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Kristen Nunnally
Surface Transportation Board
395 E. Street, NW
Washington, DC 20423-0001

Re: Docket No. EP 670 (Sub-No.2)
Opposition to nomination of Alfred P. Smith to Rail Energy Transportation
Advisory Committee as an at large representative.

Introduction:

For the record my name is Steven Connolly and I'm a lifelong resident of Bethlehem, New Hampshire. I'm stating this clearly and upfront: All of my submissions to this docket are from the "*outside looking in.*" I do not know Mr. Alfred P. Smith and he does not know me. All of my submissions to this docket are from my experience(s) serving as an appointed and later an elected official in New Hampshire during the resume tenure of Mr. Smith particularly on the St. Lawrence & Atlantic Railroad.

In 1987 I was appointed to the North Country Council Transportation Committee (Regional Planning- NH State Rail Plan). In 1990 I was a volunteer advocate for Train Riders Northeast (Boston-Portland Amtrak Service), and finally in 1994 I was elected to the New Hampshire House of Representatives for Grafton County District One which included the towns of Bethlehem, Littleton and Monroe. I was assigned to the Transportation Committee. My submissions include conversations I've had with rail and paper industry officials and studies I've completed on my own of the financial statements and operations of Northeastern railroads from the Stagger's Deregulation Act of 1980 to the present times.

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Submission I- Precision Scheduled Railroading.

In his application for consideration Alfred P. Smith 1997-1998 states his involvement with CEO Hunter Harrison's initial Precision Scheduled Railroad (PSR) implementation.

It does not take much time or in-depth research to see some of the real issues and dangers associated with PSR and what its "implementation" has done to this industry. There are examples everywhere, but I think the most graphic is the incident in East Palestine, Ohio and the Norfolk Southern. I think some words of the Brotherhood of Locomotive Engineers say it best about the implementation of PSR, "train crews and equipment are being pushed so hard that the wheels are falling off."

Alfred P. Smith provides absolutely no explanation as to what he implemented and how he implemented it relative to PSR and the railroad industry. But I submit that evidence of PSR in the railroad industry demonstrates whatever he implemented, it wasn't good.

Submission II- Leadership Claims.

By way of history and background by 1988 the historic paper industry across northern New Hampshire was entering a period of decisive change. It would prove to be disastrous and the eventual destruction of once world class manufacturing facilities that employed thousands and defined the very communities they were located in which were; Groveton, Berlin and Gorham. There are many moving pieces and geopolitics to the decline and fall of this industry, but I submit that the railroad industry did in fact have a role.

The reality at this time is that less paper was being produced. The mills in question were served by three railroads and a trucking company that was under the umbrella of a substantial state loan guarantee. Competition for the remaining and declining business was ever present.

The first railroad line was the Boston & Maine Berlin Branch which ran north from White River Junction, Vermont to Berlin, Gorham with a sub branch to Groveton. The B&M switched the Groveton mill. The second line was the Canadian National Grand Trunk Eastern Line which ran east from Norton,

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Vermont through Groveton, Berlin and Gorham to a later terminus at Danville, Junction, Maine. The third railroad was the much smaller Berlin Mills Railway which provided switching to its mill owners in Berlin and Gorham.

Mr. Alfred P. Smith states as President and Chief Operating Officer 1981-1997 led the "acquisition team for the Corporation." These included the St. Lawrence & Atlantic, Berlin Mills, Maine Intermodal Transportation." Smith provides no substance as to these acquisition(s), whether they were effective, or forced, whether he himself did the acquisitions or Bob Grossman, Principal at Emons and other issues. Such as: the use of paid consultants, rumored to have been paid for by the CN and used to convince the owners of the declining paper mills to focus their remaining resources on the CN-GTE line, later the SLR and dump the use of the Boston & Maine line and resulted in abandonment of the B&M line and I strongly believe the ending of any real commodity based economic development potential anywhere in northern New Hampshire.

I'm making a similar argument for the constructed Maine Intermodal terminal in another declining mill town(s) of Lewiston-Auburn, Maine. Smith does state exactly what his role was in the development of Maine Intermodal or whether it was the office of U.S. Senator Olympia Snowe (R-Maine) and Bob Grossman, Principal at Emons that made this risky terminal project happen. I think history now shows, or at least questions whether this intermodal terminal was/is a good deal for Maine taxpayers, whether traffic levels and commerce are anywhere at the levels to support such a facility state subsidized or not.

Conclusion

I've used my experience, rumors and speculation as a fundamental part of this submission but my experience from a small- town perspective is that if ¼ of these rumors have any real basis. This will be enough to cast some light into the darkness and questions that surround Mr. Alfred P. Smith and his application before your regulatory board. Unless some of these questions can be answered believe this demonstrates why Mr. Alfred P. Smith is an unsuitable candidate and his application should be denied.

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Respectfully Submitted,

Steven Connolly

Enclosure: Precision Scheduled Railroading.

Certification:

I certify, Steven Connolly that I have sent a copy of this exact submission to the party of record, Mr. Alfred P. Smith, 6746 Cottage Court, Petrosky, MI 49770 via U.S. Mail Regular Delivery.