**REGIONAL ISSUES**

**PanAm Railways**: MEC boxcars' new livery.*

**PW/CSO/CSXT**: US says will acquire Northeast Corridor. What happens to freight users?*

**New England Railroad**: Moving to Vermont, but still no funding has appeared.*

**CONNECTICUT**

**ConnDOT**: Suspects NY harbor rail tunnel would overwhelm NY-New Haven line. Lyme bridge out.

**MAINE**

**Maine Legislature**: Five-person crew bill dropped.* MMA made a small profit last year.* Bills on lifting of track and passenger trains to Rockland still alive.

**Northeast Shippers**: The Maine Rail Consumer Cooperative is expanding.*

**Maine Shippers**: Sappi seeks a meeting with GRS and the state, and other shippers.*

**Amtrak**: No NH decision on financial support.

**BML**: Belfast offers a one-year stay.*

**GRS Bangor yard**: Photo of old, describes new.*

**SLR**: Site for expanded yard found.* Possible new transload in Auburn. Grimmell resuming loading out scrap metal.

**MARSHALL ATLAS**

**CSXT/PVRR**: 13 of 145 new projects systemwide in Massachusetts.

**GU**: Sale in two months?*

**Boston/GRS**: GRS files to abandon freight rights on Mystic Wharf branch; USG contradicts GRS.*

**GRS**: Laminated Papers site may again use rail.* Cambridge Yard 7 becomes a new development.

**RHODE ISLAND**

**[No report.]**

**VERMONT**

**VAOT**: State struggling with clearance issue; NECR, or NECR and VRS?* Rail plan hearings in late April.

**GRS v NECR**: Guilford asks STB to reconsider part of its decision on derailment.*

**WHRC**: Frito-Lay expansion means more inbound traffic.* Shur-Gain successors not yet worked out.*

**Halifax**: Error on per box income for Halterm. Maritimes exporters desperate for empty containers, trucking to Montreal instead.

**RAIL SHIPPERS/RECEIVERS**

A cross-reference to companies mentioned here.

**PEOPLE, POSITIONS, EVENTS**

D.Coffey, Brian Doyle, John Parola, Andreas Aeppli.

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**FROM THE PUBLISHER**

**Upcoming rail meetings**

Tomorrow the New England Railroad Club Expo in Worcester. Saturday Maine Rail Group. And 13-15 April, the spring session of NEARS. I wish these were spread out!

- Chop Hardenbergh

Next issue: 13 April.

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Common abbreviations: **BCLR** - Bay Colony RR, **BML** - Belfast & Moosehead Lake RR, **CBNS** - Cape Breton and Central Nova Scotia Ry, **CCCR** - Cape Cod Central RR, **CCRR** - Claremont Concord RR, **CFQ** - chemins de fer Québec System, **CMAQ** - congestion mitigation air quality (money from the US federal government for these purposes), **CN** - Canadian National Ry, **COFC** - Container on flat car, **CPR** - Canadian Pacific Ry, **CSO** - Connecticut Southern RR, **CSRX** - Conway Scenic Railroad, **EOTC** - Mass. Exec. Office of Transportation&Construction, **GRS** - Guilford Rail System, **GW** - Genesee & Wyoming Inc, **FHWA** - Federal Highway Admin., **FRA** - Federal Rail Admin., **FRTC** - Fore River Transportation Company, **FTA** - Federal Transit Admin., **HRRC** - Housatonic RR, **MERR** - Maine Eastern RR, **MBCR** - Mass. Bay Commuter RR, **MBRX** - Milford-Bennington RR, **MBTA** - Mass. Bay Transportation Authority, **MCER** - Mass. Central, **MDOT** - Maine Department of Transportation, **MERR** - Maine Eastern RR, **MMA** - Montréal, Maine and Atlantic Ry, **MPO** - Metropolitan Planning Organization, **MTQ** - Québec Ministry of Transport, **NAUG** - Naugatuck RR, **NBSR** - New Brunswick Southern Ry, **NECR** - New England Central RR, **NEGS** - New England Southern RR, **NHCRR** - New Hampshire Central RR, **NHDOT** - NH Department of Transportation, **NNH** - New Hampshire Northcoast RR, **NNEPRA** - Northern New England Passenger Rail Authority, **NSDOT** - Nova Scotia Department of Transportation, **PVRR** - Pioneer Valley RR, **PW** - Providence & Worcester RR, **QCR** - Quebec Central Ry, **S&H** - Surface Transportation Board, **TIRR** - Turner’s Island LLC, **TEU** - twenty-foot equivalent unit (measure of container traffic, equal to a 20x8x8 foot box), **TOFC** - Trailer and flat car, **VAOT** - Vermont Agency of Transportation, **VRS** - Vermont Rail System (Green Mt. RR Company), **GMRC** - Vermont Ry, **VTR** - Clarendon&Pittsford RR, **CLP** - Washington County RR, **WACR** - WHRC – Windsor and Hantsport Ry.
REGIONAL ISSUES

GUILFORD = PAN AM RAILWAYS?

16 March, Waterville Maine. A NEW PAINT SCHEME FOR MEC BOXCARS IS CAUSING AN UPROAR among rail fans and railroaders alike. A stream of 50-foot boxcars is moving through the paint shop here, emerging with a blue upper and a Guilford-gray lower. As shown in the picture, the MEC cars retain their numbering, but receive the ‘PanAm Railways’ inscription and the familiar PanAm logo as well. Guilford still owns the PanAm name [see 2 March issue, New Hampshire].

