IMPORT FACILITY, said Gary Smith, vice-president of Massey Industrial Sales Company, a subsidiary of Massey Energy. Earlier this month, he spent several days in Portland.

The various coal markets

In the six New England states, industrial coal users burn about 420,000 tons per year. (Utility coal users burn much more.) Three companies in Maine account for 275,000 tons of that coal: MeadWestvaco (Rumford, 175,000 tons), Dragon (Thomaston, 25,000), and SAPPI (Westbrook, 75,000). That 275,000 tons, plus another 70,000 tons burned by a large number of smaller industrial users, can and does move through Portland. Massey uses Merrill, and provides all but the 75,000 tons to SAPPI, which is handled by the Sprague facility in South Portland.

Imported coal

Smith argued that barring disruptions in the supply chain, overseas coal (from Venezuela or Columbia) for the New England states costs less. On a delivered basis, it costs 10-15% below domestic coal because ocean freight is cheaper and the coal at the mine is cheaper. Moreover, the overseas coal provides more BTUs per ton, as well as lower ash, lower chlorine, and lower sulfur.

Vision of distribution facility

He envisions “one modern, efficient, and effective distribution point” through which to provide New England with industrial coal. Merrill already has the ability to accept all kinds of ships (Sprague can only accept belted self-unloaders), and to load railcars for outbound shipment. Massey also beneficiates the coal at Merrill’s, by sizing it via a screen; different users ask for different sizes. Smith proposes adding two capabilities:

- unloading ships via conveyor direct to stockpile. He argues that dropping the coal into trucks for delivery to the storage pile is inefficient; Massey elsewhere has conveyors running ten to 15 miles.
Merrill’s Marine Terminal, Portland, looking SE. Foreground, GRS track off the Freight Main leading along the harbor eastward (seaward). On the left, coal pile of Massey [see article], with conveyor poised to load coal cars in the center of the photo. At right center, alongside the Rubb building, sit boxcars for handling paper and pulp. {photo ANR&P}

- unloading railcars. In the event of a disruption to overseas supply, Massey could fill coal needs from its domestic supply. It would rail the coal to Merrill’s, for distribution by truck or rail to various customers.

A partnership will work well: Sprague [now the owner of Merrill–see 29 October issue] does terminalling well, and Massey produces and ships coal. Consolidating the coal handling at Merrill makes sense for customers.

In case of disruption
Massey can back up with its domestic coal as it did this year, when it replaced 50% of the coal coming from Venezuela. The disruptions were due to a strike in Venezuela, weather, geology, and shipping problems.

More customers in New England
In addition to the three Maine recipients of industrial coal, Smith listed these recipients (not all Massey customers): the Mount Washington Cog Railway and Conway Scenic Railroad (2,000 tons between them), Stiles and Hart [West Bridgewater MA, our Directory #308, non-Massey, CSXT-delivery] 6-7000 tons, and St.Gobain [Worcester MA, our Directory #128, non-Massey, GRS delivery] 25,000 tons.

Massey has won future Stiles & Hart business, so that will now move to truck, and some future St.Gobain business, so a portion of that will move by truck.

Other coal users
Three coal users not within Massey’s net: the powerplant of the University of Massachusetts [Amherst MA, our Directory #722, on NECR] which uses about 40,000 tons, the Solutia plastics plant [our Directory #387 on CSXT] which burns about
40,000 tons, and the Connecticut Resources Recovery Authority trash to energy plant [not using rail] which burns 5-6,000 tons of coal a year.

UMass has a rail-direct 40,000-ton stockpile (can receive large numbers of cars at a time) and is located fairly far west in Massachusetts, so trucking from Portland does not make economic sense. Solutia has a one-line haul and also is located fairly far west in Massachusetts. \{ANR&P discussion 23 & 29.Nov.04\}

MORE ABOUT MASSEY
Massey owns 19 mining complexes in the Appalachians which in 2003 produced 41 million tons of coal. Some 88% of this went to domestic users, 12% to overseas users.

