



NFAC Joint Comment for Docket FHWA-2013-0050-0001: Designation of the Highway Primary Freight Network

SUMMARY OF THE NOTICE

The November 19, 2013 notice published the draft initial designation of the highway Primary Freight Network (PFN) and provides information about designation of Critical Rural Freight Corridors (CRFC), which are designated by the States, and establishment of the National Freight Network (NFN), which combines the two, along with the portions of the Interstate System not designated as part of the highway PFN. The notice also solicited comments on the draft initial designation of the highway PFN and other critical aspects of the NFN. A notice published in the Federal Register on February 6, 2013 (78 FR 8686), introduced the process for designation of the highway PFN, NFN, and CRFCs.

PURPOSE OF THE NOTICE

The purpose of the notice is to publish the draft initial designation of the highway PFN, provide information regarding State designation of CRFCs and the establishment of the complete NFN, and to solicit comments on aspects of the NFN. **The five areas for comment are:** (1) Specific route deletions, additions, or modifications to the draft initial designation of the highway PFN contained in this notice; (2) the methodology for achieving a 27,000-mile final designation; (3) how the NFN and its components could be used by freight stakeholders in the future; (4) how the NFN may fit into a multimodal National Freight System; and (5) suggestions for an urban-area route designation process.

BACKGROUND FROM THE NOTICE

Created by P.L. 112-141, Section 1115 of the Moving Ahead for Progress in the 21st Century Act (MAP-21), and codified in Section 167(c) of title 23 United States Code (U.S.C.), the Secretary is directed to establish a NFN to assist States in strategically directing resources toward improved system performance for efficient movement of freight on the highway portion of the Nation's freight transportation system, including the National Highway System (NHS), freight intermodal connectors, and aerotropolis transportation systems. The U.S. Department of Transportation (USDOT) approaches this with a full understanding that with regard to surface freight transportation, significant tonnage moves over rail, water, and pipeline networks and that this highway PFN designation does not fully reflect those aspects of the U.S. freight system.

Under 23 U.S.C. 167(c), the NFN will consist of three components: the highway PFN, the portions of the Interstate System not designated as part of the highway PFN, and CRFCs, which are designated by the States.

Congress limited the highway PFN to not more than 27,000 centerline miles of existing roadways that are most critical to the movement of freight. Congress allowed an additional 3,000 centerline miles (that may include existing or planned roads) critical to the future efficient movement of goods on the highway PFN.

Congress instructed USDOT to base the highway PFN on an inventory of national freight volume conducted by the FHWA Administrator, in consultation with stakeholders, including system users,



transport providers, and States. Congress defined eight factors to consider in designating the highway PFN.

The eight factors are:

1. Origins and destinations of freight movement in the United States;
2. Total freight tonnage and value of freight moved by highways;
3. Percentage of annual average daily truck traffic in the annual average daily traffic on principal arterials;
4. Annual average daily truck traffic on principal arterials;
5. Land and maritime ports of entry;
6. Access to energy exploration, development, installation, or production areas;
7. Population centers; and
8. Network connectivity.

Task 2.0: Prepare Joint Comment on the draft Designation of Highway Primary Freight Network

Derived from NFAC Charter

This Committee will provide information, advice, and recommendations to the U.S. Secretary of Transportation on matters relating to freight transportation in the United States and the implementation of freight provisions in the Moving Ahead for Progress in the 21st Century Act (MAP-21).

INITIAL COMMENTS:

Each of the six Subcommittees provided initial comments for consideration as the full Committee prepares its joint comment. The comments have been divided into two sections:

➤ **General Comments**

- Introduction
- Critical Questions
- Data
- Re-Designation Cycle
- Funding

➤ **Purpose of Notice: Five Areas for Comment**

- (1) Specific route deletions, additions, or modifications to the draft initial designation of the highway PFN contained in this notice;
- (2) The methodology for achieving a 27,000-mile final designation;
- (3) How the NFN and its components could be used by freight stakeholders in the future;
- (4) How the NFN may fit into a multimodal National Freight System; and,
- (5) Suggestions for an urban-area route designation process.



➤ GENERAL COMMENTS

■ INTRODUCTION

- a. NFAC does not endorse the proposed National highway PFN. Our concerns are directed at both Congress and the USDOT.
- b. We acknowledge the significant step that Congress took in directing the USDOT to establish a PFN. However, the best information, at that time, may have pointed to an approach using a designated number of centerline miles. With additional revelations through the NFAC process and coordination with freight stakeholders, it has become clear the mileage designation should be modified. In short, 27,000 centerline miles do not identify a true primary freight network in the U.S.
- c. The *Committee* recognizes the challenges facing the Department in designating a PFN representing only the highway portion of our multimodal freight network and we respect their efforts to follow congressional direction. However, in our view, the reality of freight movement in today's ever-changing world calls for a broader, more dynamic approach.

