APPENDIX G-4:
PRIMARY FREIGHT NETWORK (PFN) COMMENT LETTER

DRAFT

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Docket Management Facility
U.S. Department of Transportation
1200 New Jersey Avenue, SE, W12-140
Washington, D.C. 20590-0001

RE: Federal Highway Administration (FHWA), [Docket No. FHWA-2013-0050]; Designation of the Primary Freight Network

Dear Sir or Madam:

Thank you for the opportunity to comment on the proposed Primary Freight Network (PFN) and for extending the comment period to enable more extensive consultations with our freight stakeholders. Identifying the nation's primary freight corridors is an important step in providing more resources to improving the United States (U.S.) freight system and our international competitiveness. I commend the work done by the U.S. Department of Transportation (USDOT) given the constrained circumstances provided under the Moving Ahead for Progress in the 21st Century Act (MAP-21).

California is the nation's international trade leader in terms of value and quantity of goods that are handled by its seaports, airports, railroads, and roadways. It is essential to California's future that we ensure the continued strength of the State's freight industry, and the larger national economy it supports, in ways that are more efficient and that minimize impacts to communities and the environment. The USDOT's freight program can help to accomplish this goal in California and other states. Despite the statutory limitations governing the extent of the proposed PFN, the USDOT has envisioned a rational highway network that can serve as the foundation for the eventual designation of a more expansive PFN that fully represents California's and the nation's full multi-modal freight system.

Although this letter represents the views of the State of California, the State has had extensive consultations with its diverse, 62-member California Freight Advisory Committee (CFAC) regarding the proposed PFN. Additionally, many of our CFAC member organizations submitted their own comments to the Federal Register to convey their particular needs and interests. Given the enormous scale of California's freight industry, it is important that regional and local issues are fully considered. In reviewing the entire set of comments submitted by California's freight stakeholders, the USDOT will find an overall consistency in the identification of the major needs of the PFN, including:

- Inclusion of all freight modes – not just highways – as part of the PFN.
- Creation of a national freight funding program.
- Description of how the PFN will guide policy at USDOT and other federal agencies.
- Substantial expansion of the proposed 27,000 centerline-mile PFN.
- Flexibility to adjust the PFN within the states based on state and local knowledge.
- Closure of critical first- and last-mile gaps in the PFN.
- Recognition of environmental and community impact mitigation as an eligible project funding category and as part of the overall freight program.

In addition, I would like to provide the following comments on funding and the timing for updates to the PFN:

- The PFN focuses attention on the nation's most important freight highway routes, thereby increasing the likelihood that additional funding will be directed to these vital corridors through a new, dedicated national freight funding program. Absent a new freight funding program, the designation of the PFN may have little impact, as there is insufficient funding capacity within existing transportation programs to support additional demands. Substantial and sustainable funding will be critical to the success of the national freight program.

- There is some concern that updating the PFN on a ten-year cycle is inadequate; therefore, I recommend at least a minimum five-year update cycle. With the metropolitan transportation planning process based on a four-year cycle, and freight and rail plans updated on five-year cycles, it is impractical to have the PFN updated only every ten years. Global trade is dynamic and will certainly experience significant change much more frequently than a ten-year update cycle can address. The update process should also include the ability for states to amend their designated network between update cycles as changing circumstances necessitate.

The Request for Comments listed five areas to address. Responses to each are detailed below.

(1) Specific route deletions, additions, or modifications to the draft initial designation of the PFN:

Expansion of the PFN is necessary to create a unified national highway freight network rather than a set of disconnected regional networks. It is not possible to create a truly national PFN under the 27,000 centerline-mile restriction.

California's portion of the proposed PFN has numerous gaps and missing segments that, if closed, would create a coherent, continuous, linked freight network within the State. Key among these missing and vital network segments are highways and local roads that make up the "first- and last-mile" connections to seaports, cargo airports, intermodal

yards, and commercial border ports of entry. It is essential that the PFN not abruptly terminate a few miles from these critical freight facilities, which the proposed PFN often does.

In addition, states should be granted authority to reallocate PFN miles within their state. Due to the limitations of national data sets used to designate the PFN, the USDOT has insufficient local knowledge to identify which PFN reallocations are the most important and strategic for a given locale. As such, I recommend that states be authorized to effect any of the following reallocations of PFN miles:

1. A portion of a proposed PFN route to another portion of that same route.
2. A portion of a proposed PFN route to a different proposed PFN route.
3. A portion of a proposed PFN route to a more critical non-PFN route that may have been overlooked during the initial PFN designation process, so long as the replacement segment has been determined by the state to be of higher priority.

