

**TESTIMONY OF DONALD ORSENO  
EXECUTIVE DIRECTOR/CHIEF EXECUTIVE OFFICER FOR  
METRA COMMUTER RAILROAD BEFORE THE  
SUBCOMMITTEE ON RAILROADS, PIPELINES AND HAZARDOUS MATERIALS  
OF THE  
HOUSE COMMITTEE ON TRANSPORTATION AND INFRASTRUCTURE ON  
THE STATE OF POSITIVE TRAIN CONTROL IMPLEMENTATION IN THE UNITED  
STATES**

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**SUBMITTED BY**

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Metra Commuter Rail is the commuter rail operations for Chicago and the northeastern Illinois region. For more information, visit [www.metrarail.com](http://www.metrarail.com).

Good morning, Mr. Chairman and Members of the Subcommittee. I am Don Orseno, Executive Director/CEO of Metra, Chicago's commuter rail agency, and I am pleased to have this opportunity to speak to you today. I also serve as Chair of the Commuter Rail Committee for the American Public Transportation Association (APTA). In my role, my primary goal is the safe operation of more than 700 trains that run daily throughout our system, carrying about 300,000 passengers. It is in this context that I provide the Subcommittee a current update on the status of the installation and implementation of positive train control (PTC) in our system.

But first, I would like to provide a little background on our system to add proper context to the discussion. Metra was created to run Chicago's commuter rail system by the Illinois General Assembly in 1983. Our creation followed a tumultuous period in which the private railroads that had been operating the service experienced major financial problems and bankruptcies.

Over the years, Metra has grown to be the largest commuter railroad in the country based on track miles, and the fourth largest based on ridership, with 2014 being our second highest ridership year at 83.4 million passenger trips.

The Metra system has 11 separate lines with 241 stations and approximately 1,200 miles of track throughout the northeastern Illinois region. Metra owns and operates four of those lines, has trackage-rights or lease agreements to operate Metra trains over freight railroads on three lines, and has purchase of service agreements with two freight railroads which operate commuter service on four other Metra lines.

Metra's primary business is to serve people traveling to downtown Chicago to work. Approximately half of all works trips made from suburban Chicago to downtown are on Metra. Our riders come from all parts of our region's 3,700 square miles.

Also, Metra's system revenues cover at least 50 percent of our total operating costs, which is one of the highest recovery ratios of all passenger railroads and transit operators in the country.

Metra is in a unique position compared to other commuter rail agencies in the country as a result of the complex Chicago railroad infrastructure. Within our six-county system, over 1,300 trains operate each weekday, including 753 Metra trains, 500 freight trains and the remainder Amtrak trains. Metra must interface on a daily basis with all railroads operating in Chicago. Therefore, coordination of PTC implementation must include all of these railroads. As a result, Metra has directed much of its initial resources towards our contract carriers, Union Pacific Railroad (UP) and BNSF Railway (BNSF). We are working to ensure that Metra equipment is ready when PTC installation is complete on the portion of the Metra system owned by these railroads. Both of these carriers are further along with PTC implementation than Metra. We anticipate having all on-board equipment completely installed on the BNSF Railway by September of this year and on the UP by the second quarter of 2016. After those railroad's systems have been tested and become operational, more than 40 percent of Metra's train fleet will be PTC-compliant. These trains carry more than 50 percent of our riders.

Metra has also made significant progress towards implementing PTC on the lines we own. To date, that includes:

- Hiring a system integration team to design Metra's PTC system.
- Awarding contracts to engineering firms to design necessary upgrades to our signal system and to draft specifications for other tasks.
- Continuing signal upgrades at our numerous switching locations.
- Filling key internal leadership positions on the PTC project, as well as hiring 20 signalman and 33 mechanical employees to install PTC in the field and on our trains.
- Installing PTC equipment on each of our seven different types of locomotives and cab cars.

However, despite our progress, many challenges remain. Metra, like all other railroads, has been constrained by the limited number of firms that can provide signal design services and the limited expertise available to accelerate design and deployment.

Those firms and expertise are needed by most railroads to help redesign and renew existing signals and install trackside components – a tough job made even more so by the sheer volume and complexity of the task. We have also been limited by the availability of the needed equipment.

