Oregon State Rail Plan

Executive Summary

Adopted September 18, 2014

Oregon Department of Transportation

A copy of the Oregon State Rail Plan is available on the Project Website at:

http://www.oregon.gov/odot/td/tp/pages/railplan.aspx

For more plan information, contact:

Oregon Department of Transportation (ODOT)
Transportation Development Division, Planning Section
555 13th Street NE, Suite 2
Salem, OR 97301-4178
(503) 986-4121

For more rail related information, contact:

Oregon Department of Transportation
Rail and Public Transportation Division
555 13th Street NE, Suite 3
Salem, OR 97301-4178503-986-4231

Photos provided by the Oregon Department of Transportation, David Astle and the Port of Coos Bay.

Oregon Department of Transportation

WHY WAS THE OREGON STATE RAIL PLAN (OSRP) DEVELOPED?

The Federal Passenger Rail Investment and Improvement Act of 2008 (PRIIA) requires states to produce a comprehensive State Rail Plan to establish policy, priorities and implementation strategies for freight and passenger rail transportation. This aligns with the duties of the Oregon Transportation Commission (OTC) and the Oregon Department of Transportation (ODOT) requirements for multimodal transportation planning. Updating the OSRP allowed Oregon to not only address the federal requirements of PRIIA, but also build upon prior Oregon rail planning work, to address current challenges and opportunities and to support ODOT's multimodal objectives.

The OSRP explores the issues affecting the state's rail freight and passenger system over 25 years. It assesses both public and private transportation facilities and services at the state, regional and local level.

It builds on the 2006 Oregon Transportation Plan (OTP) which established a vision of a balanced, well-connected, safe multimodal transportation system that supports people, places and the economy. The OSRP focuses on the role of the rail freight and passenger services in fulfilling the OTP Vision, Goals and Policies.

The OSRP provides an investment decision-making framework to enable Oregon to identify projects that are in the public interest, prioritize those projects and consider funding responsibility for rail stakeholders in consideration with benefits received.

RAIL'S IMPORTANCE TO OREGON

Freight and passenger rail services are critical components of the state's multimodal transportation network, yet the rail system in Oregon is predominantly owned by private railroads. Oregon recognizes the unique opportunities public- and private-sector collaboration presents and has a vested interest in proactively planning for the rail system's future so that Oregon's residents and businesses can capitalize on the many benefits freight and passenger rail services provide:

Rail is critical to achieving transportation efficiency in Oregon. But rail is a mode governed by complex factors the state has only limited ability to influence. The State Rail Plan contains useful data and insights on the rail system and on opportunities for maximizing its utility for Oregonians. More could be done to take advantage of the benefits of increasing transport by rail. This plan should help us make the tough strategic and tactical decisions necessary to do that.

Commissioner David Lohman
Oregon State Rail Plan Chair

Oregon's ability to compete, both nationally and globally, goes beyond its diverse base of natural resources, recognized quality of life and world-leading technologies, but also demands an efficient transportation system that can deliver people and products reliably and on time.

- **The rail system is a significant conduit for economic and job activity.**
  The 2011 Oregon Freight Plan estimates that 31 percent of Oregon's economy is based on goods movement dependent industries, including those served by rail. Efficient and accessible intercity passenger rail connects job markets, recreation and tourism centers throughout the state to support local economies.

- **The rail system improves connections for people and goods.**
  Passenger and freight rail systems in Oregon connect people and goods within the state, across the U.S. and to Canada. The freight rail system connects to ports in Oregon which import and export goods between international markets.

- **The rail system provides mode choice and relieves congestion.**
  Both freight and passenger rail systems provide modal options for users. By offering travel options, transportation costs of residents and businesses are lowered. Likewise, removing vehicles from the road produces positive impacts including congestion mitigation, reduced safety concerns, and decreased wear and tear on other parts of the system.

