

1.0 Introduction

Ohio has a rich history in railroading dating back to its 19th Century main line routes providing access to Great Lake facilities and river terminals. These routes included former core main line routes of the Baltimore and Ohio, Chesapeake and Ohio, Erie, Pennsylvania, and New York Central Railroads. Cincinnati also served as a major gateway connection point to both the then Southern and Louisville & Nashville Railroads. The B&O, C&O, Erie and PRR initiated the nation's east-west mainline network that was critical to Ohio's development.

Over time the rail industry in Ohio and across the nation has experienced considerable consolidation. This began with the bankruptcy of many Northeast and Midwest railroads in the 1960s and special conditions provided to Conrail in the 1970s to further reduce its system to ensure its viability. In the following deregulated environment, railroads had more flexibility over both organizational and capital infrastructure decisions. Today Ohio is served by the two remaining U.S. Class 1 railroads east of the Mississippi River, CSX and Norfolk Southern as well as 16 regional and short line railroads, and 15 terminal carriers. In addition, the Canadian National Railway, a Class 1 railroad, also serves the state but on a much more limited basis

As with most states, railroads contributed significantly to the early economic growth of Ohio. The railroads provided a cost-effective means to transport grains from Ohio farms to eastern markets and east coast ports for shipment to Europe. The railroads enabled Ohio to leverage its proximity to coal, iron ore, and limestone producing regions, thus stimulating the growth of the steel industry in the state. The railroads also led to the growth of industry on Lake Erie by providing connections with inland markets. Raw materials could be delivered by ship to water-side facilities and, in turn, finished goods were shipped out by rail.

In addition to facilitating the movement of goods, the railroads also improved the mobility of people living in or visiting the state. The ability of people to move fluidly among economic centers improved commerce among those centers. This ability also provided an efficient means of supporting population migration to areas of increasing activity.

Despite the development of the interstate and state highway systems and the growth of the motor carrier industry, freight railroads still played an important role in the economy of Ohio. This role has historically been most apparent in the movement of heavy bulk products required by Ohio's manufacturing sector which import high-weight, low-value raw materials and export low-weight, high-value finished goods. There are exceptions to this rule of thumb as railroads often handle high value bulk commodities such as plastic pellets and resins and ethanol, as well as such high value inputs as steel coils.

In recent years, railroads have gone through a major resurgence and have become increasingly important to the economy of Ohio. Today, the railroad industry is as important to Ohio as it has always has been, and perhaps more. Improvements in service, successful efforts to reduce costs, and growing recognition of the economic, safety, and environmental benefits of rail transportation have increased the demand for rail freight transportation. For example, freight moved by rail results in approximately ten percent of the number of fatalities per ton-mile than that moved by truck. The freight rail industry also pays property taxes for its transportation rights-of-way, unlike its trucking competition.

Ohio's proximity to North American population centers and markets also places the state at the center of current rail intermodal development activities. CSX's National Gateway project will improve the linkage between Ohio and east coast ports by improving clearances and capacity. Norfolk Southern is investing heavily in its

Heartland Corridor project, which will improve service between the Port of Norfolk and the Midwest. A critical element of the project is the Rickenbacker Intermodal Facility in Columbus.

The current impacts of freight rail service to Ohio's economy, environment, energy production and efficiency, land use, and quality of life for the state's citizens are extensive. Railroads provide the strong transportation links required to support the state's manufacturing economy by moving raw materials into the state and manufactured products from Ohio to destinations around world. The rail industry carries out this task more efficiently than any other surface transportation mode from the perspective of both emissions and energy usage.

With an average equivalency of one rail car equaling three truck trailers, rail service also improves the quality of life for Ohio's citizens by removing trucks from congested roadways and reducing the need for highway construction which is both costly and often leads to the loss of valuable land and inefficient land use patterns. Most significantly, rail has the capacity to divert even more freight and passengers from highways in the future which is vital in the face of estimated freight and passenger growth rates in the future.

Finally, there is an emerging recognition of the important role of passenger rail transportation as a competitive alternative to both the automobile and airplane for intercity travel. In response to that, Ohio is working to establish the proposed "3C Quick Start Service." This initiative has been designed to provide new passenger rail service between Cleveland, Columbus, and Cincinnati. Such service would provide additional mobility options and an entirely new transportation mode choice for travelers.

1.1 Federal Mandate for State Rail Plans

In 2008, the US Congress passed the Passenger Rail Investment and Improvement Act with the expressed intent of improving passenger rail service in the United States. One of the features of the legislation is the requirement that any state seeking federal assistance for either passenger or freight improvements have an updated state rail plan. The legislation further stipulated the minimum content of the rail plans, which was codified in Public Law 110-432.

Federal guidelines for rail plans require that states attempt to accomplish the following objectives through their plan process. These objectives are to:

- Broaden the understanding of rail issues for all stakeholders;
- Define the role of railroads in a multimodal environment;
- Identify infrastructure and other improvements required to improve rail service;
- Provide a framework to implement rail improvement initiatives
- Develop methodologies to measure public and private benefits of rail improvements; and.
- Provide support and justification for federal and other rail funding.

This document was developed by the Ohio Department of Transportation and the Ohio Rail Development Commission. It meets the requirements set forth in the legislation and public law, and is intended to serve as Ohio's State Rail Plan. The plan represents a compendium of recent rail studies, supplemented by primary investigation as required to meet the federal requirements. The state of Ohio has been a leader in advocating improved rail service in the state and has conducted numerous studies to advance this effort. The *Ohio State Rail Plan* describes and evaluates rail improvement needs identified through further technical analysis.

In addition to meeting federal requirements, this state rail plan is intended to formulate a state vision for rail in the future and strategies to achieve that vision. For this purpose, the plan was developed with extensive public participation and involvement by the state’s railroads and rail users.

1.2 Stakeholder Consultation

The Ohio Department of Transportation and the Ohio Rail Development Commission are committed to an ongoing stakeholder and public involvement process. This process includes continually engaging rail stakeholders and the public in rail planning activities for this plan and in future policy development and program decision making.

As part of the development of this statewide rail plan and other statewide rail and transportation planning initiatives, considerable public and rail stakeholder outreach activities have been conducted and are underway. *A Rail Stakeholder Outreach and Involvement Plan was developed for this Statewide Rail Plan.* The Outreach plan describes the approach, activities, and schedule to consult with rail stakeholders and the public in the development of revisions to the *Ohio State Rail Plan*. The findings and recommendations from outreach activities are provided in **Appendix A**. This appendix also includes a summary of the comments and recommendations from over 200 stakeholders who participated in outreach activities. Implementation of the proposed recommendations will require continued partnership and collaboration between ODOT, ORDC, Ohio’s rail operators and shippers and all rail stakeholders.

1.3 Ongoing Planning Process

As part of Ohio’s ongoing rail planning activities, a tool and methodology is under development to enhance the state of Ohio’s rail funding decision making process. The tool, currently referred to as the benefits calculator, provides a comprehensive means of calculating both public and private benefits attributable to investment in railroad improvements. This tool is described in **Chapter 13 Long Range Investment Program**.