

# Freight comes first on rail in Ohio's passenger system

Monday, February 08, 2010

Ohio's planned passenger rail system could be on a collision course with another one of the state's key economic priorities - expanding its powerful, growing freight and logistics industry, Business First of Columbus reports. The state's plan for a passenger line calls for running passenger trains on heavily traveled freight tracks that crisscross the state instead of putting them on dedicated lines, as may be done in other states such as California.

The plan raises questions over how to manage a reliable passenger rail system on a highly complex freight network whose owners are likely to place a priority on their cargo deliveries ahead of passenger cars, especially if Ohio succeeds in expanding its role as a logistics and shipping hub for the Midwest.

"We're a freight railroad, and serving our customers is paramount to us," said Rudy Husband, a spokesman for Norfolk Southern. "We certainly need to preserve our ability to serve our present and future freight customers on schedules that those customers require."

Norfolk Southern, CSX Transportation and the Indiana and Ohio Railway own the tracks on which the proposed passenger trains would run from Cleveland through Columbus and Dayton and on to Cincinnati. But the companies have yet to agree to the state's plan for using their lines.

With \$400 million from the federal stimulus program appropriated to get passenger rail rolling in Ohio, state officials now must turn from studies and advocacy to the task of designing and implementing a system that can operate on time to keep passengers

interested and under budget to keep taxpayers from revolting. Coming up with such a system will be a challenge, cautioned Art Van Bodegraven, a logistics industry veteran and consultant.

"The reality is that if there is a high-priority freight shipment, CSXT or NS are not going to park that freight somewhere while a passenger train with three people on it comes through," he said.

While Ohio officials are touting passenger rail as an economic driver, they have for years promoted freight rail as an economic engine that will grow as gasoline prices increase, the economy improves and the state continues to attract freight transfer yards and other shipping projects.

The potential for conflict has not gone unnoticed. Before it threw its support behind passenger rail, the Columbus Chamber sought assurances from the Ohio Department of Transportation that passenger train plans would not get in the way of freight priorities, said Dan Ricciardi, executive director of the Columbus Region Logistics Council, an affiliate that promotes logistics industry development.

State officials said they are confident passenger and freight interests can operate in harmony.

"I think you're seeing a much greater acceptance of passenger rail on freight rail corridors because freight rail companies are getting it that if these improvements are made to enable the running of passenger trains, then there is a benefit in it for them," said Stu Nicholson, a spokesman for the Ohio Rail Development Commission, the state group leading the passenger rail push.

The state planned to use \$273 million of the stimulus outlay for capacity-boosting track improvements that, in addition to accommodating passenger trains, would reduce track congestion and improve the flow of freight traffic.

Husband of NS welcomes such upgrades, but said the company still has a set of demands it wants satisfied before it allows passenger trains on its tracks. The demands include staying out of the way of freight shipments, addressing questions about liability and paying for passenger trains' use of the tracks.

"It can be done," he said. "But again, it's a very complicated issue and a very expensive proposition."

The state plans to begin working to finalize agreements with the railroads, Nicholson said, but he didn't have a schedule for when the accords would be signed.

A glimpse of what the state is facing in a passenger railroad can be found in a study completed late last year by Amtrak. The study painted a picture of a dynamic rail system in the state with many points of congestion and high-volume traffic.

For instance, in one area near Cleveland where passenger rail trains would transfer from Norfolk Southern to CSXT tracks, between 120 and 160 trains run a day. In Columbus, a planned passenger station beneath the Greater Columbus Convention Center is near a point where five tracks converge to two.

It said it will be up to the state and freight railroads to work out a system that allows passenger trains to navigate those systems so they can show up on time at the stations.

Freight rail companies have the technology to add passenger trains to their lines, said logistics consultant Dan Bolger, principal of Millersport-based Bolger Group. But alleviating congestion and other issues associated with sharing tracks could be costly, he said.

But money is on some lawmakers' minds. State Sen. John Husted, R-Kettering, said a passenger rail system could become "one of the biggest money pits in Ohio history," claiming that costs have been underestimated, particularly the public subsidy to help run it.

The state commissioned a preliminary study that yielded a list of track improvement projects that would need to be performed to mitigate congestion and make room for the passenger rail system, but those plans have yet to be finalized, Nicholson said.

But the capacity study only took into account freight levels at the time of the study, Nicholson said. How a system would handle increased freight traffic will have to be looked at later, he said. Passenger schedule changes may be required as freight volume increases amid a pickup in the economy, the Amtrak study said. A 2008 report from the Association of American Railroads said freight railroad demand could increase by 88 percent from 2002 to 2035.

Norfolk Southern's goal is to move freight using time frames provided by customers, Husband said. It would be premature, he said, to discuss whether the railroad would be willing to close off some of those periods to make room on its lines for passenger rail.