**REGIONAL ISSUES**

**Saxonville/N. Pacific:** Eight facilities new name.  
**CONNECTICUT**

**Bridgeport:** Columbia Coastal negotiating to become bargee.  RFP requirements.  
**MAINE**

**Legislature:** LD230 on rail service reported out.  
Bills on crew size, passenger service to Rockland, lifting track hearings coming up.  
**GRS:** Bangor Daily News calls for better service.*  
**MERR:** Loram rail grinder visit.*  
**Fore River Distribution:** Business both up and down.*  

**MASSACHUSETTS**

**Transportation plan:** Romney long-range study discusses rail preservation, double-stack access to Conley.  
Also Fall River, New Bedford, Gloucester, Salem, and Mystic Branch haul road.  
**CSXT:** Plymouth Rubber will close.* Allston Landing study to HNTB.  
**GRS:** C&D facility proposed for Ayer.  
**Boston:** Metal Management will not operate marine terminal.  
Bulk still desirable.* Haul road for Mystic Branch?  
**Fall River:** Progress on pier building.

[No report.]

**NEW HAMPSHIRE**

[No report.]

**RHODE ISLAND**

PW: New names for Central Soya, Saxonville,

**VERMONT**

**Legislature:** Bellows Falls tunnel may get funded.*  
Preservation of rail-served property postponed.*  
**MARITIMES/QUÉBEC**

**NBSR/MMA:** No dedicated TOFC train pending US FDA exemption.  
**QCR:** Needs $10-$30 million in repair.  
**Saint John:** Tembec backs away from buying Nackawic mill, affecting the port.*  
**Halifax:** Halterm results improved in late 2004.*  
Comparison with Ceres.*  

**RAIL SHIPPERS/RECEIVERS**

A cross-reference to companies mentioned here.

[No report.]
REGIONAL ISSUES

SAXONVILLE - NORTH PACIFIC
15 March, Portland OR. ALL SAXONVILLE USA FACILITIES TOOK THE NAME ‘NORTH PACIFIC’, after the parent company North Pacific Group, Inc., according to Sam Sapp, who handles rail. The Saxonville name is gone, as well as Northeast Structural Wood Products and Allied Plywood.

Facilities - rail-served
Sapp explained that NP’s buying managers (employed at a corporate, not facility level) decide whether to use truck or rail to serve the North Pacific facilities in New England, which all have rail access. {ANR&P discussion}

Auburn ME. Distribution center using rail. Served by SLR. {ANR&P discussion with official at facility 17.Mar.05}

Charleston NH GRS. NP owns a distribution center here, served by GRS. [In 2002, it received 450-500 carloads. See 02#11B.]

Charleston NH NECR. NP and Cushman Lumber joint venture Northeast Structural Wood Products manufactures and distributes from this facility, served by NEGR. Cushman also receives here [in 2002, 800 carloads a year–see 02#11B].

Concord NH. Served by NEGS, starting in 2004 [see 04#09, our Directory #102.]

Norwood MA. Served by CSXT, starting in 2002, with about 750 carloads a year [see 02#12A, our Directory #251].

Providence RI. Served by PW on its Harbor Junction track, this facility [our Directory #493] has not received by rail for several years. {e-mail to ANR&P from RI observer 3.05} It formerly operated under the name Allied Plywood.

South Royalston VT. NP leased this facility, which was recently sold, so NP is now vacating. NECR did serve.

Springfield MA. Formerly operating under the name Allied Plywood, this facility is served by CSXT [our Directory #380]. The headquarters of Northeast Structural moved here, but the facility remains in Charlestown NH. {ANR&P discussion with official in Springfield. 15.Mar.05}

Other facilities
NP has three facilities just outside New England, in Edison NJ, Phoenix NY, and Landisville PA. {company website}

CONNECTICUT

BRIDGEPORT
11 March. COLUMBIA COASTAL MET WITH JOE RICCIO, the executive director of the Bridgeport Port Authority, and with Ed Roland of Sea Worthy Systems, BPA’s project consultant. The meeting reviewed Columbia Coastal’s proposal to the Port Authority to become the bargee for the container feeder service to New York. According to Tom Delaney of Columbia Coastal, the meeting ‘evolved into the first of hopefully several negotiations that will eventually lead to CCT being awarded the vessel operator contract.’ {e-mail to ANR&P 15.Mar.05}

Selection criteria for bargee and manager
According to the RFP, BPA will select the bargee based upon experience, explanation, and cost. BPA will select the manager based upon experience, explanation, marketing plan, contribution of traffic, and management cost.
Initial operation

Manager responsibility. BPA will contract with the Transportation Service Prime Contractor (the manager) to handle all aspects (including local warehousing, chassis, stripping/stuffing, and paperwork), of the feeder service except: (1) the tug-barge (the bargee) equipment and movement; and (2) longshore work, which the manager ask Logistec to handle in Bridgeport (with a two-year contract), and by the respective terminal operator in New York or New Jersey.

Bargee responsibility. BPA will charter a Water Transport Contractor (bargee). BPA wanted bids on barges capable of carrying 40 containers on chassis, and 80 containers on chassis.

Funding. Connecticut will support the service, and the Port Authority of New York and New Jersey (PANYNJ) has allocated up to $1 million. ‘Once the service moves 40,000 loaded containers, PANYNJ will receive its funding back at the rate of $5 per container.’

Startup and continuation. The manager must commit itself for six months, with additional optional periods. If successful, BPA is prepared to make ‘significant capital investment’ in the Bridgeport terminal. Once the project ‘matures and develops positive cash flow’, the manager or another party may want to buy the operation from BPA.

Location. The operation in Bridgeport will begin at Cilco Terminal, operated by Logistec USA, and shift completely to the Bridgeport Regional Maritime Center (BRMC) for the long term. In the short term BRMC will hold the chassis and container staging area.