- **Use of rail contributes positively to the environment.**
  In general, rail is a more efficient mode in terms of fuel consumption, as compared to passenger vehicles and trucks, for moving both people and goods. This reduction in fuel consumption also leads to a reduction in emissions.

- **When coordinated, rail enhances community quality of life.**
  Through integration of rail systems and land use planning, community quality of life is enhanced. Passenger and commuter rail supports the development of livable communities, provides travel options and spurs economic opportunities at station locations. Preservation of rail corridors ensures that economic development opportunities can be realized in the future.

In order to realize the full spectrum of benefits a transportation system that integrates passenger and freight rail provides, the State of Oregon will take an active role and partner with regional and local governments and private rail companies to proactively plan and explore investments to make the rail system in Oregon better by working together.

Rail System in Oregon

Source: Oak Ridge National Laboratory Rail GIS Data, FRA, ODOT.

OREGON STATE RAIL PLAN VISION STATEMENT AND GOALS

The Oregon State Rail Plan establishes a Vision Statement that is forward looking to shape the future of the rail system in Oregon and ensure the beneficial outcomes of rail are realized.

State Rail Plan Vision

Oregon will have a safe, efficient, and commercially viable rail system that serves its businesses, travelers and communities through private resources leveraged, as needed, by strategic public investments.

The vision is carried out through the State Rail Plan's goals, policies and strategies.

Seven goals have been developed for the Oregon State Rail Plan, they are:

Goal 1 - Partnership, Collaboration and Communication
Partner, collaborate and communicate with rail system operators and other stakeholders to maximize benefits, align interests, remove barriers and bring innovative solutions to the rail system; and foster public understanding of rail's importance.

Goal 2 - Connected System
Promote, preserve and enhance an efficient rail system that is accessible and integrated with Oregon's overall multimodal transportation system.

Goal 3 - System Investments and Preservation
Enhance transportation system reliability, capacity, frequency and travel times through investments that preserve and improve freight and passenger rail assets and infrastructure.

Goal 4 - Funding, Finance and Investment Principles
Establish funding that meets the critical needs of the rail system in Oregon and achieves the objectives of this State Rail Plan.

Goal 5 - System Safety
Plan, construct, operate, maintain and coordinate the rail system in Oregon with safety and security for all users and communities as a top priority.

Goal 6 - Preserving and Enhancing Quality of Life
Increase use and investment in freight and passenger rail systems to conserve and improve Oregon's environment and community cohesion.

Goal 7 - Economic Development
Increase opportunity and investment in freight and passenger rail assets to grow Oregon's economy.

FREIGHT AND PASSENGER RAIL SYSTEM IN OREGON

Freight Rail System Description

The freight rail system in Oregon is part of a nationwide, interconnected system of rail infrastructure and services that link the state and local regions to the rest of North America, as well as the world, through international marine gateways. The infrastructure supporting these services in Oregon is substantial, and includes various carload and intermodal facilities, along with tunnels and bridges that are necessary to surmount the state's rugged topography.

At present, freight railroads in Oregon consist of two Class I railroads and 20 non-Class I railroads (one regional railroad and 19 local and switching railroads). Class I railroads in Oregon, Union Pacific (UP) and BNSF Railway, together operate 47 percent of all active rail mileage in the state. On these lines, they handle the vast majority of freight traffic, including virtually all interstate shipments and all Amtrak passenger service. In addition, the two railroads handle a considerable volume of through traffic.

While the Class I railroads provide the primary arteries for the movement of goods throughout the state, non-Class I railroads provide important collector/distributor services for the larger railroads and local rail services for shippers. In Oregon, non-Class I rail lines were primarily built to support the extraction of forest products in the western part of the state along what is now the I-5 corridor. Notably, these include what are now the third and fourth largest railroads in Oregon in terms of mileage and gross revenue. Together, the Portland & Western, and subsidiary Willamette & Pacific, and the Central Oregon & Pacific operate 56 percent of total non-Class I railroad mileage and generate about 80 percent of non-Class 1 total revenue.

