

MRG, Inc. (Maine Rail Group)
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<http://mainerailgroup.org>

A non-profit group working to enhance rail service in Maine

May / June, 2010

Dear Members and Friends:

MRG, Inc. Annual Meeting and Train Ride – May 15th
Final Call

Thank you to all who have already registered for our annual meeting and train ride on May 15th. There's still time for those who haven't and a registration form accompanies this letter. Doors open at 10 am at the Amalfi Restaurant on the Rockland, Maine waterfront, followed by our business meeting at 11 am, luncheon at noon, guest speaker David A. Fink, President, Pan Am Railways at 1 pm. Our chartered Maine Eastern Railroad train ride leaves the Rockland Station at 2:30 pm for Wiscasset and return with side trip to the Rockland waterfront. The meeting, luncheon and train ride are open to members and non-members alike, subject to capacity. Please register ASAP to help with our planning. We look forward to seeing you May 15th!

Membership

Welcome aboard to new member Jack Norris of Hilton, NY.

MMA Abandonment

Montreal Maine and Atlantic Railway has filed with the Surface Transportation Board its intention to abandon 233 miles of railroad serving Maine's Aroostook County, potential stranding some 22 freight rail users and leaving the municipalities of Houlton, Presque Isle, Caribou and Ft. Fairfield without rail service. MMA states that the track mileage in question is unprofitable to maintain and operate at current levels of use (approximately 9,000 revenue cars per year or 39 cars per mile), and that its proportionate share of corporate debt can be relieved only by sale of that mileage or sale of track materials as salvage. MMA would retain its properties and service from Millinocket south and westward, plus an isolated segment between Madawaska and Van Buren connected to CN at St. Leonard, PQ.

State and regional development interests, together with rail-dependent shippers in Aroostook County stress the importance of continued and improved rail service for jobs retention and economic development of the region.

In response, the Maine Legislature and Governor approved on April 12 legislation sending to State voters

for approval in June a bond proposal providing up to \$21 million to acquire this corridor and tracks from the following funding sources:

- \$7 million in new bond money
- \$7 million from Maine's Budget Stabilization Fund
- \$4 million from earlier bond proceeds
- \$3 million from private shippers

Governor Baldacci issued an Executive Order on April 13 creating the Aroostook Rail Advisory Task Force, stating: "This Task Force will ensure that abandonment and acquisition process is done openly and in a way that protects the interests of Maine taxpayers. It will also work with the Department of Transportation and other interested parties to develop an operating plan once the railroad is purchased."

Excluding "WHEREAS's, text of the Executive Order follows:

"Purpose and Duties:

The Aroostook Rail Advisory Task Force, shall:

- Provide input to the State of Maine during the course of the STB Abandonment process to ensure that State interests are articulated and protected in a coordinated and effective manner;
- Ensure transparency in the acquisition process and in the issuance of a Request for Proposals to secure a Third Party Operator for rail service over the Corridor.

The State of Maine, working with the Aroostook Rail Advisory Task Force in connection with an acquisition, will ensure:

- That the State receives clear title to the land and track that make up the Corridor without assuming the financial obligations of the MMA;
- That the State receives a credit for previous state grants to be applied to the purchase price of the Corridor;
- That the purchase price is established by an independent analysis of the net liquidation value of the property right and assets to be acquired;
- That an assessment of current track conditions be performed and that appropriate applications be made for all available funding opportunities;
- That the State will seek cooperation and contributions from shippers utilizing the lines to sustain rail operations;
- That the acquisition will be conditioned upon the inclusion of permanent trackage rights from the MMA on the north and south ends of the acquired

lines to allow access to the interconnections at St. Leonard Station, southeast of Madawaska, and Brownville Junction; and

- That the State will solicit and secure a third party operator through a competitive process and oversee operations to ensure improved standards of service over the Corridor with appropriate equipment to run the service efficiently and essential ongoing investments in maintenance.”

