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Transportation

Rail link supporters charge state cost study was meant to 'scare the public'



Barry Bluestone, a professor of political economy and founding director of the Kitty and Michael Dukakis Center for Urban and Regional Policy, will speak at a hearing tonight on the proposed North South Rail Link project. Huang, Christopher



By <u>Don Seiffert</u> – Managing Editor, Boston Business Journal Jun 21, 2018

A <u>bombshell study</u> released on Monday found that the North South Rail Link would cost at least \$12 billion and as much as \$21.5 billion. But supporters of the project will argue at a hearing on Thursday night that those estimates were exaggerated in an effort, as one UMass professor put it, to "scare the public."

That charge has been echoed in recent days by former Gov. <u>Michael Dukakis</u>, who said Monday that the figures calculated by consulting firm Arup — paid for and using assumptions dictated by the state — "bear no relation to reality."

The proposed link — a physical tunnel between North and South stations that allows trains to run through the city — will be the topic of <u>a hearing tonight at 5:30 p.m.</u> at the MassDOT headquarters at 10 Park Plaza in Boston. There, UMass professor <u>Barry</u> <u>Bluestone</u> and other supporters of the plan will level criticism at the North South Rail Link Feasibility Reassessment Study. Bluestone provided a copy of his prepared remarks to the Business Journal, in which he says that the Arup report is "unbalanced," and that Gov. <u>Charlie Baker</u> and others "need to obtain a much better analysis of both the costs and benefits of developing the North South Rail Link."

"I have come to the sad conclusion that the consulting team ignored many of the potential benefits of the North South Rail Link and used a methodology that would likely

overestimate the cost of its construction," Bluestone wrote in the statement. "The result has been a report that is unbalanced and appears to have been developed so as to scare the public into thinking that this particular transportation project would be way too costly to construct and provide only limited benefits."

For many supporters of the project — which they argue is the only viable long-term fix for the state's aging commuter rail and MBTA system — the skepticism comes from comparing Arup's estimate to <u>at least a dozen other similar projects around the world</u> in cities like London, Zurich and Stockholm, all of which have cost estimates or actual costs much lower than the \$12 billion to \$21.5 billion estimate. One reason could be that Arup's study includes not only the cost of tunnel construction, but new trains and upgrades, which some have argued will be needed anyway over the next 15 or more years when it would be built.

One comparable project cited is a planned transit system called the Réseau express métropolitain (REM) planned for Montreal, the cost estimate for which is \$4.9 billion — 60 percent less than the cheapest option included in Arup's estimate. The company funding most of the Montreal project, CDPQ, declined to comment on why the estimate for the Boston project might be so much higher. The REM involves digging 3.5 miles of new tunnel alongside an existing one — shorter than the proposed five-mile tunnel Arup said would be needed — but the cost estimate includes new trains and other upgrades.

Arup's estimate is also significantly higher than the \$3.8 billion projection by a Harvard Business School study released last year, a regression analysis meant to provide an "order of magnitude" estimate. That study assumed a tunnel no longer that three miles long, the same length assumed under previous estimates. It also didn't include the cost of electrification, which the main author of the study, Harvard professor Linda Bilmes, says would add another \$1 billion or so.

"If you re-run our model for five miles of tunneling, it is still definitely less costly than the latest study, but not by as wide of a margin," Bilmes wrote in an email to the Business Journal on Thursday. "The new estimate does not appear to take into account the worldwide experience curve effect with tunnel boring, which leads to better, more efficient use of this technology."

When contacted by the Business Journal, U.S. Congressman Seth Moulton, a former managing director at the Texas Central Railroad and a vocal supporter of the project, said that the estimated costs "vary wildly from previous estimates," but did not say whether he thinks the estimate is exaggerated. He contended that the study didn't seriously look at the potential benefits of the project.

"There is a growing consensus that a strong regional rail network is essential if we want to continue growing Massachusetts' economy," Moulton said in a statement. "It will connect people to jobs and housing faster and more efficiently than our existing highways and transit systems, which are bursting at the seams. We need a full study. Our future competitiveness as a region, and the quality of life for our residents, depends on it. I think most commuters agree: the status quo is no longer acceptable."