



NORTHEAST CORRIDOR COMMISSION

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October 26, 2016

The Honorable Anthony Foxx
Secretary
U.S. Department of Transportation
1200 New Jersey Avenue SE
Washington, DC 20515

Dear Secretary Foxx:

On behalf of the Northeast Corridor Commission (the Commission), we are pleased to deliver the *Northeast Corridor One-Year Implementation Plan: Fiscal Year 2017* (the Plan). This document is a requirement of the *Northeast Corridor Commuter and Intercity Rail Cost Allocation Policy* (the Policy), adopted by the Commission in September 2015. The Policy offers a new paradigm for federal, state, Amtrak, and local agency partnership to ensure the future success of the Northeast Corridor (NEC or the Corridor). The Plan is a key component of this collaborative framework by providing a fiscally constrained forecast as to how agency capital contributions, as calculated by the Policy, are expected to be invested in the upcoming fiscal year. The Plan also serves as a baseline against which all agencies can report their success in executing capital projects.

The Plan demonstrates the increased commitment service operators (states, commuter rail authorities, and Amtrak) are making to fund the Corridor's capital needs. About \$500 million – roughly one third of all capital expenditures planned for FY17 – are generated by the Policy for the normalized replacement of existing basic infrastructure assets. However, it is important to note that most Special Projects necessary to achieve a state of good repair that are receiving early-stage investment this year – the Susquehanna River Bridge Replacement, the Hudson Tunnel Project, the Devon Bridge Replacement, to name a few – face uncertain futures where funding is only available for planning or design. The Policy calls for a federal-state funding partnership to address the \$28 billion state-of-good-repair backlog.

Directly related to the development of the Plan, the Commission is also at work to support improvements to the capital project development and delivery process through enhanced transparency in capital program planning and reporting. The FY16 Plan, approved in 2015, was limited in its detail to expenditure forecasts by project and lacked information on project scopes. The absence of scopes limited the reporting of capital program delivery to a comparison of actual expenditures to forecasts. This FY17 Plan includes an initial effort to gather scopes, schedules, and total project budgets.

Though the FY17 Plan represents an improvement over FY16, significant work lies ahead for refining the quality of scope, schedule, and budget information. Amtrak, at the request of Commission stakeholders, has committed to provide scope information that directly corresponds with the service territories of its partner commuter railroads in FY17. Additionally, Amtrak has committed to provide forecasts of production metrics for planned capital projects that can be used as another quantitative measure of capital program implementation performance.

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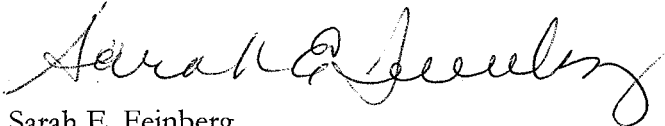
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These efforts are critical in realizing the vision for partnership laid out in the Policy and building the confidence that additional funding to modernize the NEC would be spent effectively and efficiently. Together, we can address the challenges that face the NEC and build a brighter economic future for the entire nation.

Sincerely,



James P. Redeker
Co-Chair, Northeast Corridor Commission



Sarah E. Feinberg
Co-Chair, Northeast Corridor Commission

Enclosure: Northeast Corridor One-Year Implementation Plan: Fiscal Year 2017