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Trains: A Travel Choice Americans Want

# **Fiscal 2009 Appropriations Uncertain**

"...Lawmakers can no longer get away with shortchanging passenger rail. Rising gas prices and dependency on foreign oil are front and center in American minds, as are pollutants that contribute to climate change and respiratory illnesses. Airlines are responding to rising fuel prices by paring schedules, raising fares and charging for checked baggage. It's no wonder that May was a record month for Amtrak..."

#### —"Give Amtrak a Fighting Chance," New York Times editorial, July 14

While passenger train advocates are right to applaud House passage of H.R. 6003, the passenger train reauthorization (June and July *News*), passenger trains *can* still be "shortchanged."

There is a high likelihood of a continuing resolution that freezes most programs at the existing level—at least until early next year, with no advance guarantee of what if any increase might come then.

The Senate Appropriations Committee approved S.3261, the FY 2009 transportation/housing funding bill, on July 10. However, the House halted appropriations work with transportation clearing only the subcommittee (June 20). Full committee and floor action went on hold June 26 due to a fight over Republicanled efforts to expand domestic oil drilling.

The table on page 3 reflects hard work by the appropriators—especially the subcommittee chairs and ranking members: Senators Patty Murray (D-WA) and Kit Bond (R-MO) and Reps. John Olver (D-MA) and Joe Knollenberg (R-MI)—in a difficult budgetary environment. This work is that much tougher because the subcommittees must fill the usual gap created by the Bush Administration's small budget requests before they can find dollars for increasing passenger train spending over current levels.

Yet, thanks to the upbeat talk and reporting on House passage of H.R. 6003, many people assume increased passenger train spending to be a "done deal."

Our table shows that, even if the appropriations process goes forward normally, spending increases for *new* capital and operations would be modest. Its not the kind of money needed to develop a world-class passenger train system—one American desperately needs (see "Price Shock", page 3).

**On-Time Performance:** The Senate committee report's detailed discussion begins, "The Committee continues to be dismayed by...poor on-time performance,...especially [for]...State-supported and long-distance trains...outside the Northeast Corridor...Despite the heightened attention brought to...poor on-time (Continued on Page 3)

# Amtrak replaces Thames River Bridge; Provides Substitute Service

Amtrak successfully replaced its 1919 movable (bascule) New London-Groton bridge with a vertical lift bridge. Regular service resumed June 28. The service outage lasted four days, as planned, after being postponed a few times due to problems dismantling the old bridge. The outage originally was planned for June 14-17 (May *News*).

Although Amtrak originally planned no alternate service, in response to pressure from NARP and the Northeast Governors, and to the short notice that resulted from the postponements, Amtrak on June 24-27 offered:

• with cooperation from CSX, three daily Boston through-trains via Spring-field and Hartford;

• three daily New London-New Haven shuttle train round-trips;

• one daily Westerly-Boston round-trip oriented for Boston commuters; and

• Providence-New Haven and Kingston-New Haven non-stop feeder buses.

The June 12 New London Day quoted



An Acela Express train crosses the new Thames River Bridge after completion. —Amtrak

NARP's Ross Capon praising Amtrak's alternate service: "They've done a heck of a lot of good work in the past few days. Given the lead time, it certainly strikes

me as a positive, good-faith effort."

As early as Jan. 22, NARP expressed to Amtrak its disagreement with the (Continued on Page 4)

## Senator Cardin, Passenger Trains and Climate Change

During Senate consideration of the Lieberman-Warner climate change bill on June 5, Sen. Benjamin L. Cardin (D-MD) referred to intercity passenger trains in a floor statement: "...I will offer an amendment to provide funding for intercity rail. I think it is another way we can get people out of their cars. That is what we have to do if we are going to have a clean environment and be energy independent. The intercity rail is another way we can do it.

"This bill needs to be strengthened. But the bill before us today is a bill that deserves our support. I hope my colleagues will vote in favor of making sure we move forward to enact global warming legislation this year. I urge my colleagues to do that."

Ultimately, Senate consideration of the bill collapsed. No amendments were

## Trains At Senate Climate Change Hearing

"Climate Change Impacts on the Transportation Center" was the title of the Senate Committee on Commerce, Science, & Transportation's June 23 hearing. Witnesses included government officials, scientists, and industry representatives.

