

**George E. Schoener**

**Executive Director  
I-95 Corridor Coalition**

Mr. Schoener, Executive Director of the I-95 Corridor Coalition, is responsible for managing the day-to-day implementation of the Coalition's program, projects and activities. The I-95 Corridor Coalition is a partnership of state departments of transportation, regional and local transportation agencies, toll authorities, and related organizations, including law enforcement, port, transit, and rail organizations, from Maine to Florida, with affiliate members in Canada.

Prior to his position with the I-95 Corridor Coalition, Mr. Schoener retired from the U.S. Department of Transportation and FHWA. Most recently he served as Deputy Assistant Secretary of USDOT with primary responsibility for developing national transportation policy, including the Administration's reauthorization legislation for surface transportation. In that position, he also worked with public and private sector representatives to develop a national freight policy framework and established intermodal teams to facilitate implementation of projects of national and regional significance.

While at FHWA, Mr. Schoener's positions included those of Director of Planning, Chief of the Intermodal Division, and Chief of Transportation System Management. Additionally, he was a Professional Staff Member of the U.S. Senate Environment and Public Works Committee.

Mr. Schoener holds a Masters Degree in Engineering from Pennsylvania State University and Bachelors of Civil Engineering from the University of Minnesota.



# ***The I-95 Corridor Coalition: Public-Private Partnerships & Innovations in Transportation***



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September 8, 2008



# ***I-95 Corridor Coalition***

- **The Coalition:**

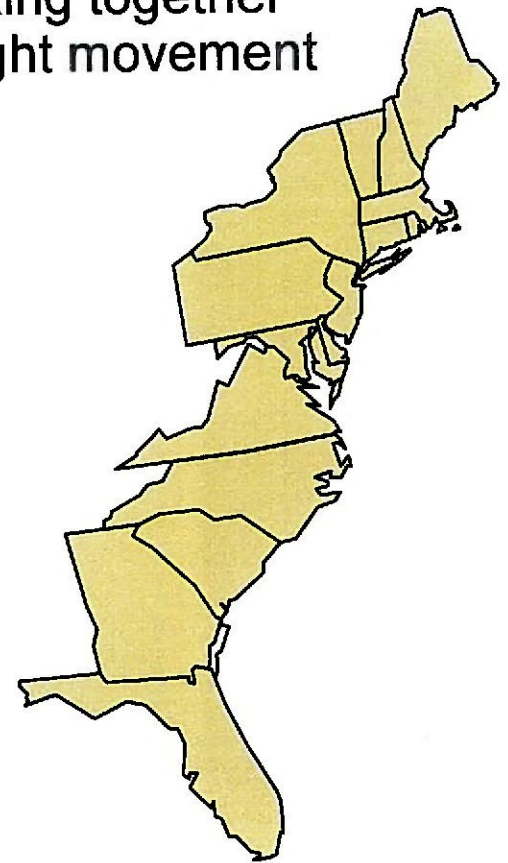
- An alliance of transportation agencies, toll authorities and related organizations, from Maine to Florida working together to accelerate improvements in long-distance freight movement and passenger travel.

- **The Region:**

- 40,000 National Highway System Miles
- 22,000 miles of Class I rail mileage
- 46 major seaports
- 103 commercial airports

- **The Economy:**

- \$4.5 trillion economy (40% of US GDP)
- 5.3 billion tons of freight shipments annually
- 21% of nation's road miles (35% of VMT)







## ***Stimulating Public-Private Partnership (PPP) Activity***

- **Identifying the need for public-private financing**
  - **Mid-Atlantic Rail Operations Project**
  - **Shellpot Toll Bridge**
- **Advancing the use of innovative financing techniques**
  - Various I-95 Corridor Coalition Activities
- **New institutional structures**
  - I-95 Corridor Coalition
- **Accelerating technological innovation**
  - Vehicle Probe Project
- **Looking to the future**
  - Long Range Strategic Vision





## ***The Mid-Atlantic Rail Operations Study is a Cooperative Public-Private Effort***

- Participants:
  - Railroads:
    - CSX, NS, and Amtrak
  - States:
    - NJ, PA, DE, MD and VA
  - Federal Agencies:
    - FHWA and FRA
  - I-95 Corridor Coalition



