

**FREIGHT WORKING GROUP
DRAFT WHITE PAPER
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Introduction

An ad hoc working group consisting of staff from FHWA, MARAD, RIDOT, Statewide Planning, RIEDC, QDC, and URITC began meeting in 2012 to address the need for coordinated freight planning in Rhode Island. Over time, several other interested agencies have actively participated at working group meetings (RIAC, FMCSA, RIRRC, RIEMA, RIDEM). This paper provides background information on the on the need for freight planning and recommendations on how to move forward.

What is Freight?

Freight movement is the transport of goods and materials. Specifically, the supply chain begins with raw materials which are moved to places of production, distribution, retail, and consumption. In some cases, the waste generated by production and consumption re-enters the supply chain for recycling or is moved to waste storage facilities. In Rhode Island, waste and recyclables are the number one export by tonnage, consistent with national trends. Freight moves through urban and rural areas and by all modes (rail, highways, airports, seaports and pipelines). Most freight movements are multi-modal and intermodal. These facilities all play important roles in providing efficient portal-to-portal, just-in-time pick-ups and deliveries. Freight transportation is critical to the survival and future economic vitality of the State of Rhode Island. There is renewed national attention to efficient freight transportation, which can have a positive effect on the economic growth and vitality of Rhode Island by benefitting manufactures, shippers, distributors, and consumers. Additionally, recent industrial accidents have focused a spotlight on the safety of the freight network which is of utmost importance to maintain public safety and uninterrupted service.

MAP 21

Moving Ahead for Progress in the 21st Century Act (MAP-21) is a two year federal transportation authorization act (FFY 2013-2014) that encourages each State to develop a comprehensive multi-modal State Freight Plan that outlines immediate and long-range plans for freight-related transportation investments, particularly those that are critical to export movements. Directing resources toward improving those facilities will assist the United States in meeting the goals of the President's National Export Initiative to double the amount of national exports by 2015. MAP-21 also encourages States to develop State Freight Advisory Committees, consisting of a representative cross-section of public and private freight stakeholders, as part of the process for developing a State Freight Plan.

MAP-21 establishes a national performance goal of "Freight Movement and Economic Vitality". USDOT is establishing a National Freight Policy, National Freight Strategic Plan, and a National

Freight Network. Additionally, USDOT is directed to develop and improve data, planning, and reporting to support an outcome-oriented, performance-based approach, as well as preparing a biennial report describing the conditions and performance of the National Freight Network.

Under MAP-21, the Federal share payable for any project is increased to 95 percent for projects on the Interstate System and 90 percent for any other project if the USDOT Secretary certifies that the improvements made by the project contribute to the efficient movement of freight (including making progress on freight performance measures established under MAP-21) and is identified in a State Freight Plan developed pursuant to MAP-21.

Purpose and Need for Coordinated Freight Planning & Action:

Rhode Island's business climate ranks among the bottom ten states in the country; according to recent studies published by The Tax Foundation (2010), Small Business Entrepreneurship Council (2009), CNBC (2010), Forbes (2009) and Chief Executive Magazine (2010). The Rhode Island Public Expenditure Council (RIPEC) concluded that "all five of these reports indicate that Rhode Island needs development in a number of different arenas in order to compete more effectively with States which have lower tax and regulatory burdens, better transportation infrastructure, lower costs of doing business and stronger economies."¹ RIPEC concluded that making improvements in Rhode Island's business climate are possible and part of the overall approach involves transportation system improvements and developing new industries.

Rhode Island's unemployment is consistently above the national average and has been the second or third highest in the country for several years. This has continued to stress state budgets and hinder the State's ability to recover from the recession and move forward.

Clearly, goals for transportation investments in freight should be linked to better economic performance and improved supply chains for companies that are located here, or are considering locating in Rhode Island. Growing existing companies and attracting new ones are key to the creation of new jobs. Goals for freight planning and investments include:

1. **Survive.** Rhode Island may not be critical to the national freight network because of its size and market area, but freight is critical to Rhode Island's survival. Deterioration of freight service and facilities would adversely impact businesses and consumers and contribute to the overall negative perception of the state's business climate.
 - a. Provide for continued uninterrupted flow of goods, particularly energy deliveries.
 - b. Maintain system safety, security, and integrity; and continue incident response planning.
 - c. Maintain infrastructure to prevent further deterioration.

