



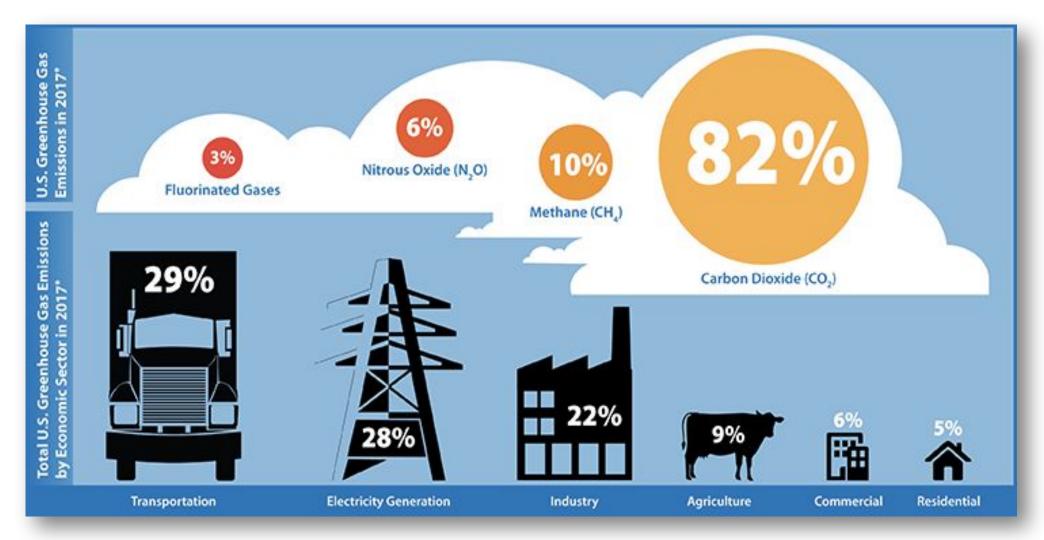
PLEASE begin by watching this short introductory video (3:41)

(source: https://www.solutionaryrail.org/video)

Look for link to PDF of book & coupon code

4WRD2GTHR for free download

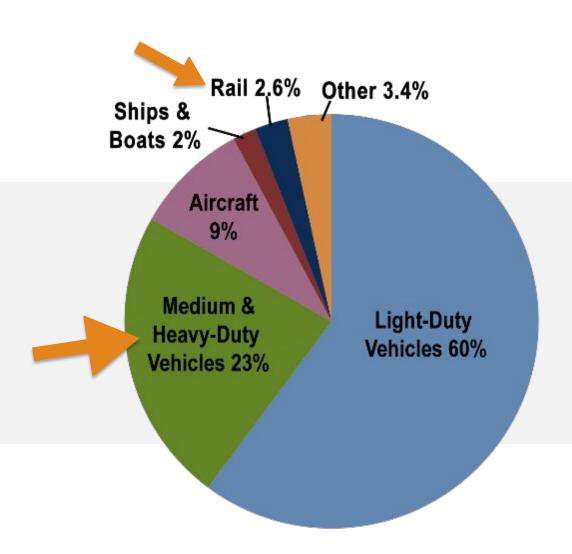
US GHG EMISSION SOURCES



Approximately 30% each from energy & transportation



TRANSPORTATION EMISSION SOURCES



- Rail GHG emissions currently represent a relatively small portion
- Heavy-duty vehicles are a far more significant
 GHG emitter, and far more difficult to electrify.

Mode shift of long haul freight from roads to rails is therefore an important component of our transportation decarbonization strategy.



ADVANTAGES OF TRAINS

- Trains use 1/3 the energy required by cars and trucks
- Steel on steel (trains) is more efficient than rubber on concrete (trucks)
- Freight moved from roads to rail:
 - Reduces wear and tear on roads and bridges
 - Reduces motorist-truck accidents
 - Improves water quality
 - •Improves air quality and public health
 - •Reduces CO2/GHG emissions





The Freight Analysis Framework (FAF4) indicates that annually the US moves OVER 1 TRILLION ton miles

(approximately 40%)
of long haul freight
traveling distances greater than 500 miles
on trucks instead of trains!



THAT'S NUTS!

1 TRILLION ton miles annually amounts to +/-

- Hundreds of \$billion\$ of gallons of diesel
- Tens of \$billion\$ in wear & tear on US roads and bridges
- Millions of metric tons of GHG/CO2
- Tens of thousands of premature deaths from diesel pollution
- Thousands of freeway deaths
- Tens of \$billion\$ in the costs of congestion

What's also nuts is that the US doesn't actually have a single tool for assessing these impacts accurately.



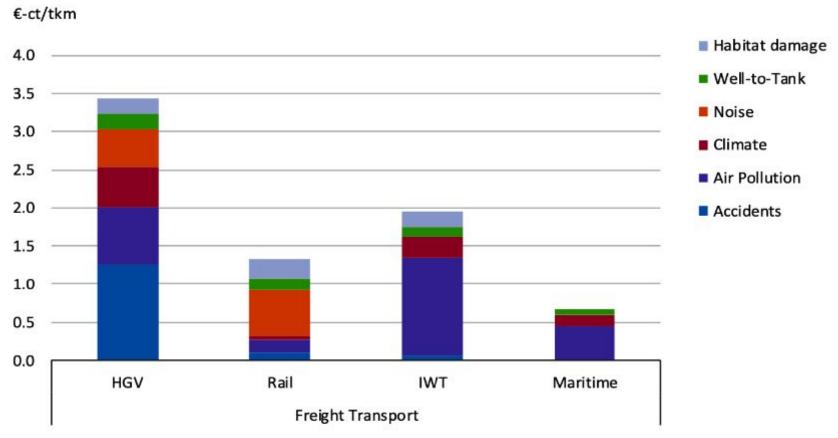


The US needs to DO A BETTER JOB CHARACTERIZING TRUE COST of the current state of FREIGHT.



The EU is investing in characterizing external costs of freight and prioritizing a Shift2Rail

Figure 16 - Average external costs 2016 for EU28: freight transport (excluding congestion)



Maritime: average for selected EU28 ports.



The EU is investing in characterizing external costs of freight and prioritizing a Shift2Rail

Table 66 - Total external costs 2016 for EU28 freight transport by cost category and transport mode

	Freight Transport						
	Road				Ra	it	IWT
	LCV-petrol	LCV-diesel	LCV-total	HGV - total	Electric freight	Diesel freight	Inland vessel
Cost category	bn €/a	bn €/a	bn €/a	bn €/a	bn €/a	bn €/a	bn €/a
Accidents	19.8			23.0	0.3		0.1
Air Pollution	0.3	15.2	15.5	13.9	0.01	0.7	1.9
Climate	0.7	12.5	13.2	9.6	0.00	0.2	0.4
Noise	5.4			9.1	2.1	0.4	
Congestion*	55.5			14.6			
Well-to-Tank	0.2	3.6	3.8	3.7	0.5	0.1	0.2
Habitat damage	0.2	4.2	4.4	3.6	0.8	0.2	0.3
Total			117.6	77.5	5.4		2.9
Total per mode	195.1				5.4	2.9	
Total as % of EU28 GDP	1.31%				0.04	0.02%	
Total freight transport	203.4						

^{*} Congestion in terms of delay cost generated by the various vehicle categories.

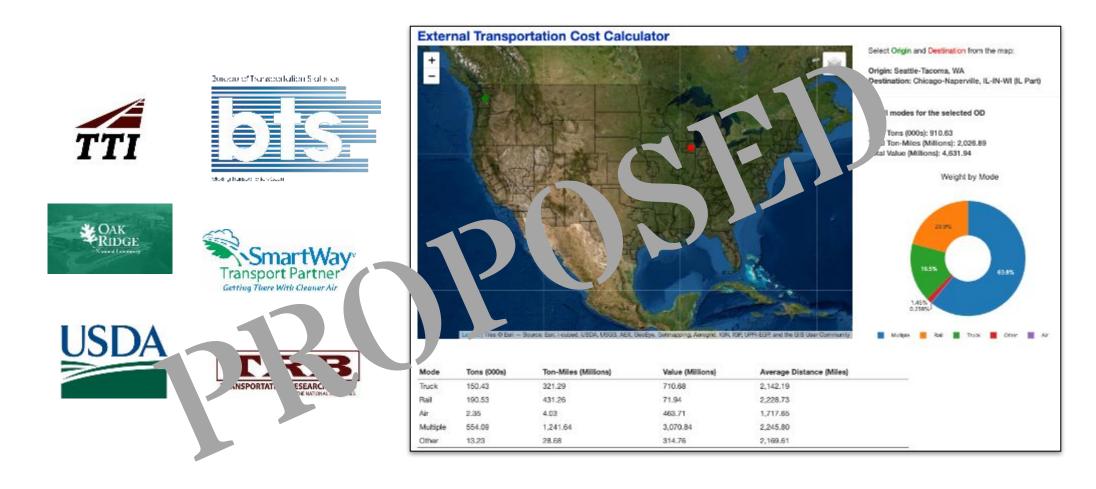


Connecting the dots on the true cost of transportation (especially freight) is an opportunity for immediate interagency collaboration.

