Chapter 10

Indiana Railroad Planning Program

Indiana Railroad Planning Program

Introduction

Preparation of the Plan

An update of the *Indiana Rail Plan* was prepared in 1993 in accordance with the requirements of the proposed rules for Local Rail Freight Assistance to States, as detailed in the *Federal Register*, Volume 55, No. 233, dated November 30, 1990. The *1993 Indiana State Rail Plan Update* was drafted by the Rail Section of the Division of Intermodal Transportation within the Indiana Department of Transportation. It is based on a comprehensive, coordinated and continuing planning process, and has been prepared in coordination with all transportation services within the State.

Objectives of the State Rail Plan

The State Rail Plan will be used in numerous ways to help guide transportation decisions in Indiana. The information pertaining to freight and passenger operations, rail line densities, potential rail abandonments, commodity movements and similar data will be used in making transportation decisions affecting all areas of the state.

One of the primary goals of the Rail Section within INDOT is the preservation of existing rail corridors in the state. By compiling this Rail Plan as a resource of rail data, intelligent decisions can be made pertaining to the appropriate distribution of both federal and state rail assistance funds. This Rail Plan will discuss the planning strategies and the implementation process and will serve as a resource of information for anyone needing rail related data.

Historical Development of Indiana's Rail Network

Growth of the Network in the 19th Century

The history of railroads in Indiana began with the state-assisted construction of the Madison and Indianapolis Railroad in 1836. By 1841, a 27.8 mile segment of this railroad had been completed. About that time the railroad began to have financial problems and was sold to different private interests who eventually completed the line to Indianapolis in 1847. This was rapidly followed by the construction of several additional railroads, primarily connecting Ohio River port

cities with interior cities. By 1848 a railroad had been completed between Madison and Michigan City and soon railroads were traversing the entire state.

Consolidation of the 20th Century

From these early years with numerous short railroads operating between pairs or strings of closely situated cities, growth and consolidation began to occur forming larger and longer railroads. Railroads in Indiana reached their mileage peak in the early 1950's. From the turn of the century until that time, railroads were the predominant mode of transportation for freight shipping and passenger travel. By the mid-1950's, however, the growth of highways, particularly the Interstate System began to take its toll on the dominance of the rail industry.

Many large railroads began to suffer losses due to the enormous expense of maintaining their lengthy rail systems. This occurred at the same time that their revenue was shrinking with the loss of business to the trucking industry. During the 1970's and 1980's many railroads were forced to abandon parts of their rail network. Also, many financially strapped companies merged in order to try to salvage the efficient portions of their network. These mergers often resulted in additional abandonments when the two or more merging lines had duplicate rail service corridors. Between 1967 and 1987 Indiana lost over 2,000 miles of track to abandonment.

The latest trend in the rail industry being evidenced in Indiana is the growth in the short line industry. These smaller railroads with lower revenue are purchasing track that the larger railroads no longer wish to operate. During the past three or four years, nearly 400 miles of track in Indiana was sold from Class I carriers to Class III (short line) carriers. Interestingly, this trend shows history reversing itself with trackage owned by the large national and regional railroads being transferred to the smaller railroads. Indiana's rail network now is taking the shape of a productive combination of short line railroads acting as a feeder system for the many national lines that cross the state.

Recent Rail Assistance Programs

As the rail industry began to experience financial difficulties in the early 1970's, the federal government again tried with several programs to assist struggling railroads. These programs included the Regional Rail Reorganization ("3R") Act of 1973, the Railroad Revitalization and Regulatory Reform ("4R") Act of 1976, and the Local Rail Service Assistance Act (LRSA) of 1978. In 1981 Indiana state government first provided rail assistance through creation of the Industrial Rail Service Fund (IRSF).

The 3R and 4R Acts established short-term federal subsidy programs designed to offset the adverse impacts resulting from formation of the Consolidated Rail (Conrail) Corporation by Congress. In an effort to become profitable, Conrail shed approximately 71,000 employees within a decade. Accompanying this action, Conrail also substantially reduced its operating mileage. Both the 3R and 4R Acts provided subsidy funds for continued rail service after Conrail's abandonment of rail lines.

