



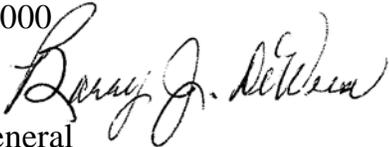
Memorandum

U.S. Department of
Transportation

Office of Inspector General

Subject: **INFORMATION:** Audit Announcement –
DOT Oversight of Federal Transportation Funding
for Positive Train Control Projects
Federal Railroad Administration
Federal Transit Administration
Project No. 17S3010S000

Date: July 5, 2017

From: Barry J. DeWeese 
Assistant Inspector General
For Surface Transportation Audits

Reply to
Attn. of: JA-30

To: FRA and FTA Acting Administrators

In September 2008, a Metrolink commuter train collided head-on with a Union Pacific freight train near Chatsworth, CA, resulting in 25 fatalities and over 100 injuries. The National Transportation Safety Board (NTSB) found that the Metrolink engineer had been texting, ran past a red stop signal, and crashed into the oncoming train. In NTSB's opinion, this situation could have been prevented through the use of collision avoidance technologies such as Positive Train Control (PTC). PTC is an advanced system designed to automatically stop a train before collisions, derailments, and other incidents occur.

Later that year, Congress passed the Rail Safety Improvement Act of 2008 (Pub. L. No. 110-432), which required PTC to be implemented across a significant portion of the Nation's rail system by December 31, 2015. Congress extended the deadline by 3 years to December 31, 2018, with the possibility of an additional 2-year extension for limited, justifiable circumstances.

To date, the Federal Railroad Administration (FRA) and Federal Transit Administration (FTA) have provided more than \$915 million in grants to support railroads' mandated implementation of PTC systems.¹ However, according to the most recent update from FRA, only 27 percent of freight-rail route miles and 23 percent of passenger-rail route miles had fully operational PTC systems as of the first quarter of 2017. In response to a May 2017 request from Chairman John Thune

¹ FRA and FTA have also issued a nearly \$1 billion loan to the New York Metropolitan Transportation Authority to implement PTC systems on the Long Island Rail Road and Metro-North Railroad.

of the Senate Commerce, Science, and Transportation Committee, we are initiating a multipart audit to assess FRA's and FTA's oversight of Federal transportation funding for PTC projects. The initial phase of the audit will (1) identify railroads that received DOT funding or financing to support PTC projects and (2) describe those PTC projects. The second phase will (1) assess FRA's and FTA's oversight of PTC funding allocations and (2) determine whether recipients have used awarded funds "completely and efficiently."

We plan to begin the audit immediately and will contact your audit liaisons to schedule an entrance conference. We will conduct our work at FRA and FTA Headquarters and other locations as appropriate. If you have any questions, please contact me at 202-366-5630 or Wendy Harris, Program Director, at (202) 366-2794.

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cc: FRA Audit Liaison, RAD - 43
FTA Audit Liaison, TBP - 30
DOT Audit Liaison, M-1