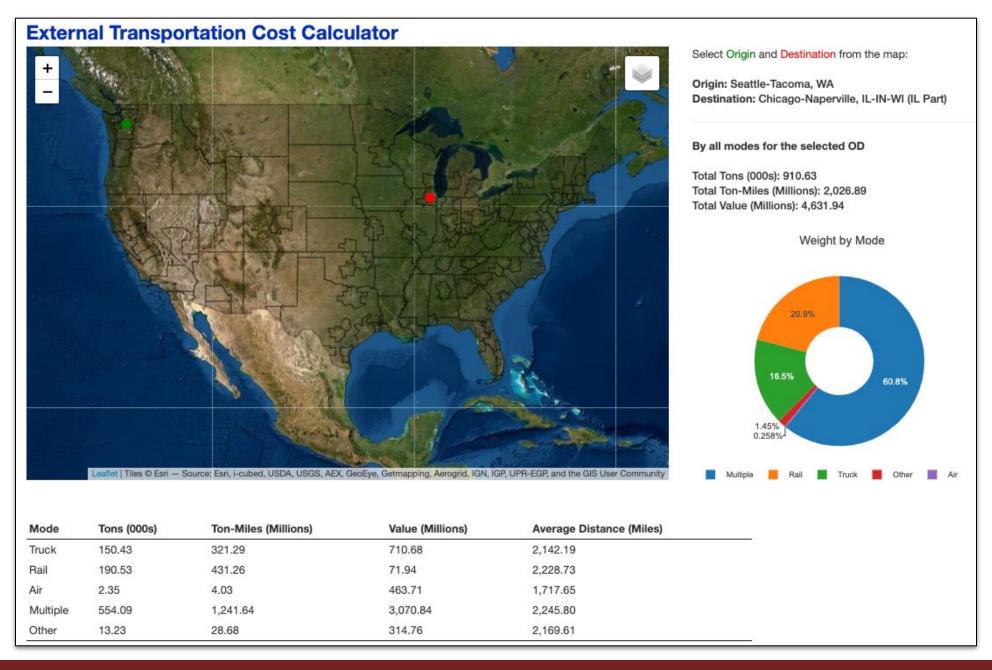




Solutionary Rail would like to work with USDOT and other agencies to develop a True Cost Calculator. The next slides show our <u>PRE-BETA</u>, earliest version

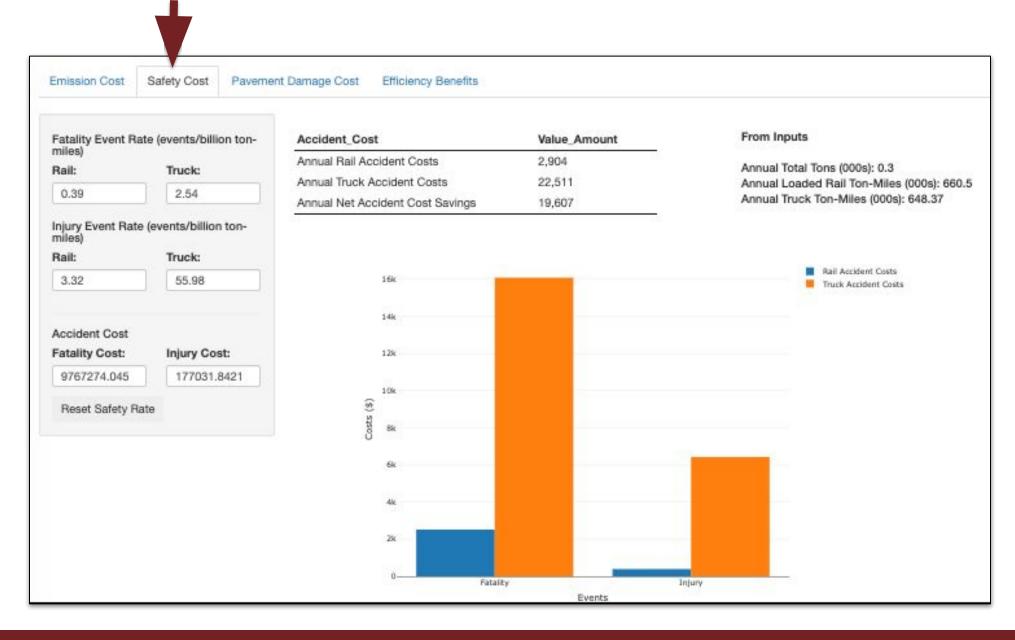


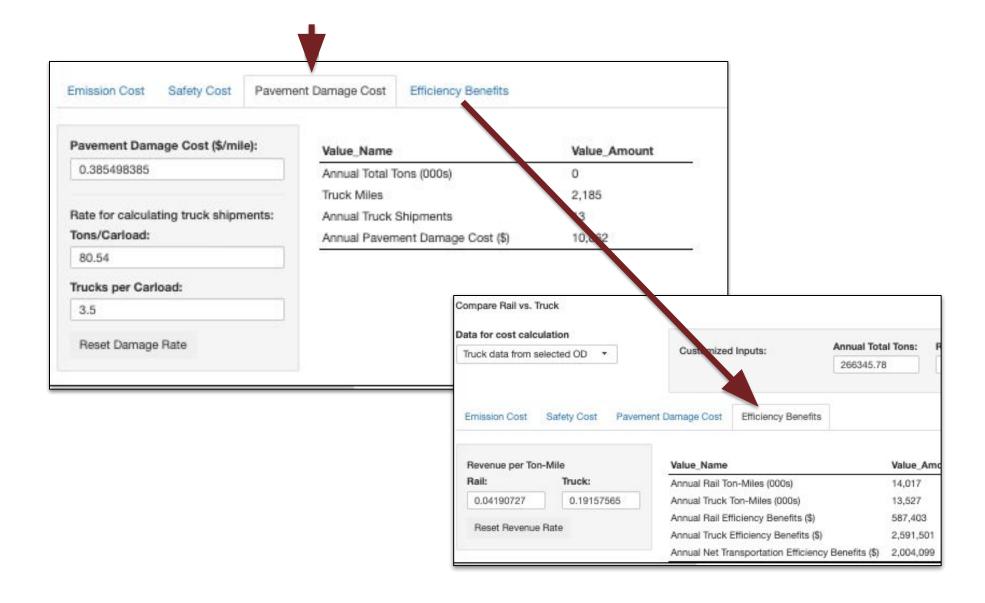












IT QUICKLY BECOMES OBVIOUS THAT



the mode shift of freight - especially long haul freight traveling >500 miles - from trucks to trains is a public policy priority.



That's why Solutionary Rail starts with...

MODE SHIFT

Leveraging the efficiency of rail for decarbonizing freight transport



In 2020, it became clear that too few were promoting mode shift at a scale commensurate with the crises we face.

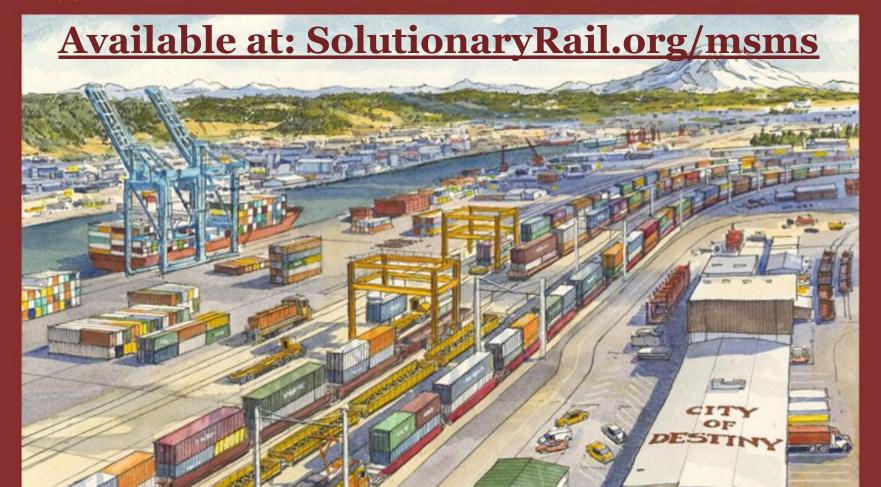
So, we proposed a...

MOONSHOT MODESHIFT



Solutionary Railroads Moonshot Modeshift

Supplemental Brief #1 for the Select Comm. on the Climate Crisis

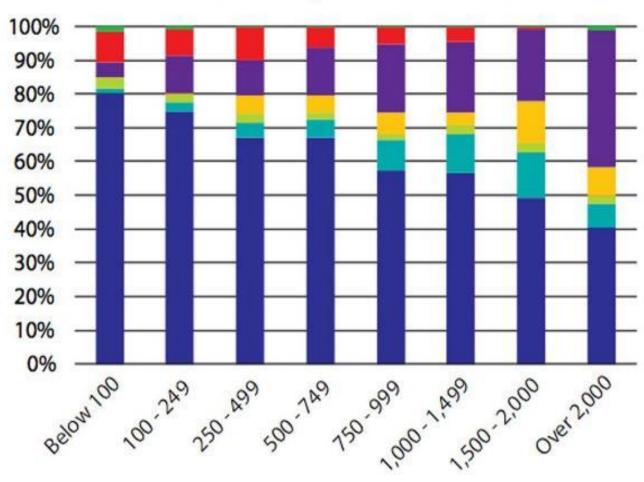




Truck Rail Water Air Multiple modes & mail Pipeline Other / unknown

Mode Share of Value by Distance Band: 2016

Mode shifting freight from trucks to trains (both value & volume) requires a freight rail business model with improved service, accessibility, reliability and speed.