Three sales companies provide the coal: Massey Utility Sales serves U.S., Canadian and export steam coal markets. Massey Metallurgical Coal is the largest supplier of high volatile coking coals in the U.S. and Canadian metallurgical markets; it also serves the export metallurgical market. Massey Industrial Sales serves customers in the diverse and specialized industrial coal markets.

Nationwide, Massey Industrial Sales moves about five million tons of industrial coal, the vast majority mined domestically. \{ANR&P discussions 3.Oct & 29.Nov.03\}

MORE ABOUT IMPORTED COAL IN NEW ENGLAND
In February 2004, Smith delivered a paper at the CoalTransAmericas conference in Aruba which reviewed the opportunity for imported coal to meet the needs of industrial and utility coal consumers. He noted: ‘The two railroads handling the most imported coal domestically are the Providence and Worcester, and Guilford’s Springfield Terminal.’

[PW has railed utility coal imported through Providence for Northeast Utilities’ Mt.Tom and Bow power plants—see above—amounting to 300,000 tons in 2003 \{PW Annual Report 2003\}, and perhaps double that in 2004 \{editor\}, though third-quarter coal carloads decreased over 2003—see below.]

[ST rails industrial coal imported through Portland—see above.]

Are railroads competing with themselves?
Smith continued: ‘When I asked an NS executive if it was good enough for these two small lines why wouldn’t it be good for you?, the reply was “They do not have any coal mines to protect.” Not true. We need to stop regarding a coal mine as a hole in the ground with a loadout adjacent to it. Mines are not simply originations. Piers are not simply destinations.

‘They are distribution centers … things go in and things go out. Efficient and effective use of distribution centers particularly by the folks operating the vital transportation assets creates an efficient and effective market benefitting all parties in the supply chain. The P & W and ST do have coal mines to protect … they happen to be located at the Port of Providence, RI and Merrill’s Marine Terminal in Portland. Similar “new” mines exist on the CSX and NS. They include Charleston, SC; Savannah, GA; Tampa, FL; Baltimore, MD; and Norfolk/Newport News, VA.’ \{text of speech\}

Update on imported coal
On 29 November, Smith noted that of the 50 to 60 million tons of imported coal, most goes direct from water to utilities. Alabama uses the majority; the coal is transferred from ship to barge for transportation on the state’s inland waterways. Only one million tons of imported coal is delivered to industrial customers.

Both CSXT and NS have begun, or soon will begin, to rail coal from Charleston or Savannah. Reasons? Not only does the move make sense from an economic point of view, but also utilities cannot get as much coal as they need from their traditional sources in Central Appalachia, Central Illinois, and the Power River Basin. Smith divided the domestic sourcing problem into production (labor, geological problems, environmental restrictions), and transportation (railroad congestion, equipment, and crews). \{ANR&P discussion\}

HIGH-SPEED RAIL
20 November, DC. **THE CONGRESS APPROPRIATED $700,000 TO LOOK AT A BOSTON-SPRINGFIELD-NEW HAVEN ROUTE**, in the Omnibus Appropriations bill. Some $19,650,000 was provided for the Next Generation High-Speed Rail program. Corridor Planning received $3.1 million of which $700,000 is for the New England High Speed Rail Boston-Springfield-New Haven Corridor Study. \{Vic Weissberg of Coalition of New England Governors e-mail to Vermont\}
PW THIRD QUARTER RESULTS
12 November, Worcester. **THE RAILROAD INCREASED REVENUES** ‘$362,000, or 5.4%, to $7.0 million in the third quarter of 2004 from $6.7 million in the third quarter of 2003. This increase is the result of a $313,000 (5.7%) increase in conventional freight revenues, a $31,000 (3.9%) increase in container freight revenues and an $18,000 (5.0%) increase in non-freight operating revenues.’ [See 20 August issue for 2Q.]

Conventional freight
The increase in conventional freight revenues in the third quarter is the result of a 2.5% increase in carloadings (245 to 9,900) and a 3.1% increase in the average revenue per car. Increased carloadings of metal products and certain other commodities during the quarter were partially offset by decreased carloadings of other commodities, including construction aggregates and coal. The increased revenue per carload is attributable to this change in traffic mix as well as some modest rate increases.

