

**SURFACE TRANSPORTATION BOARD SETS TERMS AND CONDITIONS FOR AMTRAK'S USE OF GUILFORD TRACK  
BETWEEN PLAISTOW, NH AND PORTLAND, ME**

Surface Transportation Board (Board) Chairman Linda J. Morgan announced today that the Board has set the terms and conditions for the National Railroad Passenger Corporation's (Amtrak's) use of certain rail facilities owned by the Guilford Rail System. The Board's decision clears the way for Amtrak to determine how to use nearly \$40 million in public funds that have been set aside for rehabilitating the Guilford line between Plaistow, NH and Portland, ME so that passenger rail service can be reestablished between Boston, MA and Portland.

Freight railroads must permit Amtrak to operate over their lines. The law requires that Amtrak pay freight railroads the "incremental costs" that they incur through Amtrak's use of their facilities (that is, the costs that the railroads would not incur if Amtrak were not using their facilities); if the parties cannot agree on how much Amtrak should pay, or on other terms and conditions of access, Amtrak may bring the matter to the Board for resolution. In this case, the parties agreed as to some of the cost and access issues, but not as to several others. Amtrak thus filed an application with the Board to set terms and conditions.

One of the major issues brought to the Board involved insurance. The Board rejected Guilford's request that Amtrak be forced to buy insurance rather than itself indemnify Guilford for losses, finding no merit to Guilford's claim that Amtrak is too dependent on the Congressional appropriations process, and that its survival is too uncertain. Thus, the Board gave Amtrak the option, prior to instituting service, of either buying insurance, or itself agreeing to indemnify Guilford from any liability that Guilford could incur as a result of Amtrak operations. The Board rejected Guilford's request that Amtrak also should be required to buy insurance to protect Guilford from liability incurred as a result of Guilford's own negligence or misconduct.

Another issue involved how much Amtrak should pay Guilford for maintaining its track. Noting that the new track, with all of the improvements contemplated, would require no more maintenance than the line currently requires even with the additional Amtrak traffic, the Board found that the payments prescribed in an earlier proceeding involving Amtrak's use of Conrail tracks should be prescribed here, and that, after the parties gain some experience with the new operations, they can return to the Board if adjustments are needed.

The Board also addressed questions involving the costs of rehabilitating various facilities. The Board included \$2 million in its rehabilitation costs for several bridges, rejecting Guilford's claim that over \$20 million would be needed. The Board also found that a 2-mile bypass would be adequate to ensure that Amtrak trains will not unduly disrupt freight operations at Guilford's Rigby yard in South Portland, rejecting Guilford's claim that a longer bypass would be needed and thus that Amtrak would need to pay more to obtain access to the line.

These and other issues were addressed in more detail in the Board's decision, which was issued to the public today, in Application of the National Railroad Passenger Corp. Under 49 U.S.C. 24308(a)--Springfield Terminal Railroad Co., Boston and Maine Corp., and Portland Terminal Co., F.D. No. 33381.

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