



FRA UPDATE

**MIPRC 2018 Annual Meeting
October 2018**

 U.S. Department of Transportation
Federal Railroad Administration

FRA Office of Railroad Policy & Development Focus Areas

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

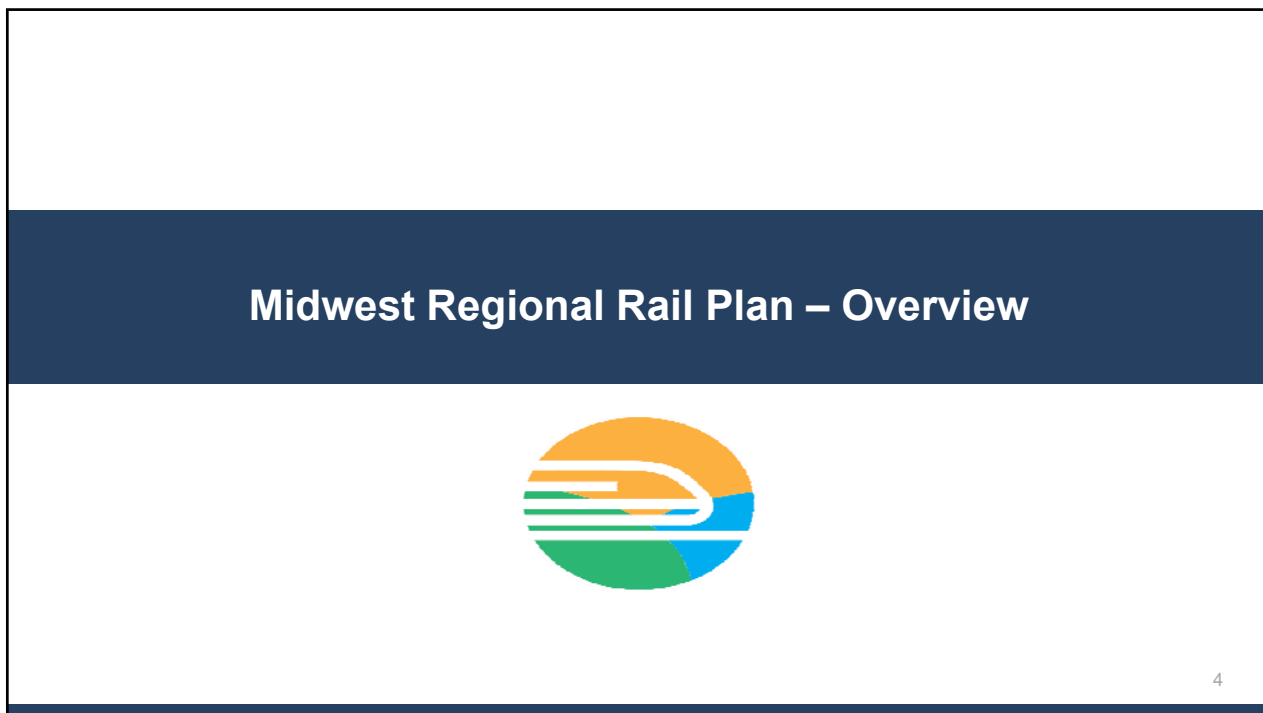
Federal Railroad Administration's Mission
"To enable the safe, reliable, and efficient movement of people and goods for a strong America, now and in the future."

