

For Immediate Release

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Northeast Corridor Commission Releases Fiscal Year 2017 NEC Annual Report

April 12, 2018 – Washington, DC – Today, the Northeast Corridor Commission released the Fiscal Year 2017 Northeast Corridor Annual Report: Operations and Infrastructure. The report, a requirement of the FAST Act, summarizes ridership, train performance, and capital investment, including improvements on the corridor, over the past federal fiscal year.

The Northeast Corridor (NEC) is a 457-mile rail line linking Boston, New York, Philadelphia, and Washington, four of the nation's ten largest metropolitan areas. As the busiest rail corridor in the United States, the NEC supports more than 770,000 trips daily on eight commuter railroads and over 40,000 trips on Amtrak's intercity services. Almost two-thirds of all commuter rail riders in the NEC Region rely on the NEC for some or all of their trip. A 2014 study by the Commission found that a loss of all NEC services for a single day could cost the economy \$100 million in lost productivity, added congestion on the regional highway and aviation networks, and other transportation-related costs.

Delays on the NEC increased in FY17, with NEC trains experiencing around 1.2 million minutes of delay, a 16% increase over FY16. In addition, there was a 92% increase in severe-delay days (where one out of five trains is delayed or not completed). Much of the large increase can be linked to the track failures at New York Penn Station in March and April 2017. The track failures caused Amtrak to launch the Infrastructure Renewal Program at New York Penn Station. This accelerated work program required coordination from Amtrak, NJ Transit, and Long Island Rail Road and is highlighted in the Annual Report.

"Amtrak took the problems experienced at Penn Station very seriously," said Scot Naparstek, Chief Operating Officer at Amtrak. "Though our 2017 renewal program replaced critical infrastructure and was delivered successfully, we have only addressed the tip of the iceberg when it comes to state of good repair at Penn Station, much less the entire NEC."

"The track problems at Penn Station last year were devastating to our services and a significant source of stress and inconvenience for our passengers. These incidents highlight the fragility of our aging infrastructure and the urgent need for all parties to pull together and prioritize the modernization of this critical rail infrastructure. Years from now we may view last year's incidents as the canary in the coal mine. Given the Northeast Corridor's importance to our regional and national economy, the time to act is now," said Kevin Corbett, Executive Director of New Jersey Transit.

The FY17 Annual Report finds that an increasing number of train delay minutes were engineering-related (infrastructure failure, maintenance, and speed restrictions) with a 45 percent jump in FY17 over FY16. The NEC is an aging asset, with dozens of bridges and tunnels that are over a century old and key parts of the electrical and signal systems dating back to the 1930s. Therefore, it is not surprising that over half of these engineering-related delays (in terms of minutes of delay) are caused by infrastructure failure. Such delays add an urgency to the need to put additional investment into the aging corridor to maintain basic infrastructure and begin to tackle the \$38 billion state-of-good-repair backlog to improve reliability and reduce delays for riders.

The FY17 Annual Report lays out investments Northeast Corridor stakeholders are making to improve the corridor. NEC stakeholders invested \$1.5 billion in corridor infrastructure in FY17, including over \$927 million in special projects and over \$568 million in capital renewal. Most capital renewal activity was funded by states, transit agencies, and Amtrak through an historic commitment to share over \$1 billion in annual operating and capital costs through the Commission's Cost Allocation Policy adopted in 2015. That Policy requested the federal government match the increased contributions from the users of the railroad. In last month's passage of the FY18 omnibus appropriations bill, Congress provided \$250 million to a Federal-State Partnership for State of Good Repair program and \$650 million for Amtrak's Northeast Corridor account.

"The funding committed by states and rail agencies through the Cost Allocation Policy provides a needed level of consistency and dependable funding," said Stephen Gardner, Chief Commercial Officer at Amtrak. "We are very pleased that Congress chose to provide funding to Amtrak, NEC commuter agencies and the states for improving the Corridor's aging infrastructure in FY18. We are united in our goal of partnering with the Federal government to improve rail service across the Corridor."

Grover Burthey, Deputy Assistant Secretary for Transportation Policy at U.S. DOT said, "DOT looks forward to engaging with the Commission on recently appropriated funds to best address the needs along the entire Northeast Corridor."

"We are only just beginning to confront the state-of-good-repair challenges we face," said Jim Redeker, Commissioner of the Connecticut Department of Transportation. "Improving service reliability and ensuring a vibrant future for the most economically productive region in the United States will require many years of increased federal and state investment to replace assets built for us generations ago."

The <u>complete report</u> can be found on the Commission website.

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About the Northeast Corridor Commission: The Commission was authorized by Congress in 2008 to improve coordination on the Corridor. It is comprised of one member from each of the NEC states and the District of Columbia; four members from Amtrak; and five members from the U.S. Department of Transportation. The Commission also includes non-voting representatives from NEC freight railroads, states with feeder corridors, and commuter authorities not directly represented by a Commission member.