## Federal Railroad Administrator Joseph C. Szabo Railway Age International Conference on Communications-Based Train Control Washington, D.C. February 5, 2013

Thank you for the introduction – and also to Railway Age for bringing together so many rail industry leaders.

It is an honor to join you on behalf of President Obama and Secretary LaHood.

I'm here today to talk about rail's growing role in moving people and freight — and Positive Train Control's critical role in helping us ensure continuous improvements to railroad safety.

2012 was a monumental year for rail – the greatest in generations.

We saw Amtrak ridership hit an all-time high - and rail continue to be the fastest-growing mode of public transit.

We saw intermodal freight traffic continue its surge – and expect a new record there as well.

And as demand for rail soars, record-level federal investments in passenger and freight rail – combined with robust private investments – are laying the foundation for a safer, more reliable, and more efficient rail network.

But as exciting as these highlights are, falling short in just one category could have made 2012 an across-the-board disappointment.

The category that matters most: SAFETY.

2012 – even as our network expands – was the safest year in rail industry history.

According to our Departmental Safety Performance Measures, this milestone comes on the heels of yearly reductions in accidents and incidents since 2008.

And in each of these years, FRA improved on all six of our official Safety Performance Measures.

But, we must always do better.

Our goal — always — is to lead the way to continuous improvements in railroad safety.

So let me talk about the FRA's comprehensive strategy for achieving this.

As we work with railroads to implement Positive Train Control we're also taking a hard look at the human factors behind accidents and incidents.

And we're implementing numerous rail safety initiatives to protect rail workers, travelers, and the public at large.

The Rail Safety Improvement Act of 2008 – or as we say RSIA –mandates roughly 40 rail safety rulemakings, reports, and other projects by FRA.

So far, we have completed 13 of the 22 RSIA-mandated rules – and have issued notices for proposed rulemakings on 5 more.

This includes leading an evolution in railroad safety culture by aggressively advancing Risk Reduction programs for commuter, intercity, and emerging high-speed operations, and System Safety programs applying to freights.

These programs will present a tremendous opportunity for the industry to take proactive measures to prevent accidents; to undertake an honest yet non-punitive assessment of human factors; and to leave no stone unturned.

Our Risk Reduction Program Division also is continuing to work with several railroads on Confidential Close Call Reporting System pilot projects.

We see Confidential Close Call reporting as a tremendous opportunity to learn more about safety issues before accidents occur and work with railroads to improve safety cultures.

And we've seen remarkable results from pilot projects thus far — including, at one test site, a 70% reduction in accidents and 90% reduction in discipline resulting in significant savings to the carrier.

The Rail Safety Improvement Act further mandates that both System Safety and Risk Reduction Programs incorporate Fatigue Management Plans — and we have a Railroad Safety Advisory Committee working group addressing that issue.

To further advance safety, we have launched a collaborative effort with industry and labor to eliminate electronic device distraction in the railroad workplace.

This includes a challenge to the industry to form peer-to-peer programs that will actively foster a new railroad safety culture in which improper electronic device use is socially unacceptable and never tolerated.

Ultimately, we see all of our safety initiatives working in concert.

And we see PTC as the technology backbone ensuring our goal of continuous safety improvements.

PTC will cut down on the potential of human error – acting as a safeguard against preventable accidents and incidents.

It will save lives — and it will protect the environment, infrastructure, and property from tremendous damages.

PTC also is an enhancement to crash-energy management systems. In that respect, we see it as a complement to our FRA team's longstanding effort to achieve a performance-based safety approach that will allow for lighter, faster, more energy-efficient trainsets to be designed for the U.S. market.

So ultimately, PTC will not only prevent accidents and incidents — it is a safety advancement that better positions the rail industry to play a much larger role in our transportation network than it does today.

Expanding and strengthening our rail network should not be viewed as a luxury.

It's an absolute necessity.

By 2050, America's transportation network will need to move more than 100 million additional people and 4 billion more annual tons of freight.

But today, our highways and airports are already stretched to their limits – and the cost of our over-reliance on them continues to increase.

Network congestion today costs close to \$130 billion a year - a 500% increase over a 30-year-period - and it continues to grow.

Our airports – as well – are struggling to keep up with modern demand. Nearly 20 percent of all flights are delayed.

And as a way of confronting high fuel prices and changing demand, airlines are now making significant cutbacks to short-haul flights to small and medium-sized cities.