The 3R and 4R Acts were amended in 1978 by the Local Rail Service Assistance (LRSA) Act. This program supplied federal-aid for operating subsidies, track rehabilitation, and rail line purchase. Since 1978, the bulk of LRSA monies expended in Indiana have been for rehabilitation projects involving Class I and Class III railroads. In 1990, the Federal Railroad Administration changed the name of the LRSA fund to the Local Rail Freight Assistance (LRFA) fund. The LRFA continues the role of the LRSA with its focus on rail rehabilitation.

The Staggers Act

The Staggers Act was passed by Congress in 1980. Congress was grappling with proposals for deregulation of the various transportation modes at this time and the Staggers Act was the proposal that dealt specifically with the railroad industry. It gave railroads more freedom to charge higher rates on some of their branch lines and also modified the Interstate Commerce Commission (ICC) abandonment procedures to shorten the process for rail line abandonments. It also incorporated the feeder railroad development program that helped "financially responsible persons" to acquire rail segments and begin short line rail operations.

Inventory of Current Conditions

The Indiana Rail System

As of August 1, 1994, Indiana's network of mainline, secondary and branch lines contained approximately 4,400 miles of track owned by thirty-nine (39) different railroads.

The Indiana rail system consists of six (6) Class I railroads, three (3) Class II railroads and thirty (30) Class III railroads. The classifications are based on rail revenue standards established annually by the Interstate Commerce Commission. During 1993, Class I railroads were those which had operating revenue over $250 million per year, Class II railroads had operating revenue greater than $20 million per year and less than $250 million, and Class III railroads had operating revenue

below $20 million per year. The six Class I railroads total 3,156 miles of mainline track in Indiana. Approximately 2,963 of these Indiana system miles are operated by the three largest railroads; Conrail, CSX Transportation, and Norfolk Southern. The thirty-three remaining Class II and III railroads total an additional 1,286 miles of line in Indiana. The following discussion identifies all of the railroads that currently operate in Indiana with a brief summary of their operations. **Table 1** identifies Indiana's current railroads by class and mileage.

Class I Railroads

The National Rail Passenger Corporation (Amtrak) represents one of two railroads providing passenger service for Indiana residents. Amtrak owns 18.0 miles of track in the state and utilizes trackage rights on other lines for the rest of its routes. Amtrak currently serves nineteen stations in the state with annual ridership averaging around 200,000 passengers. All of Indiana's Amtrak trains focus their origins and destinations on Chicago as a "gateway" to other regional and national destinations.

In addition to passenger operations, Indiana is the home of Amtrak's major locomotive and car repair facility. This facility, located on the southeast side of Indianapolis at Beech Grove, provides a significant contribution to the state and local economies through annual payroll and property tax assessments.

The Consolidated Rail Corporation (Conrail) owns 1,065.0 miles of mainline track in the state. Since 1990, it has sold three of its southern Indiana branch lines totaling over 400 miles. Another major corridor across northern Indiana is in the process of being sold to another Class I Carrier. Conrail's trackage in Indiana now primarily consists of east-west main lines that concentrate on long-haul freight movements from the Midwest to the east coast..

CSX Transportation owns 1,038.0 miles of track within the state. Major CSX corridors include a heavily traveled corridor across the state's northern tier, a line running south from Chicago along the western edge of the state and a corridor across the southern third of the state.

Norfolk Southern operates on 860.0 miles of track within Indiana. This trackage is located primarily in the northern half of the state, although this railroad does have one important line that crosses the southern portion of Indiana.

