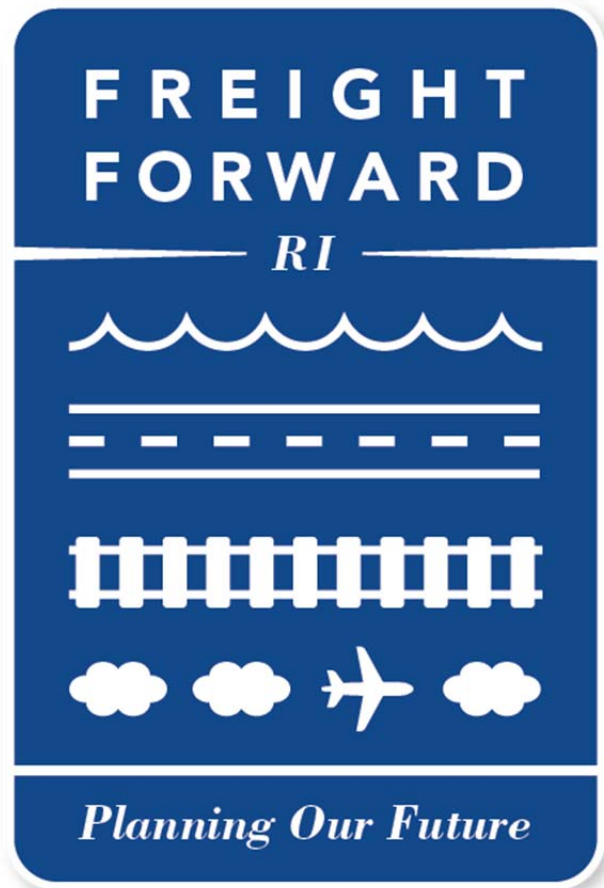


FREIGHT FORWARD:
STATE OF RHODE ISLAND FREIGHT AND GOODS MOVEMENT PLAN

APPENDIX 1:
STAKEHOLDER OUTREACH SUMMARY REPORT





*Stakeholder Outreach
Summary Report*

Version 3.0

July 7, 2015

RHODE ISLAND STATEWIDE
FREIGHT & GOODS MOVEMENT PLAN

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This Stakeholder Summary reflects the opinions and perspectives of various freight operators, manufacturers, freight forwarders and others as expressed during interviews in 2015. Not all statements made have been validated, and many suggested actions are beyond the state's purview and control.

The summary is intended to capture local ideas and concerns related to the movement of goods in Rhode Island and to identify opportunities for further exploration in other sections of the RI Freight & Goods Movement Plan.

INTRODUCTION

The State of Rhode Island's Department of Administration is working to develop a Rhode Island Statewide Freight & Goods Movement Plan ("Plan") to outline immediate and long-range strategies for multi-modal freight transportation investments through the year 2040. Completion of the Plan will identify measures to better coordinate and effectively utilize all of the state's transportation resources to support the efficient movement of goods. These efficiencies will provide additional capacity for growth, support the ability of local businesses and manufacturers to import and export goods, and help strengthen the state's economy.

This document reports on initial outreach efforts conducted by the study team to better understand the existing freight network and factors affecting the local supply chain, from the user's perspective.

*"Trade and transportation –
they go together"*

Ray LaHood, former US
Secretary of Transportation

World Trade Day 2015

Overview of Stakeholder Outreach

The state conducted stakeholder outreach over the course of this study in order to consider the perspectives of different freight operators, industry representatives, policy makers and the general public. This input is critical to provide the study team with a better understanding of the demand for goods movement in Rhode Island (RI), as well as the challenges and opportunities related to local freight logistics.

In addition to monthly meetings with a Freight Plan Steering Committee made up of public officials, business representatives and freight operators, the study team also meets quarterly with a larger RI Freight Working Group.

Additional outreach to date has included the following methods and actions:

- **Stakeholder Interviews.** The study team conducted a total of 21 stakeholder interviews between January and June 2015, either in person or by telephone. The purpose of these interviews was to learn more about local freight logistics and the issues and concerns facing individual stakeholder in RI.
- **Focus Groups.** A number of local industry groups and associations support and advocate for ongoing investment in RI's freight infrastructure and a regulatory environment to support the efficient flow of goods. The team led three focus

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group discussions with individuals representing key segments of the RI freight and logistics industry. These focus groups were designed to generate broad discussion from attendees with close knowledge of a specific topic area.

- **Surveys.** Three online surveys were conducted to better understand the daily operations and concerns of specific groups: 1) RI Trucking Association; 2) RI Hospitality Association; and, 3) municipal planning representatives from Rhode Island communities.
- **World Trade Day at Bryant University.** The annual conference brought business leaders from many companies, industries and regions to RI on May 20, 2015. Members of the project team attended to gain a broader perspective on RI's role in world trade and to discuss how New England's infrastructure can better support trade on a regional scale.

A list of stakeholder interviews and focus groups held to discuss freight operations in RI is provided in Appendix A. Survey results are attached as Appendices B, C, and D.

KEY ASSETS & FREIGHT NETWORK STRENGTHS

Stakeholders were asked to identify key strategic assets that support RI's freight network, and to provide their perspective on other aspects of local goods movement that are working well today. Stakeholder opinions are summarized below.

