

## **I-81 Considerations for Norfolk Southern**

→ **Public relations.** There are important public-relations benefits to NS in having an active role in I-81 planning. It is somewhat analogous to the Trans-Dominion Express issue. Once NS was seen as a major obstacle to TDX because of its aversion to passenger trains on its lines. Later NS revised its position to indicate certain business deal parameters and prerequisites for operation of TDX trains. The public could understand this business perspective better and criticism of NS has subsided. Similarly NS could outline its needs and concerns for participation in the I-81 Corridor and this would likely be viewed more positively than silence or non-cooperation.

→ **Commercial incentives.** There are valid business reasons for NS to be interested in the I-81 Corridor. Enormous volumes of truck-hauled freight traverse the Corridor. These are not being tapped through conventional rail intermodal service offerings. Exploring new concepts in the I-81 Corridor, therefore, promises to augment not cannibalize NS intermodal business. The trucks have the freight, so haul the trucks. It can be that simple.

→ **Multiple intermodal possibilities.** NS is a big company. It should be able to staff several intermodal initiatives at once. An active role in the I-81 Corridor need not diminish nor displace the Heartland Corridor work nor the Expressway plans linking terminals in the South and Northeast.

→ **Rail funding through RRIF.** Substantial rail funds could be sought to upgrade and double-track the rail line paralleling I-81 between Knoxville and Harrisburg to provide truck-competitive delivery time and reliability. Congress has set aside \$35 billion in the Railroad Rehabilitation and Improvement Financing (RRIF) program for loans to railroads and their public-sector partners to finance railroad construction and rehabilitation and development of intermodal facilities.

→ **Showcase Virginia.** Work with the public to develop a true public/private partnership in the I-81 Corridor, one that deploys a modern, open intermodal technology available to all truckers, one that makes use of federal financing and services the loan with traffic growth. The rail industry has a lot at stake if it cannot show a capability to handle the burgeoning freight growth now moving by truck. The public will grow impatient and agitate for vast new capacity in Interstate Highway construction, including dedicated truckways. Once that becomes the transportation template of the 21st Century, it will be too late for railroads to grab this business. NS needs to lead. I-81 parallels its railroad.

→ **The STAR distraction.** There is a public perception that the NS desire for public assistance on the Manassas to Front Royal line may be creating an ongoing allegiance to the STAR proposal and an unwillingness to look elsewhere. The likelihood that STAR's plan will ever be selected is small; that NS would ever get its \$110 million is even less. It's time to move on.

→ **Investment targeting.** Fix the "B Line" with capital budget monies in planned annual increments, and concentrate on securing public financing where it is truly material. Even if the "B Line" is substantially improved, NS still faces a bottleneck north of Front Royal. That would be eliminated in a plan that focused on the Shenandoah Line. As a result, any improvements NS made on the "B Line" would have much greater incremental through train performance benefits.

→ **Public/private partnering.** NS needs to spend some time seriously reflecting on the nature and structure of an I-81 Corridor public/private partnership intermodal initiative that would be acceptable to the company. Further, NS needs to dust off and update the 1999 mile-by-mile cost study done of the line between Knoxville and Harrisburg so good information on the cost of double-tracking, upgrading, and elimination of major grade crossings is available as an input to the planning process.

→ **Consider the I-81 corridor independently.** NS needs to get beyond its "either/or" preoccupation with the Piedmont Line vs. the Shenandoah Line. *Both are important.* The Piedmont Line is vital to handling existing business. The Reebie Study wanted to add six new Expressway trains each way each day. There is just no room for this line to accommodate a huge incremental diversion of truck freight off I-81. Plus the added 65-mile circuitry of Roanoke-Lynchburg-Manassas-Front Royal vs. Roanoke-Front Royal direct would be competitively unwelcome. To seriously do this job will require six trains each way *every hour*, not every day. Those need to be on a double-tracked Shenandoah Line, not crowded onto the Piedmont Line.

→ **Culpeper to Front Royal.** As a footnote to the item just above, it should be noted that early this year RAIL Solution floated a concept of a new double-track line and tunnel between these points (about 45 miles), to link the Piedmont and Shenandoah lines directly, bypassing the dogleg east to Manassas and west to Front Royal. NS could avoid investment in the "B-Line", and maybe sell it to Virginia Railway Express. We included in the concept trackage rights for CSXT between Orange and Shenandoah Jct. as a bypass because of substantial public pressure for them to stop moving hazardous commodities through Washington, DC. We thought that this might help get the federal government to pay for the project. VDRPT thought the idea was clever but really didn't understand its implications. Neither NS nor CSXT responded. If such a direct connection were to be built, the need to upgrade the Shenandoah Line between Roanoke and Front Royal could be avoided, and the Piedmont Line routing would become a more legitimate substitute routing.

→ **I-81 Draft Environmental Impact Statement.** The DEIS grossly understates rail's potential in the Corridor, hence "justifying" a much larger highway building effort than otherwise necessary. The primary cause is failure to look beyond the borders of Virginia. Numerous prior studies have shown that truck diversion to

rail in corridors of less than 500 - 600 miles is unlikely, and there are only 325 miles of I-81 in Virginia. Wiley Mitchell recently released a blistering letter to Pierce Homer attacking the study for this same reason. RAIL Solution is readying release of its own analysis, which will include this point and numerous other inadequacies and inaccuracies. Judgments and conclusions are reached based on unscientific surveys, obsolete rail costing methods result in rail movements being saddled with inappropriate and irrelevant expenses, and the technical appendices are riddled with so many factual errors that they are difficult to explain through carelessness or incompetence alone and raise the specter of purposeful misrepresentation.

→ **RAIL Solution's battle for a broader focus.** In the 2005 General Assembly RAIL Solution secured legislation for an I-81 Corridor Multi-state Transportation Planning Initiative calling for VDOT to work with neighboring states. VDOT has failed to do this. In the EIS Scoping Process public comment period, RAIL Solution submitted a plea for an evaluation of the intermodal potential of the I-81 Corridor on a Knoxville to Harrisburg basis. This found its way into the DEIS as Rail Option #4. While the *text* uses the above description, in fact only the miles in Virginia were considered, all the cost was nevertheless assigned, little diversion resulted, and the whole thing was made to look silly. In spite of the demonstrated potential for rail intermodal in longer corridors, VDOT adamantly adhered to its 325-mile planning horizon, preordaining intermodal diversion to inadequacy in the DEIS analysis of Concept #4. RAIL Solution is again sponsoring legislation in the General Assembly to have a thorough analysis done of the longer corridor. Once the potential is known, the proper focus of the EIS is whether that volume of truck freight can most economically and environmentally be handled on highway or on rail. Though this kind of trade-off analysis seems fundamental to an EIS, it has not been done in the DEIS.