

## APPENDIX T: INTERVIEW RESULTS



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# PASSENGER RAIL USER INTERVIEWS

MAY 2017

## BACKGROUND

Seven interviews of passenger rail user groups in Virginia were conducted by phone during March 2017. The interview subjects consisted of four regional transportation planning organizations and metropolitan planning organizations representing many of the largest population centers in the Commonwealth; two local transit providers; and two passenger rail advocacy groups based in Virginia.

The groups targeted for interviews were those approved or recommended by DRPT. DRPT also reviewed and approved the interview questions prior to contacting participants. The consultant preparing the rail plan arranged and conducted the interviews. Each participant received an initial contact email that provided background information on the Virginia State Rail Plan, the role of passenger rail user interviews in the state rail plan development process, how the interview process would be conducted, and an invitation to participate and a request to establish an interview time. Each interview was confidential and lasted less than one hour. Each participant was asked the same questions. The number of group participants in each interview ranged from one to four.

After the interviews, each participant received an email thanking them for their time. Attached to the email were the notes prepared during the interview, to provide the interviewee for the opportunity to clarify or correct information they had provided. The revised notes that were returned to the consultant team were used as the basis for this summary report.

Ten groups were contacted with requests for interviews. Seven groups agreed to be interviewed. One group declined to have their interview responses shared, therefore this report summarizes the responses from six interview participants. Responses to each question are summarized below.

## EXECUTIVE SUMMARY

In corridors where rail service exists, interview respondents said they wanted more service. A lack of frequencies was cited throughout the interviews as the primary reason more Virginians are not able to ride passenger trains. Adding frequencies would provide opportunities to meet the needs of more diverse travel markets and establish a service that could allow for more types of trips within Virginia and trips to the Northeast.



Improving on-time performance was also cited frequently by interview participants as another key service improvement that they believed would be most effective in attracting and retaining passenger rail ridership.

Respondents indicated a desire to limit the number of station stops on intercity services to encourage achieve faster trip times, and said the current mix of stations was about right. However, respondents also said that station facilities themselves needed improvements, specifically better and more convenient transit connections to downtown areas and better passenger displays or announcements to alert riders to train status and platform assignments.

The location most often discussed as being in need of station improvements was Richmond. Respondents expressed frustration with the lack of rail service to downtown Richmond and the inability of trains from the southern part of the state to serve downtown Richmond, stopping only at Staples Mill Road. One possible interim solution discussed was a dedicated bus connection between Main Street Station and trains serving Staples Mill Road only.

Respondents were four-to-one in favor of retaining Amtrak as a service provider, in order to continue having a one-seat ride between Virginia and cities in the Northeast Corridor. Maintaining service to Northeast Corridor destinations was considered to be invaluable.

Respondents also suggested DRPT re-examine what its vision for statewide, state-supported passenger rail service ought to be, and target future projects and initiatives on developing strategies to implement that vision. This would include developing policies on passenger rail stations, service implementation, and expectations, and the ways that local funding will be used to help advance statewide passenger rail initiatives. Several MPO respondents indicated a willingness to act as funding partners with the state on specific passenger rail projects in their region.

## SUMMARY RESPONSES TO SPECIFIC INTERVIEW QUESTIONS

### ***1. What makes people in Virginia decide to take a passenger train instead of driving or choosing some other mode? What conditions would be necessary to convert more trips to passenger rail trips?***

Time, money, and stress are the three primary motivators respondents identified for taking public transportation instead of driving.

Respondents indicated that travelers in Virginia choose passenger rail transportation for two major reasons: (1) to avoid driving and road traffic, and (2) to take advantage of benefits that can't be realized when people are driving, such as the ability to work while traveling, the ability to use mobile devices or computers, or the opportunity to relax.

Respondents also stated that the motivating factors for taking a train in Virginia varied somewhat based on the region travelers were in.

In eastern Virginia, roadways are congested, making driving unpleasant and unpredictable. In that region, rail is an attractive transportation option, when compared to the high cost of driving and parking as well as the stress of driving on congested roadways with unpredictable travel times.

