Golden Spike Seminar
American Structure Point
Indianapolis
October 6, 2012

Chairman's views &
Business Plan Development

Roger D. Sims, Chairman

Chairman's Report

- Presentations & hearings
  - GNIAR Annual Meeting
    - August 29th
      - Mayor Karen Freeman-Wilson
      - Mark Maassel
    - Application for $10,000 grant from national organization
  - Hearing in Michigan City regarding the Preliminary EIS for the Chicago to Detroit HSR line
    - INHSRA very supportive
    - Answered questions regarding motive power & cooperation with the South Shore & Michigan City multi modal terminal

- GreenTown conference at Valparaiso University
  - George VandeWerken – overview/energy
  - RDS – the MWRRI & Indiana specifically
- Acela progress (video)

Indiana Gateway Project

Designated Chicago Hub Network

Indiana Gateway Project

- INDOT applied for HSR Funds in August 09
- FRA awarded $71.4 million in February 10
- The Project consists of 8 independent infrastructure improvement projects on the NS Chicago Line and the Amtrak Michigan Line between Porter, IN and the Illinois State Line

Indiana Gateway Project

- The Project addresses the single most delay-prone intercity rail passenger corridor in the country
- The Project will provide both stand-alone congestion relief benefits as well as a path towards development of the lane as a high-speed corridor within the Chicago Hub Network

Indiana Gateway Project

- Fourteen Amtrak trains traverse the corridor daily
- Sixty to 80 freight trains also use parts of the corridor daily
- Most of the corridor is a double track CTC main line with 79 MPH passenger and 50-60 MPH freight train speeds
- Freights enter and exit the corridor at numerous locations

Indiana Gateway Project

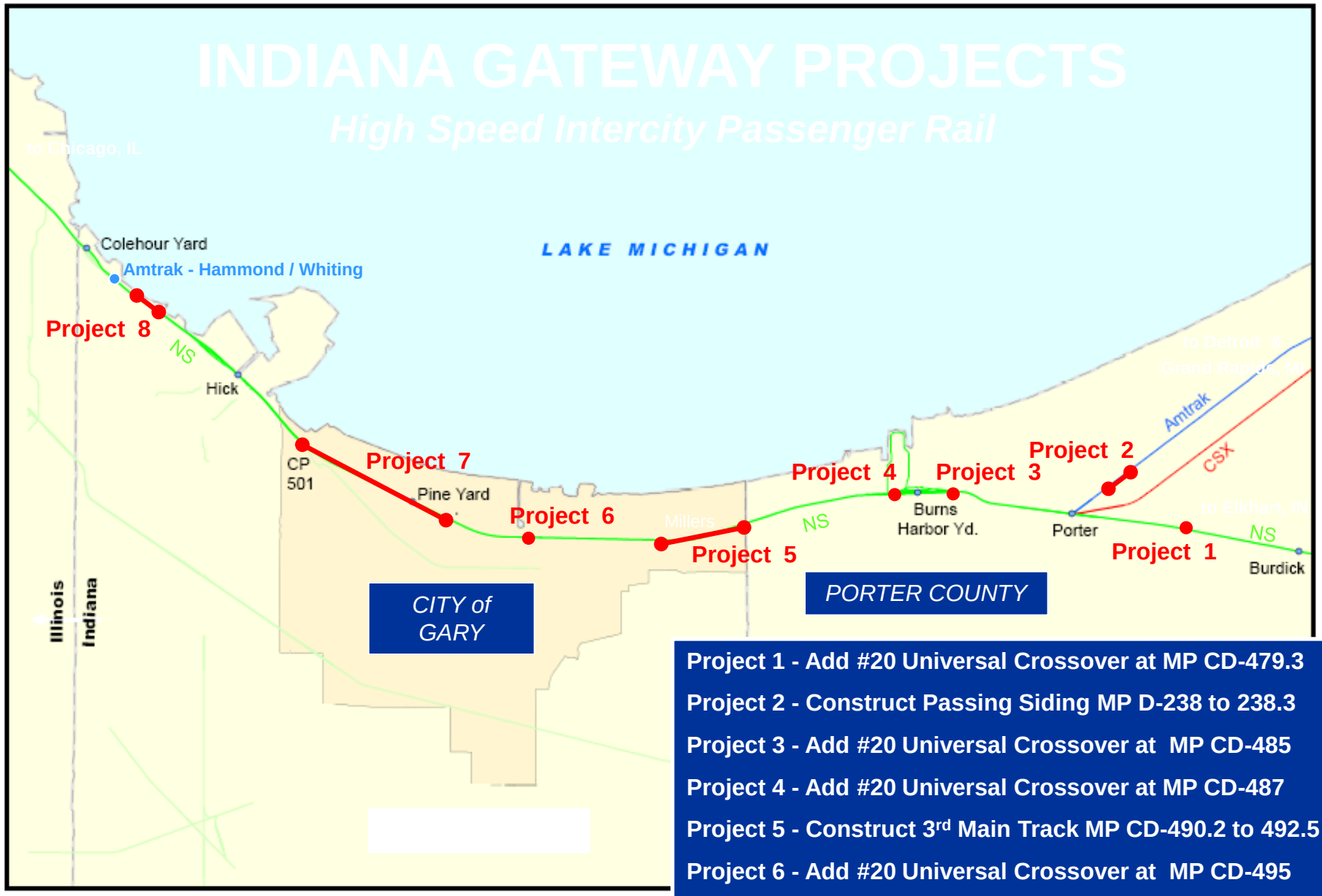
- The corridor is highly industrialized with freight service provide to many mills and yards
- There are few places to hold exiting and entering trains except on the mains
- Passenger trains must run a gauntlet of freight trains to cross between Porter and the State Line
- Each crossover movement looses scheduled running time

