

Overview

I'm happy to be able to participate in this important and timely conference. I would like to thank the conference organizers for inviting the U.S. Department of Transportation join you in discussing the EU journey towards sustainable mobility.

Sustainable mobility is about balancing traditional transportation goals with economic, environmental, and fairness goals. To achieve sustainable mobility, we must address local, regional, and national mobility needs; protect those who use transportation; emphasize infrastructure security; protect the environment; and enhance the energy efficiency of transportation.

Our Department believes systems-level planning and development of inter-modal linkages are vital in fostering sustainable mobility. Increasingly, we are seeing that transportation agencies must transition to become systems managers. The system must be viewed as a whole, rather than as individual modes and rather than simply as infrastructure. This approach will foster a seamless, efficient transportation system that reduces environmental burden.

The transportation sector has significant influence on the U.S. economy as well as on our quality of life. In the year 2000, the U.S. transportation system provided nearly 5 trillion miles of passenger service and moved nearly 4 trillion ton-miles of freight goods. The transportation sector accounts for 28% of our nation's total energy use and accounts for a significant portion of greenhouse gas emissions [approximately the same share as in Europe].

Technology and Fuels Programs

The efforts of the transportation sector to develop new fuels and technologies are vital to the U.S. efforts to insure energy security and meet environmental challenges. Technology is an important element of an overall effort to work toward a multimodal transportation system that moves people and goods efficiently, while protecting the environment and human health, and reducing energy consumption.

The Corporate Average Fuel Economy (CAFE) program addresses fuel use and highway vehicle fuel efficiency. According to a report from the National Research Council, DOT's fuel economy regulations save roughly 2.8 million gallons of gasoline a day. Our last major fuel economy standard rulemaking in April 2003 increases the light truck fuel economy standard to 22.2 miles per gallon by 2007. These new standards will save some 2.5 billion gallons of gasoline over the life of the new truck fleets.

Although the CAFE program has been effective at improving fuel efficiency, we have recognized that certain aspects of the program have not functioned as intended, and may need additional flexibility to reflect changes in the industry. DOT has been investigating potential reforms to the CAFE system to continue improving the fuel efficiency of the on-highway vehicle fleet while addressing important safety and economic concerns. In the last year, the Department

published a notice that gathered data on a number of possible reforms, and is now analyzing that information.

In conjunction with the CAFE program, regulations put forth by our Environmental Protection Agency governing vehicle emissions are also driving the development of improved vehicle technologies. Our Tier I and the more recent Tier II tailpipe emission standards have led to the development of a new fleet of very clean highway vehicles, reducing emission of hydrocarbons, carbon monoxide, and NOx by over 90 percent.

DOT is supporting development of advanced vehicle technologies and improved fuels that will increase the energy efficiency of the system and help reduce emissions of local air pollutants as well as greenhouse gas emissions. The Federal Transit Administration's work on research, development and demonstration of advanced power systems for transit buses has put a number of alternative fueled buses on the road today.

The U.S. Environmental Protection Agency has published rules that lower transportation related air emissions through the use of new technologies and improved fuels. EPA's reformulated gasoline program requires gasoline in many of our nation's urban areas to be blended to burn cleaner and reduce smog-forming and toxic air pollutants. The Tier II vehicle emissions program sets tight standards for light duty vehicles [cars, trucks and SUVs], accompanied by requirements for low-sulfur gasoline. EPA has also developed new rules governing on-highway diesel fuel that will reduce the sulfur level of diesel to 15 ppm (parts per million) beginning in 2006. This low sulfur diesel fuel together with upcoming 2007 emission standards for heavy-duty diesel engines will result in greater than 90 percent emission reduction from today's trucks and buses.

Overall, through our advanced technology vehicle programs and through more stringent vehicle emission requirements, the federal government has helped encourage the development of technologies that can be used in near term vehicles to improve fuel efficiency and lower associated air pollutant emissions. For instance, our federal government programs have helped spawn numerous fuel-efficient and environmentally-friendly technologies, such as hybrid engine technologies, 6-speed and continuously variable transmissions, light weight and reduced drag materials, etc. Similarly, tighter Heavy Duty Diesel standards have led to the development of low NOx catalysts, NOx absorbers, and Selective Catalytic Reduction technologies.

Hydrogen Fuels

While these programs focus on near-term fuel efficiency, DOT is also working with its federal partners in developing longer-term vehicle technologies and fuels. Most notably, this includes efforts to develop hydrogen as a viable energy carrier.

Hydrogen holds tremendous potential to improve our economy, our security, and the quality of life for our citizens. Under President Bush's leadership, the

U.S. is actively pursuing the development and deployment of hydrogen fuel-cell vehicles. The President's charge to develop a marketable hydrogen vehicle will benefit the transportation sector by reducing use of fossil energy, improving air quality, and reducing greenhouse gas emissions.

DOT is responsible for the safety of the infrastructure supporting hydrogen fuels transportation and of the vehicles used by industry and the public. DOT's role includes establishing hazardous materials regulations to ensure the safe transportation of hydrogen, specifically those governing both hydrogen delivery and storage systems incident to transportation.

Working with our Department of Energy, DOT has been developing safety codes, standards, and regulations to insure the safe transmission of hydrogen fuel. The infrastructure to support hydrogen fuels distribution, storage and delivery to hydrogen-powered vehicles will likely evolve in stages from the current hydrocarbon-based economy to a hydrogen-based economy. Developing safety codes and standards for hydrogen storage systems and interface technologies is critical for sustained development of a hydrogen economy.