No official word on the reasoning behind the livery. A fuel truck and a pickup truck also sport PanAm Railways logos. {NERAIL}

On 29 March, a local newspaper reporter was unable to get any information from GRS about the cars. {e-mail to ANR&P from Maine rail source}

Not Pan-American Railway

A fledgling corporation, Pan-American Railway, Inc, was formed to possibly take over a line proposed for abandonment in Idaho. That did not happen, but the attorney for Pan American, Thomas McFarland, saw no connection to the Guilford creation. {STB Docket No.AB-33(Sub.No. 318X) 10.Mar.05; ANR&P discussion 23.Mar.05}

Railroad modellers have already produced HO-scale and N-scale decals to match! {NERAIL}

PW/CSO/CSXT

23 March, Boston. THE FEDERAL GOVERNMENT WOULD TAKE OWNERSHIP OF THE NORTHEAST CORRIDOR under the Bush plan to reform Amtrak, said Secretary of Transportation Norman Mineta during a news conference with Massachusetts Governor Mitt Romney at the State House. The government would then rebuild and maintain the track; Amtrak would merely run trains. {Boston Business Journal 24.Mar.05}
What happens to freight users?
Three railroads in New England enjoy trackage rights over track owned by Amtrak: PW (Norwalk to Providence, roughly); CSO (New Haven to Springfield); and CSXT (southeast Massachusetts). Presumably these rights would remain after a sale to the federal government. {editor}

NEW ENGLAND RAILROAD
24 March, Auburn. **SLR HAS HAD “NO SERIOUS DISCUSSIONS” WITH THE PROPONENTS** of the ‘New England Railroad’ about operating a Portland-Montreal service. Ray Goss, SLR general manager, acknowledged that proponents had approached him about starting service in the autumn, but have given him “no proof of financing.” {ANR&P discussion}

Moving to Vermont
Don Adams, the president of the New England Railroad company, again [see 04#12A] said on 23 March he had investors in place [though none have ever publicly emerged–editor]. Because “MDOT is giving us resistance” about passenger rail to Bangor, the company is moving to Stowe, Vermont to concentrate on service through Vermont and New Hampshire on the SLR. His vice-president, Earl Kaufman, formerly worked for CN. {ANR&P discussion}

CONNECTICUT

CONNECTICUT - CPTC
28 January, Newington. **CONNDOT RESPONDED TO THE CPTC RECOMMENDATIONS**, as required by Connecticut law [see 03#03A]. A cover letter from Stephen Korta, commissioner, said ‘ConnDOT continues to appreciate the time and effort expended’ by the Connecticut Public Transportation Commission.

Cross-harbor freight tunnel: go to Selkirk instead
CPTC supported the rail tunnels across New York Harbor, warning about the growth in truck traffic. ConnDOT believed that the extra rail traffic would permit a lengthening of two existing trains per day, plus adding three new freight trains. But future passenger growth between New York and New Haven will require all maintenance and construction to occur off-peak, ‘which could preclude any new freight services.

‘ConnDOT has suggested that a cost-benefit analysis be conducted of routing freight trains up the Hudson Corridor to Selkirk and then east to Worcester as opposed to the New Haven Line to Worcester route.’

New Haven-Hartford-Springfield
ConnDOT said the final report looking at possible service should emerge this month. To implement commuter service, the state will need additional funding for environmental studies and preliminary engineering, for new infrastructure, and for an operating subsidy.

Other rail
CPTC recommended new railcars for the commuter rail service; ConnDOT agreed. CPTC recommended funding to replace Amtrak bridges crossing Thames and Niantic Rivers; ConnDOT agreed. {text of report from ConnDOT}

28 March, Old Lyme. **THE AMTRAK BRIDGE IN OLD LYME CANNOT OPEN** due to electrical problems. {PW rail list}

MAINE

MAINE LEGISLATURE
18 March. **OTHER RAIL-RELATED BILLS** entertained by the Joint Committee on Transportation this day.

Five-person crew/remote control
The sponsor of LD279, Representative Herbert Clark, wanted the Committee to vote it ‘ought not to pass’ because the parties
were making progress on the issue. On 28 March, Clark noted he did not introduce the earlier five-person bill [see 04#01A], but his son did, who held the seat before he did. Clark ascribed his creation of the bill to concerned about single-person crews, which he was told the MMA is operating across Maine, and about remote control. He was told that if he withdrew the bill, the rail industry would look at putting people on as needed. \{ANR&P discussion 30.Mar.05\}

Opposition to the bill came from Bob Grindrod, MMA president, who said that his railroad operated 17 trains per day within the state. “They are generally operated with two people, engineer and conductor.” [The only place with one operator is between Squa Pan and Fort Kent, Grindrod said later. \{ANR&P discussion 29.Mar.05\}] The bill would “require us to add 51 employees” who now are paid roughly $79,000 per person. So the bill would add $4.67 million to MMA costs. But MMA in 2004 made a small unaudited profit of just into six figures. The bill would put the state where it has gone before: “It’s called the Bangor & Aroostook Railroad.” [Bankrupt in 2002–\{editor\}]

The five-man crew, Grindrod reported, was used in 1925. Since then, every major railroad has negotiated a reduction in size of crews, and an increase in the income of the crew members.