Highway Network

Some key congestion points have been addressed. Truckers interviewed indicated congestion on I-95 and I-195 through Providence has lessened since the I-Way project and other improvements were constructed. They have indicated that peak period delays are still a problem, however, especially for trucks heading westbound on I-195.

The use of new technologies has helped ease traffic delays. Recent "accelerated" construction techniques employed by RIDOT, such as off-site bridge construction, were applauded by local truckers for reducing the duration of construction. Truckers also indicated that RIDOT's use of highway signs with real-time traffic updates along with other improvements to communicate construction schedules were helpful, especially for truck drivers that need advance warning to divert from scheduled routes.

Rail Network

The Providence & Worcester (P&W) Railroad provides access to all four Class 1 railroads in New England. Most stakeholders indicated this provides shipping choice and good access to most North American destinations. Some also thought that this access results in competitive rail shipping options for local RI businesses.

RI rebuilt overhead rail bridges along the Providence & Worcester rail line as part of its Freight Rail Improvement Project, allowing for double stacking of rail containers.

RI's ability to accommodate double stack containers on trains serving major port terminals is a major competitive advantage. Not all neighboring states can offer this service and rail traffic to the Providence and Davisville port terminals has grown significantly over the last 7-8 years, due to increased activity at the ports.

P&W will be able to accommodate 286-ton rail cars on its main line by mid-2016. P&W is working to upgrade five weight-restricted bridges in Massachusetts (MA) and expects to complete the work by the summer of 2016. There will be one remaining bridge in Woonsocket that can only accommodate 286-ton cars at reduced speed, meaning that RI will be the last state to accommodate the new weight standard.

RI updated its State Rail Plan in 2014. The State Rail Plan identifies a number of high priority projects designed to support the movement of freight by rail.

Ports

RI's coastal location benefits the state freight network. The state's geography allows for the movement of goods via marine transportation.

The two major port terminals, ProvPort and Port of Davisville, are close to the interstate and have direct rail connections. Other terminals are connected to a broader network,

including two on the Providence River: the Motiva fuel terminal has a direct rail connection, and Exxon/Mobil distributes fuel by pipeline to Springfield, MA.

Land surrounding the major port terminals has been designated for industry and water dependent uses. The City of Providence zoning has designated its port area for heavy industry/water dependent uses. The Quonset Business Park is directly adjacent to the Port of Davisville and has the capacity for growth to support industrial uses.

Marine channels have been well maintained. The Army Corps of Engineers (ACOE) is responsible for maintaining the Providence River channel, which was last dredged in 2004 to a depth of about 40 feet. ProvPort dredges to match this depth coming into their terminal. Davisville was last dredged in 2012 to a depth of 32 feet. Davisville also benefits from the fact that ACOE does not maintain its channel so no ACOE fees are assessed on incoming vessels.

The Port of Davisville and surrounding Quonset Business Park have had much recent investment and have the capacity for growth. About 50 acres in Quonset have yet to be developed. Over the last decade, there have been investments in road, rail and pier infrastructure, as well as new cranes at both ProvPort and Davisville.

ProvPort supplies road salt for RI, and parts of MA and CT, importing up to 500,000 tons per year.

RI ports serve a variety of functions. The two major port terminals, ProvPort and the Port of Davisville, balance each other by focusing on bulk vs. “cleaner” cargo. Other Providence River terminals handle major fuel imports. The Port of Galilee in Point Judith is mainly a fishing port and the Port of Newport is a cruise ship terminal.

RI benefits from relatively close access to port terminals in Boston, MA and in New York/New Jersey (NY/NJ). In addition to marine terminals located in RI, relatively close access to major terminals in NY, NJ and Boston provides RI businesses with additional options for importing and exporting goods.

Air Cargo

Air cargo operations at TF Green Airport connect RI to wider domestic and global networks. TF Green hosts both FedEx and UPS air cargo operations with daily freighters connecting RI to the integrators’ wider networks. A limited amount of TF Green’s passenger airlines also carry cargo.

TF Green Airport is a key hub serving coastal islands. Much air cargo flown to Martha’s Vineyard and Nantucket Island passes through TF Green.

Each year, Seafreeze Ltd. processes 20-25 million lbs. of seafood at its Quonset facility, and exports this product to all continents.

TF Green Airport is an important asset to support the emerging “Maker” industry. Future growth in the number of small creative manufacturers is anticipated, due in part to the influence of the RI School of Design, AS220 and other industrial arts programs. These small entrepreneurial businesses generate frequent small shipment deliveries via FedEx, United Parcel Service (UPS) and the US Postal Service. Although volumes are low, when combined with a growing on-line retail market, these small shipments are having an impact on local truck and air cargo movements across the country.

UPS has about 1,000 employees in RI.

INFRASTRUCTURE CONSTRAINTS

Stakeholders were asked to identify any bottlenecks, chokepoints or other infrastructure conditions affecting the efficient movement of goods into, out of, and through RI. Stakeholder opinions are summarized below.

Highway Network

Lack of direct access from Quonset to I-95 southbound.

Stakeholders raised this issue more than any other. Although there is excellent highway access from I-95 North to Quonset via Route 403, and vice versa, access to I-95 South requires exiting the highway and traversing local arterials. This introduces the opportunity for incidents and adds time/cost to shipments from Quonset.

NORAD's auto distribution business at Quonset is estimated to generate over 27,000 annual outbound truck trips, with the majority headed south on I-95.