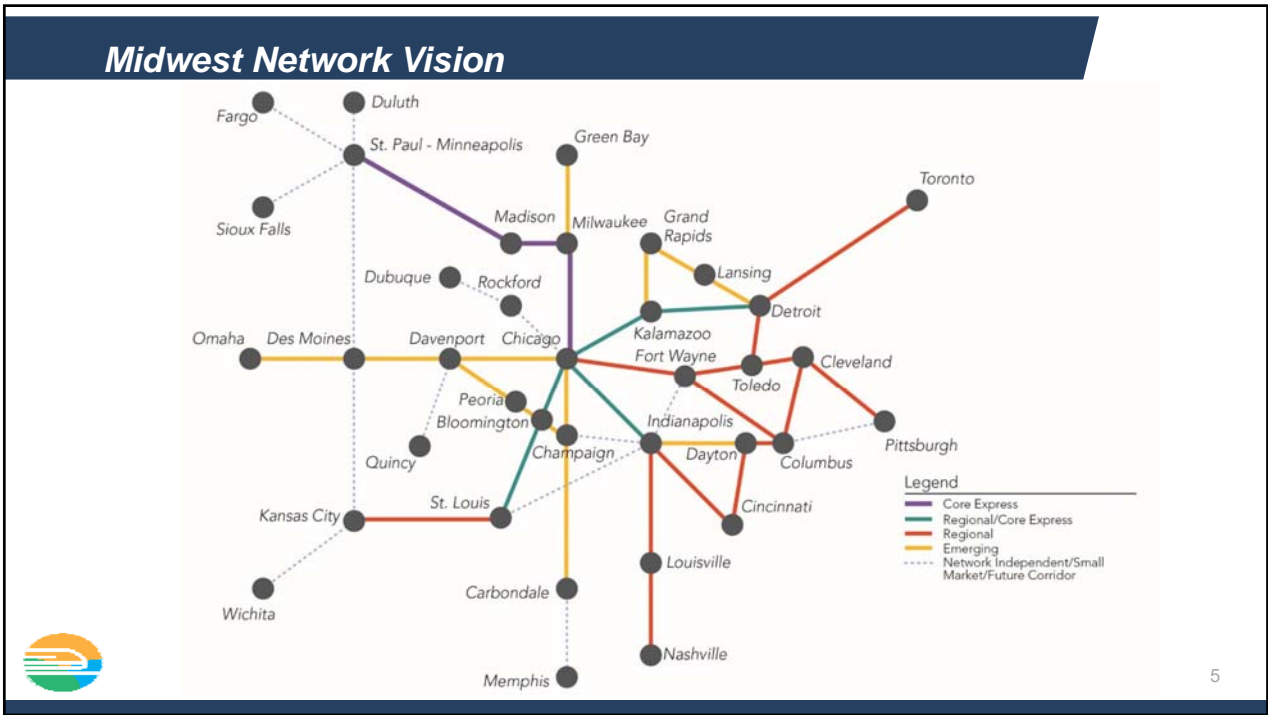
Focus Areas

| | | | |
|---|--|---|---|
|  SAFETY INNOVATION |  INFRASTRUCTURE INVESTMENTS |  AMTRAK REFORM |  PROJECT DELIVERY STREAMLINING |
|---|--|---|---|

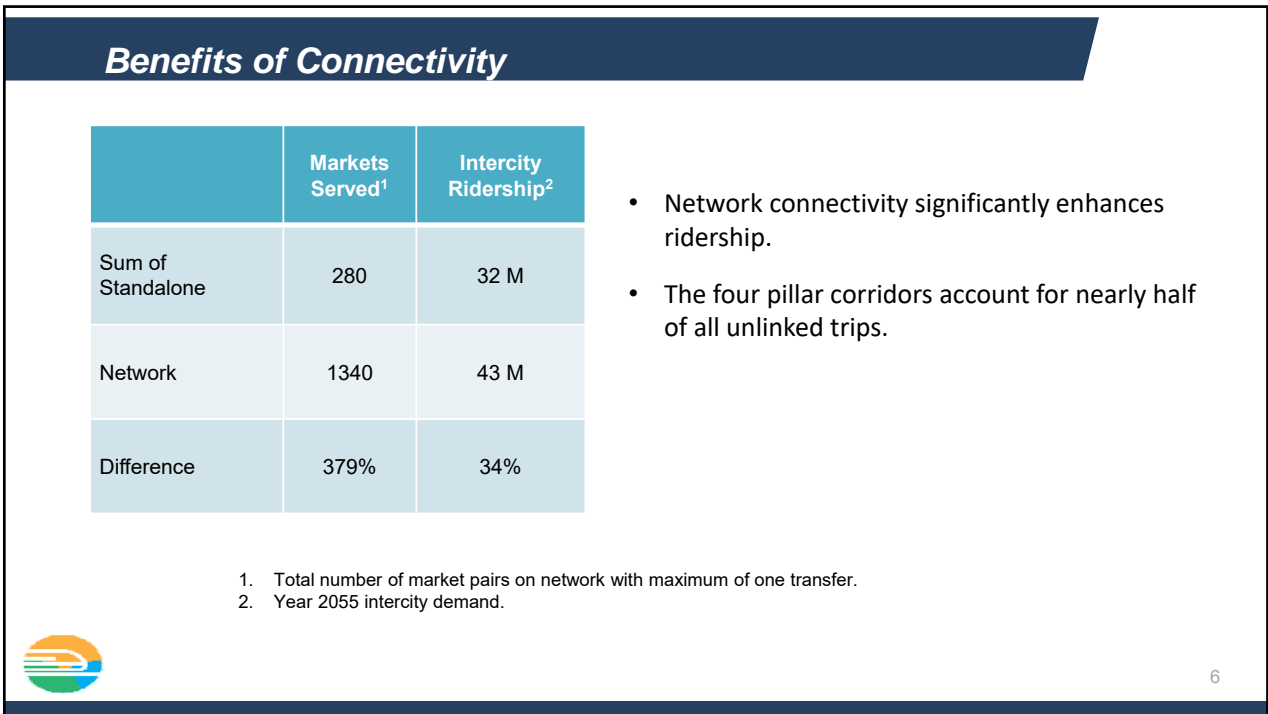
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Network KPIs

