

# MAINE STATE LEGISLATURE

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STATE OF MAINE  
EXECUTIVE DEPARTMENT  
PUBLIC ADVOCATE OFFICE  
112 STATE HOUSE STATION  
AUGUSTA, MAINE  
04333-0112

JOHN ELIAS BALDACCI  
GOVERNOR

STEPHEN G. WARD  
PUBLIC ADVOCATE

February 6, 2006

Senator Philip L. Bartlett II, Senate Chair  
Representative Lawrence Bliss, House Chair  
Joint Standing Committee on Utilities and Energy  
122<sup>nd</sup> Maine Legislature  
100 State House Station  
Augusta, Maine 04333

Senator Dennis Damon, Senate Chair  
Representative Boyd Marley, House Chair  
Committee on Transportation  
122<sup>nd</sup> Maine Legislature  
100 State House Station  
Augusta, Maine 04333

RE: Annual Railroad Service Quality Report

Dear Senators Bartlett and Damon and Representatives Bliss and Marley,

In compliance with the recently-enacted provisions of Section 1711 of Title 35-A and the reporting requirement established by Section 1711(6), we hereby forward for the review of the Utilities and Energy Committee and of the Transportation Committee the first annual Railroad Service Quality Report. This service quality report presents information generated by two successive quarterly surveys of freight shippers in Maine and the 66 responses that the surveys elicited. Because the provisions of Section 1711 took effect in September 2005, there have been only two surveys undertaken to date, as of September 28, 2005 and December 22, 2005.

Thank you for the opportunity of providing information about how freight shippers evaluate the adequacy of railroad service in Maine. I am available to respond to questions from Committee members at your convenience.

Respectfully submitted,

Stephen G. Ward  
Public Advocate

SGW/dt

cc: Sen. Scott W. Cowger  
Rep. Herbert Adams  
Rep. Christopher W. Babbidge  
Rep. Kenneth C. Fletcher  
Rep. Philip A. Curtis  
Rep. Everett W. McLeod, Sr.

Sen. Carol Weston  
Rep. Peter L. Rines  
Rep. John R. Brautigam  
Rep. Maitland E. Richardson  
Rep. Stacey Allen Fitts  
Sen. Bill Diamond

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Sen. Christine R. Savage  
Rep. Rosaire "Ross" Paradis, Jr.  
Rep. George W. Hogan, Sr.  
Rep. Terrence P. McKenney  
Rep. William P. Browne  
Linda Lockhart, Preti, Flaherty  
Rob Elder, DOT

Rep. Charles D. Fisher  
Rep. Sonya G. Sampson  
Rep. Edward J. Mazurek  
Rep. Ronald F. Collins  
Rep. Douglas A. Thomas  
Dick Davies, OOG  
Steve Hudson, Hudson & Co.

Report of the Public Advocate on Railroad Service Quality  
3<sup>rd</sup> and 4<sup>th</sup> Quarters 2005

**A. INTRODUCTION**

Under recently-enacted provisions of Maine Law, the Public Advocate's Office is required annually to submit, no later than the first Monday in February, an annual report with the following information:

- A. A summary of railroad freight service quality data collected under subsection 2 and any actions taken pursuant to subsection 3;
- B. An evaluation of the effectiveness of any actions taken under subsection 3 and the need for the authority granted under that subsection, together with any recommendations for modifications to that authority; and
- C. An accounting of expenditures from the fund, prospective funding needs and any recommendations for changes in funding levels. (35-A M.R.S.A. Section 1711(6))

Subsection 2 of the law reads as follows:

- 2. **Tracking service quality.** The Public Advocate shall collect data on the quality of railroad freight service in this State. The Public Advocate may conduct surveys or employ other methods to gather information provided on a voluntary basis by shippers. The Public Advocate shall collect and organize the data in accordance with a performance matrix designed to measure service quality. The Public Advocate shall consult with the Department of Transportation and with shippers in developing the performance matrix. On a schedule mutually acceptable to the Public Advocate and the department, the Public Advocate shall provide to the department regular reports on the quality of railroad freight service based on data collected pursuant to this subsection. The Public Advocate shall report the data in a manner that is consistent with subsection 4. Reports provided pursuant to this subsection are public records.

Subsection 3 of the law reads as follows:

- 3. **Authority to take certain actions.** In order to enhance and promote railroad freight service quality in this State the Public Advocate may:
  - A. Provide information to federal, regional and state agencies, groups and organization and monitor federal and state regulatory actions of interest to Maine shippers;
  - B. Provide advice and assistance to shippers;

- C. With the consent of the parties, facilitate or mediate railroad freight service disputes; and
- D. Take any other appropriate actions consistent with the purposes of this section.

The law also provides, at Section 4, for the treatment as confidential information any survey response that would reveal the identity of a shipper and, at Section 4, for a \$20,000 transfer from the Department of Transportation to cover all costs associated with these new responsibilities.

