

ATLANTIC NORTHEAST RAILS & PORTS

Helping to move rail and port traffic through New England, the Maritimes, & eastern Québec.
A weekly trade newsletter.

operating railroads + ports, intermodal facilities, and government environment

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Issue 04#08A 20 August 2004

***Article unchanged from e-bulletin.**

REGIONAL ISSUES

***MMA:** Significant first quarter gains.

PW: First half revenues up.

***Logistec:** Best second quarter in five years.

LNG: Maritimes and Northeast can handle the input from three potential new terminals.

CONNECTICUT

GRS: Service improving on Waterbury branch.

MAINE

Highway salt: Five awards.

Portland: Merrill strips and stuffs. Complete update on *Shamrock* situation and possible second carrier.

MASSACHUSETTS

Transportation bond: Finally passes.

BCLR: Why the T halted the Millis process. *Map*.

GU: STB okays regulation of BRT by Milton.

GRS: *WWTR may proceed to lay track.

Westover branch abandoned. Tewksbury branch abandoned.

New Bedford: No spoils contractor yet. Railing won't start until 2005.

NEW HAMPSHIRE

***GRS/MBRX/Amtrak:** Pike permits ballast to move to Maine.

RHODE ISLAND

[No report.]

VERMONT

Rail plan: Meetings begin 30 August.

MARITIMES/QUÉBEC

***CBNS:** Proposal to amend law to prevent partial abandonment if entire line abandoned.

***Halifax:** Volume up from first quarter.

PEOPLE, POSITIONS, EVENTS

Fred Yocum, Gaynor Ryan, Kelley Carter, Paul Hallett.

FROM THE PUBLISHER

Three thoughts from the MMA

I just read the June issue of the railroad's *Main Line*, the employee newsletter found at its website, and came away favorably impressed. First, the railroad is telling its workers how well it's doing, right up front. [See the table on traffic through May, found in Regional.] Would that other privately-held railroads would reveal as much, or even our own publicly-held railroad, the Providence & Worcester!

Win the Harriman?

Second, President Bob Grindrod laid down a public challenge to all of the railroad: Win a Harriman in 2005. 'The Harriman medal is awarded to the railroads with the best safety record in their "size" group. It recognizes quality performance and safe operations. In the 1960s and 1970s, the BAR won Harriman medal eight times, so it is possible. Last year the Harriman was won by Guilford, and I am certain you would all agree that we run as good a railroad as they do. Why is this an important goal? First, it means that none of us were injured. But it also

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, CPR - Canadian Pacific Ry, CSO - Connecticut Southern RR, CSRX - Conway Scenic Railroad, EOTC - Mass. Exec. Office of Transportation&Construction, GRS - Guilford Rail System, GWI - 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, MBKR - 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, NHCR - New Hampshire Central RR, NHDOT - NH Department of Transportation, NHN - 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, Seaview-Seaview Transportation Company, SLQ - St. Lawrence & Atlantic RR (Québec), SLR - St. Lawrence&Atlantic RR., TIRR - Turner's Island LLC, TEU - twenty-foot equivalent unit (measure of container traffic, equal to a 20x8x8 foot box), 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.

will tell the rest of the industry, our shippers and the communities we serve that we run a quality operation. You have been through a lot in the past few years, and now it is time to regain the sense of pride in our jobs and Company, and the self respect that I know is in each one of us.'

Railroads need recognition

Finally, Fred Yocum [at the time vice-chair but now CFO—see People in *e-bulletin(o)*] wrote a column in *Main Line* noting that MMA has found it hard to create its own identity with 'the general public and public officials. To many of these people, we were and always will be "the railroad." The State of Maine, both executive and legislative branches, strongly supported the creation of Montreal, Maine and Atlantic (we use our full name in Augusta because MMA means many things there including the Maine Municipal Association, which has put a change in school funding on the state's ballots). We continue to receive assistance with our capital program. Last year we also received aid from the Province of Quebec.

'While this help is tremendously appreciated and important, we must move on to the place where public officials view us as a progressive, stable provider of transportation services that are essential to the economic well being and growth of the areas we serve.

'One way that all employees can help the Company is to do something that we all should do anyway – be good citizens. Not everyone can hold a public office like Roger Noiseux and Mike Ouellette have, but we can all register, vote, and be alert to items that affect our Company. If there are any public policy items that you would like to discuss, I would be pleased to hear from you.'

I, your publisher, would amend Fred's statement to say that all railroads must reach the place where public officials view them as 'progressive, stable providers of transportation services that are essential to the economic well-being and growth of the areas they serve.'

- Chop Hardenbergh

Next issue: 3 September

REGIONAL ISSUES

MONTREAL, MAINE, & ATLANTIC

May, Northern Maine Junction. **MMA HAD SIGNIFICANT FIRST QUARTER GAINS** [see also 13 May issue]. Bob Thomas, assistant vice-president of marketing, wrote that intermodal increased 80%, roundwood 48%, lumber 27%, and paper 24% over 1Q03.

Roundwood

'Much of the [roundwood] growth is attributable to Irving Woodland LLC

CARLOAD PERFORMANCE REPORT OF PRIMARY COMMODITIES						
	Jan	Feb	Mar	Apr	May	Total
Lumber	194	203	324	264	247	1,232
OSB	305	344	378	368	369	1,764
Roundwood	527	454	736	588	524	2,829
Woodchips	233	253	298	150	165	1,099
Woodpulp	91	129	107	103	112	542
Paper	536	549	663	614	602	2,964
Scrap Paper	29	35	46	55	44	209
Clay	40	62	62	62	58	284
Gypsum Board	64	46	42	56	52	260
Fertilizer	30	74	19	26	17	166
Chemicals	305	416	449	374	385	1,929
Bunker C	72	65	46	41	57	280
Light Oil	23	16	15	24	2	80
Propane	198	252	129	87	86	752
Foods	280	398	429	228	256	1,591
Grains & Feed	99	134	203	207	186	829
Starch	18	17	81	12	14	142
Stone & Sand	19	23	23	37	112	214
Intermodal	323	519	691	539	665	2,737
Autos	93	73	91	173	216	646
MISC	71	105	143	133	130	582
TOTALS	3,550	4,167	4,974	4,141	4,299	21,131

Marketing Department

	Jan	Feb	Mar	Apr	May
Revenues	2,707	3,197	3,715	3,391	3,483
Op. Exp.	3,317	3,161	3,259	3,321	2,704
Net Income/(Loss)	(1,026)	(433)	26	(359)	333

Finance Department

MMA carloads through May 2004. {MMA Main Line customer newsletter 6.04}

relying more heavily on the railroad to provide transportation from three wood concentration yards and two sawmills,” said Thomas. Other roundwood producers are following Irving's lead.

Lumber

The present market is white hot. “Demand is very strong for Eastern spruce, pine, and fir. Much of the new traffic terminates in the deep Southeast. “We’re being challenged daily to move both loaded and empty lumber cars quickly,” Thomas adds.

Other points

To accommodate more lumber and paper moves, the 745-mile regional is repairing and acquiring rail cars. Workers are sealing roofs, and straightening or replacing doors on 212 single-door and 106 double-door box cars, and repairing an additional 500 box cars before MMA signs off on a lease.