In western Virginia, overall transportation options are limited, with few highways (there are no Interstates west of Roanoke, or in the U.S. 29 corridor) and limited air and bus service. Journeys could take several hours, no matter which mode is selected. As a result, rail provides a new transportation option.

Respondents were unanimous in naming the conditions they said were required to convert more trips to rail. Those are:

- convenient departure times (more frequencies)
- auto-competitive or faster trip times
- economical ticket pricing, especially for families
- the ability to offer downtown-to-downtown travel, especially between urban cores
- better reliability (high on-time performance)

## ***2. What are the most important reasons for the Commonwealth to have passenger rail service?***

Respondents identified three key travel needs that they believed passenger rail service in Virginia should provide:

1. Regional travel within Virginia on corridors where road traffic is congested and unreliable (I-95, I-64, U.S. 29, etc.), particularly Richmond-Norfolk, Richmond-Northern Virginia, Blacksburg-Roanoke, and Roanoke-Lynchburg-Northern Virginia
2. Travel from southern and central Virginia to Washington, D.C.
3. Travel from Virginia to cities in the Northeast Corridor

The key markets that respondents identified as most likely to take advantage of these services were:

- Business travelers making day trips within Virginia or to/from Washington D.C. or the Northeast Corridor
- Leisure and family travelers making day or weekend trips
- Student travelers making trips to northern Virginia, Washington, and the Northeast Corridor

The desire for more passenger service was voiced by MPOs across the state. These regions are concerned about how they will serve populations that are projected to grow, and look at passenger rail as a needed means of providing transportation as well as supporting economic development.

## ***3. What are the most important aspects of passenger rail service to you?***

The following aspects of service were most frequently cited by respondents

Reliability – 4 respondents

- Travelers are more willing to trade their cars for a train trip when they know the reliability is good
- Business travel, in particular, depends on reliable service

Frequency – 3 respondents

- Frequent departures is a selling point and travel motivator
- There have to be multiple departures in order to serve the different travel markets and trip purposes that exist
- One respondent said that major metropolitan areas in Virginia would require 5 to 7 round trips per day in order for passenger rail to effectively serve the region's population

- Morning and evening departures in each direction on a corridor were identified as a good first step, to tap a lot of markets right away. Business travel depends on morning departures from originating locations, but student travel requires afternoon departures after classes from originating locations.

#### Competitive/faster trip times – 2 respondents

- Matching automobile travel times is good, but beating those times makes for an even stronger service offering

#### Establishing the service – 1 respondent

- In some areas, the most important issue is whether or not the community actually has passenger rail service.

#### Limited station stops to not impede travel times – 1 respondent

- Intercity service does not need as many station stops as commuter service. One respondent suggested there were too many stops on I-95 corridor trains, and questioned whether the seemingly meager ridership at Woodbridge and Quantico justified the lengthened travel time required to make those stops

#### Good transit connections at stations – 1 respondent

- The ability to go from downtown to is an important aspect of rail service, and transit connections play a role in that ability

As one respondent summed up the question:

"You get people on board with frequency first, then keep them on board with reliability that's proven over time. Once those are in place and working well, then you can focus on the premium aspects of service and amenities, but it's the level of service that will generate the repeat business."

#### ***4. Is there enough awareness of existing passenger rail services in the Commonwealth? If not, how should these services be promoted?***

The consensus among respondents was that where passenger rail services exist, there was a fairly high awareness of the service. The larger issue seemed to be that awareness did not always translate into ridership. People are often aware the service exists, but don't think about using it themselves.

Suggestions to counter this included:

- Promoting travel to city festivals or regional events
- Developing a marketing campaign for business travel
- Campaigns aimed at driver stuck in traffic, suggesting the train as a better alternative
- Campaigns that sell the idea of the train as a unique and better travel experience than driving

A few respondents also said that developing or improving transit connections at train stations would help raise regional awareness of the service.

