

California Department of Transportation

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Allison L. Dane Camden
Deputy Assistant Secretary for Multimodal Freight
United States Department of Transportation
1200 New Jersey Ave., SE, W12-140
Washington, D.C., 20590-0001

Dear Deputy Assistant Secretary:

The California Department of Transportation (Caltrans) submits the enclosed comments in response to the United States Department of Transportation's Docket Number: DOT-OST-2024-0047, Request for Information on Goals, Criteria, Thresholds, and Measurable Data Sources for Designating the National Multimodal Freight Network.

If you have any questions, please contact Ann Fox, Acting Deputy Director, Planning and Modal Programs.

Sincerely,

A handwritten signature in black ink, appearing to read 'Tony Tavares'.

TONY TAVARES
Director

Enclosure
Caltrans Detailed Comments - NFMFN

US DOT Request for Information on Goals, Criteria, Thresholds, and Measurable Data Sources for Designating the National Multimodal Freight Network

California Department of Transportation (Caltrans) Division of Transportation Planning

California's freight transportation system is the most advanced, environmentally friendly, and multimodal in the nation. This impressive goods movement system provides communities with their most vital necessities including food, medicine, and inputs for manufacturing, in an efficient manner. Improvements focusing on efficiency and reliability in the freight industry will continue to positively impact the economy and California's communities. In an effort to further strengthen these impressive ranks and remain a national leader, California is working towards more efficiency, less pollution, and higher capacity in its freight facilities, equipment, and operations.

As the largest national gateway for international trade and domestic commerce, California strives to have the world's most innovative, economically competitive, multimodal freight system that is efficient, reliable, modern, integrated, resilient, safe, and sustainable, where the benefits of freight are realized while supporting healthy communities and a thriving environment.

The California Department of Transportation (Caltrans) has prepared the following comments in response to the United States Department of Transportation (US DOT) Docket DOT-OST-2024-0047 on the Goals, Criteria, Thresholds, and Measurable Data Sources for Designating the National Multimodal Freight Network (NMFN).

US DOT questions regarding the NMFN Goals:

Question 1: *Which of the following purposes is most important to ensuring the NMFN provides a foundation for the U.S. to compete in the global economy and why?*

We acknowledge the merit of the following purposes listed by US DOT:

- Assist states and local governments with strategically directing investments towards overall improved freight system performance.
 - Having this as the primary purpose, the NMFN will help to foster a shared alignment of key freight facilities and infrastructure among federal, state, regional, and local entities. The shared agreement on significant freight hubs and corridors will provide guidance for directing multimodal freight investments for enhanced system performance.

- Inform freight infrastructure planning and land use planning by state and local governments and private sector owners and operators.
 - A specific NMFN designation will provide clarity for governments and goods movement stakeholders. Standardizing and defining the critical freight network at a national level will promote consistency for future land use, transportation, and community planning efforts.
- Inform a national, integrated, and multimodal supply chain strategy.
 - Building on the previously created National Highway Freight Network (NHFN), including multimodal freight facilities will help to inform an integrated strategy at the national level. In addition to critical freight highways, the NMFN should include key freight railroads, rail yards, airports, maritime ports, intermodal logistics hubs, and border crossings.

While these purposes will be valuable, we have concerns about the potential for the NMFN to be used for prioritizing federal formula or discretionary grant investments. Connecting the NMFN to a rigid decision-making rubric for funding distribution could reduce the ability of state, regional, and local governments to use freight funding in ways most beneficial to goods movement. The NMFN will have great utility for a range of planning efforts, but should not be used to inflexibly dictate funding decisions without state or local discretion.

Question 2: *How do you plan to use the National Multimodal Freight Network once it is designated?*

The NMFN will serve as a valuable tool for guiding freight planning activities throughout the state. The facilities and infrastructure identified within the designated network would establish a standard study area for freight planning contexts. The NMFN would provide an important mechanism within planning efforts aimed at ensuring the connection of California's freight infrastructure to the national system. Caltrans would use the NMFN to inform a range of decision-making processes to target investments critical to the national supply chain. Caltrans would also use this network to promote increased freight movement efficiency across all modes of transportation in California.