IN THE MOONSHOT MODESHIFT BRIEF, WE PROPOSED BOLD TARGETS FOR 2030:

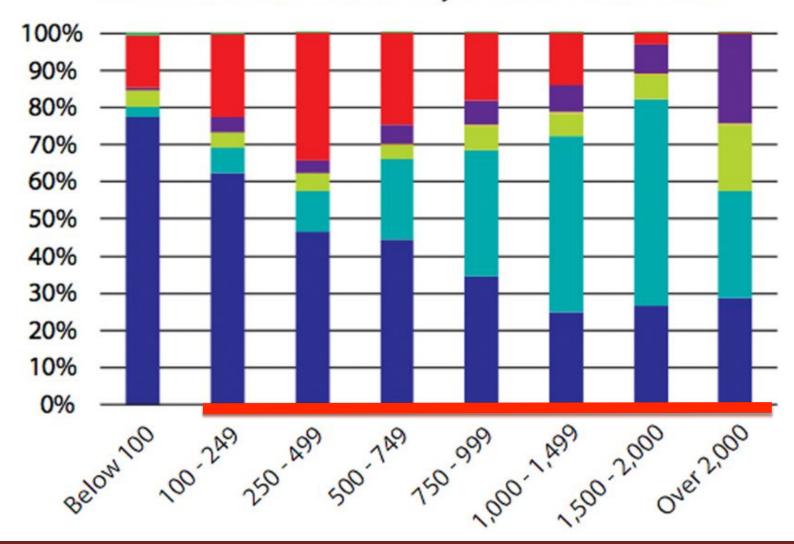
50% of freight traveling 100-249 miles 75% of freight traveling 250-499 miles and

100% of freight traveling over 500 miles



Truck Rail Water Air Multiple modes & mail Pipeline Other / unknown

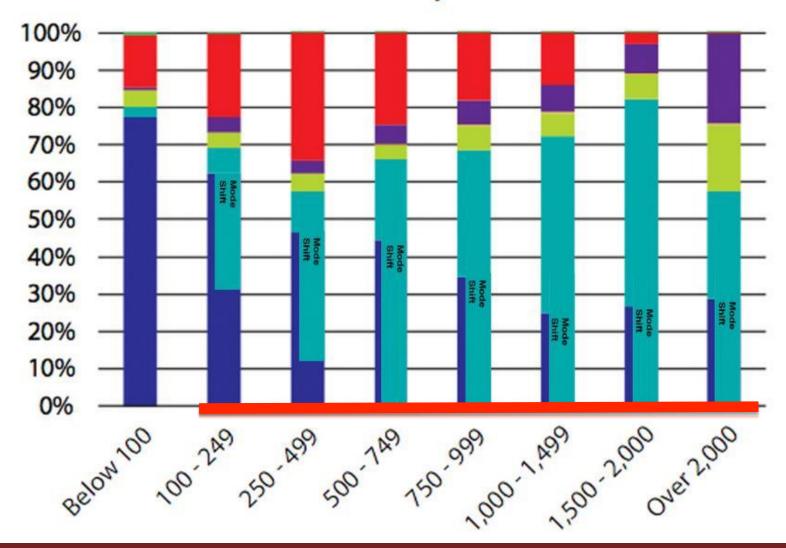
Mode Share of Ton-Miles by Distance Band: 2016





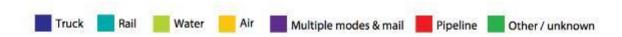
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Mode Share of Ton-Miles by Distance Band: 2016

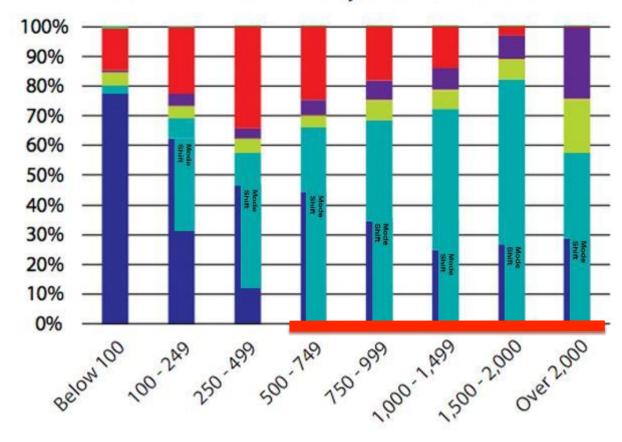




Mode shifting 100% of freight traveling over 500 miles from roads to rails by 2030 is a reasonable, worthy & achievable goal.



Mode Share of Ton-Miles by Distance Band: 2016





MODE SHIFT EXAMPLES:

- On dock rail
- •Roll-On, Roll-Off ("RoRo")
- Protecting short line railroad access to mainlines
- Connectivity & Access







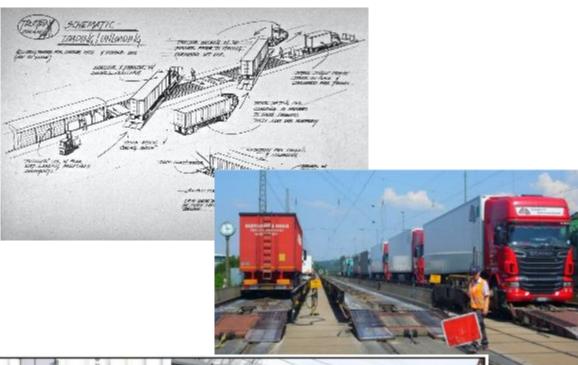
ON DOCK RAIL FOR INTERMODAL:





ROLL ON/ROLL OFF 'S MULTIPLE FORMS:







Versions of carless technology by three manufacturers. (Left to right: RoadRailer, RailRunner and RailMate)³



SUPPORT THE 605 SHORT LINE & REGIONAL RAILROADS

Unlike Class 1 railroads that are chasing away the less profitable business to maximize profits, short line railroads continue to pursue a growth model.

Short line railroads provide essential "first and last mile" service to and from, and between Class 1 RRs

Shippers complain to the STB about Class 1 practices, but it is more difficult for vulnerable short line railroads to complain. As one short line executive said confidentially, "We know who brought us to the dance."

Minimum carloads (52) and requiring heavier (286k lb) grain cars for unit trains puts a burden on shippers, short line railroads, grain elevators, and track capacity. This forces many farmers and manufacturers to ship by truck.

The Kansas DOT Short Line program and the Washington State Grain Train programs are examples of addressing some of these burdens.

Failures to protect short lines and innovative shipping projects like the **Cold Train** using BNSF and UP's **Cold Connect** harms local and regional economies.











State Rail Plans should be actual <u>plans</u>.

Require State Rail Plans to include serious study of public interest goals such as mode shift, electrification, and regional connectivity, as done in the recent **Nevada State Rail Plan**. In service of modal shift, rail plans should map industrial areas to catalog access to, past and potential future utilization of rail sidings, and incentivize mode shift wherever feasible.