Lack of direct access from ProvPort to I-95 southbound. There are direct highway ramps to and from I-95 North to Allens Avenue and ProvPort, and from I-95 South. However, trucks returning to I-95 South must utilize narrow local streets and make tight turns to move into and out of the port area.

Delays and congestion along sections of I-95 in Providence. Although construction of the I-way and a new I-95/I-195 interchange were noted as helping to alleviate congestion in Providence, stakeholders are still affected by roadway congestion, particularly during peak periods. Two specific bottlenecks identified were: 1) the southbound **I-95/Route 146** merge; and, 2) **I-195 westbound in East Providence**.

Local road constraints. Stakeholders also pointed out a number of relatively minor road bottlenecks that affect truck operations and can add up to major delays. Others suggested the need for a more strategic and coordinated process to support local truck movements on local roads. A few examples of these issues include:

- Route 114/114A/Mink Street in East Providence: extend the right turn lane to enable trucks to move more freely through this congested area.
- Highway access to/from Corliss Street industrial area in Providence:
 - Trucks heading to I-95 southbound must make tough right turn onto Branch Avenue, then I-95 South.
 - Trucks heading to Route 146 northbound must make tough right turn onto Charles Street.
 - Trucks getting off Route 146 southbound onto Admiral Street must negotiate a tight turn as cars try to pass on the right.
- Signal coordination and wider turning movements around ProvPort.
- I-95/I-295 interchange improvements to accommodate longer vehicles.
- Jefferson Boulevard in Warwick needs improved turning radii, road width and other potential mitigation related to high volumes of truck traffic.
- Congestion and truck traffic at the entrance to Route 37 from Post Road.

Roadway congestion in CT and MA affects freight headed into or out of RI. RI is particularly constrained by the high levels of congestion along I-95 in CT. Truckers noted

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that delays are experienced at all times of day and are affecting businesses and the cost of shipping throughout New England. Traffic congestion in the Boston area affects truck shipments destined for Logan Airport or the Port of Boston. As congestion continues to increase, the cost of goods, materials and doing business in RI will also increase.

Poor roadway maintenance is a disincentive to businesses. Some interviewees suggested that older highways designed to older standards, combined with poor road maintenance, make it harder to attract national companies and truck carriers to do business in RI.

Truck Size. Federal standards allow 53-foot trailers on the interstate (and one-mile off these roads). Access by trucks of this size is difficult in urban areas and RI may need to identify special routes or operational restrictions, or make improvements to accommodate these vehicles. Stakeholders recognized that increasing truck size should be considered as part of a larger picture. For example, longer twin trailers could be allowed, but restricted to night-time hours on approved routes. Any improvements should be coordinated regionally (e.g. Modifying the I-95/I-295 interchange in MA to route longer trucks via I-295). At a minimum, consistent rules and policies are needed at a regional level.

Lack of local truck stop facilities. The number of truck stop facilities in RI is minimal. The rest area on I-295 in Cumberland is closed, and the one along I-95 in West Greenwich is overflowing at night and does not provide comprehensive support facilities such as showers, fueling, tire service and/or food. Some stakeholders thought local truck drivers might use truck parking areas while they are home on weekends.

Road weight restrictions make freight movements less efficient. Shippers cannot always fill containers due to heavy weight restrictions for trucks. For example, RI Resource Recovery is working with its trucking companies to request heavy weight permits from the state of RI to allow an additional 16,000 lbs. to be loaded in outgoing containers. The facility anticipates these permits would increase operational efficiency and reduce the number of trucks serving the facility by 15-20%. During other interviews, some suggested RI could take other action to allow more companies to increase loads, such as designating heavy haul routes, particularly to support intermodal connections related to rail and ports.

Rhode Island's historic character, with narrow streets and densely developed business areas, can be challenging for deliveries. Many RI businesses are located in historic areas or those that were developed many years ago with narrow street networks, making local truck deliveries difficult. Some of these communities would also like to restrict through-truck traffic on local roads. For example, many trucks follow Route 1A through Wickford village in North Kingstown to access the Jamestown Bridge. Wickford would like this road restricted to prevent through trucks from using it.

Low vertical clearance on certain bridges. There are some locations in RI that have low clearance bridges. The only specific location mentioned during interviews was in downtown Woonsocket.

Rail Network

Hazardous cargo restrictions at Providence Amtrak Station. P&W trains must wait to pass through the station when passengers are not waiting for trains on the station platforms, and can be held by the Providence fire marshal. If RI port traffic continues to grow, this will become a bigger issue, as almost every P&W train (2-3 daily) carries some restricted material (mostly ethanol) and even empty loads need to stop because of residual materials. This creates bottlenecks on the rail corridor and can affect tight schedules for rail deliveries. (Note: This is a high priority project in the RI State Rail Plan and RIDOT continues to assess options to address the issues as part of ongoing station improvements.)

Lack of redundancy in rail network. Direct rail service to ports and other locations is one of RI's greatest assets in terms of freight, but if P&W's operations are disrupted, ProvPort and Quonset Business Park do not have alternate rail service providers.

Toray Plastics, a major manufacturer in RI since 1988, makes film to line solar panels and the inside of potato chip bags.

