

NORTHWOODS FREIGHT RAIL STUDY

SURVEY RESULTS

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Purpose of the Study

- Expand upon 2013 Northwoods Freight Rail Market Study
- Investigate the current state of rail service in Northern WI
- Identify rail shippers and their needs
- Identify businesses interested in using rail
 - Why aren't they using rail?
 - How much tonnage could be converted from truck to rail?

2017 Business Survey

- Survey mailed to over 200 businesses in more than 20 counties
 - Starting point was the 82 businesses that use rail or were interested in rail from 2013.
 - WisDOT identified additional businesses on active and inactive railroad lines.
 - NRTC Members and Economic Officials from Michigan and Wisconsin provided the remaining businesses.

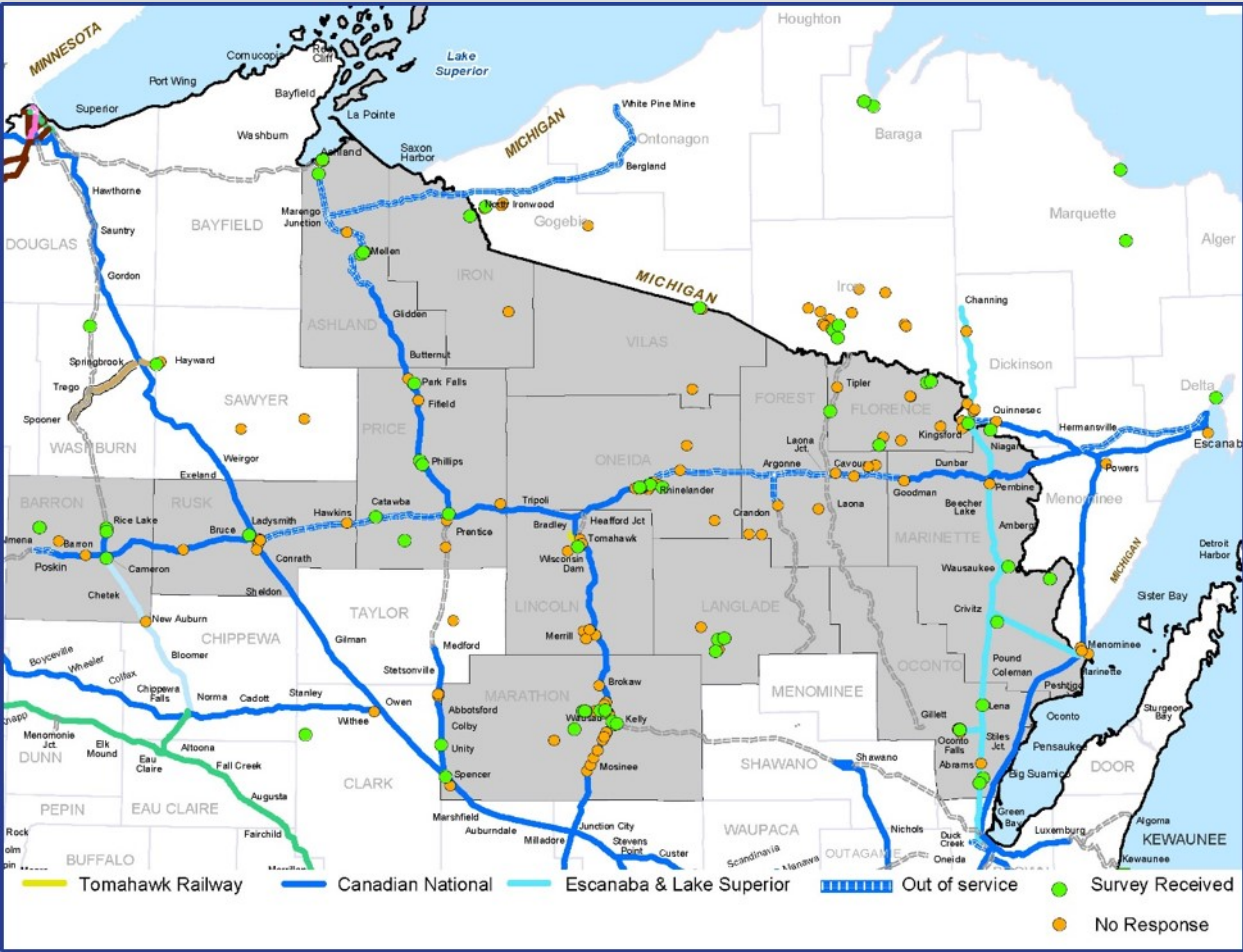
2017 Business Survey Questions

- Survey mailed and offered on-line
- 15 or 19 Questions depending on if ship/receive by rail
 - How do you currently ship/receive freight?
 - Where do you ship/receive freight?
 - What do you ship/receive?
 - Rail users – how can service be improved?
 - Interested in rail? What do you need?

2017 Business Survey Results

- 74 responses = 37 percent response rate
- 61 businesses *ship* freight, 46 *receive* freight
- 35 ship by rail, 37 do not, 2 no response
- Identified an additional 27 rail users
 - Total of 66 businesses that have shipped by rail when added to the 39 from 2013

2017 Business Survey Results



2017 Summary of Findings

- Logs, lumber, wood and pulp products were the top commodity both shipped and received
 - 35 businesses *ship* lumber, wood and pulp products
 - The surveyed businesses *ship* over 5.5 million tons annually.
 - 213,788 truckloads/year (586 semi-trucks daily) or the equivalent of 65,394 rail cars annually for these businesses in this commodity alone.
