National Capital Region Transportation Planning Board

777 North Capitol Street, N.E., Suite 300, Washington, D.C. 20002-4290 (202) 962-3310 Fax: (202) 962-3202 TDD: (202) 962-3213

Meeting Notes

FREIGHT SUBCOMMITTEE

DATE: May 6, 2010

TIME: 1:00 P.M. to 3:00 P.M.

PLACE: Metropolitan Washington Council of Governments, Room 1

CHAIR: Victor Weissberg, Department of Public Works and Transportation
Prince George's County

ATTENDANCE:
Debbie Bowden, Maryland Department of Transportation
Eulois Cleckley, District of Columbia Department of Transportation
Ed Daniel, Montgomery County Police Department
Richard Easley, E-Squared Consulting
Sharon Easley, E-Squared Consulting
John Gray, Association of American Railroads
Patrick Flemming, Hebron Capital, LLC
Stephen Flippin, CSX Transportation
Terry Levinson, Argonne National Laboratory
Valerie Pardo, Virginia Department of Transportation
Jon Schermann, Cambridge Systematics
Herb Smith, Norfolk Southern Corporation
Victor Weissberg, Prince George's County
Kanathur "Kanti" Srikanth, Virginia Department of Transportation (via conference call)

MWCOG STAFF ATTENDANCE:
Michael Farrell, MWCOG
Karin Foster, MWCOG
Andrew Meese, MWCOG
Wenjing Pu, MWCOG

Karin Foster, Freight Subcommittee Staff—Ms. Foster welcomed attendees and asked for introductions. She asked if attendees had any comments on the summary for the March meeting, which included the Freight Plan Workshop. No comments were raised and the summary was approved. The invited speaker, Mr. John Gray of the Association of American Railroads (AAR), was introduced.

John Gray, The Freight Network and Passenger Rail–Mr. Gray spoke about the relationship between freight and passenger rail. He first provided a background on the freight rail industry in the United States (US). He noted a lot of cross-boundary freight rail traffic between US, Canada, and Mexico. Freight rail must get pre-approved US Customs/Border Protection to pass between borders. The two largest US railroads are the western US Burlington Northern Santa Fe (BNSF) and Union Pacific. The next two largest are the eastern railroads Norfolk Southern and CSX. Numerous smaller railroads are critical to provide the last-mile-of-service to customers. Mr. Gray noted the top rail commodities. Coal remains the top commodity with $14.2 billion total gross freight revenue in 2008, followed by consumer products, and chemicals. Mr. Gray noted that autos and auto parts have dropped in recent years with the decline in the auto industry. Autos remain primarily transported by rail to the vicinity of auto dealers around the country, but the number of auto sales is down. Mr. Gray cited several statistics with signs pointing to a slow economic recovery in the rail industry. Mr. Gray highlighted that 1980 Staggers Act railroad deregulation was a success story for the rail industry. Following the Staggers Act, rail productivity and volume increased sharply. Mr. Gray also noted that given locomotive and fuel efficiencies over time, the industry has been able to double the freight on the same amount of fuel. Mr. Gray cited EPA numbers that attribute 0.7 percent of total greenhouse gas emissions to freight rail. Trucking accounts for 5.7 percent and passenger transport accounts for 20 percent. He also commented that unlike other freight industries, rail privately owns its infrastructure, terminals, and equipment. For example, truck operators own terminals and equipment, however, they operate on a publicly provided infrastructure. Mr. Gray described how capital spending by railroads is on par with some of the country's largest state highway agencies, such as California.

Given this freight rail industry background, Mr. Gray described some industry concerns of new passenger rail service on freight rail. He cited Federal Railroad Administration Joseph Szabo's quote "we will not create a world-class high speed rail system at the expense of our world-class freight system." Mr. Gray noted that over 90 percent of the high-speed rail initiatives share track with freight rail. In the eastern states, that is predominately CSX Transportation. It is the stance of the AAR to support passenger rail, but not at the expense of freight rail. Mr. Gray made some specific points:

1) Passenger rail should complement, not conflict with freight rail;
2) Liability protection;
3) Full compensation, no freight rail subsidies to passenger rail;
4) No forced access;
5) Recognize that some passenger uses are not compatible with freight rail.

Mr. Gray identified some issues for mixed use of freight facilities, including dispatch priorities/flow management, capacity for operations and maintenance, and people access control.

High speed rail is compatible with heavy freight in specific circumstances where:

1) Light freight density, limited gathering and distribution conflicts and appropriate geometry-110 mph may be possible in limited circumstances;

2) In most cases, train management conflicts, maintenance requirements, and safety will limit top speeds to 80 or 90 mph;
3) Above 110mph, separate facilities are almost always necessary.

In most corridors, the most effective results will be obtained by:
1) De-bottlenecking chokepoints, and
2) Upgrading terminal access routes in order to
3) Obtain sustained higher speeds (80-90 mph) throughout the route rather than simply achieve high maximum speeds.

Mr. Gray added that true high-speed passenger rail as we are familiar with in Europe and Asia cannot work on freight tracks. There are safety reasons, operating differentials, capacity and efficiency issues, and different engineering requirements. Mr. Gray also noted that the majority of European freight is delivered by truck, and where passenger rail does share rail with freight rail, they must travel as slow speeds.

Additionally, Mr. Gray discussed a separate issue important to the rail industry-Positive Train Control (PTC). PTC was federally mandated by a 2008 rail safety bill and installation is required by December 31, 2015 (given certain circumstances). While safety benefits exist, Mr. Gray explains that studies have shown that the costs exceed the benefits by over 11 to 1 for PTC. The money diverted to PTC is money that could be spent to make other needed improvements in the queue for each railroad. The industry also feels this technology has not matured to provide its intended outcome.