## B. SURVEY METHODOLOGY

The Public Advocate staff sent out 112 surveys in September and 107 surveys in December to businesses in Maine that regularly ship freight on railroads doing business in Maine. The survey questions on each occasion were identical and consisted of the following questions:

In the 3-month period ending December 31, 2005, please identify how many events in the following categories occurred, by railroad. Please identify each railroad by initials in one or both of the columns below, selecting from the following: EMR (Eastern Maine RR), SMO/MER (Maine Eastern RR), MMA (Montreal Maine & Atlantic RR), NBSR (New Brunswick Southern RR), SLAR (St Lawrence and Atlantic RR), GRS/ST (Guilford Rail System/Springfield Terminal):

	Railroad	Railroad
	<u>X</u>	<u>Y</u>
1. <u>Late placements/on-time placements</u>		
• Number of on-time placements (occurring on the date for which ordered), of in-bound loads or cars released by shipper	_____	_____
• Number of late placements	_____	_____
• Average number of days late (total number of late days divided by total late placements)	_____	_____
2. <u>Cars requested/cars rejected by customer</u>		
• Number of empty cars requested in quarter	_____	_____
• Number of empty cars actually delivered	_____	_____
• Number of empties rejected for any reason	_____	_____
• Number of full cars requested in quarter	_____	_____

- Number of full cars actually picked up or delivered \_\_\_\_\_
- Number of times service was requested and not provided at all (as opposed to delayed) \_\_\_\_\_
- 3. Number of complaints
  - Number of individual complaints regarding service problems in Maine, other than a request for a switch or a car \_\_\_\_\_
  - Number of contacts with personnel of a Maine railroad concerning service problems \_\_\_\_\_
- 4. Other comments \_\_\_\_\_

These questions and the survey format generally resulted from consultations between the Public Advocate and his staff and individual freight shippers who comprised an informal association of rail consumers. The Public Advocate also consulted with the Office of Freight Transportation at Maine's Department of Transportation. Meetings with individual freight shippers occurred in Portland on June 23 and in Portsmouth on July 19, 2005.

The surveys identified four railroads (Eastern Maine Railroad, Montreal Maine and Atlantic, New Brunswick Southern, St. Lawrence and Atlantic and Guilford/Springfield Terminal) in the first quarterly survey. By inadvertent omission, a fifth railroad providing shortrail service on Maine-owned tracks from Brunswick to Rockland - Maine Eastern Railroad - was not included in the first survey (3<sup>rd</sup> Quarter 2005) but was included in the second (4<sup>th</sup> Quarter 2005). All five railroads will be covered in subsequent quarterly surveys.

### C. SURVEY RESULTS

The survey instrument itself is attached as Attachment III, page 5 and is preceded by letters to shippers introducing the surveys and requesting responses (Attachment III, pages 1 through 4). A tabular presentation of "Survey Results: 3<sup>rd</sup> Quarter 2005" is found at Attachment II, pages 1 and 2 while "Survey Results: 4<sup>th</sup> Quarter 2005" is presented as Attachment II, pages 3 and 4.

A matrix presenting survey results for all five railroads doing business in Maine for the 3<sup>rd</sup> and 4<sup>th</sup> Quarters, 2005 is found at Attachment I, page 2 and an overall summary of survey highlights is presented as Attachment I, page 1.

Overall, Guilford/Springfield Terminal ranked poorest of all railroads surveyed in the 3<sup>rd</sup> and 4<sup>th</sup> Quarter of 2005, ranking lowest in five categories. Montreal Maine and Atlantic ranked lowest in two categories while Maine Eastern Railroad ranked lowest in one category.

In addition to the statistical information presented in Attachments I and II, the survey results also incorporated written comments about individual railroads. All individual comments have been redacted to remove information that could identify the business providing the comments in compliance with subsection 4 of Section 1711 and its requirement of anonymity for survey respondents.<sup>1</sup>

The following is a brief compilation of noteworthy comments about individual railroads. We should emphasize that this survey effort has just begun and the initial responses of survey respondents may not fully capture public sentiment about the adequacy of service quality or comparative performance of freight railroads. It is equally true that, while the survey response rate at 30% has been robust, there conceivably are many shippers with strong opinions about service performance (positive or negative) who have yet to respond to a Public Advocate quarterly survey.

Here is a selection of verbatim comments concerning Montreal Maine and Atlantic Railroad:

- I've had excellent co-operation with this RR since I took over as manager of \_\_\_\_\_ 1 1/2 years ago.
- Not many problems during this 3-month period. Generally problems occur November-March.
- We have no issues, good communication with MMA at the \_\_\_\_\_ and on the ground. Bob Thomas does a great job working with us to keep us informed and address issues. We hope to expand our use of their service.
- No problems or complaints.
- Had problems with bill of lading and proper billing terms.
- MMA service fair to good. Has trouble with large, steady volumes. Poor winter engines and snow plowing ability.
- They have been late getting cars to us at times and we have had to ship trucks [for] which the freight is high. MMARR is very quick to charge demurrage but very slow at times on service which has caused us to use trucks which charge higher in freight thanks to the RR. But we have to pay it to keep our customers supplied. It cost us \$4,350 to ship 60 tons by truck which is 3 loads compared to \$1,900 by rail which hauls 78 to 90 tons of \_\_\_\_\_. In my opinion we shouldn't have to pay demurrage at all if the railroad can't deliver service to us.
- MMA is not prepared to deal with snow storms - NO service during week of December 26-31 due to storm!! MMA has many engine failures which prevent service.
- They place and we load. No late placements. No cars rejected. No complaints.
- No complaints.