Operation. The bargee must get loaded at all terminals in PANYNJ within 5 hours, and complete the 67 nautical miles between PANYNJ and Bridgeport in 8 hours. The manager must unload and then load 80 containers on the barge within two hours.

Payments. The manager will pay BPA $5 per container. The manager will pay the bargee for each one-way chassis/container movement. {text of bid documents}

MAINE

MAINE LEGISLATURE - SERVICE

15 March, Augusta. THE UTILITIES COMMITTEE UNANIMOUSLY AGREED ON A NEW VERSION OF LD230. The new bill was fashioned under the leadership of Representative Ken Fletcher (R, Winslow); he inquired of other members of the committee, the Office of Public Advocate, and MDOT about their concerns.

In sum, it authorizes the Public Advocate to gather information about rail service, and to prepare a report to go to MDOT. The report would also become a public record. “The independence and objectivity of the Public Advocate” was important, said Fletcher. The bill is aimed at Guilford service [see 4 February issue]. {ANR&P discussion 17.Mar.05}

Comments during the work session

Fletcher said that in gathering the information, he hoped the Public Advocate would find that railroads are providing “excellent customer service and great reliability.” But “we need to understand if there is an issue here.” The principle is using the expertise of the Public Advocate to develop a plan for evaluation. Then the Advocate can bring the information back to the committee “to understand if this is an issue.”

Rob Elder, representing MDOT, said his agency agreed with the bill with the reservation about the use of monies from the railroad fund. “We only have about $300,000 to maintain 300 miles of track.” That might cover only half a bridge. In a letter to the Committee, he had recommended capping the funding level and sunsetting the effort after three years. He had no objection to working with the public advocate.

Representative Christopher Babbidge (D, Kennebunk), told the Committee that he had “the chance to talk with several people off the record, who were served by railroads, or want to be served, and all of them were very concerned about service quality. Some of the actions of the railroad defy business logic. The state has a need to preserve rail service as an economic advantage.”
He expressed a concern: “The number of clients presently served by the railroad industry in Maine is quite finite. I’m not sure how confidentiality can be maintained, given any specificity of complaint. However, that does not mean the process is not worth while.”

The Public Advocate office sent a letter to the Committee, stating: ‘We have no objection to performing the annual data collection task that the amendment envisions, nor do we have any concerns about providing information to governmental agencies or other entities. We do not object to working with the Department of Transportation in developing a performance matrix for managing service quality information. We certainly have no objection to an annual reporting requirement (to the Utilities and Energy Committee) for data gathered during the prior year, nor do we object to measures that enable individual shippers to keep confidential their identities, upon request to the Public Advocate.

‘Our concern focuses on the funding level, of $20,000 annually, for OPA activities that are reimbursed by the Railroad Freight Service Quality Fund in subsection 5. In order to ensure that the time of OPA personnel is not compensated for by utility ratepayers, as opposed to freight shippers, it may be necessary in time to reduce, increase or to adjust the annual funding level – for the following reasons. If the Public Advocate’s own time were assumed to be committed each year on a 10% basis to railroad advocacy, that allocated cost alone would come to $9,000. This would leave only $11,000 each year for all costs incidental to time spent by other OPA employees, organizing meetings, travel, trips to Washington, etc that may arise in the course of the year. For this reason, we support the amendment where it provides for the sunsetting of this legislation after three years in order to trigger a review of funding, as well as other provisions.’

Next step
The bill will go to the Judiciary Committee because it contains an exception to the Freedom of Information Act. {ANR&P coverage via internet; text of letter from Advocate’s Office; ANR&P discussion with Elder 16.Mar.05} Fletcher hopes people are already working on the reporting matrix; he expects the bill to pass the Legislature soon. “One of the reasons we want to act quickly is so that we will still be in session” when the design of the matrix—and perhaps even the use of the matrix—will begin. He noted that the shippers must come forward: “It’s not compulsory; we just wanted to create the mechanism for consumers.” {ANR&P discussion 17.Mar.05}

TEXT OF NEW LD230

An Act Establishing a Role for the Public Advocate in Promoting Railroad Service Quality

Sec. 1. 35-A MRSA § 1711 is enacted to read:

§1711. Railroad service quality.

In addition to the authority and duties otherwise specified in this chapter, the Public Advocate shall seek to promote and enhance railroad freight service quality in accordance with this section. The Public Advocate shall undertake activities under this section only to the extent funding for those activities is available in the Railroad Freight Service Quality Fund established under subsection 5.

1. Definitions. As used in this section, unless the context otherwise indicates, the term "shipper" means a person or entity that uses railroad freight service.

2. Tracking service quality. The Public Advocate shall collect data on the quality of railroad freight service in this State. The Public Advocate may conduct surveys or employ other methods to gather information provided on a voluntary basis by shippers. The Public Advocate shall collect and organize the data in accordance with a performance matrix designed to measure service quality. The Public Advocate shall consult with the Department of Transportation and with shippers in developing the performance matrix. On a schedule mutually acceptable to the Public Advocate and the Department of Transportation, the Public Advocate shall provide to the Department of Transportation regular reports on the quality of railroad freight service based on data collected pursuant to this subsection. The Public Advocate shall report the data in a manner that is consistent with subsection 4. Reports provided pursuant to this subsection are public records.

3. Authority to take certain actions. In order to enhance and promote railroad freight service quality in this State the Public Advocate may

A. Provide information to federal, regional, or state agencies, groups or organizations and monitor federal and state regulatory actions of interest to Maine shippers;
B. Provide advice and assistance to shippers;

C. With the consent of parties, facilitate or mediate railroad freight service disputes; and

D. Take any other appropriate actions consistent with the purposes of this section.

4. Protection of persons supplying information; confidentiality. In order to encourage shippers to provide information to the Public Advocate under this section, the Public Advocate shall institute procedures to preserve the anonymity of shippers that provide railroad freight service quality information to the Public Advocate. Those portions of any records obtained or kept by the Public Advocate pursuant to this section that the Public Advocate determines would reveal the identity of any shipper that provides information to the Public Advocate under this section are confidential and are not public records pursuant to Title 1, section 402, subsection 3, paragraph B. If the Public Advocate determines that disclosure of information that would reveal the identity of a shipper would assist the Public Advocate in achieving the purposes of this section, the Public Advocate shall, prior to the disclosure, notify the affected shipper to allow the shipper to discuss the proposed disclosure. If the affected shipper objects to the disclosure of the information, the Public Advocate may not disclose the information.

