

Federal Railroad Deputy Administrator Karen Hedlund
Verbal Testimony
Transportation and Infrastructure Committee
United States House of Representatives
“Northeast Corridor Future: Options for High-Speed Rail
Development and Opportunities for Private Sector Participation.”
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Chairman Mica, Ranking Member Rahall, good morning and thank you for inviting me to speak to this Committee.

Chairman, it is an honor to testify before this Committee during its final hearing with you at the helm. You have achieved significant legislative accomplishments during your tenure, and your oversight and interest in rail programs has strengthened our agency while improving transportation options for citizens across the United States. We look forward to working with you in the coming session.

This morning, on behalf of President Obama and Secretary LaHood, I also thank you for this opportunity to discuss our planning and development efforts on the Northeast Corridor – the busiest rail corridor in the United States, and one of our most valuable transportation assets.

If the Northeast region were a country, its economy would be the fifth largest in the world. One in seven Americans live here; one-fifth of America’s GDP is produced here; and for almost two centuries, the Northeast Corridor has been and continues to be this economy’s backbone.

Today, as we look ahead, we know the Northeast region’s passenger rail market is as strong and as full of potential as any in the world.

But the time has come. The time has come to plan for and invest in the NEC’s future.

Right now we are moving forward with a strategy for the NEC that is focused on both its immediate and long-term needs.

At last week’s hearing, you heard from Secretary LaHood that this Administration has invested more than \$3 billion in the NEC for long overdue upgrades and replacements of vital infrastructure and new equipment.

We’re also overseeing a comprehensive regional planning effort called NEC FUTURE.

This multi-state transportation planning project is one of the largest ever undertaken in the United States.

And as we look to invest in the next-generation of NEC services, our initial focus with our planning project is to thoroughly understand the true needs of the market.

With this market-based assessment, we will know from the very beginning what types of rail services will be needed to meet future demand.

We're also seeking innovative ways to enhance the overall planning process.

As part of that effort, early this year NEC FUTURE was selected by the Council on Environmental Quality as a pilot project that aims to better engage stakeholders and Federal and State resource and regulatory agencies early on in the planning process.

But let me first put today's investments in perspective.

The federal investments in the NEC since 2009 amount to almost half of all total federal investments in the Corridor in the 33 years prior – and that's after you adjust for inflation.

The amount invested during those 33 years was of course just a tiny fraction of the total federal investment in transportation modes now stretched to their limits, dealing with levels of congestion that will only grow worse with time.

We must continue to invest in all transportation modes.

But, the public benefits of making the NEC central to transportation planning are clear:

Transporting more people by trains will take pressure off the region's highways and airports, which are both overburdened and out of room to grow. And when targeted to the market, rail is the most cost-effective, least oil reliant, and most environmentally friendly mode.

Our current investments are adding or upgrading track, untying bottlenecks, and modernizing power systems.

Passengers will not only travel faster between Philadelphia and New York – they'll deal with far fewer delays at spots such as Harold Interlocking in Queens.

We're working to upgrade stations in New York, Boston, Washington, D.C., and BWI. We're moving forward with major engineering projects that are replacing some of the corridors' most complex and oldest infrastructure – New Jersey's Portal Bridge, Northern Maryland's Susquehanna Bridge, Baltimore's B&P Tunnel.

But I think we can all agree: In order to truly position the NEC for future demand, we need a vision, and we need a framework that will allow this vision to move forward.

NEC FUTURE will provide us with an immediately actionable rail investment plan – a blueprint to guide our actions.

And we are completing this process with exhaustive public engagement over the next 38 months.

Already, we have seen what can happen when we take a big leap: Amtrak's Acela service was introduced in 2000 – and since then we have seen intercity rail come to gradually dominate the region's air-rail market.

Demand for the NEC intercity services is at an all-time high – last year they carried a record 11.2 million travelers.

But, we know demand will continue to rise.

And ultimately, we can't make that next leap without a sustained commitment.

Today, it's up to us to rise to the challenge – just as we have so many times in our past.

We were reminded of this after Hurricane Sandy.

The storm caused unprecedented damage to the NEC.

And in the round-the-clock efforts to restore services, we saw then a crystal clear picture of just how essential the NEC is to both our economy, and to our way of life.

It makes you think: What if Alexander Cassatt, President of the Pennsylvania Railroad, had listened to critics back in 1900 and had given up on digging the tunnels that connected the rail from New Jersey to Manhattan?

Today, New York Penn Station serves some 550,000 passengers a day – nearly double the number of passengers that use LaGuardia, Kennedy, and Newark airports combined.

At a rate of up to a thousand passengers every 90 seconds, it is the busiest passenger transportation facility in the United States, and by far the busiest train station in North America.

In 1900, it was called a boondoggle – too expensive, impossible to build.

Can you imagine New York without it?

Sandy let us know what New York is without it.

It's up to us now to create the vision, to do the planning, and to execute the projects that will ensure we hold true to a basic promise:

That the America we leave for future generations is even greater – even stronger – than the America given to us.

I'll be happy to answer your questions.

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