Chairman Daniel Inouye (D-HI) began by saying that "we're here because of \$4 a gallon gasoline." He suggested to the first panel that such high prices might be largely the product of speculation (a theme other committee members) and over-reliance on supplies from unstable foreign sources. But DOT Deputy Secretary Thomas Barrett cited a "dramatic" increase in global demand for oil: "To the best of our knowledge, this is fundamentally driven by supply and demand."

Sen. John Kerry (D-MA) was the first to sound notes of alarm on climate change, criticizing what he viewed as President Bush's lack of urgency on the issue. He condemned the administration's proposed fuel efficiency benchmarks through 2030, citing China's plan to have the same standards in place next year. Sen. Ted Stevens (R-AK) responded that "you can't change the world overnight," focusing on President Clinton's refusal to allow drilling in the Artic National Wildlife Refuge.

One theme in the hearing was the value of rail as both an immediate and a long-term solution to the problem of transport-related greenhouse-gas emissions which are responsible for roughly one-third of the annual carbon emissions in the United States.

offered. NARP thinks a climate change bill should include passenger trains before coming to the floor, eliminating need for such an amendment.

But Cardin deserves thanks for bringing this to the Senate's attention, and encouragement to continue the effort to include passenger trains in the climate change legislation whose enactment is widely expected within the next few years.

Importantly, Cardin would dedicate funds to passenger trains rather than simply authorize them to compete in various forums with a long list of other eligible purposes. We need to continue to press every opportunity to fund passenger trains; the climate change bill is an obvious venue.

Kerry called DOT's lack of a clear plan to increase rail capacity and establish high speed rail corridors "more than disappointing...We have some of those (high speed corridors). We have trains today that could go 150 mph, and they can't go 150 mph because the Baltimore tunnel won't allow them to, the bridges won't allow them to. And you don't have a plan to fix any of those things."

Association of American Railroads President and CEO Edward Hamberger said the "average intercity passenger rail train produces 60% lower carbon dioxide emissions per passenger-mile than the average automobile, and half the carbon dioxide emissions...of an airplane."

Sen. Frank R. Lautenberg (D-NJ) asked the panel if, considering the time-critical nature of climate change, they didn't see an imperative to aim the most investment at the area that would bring the quickest reduction in emissions "which currently appears to be rail."

John Meenan, Vice President of the Air Transport Association, who earlier gave a dire assessment of conditions in his industry, answered with a qualified "yes."

"We should be encouraging the most energy efficient form of transportation possible. In some markets, that may be rail; in high density markets, that may make perfect sense. But in other markets, with similar distances, you may not have that density. And air is a more energy efficient alternative than 200 cars making that same trip."

Sen. Tom Carper (D-DE) urged parity

#### California Takes The Lead

AB 32, the California Global Warming Solutions Act of 2006, is the nation's first law that will cap carbon emissions from all sources, not just electric utilities. The California Air Resources Board (CARB) listed high speed rail in its Climate Change Draft Scoping Plan as a proposed way to cut greenhouse gas emissions in the state.

The draft plan provides that high speed rail will reduce carbon dioxide by one million metric tons in 2020, out of the 169 million metric tons (30%) of carbon dioxide equivalent reductions in 2020 mandated by the law. The plan says high speed rail is subject to a November referendum—Proposition 1 (endorsed by NARP).

Concern has been expressed about CARB's failure to mention the state's existing passenger trains, which account for about 20% of all Amtrak passengers nationwide, and may be Amtrak's most energy-efficient trains.

in federal funding of transportation projects. "When I was Governor of Delaware, if we wanted to build a road or a highway or a bridge, the federal government paid for 80% of it. If we wanted to do transit investment, the federal government provided 50% of it. If it made more sense to put in inter-city passenger rail, the federal government provided nothing. And I'm sure we made investment decisions which were probably wrong decisions because of the difference in those measures of federal support." [emphasis added]

#### NARP to Conferees

NARP wrote July 2 to House-Senate conferees on the passenger train reauthorization bill, urging inclusion of the House *Sunset Limited*. plan and chokepoint language, the Senate's North Coast Hiawatha and Pioneer studies and on-time performance language, and reminding legislators of our concerns about the need for practical solutions to the level platform boarding issue. The letter is at www.narprail.org performance...there has only been marginal improvement seen over the last year."