Rail bridge weight restrictions in MA and Vermont (VT). All New England Class 1 railroads will carry 286-ton cars by 2015 (Canadian traffic). P&W is currently taking action to upgrade bridges in MA to accommodate heavier cars. However, two bridges in RI were identified by stakeholders as weight restricted. The two outer ends of the Main Street viaduct in Woonsocket are poorly rated in terms of structural condition and 286-ton cars would be restricted to low speeds. P&W has upgraded the middle segment of the viaduct. Reconstruction of the outer ends is programmed in the state's Transportation Improvement Plan (TIP). P&W has also been advised by Amtrak regarding weight restrictions on an Amtrak-owned bridge over the Pawcatuck River in Westerly, which is P&W's alternate route into RI.

There are also weight restrictions on rail in Vermont (VT) limiting Canadian shipments.

Overhead clearance. Despite full double stack clearance along the mainline, other areas cannot accommodate taller loads. In some areas, communities are proposing to lower bridge clearances as part of RIDOT reconstruction (e.g. Slatersville). Finally, the new standard clearance (20'1") may be needed if connecting carriers achieve these heights along with some undercutting of bridges along the freight mainline in Central Falls, Pawtucket, and Providence.

Need to ensure expanding commuter rail network does not limit freight movements. The addition of high-level passenger platforms along freight lines could restrict wide loads or require gauntlet tracks (or overlay tracks to allow wide freight loads to operate while shifting passenger trains closer to platforms). Heavy daytime passenger traffic also creates smaller windows for freight and diverts freight trains to nighttime windows, but many freight customers want daytime shipments. It is important to note that the current plans for a new Pawtucket Station propose to maintain separate freight and passenger tracks.

Lack of rail access to Aquidneck Island. Rail access to Aquidneck Island was lost when the Sakonnet River rail bridge closed. The RI State Rail plan proposes a study to evaluate service restoration.

Need to improve off-loading at ProvPort. The RI State Rail Plan identified the need to make improvements to off-loading capabilities at ProvPort to speed bulk transfers.

Ports

Need berth and landside improvements at port terminals. Port operators and customers identified a number of improvements to increase capacity or improve the operational efficiency:

- Pier improvements at Davisville: Extend Pier 2 to the north and perform dredging to create a 3rd berth (est. \$12M). A storm bollard is now being installed on Pier 1, but additional berth improvements to safely berth ships during rough weather are needed.
- Yard handling equipment at Davisville (e.g. top end loader, large forklift, a MOFI, 20-ton mobile crane).
- Landside improvements at Quonset are needed to accommodate project cargo: Increased overhead wire clearance, terminal tractors, etc.
- Roadway improvements at ProvPort: Terminal Road is in poor condition and in need of upgrade.
- Piers and retaining walls at both port facilities were built in 1940s and are approaching obsolescence.

Storage space is limited at ProvPort. ProvPort and the other port terminals in Providence are surrounded by dense development in RI's capital city and there is limited space to expand. In May 2015, the port was granted approval by the Providence Redevelopment Authority to lease an adjacent parcel, providing about 10 additional acres to expand operations. Continued growth at the port may lead to future capacity constraints. It was also noted that, although ProvPort falls within land zoned by the city for water dependent uses, the Allens Avenue area north of Thurbers Avenue also hosts water dependent businesses but has not been designated for such use.

Air Cargo

Air cargo operations at TF Green are constrained due to capacity issues. If land side infrastructure supporting cargo operations at TF Green Airport is upgraded and extra capacity provided, there would be greater potential to ship more local freight through TF Green.

Air cargo operators do not offer frequent flights out of TF Green. Based on interviews with the airport and airport users, freight forwarders often truck goods to Boston's airport to take advantage of more frequent air cargo departures and greater overall capacity.

SYSTEM CONSTRAINTS & REGULATORY CHALLENGES

Stakeholders were asked to identify other factors affecting the efficient movement of goods into, out of, and through RI. Stakeholders acknowledged that many of these issues are beyond the state's control, but urged state officials to advocate for policy changes or take other actions where feasible. Stakeholder opinions are summarized below.

Highway Network

High entry costs for truck drivers. The cost of school and CDL certification can be between \$5,000 and \$10,000, and some businesses require additional specialization and certification (e.g. auto-hauling business). Furthermore, new drivers need 18-24 months experience after driving school, and young drivers cannot cross state lines, a particular issue in a small state like RI. One recent success is that the RI Department of Labor & Training has worked with insurers to create a risk pool of new trained, licensed truck drivers. This action is intended to spread the risk of insuring new truck drivers over a larger group and to reduce overall insurance costs for small trucking companies.

Fewer truck drivers are seeking or renewing their hazardous materials endorsements. Future drivers must invest significant time and expense to obtain certifications. For example, US Homeland Security Transportation Worker Identification Cards (TWIC) cost \$128; additional endorsements are needed in Canada; and propane transport has additional requirements.

Some Federal Motor Safety Carrier Association (FMCSA) regulations have unintended consequences. Issues raised include those related to the 2010 Compliance-Safety-Accountability (CSA) program, the "34 Hour Rule" on hours of service, and health card requirements. The "34 Hour Rule" which requires drivers to take 34 consecutive hours off-duty before restarting a 7-8 day work period, has been suspended and is under review by FMCSA. New Health Card regulations require trained medical examiners to perform a prescribed physical and some in the trucking industry believe the new policy will encourage older drivers with "unqualified" family doctors to hasten their retirement.