Another challenge has been the deployment of a national 220MHz communications network for PTC among U.S. railroads. The network is critical. The onboard, trackside and back office components of every railroad's PTC system have to be able to communicate via a radio network. In Chicago, it is undetermined if we have enough spectrum available for the PTC needs of the region's railroads until a spectrum study is completed by Transportation Technology Center, Inc. APTA notes that only 54 percent of the nation's commuter rail agencies have access to the spectrum necessary for their PTC systems to function.

Another challenge is that the onboard software continues to be revised due to numerous issues. A final production release date is not known at this time.

A major prerequisite for the PTC system is the creation of a detailed database of every route on the system, a time-consuming and extremely labor-intensive process. A process will be needed to document and update GPS coordinates every time a critical PTC asset is moved more than one foot.

Other challenges include expected issues with components and software as full system testing continues this year. So far, only partial testing of individual segments of the system has taken place. And the fear of component failure is driving designs with more redundancy, which is further lengthening the design process. In addition, the Federal Railroad Administration (FRA) must review and certify every railroad's plans.

There is also the need for every railroad's system to be interoperable with other railroads. That is a huge challenge in Chicago, which has a complicated railroad network. Metra is the only commuter rail agency in the United States with such a high level of integration with freight railroads.

Then there is the issue of costs. PTC implementation is expected to cost Metra more than \$350 million. APTA estimates that it will cost more than \$3.48 billion to fully implement PTC on all commuter railroads nationwide. Metra must cover these PTC costs using the same federal and state sources that we use for other critical infrastructure projects. Metra receives approximately \$150 million each year in federal formula funding. Over the past two years, Metra has allocated \$133 million in capital funding from federal formula funds and state sources towards PTC.

In October 2014, the Metra Board approved a modernization plan that calls for a \$2.4 billion investment in rolling stock, as well as \$275 million required to complete PTC implementation.

The modernization plan will be funded in part by Metra bond issues or similar financing funded by fare increases. Metra is relying on anticipated state and federal funds to provide the remaining dollars needed to complete PTC. However, given the uncertainty in both Washington, D.C. and the Illinois State Capital, those sources remain unclear. It is also important to note that PTC implementation involves not only a substantial upfront capital cost, but will add to Metra's yearly operating costs for years to come. The operating cost is estimated to be more than \$15 million annually. With all of these obstacles in mind, it should come as no surprise that no railroad has installed a fully functioning, interoperable PTC system to date.

Metra is currently targeting 2019 for PTC to be fully implemented and interoperable. In the interim, we have continued our advocacy efforts to Congress for legislative assistance. Metra, along with APTA, is asking Congress to provide the FRA the authority to provide individual railroads with waivers from the current 2015 PTC implementation deadline as long as those railroads show evidence of a good faith effort as determined by the FRA.

Metra has also asked for funding from Congress where feasible. Metra supports and thanks U.S. Representatives Dan Lipinski and Michael Quigley from Illinois for introducing the Reassuring Adequate Investment in Lifesaving Systems Act (H.R. 1405), which reauthorizes the Railroad Safety Technology Grants Program to provide critical funding of \$200 million for each of the next five years for PTC technology.

The commuter and freight rail industries have spent billions of dollars to date on PTC implementation, and although progress has been substantial, much remains to be done before PTC can be safely implemented nationwide. Metra supports any Congressional efforts to assist the railroads with this enormous and complex undertaking.

Even though we will not fully implement PTC by December 31, 2015, Metra has however taken significant steps to safeguard our passengers. We have worked with our crews to identify fatigue

management strategies and the importance of securing proper rest; we have doubled the amount of operational speed verification tests over last year; we have reviewed FRA Safety Advisory 2015-03 and are implementing notifications through our GPS system to notify the conductor a minimum of two miles in advance of a speed restriction where the speed of a curve or bridge is reduced more than 20 miles per hour. The conductor will have communication with the engineer to remind them that there is a speed restriction.

Before I close, during the recent APTA Rail Conference with Metra's peer commuter railroads, one of the issues that came up was the railroads ability to operate past the PTC deadline as it relates to liability and coverage.

In conclusion, Mr. Chairman, I again thank you and the Subcommittee for inviting me to testify. I appreciate the Subcommittee's interest in this area and would be pleased to respond to questions at this time.