

New Hampshire Times

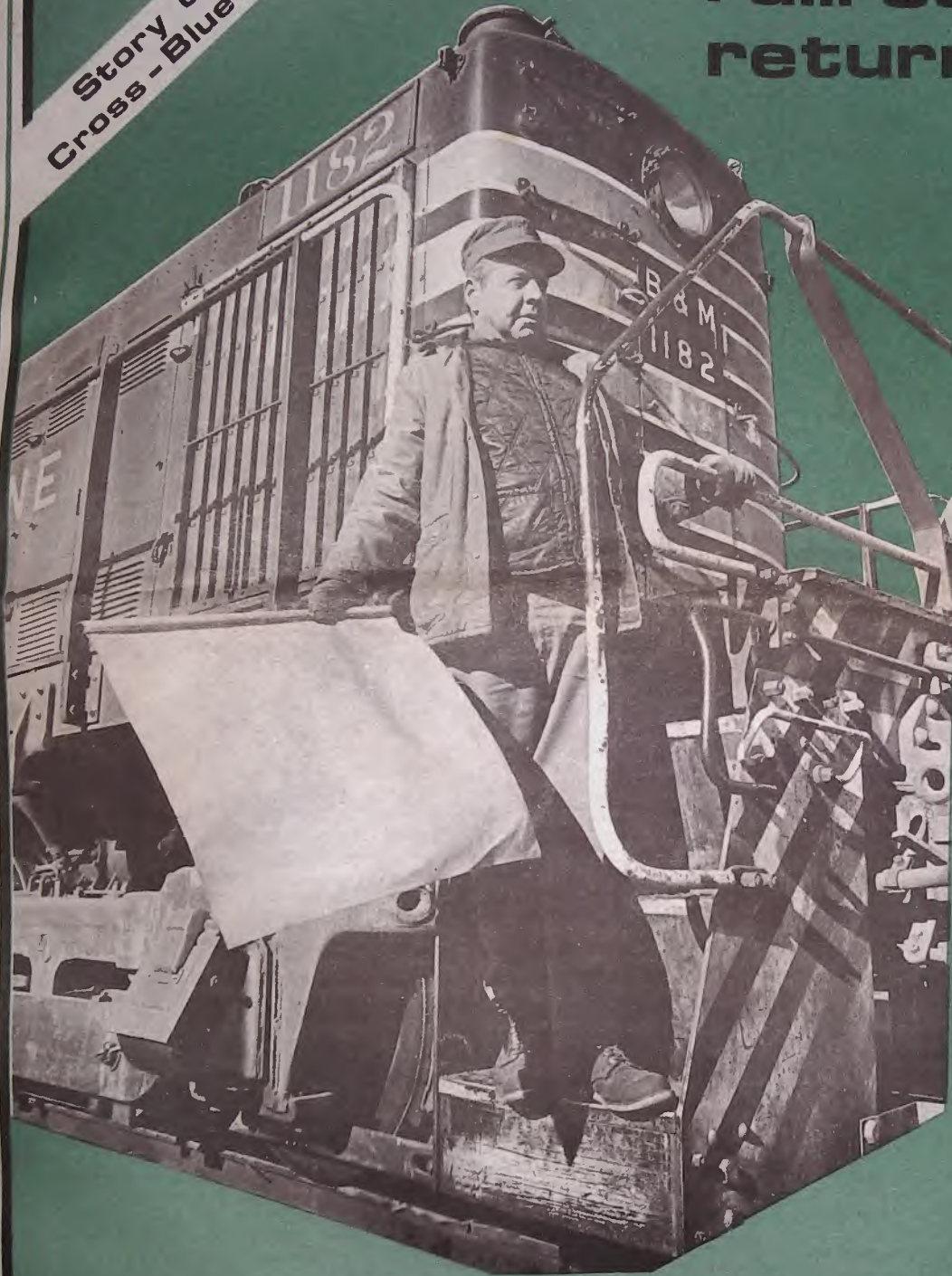
20 cents

Nov. 28, 1973

Volume 3, Number 28

Story of Blue
Cross - Blue Shield

Are the railroads returning?