Table 1

1994 Indiana Railroads, Classes, and Mileage

Railroad	Mainline Mileage
Class I Railroads:	
Amtrak	18.0
Consolidated Rail Corporation	1065.0
CSX Transportation	1038.0
Grand Trunk - CN	81.0
Norfolk Southern Corporation	860.0
CP - SOO Line Railroad	94.0
Class I Subtotal	**3,156.0**
Class II Railroads:	
Chicago, South Shore & South Bend	87.0
Elgin, Joliet & Eastern	35.0
Indiana Harbor Belt	11.0
Class II Subtotal	**133.0**
Class III Railroads:	
Algers, Winslow & Western Railway Co.	16.0
Auburn, Indiana Port Authority	1.0
Central Indiana & Western Railroad Co.	9.0
Central Railroad Company of Indianapolis	78.0
Central Railroad of Indiana	81.0
Dubois County Railroad	16.0
Honey Creek Railroad	17.0
Indian Creek Railroad Company	5.0
Indiana & Ohio Railroad, Inc.	19.0
Indiana Northeastern Railroad	36.0
The Indiana Rail Road Company	122.0
Indiana Southern Railroad	190.0
Indianapolis Union Railway	26.0
J.K. Line, Inc.	16.0
Kankakee, Beaverville & Southern	65.0
Kokomo Railroad, Inc.	13.0
Logansport & Eel River Short Line Co., Inc.	2.0
Louisville and Indiana Railroad Co.	107.0
Louisville, New Albany & Corydon Railroad	8.0
MG Rail, Inc.	8.0
Madison Railroad, Div. of City Port Authority	26.0
Muncie & Western Railroad Company	4.0
Pigeon River Railroad Company	9.0
Poseyville & Owensville Railroad Co., Inc.	11.0
Southern Indiana Railway, Inc.	8.0
Southwind Railroad	8.0
Toledo, Peoria & Western Railway Corp.	67.0
Wabash and Erie Railroad	95.0
Wabash and Ohio Railroad	42.0
Whitewater Valley Railroad	19.0
Winamac Southern Railroad	73.0
Yankeetown Dock Corporation	20.0
Class II Subtotal	**1,217.0**
Total System Mileage	**4,501.0**

Source: INDOT, Intermodal Division-Rail Section, 1994.

The CP SOO Rail System owns one rail segment in the state totaling 94.0 miles. The railroad also has trackage rights over the CSX South Monon line allowing them access to the Ohio River at Jeffersonville. The SOO primarily owns track in the upper midwest and is based in Minnesota. In 1992 it became connected in a partnership with the Canadian Pacific Railroad, thus giving it a cross-continent east-west link through southern Canada.

Grand Trunk-CN North America is the new name of the former Grand Trunk Western Railroad. The railroad operates 81.0 miles of track through northwest Indiana traveling from Chicago through South Bend into Michigan. Because of the construction of a new tunnel near Port Huron, Michigan and Sarnia, Ontario, capable of handling double-stack rail cars, the amount of traffic on this route is expected to increase significantly by 1994 or 1995.

Class II Railroads

The Elgin, Joliet and Eastern Railroad primarily serves as a switching railroad in the greater Chicago area. It operates 35.0 miles of track in Northwest Indiana and serving several steel processing plants.

The Chicago South Shore and South Bend Railway carries freight over an 87.0 mile line between South Bend, Michigan City, Gary and Chicago. The railroad previously provided passenger service as well, however in 1990 this portion of the rail service was transferred to the Northern Indiana Commuter Transportation District (NICTD).

Indiana Harbor Belt Railroad operates 11.0 miles of mainline track in Indiana. The railroad primarily serves as a switching carrier moving products that arrive at Chicago area locations as well as on the many railroads that converge in the area. Primary metals/scrap, coal/coke, and grain are major commodities shipped.

Class III Railroads

Algers, Winslow and Western operates 16.0 miles of rail line in southwest Indiana primarily shipping coal. It operates between Algers, Indiana and Enos Corner, Indiana serving the Old Ben #1 and #2 coal mines.

The Port Authority of Auburn, Indiana is a municipally controlled, 1.4 mile rail line that connects the central part of the City of Auburn with the CSX rail line. After seeing very little activity in recent years, the line is now again beginning to serve a few customers in Auburn.