Rail Line Abandonments Concerns

In the wake of deregulation in 1980, railroads moved to improve their financial performance by selling or abandoning lines with poor prospects. While the most marginal lines were abandoned, many were sold or leased to non-Class I line operators. Subsequently, these operators either succeeded in improving the lines' financial performance through lower operating costs and improved service, or were eventually forced to cease operations.

In Oregon, line abandonments have been driven by multiple factors, including high capital costs, lack of customer diversity, and changing economies. Coupled with the recession of 2009, long term systemic deferred maintenance and operating deficits have left some non-Class I line corridors at-risk of

Rail right-of-ways are strategic assets that should be preserved if at all possible. Once abandoned, a rail line is very difficult to reconstruct. Rail crossings are the other big opportunity area. If additional funding were available to grade-separate key rail crossings of roadways, we could significantly improve the efficiency and safety of our highway modes as well as trains.

- Commissioner Lohman

closing. In the most recent decade from 2000 to 2010, 126 miles were abandoned. The abandonment of rail lines often results in the permanent loss of important transportation assets which could provide future benefits as part of an overall economic development strategy targeted at rail-served industries or services. Preservation of rail infrastructure and right-of-way is a major issue addressed in this Plan.

Passenger Rail System Description

Passenger rail serves a variety of mobility needs. In Oregon, these include urban transit in the Portland metropolitan region, intercity services linking the metropolitan regions in the Pacific Northwest, and long-distance services connecting the state with other U.S. regions. Commuter, intercity and long distance services all operate over the broader rail network. This includes Portland's Westside Express Service commuter line, along with Amtrak intercity and long-distance services serving the state.

Current federal legislation classifies intercity passenger rail services operating in Oregon into two types: routes exceeding 750 miles in length are long distance, while those less than 750 miles in length are short distance corridors. For the long distance services, Amtrak bears full responsibility for their operation, with costs covered by a combination of fare revenues and federal support. However, states and local communities, including Oregon, do have some involvement with these services, particularly with stations. For shorter corridor train services, Section 209 of PRIIA fully shifted financial responsibility to states (or other sponsors) as of October 2013. Developing a long term funding strategy in Oregon to meet this expanded financial responsibility while continuing to improve and expand passenger rail services is another critical issue addressed in this Plan. Amtrak operates three routes in Oregon:

- **Empire Builder, an Amtrak long distance train that links Chicago with Portland and Seattle.** Operating daily, the most heavily used Amtrak long distance train splits in Spokane with separate trains operating to the route's two western termini. Portland is the only stop for the Empire Builder in Oregon, although stops along the north bank of the Columbia River also provide access to nearby Oregon residents. Along its route, the Empire Builder operates over four host railways: BNSF owns and maintains the track within Oregon. Funding for this service is through Amtrak, fares and the federal government.

- **Coast Starlight, an Amtrak long distance train that links Los Angeles with Seattle via Oakland, Sacramento and Portland on a daily basis.** This train, which travels over 1,300 miles from Los Angeles to Seattle, is the second most popular long distance train in the Amtrak system. In Oregon, the Coast Starlight stops in Klamath Falls, Chemult, Eugene, Albany, Salem and Portland. Within Oregon, UP owns and maintains the tracks and right-of-way, except for the BNSF-owned segment between Portland Union Station and the Washington state line. Funding for this service is through Amtrak, fares and the federal government.
- **Amtrak Cascades, multi-frequency daily intercity service along the Eugene to Vancouver, BC corridor.** In Oregon, Amtrak Cascades serves the Willamette Valley with stops at Eugene, Albany, Salem, Oregon City and Portland. The Amtrak Cascades travels along the Pacific Northwest Rail Corridor (PNWRC), which is one of ten federally-designated high-speed rail (HSR) corridors. Supporting the passenger trains are dedicated bus services contracted by Amtrak and ODOT. Operating as Cascades POINT Thruway, these bus services enhance train service frequencies and provide access to communities not directly served by rail, thereby improving transportation access and boosting the overall utility of passenger rail service in Oregon. In 2013, federal financial responsibility for this service shifted from the federal government to the state.

