



COALITION TO STOP THE FREIGHT TRAIN

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Budget and Appropriations Committee
New Jersey Assembly
c/o Diane Hansen
Legislative Budget and Finance Office
State House Annex – Room 140
PO Box 068
140 West State Street
Trenton, NJ 08625-0068

Honorable Members of the Assembly Budget and Appropriations Committee,

The Coalition to Stop the Freight Train has a serious concern that the present budget for funding the state Department of Transportation will fail to meet the continually increasing transportation demands of the Port of New York and New Jersey, and continues to invest scarce and vital transportation funds on wasteful, ineffective and counterproductive transportation projects. The Coalition therefore offers the following observations.

Underestimation of Port Growth

Inexplicably, the Comprehensive Port Improvement Plan has advanced port growth projections that are significantly lower than actual rates of port growth.

As is shown in the accompanying attachment, the uppermost chart reflects the Port Authority of New York and New Jersey's estimation of the increased movements of cargo containers. Twenty-Foot Equivalent Units or TEUs denote the cargo capacity of a standard cargo container that is twenty feet in length. This chart is adapted from the Comprehensive Port Improvement Plan (CPIP) Final Environmental Assessment (EA) issued by the combined federal agencies in July 2006. Graphic analysis of this chart indicates that the Port of NY/NJ will handle 4.8 million TEUs by 2010-2012. This estimation is consistent with short-term growth predictions in the CPIP Final Draft EA, which predicted reaching 4.5 million TEUs by 2010. Without explanation, short-term growth figures were subsequently deleted from the Final EA.

Unfortunately, the Port Authority's data for containers actually handled, as shown in the lowermost portion of the attachment, indicates that the Port of NY/NJ already handled 4.8 million TEUs in 2005. This indicates that the Port of NY/NJ is experiencing growth that is five to seven years ahead of estimations of the Comprehensive Port Improvement Plan. Essentially, port operations are currently doubling every ten years, but the CPIP suggests that port operations are doubling every twenty years. Because, the CPIP ties estimations of port growth to the timing of additions of necessary transportation infrastructure, the severe underestimation of port container growth will result in additional containers being here before necessary transportation infrastructure is in place.

Furthermore, as has already been experienced by the Port of Long Beach in California, the reversal of traditional distribution channels results in additional warehousing and significant increases in short-haul trucking near port areas. Instead of manufactured goods trickling into our area from Detroit or Chicago, warehouses of imported goods will have to be distributed throughout the northeastern North American Continent. In addition, because of import duty incentives, final packaging of products at "Value-Added" facilities near port areas adds significant volume to imported goods, requiring additional increases in transportation capacities. Unfortunately, the CPIP does not consider the impact of additional short-haul trucking or "Value-Added" facilities on area transportation infrastructure. In addition, the CPIP does not consider the traffic impact of port employees, service vehicles, emergency vehicles and regulatory visits in considering the need for additional transportation infrastructure. Notably, the impact of port growth on transportation infrastructure is significantly greater than the number of containers leaving the port and must be calculated accordingly.

Ultimately, attempting to bring an additional 6.6 million containers yearly into one of the most congested areas of the country without major improvements in transportation infrastructure presents the significant probability of transportation gridlock and increased air pollution. Without transportation improvements, business interests and the commuting public will suffer.

Repeating the Mistakes of Others

In responding to the issue of port growth, both the Port Authority and the state Department of Transportation have resorted to the use of archaic and abandoned rail corridors in a counterproductive effort to move more freight. This was already attempted at the Port of Long Beach, but numerous at-grade rail crossings resulted in the gridlock of other surface transportation and dramatic increases in air pollution in southern Los Angeles.

If the NJDOT continues its support of reactivation of the Staten Island Railway and the Rahway Valley Railway west of the New Jersey Turnpike, blockage will result at twenty-four roadways in Union County, including Interstate 22 in Union, St. Georges Avenue in Linden and the Boulevard in Kenilworth. Disruption of commuter rail operations could occur at both the Raritan Valley Line and the Midtown Direct at Summit.