Local highway enforcement. RI State Police tend to pull trucks over for speeding on I-95 between I-295 and Route 10, where the speed limit drops from 65 to 55. This is a challenging spot, where it is hard to re-enter traffic and get back up to speed.

Rail

Potential need for future safety inspections. The National Transportation Safety Board (NTSB) put the need for rail tank car safety on its list of "Most Wanted Safety Improvements for 2015." The NTSB has been working with Canadian officials considering changes to require safety inspections of tank cars at terminals. This could potentially have local impacts, such as needing land to conduct the inspections.

Resiliency. The P&W line along the Blackstone River is prone to flooding. Quonset has the ability to move all rail cargo out of flood zone.

Ports

Quonset cannot offer the same frequency of sailing as NY and Boston. Although the QDC is working diligently to generate shipping volumes at Davisville, it is difficult to compete with more frequent sailings in and out of the ports in NY, NJ and Boston. Boston involves short hauls and avoids the delays encountered in NY, which can be cheaper overall. Issues affecting the growth of exports through Davisville include:

- Mode choice is price dependent and businesses can't commit until specific price is known. Quonset can't negotiate full rates with businesses that require rail transport via P&W.
- RI businesses generate relatively low export volumes. Today, if a company generates 3 containers a year, they are in the top 100 importers in RI. If they generate one box for export, they are in the top 50.
- Rail shipments through Canada are also cheap, making the Port of Halifax another competitor.

RI businesses are affected by congestion and delays at NY/NJ ports. Truckers picking up loads at NY terminals can have 6-8 hour wait times, must pay high fees/tolls, and can bump up against service hour restrictions if delayed or caught in I-95 northbound traffic. These issues are considered headaches and make it hard to find drivers who want to make these runs.

Customs delays shipments in NY and Boston. The high volume of goods entering the United States at NY area and Boston ports are often delayed due to backlogs at US Customs and Border Patrol. Certain stakeholders indicated an interest in finding ways to speed up the processing of these incoming goods.

Resiliency. A ten-foot storm surge would put ProvPort under water, although there is high ground where things could be moved.

General Factors Affecting Freight and Goods Movement in RI

RI is not geographically or logistically close to the larger US customer or supply base. Most companies are involved with relatively local logistics, shipping goods to and from locations within the Northeast and mid-Atlantic. Several companies indicated they are situated here for historical or family reasons.

Imbalanced Imports/Exports. An overall drop in RI's manufacturing industry has decreased the volume of outbound shipments, leaving an imbalance of imports/exports. Outbound trucks are often empty, and importers must often pay carriers for the cost of both inbound and outbound trips, although some carriers use RI as a short haul route and continue on to MA or northern New England to get outbound freight for return the trip. In general, local companies indicated the lack of outbound freight makes it more expensive to import materials and products into RI (in particular) and the Northeast (in general). However, local companies can typically negotiate beneficial rates on exports leaving the state.

Limited warehousing and distribution centers in RI. There are limited warehousing facilities in RI, especially for hazardous materials. Few national companies build facilities

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here because their customer base and anticipated growth is outside RI. However, a few companies handle regional distribution from RI. These include Ocean State Job Lot and Greencore, which recently opened a food production and distribution facility at Quonset. The US Postal Service (Providence) and UPS (Lincoln) also have RI facilities serving surrounding areas in MA and Connecticut (CT).

About 780 people work at the US Postal Facility off Corliss St. in Providence, handling mail for RI, Cape Cod and other parts of MA.

An aging workforce. The aging workforce is a growing issue that is beginning to affect both the truck driving and longshoremens' industries. It is difficult to attract new candidates due to challenging work, reduced benefit levels, stricter medical and drug testing, etc. These are national trends that cause increasing concern to local shippers, due to the potential to increase shipping rates.

High cost of doing business (Labor, Taxes). Many stakeholders pointed out that RI is "labor-friendly" and the cost of labor is higher than in neighboring states or other parts of the country. Others noted high energy costs and the City of Providence tangible tax (\$55 per \$1000) as deterrents to business investment, which in turn increases shipping costs and limits options for those that continue to do business in RI.

Lengthy process to access capital for private or quasi-public port operators. Quonset Development Corp. and RI Airport Corp. are challenged by the time and process required to get General Assembly approval to issue revenue bonds (even though these bonds will have no impact on state revenues or the taxpayer). ProvPort is privately operated, but is also hampered by political and administrative requirements needed to advance infrastructure improvements in support of economic activity (such as administrative paperwork and reporting associated with federal grants). These limitations slow RI's ability to react to industry trends, and some stakeholders indicated RI is falling behind cargo terminals in neighboring states with more consistent state support (e.g. New London, CT, New Bedford, MA, or Portland, ME).

Municipal Concerns. Officials from several communities with major freight facilities were interviewed and raised the following concerns:

- Minor complaints over dust and salt at ProvPort.
- Warwick community concerns related to airport noise and expansion. TF Green currently observes a voluntary curfew between midnight and 6 am. Municipal officials also noted the intersection of Route 37 and Route 1 in Warwick (north of TF Green) can be a bottleneck for traffic, including trucks serving the airport.

OPPORTUNITIES & ACTIONS SUGGESTED BY STAKEHOLDERS

Stakeholders were asked to share their thoughts on potential ways to improve the efficiency of freight and goods movement within RI. Ideas and suggested actions are summarized below. The inclusion of these suggestions in this report is intended to provoke discussion and further exploration; items summarized below are not endorsed or recommended at this time.