¹ RIPEC, "How Rhode Island Measures Up: A Review of the State's Business Climate Rankings," 2010, page 3

2. **Grow.** Improved and expanded freight service and infrastructure can help to attract new companies to the state and maintain competitiveness.
 - a. Reduce unemployment.
 - b. Improve the State's business climate.
 - c. Provide redundancy where possibly.
 - d. Respond to new business opportunities from an evolving economy (e.g. re-shoring, wind energy, new domestic energy resources, and short sea shipping of containerized freight that may result from the Panama Canal expansion)

Opportunities

- The passage of MAP-21 provides Rhode Island with a major opportunity to springboard into further planning and strategic project development initiatives targeting goods movement and economic development. But perhaps the real opportunity is the successor to MAP-21 which has the potential for future federal funding streams for capital projects, both the short term "low hanging fruit" and longer term, larger projects. Access to these federal funding sources is critical to leverage and entice private sector participation, investment and job growth in Rhode Island.
- Rhode Island's location has been termed by many in the goods movement and transportation economics field to be "strategic"; situated at a convenient mid-point between Boston to the north and New York City to the south. The planning process and products designed to meet MAP-21 requirements will highlight this asset and provide potentially helpful momentum building with public/private development around the goods movement and logistics economies.
- Similarly, Rhode Island's small geographic size and the close proximity of key decision makers allows for a unique capability to quickly pull together the appropriate experts, marshal resources, assemble information, meet MAP-21 requirements including a multi-modal freight action plan to guide public investment strategies mated to existing and potential future private development.
- Furthermore, from a larger regional perspective, Rhode Island's small but strategic location between Boston and New York has afforded an opportunity for the state to be an active player in current and future affairs along the Northeast Corridor (NEC). Having one of ten state votes on the Congressionally-established Northeast Corridor Infrastructure and Operations Commission allows Rhode Island an equal say on the future of freight, intercity and commuter rail services and projects along the NEC as these rail services grow. Investment decisions along the NEC will be generated from the Commission, on which Amtrak and USDOT are members. The major freight railroads in the Northeast are non-voting members of the Commission and have actively participated in Commission business to date. Access to regional freight data

and future plans through the Commission will certainly enhance freight planning in Rhode Island. Simultaneous to the Commission's work, the Federal Railroad Administration is currently undertaking an Environmental Impact Statement (EIS) for the entire NEC under its *NEC Future* process. Rhode Island needs to remain fully engaged in this process as all alternatives, including new alignments, are being considered.

- Rhode Island has a statewide planning tradition that fosters and encourages freight planning efforts. Several plans and documents already address freight in some way, although not exclusively or as a cohesive supply chain across modes and not in an "action plan" format.
 - Long Range Transportation Plan, Transportation 2035 (excerpts in Attachment A)
 - State Rail Plan (under development)
 - Freight Planning Needs Assessment, 2006 (lacks an action plan or project ranking methodology)
 - State Land Use Plan, Land Use 2025
 - State Industrial Land Use Plan
 - State Economic Development Plan
 - URI Ports and Harbors Study

- Recognizing, in no small part, the important relationship between freight movement and economic vitality, Rhode Island has been working on both fronts with major infrastructure projects that are directly beneficial to goods movement, including:
 - Replacement of I-95 Viaduct through downtown Providence
 - Relocated I-195
 - Replacement of the Pawtucket River Bridge (Bridge 550 on I-95)
 - Replacement of the Sakonnet River Bridge (Route 24)
 - Freight Rail Improvement Project (added track capacity and rail clearance improvements between Central Falls and Quonset Business Park)
 - Route 403 (new limited access highway that connects Quonset Business Park to Route 4)
 - Within Quonset Business Park, \$86 million in infrastructure investments have been completed since 2005 or are currently underway, strengthening its role as the State's premiere port/industrial park.
 - TIGER Grant funds for the installation of mobile harbor cranes at both Port of Davisville and the Port of Providence.
 - Recent approval of runway lengthening at T.F. Green Airport
 - Recent dredging of Providence River (main shipping channel) to -40 feet
 - Recent dredging of Port of Davisville to -32 feet
 - Ongoing analysis of Providence Station tunnel and hazardous materials restriction
 - Continuous rail/highway grade crossing improvements on P&W operated rail lines
 - Recent FRA High Speed Rail grant funds to add a 2 mile passing track in Kingston for Acela overtakes of slower Regional and freight trains; and for long-term improvement study of Providence Station and tunnel capacity needs

