

# **AAPA**

## **TRANSATLANTIC EXCHANGE ON PORTS AND TRANSPORTATION LOGISTICS POLICY**

**MARCH 23, 2011**

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# **AGENDA**

**2012 Budget**

**EU Scan on Freight Corridors**

**Scenario Planning**



# HIGHLIGHTS OF 2012 BUDGET

**2012 Proposal provides funding to:**

- **Modernize our highway system and create jobs.**
- **Focus investment on safety, state of good repair, and livability.**
- **Establish a performance-based highway program.**
- **Encourage innovations that will shorten project delivery and accelerate the deployment of new technologies.**
- **Simplify the highway program structure by consolidating over 55 programs to 5 core programs.**



# NATIONAL HIGHWAY PROGRAM

- Targets investment to maintain state of good repair and operational performance on roads critical to national interest.
- Provides flexibility to the States for making transportation investment decisions on the larger system of Federal-aid eligible highways.
- Streamlines and consolidates portions of several existing programs including Interstate Maintenance, National Highway System, Highway Bridge, Surface Transportation Program.



# ENHANCED NATIONAL HIGHWAY SYSTEM

- Redefines the NHS as 220,000-mile network that includes:
  - Interstate System.
  - All principal arterials.
  - **Intermodal connectors.**
  - Other roads important to strategic defense policy.
- Expands network that would carry 55% of all traffic and **97% of all truck-borne freight.**
- Consistently defined **network of national interest** that would operate as a cohesive highway system to support **interstate commerce and economic competitiveness.**



# **HIGHWAY INFRASTRUCTURE PERFORMANCE PROGRAM (HIPP)**

- Establishes formula and performance based program (\$16.75 billion)
  - Maintains infrastructure condition and performance on the expanded NHS network.
  - Performance focus on pavement and bridge conditions, and safety.



# **FLEXIBLE INVESTMENT PROGRAM (FIP)**

- Establishes formula-based program (\$15.6 billion)
- Provides flexibility to the States to replace or improve highway infrastructure, improve operational performance, and build or expand needed transportation facilities
- Funds can be used on any Federal-aid eligible highways (~995,000 miles) and off-system bridges.



# PERFORMANCE MANAGEMENT PROCESS

- Establishes a performance-based Federal-aid highway program.
- Focuses initially on safety, pavement and bridge conditions.
- Requires the Secretary to establish quantifiable performance measures and national performance goals.
- States to work in partnership with FHWA to set state targets.
  - Safety – incorporates State Strategic Highway Safety Plans.
  - Pavements/Bridges – requires risk-based asset management plan for enhanced NHS.
- Provides additional flexibility when targets are met.
- Requires performance improvement plan when targets not met.



# OTHER KEY PROVISIONS

## ACCELERATED PROJECT DELIVERY

- Includes provisions to improve project delivery in the areas of environmental review, permitting, integrating transportation planning and environmental review of transportation projects and efficiencies in contracting.

## FREIGHT POLICY

- Establishes a National Freight Transportation Policy and designates a National Freight Transportation System.
- Broader State flexibility on the use of HIPP and FIP funds to improve performance of designated national freight corridors.

## NATIONAL INFRASTRUCTURE BANK

- Finances transportation projects of national or regional significance
- Leverages resources to achieve maximum return on federal funds.
- Funded at \$5 billion annually.
- Within USDOT and governed by board of officials from USDOT and other federal agencies.



# 2012 BUDGET (FREIGHT)

- **Program Consolidation - 55 to 5 core programs**
- **Enhanced NHS - 220K miles - 97% of truck freight**
  - Consistently defined network of national interest that would operate to support interstate commerce & economic competitiveness
  - Targets 40% of 2012 funds (16.75B/42.8B)
- **Performance Based System**
  - Safety / State of Good Repair
- **National Infrastructure Bank**
  - Projects of National / Regional Significance
- **Transportation Leadership Awards**
- **National Freight Policy**
  - Defined National Freight Transportation System
  - National Freight Corridors (flexibility)



# EU FREIGHT CORRIDOR SCAN

## Purpose

- Learn from the EU and member countries experiences on freight corridor planning and implementation
- Understand how programs were developed, evolved and implemented on a national level and across jurisdictional levels

## Specific Objectives

- Understand how specific corridors are selected and prioritized
- Understand how corridor improvements and operations are financed
- Understand leadership required to develop and implement policy
- Identify how performance standards/measures are developed
- Identify ways to foster international collaborations on freight corridor issues



# OVERARCHING ISSUES

- A unifying vision of the corridors and its constancy is key
- Multi - jurisdictional planning, decision-making, and project selection challenges established protocols, institutions
- Funding - multiple options for different objectives
- Policy alignment / coherence



# KEY FINDINGS - POLICY

- The EU has a unifying vision: an effective and integrated trans-European transportation network (TEN-T) is critical to their long-term economic health and their ability to compete in global markets.