Highway Network

Some suggestions made during the interviews include:

- Use signage, incentives and other measures to direct truck traffic onto appropriate routes and bypass urban areas (e.g. allow twin trailers to operate after midnight, sign I-295 as a Providence bypass, etc.). Many drivers do not speak English, so designated routes would need to be identified on GPS maps.
- Identify a heavy truck route to allow heavier loads and more efficient use of shipping containers (that are not fully utilized today). Heavy haul routes that link to short sea shipping or rail routes would be an advantage.
- Create a RI truck stop with secure facilities (showers, fueling station), etc. along I-95 or I-295. Provide signage so drivers can see the stop from road.
- Support workforce development and campaigns to attract people to truck driving, including women, minorities and others not traditionally in the industry. The United States Department of Transportation's Research and Innovative Technology Administration (RITA) is looking to work with high schools on career planning.
- Work with FMCSA to develop pilot programs to allow 18-21 year old drivers to cross state lines if they stay on the interstate system. This is a huge barrier in a small state like RI given the need to cross into MA and CT.
- Develop an "Uber"-type approach to truck shipments (e.g. company posts a load needing shipment and carriers bid to get the job).

Rail

- The State of CT is looking to temporarily store decommissioned rail cars and this could be a means to fund new rail infrastructure at Quonset. The RI State Rail Plan includes new rail sidings and a turnout off the mainline into Quonset that would provide such storage and improve access to the western part of the Business Park.
- Several stakeholders noted near or long term interest in new rail connections around the state.
 - There may be future potential for increased rail shipments, particularly if/when RI's landfill capacity is reached. There is no rail

RI Resource Recovery Corporation estimates RI's landfill will reach capacity in about 25 years, at which time RI may need to consider exporting its solid waste.

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connection to Rhode Island Resources Recovery (RIRRC) today.

- P&W's mainline runs through Warwick and there is opportunity for more rail served industry along Post Road. Also, P&W is re-opening the Warwick Industrial Track to serve Clean Harbors, an environmental services and hazardous waste disposal company.
- P&W just built a new 7,000 foot siding in Cumberland and at least one business in Cumberland has spoken with P&W about developing another new rail siding.
- A number of underused local rail sidings have been lost, but there are many remaining sidings in industrial areas (e.g. Pawtucket, East Providence, Slatersville) that are underutilized and have potential for growth.
- P&W brings a large number of autos from the Midwest to Quonset for distribution by NORAD. Stakeholders believe there may be potential to bring imported autos in the opposite direction, from Quonset to Midwest distribution points.
- As commerce in New England grows, the region should look for opportunities to increase more short-haul rail service to relieve road congestion.

Ports

- Several speakers at World Trade Day pointed to ports as one of the most critical economic drivers in a global economy. Synergies between the two major port terminals in RI could be further coordinated and reinforced, based on the opinion of some interviewees.
- Both the Port of Davisville and ProvPort seized recent opportunities (ship diversions from Halifax) demonstrating the capacity to handle increased volumes without hassle or delay. Ongoing labor issues at west coast ports and congestion/delays around NY/NJ ports may also present opportunities to redirect certain shipments through RI (e.g. perishables). RI must continue to plan for major storms, ice restrictions and other unforeseen events to maintain reliability and responsiveness.
- Many believe RI ports are well positioned to accommodate potential future overflows or excess demand in cargo currently off-loaded at ports in Boston and NY. Further, RI should work to develop shipping opportunities that differ from Boston (e.g. offer direct service to Rotterdam rather than stopping in Amsterdam as Boston vessels do; develop dependable direct line to the United Kingdom; use smaller, faster vessels, etc.).
- Many stakeholders suggested the state consider opportunities that Panama Canal capacity upgrades may bring to RI ports. While deep water ports with high levels of capacity will be needed to accommodate larger vessel sizes, there may be spin-off affects with an increase in east coast port calls as cargo is redistributed on smaller vessels.

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- Available land capacity in the Quonset Business Park helps provide the Port of Davisville with the capacity for growth (e.g. potential exists to accommodate about 10,000 intermodal containers per year, and/or increase auto shipments).
- Continue working to develop back-haul volume for outbound shipments via sea or rail at the Port of Davisville.
 - Encourage businesses to advertise and book cargo with a Davisville bill of lading in order to help drive demand. The bill of lading indicates where goods are loaded, but many Quonset or RI based businesses use an out-of-state bill of lading today.
 - Identify potential outbound shipments with large volume (e.g. recyclables, seafood, autos) to balance imports and reduce overall shipping costs.
- Pursue marine highway opportunities to link RI ports with larger ports using barges and/or smaller ships. Columbia Coastal barge service to NY was discontinued in 2010, due to low volumes and low priority for berths in NY. But, higher diesel fuel prices may make such service more cost-effective in the near future. Columbia Coastal is now working with the Port of Davisville to develop NY-RI container barge feeder operation. This container feeder service would be compatible with the development of the Marine Highway Initiative, and the overall effort to remove truck traffic from congested highway systems in southern New England and the New York City region. Elements suggested as critical components include:
 - Guaranteed NY/NJ berths.
 - Minimum frequency of call of 2-3 times a week.
 - Operational subsidies to support initial start-up.
- Other stakeholders felt that marine highway initiatives may induce higher levels of local truck traffic and decision makers need to weigh tradeoffs related to any potential service.
- To be attractive, service from Davisville would need to be cheaper, faster or more reliable than NY/NJ and Boston. Point to point service might be viable with smaller vessels, but would require a very tight supply chain focused only on Northeast-bound cargo (e.g. everything going from Rotterdam to the US today gets put on one ship).
 - Smaller customers in RI could use a non-vessel-owning freight consolidator (such as Gemini) which guarantees vessels a certain volume and passes on the volume price to customers.
- Offer and encourage customers to use a Davisville bill of lading through Halifax since goods are already likely on the same ship. Only one unit train per day serves Halifax, so a smaller ship offering point-to-point service might offer competitive marine service.