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<sup>1</sup> 4. **Protection of persons supplying information; confidentiality.** In order to encourage shippers to provide information to the Public Advocate under this section, the Public Advocate shall institute procedures to preserve the anonymity of shippers that provide railroad freight service quality information to the Public Advocate. Those portions of records obtained or kept by the Public Advocate pursuant to this section that the Public Advocate determines would reveal the identity of a shipper that provides information to the public under this section are confidential and are not public records pursuant to Title 1, Section 402, subsection 3, paragraph B. If the Public Advocate determines that disclosure of information that would reveal the identity of a shipper would assist the Public Advocate in achieving the purposes of this section, the Public Advocate shall, prior to the disclosure, notify the affected shipper to allow the shipper to discuss the proposed disclosure. If the affected shipper objects to the disclosure of the information, the Public Advocate may not disclose the information.

- Getting cars from Canada is always a delay and paperwork takes 7 days sometimes.

Here is a selection of verbatim comments concerning St. Lawrence and Atlantic Railroad:

- It's the CN Railroad we have issues with. We receive approximately 6 boxcars per year that arrive late. The bulk cars are fine.
- Has provided excellent service.
- This is for 2 warehouses in \_\_\_\_\_.
- Has been doing a great job this year.
- Intermodal equipment availability is a continuing issue.
- Does a great job and I am a big customer of theirs.
- Wintertime efficiency is the major issue.
- We only receive full cars and they come in on a timely manner in the summer, the winter is a different story.

The largest number of comments concerned Guilford Rail System/Springfield Terminal. Here is a selection of verbatim comments concerning Guilford:

- This service was very poor beginning early December through end of year holidays -- as far as inbound commodities we don't keep problem/issue documentation. Materials such as \_\_\_\_\_ and \_\_\_\_\_ are delivered to \_\_\_\_\_ from Portland. These moves are under the direct control of Guilford. All other commodities come from a variety of areas around the country. Over the course of the last several months our inbound commodities service has worsened. We have reverted to spending quite a bit of time tracking commodities on a daily basis and have daily interaction with personnel from ST to coordinate efforts and prioritize needs. Problem began Thanksgiving holiday 2005 and has lasted through January 2006. We are finally getting back into what I hope is better service and consistent deliveries. The movement of commodities via the railroad efficiently and effectively is absolute critical to Maine's economic infrastructure. I am hopeful that industries may some day consider locating and expanding in; the State of Maine if rail service is improved.
- ST service: poor, cannot count on service. Moves seem to be unpredictable. Requested cars that come late.
- We could increase our \_\_\_\_\_ traffic from 200 carloads per year to 500 with improved service. Cars are hung up on the ST in Portland, Lowell, Deerfield. The equipment or personnel - hurting Maine economy.
- Do not track personnel problems with this RR because it would be daily effort and also do not track the complaints on switching since this is a daily concern/issue. Other problems include: 1/car delays in both directions; excessive dwell in ST yards; multiple derailments affects company shipments; inconsistent service impacting facility operating efficiency; bad ordered repair delays; billing/routing errors.
- On no service/late service days we still had crews scheduled 23/7. We have lost customers with poor service. We have \_\_\_\_\_ locations in separate cities that are \_\_\_\_\_ served by GRT/ST. At location \_\_\_\_\_ rail service we requested \_\_\_\_\_ for the 3 month period (28 late placements of \_\_\_\_\_ requested). Rail service we requested \_\_\_\_\_ placements and 4 were late placements.

