



## PERFORMANCE HIGHLIGHTS

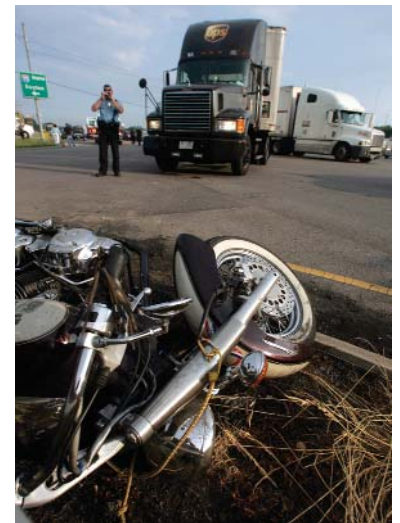
Secretary Norman Y. Mineta is committed to ensuring that our transportation system remains safe, secure, and efficient and that it serves as the engine that drives our Nation's economy. Because economic activity and global trade are increasing our roads, railways, pipelines, public transit systems, airways, and waterways are experiencing unprecedented growth in demand.

This Administration is working to ensure that our transportation system has the capacity to accommodate the needs of a growing and prosperous America. Below we present the highlights of our Fiscal Year (FY) 2005 results in our five strategic areas: safety, mobility, global connectivity, environmental stewardship, and security. We also present our internal organizational achievements that enhance DOT's performance as a results-driven Federal agency.

### SAFETY

Transportation makes possible the movement of people and goods fueling our economy and improving our quality of life. At the same time, transportation exposes us to the risk of harm. While we have made progress in making all modes of transportation safer, the Department's top priority and central focus remains improving safety. All modes of transportation have a share in achieving our strategic safety objective: *Enhance public health and safety by working toward the elimination of transportation-related deaths and injuries.*

Although we have more work to do to meet our aggressive performance targets, we can report results in several areas this year that are the best since record keeping began. The highway fatality rate reported in FY 2005 was the lowest in 30 years. The early estimate of the fatality rate per 100 million vehicle-miles traveled shows a decline to an estimated value of 1.43, below 1.50 for the third consecutive year. The total number of fatalities also declined, reversing a six-year trend, to 42,643 fatalities. The number of crash related injuries dropped to a historic low. The early estimates for the large truck-involved fatality rate show a slight increase over last year's due to the increase in number of miles traveled and number of large trucks on the road. Safety belt use reached a historic high of 82% in 2005. In addition, all 50 States, the District of Columbia, and Puerto Rico have contributed to highway safety by lowering the legal threshold for impaired driving to 0.08 blood alcohol concentration, contributing to a 2.4% decrease in the alcohol-related fatality rate.



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In aviation, DOT achieved the lowest airline fatal accident rate in the history of aviation and has improved trends in reducing general aviation accidents. The FAA is currently exceeding its FY 2005 goal of reducing the airline fatal accident rate to a three-year rolling average rate of 0.023 per 100,000 departures. The actual figure of 0.017 fatal accidents per 100,000 departures translates to about one fatal accident per 5.9 million departures.



For the third year in a row, runway incursions are down. A runway incursion is “any occurrence in the airport runway environment involving an aircraft, vehicle, person, or object on the ground that creates a collision hazard, or results in a loss of required separation with an aircraft taking off, intending to take off, landing, or intending to land.” (“Loss of required separation” refers to the loss of minimum safe distances between aircraft and other objects on the runway surface.)

Total rail-related accidents/incidents declined for the fourth consecutive year. Based on preliminary estimates, DOT expects to exceed the FY 2005 target of 17.14 accidents/incidents per million train miles, limiting accidents/incidents to 16.79 per million train miles. Total rail-related casualties (fatalities and injuries) fell 8.4% for the 10 month period of October 2004 to July 2005.

Transit safety continued to exceed expectations although there was a slight increase in the number of fatalities in FY 2005. FY 2005, transit fatalities increased from 0.359 to 0.492 per 100 million passenger miles traveled. Through capital investment programs, older bus and rail vehicles were replaced with newer, safer vehicles and improvements were made in track and transit facility conditions.