The railroad also is improving track to support increasing traffic. Crews are replacing six miles of 100-pound rail with 115-pounded welded rail between Brownville Junction and Schoodic, Maine; installing 20,000 wood ties near Jackman, Brownsville and Madawaska, Maine; and surfacing 300 track miles systemwide. {MMA Manifest spring.04}

PROVIDENCE & WORCESTER

13 August, DC. **THE RAILROAD QUARTERLY REPORT SHOWED THAT FIRST HALF REVENUES INCREASED 4%**, or \$445,000, ‘to \$11.6 million in the six months ended June 30, 2004 from \$11.1 million in 2003. This increase is the net result of a \$505,000 (5.5%) increase in conventional freight revenues and a \$97,000 (18.8%) increase in non-freight operating revenues partially offset by a \$157,000 (11.1%) decrease in container freight revenues.

Carload revenue up

‘The increase in conventional freight revenues is the result of a 5.2% increase in conventional carloadings, and a small (.3%) increase in the average revenue received per conventional carloading. The Company's conventional carloadings increased by 711 to 14,410 in the first six months of 2004 from 13,699 in 2003. This increase in traffic volume consists of carloadings of coal [PW is moving coal not only to Mt.Tom but also to Bow, NH, as planned—see 13 May issue] and certain other commodities partially offset by a decrease in carloadings of construction aggregates. The increase in the average revenue per carloading is largely attributable to a shift in the mix of commodities.

Container revenue down

‘The decrease in container revenues is primarily attributable to a decrease in traffic volume. Intermodal containers handled during the six-month period decreased by 2,540, or 7.9%, to 29,715 in 2004 from 32,255 in 2003. The average revenue received per container decreased by 3.5% as a result of a shift in the mix of containers handled and contractual price adjustments. The increase in non-freight operating revenues for the six-month period results from an increase in maintenance department billings.’ {Form 10-Q filed with US Securities and Exchange Commission}

LOGISTEC

5 August, Montreal. **LOGISTEC ANNOUNCED ITS BEST SECOND QUARTER IN FIVE YEARS.** ‘Revenue for the second quarter of 2004 grew by 5.0% to \$45.7 million, up from \$43.5 million for the equivalent period of the previous year. Coupled with the improved margin from operations, this revenue growth quadrupled net income to \$2.2 million or \$0.33 per share, compared with \$0.5 million or \$0.08 per share for the same period in 2003. “This performance was fuelled among others by a rise in the volume of bulk cargoes handled, the restart of business at Termont, our Port of Montreal container terminal which had been idle for over a year, as well as the growth in Sanexen's PBC management and site remediation operations,” indicated Madeleine Paquin, president and chief executive officer of Logistec Corporation....

“We are cautiously optimistic that we will see improving results in the coming quarters.” Several factors should contribute to sustaining the Company's financial and commercial performance for the balance of the year, such as:

- the resumption of operations at the Termont terminal, which will enable this facility to cover its fixed costs while returning to profitability;
- bulk cargoes are expected to remain strong and may even improve; and,
- the growing signs of an upsurge in steel movements in eastern North America. If this last trend should gain momentum in

the coming months, it would mark a positive turnaround since Logistec has been hard hit by the decline in U.S. steel imports for the past few years.’ {Logistec press release}

LNG TERMINALS

19 August, Boston. **THE NATURAL GAS PIPELINE CAN READILY EXPAND CAPACITY** to handle the input from the proposed Liquefied Natural Gas (LNG) terminals, according to Marylee Hanley, spokesperson for Maritimes and Northeast Pipeline.

Volumes

Currently the pipeline from Nova Scotia to Boston transports a yearly average of about 400,000 cubic feet of natural gas per day. Because volumes from the Sable Island area are dropping, approvals to increase capacity are on hold, she said. Maritime and Northeast has to get approvals from both Canada and the United States to increase the capacity of the pipeline because it runs across the international border.

In the United States, applications to FERC, the Federal Energy Regulation Commission, to expand capacity in a pipeline can take from 12 to 18 months.

Hanley explained that the velocity of gas through the pipe slows over distance. At this time, Maritimes has two compression stations, which restore the velocity, in Baileyville and Richmond, Maine. To handle the additional three billion cubic feet, Maritimes would add two more stations, one between Baileyville and Richmond, and one between Richmond and the New Hampshire border. {ANR&P discussion 19.Aug.04; Saint John *Telegraph Journal* 18.Aug.04}

Saint John

On 6 August, Irving Oil received approval for its C\$750 million LNG and Multi-Purpose Pier Project, becoming the first to receive regulatory approval among LNG projects currently proposed for the East coast. The New Brunswick Department of Environment and Local Government, Environment Canada, and Fisheries and Oceans Canada, in accordance with the provincial Environmental Assessment Regulations and the federal Canadian Environmental Assessment Act, approved the facility, to be situated at the company's existing deepwater marine terminal Irving Canaport in Saint John, in operation since 1970. The current plans call for three 160,000 cubic-meter LNG tanks and a throughput capacity of one billion cubic feet of natural gas per day.

Saint John closer than the Gulf Coast to oil-exporting ports

“My grandfather had the foresight to build our refinery at this location in the late 1950s when others could not see the potential in Saint John's deep water, proximity to the Northeastern U.S., and the capability of its people,” said Kenneth Irving. “Today our refinery is recognized as being among North America's best. In 1970, my father completed building North America's first deepwater terminal before the industry appreciated the potential in evolving ship sizes. Today we have one of the most modern and well-maintained deepwater facilities, which is integrated with our world-scale refinery.

“Our company's proximity to the US Northeast and our focus on long-term relationships and value creation have enabled us to grow our exports in response to increasing energy demand and new technologies. Six years ago, our company undertook the largest refinery upgrade in North America in the previous decade. Today, we are moving ahead with the next building block in a proven long-term strategy. Our goal is to continue to anticipate and meet the growing energy needs of our customers, and to do so early and for the long term.”

After a thorough, three-year permitting process that assessed the project's environmental impact and benefits and included extensive consultation with stakeholders and government, the company is pleased that the government of New Brunswick and the federal government have given their approval to this project. Irving Oil anticipates the LNG receiving terminal to be operational in 2007.

Founded in 1924, Irving Oil is a privately-owned energy processing, transporting and marketing company with a history of long-term relationships. Irving Oil's 250,000 barrel-per-day refinery is predominantly an export refinery, and accounted for 50% of Canada's total petroleum product exports to the US in 2003. The Irving Oil Refinery is years ahead of environmental regulations, recently selling gasoline into the California market, and is also the region's largest purchaser of liquid petroleum gas. Irving Canaport is a petroleum-receiving terminal situated in the most densely industrialized region north of Boston and is closer than the Gulf Coast to ports in Venezuela, Brazil, the North Sea and West Africa. In addition to being linked to the Irving Refinery by pipelines, Irving Canaport is also connected to the Bayside and Coleson Cove Power Plants by pipelines. The total nameplate capacity of these two power plants is 1,325 megawatts. Irving's marketing office is located in Portsmouth, NH. {Irving press release}

Strait of Canso

On 9 August, Transport Canada and Nova Scotia's Department of Environment and Labour approved with conditions the proposal of Access Northeast Energy for a C\$450 million project at Bear Head in the Strait of Canso, which includes storage tanks and an area to convert LNG back to gas before piping to New England. The company must now come up with a detailed environmental protection plan. The terminal can handle up to one billion cubic feet of gas a day. {CBC webposted}

