



EXECUTIVE SUMMARY



Rail plays a critical role in the growth and vitality of the United States economy, providing a safe and efficient means to move goods and people across the nation. In North Carolina, rail has been equally crucial to the state's economy, stimulating economic growth, providing access to job opportunities, connecting rural and urban areas, and serving as a vital link between state, regional, and national economic hubs.



NORTH CAROLINA'S RAIL SYSTEM:



**GENERATES
\$20 BILLION**

for the North Carolina economy*



**PROVIDES
EFFICIENT, SAFE
MOVEMENT**

of freight across the state and region, and reduces the burden and traffic on the state's highway network



**MOVES PEOPLE
SAFELY, EFFICIENTLY,
AND EFFECTIVELY**

between urban and rural centers and allows passengers to be productive while traveling



**CONNECTS
NORTH CAROLINA'S
PORTS**

to the state's industry and manufacturing centers, enhancing the state's overall economic competitiveness.

* "Economic Contribution of Rail in North Carolina," ITRE, 2023

GOALS OF THE STATE RAIL PLAN

To ensure that North Carolina's rail system performs optimally and provides the best level of service to the state's residents, careful planning is needed to identify and prioritize the infrastructure investments that are needed. This Comprehensive State Rail Plan, required by the Federal Railroad Administration (FRA), captures this planning effort and provides a summary of the actions needed over the next 30 years to ensure the continued safety, competitiveness, and growth of the state's rail system.

The priorities for North Carolina's rail system are summarized in a series of five goals, shown here. These goals are based on feedback from rail users and stakeholders located across the state. Every proposed investment, construction project, and planning study identified in the Comprehensive State Rail Plan addresses at least one of these goals.

1

Provide access for freight and passenger rail users

2

Continuously improve rail system safety

3

Enhance the resiliency of rail infrastructure

4

Contribute to the health of the overall statewide transportation network

5

Realize economic opportunities by supporting existing and potential rail served markets, industries, and businesses



FREIGHT RAIL SYSTEM

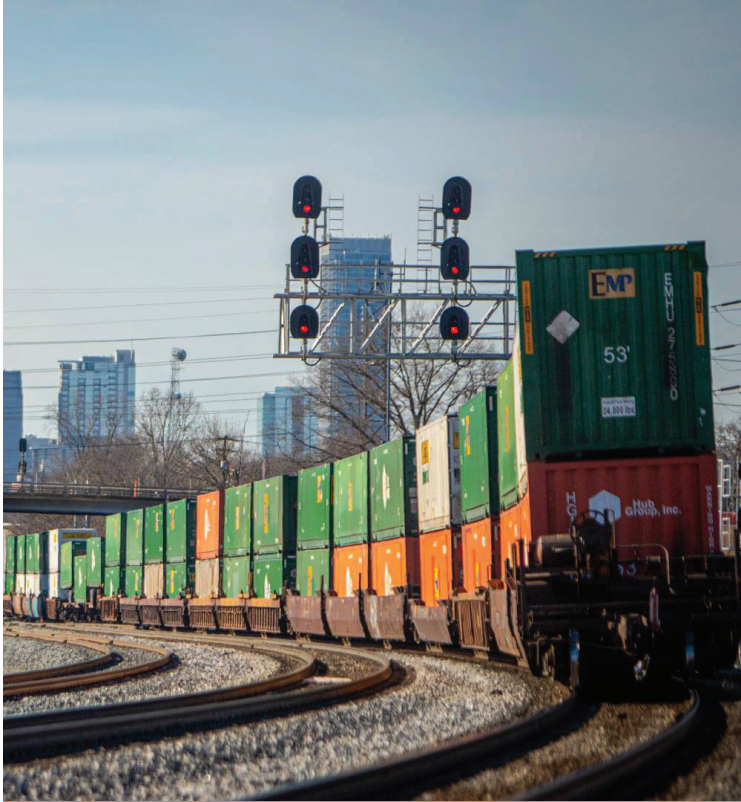


Photo credit: Adam Schultz

Two Class I railroads serve North Carolina, connecting the state's coastal ports with inland terminals, distribution centers, and economic hubs. In addition, 27 short line railroads provide strategic access between Class I railroads and terminals or production facilities. Construction of inland ports and intermodal terminals in central and eastern North Carolina broaden the reach of the freight network, allowing producers to connect with markets across the state, Southeast region, and the nation.

