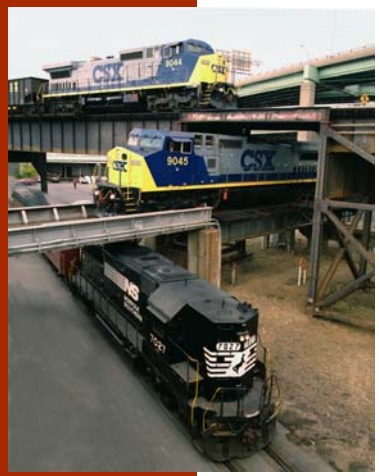
DRPT
Virginia Department of Rail and Public Transportation







Proposed
Six-Year Improvement Plan
Rail Allocations

November 19, 2008

Draft Statewide Rail Plan

- The Draft Statewide Rail Plan was released in July 2008, public input was gathered and final data validation is underway

- The Plan identified $4.7 billion in potential rail projects to be considered for the VTRANS2025 update which has a planning horizon year of 2035.

- The total potential rail project costs have been updated to $6.5 billion
  - The current proposal excludes shortline railroad projects and public transportation projects such as Metro and Norfolk Light Rail, which are funded in other programs

- Since the release of the Draft Plan, work has been underway to develop a recommended six-year approach to priorities and funding
  - The dramatic downturn in the national economic outlook, and its continued uncertainty, makes planning even for six years problematic
  - Many of the potential rail projects are in the conceptual stage or in early planning, making budgets and schedules difficult if not impossible to validate

Key Findings from the Draft Statewide Rail Plan

- Demand for freight and passenger rail continues to rise. The latest estimate shows $6.5 billion in unmet rail needs through 2035.
- The U.S. is an international leader in freight rail but lags behind in passenger rail. Conversely, the European Union is a leader in passenger rail but lags in freight rail.
- Rail tracks in Virginia are privately owned by freight rail companies.
- While public funding may be provided, freight rail companies control schedule and timing and improvements must conform to their business plans.
- The cost of right of way is expensive, and rail is a very capital intensive industry.
- Amtrak, through federal statute, has the right to operate on freight rail lines while other commuter rail services must negotiate with private railroads for access to their tracks.
- Passenger rail, similar to public transportation, typically requires a subsidy for operations.
- The Rail Enhancement Fund envisions public private partnerships for capital improvements that achieve public benefit.

Approach to Allocation of Rail Financial Resources

- The Proposed Six-Year Improvement Plan Rail Allocations focus on improvements that will deliver public benefits, such as:
  - Reducing congestion on highways, at ports, and at airports
  - Reducing energy consumption
  - Improving public safety
  - Improving air quality
  - Providing a timely and cost-effective travel alternative
  - Supporting transit-oriented development and walkable communities
  - Increasing mobility and improving quality of life
  - Creating jobs, supporting tourism and economic development
  - Providing a cost-effective freight shipping alternative
  - Providing another transportation choice in emergency situations

Project Selection Process: Step 1

- **Step 1: Assess each project against the CTB Policy Goals for rail funding. Projects will:**
  - Provide an additional or accelerated investment in Virginia rail projects, which are determined to have a substantial public benefit equal to or greater than the public investment
  - Address the needs identified in the applicable state, regional and/or local plans
  - Encourage competition or economic development by promoting or not precluding access by more than one rail operator, and whenever possible joint access by freight and passenger operators
  - Evolve from a focus on quick turnaround, high impact projects to a multi-year strategic program of projects that leads to an integrated six year program
  - Limit long term Commonwealth funding liability through achievable project schedules and budgets, with consideration given to funding multi-year projects
  - Leverage funds from sources other than the Rail Enhancement Fund
  - Protect the Commonwealth's public interest in private facilities
  - Contribute to the effectiveness of the entire transportation system
  - Ensure that at least 90 percent of program funds will be spent on capital improvements

Project Selection Process: Steps 2 and 3

- **Step 2: Determine amount of capital funding available over the next six years**
  - Approximately $268 million in anticipated state rail capital funding is available over the next 6 years
  - With private and local matching funds, a total of $481 million is estimated to be available for capital projects
  - Approximately $17 million in operational subsidies over three years is necessary to demonstrate the benefits of new passenger rail service
- **Step 3: Recommend project components that can be funded and build upon previously funded project components**

