FRA UPDATE

MIPRC 2018 Annual Meeting
October 2018

FRA Office of Railroad Policy & Development Focus Areas

U.S. Department of Transportation Priorities
SAFETY  INFRASTRUCTURE  INNOVATION  ACCOUNTABILITY

Federal Railroad Administration’s Mission
“To enable the safe, reliable, and efficient movement of people and goods for a strong America, now and in the future.”

Focus Areas

SAFETY  INNOVATION
INFRASTRUCTURE  INVESTMENTS
AMTRAK  REFORM
PROJECT DELIVERY  STREAMLINING
**Midwest Network Vision**

![Network Map]

**Benefits of Connectivity**

<table>
<thead>
<tr>
<th></th>
<th>Markets Served¹</th>
<th>Intercity Ridership²</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sum of Standalone</td>
<td>280</td>
<td>32 M</td>
</tr>
<tr>
<td>Network</td>
<td>1340</td>
<td>43 M</td>
</tr>
<tr>
<td>Difference</td>
<td>379%</td>
<td>34%</td>
</tr>
</tbody>
</table>

- Network connectivity significantly enhances ridership.
- The four pillar corridors account for nearly half of all unlinked trips.

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¹ Total number of market pairs on network with maximum of one transfer.
² Year 2055 intercity demand.
### Network KPIs

<table>
<thead>
<tr>
<th>Corridor</th>
<th>Operating Recovery Ratio - Standalone</th>
<th>Operating Recovery Ratio - Network</th>
</tr>
</thead>
<tbody>
<tr>
<td>CHI-MSP</td>
<td>1.09</td>
<td>1.29 - 1.39</td>
</tr>
<tr>
<td>CHI-STL</td>
<td>0.65 – 0.73</td>
<td>1.05 - 1.06</td>
</tr>
<tr>
<td>CHI-IND</td>
<td>0.50 – 0.60</td>
<td>1.16 - 1.34</td>
</tr>
<tr>
<td>CHI-DET</td>
<td>0.68 – 0.85</td>
<td>1.16 - 1.28</td>
</tr>
<tr>
<td>Other Corridors</td>
<td></td>
<td>0.59 - 0.61</td>
</tr>
<tr>
<td>Full Network¹</td>
<td></td>
<td>0.88 - 0.90</td>
</tr>
</tbody>
</table>

1. Range shown represents outputs from the Regional and Core Express Networks

### General Findings

- The four pillar corridors all operate with a positive operating recovery ratio at the Regional and Core Express service levels in the Network context.
- The overall network nearly covers its operating costs.
- The non-pillar corridors help improve the viability of the pillar corridors.
- Both the Regional and Core Express networks deliver potentially viable financial performance - the Core Express network delivers more riders at a higher capital cost.
- Key hubs within the network include: Chicago, Indianapolis, Detroit, Cleveland, Fort Wayne, Milwaukee, Twin Cities, Bloomington.
Summary and Next Steps

- Similarities & differences between the study and the MWRII
  - Planning horizon
  - Market pairs
  - Modeling tools

- Wide ranging consistency in outcomes with MWRRI and reaffirms the role of MIPRC in the region
  - Also supports the ongoing development activities of passenger rail in the region

- Some links have significantly more potential than others
- There is potential for high-speed rail in the region

- What’s next?:
  - FRA is preparing the draft study for stakeholder review and input
  - Does not prevent ongoing work and interest in the region

Overview of FY17 & FY18 USDOT Rail Funding
• BUILD (formerly TIGER) — $1.5B made available in FY18 for surface transportation infrastructure projects

• Intercity passenger and freight rail projects eligible, to include PE, NEPA, and pre-construction activities

• Rail applications submitted for FY18 BUILD less than expected; FY17 CRISI over-subscribed

