

Statement of John D. Porcari

Interim Executive Director, Gateway Development Corporation

At the Hearing

“Building a 21st Century Infrastructure for America: Challenges and Opportunities
for Intercity Passenger Rail Service”

Subcommittee on Railroads, Pipelines, and Hazardous Materials

House Committee on Transportation and Infrastructure

June 22, 2017

Good Morning Chairman Denham, Ranking Member Capuano and members of the Subcommittee. My name is John Porcari and I am the Interim Executive Director of the Gateway Program Development Corporation. The Gateway Corporation is the federal/state entity created to carry out one of the most important and most urgent infrastructure projects in the U.S. – the Gateway Project.

The U.S. rail system is and always has been mostly private. Most traffic is carried by private freight railroads, and most passenger service runs over freight tracks. The exception to this is the 450-mile Northeast Corridor, where the tracks are owned by Amtrak and the states, and where the dominant use is passenger traffic.

This is the busiest rail corridor in the country, and the busiest section of it is the part around New York City. Heading out of Manhattan to the Northeast toward Boston there are four tracks, which gives the system redundancy to allow maintenance to be performed and to respond to incidents. Unfortunately, in the other direction, where trains travel under the

Hudson River to New Jersey and eventually to Washington, this is not the case. There are just two tracks. Any issues here, even minor ones, cause major problems.

The section from Penn Station in New York to Newark, New Jersey, is the most densely used piece of track in the U.S., and one of the most densely used in the world. It can host nearly 1,200 train movements per day. Unfortunately, it is also very old and in need of urgent repair and expansion. The tunnels under the Hudson River were completed in 1910 while the *Titanic* was under construction and the Wright brothers were transitioning to their Model B airplane. The tunnels' age is reason enough for them to be comprehensively refurbished, but during Hurricane Sandy in 2012 they flooded, worsening their already precarious condition.

In addition to the two tunnels, this section of track contains the Portal Bridge over the Hackensack River, the busiest train bridge in the Western Hemisphere. This two-track swing bridge also dates from 1910, and because of its low clearance over the water it must be opened to allow boats to pass.

What we are calling Phase 1A of the Gateway program is the replacement of this aging bridge. Design and all environmental reviews are done and we are just awaiting the last piece of financing. Amtrak has committed its funding, and the local partners – New Jersey Transit and the Port Authority of New York and New Jersey -- have committed theirs. With everything else in place, we are awaiting word from U.S. DOT as to whether the project will be awarded a Federal Transit Administration Capital Investment Grant (CIG) for core capacity that was applied for last fall. Award of these funds will be the last piece of the puzzle and then construction will be able to start.

Once construction of the bridge is underway, we can proceed to Phase 1B, construction of new tracks under the river. The plan is to build two new tracks under the Hudson, and once these are open, to close each of the existing tunnels in turn for repairs. Closing one of these tunnels for repairs without new capacity in place would reduce throughput of trains during rush hour by 75 percent due to the need to run trains in both directions in the remaining tunnel. When the entire program is done, including subsequent phases, there will be a fully-functioning four-track railroad all the way from Penn Station to Newark and enough track and platform capacity in Penn Station to accommodate decades of future travel growth.

Work is currently underway to finish the environmental impact statement for this phase of the work. We are on an aggressive 24-month schedule for completion of the EIS, less than half the time that was typical for projects of this kind just a few years ago. When I was at U.S. DOT, we put great effort into finding ways to speed up the review process without compromising environmental protections, and I look forward to similar efforts from the current administration. We plan to have a draft EIS this month, and a Final EIS, a Record of Decision, and a Corps of Engineers Section 404 permit by March, 2018.

In addition to giving us a transportation project that can help support 10 percent of the country's GDP, this project can serve as an example of how environmental review for even complex, expensive projects can be expedited without any compromise to environmental outcomes.

This summer we will be holding an industry forum to hear from construction companies and other private sector experts about how they believe the project can be most efficiently

delivered. We are looking to tap into the best thinking from the private sector about how to get a quality project built quickly and cost-effectively.

As I have described, Amtrak and the local partners are doing everything they can to move the project forward. They are doing this because of how urgent the need is given the condition of the existing tunnels, and how large the regional and national economic benefits can be from upgrading the entire Northeast Corridor, an effort that begins with Gateway. Despite the strong cooperation that is already in place between national, state and local actors, it is not realistic to think that an infrastructure project of this magnitude can succeed without U.S. DOT as a partner. The federal government has always done its part to build the infrastructure that builds America – from the National Road to the Hoover Dam to the Interstate Highway System – and this is what is needed for Gateway.

Although the NEC is the busiest rail corridor in the U.S., it is not the only one. Passenger rail travel has seen steady growth in corridors across the country. The fastest growing segment of the inter-city market has been Amtrak's medium-distance state supported services, which are a perfect example of the kind of national-local partnership I mentioned a moment ago.

These services also depend on infrastructure that is often very old. The rail infrastructure in and around Chicago has been a particular area of focus because of the high density of both freight and passenger traffic. This Subcommittee is familiar with the set of projects that go under the CREATE banner and has provided federal funding for them in the past. CREATE is yet another example of the partnership model: investments are being made by

local governments, by the State of Illinois, by the Federal government, and by the private freight railroads. Each party bears some responsibility, and each has something to gain.

In addition, the rail funding provided by the American Recovery and Reinvestment Act in 2009 enabled some very important projects around the country that are now bearing fruit. Passenger trains now travel at up to 110 miles per hour on portions of the line between Chicago and Detroit, and a comprehensive upgrade of another line will cut at least one hour from the time it takes passengers to travel from Chicago to St. Louis.

I also have very high hopes for several of the projects out there that are building towards true high speed rail. Mr. Chairman, you are of course very familiar with the California project now under construction. Although the share of that project's overall cost provided so far by the federal government is fairly low in percentage terms, federal support was key to getting it off the ground.

In Texas, a different model is being tried with a plan to connect Dallas and Houston with a high speed line using Japanese technology. Although this project is not seeking federal grants, chances are it will wish to benefit from one of U.S. DOT's loan programs, the Railroad Rehabilitation & Improvement Financing (RRIF) program, to provide low interest loans.

As we all know, America has huge infrastructure needs, and it is heartening to see that this Subcommittee recognizes that rail is an important part of the equation.

Thank you Mr. Chairman for the opportunity to testify and I look forward to answering any questions.