 - The surveyed businesses *ship* over 4 million tons by semi-truck ~ approximately 72.5 percent.
 - 154,921 truckloads/year (425 semi-trucks daily) in this commodity alone.
 - Potential to ship another 47,387 railcars of logs, lumber, wood and pulp products

2017 Summary of Findings

- Logs, lumber, wood and pulp products were the top commodity both shipped and received
 - 24 businesses *receive* logs, lumber, wood and pulp products
 - The surveyed businesses *receive* nearly 5 million tons annually.
 - 190,861 truckloads/year (523 semi-trucks daily) or the equivalent of 58,381 rail cars annually for these businesses in this commodity alone.
 - The surveyed businesses *ship 99 percent* by semi-truck
 - 188,953 truckloads/year (518 semi-trucks daily) in this commodity alone.
 - Potential to ship another 57,831 railcars of logs, lumber, wood and pulp products

2017 Summary of Findings

- 41 businesses ship and/or receive the equivalent of 123,775 rail cars annually
- Because semi-trucks carry 85 percent of total weight by volume, converting to rail could remove 343,984 semi-trucks from Northwood roads annually.

IF THE 41 BUSINESSES SHIPPED ENTIRELY BY RAIL:

343,984

Number of **semi-truck loads** that could be **removed** from Wisconsin Roads annually.*

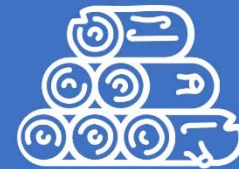
105,218

Number of **additional rail car loads** that could be added to the rail system annually — just in the logs/wood commodity alone.**

*For those 41 businesses who ship logs/wood

**Assuming survey results are representative samples

FROM THE 41 BUSINESSES WHO SHIP LOGS/WOOD



LOGS/WOOD

were the number one shipped/received commodity by weight via rail in 2013 and 2017 surveys. Over 10.5 million tons of logs/wood are shipped annually by the 41 businesses.

Metals, steel, and aluminum products ranked number two in both imports and exports.