Questions and Comments:

Jon Schermann of Cambridge Systematics asked for Mr. Gray's perspective on right-of-way availability for passenger rail. Mr. Gray replied that space is limited particularly on the east coast, where the land is more densely built up. Mr. Gray also noted that contracting new passenger service on freight rail lines would constrain the expansion of freight capacity.

Ms. Foster asked Mr. Gray about the rail industry perception of public funding. Mr. Gray's gave two reasons for public funding of freight rail: 1) to get projects done that would not otherwise get done; and 2) to get projects complete that are farther down the queue of projects and that have public benefit such as economic development or passenger rail benefits. Stephen Flippin of CSX commented that public funds bring mutual benefits and rate of return. Mr. Gray added that it is difficult to identify and to define the public/private benefit. He noted the CREATE project in Chicago is an example of a project that brings numerous public benefits. This was a city-wide project to create dedicated passenger and dedicated freight rail lines.

MWCOG staff Michael Farrell asked about Mr. Gray's comment on the rail industries view of the liability clause. Mr. Gray reiterated that the freight rail industry agreements with commuter and passenger rail usually have a no-fault liability for the freight railroad. And the commuter and passenger rail must compensate the freight railroads to maintain the tracks to commuter and passenger standards, however, if an event were to occur, the commuter and passenger railroads must take liability.

Erin Morrow, Potential Emission Benefit From the Rail Freight Corridor Improvements in the Washington Region—Ms. Morrow spoke from a PowerPoint presentation and a summary analysis of the draft emissions analysis.

Ms. Morrow's first provided context with a background presentation on the MWCOG What Would It Take (WWIT) scenario study (and the potential for emissions benefits for rail to fold into a similar-like study in the future). The MWCOG 2030 goal for the WWIT scenario would be to emit below 15 metric tons of annual greenhouse gas emissions (GHG) for the region. The analysis looked at three ways to reduce GHG: 1) fuel efficiency; 2) alternative fuels; and 3) travel efficiency. Individual strategies are grouped under federal actions and state/regional/local actions. Current and potential policy options are evaluated under federal actions and shorter-term and longer-term actions are evaluated under the state/regional/local actions. The strategies were also evaluated for cost-effectiveness.

TPB staff used truck reduction forecasts developed and presented previously to TPB by the two railroads (staff did not independently verify the forecasts given by CSX and Norfolk Southern). The emissions analysis assumes full-build for the CSX National Gateway and the Norfolk Southern Crescent Corridor. Truck-miles reduced (National Gateway) or trucks reduced (Crescent Corridor) by state were factored by the percentage of highway miles in the region. CO_2 emission rates from Mobile 6.2 was applied to calculate potential emissions reductions for the region. In summary, the carbon dioxide reductions in 2020 for National Gateway were 16,687 (tons of CO_2) and for Crescent Corridor they were 23,762 (tons of CO_2).

(The analysis was presented earlier to the Travel Management Subcommittee and MDOT had requested time to review the forecasts).

Questions and Comments:

Debbie Bowden, Maryland Department of Transportation, asked if the analysis took into account economic factors. Mr. Morrow responded that the analysis was a simple look at the vehicle-miles-travelled (million truck-miles) and CO_2 reductions only.

Eulouis Cleckley of the District Department of Transportation asked about truck reductions in the District. Mr. Flippin of CSX responded that most of the truck-to-rail diversion numbers consist of long-haul trips, and trips that likely originated and have destinations beyond our region. The local trips will remain on the local roads for local deliveries.

Karin Foster, Freight Plan Update—

Ms. Foster spoke from a yellow handout, the contents of which she e-mailed to the freight distribution list subsequent to the meeting. A complete draft of the National Capital Region Freight Plan 2010 was distributed and an online link was provided. Attendees and freight stakeholders were asked to submit comments on the document by May 24, 2010.

Ms. Foster noted the discussion that took place at the previous Freight Subcommittee meeting regarding the identification of a Top Ten List of project and the prioritization process. She advised the Freight Subcommittee to move ahead with the list of projects as selected by the Freight Subcommittee for presentation of the final document before the Transportation Planning Board (TPB) on July 21, 2010. Discussions on the prioritization process delved into many issues that would require a longer process, such as agreement upon prioritization criteria and number or truck and rail projects. It was better not to hold the document up or to rush the process. Once the document has been presented to the TPB, the Freight Subcommittee will move forward with the process to identify a Top Ten List of projects beneficial to freight movement in the region.

Roundtable Updates─

Terry Levinson of Argonne National Laboratory works on idling reduction issues with respect to trucks.

Mr. Flippin of CSX and Herb Smith of Norfolk Southern noted the upcoming Train Day being sponsored by many freight and passenger railroads at Union Station May 8th. They each commented on their respective railroad's TIGER awards. CSX will use the money to clear obstructions from the mid-West to Maryland border. Norfolk Southern will use their award to build two new intermodal rail yards in the South.

Mr. Cleckley discussed the District's commercial loading zone program underway. The District is working on system to come up with a uniform commercial loading zone program that is understandable for commercial vehicle operators in the District. The District is also working to define a Truck Route Map. Mr. Cleckley also mentioned an anti-idling campaign he is working on with MWCOG Department of Environmental Planning as a partner.

Ms. Bowden noted that the Statewide Freight Plan is in its implementation process.

Next Meeting July 8, 2010