- We were off loading on average on 12 bulk railcars of \_\_\_\_\_ per week, plus one carload of \_\_\_\_\_ each week during our peak seasons. We relied heavily on GRT for timely service or just plain service for that matter, however; the problems and excuses were too great to track. I tried to track problems with their performance but I found I was wasting way too much of my time on phone calls and spreadsheets as their problems continued and were never addressed. On many occasions our production lines were nearly stopped because of a lack of materials to produce due to GRT's broken promises! There were way too many examples to cite. Our company made the decision to discontinue the use of railcars because of the issues and we have been transporting our \_\_\_\_\_ by \_\_\_\_\_ truck from our supplier in \_\_\_\_\_. We have been using this method of transport for the past \_\_\_\_\_ months or so and it has proven to be more reliable and a better fit for our needs. We do currently receive \_\_\_\_\_ of \_\_\_\_\_ every \_\_\_\_\_ weeks only because of logistics issues, and still the service is not reliable for this product. It is unfortunate that we have a nice rail spur entering our property with \_\_\_\_\_ service lines and \_\_\_\_\_ unloading stations for railcars that is going unused.
- Inconsistent service, unreliable service during this period.
- The advent of the \_\_\_\_\_ has impacted our location and setting of cars has been even more sporadic since that service began. During my time in transportation management we had countless meetings with senior representatives of ST to attempt to create a standard operating procedure and to this date none exists. To say the least, ST has cost our Companies uncountable hours of lost labor, production time, unsatisfied customers, and ultimately reduced our ability to do business. It is our understanding that the railroads serving the \_\_\_\_\_ area are regulated and protected by the Interstate Commerce Act and as such are also expected to deliver a reasonable delivery service. My sense of ST Co. is that their needs come 1<sup>st</sup>, 2<sup>nd</sup> and 3<sup>rd</sup> and the paying customer will be served later. I hope the data collection effort will motivate a quality improvement in rail service. Years of pleading has not worked.
- Due to inability to move or place cars, we have had to cancel plans to expand our business by rail in Maine.
- All service by GRS is good.
- \_\_\_\_\_ railcars had to be delivered into a warehouse, off loaded and trucked to destination. As far as inbound commodities, we don't have problems. Over the course of the last 2 months, inbound commodity service has been surprisingly good. Still keep higher inventory levels than we really need due to past service issues. If we go through the 2005/2006 winter with current service levels ... we'll probably consider easing back a bit on our inventory. Thanks for keeping this process going. Management at ST is aware of the survey and I believe it keeps the pressure on them. Movement of commodities via the RR efficiently and effectively is absolutely critical to Maine's economic infrastructure. Am hopeful that industries may someday consider locating or expanding in the State of Maine if rail service is improved.
- All is well.
- Transit times are good until they hit \_\_\_\_\_ yard. Then everything comes to a standstill. Same excuses are used, "no manpower, no equipment, no overtime allowed." Sr. management sit in Billerica, MA and tell you over the phone they are trying to improve. Until they put senior managers in So. Portland, ME they will never improve.

- These complaints all pertain to a group of cars shipped out. ST is not reading bill of lading properly when they say PREPAID - they bill anyways!
- Too many late placements to count on GRS/ST.
- Would utilize rail much more if switching and sets were prompt.
- \_\_\_\_\_delays in both directions, excessive \_\_\_\_\_ in railroad yard; inconsistent service impacting mill efficiency; bad order repair delays; billing.

#### **D. OTHER REPORTING PROVISIONS**

Section 1711(3) provides authority for the Public Advocate to take certain actions “in order to enhance and promote railroad freight service quality in this State.” Those actions include providing assistance to shippers, mediating freight service disputes (when the parties consent) and monitoring federal and state regulatory actions of interest to Maine. During the period following effectiveness of these new provisions (September 17, 2005), the Public Advocate has not undertaken any action other than conducting the two quarterly surveys that are the subject of this report.

Section 1711(6)c authorizes the Public Advocate to be compensated for efforts regarding railroad service quality by means of an annual transfer of \$20,000 from the Department of Transportation. This transfer is expected to occur in the fourth quarter of the State fiscal year 2006. According to OPA timesheets, OPA personnel spent 75.5 hours on railroad service-related issues in the six months ending December 31, 2005. These efforts corresponded to 1.4% of all office hours during that period booked to an area of office responsibility. Other areas of office responsibility are electric, telephone, natural gas, radioactive waste and water utility advocacy.

#### **E. CONCLUSION**

The Public Advocate welcomes input and suggestions about how we may more effectively undertake the responsibilities given to us pursuant to Section 1711. Thank you for the opportunity of serving the people of the State and freight shippers relying on railroads doing business in Maine.

## **Attachment 1, pg. 1 of 2**

### **A. Survey Highlights**

- 1) Guilford/Springfield Terminal ranks poorest of all railroads surveyed in five categories for the last six months of calendar 2005 (3<sup>rd</sup> and 4<sup>th</sup> Quarters):
  - a) number of complaints by shippers about service problems
  - b) number of contacts from customers about service problems
  - c) the average number of days that placements were late
  - d) the number of empty cars rejected as unsuitable by shippers; and
  - e) the number of cars requested by shippers but never delivered
- 2) Guilford/Springfield terminal ranks best in one category in the last six months of calendar 2005 (3<sup>rd</sup> and 4<sup>th</sup> Quarters): "full cars actually picked up/delivered out of cars requested"
- 3) Montreal Maine and Atlantic ranks poorest of all railroads surveyed in two categories for the last six months of calendar 2005 (3<sup>rd</sup> and 4<sup>th</sup> Quarters):
  - a) the percentage of late placements out of all cars delivered
  - b) the percentage of full cars actually picked up out of cars requested
- 4) State of Maine Operations/Maine Eastern Railroad ranks lowest in one category for the last three months of calendar 2005 (4<sup>th</sup> Quarter):
  - a) the percentage of delivered cars out of requested cars
- 5) St Lawrence & Atlantic ranks best in two categories in the last six months of calendar 2005 (3<sup>rd</sup> and 4<sup>th</sup> Quarters): "late placements out of total placements," and "empty cars delivered out of total cars requested"

### **B. Notes**

- 1) The response rate for the 3<sup>rd</sup> Quarter survey was 30.3% out of 112 surveys mailed; the response rate for the 4<sup>th</sup> Quarter survey was 29% out of 107 surveys mailed. All surveys went to shippers located in the State of Maine who rely on one or more railroads doing business in Maine.
- 2) Narrative comments submitted in both surveys primarily focused on two railroads: Guilford/Springfield Terminal (18 out of 39), and Montreal Maine and Atlantic (16 out of 39). Comments were both favorable and unfavorable. In the 4<sup>th</sup> Quarter, many comments focused on weather-related disruptions.