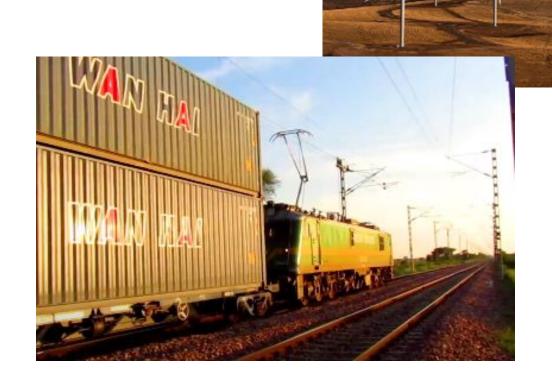
ELECTRIFICATION

Essential for Workers, Communities, & Climate

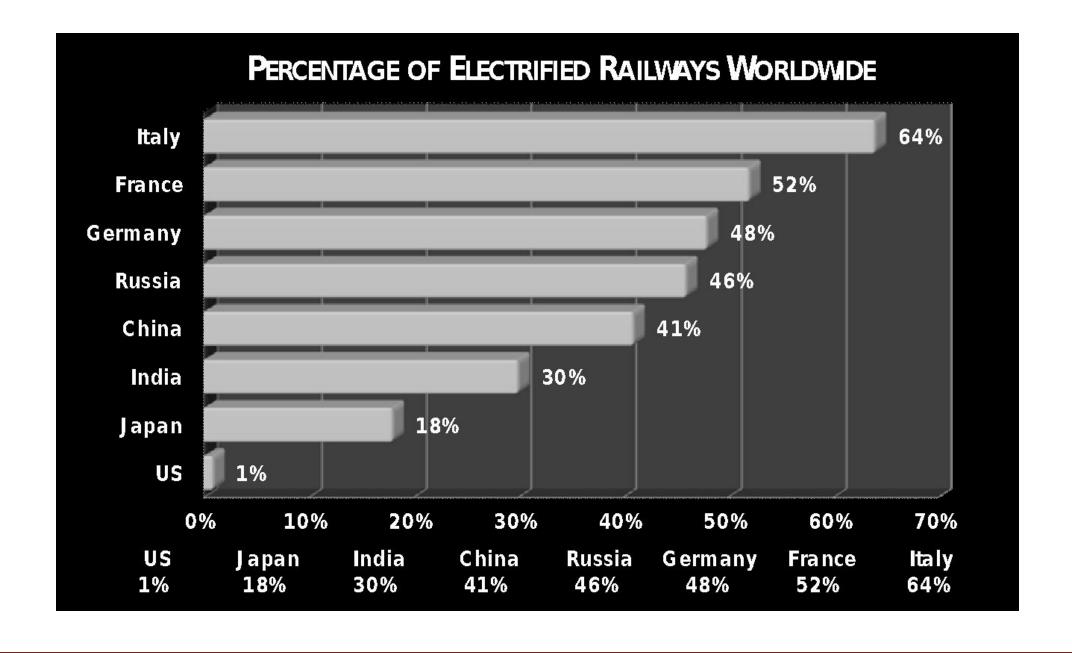


ADVANTAGES OF ELECTRIC TRAINS

- •Electricity can come from renewable sources
- Electricity costs less than diesel fuel
- •Electric locomotives are cheaper to maintain
- •Regenerative braking reduces consumption
- •Electric locomotives add capacity through more rapid acceleration and deceleration

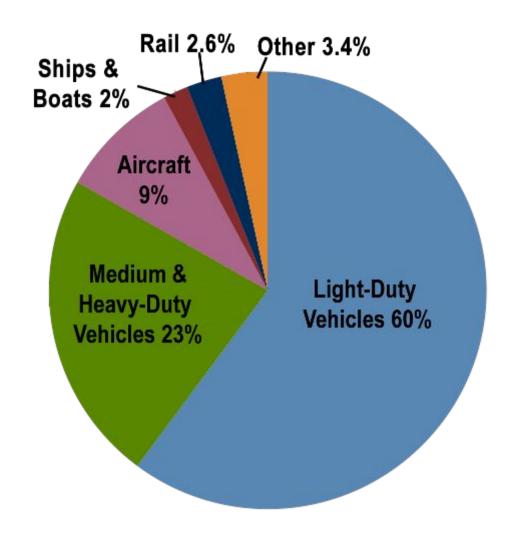




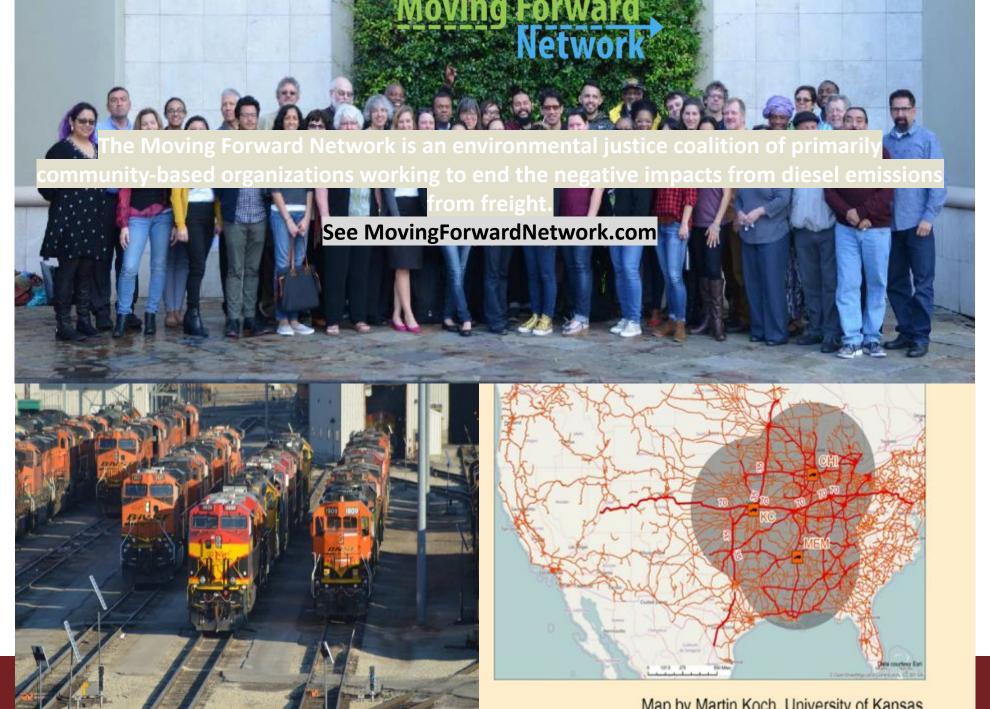




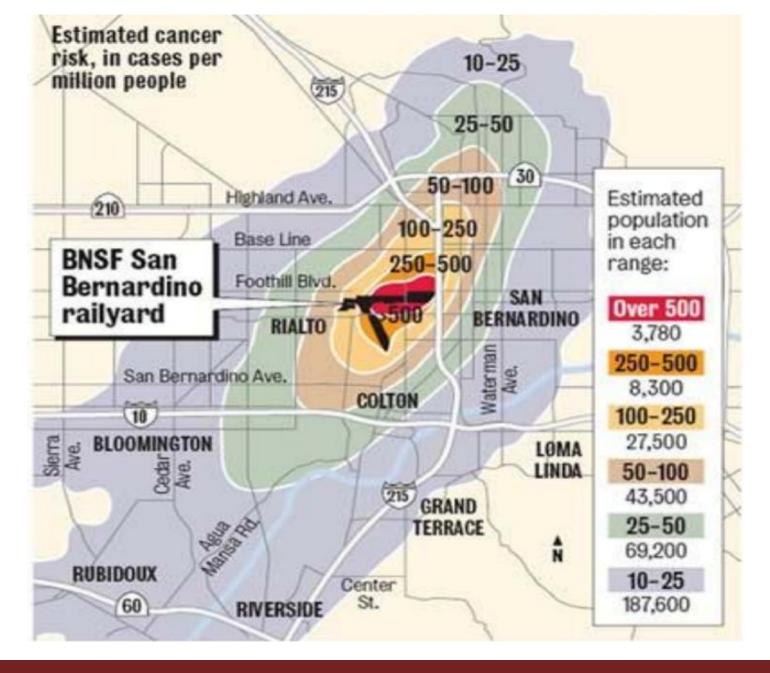
Mode shift will expand rail GHG and other emission impacts unless electrified. Workers & trackside communities deserve decarbonization now.













WHERE TO START WITH ELECTRIFICATION?

- Ports & Drayage
- •Rail yards
- Mainlines







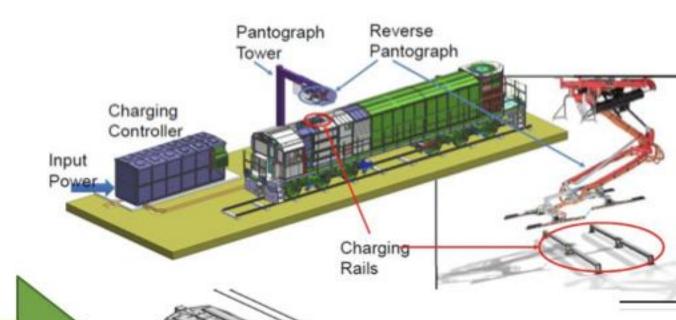












DISCONTINUOUS ELECTRIFICATION

- Charging power supplied by catenary
- Conventional pantograph on each locomotive
- · Short segments of catenary installed at key locations
- Transformer and charging electronics on the locomotive



Of 140,000 miles of US track, the DoD designates 38,800 miles as the Strategic Rail Corridor Network (STRACNET).

Consider electrifying that first.