To encourage economic growth, projects that facilitate the growth of, and access to, the freight rail network are key. Improving the safety and operations along all freight corridors will require consistent funding, so the continued availability of state funds (including the Freight Rail and Rail Crossing Safety Improvement [FRRCSI] program, the Section 130 program, and the NCDOT State Transportation Improvement Program [STIP]) and the leveraging competitive federal grant programs should be prioritized.

KEY FREIGHT RAIL INITIATIVES

Class I corridor and facility improvements

- Grade separation projects along the busiest corridors
- Crossing improvement projects
- Industrial access spurs
- Additional capacity to promote freight fluidity to NC industry

GOALS ADDRESSED:

1 2 4 5

- Passing siding and transloading track to expand capacity
- Rail, tie, and ballast upgrades
- Upgrade ballast deck bridges

GOALS ADDRESSED:

1 2 3

Last-mile access to ports and inland freight facilities

- On-dock and access tracks to the Ports of Wilmington and Morehead City
- Realignment of rail lines leading into the Port of Wilmington

GOALS ADDRESSED:

1 4 5

- S-Line acquisition
- Restoration of the Wallace to Castle Hayne rail corridor

GOALS ADDRESSED:

1 3 5

GOALS ADDRESSED:

2



PASSENGER RAIL SERVICE



North Carolina's state-supported *Piedmont* and *Carolinian* services provide access to communities between Charlotte and Raleigh, alleviating congestion on the Interstate 40/Interstate 85 highway corridor and building service along the Southeast Corridor network. North Carolina is also served by multiple intercity trains that provide access to major East Coast urban centers between New York and Miami, as well as the southeastern destinations of Atlanta and New Orleans.



The Southeast Corridor is one of five federally-designated high-speed rail routes in the United States, incorporating the state's primary passenger corridors. In order to meet existing passenger demand along the Charlotte and Raleigh corridor and to provide the foundation for future high-speed rail service, facility improvements to expand track capacity, provide station infrastructure, and to replace aging equipment are needed.

KEY PASSENGER RAIL INITIATIVES

- Phased implementation of passenger service on S-Line between Raleigh and Richmond; Raleigh to Wake Forest as first phase
- Work with SEC Commission to progress planning of Atlanta to Charlotte

GOALS ADDRESSED:

1 2 5

- Piedmont and Carolinian service improvements**
- Charlotte to Raleigh sixth frequency
 - Support replacement of equipment for *Piedmont* service and *Carolinian* service and develop new passenger rail facility
 - Improve trip time and on time performance

GOALS ADDRESSED:

1 2 5

- Charlotte Gateway Station
- Plan new stations
- Enhance existing stations (ADA accessibility, waiting room improvements, improved capacity of facility, etc.)

GOALS ADDRESSED:

1 4 5

- Corridor preservation or restoration**
- S-Line acquisition
 - Preserve corridors as needed for future passenger service
 - Restoration of the Wallace to Castle Hayne rail corridor

GOALS ADDRESSED:

1 5

- 7 corridors selected under the CID program within NC
- 5 additional corridors to be resubmitted for CID in the future

GOALS ADDRESSED:

1 3 4 5



INVESTMENT NEEDS



In order to meet the state's goals for rail transportation over the next 30 years, NCDOT has identified a program of investments that address the safety, resiliency, and capacity needs of both passenger and freight rail lines. Detailed in Chapter 5 of the Plan, this investment program includes over 550 projects, with over 160 scheduled for delivery in the next five years. The short-term investments address crossing safety needs, provide additional track capacity, improve passenger rail access and efficiency, or fulfill State of Good Repair needs for railroad facilities and equipment. Investments proposed in the long-term (over the next 30 years) focus on railroad corridor needs, including capacity improvements, passenger service extensions, acquisition of rail corridors, and connections to the state's seaports, inland ports, and intermodal terminals.

The majority of improvements with committed funding are financed through the NCDOT STIP or the FRRCSI program. Many of the proposed near-term improvements that involve the state's short lines are funded through the FRRCSI program, which includes the Rail Industrial Access Program (RIAP), the Short line Infrastructure Assistance Program (SIAP), and the Freight Rail Diversion Program (FRDP). To augment the available funding, NCDOT has pursued, and in several cases received, federal grant monies for the construction of strategic corridor improvements, safety upgrades, and advanced corridor acquisitions.