The leading cause of pipeline incidents is excavation damage and PHMSA promotes damage prevention in communities across the U.S. to reduce these failures. Programs in Connecticut, Georgia, Massachusetts, Minnesota, and Virginia contributed to a 30% reduction in damages following the implementation of enforcement in those States.

DOT's impressive safety performance results from targeting unsafe practices for improvement, partnering with an ever-widening group of stakeholders to leverage our resources, and fostering the use of Web-enabled and other technologies to achieve safer transportation.

## MOBILITY

Historically, the mobility that transportation provides has helped define us as a people and as a Nation. Our ability to travel from place to place allows us to connect with other people, work, school, and marketplaces throughout the United States and around the world. In partnerships with the States and private transportation providers, we have made continuous improvements in mobility as stated in our strategic objective: *Advance accessible, efficient, intermodal transportation for the movement of people and goods*. Highlights of our results are presented below.

Recent forecasts indicate that commercial aviation is rebounding. By FY 2007, air carrier, commuter, and air taxi operations are anticipated to increase approximately 12% from 2004. To manage increased air traffic, FAA continued to focus on easing congestion in eight metropolitan areas; improving overall capacity at the Nation's top 35 airports; building new runways; enhancing access to reliever airports for general aviation operations; and increasing traffic coordination and communication by using new technologies.



Mobility and accessible transportation go hand-in-hand. For our aging population and for persons with disabilities, we must be proactive to ensure their mobility and access to transportation, now and in the future. For FY 2005, DOT has met both of its performance targets measuring compliance with the Americans with Disabilities Act (ADA). An estimated 97% of bus fleets are now ADA compliant either being lift-equipped or having low floors to accommodate wheelchairs and people with limited mobility. Approximately 91% of rail stations are also ADA compliant increasing transportation access for all of our citizens.



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DOT exceeded the performance target for employment sites made accessible by Job Access and Reverse Commute (JARC) transportation services. This program successfully meets the transportation needs of low-income individuals seeking transportation to jobs and community services. JARC transportation services have reached over 82,000 employment sites, making jobs, employers, job training, and child care accessible for those citizens utilizing the program's services.

To improve the capability of the Nation's transportation system to move current and future levels of freight traffic safely and efficiently, DOT began to implement the Safe, Accountable, Flexible, and Efficient Transportation Equity Act: A Legacy for Users (SAFETEA-LU) legislation. Among the goals outlined in the legislation are; upgrading our nation's network of roads, bridges and mass transit systems; establishing a safety belt incentive program; providing financing for needed road improvements; and aiming to ease traffic congestion.

Work continued to improve the pavement condition on the Nation's highways. The performance measure that DOT uses to assess pavement condition has been revised to measure pavements with "good" rated ride quality, which is a more stringent standard than previously used. The results from this year show that 54.6% of our roads meet this higher standard, meeting the target for FY 2005. DOT adopted a more ambitious standard because our previous measurement of "acceptable" rated ride quality was consistently in the 90th percentile.

The percent of travel nationwide that is under congested conditions is estimated to be 32.1% in calendar year 2005 which meets this year's target. Although the congestion levels continue their upward trend, DOT's efforts have contributed to slowing the rate of the increase. Based on the current state of the highway system, DOT expects that the congestion levels will continue to rise if there is no significant change in transportation system capacity or existing operating practices.

## **GLOBAL CONNECTIVITY**

Transportation systems within and among nations are lifelines to economic growth, to freer trade, and greater cultural exchange. A domestic and international intermodal approach is central to DOT's role in promoting global connectivity. Our strategies to address transportation in the global economy have two prongs. One is directed toward opening international transportation markets and the other is directed toward the improvement of essential, intermodal transportation linkages.





Supporting economic growth is a fundamental purpose of our transportation network. Transportation facilitates distribution of goods and creates economic value for the producer. Our strategic objective: *Facilitate a more efficient domestic and global transportation system that enables economic growth and development*, concerns the efficiency of transportation, an important part of our competitive edge in global trade.

In an effort to open more international transportation markets, the Department continues to negotiate “open skies” agreements with other countries. An open skies agreement is another term for a bilateral agreement that lets passenger demand and market conditions, not government regulations, determine landing and departure schedules. In FY 2005, DOT conducted 25 rounds of negotiations, some of which resulted in new open skies agreements with the following six countries: Ethiopia, India, Maldives, Paraguay, Thailand, and Uruguay. Through FY 2005, DOT has negotiated bilateral open skies agreements with 69 countries.