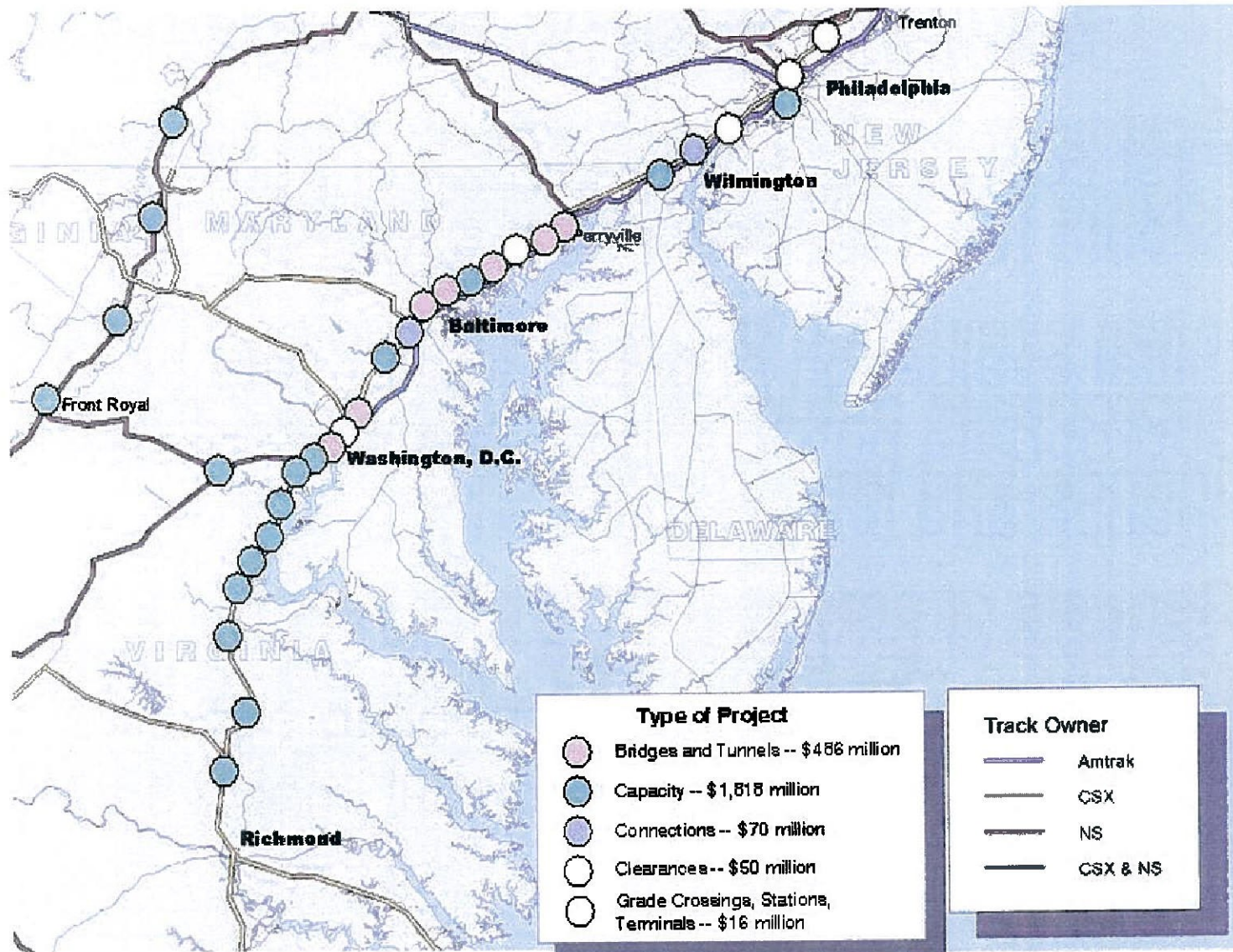
## ***The Mid-Atlantic Rail Operations Study Identified Need for PPP Financing***

- First coordinated assessment of public and private rail needs across the region
- Initial evaluation of public and private benefits and appropriate public and private sector roles in finance and implementation
- Genesis of proposal for a multi-state infrastructure bank as a mechanism for pooling and leveraging public and private funds for rail improvement projects