In the face of these challenges, the efficiencies of rail simply cannot be ignored.

With service levels targeted to the market, rail can be the most cost-effective, least oil-reliant, and most environmentally friendly mode to move people — and to move freight.

Our 2009 Fuel Study noted that freight rail's fuel efficiency reached 512 ton-miles per gallon, while fuel efficiency for trucks maxed out at 133.

And one double stacked train car can replace 300 trucks - saving nearly 80,000 gallons of fuel over the course of a cross-country haul — and saving the wear and tear on highways imposed by heavy trucks.

On the passenger side, two railroad tracks can carry as many travelers in an hour as 16 lanes of freeway.

And, while the cost of building rail compares favorably with roads, rail right-of-way only consumes one-third of the land required by roadways.

We simply cannot ignore the fact that Americans' travel habits are evolving.

It has been said that America has too much of a car culture to embrace trains.

But according to a recent study by the U.S. PIRG and Frontier Group, over the last eight years, Americans have actually driven less, while using passenger rail and public transit in record numbers.

And rail's renaissance is happening fastest among young people.

In an eight-year period starting in 2001, young people reduced their vehicle miles traveled by 23 percent and increased their average passenger miles traveled by rail and buses by a whopping 40 percent.

*This* is the future we're preparing for.

But, no transportation network can thrive unless it is safe.

Rail is already a very safe mode; and the industry today is as safe as it's ever been.

But PTC is an advancement that will allow us to do better – and that's why we continue to fully support its implementation.

The deadline for implementation is established by Congress.

As for our role, it's two-fold.

One is to provide Congress with accurate information – and we will continue to do so.

The other role is to work directly with railroads; with manufacturers and suppliers; and with industry stakeholders to see PTC deployed in a safe, efficient, and cost-effective manner.

We have invested more than \$6 million in PTC test projects.

We also have invested \$50 million to address shared PTC technology issues through the Rail Safety Technology Program.

In May, we announced changes to PTC regulations that will save railroads millions of dollars, that give railroads additional flexibility, and that maintain a high level of safety.

We do understand the challenges ahead, and outlined them in the report to Congress we submitted in August – four months ahead of schedule.

We also welcome comments on the notice of proposed rulemaking for PTC we issued recently.

But we must keep focused on the task at hand.

We're seeing success in taking an incremental approach to PTC implementation - as demonstrated by BNSF.

And we're calling on Class I's, shortlines, intercity, and commuter railroads to work together and communicate with each other throughout implementation.

Shortlines must take initiative to find out what their Class I partners are doing so they can interoperate.

Passenger operations must likewise take the initiative to understand the implementation plans of their host freight railroads.

It's also important that Class Is be there to assist shortlines – the vital links in their networks – and to help guide them through the process.

The effort to meet Congress' mandate for PTC is part of a greater energy at work all over the country – part of an unprecedented commitment to building true 21st century rail.

Through the High-Speed and Intercity Passenger Rail program, we have been able to partner with 32 states and invest in 152 projects.

Eleven construction projects, five service development plans, and four state rail plans were completed in 2012.

Moving forward, 43 projects in 17 states and District of Columbia worth \$3.1 billion in funding are either under construction or will soon be underway — and the next two construction seasons promise to the busiest yet.

We've been able to invest more than a billion dollars in projects that strengthen freight rail infrastructure and intermodal terminals.

And all told, the nearly \$19 billion worth of federal investments in rail since 2009 is now building, improving, or creating 6,000 corridor miles and 40 stations — while pushing forward 75 planning studies and 30 state rail plans or service development plans.

So whether it comes to rail safety, or rail development, we will continue to build on the progress we've already made — and expect the industry will as well.

As America's rail network continues to grow, so must our efforts to continually strengthen railroad safety.

Together, we can build a safe rail network that can effectively transport 100 million more Americans and 4 billion more tons of freight.

And together, we can provide faster, more convenient, and more reliable service for passengers, carriers, and shippers.

Years from now, the next generation will no doubt look at the choices we make today.

They will see we knew of the threats of climate change — and that we were well aware of the crushing effects and costs of congestion to our economy and each citizen.

When they look at the choices we made - with all the knowledge we had - will they see we got it, right?

With the commitment of President Obama - with the talent, the energy, and the vision of everyone here in this room - I'm convinced the answer will be yes.

Thank you.