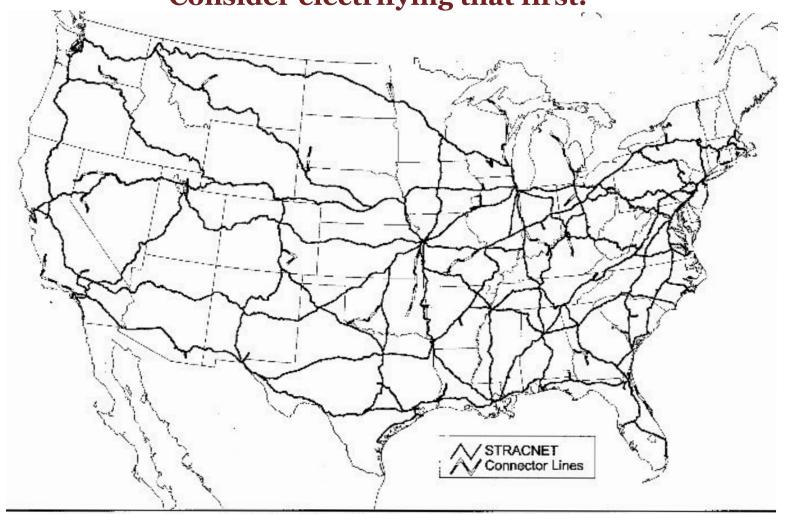
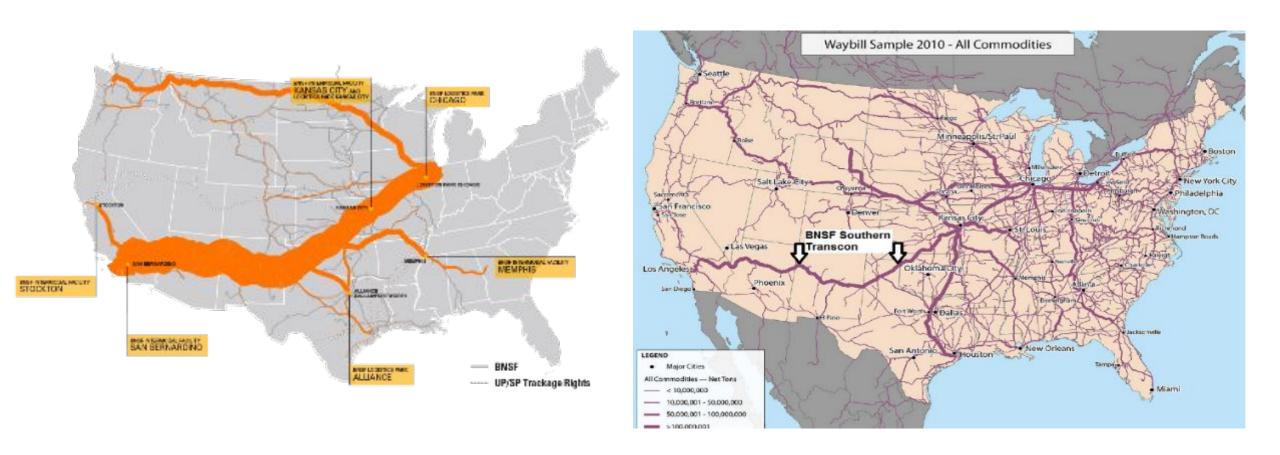


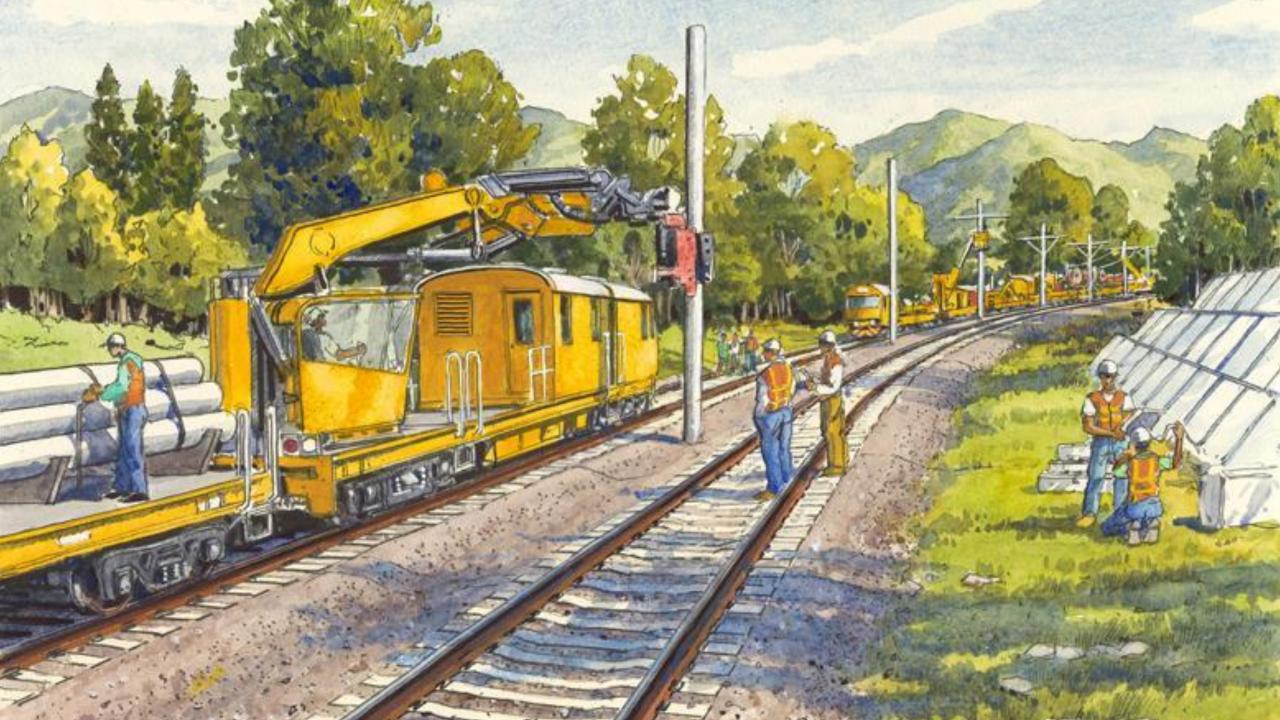
Figure 2. Civil Rail Lines Most Important to National Defense



Or prioritize the most densely utilized interstate freight corridors - the Northern and Southern Transcon







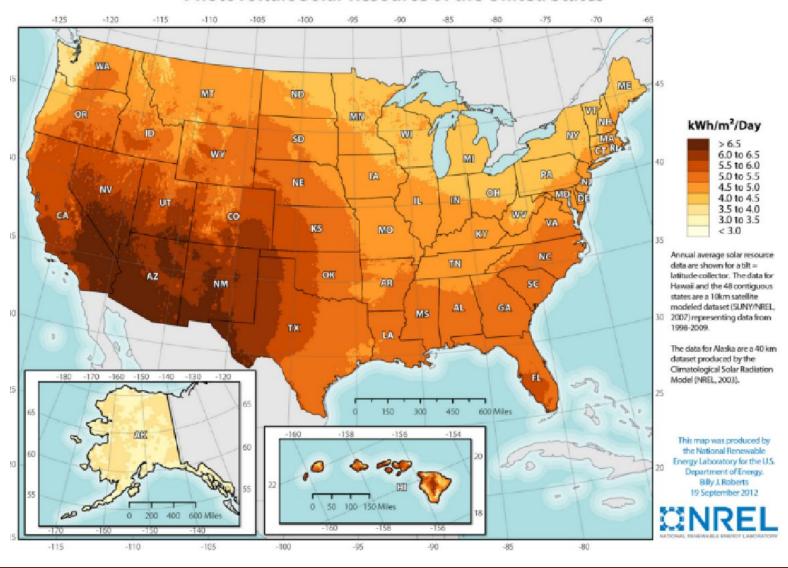
TRANSMISSION

Connecting regions to increase energy supply & stabilize the variability of renewable energy