Grindrod reported that MMA is operating remote-control trains. “The engineer is out of the locomotive, on the ground next to the locomotive.” [In 2004, MMA vice-president of transportation John Scott said: “The person on the ground can actually see the speed of cars coming together to be coupled and control the speed right from the point of impact. Safety and productivity are the main things. All existing safety rules will be followed and remote-control operations will not be apparent to the customer. Plus, we’ll have an extra set of eyes on the ground.” The FRA reported 13.5% fewer train accidents and 57.1% fewer employee injuries in remote control operations. \{MMA Manifest fall.04\}]

Additional opposition came from Bruce Sleeper, counsel for TrainridersNortheast. He noted that the bill would apply to Amtrak trains as well, which now have an engineer, a conductor, and an assistant conductor.

SLR’s lobbyist Trahey also spoke against the bill, noting it had come up a year ago. At that point, MDOT personnel surveyed 25 other states and found no serious safety problem with the existing crews.

After the Committee voted the bill ‘ought-not-to-pass’, Representative Terry McKenney (R, Cumberland, and ranking minority member) said, “People think nothing of wasting the time of railroad executives with a bill which has no chance of passage. It is unconscionable.” \{ANR&P coverage via internet\}

**No lifting track**

The Committee heard from the sponsor of LD 510, John Richardson (D, Brunswick and speaker of the House) about his proposal to prohibit the dismantling of private track [see 4 February issue] without the approval of the Transportation Committee.

Bob Grindrod spoke against the bill. He summarized his statement as: ‘ The goal is worthy, but this is an STB matter and, in all likelihood, subject to Federal preemption. I did point out that the State has the ability to acquire lines it wishes to through the abandonment process at the STB at the time the owner seeks an abandonment. However, this will require that the line (or a portion thereof) be purchased.’ \{e-mail to ANR&P\}

John Melrose [transportation commissioner 1995-2002] spoke on behalf of the Maine Better Transportation Association (MBTA), echoing Grindrod’s points. He also noted that railroads frequently dismantle track to move it a few feet within the right-of-way, an event which the Transportation Committee surely does not want to review. \{ANR&P discussion 28.Mar.05\}

The Committee has not scheduled a work session on the bill yet. \{legislative website\}

**Passenger rail to Rockland**

Richardson also testified for another bill he sponsored, LD607, requiring NNEPRA to start Rockland service in 2006. Beth Edmonds, Senate president, also sponsored this bill. Melrose spoke on the bill for MBTA, noting that the I-295 corridor is reaching capacity, and that Maine’s Sensible Transportation Policy Act requires MDOT to look at alternatives to highway building, such as the passenger rail. \{ANR&P discussion 28.Mar.05\}

The Committee has not scheduled a work session on the bill yet. \{legislative website\}

**NORTHEAST SHIPPERS GROUP**

22 March. **RAIL CUSTOMERS OUTSIDE MAINE ARE CONTACTING THE CONSUMER COOPERATIVE**, according to Linda Lockhart, one of the attorneys of the group [see 15 February issue]. “We have received tremendous interest,” she said. Later this month, the group will mutate into the ‘Northeast Rail Consumers Association.’ Members will still receive the same protection and anonymity. \{ANR&P discussion\}
MAINE SHIPPERS

15 March, Boston. **A FORUM FOR SHIPPERS TO TALK WITH GUILFORD MAY YET OCCUR.** Jeffrey Pina, a spokesperson for Sappi Fine Paper North America [Sappi has a mill in Westbrook and a mill in Hinckley, both served by GRS-editor], said his company is “happy about Guilford establishing a work plan and how they can serve us better.” The two parties are looking at a number of initiatives; “we are coming together to work together.”

Pina also appreciated the effort of the state to “create a forum where we can all talk, get everything out on the table...we are hoping a forum of a users group of customers like us, Guilford, and the state, could talk about solutions together. That forum has not off the ground.”

GRS did not agree to do that about a month ago. {ANR&P discussion 15.Mar.05}

AMTRAK - MAINE

22 March, Concord. **THE GACIT DID NOT MAKE A DECISION ON SUPPORTING THE DOWNEASTER at its meeting this day.** “It is time to put all the pieces together for a coordinated picture,” said NH DOT Commissioner Carol Murray, who suggested producing a report in 90 days. The chair of the Governor’s Advisory Commission on Intermodal Transportation (five executive counsellors plus the governor), Executive Counsellor Raymond Burton agreed, saying the needs of customers must come first:

“My charge to you is to think of the customer who wants to get to Boston by train or bus on one ticket and how to integrate all modes of transportation, perhaps even the person who takes a plane from far north in Aroostook County, lands in Portland, and takes a train to see a game at the Garden,” he said.

Murray said the report should cover all modes of transportation from “air and rail and buses to bicycles and pedestrians toward a seamless system. No mode of transportation is superior to another.” [Not hardly! Editor]

Regional and local officials lobbied the commission to spend the $1.2 million requested by Maine. “It's a 100-year investment,” said Tracy McGrail of the Exeter Chamber of Commerce. “Baby boomers will be giving up their cars one day and they will need other forms of transportation,” said Bruce Woodruff, transportation planner for Dover. {AP in Concord Monitor 23.Mar.05}

SLR - BISSON

21 March, Auburn. **CITY COUNCIL BOND APPROVAL WILL LEAD TO A MAJOR RAIL CUSTOMER**, according to plans of Bisson Transportation, the Lewiston-Auburn Growth Council, the Auburn Business Development Corporation, Callahan Construction, and the NAI/Dunham Group. The team is promoting a new industrial park in Auburn and its Foreign Trade Zone (FTZ). [An FTZ is considered outside U.S. Customs territory. U.S. companies importing foreign goods pay no duties until the goods are sold domestically, or they pay no duties at all if the goods are sold offshore.] The Auburn City Council this day approved a $3 million bond to bring roads, sewer and water, electricity, natural gas, and other utility and infrastructure improvements to an area southwest of the airport and along the SLR. Councilors also agreed to create a tax increment financing, or TIF, district on the site. All new property tax revenues will be used to pay off the $3 million bond.

