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Press Release

April 24, 2010

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IMMEDIATE

MTA Metro-North Railroad Selects Team to Offer Multi-Carrier Wireless Services Throughout Grand Central Terminal

Project Will Be at No Cost to Metro-North And Will Generate Income

MTA Metro-North Railroad is requesting approval for a ground-breaking License Agreement with a team of national wireless carriers to construct a state-of-the-art, multi-carrier wireless commercial network that will provide wireless (cellular) service to customers in Grand Central Terminal, the Platform/Trainshed area and the Park Avenue Tunnel.

In addition, the system will provide WiFi services for GCT and the platform/trainshed area, and the team will build a stand-alone, internal radio communications network for MTA use, including public safety and first responders. All will be at no cost to the MTA. The team of carriers, which was selected through a competitive process, consists of Verizon Wireless, Sprint Nextel, AT&T and T-Mobile.

This network would be a huge benefit for Metro-North customers, significantly improving and expanding commercial wireless services, including access to commercial wireless services from multiple providers. Current wireless (cellular) service in GCT is limited and there is no coverage in the two-mile-long Park Avenue Tunnel. This will be remedied under the project.

The agreement also would improve the MTA's internal communications capabilities to support the MTA Police Department and other emergency service responders who wish to participate, such as the New York City Fire Department. The carrier team will design, construct and install, at its own expense, a stand-alone wireless radio services communications network for the exclusive operation by Metro-North. Upon completion and acceptance, this internal network would become the property of Metro-North.

Under the License Agreement, Metro-North estimates that it will receive \$24.3 million in benefits, with no cost to the railroad. More specifically, the carrier team will bear the capital cost of the commercial wireless system, the MTA's stand-alone radio system for its internal use and provision of 48 strands of spare fiber optic cable and conduit. The team also will pay Metro-North an annual license fee, with an annual escalation clause for the initial 10-year-term, with two, five-year renewal options. In addition, Metro-North will receive all revenue generated by sublicenses to WiFi service providers, less administrative costs, with a guaranteed minimum dollar amount per year. The MTA estimates the value of the license fee arrangement alone over the 20-year maximum term at over \$4 million.

The proposed License Agreement was approved today to the Railroads Committee of the Metropolitan Transportation Authority. The full Board of the Metropolitan Transportation Authority is expected to vote on the Agreement at its monthly meeting on Wednesday.

"This new contract will greatly improve customer convenience through the provision of seamless wireless service for Grand Central and the Park Avenue Tunnel," said Metro-North President Howard Permut. "It also will greatly improve the communications capability of the MTA and emergency service providers, as well as adding spare fiber optic capacity for future growth and raise much-needed revenue for the Railroad."

"Grand Central Terminal is an unequalled public venue for people from all over the world. Verizon Wireless is delighted to be part of providing users of this extraordinarily-travelled venue with a full range of wireless voice and data services, including Wi-Fi," said Patrick Devlin, Verizon Wireless' New York Metro Region president. "This project also provides the MTA with a state-of-the-art internal communications system for its own use, including support of first responders and public safety providers, and added fiber capacity for the future."

"We look forward to the opportunity to extend our network coverage that already exists inside Grand Central and to supporting the growing demand for advanced services and applications throughout the Main Concourse and lower track levels," said Tom DeVito, vice president and general manager for AT&T in NY and NJ. "Grand Central is a worldwide recognized landmark and a vital transportation hub for the city, region and country."

"T-Mobile is excited to expand cell service to MTA riders at Grand Central Terminal. Customers count on high-quality wireless service to stay connected — from catching up with friends and family to calling 911 for emergencies. T-Mobile is committed to ensuring our New York City customers have reliable coverage when they need it most," said Chris Hillabrant, regional vice president, engineering, T-Mobile USA.

"By extending Sprint and Nextel wireless coverage to Grand Central Terminal, our customers will be able to better stay in touch with the people important to them," said Iyad Tarazi, vice president, development and engineering, Sprint Nextel. "This enhanced coverage also will strengthen the ability of public safety to respond to emergencies when they occur in Grand Central Terminal. Sprint is proud to be a part of the team bringing enhanced wireless coverage to Grand Central Terminal."

This License Agreement is a completely independent project from the recent Request for proposals issued jointly by Metro-North and the Long Island Rail Road for Wi-Fi service on board trains and throughout their suburban operating territories, and will not preclude implementation of Wi-Fi on trains. Proposals on that project are due May 17.

The License Agreement calls for construction completion of the commercial and MTA internal networks approximately three years after selection of the key vendors/contractors.