The trains may be coming back

Imagine grass growing through the pavement on New Hampshire's three Interstate highways. Hardly any cars travel them anymore since gasoline is in such short supply and so expensive. Just a few motorcycles and small cars, which have been converted to methane fuel, purr along where hundreds of cars once sped by at 70 miles per hour every day. And in winter, the highways are snow covered because there isn't enough traffic to warrant plowing.

Such a situation would have been hard to imagine just a year ago, but today it isn't so far-fetched. With gasoline supplies dwindling, prices increasing and a mandatory 50 mph speed limit on the horizon, the era of individualized motor transportation is doomed. The automobile age is running out of gas. Even after the Alaskan oil fields are brought into full production, scientists predict there will only be enough petroleum in the earth to last another 30 years or so at the present rate of consumption. So even if the Alaskan pipeline eases the crisis for a few years, it can only be temporary.

It's only a matter of time before gasoline powered cars and trucks disappear from New Hampshire highways, but that doesn't mean the state's economy has to come to a screeching halt or that lifestyles will have to be drastically altered. That's because there exists a viable alternative to automobile transportation -- the railroad.

Up until World War II, railroads were New Hampshire's chief mode of transportation. That's how most people traveled and how most freight was hauled. But the war placed a tremendous strain on the Boston & Maine as more trains than ever rolled at high speeds to haul troops, munitions, supplies and oil to the eastern shipping ports. After the war, the capital just wasn't available to modernize the railroads and the branch lines in New Hampshire were lowest on the

priority list for upgrading. Then the federal government stabbed the railroads in the back by using public tax money to subsidize the motor trucking industry by building Interstate Highways. Trucks and automobiles were given such an unfair competitive advantage it's remarkable the B&M is still around today at all. The B&M is still around though: Just barely. The largest railroad operating in New Hampshire is now bankrupt, passenger service is nonexistent, freight service is constantly diminishing and the company wants to abandon all but a few of the most profitable lines. At a time when the energy crisis is forcing New Hampshire to seek alternative means of transportation, the Boston & Maine is incapable of meeting the demand. Most transportation experts agree railroads are cleaner, safer and more efficient than cars and trucks, but if they are to regain the transportation status they held in New Hampshire a century ago -- the B&M either will have to be retired or kept afloat with tax money.

According to the state legislature's Ad Hoc Committee on the Condition of Railroads in New Hampshire, the Boston & Maine is the primary reason why, transportationwise, the state is caught with its pants down. The committee said in a preliminary report last week: "Ever since World War II, the B&M railroad, which operates over two-thirds of the state's trackage, has pursued a policy of curtailing service, deferring maintenance, diverting traffic and discouraging shippers, receivers and passengers, causing them to leave New Hampshire's railroads for other modes of transportation.

"In the last three years, the B&M has stepped up this process, applying for the abandonment of about 150 miles of track within the state. From the skeleton of rails that remain, the B&M continues to contemplate abandonments and reductions in service. It has put no

regular maintenance into most of its branch lines for over 10 years. Rather, it has followed a policy of wearing the tracks down until they can no longer sustain efficient operation, then curtailing service until the users no longer benefit and are forced to leave."

The legislative committee said the B&M can't hold a lantern to the Canadian National (a government owned line) or the Maine Central which operate on 153 miles of track in the North Country. Maine Central, however, recently petitioned the federal Interstate Commerce Commission for permission to abandon a section of track near Colebrook.

Although rail lines south of the White Mountains are in miserable shape, they could be brought back to where they could efficiently haul passengers, mail and freight provided there were a change in ownership, an influx of capital and a lot of hard work. But how should this conversion be handled? What should be the goal? Railroad experts Herbert Bixler of Jaffrey and Edgar Mead of Hanover have given a good deal of thought to these questions. They both think New Hampshire railroads can and should be given new life.