Additionally, the area has received the Pine Tree Zone designation, making certain tax breaks available to businesses willing to locate within it.

The industrial park
The Auburn Business Development Corporation (ABDC) has planned the new “Auburn Industrial Park” (AIP), the third in Auburn after the Auburn-Lewiston Air Park and the Kittyhawk Industrial Park. If the complete AIP is developed, it will encompass 700 acres. ABDC owns the 144 acres of Phase 1 and Phase 2, of which 78 acres are buildable, said Ben Hayes of ABDC. The rest of the proposed AIP remains in private hands.

Bisson has already made a commitment to the park by announcing a plan to build a $13 million warehouse there and to provide logistics services; it has an option on 25 acres. Bisson calls its facility the Port of Auburn Distribution Center. Bisson is looking over its client list for those companies that might benefit from the FTZ, said Hayes. The Dunham Group is actively looking for clients to fill the warehouse and park, while the economic development agencies are focusing on promotion.

Port of Auburn Distribution Center (PADC)
Bisson is contemplating these services: warehousing, both customs-bonded FTZ and non-FTZ; international container handling as well as stuffing and disassembling; third-party logistics services; rail, ocean, and air freight forwarding; nationwide truckload and less-than-truckload distribution; product manipulation and e-commerce services (using the FTZ).

Bob Cooper, president and owner of all Bisson operations, and Mark Hammond, vice-president and general manager of Bisson Transportation with 30 years of international and domestic air and ocean freight forwarding experience, are
AUBURN, MAINE, Lewiston Junction area, showing some SLR and GRS customers. {ANR&P Map}

spearheading PADC.

Hammond anticipates that PADC would use the ports of Vancouver and Halifax via CN and the SLR. Hammond believes his company can offer shippers a means to avoid congestion in shipping from Asia or Europe to destinations in the Northeast. “We believe we have the most cost-effective product for large national and international shippers and receivers targeting the Northeast.”

**Origin of PADC**

To meet a specific client need for rail service, Bisson (headquarters in Bath) began looking for a distribution site on rail; it wanted the SLR for the “most efficient and dependable rail service,” Hammond said. When it came upon the Auburn location, the advantages of the FTZ and Pine Tree designations were an added boon.

**First customer**

Asked about existing paper warehouses in the area such as Fore River Distribution [see 17 March issue] and NEPW Logistics (Mechanic Falls), Hammond responded: “I’m not saying we won’t have some relationship with paper, but this facility is more
designed to create and generate business not already in Maine today. It’s for someone in New Hampshire, Massachusetts, Connecticut [or even farther afield], or Maine who wants to take advantage of deferring and eliminating duties and taxes.”

Cooper and Hammond said one customer already perceives the advantage at PADC. Bisson currently transports recreational vehicles for a client in the Midwest to dealerships throughout the Northeast. By building the warehouse, Bisson can maintain a local inventory of the vehicles and then deliver them on a fast, as-needed basis to dealerships. “It’s a better delivery schedule and more efficient for our client, plus it increases their customer service and, hopefully, sales,” said Hammond.

The Midwest customer would truck or rail in the vehicles. “Their choice,” said Hammond. “Rail becomes a real possibility with a distribution warehouse at the New England end of it.”

The client could gain additional benefits for those vehicles made overseas, and then shipped to the Bisson warehouse, which is in the FTZ. Since the duties on the vehicles aren't collected until they are sold, it improves the company's cash flow.

**Schedule**

Cooper said his company intends to use the next six months to complete the plans, set a budget and develop a design for a first 150,000-square-feet of warehouse space. Permitting work would begin during the next six months. The company plans to continue expanding until it has created 300,00 square feet of secure rail-served warehouse. {ANR&P discussion with Hammond and Cooper 23.Mar.05; Scott Taylor in Sun-Journal 22.Mar.05; Carol Coultas in Lewiston Sun-Journal 25.Mar.05}

**MORE ABOUT BISSON**

Many Mainers know Bisson as a moving company for homes and businesses, and Bisson legally functions under the name Bisson Moving & Storage Company. However, it actually has five operating divisions: Bisson Moving & Storage, Bisson-I&R Commercial Services (office and industrial furniture and equipment installations), Bisson Document Security (record & file retention and management), Bisson Transportation (truckload freight), and Bisson Heavy Duty Truck Center.

Bisson Transportation will operate PADC. It currently sends, either in Bisson trucks or through its truck brokerage service, approximately 400 trucks a month out of Maine to destinations in the eastern United States. These trucks account for a “substantial fraction” of Maine’s outbound paper, said Mark Hammond, vice-president and general manager of Bisson Transportation.