Pleasant Point

On 17 August, Maine's Passamaquoddy Indians voted 193-132 to move forward with a plan to develop a \$300 million LNG terminal on its Pleasant Point reservation, situated on Passamaquoddy Bay in Maine. Quoddy Bay LLC, an energy development partnership in Tulsa, Oklahoma, proposes to build on a 42-acre site; the terminal would initially handle half a billion cubic feet, expandable to one billion. {AP in *Portland Press Herald* 18.Aug.04 and *Foster's Daily Democrat* 9.June.04}

Fall River

Fall River, Massachusetts, is also facing a proposal for a LNG terminal, which would hook up to the Algonquin pipeline [see map in 14 April issue]. Weaver's Cove Energy LLC and Hess LNG want to site it in a privately-owned, state-designated industrial port area and a contaminated brownfields site, meaning that the local government has no jurisdiction over the property. The Federal Energy Regulatory Commission will decide whether to issue a permit, and the agency issued a draft environmental impact statement in late July widely seen as favorable to the project. Company spokesperson James Grasso said the city would benefit from the \$3 million in annual taxes paid by Weaver's Cove, which would become Fall River's top taxpayer.

The tankers would pass under the Pell, Mount Hope, Braga, and Brightman Street bridges. {Carolyn Johnson in *Boston Globe* 4.Aug.04}

CONNECTICUT

GUILFORD/BERLIN BRANCH

July. **GRS HAS IMPROVED SERVICE** to customers here, because of increased stone business, according to officials at two customers. [More in a future issue.]

MAINE

HIGHWAY SALT

18 August, Augusta. **MDOT ANNOUNCED THE WINNING BIDS:**

Region #1, Southern - Morton Salt \$42.31/ton delivered

Region #2, Mid-coast - Int'l Salt \$46.86

Region #3, Western - Int'l Salt \$48.98

Region #4, Eastern - Cargill \$42.48

Region #5, Northern - Harcros \$42.52

[The regions have apparently changed. More in a future issue.]

PORT OF PORTLAND

17 August. **MERRILL MARINE TERMINAL STRIPS AND STUFFS CONTAINERS**, and has done so for some time.

Stripping out tapioca

According to P.D.Merrill, the head of the terminal, his facility has since 1985 handled tapioca in bags brought in by ship. [The breakbulk discharging now happens in Searsport—see future issue.] They are trucked to the National Starch plant in Island

Falls, Maine. To supplement the ship supplies, National also uses bags stuffed into containers and shipped to New York. The containers then move by truck to Portland, where Merrill workers strip out the bags and load them into trucks for shipment to Island Falls.

More about tapioca

Cassava is the common name for any of several related plants native to tropical regions in the Americas. The roots contain from 20 to 32% of starch in ½ to 1½ year old plants. Cassava is the chief source of tapioca, and in South America a sauce and an intoxicating beverage are prepared from the juice.

Stuffing in pulp

In the last nine to twelve months, said Merrill, pulp has arrived by truck from nearby mills for stuffing into containers, and movement to the International Marine Terminal for export on the feeder ship *Shamrock*. The pulp would normally move through Merrill's into ships, but space on break-bulk ships has dwindled recently, because of China's voracious demand for raw materials and scrap. {ANR&P discussion}

PORTLAND AND THE SHAMROCK

Note: The seizure of the feeder vessel *Shamrock* on 20 July halted container shipments through Portland until the Columbia Coastal barge provided service Sundays beginning 1 August. The *Shamrock* remains impounded. [See 30 July issue.]

The incident provided the occasion to explore Hapag-Lloyd's arrangement in Portland, and the possibility of attracting a second carrier.

THE SHAMROCK AND MOVING THE CONTAINERS

2 August, Portland. ***THE CONTAINERSHIP SHAMROCK OFFLOADED MOST OF ITS CONTAINERS*** beginning Friday, 30 July, and continuing through Saturday, 31 July [the parties agreed to permit discharging, but to hold the ship pending resolution of the financial situation—see 30 July issue]. Jack Humeniuk, an official at the stevedoring firm P&O Ports, said his crews discharged 116 containers, but had to leave 30 on board because security officials found incorrect paperwork.

Of those 116, 40 were already destined for Portland. Beginning 6AM Sunday, 59 of those discharged were loaded onto the Columbia Coastal barge which arrived from New York; the barge took them to their intended destination of Boston.

In addition, the barge received the 58 export boxes awaiting the usual trip back to Halifax. The barge will take these to New York instead, for loading onto outbound ships.

The 17 containers discharged in Portland, which normally would have gone to Boston, were grounded pending chassis and tractors to move them to their final destinations. The *Shamrock* then moved back to anchorage to make room for the ferry *Scotia Prince*; it will remain seized until the owner of ship, and its debtors, reach a satisfactory financial conclusion. The barge left by Sunday evening 1 August, when the *Scotia Prince* returned.

Some interesting details

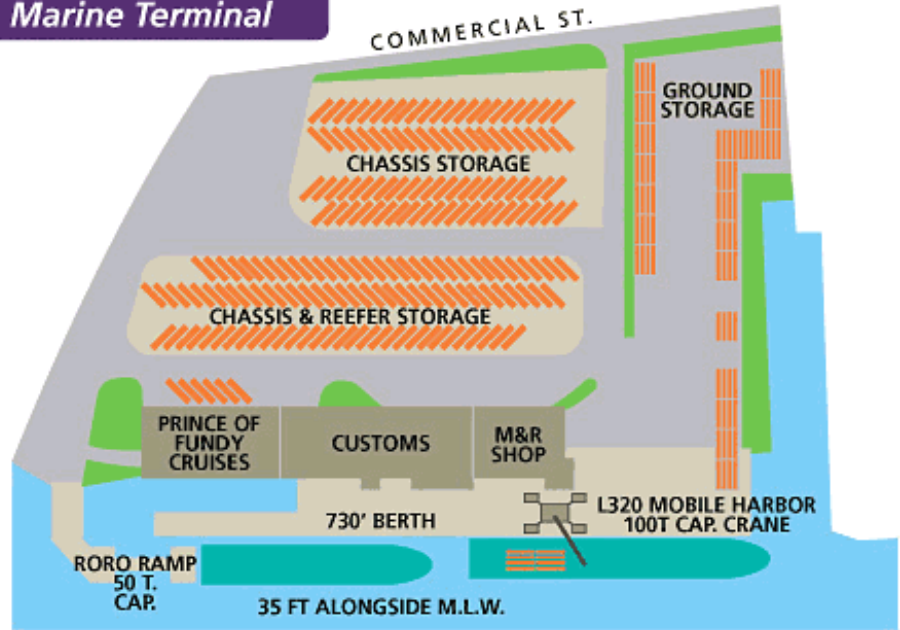
Some of the 17 were destined for a Cole Haan facility in New Hampshire. Jotul North America was awaiting the arrival of 11 containers with stove parts, from which workers at its facility on Riverside Street in Portland would assemble stoves.