“Membership and Support

The Task Force shall consist of thirteen members, seven of whom are appointed by and serve at the pleasure of the Governor. The Governor shall designate the Chair and Vice-Chair.

The Task Force Members appointed by the Governor shall include:

- The Commissioner of Transportation, or the Commissioner’s designee;
- Three representatives of economic development or business associations in Aroostook County;
- Two representatives of businesses that use the rail line subject to abandonment, recommended by those businesses; and
- One representative of a statewide business organization.

The President of the Senate shall appoint two members of the Senate, one from each of the two major political parties, and the Speaker of the House shall appoint four members of the House of Representatives, two from each of the two major political parties. At least four of the members shall be from Aroostook County. Members appointed by the President and the Speaker serve at the pleasure of their appointing authority. “

“Procedures

The Aroostook Rail Advisory Task Force shall meet at times and places called by the Chair. Members of the Task Force serve without compensation.

The effective date of this Executive Order is April 13, 2010.”

Apart from acquisition of the property, there is need to remedy deferred maintenance of these lines to restore safe, economical train speeds and improve competitive services. Maine Senator Susan Collins arranged for federal rail officials to meet with interested public and private parties to consider what federal help may be available to restore the lines to acceptable service standards.

Funds to acquire the 233 miles of MMA corridor in Aroostook County are part of a bond proposal totaling

\$57.8 million that includes other rail investments plus funds for highway, port and wind energy development. Assuming the public approves this bond in June, negotiations among the MMA, State of Maine, shippers and potential alternative operators of the lines will follow. While the outcome remains uncertain at this stage, mechanisms are in place that are aimed at preserving and improving rail service in northern Maine.

\$9 Million in June Bond for Other Rail Projects

Maine’s June bond proposal includes \$5 million for rail improvements in the Lewiston – Auburn region and \$4 million toward restoration of service on the Mountain Division.

- The proposed \$5 million investment for the L-A region involves acquisition of that part of the St. Lawrence & Atlantic Railway corridor from Yarmouth Junction to Danville Junction. The State previously acquired the SL&A track between Portland (Deering) and Yarmouth Junction. Another part of this \$5 million request would fund acquisition of the vacant right-of-way of the former Portland and Rumford Falls RR (later Maine Central RR) between the SL&A main line from a point in Minot northwest of Lewiston Jct. to the present Lewiston-Auburn Railroad near West Hardscrabble Road in Auburn. Private participation is envisioned to further develop rail infrastructure near the present Auburn intermodal freight terminal to expand freight operations, while relieving a one-mile segment of the present L- A Railroad for passenger train access to a future Auburn terminal. Both parts of the current proposal are steps toward future passenger rail service between Portland and L-A.

(Ed. Comment) In related news, a web posting for NNEPRA’s March, 2010 Board meeting notes that Amtrak is currently assessing the requirements for Downeaster service to Auburn. A key element of such study is to define the focus of proposed service. Will it be regional or commuter in nature? Regional emphasis suggests accommodation of passengers traveling to and from points south of Portland, plus future extensions to Bethel and beyond. Commuter emphasis must take into account train capacities and schedules dictated by business hour convenience and flexibility, door-to-door access with elapsed times and costs competitive with other modes, and parking to attract commuters from outlying suburbs.

- The \$4 million bond money slated for the Mountain Division would presumably apply toward restoring missing track on the State-owned corridor between Westbrook and South Windham; also to correct

points of trail-induced damage to Mountain Division track sub-structure - as essential first steps toward restoring active service via Portland.

Refrigerated Container Rail Service

These letters have previously noted the introduction of refrigerated rail services between Washington State and Rotterdam, NY by UP and CSX using modern reefer cars in unit trains. More recently similar service was added between southern California and Mechanicville. NS has announced refrigerated rail service between the west coast and Atlanta, Georgia.

Now, Rail Logistics, Columbia Colstor, LaGROU Distribution (i.e. Chicago Cold Storage) and the Port of Quincy, WA have announced a new expedited 4-day refrigerated, doubled stacked container intermodal "Cold Train" service between Quincy and Chicago, available up to six days a week, depending on demand. (<http://www.icoldtrain.com>).

