

**PANEL II: INTERCITY RAIL, MASS TRANSIT AND REGIONAL
INTERCONNECTEDNESS IN 2056**
(Wednesday, November 15TH 3:30 – 5 p.m.)

- **DREW GALLOWAY**, Chief, Corridor Development and Project Planning Planning and Analysis Department, Amtrak
- **DAVID KING**, General Manager, Triangle Transit Authority
- **D.C. AGRAWAL**, Assistant Executive Director for Corporate Strategy, Policy, and Contracts, NJ TRANSIT
- **H. JAMES BOICE**, Deputy Commissioner, Connecticut Department of Transportation

DREW GALLOWAY
Chief, Corridor Development and Project Planning,
Planning and Analysis Department
Amtrak

**PANEL II: INTERCITY RAIL, MASS TRANSIT AND REGIONAL
INTERCONNECTEDNESS IN 2056**

DREW GALLOWAY
Chief, Corridor Development and Project Planning
Planning and Analysis Department
Amtrak

As Chief of Corridor Development and Project Planning in Amtrak's Planning and Analysis Department, Drew Galloway has national responsibility for the formation of Amtrak policies guiding rail corridor development and technical implementation support. He is co-managing development of a new Northeast Corridor Master Plan process and as well as uniform cost allocation procedures for all users. He also provides program oversight for the implementation of major projects, such as the recently inaugurated \$145 million *Keystone Corridor Improvement Program* (jointly funded by Amtrak and Pennsylvania), LIRR's *East Side Access Project* and NJ TRANSIT's *Access to the Region's Core* project.

Drew is assisting the states of Louisiana, Mississippi, and Alabama restore and redevelop rail services within the Gulf States corridors. He co-chairs a collaborative effort with approximately 20 participating states to advance the procurement of a new family of corridor rolling stock that is both cost-effective and able to meet performance goals for a wide range of users.

Drew brings over thirty years railroad industry experience to his current position -- beginning with checking cars in an intermodal yard for the Lehigh Valley Railroad. He previously worked with Amtrak in the 1970's during the formation of Conrail and Amtrak's assumption of the Northeast Corridor improvement program, and later on the NEC electrification program. He has conducted planning studies for the NEC and various rail corridors around the country. Drew also worked with NJ TRANSIT, serving as Director of Rail Services Planning, where he was involved in designing services for a number of rail initiatives, including the Newark Airport Station, and Secaucus Transfer Station.

Drew has an economics degree from Niagara University and is a member in several professional organizations.

THE NORTHEAST CORRIDOR and Regional Interconnectedness

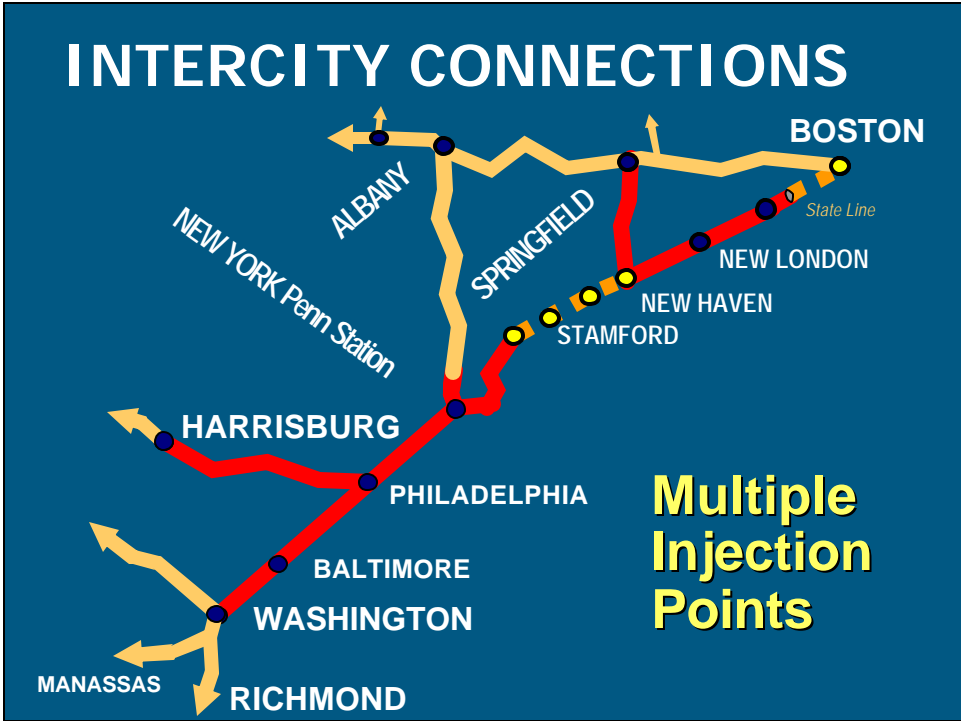
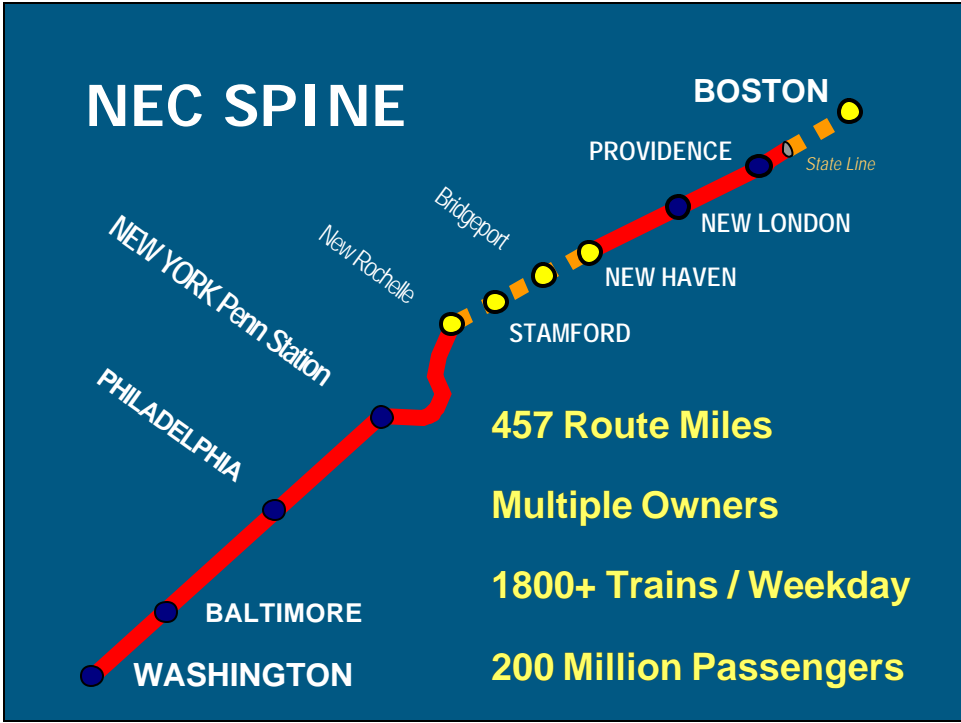
National Surface Transportation Policy and
Revenue Study Commission
New York City Field Hearing
November 15, 2006

DREW GALLOWAY

Chief, Corridor Development

Amtrak Planning and Analysis Dept.