Humeniuk said the three-day work period showed that P&O workers could handle at least two hundred containers a week, since they had offloaded 116 and loaded 99. That equates to 10,000 containers a year, far higher than the current number of about 2200/year. {ANR&P discussions 2.Aug.04}

8 August. **THE COLUMBIA BARGE CALLED** to pick up Hapag exports as well as the balance of the boxes off the *Shamrock* that worked on 5 August. ‘Beyond that, we will call if there is sufficient volume to warrant a call.... To date, no one has stepped forward,’ wrote Tom Delaney, Colombia’s executive vice-president. {e-mail to ANR&P 6.Aug.04}

19 August. **COLUMBIA COASTAL WILL BRING BOXES TO PORTLAND**, said executive vice-president Tom Delaney. The barge will arrive on 22 August with 30 containers from Maersk/Sea-Land and Hapag-Lloyd landed at New York. The barge will sail back with the remaining COSCO boxes and whatever Hapag has for export.

Portland International Marine Terminal



Source: Port of Portland website

Future

While the two carriers have shifted inbound boxes by keeping them on board at Halifax and discharging them in New York, Columbia has “no deals right now” which would continue that routing. Delaney will decide week to week whether Columbia will continue to serve Portland. “We’re willing to go as long as the freight is sufficient,” but he declined to specify the number needed. {ANR&P discussion 19.Aug.04}

20 August. **THE US DISTRICT COURT WILL HOLD A HEARING ON THE SEIZURE** this day, said Fortis Bank's local lawyer, Peter Plumb. Fortis is owned some \$14 million.

Another ship for SPM?

John Hudson, the agent for SPM, the charterer of the *Shamrock*, noted on 16 August that negotiations with bank and new mortgagors continue. Whether Philippe Paturel, the head of SPM, will seek a different vessel he did not know. But he noted that ships in the range of 300-600 TEU had a “very tight market.” {ANR&P discussion}

What might Hapag do?

Hapag would prefer, prophesied Humeniuk, to return to status quo of a feeder ship to Halifax. If that is not possible, it will have to rethink its plans. {ANR&P discussions 16.Aug.04}

THE CURRENT ARRANGEMENT

3 August. **PORTLAND HAS ONLY ONE CARRIER “WILLING TO SHOW UP AND PAY THE BILLS”** so far, said Captain Jeff Monroe, head of the City of Portland’s Transportation Department: Hapag-Lloyd (Hapag). But the pier, the ‘International Marine Terminal’ (IMT) is open to any user.

He noted Columbia Coastal has promised to serve Portland for a few weeks. With the *Shamrock* still impounded, “right now the only thing I am trying to do is save the trade.”

Current arrangement

The gates of the container facility, the crane, the yard, and all accoutrements belong to the city of Portland. These are manned by P&O Ports employees; P&O has a cost-plus contract with Hapag-Lloyd (Hapag). Thus Hapag indirectly pays the wages of all the people who man the facility, as well as the bills to use the accoutrements. Another stevedore cannot use the facility because those manning all the equipment are Hapag employees. Hapag directly pays the City a wharfage fee under the current tariff of \$15 per loaded container, and \$7 per empty.

Hapag also has use of the three acres of land available for the container operation. That space increases during the winter, when the *Scotia Prince* operations do not tie up the parking lot [in the diagram above, the ‘chassis storage’ and ‘chassis and reefer storage’ areas become parking for the passenger ferry more than six months of the year].

Pier access

Monroe’s predecessor, Tom Valleau, recalled that he published the original tariff for that dock in 1989 or 1990. “The dock was open and available to any vessel, with minimal conditions,” Some companies were “interested” in using other carriers, but that interest never rose to the level of actually using the pier, said Valleau. {ANR&P discussions 3-5.Aug.04}

COULD PORTLAND ATTRACT ANOTHER CARRIER?

Tom Delaney of Columbia Coastal hopes to entice shippers to his barge service. Right now, both Boston and New York are filled with containers. A feeder vessel can avoid the congestion, which often occurs outside the gates, because its containers need move only between the feeder vessel and the overseas vessel, never leaving the pier.

At bottom, underscored Monroe and other present and possible participants in the container traffic, the shippers who want a different feeder service to move cargo out of the port on an all-water route must be willing to support one. At present, the 160+ Maine shippers not using Portland move their containers through Boston, New York, Montreal, and Auburn [the SLR intermodal terminal-*editor*]. He continues to market the port to these shippers.

Many prefer to use other carriers than Hapag and move their boxes by truck out of the state. “No one has yet jumped up” to say they will use Portland.

If the carrier used a barge to move boxes to New York, say, the carrier would encounter the possible delays of winter weather. “The [feeder] ship has been very consistent,” said Humeniuk. {ANR&P discussions 3-5.Aug.04}

A POSSIBLE SHIPPER

17 August. A **“POTENTIAL FOR MORE” CONTAINER SHIPMENTS OVER PORTLAND** exists, said P.D. Merrill, chief of Merrill’s Marine Terminal. Although Merrill does not work the terminal, his facility does strip and stuff containers [see above]. He has a proposed deal to stuff rolled paper into containers, about 20 a week for export. The *Shamrock* could take 20 additional containers, but the Hapag-Lloyd ship in Halifax had no space.

Why not send the boxes south to New York then, on the Columbia Coastal barge? Merrill listed advantages of moving the containers out of Portland, rather than truck the paper to New Jersey or Boston and stuff it in containers there. First, because of weight limitations, the shipper cannot stuff containers for over-the-road trucking. Second, the ability of warehouses in New Jersey to accept the rolls and stuff them there is overtaxed. Third, Merrill’s could accept the rolls by rail and stuff them at his facility, avoiding the overweight problem.

Some ocean carrier just needs to provide a rate out of Portland. Problem: the carriers are so large that 20 boxes a week is “pitifully small” compared to, say, a 6,000-TEU vessel. “No question that we have a viable volume right now, but we need to get the attention of a carrier” and a good rate.

Not a good rate

Merrill’s company has compared the cost of a truck move to New Jersey versus railing the paper to Portland, stuffing it into containers, and barging it to New York. The latter is more expensive, in part because of the two extra moves: loading the container onto and off the barge. {ANR&P discussion 17.Aug.04}

PIER SPACE

Monroe emphasized that the pier remains open to any user. If a carrier or feeder service needed land, Monroe believed he could locate space to store containers, chassis, and other equipment beyond the three acres now used by Hapag. This deficit will change when the city opens ‘Ocean Gate’, the new passenger terminal seaward of the IMT [see map in website]. At that point, he hopes that the port will establish a full-use container terminal which would provide a standard “box rate”, a fee for any user once Ocean Gate is completed. For now, a new user might have to obtain a different stevedore. P&O Ports handles non-Hapag cargo only with Hapag’s permission at present. {ANR&P discussion 3.Aug.04}

STEVEDORES

The carrier would have to either make a deal with Hapag-Lloyd to use the gates, cranes, etc, or supply its own labor. The stevedore’s union, the International Longshoremen’s Association (ILA), would work for another stevedoring company, said Jack Humeniuk. And Hapag agreed that P&O could move the containers of other carriers in this isolated instance, on

a pro-rata basis. Furthermore, Hapag has had for some time an arrangement with Maersk/Sea-Land under which Maersk boxes move through Portland.

Two other East coast stevedores are willing to work at Portland. Skip Rogers of Federal Marine Terminals, the stevedore at Eastport, said that Portland could approach him, asking to put in a proposal for stevedoring. He had one caution: “We can't keep them [P&O Ports] out of [Eastport] either. We should probably render onto Caesar what is Caesar's and leave the rest alone.”