<table>
<thead>
<tr>
<th>Project Type</th>
<th>CRISI</th>
<th>BUILD</th>
</tr>
</thead>
<tbody>
<tr>
<td>Freight Projects</td>
<td>✔</td>
<td>✔</td>
</tr>
<tr>
<td>Intercity Passenger Rail Projects</td>
<td>✔</td>
<td>✔</td>
</tr>
<tr>
<td>Final Design/Construction</td>
<td>✔</td>
<td>✔</td>
</tr>
<tr>
<td>Preliminary Engineering/NEPA*</td>
<td>✔</td>
<td>✔</td>
</tr>
<tr>
<td>Planning*</td>
<td>✔</td>
<td>✔</td>
</tr>
<tr>
<td>New Infrastructure</td>
<td>✔</td>
<td>✔</td>
</tr>
<tr>
<td>Rehabbing Existing Infrastructure</td>
<td>✔</td>
<td>✔</td>
</tr>
<tr>
<td>Safety Improvements (e.g. grade crossings, PTC)</td>
<td>✔</td>
<td>✔</td>
</tr>
<tr>
<td>Rolling Stock</td>
<td>✔</td>
<td>✔</td>
</tr>
<tr>
<td>Development and Implementation of Safety Programs</td>
<td>✔</td>
<td>✔</td>
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</tbody>
</table>

*Projects that do not involve construction are not always eligible under TIGER/BUILD.

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**Consolidated Rail Infrastructure & Safety Improvements**

- **Purpose of Program**
  - To fund projects that improve the safety, efficiency, and/or reliability of intercity passenger and freight rail systems

- **Federal Funding**
  - $318,430,337
    - $35.5M for initiation/restoration capital projects
    - At least 25% for rural area projects

- **Federal Share**
  - Maximum: 80%
  - Statutory Preference: 50% or less

- **Application Due Date**
  - September 17, 2018 at 5 PM EDT-Extended to October 12, 2018 at 5 PM EDT

- **Special Funding Restrictions**
  - Applicants may resubmit FY17 CRISI and FY18 CRISI PTC applications for consideration – indicate whether application has changed since previous submission
### Eligible Applicants

- State Entities
- Local Government
- Amtrak & Other IPR Carriers
- Class II / III Railroads
- Public Agencies or Publicly Chartered Authorities
- Rail Carriers & Equipment Manufacturers
- Transportation Research Board
- University Transportation Centers
- Certain Non-profit Labor Organizations

### Eligible Projects

- Wide range of capital projects — congestion mitigation, ridership growth facilitation, enhancements to multimodal connections, improvements to shortline or regional railroad infrastructure
- IPR track, station, and equipment enhancements
- Railroad safety technology
- Grade crossing improvements
- Regional, state, and corridor planning and environmental analyses
- Safety programs and institutes
- Rail research, workforce development, and training — New for FY18

### Evaluation Criteria

- **Technical Merit:**
  - Project readiness
  - Private sector participation
  - Consistent with DOT Planning guidance and documents

- **Project Benefits:**
  - Effects on system performance, safety, competitiveness, reliability, trip or transit time, and resilience
  - Integration with other modes
  - Ability to meet existing or anticipated demand

### Selection Criteria

- Preference for higher matching funds from multiple sources, maximized net benefits, and private sector participation
- Key departmental objectives
  - Supporting Economic Vitality
  - Leveraging Federal Funding
  - Preparing for Future Operations/Maintenance Costs — More Explicitly Defined for FY18
  - Innovative Approaches
  - Accountability
**Purpose of Program**

- To fund the deployment of PTC system technology for intercity passenger rail, freight rail, and/or commuter rail passenger transportation

**Federal Funding**

- At least $46 million in remaining grant funding is available

**Eligible Projects**

- Maximum: 80%
- Statutory Preference: 50% or less

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**CRISI-PTC Systems Grants**

- Application Due Date
  - October 12, 2018
- Eligible Applicants
  - State Entities
  - Public Agencies or Publicly Chartered Authority (e.g., commuter rail agencies)
  - Local Governments
  - Amtrak or other Intercity Passenger Rail Carrier
  - Class II or III Railroad
  - Any Rail Carrier or equipment manufacturer in partnership with at least one state entity, public agency, and/or local government
  - The Transportation Research Board
  - A University transportation center engaged in rail-related research
  - A non-profit labor organization
CRISI-PTC Systems Grants

Eligible Projects

- Projects that deploy PTC systems technology for intercity passenger rail, freight rail, and/or commuter rail passenger transportation:
  - Back office systems
  - Wayside, communications, and onboard hardware equipment
  - Software
  - Equipment installation
  - Spectrum
  - Any component, testing, and training for the implementation of PTC systems

**NOTE:** Maintenance and operating expenses incurred after a PTC system is placed in revenue service are ineligible.

Restoration and Enhancements Grants

Purpose of Program

- To provide operating assistance to initiate, restore, or enhance intercity passenger rail service