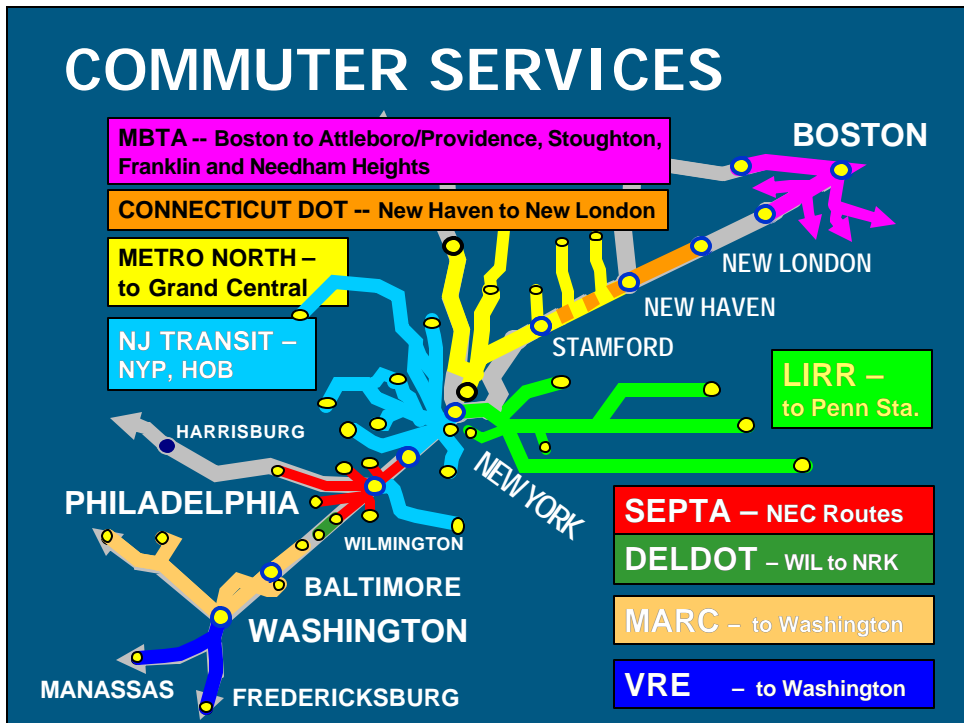




MAJOR FREIGHT FLOWS



COMMUTER SERVICES



HISTORICAL PERSPECTIVE

**NEC
REGIONAL
NETWORK**



SUCCESS IS EVIDENT

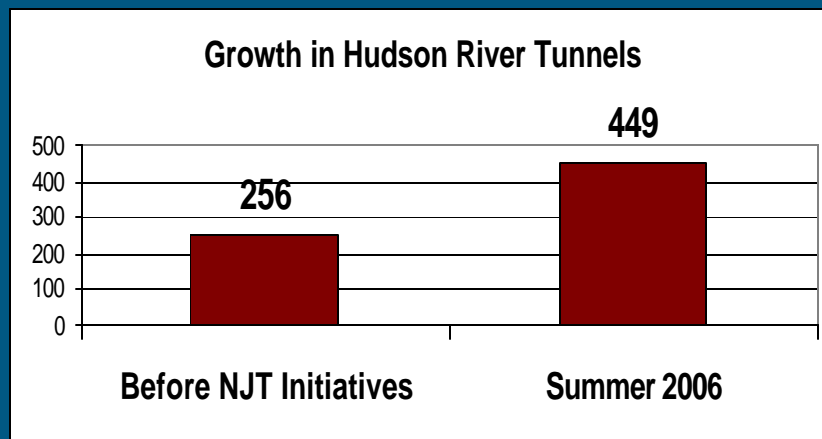
**It Can Be Measured
In Terms Of**

ASTOUNDING GROWTH

- **MBTA** – Old Colony , Worcester Svc
- **CONNDOT** – Shore Line East Service
- **METRO NORTH**– Poughkeepsie, Wassaic Svc.
- **LIRR** – West Side Yd., Ronkonkoma Svc.
- **NJ TRANSIT** – New Initiatives, Atlantic City Line
- **SEPTA** – Center City Subway Tunnel, Airport Line
- **DELDOT** – Newark Service
- **MARC** – Penn Line Expansion, Frederick Service
- **VRE** – Inauguration of service
- **Amtrak** – New England Electrification, HSR

CHANGE IN TRAFFIC VOLUME

Weekday Trips



MORE TO COME

- **MBTA** – Fall River, New Bedford Service
- **RIDOT** – TF Green, Wickford Jct. Service
- **CONNDOT** – Hartford Commuter Service
- **METRO NORTH**– Hell Gate, Westside Services
- **LIRR** – East Side Access Project
- **NJ TRANSIT** – Access to the Region’s Core
- **SEPTA** – Schuylkill Valley, SilverLiner Vs
- **DELDOT** – Newark Service Expansion
- **MARC** – East Baltimore, Run-Thru Service
- **VRE** – Service Expansion West of Manassas

OTHER REGIONAL EXAMPLES



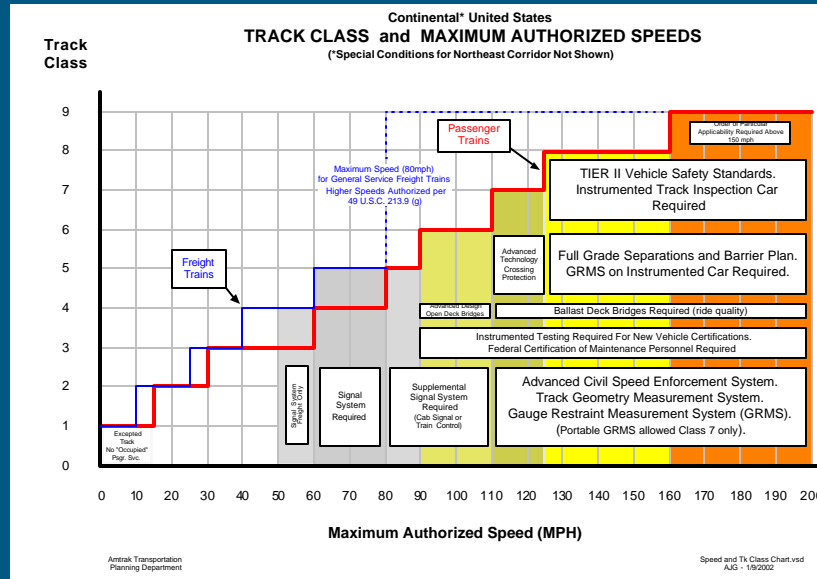
Broad-Scale Interconnectivity

CHALLENGES

OPERATING CONSTRAINTS

- ***Capacity and Demand are Not Distributed Equally***
 - Time-of-Day Peaks
 - Speed Profiles (HSR vs Commuter vs freight)
 - “Choke Points”
- **Maintenance**
 - including “Back log”
- **New Construction**
 - Resources (skilled labor and track time)
 - Indemnity / Liability

