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PATH Train Less Efficient Than Subways as Cars Cover Loss

By Martin Z. Braun

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It looks and acts like a subway, albeit one with cleaner stations. Yet the Port Authority's PATH train is almost three times as expensive per hour to operate than New York's City's rail system.

The cost to run PATH is also greater than at New Jersey Transit, Philadelphia's subway and commuter railroad, and a train line connecting Philadelphia and Camden County, New Jersey, according to the National Transit Database. PATH -- which connects Manhattan with Newark, Harrison, Hoboken and Jersey City in New Jersey -- spent \$575.67 per hour of service in 2012, the most recent year for which data are available. That compares with \$199.17 for New York's subways.

"It's a heavily subsidized system," said Charles Brecher, consulting research director of the Citizens Budget Commission, a business-backed watchdog. "Subsidies tend to underwrite inefficiencies."

The Port Authority Trans-Hudson line carries about 244,000 riders per weekday over 14 miles (23 kilometers) of track. It has lost almost \$2 billion over the last five years, and its deficit is expected to reach almost \$500 million annually in 2018, according to a CBC report issued in April. PATH's cash drain and \$100 million in annual losses racked up by the Port Authority's Manhattan bus terminal are subsidized by drivers who pay tolls to cross the agency's bridges and tunnels, and by passengers landing at its airports.

Increasing Scrutiny

The operations of the the 93-year-old-agency have come under increasing scrutiny since allies of Republican New Jersey Governor Chris Christie closed lanes at the George Washington Bridge in September, causing four days of gridlock in a town whose Democratic mayor hadn't endorsed the governor for re-election. Critics say the Port Authority, which is controlled by Christie and New York Governor Andrew Cuomo, a Democrat, is awash in patronage and spends hundreds of millions of dollars on projects with no connection to transportation.

A panel assembled by both governors in response to the lane-closing scandal is considering whether assets, including PATH, should be transferred to other agencies. Possible candidates would be New Jersey Transit and New York's Metropolitan Transportation Authority, which runs the subways.

In addition to PATH, the Port Authority runs three major airports -- La Guardia, John F. Kennedy and Newark -- six bridges and tunnels, the bus station, marine terminals and the World Trade Center site.



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Hughes, Rockefeller

The agency faces challenges across its portfolio of operations. Spending on policing has doubled since the Sept. 11, 2001, terrorist attacks and now consumes almost a quarter of the agency's operating budget, Bloomberg News reported in June. Last year, its marine terminals lost 2 percentage points of market share.

PATH has been a financial millstone around the Port Authority's neck since it took over the bankrupt Hudson & Manhattan railroad in a 1962 trade between New Jersey Governor Richard Hughes and New York Governor Nelson Rockefeller.

In exchange for getting the Port Authority to take over the H&M Hudson Tubes, as the rail line was known at the time, Hughes allowed Rockefeller to use the Port Authority to develop the World Trade Center in lower Manhattan.

The current PATH system consists of four rail lines, and plans call for a \$1.5 billion extension to Newark Liberty International Airport.

In the past five years, PATH has replaced its entire fleet of 340 cars. It's installing a signal system, allowing trains to run at closer intervals, and is upgrading stations.

Clean Stations

A one-way ride costs \$2.50, the same as the New York subway, and is scheduled to increase to \$2.75 this year. By contrast, New Jersey Transit's rail fare from Newark to Manhattan is \$5.

With discounts, PATH's average fare revenue per ride was \$1.96 in 2013, or only 23 percent of the \$8.45 full cost of each ride, according to the CBC.

"They want to attract more people to PATH and make it cheaper for them versus driving," said Richard Barone, director of transportation programs at the Regional Plan Association, an urban planning group. "PATH stations are very clean, there's typically things not half falling down, or dripping. It's a noticeable difference" when compared with the subways, he said.

While public officials and transportation analysts have pointed to the railroad's low fares and its lack of state and federal aid to explain its strained finances, less attention has been paid to expenses.

Different Regulators

The 2012 national transit data include the impact of Hurricane Sandy, which struck Oct. 29 and knocked out PATH service. Even so, PATH's cost per hour the year before was also higher than the New York subway system's, by about two-and-a-half times.

Federal Railroad Administration regulations, higher maintenance costs and round-the-clock service have boosted spending compared with other transit systems, Port Authority officials say.



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A major difference between PATH and the New York subway system is that the trans-Hudson rail is regulated by the FRA while the Federal Transit Administration oversees the subway. The FRA imposes stricter safety standards and labor requirements, imposing higher costs, Port Authority officials said.

Before each run, PATH workers must test a train's air brakes, signals and acceleration, Mike Marino, PATH's deputy director, said in a telephone interview. When a train gets to its terminus, workers repeat the test.

'Intense Inspection'

In addition, every 90 days all of PATH's rail cars undergo a three-day inspection at a facility in Harrison, New Jersey. Brakes, lights, communications, heating and air conditioning, signals and odometers are all checked, Marino said.

"It's a very intense inspection on every piece of rolling stock," he said.

Although the Port Authority has tried to switch its regulator to the Federal Transit Administration, the FRA has opposed a switch for safety reasons, Marino said. PATH runs parallel to high-speed trains operated by NJ Transit, Amtrak and freight-line CSX Corp.

Regulation alone doesn't explain why PATH is less efficient than NJ Transit and Philadelphia's Southeastern Pennsylvania Transportation Authority regional rail system, which are also regulated by the FRA.

One difference, said Marino, is that all three don't have the same maintenance responsibilities.

Merger Suggestion

NJ Transit's most popular route, from Trenton to New York's Pennsylvania Station, runs on Amtrak tracks. NJ Transit pays the national railroad a fee to maintain the tracks, which is less than what it would cost to do it itself, Marino said.

Similarly, SEPTA pays Amtrak to maintain the track around 30th Street Station in Philadelphia, Marino said. PATH also runs around the clock, whereas NJ Transit and SEPTA don't, Marino said. The railroad is considering reducing some service at night to give workers more time to maintain the system and reduce repair costs, he said.

Martin Robins, a former Port Authority planning director and founder of the Alan M. Voorhees Transportation Center at Rutgers University in New Brunswick, New Jersey, said at an April meeting of a special oversight committee of Port Authority commissioners that a merger between PATH and NJ Transit could make sense.

He cautioned that a merger would have "substantial" financial consequences for NJ Transit, which had a \$1.6 billion operating loss last year that was offset by federal and state aid.



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New Jersey Assemblyman John Wisniewski, head of the transportation committee and co-chairman of a panel probing the bridge-lane closures, said handing over responsibility for operating PATH to NJ Transit won't improve the system's efficiency.

"Doing so simply allows the Port Authority to wash their hands of any responsibility of mass transit," said Wisniewski, a Democrat from Sayreville.