5. Funding. There is created the Railroad Freight Service Quality Fund, referred to in this section as the fund. Pursuant to Title 36, section 2625, the fund receives $20,000 each year from the tax levied pursuant to Title 36, chapter 361. Expenditures from the Railroad Freight Service Quality Fund are subject to legislative approval in the same manner as appropriations from the General Fund. Any balance in the fund in excess of that required for the purposes of this section do not lapse, but are carried forward. Money in the fund may be expended by the Public Advocate only for the purposes of this section.

6. Report. The Public Advocate shall annually, no later than the first Monday in February, submit to the joint standing committee of the Legislature having jurisdiction over utilities and energy matters a report that includes the following:

A. A summary of railroad freight service quality data collected under subsection 2 and any actions taken pursuant to subsection 3;

B. An evaluation of the effectiveness of any actions taken under subsection 3 and the need for the authority granted under that subsection, together with any recommendations for modifications to that authority; and

C. An accounting of expenditures from the Railroad Freight Service Quality Fund, prospective funding needs and any recommendations for changes in funding levels.

7. Sunset and review. This section is repealed 90 days after the adjournment of the Second Regular Session of the 123rd Legislature. In the report submitted that year pursuant to subsection 6, the Public Advocate shall make recommendations with regard to the continued need for the authority granted under this section. After reviewing that report, the joint standing committee of the Legislature having jurisdiction over utilities and energy matters may report out legislation to the Second Regular Session of the 123rd Legislature concerning the subject matter of this section.

New legislation
The bill also authorizes the Joint Standing Committee on Utilities and Energy to report out legislation concerning railroad freight service to the 2nd Regular Session of the 122nd Legislature. {text from Utilities Committee}
GUILFORD SERVICE

The following editorial, written by the paper’s editorial staff, appeared in the Bangor Daily News 12 March.

Maine’s paper mills rely on the state’s railroads, so when that service is unreliable, as they say it is with the state’s largest rail carrier, it threatens their business, which in turn hurts the state economy. While the state may not be able to fix the situation, it can at least try to figure out what the problem is and then help the companies involved look for solutions.

The first question that needs to be answered is why the railroad that many of the mills depend upon, Guilford Rail System, is providing service that the mills say is unreliable. Orders are being completed on time only to sit in a warehouse waiting days for rail cars to show up. The situation is so bad that one mill customer in the Detroit area said it is faster and easier to order paper from Scandinavia than from Maine.

Dan Innis, dean of the University of Maine College of Business and an expert on transportation, says it appears Guilford may be engaging in monopolistic behavior. The company knows the paper mills can’t look elsewhere for transportation services. Hauling raw materials and rolls of paper by truck would be up to three times as expensive - not to mention the increased wear and tear on the state’s roads and complaints from residents about increased truck traffic. No other railroad company can service the mills south of Lincoln because Guilford owns the rails.

Given this dynamic, it appears Guilford is providing only the minimum service necessary. In addition, the company has not upgraded rails and equipment in Maine, further contributing to the reliability problem. Part of the problem may be that the company can make more money by serving customers in other states, which generate more volume and, hence, more profits for the company. Maine should want to find out if this is the case and, if so, what could be done to solve it.

For example, many rail cars coming into Maine are empty but go out full. Are there companies here that could get deliveries by rail, helping to fill up incoming cars? Typically, this should be a problem solved by the company because it wants to maximize profits by having full cars all the time. However, Guilford has yet to come up with a solution, so maybe state officials can help out.

Dean Innis says it is unprecedented for shippers to go to the state government for help in dealing with a railroad. Their concern that the situation is so bad that it is jeopardizing potential investment in the state’s mills should raise alarm among state officials.

To begin solving this problem, the governor, who has done a lot to bolster the state’s paper and forest products industry, should convene a meeting of mill and railroad officials. The governor should demand an open discussion of the reasons for the current rail service. Then a plan for improving the service could be developed. State officials should then keep pressure on the railroad to ensure it is working to meet the needs of its customers.

Lawmakers are currently looking at ways to have the Public Advocate’s Office help in this regard [see 2 March issue]. The state has done a lot in recent years to help its paper industry. Ensuring reliable train service should be a high priority.

MERR

5 March. LORAM RAIL GRINDER #311 WORKED THE ROCKLAND BRANCH THIS DAY, from MP 85.5 to MP 29.5. Jon Shute, MERR general manager, said he was able to obtain its services between working on Guilford and working on SLR. The train was operated under the direction of an MERR pilot, and an engineering representative, in this case an MDOT employee, who rode the rear caboose/control car to make decisions about quality control, number of passes, etc., in conjunction with the Loram superintendent.

MDOT paid the cost, which per Shute is based on an hourly rate, plus the number of grinding passes over the rails. ‘In our case, the continuous-welded-rail laid on the Rockland Branch was first quality relay. However it did have wear characteristics and transitions between different sections of rail as they were welded up in the plant. There were also some minor corrugations. We were able to grind the whole line in one pass, restoring the rail head to an optimum profile which will reduce wear and extend rail life.’ {e-mail to ANR&P 9.Mar.05}

FORE RIVER DISTRIBUTION CENTER

8 March, Portland and Auburn. BUSINESS IS BOTH UP AND DOWN AT FORE RIVER, according to President Mike Cella. At his Portland facility, paper is slow and the state liquor business was privatized [see 04#06A]. However, food-grade and other palletized business is doing well.

