TEXAS FREIGHT MOBILITY PLAN
P2P Energy and Agriculture Summit
March 30-31, 2016
The Freight Plan is TxDOT's first multimodal transportation plan that focuses on freight needs:

- Identifies freight transportation challenges and outlines policies needed to address them
- Provides a vision for a safe, reliable, and efficient freight transportation system
Texas Freight Mobility Plan Development Process

- Comprehensive process
- Data and stakeholder driven
Texas Freight Mobility Plan Stakeholder Engagement

- Twelve TxFAC meetings to-date
- Freight Leadership Summit: April 3, 2014
- Two-rounds of listening/dialogue sessions
- Over 20 speaking engagements
## What is Driving Freight Transportation Demand?

<table>
<thead>
<tr>
<th>Category</th>
<th>Description</th>
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<tbody>
<tr>
<td>Population Growth</td>
<td>More people = more freight</td>
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<tr>
<td>NAFTA Trade</td>
<td>Mexico is Texas’ largest trading partner</td>
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<tr>
<td>Industry Growth</td>
<td>Manufacturing, agriculture, exports</td>
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<tr>
<td>Energy Sector</td>
<td>Texas is the leading producer of oil and gas in the nation</td>
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Texas’ Freight Transportation Challenges

**CAPACITY/CONGESTION**
Cost $1 billion, 7 freight bottlenecks

**SYSTEM OPERATIONS**
freight network, traffic management center

**SAFETY**
truck parking, at-grade rail crossings

**CONNECTIVITY**
between modes, urban/rural

**INSTITUTIONAL COORDINATION**
collaboration and partnerships

**BORDER/PORTS – OF-ENTRY**
congestion, wait times, coordination

**PUBLIC AWARENESS/EDUCATION**
economic impact of freight

**FUNDING**
invest in freight, alternative funding
Total Freight Volumes Doubling Between 2014 and 2040

<table>
<thead>
<tr>
<th>Mode</th>
<th>2014 Tonnage (Thousands of Tons)</th>
<th>2040 Tonnage (Thousands of Tons)</th>
<th>Percentage</th>
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</thead>
<tbody>
<tr>
<td>Air</td>
<td>1,219 (&lt;1%)</td>
<td>3,624 (&lt;1%)</td>
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<tr>
<td>Rail</td>
<td>397,538 (20%)</td>
<td>764,321 (20%)</td>
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<tr>
<td>Truck</td>
<td>1,043,284 (52%)</td>
<td>2,193,377 (59%)</td>
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<tr>
<td>Water</td>
<td>556,666 (28%)</td>
<td>797,004 (21%)</td>
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Total freight volumes are expected to double between 2014 and 2040.
Overview of Agricultural Transportation

- Agricultural products move by truck, rail, and barge along the nation’s vast network of highways, rail lines, and navigable waterways
  - Compete with other freight transportation needs

- Agriculture is the largest user of freight transportation in the United States

- The agriculture production regions in the U.S. often are not located:
  - Near major urban areas
  - Coastal export facilities
Economic Impact of Texas’ Agricultural Industry

- Texas leads the nation in cattle, cotton, hay, sheep, goats and mohair production
- Texas leads the nation in number of farms and ranches
- Texas ranks #1 - Cotton & cottonseed, $1.6 billion
- Texas ranks #1 - Beef, $855 million
- 1 of every 7 working Texans (14%) is in an agriculture-related job
- The economic impact of the food and fiber sector over $100 billion annually
- Over $20 billion annually in agricultural and timber cash receipts
- Over $6.5 billion agricultural exports to foreign countries in 2012
Texas' freight transportation system is critical to agriculture's ability to compete in domestic and world markets.
Transportation is Critical to Texas Agriculture – Beef

- Beef industry relies on trucks and trains to move products
- Rural roadways are critical to move beef to processing areas
- Railroads move products from agricultural areas to processing and processed goods to markets

Transportation infrastructure critical to capture and grow economic activities for the Texas beef industry
Transportation is Critical to Texas Agriculture – Cotton

- Cotton industry primarily uses trucks and rail
- Rural roadways’ capacity to move cotton is critical
- Texas Farm-to-Market roads are critical to Cotton industry
- A large portion of cotton is exported
Freight Plan Recommendations

- Three key recommendation categories:
  - Policies – enhance freight investment decision making
  - Programs – advance freight policies and address challenges
  - Projects – support policy goals and programs
Freight Plan Policy Recommendations

Texas Freight Mobility Plan: Facilitating Texas’s Economic Vitality and Economic Competitiveness

March 30, 2016
The Texas Freight Network provides a strategic framework for statewide transportation investment decisions.


**Rural Connectivity**

The state should continue to identify freight transportation issues critical to Texas’ rural areas and invest in infrastructure improvements that support economic development.

**Energy Sector Development Transportation**

TxDOT and the state should continue to identify and address current and future energy freight transportation needs and impacts and incorporate them into the planning and project selection process.


**Freight Plan Key Policy Recommendations**

*Economic Development and Economic Competitiveness*

TxDOT should align investments in the transportation system with the state’s vision for economic growth and global competitiveness.

*Texas as a North American Trade and Logistics Hub and Gateway*

The state should continue to invest in strategic transportation solutions that enable Texas to maintain its position as the nation’s leader in North American trade and a top international trade gateway and national logistics hub.
Freight Plan Key Program Recommendation

- Review and modify design standards on the Freight Networks to improve freight mobility, increase connectivity, and improve safety

- Conduct a rural and agricultural transportation needs assessment

- Develop a program to facilitate maintaining the State's role as the leading oil and gas producing state
1,225 projects under development
Estimated total cost of $44.8 billion

Number of Projects

- Highway: 878, 72%
- Rail: 44, 4%
- Ports and Waterways: 129, 10%
- Air Cargo: 34, 3%
- Border/POE: 140, 11%

Estimated Cost (in millions)

- Highway: $36,585, 82%
- Rail: $2,794, 6%
- Ports and Waterways: $2,734, 6%
- Air Cargo: $549, 1%
- Border/POE: $2,166, 5%
Texas’ agriculture and energy production is increasingly dependent on transportation to deliver:

- Agricultural and food products to urban areas
- Texas Gulf Coast export facilities
- Energy products to refineries in the Texas Gulf

Adequate and efficient transportation system is critical to:

- Successful marketing of Texas’ energy and agricultural products
- Continued Texas’ economic competitiveness
Next Steps

- Texas Freight Mobility Plan Implementation
- Implementation of the FAST Act Freight Provisions
  - Texas Freight Mobility Plan Update
  - FAST Act Freight Formula Funds
  - FASTLANE Freight Discretionary Grant Funding
- Continuation of the Texas Freight Advisory Committee
Questions?

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