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STATEMENT OF FRANK C. HERRINGER, URBAN MASS TRANSPORTATION ADMINISTRATOR,
BEFORE THE SUBCOMMITTEE ON URBAN MASS TRANSPORTATION, HOUSE COMMITTEE ON
BANKING AND CURRENCY, THURSDAY, JULY 26, 1973

Mr. Chairman and Members of the Committee:

I appreciate the opportunity to appear before you today to discuss the extent to which the financial condition of mass transit systems may be affected by fuel supply problems and the transportation control plans required by the Environmental Protection Agency. I shall review these subjects briefly, and then attempt to answer your questions.

The impact of the fuel shortages on transit. With respect to transit systems, it can be said that the net effect of the fuel supply problem is that higher prices must be paid for diesel fuel when contracts are negotiated, but fuel is available.

At least one major operator trying to renegotiate contracts at current prices has been unable to obtain competitive bids. However, according to a recent survey, operators still pay less than most wholesale consumers of diesel fuel. While the average wholesale rate is 17 cents per gallon, mass transit operators as a group are paying less than this. They have experienced an increase of about 20 percent in the price of fuel, but diesel fuel represents only about 2 percent of total transit operating expenses, so the dollar impact of increasing fuel costs on total transit deficits will be relatively insignificant on a national scale.

The Interior Department, Office of Oil and Gas, has indicated that public transportation is a priority consumer under its guidelines for administering the voluntary petroleum allocation program under the Economic Stabilization Act. Thus, there is a Federal mechanism for reviewing the problems operators are having in this area.

Urban mass transportation does offer the potential of reducing the total demand for energy by the transportation sector, but not without major changes in the effectiveness of transit as a substitute for current auto trips. The Department is exploring the relationship between transit and energy demand in a joint research project with EPA.

Clean Air Act and transportation impacts. As you know, the Clean Air Act Amendments of 1970 required the Environmental Protection Agency to establish national ambient air quality standards. Plans to achieve these standards by 1975 were then required to be submitted by the States. If they fail to do so, or submit plans which EPA does not find satisfactory, EPA must promulgate plans. Under these provisions of the Clean Air Act, 38 urban areas in 22 States and the District of Columbia, with populations totalling 88 million people, were required to submit plans this year to reduce the levels of hydrocarbons, carbon monoxide, and nitrous oxides in the atmosphere--pollutants resulting primarily from transportation sources. These plans were due to be submitted to EPA by April 15, 1973. On June 15, EPA announced its intention to approve plans submitted by five of the States and to promulgate plans or additions to the State-submitted plans for the remaining 17 States and the District of Columbia.

On July 2, EPA published proposed plans in the Federal Register for seven of those States and the Los Angeles region of California. The process of proposing plans is continuing, and will lead to promulgation of the final plans by EPA within the next few months.

With this background about the Clean Air Act and its relationship to transportation sources, I would now like to say a preliminary word about DOT's role in this process before turning to the transportation implications of these air quality plans. Both in Washington and in the field, we have maintained liaison with EPA on this matter. We have particularly encouraged our field staffs to work with EPA and provide assistance to them in the review of the State plans and in the development of the EPA proposals. We have written letters of comment on many of the plans as submitted by the States, particularly those with major transportation implications, and are now in the process of commenting on the plans proposed by EPA. We intend to work closely with EPA and with State and local agencies toward implementation of the final plans. I will discuss what DOT can do in this regard in a moment.

First, however, I would like to highlight for you the transportation effects of these plans. Ten of the 38 metropolitan areas involved can reach the air quality standards by tougher controls on stationary sources of pollution, plus--in three cases--an automobile emission inspection and maintenance program. About seven metropolitan areas will have to rely on some small reductions in traffic, primarily from parking restrictions, in addition to an inspection and maintenance program. Chicago, Seattle, and Dallas fit in this category. A third group of approximately 21 metropolitan

areas needs to apply a range of control measures, in many cases including steps to substantially reduce automobile transportation and to apply retrofit devices on automobiles now in use. This group includes many of our major cities, such as New York, Los Angeles, Baltimore, Houston and Washington.

Let me mention the kinds of strategies which EPA is proposing in many of these urban areas in order to reduce automobile transportation to a level commensurate with attainment of the air quality goals. One of the major strategies is setting aside existing highway and street facilities for the exclusive use of buses and carpools, at least during the peak commuting hours. The purpose of this approach, of course, is to provide a speed advantage for vehicles carrying large numbers of people, compared to automobiles with only one or two persons in them, during those times when our transportation facilities are most congested.

