



# RFI for Eastern Shore Freight Railroad P3

The Maryland Department of Transportation (MDOT) is informing industry via this Request for Information (RFI) of its intention to seek a private partner for an anticipated 40-year lease to operate, maintain, and improve approximately 92 miles of freight rail corridors on Maryland's Eastern Shore. This Public-Private Partnership (P3) aims to modernize the rail infrastructure, increase efficiency, and stimulate economic growth in the region.

The project's main objectives include:

- ensuring safe and reliable freight rail service
- attracting new customers
- increasing carload volume
- reducing or eliminating state subsidies
- providing property management services
- generating revenue to fund improvements
- shift the operational risk and responsibility to the private sector

MDOT is especially focused on the transfer of financial responsibility for the rail infrastructure improvements and ongoing maintenance to the private sector. It is anticipated that the private partner will retain revenues generated from rail operations and property usage, while also being responsible for the necessary planning and capital improvements to ensure continued freight rail operation. A private partner will be required to

obtain necessary regulatory approvals from the Surface Transportation Board (STB), and be fully responsible for all compliance with rail safety regulations from the FRA and the Maryland DLLR.

Currently, MDOT manages the corridors through a contract expiring December 31, 2025. The existing infrastructure is a mix of well-maintained sections and others in need of improvement, with some sections requiring significant capital investment to enable continued service and other sections having previously been rail-banked for the future return of rail service.

MDOT will utilize a competitive process, potentially a two-step process involving a Request for Qualification (RFQ) followed by a Request for Proposal (RFP) issued to the shortlisted teams. No more than four teams will be considered.

► **One-on-One meeting requests due April 9, 2025**

► **RFI responses due April 14, 2025**

**REVIEW THE RFI**

[mdot.maryland.gov/freightrailp3](https://mdot.maryland.gov/freightrailp3)



One-on-one meetings for interested parties to discuss the RFI are anticipated to take place April 14-25, 2025 with an RFQ expected to be released in May 2025. The target operating start date is January 1, 2026.

Please direct all inquiries and responses to [freightrail@mdot.maryland.gov](mailto:freightrail@mdot.maryland.gov).