Logistec is also interested. Michael Vasaturo, head of Logistec USA headquartered in New Haven, said “we're always looking for development opportunities at different ports. We have taken no specific look at Portland.” He added that feeder services as part of the growing ‘short sea’ movements “will be a reality in years to come. We are well-qualified to do the stevedoring for the barge service in Bridgeport.” [See 30 July issue.] {ANR&P discussions 5.Aug.04}

EQUIPMENT

Humeniuk noted that some shippers would like to get boxes to New York, to use services to Asia not available in Halifax. What could stop that? Achieving a balance of inbound and outbound containers. At this point, Hapag-Lloyd has achieved a rough balance [note in this case, 40 boxes in, 58 out—*editor*]. But another steamship line might not have the appropriate customers, so that steamship line would have to reposition empty containers to Portland to serve Maine exports. The cost of the repositioning may remove the incentive to use New York.

On the other hand, mused Humeniuk, a large Asian carrier may have so many containers on the East coast going unused that it would accept the cost of repositioning, just to get the containers moving back to Asia. Hapag-Lloyd has one of the best ratios among the lines, one empty box to three loaded ones. Some lines have as many as seven empties for each loaded box. {ANR&P discussion 2.Aug.04}

SHIP

John Hudson, SPM agent in Boston, noted that ships in the range of 300-600 TEU had a “very tight market.” As the ocean-going containers ships get bigger, the need for feeder vessels is growing to serve the smaller ports. In addition, the pressure on the inland infrastructure is “getting high”: railroads cannot cope with the traffic, trucking companies cannot find drivers, and the cost of fuel plus terminal congestion is moving owner-operators to the sidelines.

The smaller ports such as Portland, Portsmouth, and Fall River can only accept vessels up to 300 feet long, and six containers wide, meaning roughly 5,000 gross tons. {ANR&P discussion 16.Aug.04}

Oceanex, the company which provides container service to St.John's from Halifax and Montreal, is obtaining a new ship in 2005 from JJ Sietas KG of Hamburg, which will join the *Cabot* on the Montreal-St.John's route. Oceanex will move the *Cicero*, a 420-TEU vessel, to the Halifax-St.John's run at time, where it will join the *Sanderling*. {Tom Peters in *Halifax Herald* 18.Aug.04 via Transport 2000 Atlantic}

SUBSIDY NEEDED?

While Hapag-Lloyd and Maersk/Sea-Land have shifted inbound boxes by keeping them on board at Halifax and discharging them in New York, Columbia has “no deals right now” which would continue that routing. Delaney will decide week to week whether Columbia will continue to serve Portland. “We're willing to go as long as the freight is sufficient,” but he declined to specify the number needed.

If Merrill [see above] is correct, Delaney said, then a subsidy would be needed to get the containers off the highway. Such a subsidy exists at this point for Columbia's barging containers between New York and Albany; the Albany Port District has obtained CMAQ funds to underwrite Columbia's service. The Port Authority of New York and New Jersey in addition provides a subsidy of \$25 per container.

According to talks Delaney has had with Port Authority officials, they would be open to a similar subsidy. It would require a written agreement with Portland.

How about interested carriers? “I talk Portland with them every day” but he has no takers yet. {ANR&P discussion 19.Aug.04}

MASSACHUSETTS

TRANSPORTATION BOND BILL

31 July, Boston. **THE GENERAL COURT PASSED A BOND BILL** after numerous amendments, redrafting, and vetoes. The bill (H4771 as amended, enacted as Chapter 291) permits, but does not require, the governor to issue bonds in the following amounts for the following projects:

Section 2J

Commuter rail projects

Improvements to the Fairmount commuter line, \$43.5 million. Extending the Blue Line to Lynn, \$246.5 million. Extending commuter rail to New Bedford and Fall River, \$425 million [see 13 July issue]. Improvements to the Haverhill commuter line ‘provided that such improvements shall include, but not be limited to, the installation of double-track and signalling upgrades’, \$43.75 million. Improvements to the Worcester commuter rail line including the purchase of ‘additional rolling stock’, \$21.5 million. Improvements to the Fitchburg commuter rail line, ‘provided that such improvements shall include, but not be limited to, the installation of double-track and signalling upgrades’, \$9.5 million. For improvements to the commuter rail line station in Salem, including a parking garage [see 16 June issue], \$24 million. The Highway section separately provided \$24 million for the parking garage.

Ferry service

The Highway section also said [page 8] that funds should be expended to study ferry service between Lynn and Boston but this was apparently vetoed by the governor, as the language does not show up in the final law. The highway section also provided that \$500,000 should be expended to assure that the ferry between Salem and Boston should continue to operate [page 17]. {text from clerk’s office; veto message supplied by Massachusetts Municipal Association}

BAY COLONY

3 August, Boston. **REASONS FOR THE T TO HALT THE MILLIS BRANCH SELECTION** were described by Mark Boyle, director of real estate development for the MBTA. “There were a number of issues which came up after the invitation to bid (ITB), not the least of which was the issue regarding the last mile. [The BCLR lease over a section] actually owned by CSXT...[which was] not disclosed [in the ITB], cast a cloud over a critical piece.

“There were other issues which did not come up prior to the ITB being published. The MBTA thought it in its best interests to resolve these prior to issuing the next ITB.” {ANR&P discussion}

Note: The ITB also erred in stating (page 7) that:

The portion of the Millis Industrial Track from end of MBTA ownership of track after Exchange St. to MP 3.4 is under private ownership and the only active freight rail customer, GAF, is located on this section.

GAF has its main facility near the end of the MBTA ownership, and a second facility, a warehouse, near the end of track.
{editor}