Central Indiana and Western Railroad Company is based in Lapel. The railroad operates 9.0 miles of track between Lapel and Anderson. The commodities shipped include sand and silica for the manufacture of glass products.

The Central Railroad Company of Indianapolis is based in Kokomo and operates 78.0 miles of track in north central Indiana. The primary commodities shipped include grain, sand, soda ash and manufactured products.

Central Railroad of Indiana operates the 81.0 miles of trackage between Shelbyville, Indiana and Cincinnati, Ohio. This line segment was formerly owned by Conrail and had been abandoned in the early 1980's. Through combined efforts of a shippers association, Conrail, numerous short line railroads and INDOT, the line was preserved and now continues to offer the shortest route between Indianapolis and Cincinnati.

The Dubois County Railroad operates on 16.0 miles of track between Jasper and Dubois in southwestern Indiana. Agricultural products are the primary commodities shipped on the line. Honey Creek Railroad is a recently formed railroad that operates over two rail segments in east-central Indiana. It purchased the segments in 1993. One had previously been owned by Conrail, the other by the Indiana Hi-Rail Corporation. Grain is the primary commodity shipped on both lines.

Indian Creek Railroad Company has approximately 5.0 miles of track located in Madison County just northeast of Anderson. Grain is currently the only commodity that they ship.

Indiana and Ohio Railroad, Inc., operates a 19.7 mile mainline in southeast Indiana running between Brookville and the Indiana/Ohio state line. The line also continues into Ohio and has headquarters in Cincinnati.

The Indiana Rail Road Company is based in Indianapolis and operates on a corridor traveling from near downtown Indianapolis through Bloomington and Sullivan into Illinois. They operate 122.0 miles of track in Indiana.

Indiana Northeastern Railroad was formed in early 1993. It owns and operates 36.0 miles of trackage formerly owned by the Hillsdale County Railway. The trackage is located in Steuben County in the northeast corner of Indiana. Fremont and Angola are two of the primary communities served by the railroad. Grain and manufactured products are two of the primary commodities shipped on this line.

Indiana Southern Railroad Company is a 190.0 mile railroad that operates between Indianapolis and Evansville. The railroad purchased its trackage from Conrail that facilitates switching and transfers for the railroads that serve central Indianapolis.

J. K. Line, Incorporated is a 16.0 mile rail line operating between North Judson and Monterey in Starke and Pulaski Counties. The line serves as a connector branch feeding into the CSX system and serves the grain farmers in this part of the state.

The Kankakee, Beaverville and Southern Railroad is the primary railroad in Benton County, northwest of Lafayette. It operates on two separate lines that cross the county. The two lines merge in Templeton and one continues into West Lafayette. The line primarily ships grain but also transports fertilizer and lumber. KBS operates over a total of 65.0 miles of track within Indiana. The company is headquartered in Iroquois, Illinois.

Kokomo Railroad, Inc., is a recently formed railroad. It began its rail operations at the beginning of 1992. It comprises 13.0 miles of track that it purchased from CSX between Amboy and Marion. Grain is the primary commodity shipped over this line.

Logansport and Eel River Short Line Company, Incorporated is a short, 2.2 mile rail segment in Logansport. Fertilizer is the primary commodity shipped on this line.

The Louisville and Indiana Railroad began operations in early 1994 after completing its purchase of 107.0 miles of trackage from Conrail. The L&I operates between Indianapolis and Louisville, carrying a variety of freight commodities.

The Louisville, New Albany and Corydon Railroad is an 8.0 mile railroad that connects Corydon with the Norfolk Southern main line as it crosses southern Indiana. Several different commodities are shipped on the line, primarily serving businesses in Corydon. An auto parts manufacturer located on the line is expanding and will soon begin increasing its freight shipping level.

MG Rail is a fairly short railroad that operates in and around the Clarke Maritime Centre near Jeffersonville, Indiana. The railroad helps facilitate intermodal transfer, primarily of grain, from railroads in southern Indiana onto barges at the port.