A second strategy relates to parking. In some cases EPA has proposed limiting the future development of new off-street parking lots; decreasing the number of public off-street parking spaces already in existence; reducing on-street parking in the Central Business District; and imposing a surcharge on all-day parking. The purpose of this approach is to provide some disincentive toward continued increase in the use of the automobile, particularly for commuting purposes and in the congested Central Business District.

A third approach is the so-called "sticker system", developed by the State of Massachusetts. This involves the issuance of different colored stickers to automobile owners in a given metropolitan area. During the months of highest potential for air pollution episodes, on

each day automobiles with a particular color sticker would not be permitted to be on the street (presumably there would be exceptions for emergency and special situations). This approach directly reduces automobile use, hopefully without imposing a severe burden on anyone, inasmuch as everyone would be precluded from driving only one day a week.

In other cities, traffic signal improvements and other measures to smooth traffic flow and increase speed are being proposed. The reason for this approach is that engine emissions are generally reduced as stop-and-go driving is eliminated and as speeds increase.

In many urban areas, EPA is proposing that gasoline sales be limited in future years to the level sold during the fiscal year ending June 30, 1973. This would serve to supplement and make more effective other efforts to limit use of the automobile.

In addition to these approaches which are being applied in many of the EPA plans, there are a variety of other approaches being used more selectively, including auto-free malls, controls on motorcycle use, taxi cruising controls, and controls on truck traffic during peak hours.

In some of the urban areas, the required reduction in vehicle miles of travel, in order to attain air standards, will be relatively modest--ten percent or less. In the case of Los Angeles, unless the statute is changed, the curtailment of automobile use by 1977 will be drastic. The Acting Administrator of EPA has announced his intention to seek changes in the statute to eliminate this sort of extreme result, which we believe was not contemplated by the Congress when the statute was enacted.

Effects on transit. This brief review of transportation control plans to meet ambient air quality standards illustrates the great variety of actions which can be taken at the local level to attain a given objective--in this instance, clean air. The transportation control plans stimulated by response to national ambient air quality standards may very well be an impetus to revitalization of public transportation. They describe many actions consistent with those suggested by the Department in the past as necessary to revitalization of transit systems.

It is clear from the plans that different communities have opted for differing approaches to meeting the air quality objective, and for differing efforts to mitigate the effect of any reduction in auto vehicle miles traveled. For example, Chicago's plan does not call for any additional transit services; while Los Angeles, Washington and Baltimore propose large increases in their bus fleets to provide alternative transportation for automobile drivers.

In addition, the kinds of regulatory actions and policies being considered in these implementation plans, even where additional transit service is not proposed, are the very kinds of policies and actions that we have believed all along could help make public mass transportation a meaningful and economically viable service in metropolitan areas. These actions begin to get to the heart of the transit problem, since the major reasons for its decreasing ridership and financial straits include the failure of local governments to effectively coordinate, regulate and

rationalize their total public transportation system, and the pursuit of Federal, State and local policies favoring auto-oriented development patterns.

No one really knows what the impact of these actions would be on transit usage and financial conditions. At present, such plans are lacking in data needed to assess the costs of implementation, and the benefits to transit systems which could be expected to flow from the regulatory and pricing policies suggested. In all likelihood the plans will be refined to reflect more fully the thinking of urban transportation planning and operating agencies with respect to practical issues of implementation.

Current actions to assist responses to EPA plans. Now let me review briefly what the Department can do and is doing to assist local authorities in developing and carrying out the transportation control plans generated by the Clean Air Act standards.

To begin with, in our highway and mass transit planning grant programs, we can assist in developing detailed plans to implement some of these strategies. For example, the Urban Mass Transportation Administration has recently made a major planning grant to the Los Angeles region, a substantial portion of which is being utilized for the rapid delineation of implementing plans to improve air quality through transportation measures. Roadway features to provide exclusive use of transportation facilities for buses and carpools can be assisted by the Federal-aid highway program. So can traffic signal improvements and fringe parking lots. The urban mass transit capital grant program, of course, can serve an important role in assisting the provision of mass

transit equipment and facilities. Such facilities will be necessary to provide for continued mobility, as automobile use is decreased under the State plans. And improved mass transit can serve as a means of attracting people from their automobiles.

In order to achieve these goals within the short timeframe available for implementation of the air quality plans, the main transit improvements will be related to bus transportation--increasing service and providing more buses. The extent of additional buses required to assist in implementing the air quality plans is not yet clear, but could be substantial. We intend to give a high priority to grant applications directed toward implementation of air quality plans.

This concludes my statement. I will do what I can to answer any questions you may have.