## Improvement Projects Identified at Critical Chokepoints







## ***The Shellpot Toll Bridge is an Excellent PPP Implementation Example***

- **Rehab Project:** Freight Rail Connection in Delaware
- **Partners:** Delaware DOT and Norfolk Southern
- **Cost:** \$13,900,000, paid by DelDOT (\$8,900,000 from bonds)
- **Bond Repayment:** Norfolk Southern pays tolls each time a rail car crosses the bridge
- **Benefits:**
  - Delaware DOT: Future passenger starts, port competitiveness, and economic development
  - Norfolk Southern: Keeps the bridge rehab costs off of the balance sheet and puts railroad on par with the highway



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## ***The Coalition's Authorization Positions Provide Policy Context for Innovative Financing Activities***

1. Facilitate Multi-state partnerships/coalitions to improve transportation system performance and reliability.
2. **Fund large-scale improvements along nationally significant corridors where the costs of the improvements are too great for any single entity to fund and where benefits will accrue to the entire region or nation.**





## ***The Coalition's Financing Workshop Identified Considerations for Successful Innovative Financing Use***

- Solutions must be driven by a common vision
- Importance of policy and institutional considerations
  - Cannot be constrained by existing funding, institutional, or programmatic contexts
- Cost allocations should reflect all users/beneficiaries
- State and local priorities must be respected



## ***The Coalition is Currently Exploring Multi-state Financing Ideas***

- Briefing Paper to assist Coalition members in evaluating options for financing large projects
- Outline:
  - Descriptions of prominent proposals being actively discussed by policy makers & stakeholders
  - Identification of key federal and state budgetary and policy issues
  - Recommendations on how to proceed with an in-depth analysis, to identify and evaluate programmatic/legislative options





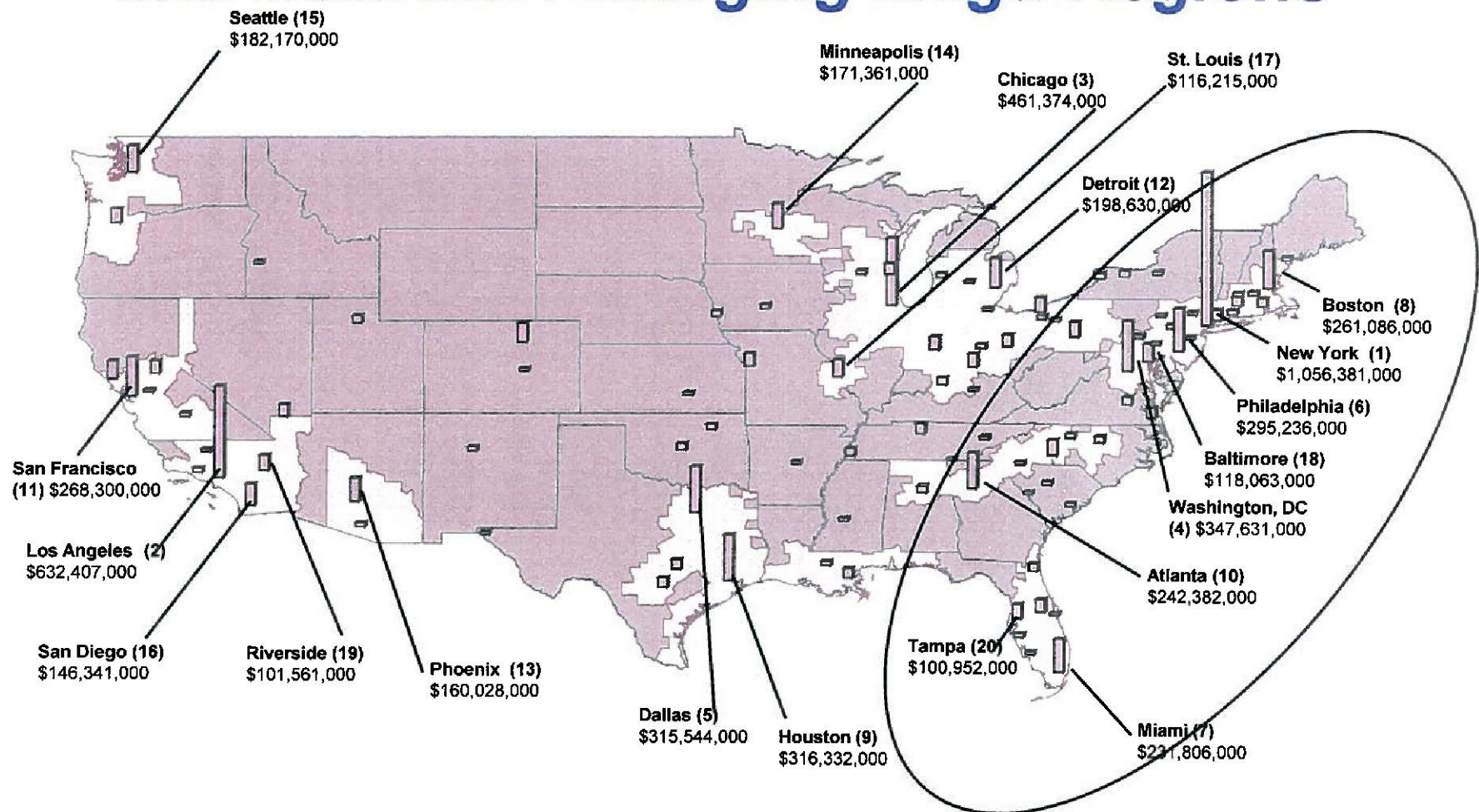
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# ***New Institutional Structures are Needed to Address Transportation Needs Within and Between Emerging Mega-Regions***



