INTERMODAL IMAGINED

FOR YEARS, TRANSPORTATION industry leaders have questioned the degree to which government really understands freight. Recently, Sen. Frank Lautenberg, D-N.J., introduced the Focusing Resources Economic Investment and Guidance to Help Transportation Act of 2010.

Proponents say the FREIGHT Act will solve many of the problems bedeviling our industry. The legislation calls for the development of a national freight transportation strategic plan within two years. Such a plan has been missing since the Department of Transportation was established in 1966.

The FREIGHT Act also calls for the creation of a priority list of freight corridors and gateways, along with improved performance-based tools to assist project evaluation. This sounds like a great idea — as it was when these very same ideals were cornerstones of the Intermodal Surface Transportation Efficiency Act of 1991.

ISTEA was noteworthy for its inclusion of the word “intermodal.” Since then, intermodal’s influence in federal policy has all but disappeared. Perhaps nobody personifies this failure more than Norman Mineta, who was a primary author of ISTE A as a congressman — and who as transportation secretary eliminated the Office of Intermodalism that had been created by ISTE A.

The Obama administration has proclaimed a favorable attitude toward intermodal transportation. This was clearly demonstrated by the Transportation Department’s award of more than half of the $1.5 billion available from the Transportation Investment Generating Economic Recovery, or TIGER, grants to a variety of rail intermodal projects.

Deputy Transportation Secretary John Porcari has extolled the line-haul virtues of rail and water as a substitute for congested and deteriorating highways. Despite this promotion, however, the federal government doesn’t seem to understand the challenges of successfully implementing freight and passenger intermodal.

The administration’s signature project is high-speed rail. Unfortunately, the White House wants to use existing freight rights-of-way to save money and expedite projects. But industry veterans know freight and passenger operations are so distinct that shared assets will only ensure the failure of both.

The leading high-speed rail recipient, Tampa-Orlando, is a ready example. The proposed line-haul solution between the two cities lacks any means — other than car — to complete a trip. This is the essential intermodal challenge: Line-haul efficiency is not a door-to-door solution. Once a passenger is in a car to the origin high-speed rail station, there is really no reason to get out of it.

Because the proposed route will have intermediate stops, the overall transit time improvement is trivial at best. While these stops may compensate for the lack of connecting transit systems, the idea still reflects a misunderstanding of transportation networks. Arterial line-haul routes work best when stops are few and far between.

This is a common confusion. “We want to keep goods movements on water as long as possible and then on rail as long as possible and truck it for the last mile,” Porcari has said. This closest-to-the-pin strategy may seem intuitively sensible, but it’s wrong in practice.

The same misguided goal leads local leaders to seek intermodal terminals in their region on the basis that they will “take trucks off the highway.” What it likely will do is take volume away from a larger terminal. This cannibalization of volume results in increased operational complexity, lower levels of service and additional expense. Ironically, the outcome may be less intermodal traffic, not more.

To further intermodal growth, the government must focus on what must be accomplished, not on how it wishes to see it done. The Defense Department is a good example of what happens when design specifications pre-empt performance specifications. Remember $20,000 coffee pots?

There simply is a need for government approach to intermodal that is enlightened and informed by the experience of business. The Maritime Administration, encouraged by Congress, is embarking on a marine highways initiative without addressing the true obstacles to intermodal success. Perhaps this design-specification focus results from Marad being caught between its conflicting goals of supporting U.S.-flag shipping and finding realistic solutions.

When members of Marad’s national advisory council pointed out the strategy’s foibles, Marad stopped holding council meetings and reappointed all group members. Meanwhile, Columbia Coastal Transport, a possible marine highways recipient, dropped its New York-Boston container-on-barge service only a week after Marad announced possible funding for it.

Intermodal is an excellent candidate for government support, but it needs to be provided in a realistic fashion that addresses the true challenges facing anyone who seeks to operate an asset-based network-operating business. Imagining solutions is not sufficient.