| Corridor | Operating Recovery Ratio - Standalone | Operating Recovery Ratio - Network |
|---------------------------|---------------------------------------|------------------------------------|
| CHI-MSP | 1.09 | 1.29 - 1.39 |
| CHI-STL | 0.65 – 0.73 | 1.05 - 1.06 |
| CHI-IND | 0.50 – 0.60 | 1.16 - 1.34 |
| CHI-DET | 0.68 – 0.85 | 1.16 - 1.28 |
| Other Corridors | | 0.59 - 0.61 |
| Full Network ¹ | | 0.88 - 0.90 |

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



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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.



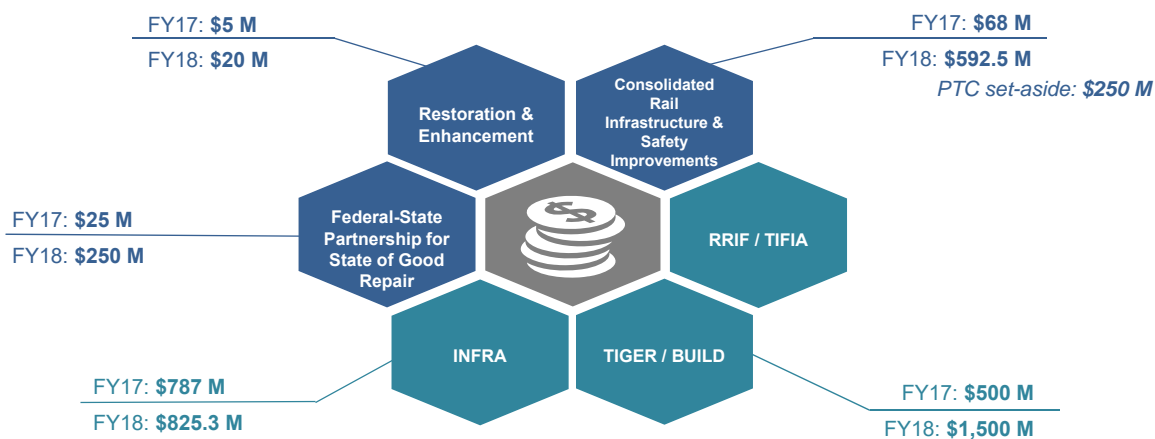
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Summary and Next Steps

- Similarities & differences between the study and the MWRII
 - Planning horizon
 - Market pairs
 - Modeling tools
- Wide ranging consistency in outcomes with MWRII 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



CRISI and BUILD – Eligible Projects

- 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**

| Project Type | CRISI | BUILD |
|---|-------|-------|
| Freight Projects | ✓ | ✓ |
| Intercity Passenger Rail Projects | ✓ | ✓ |
| Final Design/Construction | ✓ | ✓ |
| Preliminary Engineering/NEPA* | ✓ | ✓ |
| Planning* | ✓ | ✓ |
| New Infrastructure | ✓ | ✓ |
| Rehabbing Existing Infrastructure | ✓ | ✓ |
| Safety Improvements (e.g. grade crossings, PTC) | ✓ | ✓ |
| Rolling Stock | ✓ | ✓ |
| Development and Implementation of Safety Programs | ✓ | |

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

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**



Consolidated Rail Infrastructure & Safety Improvements

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**

Consolidated Rail Infrastructure & Safety Improvements

• 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

CRISI-PTC Systems Grants

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

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

FY18

\$20 M

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

| FY17 | FY18 |
|--------|---------|
| \$25 M | \$250 M |

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**

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.

