

CSX announces Valleyfield intermodal yard



An artist's rendition of the proposed CSX intermodal terminal in the Perron industrial park next to the Port of Valleyfield.

by JIM DUFF

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VALLEYFIELD — U.S. rail carrier CSX finally made it official — construction will start this spring on an intermodal terminal in the Perron industrial park next to the Port of Valleyfield.

The 36-hectare facility will cost CSX approximately \$100 million by the time it opens in 2015. According to CSX, construction will employ 662. Once finished, the yard will create 50 direct and 287 indirect jobs, CSX chairman and CEO Michael J. Ward told reporters gathered at Valleyfield's Hotel Plaza for the heavily promoted announcement.

Sized to handle 100,000 containers a year, the rail yard is sited to take advantage of highways 20, 30 and 40 and CN and CP main lines to link Canadian producers and markets with CSX's 34,000-kilometre U.S. network. The project is subject to regulatory approval from the Canadian Transportation Agency.

"We built our facility in northwest Ohio to consolidate traffic to go into smaller markets like Cincinnati, Detroit and even further south," Ward told the Vaudreuil-Soulanges Gazette.

"We think it'll give access from Montreal to move products into those new markets. There's 26 NAFTA markets, of which 13 will be new from Montreal, so we've really opened up opportunities."

First to the podium was Quebec's transport and municipal affairs minister Sylvain Gaudreault, who vaunted the ecological benefits of rail. The project will save 122,143 tonnes in greenhouse gas emissions and make Quebec highways safer by removing trucks, he added. Quebec is kicking in \$6.6 million to upgrade local arterial roads.

Valleyfield mayor Denis Lapointe, who has lobbied for this day for the past three years, predicted that CSX's terminal will convince others to locate nearby. "Today, we became a major continental economic hub for intermodal freight transportation," Lapointe said, adding that the proximity of the Port of Valleyfield allows the city to offer waterway, rail and port transportation. New industrial tenants include Nemaska Lithium, which will be producing new-generation lithium ion batteries for electric vehicles.

Vaudreuil-Soulanges CLD president Julien Turcotte expressed guarded optimism the CSX project's benefits will extend to the greater region. "I'm still hoping CP's intermodal project will continue...I've never received confirmation it's dead. The information I've received is that [CP's new CEO Hunter] Harrison is personally interested in intermodality."

Vaudreuil-Soulanges has long been banking on Canadian Pacific's plan to build a 330-hectare intermodal facility in Les Cèdres as the centrepiece of an 'inland port' and logistics hub. CP's yard was to open in 2011 and create 600 full-time jobs, but was placed on indefinite hold because of the recession and radical changes in the railway's senior management.

CSX's Ward insisted the Valleyfield terminal and a small trans-shipment centre in Beauharnois are not designed to take business from Canadian Pacific.

"They're more east-west, we're more north-south and I think there's plenty of business there for everybody. I think the environmental friendliness of rail, be it CP or CSX, really creates great advantages. We estimate roughly 850,000 loads between Quebec and the U.S. both ways, so we think there's plenty of opportunity there for both of us."

CSX won't use the line to move oil or other bulk commodities, Ward emphasized. "This will be containers. Containers can have anything in them — computers, dolls, whatever."

"We want to move Canadian-made products, we want to move United States made products, we just want to move products — and we want to move them both ways, because you don't want the containers going back empty."

Following the news conference, Gaudreault said his government is working on a followup to the Liberal election promise of a Vaudreuil-Soulanges logistics zone along Highways 20, 30 and 40. "We're aware of the importance of this project. We're not ready to announce anything right now, but I can tell you we're working on it."

The CSX announcement fits with everything being planned on the South Shore from Contrecoeur to Valleyfield, he added.