Bixler, a railroad company executive for more than 20 years, and Mead, author of several books on railroading and chairman of the Steamtown Foundation, both see national and state action as necessary to revive the railroads. They point to legislation which has already passed the U.S. House of Representatives and will probably clear the Senate early next year. The legislation would create a single government corporation to purchase and operate the main lines of seven bankrupt railroads in the Northeast, including the B&M. Although it hasn't been determined yet, the corporation would probably operate a main line between Boston through Portsmouth to Portland, Maine. Another would run from Boston through Nashua and Manchester to Concord while New

Hampshire towns in the Connecticut Valley would be served by a main line just across the river running to White River Jct., Vt.

So what happens to all the other railroad lines in New Hampshire. What happens to the line between Concord and Lebanon, from Concord north to Lincoln, the Conway Branch and all the others? Well, the federal legislation would make loans of up to 70 per cent of the cost if the State of New Hampshire wanted to buy them. The state would have to put up the rest of the money. Bixler and Mead think the state should do just that and then rent the lines out to independent shortline operators.

As a consultant a few years ago, Bixler recommended to the State of Vermont that it purchase the bankrupt Rutland Railroad. Vermont did, and on Bixler's advice leased it to an independent shortline operator. It cost Vermont hardly a penny to do the job and today the independent line is healthier than ever. Bixler's advice had worked so well for Vermont that in 1972, former Gov. Walter Peterson hired him to investigate and make recommendations for New Hampshire to revive its railroads. Bixler's report urged the state to buy the branch lines of the Boston & Maine and divide them into three shortline operations, each to be leased to an independent operator.

"This is essentially what Vermont is doing," said Bixler. "The shortline operator pays rent to cover the debt service on the loan. So the state pays nothing out of pocket. The shortline is financed by the state, but not subsidized." He thinks shortlines would be more efficient and profitable than if the federal government subsidized the B&M to operate all its branch lines.

"A shortline has two basic advantages," says Bixler. "First of all, it can make more flexible arrangements with labor. It can have that all important freedom to send men to do jobs regardless of job classification. This is important for efficiency. And the second reason is the closeness of management to the operation. The manager of a shortline knows his shippers personally. He goes to the same Rotary Club lunches as they do. He knows what his customers want and provides it with more entrepreneurship."

Hanover Selectman Edgar Mead, author of an account of New Hampshire's golden age of railroading called *Through Covered Bridges to Concord*, envisions a New England commission which would operate all main lines in New England. It would be one part of a National Railroad Commission which would manage main lines all over the country. These government agencies would run modern, convenient, high-speed passenger and freight trains to strategic locations inside New Hampshire. Independent shortlines would take it from there.

"An independent shortline contractor who rents the track and owns his own locomotives and cars is the best answer," says Mead. "He could haul freight, passengers and they think like special ski trains. The possibilities are fascinating."

Mead is especially interested in a revival of railroad passenger service. Main line trains would bring passengers to certain cities, such as Concord and Portsmouth, and there they would board local trains or buses. "If you're going to have 100 mph trains coming to Concord, it has got to be the base for a regional transportation system. It should be arranged so that after you get off the high-speed train in Concord you can board a high-speed bus for Laconia or a train for New London or wherever."

Mead thinks both convenience and speed should be emphasized to persuade people to sell their cars and travel by train. "You've got to concentrate on convenience as well as speed," he says. "Trains have got to be comfortable and cheap. After all, what is an automobile but convenience? It's a portable womb. A passenger train has got to be another form of womb."

If Bixler's recommendations were followed, New Hampshire would have three shortline railroads. One would serve the eastern cities between the seacoast and Conway. The second would serve the Monadnock Region, and the third would serve the Merrimack Valley and the valleys between Concord and Lebanon and Concord and Lincoln. "The Conway Branch and the Monadnock line would get by, but the Central would be profitable. I wouldn't mind owning some stock in that myself, if I hadn't recommended it."