The Madison Railroad, Division of City of Madison Port Authority is one of two municipally controlled railroads in the state. The line runs between Madison and North Vernon and connects with the CSX rail line in North Vernon. The angled embankment leading down to the Ohio River and the City of Madison is the steepest freight line incline in the western hemisphere. Unfortunately, it had fallen into disrepair due to falling boulders, and was unusable in recent years. A grant from the state's "Build Indiana" fund was awarded to the line and renovation has now begun on the steep grade. The Port Authority has also recently been awarded grants from the state's Industrial Rail Service Fund and the Federal Railroad Administration's Local Rail Freight Assistance Program to help with track maintenance.

The Muncie and Western Railroad Company operates a very short, 3.7 mile length of track in Muncie. The primary commodity shipped is plastics to the Ball Corporation for the manufacture of packaging products.

The Pigeon River Railroad Company is headquartered in South Milford and operates approximately 9.0 miles of track. The line runs east-west and connects at its eastern end with the Indiana Northeastern Railroad at Ashley-Hudson. Grain is the sole commodity shipped over this line, coming from the South Milford Grain Company. In 1991 the western 5.0 miles of track, west of South Milford, were abandoned because they had not carried any shipments for several years.

Poseyville and Owensville Railroad Company, Inc., is an 11.0 mile short line railroad in southwestern Indiana. Grain is the primary commodity shipped on the line.

Southern Indiana Railway, Inc., is a short line railroad that is small in overall length but relatively large in number of carloads shipped. The railroad is only 8.0 miles long, however it annually ships over 4,700 carloads over this trackage. Bag and bulk cement is the primary commodity shipped over this rail line.

The Toledo, Peoria and Western Railway Corporation operates 67.0 miles of track in Indiana running between the Illinois/Indiana line and a point approximately 7.0 miles west of Logansport. Along the line in Remington is the Hoosier Lift site that is an intermodal transfer facility where truck trailers and containers are moved to rail for cross-country shipment.

The Wabash and Erie Railroad is the name of a recently formed railroad operating in several locations in northern and central Indiana. It operates a total

of 95.0 miles of trackage. The railroad is operating on lines formerly operated by the Indiana Hi-Rail Corporation.

The Wabash and Ohio Railroad is a recently created (1994) railroad that operates on lines formerly owned by the Indiana Hi-Rail Corporation in southwestern Indiana. It operates on 42.0 miles of track in this area.

The Whitewater Valley Railroad is primarily a tourist excursion railroad. Recently, however, it has also been shipping scrap metal and is therefore classified as a Class III freight railroad. The line runs between Connersville and Metamora in southeastern Indiana.

The Winamac Southern Railroad operates 73.0 miles of track that connects Winamac, Logansport, Kokomo and Bringhurst. These communities are located in north-central Indiana. The company was formed in late 1993 when it purchased its trackage from Conrail.

The Yankeetown Dock Corporation is not a common carrier railroad because it is located entirely on private property of a coal company in southern Indiana and serves only the coal company. It brings coal from the company's property to a loading dock in Warrick County on the Ohio River. The rail line is approximately 20.0 miles in length.

Railroad Abandonments

Indiana has lost over 2,000 miles of rail line since 1968. From a total of 6,594 miles in 1968, the state now has 4,407 miles of mainline track. Peak years of mileage loss were 1982 and 1976 when 327 and 312 miles of track were lost, respectively. Over 200 miles of track were also lost in 1973 and 1979. Since 1982 the rate of rail loss has slowed down noticeably. During the last five years the average loss has been approximately 50 miles. **Table 2** on the following page shows Indiana's rail mileage abandonments since 1974.