According to the company's April 6 news release, the service will connect growers and producers in the Pacific Northwest and Midwest with an intermodal pipeline between two of the largest cold storage and distribution operators. Pat Lombard, the General Manager of Chicago Cold Storage (a business unit of LaGROU Distribution) says "the Cold Train Program will not only enhance efficiencies in refrigerated commerce in the Pacific Northwest and the Midwest, but eventually throughout the entire USA, which will benefit perishable shippers all over the country." The Port of Quincy's formal Grand Opening event for the new "Cold Train" Intermodal Service is April 20, at their Intermodal Terminal.

BNSF will move the reefer containers between Quincy and Chicago, initially attached to their regularly scheduled intermodal trains, according to web-posted speculation.

North American Freight Rail Traffic Is Sharply Up

The following article was posted 4/19/10 by RailResource (<http://www.railresource.com>).

All Carload Commodities See Traffic Gains, April 16, '10

On April 15, the Association of American Railroads (AAR) reported that freight traffic on U.S. railroads was once again up sharply for the week ended April 10, 2010 compared with the same period a year ago. U.S. railroads originated 288,495 carloads during the week, up 16.4% from the comparable week in 2009, with all 19 carload commodity groups showing increases from last year. Volume was, however, still down 12% compared with the same period in 2008.

Intermodal traffic totaled 203,549 trailers and containers, up 14.2% from last year but down 10.5% compared with 2008. Compared with the same week in 2009, container volume increased 18.2%, but trailer volume slipped 4.8%.

Carload volume gained 16.9% from last year on Eastern railroads and 16.1% on Western carriers, but it still remained below 2008 levels.

Among the commodity groups, strong gains were reported in shipments of metals (108.6%), metallic ores (97.6%), primary forest products (54.4%), scrap (54%), motor vehicles (35.5%), and chemicals (26%).

Canadian railroads reported 74,686 carloads for the week, up 31% from last year, and 44,046 trailers or containers, up 17.4% from 2009. For the first 14 weeks of 2010, Canadian railroads reported cumulative volume of 1,008,429 carloads, up 16.9% from last year, and 612,783 trailers or containers up 8.1% from last year.

Mexican railroads reported 14,313 carloads, up 68.7% from the same week last year, and 6,566 trailers or containers, up 76.2%. Cumulative volume on Mexican railroads for the first 14 weeks of 2010 was reported as 187,132 carloads, up 22.7% from last year; and 90,110 trailers or containers, up 39.5%.

Combined North American rail volume for the first 14 weeks of 2010 on 13 reporting U.S., Canadian and Mexican railroads totaled 5,074,684 carloads, up 6.2% from last year, and 3,533,673 trailers and containers, up 9.3% from last year.

2010 New England Rail Forum & Expo

This annual function was sponsored by the New England Railroad Club in Worcester, MA on March 23rd. Morning events featured displays of equipment, demonstrations and a seminar on locomotion at the Providence & Worcester Railroad Enginehouse. Over 50 exhibitors displayed their products and services throughout the afternoon at the DCU center, with two hour-long seminars in the afternoon: **Positive Train Control – How We Will Get to 2015?** and **Historic Gateways – How States and Entrepreneurs Are Rejuvenating New England's Railroads**. Charles Hunter, Regional VP of State Relations for RailAmerica, and New England Railroad Club President spoke at the evening session on ARRA rail funding New England Central Railroad that will help improve running times for Amtrak's Vermonter in western New England.

MRG, Inc. attended these events represented by Russ Barber and Jack Sutton, where we enjoyed the

opportunity to network with railroad professionals, display and sell New England Railroad maps and attend the seminars.