In 2013, federal financial responsibility for Amtrak Cascades service shifted from the federal government to the state Developing a long term funding strategy in Oregon to meet this expanded financial responsibility while continuing to improve and expand passenger service is a critical issue for rail in Oregon.

RAIL SYSTEM NEEDS AND CHALLENGES

Class I Needs

Today's Class I rail network in Oregon is arguably in the best condition since the dawn of the highway era. The freight rail lines can keep up with current demand but there is limited ability for growth to keep up with future demand. Both BNSF and UP have very robust investment programs to maintain and improve their infrastructure throughout the state. However, as demand for rail services grows in the future, the freight rail system will require further investments to accommodate that growth. This Plan identified three types of improvements for increasing capacity and eliminating bottlenecks on the mainline network in Oregon:

- **Siding and Mainline Track Upgrades**
- **Signal System Upgrades**
- **Other Upgrades, Including Increasing Speed**

Traditionally the major operational issues facing railroads include speed restrictions, weight restrictions, and vertical clearance restrictions often caused by bridges and tunnels. These are some of the most complex improvements to implement because they require construction and/or modification of bridges, tunnels and potential alignment change.

Eight line segments or locations where track capacity improvements are likely to be required were identified. The only opportunities for signal system upgrades on the mainline network are along BNSF's Oregon Trunk Line and on UP's Portland division. Speed improvements were found to be beneficial in six segments on both BNSF and UP. Among all of the potential improvements identified, these are likely to be the most complex to implement, as they will require construction and/or modification of bridges and potential alignment changes. However, in spite of their potential cost, the potential benefits in terms of improvements in throughput and travel time may be significant.

In general, responsibility for adapting to increasing freight traffic falls on the railroads themselves. Railroads take a variety of actions to respond to changing freight demand that include operational changes, marketing adjustments and capital improvements. If growth is expected to be sustainable, then physical improvements will be considered, with the improvements having the lowest cost typically implemented first.

Non-Class I Railroad Needs

Traditionally the major operational issues facing railroads include speed restrictions, weight restrictions, and vertical clearance restrictions often caused by bridges and tunnels. These issues are most prominent with non-Class I railroads in Oregon, and often their inability to accommodate heavier and/or larger equipment affects their financial performance, limits their growth and sometimes threatens their existence. Some key indicators of need include:

- **Percent of Mileage that is 286K-Capable**
- **Percent of Mileage that is FRA Class 2+**
- **Percent of Mileage that uses 110+lb Rail**
- **Number of Bridges in Poor Condition**
- **Number of Carloads**
- **At-Risk Segment**

Challenges faced by the smaller railroads are not homogeneous. Larger non-Class I railroads, such as Portland & Western Railroad, Willamette & Pacific Railroad, Central Oregon & Pacific Railroad and Coos Bay Rail Link, in general, have better track conditions than other non-Class I railroads, with the majority of the track mileage at ideal weight and speed standards (286K-capable, FRA Class 2+, 110+lb.). Many smaller railroads, however, face far greater challenges, with some lines having deficient infrastructure. Rail line condition is closely linked to the number of carloads on the line; lines in better condition are likely to attract more customers, and the revenue in turn can justify investments to

improve the lines. Lines that are in poor condition also suffer from low carload volumes, or no volumes in some cases.

Abandonment Risks and Impacts
Understanding the potential of at-risk rail lines to be abandoned is critical for several reasons. The first is loss of transportation options to current and potential industries. Once abandoned, a rail line is very difficult to reconstruct, and thus rail service may be lost forever. Not only is rail line construction physically intensive, right-of-way encroachment that happens while the line is in a state of disrepair may also seriously impede re-establishment of service. Interim conversions to trail use, which may have valid multimodal benefits, can be difficult to convert back to active rail use and must be evaluated appropriately.