UNIQUE NEC REQUIREMENTS



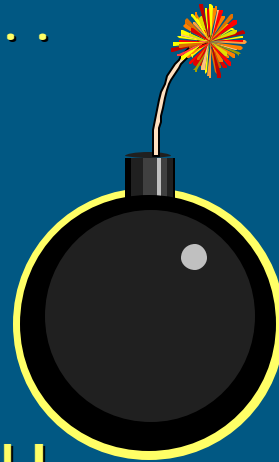
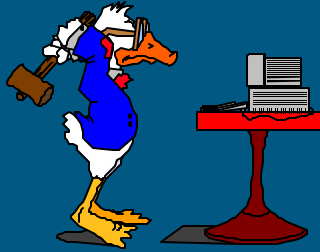
Amtrak Roles / Responsibilities

- Honor Schedule / Operating Agreements
- NEC Master Plan
 - Intercity Service Business Plan
 - Master Facilities Plan (including freight)
 - State of Good Repair
 - Capacity Projects
 - Trip Time Projects
 - Steering Committee Actions
- NEC Costing / Pricing / Scheduling Policies



WE ARE ALL CONNECTED

FOR EVERY ACTION . . .



THERE IS A REACTION !

DAVID KING
General Manager
Triangle Transit Authority

**PANEL II: INTERCITY RAIL, MASS TRANSIT AND REGIONAL
INTERCONNECTEDNESS IN 2056**

**DAVID KING
General Manager
Triangle Transit Authority**

David King joined Triangle Transit Authority (TTA) as its interim General Manager in October 2006. Prior to joining TTA, King had a 33-year career with the North Carolina Department of Transportation. As Deputy Secretary, Mr. King was responsible for the department's five multimodal divisions, including the Public Transportation Division and the Rail Division.

Under David King's leadership, the Rail Division worked to begin daily service on the Amtrak Carolinian between Charlotte and New York and the Amtrak Piedmont between Charlotte and Raleigh. King signed the first state full-funding grant agreement with a transit agency in North Carolina and helped launch the North Carolina Station Improvement Program, which used federal transportation enhancement funds to rehabilitate passenger stations with historic significance.

Mr. King is on the board of Reconnecting America, an organization working to redefine national policies on intercity travel for a convenient, secure, financially viable and sustainable network. He has also served as Chair of the States for Passenger Rail Coalition, a 25-state organization working for improved rail passenger service.

King's additional past involvements include the Transportation Research Board Strategic Transportation Research Study for Transit.

He received his BA degree in Economics at Davidson College and his MBA from the University of North Carolina at Chapel Hill.

National Surface Transportation Policy and Revenue Study Commission
New York City Field Hearing
November 15, 2006

Testimony: David D. King

On behalf of the Triangle Transit Authority, I appreciate this opportunity to provide comments on surface transportation policy at this field hearing.

My observations and suggestions fall into three categories:

1. Integration of Rail Transportation into National Transportation Policy
2. Regional Rail Corridor Development
3. The Need for a Federal Partner for States, Regional and Local Transportation Agencies in Capital Funding for Rail

Integration of Rail Transportation

Past attempts to develop a comprehensive national surface transportation policy have always fallen somewhat short on the issue of rail transportation. The most obvious reason for this shortcoming is the independence of our rail industry and its historic reluctance to engage with the public sector for fear of government intrusion. Given the reality of the global economy and the pressure which that global logistics network is placing on our nation's ability to move freight, and given the need for railroad corridors to be more available for passenger and freight movements, we are well past the time when rail can be given less than complete consideration in national transportation policy. While attention must be paid to the risk of inefficiencies being introduced into the railroad business model through government funding programs, I believe that the rewards heavily outweigh the risks. The public sector and the rail industry must collaborate more effectively on mutually beneficial approaches to adding rail capacity so that more of the staggering growth in freight can be handled by rail and more of the demand for local, regional and intercity mobility can be handled in rail corridors. The impressive amount of planning and dialogue which is currently underway around the country suffers from a lack of policy context as well as supportive funding programs.

Regional Rail Corridors

The primary job of state, regional and local transportation agencies is to build and maintain a safe, secure, efficient and environmentally sound transportation system. While our main focus is on delivering, maintaining and, in some cases, operating multi-billion dollar highway and transit programs, we recognize the important role that intercity

passenger rail must play if we are to provide our customers with a truly efficient and integrated transportation system.

The majority of states are active in planning and/or participating in the operational costs of intercity rail services in corridors deemed to be of strategic importance. Many of these states also have active capital improvement programs to improve capacity, speed, reliability, safety and station facilities in these corridors.

As can be seen from the map of state-identified regional rail corridors, and from a second map which projects population growth in 2056, these corridors are the appropriate corridors for attention. Highway and air capacity alone simply cannot deal with the passenger and freight pressure represented by these obvious demographic trends.

The maps also illustrate the role which Amtrak's national system play in connecting the regional corridors. Development of the regional corridors will have a dramatic effect on ridership on the national system. An example of this synergy comes from USDOT's September 1997 report to Congress entitled High Speed Ground Transportation for America which concluded that building the Southeast High Speed Rail Corridor from Charlotte to Washington, D.C. would increase Northeast Corridor ridership and revenues by 18%. Similar synergies could be documented for most if not all of the regional corridors.

While planning, design and, in some cases, construction has taken place across the country on these regional corridors, the overall pace of development is slow. Many states have worked with the freight rail industry to develop projects which are on the shelf or within months of let, but there are no funds nor overarching federal policy framework with which to push these projects forward.

Federal Capital Funding

The great void in the nation's ability to add rail to the toolbox of solutions for our freight and passenger mobility problems is the lack of a federal program of capital assistance. Such a program should have, at a minimum, the following characteristics:

1. It should be based on projects agreed upon by private railroads and their state, regional or local government partners.
2. Projects should seek to improve capacity for both freight and passenger services. In no case should a passenger improvement reduce freight capacity.
3. The investments of the project partners should be proportional to their benefits.
4. Liability protection for railroad companies should be addressed in the legislation which creates the funding program.

Program administration should have the following characteristics:

1. It should be flexible with a bias towards implementation.
2. It should incorporate FRA's Railroad Rehabilitation and Infrastructure Financing Program.
3. It should incorporate a third party review mechanism capable of resolving disputes about project benefits.
4. Federal requirements should be proportional to the federal share of total project cost. In other words, when federal funds make up a small portion of total project funding, federal strings should be reduced accordingly.
5. Funding should be dedicated and predictable. Rail and transit investments tend to be large and lumpy and outlays occur over many years. Careful budgeting and contract authority are required, particularly when project financing is involved. Projects that rely on annual appropriations subject to substantial fluctuations are at a severe disadvantage.