Narrative
Key Assumptions
Statistics






Base Case
Alternative Case
BCA Result




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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.***

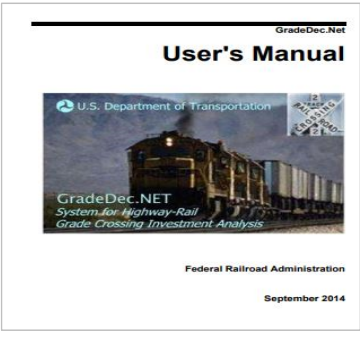



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BCA Guidelines

- USDOT BCA guidance: <https://www.transportation.gov/office-policy/transportation-policy/benefit-cost-analysis-guidance>
- BCA FAQs: <https://www.fra.dot.gov/eLib/Details/L19367>



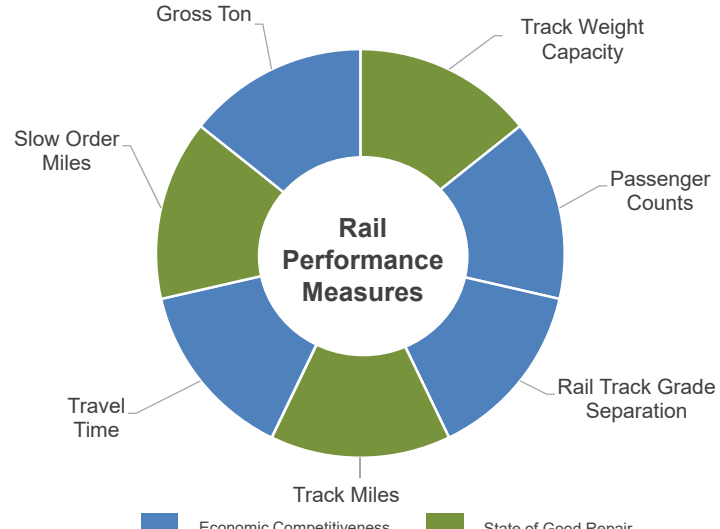


- GradeDEC link <https://www.fra.dot.gov/Page/P0337>
- GradeDEC documentation <https://www.fra.dot.gov/eLib/Details/L03761>


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Project Benefits/Performance Outcomes

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.



■ Economic Competitiveness ■ State of Good Repair


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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.



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Application Best Practices

- 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
 - Numbers in columns and rows should add up properly in budget tables



Application Best Practices

- Address all of the evaluation and selection criteria on which you will be rated
 - 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