As a result of open skies agreements, more people from around the world have access to better quality, lower priced, more competitive air service. With the new agreements negotiated this year, DOT exceeded its target by providing 2.97 billion potential air transportation consumers the opportunity to travel between the United States and countries with open skies agreements.



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Since 1997, the St. Lawrence Seaway Development Corporation (SLSDC) has joined with its Canadian counterpart, the St. Lawrence Seaway Management Corporation, as well as the U.S. and Canadian Coast Guards, to institute a joint boarding program for the foreign vessels that use the Seaway. In FY 2005, the SLSDC continued this program by inspecting 100% of all ocean vessels in Montreal. This improved inspection regime has saved vessels, on average, four hours per transit and ensured that any safety, security, or environmental issues are addressed prior to entering U.S. waters.

SLSDC met its performance target to have the U.S. portion of the Seaway available 99% of the time during the shipping season (frozen rivers and lake conditions prevent shipping during parts of the winter). As a result, delays were reduced and ocean carriers using the Seaway saved more than \$500,000 in operating costs during FY 2005.

## ENVIRONMENTAL STEWARDSHIP

While transportation ties us together as a Nation, it can also produce unwanted side effects such as air and water pollution, the loss of ecosystems and disruption of communities. Americans want solutions to transportation problems that are consistent with sound environmental planning. DOT is committed to avoiding or mitigating the adverse environmental effects that can accompany transportation as stated in our strategic objective: *Promote transportation solutions that enhance communities and protect the natural and built environment*. Highlights of our results follow.

Once again, DOT exceeded its target of creating/replacing at least 1.5 acres of wetlands for every acre affected by Federal-aid Highway projects, achieving a ratio of 2.4 to 1 in FY 2005. Federal-aid projects nationwide provided 1,814 acres of compensatory mitigation. A leader in expanding the use of wetland banking and sponsoring wetland research, DOT is proud of its eight year track record of exceeding the target. In a demonstration of commitment to environmental stewardship and ecosystem conservation,



DOT recognized eight new Exemplary Ecosystem Initiatives (EIs), exceeding its target of designating two additional projects in the year. EIs are reducing habitat fragmentation and barriers to animal movement, encouraging the development of more sustainable mitigation sites, stimulating early ecosystem planning, and fostering ecosystem-based research.

The Maritime Administration (MARAD) has more than 100 obsolete and deteriorating ships awaiting disposal that pose potentially costly environmental threats to the waterways near where they are stored. Due to legal, financial, and regulatory factors that have complicated the disposal effort, MARAD is behind the congressionally mandated disposal schedule. However, in FY 2005, MARAD removed 18 obsolete ships that posed potential environmental hazards at its three fleet sites and dismantled 13 additional ships.

## SECURITY

Our transportation system must remain a vital link for mobilizing our armed forces for military contingencies and for supporting civilian emergency response. Examples of our achievements under our strategic objective: *Balance homeland and National security transportation requirements with the mobility needs of the Nation for personal travel and commerce*, are described below.

DOT provided sealift capacity to the Department of Defense (DoD) in support of Operation Iraqi Freedom during the redeployment phase of the war using 58 Ready Reserve Force vessels, an increase of 37 vessels over FY 2004.

DoD, in conjunction with the DOT's Maritime Administration negotiates an agreement with each strategic port specifying which facilities will be needed to conduct a military deployment. DOT met a performance target by achieving 95% shipping capacity within mobilization timelines. However, we did not meet our 93% availability target due to commercial congestion at two of the strategic ports. The ports are expected to make their facilities available to the military within 48 hours of notification.

## ORGANIZATIONAL EXCELLENCE

Secretary Mineta understands that a culture of foresight and continuous improvement is essential to achieving our strategic objectives. We have put this into practice as evidenced by DOT's achieving the Office of Management and Budget's "green" rating for four of the five government-wide President's Management Agenda (PMA) initiatives.

