2021 Vermont Rail Plan Rail Supports Economic Development

Investment in rail transportation is an effective strategy for supporting Vermont's economy. These investments help reduce travel time and cost, improve the reliability of trips, and provide greater connectivity to regional and global markets. These changes enable businesses to create more jobs and help Vermont grow.

Vision & Goals

The <u>Vermont Rail Plan</u> support the vision of the 2040 Vermont <u>Long-Range Transportation Plan</u>:

A safe, reliable, and multimodal transportation system that grows the economy, is affordable to use and operate, and serves vulnerable populations.

The goals of the Rail Plan support economic development in various ways, from supporting growth to providing more travel choices for people and goods.

Freight Rail Movements in Vermont

Freight rail is a particularly important part of the supply chain for Vermont businesses that extract, produce, and/or distribute construction materials (including granite), energy products, and food products.

Nonmetallic minerals are the top **outbound** rail freight commodity, accounting for 90 percent of tonnage. The top **inbound** rail freight commodities are petroleum and coal products, nonmetallic minerals, and food products, which together represent 80 percent of inbound rail freight tonnage.

The rail system in Vermont carried 6.9 million tons of freight in 2018, approximately 15 percent of the total tons shipped to, from, within, or through the State. This represents a four percent increase in tons since 2011 and an 11 percent increase in the number of carloads.

The location of greatest outbound and inbound rail freight movement is between Florence Junction in Pittsford and Rutland, approximately 10 miles south on the Vermont Rail way (VTR) line. Seventy-five percent of all outbound tonnage travels on this segment, and 54 percent of all inbound traffic. Intrastate traffic is concentrated on the New England Central Railway (NECR) between its interchange with Canadian National (CN) near Swanton and Burlington—69 percent of intrastate traffic by tonnage uses these segments. Much of this is woodchip traffic going to the generation plant near Burlington.

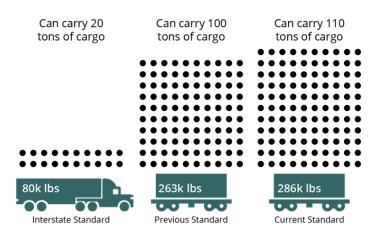
Through traffic accounts for 58% of freight rail movement in Vermont. Through traffic supports the regional and national economy and helps sustain freight rail service to Vermont industry. Because of this role, Vermont receives more federal grants than it might otherwise for the State's own level of use. It's like giving Vermont businesses access to facilities more like interstate highways than what we can maintain as our own state highways.

Commodity flow projections and stakeholder input both indicate that rail freight volume will continue to grow. A rail diversity analysis noted that Vermont's population of rail customers has increased in the last decade. Adding new customers and continuing to diversify types of businesses would make freight rail in Vermont more securely sustainable as markets continue to change. See Tech Memo 2 for more information.

Freight Moves by Multiple Modes

Freight rail is at its most efficient for moving large quantities of heavy material that are not highly time sensitive. However, trucks are more efficient for most deliveries and time-sensitive goods. The amount of packed, loaded goods one truck and one freight car can convey are illustrated below. Additional modes to move freight include air and water. This is further explored in the Vermont Freight Plan.

Vermont Benefits from Using and Connecting Modes of Transportation



● = 1 ton of cargo

Passenger Movement by Rail in Vermont

Two intercity passenger rail services provide energy-efficient travel options in-state and within the Northeast. The Rail Plan fulfills Federal Rail Administration (FRA) requirements that focus on intercity passenger service. Commuter rail that serves as regional transit is considered in the Vermont Public Transit Policy Plan.

Residents and visitors normally board trains at 11 stations throughout Vermont. Amtrak service was suspended due to the COVID-19 pandemic in March 2020 but is anticipated to restart in July 2021. Over the last five years Amtrak carried approximately 95,000 passengers annually in Vermont.

The State's two intercity passenger services are the Vermonter and the Ethan Allen Express.

• The Vermonter operates daily between Washington, D.C., New York City, southern New England, and St. Albans. In Vermont, it travels on 185 miles of line owned by New England Central Railroad (NECR).

The Ethan Allen Express runs daily from New York City by way of Albany to Rutland. In Vermont, it is routed over tracks owned by the Clarendon & Pittsford Railroad (CLP). The extension to Burlington is anticipated to begin running in 2022.

Recommendations Focused on Economic Development

The Vermont Rail Plan supports 40 potential initiatives. Potential initiatives were identified through ongoing planning efforts by VTrans, in consultation with a variety of stakeholders, and with the Vermont Rail Advisory Council. VTrans will take on 23 of these items as recommendations for focused action. The following table presents a sample of the recommendations that support economic development. See Chapter 8 of the Rail Plan for more information.

Sample of Economic Development-Focused Recommendations

Initiative Description	Notes
Extend Vermonter to Montreal	This is a key, well-underway priority. It could start as one trip per day and then be expanded to two trips per day.
Upgrade all State-owned freight rail lines to be able to efficiently accommodate the industry-standard rail car weight of 286,000 lbs. (286k)	The policy is to attain this system wide.
Maintain and improve connectivity to regional and Class I railroads to ensure market competitive and efficient freight service for Vermont businesses.	Participate in efforts with the railroad companies, other State agencies, and businesses that enhance operating agreements between shortline and Class I railroads. Make physical improvements to support effective interchanges.
Burlington Railyard Enterprise Project - multimodal transportation infrastructure improvements.	This is primarily a road project. \$100,000 is in the Governor's proposed FY22 budget for preliminary engineering.
Preserve and fully use industrial land parcels with access to rail sidings as well as the rail infrastructure that provides the access	Work with RPCs, railroads, agencies, economic development groups, municipalities, etc. to update inventory of these properties and publicize in a strategic manner.
Publicize intermodal options to potential shippers, including how to contract for them. Facilitate development of additional freight transload locations in or near Vermont	Publicize, educate, and encourage use. Where viable, explore new transload facilities of appropriate scale based on service needs.

For more information, please visit the VTrans Rail Program Plans and Reports webpage at https://vtrans.vermont.gov/rail/reports