Indiana Gateway Project

- Project objectives
  - Provide holding tracks for trains to clear the mains, reducing passenger crossover movements
  - Improve and add crossover points to add flexibility of operation
  - Provide parallel moves at interlockings
  - Locate improvements that can be a building base for a third and forth main track

INDIANA GATEWAY PROJECTS

High Speed Intercity Passenger Rail



Project 1 - Add #20 Universal Crossover at MP CD-479.3

Project 2 - Construct Passing Siding MP D-238 to 238.3

Project 3 - Add #20 Universal Crossover at MP CD-485

Project 4 - Add #20 Universal Crossover at MP CD-487

Project 5 - Construct 3rd Main Track MP CD-490.2 to 492.5

Project 6 - Add #20 Universal Crossover at MP CD-495

Project 7 - Construct 3rd Main Track MP CD-497 to 501

Project 8 - Add #20 Universal Crossover & Construct 3rd Main Track MP CD-505.9 to 506.5

Additions to the Business Plan

- Comprehend & Include the NIPRA - Chicago to Fort Wayne and on to Lima, Ohio with TEMS
- Monetization of social & other benefits
- Inclusion of Public – Private – Partnerships (PPP)

NIPRA – TEMS Study

- Alex Metcalf (TEMS) methodologies very much match the INHSRA approach for the Feasibility Study & Business Case for High Speed Rail in Indiana
- The TEMS work will be done in advance of the INHSRA study
- We must have a coordinated effort & cannot afford duplication of effort/costs

Monetization of social benefits

Analytical approach (reference "High-Speed Ground Transportation for America" USDOT, September 1997)

Analytical components:

- Capital Investments
- Travel Demands and Revenues
- Operating and Maintenance Expenses
- Ancillary Activities
- User's Consumer Surplus
- Benefits To The Public At Large

Total Benefits

- System Revenues
- Users' Consumer Surplus
- Benefits to the Public at Large:
  - Airport congestion delay savings
  - Highway congestion delay savings
  - Emissions savings

Other Impacts

- Transportation Items:
  - Airport investment deferrals
  - Highway investment deferrals
  - Commuter rail travel efficiency benefits
  - Transportation safety improvements

Other Impacts (con't)

- Economic Development Items:
  - HSR construction effects
  - HSR operations effects
  - Station development effects
  - Growth of American HSR supply industry

Other Impacts (con't)

- Environmental/Energy Items:
  - Noise
  - Water quality
  - Land consumption
  - Community disruption
  - Endangered species habitat
  - Wetlands
  - Energy savings

Other "soft benefits"?

- Can we monetize any of the following?
  - Comfort
  - Business person effectiveness
  - Quality of life improvements
  - Expanded business opportunities
- What other social or soft benefits exist?

Public – Private - Partnerships

- a government service or private business venture which is funded and operated through a partnership of government and one or more private sector companies
- private party provides a public service or project and assumes substantial financial, technical and operational risk in the project

P3 (con't)

- Options
  - cost of using the service is borne exclusively by the users of the service and not by the taxpayer
  - capital investment is made by the private sector on the strength of a contract with government to provide agreed services and the cost of providing the service is borne wholly or in part by the government
  - projects that are aimed at creating public goods like in the infrastructure sector, the government may provide a capital subsidy in the form of a one-time grant, so as to make it more attractive to the private investors

Conclusions

- Moderate progress on HSR projects are occurring in the Midwest
- Acela, while delayed, is making improvements & utilizing the capabilities of the NE Corridor including the equipment
- Monetizing of social benefits and other benefits must be included in our business plan
- P3's must be studied as part of the mix of financing options for HSR