



### NH State Rail Plan/UPDATE/June 2011

Since the New Hampshire State Rail Plan was launched earlier this year, the team has been:

- Conducting public and other meetings;
- Beginning its interviews with rail stakeholders; and
- Pulling together rail-related and economic data.

These efforts will help the team better understand rail's place in New Hampshire's transportation system and overall economy.

#### Meetings

**Public Meetings** in Concord and Littleton brought comments on the potential impacts of rail enhancement, but frustration regarding the lack of public funding. Investigating opportunities to link rail growth to private sector investment will be one focus of the planning process.

The first **Technical Advisory Committee (TAC) Meeting** took place on March 24. The TAC discussed the economic outlook for the state, the relative importance of freight and passenger rail to New Hampshire's transportation network and how changes in rail might affect the economy.

#### Interviews

The team has been interviewing economic development groups, regional planning commissions, tourist railroads, freight rail shippers, and freight railroads. Upcoming interviews will be held with existing passenger railroads in the state. A major focus of the June TAC Meeting will be to obtain input from TAC members on the information gleaned during these interviews. To date, interviews indicate that:

#### *Freight-focused*

1. A substantive number of shippers in New Hampshire depend upon rail to sustain their existing business, and many of these shippers support manufacturing jobs in the state. These shippers tend to move bulk commodities and specialty products and chemicals, which are suited to rail transport.
2. Trucking is an available alternative to rail, but it is not suitable for some shippers. Rail can handle heavier, bulkier freight, and it can be transported at a lower price than trucking can offer.
3. For shippers who could potentially utilize trucking instead of rail to ship their goods, transportation costs are likely to be higher. With the increasing fuel prices, truck transport costs are likely to further increase. These higher costs will be passed on to New Hampshire consumers and businesses.
4. Without rail service, the viability of some existing businesses is in question. If rail is not an option, some shippers may not be able to efficiently compete. The potential result is the reduction or elimination of jobs with accompanying loss of revenue to New Hampshire.
5. Freight rail rates have not been highlighted by existing shippers as a significant issue. Principal consensus relates to dependability of consistent delivery and available frequency of service for businesses that rely on rail. While rates themselves may not be noteworthy, the need for adequate and reliable service is. Rail cars that are not optimally utilized, including delays attributable to service issues, can drive up inventory and logistics costs for shippers even if rates are relatively low.



## Development of State Rail Plan

6. There is a strong potential interest in the use of rail by businesses in NH. The current rail service frequency and reliability is inhibiting the expansion of existing business and the potential establishment of rail-served business in NH.
7. The potential for intermodal operations hubs or distribution centers (rail/truck partnerships) exists, similar to those currently underway at Pan Am's Ayer, Massachusetts, facility. Potential locations for such a facility could be at existing warehouse facilities in Nashua or proposed locations in Concord and Canterbury.
8. Contrary to some regions of the country where rail corridors have reached capacity due to freight rail operations, New Hampshire has an opportunity for shared use of rail corridors. There is a willingness of freight railroad owners to consider passenger rail service on their lines in New Hampshire. Opposition to shared use of rail lines is experienced in many other parts of the country.

### **Passenger-focused**

1. Downeaster and Vermonter passenger rail service is considered a benefit to the state, its residents, and businesses. The high ridership for the Downeaster from NH stations is offered as evidence. Anecdotally, NH residents and businesses have indicated that passenger rail service is a benefit to the state. Further, there is a desire to increase parking in Exeter to accommodate more riders. Students from all over the region already use the Downeaster in Durham, and UNH plans to use train service as a marketing tool. According to surveys conducted by the University, more than 50 percent of students have used the Downeaster. Economic development plans for Dover incorporate proximity to the Dover train station.
2. Economic development experts suggest that increasing connections between southern New Hampshire and the northern New England market area may improve the viability of business location and expansion into NH. Expanded commuter service would connect jobs and people and potentially provide the airport with service expansion opportunities.
3. Integrating passenger rail with the rest of the transportation system is critical. Rail provides redundancy with other transportation systems, principally intercity bus, which makes a non-auto travel choice more practical.
4. Freight railroads recognize that improved passenger service has a secondary benefit to them. The improved infrastructure required for passenger service enables freight rail operators to respond to their customers with more reliable and frequent service.
5. Major tourist attractions are inaccessible except by car. Improved passenger rail service may offer an alternative to driving to some destinations.

### **Data Collection**

The team is gathering rail-related data; for example, materials shipped by rail, their weight, value, origin and destination. This preliminary data can be seen via the June Technical Advisory Committee meeting's Powerpoint link at <http://www.nh.gov/dot/org/aerorailtransit/railandtransit/rail-plan.htm>

**RAIL PLAN PUBLIC MEETINGS WILL BE HELD IN EARLY FALL.  
MORE INFORMATION TO COME SHORTLY.**