Connectivity/Access - Corridors/Axes

Economic Development/Commerce

- Member states understand and support this Vision
- Unifying vision provides stable policy and funding that survives short-term changes in leadership at the national and EU levels
- Stable vision / objective is very helpful in attracting private financing



# KEY FINDINGS - PLANNING

Need for a **corridor** system that is balanced w/ **connectivity**

- Original network was not defined on the basis of data
- Is being revised to include analytic base

## CORE NETWORK (corridor)

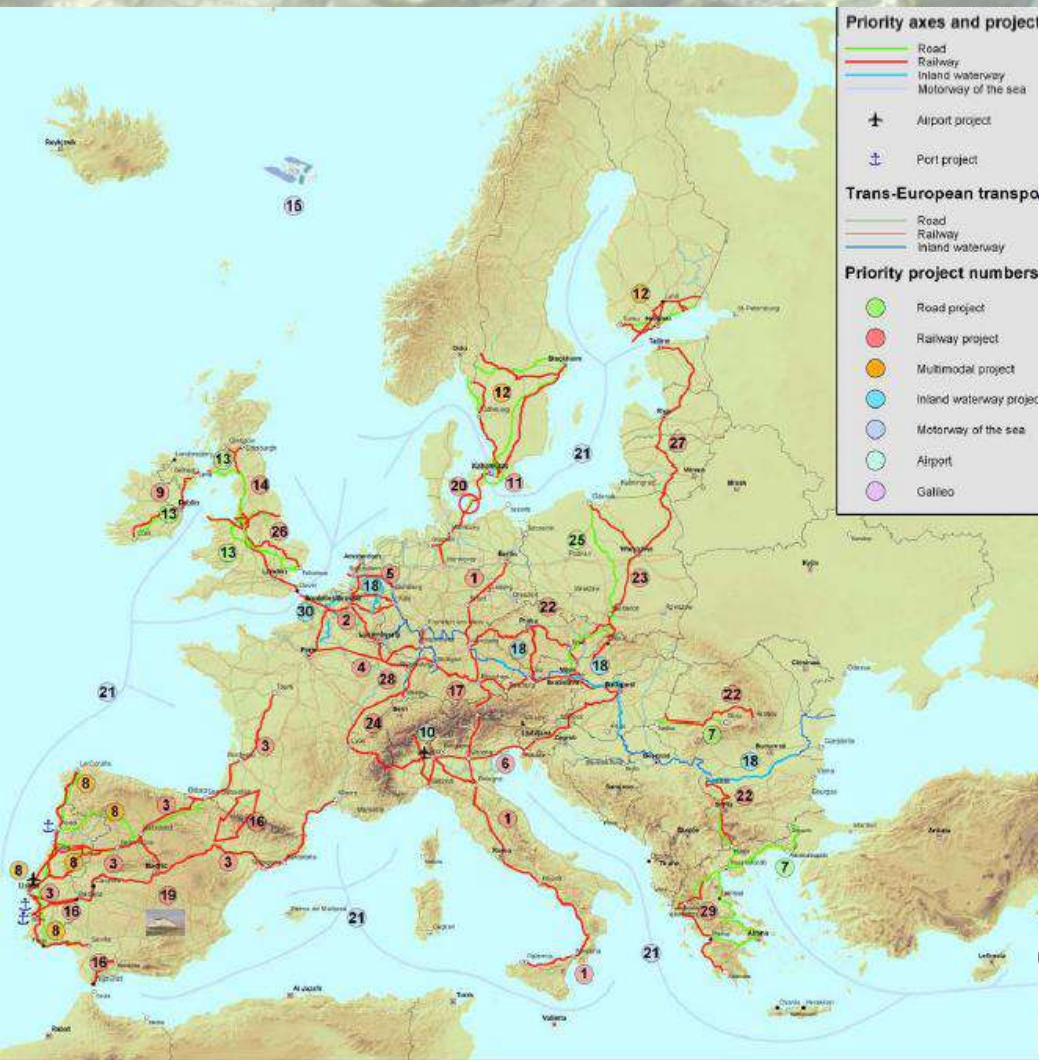
- *“top-down”* analytic approach determined at the EU.
- Will use nodes and links that allow implementation flexibility at Member State level - will not define physical corridors, but conceptual corridors without specific modal infrastructure

## COMPREHENSIVE NETWORK (connectivity)

- *“bottom-up”* approach that serves both member State and regional interests.
- Member States submit what they believe should be on the Comprehensive Network



# TEN-T POTENTIAL CORE & COMPREHENSIVE





# KEY FINDINGS - PLANNING

- Alignment of Member States priorities and EU priorities is a challenge.