	Railroad Shippers Survey Results - Results 3rd Quarter			Railroad Shippers Survey Results - 4th Quarter				Railroad Shippers Survey Cummulative Results - 3rd & 4th Quarter			
	MMA	SLAR	GRS/ST	SMO/MER	MMA	SLAR	GRS/ST	SMO/MER	MMA	SLAR	GRS/ST
Late placements out of total placements	19%	0	15%	0	27%	2%	9%	NA <sup>2</sup>	23.1%	0.7%	12.4%
Empty cars delivered out of cars requested	100%	104%	96%	83%	77%	121%	96%	NA <sup>2</sup>	87.5%	108%	96.1%
Full cars actually picked up/delivered out of cars requested	100%	107%	165%	100%	79%	107%	88%	NA <sup>2</sup>	89.0%	107%	148%
Rank for number of complaints <sup>1</sup>	2	3	1	X	2	X	1	X	2	3	1
Rank for service quality contacts <sup>1</sup>	2	3	1	X	2	3	1	X	2	3	1
Rank for average days late by number of days <sup>1</sup>	2	X	1	X	1	X	2	X	2	X	1
Rank for empties rejected <sup>1</sup>	X	2	1	X	3	2	1	X	3	2	1
Rank for non-delivery of any car <sup>1</sup>	X	2	1	3	2	X	1	NA <sup>2</sup>	2	3	1
Average rank (4+5+6+7+8+n)	2	2.5	1	3	2	2.5	1.2	NA <sup>2</sup>	2.2	2.75	1

1 is worst, 4 is best for each ranking

SMO/MER was not included in 3rd Quarter Survey

OPA, 2/1/06

# Railroad Shipper Survey Results: 3rd Quarter 2005

Name of Railroad	Eastern Maine RR (EMR)	Montreal Maine & Atlantic RR (MMA)	New Brunswick Southern RR (NBSR)	St. Lawrence and Atlantic RR (SLAR)	Guilford Rail System/Springfield Terminal (GRS/ST)	Surveys Received Back 34
<b>1. Late placements/on-time placements</b>						
- no. of on-time placements (occurring on the date for which ordered), of inbound loads or cars released by shipper		1186		484	3,181	Surveys Mailed 112
-no. of late placements		280		0	565	% of Response 30.3%
-average no. of days late (total no. of late days divided by total late placements)		3		0	68.6	
<b>2. Cars requested/cars rejected by customers</b>						
-no. of empty cars requested in quarter		1616		213	3,468	
-no. of empty cars actually delivered		1616		221	3,325	
-no. of empties rejected for any reason		0		8	82	
-no. of full cars requested in quarter		1466		454	1,599	
-no. of full cars actually picked up or delivered		1466		488	2,643	
-no. of times service was requested and not provided at all (as opposed to delayed)		0		3	125	
<b>3. No. of complaints</b>						
-no. of individual complaints regarding service problems in Maine, other than a request for a switch or a car		13		6	176	
-no. of contacts with personnel of a Maine railroad concerning service problems		25		6	219	
<b>4. Other Comments</b>						
MMA - I've had excellent co-operation with this RR since I took over as manager of ____ 1 1/2 year ago.						
MMA - not many problems during this 3-month period. Generally problems occur November-March.						
MMA - We have no issues, good communication with MMA at the ____ and on the ground. Bob Thomas does a great job working with us to keep us informed and address issues. We hope to expand our use of their service.						
MMA - No problems or complaints.						
MMA & GRS/ST - had problems w/BOL and proper billing terms.						
MMA & GRS/ST - MMA service fair to good. Has trouble with large, steady volumes. Poor winter engines and snow plowing ability. ST service: poor cannot count on service. Moves seem to be unpredictable. Requested cars that come late.						
MMA & SLAR - We only receive full cars and they come in on a timely manner in the summer, the winter is a different story.						
SLAR - Intermodal equipment availability is a continuing issue.						

SLAR - Does a great job and I am a big customer of theirs.

SLAR - Wintertime efficiency is the major issue.

GRS/ST - we could increase our \_\_\_\_\_ traffic from 200 carloads per year to 500 with improved service. Cards are hung up on the ST in Portland, Lowell, Deerfield. The equipment or personnel - hurting Maine economy.

GRS/ST - do not track personnel problems with this RR because it would be daily effort and also do not track the complaints on switching since this is a daily concern/issue. Other problems include: 1/car delays in both directions: excessive dwell in ST yards; multiple derailments affecting company shipments; inconsistent service impacting facility operating efficiency; bad ordered repair delays; billing/routing errors.

GRS/ST - on no service/late service days we still had crews scheduled 23/7. We have lost customers with poor service. We have warehouse locations in separate cities that are \_\_\_\_\_ served by GRT/ST. At location \_\_\_\_\_ rail service we requested \_\_\_\_\_ for the 3 month period (28 late placements of \_\_\_\_\_ requested). \_\_\_\_\_ Rail service we requested \_\_\_\_\_ placements and 4 were late placements.