When the Port Authority routes more cargo and garbage trains from Fresh Kills Landfill on Staten Island onto the Lehigh Valley Railroad via Oak Island Yard in Newark, additional road blockage will occur at ten road crossings in Union and northern Middlesex Counties, including Rahway Avenue in Westfield, Inman Avenue in Edison and Cedar Avenue in Middlesex.

When the Port Authority alternatively routes more cargo and garbage trains south to the Port Reading Secondary, more trains will block Route 35 in Woodbridge.

Aside from disrupting commuters on road and rail, these strategies will disrupt the additional five million trucks that will have to move cargo containers from port areas each year. Under any of the NJDOT or Port Authority projections, trucks will still be expected to move from 75 to 90 percent of all port containers. What happens when freight trains stop the trucks? Spending money for infrastructure may be difficult, but spending money ineffectually is a hundred times worse.

The Lackawanna Cutoff

The Lackawanna Cutoff is a New Jersey Transit project that will stretch across rural Sussex and Warren Counties in order to create a 133-mile-long commuter rail line between Scranton, Pennsylvania and Hoboken. The one-way commute from Scranton to Manhattan would exceed three and one-half hours, although the express bus is available and only takes two and one-half hours. In 2006 dollars, the project is expected to cost \$551 million and create an annual deficit of \$12.3 million. The line would provide access to six rail stations in Pennsylvania, and New Jersey Transit estimates that 87% of the passengers would be from Pennsylvania. New Jersey Transit has not determined how much growth and tourism the Lackawanna Cutoff would stimulate in Pennsylvania and therefore not made an estimate of the amount of traffic that the project would actually add to Interstate 80. The project would subsidize development and commuters in Pennsylvania. The project would open the already crowded Morris & Essex and Montclair-Boonton commuter lines to additional freight and commuter traffic.

In Fiscal Year 2007, New Jersey Transit is applying for \$21 million in federal transportation aid to advance this \$551 million project. This is wasteful, ineffective, pork barrel project that has been pushed by rail hobbyists so that steam locomotive excursions can be run from Steamtown National Historic Site in Scranton to New Jersey. The project has moved forward, because rail hobbyists have gotten the ear of Congressman Rodney Frelinghuysen. Considering the desperate need for transportation infrastructure to service eastern port areas, spending over a half a billion dollars to extend commuter service through rural areas to a distance of 133 miles in order to stimulate tourism and development in Pennsylvania is an abomination. Significantly, the New Jersey Chapter of the Sierra Club has recently taken a position opposing the Lackawanna Cutoff Project.

The Freight Solution

To move an ever-increasing tidal wave of imported goods through New Jersey, marine cargo that moves across Routes 1&9, 22, 78, 287 and 80 on their way to destinations across the northeastern North American Continent must be diverted to rail at the port. To accomplish this objective, New Jersey needs a new, grade-isolated, high-speed rail freight line that would extend from eastern port areas to the Pennsylvania border.

Confronted with similar circumstances, California built the 20-mile-long Alameda Corridor freight bypass to connect the Port of Long Beach to the Transcontinental Railroad. The Netherlands is completing the Betuweroute, a new 99-mile-long rail freight line across the country to the German border. Switzerland is building two, double rail tunnels, 21 and 35 miles long, under the Alps. In order to compete in the global economy, the Port of New York and New Jersey and the state and federal authorities must make a strategic and decisive commitment to a project of equivalent magnitude.

With a \$3.2 billion cost for harbor deepening and \$7.2 billion projected for the Liberty Corridor, what is an appropriate expenditure to move imported cargo across the state?