Praise for SLR

At his Auburn facility, said Cella, paper is “busy” and Mead’s usage there “continues to grow.” He attributes that to SLR’s excellent service: “They do whatever we ask for; they really care about customers, and it shows in their service. They do what they say.” {ANR&P discussion 8.Mar.05}
Freeport, Maine. Rail grinder heads west, passing under Lower Main Street bridge, 7 March 2005, after grinding the Rockland branch on 5 March. The still-hanging strands of the tell-tale are barely visible. {ANR&P}

MASSACHUSETTS

EOT: LONG-RANGE PLAN

9 March, Springfield. **GOVERNOR MITT ROMNEY UNVEILED A $31 BILLION TRANSPORTATION PLAN**, paid for with nearly $16 billion in federal funding and from various state sources, including $4.5 billion from the MBTA. Aimed at the long-range, it bears the title ‘A Framework for Thinking, a Plan for Action’. Most of the funds would go for the highway system, or for mass transit, but it does contain some mention of ports and railroads.

*See the complete plan on the Massachusetts Executive Office of Transportation website.*

**Background**

In July 2004, *An Act Restructuring the Transportation Systems of the Commonwealth* (Chapter 196 of the Acts of 2004) was passed by the Massachusetts General Court; it required the preparation of a long-range, multimodal transportation plan for the Commonwealth. The most recent such document, *Accessing the Future: The Intermodal Transportation Policy Plan for the Commonwealth of Massachusetts*, was published in 1995. ‘A new plan, one that establishes the transportation agenda for the post-Artery period, is now needed. This document is the foundation of that effort.’ {executive summary}

Speaking in Springfield, the governor emphasized he expected tweaking of the plan based on input from the public and stakeholders.
Commuter rail
The plan supports extending commuter rail to Fall River/New Bedford, and increasing service to Worcester, but with no completion dates. It did not include commuter service between Boston and Springfield, which drew a rebuke from the Springfield mayor. {Adam Gorlick of AP in Boston Globe 10.Mar.05; Jack Spillane in New Bedford Standard-Times 11.Mar.05}

T service to Gardner
The plan also calls for improvements to commuter rail service to Fitchburg, which had no price tag attached: ‘The subject of several studies by the MBTA, the RCC recommended continued efforts to improve service on the Fitchburg line. This project would facilitate reverse commuting into the Fitchburg area, making the region a more attractive location for job growth.’ (page 258) In November, area legislators signed a letter written by State Representative Brian Knuuttila, D-Gardner, to the Transportation Finance Commission listing concerns about the Fitchburg line, according to a statement released by Knuuttila on 11 March. ‘The re-extension of [T service] to Gardner has been, and will remain, my top priority.’ {Lucy Sutherland in Fitchburg Telegraph & Sentinel 12.Mar.05}

Haverhill double-track
The Merrimack Valley MPO had this line item: ‘Double-track Haverhill line 157.9 million’ which could be paid for out of the I-93 project.

Rail preservation
‘Rail rights-of-way are hard to preserve, impossible to re-create, and not always a high-returning asset for a private railroad. For this reason, Massachusetts has traditionally been aggressive in preserving railroad rights of way. The Executive Office of Transportation administers the provisions of MGL Chapter 161C, Section 7, which provides that no railroad company may sell or dispose of railroad rights-of-way or related facilities without first offering them for sale to EOT. EOT may reject the sale offer, let the offer lapse at the end of 90 days, or arrange for purchase of the property by another public agency. The railroad may not sell or dispose of such property to others on better terms than offered to EOT.

‘EOT also administers MGL Chapter 40, Section 54A, which provides that no local building permit may be issued for a structure to be located on lands formerly used for railroad rights-of-way or property appurtenant thereto without a public hearing and without written permission of the Secretary of Transportation.’

CSX sale of Boston-Albany line
‘CSX is the only Class 1 railroad in Massachusetts. Therefore, in the event that CSX were to sell assets, particularly properties in the Commonwealth, the state (EOT, MBTA, and Massport) need to be prepared to move aggressively to purchase properties, including rights-of-way and rail yards, which will protect both the freight and passenger needs of the Commonwealth. One of the state’s goals in any such purchase would be to protect the existing balance between rail freight and truck freight and to facilitate the movement of freight by rail if feasible. To realize that goal, the state will continue to work with the freight industry to encourage expansion and to promote reuse of rail right-of-way.’

DOUBLE-STACK/ON-Dock ACCESS TO CONLEY
The document made several statements supporting these long-sought goals.

MPO mentions of double-stack
The appendix to the plan lists, in the Metropolitan Boston section, two projects with the title ‘doublestack initiative’, costing $20 million between Natick and Framingham, and $8 million between Framingham and Worcester.

The action plan at the end of the document included these statements:

‘We will continue to:
- Protect near-dock and on-dock rail service to the Port of Boston.

‘We will begin to:
Achieve a secure and viable on-dock rail connection for the Port of Boston.’
Boston: Conley Terminal and on-dock rail
‘Conley is also accessible by rail through highway connections to the CSX rail transfer facility at Beacon Park, located off I-90 approximately four miles from the terminal. Massport has expressed interest in reactivating more direct rail access serving to the port in South Boston. The connection would involve extending Track 61 across the Reserved Channel from the Marine Industrial Park in South Boston. Having on-dock rail would enhance Massport’s ability to capture discretionary cargo (i.e., cargo that is not destined for local markets and would generally be transported by rail), thereby increasing overall utilization of Conley Terminal without increasing truck traffic on the local and regional roadway system. The Commonwealth is therefore seeking an at-port rail terminal.’

[See Allston Landing study, below.]

