

Chris Christie, Governor
Kim Guadagno, Lieutenant Governor
James S. Simpson, Board Chairman
Veronique Hakim, Executive Director

NJ TRANSIT
One Penn Plaza East
Newark, NJ 07105-2246
973-491-7000

May 6, 2014

Mr. David J. Rosen
Legislative Budget and Finance Officer
State House Annex
P.O. Box 068
Trenton, NJ 08625-0068

Dear Mr. Rosen:

In response to the letter dated April 30, 2014, from Assembly Budget Committee Chairman Gary Schaer, attached are our responses to questions raised by Assemblymen Cryan and Singleton during our hearing on April 28, 2014.

Thank you for the opportunity to respond to these questions. If you have any further questions or need any additional information, please contact Rae Hutton, Senior Director, Legislative Relations, at 973-491-7195, or rhutton@njtransit.com.

Sincerely,



Veronique Hakim
Executive Director

cc: Charlene Holzbaur, Office of Management and Budget
Aaron Binder, Assembly Democratic Office
Jerry Traino, Assembly Republican Office
Patrick Brennan, Office of Legislative Services
Rae Hutton, NJ TRANSIT
Paul Wyckoff, NJ TRANSIT

Assemblyman Cryan:

- In FY2014 capital program documents the total cost of the Elizabeth Rail Station reconstruction as \$53 million, but the amount stated today was \$40 million. Please identify the reason for the change in total cost with detail about any changes to the work being performed, the scope of the project, and physical design and features of the station.

There is no change in either the budget or scope of this project. The budget remains at approximately \$50 million. Also, the concept and architectural features of this project have not changed. The project is 30 percent complete and is awaiting Amtrak review and approval.

We are coordinating the final approval for the design of this project with Amtrak. We hope to advertise the design-build contract this summer pending final approval from Amtrak.

- Please provide information about the policies and procedures in place at NJ Transit during construction activities and service expansion concerning communication with local officials. When are local officials notified of NJ Transit plans, and what role do local officials have in the capital process from concept development through final construction?

NJ Transit's policy regarding public outreach is to maintain consistent outreach and communication with officials and residents in the communities on which we plan and construct capital projects.

This process begins during the conceptual design phase of the project and continues throughout the entire life cycle.

- What are the current criteria used by NJ Transit in determining how to expand the one seat ride service in to Manhattan? Based on those criteria, is there a schedule of when that service is expected to be expanded to the Raritan Valley Line?

NJ TRANSIT expanded the one seat ride into Manhattan based on customer feedback from several of our public outreach efforts such as our Scorecard related quarterly surveys and our "We Are Listening" forums. In addition, the procurement of our new dual-mode locomotives was a major factor in initiating this change. Recently, NJ TRANSIT added 10 mid-day off-peak round trip one-seat rides from Raritan to New York.

NJ TRANSIT is also investigating implementing a schedule change that could take effect in November that would result in a one-seat ride on the Raritan Valley Line in the evening.

Assemblyman Singleton:

- Please provide additional information about the use of natural gas, hybrid, and other low emission and alternative fuel busses at NJ Transit. What number of busses in the total fleet are non-diesel busses? Please provide a table showing: 1) the cost to purchase each type of bus currently used by NJ Transit; 2) the annual fuel cost for each type of bus, including diesel busses; 3) any additional fixed costs to incorporate a non-diesel bus type, such as new equipment for the bus garages; 4) the payback period for each type of bus, representing how long it will take for marginal savings from reduced fuel cost and emissions to offset the higher cost of non-diesel busses and new fixed costs to switch over garages and other equipment to service, store, and maintain these new bus types.

Answer:

**NJ TRANSIT
Diesel Buses vs. Hybrid and CNG Buses**

	Diesel	Hybrid	CNG	-----Difference-----	
				Diesel vs. Hybrid	Diesel vs. CNG
Number of Buses (a)	1,001	4	63	n/a	n/a
Purchase Price	\$590,850	\$898,535	\$662,077	-\$307,685	-\$71,227
Incremental Facility Cost (b)	\$0	\$0	\$221,053	\$0	-\$221,053
Incremental Fueling Station Costs (c)	\$0	\$0	\$65,789	\$0	-\$65,789
Total	\$590,850	\$898,535	\$948,919	-\$307,685	-\$358,069
Annual Fuel Cost (d)	\$36,633	\$32,969	\$17,614	\$3,664	\$19,019
Payback period in years (e)				<u>84</u>	<u>19</u>

Footnotes:

(a) Based on similar bus types.

(b) Reflects per bus cost to upgrade bus repair facilities to safely service and store CNG vehicles.

(c) Per bus cost to install natural gas compression equipment needed to refuel CNG buses.

(d) Based on operating a comparable number of miles and on current natural gas and diesel prices.

(e) Calculated by dividing the incremental cost differences for hybrid and CNG buses (i.e. higher purchase price and incremental facility/fueling station costs) by the fuel savings to operate a hybrid or CNG bus.