Source: *MetroNation: How U.S. Metropolitan Areas Fuel American Prosperity*. Metropolitan Policy Program at Brookings.



## ***The I-95 Corridor Coalition is a Good Example of a Cooperative Multi-state Institution***

- No operational or policy making authority
- Governed, by consensus, by member agency senior personnel
- Forum for discussion of issues that transcend individual state boundaries
- Adds value to member agencies' projects and programs





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## ***Leveraging Private Resources to Advance Technological Innovation***

- Acquiring technological products and services from private entities
  - Avoiding public development costs and risks
  - Achieving public benefit sooner



# *Acquiring Travel Time Data to Support Better Traffic Management and Travel Information*

## **Data Acquired from INRIX**

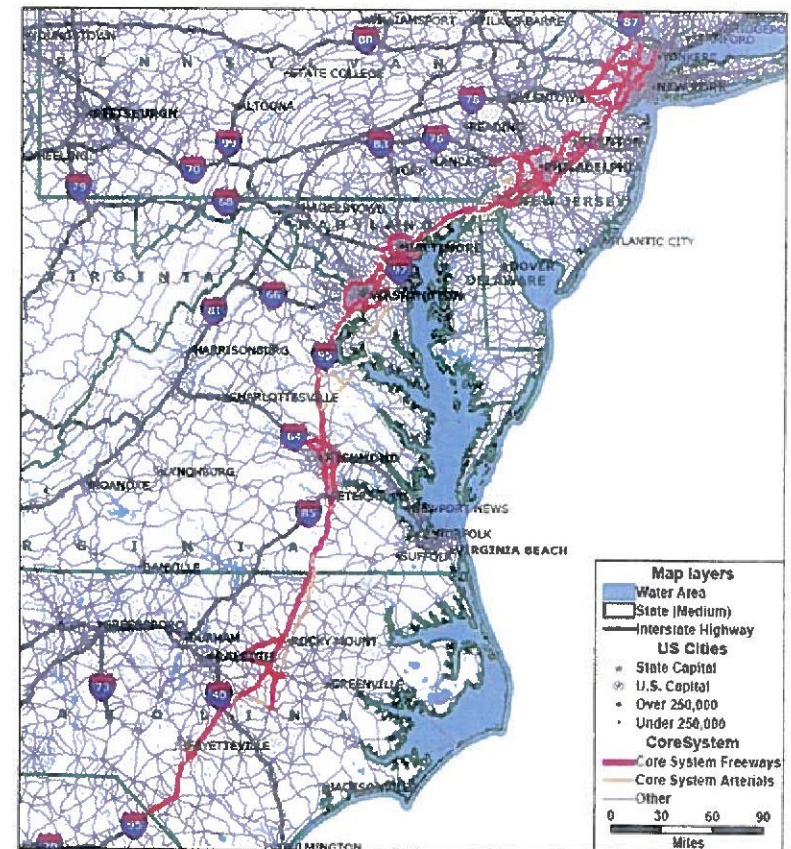
- INRIX calculates travel times using vehicle probe technology
- State data use agreements with liberal terms