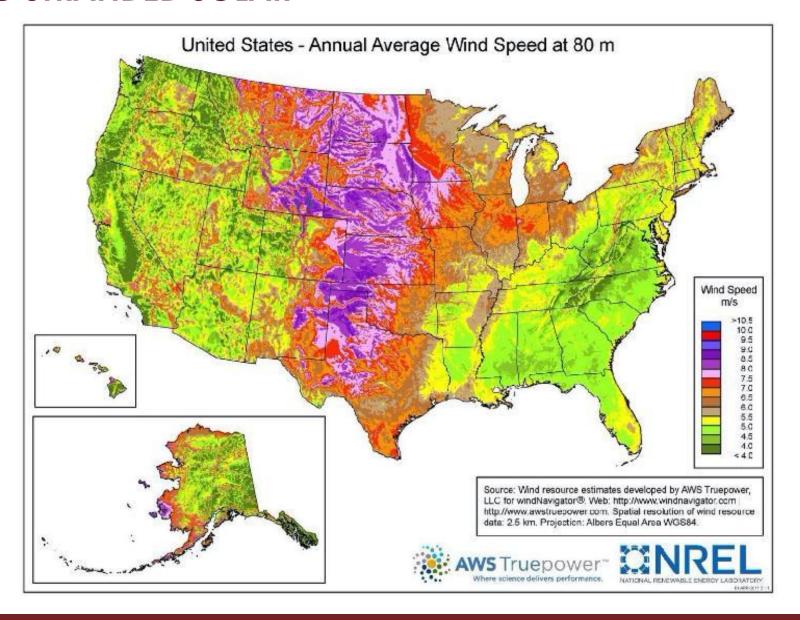
UNLOCKING STRANDED SOLAR

Photovoltaic Solar Resource of the United States





UNLOCKING STRANDED SOLAR



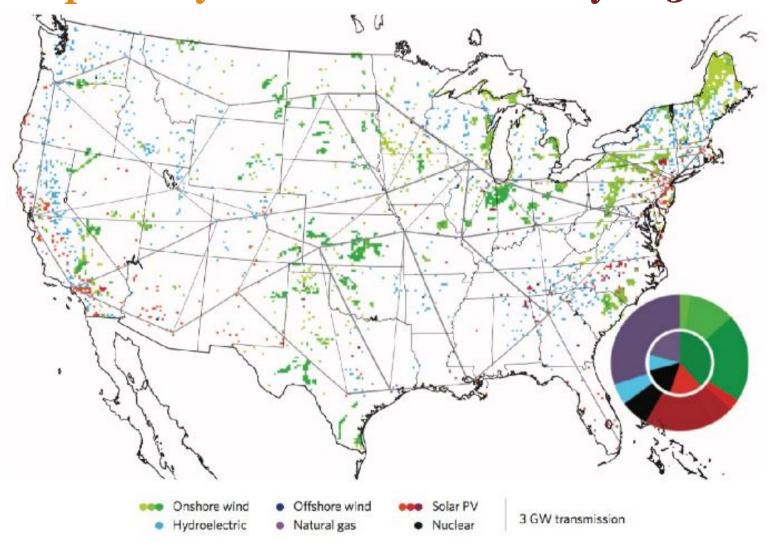


REQUIRES EFFICIENT TRANSMISSION

- •Access to transmission is a prerequisite for the development of renewable energy resources.
- •One of the largest obstacles to energy transition is the lack of a national HVDC transmission infrastructure.
- •A **National SuperGrid** would provide that critical component to a just transition off fossil fuels.
- •A **NOAA study** published in 2016 did the modeling for such an HVDC system and a pathway to **80% renewables by 2030**.
- •HVDC (High Voltage Direct Current) transmission is dramatically more efficient than HVAC (High Voltage Alternating Current)
- •Improvements in HVDC transmission technology has made buried HVDC more feasible
- <u>Voltage Source Converters</u> (VSCs) to exchange power between the HVDC lines and the regional high-voltage alternating current (HVAC) systems already in place are becoming more efficient, compact and cost competitive
- •The largest obstacle to building a National HVDC SuperGrid is finding the Rights-of-Way

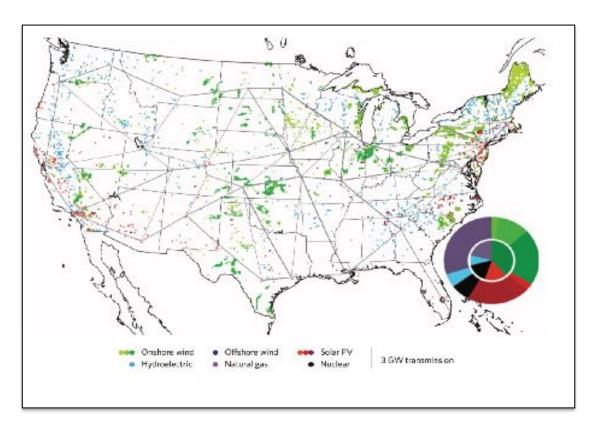


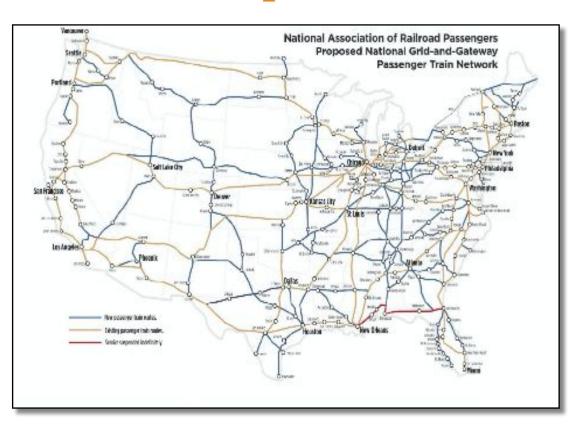
NOAA modeling for such an HVDC system and a pathway to 80% renewables by 2030





Compare density of transmission grid from NOAA model to a mainline rail map

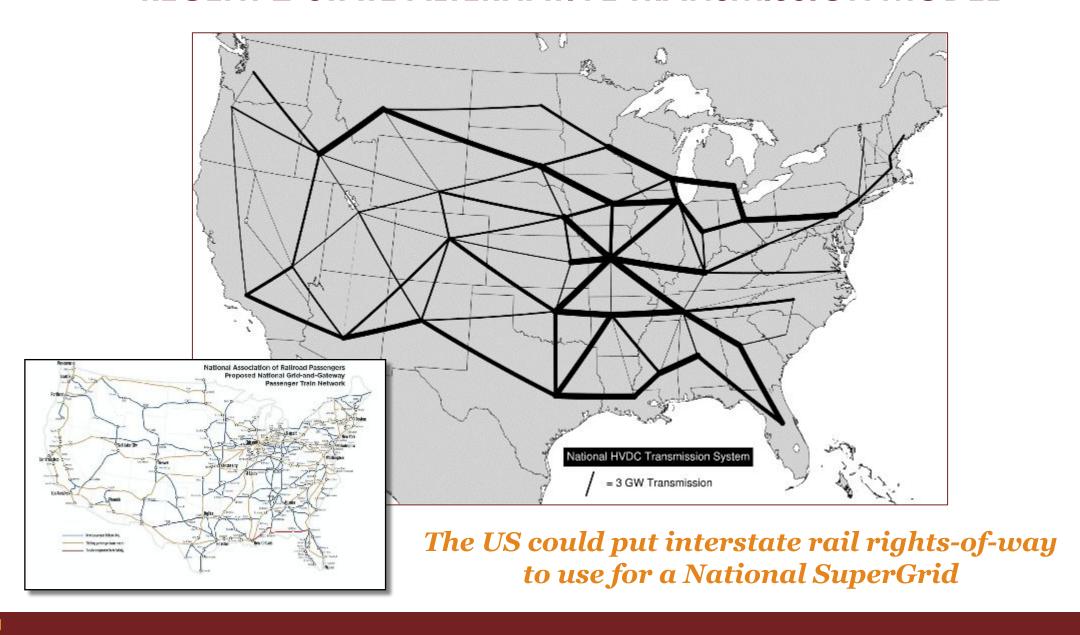




Interstate (Class 1) railroads have the perfect rights-of-way for a National SuperGrid

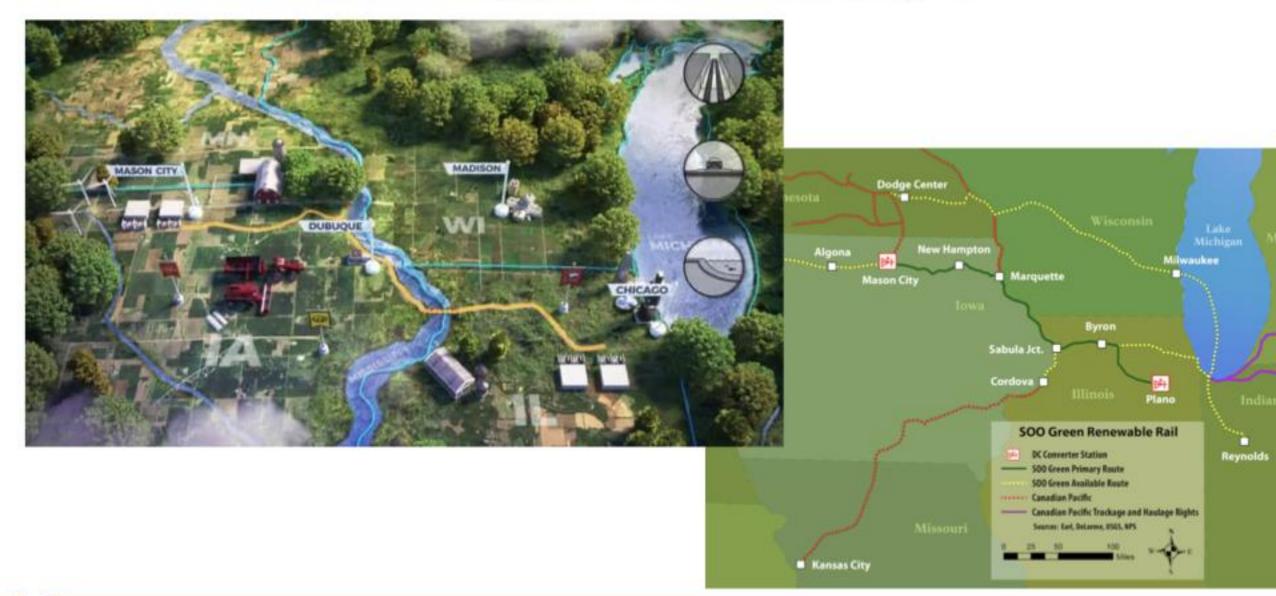


RECENT 2-STATE ALTERNATIVE TRANSMISSION MODEL





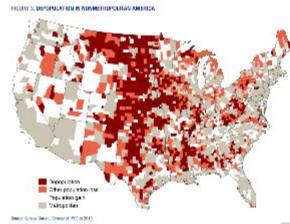
SOO Green private buried HVDV project





Other considerations for rural economic vitality, passenger service, and opportunities for energy export to urban centers...