Another respondent suggested taking steps to establish more of a branded rail service with amenities that could be promoted as a way to both raise awareness and provide an inducement to rail travel by offering a type of service a car cannot provide.

#### ***5. Where should the Commonwealth be focusing future passenger service improvements?***

Several respondents indicated that, with most short-term initiatives successfully implemented or soon to be (Lynchburg, Roanoke, Norfolk), DRPT should spend some time developing a new vision of what it wants its state-supported passenger rail service to accomplish (e.g., serve xx percent of the population, establish car-competitive trip times on all routes, offer at least xx round trips per corridor, etc.).

Once a vision was established, respondents then suggested developing a strategy for how to fulfill that vision. Include in this vision/strategy development an examination of goals and best practices in other states to determine if there are any models that might warrant consideration. Also include specific targets to help fulfill that vision, such as reliability targets, travel time targets, and frequency targets.

Other answers were targeted to specific markets or regions. Those included.

- Adding more departures on existing routes – 4 respondents
- Enhancing service in the Urban Crescent (Washington-Richmond-Hampton Roads) – 2 respondents
- Develop cross-state passenger rail service to connect cities and educational centers across Virginia, with connection to the north-south passenger routes at intermediate stations – 2 respondents
- Improving rail infrastructure to make trip times faster and more reliable – 1 respondent
- Focusing future passenger efforts on corridors with the most extreme road congestion – 1 respondent



- Enhancing I-95 corridor service with a mix of frequent-stopping local trains and limited-stop express trains – 1 respondent
- Connecting downtown areas – 1 respondent
- Improving transit connections at stations – 1 respondent
- Improving parking at stations – 1 respondent
- Expanding rail to unserved regions, such as the U.S. 29 corridor south of Lynchburg to Danville – 1 respondent

***6. How could passenger rail stations in Virginia be improved? Are the facilities and transit connections adequate for travel needs?***

Overall, the biggest improvement identified by respondents was the need to add or improve transit connections at passenger rail stations to provide more opportunities to reach downtown areas and offer more first-mile/last-mile travel opportunities.

Downtown Richmond, in particular, was cited as a location that needs a dedicated transit connection linking downtown with the Staples Mill Road station, or alternatively, a relocation of the central train station to the central business district.

Other responses included the following:

- Adding or improving transit connections should be a priority – 5 respondents
- Downtown Richmond needs a rail station served by all trains – 2 respondents
- All stations should have screens, announcements, or passenger information displays that provide basic information, such as train status and which platform track an approaching train will be on – 1 respondent
- Charlottesville: needs a shelter or bigger waiting area to overcome crowding at current facility – 1 respondent
- Better parking at stations – 1 respondent
- Bicycle and ADA pedestrian access should be provided at every station – 1 respondent

Most respondents agreed that the number of train stations on corridors right now is sufficient. No respondents wanted more stations on the existing corridors. Respondents agreed that station stops should be limited in order to provide faster trip times.

One respondent suggested that the state develop a threshold or policy for having passenger rail stations that include metrics or criteria to determine whether a stop should be added.

### ***7. Do you have any issues with the passenger rail service as it's currently provide?***

Poor on-time service is the number one complaint riders have, say interview participants. Recent changes in freight train operating practices, such as longer train lengths, have contributed to an increase in delays,

The lack of frequencies was the second most frequently cited issue, and identified as the biggest impediment to generating more ridership.

Other issues identified include:

- The delay in Washington, D.C. caused by the engine change, which adds a lot of time to a trip between Virginia and the Northeast Corridor
- Insufficient rail service to downtown Richmond
- Insufficient marketing efforts to promote rail travel in the urban crescent

### ***8. Are there specific service or infrastructure improvements that the Commonwealth should pursue?***

Two respondents cited a desire to have passenger rail service extended west of Roanoke to Christiansburg/Radford.

Overall, improving transit connections at stations and ensuring access between train stations and downtown areas was cited by several participants as a transportation need to be funded.