GRS/ST - We were off loading on average on \_\_\_\_\_ bulk railcars of \_\_\_\_\_ per week, plus one carload of \_\_\_\_\_ each week during our peak seasons. We relied heavily on GRT for timely service on just plain service for that matter, however; the problems and excuses were too great to track. I tried to track problems with their performance but I found I was wasting way too much of my time on phone calls and spreadsheets as their problems continued and were never addressed. On many occasions our production lines were nearly stopped because of a lack of materials to produce due to GRT's broken promises! There were way too many examples to cite. Our company made the decision to discontinue the use of railcars because of the issues and we have been transporting our \_\_\_\_\_ by \_\_\_\_\_ truck from our supplier in \_\_\_\_\_. We have been using this method of transport for the past \_\_\_\_\_ months or so and it has proven to be more reliable and a better fit for our needs. We do currently receive \_\_\_\_\_ of \_\_\_\_\_ every \_\_\_\_\_ weeks only because of logistics issues, and still the service is not reliable for this product. It is unfortunate that we have a nice rail spur entering our property with \_\_\_\_\_ service lines and \_\_\_\_\_ unloading stations for railcars that is going unused.

GRS/ST - inconsistent service, unreliable service during this period.

GRS/ST - The advent of the \_\_\_\_\_ has impacted our location and setting of cars has been even more sporadic since that service began. During my time in transportation management we had countless meetings with senior representatives of ST to attempt to create a standard operating procedure and to this date none exists. To say the least, ST has cost our Companies uncountable hours of lost labor, production time, unsatisfied customers, and ultimately reduced our ability to do business. It is our understanding that the railroads serving the \_\_\_\_\_ area are regulated and protected by the Interstate Commerce Act and as such are also expected to deliver a reasonable delivery service. My sense of ST Co. is that their needs come 1st, 2nd and 3rd and the paying customer will be served later. I hope the data collection effort will motivate a quality improvement in rail service. Years of pleading has not worked.

GRS/ST - Due to inability to move or place cars, we have had to cancel plans to expand our business by rail in Maine.

GRS/ST - All service by GRS is good.

GRS/ST - We did not ship any railcars during that period.

GRS/ST & SLAR - \_\_\_\_\_ railcars had to be delivered into a warehouse, off loaded and trucked to destination. As far as inbound commodities, we don't have problems. Over the course of the last 2 months, inbound commodity service has been surprisingly good. Still keep higher inventory levels than we really need due to past service issues. If we go through the 2005/2006 winter with current service levels ... we'll probably consider easing back a bit on our inventory. Thanks for keep this process going. Management at ST is aware of the survey and I believe it keeps the pressure on them. Movement of commodities via the RR efficiently and effectively is absolutely critical to Maine's economic infrastructure. Am hopeful that industries may someday consider locating or expanding in the State of Maine if rail service is improved.

## Railroad Shipper Survey Results - 4th Quarter 2005

Name of Railroad	SMO/MER	Eastern Maine RR (EMR)	Montreal Maine & Atlantic RR (MMA)	New Brunswick Southern RR (NBSR)	St. Lawrence & Atlantic RR (SLAR)	Guilford Rail System/Springfield Terminal (GRS/ST)	Surveys Received Back 32
<b>1. Late placements/on-time placements</b>							
- no. of on-time placements (occurring on the date for which ordered), of inbound loads or cars released by shipper	12		1112		216	2,633	Surveys Mailed 107
-no. of late placements	0		409		5	255	% of Response 29%
-average no. of days late (total no. of late days divided by total late placements)	0		44		0	19.93	
<b>2. Cars requested/cars rejected by customers</b>							
-no. of empty cars requested in quarter	12		1928		61	2,953	
-no. of empty cars actually delivered	10		1486		74	2,847	
-no. of empties rejected for any reason	0		2		5	39	
-no. of full cars requested in quarter	12		1665		1489	480	
-no. of full cars actually picked up or delivered	12		1321		1526	424	
-no. of times service was requested and not provided at all (as opposed to delayed)	2		12		0	44	
<b>3. No. of complaints</b>							
-no. of individual complaints regarding service problems in Maine, other than a request for a switch or a car	0		25		0	139	
-no. of contacts with personnel of a Maine railroad concerning service problems	0		31		3	211	
<b>4. Other Comments</b>							
GRS/ST - All is well.							
GRS/ST - transit times are good until they hit _____ yard. Then everything comes to a standstill. Same excuses are used, "no manpower, no equipment, no overtime allowed." Sr. Management sit in Billerica, MA and tell you over the phone they are trying to improve. Until they put senior managers in So. Portland, ME they will never improve.							
GRS/ST - MMA - These complaints all pertain to a group of cars shipped out. ST is not reading bill of lading properly when they say PREPAID - they bill anyways!							
GRS/ST - Too many late placements to count on GRS/ST.							
GRS/ST - Would utilize rail much more if switches and sets were prompt.							
GRS/ST - Not used this quarter - will use next quarter.							