Coal in particular
Mary Tanona, company spokesperson and general counsel, explained the coal decrease: ‘Tonnage varies quarter by quarter, based upon ship arrivals and load rate at the Port. Year to date, P&W’s coal traffic is up 16% - despite being down 18% in the third quarter.’

Containers
The small increase in container revenues for the quarter resulted from a 12.0% traffic increase (2,096 to 19,558 from 17,462 in the third quarter of 2003) offset by a 7.2% decrease in the average revenue received per container.

The decrease in the average revenue received per container results from contractual rate adjustments as well as a shift in the mix of containers handled.

Non-freight revenues
The railroad received increased maintenance department billings, but had lower demurrage and secondary switching charges. Revenues of this nature typically vary from period to period depending upon the needs of freight customers and other outside parties.

Other income increased by $916,000 to $1.2 million, mostly the $948,000 obtained when Massachusetts bought the Southbridge branch [see 17 September 2004 Connecticut]. {10-Q filed with US Securities and Exchange Commission; e-mail to ANR&P from Tanona 2.Dec.04}

LNG SITING
20 November, DC. **CONGRESSIONAL CONFEREES, WITHOUT NOTICE, GAVE FERC JURISDICTION ON SITING NATURAL GAS TERMINALS**, in the Omnibus Appropriations bill passed by both houses this day. Neither body held hearings on the provision [as usual in the Congress, members of the conference committee inserted several provisions, giving the lie to the concept of ‘process’ or ‘open debate’ - editor], which states, under the headline ‘Federal Energy Regulatory Commission Salaries and Expenses,’ that FERC should have control over the handling of permits for proposed LNG facilities. ‘The Natural Gas Act of 1938 clearly pre-empts states on matters of approving and siting natural gas infrastructure.’

“I am really very concerned,” said Rob Gardiner, vice president of the Conservation Law Foundation, an environmental advocacy group with offices in Rockland and Boston. “The Federal Energy Regulatory Commission, unlike the federal EPA [Environmental Protection Agency], has never done a good job of environmental protection.” {Mal Leary of Capitol News Service in Bangor Daily News 1.Dec.04}

RAIL HELPS CONGESTION
30 November. **AN AASHTO STUDY SHOWS GROWTH WILL OVERWHELM THE TRANSPORT NETWORK** by 2020. According to AASHTO (American Association of State Highway and Transportation Officials), the US highway system which currently carries three-quarters of the domestic freight volume will not be able to take on the extra demand, mainly due to increasing congestion and the social, economic and environmental costs of adding new highway capacity being prohibitively high.

Many US states were now looking at expanding their rail systems to provide a more cost-effective way to transport freight. Fuel accounts for 9% of rail transport costs, as opposed to 40% in lorries. {Financial Times cited by CIFFA e-bulletin 30.Nov.04}
CONNECTICUT

PROVIDENCE & WORCESTER
1 December, Branford. A small company here uses rail but only “very occasionally” in the past two years. An official at the traffic department of Atlantic Wire Company said more often he uses truck because of the "practicality." Atlantic Wire pays less for the rail move from Canada, where it sources its raw material, but the trip takes one and half, sometimes two weeks. \{ANR&P discussion 1.Dec.04\}

The facility
The siding lies at MP81.65, off a long Amtrak siding used for maintenance-of-way equipment. Open gondolas of steel wire arrive here. \{e-mail to ANR&P from Lee Carlson 1.Dec.04\}

NEW HAVEN RAIL ACCESS
29 November. **The city and Conndot are considering coordinating the rail for the port** with the I-95/Q Bridge project.

Mention at the Port Authority
At the 4 November meeting of the Port Authority, Commissioner Richard Miller discussed the contracts for the I-95/Q Bridge. ‘Contract C2 includes the area of the highway from the [northern] New Haven Town line to the beginning of the Quinnipiac River Bridge. O&G Industries will begin construction on that contract in early 2005 and should be completed by the summer of 2008. It will involve the reconfiguration of ramps in and out of the harbor, with the current Stiles Street entrance moved closer to Woodward Avenue [see map at website or 01#02A]. The actual bridge construction will be executed under Contract B....Pete Lozis from the City Engineer's Office’ attends project planning meetings and meets monthly with port businesses to keep them informed.