Adding frequencies between downtown Norfolk and downtown Richmond to encourage more business and leisure travel was also identified by multiple participants.

Related to that was the specific need to improve service between Staples Mill Road and downtown Richmond at Main Street Station.

One respondent identified the top four rail bottlenecks that chronically delay passenger trains, which could benefit from capacity expansion. They are:

1. The NS-CSX connection south of Petersburg, where trains serving Norfolk enter and exit the CSX main line
2. The CSX line between Richmond and Newport News, which is a chronic source of delay

3. The single-track passenger route between Richmond Main Street Station and Richmond Staples Mill Road Station, which causes delays almost daily to one or more trains owing to the absence of a second track
4. The corridor segment between Washington and Alexandria, including the Long Bridge, which sees a heavy volume of passenger, commuter, and freight trains on a line segment that narrows from three to two tracks to cross the Potomac River

***9. Is there value for Virginia passengers in having Amtrak as a service provider, as opposed to another operating entity? Is there value in having a one-seat ride onto the Northeast Corridor?***

Respondents were four-to-one in favor of retaining Amtrak as a service provider, in order to continue having a rail service that provides a one-seat ride between Virginia and cities in the Northeast Corridor. Some respondents indicated that they had commissioned studies and customer surveys that showed that having train service in eastern Virginia that continues on the Northeast Corridor significantly increases train ridership in Virginia. Maintaining service to Northeast Corridor destinations is invaluable.

One respondent countered that, given the long period of time required for the engine change, it might not make much of a difference if riders had to change trains instead, which could open up the possibility of considering another service provider south of the Northeast Corridor in Virginia.

Being able to make train trips within Virginia and train trips to cities in the Northeast Corridor are equally important, and interview participants said the state should work with Amtrak to offer services that accomplish both.

One respondent gave mixed reviews to Amtrak as a service provider, stating, "Amtrak has the potential to be a satisfactory service provider, but the legislative ways that it engages with states would have to be overcome to improve that relationship."

***10. Are there any state regulations or policies impacting passenger rail service? If so, what changes would you suggest?***

Two respondents suggested that DRPT develop more formal and specific policies related to passenger rail service implementation and management. These policies may help channel expectations among communities that develop local funding streams for passenger rail to support the statewide vision to the benefit of both state and local interests. This vision should also include a policy of transit integration to determine how rail stations can be served by local transit.

Two respondents asked for more communication and involvement between DRPT and local MPOs on state passenger rail initiatives. MPOs indicated a willingness to be a local funding partner in passenger rail initiatives or specific projects in their area with independent utility, and would welcome more engagement with DRPT to explore those opportunities. In a few cases, local regions have a robust vision for rail that they are looking to the Commonwealth to help implement, which may include funding for high speed rail studies.

One respondent advocated for expanding statewide funding sources for rail, as well as modifying state policies to allow communities to do more with transportation taxes.

One respondent stated that the DRPT may want to explore funding partnership opportunities with neighboring states to introduced travel on regional corridors (less than 750 miles) spanning two states, including Lynchburg-Danville-Charlotte, NC and Roanoke-Christiansburg-Bristol-Knoxville, TN.

#### ***11. Do you have any additional comments?***

Several respondents reiterated their willingness to work with DRPT on providing local funding for projects that enhance passenger rail, and asked for more opportunities for collaboration and information-sharing with DRPT about statewide passenger rail initiatives and projects. These projects could include enhancing transit connections and downtown connections at passenger rail stations, which was a frequently cited need.

Integrating rail and transit into Virginia transportation was also brought up b one respondent.

One participant suggested DRPT develop a pilot higher-speed or high-speed rail corridor that could serve as a model for how passenger rail travel throughout the state could evolve.

One respondent also suggested that the state study and quantify the economic benefits that its state-supported passenger rail service delivers, including the savings in roadway maintenance and emissions, in order to promote the importance of the service to state lawmakers and decision-makers.