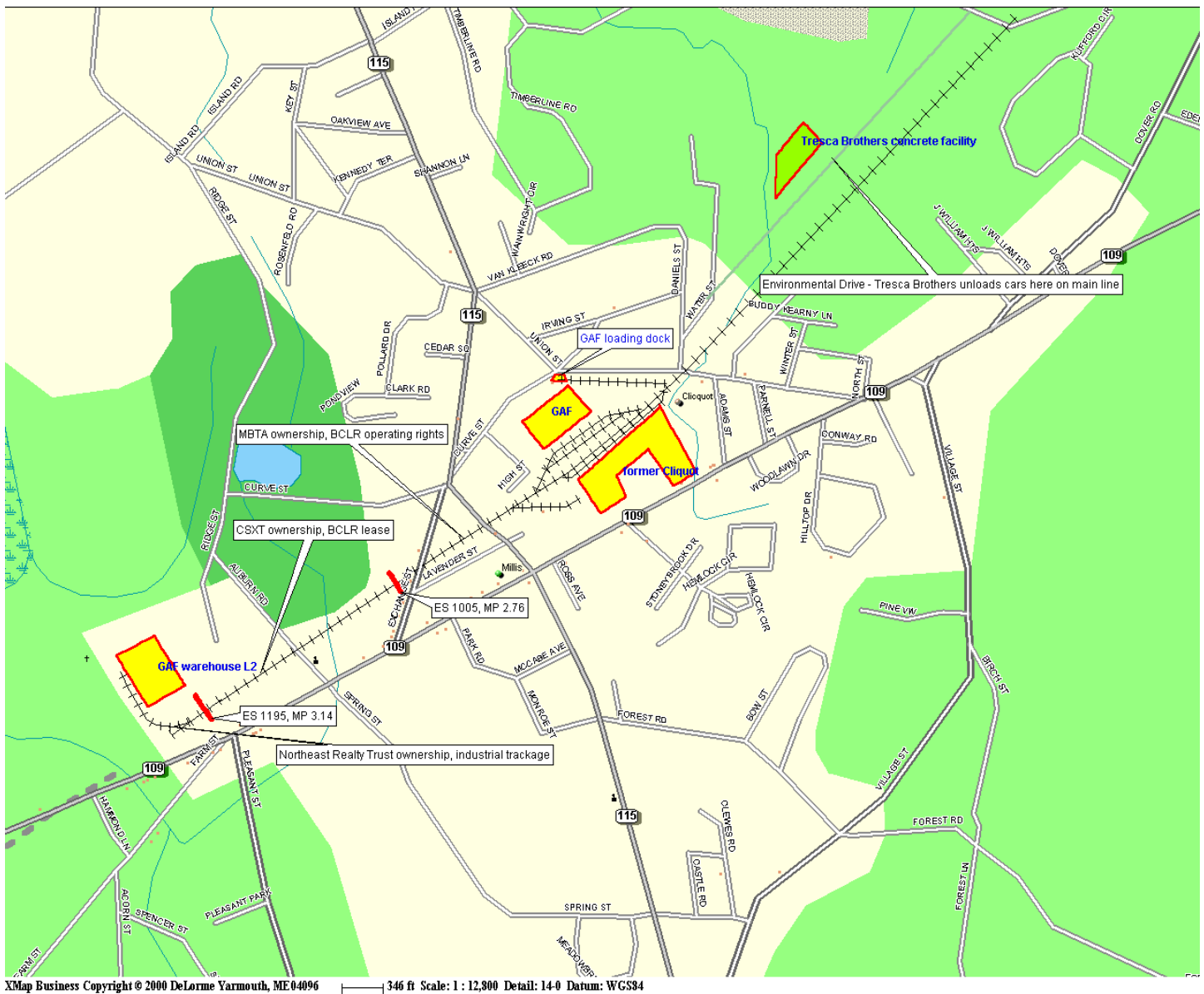
The ownership of the Millis Branch

In 1965, the MBTA signed an agreement giving it the right to reserve and purchase the New Haven Railroad’s commuter lines. The Commonwealth followed through on those plans, acquiring commuter lines from the Penn Central (New Haven’s successor) in 1973, and Boston & Maine in 1975. {Trains website}

The purchase included most but not all of the Millis Branch [see 4 March 2002 issue]. The Penn Central, and then Conrail, provided freight service on the branch through 1987, when BCLR took over.

All numbers below are approximate.

From Medfield Junction, milepost 0.0 (engineering station–ES–850, with each 1 point representing 100 feet), to MP 2.76+ (ES 1005), the T owns. BCLR has the operating rights over this section with the T. GAF’s main facility lies at about ES 975.



BCLR-served Millis branch, showing ownership.

From ES 1005 to ES 1195 (MP 2.76+ to MP 3.14), CSXT owns, having acquired it in the 1998 purchase of half of Conrail. A deed memorializing the transfer of the roughly 1900 feet was recorded on 31 October 2000.

According to BCLR's Bernie Reagan, senior vice-president, marketing, in 1995 BCLR invested a considerable sum of its own money in this 1900 feet. As a consequence, it now leases that section from CSXT.

From MP 3.14 to MP 3.40, the right of way is owned by the party who owns the GAF warehouse, known by its GAF appellation as "L2." Both the warehouse and the right-of-way are leased to GAF by Northeast Realty Trust. {ANR&P discussions with Reagan, Chris Podgurski of Charles River Railroad, and Chuck Amore of GAF 18-19.Aug.04; review of track valuation charts provided with RFP}

The Track Valuation Plan covering Millis shows that in 1952 the Ruberoid Company of New Jersey bought parcels where GAF sits. GAF bought Ruberoid in the 1960s. {Debra Lynn Vial in Bergen (NJ) *Record* 2.Apr.00}

A correction

This corrects the account in the 2 February issue, when I wrote that GAF owned the last seven-tenths of a mile.

The former Cliquot warehouse

Reagan noted that much of the space in this building, directly across the tracks from the main GAF facility, is currently unused. After the beverage company Cliquot Club left, Ann & Hope used it as a warehouse. One track runs adjacent to the building, and one formerly ran into the building. {ANR&P discussion 18.Aug.04}

GRAFTON & UPTON

11 August, DC. *THE STB ALLOWED MILTON TO REGULATE BOSTON RAILWAY TERMINAL*. [See 17 March issue.]

Proposed activity

‘Under the parties’ plan, GU would transport rail cars carrying steel from its interchange with CSXT to the Milford yard and [Boston Railway Terminal]’s facility. BRT employees would then offload the steel and haul it by truck to customers throughout New England, sometimes first performing some fabrication work (e.g., cutting and welding) in a building to be constructed across at least one track at the Milford yard. After the steel shipments are unloaded, GU would move the empty rail cars back to the CSXT interchange point. BRT’s use of GU’s rail line and yard would be non-exclusive, as GU may use the rail line and yard for other transportation purposes.’

Milford agreed that federal law pre-empted its regulation of railroad activity, but argued that the BRT operations were essentially that of a trucking company. It asked the board to open a proceeding to determine whether BRT was subject to state and local regulations.

Board ruling

The Board saw ‘no need for the Board to institute a proceeding, because it is clear that: (1) the Board does not have jurisdiction over steel fabrication activities; (2) the Board does not have jurisdiction over rail/truck transloading activities that are not performed by a rail carrier, or on behalf of a rail carrier, that holds itself out to offer those services to the public; and (3) the broad Federal preemption of section 10501(b) does not apply to activities over which the Board’s jurisdiction does not extend.’

Board reasoning: services not offered by rail carrier

‘To come within the Board’s jurisdiction and the scope of Federal preemption, an activity must be both “transportation” and “by rail carrier” under section 10501. Whether a particular activity constitutes transportation by rail carrier under section 10501 is a fact-specific determination. The term “transportation” is defined broadly to include a facility related to the movement of property by rail, and services related to that movement, including receipt, delivery, transfer and handling of property. 49 U.S.C. 10102(9)(A), (B). But even under the broadest construction of the term, BRT’s proposed steel fabrication activities fall outside the definition of railroad transportation. See *Growers Marketing Co. v. Pere Marquette Ry.*, 248 I.C.C. 215, 227 (1941).