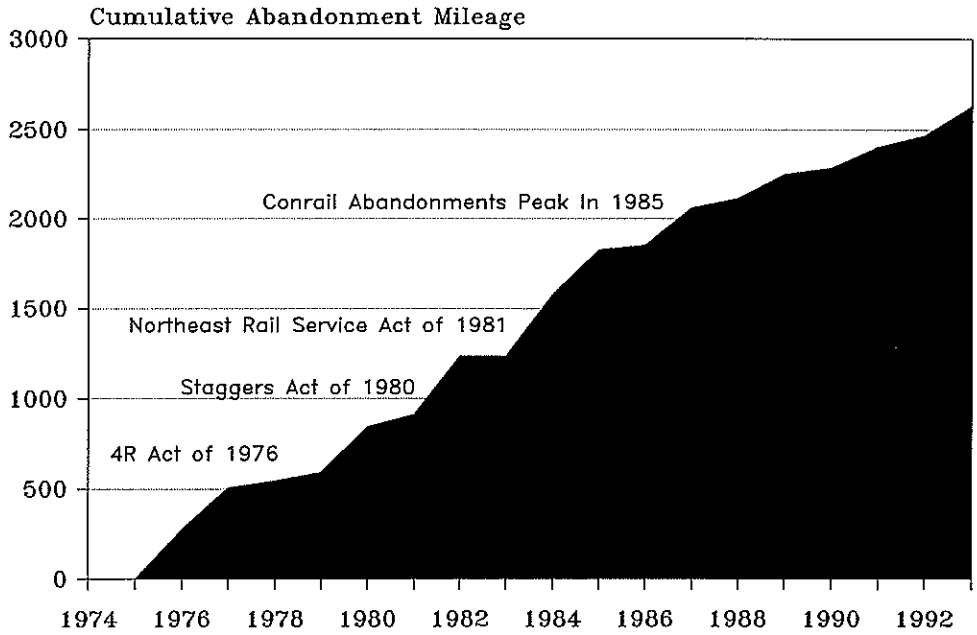
State and Federal Funding of Rail Projects

Legislation and Programs

There are three (3) types of assistance that are available to railroads in Indiana. These include loans from the Industrial Rail Service Fund (IRSF), grants to municipal port authorities from the IRSF, and grants from the Federal Railroad Administration's Local Rail Freight Assistance (LRFA) program. The IRSF is a fund that is generated through an annual allocation of 0.04% of the State sales tax.

Figure 1

Indiana Railroad Abandonments



Source: INDOT, Planning Division, 1994.

Table 2

Indiana Rail Abandonment Mileage

Calendar Year	Abandoned Miles	Cumulative Total
1974	0.96	0.96
1975	0.00	0.96
1976	274.78	275.74
1977	230.74	506.48
1978	37.50	543.98
1979	47.25	591.23
1980	251.64	842.87
1981	67.61	910.48
1982	324.20	1,234.68
1983	0.18	1,234.86
1984	342.81	1,577.67
1985	250.30	1,827.37
1986	24.37	1,852.34
1987	209.58	2,061.92
1988	53.80	2,115.72
1989	133.05	2,248.77
1990	38.10	2,286.87
1991	114.52	2,401.39
1992	64.23	2,465.62
1993	165.08	2,630.70

Source: INDOT, Intermodal Division-Rail Section, 1994.

The majority of legislation dealing with railroads is found in Chapter 8, Articles 3-9, of the Indiana Code. The Rail Division of the Indiana Department of Transportation is responsible for assuring that this legislation is enforced and for promoting the state's goal of maintaining a stable and effective rail transportation network. Responsibilities include supervising the inventory of grade crossings, considering less-than-legal dimensional constraints for approval, considering new grade crossing applications, and enforcing general track maintenance responsibilities, unobstructed view ordinances and the like. A grade crossing improvement fund (GCIF) has also been created to help local communities pay for their share of grade crossing improvements. Currently, this fund is completely allocated. If the assistance program is to continue, it will be necessary for the legislature to approve additional funds.