It is very difficult to calculate the economic impact of abandonments. The impacts may be small if there are no existing industries that are served by the line, or if there are competitive options from other modes. However, in other cases, the impacts may be severe, and result in significantly higher transportation costs. Rail preservation projects should take into consideration the full cost and benefit of preserving a rail line.

Passenger Service Needs

Challenges to Improving Amtrak Cascades Service
Achieving the full potential for the Amtrak Cascades corridor will require addressing three key constraints:

- **Travel times and reliability.** Increased traffic congestion on the I-5 corridor and/or improved travel times that are at least as fast as travel by private automobile will make passenger rail more competitive. Reliability is equally important; if the trains operate on-schedule, travelers are more likely to use them.
- **Frequency.** The present two round-trips (three including the Coast Starlight) between Eugene and Portland do not provide sufficient schedule flexibility for many travelers.
- **Connectivity.** Improving access to stations and public transportation system connectivity can lower the overall time and effort required to use the Amtrak Cascades service and expand transportation options for travelers.

OREGON'S FUNDING AND FINANCING AUTHORITY

Rail projects, programs and operations are funded by a variety of federal and state sources. The two primary federal funders are the Federal Railroad Administration (FRA) for the freight

One of the big rail issues is around right-of-way preservation, particularly in rural parts of the state where the rail system grew up around timber, mining and cattle ranching industries, which are now on the decline. A lot of those rail lines are in financially precarious positions or shut down. In a hundred years, Oregon might be a very different place than it is right now, and the possibility of having to grapple with establishing and acquiring new rail line right-of-ways demonstrates that maintaining existing right-of-ways needs to be part of future planning.

-Commissioner Morgan

Oregon lacks enough dedicated, sustainable funds for passenger and freight investments in Oregon. Without increases in funding, the state does not have revenue available nor does it have the required federal match, to improve, maintain and operate passenger rail service.

rail system, and the Federal Transit Administration (FTA) for the passenger rail system. Other federal sources, such as the Transportation Investment Generating Economic Recovery (TIGER) discretionary grant program and the Transportation Infrastructure Finance and Innovation Act (TIFIA), have provided significant dollars towards rail projects in the past.

Rail Funding Shortfall and Challenges
Oregon currently lacks enough dedicated, sustainable funds for passenger and freight rail investments in the state. Without increases in funding, Oregon does not have revenue available, nor does it have the required federal match, to improve, maintain and operate passenger rail services. Federal programs, such as requirements for the Transit Safety Oversight Program and shifting of cost for the operation of the Amtrak Cascades service from Amtrak to the states, impacts current funding status. Significant funds are also needed to maintain and improve the freight rail systems.

OREGON'S RAIL SERVICE AND INVESTMENT PROGRAM

Consistent with the way Oregon treats decision-making in all of its other statewide long range transportation plans, this Plan does not specify or prioritize individual projects. However, future investment decisions about specific projects need to be informed by a clearly defined framework with evaluation factors that are consistent with the vision, goals and objectives laid out in the Plan.

Oregon has established investment guidance in the Oregon Transportation Plan (OTP) and detailed implementation processes in the *Connect*Oregon program, which is an important state source for rail improvements. Oregon also uses other methods to make decisions such as criteria and processes during development of the State Transportation Improvement Program (STIP) and considered by Area Commissions on Transportation (ACTs). The decision-making framework and evaluation factors in this Plan must be consistent with the other methods and processes Oregon uses for making investment decisions, and must take into consideration and be consistent with any statutory requirements or regulations that are specified for the sources of funding that will be used to pay for the investments.

Rail Investment Decision-making Framework
The rail investment decision-making framework established in this State Rail Plan has several advantages:

- The framework recognizes that Oregon will make investments in partnership with other parties.