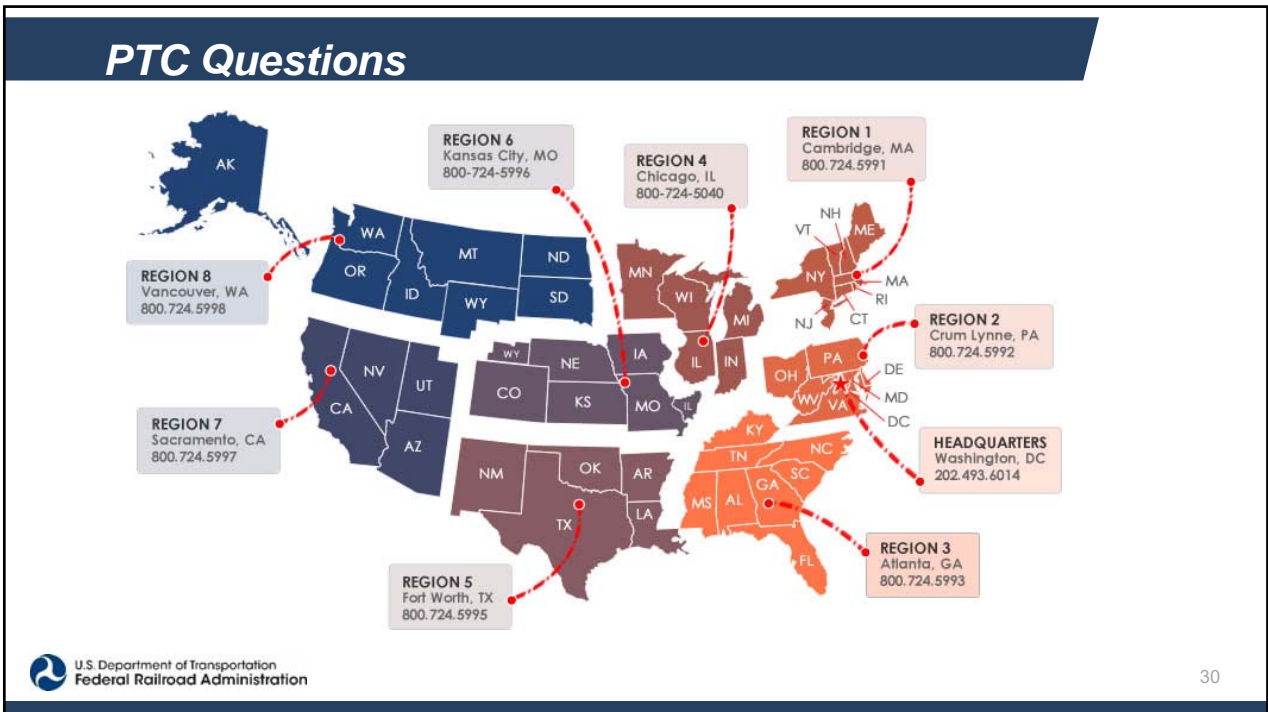
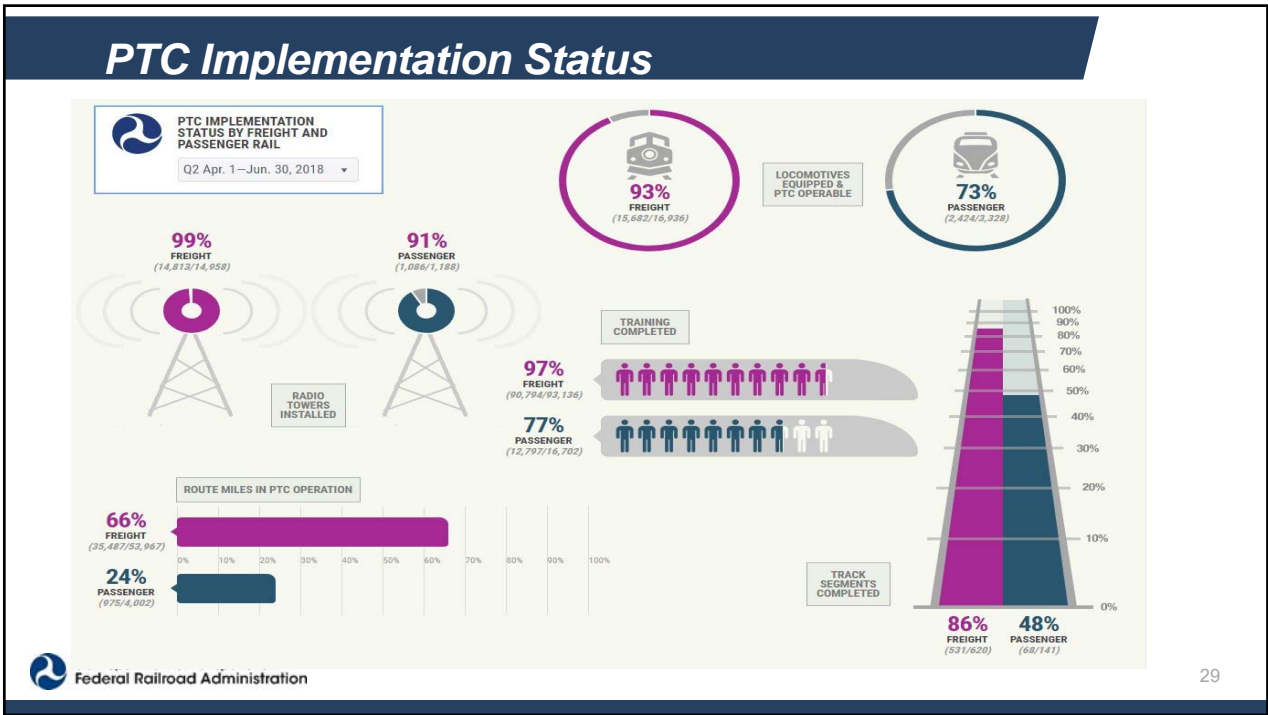


Recordings of some of the recent webinars can also be found at:

<https://www.fra.dot.gov/Page/P1137>



Safety Innovation



Safety Investments | Funding Overview

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

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Total projects funded by FRA/FTA