In conclusion, rail must be fully integrated into national transportation policy. A number of rail corridors around the country are ripe for improvement in ways that can benefit both passenger and freight movement, and the missing catalyst for the development of these corridors is federal capital funding. The benefits of such a federal program have been well articulated, and probably understated, for a number of years. It is time to act.

Attachment (map)

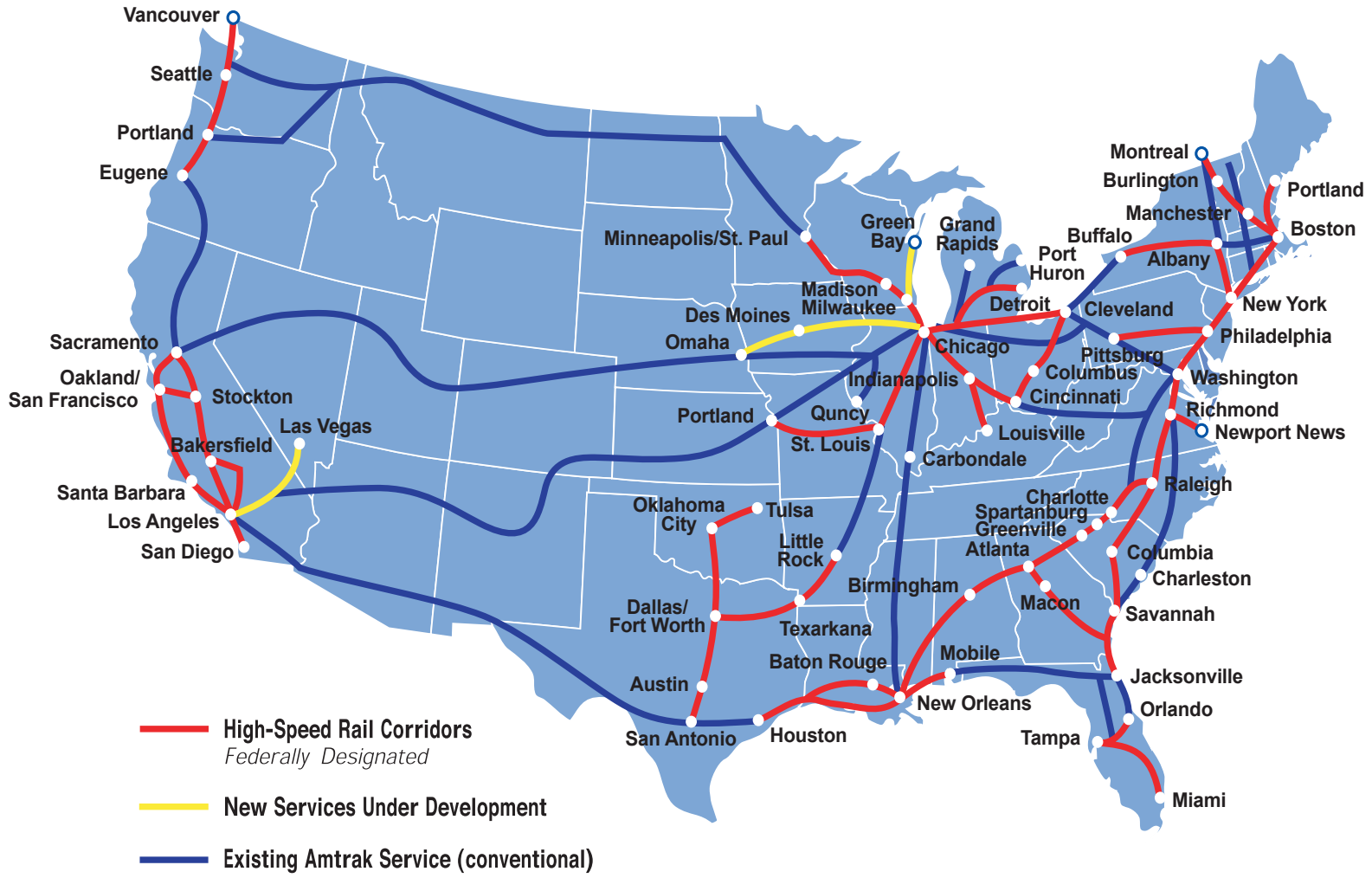
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States for Passenger Rail Coalition

Intercity Passenger Rail Network



ADDENDUM

National Surface Transportation Policy and Revenue Study Commission New York City Field Hearing November 15, 2006

Testimony: David D. King

Historically, major local and regional transit initiatives pursue the FTA “New Starts” program as the primary (potential) source of federal funds. This program, which once provided 80% of the capital costs of new or extended transit corridors, now typically supplies roughly 50% of capital costs for successful projects.

A central concern of many transit agencies in this country is that becoming a successful project (defined as being awarded a Federal Full Funding Grant Agreement or FFGA) is an arduous, expensive and very time-consuming process, with very uncertain outcomes. Furthermore, projects which undertake the New Starts journey, the holy grail of urban transit, are subject to administratively imposed rule, process and guidance changes en route, witness the so-called “cost-effectiveness” criteria imposed recently. These criteria are purportedly in place to assure that project costs and benefits are well matched. Their true effect, however, has been to both reduce the flow of projects through the New Starts pipeline to a trickle and to discourage potential new starts from even beginning the journey.

As a result, urban congestion continues to worsen across the country with the predictable impacts on quality of life, safety, health, air quality, energy consumption, and urban forms. The modeling process through which cost effectiveness is determined has become so complex, arcane, counterintuitive and convoluted as to defy reasonable explanation to policymakers and the public. Modeling results are driven by assumptions, imposed by FTA, which are subject to much debate. FTA’s process gives inadequate credit to projects which involve innovation, private participation, multiple funding sources, and a lower federal funding share. It is a process that seems designed to insure no federal major transit initiatives, particularly in those communities which are not currently affected with drastic levels of congestion but are clearly on a path which will lead to choking levels of congestion. As a consequence, the number of federal New Starts projects which are truly new starts for their communities has been very low for the last few years.

There has to be a better way. Here is a modest proposal for FTA: Find A Way To Say Yes.

Some guiding principles:

1. Develop a modeling process which can be explained to the public and its elected leaders, one that produces results which make sense, and one that can lead to early and timely project approvals.
2. Reward projects which require smaller ratios of federal participation. The lower the federal share, the higher the priority.
3. Reward projects which are innovative on both land use and financing.
4. Reward projects which feature concrete proposals to positively impact land use and transit-oriented development.
5. Reward projects which clearly incorporate lessons learned from transit initiatives elsewhere.
6. Remove New Starts criteria biases which push communities into evermore destructive levels of congestion before “cost effectiveness” can be achieved. A good example of this is the FTA’s suspension of allowance of a modal constant for true New Starts while allowing use of such a constant by communities which already have rail.
7. Recognize that many increasingly urbanized regions need to be served. These regions have different demographics and patterns from traditional center cities with clearly-defined radial corridors. The multi-nucleated urban region is a fast growing slice of America’s urban landscape.