The Committee expresses dismay at the Federal Railroad Administrator's failures to provide required, quarterly on-time performance reports when due, and to "compare the most recent...data to pre-established on-time performance goals that the Administrator shall set for each rail service, identified by route."

FRA's first report said that, even today, FRA can leverage its Federal leadership role and grant-making capabilities to support improved passenger train reliability. The Committee responds, "Since the Administrator agrees that he has some of the tools necessary to seriously address the OTP problem, the Committee expects him to use them and show measurable results in the near future.

"The Committee commends the [DOT] Secretary for using a recent meeting with the chief executives of the major...railroads to charge them with identifying one Amtrak route...on their territory and developing an action plan for removing delays and improving on-time performance..."

These routes have been identified: CSX: Interstate 95 Corridor; NS: Chicago-Porter, IN; BNSF: Chicago-Denver; CN: Chicago-Carbondale; CP: Schenectady-Rouses Point, NY.

The report cautions that the one-route focus should not obscure "the need to improve the on-time performance of the entire Amtrak network in the near term."

**Back Pay** In reviewing the first two lines in the table, note that Amtrak in FY08 paid 40% of the back pay recommended by Presidential Emergency Board 242 and incorporated in subsequent labor contracts. However, Amtrak had planned for that smaller, FY08 payment, setting aside most of the funds for it well in advance.

Amtrak estimates the FY09 back pay at \$114 million. This figure, not in the appropriations bills, is the amount by which the House subcommittee increased the operating grant over the FY08 level. And the Senate Appropriations Committee report requires the DOT Secretary to withhold the portion of the operating grant needed for back pay, and to transmit those funds to Amtrak "at such times as...payments are due." They must be completed by May 8, 2009.

Amfleet Fleet Plan: The committee notes that Amtrak's Northeast Corridor

#### Proposed Fiscal 2009 Funding, Compared to Fiscal 2008

All figures are millions of dollars	FY 2008	Bush Admin.	House Subcomm.	Change from FY08	Senate Comm.	Change from FY08
Amtrak Ops. Ex- cluding Back Pay	\$475	\$275	\$475	0%	\$436	-8%
Back Pay (see text)	n/a	\$0	\$114	n/a	\$114	n/a
Total Amtrak Ops.	\$475	\$275	\$589	+24%	\$550	+15%
Amtrak Capital & Debt Service	\$850	\$525	\$850	0%	\$1,000	+17%
State Capital	\$30	\$100	\$60	+100%	\$100	+233%
Passenger Rail Total	\$1,355	\$900	\$1.499	+10%	\$1,650	+21%

"Amfleet" cars...are over 30 years old and will soon require replacement. Also, demand for expanded Amtrak services off the [Northeast] corridor continues to grow, but "a desperate shortage of available rail cars" hampers Amtrak's ability to meet this demand.

"While Amtrak has a number of damaged railcars available for repair, [Amtrak] must balance the costs of such repairs against capital expenditures necessary just to maintain current operations."

The bill requires "Amtrak to submit a comprehensive fleet plan" addressing these issues—along with a comprehensive business plan—within 90 days of enactment of the annual appropriations act.

**Capital Assistance to States:** This is the program begun this year at \$30 million—more notable for establishing the principle than for that amount.

Before applying for this aid, states "must first include intercity passenger rail service as an integral part of their statewide transportation planning activities and any capital improvement for which assistance is sought must first appear on the requesting State's Statewide Transportation Improvement Plan [STIP]."

Priority goes to projects:

• "To improve rail services that require...

#### **Near-Term Fleet Expansion**

A July 14 press release from Senator Richard Durbin (D-IL), announced that Amtrak President and CEO Alex Kummant "has agreed to have five rail cars rehabilitated and ready for immediate use on [Illinois] routes by the end of this year."

Overall, Amtrak is considering repairs to roughly 30 to 70 parked cars. It is unclear whether available funds will permit significant work on these cars in 2009.

## "Full-scale" Oil Price Shock?

Paul Horsnell, of Barclays Capital says reduced US demand for petrol [gasoline] was "the primary reason that non-Opec supply weakness has not yet led to a fullscale oil price shock."

*Financial Times*' July 12 article continued, "US demand for petrol has sunk to its lowest level since 2003...and railway passenger numbers have increased as motorists abandon their cars and take to the train. [Emphasis added].