# FREIGHT RAIL SHIPPER INTERVIEW SUMMARY

MAY 2017

## BACKGROUND

Six freight rail shipper interviews were completed during May and June 2017. These interviews included a port, an agricultural processor, an aggregate shipper, bulk transloaders, and a chemical manufacturer.

Shippers interviewed used Class I and Class III railroads, trucks, barges, and oceangoing vessels to transport their freight. They were asked 13 questions, falling into the following categories:

- Type of Business
- Reasons for Utilization of Rail Shipping
- Access to Competition
- Rail Service Satisfaction
- Potential Rail Service Improvement Projects
- State Programs and Regulations
- Future Outlook

## EXECUTIVE SUMMARY

While the majority of freight in Virginia moves by truck, rail still plays a critical part in shippers' business. Access to rail service allows for cost-effective long hauls between Virginia and the Midwest or the West Coast. Multimodal access is absolutely essential to the freight network. State programs offer an opportunity to open up shippers to competitive rail service, reduce delays due to conflicts with traffic at grade crossings, and upgrade facilities to meet today's rail shipping demands. The outlook on future rail freight volumes was mixed.

## SURVEY SUMMARY

### TYPE OF BUSINESS

Shippers interviewed were from a representative sampling of businesses. Several transload operations were interviewed, a large agricultural processor, a chemical manufacturer, an aggregate producer, and a port. The numbers of carloads shipped by interviewees in 2016 ranged from 10 carloads up to 16,500 carloads annually. The transload operations focused on international export via Virginia's deepwater



ports. The agricultural processor and chemical manufacturer have a mix of domestic and export business, while the aggregate producer shipped to domestic customers. Shippers used a combination of trucks, barges, and oceangoing vessels in addition to rail to move their freight.

## REASONS FOR UTILIZATION OF RAIL SHIPPING

A common reason given for utilizing rail shipping was the cost-effectiveness of rail for long hauls, specifically from the Midwest. Access to distant markets in the Midwest and the West Coast is provided more cost-effectively in some instances by rail than by truck. Rail is also advantageous for bulk commodities. One shipper likes rail shipping because it prevents their plants from becoming congested with truck traffic. Other shippers are more customer-driven in their modal choices and utilized rail because that is what their customers prefer.

Shippers were also asked what conditions would be necessary to convert more traffic to rail. Typically they responded that their modal choices are customer-driven and future changes would be as well. One responded that the requirement of freight railroads to work around commuter and Amtrak traffic can lead to circuitous routing and complex rates that leads them to pause when considering additional rail shipping.

A port noted that the historic rail networks originally designed to transport coal to the Atlantic Coast for export work well for intermodal import and export now that the Class I railroads serving Virginia have expanded their capacity and vertical clearances on their principal lines.

## ACCESS TO COMPETITION

There was a strong consensus among shippers that access to competing modes is critical to their business. Access to multiple railroads at a single location is valued by shippers. Generally, in cases where modal flexibility was possible, shippers prioritized competition between any two modes rather than competition between railroads or between rail and other modes.

Some shippers chose their location specifically because of the existing rail service to that site. Virginia's rail network offers many options for locating industries, especially at the ports, which were historically a point of confluence for many rail lines. In several instances a shipper made modifications to existing rail infrastructure on a site to suit their specific needs. This was usually done to accommodate unit trains (large trains of a single commodity that travel directly between destinations) or to open up a facility to rail service from multiple railroads.

Shippers were asked if they saw value in expanded transload or intermodal opportunities. Most did not see a value based on their existing business models or due to the commodity types they currently ship

and receive. They would be open to utilizing one or both, if requested by their customers, or if business demands dictated a need. One shipper responded that cost-effective intermodal service would allow them to expand their market share on the West Coast. Being served by multiple modes, the port interviewed was receptive to expanded transload and intermodal opportunities.

## **RAIL SERVICE SATISFACTION**

Rail service satisfaction levels were mixed among the shippers interviewed. Several shippers emphasized the importance of consistent service to their successful operations. An agricultural shipper mentioned that the tendency of the Class I railroads to increase their minimum unit train sizes can create problems when a facility lacks the physical infrastructure to accommodate those larger trains.