The Rail Section also maintains the Industrial Rail Service Fund (IRSF) and makes decisions on how money should be loaned. Preserving rail service to communities is an essential aspect of the Rail Section's responsibilities, whether by working with shippers to prevent rail abandonments or acting as a liaison between two railroads to promote the sale of a line. The Industrial Rail Service Fund is a revolving loan fund that receives annual disbursements from the state sales tax. The fund receives 0.04% of Indiana's sales tax revenues. At current levels, this amounts to just under $1.0 million per year. Along with the incoming sales tax revenues are quarterly loan payback checks from the remaining outstanding loans. A rail preservation act was approved by the legislature, creating a mechanism with which to preserve rail right-of-way for future use. Unfortunately, no money has ever been allocated to this fund. The federal Intermodal Surface Transportation Efficiency Act (ISTEA) has allowed monies to be used for preservation of abandoned rail corridors for continued public transportation uses.

Industrial Rail Service Fund

The Industrial Rail Service Fund (IRSF) is a state program designed to retain business and promote development through the preservation of lower density rail lines. The IRSF was established by the General Assembly to provide low interest loans to Class III railroads and municipal port authorities for the rehabilitation or purchase of lines.

The IRSF was amended by the Indiana General Assembly in 1985 to include grants for railroad-highway demonstration projects involving the relocation of rail lines out of a central city. It was also amended in 1991 to allow monies from the fund to be used for attending high speed rail conferences and in 1992 to assist in studying and pursuing implementation of a new Chicago to Florida Amtrak route through Indiana. In 1993, the State Legislature approved a

bill allowing monies from the Fund to be granted to municipally owned or operated Port Authorities. To date, approximately $10.3 million has been loaned or granted through the fund.

Table 3 identifies all rail projects that have benefited from the use of the IRSF. Besides the general loan procedure used for track rehabilitation and track purchase, the money has also been used in grant form for assistance with a rail relocation project in Lafayette.

Local Rail Freight Assistance

The Local Rail Freight Assistance (LRFA) Program is administered by the Federal Railroad Administration. The amount of funding for this program depends on the amount of money allocated for it in the congressionally passed transportation budget. Railroads must apply to the state for LRFA monies. The state in turn applies to the FRA to receive money for potential railroad rehabilitation projects. The applications for assistance monies must be based on a benefit/cost analysis for each project and must also be recommended as part of the state's rail planning activities.

Table 3

Indiana's Industrial Rail Service Fund Projects

Railroad	Year	Loan Amount	Description
Hillsdale County Rail Co.	1982	$ 250,000	Purchase Track
Tippecanoe Railroad	1983	800,000	Purchase Track
Benton Central Railroad	1984	210,000	Purchase Track
Indiana Hi-Rail Corp.	1987	192,000	Rehabilitate Track
Indiana & Ohio Railroad	1987	260,000	Purchase Track
Shelby Co. Port Authority	1985	756,272	Rehabilitate Track
Indiana Hi-Rail Corp.	1989	547,358	Rehabilitate Track
Kankakee, Beaverville & So.	1990	1,000,000	Purchase Track
Hillsdale County Railroad	1991	216,540	Rehabilitate Track
Indiana Hi-Rail	1992	100,000	Rehabilitate Track
Pigeon River Railway Co.	1992	131,000	Purchase Track
Central Railroad	1992	400,000	Rehabilitate Track
Indiana & Ohio Railroad	1992	508,000	Rehabilitate Track
Honey Creek Railroad	1993	200,000	Purchase & Rehab.
Kankakee, Beaverville & So.	1993	400,000	Rehabilitate Track
Indiana Northeastern	1993	216,800	Rehabilitate Track
Winamac Southern	1994	800,000	Purchase Track
Total Project Loans		$6,987,970	

Source: INDOT, Intermodal Division-Rail Section, 1994.

Table 4 shown below lists all projects that have received funding from the Federal Railroad Administration's Local Rail Freight Assistance program.