The Federal Transit Administration should be tasked with developing a new transit capital delivery system which is responsive to the considerations listed above. Organizations like the American Public Transportation Association and the development community should be made partners in this development work.

The product of this work would advance multiple goals:

1. Urban transportation policy and growth management;
2. Health policy, particularly air quality;
3. Energy policy; and
4. Sustainability and quality of life

While devising the perfect federal transit capital investment strategy will be very difficult work, improving the current system should not be difficult at all.

D.C. AGRAWAL
Assistant Executive Director for Corporate
Strategy, Policy, and Contracts
NJ TRANSIT

**PANEL II: INTERCITY RAIL, MASS TRANSIT AND REGIONAL
INTERCONNECTEDNESS IN 2056**

D.C. AGRAWAL

**Assistant Executive Director for Corporate Strategy, Policy, and Contracts
New Jersey Transit**

D. C. Agrawal currently serves with NJ TRANSIT as Assistant Executive Director for Corporate Strategy, Policy, and Contracts. He has more than 35 years experience in public transportation and commuter railroad services having worked with SEPTA, New Jersey DOT and NJ TRANSIT.

At NJ TRANSIT he manages NJ TRANSIT's relationship with Amtrak, Metro-North, Conrail, Norfolk Southern, CSX and other railroads. He is responsible for negotiating and implementing all service, capital construction and other contracts with these railroads. He is responsible for over \$150 million per year in payments under such contracts.

DC is also responsible for NJ TRANSIT'S federal legislative and regulatory matters including dealings with FRA, US Coast Guard and DHS. He was actively involved in New Jersey Transit's establishment in 1979, and then in the establishment in 1983 of NJ TRANSIT Rail Operations to take over Conrail's commuter rail services in New Jersey.

Mr. Agrawal has a Bachelor's degree in Mechanical Engineering from IIT Bombay and a Masters in Operations Research and Economics from North Carolina State University. He has also attended University of Pennsylvania's Wharton School's Effective Executive management program. He is a member of NHCRP and TCRP research panels. He has published articles in professional transportation journals and has made presentations at APTA and Railway Age conferences.

**Mobility for the Northeast / New York-New Jersey Region
Intercity Rail, Mass Transit and Regional
Interconnectedness**

**D. C. Agrawal
Assistant Executive Director
Corporate Strategy, Policy, & Contracts
NJ TRANSIT Corporation**

**NATIONAL SURFACE TRANSPORTATION POLICY &
REVENUE STUDY COMMISSION**

New York City Field Hearing

November 15, 2006

Mobility for the Northeast / New York-New Jersey Region **Intercity rail, Mass transit and Regional Interconnectedness**

D.C. Agrawal
NJ TRANSIT Corporation

Last month, America's population topped 300 million, and is expected to grow another 40 percent or 120 million by 2050.

The overwhelming share of that growth will occur in 10 Mega regions throughout the country.

The Northeast Mega region from Washington, DC to Boston, with New York – New Jersey - Philadelphia at its core, already supports nearly one in five Americans, and generates 20 percent of the nation's gross domestic product. In fact, if the 13 states of this region were a country, this region's two trillion dollar economy would constitute the fourth largest economy in the world, just behind the entire U.S., the European Union, and Japan.

If we are to maintain and expand our economic competitiveness, preserve our standard of living, protect the environment, and provide real transportation choices for our citizens, we need to take immediate actions to ensure effective and efficient mobility for all the cities, suburban and ex-urban areas that make up the Northeast region.

If we do not take action, the Northeast will be confronting paralysis and gridlock in proportions that far exceed those which we experience today. Not only will this region's economy be hurt, but it will also put a drag on U.S. economic growth.

Surface Transportation needs differ from state-to-state and region-to-region. What this region needs, in addition to the basic transportation systems to support goods movement, are 21st century passenger transportation systems which can not only move safely and reliably today's 60 million people, but also the additional 25 million plus by 2050.

The current roadway, railway, mass transit and airway transportation network -- built over the last century -- is today balkanized, isolated, and constrained by historic, geographic, political, and institutional boundaries.

Much of the infrastructure our grandparents and parents built is not only aging but also now severely capacity constrained. Except for the growth of the interstate highway system, we as a nation have not made new investments in expanding our surface transportation infrastructure for quite some time. Over the last 25 years our primary efforts have been to catch up on years of deferred maintenance of our basic infrastructure. We have managed growth through a focus in extracting more efficiency out of the basic transportation infrastructure.

Today, NJ TRANSIT averages 252,000 passenger trips (126,000 people) each day on its commuter rail system, which is double the passenger trips from 1979 when NJ TRANSIT was established. To address this increased demand on the same two track railroad through the same two track rail tunnel completed in 1909 under the Hudson River, we are running up to 21 trains per hour during the peak period into Penn Station, New York – nearly 50 percent more than even 10 years ago - through operational improvements.

Similarly, the Port Authority established the Exclusive Bus Lane through the Lincoln Tunnel during the morning peak period to get more efficiency out of the highway network. This Port Authority innovation serves about 70,000 commuters every morning on approximately 1,650 NJ TRANSIT and other buses. During the peak hour, 32,000 commuters travel on 675 buses.

Today, however, we are close to reaching the limits on service additions through operational improvements. We need to expand capacity on the regional commuter rail and mass transit systems.

The region's highway system is also reaching its capacity limits. In fact, the I-95 Corridor's four major urban areas taken together experienced about 750 million hours of delay in 2003, which cost an estimated \$17 billion in lost productivity. By 2025, I-95 is anticipated to experience chronic congestion six to eight hours a day over substantial distances between Washington, DC and Boston.

Locally today, average daily trips over the George Washington Bridge exceed every single point on I-95, with about 300,000 daily and 107 million two-way annual trips. The Bridge is essentially at capacity during the morning and evening peak periods. But the larger issue is system reliability for the user – currently there are frequent, substantial and unpredictable delays.

The implications of no action being taken to improve our surface transportation systems are unthinkable when we consider that our airports are also reaching their limits. According to the FAA, Newark, LaGuardia, and Philadelphia need more capacity now. By 2013, JFK will join that group, and by 2020, T.F. Green, MacArthur, Bradley, BWI, Dulles, and Reagan will be at or near capacity as well.

This region, more so than other regions in the country, knows from experience that the way to relieve highway and airport congestion—particularly for intermediate city travel of 400 miles or less, is with rail – more frequent, direct and market sensitive intercity rail service which connects with the local commuter rail and mass transit systems.

The best models are in Europe – in fact, two years ago, the European Union formed the European Railway Agency to increase the attractiveness of rail services to combat growing auto congestion and shorter plane trips - conditions that are very similar to what we face in the Northeast.

Put simply, we need to break through chronic and historic institutional inertia and boundaries to forge an expansive, market-driven, and connective regional rail network.

We need leadership to lay out our vision, develop strategies that cross artificial state lines, ensure dedicated funding at local, state, and federal government levels and build business and community support to break through the institutional barriers to build these 21st century transportation systems.