■ CRITICAL QUESTIONS: Define the Goals/Purpose of the PFN

- a. The following questions need to be fully addressed:
 - For what will the PFN be used?
 - Should it be used to prioritize needs?
 - Should it be used to justify investment?
 - Why are first and last mile (FLM) segments largely excluded from the network?
- b. In the FR Notice, the USDOT expressed a concern that lack of understanding the PFN goals created challenges in identifying the factors to be used in designation. Since Congress did not preclude USDOT from defining a set of goals upon which to base the factors for the network, the Committee recommends USDOT propose such goals through working with the states, metropolitan planning organizations (MPOs), freight industry representatives and other industry stakeholders. These goals would be the basis upon which the Conditions and Performance Report as well as the National Freight Strategic Plan would be developed. Absent any goals, USDOT found it “challenging... to gauge whether the resulting network would meet future public planning and investment needs.”¹
- c. Absent a set of goals, it is also difficult to understand how states, localities, and Congress can define an investment strategy for federal programs that will improve the overall performance of a complex multi-modal network that is capable of supporting the growing volume of freight and strengthening the U.S. economy.
- d. The lack of overarching national goals will create serious anomalies in the network. These include:

¹ FR, / Vol. 78 / No. 223 / Tuesday, November 19, 2013 / Notices, page 69521



- The use of Annual Average Daily Traffic (AADT) as a factor fails to capture critical farm to market and resource to market freight traffic, which is critical to the U.S. economy.
 - The emphasis on population centers fails to capture 23 of the 24 gateways to and from the U.S., Canada, and Mexico.
 - Few, if any, ports are actually connected to the network, including some of our busiest harbors.
- e. It is very important the freight rail industry retains the ability to manage private infrastructure as is appropriate for market conditions. Lessons learned over the past three decades shows that primary networks may change dramatically over time and it is not appropriate to "freeze" private infrastructure into a mold which, almost certainly, will not evolve as market demands change over time. It is particularly problematic to designate a network when the fundamental question of how that designation is going to be used has not yet been answered.
- **DATA: Address the Inadequacy of Freight Data/Need to Improve Data**
- a. The Department in its statement published in the Federal Register (Vol. 78, No. 223/Tuesday, November 19, 2013) indicated that the available data was insufficient to understand the freight system, particularly below the national level. This data deficit has been recognized numerous times, including in the Transportation Research Board (TRB) report, *How We Travel* (2011). The following excerpts from this report define the degree of the challenge regarding data.

Finding 1: Transportation decision makers face a complex, changing, and uncertain environment, yet the data essential for supporting transportation operations, policy, and investment decisions at all governmental levels and in the private sector are fragmented and incomplete in coverage and detail, lack timeliness, and are poorly integrated for analysis of current and emerging issues. The issues facing transportation decision-makers today range from system performance; to safety; to energy use and environmental impacts; to economic impacts and international competitiveness; to changing demographics; to equity in the allocation of resources, services, and costs. The primary data used to support decision making on these issues are provided in periodic large-scale federal surveys of passenger and freight movement. The sample sizes in these surveys are often insufficient to support analyses at the levels of geographic detail and for the market segments needed by data users. Nor are results always timely, leaving decision makers with no choice but to make decisions with inadequate and outdated data support.

Recommendation 1: A National Travel Data Program should be organized and sustained, built on a core of essential national passenger and freight travel data sponsored at the federal level and well integrated with travel data collected by the states, metropolitan planning organizations (MPOs), other local agencies, and the private sector. Addressing critical issues, particularly in today's highly constrained funding environment, requires a strategic, interlinked system of passenger and freight travel data. A strong federal role is foundational to enable the combination of travel data from numerous sources to be



organized into a coherent national program, well integrated in terms of data architecture (i.e., the framework and relational structure), timing, and methods of data collection and sharing.

- b. The *Committee* urges USDOT to call upon Congress to fund a comprehensive data program. The program should enable USDOT, states and MPOs to undertake the freight analysis and planning called for by Congress at the national, state and regional levels. Because freight facilities are, with increased frequency, appearing in remote areas for energy transport and in outlying urban areas as freight operators seek to avoid the growing congestion in our larger urban areas, the data program needs to address rural and small urban areas as well as our metropolitan centers.