Hammond’s division also provides yard services for Sappi Fine Paper in Hinckley. “That’s very successful. We believe in what we do.” {company website; ANR&P discussion 23.Mar.05}

**SLR - YARD**

24 March, Auburn. **THE RAILROAD HAS FOUND A LOCATION FOR ITS YARD EXPANSION**, said General Manager Ray Goss [see 4 February issue]. While declining to specify the exact location, he did find “a location in the Lewiston Junction area which is of primary interest, and a backup location farther west.” SLR already owns most of the Lewiston Junction parcel, which is zoned commercial. {ANR&P discussion}

**SLR - GRIMMELL**

29 March, Auburn. **GRIMMELL IS AGAIN LOADING OUTBOUND SCRAP** with its magnet crane on track 200, opposite the railroad engine house, across Lewiston Junction Road. {ANR&P coverage}

**BELFAST & MOOSEHEAD LAKE**

22 March, Belfast. **WHETHER THE EXCURSION TRAINS WILL OPERATE THIS YEAR REMAINS UNCERTAIN.** Terry St.Peter, Belfast city manager, affirmed the city is open to continuing to allow the railroad to lease land to run trains for one more year. During a meeting between Unity Property Management and the city on 22 February, Unity’s point man, Bob Lamontagne [a former general manager of the railroad–editor] said he would respond to this proposal. St.Peter has not yet heard a response. {ANR&P discussion 22.Mar.05}

The BML website states that the situation remains uncertain.

**Railstar position**

The company had a lease/purchase agreement with Unity Property Management, but defaulted and was excluded from the 22 February meeting. Paul Hallett, general manager of the railroad for Railstar, told the City Council in vain that his company
had “earned a seat at the table” and is the “only party prepared to pick up and operate the railroad this summer.”

Lamontagne said after the meeting he is negotiating with Railstar about operating this summer, and would have a public statement in the near future. {Belfast Village Soup 23.Feb.05}

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**MASSACHUSETTS**

**CSXT/PVRR - INDUSTRIAL**

22 March, Jacksonville FL. THE RAILROAD ATTRACTED $1.5 BILLION OF INVESTMENT CAPITAL IN 2004, for 145 industrial projects on its system and connecting short lines. In New England, Massachusetts had 13 projects producing 80 jobs with an estimated investment amount of around $27.4 million, two of which took place on PVRR. Some projects are completed, some are still underway. {ANR&P discussion with CSXT spokesperson Misty Skipper 28.Mar.05}

**GRAFTON & UPTON**

21 March. STILL NO SALE OF THE RAILROAD [see 2 March issue], said Karen Busenburg. She suggested calling back in two months. {ANR&P discussion}

**GRS - SPILLS**

25 March, Greenfield. THE DEPARTMENT OF ENVIRONMENTAL PROTECTION ANNOUNCED $35,000 IN FINES ON GRS for failing to clean up at three sites: East Deerfield (spills of fuel, oil, and cleaning solvents), Northfield (buried creosoted ties), and Williamstown (spilled oil). GRS division Boston and Maine Corporation has also agreed to train its employees in hazardous waste management at a cost of $17,800. DEP spokesman Ed Coletta explained that the company had failed to follow the conditions of a consent decree issued in October 1999 by not getting proper permitting and inspections of the cleanup process. “[The railroad] was doing work out there, but without a valid permit. [It] needed to either get another permit or extend the previous one.”

Michael Gorski, director of the agency's Western Regional Office in Springfield, emphasized: “It's essential that proper environmental cleanup occur and that reports documenting the cleanup at all these sites be submitted to ensure that operations such as these remain in compliance and not result in threats to public health and damages to the environment.” {David A. Vallette in Springfield Republican 26.Mar.05; Christopher Marcisz in Berkshire Eagle 28.Mar.05}

**GRS - LAMINATED PAPERS**

18 March, Holyoke. GUILFORD MAY REGAIN A CUSTOMER HERE. In 2003, GRS lost a customer when Wausau-Mosinee bought the customer base and some of the assets of Laminated Papers [our Directory #168], and transferred production to Mosinee Converted Product facilities in Wisconsin and Mississippi. {PaperAge 4-5.03}

At present, the remaining assets have become part of a company with the name Paper Innovations. An official there said the rail spur remains, but whether the new company will use rail is not decided. She suggested calling back in three or four months. {ANR&P discussion}

**USG/MASSPORT/GRS**

8 March, Boston. GRS FILED TO ABANDON FREIGHT SERVICE ON THE MYSTIC WHARF BRANCH, via Petition for Exemption. The line runs from the Somerville rail yard to Charlestown’s Autoport terminal [see map in 13 August 1999 issue archive. In 2001, GRS filed to abandon the line [see 01#10A], with Massport opposing it. In 2002, Massport purchased the line, and GRS retained the right to serve customers [see 02#11A]. Now GRS states: ‘This line became a candidate for abandonment and discontinuance in 2001 when the only remaining customer on the Line, the United States Gypsum Company (USG) received severely limited service. Since the original application, USG has subsequently sought to transfer its facilities meaning the rail receiving facility, not the entire gypsum-board production-editor to another site. In the spring of 2004, the Applicants assisted USG with its relocation to a facility in Wilmington, Massachusetts served by [Guilford]. See March 8, 2004 Letter from Richard Willey [Guilford official-editor] to Thomas Ricks, manager, logistics operations, USG attached hereto as Exhibit E....