GRS/ST - \_\_\_\_\_ delays in both directions, excessive \_\_\_\_\_ in railroad yard; inconsistent service impacting mill efficiency; bad order repair delays;

GRS/ST - This service was very poor beginning early December through end of year holidays. -- as far as inbound commodities we don't keep problem/issue documentation. Materials such as \_\_\_\_\_ and \_\_\_\_\_ are delivered to \_\_\_\_\_ from \_\_\_\_\_, these moves are under the direct control of Guilford. All other commodities come from a variety of areas around the country. Over the course of the last several months are inbound commodities service has worsened. We have reverted to spending quite a bit of time tracking commodities on a daily basis and have daily interaction with personnel from ST to coordinate efforts and prioritize needs. Problem began Thanksgiving holiday 2005 and has lasted through January 2006. We are finally getting back into what I hope is better service and consistent deliveries. The movement of commodities via the railroad efficiently and effectively is absolutely critical to Maine's economic infrastructure. I am hopeful that industries may some day consider locating and expending in the State of Maine if rail service is improved.

MMA - They have been late getting cars to us at times and we have had to ship trucks which the freight is high. MMARR is very quick to charge demurrage but very slow at times on service which has caused us to use trucks which charge higher in freight thanks to the RR. But we have to pay it to keep our customers supplied. It cost us \$4,350 to ship 60 ton by truck which is 3 loads compared to \$1,900 by rail which hauls 78 to 90 tons of \_\_\_\_\_. In my opinion we shouldn't have to pay demurrage at all if the railroad can't deliver service to us.

MMA - MMA is not prepared to deal with snow storms - NO service during week of December 26-31 due to storm!! MMA has many engine failures which prevent service.

MMA - Were some complaints - not documented. Will document so can be counted next quarter.

MMA - They place and we load. No late placements. No cars rejected. No complaints.

MMA - No complaints

MMA - There is a pile of old railroad ties left in our yard, please pick them up.

MMA - Getting cars from Canada is always a delay and paperwork takes 7 days sometimes.

MMA - No shipments during quarter.

SLAR - It's the CN Railroad we have issues with. We receive approximately 6 boxcars per year that arrive late. The bulk cars are fine.

SLAR - has provided excellent service.

SLAR - This is for 2 warehouses in \_\_\_\_\_.

SLAR - has been doing a great job this year.

SMO/MER - Our paricular company has been down for the 1st 1/4 of the year 2005. Railroad is closed on and off.



JOHN ELIAS BALDACCI  
GOVERNOR

STATE OF MAINE  
EXECUTIVE DEPARTMENT  
PUBLIC ADVOCATE OFFICE  
112 STATE HOUSE STATION  
AUGUSTA, MAINE  
04333-0112

**Attachment 3, pg. 1 of 5**

STEPHEN G. WARD  
PUBLIC ADVOCATE

January 13, 2006

Dear Maine Railroad Shipper:

Last month I forwarded to you and 111 other freight customers who regularly do business with railroads in Maine a one-page survey on service quality. That quarterly survey covers the last quarter of 2005. We once more ask questions about the number of inadequate railcar placements, the number of complaints and the lateness of service during the last quarter - October through December 31.

If you haven't done so already, please take a moment to fill out the attached "Railroad Shipper Survey" for the 4th Quarter. When you fill out the survey, please provide actual numbers, rather than percentages, wherever possible. All survey responses are kept confidential under recent Maine State legislation and are essentially anonymous. We need your participation in order to establish a record of service quality trends for freight shippers in Maine and also to advise the Maine Legislature on these issues.

Thank you for helping boost the participation rate for this second quarterly freight survey. In early February, I will provide our first report to the Maine Legislature on these survey responses and will provide a copy to anyone who requests one.

Sincerely,

Stephen G. Ward  
Public Advocate

Attachment: Railroad Shipper Survey, 4th Quarter



PRINTED ON RECYCLED PAPER



JOHN ELIAS BALDACCI  
GOVERNOR

STATE OF MAINE  
EXECUTIVE DEPARTMENT  
PUBLIC ADVOCATE OFFICE  
112 STATE HOUSE STATION  
AUGUSTA, MAINE  
04333-0112

**Attachment 3, pg. 2 of 5**

STEPHEN G. WARD  
PUBLIC ADVOCATE

December 22, 2005

Dear Maine Railroad Shipper:

Last Fall I forwarded to you and 111 other freight customers who regularly do business with railroads in Maine a one-page survey on service quality. That quarterly survey generated useful information about the July through September quarter, with more than a 30% response rate.

We now forward an identical survey for the last quarter of 2005. We once more ask questions about the number of inadequate railcar placements, the number of complaints and the lateness of service during the previous quarter of 2005 - October through December 31.

Please take a moment to fill out the attached "Railroad Shipper Survey" for the 4th Quarter of 2005. All survey responses are to be kept confidential under recent Maine State legislation and are essentially anonymous. We need your participation in order to establish a record of service quality trends for freight shippers in Maine and also to advise the Maine Legislature on these issues.

When you fill out the survey, please provide actual numbers, rather than percentages, wherever possible.

Thank you for participating in this second quarterly freight survey.