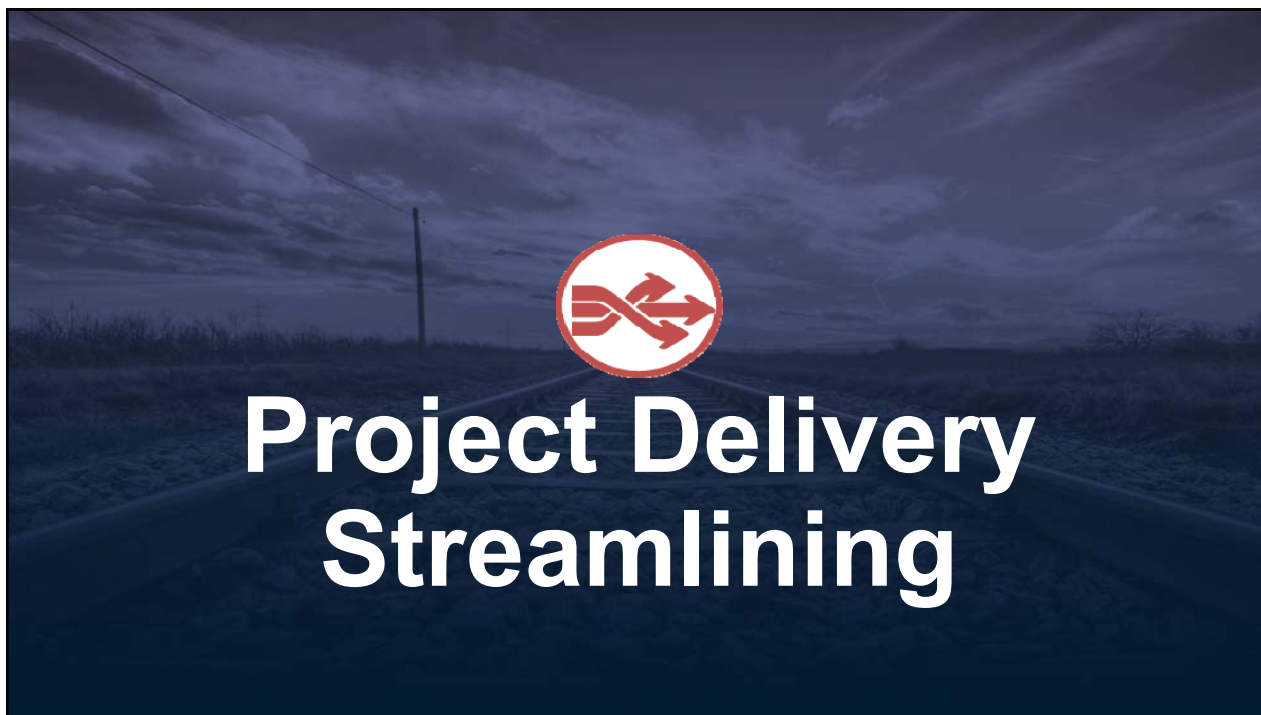
\$460M

Total safety grant funding by FRA/FTA

\$446M

Total grantee contribution (state and local contribution)

| Recent Investment Programs by Fiscal Year | Funds | Impact |
|---|----------------------|--|
| Safe Transportation of Energy Products by Rail Grant Program (STEP 2015) | \$10 Million | <ul style="list-style-type: none"> • 9 projects across 8 states • Funds to upgrade and increase the safety of railroad crossings along energy routes |
| Railroad Safety Infrastructure Improvement Grant Program (SIIP 2016) | \$25 Million | <ul style="list-style-type: none"> • 23 projects across 14 states • Funds to increase safety at railroad crossings, train stations, and tracks |
| Railroad Safety Technology Grant Program (RSTG 2016) | \$25 Million | <ul style="list-style-type: none"> • 11 projects across 6 states • Funds installation of PTC systems to prevent collisions and over-speed derailments |
| Positive Train Control Grant Program (PTC 2017) *FTA funding | \$197 Million | <ul style="list-style-type: none"> • 17 projects in 13 states • Funds installation of PTC systems to prevent collisions and over-speed derailments |
| Consolidated Rail Infrastructure and Safety Improvements Program (CRISI 2018) | \$203 Million | <ul style="list-style-type: none"> • 28 projects across 15 states • Funds installation of PTC systems to prevent collisions and over-speed derailments |



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)
 - EIS-level projects
 - “Reasonable availability of funds”
 - Multiple Federal authorizations involved
- Process elements
 - Permitting timetable for all environmental review and authorizations decision
 - Single EIS
 - Single ROD
 - Authorizations (including permits) within 90 days after ROD



Section 106 Program Comment for Rail ROW

PROPERTY BASED APPROACH
(OPTIONAL)

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.



EXEMPTED ACTIVITIES LIST

OVERVIEW

NEPA & 106 Contacts

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Environment & NEPA Resources and Guidance:

<https://www.fra.dot.gov/Page/P1031>



FRA's Environmental
Review Process

July 26, 2018



QUESTIONS?