Chronic rural depopulation

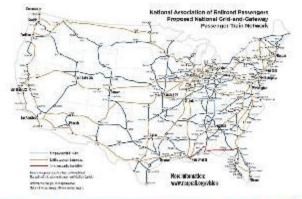




Rural Electric Co-ops



Expanded Passenger Service





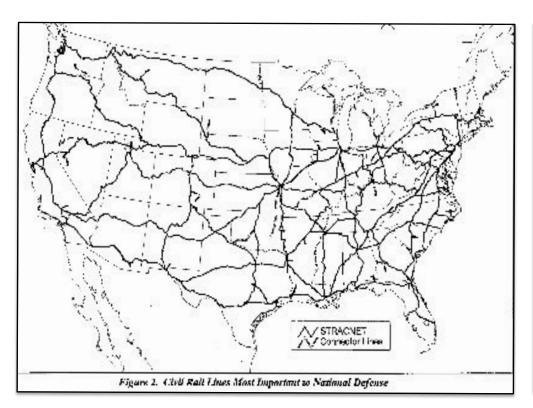


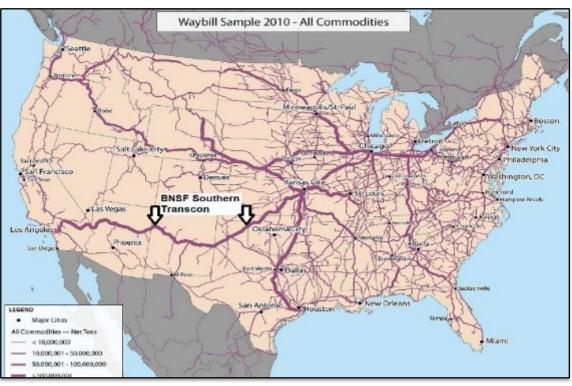
Opportunities for Tribal leadership & ownership, energy sovereignty & export and Right-of-Way Justice





Opportunities to address the national security threat of climate change by hardening transmission and building resilient domestic supply chains.







Seems like a Win-Win-Win!

RIGHT?



So, we initially imagined PPPs through Steel Interstate Development Authorities (SIDA)

SIDA = Not-for-profit corporation chartered with the authority to raise funds for infrastructure investment on both publicly and privately owned rights-of-way that would:

- Issue tax-exempt bonds to sell at low-interest rates
- Oversee funding, construction, and management of electrification infrastructure
- Self-finance through user fees paid by railroads
- Negotiate with right-of-way owners of site infrastructure
- Make direct investments in track improvements
- Seek financing in the form of TIFIA loans



Who could say "No" to that?

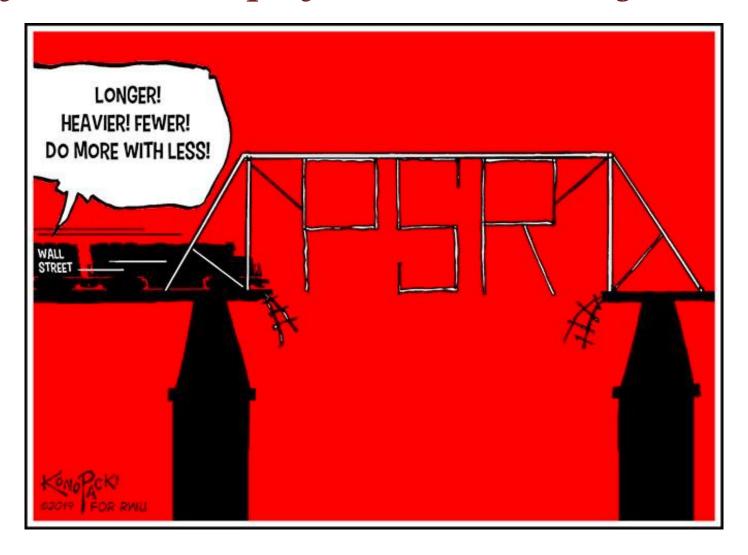


Who could say "No" to that?

ANSWER = CLASS 1 RAILROADS

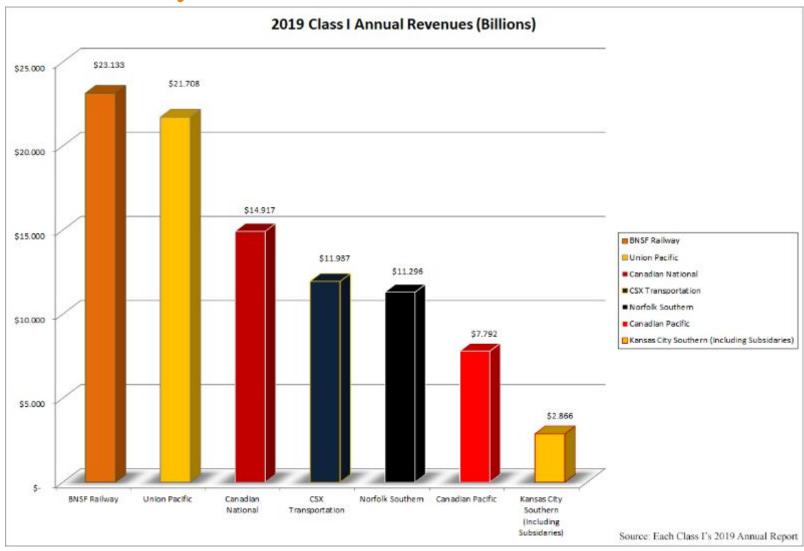


Class 1 interstate railroads are too busy lowering operating ratios for short term profits to invest in long term vitality.





It is paying off - for shareholders, but NOT for shippers, short line railroads, nor the public. Whose interests are served by the long term vitality of the interstate railroad infrastructure







• "Trucking is subsidized, but we are PRIVATE."



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- "Level the playing field!" and "Make trucks pay their fair share!"



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 But only when they come with "NO strings attached."

 and



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- "Level the playing field!" and "Make trucks pay their fair share!" (Yes, we should do that.)
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 But only when they come with "NO strings attached."

 and
- "<u>Electrification is a non-starter</u>."

 Only possible through PPPs with "strings attached."





• LNG & hydrogen locomotives

(These would enshrine fracked gas infrastructure and prolong extraction and GHG emissions.)



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- Experimental Battery locomotives (paid for with public money) on their own avoid the obvious choice of catenary power that would require public involvement. However...



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 (These would enshrine fracked gas infrastructure and prolong extraction and GHG emissions.)
- Experimental Battery locomotives (paid for with public money) on their own avoid the obvious choice of catenary power that would require public involvement. However...
- Batteries + Catenary = Seriously Good Idea for hastening rail electrification



CLASS 1 RAILROADS GREENWASH WITH SYMBOLIC AND MISLEADING ACTIONS & RHETORIC:

In January 2021, The Hill published an OpEd by Ian Jefferies of the Association of American Railroads (AAR) in which he semi-enthusiastically proposed the +/- meaningless mode shift goal of ...

"25% of truck freight over 750 miles"



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That would amount to an actual **NET DECREASE** in capacity when coal business goes away.



ALL THIS IS THE CLASS 1 VERSION OF THE CLASSIC JEDI MIND TRICK

"We're not the droids you are looking for."



BUT THE CLASS 1 (INTERSTATE) RAILROADS ARE PRECISELY "the droids we are looking for."





Interstate rail quality of service attracts and has the capacity to carry 100% of truck freight now moving over 500 miles,



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freight (and passengers) travel on <u>electrified trains</u>



Interstate rail quality of service attracts and has the capacity to carry 100% of truck freight now moving over 500 miles,

freight (and passengers) travel on <u>electrified trains</u>

and

railroads share the right-of-way with a <u>National SuperGrid</u> for the efficient transmission of renewable energy.



SO, GIVEN CLASS 1 RAILROADS' RESISTANCE TO INVESTMENTS IN MODE SHIFT, ELECTRIFICATION, OR SHARED USE OF RIGHTS OF WAY...

What pathways are possible to put interstate railroad monopolies in service of these *urgent public interests?*



POSSIBLE PATHWAYS:

- Re-regulate the interstate railroads and update common carrier obligations
- Break up the railroad monopolies, separating infrastructure from operations to create an Open Access system like Europe and the UK
- Federal govt. purchase of key corridors for rapid freight and passenger service, and national SuperGrid
- Apply National Defense Production Act or eminent domain to battle the national security threat of climate change
- or something else...