In order to meet the 2050 needs we cannot stand on the sidelines, peer over our boundaries, and lament our plight as individual agencies, organizations, states, or political subdivisions.

We at New Jersey Transit know the transportation marketplace is not bound by state lines in our region. We are in discussions with the New York MTA, as well as with Amtrak and SEPTA, about expanding commuter rail services through the New York and Philadelphia regions. More of us need to think regionally about making transit service attractive for our citizens who choose to live in one area and work in another.

Moreover, real intermodal solutions are needed that connect not only major urban centers but mid-size and smaller cities so they can function more effectively as part of the region.

When you consider the power of improved rail access for business and leisure travelers -- with the personal and productivity advantages that rail offers over the automobile -- there are clear benefits to offering more rail destinations.

These objectives are achievable. New Jersey is taking actions to expand rail capacity. It is building a new Trans-Hudson Express Tunnel -- which will double rail capacity by expanding tracks west of Newark and through the Meadowlands, under the Palisades and Hudson River, to a new station located under 34th street in Manhattan.

On a parallel track, we're working with Amtrak and the FRA to rehabilitate and expand the 96 year old Portal Bridge, located about six miles west of Manhattan in New Jersey, over the Hackensack River.

Together, these two projects will break the current rail capacity bottleneck between Newark and New York and lay the foundation for more robust passenger rail services on the Northeast Corridor – increasing train throughput in the peak periods from approximately 25 to 50 trains per hour.

We are engineering THE Tunnel and will start construction in 2009 with a target completion date of 2016. While this critical, generational project will give a substantial boost to our regional economy and address the demand growth at the critical nexus of our Mega Region, to meet our larger objectives, we, as key Northeast Corridor stakeholders need to take greater responsibility for the development and expansion of our rail network.

The Northeast Corridor, which is a regional and national transportation asset, must be renewed and expanded as it is the only regional rail corridor. It is not viable in New Jersey and this mega- region, given its high population densities, to build brand new rail corridors like elsewhere in the world.

Unlocking the economic power of the Northeast Corridor asset will require strategic investments and economic development plans that fully optimize its transportation and commercial benefits.

Amtrak, a “for-profit” federal entity, owns the Northeast Corridor—and currently serves as the sole steward of an increasingly fragile NEC infrastructure, with virtually no accountability to stakeholders under the current governance structure. Consequently, the bar has been set too low in the national debate over Amtrak, on merely bringing the NEC to a state-of-good-repair.

NEC needs long-term investment strategies and economic development initiatives aimed at delivering improved intercity and intra-regional commuter rail services. We must provide more commuter rail options, serve more markets, and provide faster, intercity rail travel that connects the entire Northeast region – all with an eye toward improving mobility by increasing capacity and relieving highway and airway congestion.

The federal government needs to continue to have a significant role in NEC. As the de-facto owner of the NEC asset, the federal government needs to correct historic under funding, while cooperating with states and users to expand capacity going forward. We need a rail federal-state-local funding model similar to current transit and highway models to advance capital investments in rail systems.

Use of public monies to expand and improve our basic surface transportation systems should be considered as investments - not expenditure of tax payer monies – as they result in significant economic pay backs.

As a result of NJ TRANSIT's investments in the MidTOWN Direct service which connected the old Erie-Lackawanna's Morris and Essex lines with Penn Central's Northeast Corridor and providing a one-seat ride into Manhattan, the value of homes within one-half mile of MidTOWN Direct train stations have doubled – nearly 40 percent above that elsewhere - since this service was introduced in 1996.

NJ TRANSIT's \$2.2 billion investment in the Hudson-Bergen Light Rail Line has economically transformed the New Jersey side of the Hudson River. In 1988 when HBLR was first proposed, there was less than 1 million square feet of office space in Jersey City. Today there is 17 million square feet of office space - an additional 16 million square feet of office space which is nearly the entire city of Miami. Near one station alone, nearly \$3.2 billion of private investment has been made which in turn has generated millions in income, real estate, and other taxes.

The new Trans- Hudson Express Tunnel project is expected to generate an additional 44,000 jobs for this region, resulting in \$4 billion dollars in total personal income benefit and \$480 million per year in additional taxes 10 years after the tunnel is placed in service.

Let me repeat – public funding in transportation improvements are investments not expenditures of tax payer monies. As stakeholders in this region, we have a responsibility to take the transportation foundation we inherited and build on it to improve commuter and intercity rail travel, connect existing and new markets, and unlock the economic power of the Northeast Corridor and the nation.

Only by ensuring our continued mobility can we keep the Northeast region nationally and internationally competitive, strengthen our economy, relieve congestion, protect the environment, and improve our quality of life.

Thank you.

H. JAMES BOICE
Deputy Commissioner
Connecticut Department of Transportation

**PANEL II: INTERCITY RAIL, MASS TRANSIT AND REGIONAL
INTERCONNECTEDNESS IN 2056**

**H. JAMES BOICE
Deputy Commissioner
Connecticut Department of Transportation**

James Boice is the Deputy Commissioner of the Connecticut Department of Transportation where he oversees engineering and operations for highways, public transportation, aviation and maritime. He also provides input into Department planning, policy and legislative activities.

James Boice has worked for the Connecticut Department of Transportation since 1977. During his tenure with the Department, he has held several different positions that have provided a range of experience. As Bureau Chief of Policy and Planning, Mr. Boice was responsible for developing programs and policy to address the state's transportation needs. The Bureau also evaluated transportation improvements and their impacts on the state's socioeconomic and environmental resources, and developed the department's capital program to best address the needs within the financial constraints.

Mr. Boice also served as Bureau Chief of Public Transportation, where he was responsible for operating the New Haven Line and Shore Line East rail systems, which carry over 110,000 riders daily. Mr. Boice also administered direction to the 18 bus operators which combined, carry over 30 million riders annually.

Mr. Boice holds a Bachelor of Science degree in Civil and Environmental Engineering from Clarkson University.

National Surface Transportation Commission
New York City Field Hearing

Submitted by: H. James Boice
Deputy Commissioner
Connecticut Department of Transportation

Good afternoon. Thank you for this opportunity to come before this Commission to speak about Intercity Rail, Mass Transit and Regional Interconnectivity. I am H. James Boice, Deputy Commissioner at the Connecticut Department of Transportation. I have over 29 years of experience in the public sector dealing with public transit issues, both rail and bus. The State of Connecticut, working through its Department of Transportation, is unique amongst other State Transportation Agencies, as it owns and operates not only a highway system but also owns and operates two (2) commuter railroads, the New Haven Line and Shore Line East services which carry over thirty-four (34) million passengers a year. The state-wide bus services, includes twenty-one (21) bus operations, which carry over thirty-five (35) million passengers per year. The state also owns and operates six (6) public airports including Bradley International Airport – New England’s second largest airport, two ferry services and one deep seaport. In addition, the state participates in subsidizing several bus transit district operations, dial-rides services, job access mobility services and other transportation demand services. A truly intermodal – operational - transportation agency.