- The TIGER grant program, although not funded by MAP 21, has created new synergies between USDOT's modal administrations and new investments in port infrastructure in Rhode Island. Rhode Island's two TIGER projects are both administered by the Maritime Administration (MARAD). Staff relationships that have developed as a result of the TIGER program are now carrying through to the Freight Working Group. Rhode Island is particularly fortunate to have FHWA and MARAD as active members.
- MARAD is leading the "America's Marine Highway" (AMH) Program which is intended to relieve congestion on the nation's heavily used Interstate highways, as well as achieve environmental benefits in the form of lower carbon emissions. The "M-95 Corridor" consists of the waterways along the eastern seaboard parallel to Interstate 95. Rhode Island and its ports are included in this corridor. QDC is actively working on marine highway initiatives now that the TIGER funded improvements have been completed.

Challenges

- MAP-21 does not provide specific funding for the freight planning process; nor is there a guarantee that a future re-authorization effort will provide increased federal funding to further the freight network. The outlook is best termed guardedly optimistic.
- There is a real need for solid data to augment anecdotal information (shippers, distribution centers, volumes of freight, commodities, and value). A robust program of data collection has been identified by the Freight Working Group with attention to shorter term needs of RIEMA and RIDEM for HazMat planning.
- The regional aspects of the nation's freight network and MAP-21's charge for a true multi modal model dictates treatment of regional freight issues and assessing pass-through freight movements, showing Rhode Island itself possesses a relatively small consumer market within the Northeast Corridor.
- Freight doesn't vote, meaning that elected officials often hear from constituents regarding transit and bike paths and other passenger and commuter issues. Elected officials have fewer opportunities to interact with the freight community.
- While Rhode Island may possess a relatively small consumer market within the Northeast Corridor, due to its central location between Boston and New York along the Northeast Rail Corridor, it is a strategic area for future capacity improvements for both freight and passenger services. The RI portion of the NEC offers some of the best locations for additional track capacity due to long stretches of tangent track. Adding capacity is critical for freight and passenger expansion. Amtrak estimates that

without any capacity improvements, the NEC between Boston and Washington DC will no longer be able to accommodate any growth for any service by 2030.

Recommendations

The Freight Working Group recommends that the State create a Freight Leadership Committee to coordinate freight planning and action in Rhode Island.

The Committee should specifically be tasked to:

1. Consolidate Rhode Island's current policies on freight and help shape the future freight policy in the state.
2. Provide a forum between the public and private sector for the exchange of ideas, build institutional capacity, and to better understand the complexities associated with freight movements.
3. Centralize the responsibility for freight policy development, planning, infrastructure investment, stakeholder outreach, project development and regulations.
4. Develop a goods movement analysis to understand, inventory, and baseline the supply chain, the commodities, and how products move (origins, destinations, and corridors, both interstate and intrastate).
5. Identify the state's multimodal freight transportation network including key chokepoints and identify issues for further consideration.
6. Investigate and evaluate ways the State of Rhode Island can increase the efficiency, sustainability, profitability, reliability, and safety of goods movements.
7. Work with other states on regional freight issues through NEC Commission, CONEG and I-95 Corridor Coalition.
8. Update Freight Planning Needs Assessment if necessary.
9. Create a Freight Action Plan that identifies infrastructure projects and other actionable items to preserve and improve the network, and leverage other funding sources.
10. Establish performance standards for freight and goods movement.
11. Advocate for dedicated and modally flexible freight funding in future transportation reauthorization bills.
12. Educate and inform law makers and the public on the importance of freight movements to the Rhode Island economy and the associated funding for improvements and maintenance of freight transportation infrastructure.

STRUCTURE:

Oversight: RIDOT's Rail Passenger Initiatives Committee can serve as oversight to the Freight Leadership Committee and provide policy guidance and oversight for the State Freight Plan.

Other organizations and individuals, particularly from the private sector, should be brought in to provide broader representation.

Coordinating Agency: RI Statewide Planning

Working Group: FHWA, Statewide Planning, RIDOT, RIEDC, QDC (Q: Move MARAD and URI up from Stakeholder Group since they've both been "founding" members since Day 1?)