"I hope New Hampshire has the gumption to set up these independent shortlines," says Bixler. "I think it could be done without costing anything, or at least not any significant amount. But for the problem to be solved so inexpensively we've got to have courage, technological know-how and luck."

Mead and Bixler have been working for years for a revival of the railroads in New Hampshire and they think the energy crisis is about the biggest break the



railroads have gotten since World War II. "If the speed limit is lowered to 50 miles per hour a lot of people are going to be taking a serious look at bringing back the railroads," says Mead. "There seems to be a growing awareness that we have to develop new modes of transportation. A year ago I was virtually alone in trying to revive our local minibuses in Hanover. Now selectmen from neighboring towns all seem to be for it. New England is going to get hit worst by the energy crisis and when the pinch comes, railroads will be seen as the most practical alternative."

"The strongest influence in favor of the railroads right now is the energy crisis," Bixler says. "It's forcing attention on the most efficient way to use energy - railroads. Trains use energy about four times more efficiently than trucks. In addition, we may find we were awfully silly converting our power plants from coal to oil a few years ago. We will probably have to change them back and hauling coal is going to be good for the railroads."

Members of the legislature's Committee on Railroads also think the energy crisis is generating wide public interest for reviving the railroads. They point to the federal legislation almost certain to become law. "What we do depends on what action the federal government takes and also what happens with the B&M bankruptcy proceedings," says Rep. John Hoar Jr., R-Epping, chairman of the ad hoc committee. "The whole situation is breaking faster nationally than anybody realizes."

Hoar says his committee also plans to introduce one or two railroad bills at the next session of the legislature but he declines to reveal the content of those bills. The committee's preliminary report strongly implies support of Bixler's recommendations for state purchase of the B&M branch lines and their subsequent lease to independent shortline operators. But neither Hoar nor other committee members will say flat out they favor a network of independent shortlines. The reason for their reticence is that a significant battle appears to be shaping up for the special legislative session to be held this winter. Besides the promoters of independent shortlines, there are other forces to be reckoned with. The administration of Gov. Meldrim Thomson favors an improvement of rail service in New Hampshire through a federal subsidy to the B&M. Operation of its New Hampshire branch lines by the B&M, with expenses paid by the federal government,

would be possible under the federal railroad legislation now before the U.S. Senate. That's what the B&M wants and so does Thomson.

According to Charles Douglas III, Thomson's railroad advisor, the governor has not completely rejected the idea of independent shortlines and no more B&M, but he prefers subsidizing the Boston & Maine so it can do the job properly. Ironically, which method of solving New Hampshire's number one transportation problem is finally selected may well depend on the trucking industry. The truckers hold about as much political power in New Hampshire today as the railroads did a century ago. The industry's two principal operatives in the legislature are Democratic senators T.J. Claveau of Hudson and John McLaughlin of Nashua. Both own large trucking outfits, both control the key Senate Transportation Committee and Claveau is also the Senate member of the Ad Hoc Committee on Railroads.

The truckers reportedly favor reviving the railroads, but they haven't decided yet whether they favor independent shortlines or a federally subsidized B&M. They're being cautious.

"The legitimate truckers we've talked to realize that truck and rail freight can be and must be part of a team," says Representative Hoar. "We don't want to get into a fight with the truckers. Each mode of transportation has its place. We're trying to encourage truckers and railroads to work together."

Transportation consultant Herbert Bixler says if trucking companies oppose his idea for three independent shortlines, "they don't know what's good for them. Railroads would improve the economy and create more business for trucking. Railroads are important for tying New Hampshire to the rest of the country. Trucks are needed for local hauling."

After a decision is made to bring back the railroads to haul freight and passengers, Edgar Mead thinks it will be three years before the railroads can be modernized enough to handle the job adequately. "That's the amount of lead time that will be necessary. We have only 250 miles of track in the East that can handle 100 mph trains. There is simply not enough equipment. All Amtrak has is 1400 passenger coaches. The B&M has only 60 overworked Buddliners. What we have to do is build more equipment and build a whole new railroad structure."

by Charlie Calley