Waterfront Street rail project
Mike Piscitelli, planner for the City of New Haven, said later the city is talking with ConnDOT about coordination between the Q-bridge work and the relaying of rail down Waterfront Street. If not coordinated, the rail project will have to await completion of the Q-bridge project.

The City, said Piscitelli, is paying for the design of the rail line, and for a consultant; it is about 30% designed. When done [estimate November 2005--see 29 October issue], the state will bid the project.

At the Port Authority meeting, Miller reported that Tom Harley of ConnDOT said ‘DOT would be willing to retain ownership of the right of way for the rail corridor. Tom Dubno of Gateway Terminal explained that the DOT used to insist that the City retain ownership, but that it is in the City's interest to let DOT manage the ROW. Marty Tristine [member of the public, former Logistec official - editor] asked how this would affect the railroad crossings. Miller responded that the City has control of the crossings, but can eliminate them following a public hearing. Once this is done the City can allow the State to take over the rail rights, while the City retains the right to the road. Commissioner Sheiffele asked how rail crossings will be kept from blocking the road. Miller said that flagmen will be needed. Dubno added that [PW] will handle the crossings and pointed out that the Chapel Street crossing runs smoothly.’

Next Port Authority meeting
On 2 December, the Authority will discuss, inter alia, the East Shore Parkway (long-term use options and short-term lease to Port Authority option), plus get a summary of the feeder barge report. \{minutes of meeting; ANR&P discussion with Piscitelli 29.Nov.04\}
MAINE

AMTRAK

28 November. MAINE WANTS NEW HAMPSHIRE TO COVER PART OF THE COST. Maine officials had always expected that New Hampshire commuters would ride the train, helping Maine residents pay the cost, and that is happening. However, Maine residents aren't using the train as much as expected.

New Hampshire up, Portland down
Nearly 40% of Downeaster passengers in the past year either began or ended their trips in New Hampshire. Ridership on some of those trips jumped more than 200%. During the same period, ridership in Maine fell, the Boston-Portland trip dropping 20%.

Maine funding
The original federal funding ends December 2004, the third anniversary of the beginning of the Downeaster. Although NNEPRA officials believe Congress could extend the funding for two more years, Governor John Baldacci is preparing to appoint a task force to look into how to pay for the Downeaster when those funds disappear.

After the service is extended to Brunswick, the Downeaster will need an annual subsidy of $5-6 million. Ticket sales last year paid for 51% of the $7.4 million operating budget. The federal government paid for 38%, MDOT 10% or $740,000.

New Hampshire's refusal to help could eventually erode the Downeaster's political support in Maine, said Representative Boyd Marley, D-Portland, the ranking Democrat on the Maine Legislature's Transportation Committee. Maine taxpayers don't want to be subsidizing the Boston commute of New Hampshire residents. "We need New Hampshire to be a full partner."

Should New Hampshire pay?
The New Hampshire communities of Dover, Exeter and Durham have spent municipal money to build stations and buy insurance. Officials and business leaders there are eager for the state to contribute, said Tracy McGrail, president of the Exeter Area Chamber of Commerce. “Maine taxpayers have borne the burden up to this point. New Hampshire needs to step up to the plate and pay a fair share of the cost of operating that service.”

Several members of New Hampshire's Executive Council, which decides how federal money is allocated, question whether the track improvements would increase ridership enough to justify the investment, said NHDOT Commissioner Carol Murray. “What's the benefit? That's the bottom line. We don't have the all the answers to make a well-balanced decision.”

Councilor Ruth Griffin, R-Portsmouth, who sits on the Executive Council, said at the council's 6 October meeting [see 18 October issue] that the Downeaster does not have enough ridership to justify the funds. She noted that C & J Trailways already serves the region. [C&J is subsidized. See 18 October issue: Maine.]

Murray said MDOT Commissioner Dave Cole will get the chance to make his case when he meets with the Executive Council in January.

Proposed project
The proposed project includes new sidings that would allow the Downeaster to pass freight trains. The rail authority predicts the improvements would cut four minutes off travel time and generate an additional $250,000 in annual revenue.