Portland / Boston Passenger Trains – Then and Now

The April 2010 issue of "The Call Boy", monthly newsletter of Massachusetts Bay Railroad Enthusiasts, Inc. includes an interesting history of the route(s) traveled by trains between Boston and Portland on a mile-by-mile basis (pages Z-9 & Z10). It also features "Timing the *Downeaster* – Eight Years Later" – tables of scheduled and actual times for the *Downeaster* between Portland and Boston's North Station for 3/28/10, compared to its current timetable and to 1/31/02. It contrasts these *Downeaster* schedules with five older timetables in each direction for Boston & Maine passenger trains ranging from 4/25/1937 (*Kennebec* steam north, *Flying Yankee* south), through 1/7/64.

Running times between Boston and Portland range from 1:54 (hr/min) for the *Flying Yankee* in 1937 to 2:44 actual for a Portland – Boston run on 3/28/10, versus the current schedule of 2:25 in each direction. (As an aside, this writer rode the 5:00 pm *Downeaster* from Boston to Portland on 4/17/10, arriving at the platform with a substantially full train within one minute of its posted 7:25pm schedule.)

Reasons for the variance between *Flying Yankee* and present day schedules include route differences, numbers of station stops and speeds. The 1937 *Flying Yankee* schedule shows three intermediate station stops vs. six for the *Downeaster* (seven in summer). The FY traveled the then-double track Western route between Wilmington Jct. and Boston, compared to today's *Downeaster* diversion to the Lowell line at Wilmington Jct. via the speed-restricted "Wildcat". Further, the FY was allowed speeds to 90 mph compared to today's limit of 79 mph available on some sections north of Plaistow.

Flooding Disrupts Rail Services

Severe flooding and winds hampered rail services throughout southern New England during early April. Northeast Corridor service between Boston and New York was interrupted by high water in Rhode Island. Pan Am Railways re-routed freight trains between Maine and points west via MBTA tracks through the Boston area to avoid water covered tracks east of Ayer, MA. Housatonic Railroad experienced a 30-foot washout of its main line near Pittsfield.

DiscoverRail – 2010

MRG, Inc. participated in *DiscoverRail - 2010* sponsored by Mass Bay Railroad Enthusiasts, Inc. at Boston South Station on April 17th with Russ Barber and Jack Sutton manning the display. It was an opportunity to interact with representatives of New England tourist railroads and museums and to catch up on their activities. We also offered our maps and received information that will help in our next map revision. We appreciate MBRE's invitation to display in this annual event.

NEARS Meeting

The North East Association of Rail Shippers meeting will be held in Newport, RI on April 22 and 23. Panel topics include economic overview, security, CSX "Redi" program, short lines and intermodal. MRG, Inc. attends these meetings when possible to gain insights and background on major freight transportation issues from railroad professionals. We will report on this NEARS meeting proceedings in our next newsletter.

Progress Claims Turntable at White River Junction

During March the Hartford (Vermont) Historic Preservation Commission contacted MRG, Inc. seeking help to find a new home for the turntable bridge at the former Central Vermont Railway roundhouse in White River Junction, VT. That building burned in November, 2008 and the roundhouse site is being rebuilt to its original footprint as an office/warehouse. The turntable pit was to be filled and paved for vehicle access. Need to remove the 100-foot bridge was urgent since it would otherwise be scrapped. We contacted a representative of the National Railway Historical Society who agreed to spread the word quickly. Unfortunately, further word from Vermont soon followed that the turntable had already been removed and scrapped. Progress thus claimed another artifact of New England steam railroading that has vanished into history.

Mark Your Calendars

- **MRG, Inc. meeting dates for 2010:**
Saturday, May 15 (Annual Meeting and Train Ride, Rockland, ME); Friday, July 30; Friday Sep. 24; Friday, Nov. 19 (location to be announced)

Except for the Annual Meeting, we normally meet at 7 pm at the Hallowell City Hall. Please check in advance for last minute changes.

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MRG, Inc. is a non-profit corporation dedicated to railroad education and to enhanced rail services in Maine and New England. Membership is open to everyone who shares our goals and interests. Annual dues are \$25. Regular meetings are bi-monthly. Inquiries are welcome.