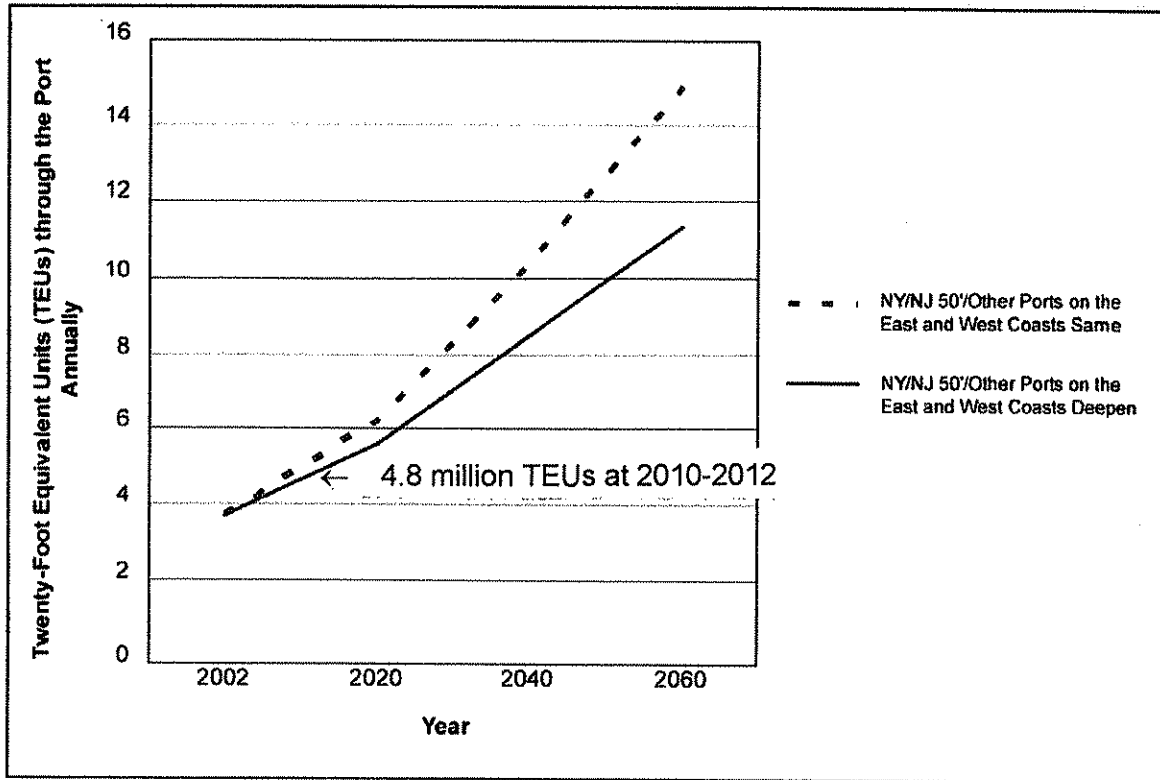
Considering the congested conditions surrounding eastern port areas, New Jersey cannot allow itself to be buried by marine cargo and garbage, due to a lack of inspiration or a lack of resolve. The Coalition to Stop the Freight Train therefore urges the Legislature to take appropriate budgetary steps to stop the state Department of Transportation from expending funds on ineffectual, counterproductive rail projects like the Lackawanna Cutoff, the Rahway Valley Railway and the Staten Island Railway west of the New Jersey Turnpike. The Coalition further urges the Legislature to direct the New Jersey Department of Transportation to immediately institute planning measures directed toward the establishment of a new, high-speed, grade-isolated, rail freight line or lines from the eastern port areas to the Pennsylvania border, with particular consideration being given to the potential placement of track within the Interstate 78 and Interstate 80 Transportation Corridors.

Very truly yours,



William T. Fidurski
Director
Office of Technical Information

CPIP Predicted Cargo Growth Scenarios in TEUs



Note: Port sites in the category of "Other Ports on the East and West Coasts" include Seattle, Oakland, Los Angeles, Houston, New Orleans, Miami, Charleston, Norfolk, Baltimore, Philadelphia, and Boston.

Adapted from *Comprehensive Port Improvement Plan Final EA*, July 2006

Port of New York/New Jersey Trade Statistics 1991 - 2005

PORT OF NY/NJ CONTAINERS/TEUs 1991-2005

	Containers	Twenty-Foot Equivalent TEUs
1991	1,111,894	1,865,471
1992	1,205,338	2,014,052
1993	1,180,861	1,972,692
1994	1,219,139	2,033,879
1995	1,327,448	2,262,792
1996	1,335,379	2,269,145
1997	1,460,373	2,456,886
1998	1,475,913	2,465,993
1999	1,685,368	2,828,878
2000	1,828,636	3,050,746
2001	1,953,006	3,316,276
2002	2,200,922	3,749,014
2003	2,382,639	4,067,811
2004	2,620,113	4,478,480
2005	2,803,447	4,792,922

Source: *The Port Authority of New York and New Jersey*