To pay for the $1.7 million project, MDOT and NNEPRA proposed that New Hampshire spare $1.2 million out of its share in the federal highway congestion mitigation grant, said Ron Roy, director of MDOT's Office of Passenger Transportation. He said the rail authority would pay the required $500,000 local match.

Cliff Sinnott, executive director of the Rockingham Planning Commission, said New Hampshire stands to gain a lot for a relatively modest amount of money. “Given the investment that has already been made, a small amount of additional investment yields a whole lot of new riders.”

NNEPRA's Patricia Douglas said a fifth round-trip to Boston would significantly increase the use of the train and also reduce traffic on I-95. Anticipated ticket sales would just about offset the additional operating costs of the fifth train.

{Tom Bell in Maine Sunday Telegram 28.Nov.04}

GRS - CORRECT SIDING

30 November, Biddeford. GUILFORD IS CONSTRUCTING A NEW LEAD FOR CORRECT BUILDING PRODUCTS

Marty Grohman, company president, pronounced himself “happy with the rate of activity. Guilford is moving fast and
doing a good job.” He also praised the state officials who assisted with the Industrial Rail Access Program grant of $102,000 [see 27 April issue].

The siding
Correct is selecting a contractor to rebuild the existing siding on its own property at 8 Morin Street, and deciding between two finalists. The former Biddeford Blankets siding, though unused, was connected to the Freight Main until GRS, doing work to speed up the line for the Downeaster, removed the switch. Because winter is setting in, the siding won’t get built until next year. However, Correct has already begin to move from its existing 15 Morin Street location to 8 Morin Street.

Inbound resin
The siding will permit Correct to receive resin directly; it now drays it from Ware or Worcester, well over 10 million pounds a year (the equivalent of 50 railcars a year). Pricing from Grohman’s supplier, BP, indicates he could save upwards of $100,000 a year.

Outbound product
Grohman is already using rail:

- shipping product in containers intermodally, to both domestic and offshore locations.
- loading centerbeam cars with wrapped packs of decking occasionally, using the Wood Structures siding at 20 Pomerleau Street, a mile away. This happens only when Wood Structures has the room. One railcar holds $200,000 worth of material. {ANR&P discussion}

MMA - NO NEW SAW MILL
24 November, Sapling Township. NO HUGE LUMBER MILL WILL COME HERE, as SMIS Group has apparently abandoned its plans [see 16 June issue]. It never followed through with its agreement to buy a 300-acre parcel from Plum Creek Maine Timberlands.

Wood not available
From the beginning, Peter Lammert, utilization and marketing forester for the Maine Forest Service, questioned the project, which planned to use 100 million board feet. He called Marra to tell him so.

Lammert said research in 2002-2003 indicates that 350 million board feet of spruce fir were being exported from Maine and that only 25 million feet did not have a predetermined owner when it was cut. He said three other sawmills in the general area already have to struggle to find wood, and employees. {Darla Pickett in Central Maine Morning Sentinel 25.Nov.04}

SLR GRANT
20 November, DC. CONGRESS APPROPRIATED $500,000 FOR THE SLR in the Omnibus Appropriations Act. Coupled with an MDOT grant for upwards of $800,000, they allow the rail line to build five new tracks. “They'll allow us to handle increased customer needs that we're experiencing already with companies such as Duke Energy, Cascade Auburn Fiber and Safe Handling,” as well as new customers. said Ray Goss, SLR general manager.

“It's absolutely good news for us. We're excited we got the support we needed. I think this will support the whole area, not just us. The customer demand exists right now (to support the expansion). We expect further growth with the Pine Tree Zone and Foreign Trade Zone designations.”

What the money will do
Goss submitted a request for the federal funds last January. The expansion plan calls for building four 2,000-foot siding tracks and a 1,000-foot lead track. The new tracks will enable the railroad to yard strings of cars closer to destination—usually Auburn—rather than leave them in Quebec until needed, and to assemble them for easy delivery. It will also permit the SLR to assemble outbound trains with many fewer railcars traversing—and therefore blocking traffic on—Lewiston Junction Road. {Carol Coultas in Lewiston Sun-Journal 25.Nov.04}
SEARSPORT

16 November. PARA PIGMENTOS SA IS BUILDING A KAOLIN FACILITY here, which will accept clay slurry from Brazil made of 85% clay and 15% water.