Lack of data is evidenced by the PFN that is disconnected, isolated, and barely representing the network identified as the highway network necessary for regional freight transportation. Access to private sector data is needed, whether through stakeholder outreach, American Transportation Research Institute (ATRI) and other sources of real-time data. Such data can be used to map the most critical first and last mile segments. Mapping the most critical first and last mile segments could be improved by giving DOTs and MPOs access to reliable, inexpensive, and accessible data to conduct sound planning.

In developing a comprehensive national data system, USDOT should consider 1) defining required criteria; 2) asking and providing funding for states and MPOs to populate data, and allowing those entities to define first and last mile connectors to the extent possible given their knowledge of local freight movement.

- c. USDOT should include future trends in freight movement in its analysis instead of simply providing a graphic illustration of which highways currently carry the most freight.
 - d. All states should be required to 1) develop state freight plans; and 2) form state freight advisory committees. While these activities were optional under MAP-21, this requirement would both create continuity in planning nationwide and improve data integrity.
- **RE-DESIGNATION CYCLE: Match the Re-designation Cycle to the Real World Realities**

- a. *Shorten the 10-year PFN Update Cycle:* There is a need to amend and/or update the PFN more frequently than every 10 years to address constant changes in market trends, population growth, infrastructure improvements, technology, data, demographics, globalization and funding. In today's world of constantly changing market trends, technology, and globalization, a 10- or 20- year horizon is not effective and sub-optimally makes use of time, resources, and funding. We suggest the PFN is updated more frequently, perhaps in three, four, or five year increments; MPOs and states update their regional transportation plans on a similarly frequent basis.

Alternatively, USDOT could establish parameters to quickly identify major changes in the first three to five years, for example, to quickly identify any needed updates or modifications and a more comprehensive update can be completed every 10 years.



■ FUNDING:

- a. *Lack of Federal Funding:* The Highway Trust Fund is trending toward insolvency. There is not enough revenue generated to keep up with the current expenditures. Additional revenue sources should be explored to maintain the national freight system. In short: without proper funding there is no point in identifying a PFN because there will be no funds to support it and the network will deteriorate with time.
- b. *Establish New Freight Funding:* Freight infrastructure should receive new, dedicated funding. Currently MAP-21 requires establishment of new freight provisions, but it remains an unfunded program. To carry out recommendations that will lead to an effective PFN, dedicated funding should be directed at both the planning level and for incentivizing project implementation.

➤ **PURPOSE OF NOTICE: Five Areas for Comment**

(1) specific route deletions, additions, or modifications to the draft initial designation of the highway PFN contained in this notice;

■ CONNECTIVITY: Map Segments and Other Considerations

- a. The *Committee* identified the following missing map segments:
 - Primary high-traffic connectors between freight terminals and interstate highways;
 - Intermodal connectors, connections to logistics centers and manufacturing centers (freight origin and destination points);
 - Highway segments that provide unique through-routes for 53' national standard tractor-trailers;
 - Metropolitan components and urban connectors;
 - Critical highways based on where activity is happening, not just those on the interstate system (non-interstate networks);
 - Farm-to-market routes;
 - Inland waterways
 - International gateways such as highway border crossings, seaports and airports that provide significant freight movement; and
 - Interstate crossings connecting urban areas with national manufacturers and distribution centers in different states.
- b. USDOT should include policy considerations on where freight movement should or should not be encouraged rather than simply designating the freight network based on current usage.
- c. We would like to see the locations of the 70,000 bridges that are structurally obsolete or freight restricted bridges and their proximity to key freight corridors. To be included on the PFN, bridges should meet other criteria.



- d. The draft PFN seems to reflect population distribution, while it has a highway focus. A revised PFN should include an increased focus on freight gateways, freight hubs, intermodal centers, and transcontinental and urban freight corridors.

(2) the methodology for achieving a 27,000-mile final designation;

■ METHODOLOGY: Corridors Rather than Centerline Highway Miles

- a. A corridor-based approach, as opposed to a centerline mile approach, could encompass roadways, navigable waterways, inland ports, seaports, land ports of entry, freight intermodal connectors, and airports. A corridor-based Federal surface transportation policy can better support inland exporters and consumers that depend heavily on creating robust and resilient connections to the National Freight Network. Framing the freight network in terms of corridors in which the modes can compete based on cost and service also provides for recognition of the multimodal nature of freight movements.