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- The state could pursue Seaport designation for ProvPort under the federal Coastal Zone Management Act, which might help preserve land and/or obtain grants for port related improvements.

Air Cargo

- With increasing demand for small, urgent, high value shipments, several stakeholders noted it would be beneficial to increase the capacity for air cargo shipments at TF Green Airport. Some suggested that different rate structures might help grow shipments in/out of TF Green, while others thought that capacity constraints at Logan would eventually create more demand at TF Green.
- The USPS expressed interest in expanded air cargo opportunities at TF Green, particularly if a freight house were available to handle logistics. USPS also expressed interest in earlier flights that would reach FedEx Memphis in time for same day forwarding, rather than use Logan for such services as they do today.

General Suggestions for Freight and Goods Movement Improvements

- Many stakeholders suggested the need for state-level freight policy and improved coordination related to freight infrastructure improvements. A long term strategic vision and major investment plan is needed to overcome existing infrastructure deficiencies and growing roadway congestion.
- The state should coordinate with neighboring states (CT and MA) on freight movements, policies and infrastructure. One stakeholder suggested that New England is a small region and should have a regional Freight Plan.
- People often do not realize how the economy would be affected if trucking is taken out of picture. Many suggested the state should help better educate the public on the importance of freight to the overall economy and to individual daily lives.
- RI is largely a consumer market, and the retail sector would benefit from freight network improvements tailored to their needs. Large retailers – Walmart, Target, CVS – should be consulted to understand their needs and make sure infrastructure serves them.
- RI's consumer economy relies heavily on truck transport and future cost increases in this sector may have significant impacts. Some stakeholders suggested the state focus on enhancing non-truck transport modes to prepare for potential cost increases due to an aging workforce of truck drivers, growing congestion and higher fuel costs.
- Focus on realistic plans to support and grow specific predominant industries (e.g. retail) or to develop new niche businesses. Also, it was suggested, RI could do a better job of assessing and communicating the competitive advantages the state can offer to industries that locate here.

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- Focus on existing businesses interested in doing more local “near sourcing” to support their supply chain. Meeting their needs will help grow local manufacturing, shift the imbalance of imports vs. exports and grow the local RI economy.
- Support small business growth, including strategies to help consolidate freight to bring shipping prices down for companies with low volumes. Consider the impact of 3-D printing, which may open up small scale manufacturing to more companies and create demand for small, frequent shipments.
- Support efforts to offer succession planning (e.g. as currently done by Polaris) to help decrease the likelihood of existing companies relocating from RI during ownership transitions and retain RI’s existing manufacturing base.
- CommerceRI is reinitiating efforts to help communities develop industrial parks at appropriate large sites throughout the state. RI could do more to identify and set aside land for manufacturing and warehousing outside of urban centers for industries that require newer/horizontal space. The state should also support efforts to identify and support businesses in older urban buildings.
- One stakeholder suggested RI should work to increase public transit use as part of bigger picture efforts to reduce congestion on roads, thereby promoting more efficient movement of freight.
- The state could use the modeling software that private companies use to model their distribution, and help determine locations for distribution centers and/or infrastructure improvements.
- RI must generate funds for highway maintenance and improvements
 - Representatives from the trucking industry indicated they are generally not supportive of tolls and believe more efficient measures should be used to collect fees. However, members of a focus group indicated some willingness to consider tolls or other fees if they were guaranteed to be invested directly in roadway network improvements. Regional coordination must also be considered as part of any proposal to introduce new tolls or fuel taxes (as CT is also looking at tolls).
 - Other sources to increase revenues discussed included the indexing of fuel taxes to inflation, and the possibility of a VMT tax based on the size, weight and fuel efficiency of vehicles.
 - One commenter noted the International Fuel Tax Agreement (IFTA) between the lower 48 US states and Canada has a system in place for tracking truck mileage, which could provide an efficient system for collecting funds to reinvest into the highway network (rather than tolling).
- RI could examine why trucks register in other states and introduce similar strategies in RI to increase local registrations and revenues. These may include changes to the tax structure or registration fees. For example, some states provide a tax credit for a tractor base when it is turned in.

SUMMARY OF MAJOR THEMES

Stakeholders interviewed offered a range of outlooks on the RI economy, with many predicting near-term growth in their business activity, while others were less optimistic. Under either scenario, most remarked on the importance of taking advantage of RI's existing multi-modal network, and increasing system efficiency in order to preserve shipping options and keep costs competitive. Shipping cost and schedule are the most important factors when it comes to determining which freight mode to use, and it is critical that RI offer high levels of service and convenience related to the movement of goods.