Furthermore, states would be required to provide a technically supported justification for any reallocation and the total PFN centerline miles for a state would not change. Final approval for reallocations would be made by the USDOT.

(2) The methodology for achieving a 27,000-mile final designation:

I applaud the USDOT's utilization of a data-supported approach to identifying routes under this restriction. California's portion of the proposed PFN is largely consistent with the State's own analysis and largely represents California's highest-volume and most important highway freight routes, which are also critical routes serving the entire country.

If, however, adjustments are made to the methodology, the adjustments should consider freight routes that have high seasonal peak truck traffic, such as in the often overlooked agricultural and extractive industry regions. Averaged over an entire year, many of these critical routes do not reach the PFN threshold, but still accommodate high numbers of trucks during the planting, harvesting, extraction, and processing seasons. This is particularly true for California's Central Valley, the Central Coast, and the North State, each of which are nationally and internationally significant exporters of agricultural, forest, and mineral products. For example, the Central Coast's Salinas Valley, often referred to as the "salad bowl of the nation," does not have an extension of the PFN that reaches the Salinas Valley under the proposed 27,000- or conceptual 41,518-mile PFN; this omission should be remedied.

(3) How the National Freight Network (NFN) and its components could be used by freight stakeholders in the future:

As previously noted, absent a new freight funding program, the designation of the PFN may have little practical application, as there is no funding capacity within existing transportation programs to absorb new freight program needs. Further, the freight program must be funded in a way that creates a reasonable level of certainty that funding will be available when freight projects are ready for construction. This assurance is particularly important when private funding is being devoted to freight projects through public-private partnerships. Moreover, new funding opportunities must not eliminate current freight funding options.

In addition, designation of the NFN and PFN highlights the need to address community and environmental impacts along freight corridors at the time projects are initially proposed. Impacts from diesel emissions and freight activities are well-documented and particularly concentrated along the highest-volume freight corridors and hubs. Within any funding program that is targeted to serve freight, addressing air quality and public health impacts in the project selection process must be a priority. Freight projects also must address greenhouse gas (GHG) emissions.

I recommend that funding be made available to projects within 1,000 feet of a PFN route, and that it addresses and prioritizes air quality and public health benefits. Such prioritization has been successfully implemented through public-private collaboration, via both regulatory and voluntary means, to reduce environmental and public health impacts throughout California, as demonstrated by the use of more-efficient and lower-polluting engines, fuels, and operations strategies. These actions dramatically reduced diesel particulates and other pollutants emitted by the State's freight industry. Expanding such efforts to also apply to the NFN and PFN would be an appropriate and needed initiative.

(4) How the NFN may fit into a multimodal National Freight System:

MAP-21's highway-centric NFN is inadequate to meet the needs of the complex, dynamic intermodal national freight system. The NFN highway component is a good beginning, but the other freight modes must be added before the NFN can be considered a complete, integrated freight network. The NFN should be expanded to include the nation's major maritime ports and navigation channels, transcontinental railroad mainlines, major intermodal facilities, major air cargo airports, and major commercial border ports of entry. It is important that the connections to such facilities are on the PFN and not relegated to the more extensive NFN. I urge the USDOT to consult with states, regional agencies, and local freight interest prior to expanding the NFN to be multimodal.

(5) Suggestions for an urban-area route designation process:

I appreciate that the USDOT is specifically requesting input regarding the designation of urban-area freight routes. The tremendous amount of urban-based transloading, consolidation, packaging, warehousing, final assembly, manufacturing, and other freight-

related activities does not occur directly on the PFN, but these activities take place in facilities located near the PFN that are accessed by local roads. Thus, increased demand placed on these local roads and the needs of surrounding communities require that designation decisions be made at the local level.

Without knowing the implications of an urban-area route designation, it is challenging to recommend a unified national approach. Many local roads in California handle truck volumes that rival the volumes of most national PFN routes. Help is needed for communities where such roads exist, such as improving the routes and mitigating related impacts so the costs of accommodating the nation's international trade does not disproportionately burden low income communities. Therefore, I recommend that states be given the ability to work with their regional and local partners to designate urban-area freight routes. These routes should be eligible for enhanced pavement preservation, operational improvement, and impact-mitigation funding.

Although this initial effort to establish a national freight program and designate a national freight network does not address all issues that need attention, it is an important turning point for the nation's transportation program. The efficient movement of freight is essential to the United States' international competitiveness, and addressing the impacts that freight has on communities and the environment is essential to the nation's sustainability.

Sincerely,

BRIAN P. KELLY
Secretary