USDOT laid out support for a corridor-based network cogently in its Nov. 19, 2013 Federal Register notice:

In 2008, USDOT looked at the question of critical U.S. freight routes as part of the Freight Story 2008 report and developed a multimodal, corridor-based map. This approach allowed for the inclusion of more than one vital route in a congested region. By contrast, the statutory language in MAP-21 clearly directs USDOT to use centerline roadway miles for the development of the NFN, which does not necessarily allow for the designation of multiple routes in a region that comprise an active and fluid highway freight system. The USDOT suggests that corridor-level analysis and investment has the potential for widespread freight benefits, and can improve the performance and efficiency of the highway PFN.²

Based on the Department's analysis³, it is clear that their attempt to meet the congressional directive of a 27,000 mile centerline mile limit for the PFN designation has resulted in a disconnected network that misses much of the nation's surface transportation system, including intermodal connectors and non-highway freight lanes that should be considered of primary freight importance. The *Committee* proposes that the USDOT focus on a corridor approach to defining a primary multimodal freight network, that reflects the real-world volumes and freight flows.

Consistent with the national freight policy in MAP-21, USDOT's goal is to designate a highway PFN that will improve system performance, maximize freight

² FR / Vol. 78, No. 223 / Tuesday, November, 19, 2013, page 69521

³ *The USDOT recognizes that as a highway-only network, the NFN is an incomplete representation of the system that is required to efficiently and effectively move freight in the United States. FR, Vol. 78, No. 223/Tuesday, November 19, 2013*



*efficiency, and be effectively integrated with the entire freight transportation system, including non- highway modes of freight transport.*⁴

- b. Eliminate the 27,000 centerline threshold. Eliminating this requirement would enable USDOT to apply objective criteria, allowing identification of a complete network. Although well-intentioned, application of the freight criteria has proven the 27,000 centerline mile limit for the draft PFN designation has resulted in a disconnected network that misses much of the nation's surface transportation system that should be considered of primary freight importance. The PFN should include railroads, waterways, airports, ports, pipelines and other modes of freight transportation without an arbitrary limit on the length of the network.
- c. The PFN should consider using measures on average annual daily truck traffic in the development of the final network. Any funding/matching preference that emerges prior to a full system definition should focus on truck congestion along known freight gateways and corridors.

(3) how the NFN and its components could be used by freight stakeholders in the future;

▪ **STAKEHOLDERS: Collaboration of the PFN Development**

- a. Congress and USDOT should reserve the right to identify a national network that connects our country. However, states and MPOs should be empowered to identify urban freight networks that connect the country and ensure freight can be transported or delivered at a state and local level. In urban areas the draft PFN does not identify many routes which serve as the critical "first and last mile" connectors for freight movement. These routes directly impact the efficiency of domestic and international supply chains and there needs to be a process for local, regional, or State government entities to designate critical urban freight routes important for freight movement to, from, and through urban areas.

(4) how the NFN may fit into a multimodal National Freight System;

▪ **MODE REPRESENTATION: Multimodal Freight Network/Inclusion of all Road Types**

- a. The *Committee* recommends USDOT proceed (seeking Congressional authority if it believes necessary) to designate a multimodal primary freight system recognizing the importance of the highway element, as well as the innate connections between freight modes and the necessity of redundancy to serve different markets and maintain healthy competition. Within this network, the key highway elements would be highlighted as an essential as part of a multimodal system, along with other components of the overall system.

Developing the multimodal network should include input from a broad range of freight stakeholders (NFAC members as well as non-members). The data- and Congressionally- driven

⁴ FR / Vol. 78, No. 223 / Tuesday, November 19, 2013 / Notices, page 69524



approach using centerline miles failed to include adequate stakeholder input for the conceptualization and development of the purpose of the network and the methods to identify the network. Development of the full multimodal network will assist in demonstrating that weak links in the network don't endanger the network as a whole and federal support of the multimodal network is necessary to maintaining its integrity.

Ultimately, a designated network and the analysis that supports it should focus on the degree to which the national freight system supports a marketplace-driven economy. This requires more than an analysis of operations on a mode-by-mode basis. What matters to the economy and to our national competitiveness is the efficiency of the marketplace and rational consumer decision-making, not the performance of individual modes.

(5) and, suggestions for an urban-area route designation process.

- a. The PFN should represent both federal and non-federal roadways and it should identify first and last mile connectors (which are often non-federal roads) through urban areas. Many first and last mile segments are critical to the local system of roads that are feeders of freight activity. For example, there are over 300,000 truck trips in Manhattan daily, and about 60 percent are local (i.e., would be included in FLM segments). In fact, local trips outnumber the through-trips going to and from the Port of New York and New Jersey.