OTHER PORT COMMENTS

Boston: Moran Autoport
‘The Boston Autoport in Charlestown, formerly Moran Terminal, is the only port terminal in Massachusetts for importing, processing, and distributing automobiles. The Boston Autoport imported, processed and distributed approximately 40,000 automobiles in 2003. This includes Subarus imported by water or road and new and used cars that are brought to the facility for processing and subsequent distribution to local dealers, auctions, and markets as far away as New York. Depending on the volume and origin/destination, automobiles may be transported to and from the Autoport on car carriers (ten cars per truck) or one at a time. Because there is currently excess capacity at the Autoport due to the loss of the VW/Audi account in 2002, the facility is shared with a company that operates a salt terminal. All of the salt is delivered to the terminal by water and distributed from there by truck.’

Boston: Mystic Wharf Branch
[See below about possible haul road.]

Fall River
[See below.]

New Bedford
New Bedford is expecting to start a new route with Brazil. (page 184/10) Dredge spoils go to Utah. (page 13)

Gloucester
‘The Port of Gloucester traded approximately 60,000 short tons of frozen fish in 2003 with Europe and Asia, with approximately 67% of the frozen fish trucked to other ports before heading to markets overseas. The port also has the largest cold storage capacity in the country. Although freight rail access [service, the writer means, as the T has rail access through Gloucester to Rockport-editor] is unavailable to the port, Route 128 provides access to the highway network.’

Salem
‘The Port of Salem services a power company electrical generation plant. Over one million tons of coal is shipped to the power plant annually.’ {text of plan as found on EOT website}

CSXT - PLYMOUTH RUBBER

4 March, Canton. **THE COMPANY WILL CLOSE THIS SITE OVER THE NEXT THREE YEARS.** The manufacturing operations in Canton [our Directory #254] do not now use rail [see 16 January issue]. The operations, which employ 350 people, will shift to other Plymouth Rubber locations, including China, beginning next year. Plymouth Rubber in December signed a joint venture with Hebei Huai Group to manufacture PVC tapes in China. The joint venture, Plymouth Yongle Tape, is currently constructing a new factory near Shanghai.

Plymouth Rubber will continue to manufacture tapes at its other facilities in the United States and Europe. It also plans to expand its Materials Research and Product Development activities at a new technical and sales facilities to be located in or near Canton. The company earlier this year received approval to delist from the American Stock Exchange. {Boston Business Journal 4.Mar.05}
CSXT - ALLSTON LANDING STUDY

12 March, Burlington. IN JANUARY, EOT NOTIFIED HNTB IT WAS SELECTED TO DO THE STUDY of the transportation issues involved in CSXT’s Beacon Park [see 04#12B]. Dennis Coffey, who heads the engineering firm’s rail division, said the team is ‘presently negotiating a contract - hoping for [Notice to Proceed] very soon. The Team is pleased and ready to go!’ {e-mail to ANR&P}

Beacon Park
The Beacon Yards Rail terminal in Allston provides a multimodal transfer point between the CSX rail network, the Port of Boston, and the Boston metropolitan area. The MassPike recently sold the rail yard to Harvard University for possible development of their proposed Allston expansion. CSX holds a permanent railroad easement over the land. During negotiations on the sale of the yard, EOT and the MBTA successfully negotiated rights for freight and passenger operations on a portion of the yard in the event of any future transfer of the permanent easements, thereby protecting the public’s interest at this important facility. The proximity of the yard to the Boston area and the Port of Boston is critical to the freight network.

‘The state’s effort to work with Harvard University, CSX, MBTA, and the City of Boston is aimed at ensuring that a solid freight network continues to serve the port, the City of Boston, and the New England region. To that end, EOT will be conducting a study to explore ways to assure a strong port-to-rail connection, at Allston Landing.’ {EOT long-term plan}

GRS - EASTMAN GELATINE

3 January, Peabody. EASTMAN GELATINE HOPES TO RESUME ACID BY RAIL in about 90 days. The company has met most of Guilford's conditions.

In the eight months the embargo has been in place, it has spent an extra million dollars on acid. {Tom Dalton in Salem Evening News 3.Jan.05 via NERAIL}

More information
Paul Carter, services manager for the company [our Directory #201], explained that over 30% of the increased cost for acid stems from market shortages; the supply out of Asia has stopped.

Trucking does cost more--about 10% more--though Carter praises Safe Handling of Auburn Maine, the company which trucks the acid from a rail head there. “They helped maintain the price as well as they could.”

Next step
On 18 February, Carter said one piece of training remains: a session with emergency response people using an empty railcar. He expected that to happen in the “next couple of weeks,” then after a couple of weeks of training, rail could resume. He expected six to eight cars a week. Eastman uses its own workers to unload the cars. {ANR&P discussion}

14 March, Peabody. EASTMAN STILL AWAITS AN EMPTY CAR FOR TRAINING, according to a letter to Peabody and Salem officials from the company. Once it completes a final safety training program, it will ask Guilford Rail System, the operator of the local rail lines, to lift the embargo imposed in April 2004 [see 04#05B].

The training car was on its way to Peabody but had not arrived as of 11 March. {Salem News 14.Mar.05}

GRS - AYER C&D

9 March, Ayer/Devens. A NEW C&D FACILITY IS PROPOSED FOR THE DEVENS COMMERCE CENTER, according to plans unveiled at a public hearing in the MassDevelopment offices here, conducted by the Massachusetts Environmental Protection Act office (MEPA). MEPA Environmental Analyst Aisling Eglington attended to look for potential environmental impacts and do a site walk for the project.

Location
According to broker Lowell Peabody of NAI Hunneman Company, the seven-acre parcel at the end of Independence Drive, in the West Rail Industrial Area, is the last rail-served parcel available for sale in the Commerce Park.

Proposer and facility
Kurt Macnamara of W.K. Macnamara proposes a 90,000SF facility. It would receive construction and demolition debris such as steel, wood, or drywall, separate them at a rate of up to 1500 tons per day, and then sell them on the open market.

The weight of the debris meant he needed that many tons to make the endeavor worthwhile. He told the attendees that the facility would focus on large haulers and companies, with a list of 20 to 30 regular clients, which could further reduce
the number of truck trips actually needed. It will have regular operating hours of 7AM to 3PM during the week, plus maintenance work that would be carried out after hours.