Sincerely,

Stephen G. Ward  
Public Advocate

Attachment: Railroad Shipper Survey



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JOHN ELIAS BALDACCI  
GOVERNOR

STATE OF MAINE  
EXECUTIVE DEPARTMENT  
PUBLIC ADVOCATE OFFICE  
112 STATE HOUSE STATION  
AUGUSTA, MAINE  
04333-0112

**Attachment 3, pg. 3 of 5**

STEPHEN G. WARD  
PUBLIC ADVOCATE

December 6, 2005

Rob Elder, Director  
Office of Freight Transportation  
Department of Transportation  
16 State House Station  
Augusta, ME 04333-0016

Dear Rob:

In compliance with the reporting requirement set out in 35-A MRSA section 1711(2), please find attached the Public Advocate's Summary of Railroad Shipper results for the quarter ending September 30, 2005. That summary shows that 34 freight shippers reported on service quality in the third quarter of 2005 out of 112 surveys that were mailed. This translates into a 30.3% response rate.

We enclose the summary results and the original 3<sup>rd</sup> Quarter 2005 survey from for your information.

Please do not hesitate to contact me in the event of questions.

Sincerely,

Stephen G. Ward  
Public Advocate

Attachment

cc: Nathan Moulton, DOT

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PHONE: (207) 287-2445 (Voice)

Stephen.G.Ward@maine.gov (e-mail)  
<http://www.maine.gov/meopa>

FAX: (207) 287-4317  
FAX: (207) 287-4300



JOHN ELIAS BALDACCI  
GOVERNOR

STATE OF MAINE  
EXECUTIVE DEPARTMENT  
PUBLIC ADVOCATE OFFICE  
112 STATE HOUSE STATION  
AUGUSTA, MAINE  
04333-0112

**Attachment 3, pg. 4 of 5**

STEPHEN G. WARD  
PUBLIC ADVOCATE

September 28, 2005

Dear Freight Shipper/Railroad Customer in Maine:

At the direction of the Maine Legislature, my Office is now undertaking the effort of compiling statistics on the quality of railroad service for freight shippers in this State. Legislation that took effect on September 17 directs the Public Advocate's Office to undertake periodic surveys regarding complaints, delayed service and contacts with railroad personnel about service problems. The first such quarterly survey is attached to this letter and covers the period July 1, 2005 to September 30, 2005. We seek your cooperation in filling out the requested survey information.

Under the provisions of the newly-enacted Maine law (P.L. 2005, Chapter 230), all responses to these surveys and all records relating to individual customers are deemed exempt from disclosure under Maine's Freedom of Access law and will be kept as confidential records at the Public Advocate's Office.

Please do not hesitate to contact me in the event of questions about this survey, the confidentiality of survey responses or any other matter. We very much need your cooperation to enable us to get a useful level of response to this survey.

Sincerely,

Stephen G. Ward  
Public Advocate

Attachment



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**PUBLIC ADVOCATE OFFICE, STATE OF MAINE**  
**Railroad Shipper Survey**  
**Quarterly Survey, 4<sup>th</sup> Quarter 2005**

All Survey Responses are anonymous and kept confidential

In the 3-month period ending December 31, 2005, please identify how many events in the following categories occurred, by railroad. Please identify each railroad by initials in one or both of the columns below, selecting from the following: EMR (Eastern Maine RR), SMO/MER (Maine Eastern RR), MMA (Montreal Maine & Atlantic RR), NBSR (New Brunswick Southern RR), SLAR (St Lawrence and Atlantic RR), GRS/ST (Guilford Rail System/Springfield Terminal):

	<u>Railroad</u> <u>X</u>	<u>Railroad</u> <u>Y</u>
1. <u>Late placements/on-time placements</u>		
• Number of on-time placements (occurring on the date for which ordered), of in-bound loads or cars released by shipper	_____	_____
• Number of late placements	_____	_____
• Average number of days late (total number of late days divided by total late placements)	_____	_____
2. <u>Cars requested/cars rejected by customer</u>		
• Number of empty cars requested in quarter	_____	_____
• Number of empty cars actually delivered	_____	_____
• Number of empties rejected for any reason	_____	_____
• Number of full cars requested in quarter	_____	_____
• Number of full cars actually picked up or delivered	_____	_____
• Number of times service was requested and not provided at all (as opposed to delayed)	_____	_____
3. <u>Number of complaints</u>		
• Number of individual complaints regarding service problems in Maine, other than a request for a switch or a car	_____	_____
• Number of contacts with personnel of a Maine railroad concerning service problems	_____	_____
4. <u>Other comments</u>	_____	

Please fill out a separate form if shipments or complaints occurred with more than two railroads during the October 1, 2005 to December 31, 2005 period. Forward replies to:

Office of the Public Advocate  
112 State House Station  
Augusta, ME 04333-0112  
or to:  
Stephen.G.Ward@Maine.gov

Thank you for your assistance in participating in this survey. Authority for the Public Advocate's survey activities is found at PL 2005, Chapter 230 (35-A MRSA Section 1711 and 36 MRSA Section 2625). All responses to Public Advocate railroad service surveys are designated as confidential and exempt from disclosure under Maine's Freedom of Access law.