

August 30, 2013

Commonwealth of Virginia  
Department of Rail and Public Transportation  
600 East Main Street, Suite 2102  
Richmond, VA 23219

Attention: Public Information Office

RE: Comments of Draft State Rail Plan

Dear VDRPT:

On behalf of the Virginia Rail Policy Institute, the Executive Committee of the Board of Directors has asked me to comment on the Draft 2013 State Rail Plan recently released by the Virginia Department of Rail and Public Transportation. Our comments are as follows:

We wish to acknowledge the progress in rail policy, planning, and investment that the state has made since the publication of the 2008 State Rail Plan, and strongly support the summary and discussion of this progress in the new draft plan. Many of the projects that were merely visionary in 2008 now have been executed or are currently in various stages of execution. This brings credit to Virginia, and especially to the understaffed and overworked Department of Rail and Public Transportation. We are grateful to DRPT Director, Thelma Drake, Governor Bob McDonnell and Secretary of Transportation Sean Connaughton for their leadership in advancing freight and passenger rail.

VRPI congratulates DRPT for its role in helping Virginia to be ahead of the curve among the states when it comes to future funding for intercity passenger and high speed rail. The General Assembly's action to establish and to provide dedicated funding for the Intercity Passenger Rail Operating and Capital (IPROC) Fund sets up the Commonwealth to be a leader among the states in advancing passenger rail, just as the Rail Enhancement Fund (REF) set the stage for investments in freight rail in 2005.

With respect to state rail planning, VRPI is focused on policy issues. We are convinced that policy reforms are needed to build upon and to sustain the recent progress that has been made, and we urge you to include greater discussion of key policy issues in the 2013 plan. A recent article by former RF&P Railroad CEO and VRPI founding Director, Dick Beadles, makes a number of policy recommendations for Virginia's planning efforts. We endorse these recommendations, which appear at the end of his article titled, "Railroad Policy in Virginia: How We Got Where We Are and Where We Might Go From Here," in [The Virginia Newsletter](#), published by the Weldon Cooper Center for Public Service at the University of Virginia (<http://www.coopercenter.org/publications/VANsltr0613>).

We especially endorse Beadles' recommendation to revisit the concept of a State Rail Authority. Between IPROC and the REF, Virginia will have sustained public funding to finance rail capital improvements. A State Rail Authority, modeled after the Virginia Port Authority, the Virginia Economic Development Partnership and rail

authorities from peer states, may be the advisable course at this time. A rail authority would help ensure continuity of rail investments and policies, and it would provide a mechanism for ownership of hard assets funded by the public.

Other policy recommendations as they relate to the State Rail Plan are:

- Every state investment in highway infrastructure should be accompanied by proportionate investments in rail and public transportation. The expanded capacity of our highways from investments in rail and public transportation creates a more balanced multimodal system that benefits everyone and promotes a healthy economy and mobility for Virginia citizens.
- The prioritization and sequencing of capital projects in the State Rail Plan should be guided, first and foremost, by their expected returns for the public. State Rail Plans should present well-documented ROI figures for both freight and passenger projects. VRPI continues to advocate for solid documentation of the public return from past, present and future rail investments. Such documentation makes it easier for DRPT to justify the large capital costs in the 2013 plan.
- There should be greater transparency in the State Rail Plan. For example, it is obvious that passenger capital projects pay for shared track improvements, which also provide benefits to the host railroads. The plan should both acknowledge and quantify the economic benefits that the \$4.8 billion in passenger projects is expected to yield for the freight railroads that host the projects.
- There should be a public accounting of the benefits of past investments in rail infrastructure. While we know that the improved speed, safety and efficiency of freight operations that results from public investments in rail infrastructure *should* increase the railroads' share of the freight market, we see no evidence in the state plan to substantiate that this has in fact occurred as a result of previous investments.

The plan should demonstrate that there are significant benefits from public investments in rail infrastructure. As you are well aware, there are vocal skeptics who dispute the benefits of rail and argue that passenger trains, in particular, should not be subsidized. Publishing a state rail plan provides DRPT with an opportunity to show the public and decision-makers what they are getting for their investment. Freight trains carry goods to Virginia businesses and communities, which contributes to economic development and job growth, something everyone wants. Passenger trains offer an affordable, convenient and environmentally friendly alternative for getting people from city to city. In addition, they contribute to the productivity and profitability of business travel, stimulate tourism, and can better link transportation and land use. Most of these benefits could and should be documented to promote confidence in rail and pave the way for further public investments.

Thank you for the opportunity to comment on the Draft 2013 State Rail Plan. The individuals who are Fellows of VRPI undoubtedly have other suggestions and comments to offer, and they are, of course, at liberty to do so.

Sincerely,

A handwritten signature in blue ink that reads "Meredith Richards". The signature is written in a cursive style with a small dash above the letter 'i' in "Richards".

Meredith Richards  
President  
Virginia Rail Policy Institute