**Transport**

Macnamara estimates the activity would generate about 300 truck trips per day, and six railcars a day. His consultant, Dammon Frecker of ESS Group (formerly Environmental Science Services) of Wellesley, Massachusetts, told the hearing that the site was highly desirable because it was in the heart of an industrial area, had ready rail access, and was removed from residential areas in both the location and on the access routes.

**Need for such facilities**

John Regan, the chief of the Department of Environmental Protection (DEP) Central Region Solid Waste Section, said the Commonwealth definitely has a need for such facilities, if operated in a proper and safe manner. Massachusetts yearly creates more garbage than it can dispose of, which will make increased recycling a necessity sooner rather than later. It would not be of more disturbance than any other operation in the industrial zone.

Asked about the veracity of Macnamara's presentation, Regan said the proposal utilizes technology and methods he has been hoping to see at work in Massachusetts for some time now. Their use would constitute a definite upgrade from the two plants currently operating in the region, which are both over 30 years old.

**Status**

An earlier release from MEPA outlined potential environmental issues with the project stemming from portions of the facility being within priority habitat for rare species. The release stated the project would need several solid waste facility permits and a sewer extension permit from the Department of Environmental Protection, plus a site assignment from the Devens Enterprise Commission. MEPA also noted the project could potentially need permission from the Division of Fisheries and Wildlife, Natural Heritage and Endangered Species Program as well.

No decision from MEPA was returned at the hearing. Comments on the application are due within one week, with the certificate due in two weeks. {Nathan Lamb in Ayer *Public Spirit* 11.Mar.05}

**More information**

**History.** Macnamara has operated as a demolition contractor for 15 years, located in Waltham. He said later, “I’ve always been a big fan of rail. We need to move more stuff by rail.” Two years ago he and other demolition contractors sat together with the Massachusetts Department of Environmental Protection to look at recycling more debris, rather than landfills it. The contractors maintained they were doing as much as they could. For example, the market for used items such as doors did not exist: the large-box stores such as Home Depot were selling new doors cheaper than the cost of extracting, storing, and then reselling old doors.

DEP responded, If we create the market, will you use it? The new DEP regulations requiring recycling of 80% of the debris are nearly in force, Macnamara said. Markets now exist for asphalt shingles, old carpet (shredded and remolded into plastic items such as buckets), metal, and wood chips; some markets require transporting the material some distance, where rail can play a role.

**Facility operation.** The facility in Ayer will accept C&D, and process it. Recycled material will move to local markets, or if no local market, then to distant markets, much by rail. The material which Macnamara cannot recycle would go to a local landfill.

**Competition with WWTR.** Macnamara mentioned the proposed facility in Wilmington, which would handle the same material his Ayer facility seeks [see 2 March issue]. “That can put me out of business,” because DEP has said WWTR would be exempt from the DEP recycling limits. [Not sure that is correct legal interpretation of pre-emption. Editor]

WWTR can also accept municipal solid waste. “The trash business is very lucrative” and WWTR could offer discounted tipping fees on the C&D. It also has no weight limit on C&D. Macnamara could not himself create a railroad to avoid federal pre-emption. “I don’t have the space to create a yard.”

Wilmington also has the advantage of a 10-mile distance to Boston, while Ayer lies 30 miles away, he noted.

**Next step.** “We are at the very beginning,” Macnamara reported. After the certificate from MEPA, he must obtain a DEP
permit, then a permit from the local board of health. \{ANR&P discussion 14.Mar.05\}

**PIONEER VALLEY**

8 March, Westfield. *CUSTOMERS ARE “FALLING OUT OF THE SKY”* said Mike Rennicke, PVRR general manager. While he could not yet name new customers, PVRR had received “a lot of interest lately in transload.” Existing operations have all grown, and he has not had time “for direct marketing.”

**Westover operation?**

As a result of the growth, Rennicke has not had a chance to begin the market study he would like, which would determine whether the line from Chicopee to Westover had potential for rail traffic.

**Lowe’s**

PVRR is already transloading for Lowe’s at its Railroad Distribution Services; Lowe’s has just begun excavating for its own distribution center, which should be ready in September and October. W.R.Riegel will construct the spur [see 04#08B]. \{ANR&P discussion\}

**PORT OF MASSACHUSETTS**

1 March. *THE SEAPORT ADVISORY COUNCIL VOTED $10,000 toward marketing the Commonwealth's five deep water ports, Boston, Fall River, Gloucester, New Bedford, and Salem, as the historic ports of Massachusetts. The ports look on attracting cruise passengers as the best way to launch a common marketing effort. \{minutes from Council\}*

**FALL RIVER**

1 March. *THE SEAPORT ADVISORY COUNCIL VOTED TO MOVE THE SALT SHEDS belonging to Massachusetts Highway, now located directly across from the State Pier, to a site next to I-195 about a mile away, at a cost of $500,000. This will, according to Rick Armstrong, Council executive director, free up container storage and parking spaces.*

**The study of the new pier facility**

The Progress Review Committee held an all-day workshop on 31 January about the design of the facility [see 04#10A]. Armstrong expects a final report toward the end of summer. The autumn Council meeting could appropriate the funds for engineering and bid documents. \{e-mail to ANR&P 14.Mar.05\}

**Traffic**

‘During 2003, the Port of Fall River traded approximately 6,000 short tons of containerized goods with Europe and Africa, evenly split between imports and exports. All cargo arriving by water is trucked to its final destination, with two major highways (I-195 and Route 24) located nearby. There are three on-dock rail tracks used for transporting oil and frozen fish into Fall River. The port serves as a transfer point from rail to truck; trucks then carry the frozen fish to New Bedford.’ \{EOT Long-range Plan–see above\}