US DOT questions regarding the statutory factors for designation of the National Multimodal Freight Network:

Question 3: *How should DOT prioritize the twelve factors in designating route miles and facilities on the NMFN? Which factors are most important to ensuring the network provides a foundation for the U.S. to compete in the global economy? Which factors are most important to ensuring the NMFN serves regional and state goals?*

- Facilities and transportation corridors identified by a multi-state coalition, a state, a state freight advisory committee, or a Metropolitan Planning Organization (MPO), using national or local data, as having critical freight importance to the region.
 - As the highest priority factor, Caltrans urges US DOT to envision the NMFN as a flexible network to allow states the ability to address emerging needs and to nominate and designate facilities and routes based on continuous consultation with stakeholders and regional agencies.
- Freight choke points and other impediments contributing to significant measurable congestion, delay in freight movement, or inefficient modal connections.
 - Eliminating bottlenecks on critical freight routes and hubs aligns with state goals for promoting economic prosperity.
- Access to border crossings, airports, seaports, and pipelines.
 - Another factor important for ensuring the network provides for global economic competitiveness is access to multimodal hubs. In addition to these hubs and key highway, rail, and pipeline corridors and connectors, we suggest providing designations for intermodal transfer facilities, private port terminal facilities, warehousing and distribution hubs, agricultural facilities, and logistics centers.

US DOT questions regarding the measurable thresholds, criteria, and data for designation of the National Multimodal Freight Network:

Question 4: *Among the various statutory factors, volume, value, and tonnage are among some of the most quantifiable and readily comparable across modes and routes/corridors within modes. What thresholds should DOT consider for volume, value, and tonnage for designating the NMFN?*

- Highway network
 - We advocate for the full inclusion of the existing NMFN. We encourage additional highway designations within the NMFN.

- Highway network (continued)
 - There are several highway corridors and connectors in California that serve critical national connectivity needs but are not designated on the NMFN. Examples include highways that provide access to urban centers, interregional highways serving rural areas, and highways providing network redundancy to foster freight and climate resiliency. These facilities should be included in the NMFN.
 - US DOT should provide states with the flexibility to designate facilities that meet the statutory factors, particularly for facilities lacking complete or accurate data at the national scale. Examples include facilities important to expanding markets, rural highways providing the only freight connection between regions, and local connector roads that complete the “last mile” in the supply chain.
 - We recommend designating all Strategic Highway Network corridors and connectors.
 - We recommend designating all Intermodal Connectors designated on the National Highway System.
 - Following initial network creation, we encourage continuous development of the metrics to consider emerging trends and technologies, including new developments in freight data as well as freight infrastructure.

- Rail network
 - As identified in our state freight plan, California’s critical freight rail system includes two Class 1 railroads and 26 short-line railroads operating over 6,000 miles of railroad track. These facilities should be included in the NMFN.
 - The US DOT should consider flexible parameters to account for specialized functions across the rail network. For example, we recommend setting different thresholds for different rail classifications, including lowering tonnage thresholds for short-line railroads. Another example includes different criteria and thresholds based on cargo type.

- Maritime network
 - The twelve deep water seaports in California should be included on the NMFN based on their significance to the national freight system.
 - California’s waterway corridors and first and last mile waterway connectors should be part of the NMFN.
 - The US DOT should ensure key freight infrastructure in international gateway states is included in the NMFN. California serves as the nation’s primary gateway to the Pacific Rim. States that serve as international gateways should be assured that key freight highways, rail lines, and intermodal terminals are included in the NMFN.

- Maritime network (continued)
 - Small and medium ports are key to maximizing global competitiveness. The ports often experience significant challenges meeting the financial obligations associated with maintaining or building new port infrastructure. These ports provide resiliency in the United States supply chain, ensuring the flow of goods in the event larger ports become congested or otherwise impacted.
- Air cargo network
 - Airports should be determined by value and volume, in addition to weight. Goods shipped by aircraft are typically lightweight, have high value, must travel a significant distance and arrive in a short timeframe. Considering the typical cargo handled via aviation, value and volume will best reflect airports' economic significance to the nation.
 - If data relating to cargo value and volume is not available, total cargo weight (departing cargo and arriving cargo) should be used to accurately reflect air cargo activity.
 - It is important to use timely data sources for air cargo in the designation effort. Many top air cargo airports in California have seen significant increases since 2018 in response to the pandemic, continued consumer shifts to e-commerce, and other factors.

Question 5: *Which of the 12 factors are most important for identifying network components that are critical to our economy but that may not stand out on a volume or value basis?*

- Factor 10, "Facilities and transportation corridors identified by a multi-State coalition, a State, a State freight advisory committee, or an MPO, using national or local data, as having critical freight importance to the region", is key for ensuring that state, regional, and local perspectives are incorporated in the process.

