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Reading Blue Mountain and Northern Railroad Expands Rail Operations to Towanda and Monroeton

PORT CLINTON, Pa. Jan. 8, 2010 - Reading Blue Mountain and Northern Railroad announced that it has acquired a short-line between Towanda and Monroeton, in northeastern Pennsylvania.

RBMN, which currently operates over 300 miles of railroad in Eastern Pennsylvania, purchased the assets of the approximately six-mile Towanda-Monroeton Shippers Lifeline Railroad Inc. from former owner, Joseph Zadrusky of Scranton, on Dec. 30, 2009. The line is approximately 40 miles north of RBMN's current terminus in Mehoopany, Pa. RBMN will be able to connect its two properties by working with Lehigh Railway L.L.C., which leases a Norfolk Southern Railway line that connects to the Towanda-Monroeton line in Towanda. The line will become part of the RBMN system.

Andrew M. Muller Jr., CEO of Reading Blue Mountain and Northern Railroad, said the acquisition is a big step in growing rail operations in the area.

"We see this acquisition as an opportunity to offer more service options to customers working in the Marcellus Shale region," Muller said. "With our assets and market reach, we will be able to grow the business on the line substantially."

Wayne A. Michel, president of Reading Blue Mountain and Northern Railroad, added that the railroad plans to aggressively market the Towanda segment to natural gas producers.

"We know there are many railroad opportunities related to the Marcellus Shale and we will be pursuing them diligently in the weeks and months ahead," Michel said. "Already on our railroad, we recently opened the largest frac sand terminal in the region at our Pittston Yard near Scranton and we will be moving brine water this month out of Mehoopany."

Reading and Northern Railroad, with its corporate headquarters in Port Clinton, is a privately held railroad company serving major businesses in eight counties in Eastern Pennsylvania, including Carbon, Schuylkill, Luzerne, Northumberland, Lehigh, Lackawanna, Berks, and Wyoming counties. It has expanded its operations over the last 26 years and has grown into one of the premier railroads in the state, with both freight services and passenger excursion operations. Reading and Northern continues to grow and currently employs 150 employees.

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