**BOSTON - MYSTIC BRANCH ROAD**

1 March. *THE SEAPORT ADVISORY COUNCIL VOTED $200,000 to Massport ‘to do the analysis and engineering on developing the haul road alongside the Mystic Branch’ rail line. \{Armstrong e-mail to ANR&P 14.Mar.05\}*

**More on Haul Road**

Charlestown DPA (designated port area) users (Boston Autoport, Lafarge Cement, and US Gypsum) repeatedly express the need for a dedicated truck route along the Mystic Wharf Rail Line Right of Way. The proposed Haul Road would extend from Moran Terminal to an intersection at Medford Street and/or Main Street, giving DPA users better access and alleviating the impact of truck traffic in residential neighborhoods along Medford Street. Two years ago, the Seaport Council jointly funded with Massport the purchase of the Rail Line. Funding used now will assess the feasibility of constructing this route, recognizing the importance of preserving the rail line. \{Council agenda\}

‘With funding from EOT and the Seaport Advisory Council, Massport purchased the Mystic Wharf Branch in Charlestown in order to protect rail access and possibly construct a haul road to serve port businesses along the Mystic River. The rail bed was acquired from the Boston and Maine Railroad in 2002, and until recently, was used to deliver paper rolls to the U.S. Gypsum facility located adjacent to the Autoport. U.S. Gypsum imports gypsum rock from Nova Scotia and processes it into wallboard. Although there is currently no regularly scheduled rail service along the line, this acquisition
preserves the future opportunities for rail access or conversion to a truck haul road to the Charlestown port facilities including the Autoport, Mystic Piers, Lafarge Cement, and U.S. Gypsum.’ {text of Long-Range Plan–see above}

**BOSTON - NO SCRAP YARD**

4 March. **METAL MANAGEMENT WILL NOT BECOME THE TENANT** for the Massport Marine Terminal [see 16 January issue]. After the mayor criticized the project, Massport officials issued this language: ‘While we haven't reached a conclusion as to the final use of the land, we do know at this point that Metal Management will not be the steward of the property.’ Metal Management's proposal best met the requirements of its lease with the Boston Redevelopment Authority. ‘All along, we have acknowledged that [Metal Management's] proposal raised some significant complications, specifically their requirement for scrap metal, which we were not prepared to accommodate. We have worked very closely with all of our elected officials as we've considered what's best for this property.’

**Mayoral critique**

“I don't think a junkyard per se is what we want on Boston Harbor,” Mayor Thomas Menino said. “It's an ill-conceived plan” and better use could be made of the space.

**Other opposition**

Many South Boston residents and officials had opposed the recycling facility, said Councilor James M. Kelly of South Boston. “We want to do all we can do to make sure this is a working port. But it's fair to say at this point that because it doesn't have political support, I don't think Metal Management's proposal is going to go forward....Financially, Massport would really love to have Metal Management because they were willing to come up with a sizable amount of up-front money” but the facility “wouldn't be good for businesses nearby, and it could be hazardous to the health of local residents.”

Any proposed recycling facility would have to navigate its way through an arduous review and permitting process with city and state agencies, said Vivien Li, executive director of the Boston Harbor Association, a nonprofit group dedicated to promoting per its website a ‘clean, alive, and accessible Boston Harbor.’ That review process would give powerful opponents plenty of opportunities to block the recycling facility.

Li said of the proposed recycling facility, “If the mayor and some of the elected officials from South Boston are opposed to it, it's very much an uphill battle.” {Chris Reidy in Boston Globe 5.Mar.05}

**Bulk terminal still desirable**

Mike Leone, Massport maritime chief, wrote later: ‘Massport studies showed that the port needed additional bulk handling capabilities, such as salt, cement, and aggregate. In fact salt had been stored on the Massport Marine Terminal in the past. Massport had never analyzed whether a scrap metal operation would function well with these other commodities. While performing our due diligence on the proposal, it became apparent that additional research was necessary.

‘Massport still feels that the North Jetty is an outstanding location for a bulk terminal. The deepwater berth, easy access to the South Boston truck routes and use of a potential rail connection via an extended Track 61 makes this an excellent location for a marine terminal.’ {e-mail to ANR&P 12.Mar.05}

**RHODE ISLAND**

**PW - CUSTOMER CHANGES**

15 March. **THREE CUSTOMER NAME CHANGES AND A LOSS OF RAIL ACCESS** marked recent months:

**KB Laminate becomes Baer Supply**

Baer Supply, the parent company, renamed subsidiary KB Laminate, which it bought in 1999. The facility in Providence [our Directory #484] brings in plywood and particleboard at the rate of two cars a week. {ANR&P discussion} Baer Supply Company, a subsidiary of Germany-based Wuerth Group, is one of the nation's leading specialty wholesale distributors to the woodworking industry, offering an extensive inventory of decorative and functional hardware and fittings, tools, shop supplies, surfacing materials, and board and panel products. {company website}
Central Soya becomes Bunge Oils 
Bunge, a company beginning in the Netherlands and now headquartered in White Plains NY, bought Central Soya in Pawtucket [our Directory #483] some time ago. In 2003, Central Soya, a distributor of food oils, was renamed Bunge Oils, formally a part of Bunge North America (East). {company website; ANR&P discussion with company official}

Saxonville becomes North Pacific
[See Regional.]

Northeast Environmental moves
The company recently executed its long-planned move [see 04#09B], from Smithfield on PW’s Slatersville Branch to Cumberland, on the PW main line. However, said sales manager Bob St.Jean, the new facility at 20 Industrial Road does not have a rail spur, so the company is trucking everything. He suggested calling back “at the end of the spring” to ascertain whether Northeast has arranged rail access. {ANR&P discussion 14.Mar.05}

VERMONT

VERMONT GENERAL ASSEMBLY
9 March, Burlington. UPDATE ON TWO ISSUES BEFORE VERMONT’S LEGISLATURE:

Bellows Falls tunnel
Dave Wulfson, president of the Vermont Rail System, believed that the legislators would pass funding for the tunnel, after a group of them viewed it in February [see 15 February issue].