- The framework provides Oregon guidance on when projects have a compelling public interest.
- The framework provides Oregon guidance on what level of participation from the state and other stakeholders is appropriate (and the nature of that participation).
- The framework enables Oregon to prioritize investments based on an evaluation of benefits.
- The framework provides flexibility for Oregon to customize evaluation factors based on the project, funding program and involved stakeholders.
- This framework utilizes a common scoring system so that projects of different types can be compared to each other as much as possible. For example, the framework scores projects based on whether they have "high", "medium", or "low" benefits regardless of the specific metric.

The rail investment framework will enable Oregon to identify projects that benefit the public interest, prioritize those projects, and consider funding responsibility of other rail stakeholders in consideration to the benefits that they receive. The framework will also be one tool to help demonstrate consistency with the goals and needs identified in this State Rail Plan in future funding opportunities.

Evaluation Factors

The framework for rail investment decision-making also has evaluation factors, customized to what is important to Oregon. There are numerous evaluation factors that can be considered when making rail investment decisions; the focus of factors in this Plan are those that articulate the various rail stakeholder perspectives, but most importantly best represent public benefit so that a determination of level of program or project partnership (whether financial or non-financial) can be made. The identified evaluation factors have been selected for several reasons:

- The evaluation factors are aligned with key themes identified in this Plan, including achieving:
  - ☐ Mobility benefits
  - ☐ Economic benefits
  - ☐ Environmental benefits
  - ☐ Community/Safety benefits
- The evaluation factors reflect those aspects of system performance most critical to each of the public- and private-sector rail stakeholders, including the State of Oregon, shippers, ports, railroads, passengers and communities.

The freight and passenger rail system are pivotal to all areas of the state, rural or urban, and a critical piece of economic infrastructure.

-Commissioner Morgan

Proposed Action	State	Shippers	Passengers	Railroads	Ports	Community	Likely Recommendation	Level of Action	Example
A	H	H	H	H	H	H	State should participate, but only if other beneficiaries contribute appropriate share	Consider direct investment and supporting legal and institutional mechanisms	Consider sources such as additional dedicated state freight rail funds, federal funding sources through MAP-21, TIGER and other state matching sources
B	H	L	L	L	L	H	State should participate and be prepared to contribute more than other groups	Consider direct investment and supporting legal and institutional mechanisms	Consider sources such as additional dedicated state freight rail funds, federal funding sources through MAP-21, TIGER and other state matching sources
C	M	M	M	M	M	M	State should participate with caution and only if costs to do so are low	Consider tax exempt financing loans or other methods that have limited costs to the state, but benefit private industry	Consider public-private partnerships, tax credits and other non-financing incentives
D	L	H	H	H	H	L	State should probably not participate	State should probably not participate with financial, institutional or legal mechanisms	No state role is anticipated
E	L	L	L	L	L	L	State should probably not participate	State should probably not participate with financial, institutional or legal mechanisms	No state role is anticipated

Source: Cambridge Systematics.

H = High; M = Medium; and L = Low Benefits.

- The evaluation factors are both quantitative and qualitative:
  - ☐ The quantitative variables are provided so that public benefit can be evaluated in a simple manner and input into benefit-cost type consideration.
  - ☐ The qualitative factors are meant to help with "fatal flaw" analysis, such as a review to ensure that proposed projects are practical and fit within Oregon's goals.

This Plan recommends that a mix of different types of factors be used to provide maximum flexibility. The factors used during evaluations may, out of necessity, be different for different types of projects. The rail system investment framework provides a means for Oregon to determine when and how much they should partner with other rail stakeholders on rail investments that implement the vision and goals of this Plan.

This Plan provides the guidance to enable the State to collaborate with the private sector and other jurisdictions on rail projects and helps provide guidance on how much contribution is appropriate for each rail stakeholder given general circumstances. This presents a great opportunity for Oregon to better leverage private dollars, and move forward with those projects and programs that are most critical to Oregon.