Shippers who are presently satisfied did not elaborate on particular reasons for their satisfaction. Satisfied shippers received service from a mix of Class I and Class III railroads.

An aggregate shipper listed management turbulence at a Class I railroad serving them as a concern, along with network adjustments driven by declining coal volumes. As Class I railroads look to streamline and rationalize their networks to handle their changing traffic base, sometimes this shipper sees their business sent over longer, less direct routes. These service changes can make carload shipping more expensive and create pressure to go to unit train service, which may not always make financial sense for a shipper.

A chemical manufacturer had concerns about interchange frequency between the Class III railroad that serves their plant and the Class I railroad that interchanges with the Class III. Low interchange frequencies create little margin for error when preparing outbound shipments, so missing a window for a given pickup can create delays of a week or more if the interchange only happens once a week. This leads to service consistency problems and is a disincentive to utilize rail service for time-critical shipments.

There were no rail shipping trends that could be traced back to a specific commodity or the handling thereof. If there was a commodity that is no longer shipped by rail it was because of changing market demands or plant reorganizations.

## **POTENTIAL RAIL SERVICE IMPROVEMENT PROJECTS**

Multiple shippers stated a desire to see upgrades to the Norfolk & Portsmouth Belt Line Railroad's infrastructure to handle larger unit trains. Multiple shippers cited new grade separations along the NPBL's trackage as projects that would improve service by reducing delays to both rail and truck

shipments. The Master Rail Plan for the Port of Virginia (SJ-69), dated March 26, 2015 was cited by multiple shippers as including specific projects that would be beneficial to their business.

It was suggested that there will be a need to double-track portions of Commonwealth Railway's main line as its traffic volumes continue to grow. Yard upgrades in Suffolk were also suggested to accommodate the additional traffic.

Enhanced track infrastructure to support staging of rail cars at ports was an important need identified by one shipper at a port. They illustrated this with an example of a competing shipper at a port in another state who was able to handle much larger export volumes without the infrastructure constraints present at the Virginia shipper's location. This flexibility allows their competitor to capture export traffic that could have otherwise gone to Virginia. A similar sentiment was echoed by a port who said a lack of railroad capacity or service timing issues causes congestion on limited port trackage.

## STATE PROGRAMS AND REGULATIONS

Most shippers view state programs as an important piece of the economic picture and some expressed a desire to see increased funding for these programs. Several have utilized rail grants to upgrade or expand their facilities. In multiple instances a shipper utilized rail grants to make modifications to existing rail infrastructure on a site to accommodate unit trains or to open up a facility to provide access to multiple railroads.

State regulations were not a concern of most shippers. An agricultural shipper expressed a desire for Virginia to revise its statutory limitations on gross vehicular weight on non-interstate highways for agricultural shipments between a point of origin farm and a processing plant to match those of surrounding states to provide a consistent set of regulations. They would also like to see the exempt haul length increased to match neighboring states. In rare conditions a state regulation might require a shipper or customer to utilize rail service instead of trucking.

Several shippers indicated that generally the public sector could assist in increasing their use of rail service by funding projects to support consistent service by Class I and Class III railroads as another means.

## FUTURE OUTLOOK

The outlook on future rail volumes was mixed among shippers. One shipper who had a positive outlook cited consistent long-term contracts with their customers that gave them a sense of stability. The port interviewed was optimistic based on the quality of their existing infrastructure and plans for continued



economic investment in the same. A chemical manufacturer had a positive outlook due to recently adding outbound shipments from their plant with the prospect for more.

One shipper, who otherwise acknowledges the benefits of rail, was presently neutral in their outlook. Their stance was subject to change based on the future trends of rail freight rates. If network changes and service inconsistency persists or worsens then they would become more pessimistic.

One shipper with a negative outlook was concerned that rail freight rates continue to increase disproportionately when compared to competing modes. They have the ability to utilize these modes in lieu of rail and would do so if it made economic sense.