Eligible Applicants

- State Entities
- Local Governments
- Amtrak & Other IPR Carriers
- Rail Carriers

Eligible Projects

- Establishing a new service
- Additional frequencies
- Service extensions
- Offering new on-board services
- Examples of eligible expenses: train engineer staffing, fuel, train dispatching, station management, and overhead
**Federal-State Partnership State of Good Repair**

**Purpose of Program**
- To fund intercity passenger rail capital projects nationwide to reduce the state of good repair backlog on certain publicly-owned or Amtrak-owned railroad assets

<table>
<thead>
<tr>
<th></th>
<th>FY17</th>
<th>FY18</th>
</tr>
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<tbody>
<tr>
<td></td>
<td>$25 M</td>
<td>$250 M</td>
</tr>
</tbody>
</table>

**Eligible Applicants**
- State Entities
- Local Governments
- Amtrak

**Eligible Projects**
- Capital projects, on NEC and off NEC, to repair, replace, rehabilitate, or improve qualified railroad infrastructure, equipment, and facilities

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**Benefit Cost Analysis Guidelines**
- Document your assumptions in as much detail as possible.
- Explain how the project will lead to the expected outcomes.
- Work from the bottom up.

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**Narrative Key Assumptions**

**Statistics**

**Base Case**

**Alternative Case**

**BCA Result**
BCA Guidelines

• If the project has separate elements, report benefits and costs of each sub-project separately.

• If your BCA includes modal diversion, include YOUR mix of commodities and traffic volumes.

• Include an unlocked Excel spreadsheet that clearly shows your calculations and discounting.

US DOT BCA guidance:

BCA FAQs:
https://www.fra.dot.gov/eLib/Details/L19367

• GradeDEC link
https://www.fra.dot.gov/Page/P0337

• GradeDEC documentation
https://www.fra.dot.gov/eLib/Details/L03761
In accordance with §200.301 and Sec. 11301 of the FAST Act, each applicant selected for funding must collect information and report on the project's performance using measures mutually agreed upon by FRA and the grantee to assess progress in achieving strategic goals and objectives.

**Project Benefits/Performance Outcomes**

What this means:

- Performance measures listed in NOFO/on previous slide are exemplary, not exhaustive.
- Performance measures will be included in Grant Agreement.
- Project specific performance measures will need to be identified for each grant.
- The performance baseline and improved level of performance anticipated to be defined prior to grant award.
- Grantees will be responsible for reporting actual performance against the anticipated improvement for a time period post completion.
• Read the NOFO carefully
• Determine what a "successful" project will look like
• Register in SAM and Grants.gov early
• Apply early enough to meet the application deadline
• When applying through Grants.gov, use the “Track My Application” function
• Use the checklist with the application requirements in the NOFO as you complete your application
• Check to see that all budget figures match corresponding figures on the forms, cover sheet, SOW, and in the Project Narrative
  o Numbers in columns and rows should add up properly in budget tables

• Address all of the evaluation and selection criteria on which you will be rated
  o By clearly and directly responding to the criteria, your application will be easier to read and evaluate. Don’t bury key points!
• Name key partners, indicate in-place agreements, and include letters of support
• Align your strategies, activities, staffing, and other application content
• For grade crossing improvement projects, include DOT grade crossing ID numbers
• Only include project costs expected to be incurred after selection of the grant
Grantee Technical Assistance

- FRA hosted or participated in 9 webinars to provide technical assistance to more than 500 grantees and other rail stakeholders.

- Topics included:
  - Grant programs and application requirements
  - Application assistance
  - How to prepare Benefit-Cost Analyses

Recordings of some of the recent webinars can also be found at: [https://www.fra.dot.gov/Page/P1137](https://www.fra.dot.gov/Page/P1137)
PTC Implementation Status

- 99% freight
  (14,370 of 14,594)
- 91% passenger
  (2,300 of 2,500)
- 97% freight
  (9,770 of 9,998)
- 77% passenger
  (1,230 of 1,600)
- 66% freight
  (5,971 of 9,036)
- 24% passenger
  (2,174 of 9,036)

PTC Questions

- Region 1
  Cambridge, MA
  800-724-5991
- Region 2
  Chery Lynne, PA
  800-724-5992
- Region 3
  Atlanta, GA
  800-724-5993
- Region 4
  Chicago, IL
  800-724-8540
- Region 5
  Fort Worth, TX
  800-724-5998
- Region 6
  Kansas City, MO
  800-724-5999
- Region 7
  Sacramento, CA
  800-724-5997
- Region 8
  Vancouver, WA
  800-724-5998