‘In contrast, BRT’s planned transloading activities would fall within the statutory definition of transportation. See *Green Mountain Railroad Corporation – Petition for Declaratory Order*, STB Finance Docket No. 34052 (STB served May 28, 2002) (cement transloading facility); *Ayer* (automobile unloading facility) [see 29 August 2003 issue]. But for transloading activities to qualify for preemption, they must be offered by a rail carrier (either directly or through its agent). Notwithstanding its name, on this record, BRT has not been shown to be a rail carrier. GU does not allege that BRT provides common carrier transportation, nor is there evidence on the record here to suggest that it does. In fact, many shippers that own and operate locomotives and transloading facilities are not considered to be rail carriers under the statute. BRT has not sought or obtained authority from the Board pursuant to 49 U.S.C. 10901 in connection with its planned operation in the Milford yard, and BRT’s planned activities (rail/truck transloading, steel fabrication, and truck delivery) are not the type of activities that, standing alone, would be sufficient to qualify it as a “rail carrier.” {STB Finance Docket No. 34444, decided 11.Aug.04}

[*Note*: Contrast the above decision with the WWTR situation, below. WWTR is providing switching services to non-railroad activities of transloading. If GU, in the Boston Railway Terminal case, had leased the track to BRT and BRT had applied to the STB to do its own switching, BRT might have escaped the state and local regulation it will now have to meet. *Editor*]

GRS/WILMINGTON & WOBURN

4 August, DC. **THE STB'S SECTION ON ENVIRONMENTAL ANALYSIS SAID THE RAILROAD MAY PROCEED** to lay track and serve various facilities in Woburn and Wilmington, Massachusetts. [The environmental permission was the only issue standing in the way of proceeding—see 17 March 2004 issue.]

'Based on the information provided from all sources to date and its independent analysis, SEA preliminarily concludes that Proposed Action would have no significant environmental impacts if the Board imposes and the Applicant implements the environmental mitigation conditions recommended above. Therefore, the preparation of an EA for this case is appropriate and the full Environmental Impact Statement process is unnecessary in this proceeding.

'SEA specifically invites comments on all aspects of this EA, including suggestions for additional mitigation measures. SEA will consider all timely comments received in response to the EA in making its final recommendations to the Board. The Board will consider the entire environmental record, SEA's final recommendations, including final recommended mitigation measures, and any environmental comments received in this proceeding in making its final decision whether to allow construction to proceed.' {STB Finance Docket No.34391}

GRS WESTOVER

13 July, DC. **GUILFORD FILED TO ABANDON THE WESTOVER INDUSTRIAL TRACK**, a 4.8-mile track which it had embargoed in 1999 [see 99#24], in the Town of Chicopee. No traffic has moved over the line for more than two years. {STB AB-355 (Sub-No. 30X)}

Request of WMDC

On 21 July, the Westover Metropolitan Development Corporation, which had sought restoration of the line with state funds [see 00#02, 00#21], asked the Board to require GRS to restore the entire Track to FRA Class I standards, and to restore all grade crossings. GRS, in its initial filing, noted that any interest GRS maintained in the line would revert to WMDC in accordance with the agreements between the two parties. WMDC owns 1.5 miles of the line; WMDC leased the remaining 2.58 miles from the federal government, and in 1982 subleased the 2.58 miles and leased the 1.5 miles to GRS. Under the agreements, when WMDC obtained title to the 2.58 miles, it sold that section to GRS; if GRS abandoned it, it would revert to WMDC.

WMDC argued that GRS knew it would abandon the line, and allowed it to fall into disrepair; GRS denied this, claiming that it had expended significant resources to develop business, 'often with little or no help from WMDC.' [The filing from GRS included many letters documenting this contention.] GRS noted that it worked diligently with Sweeney Transportation and Dunsim Industries to provide competitive rates from Shawmut, Maine [Hinckley, where SAPPI now operates the plant] to the Sweeney warehouse in Chicopee. GRS also sought to move products to the Stop & Shop warehouse.

GRS asked the Board to deny WMDC's request. {GRS filing 3.Aug.04}

Consummation

On 12 August, according to a notice filed with the Board, Guilford consummated the abandonment by 'discontinuing operations on the line with the intent that the property be removed from the interstate rail network.' {GRS filing 12.Aug.04}

Future operation

Nearby railroads did have an interest in operating the branch. [See 99#23.]

GRS TEWKSBURY

22 June, DC. **GRS FILED NOTICE THAT IT HAD CONSUMMATED THE ABANDONMENT OF THE TEWKSBURY BRANCH**. The abandonment was notified by GRS in January [see 2 & 11 February issue]. {STB Docket Nos. AB-32 Sub No.97X, AB-355 Sub No.29X}

NEW BEDFORD

5 August. **THE CORPS OF ENGINEERS WILL NOT SELECT A SPOILS CONTRACTOR UNTIL SEPTEMBER**. Spokesperson Sheila Winston-Vincuilla [see 3 June issue] said the Corps would not make a public announcement. It will first notify the contractor(s) selected to transport and dispose of the spoils, and then those not selected. {ANR&P discussion}

5 August. **THE SEAPORT ADVISORY COUNCIL APPROVED THE \$5 MILLION FOR DREDGING**, as well as the extra money for the Fall River pier design [see 30 July issue]. {ANR&P discussion with Kristin Decas of Council 17.Aug.04}

16 August. **RAILING OF DREDGE SPOILS WILL NOT BEGIN UNTIL 2005**, according to Dave Dickerson, project manager for the US Environmental Protection Agency (EPA).

Status of dredging and dewatering

The first dredge spoils will come ashore in September. At that point, Dickerson plans to have finished testing the facility. After passing through various stages, the spoils end up as ‘filter cake’.

Material out by truck at first

Contractors to the US Army Corps of Engineers, which is paid by the EPA to do the dredging and disposal, will truck the material initially. Dickerson listed these reasons: the New Bedford rail yard is not done [see 1 July issue]; the long-term contracts for transportation and disposal are not awarded [see above], and during the start-up phase he expects “some bumps.” If the main contractor has charge for those two months of transportation and disposal, that will make the project easier.

The contractors involved

Although the companies are under contract to the Army Corps, EPA is paying for the work. Jacobs Engineering as prime contractor is supervising the construction and will operate the dewatering facility. Severson Environmental Services, headquartered in Niagra Falls NY, will do the dredging. EQ Northeast (EQ), a branch of The Environmental Quality Company, will do the initial transportation and disposal. {ANR&P discussion}

An official with the project said this autumn trucks will move the filter cake to MHF Logistics Solutions [our *Directory* #442] transload facility in Worcester on PW. From there, CSXT will move the cake to an EQ disposal site, one of the few directly on rail.

EQ has put in a bid for the main transportation and disposal to begin next year and like a handful of others is waiting to hear the Corps’ award [see above]. {ANR&P discussion 19.Aug.04}

NEW HAMPSHIRE

GRS/MBRX/AMTRAK

July, Wilton NH. **PIKE INDUSTRIES MOVED SOME GRAVEL VIA GUILFORD** from its quarry in Wilton, New Hampshire. [In 2003, GRS had not paid its bills and Pike had refused to supply more ballast. See 18 July 2003 issue.] Paul Pottle of MDOT’s project development office said on 6 August that the track improvement projects for the *Downeaster* along the GRS Freight Main [see 16 June issue] required additional ballast. CPM Constructors of Freeport ME, which is cooperating with Guilford on the track work, trucked in some ballast to lay under the temporary track in Kennebunk.