Stakeholder Group: Working group plus MARAD, FRA, FMCSA, URI, Bryant University, RIEMA, RIDEM, RIRRC, RIAC, ProvPort, P&W, and others. Particular attention will be paid to recruiting private sector participants at the appropriate time in the process, including but not limited to: manufacturing, energy, retail, logistics and distribution, transportation, and chambers of commerce.

BUDGET: \$600,000 (including a \$60,000 grant from the Bays, Rivers, and Watersheds Coordinating team).

TIMELINE:	Months (beginning September 2013)
Data Collection	1-6
RFP	3
Consultant hired	7
Draft	8-19
Final	20-24

ATTACHMENT A

Excerpts from Rhode Island's Long Range Transportation Plan *(reformatted and renumbered for presentation in this white paper)*

Goals

1. Support a vigorous economy by facilitating the multi-modal movement of freight and passengers within Rhode Island and the northeast region.
2. Provide convenient intermodal facilities and services offering seamless connections for passengers and freight.

Objectives

1. Move freight efficiently to, from, and within Rhode Island by all modes.
2. Expand use of freight rail.

Policies

1. Ensure that freight rail continues to serve the region. Join with other New England states in participating in decision-making on changes in regional rail service, such as changes in ownership, rate structure, maintenance of the network, and accommodating intercity passenger rail service.
2. Encourage provision of all appropriate transportation services and facilities at key freight locations including freight rail, highway, port, airport, transit, and commuter alternatives. Consider short sea shipping opportunities.
3. Provide ample infrastructure for intermodal movement of freight to grow business and sustain residences at reasonable costs.
4. Work with the private sector to improve intermodal connections.
5. Improve coordination with the private sector in freight planning.
6. Recognize Narragansett Bay as a critical waterway and transportation asset for fuel transport and other freight.

Strategies

1. Continue to evaluate a full interchange at Route 4 / Interstate 95, and complete the Relocated Route 403 to support the full development of Quonset Davisville. Construct a new interchange subject to successful outcome of environmental and TIP processes.
2. Work with RIDOT, AMTRAK and P&W Railroad to establish reasonable access fees and freight charges on the AMTRAK main line, especially on sections of track added through the FRIP. Support bridge clearance programs in other states that open up new markets for freight rail.
3. Study improved access to the Port of Providence from the Interstate system and rail improvements within the terminal area.
4. Locate sites for new or expanded truck rest areas. Upgrade current rest areas to include electricity, lighting and other facilities as appropriate.

5. Identify and map:
 - Interstate and STRAHNET bridges and overpasses that do not meet 16' federal defense clearance standard
 - State highway locations with high-wide clearance or weight restrictions
 - Rail locations with high-wide clearance or weight restrictions
6. Begin planning to address current and potential future congestion on the Interstate system by evaluating alternatives – including mode shift potential for passengers and freight, capacity expansion options, and ITS enhancements. Congested conditions already exist on I-295 between Routes 6 and 37 and this roadway may also benefit from short-term solutions such as truck climbing lanes. Future congestion is a concern for the two-lane segment of I-95 from RI-4 south to the CT border.
7. Preserve sufficient acreage along freight rail lines and at key freight terminals (including Port of Providence, Quonset Davisville, T.F. Green, and Port of Galilee to accommodate intermodal transfers.
8. Study improved access to the Port of Providence from the Interstate system and rail improvements within the terminal area.
9. Reserve vacant industrial land along freight rail lines for rail dependent uses. Reserve sufficient land for future terminals and intermodal facilities.
10. Reserve waterfront land at the state's ports to meet future shipping and passenger transportation needs.
11. Continue addressing regional transportation issues, including high-speed rail, bus/rail/air connections, intercity bus, interstate transit/paratransit connections, and commuter rail service to Boston as well as to Connecticut locations. Support a "North-South Rail Link" in Boston to improve regional passenger rail connections. Work directly with other states to coordinate regional changes in freight/passenger rail service. Support bridge clearance projects in other states that open up new markets for freight rail.

ATTACHMENT B

Resources

1. FHWA Peer To Peer Exchange (Delaware has similarities that are worth studying)
2. University applied research, URITC, SAILS model
3. Statewide Travel Demand Model
4. Sustainable Communities Grant
5. License for network optimization tool
6. FHWA Freight Private Sector Engagement Workshop
7. MARAD Funding for Marine Highway Projects/Activities