Table 4

Indiana's Local Rail Freight Assistance Projects

Railroad	Year	Loan Amount	Description
Hillsdale County Rail Co.	1983	$ 136,146	Rehabilitation
Central Indiana & Western	1985	180,770	Rehabilitation
Indiana Hi-Rail Corp.	1986	335,250	Rehabilitation
Conrail	1985	1,200,000	Rehabilitation
SOO Line Railroad	1986	243,812	Rehabilitation
Illinois Central	1987	4,473,416	Rehabilitation
The Indiana Rail Road	1987	326,838	Rehabilitation
Indiana Hi-Rail Corp.	1987	328,575	Rehabilitation
The Indiana Rail Road	1989	500,000	Rehabilitation
Indiana Northeastern RR	1993	511,276	Rehabilitation
Madison Railroad	1994	471,140	Rehabilitation
Toledo, Peoria & Western	1994	279,224	Rehabilitation
Total Project Loans		$8,986,447	

Source: INDOT, Intermodal Division-Rail Section, 1994.

Planning Entitlement

Along with the LRFA discretionary monies listed above, the state is also eligible to receive annual entitlement funds for planning. This annually amounts to $36,000. Indiana has received these entitlement funds each year they have been available and uses it for its rail planning activities.

ANALYSIS OF FUTURE CONDITIONS

Commodity Flow Analysis

A commodity flow analysis study is currently being completed under a consulting services agreement with Indiana University. The results of the study will be included in the upcoming *1995 Indiana Rail Plan Update*. The commodity flow study will address freight movements originating or terminating in Indiana. Interstate freight movements will be included. Among the commodities to be examined are:

1. Primary metals and metal products;
2. Farm Products;
3. Coal, and;
4. Chemicals.

Preservation of Transportation Corridors

The Indiana Department of Transportation has established an advisory group to examine potential future use for rail corridors that are in the process of being abandoned or are likely to be abandoned in the near future. Information

about potential abandonments is provided by the railroads in their annual System Diagram Maps. These maps provide the basis for the Rail Section to do its initial analysis of line segments, determining which may have potential to continue as active rail lines, most likely through purchase by a short line railroad. Other transportation options are also reviewed, such as a need to widen adjacent highway corridors or to develop the right-of-way for commuter or intercity passenger rail operations.

If none of these transportation options seem viable, other non-motorized transportation possibilities will also be examined. For example pedestrian or bicycle use of the right-of-way might be considered. Any corridor that is deemed unlikely to continue in active rail freight service and does not seem to offer potential for another INDOT sponsored use will be offered to the advisory group for its input. Makeup of the group includes a member of the railroad industry, a member of the Indiana Department of Natural Resources, a member representing utility interests, a representative of the Farm Bureau Co-op representing land and farming interests, a representative of the Indiana Association of Cities and Towns, a representative of local trail and greenway interests, and a representative of the Indiana Department of Transportation.

Performance Measure Development

In an effort to improve the standards and quality by which railroads receive assistance from the Indiana Department of Transportation for railroad rehabilitation, INDOT will examine opportunities to enhance the benefit /cost ratio of state sponsored projects by requiring specific performance measure thresholds. INDOT will develop the performance measures that take into account current and expected levels of freight service, derived benefit from the state sponsored project, track condition, and other variables which may ultimately impact the cost effectiveness of a project.

High Speed Rail Development

Indiana has been involved with high speed rail planning since at least 1982 when it became the third state to join the Midwest Intercity High Speed Passenger Rail Compact. This group helps facilitate communication and cooperation between the member states. There are now seven member states including Missouri, Illinois, Indiana, Ohio, Michigan, Pennsylvania and New York. There are also two "associate member" states; Wisconsin and Minnesota. Recently, progress has been made to initiate grade crossing improvements along the Detroit to Chicago passenger rail corridor that runs through part of northwest Indiana. These improvements and crossing eliminations will help to bring trains through this corridor at increasingly fast speeds as part of an incremental

approach to bringing high speed trains to this corridor. Highway improvement funds made available to the State of Indiana from the Intermodal Surface Transportation Efficiency Act (ISTEA) are being used for these grade crossing improvements.

The Indiana Department of Transportation hosted a High Speed Rail Symposium in September of 1994. The gathering brought in representatives of many diverse interests involved in high speed rail development and allowed all sides of the issue to be thoroughly discussed. The Department will continue to follow-up on the planning recommendations that came out of the symposium and will continue to pursue additional public involvement in the planning process for high speed rail in Indiana.