That ballast, per Pottle, sufficed for the temporary track, but did not meet Guilford standards for permanent ballast at the site where workers were emplacing flowable fill. GRS brought in six side-dump cars with gravel from Wilton for the new track. It also brought in some bottom-dump cars; Pottle did not know the source of that stone. {ANR&P discussion 6.Aug.04}

Peter Leishman, MBRX chief, confirmed that GRS had picked up six cars from Pike. “The trackage rights agreement I have with Guilford is still in effect.” [GRS has trackage rights to Pike, and MBRX has trackage rights to Granite State’s facility in Wilton. See 99#16.] {ANR&P discussion 6.Aug.04}

CPM role

Peter Krakoff, an official with CPM, said NNEPRA had hired CPM to do the earth-moving for the Kennebunk flowable-fill project. To obtain the stone from Wilton, CPM became the consignee; “I had to do a waybill,” which Krakoff had not done before. MBRX then released the cars to Guilford. [MBRX and GRS are still locked in a dispute over hours of access GRS will permit MBRX—see 17 March issue.] Krakoff expects to be billed for the stone. {ANR&P discussion 6.Aug.04}

VERMONT

VERMONT RAIL PLAN

30 August, Bellows Falls. **THE STATE WILL CONDUCT PUBLIC MEETINGS ON THE FORTHCOMING STATE RAIL PLAN** beginning this day. State officials and the consultant, R.L. Banks [see 17 March issue], will ‘introduce the study, its purpose, and present preliminary objectives and mission statements.’

Additional public meetings: 31 August, Middlebury; 1 September, St. Johnsbury. {e-mail to ANR&P from VAOT official Scott Bascom 17.Aug.04}

QUEBEC/MARITIMES

CAPE BRETON & CENTRAL NS

5 August, Sydney. ‘**A STRONG LOBBY COULD DO SOMETHING ABOUT THE RAILWAY LINE,**’ said New Democratic Party spokesperson Barbara Emodi. She was responding to the suggestion by John Morgan, mayor of the Cape Breton Regional Municipality (CBRM), that the government amend the province’s Railways Act.

The Nova Scotia House of Assembly might pass such an amendment, even if the Conservative Party minority government did not agree. Out of 52 seats in the House, the Conservatives hold 25, NDP 15, and Liberals 12. Thus the two opposition parties could, in theory, prevail over the Conservatives. Morgan suggested that the opposition should use this opportunity.

Morgan’s suggestion

In a 27 July letter to Premier John Hamm and the leaders of the NDP and Liberal caucuses, Morgan suggested the province amend the Railways Act so CBNS can’t abandon any part of its Sydney-to-Truro operation if the line as a whole is profitable. “I’ve made this request before, but we were in a majority government situation,” he said on 29 July. “Now we’re in a minority government situation and the opposition parties can protect the rail line.” {Matt Hunt Gardner in *Halifax Herald* 30.July.04}

[Clarke, the government’s minister for energy, made Morgan’s point in 2002, during the abandonment hearing—see 26 July 2002 issue. The Railways Act requires the Utilities and Review Board to hold a hearing on an abandonment and set a date, but current language does not permit the Board to prevent an abandonment—see 31 May 2002 issue.]

The position of the NDP

Frank Corbett, NDP Member of the Legislative Assembly (MLA) for Cape Breton Central, called Morgan’s suggestion “worthwhile and immensely supportable....if we lose the railway, we lose a vital piece of economic infrastructure.” His party will hold a caucus meeting on 18 August. As the chair of the caucus, Corbett could say that Morgan’s suggestion will be on the agenda for that meeting. NDP officials and staff will talk to Morgan, to the Council of CBRM, and to the staff. [In 2002, Corbett argued that both provincial and federal government should help the rail line, as they had retreated from the steel and coal industries which had supported it. See 31 May 2002 issue.]

How an NDP bill might pass

Corbett outlined two ways. First, the NDP could tell the government that it wanted to bring piece of legislation forward, “with [the government’s] blessing.” The government in turn might suggest a trade-off for a piece of legislation it wanted to pass. This way, said Corbett, is “a lot quicker and smoother.”

The other way would happen through a ‘private member’s bill’. The reigning government calls the business of the House and thus controls which bills are introduced. However, every Wednesday the opposition gets time. At that point, the NDP could introduce the amendment as a private member’s bill. But other parties are permitted to filibuster against such bills, and a filibuster can kill them.

Could the amendment gain the support of one or two member of the Conservatives, who would vote for it? No, said Corbett. “We vote as a bloc.”

The timetable

The House will reconvene in early autumn, said Corbett. If possible, the NDP would like to do the bill before the end of the

sitting this autumn, probably between 1 November and 1 December. If such an amendment passed, Corbett said, Nova Scotia would become the first province with that restriction on abandonment. {ANR&P discussion 5.Aug.04}

HALIFAX

30 July. **HALTERM VOLUME GREW 16% IN THE SECOND QUARTER**, to 33,386 containers, but down 12% from last year's comparable second quarter volume of 37,925 containers. The decline compared to the same quarter last year reflects the loss of business from Atlantic Container Line (ACL), and the discontinuation of Maersk/Sealand's North Atlantic Service. Last year's second quarter volume also included a one-time vessel call from Evergreen America Corporation due to a strike they experienced on the U.S. East coast.

"Strong growth in the volume of Mediterranean cargo, reduced operating expenses and an increase in vessel and terminal productivity were the main contributors to improved second quarter results," said President Doug Rose.

Financial results

Halterm generated C\$2.3 million in earnings before depreciation and taxes, versus C\$1.7 million on volume of 37,925 containers during the same quarter in 2003. Net income for the quarter reached C\$1.4 million compared to \$0.7 million last year; the 2003 results included a one-time charge of C\$0.6 million for severance and reorganization expenses following loss of ACL and Maersk business.

Halterm continues to pursue its legal options for indemnification against Newfoundland Capital Corporation Limited [see 5 March issue]. {Halterm press release}

PEOPLE

The **Maine Department of Transportation** is interviewing candidates to succeed Alan Bartlett as rail administrator. Rob Elder, head of the Office of Freight, estimated that person may be hired by the beginning of September.

Montreal, Maine & Atlantic Railway announced that effective 1 August, **Frederic W. Yocum, Jr.** became vice president finance and administration & CFO. A 37-year veteran of the railway industry, Yocum previously served MM&A as vice-chair, and president of MM&A's predecessor, Bangor & Aroostook System 2001-2003. He will step down from his board seat in accepting this position. Yocum earlier had a long career at CSX Transportation, Chicago & North Western Railway, and Iowa Interstate Railway. Yocum and his wife will move to the Bangor area; he had commuted between his home in Baltimore and Bangor up to now.

Gaynor L. Ryan became vice-president human resources. She had a nine-year career with Bangor & Aroostook System before becoming manager human resources of MM&A at its startup in January 2003.

Kelley M. Carter, former CFO, became assistant vice-president finance and administration. He also served at Bangor & Aroostook System for six years, and then as assistant treasurer & director of budgets and administration of MM&A at its startup. Bob Grindrod, President and CEO of Montreal, Maine & Atlantic said "these appointments greatly strengthen our management team. Fred, Gaynor and Kelly have been key players during MM&A's startup phase, and we are happy to recognize their achievements."

The appointments were made at the 28 July board meeting in Northern Maine Junction. {MMA press release; ANR&P discussion with Ryan 3.Aug.04}

Paul Hallett has become the operating manager of the **Belfast & Moosehead Lake Railroad**. Former chief mechanical officer of BCLR, Hallett worked for Edaville and, during the past 14 years while he handled plastics extrusion at Scandia in New Hampshire, he worked on steam at the Maine Narrow Gauge Railroad. {ANR&P discussion 20.Aug.04}

ATLANTIC NORTHEAST RAILS & PORTS

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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 unto itself.’

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E-ISSUE