

Granite State Concrete, Inc.

MILFORD, NH · LOWELL, MA · WAKEFIELD, MA · AMESBURY, MA · WESTFORD, MA

245806

May 24, 2018

Ms. Cynthia Brown
Chief, Section of Administration
Office of Proceedings
Surface Transportation Board
395 E Street, S.W., Room 1034
Washington, DC 20023 – 0001

ENTERED
Office of Proceedings
May 25, 2018
Part of
Public Record



Re.: Docket No. AB 1256

Boston and Maine Corporation and Springfield Terminal Railway Company – Application
for Adverse Discontinuance of Operating Authority – Milford - Bennington Railroad
Company Inc.

Dear Board Members,

We are writing to the Board in opposition to the proposed adverse discontinuance of the Milford Bennington Railroad Company's operating authority over a section of Boston & Maine Corp. / Springfield Terminal (a.k.a. Pam Am Railways) Hillsboro Branch between mile posts 11.00 and 16.36 in the towns of Milford and Wilton, New Hampshire.

Over a period in excess of 25 years Granite State Concrete Co., Inc. has shipped almost 60,000 rail cars of crushed stone between our quarry site in Wilton, NH and our processing site in Milford, NH. This was part of our commitment to the community to minimize heavy trucking on the local Town and State roadways. As part of this commitment we invested heavily in rail related infrastructure including sidings at each site and rail car loading and unloading systems. We purchased and maintained locomotives, cabooses and rail cars. We have contributed to rehabilitate projects on the State owned portion of the line. We have paid all required shipping fees when due. In light of this we have a keen interest in the continued operation of the Hillsboro Branch.

The portion of the Hillsboro Branch that connects our plant locations includes less than 3 miles of track owned by the State of New Hampshire and less than 3 miles track owned by

READY MIXED CONCRETE · WASHED SAND, GRAVEL AND STONE

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WESTFORD, MA (978) 251-9669

Pan Am. The service on this portion of line is provided by Milford Bennington Railroad (MBRR). The railroad moves crushed stone from our quarry/production site in Wilton, NH to the site of our final production plant in Milford, NH using a dedicated 10 rail car train that typically makes several trips between the sites per day. The two plants work in conjunction with each other in an assembly line fashion. In order for this system to function efficiently there is a need for a steady, constant supply of material between the two plants which necessitates multiple daily rail deliveries during the production season. As a result, our need for rail service is extremely time sensitive. A rail delay of only a few hours results in a shutdown of one or both plants until service resumes. In spite of the strict time demands that we place on our rail service, Milford Bennington Railroad has consistently responded to our needs.

Owing to the seasonal, cyclical and market dependent nature of our business the services provided by MBRR have been in the nature of custom, on demand response to our varying schedules. In this regard MBRR has been very responsive.

The MBRR has provided this service at a rate this is competitive with other alternate modes of transportation. This is an important consideration due to the fact that we move bulk materials that have a relatively low value per ton.

As an additional service, included in the rate, MBRR has historically provided the labor required to both load and unload the rail cars at our sites. This requires MBRR to provide employees who have been trained and certified to work at our sites as per the requirements of the Federal Mine Safety and Health Administration.

With regard to the relationship between MBRR and Granite State Concrete Co., Inc. it is no different than that between any good supplier or vendor and a good, major customer. Here the vendor services the special needs and responds to the requests of a steady regular customer and is compensated accordingly. Without the revenue provided by Granite State the Hillsboro Branch may have gone dormant many years ago. This has not, however precluded other shippers from using the line. In the past Pan Am has serviced the Quinn quarry which is located on the State owned portion of the Hillsboro branch.

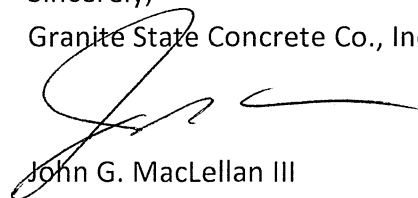
As part of its discontinuance proposal Pan Am promises service that is "as timely and efficient as the existing service" by providing connecting service and interchange in Wilton. The proposal involves the switching of railroads, engines and crews in Wilton to complete a move of less than six miles. It seems obvious that the complicated multi-stepped proposed "joint movement with interchange in Wilton" will result in unnecessary daily delays and create a reduction of daily service. Any reduction in daily service levels will disrupt our "assembly line"

type of operation. We can only use rail service if we can be assured a steady flow of material to the processing plant on a daily basis.

Pan Am as part of their discontinuance proposal refers to an operation plan which includes a scheme to deliver cars to Granite State then continue to Nashua and then return on the next day to pick up the cars at Granite State. Using this procedure it would be impossible to deliver 3 or 4 trains to Granite State as is needed in an average day. In another part of the operating plan Pan Am suggests that they will provide two trains per day and "will wait for it to be unloaded". With our current services the MBRR seamlessly and efficiently provides loading and unloading service which saves time and allows for the maximum possible number of trips per day. Pan Am's description of the interchange process in Wilton indicates that they will "cut away their engine" and then have MBRR "tie on to the train and continue north" resulting in an unnecessary and illogical waste of time and effort which will ultimately result in reduced service and less efficiency.

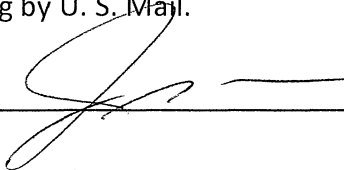
As related above, in light of the past record of service and responsiveness it is our preference that MBRR continue to provide service between our locations in Wilton and Milford NH. Based on the logistics proposed by Pan Am we do not believe that service levels can be maintained much less improved. With regard to our needs as a shipper we are concerned that Pan Am never contacted us to discuss our requirements before proposing an unnecessarily complicated shipping plan. Primarily for these reasons we ask that the Board deny the adverse discontinuance request referenced above.

Sincerely,
Granite State Concrete Co., Inc.



John G. MacLellan III

I certify that I have this day served copies of the document upon the Parties of Record in this proceeding by U. S. Mail.

Signature:  _____

Date: 5-24-18