Funding Scenarios

Unfortunately, there is uncertainty to the level of funding that may be available in the future – whether 5 years or 25 years. This situation requires a creative approach to rail system investment, and a plan that provides flexibility as the funding picture changes. To incorporate flexibility into investment decision-making, three funding scenarios (developed as part of the OTP) were used to inform which types of projects and programs should be priorities based available funding. These OTP scenarios make specific recommendations for types of projects that should be pursued, given level of funding, and provide insight into the anticipated outcomes of those investments. Based on the information produced in this State Rail Plan, and Steering Committee feedback, refinements to the OTP scenarios have been made so they can be directly linked to this Plan.

Response to Flat Funding Scenario

The OTP "Response to Flat Funding Scenario" represents no additional transportation funds available. In this scenario, it is anticipated that purchasing power will decline 40 to 50 percent over the 25-year OTP plan period due to inflation. In this situation there are minimal investments that Oregon can make; however, operating, maintaining, and preserving the system at the highest level possible is the focus of this scenario. As funds are scarce, this State Rail Plan recommends that Oregon collaborate with rail system stakeholders to identify areas of mutual benefit and select those projects that could be an opportunity for leveraging private and public sector funds.

Additionally, no matter what the funding picture, rail service and corridor preservation should also be included as an option for Oregon.

Funding Increases to Keep up with Inflation Scenario
The "Funding Increases to Keep up with Inflation Scenario" represents new transportation dollars to keep up with inflation. In this scenario, Oregon preserves existing facilities and services and keeps up with costs from inflation. While this scenario may avoid severe economic consequences of the previous scenario, it does not create a competitive advantage for Oregon businesses. In this scenario there are similarly minimal investments for Oregon to make; however, the focus should be on continuing to operate, maintain, and preserve the system at the highest level possible, while gradually expanding the system.

This State Rail Plan recommends emphasizing projects that benefit shared freight and passenger corridor operations, including capital projects, as well as those projects that promote modal options and efficiencies, providing congestion relief and lower maintenance needs for other parts of the system.

Expanding Facilities and Services Scenario
The "Expanding Facilities and Services Scenario" allows respective modes to take care of their feasible needs over the next 25 years. In this scenario, Oregon makes significant investments in new infrastructure, and as such, has a very positive impact on Oregon's economy through contributions to congestion relief, improved rail services and market connectivity.

This State Rail Plan agrees with the OTP scenario's goal of expanding the system. However, this State Rail Plan notes that in recent years since the OTP was developed the need for system expansion has increased substantially. On the passenger side, options for investments are being discussed in the Amtrak Cascades Corridor. Also, this Plan reviewed that in the long-term there may be need to further evaluate passenger rail service in other corridors in Oregon.

Conclusion
Investing in the transportation system at levels described in the "Flat Funding" and "Funding Increases with Inflation" scenarios is inadequate to meet Oregonians' needs, with the "Flat Funding" scenario not even maintaining existing infrastructure. While the "Expanding Funding" scenario allows Oregon to be competitive and provides businesses and residents the transportation infrastructure and services that allow them to operate efficiently, that scenario is not a probable future in the short run.

This State Rail Plan and the investment framework present an opportunity for Oregon to take a refined approach to its long term transportation future. This Plan provides the guidance to enable the State to collaborate with the private sector and other jurisdictions on rail projects and helps provide guidance on how much contribution is appropriate for each rail stakeholder given general circumstances. This presents a great opportunity for Oregon to better leverage private dollars, and move forward with those rail projects and programs that are most critical to Oregon.

A special thank you to the Steering Committee Members for their contribution during the development of the OSRP. We also wish to thank the citizens of Oregon who provided valuable comments and assistance on the OSRP.

Oregon Rail Plan Steering Committee

- Committee Chair - David Lohman - *Oregon Transportation Commission*
- David Anzur - *Portland & Western Railroad*
- David Arnold - *Association of Oregon Rail and Transit Advocates*
- Susan Brody - *On Behalf of the Oregon Environmental Council*
- Rob Eaton - *Amtrak*
- Ron Fox - *Southern Oregon Regional Economic Development Inc.*
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