Question 6: *DOT has identified potential data sources for each of the 12 factors, below. Are there other data sources or approaches DOT should consider in applying these factors to the NMFN designation? Are there any concerns with using a particular data source listed below for the associated factor?*

- Data source considerations
 - US DOT should consider integrating real-time data analytics platforms that track freight movements and/or utilize predictive analytics to forecast future freight flows and choke points.
 - US DOT should explore collaborations with freight data vendors and logistics firms that could yield private data sets offering additional granularity on freight mobility.
 - Potential data sources include:
 - Probe data sources, or Global Positioning System-based data of commercial vehicles or other cargo.

- Public and proprietary commercial data regarding the e-commerce and warehouses with understanding of emerging industries and commodity flow trend change.
 - Truck ingress/egress data from airports, seaports, and rail intermodal facilities.
- Data source concerns
 - Timeliness and frequency - some data sources, like the Commodity Flow Survey, have lags of over five years. The data may not accurately reflect current conditions.
 - Coverage limitations - while extensive, data sources such as the Freight Analysis Framework may not capture all types of freight movements, mainly urban good movements or last-mile delivery services.
 - Financial implications - public agencies are faced with limited resources, creating challenges for procurement of the latest freight data that could be valuable to the state freight planning and programs.
 - Stakeholder engagement - we urge US DOT to engage with all stakeholders, including state and local governments, the private sector, academic institutions, and others to continuously refine data collection, integration, and analysis methodologies.

Question 7: *In addition to the statutory factors listed, how should DOT take into account the factors below in designating the NMFN?*

- Safety (including truck parking)
 - Safety is paramount. Information relating to incidents on freight routes or at freight hubs may increase our understanding of system needs. Including safety as a factor increases opportunities to use the NMFN to inform freight planning and improve system performance.
 - In practice, the theme of safety may lend itself more as a possible *application* of the NMFN as opposed to a designation factor. It is unclear whether designation would be based on infrastructure with strong performance in safety or infrastructure with outstanding need; there are pros and cons with either approach.
- Climate and Sustainability
 - Caltrans recommends promoting low or zero-emission vehicles to mitigate emissions and reduce environmental impact, expanding electrification efforts for freight corridors and hubs, and addressing infrastructure challenges related to alternative fuel availability and technology.
- Equity
 - The NMFN may provide a valuable tool in freight planning efforts for considering access to services and regional connections. The network could help with assessing the vulnerability of communities to pollutants and health issues. We urge US DOT to engage with state, regional, and local agencies and communities for a more precise understanding of the locations of these communities.

- Equity (continued)
 - Similar to safety, the theme of equity may better serve as a possible *application* of the NMFN as opposed to a designation factor. For example, methodologies that would preclude designation of important freight facilities based on location near a vulnerable community could undermine our ability to make improvements aimed at addressing impacts and improving livability.
- National Defense
 - We recommend including the Strategic Highway Network, Strategic Rail Corridor Network, and the National Port Readiness Network in the NMFN.
- Consistency with other federally designated networks including the Electric Vehicle (EV) freight network and the zero-emission vehicle freight strategy.
 - We recommend including corridors designated as Freight EV Corridors within the National Alternative Fuel Corridor network. We recommend including corridors designated as California Clean Freight Corridors.
- Transformation (including emerging technologies and innovation)
 - Factors under this category may include connected vehicle technologies, which are expected to yield mobility, safety, efficiency, and environmental health benefits.

Question 8: *What other considerations should the DOT take into account in designating the NMFN?*

- Caltrans suggests adding consideration for the following facilities:
 - Alternative routes that serve freight in the event of major disruption on primary routes.
 - Critical freight routes that experience high seasonal fluctuations, such as routes facilitating agriculture. These routes serve high truck demand during seasonal peaks but may fall under the established activity thresholds when using annual averages.
 - Routes providing access to truck parking and rest areas.
 - Federal and state-designated routes critical for providing access to alternative fueling for medium- and heavy-duty vehicles.
 - International border crossings, including land ports of entry in California that are critical for multimodal goods movement at the national scale.
- Caltrans recommends continued coordination with state DOTs, local and regional transportation agencies, railroad companies, seaports, and airports as this process moves forward. We would appreciate the opportunity for additional review periods between now and the final network designation, especially the opportunity to review a draft version of network facilities. We urge the US DOT to provide more time in future reviews or RFI efforts to foster collaborative exchange of information between Caltrans and our public and private sector partners in the state.