The facility
At a cost of $5 million, the company will construct two holding tanks, a processing building, and a ship unloading system to pump kaolin from ships docking at one of the two state-owned piers at Mack Point. The facility is designed to handle 250,000 tons per year. The product will be refined and shipped to mills throughout New England and eastern Canada.

Some 100,000 tons is destined for the International Paper mill in Bucksport, which uses kaolin to produce a glossy, coated paper for such customers as Time, Newsweek and Sports Illustrated. The kaolin would be transported from the storage facility by truck or railroad car, according to Mike Bush, director of community economic development at Eastern Maine Development Corporation (EMDC) in Bangor. EMDC is helping Pigmentos through regulatory hurdles and financial assistance applications.

SW&B Construction of Auburn is the general contractor on the construction of the facility; much of the subcontracted work will be awarded to local companies, according to EMDC. The town planning board received plans for the facility as a Sprague Energy project.

The location and access
Pigmentos, based in Rio de Janeiro, is leasing the site from Sprague. It will bring one or two shiploads a month into Searsport.

Tax-increment financing
Bush and a consultant working for Para Pigmentos, Rick Colson, attended the Searsport selectmen's meeting this day to ask the town about setting up a tax-increment financing package for the company. Town Manager Sandra Blake said on 17 November that selectmen support the development, but are in the early phases of considering the TIF. “We need to get a lot more details.”

Bush said Para Pigmentos has indicated that if it gets a property tax break through the TIF, a second phase of construction, valued at $3 million, might follow.

South Portland facility
Sprague operates a similar import facility in South Portland [see 99#24 and photo this issue]. {Bangor Daily News 18.Nov.04}

PORTLAND

22 November, Portland. UPDATE ON COAL MOVING THROUGH THE PORT. According to PD Merrill of Merrill’s Marine Terminal and Gary Smith of Massey:

Rail traffic through Merrill
The terminal does about 3500 carloads a year, consisting of 1500 pulp, 1700 coal, and 200 paper loads.

Coal through Merrill
Some 95% of the coal through Merrill belongs to Massey; the rest belonged to other users, and was trucked to Sprague when Sprague could not accept a particular ship. Of the 200,000 tons of Massey coal, 175,000 tons is railed to Rumford for the MeadWestvaco paper mill; another 25,000 tons is trucked to Dragon. [See 19 November issue: error in stating that Dragon’s coal moved through Sprague.]

Coal through Sprague
Sprague imports about 75,000 tons of coal for trucking to the SAPPI paper mill in Westbrook. The Sprague terminal in South Portland can only accept belted self-unloaders. Merrill formerly handled the SAPPI coal [see 28 November 2002 issue], but the demand was so variable that PD Merrill did not want to allocate some of his precious space to a product which might have no traffic for a time. {ANR&P discussion 22 & 23.Nov.04}

[See photo of facility in Regional.]
Sprague Terminal, South Portland, from landside, looking NW. Foreground, first two tracks, GRS Freight Main. Third track, tail track for lead into Sprague. On the track, kaolin cars [see Mack Point story] which enter the terminal at the far left. Above the tank car, the Sprague coal pile. This coal goes to SAPPI in Westbrook [see Portland story]. Also in view, tanks of the Sprague terminal and other South Portland terminals. Cranes on the horizon work at Merrill’s Marine Terminal (now owned by Sprague). {photo ANR&P}

**MASSACHUSETTS**

**CSXT - NEW AUTO FACILITY**

17 November, DC. **THE STB ORDERED THAT DOCUMENTS PRODUCED BY THE INDUSTRIAL RAILROAD BE KEPT CONFIDENTIAL.** The UTU [see 29 October issue] will receive the documents as part of its petition to revoke the exemption granted the East Brookfield and Spencer Railroad. [Normally, all documents produced as part of discovery form part of the public record of a case. *Editor*] {STB Finance Docket No. 34505}

**CSXT/GRS COSTA EMBARGO**

1 December, Boston. **COSTA PRODUCE IS DRAYING REFRIGERATED PRODUCE FROM ALBANY NY,** rather than use its own siding, according to Harry Wyley, an official at the company.