As to the panel topic at hand, far and foremost to make intercity passenger rail service viable now and in the future, a clear and transparent national rail vision must be established. This vision must recognize the important role intercity passenger rail plays in any society. A financial commitment from the federal government to a national rail system is essential to the viability of passenger rail service both in the short- and long-term. This commitment must be for commuter or corridor services, intercity services and any emerging new services. This Nation, as demonstrated after 9-11, must have available alternatives to air travel. Other national governments provide significant financial support for their national rail services and so must the United States.

The choices and options provided by passenger rail services, both intercity and commuter, are vital to our citizens today and will only increase in importance as we move into the future. The benefits derived from passenger rail service are many. Passenger rail service provides mobility and accessibility to millions of Americans as an alternative to highway and air travel, thereby helping to reduce the rate of growth of congestion on our highways and airways. By assisting in managing congestion on our highways, these rail services help in maintaining and improving our air quality. Transit has and will continue to stimulate economic development and livable communities in and around transit centers. The continued growth in intercity and commuter rail passenger services will provide many benefits. We need a national rail policy that will embrace and support this all important mode of travel.

Commuter passenger rail services are an essential part of the nation's transportation system. Commuter rail services provide millions of commuters around the

country safe, efficient and reliable transportation each day to and from their place of work.

I would be re-missed if I did not bring to your attention the very successful New Haven Line commuter rail service which operates from New Haven, Connecticut west along our shore through New York and into Grand Central Terminal. Connecticut is proud of its partnership with Metro-North Commuter Railroad which runs this service for our State. This commuter rail service operates along 47 miles of the New Haven Line, part of the Northeast Corridor which is owned and maintained by the State of Connecticut. This is the largest section of non-Amtrak owned portion of the Northeast Corridor. Connecticut receives only an incremental payment from Amtrak for its operation over this section of the Northeast Corridor. While our fledgling Short Line East Commuter Railroad, east of New Haven, is required to pay a fully allocated cost to operate on the Amtrak owned portion of the Northeast Corridor and is also being asked to contribute toward capital – infrastructure – cost. Portions of this infrastructure have been sorely neglected by Amtrak and the federal government for decades. The neglected infrastructure of the Northeast Corridor should not now be placed on the backs of states to correct.

Any federal – state capital financing program established for the infrastructure needs along the Northeast Corridor can only be implemented after the Amtrak owned portions of the Northeast Corridor have been brought up to a state of good repair. Frequently mentioned is an 80 – 20 program, similar to the federal highway program where the Federal government would provide 80 percent of the financing of capital improvements and the state would provide 20 percent. Should such a program be

implemented, the program must be eligible for all infrastructure improvements along a corridor, regardless of ownership.

The opportunities for passenger rail expansion throughout this country are at a critical crossroad. Federal operating subsidies to Amtrak and cooperation between urban transit agencies using federal funding have long been the custom for funding intercity and commuter rail passenger service. States are now being told that they must increase their funding participation to Amtrak to subsidize operations and for infrastructure improvements and access or user fees. Transportation capital improvements are frequently based upon the successful federal-state partnership models already in place for highways, transit and air modes. The difficulty in this amongst other factors, however, lies in the fact that these other successful models each have continuous revenue streams dedicated to that mode, while rail passenger service does not.

Many states already provide significant financial support for passenger rail service such as:

- Regional coalitions of states banding together to provide rail service connecting their major metropolitan areas,
- States providing funds to Amtrak for increased intercity rail service,
- States participating in the funding of improvements to the freight rail infrastructure over which intercity routes operate, and
- States providing operationally safe and upgraded state owned rail facilities for Amtrak to operate over.

Connecticut continually has upgraded and improved its New Haven Line, over which Amtrak operates, to a tune of over \$120 million annually. Amtrak has partnered

and participated in the incremental cost associated with their needs for Amtrak high speed rail operations. The importance and significance of passenger rail service has been clearly demonstrated in Connecticut. During the past two years, Connecticut's Governor M. Jodi Rell and the General Assembly has appropriated over \$1.5 billion for passenger rail services and is investing in the expansion of its commuter rail operations. Funding for 340 new rail cars for the New Haven Line and expansion and construction of a new rail maintenance facility in New Haven has been approved. Also, funding for the planning of expansion and improvement of passenger rail services on Shoreline East, Danbury Branch Line, New Canaan Branch Line and Waterbury Branch Line has been approved. In addition, this legislation provided funding for the New Haven – Hartford – Springfield (Mass.) commuter rail service. These legislative initiatives also provided state funding for the New Britain – Hartford Busway, which will be built partly on Amtrak right-of-way.

In all of these efforts, the federal government is a critical partner in the success of these initiatives.

What should the vision and goals of a national rail passenger service be? The intercity passenger rail service must be clearly defined and designated as a national service. The Connecticut Department of Transportation envisions this intercity passenger rail service with a minimum of five major routes serving our largest cities and urban areas through a system of major city couplings. There should be two east-west routes, a north and a south cross country route. There should be three north-south routes, an eastern, central and western route which connect to the east-west route. Since most passenger rail service is intercity service, it should be recognized as such and service

should be concentrated on the 300 to 500 miles range with interconnection of the service to provide for the cross country service. Anything above these distances should be recognized as an air travel option and, while rail service may provide this type of service through connecting services, air transport will be the preferred mode of travel. Existing and new rail passenger feeder service should interconnect with the national passenger rail service through state sponsored commuter or intercity rail services.

An unrealistic goal of complete self support with no subsidy was placed upon our national passenger rail service. This was a formula for failure. There is no passenger rail service in the world, that I am aware of, that does not rely on some form of subsidy, direct through government or through tax incentives. This vision for a national passenger rail system must contain long-term financial commitment by the federal government, similar to other federal programs where the nation's long term interest is at stake.

Thank you for this opportunity to address the Commission. I am available to answer any questions.

PANEL II - ADDITIONAL BACKGROUND READING

- **THE NORTHEAST CORRIDOR NETWORK: A PROFILE**
- **THE NORTHEAST CORRIDOR NETWORK MAP**
- **THE NORTHEAST CORRIDOR NETWORK: A PROFILE OF COMPLEXITY, A NEED FOR ORDERLY CHANGE AND PARTNERSHIP**

The Northeast Corridor Network A Premier National Transportation Corridor A Profile

The Northeast Corridor Network Is One of the Most Complex and Heavily Used Corridors in the Nation and the World.