Preservation of rail-served land
Wulfson said that while legislators were discussing the concept of an incentive to preserve land for rail users [see 04#12A], he did not believe that they would take action this year. {ANR&P discussion}

QUEBEC/MARITIMES

QUEBEC CENTRAL
5 March, Thetford Mines. THE RAIL LINE NEEDS BETWEEN $10 MILLION AND $30 MILLION IN REPAIRS. “Yes, these investments need to be made, so that the sections become more profitable, by increasing the speed from 10 to 30 miles an hour. It needs at least $10 million,” said Jacque Pelletier, le président de la Conférence régionale des élus de Chaudière-Appalaches (CRECA) and mayor of Saint-Lambert [The conference has a deadline of 31 May; see 15 February issue]. According to other observers, the cost could attain $30 million.

At present, 44% of the traffic travels on the line between Scott-Jonction and Charny [the CN interchange]. {Ian Bussières in Le Soleil 6.Mar.05–ANR&P translation}

NBSR/MMA - TOFC TRAIN
26 February, Welsford NB. NBSR DOES NOT ALWAYS RUN A DEDICATED TOFC TRAIN for the Saint John-Farnham service. The regular westbound freight this day had the following consist: Five NBSR locomotives, 8 loaded paper cars at the front, then (intermixed) 30 boxcars, 15 tank cars, 11 autoracks, 5 hoppers, 1 flatcar, and at the end, 17 loaded TOFC flatcars (a mix of flatbed trailers with tarp-covered loads, Sunbury trailers, and a few plain white ones). {ANR&P e-mail from Steve Boyko 28.Feb.05}

On 6 March, an observer reported a train with 50 cars and 20 TOFC. {MMA-Rail 6.Mar.05}

The volume of the TOFC train
According to Fred Jones, MMA marketing honcho, new regulations of the US federal Food and Drug Administration required “terrific detail” about the contents of each trailer crossing the border. Some shippers using the Sunbury TOFC
service decided driving the trailer around Maine would be simpler; consequently the TOFC volume dropped off.

MMA sometimes runs a dedicated TOFC train, sometimes not, depending upon available power, crews, and volumes. Jones noted that volume has picked up, even with the FDA regulations, as NBSR and Sunbury continue to market the train [and as New Brunswick and Nova Scotia shippers continue to have problems finding truckers—see Flakeboard story in Regional 16 January issue].

**An exemption coming?**

Maine’s federal senators and others have worked hard to exempt traffic which only transits Maine from the onerous FDA requirements. “If that is granted, we will go back to running a dedicated train in each direction five times a week,” Jones said. {ANR&P discussion 7.Mar.05}

**SAINT JOHN**

8 March. **TEMBECK BACKED AWAY FROM BUYING THE ST. ANNE-NACKAWIC PAPER MILL,** which closed in September 2004 [see 04#09B]. Since pulp from the mill made up nearly half of the outbound forest products, longshoremen were counting on a restart. Terry Wilson, with International Longshoremen's union, said without the mill, union members will be taking a 10 to 15% cut in their wages, and casual workers could lose their jobs entirely.

Officials estimate the closure of the Nackawic mill has cut revenues by $800,000. Al Soppit, the CEO of the port, says the terminal operators are working hard to find new shippers who can use the sheds that once held cargo from Nackawic. “They are very good sheds. They were certainly custom-built for forest products, but we're handling tapioca through there now and other things.” {CBC webposted 8 & 11.Mar.05}

**Impact on Logistec**

The company handles the forest products shed. In announcing its overall 2004 results, it noted that the traffic drop in Saint John had an effect on its earnings. {Logistec press release}

**HALIFAX**

3 March. **HALTERM ANNOUNCED FOURTH-QUARTER AND YEAR VOLUMES.** The favorable 2004 [see 17 March 2004 for 2003 results] results were overshadowed by Maersk Sealand's February decision to discontinue its last Halifax service [see 15 February issue] effective May 2005, which made up 17% of Halterm's annual container volume in 2004. Management estimated the annualized net effect of this loss of business will be a reduction in cash flow from operations of approximately $2.5 million. “The further loss of business from Maersk Sealand, while clearly disappointing is, in management's opinion, a setback which will eventually be overcome,” said Doug Rose, Halterm president. “We remain confident in the future of Halterm's business and in particular with the potential for future volume growth over time from Southeast Asia and the Indian sub-continent.”

**Fourth quarter**

On volume of 30,107 containers, up 12% over the third quarter, the Company generated fourth quarter earnings of $2.7 million before depreciation and taxes. This compares to EBDT of $1.9 million on volume of 31,063 containers during the same quarter in 2003.

**2004 in toto**

For 2004, the Halterm Income Fund reported EBDT of $7.6 million on volume of 119,201 containers (about a 20% drop), essentially on par with earnings of $7.7 million on volume of 149,450 in 2003. “Improved operating performance at the
terminal helped offset the impact of lower volumes,” said Rose.

Net income for the year came to $4.1 million compared to a loss of $48.9 million last year. Last year’s results included a one-time non-cash goodwill write-down of $56.0 million taken to reflect the earnings impairment caused by the loss of business from Atlantic Container Line and Maersk Sealand announced in the first quarter of 2003. {Halterm press release}

Comparing revenue with containers, the company is receives above $3000 per container handled, a figure which has remained about the same over the past two years. {Editor}

**Compared to Ceres**

Paul Brigley, chief financial officer, said the company’s 119, 201 containers translated to 195,146 TEUs. {ANR&P discussion 11.Mar.05}

[For 2004, Halifax announced that overall 525,553 TEUs had transited the port, down about 3%—see 4 February issue, so Halterm in 2004 made up about 40% of the total container traffic; Ceres had roughly 325,000 TEUs. One can roughly calculate that Halterm in 2003 had 250,000 TEUs, and Ceres 275,000, so in 2004, while Halterm dropped 20%, Ceres increased 18%. Editor]