**Existing siding and service**

Costa has a siding into the Bunker Hill Industrial Park, off the Mystic Wharf Branch. Guilford last provided service in 2003, Wyley said. “Service was pathetically slow”, down to twice weekly, in part because the Big Dig disrupted the line. “We just cannot take a chance” on spoiling the produce.

[In December 2003, GRS embargoed Costa for ‘track condition.’ {AAR embargoes ST 5-03 consecutive sheet 254}]

Former service into the Terminal Market.
Costa began using the Boston Terminal Market [our Directory #215] in Chelsea. CSXT provided “excellent” service there, six or seven days a week. “We would have stayed there, but we were not a lessee” so Costa could not continue to use the Market.

Current service via Albany
Wyley said that the service into the Albany Distribution Center, and drayage from there “works out fine.” He has one car unloaded, one car there, and one car coming in, as of today. “The timeliness is good, but ultimately I would like to have the service here.” {ANR&P discussion}

GUILFORD - CRYSTAL EMBARGO
15 November, Medford. GRS EASED ITS EMBARGO OF SHIPMENTS TO CRYSTAL COLD STORAGE, The original embargo began on 27 September, and covered frozen fish, because of ‘Congestions/Accumulation’.
On this day GRS amended the embargo ‘to include a permit officer...Permit Officer Jeff Miller, Director Stations.’ {AAR embargo list, ST #3-04, consecutive sheet 189 and 228} [Shippers may contact the permit officer to determine whether they may rail product to Costa. Editor]

Traffic
GRS reaches Crystal’s location, the only customer on the Medford Industrial Track, by running down the MBTA Western main line. [An official at Costa declined to comment on the situation. Editor]

2003 embargo
In September 2003, GRS emplaced the same embargo. {AAR embargo list, ST #4-03}

CONNECTICUT COMMUTER/GRS
20 November. CONGRESS APPROPRIATED FUNDS TO EXAMINE EXTENDING THE NHHS SERVICE northward from Springfield to the university area via GRS’ ConnRiver line stations Holyoke and Northampton. The Pioneer Valley Transit Authority and Pioneer Valley Planning Commission requested funds to extend the New Haven-Hartford-Springfield [NHHS] study [see 3 September issue: Connecticut], now underway with consultant Wilbur Smith. Kari Watkins of Wilbur Smith’s New Haven office reported that the appropriation came to $750,000. {ANR&P discussion 2.Dec.04}

GRS - MYSTIC WHARF BRANCH
2 December. GUILFORD WILL FILE TO DISCONTINUE SERVICE ON THIS LINE on 10 December, according to Deb Hadden, deputy director property & transportation at Massport. Under the agreement in which Massport purchased the line from GRS [see 19 November 2002], GRS would provide 30 days notice to Massport before filing to discontinue. That notice arrived at Massport in the beginning of November, indicating that GRS would file at the beginning of December. Hadden has now received notice that the filing will take place on 10 December. She added that the rail will remain in place.[Not sure if the B&M permanent easement to provide service will remain. Editor] {ANR&P discussion}

BOSTON
2 December. AN UPDATE ON TWO PROPERTIES MASSPORT HAS FOR LEASE was provided by Deb Hadden, deputy director property & transportation at Massport.