DOT's Inspector General released the annual report on the Department's consolidated financial statements, for which we were issued an unqualified audit opinion for the fifth consecutive year. Consolidated financial statements show how the Department is accountable for budgetary resources, provided by American taxpayers for Federal transportation activities. Individual audits were also conducted for the Aviation and Highway Trust Funds, which both received unqualified opinions.

DOT continues its stewardship of taxpayer monies through its management of large transportation projects (over \$1 billion in total cost). Project financial plans are approved at the Department-level and reviewed yearly to track any significant cost and schedule deviations. Areas of program risk are identified earlier so that managers can implement the necessary changes in a timely fashion. Last year, FTA's *New Starts* transit program began using a quantitative risk assessment tool to incorporate risk factors into program management planning, thus enhancing our ability to ensure that transit projects meet cost,



schedule, and transportation benefit expectations. This year, with implementation of the risk assessment tool, all large transit projects are within 10% of cost estimates. The tool has provided improved project execution trend assessments and helped managers track the impact of their mitigation efforts.

To ensure a secure infrastructure, DOT has certified and accredited 85% of its information technology (IT) systems. This provides management with an acceptable level of assurance that all systems either meet a minimum level of baseline requirements or have plans of action and milestones to mitigate any remaining risks. A continuous vulnerability scanning program has been implemented Department-wide.

## RESPONDING TO NATURAL DISASTERS

The National Response Plan (NRP) designates DOT as the lead support agency to the Department of Homeland Security/Federal Emergency Management Agency (FEMA) for transportation-related emergency support and recovery efforts from damage due to an event like Hurricane Katrina. In the aftermath of Hurricane Katrina, DOT oversees Federal infrastructure programs which support the rebuilding of highway, bridge, and airport assets. The FHWA and FAA administer our largest relief programs, the Emergency Relief program, which provides reimbursement to States for expenses related to highway infrastructure damage, and the Airport Improvement Program (AIP), which helps rebuild airport infrastructure.

Specifically, DOT provided \$5 million in immediate relief funds to begin repairs to the I-10 Twin Span Bridge which connects New Orleans and Slidell, Louisiana. DOT released \$5 million in immediate emergency relief funds to the Mississippi Department of Transportation to reimburse the State for repairs to U.S. 90, I-10, and other Federally funded roads and bridges. DOT announced a grant of \$15.2 million to repair and rebuild airfield lighting, fencing, and other security systems damaged at Louis Armstrong New Orleans International Airport. DOT has issued a \$1.6 million grant for terminal repairs and airfield lighting at Gulfport-Biloxi International Airport.

DOT also uses its expertise in other modes of transportation to help port authorities, transit agencies, and private rail and pipeline operators assess damage to their infrastructure, identify specific needs, and restore service to their customers. When electrical damage resulting from Hurricane Katrina shut down the Colonial and Plantation pipelines (the only major source of gasoline, jet and diesel fuel for the southeast United States), the Pipeline and Hazardous Materials Safety Administration (PHMSA) immediately took action. In order to restore service as quickly as possible, PHMSA approved the manual operation of pipeline facility controls to provide for a “low-tech”, 1950s style configuration for both pipelines. PHMSA then deployed inspectors to each rural pumping station along the Alabama to Maryland route to assure the safety of these operations. Within four days of Katrina making landfall and the Department’s engagement, the Colonial and Plantation pipelines were operating at 50% capacity. Approximately three days later, they were at 100 percent. Ninety-five percent of the Nation’s refining capacity was restored within ten days after Katrina hit, and we are once again seeing 100% flow of gasoline, diesel, and jet fuel throughout the country.



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The Department has also worked closely with the two largest transit agencies affected by Katrina—in New Orleans and Baton Rouge—to secure \$47 million in FEMA Public Assistance Funds for emergency transit services. These funds will give evacuees in Baton Rouge access to vital social services, jobs, and medical care, and help returning residents of New Orleans reclaim their city.

In response to Hurricane Katrina, we have provided 11,377 trucks to FEMA in order to move 14,097 truckloads of goods. Over 1,350 buses and 15 helicopters were mobilized to support the evacuation and to assist in the response. We have delivered over 19 million meals ready-to-eat, 25 million liters of water, 13 million pounds of ice, 11,000 power units, and 2,000 mobile homes.