‘Discontinuance will also relieve the Applicants of the responsibility to expend its resources and energy for the inspection and maintenance of a rail line upon which there has been little or no service since 2001, and on which the Applicants are not aware of even the potential for rail service in the future....

‘[A]ll users of the rail line are in agreement that discontinuance is appropriate [see photo in 04#11B].’ {STB Docket No.
NorthPoint, Cambridge development of former Yard 7, look north. The first two buildings, S and T, will house condominiums. Note the MBTA’s Boston Engine Terminal at the middle top, with tracks to the north above it, tracks to the west to the left, and tracks into North Station running to the right. The T’s Green Line runs along the left side of the project. {schematic from project website}
22 March, West Lebanon NH. **THE LONG-AWAITED GRAVEL MOVE FROM VERMONT MAY START IN THREE MONTHS**, following a 4 February decision by the Vermont Environmental Board. Twin State Sand & Gravel of West Lebanon won the right to use rail to move gravel from a quarry in Hartland, without completely eliminating its truck moves.

Bud Ames, one of two principals, wants to get clarification on conditions of the permit, but intends to start work on the spur into the quarry on 15 April, the date permitted by the permit. His company will move about 1700 cubic yards of material to create a site for the siding.

Jack Connors, the principal of Industrial Track Service Corporation in Stoneham Massachusetts, has provided an updated price for the construction of the siding—a higher price because the cost of steel has increased. Ames anticipates that Connors will begin building the track as Twin State is excavating the site.

Jack Dail, NECR manager of marketing and sales, is negotiating the operation with CCRR to be ready when the quarry spur is connected to the main line.

**Text excerpt from the permit**

This permit [issued to Twin State Sand and Gravel and NECR] specifically authorizes the Permittees to construct a railroad siding to transport product from the existing sand, gravel and quarry operation (Project). The Project is located in Hartland....

1. [Permit same as one granted earlier, except]
2. Permittee Twin State Sand & Gravel Co., Inc., shall, on the date the rail siding is put into use and the first rail shipment of quarry product is made, reduce its truck traffic to an average of 169 one-way trips per day (pro-rated annually from the date the siding is put into use and the first rail shipment of quarry product is made) and 290 one-way trips on the peak day.
3. There shall be no sales directly to the public at the Twin State Sand & Gravel Co., Inc., quarry in Hartland, Vermont.
4. Permittee Twin State Sand & Gravel Co., Inc., shall, within twelve months of the date that the rail siding is put into use and annually thereafter, report to the District 3 Environmental Commission concerning:
   (a) the number of rail cars that have transported quarry product from the quarry;
   (b) the number of truck trips that have been decreased as a result of the use of rail cars;
   (c) the amount of sand that has been transported by (i) truck, or (ii) rail car to Twin State’s West Lebanon facility; and
   (d) the amount of quarry product other than sand that has been transported by (i) truck, or (ii) rail car to Twin State’s West Lebanon facility.

Permittee Twin State Sand & Gravel Co., Inc., shall provide this report to the Town of Hartford and to the South End Alliance at the time that it is filed with the District 3 Environmental Commission.

5. The Project completion date is extended to September 30, 2005.

{text from Environmental Board website}

**The condition of no direct sales**

Ames and his attorney were scratching their heads about the ‘no direct sales’ condition imposed by the Vermont Environmental Board. Twin State has filed a motion to alter to clarify this condition, as it could be read to prevent sales of product moving out by railcar directly to an end user. {ANR&P discussion 22.Mar.05}

**Reasoning of the Environmental Board on the permit**

In its 4 February decision, the Board noted that Twin State wanted to increase overall product from the quarry. It did not want to cut back three trucks for every one railcar, as urged by the Town of Hartland successfully in earlier decisions [see 04#06B].

Because each rail car can carry 70 tons of product, and three trucks carry a total of 66 tons, the 3 : 1 reduction ratio (trucks : rail car) ... results in only a net gain of four tons of transported material for every rail car which leaves the quarry. The ratio proposed by Twin State, 1.3 : 1 (trucks : rail car), would allow Twin State a greater net gain (41.4 tons) and would, in Twin State’s view, make the rail siding a reasonable investment, while still removing 8.3% of the Twin State trucks presently on the roads. This would result in a reduction of the 184 one-way trips per day as presently authorized ... to 169 one-way trips per day....

[T]he Board accepts Twin State’s uncontroverted contention that a 3 : 1 ratio provides little economic incentive to construct the rail siding. And, the Board will also accept, at this time, Twin State’s position that a 1.3 : 1 ratio will allow for reduction in truck traffic while at the same time allowing Twin State to run a commercially viable operation. The Board has substantial concerns, however, that the 8.3% reduction in Twin State truck traffic that will result from a 1.3 trucks : 1 rail car ratio will do little to relieve the traffic situation and ultimately achieve the desired goals that are evident in the many earlier decisions issued by the Commission and Board which pertain to the quarry. Therefore, the Board will impose [the conditions above]. {text from Board website}
VERMONT

BRIDGE CLEARANCE ISSUES
25 March, Middlebury. **THE STATE IS DECIDING WHETHER TO OKAY 19'6" FOR TWO RAIL ROUTES** now clearance-limited [see 04#10A Regional]. [VRS enters from the west, and has limited clearance. NECR enters from the north and south, and is limited by the Bellows Falls tunnel. SLR enters from the north and east, and has full doublestack clearance (at least 20 feet). TSRD also enters from the east; its clearance issues are unknown. Editor]

**Particular example: Middlebury bridges**
Crossing the VRS line in Middlebury, a bridge carrying Main Street and a bridge carrying Merchants Row both need repair. VAOT has looked at the projects since 1998, daunted by the Middlebury downtown with its many historic buildings. Roger Whitcomb, an engineer with the Vermont AOT, said the current clearance is 17'6".