Regional Headquarters:
Washington, DC
202-413-4014

Federal Railroad Administration
U.S. Department of Transportation
Since 2015, USDOT has made collaborative efforts to elevate and increase safety engagement through a renewed focus on:
- Accelerating Positive Train Control (PTC) implementation
- Rail Grade Crossing and Trespassing Prevention outreach
- Administering funding for rail infrastructure upgrades across the nation

### Recent Investment Programs

<table>
<thead>
<tr>
<th>Program</th>
<th>Fiscal Year</th>
<th>Funds</th>
<th>Impact</th>
</tr>
</thead>
<tbody>
<tr>
<td>Safe Transportation of Energy Products by Rail Grant Program (STEP 2015)</td>
<td>2015</td>
<td>$10 Million</td>
<td>9 projects across 8 states, Funds to upgrade and increase the safety of railroad crossings along energy routes</td>
</tr>
<tr>
<td>Railroad Safety Infrastructure Improvement Grant Program (SSIP 2016)</td>
<td>2016</td>
<td>$25 Million</td>
<td>23 projects across 14 states, Funds to increase safety at railroad crossings, train stations, and tracks</td>
</tr>
<tr>
<td>Railroad Safety Technology Grant Program (RSTG 2016)</td>
<td>2016</td>
<td>$25 Million</td>
<td>11 projects across 6 states, Funds installation of PTC systems to prevent collisions and over-speed derailments</td>
</tr>
<tr>
<td>Positive Train Control Grant Program (PTC 2017) FTA funding</td>
<td>2017</td>
<td>$197 Million</td>
<td>17 projects in 13 states, Funds installation of PTC systems to prevent collisions and over-speed derailments</td>
</tr>
<tr>
<td>Consolidated Rail Infrastructure and Safety Improvements Program (CRSI 2018)</td>
<td>2018</td>
<td>$203 Million</td>
<td>26 projects across 15 states, Funds installation of PTC systems to prevent collisions and over-speed derailments</td>
</tr>
</tbody>
</table>

88 Total projects funded by FRA/FTA  
$460M Total safety grant funding by FRA/FTA  
$446M Total grantee contribution (state and local contribution)
Pre-NEPA Planning

- FRA is exploring how to best utilize Pre-NEPA phase/before NOI
- Better connect planning and NEPA
  - Range of reasonable alternatives
  - Purpose and Need
  - Stakeholder outreach
- Pre-NEPA outputs subject to review, revision, and adoption after NEPA process is initiated (during Scoping)

FAST Act — Update to NEPA & 4(f) Regulations

FHWA, FTA, and FRA are working on a joint final rule.
- Harmonizes environmental procedures across the three USDOT modes with jurisdiction over surface transportation
- Reduces burden on project sponsors
- Establishes new FRA CEs
- Requires 30-day public comment period for EAs
- Incorporates new 4(f) exemption consistent with FAST Act
Executive Order 13807

One Federal Decision (OFD):

• Sets a government-wide goal of reducing average completion time for EIS to 2 years
• Applies to “Major Infrastructure Projects” (MIPs)
  o EIS-level projects
  o “Reasonable availability of funds”
  o Multiple Federal authorizations involved
• Process elements
  o Permitting timetable for all environmental review and authorizations decision
  o Single EIS
  o Single ROD
  o Authorizations (including permits) within 90 days after ROD

Section 106 Program Comment for Rail ROW

Exempted Activities List

• Comprehensive list of repair, maintenance, and upgrade activities that are necessary to ensure the safe and efficient operation of railroads and rail transit systems.
• Applies to rail properties only.
• Organized by property type.
• Effective now for projects for which the Section 106 process has not started or is underway but not complete.
• Some activities require the involvement of SOI-qualified professionals.
• Eliminates requirement for review by SHPOs.
• Federal agency determines whether or not exemption applies.
**NEPA & 106 Contacts**

Marlys Osterhues, Division Chief  
Environmental and Corridor Planning  
(202) 493-0413  
marlys.osterhues@dot.gov

Environment & NEPA Resources and Guidance:  
https://www.fra.dot.gov/Page/P1031

QUESTIONS?