333 Medford Street, Charlestown
After offering this via a request for bids in December 2003, Massport received an offer of use as a salt terminal. However, such terminals may not be allowed so close to the water [see 13 July issue], so Massport continues to accept proposals. ‘We are expecting to receive at least one proposal in the next few months. It’s a challenging site to lease because of its proximity to residential areas.’
Hadden said the agency is not required to go through a public bid process. It can accept additional proposals even though it has not formally closed the RFP.
Marine Terminal
At the end of June, Massport issued three RFPs for this waterfront area [see map 03#03A]. An internal committee at Massport continues to evaluate the seven proposals received in the response to the request for bids. The proposals ‘cover different footprints, [so] it's difficult to evaluate them against each other. We are working as quickly as possible toward one or more designations for this property.’ {e-mail to ANR&P}

NEW BEDFORD
2 December. **THE US ARMY CORPS OF ENGINEERS HAS NOT AWARDED THE DREDGE SPOILS CONTRACT** [see 20 August issue]. Sheila Winston-Vincuilla said I should call again in a couple of weeks. {ANR&P discussion}

RHODE ISLAND

NEW KINGSTON CUSTOMER?
1 December, Wyoming. **THE RICHMOND SAND AND GRAVEL COMPANY SEEKS A RAIL SIDING** within ten miles of its pit here, according to John Aiello, owner. He foresees both inbound traffic of cement, and outbound traffic of sand and stone. He calculates that if he has to dray more than ten miles, using rail is not worth it. [According to my map, that means he needs a siding between West Kingston and Bradford. Editor]

Cement in
Richmond currently drays cement dust from the Glens Falls Lehigh Cement facility in ProvPort [see 03#08A]. Aiello wants to bring cement in more closely. He estimates carloads at about 250 per year.

Sand and stone out
Richmond currently sends these products out by truck on their backhaul to Long Island. He figures he could send a million yards a year, and do it much better with rail, since PW already runs to Long Island. {ANR&P discussion}

VERMONT

GRS v NECR
9 November, DC. **GRS REFILED ITS ACTION AS A FORMAL COMPLAINT.** It originally filed its action as a ‘Complaint and Petition for Declaratory Order’, but the STB’s Office of Proceedings determined it constituted a ‘formal complaint’. GRS had to pay a $6600 fee, instead of a $1400 fee. {STB Financial Docket No. FD 34612}
QUEBEC/MARITIMES

HALIFAX

18 November. **THE GRAND ALLIANCE ANNOUNCED A CHANGE IN CALLS.** It is made up of Hapag-Lloyd, P&O Nedlloyd, OOCL and NYK

PAX/NAX

This pendulum route uses 13 Hapag-Lloyd Panamax ships of 4,600 - 4,840 TEU from Europe through the Panama Canal to the North American West coast, to Asia, and return. Because of the congestion at harbours on the West coast, the Grand Alliance is eliminating Le Havre. Rotterdam will become the final loading harbour after Antwerp, Thamesport and Bremerhaven. From Rotterdam, the ships will sail directly to Halifax, New York, Norfolk, Savannah and then to the West coast via the Panama Canal.

Le Havre will be added to the NAX loop, which plies the North and South Atlantic. {Newsdesk / eyefortransport}

RAIL SHIPPERS

Our Directory of Rail Shippers & Receivers in Southern New England has more information on the companies denoted with their directory number.

Described in this issue:

Atlantic Wire (PW CT #541), Correct Building Products (GRS Maine), Costa Produce (Massachusetts), Crystal (GRS MA #175), Gateway (PW, Regional, #544), Northeast Utilities (Bow GRS, Regional #95, Mt.Tom GRS, Regional #166), Merrill Marine (GRS, Regional & Maine #15), Richmond (PW, RI), Saint-Gobain (GRS Regional #128), Solutia (CSXT Regional #387), Stiles & Hart (CSXT Regional #304), UMass (NECR Regional #722)

EDITORIAL

BRAVO ‘CHARLIE’

Kudos to the Massachusetts Bay Transportation Authority, which has named its automated fare card the ‘Charlie Card.’ I can still sing (and have done so to my children) all the verses of the 1959 Kingston Trio version. Fact: the Progressive Party candidate for whom the song was written in 1948, Walter A. O’Brien Jr., died only six years ago here in Maine, where he ran a bookstore. Shameful fact: the man’s name was changed to George O’Brien to avoid giving more fame to a left-wing candidate.
ATLANTIC NORTHEAST RAILS & PORTS
162 Main Street Yarmouth, Maine 04096
Vox (207) 846-3549 Fax (845) 818-4913
Chalmers (Chop) Hardenbergh, publisher and editor
C_Hardenbergh@juno.com www.atlanticnortheast.com

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