Another obstacle: state statutes requiring all new railroad overpass bridges to provide vertical clearance of 23 feet [see box]. Initially, VRS had okayed a variance from the AREMA guidelines, to 18 feet. To achieve the 18-foot clearance, VAOT will need to raise the affected areas at least seven inches, and in parts a foot, because the new bridge superstructure will not
be as thin as the existing. Whitcomb explained that the railway cannot place its track deeper into the ground, because of drainage issues and the vast amount of ledge at the bridge sites. After Middlebury Selectmen approved VAOT’s plans for the 18-foot clearance on 25 January, the railroad withdrew its support, because of the possibility that NECR might obtain 19’6” clearance through the Bellows Falls tunnel [see 17 March issue].

**State rail plan**

Whitcomb reported that the agency is now deciding whether to support the 19’6” clearance for only NECR (Bellows Falls), or for VRS as well. He acknowledged that the State Rail Plan, due sometime this year, might make that clear. {ANR&P discussion 25.Mar.05; John Flowers in *Addison Independent* 27.Jan.05} Scott Bascom, VAOT’s point person for the rail plan, reported on 28 March that the draft plan [see below] does cover the clearance issue, and it ‘is being revised as we speak’. {e-mail to ANR&P}

**Recent examples of variances**

In recent years, AOT has granted a few variances, but all were stipulated to by the railroad and were for more than 18.0 feet. Examples include: (1) NECR, Bethel, VT 12 temporary bridge (19.66 feet), and (2) NECR, Waterbury, Stowe Street (TH #2) bridge (20.66 feet). {e-mail to ANR&P from VAOT’s John Dunleavy 1.Feb.05}

**VERMONT - RAIL PLAN**

25 March, Montpelier. *VAOT WILL HOLD THREE MORE PUBLIC MEETINGS ON THE DRAFT RAIL PLAN*: 26 (South Burlington), 27 (Rutland), and 28 April (White River Junction). Before the hearings, the Agency plans to post the final draft of the plan on its website. {VAOT press release}

**GRS v NECR**

10 March, DC. *GRS ASKED THE STB TO RECONSIDER PART OF ITS DECISION* to let courts handle the question of liability for damages resulting from a Vermont derailment [see 2 March issue]. It argued that the STB should interpret the Trackage Rights Order to not permit NECR to absolve itself of responsibility for gross negligence or willful misconduct. {STB Finance Docket 34612}

**QUEBEC/MARITIMES**

**HALIFAX ERROR**

*HALTERM IS EARNING ONLY $300 PER BOX*, not the $3000 I had calculated last issue. Thanks to George Kuhn of Canadian International Freight Forwarders Association, who remarked that container rates to Europe for one 40-footer come in at less than $2000. {e-mail to ANR&P}

**HALIFAX & SAINT JOHN EXPORTS**

29 March, Saint John. *MARITIMES EXPORTERS CANNOT GET ENOUGH EMPTY CONTAINERS*, said Peter Clark, director of the region for Montreal-based logistics company Cyberfreight. Exporters can obtain empties in two ways: off a ship inbound to Halifax or Saint John, or off a train inbound to Halifax. Neither source is working well at the moment.

**Imbalance in flow**

Maritimes shippers suffer from an imbalance stated by the Halifax Port Authority as 380,000 tonnes of exports (140,000 tonnes of imports for New Brunswick), 212,000 tonnes of imports (15,000 tonnes for New Brunswick) [see 4 February issue]. Clark noted the huge imbalance in New Brunswick. “Most of our manufacturing is resource-based, so we do not receive boxes inbound for the manufacturing sector.” And of course with a small population the region has relatively few boxes for the consumer sector.

Consequently exporters need many more empties than the region obtains just by unloading the inbound full containers. Most of the containers moving over Halifax or Saint John end up in the Toronto or Montreal area. Clark noted that some 15% of the containers inbound at Halifax are empties. “Most of these remain on the terminal and are used for the Maritimes,” but that’s still far short of the number of empties needed.
Ships are overloaded
Ocean carriers calling Halifax are not only full, but overbooked, said Clark, and do not give priority to empties. For example, one line this week could provide only seven empties.

CN is not moving empties
CN’s IMX process aims to move fully-loaded trains both inbound and outbound for Halifax, creating a balance; it does not want to move empties. That leaves the Maritimes without a source of empties by either rail or sea.

Solution? Not trucking empties
Logically, the exporters could send trucks to Montreal or Toronto to pick up the empties, move them to their facility, load them, and return them to ship. But all boxes for Halifax carriers are designated for exporters in the Montreal or Toronto areas.

The exporters could get empties for Montreal carriers, but Clark explained that the cost of the round trip makes stuffing containers in Montreal more viable.

Solution for some: reload
For about 30% of its customers, Cyberfreight solves the problem by loading the cargo into trucks, draying to Montreal, and then stuffing the palletized cargo into containers. This does not completely solve the shortage of empties, however, as some customers, particularly those who do not ship product palletized, do not want to use reload.

