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THE PORT AUTHORITY

$2.4 Billion In Losses Are Detailed In Report

By RONALD SMOTHERS

The attack on the World Trade Center cost the Port Authority of New York and New Jersey nearly $1.3 billion in damage to transportation operations and lost revenue and, over time, will cost the Port Authority $1.1 billion more in enhanced security measures, according to a report prepared for members of Congress yesterday.

The estimates did not include damage to the authority's principal real estate holdings, the twin towers themselves. In July the authority leased the trade center for 99 years to a private group, the Silverstein Group, for $3.25 billion, but the report said the losses on the leasing arrangement had not been sorted out now.

The estimates were included in a preliminary list of payments the officials hope to receive from the Federal Emergency Management Agency. A copy of the list was obtained by The New York Times, and the contents were confirmed by top Port Authority officials.

The list was hurriedly put together in response to a Congressional bill providing emergency supplemental appropriations for disaster assistance, antiterrorism measures and other steps to recover from the Sept. 11 attack.

The list was given to some two dozen congressmen and New Jersey's two United States senators, who toured the trade center site early yesterday and held a news conference in Jersey City later.

Lewis M. Eisenberg, chairman of the authority, told reporters that it was "intact" but added, "Financially, we need help."

The estimates were part of the authority's effort to decide how best to use Federal Emergency Management Agency aid in coordination with the authority's own planned capital spending, especially for future security enhancements at ports and airports, one official said.

The official said the authority accepted that the federal agency would receive a number of other requests in the wake of the attack and that federal officials would set priorities for distributing funds.

The list included details that were not available earlier when the authority's 12 commissioners, holding their regular monthly meeting, ordered a staff report for their October meeting on how the attack had affected the agency.

According to the list, the authority estimated the cost of losing its headquarters and support operations in the north tower at $150 million.

Rebuilding the PATH station below the towers, which was used by 80,000 people a day, would cost $850 million, according to the list. That estimate included the cost of replacing the underground wall that keeps Hudson River water from seeping into the station and PATH tunnels.

The authority estimated that the cost of restoring ferry service to Lower Manhattan as well as providing expanded temporary services would be $100 million. The temporary ferry service, according to the list, would partly replace the disrupted PATH service in the years it would take to reconstruct the system's station under the trade center. In addition, the authority estimated that the power substation which supplied power to many of the operations in the area would cost $40 million to rebuild.

On the revenue side, the authority estimated that curtailing operations at the three airports it manages cost $35 million. The marine ports, which were closed for nearly a week, accounted for about $10 million in lost revenue, while $35 million was lost because of the disruption of automobile traffic caused by the closing of the Holland Tunnel and the temporary shutdown of other crossings into Manhattan.

The temporary closing of the Port Authority Bus Terminal and the reduced schedule of buses in and out of the terminal had cost $9 million in ticket and retail sales. Although PATH trains resumed running within days of the attack, the authority said reduced ridership had cost it $70 million in lost revenue.

In one section of the authority's report, "Phase Two: Securing the Region's Transportation Infrastructure From Terrorist Attacks in the Future," the officials detailed a range of security enhancements designed to meet new Federal Aviation Administration requirements as well as their own assessments of the needs that the federal emergency agency should help finance. Those measures include increased police and canine patrols at Kennedy, La Guardia and Newark airports, additional remote parking well away from terminals, equipment to X-ray cars, and stronger barriers around airport fuel farms. The total cost of those changes was put at $960 million.

Maritime port and bridge and tunnel security would cost $190 million.

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