Proposed Projects for Six-Year Improvement Plan Rail Allocations

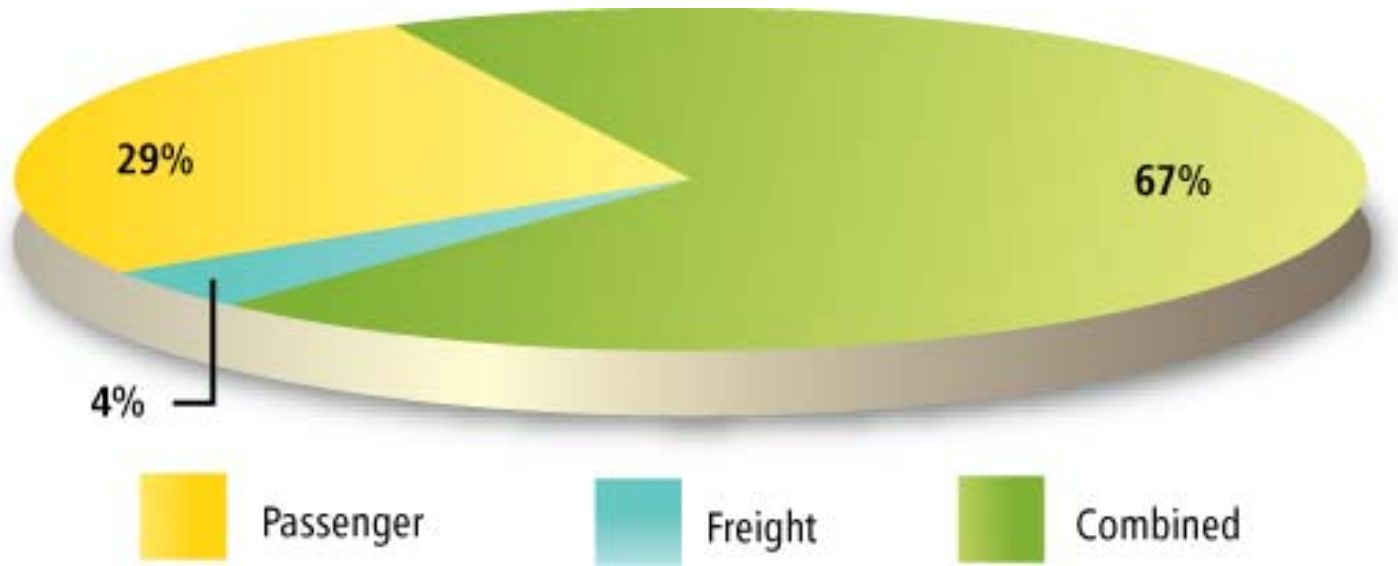
	Project Components to be Funded	Cost of Components	Committed REF Funding to Date	Key Annual Public Benefit Findings at Steady State
I-95/I-64 Passenger Rail	One new train Washington, DC- Staples Mill Station, One new train set, Improved service efficiency	$224.4 M	$26.9 M	186,091 Cars removed 1,445,210 Gallons of fuel saved 8,630 tons CO_2 emissions saved
Commuter Rail Improvements	Automatic train control system, track upgrades, final design Cherry Hill third track, engineering Gainesville-Haymarket extension	$18.3 M	$3.2 M	589,288 Cars removed 2,115,587 Gallons of fuel saved 9,704 tons CO_2 emissions saved
I-81/Route 29 Passenger Rail	One new train Washington, DC- Lynchburg, track upgrades, route analysis Roanoke-Bristol	$39.5 M	$0.0 M	135,432 Cars removed 1,191,837 Gallons of fuel saved 8,897 tons CO_2 emissions saved
National Gateway	Remove 5 bridge obstructions and begin construction of new Virginia Ave tunnel	$135.7 M	$0.0 M	260,000 Trucks removed 31,872,718 Gallons of fuel saved 61,705 tons CO_2 emissions saved
Heartland Corridor	Relocate Cove Hollow Rd.	$6.3 M	$22.4 M	150,000 Trucks removed 20,061,643 Gallons of fuel saved 55,804 tons CO_2 emissions saved
Port-Related Projects	On-dock rail yard at NIT, marshalling yard improvements	$2.2 M	$0.0 M	180,310 Trucks removed 24,314,088 Gallons of fuel saved 47,072 tons CO_2 emissions saved
Crescent Corridor (I-81)	Engineering/construction of track upgrades	$33.9 M	$40.0 M	172,839 Trucks removed 27,544,285 Gallons of fuel saved 61,221 tons CO_2 emissions saved
Southeast High Speed Rail	Complete Tier II Environmental Impact Statement Main St. Station- Raleigh	$3.9 M	$1.5 M	1,134,545 Cars removed 5,645,890 Gallons of fuel saved 33,713 tons CO_2 emissions saved

Proposed Six-Year Improvement Plan

(in millions 2008 $)

Project	Total Cost
I-95/I-64 Passenger Rail Phase 1	$224.4
Commuter Rail Improvements Phase 1	$18.3
I-81/Route 29 Passenger Rail Phase 1	$39.5
National Gateway Phase 1	$135.7
Heartland Corridor Phase 1	$6.3
Ports Phase 1	$2.2
Crescent Corridor Phase 1	$33.9
Southeast High Speed Rail Phase 1	$3.9
Total Capital Cost	**$464.2**
Three-Year Passenger Rail Operating (Demo)	**$17**
Total Costs (Capital and Operating)	**$481.2**

Funding by Project Type



Emphasis on dual benefit projects, consistent with the Draft Statewide Rail Plan



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