The gap between available funds and estimated needs is significant. Under the STI legislation, rail projects can compete for funds in the regional and division categories; however, only 10% of overall STIP funds available for rail improvements and other non-highway modes. At the federal level, funding for intercity passenger and freight rail is typically only available through competitive, discretionary grant programs. State transportation funds are used to meet the required match for these federal awards, allowing NCDOT to extend the reach of its budget and fund additional rail construction and operational improvements. The ability of North Carolina to leverage federal discretionary grants may be limited by the amount of state funding available to match federal grants.

2021 Bipartisan Infrastructure Law

The 2021 Infrastructure Investment and Jobs Act (IIJA), also known as the Bipartisan Infrastructure Law, provided unprecedented funding opportunities for intercity passenger and freight rail improvements. The law expands funding levels and project eligibility under several existing discretionary grant programs, such as the Consolidated Rail Infrastructure & Safety Improvements (CRISI) and the Intercity Passenger Rail grant programs. In addition, the law establishes new programs, including the Railroad Crossing Elimination Grant, which is intended to improve overall highway-rail grade crossing safety, and the Corridor Identification and Development Program, which will provide assistance with service development planning and guide investment for new intercity passenger rail corridors. NCDOT is engaged with the Federal Railroad Administration (FRA) and is identifying projects that would be competitive for funds under these programs.

PLANNED FUNDING FOR COMMITTED PROJECTS

COMMITTED: Projects anticipated to be completed by 2030 & have dedicated funding.

FREIGHT

\$912M

PASSENGER

\$1.9B

TOTAL

\$2.9B

The remainder of the Rail Service and Investment Plan (RSIP) is divided between the timeframes of **Next Steps** and **Vision**. **Next Steps** encompasses all projects that are anticipated to be complete between 2031-2035. **Vision** encompasses all projects from 2036 and beyond. Funding needed to deliver the proposed **Next Steps** projects is over **\$12.2 billion** and the funding needed to deliver the proposed **Vision** projects is over **\$16.5 billion**. The majority of projects in both the Next Steps and Vision categories are unfunded.



STAKEHOLDER FEEDBACK



The questions, comments, and suggestions raised by the public and the stakeholders during the development of the State Rail Plan were central to the development of the project list and the recommendations included in the plan. Stakeholder feedback was generated through a combination of in-person meetings and interviews as well as an online survey. The entire study effort was guided by the input of a technical advisory committee. The committee includes representatives of federal, state, and local government organizations, railroad owners and operators, economic development agencies, industry, and the public. Recommendations generated during the stakeholder outreach process included the following:

In addition to the outreach conducted specifically for the State Rail Plan, additional public and stakeholder feedback was gleaned from the NC Moves 2050 effort. NC Moves 2050 is NCDOT's strategic planning effort to shape the future of transportation in North Carolina, under which the department's long-range vision and planning document was issued. The feedback received as part of the NC Moves 2050 process was incorporated into the State Rail Plan.

- **Comprehensive Planning Approach.** Focus on holistic planning that integrates transportation to provide key last-mile connections.
- **Expand Funding Availability.** Propose changes to the STI funding formula to allow passenger rail projects to qualify for funding at the statewide level. Pursue federal funding sources to supplement state funds. Identify additional funds for operations and maintenance expenses.
- **Continued Stakeholder Coordination.** Work with the railroads and ports on the projects identified in the State Rail Plan and other strategic initiatives to promote freight movement and economic development.
- **Communication.** Lead the statewide conversation on the future of passenger rail service, including expanded and new services. Regularly engage rail stakeholders to promote discussion and reinforce to community and economic development representatives that the Rail Division is a resource for rail project development and coordination with railroad owners and operators.
- **Education.** Develop educational materials on rail-related issues for use by stakeholders and the public. ***See the handouts added to this state rail plan.***



This document is consistent with the requirements of the Federal Railroad Administration's (FRA) guidance for State Rail Plans and is compliant with the Passenger Rail Investment and Improvement Act of 2008 (PRIIA). It was developed in coordination with NC Moves 2050, NCDOT's strategic transportation planning effort.

The North Carolina Comprehensive State Rail Plan includes the following chapters and topics:

[illegible]

Photo credit: Andrew B. Futrell