€8B tunnel through the Alps has limited value to Austria



Poland is aligning its transportation infrastructure eastward and southward

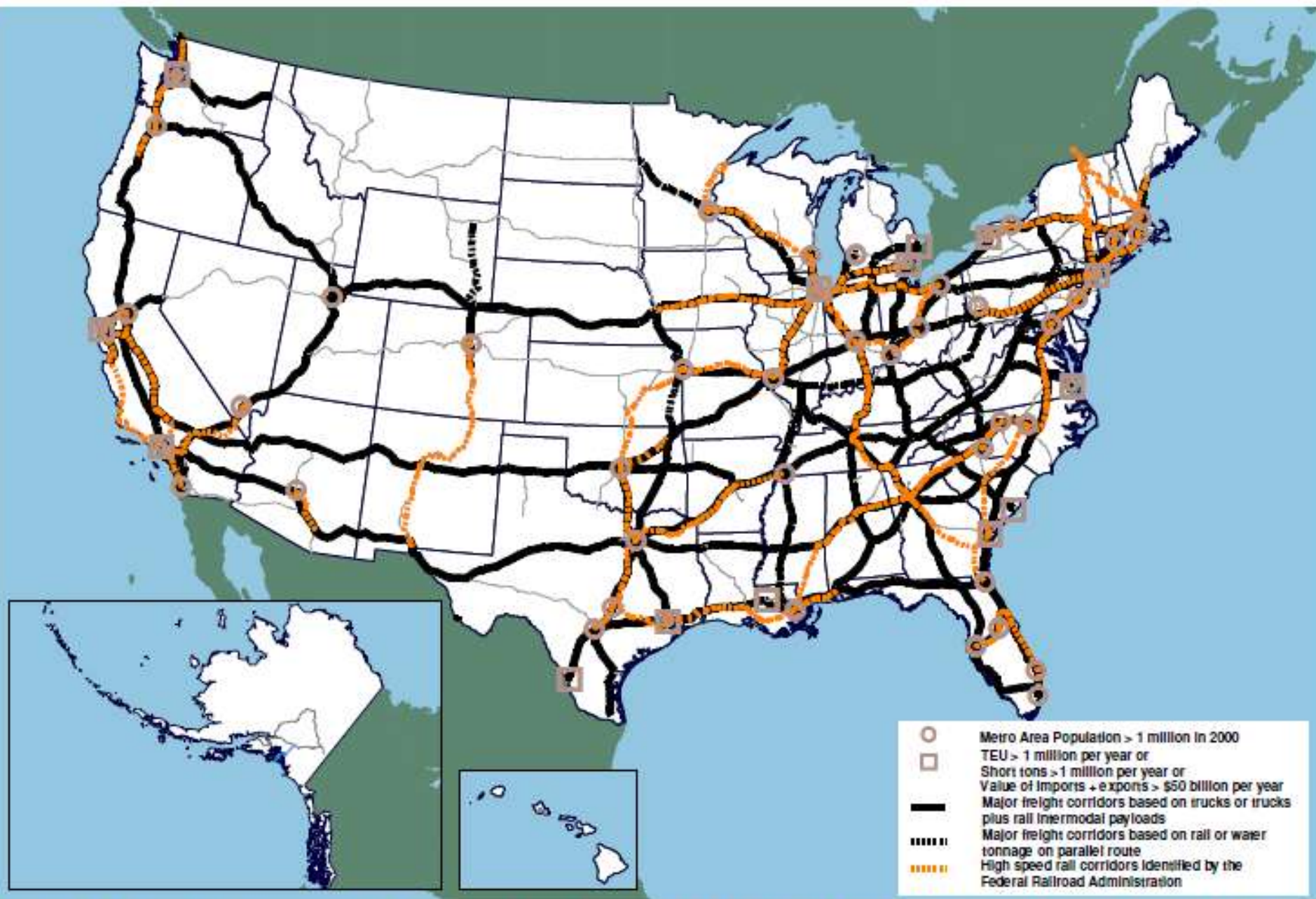


# CONCLUSIONS

- Importance of a unifying vision linking transportation and the economy
- Challenges of multijurisdictional/regional transportation planning and implementation
- Evolution from exclusively national/local to international understanding
- Aligning National and EU interests / priorities and balancing the funding accordingly
- Create foundation for fact-based policy decisions
- Aligning benefits and costs
- Aligning policies
- Reinforce the value of multi-year stable funding



# High Speed Rail and Major Freight Corridors



Notes: Major freight corridors are based on highway routes with annual average daily truck traffic  $\geq 8,500$  or highway & parallel rail routes with annual average daily truck traffic plus average daily intermodal service on parallel railroads  $\geq 8,500$ . Average daily intermodal service is the annual tonnage moved by container-on-flatcar and trailer-on-flatcar service divided by 365 days per year and 16 tons per average truck payload.

Source: U.S. Department of Transportation, Federal Highway Administration, Office of Freight Management and Operations, 2000.



Major Freight Corridors in the U.S., Canada, and Mexico





# SCENARIO PLANNING (NCHRP 20-83-1)