DOT's efforts extend beyond our borders: we are also working with international partners to insure international harmonization of standards and infrastructure development. Additionally, we are participating in the International Partnership for the Hydrogen Economy (IPHE). Consistent with the efforts of the WP.29, the IPHE partnership seeks to create a common agenda for developing a technology base for the hydrogen economy. IPHE is designed to build R&D partnerships between industry, government, and the academia community across our national borders.

In addition, the Federal Transit Administration's research on fuel-cell buses has put a number of these vehicles on the road for real-world testing. These heavy-duty fuel cell technologies will help with the development of fuel cell technologies for passenger vehicles.

Transportation Planning

To support sustainable mobility, we need to go beyond the development of new vehicle technologies and fuels and coordinate our national policies on urban travel, land use, health and the environment among all levels of government. In the United States, the principal tool to coordinate transportation policies is the transportation planning process.

In the United States, the transportation planning process is heavily shaped by the laws authorizing Federal transportation programs—the Transportation Equity Act for the 21st Century (TEA-21) and its predecessor, the landmark Intermodal Surface Transportation Equity Act (ISTEA). These Acts provide an innovative policy framework to move U.S. cities and states toward integrated transportation planning.

Under TEA-21, as with ISTEA before it, the focus has shifted from construction to system preservation. The legislative framework broadens public participation, strengthens planning coordination, promotes development of inter-modal linkages. At the same time, the planning process promotes protection of the human and natural environment, and supports Clean Air Act provisions linking transportation planning to achievement of air quality objectives. Flexible funding allows States and communities to tailor their transportation choices to meet their unique needs and has enabled State and local decision-makers to consider all transportation options and their impacts on traffic congestion, air pollution, land use patterns, economic development, and quality of life.

The Bush Administration proposal for continued authorization --the Safe, Accountable, Flexible, and Efficient Transportation Equity Act continues and enhances this national framework to support an integrated approach to sustainable mobility. However, Congress has still not completed action on a new authorizing law.

The Congestion Mitigation and Air Quality (CMAQ) Improvement Program
One program that gives States and metropolitan areas flexibility to better address their particular needs is the Congestion Mitigation and Air Quality Improvement or CMAQ Program. The CMAQ program can be used to fund transportation activities that will help meet air quality targets, such as transit, shared ride, bicycle and pedestrian, highway system management improvements, or other types of projects. Since 1991, we have provided \$14 billion through the CMAQ program to States and local governments for innovative programs and projects that contribute to attainment of national ambient air quality standards.

Intelligent Transportation Systems

Through the Intelligent Transportation System program, we are investigating such technologies as traffic signal control, freeway management, transit management, traffic incident management, electronic toll collection, electronic fare payment, railroad crossings, emergency response, and regional multi-modal traveler information. Some 62 metropolitan areas have deployed ITS infrastructure. Overall, ITS will enable us to manage our transportation infrastructure and develop a more efficient transportation system, reducing congestion, fuel use, and emissions.

Pricing

- We are also looking at other means of reducing congestion by addressing travel demand. For many years, we have used High-Occupancy-Vehicle (HOV) lanes to reduce congestion. More recently, we have explored the use of variable toll pricing and other market-based measures to thus reduce congestion, reduce environmental and energy costs, and enhance mobility. Our Value Pricing Pilot Program has shown that pricing, especially variable tolling, can lead some drivers to change their behavior and can yield more effective use of highway capacity. Public approval of road pricing projects has been

high when people are provided with improved transportation services and when equity concerns are addressed through measures like the continuing availability of un-priced lanes or by improving or expanding transit services. Pricing can also be a facility financing mechanism. Evidence from other parts of the world is showing similar promise.

The Administration's SAFETEA reauthorization legislation proposal includes provisions that build on our successful experience. One provision would allow states and localities to offer excess capacity on HOV lanes to individual users willing to pay a toll. Our legislation would also allow tolling any portion of the Federal-aid highway system in order to manage congestion or meet air quality compliance standards.

Inter-Modalism

Since the passage of the ISTEA in 1991, DOT has focused increasingly on implementing inter-modal solutions to transportation problems. Transit, pedestrian, bicycle, aviation, road and port facilities should all connect, allowing passengers and freight to switch easily as suits their preferences and needs.

Public transportation provides travel options and a more efficient system. Land-use is a local decision in the U.S., but transportation planners can work with cities to promote transit oriented development and urban design strategies that allow consumers to choose among transportation options. Investment in transit and urban transportation is vital to the health of our cities, with economic, mobility, safety and environmental benefits. TEA-21 and the Administration's proposed SAFETEA provide significant funding for transit through the major transit capital investment program and formula grant programs. Urban areas can also encourage walking and biking, and can use federal funds to improve ease and safety of these modes of travel. Investment in transit, bicycling, and pedestrian access is increasing with heightened awareness of the importance of inter-modal connections for passengers.

Similarly, the Department is pursuing a Freight Action Initiative that further promotes inter-modalism in the freight sector. We are working to identify and support nationally significant freight projects at major transportation gateways. We are also working to improve the quality of our freight data. Finally, we are taking advantage of new technologies such as positive train control technologies to ensure safer, more efficient rail shipments throughout the country.

That concludes my prepared remarks. I want to thank you again for having me here today. I'd be happy to take your questions.