18,557

Number of rail cars respondents are currently shipping/receiving per year

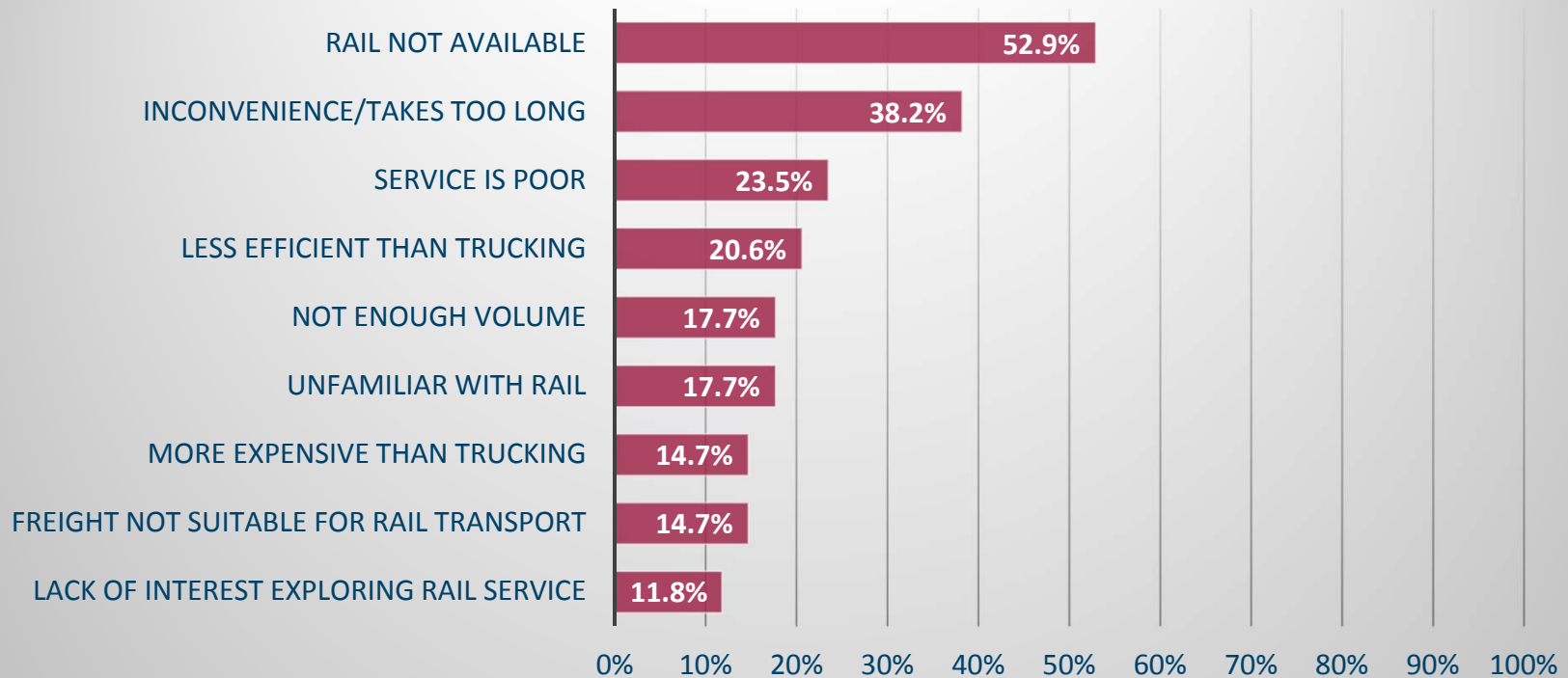
123,775



Number of rail cars 41 businesses that ship logs, lumber, wood products, or pulp **could fill per year.**