In remarks at World Trade Day 2015, RI Governor Gina Raimondo outlined several economic priorities including: 1) workforce development; 2) streamlining the regulatory environment; and, 3) bringing down the cost of doing business in RI. Each of these priorities was also voiced during the stakeholder interview process as summarized earlier in this document.

"I am committed to working with neighboring states to make our region more competitive."

RI Governor Raimondo
World Trade Day 2015

A number of issues and actions discussed are national concerns or are outside the direct control of the State of RI. However, many common themes were expressed that may help the state develop strategic direction and establish priorities for enhancing the movement of freight and goods in RI. These common themes are identified below.

Key Themes Identified by Stakeholders

Think regionally. The RI freight network must be evaluated from a regional perspective. As a small coastal state, many imports and exports traveling via the roadway or rail network also pass through CT or MA and affected by congestion, policies and infrastructure capacity in those states.

Take advantage of assets & maintain existing multi-modal network. RI should develop a systematic plan to prioritize investment in the existing freight network. The state should establish freight related policies, be more pro-active in coordinating freight infrastructure improvements and help keep RI freight operators positioned to adapt to evolving market change. Any plan must also be accompanied by funding strategies.

Be visionary. "Band-Aids" will not help improve the RI freight network, a long term vision and major investment plan is needed to overcome existing infrastructure deficiencies and growing roadway congestion.

Increase system efficiency to keep costs competitive. Shipping costs and schedule are key factors in goods movement. RI should take action to address the imbalance of imports vs. exports passing through the state today and take related action to support existing manufactures, develop new industries and increase local sourcing. Technology should be used as appropriate to increase efficiency.

Maintain capacity for growth. RI must address major bottlenecks and identified weaknesses within the current freight network. The state should take action to preserve underutilized freight assets (e.g. rail sidings) and identify land for expanded industrial activity. The state should also monitor, and work to help address, national concerns

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affecting the movement of goods, including development of the future workforce and modification of national policies as needed.

APPENDIX A – LIST OF STAKEHOLDER INTERVIEWS & FOCUS GROUPS

List of Stakeholders Interviewed

<i>Name, Title/Role</i>	<i>Organization</i>	<i>Category</i>	<i>Date</i>	<i>Type of Interview</i>
Tim Pimental Dan Porter	RIAC	Airport Operator	2/5/15	In-person
Mike McCarthy	BB&S Lumber	Materials/Wholesale	2/10/15	Phone
Ruby Tuttle, Planning & Transportation	Fuji Film	Manufacturer	2/18/15	In-person
John Eustis, Senior Director	Toray Plastics	Manufacturer	2/18/15	In-person
Scott Conti, President Bernie Cartier, Director of Engineering	P&W Railroad	Railroad Operator	2/26/15	In-person
Roger St. George, Manager, Transportation Michaela Saccoccio, Mgr. Vehicle Maintenance Jim McHugh, Driver;	US Postal Service	Shipper	3/5/15	In-person
Marcel Lussier, Materials Recycling Manager	RI Resource Recovery	Shipper	3/5/15	In-person
Tom Ausley, Manager, PM Air Cargo Operations	Fed Ex	Shipper	3/5/15	In-person
Joseph Ben Owen, Manager of Port Operations	VW of North America	Shipper	3/16/15	Phone
Eric Moffett, President	Seaview Railroad	Railroad Operator	3/11/15	In-person
Evan Matthews Katherine Trapani Tom McGee	Quonset Development Corp. New England Stevedoring	Port Operator	3/18/15	In-person
Chris Waterson, Director of Marketing	Waterson Terminal Services	Port Operator	3/18/15	In-person
James Barbera	Seafreeze, LTD	Food Wholesale	3/19/15	Phone

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<i>Name, Title/Role</i>	<i>Organization</i>	<i>Category</i>	<i>Date</i>	<i>Type of Interview</i>
Maureen Baer, Director of Enterprise Accounts Skip Keene, Freight Manager	United Parcel Service (UPS)	Shipper	4/10/15	Phone
Nicole LaFontaine, Town Planner	Town of N. Kingstown	Municipality	4/13/15	In-person
Bill DePasquale, Director of Planning Daniel Geagan Richard Crenca	City of Warwick	Municipality	4/15/15	In-person
Bri Wingert, Terminal Superintendent	Exxon Mobil	Fuel Terminal	4/22/15	Phone
Dave Everett, Planner Nate Urso, Director of Public Works	City of Providence	Municipality	4/27/15	In-person
Michael Sullivan, New England Complex Mgr.	Motiva	Fuel Terminal	5/11/15	In-person
Jason Kelly Betty Robson	Moran Shipping JF Moran	Logistics/Freight Forwarder	5/13/15	In-person
Tom Walsh	Global Providence	Fuel Terminal	6/11/15	Phone

Focus Groups Meetings

<i>Group</i>	<i>Description</i>	<i># Attendees</i>	<i>Meeting Date</i>
RI Manufacturing Collaborative	Public/private partnership working to catalyze a RI manufacturing renaissance.	11	3/13/15
URI Supply Chain Advisory Committee	Industry liaisons to URI's Supply Chain Management department.	16	3/24/15
RI Trucking Association	Advocacy group representing trucking interests.	16	3/27/15

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APPENDIX B - TRUCK SURVEY RESULTS

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APPENDIX C - HOSPITALITY SURVEY RESULTS

APPENDIX D - MUNICIPAL PLANNER SURVEY RESULTS