This costs less in part because for over-the-road traffic, Atlantic Canada has much more inbound than outbound traffic [that’s why the TOFC train is used—see 17 March issue]. Truckers charge less for the backhaul to Montreal, carrying the exporters’ cargo.

Depending on the overseas trade lane, Clark said, “I’ve saved clients money trucking to Montreal.” Moving a container to Halifax from northern New Brunswick can cost $1000. If the overseas rate out of Montreal is less than out of Halifax, the client ends up spending less overall even with the reloading necessary in Montreal.

Could a CPR/MMA/NBSR/CN routing save the day?
Clark noted that a few years ago Cyberfreight used Moncton as a hub, when CN was willing to drop off empties there. He would bring in loaded containers to Moncton from outlying customers, and CN would rail them to Halifax for export.

Though CN is no longer willing to move empties, perhaps the railways concerned would permit a through train of empties via Saint John to Moncton. Cyberfreight could then treat Moncton as a hub, and hand CN the loads for railing to Halifax. {ANR&P discussion 29.Mar.05; Halifax numbers from Michele Peverill of Halifax Port Authority}

WINDSOR & HANTSPORT
8 March, New Minas. Frito-Lay Canada announced a $5-Million Expansion which has created 15 new jobs and will have spinoff benefits to provincial potato farmers. A new production and packaging line at the plant is producing Miss Vickie’s and Lays Kettle Cooked brand chips. Much of the new product is shipped to the northeastern United States.

The announcement was triggered by the province statement that it is providing $500,000 toward the project through a five-year innovation loan, which is forgiven by the government if the plant increases its payroll by almost $2 million over five years, the equivalent of about 45 jobs. The loan is secured with a corporate guarantee from Pepsi-Cola Canada Ltd, the parent company.

One of the 40 Frito-Lay plants in North America, New Minas was competing with six or seven others in the northeastern United States and eastern Canada for the production line, said plant manager Ralph Comeau. The plant will take as many potatoes as growers can provide, so local farmers can increase their production. {Ian Fairclough in Halifax Herald 9.Mar.05}

Additional inbound rail
On 15 March, Comeau said that the additional line will require more inbound rail. The plant receives corn meal inbound from the United States, and oil shortening. “We will increase on the oil side.”
No outbound rail
“We used to ship everything by rail” outbound, said Comeau, before food got stamped with the “best if used by” date. The date is only nine weeks from production, and the sales force has the authority to refuse product if it is over a week old by the time they get it. So now everything goes over the road to the northeast United States. \{ANR&P discussion\}

21 March, Port Williams. **SHUR-GAIN MAY MOVE BY APRIL**, consolidating its three feed mills into one in Moncton [see 04#12B]. Jim Taylor, WHRC general manager, said two parties remain interested in the team track unloading site, and are discussing with Shur-Gain the purchase of the augur and car-puller. If neither can purchase that equipment, then the user or users will need to acquire their own. \{ANR&P discussion\}

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**RAIL SHIPPERS**

Described in this issue.

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

Bisson Transportation (SLR, Maine).
Cascade Auburn Fibers (SLR, Maine, map)
Dead River (SLR, Maine, map)
Formed Fiber (GRS, Maine, map)
Frito-Lay (WHRC, Nova Scotia)
Grimmell (SLR, Maine)
International Paper (GRS, Maine, map)
Paper Innovations (GRS, Massachusetts)
Shur-Gain (WHRC, Nova Scotia)
Twin State Sand & Gravel (CCRR, NECR, N.H.)
USG (CSXT, Massachusetts #253)
White Rock (SLR, Maine, map)

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**PEOPLE**

Correction to Dennis Coffey title: Dennis Coffey at HNTB says my last issue erred in naming him as the head of the rail group. ‘Leading our rail group is Brian Doyle, Senior Vice President, and our Northeast Division rail sector leader is John Parola, Vice President, of our Philadelphia office.’

**Reebie Associates**, which provided inter alia rail data and rail consulting, has become a fallen flag. On 28 February, its assets were purchased by Global Insight, a much larger data and consulting firm, with headquarters in Waltham, Massachusetts. Most of the Cambridge, Massachusetts personnel (including Andreas Aeppli) and the Stamford personnel are relocating to Lexington, Massachusetts.

Reebie's TRANSEARCH database provides U.S. county-level freight movement data by commodity group and mode of transportation. Reebie's product line also includes computer models of carrier costs for the rail, truck and barge modes, together with intermodal costs.
GRS train MABA heading south out of Bangor enroute from Mattawamkeag (MA of MABA) to Northern Maine Junction with 26 cars. At the ‘Bangor yard’, it has just spotted about 14 hi-cube boxcars, mostly FBOX, for BK-1 (the local to International Paper in Bucksport via the Calais Junction) to pick up later. Formerly the yard spread out in the broad empty area on both sides of the track, above. Now, it consists of three sidings just seaward of Calais Junction, located roughly behind the more distant bridge depicted in the photo, above.  {photo 19 March 2005, courtesy Kevin Burkholder}
ATLANTIC NORTHEAST RAILS & PORTS

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Purpose
Atlantic Northeast Rails & Ports, née Maine RailWatch (1994-1997) and later Atlantic RailWatch (1998-1999), is dedicated to the preservation and extension of the regional rail network. The editor believes that publishing news on railroads and ports spotlights needed action to preserve the rail network. The publication also imbues the region with a sense of an interdependent community, employing the network to move rail and port traffic. ‘No railroad is an island, entire onto itself.’

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