2017 Businesses that do not use rail

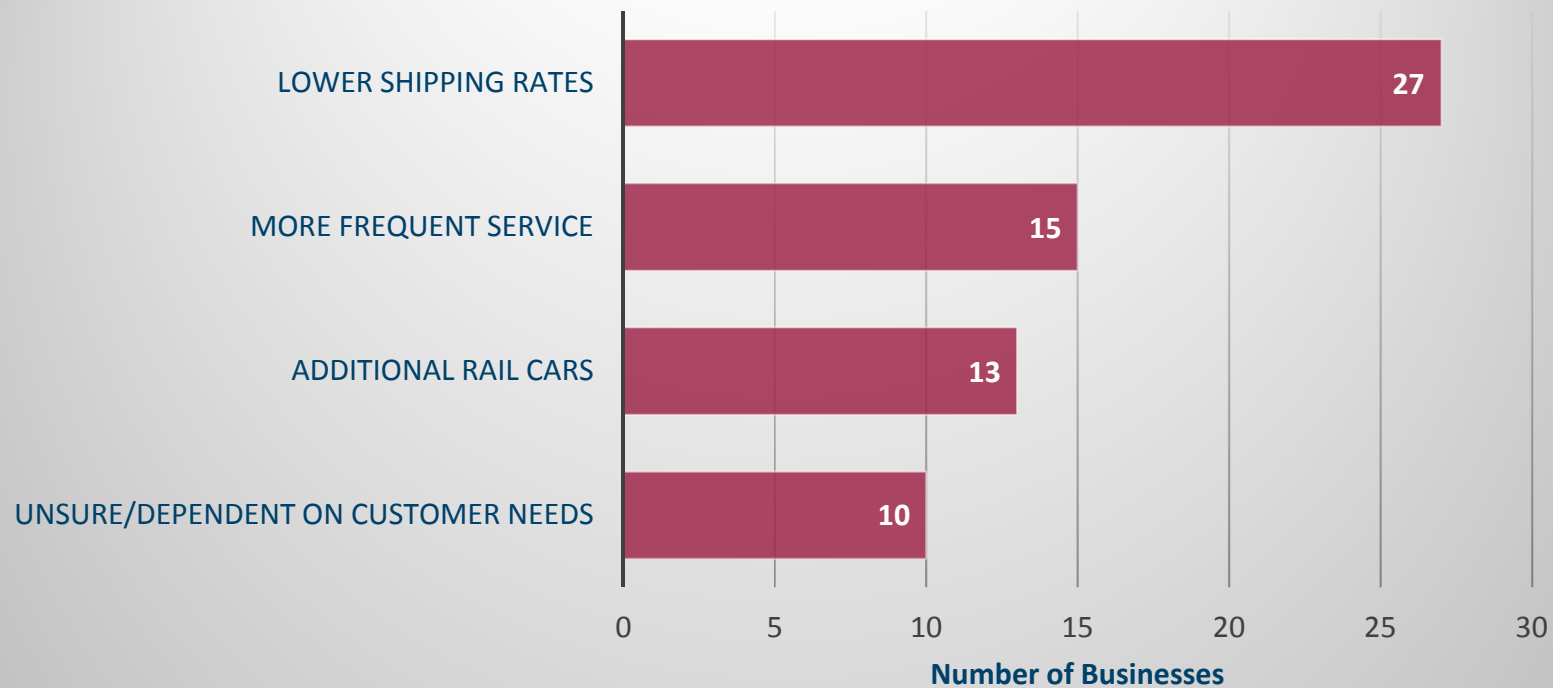
Reasons for Not Using Rail Service*



* Based on 34 responses. Respondents were allowed to select multiple reasons

2017 Rail Users to ship more

Rail Improvements Needed for Companies to use additional rail*



* Based on 28 responses, respondents allowed to provide multiple answers

2017 Summary of Findings

- From 15 responses received:
 - If conditions improved, respondents could ship an additional 949,531 tons each year. This could add 11,171 rail cars annually, or 31 rail cars per day.
 - Consistent with overall survey responses:
 - 10 businesses – Lower Shipping Rates
 - 7 businesses – Additional Rail Cars
 - 6 businesses – More Frequent Service

Any Questions?

- What's Next?
 - Develop Study Recommendations
 - Complete Final Draft