## **Core Coverage**

- 1500 Freeway miles
- 1000 Arterial miles
- New Jersey to North Carolina

## **Expansions**

- All NJ Freeways
- NC Freeways



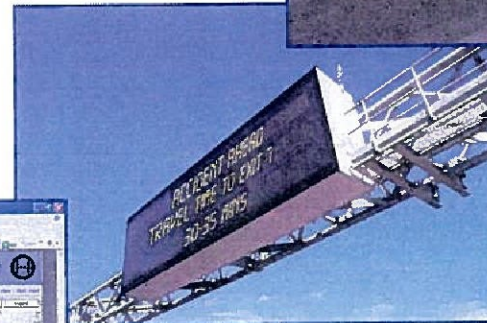
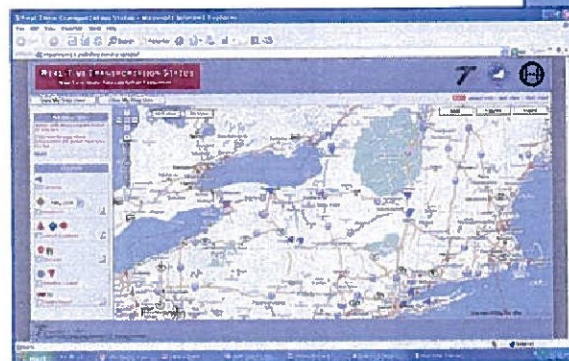




# ***INRIX Data Use Agreement Enables Better Public Services***

## **Applications**

- Regional Incident Management
- Traveler Information Web Sites
- Agency 511 Systems
- Travel Time on Signs
- Performance Measures





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## ***The Future Demands Public-Private Cooperation***

- The Coalition's Long Range Strategic Vision Principles:
  - Economic Sustainability
  - Transportation Sustainability
  - Environmental, Energy, and Quality of Life Sustainability



## ***What It Will Take to Achieve the Strategic Vision Principles***

- Reduce Travel Growth to 1% per year
  - Aggressive diversion of people and goods from highway to non-highway modes
    - Land use efficiencies in concert with tripling of transit use, requiring a doubling in investment
    - Increase passenger rail eight-fold, requiring a five- to six-fold increase in investment
    - Increase freight rail share from 13% to 16%, requiring a doubling in investment
    - Develop a market for marine highway transportation (short-sea)





## ***What It Will Take to Achieve the Strategic Vision Principles***

- Double Vehicle Fleet Fuel Efficiency
- 30-35% Reduction in Green House Gase Emissions from Use of Alternative Fuels
  - For example, cellulose based ethanol, biodiesel, natural gas, electricity, and hydrogen
- Double Investment in Highway Infrastructure
  - Major reconstruction and capacity increases
  - Improved operations, including VII deployment
  - Managed lanes and pricing



## ***Greatly Increased Investment Needed to Achieve Strategic Vision***

<b>Mode</b>	<b>Estimated Surface Transportation Capital Investment per year; I-95 region</b> (2005 constant \$ Billions)	
	<b>Current Trend</b>	<b>Vision</b>
<b>Transit</b>	<b>\$8</b>	<b>\$15-\$19</b>
<b>Passenger Rail</b>	<b>~ \$0.8</b>	<b>~ \$4-5</b>
<b>Freight Rail*</b>	<b>~ \$1</b>	<b>~ \$2</b>
<b>Highway*</b>	<b>\$22</b>	<b>\$47</b>
<b>Total</b>	<b>\$32</b>	<b>\$71</b>

**\*includes intermodal connections to ports, airports, rail terminals**





# ***Funding for Transportation Programs Must Change***

## **Charging**

Carbon Pricing

Peak Hours

All of the Time

**Environmental Fee**

**Congestion Fee**

**Base VMT Fee**

## **Funding**

Transportation Mitigation Programs

- Address congestion
- Subsidize Transit

Replace Gas Tax



## ***Private Financing Will Be Essential***

- Leveraging additional capital critical for mega-projects to alleviate highway and rail bottlenecks and chokepoints
- A variety of innovative financing techniques must be used
  - TIFIA Loans
  - Infrastructure Banks
  - Public Private Partnerships
  - GARVEE Bonds