STEP #1"Interstate Railroads = Common Carriers"

- Update policy directives for Surface Transportation Board (STB) related to and clarifying:
- Common Carrier Obligations of railroads*
- Clarify and Enforce obligations to provide access to service
- Guarantee that access does not discriminate against shorter hauls or smaller volume shipments
- Expand scope of rate complaint process to include access to service
- Revoke Commodity Exemptions
- Explore separating infrastructure from operations to create an Open Access model as in Europe and the UK



SolutionaryRail.org/mediarelease101521

FALL 2021 Letter to STB Chairman Martin Oberman:







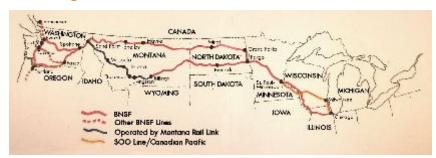
Establish Open Access National Interstate Railroad

- Federal Government purchases trackage and rights-of-way from one or more Class 1 interstate railroads
- Use antitrust powers to break up the Class 1 railroads, "Separating Wheels from Steel," i.e. Trains operating companies remain carriers, but the infrastructure becomes publicly owned and managed to increase capacity & electrify
- Or _____? (It is time to think outside the box.)



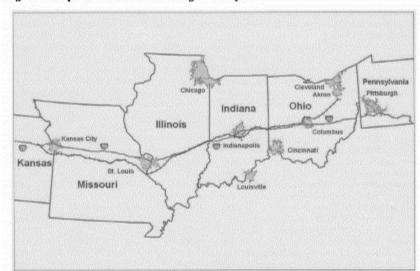
POSSIBLE WAYS TO BEGIN:

Our original idea for SIDA on Northern Transcon



Heartland Fast-Freight concept:

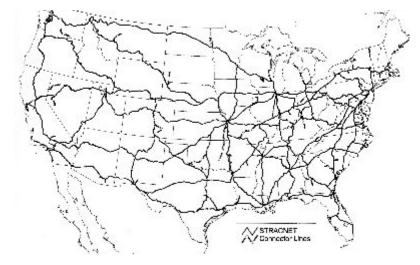
Figure 1. Proposed Heartland Fast-Freight Rail System



Expand original to Northern & Southern bargain with Buffett & BNSF



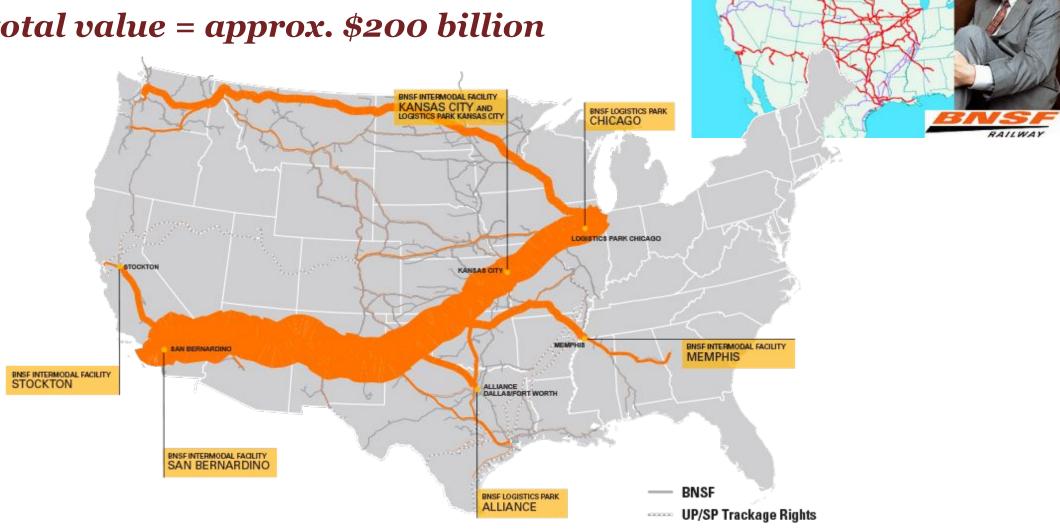
Invoking Climate as National Security Threat Negotiate deal w/Class 1 RRs for STRACNET





BNSF's Northern & Southern Transcon offer unique synergies for freight capacity & National SuperGrid:

BNSF total value = approx. \$200 billion





THE FOUR LARGEST US-BASED CLASS 1 RRS' TOTAL VALUE = \$450 BILLION (+/-)







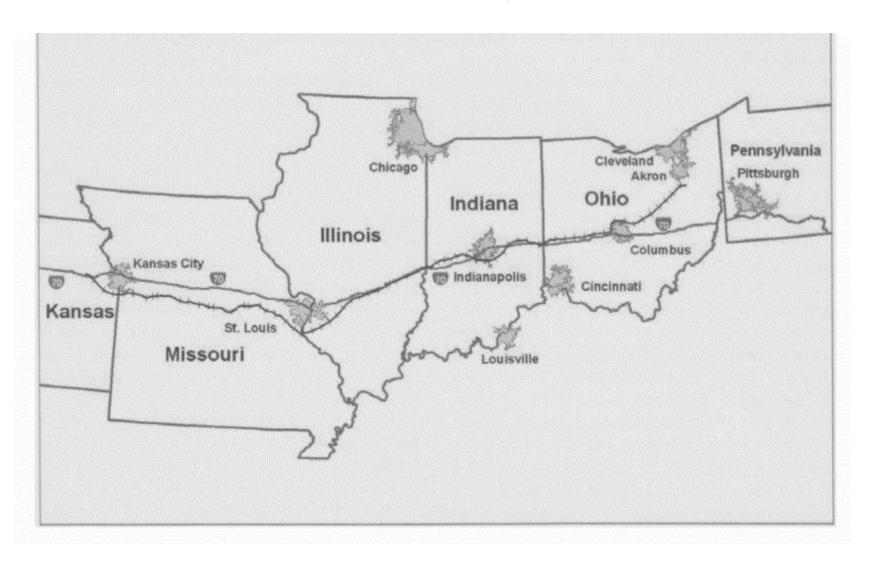






STRACNET

HEARTLAND FAST-FREIGHT RAIL SYSTEM PROPOSAL BY KEITH BUCKLEW 2007 ESTIMATED COST \$6-10 BILLION





BUILDING AN UNCONVENTIONAL ALLIANCE

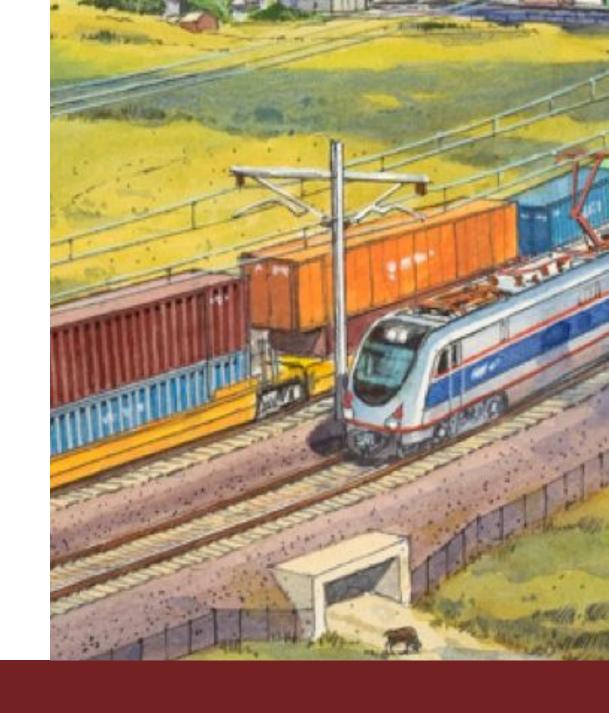




Manifesting the Solutionary Rail vision is not going to be easy. It will require leadership at every level of the federal government, interagency collaboration, and broad outreach to and the involvement of every sector of US society.

Never before has the confluence of crises made this transformative vision more urgent, nor the opportunity to manifest it more possible.

Solutionary Rail is a resource to the Biden-Harris Administration, the Cabinet, and Congress. One way to utilize us would be to have us help design an Interagency Solutionary Rail Summit





SOLUTIONARY RAIL INTERAGENCY SUMMIT



Solutionary Rail has invested years developing the foundation for a broad stakeholder alliance.

We continue to learn from community and technical experts so that we can stand in alignment with multiple interests, aspirations and concerns in order that everyone is "at the table" and no one is "on the menu."

Our work has made us cognizant of the opportunities as well as the obstacles and potential pathways forward.
Utilize Solutionary Rail



Check out dozens of interviews at:
SolutionaryRail.org/interviews
PPT oriented toward sector interests here
SolutionaryRail.org/srppt



SOLUTIONARY PERSPECTIVES [video podcast series]

Interviews with stakeholders and allies to build mutual understanding and solidarity



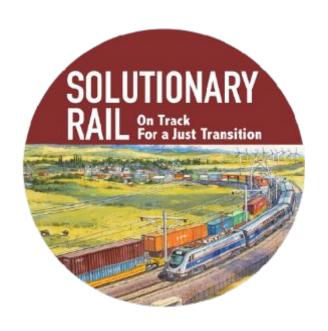


SOLUTIONARY RAIL'S OTHER RECENT NEWS:

- NEMA established Rail Electrification Council
- SR participation in Transportation Research Board Rail Freight Committee AR040
- SR participation in multiple coalitions
- La Crosse, WI city council resolution passed, triggering BNSF/AAR response
- 2021 increased momentum and expanded awareness amongst NGO allies, key elected & appointed officials in state and federal government
- We are building a True Cost of Freight online calculator



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