The NEC is one of the few mature, intercity passenger rail networks in the U.S. The NEC –

- connects eight states – Boston to District of Columbia on the NEC Spine, with feeder routes providing service in a 12 state region – Maine to Virginia and beyond.
- is the major publicly owned intercity passenger rail corridor in the U.S. Amtrak is the primary owner of the NEC Spine from Boston to Washington, D.C., with major segments owned by New York/MTA, Connecticut DOT, and Massachusetts/MBTA. Feeder lines to the NEC are owned by Amtrak, commuter railroads, and freight railroads.
- supports mixed operations of intercity, commuter and freight rail service, with one intercity provider, eight commuter railroads, and seven freight railroads.
- is intensively used with 1,900 trains daily, over 100 million total passengers annually, in a blend of high speed, regional, and long distance intercity passenger services, commuter trains, as well as some Class I and regional freight rail service.
- faces challenges in scheduling routine maintenance and experiences choke points that constrain expanded service as a result of its intense level of use.
- is widely recognized as “an invaluable national transportation asset in the most densely populated region of the country.” It accounts for almost 50 percent of Amtrak’s total ridership and is the origin/terminus of many long distance trains as well as such developing new corridors as the Southeast Corridor service in North Carolina and Virginia.

Amtrak, as the Primary Infrastructure Owner and Sole Operator of Intercity Passenger Rail, Is a Critical Player in Providing Seamless Intercity Passenger Rail Service and Supporting Commuter and Freight Rail. Amtrak –

- has primary responsibility for maintenance of the 460 mile corridor – tracks, stations, signals, power systems, bridges.
- identifies and prioritizes infrastructure needs and investments to meet the requirements of intercity passenger service on a corridor-wide basis.
- schedules services to provide connectivity throughout the regional and national system, and provides a national reservation and ticketing system.
- owns and manages the major stations used by intercity and commuter travelers, including Penn Station-New York, 30th Street Station-Philadelphia, Penn Station-Baltimore, and Union Station-DC.
- coordinates the tightly orchestrated dispatching of trains – in partnership agreements that have evolved with commuter railroads.

ICPR, Commuter and Freight Rail Systems and Airport Links



The Northeast Corridor Network
A Profile of Complexity
A Need for Orderly Change and Partnership

November 2006

Intercity passenger rail – the Northeast Corridor (NEC) and its extensions – is a critical component of the integrated transportation network that provide mobility and supports economic development throughout the Northeast and the Atlantic region – and beyond. Efficient use of this system affects the overall viability of the highway, aviation and freight and commuter rail transportation networks which serve the Atlantic Coast region and the nation.

The Northeast Corridor network is one of the nation’s premier transportation corridors as well as the world’s most mature, complex and heavily used transportation corridor. Rail lines on the NEC mainstem – from Boston to Washington, DC – and on its extensions – to Maine, Vermont, Pennsylvania, Virginia, upstate New York and Canada – support a mix of intercity, commuter, long distance freight and regional/short haul activities.

A Profile of Complexity

The Corridor’s complexity is created in part by the intensive, mixed use operations which the Corridor supports on a daily basis – over 1,900 trains daily on the Boston-Washington Mainstem. With this intensive use, the safe, reliable movement of these trains must be carefully orchestrated, with coordinated dispatching of trains throughout the system and delicate balancing of the competing demands of train movements, routine maintenance and capital improvements of infrastructure.

Complexity is also an accurate term to characterize the various patterns of public and private ownership and responsibility for maintaining and improving the infrastructure which supports passenger and freight service. This variable pattern of ownership underlines complex relationships which affect the operations as well as the purpose, timing and source of maintenance and infrastructure investments.

- Four public entities own, maintain and control the Northeast Corridor main line: Amtrak, the Metropolitan Transportation Authority - New York, the Connecticut Department of Transportation, and the Massachusetts Bay Transportation Authority.
- Off the NEC mainstem, Amtrak, three state governments (Vermont, Massachusetts, and Maine) two Class I railroads (CSX and Norfolk Southern), and over six regional and short-line railroads own and are responsible for the right-of-way.

Complexity also describes the pattern of funding of passenger rail operations and infrastructure, mirroring the complex ownership and use of the rail network.

- In some portions of the NEC, commuter railroads – NJ TRANSIT, MARC) are the “tenant” to Amtrak or freight railroads, paying access fees and investing in infrastructure maintenance and improvements.
- In other areas, Amtrak is the “tenant” to commuter railroads, or freight railroads, paying access and jointly investing in infrastructure improvements. Connecticut DOT and MBTA own portions of the NEC in their respective states.

In all the corridors, the state has entered into major capital investment programs and/or operating agreements with Amtrak or freight railroads to upgrade or restore intercity passenger rail service. (See attached highlights).

A Need for Orderly Change and Partnership

The complexity and intense use of the Northeast Corridor Network – and its critical role in transportation mobility and economic activity – underscore the importance of timely but incremental and orderly change. Developed with significant federal and state investments, the NEC must be managed as a public transportation corridor with access for critical intercity, commuter and freight services where shared trackage is vital to economic development. Changes – in policy, funding, infrastructure, operations or institutional responsibility – should avoid disruption of service and contribute to greater safety, security, effectiveness and efficiency of the system for all users – intercity, commuter and freight.

The complexity of the NEC and its transportation and economic significance to the region and the nation also underscore the importance of a strong federal partner who provides consistent policy leadership and stable, long-term funding support. The Northeast states are already partners in funding and operating passenger service on the NEC Network. Within a federal-state partnership, they provide a share of the financial investment for services that promote state and regional economies, including the capacity enhancement of the passenger rail system and long-term maintenance of the NEC infrastructure once restored to a State of Good Repair. Governance, funding, operations, and management changes that affect the states or their commuter rail operations must result from transparent, fair, and collaborative processes with the states.

Attachment A

NORTHEAST STATES
INVESTMENT IN INTERCITY PASSENGER RAIL – 2002-2006
July 2005

Infrastructure Investments

- \$1.7B has been spent or is committed for infrastructure improvements.*
 - NY and NJ: Participate with Amtrak in PSNY project to improve life/safety of the tunnels.
 - NJ: Almost \$220M for NEC reliability and capacity improvements on a 50-50 match basis through the Joint Benefits Agreement (track, interlockings and electrification improvements, bridge repairs, and station improvements).
 - CT: Over \$810M in a comprehensive rehabilitation program on the state owned New Haven-New Rochelle segment (track upgrade, catenary system replacement, bridge rehabilitation and replacement, track interlockings, and stations). Amtrak provides \$130M in joint benefit projects.
 - RI: Almost \$200M for capacity and operating flexibility in track improvement, bridge repair, and stations.
 - MD: Over \$70M in capacity improvements (station and rail yards).
 - DE: Over \$10M for system capacity (stations, track improvements and bridges) and a joint benefits recapitalization agreement is being negotiated.
 - PA: \$170M in joint State-Amtrak project for high speed Keystone service (new stations, track and signal/power systems, bridge rehabilitation, close grade crossings, and safety). PA increased pace of its investment to keep project on schedule.
 - VT: Over \$20M for more reliable intercity passenger rail service (station rehabilitation, track upgrades, bridge replacement and grade crossing).

Operating Payments

- \$384M from NJ, PA, MD and DE for commuter access to Amtrak-owned ROW.
- \$70M from NJ to support the Clocker service (Philadelphia- NYC).
- \$60M from ME, NY-Adirondack, VT and PA for intercity operating support.

* *Does not include VA and MTA data*