"Adam Sieminski of Deutsche Bank said rising demand in China was offsetting falling oil demand in the US and Europe."

Expanding Amtrak and transit capacity quickly is a key to avoiding that "full-scale oil price shock."

little or no Federal operating subsidy;

• "Where states have made a financial commitment to improve the safety of highway/rail grade crossings over which the passenger service operates;

• "that involve a commitment by freight railroads of financial resources commensurate with the benefit expected to their operations."

**Federal Transit Administration** gets \$10.2 billion in S. 3261, an 8% increase from the 2008 level.

**The Highway Trust Fund** (HTF), in S. 3261, gets \$8 billion from the general fund as a temporary fix; the HTF was projected to be in deficit next year even before the recent driving and HTF revenue downturn.

The 215-page Senate Report 110-418 is at <http://appropriations.senate.gov/ legislation.cfm>, last link at the bottom of the list. Railroad provisions are on pp. 107-122; transit pp. 122-132.



Vol. 42, No. 8 August 2008 Address service requested George Chilson, President; James Churchill, Albert L. Papp, Jr., Arthur Poole, David Randall, Robert J. Stewart, Vice Presidents; Nicholas Noe, Secretary; Robert W. Glover, Treasurer

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(This has news through July 18. Vol. 42, No. 7 was mailed July 1.)

our mission: a modern, customer-focused national passenger train network that provides a travel choice americans want.

## NARP Release: Auto, Airline Layoffs Underline Need for More Train and Transit Jobs

NARP's June 3 news release, "Oil Prices Underline Need for More Passenger Trains," began this way:

"Transit ridership is at its highest level in 50 years, as reported last night on *NBC Nightly News.* There have been many other news reports about growing Amtrak and transit ridership. Most stories also have highlighted the historical underinvestment that prevents Amtrak and transit authorities from dealing with much more growth in the near term, and the budgetary problems that are forcing transit service reductions even as more people want to climb on board.

"Today's GM announcement about the closure of four more plants should send a

### **Thames River**

from page 1

no-service plan. *The Day* reported Feb. 16, "Amtrak...still plans to shut down its northeast corridor from New Haven to Boston for the four days when the bridge span is replaced. Despite concerns from railroad passenger advocates, tourism officials, and state and federal officials, Amtrak still has no plans to offer an alternative to passengers, an Amtrak spokesman confirmed Friday."

Capon's April 18 e-mail to Amtrak Pres. Alex Kummant and Amtrak's Board called this "disrespectful of those...who need your service, and bad marketing since people who must travel those days may find other ways to travel and not return...[Quoting NARP Pres. George Chilson] 'Amtrak has an obligation to serve the public need and necessity. That's why Amtrak exists and why Amtrak clear message to Washington: we need a rapid and long-overdue ramping up of investment in Amtrak and transit to give people jobs when other parts of the transportation industry are retrenching and to let Americans leave their cars at home when they want to----which they increasingly do..."

NARP also cited a May 23 Federal Highway Administration release, "Americans Driving at Historic Lows."

By July 12, The *Washington Post* reported, "airlines have announced cuts of 30,000 employees this year." Similarly, auto job losses continued, with General Motors on July 15 announcing more job cuts, including speeding up closure of the

Corrections to July News

Page 1: H.R. 6003 passed on *June* 11. Page 3: The correct phone number for the Grand Canyon Railway is 1-800-843-8724.

gets public money ... "

A May 1 Coalition of Northeastern Governors letter to Amtrak called Amtrak's no-service plan "unacceptable," saying "travelers in this corridor must not be left to essentially fend for themselves for four days...We are writing to strongly urge you to work with [us] to find alternative service while the work is completed."

NARP's May 19 letter to the governors thanked them and outlined the alternate services NARP recommended, much of which Amtrak wound up providing.

In this case and the Coast Starlight

four plants announced June 3.

All NARP releases are archived at www.narprail.org click on "Releases." Other recent releases: June 12 applauding House passage of H.R. 6003; June 20 acknowledging action by the House appropriations subcommittee (lead story) but urging the full House Appropriations Committee to increase Amtrak funding.

#### **TRAVELERS' ADVISORY**

**Faster California Zephyr schedules**—Starting Aug. 11, train 5 runs 30 minutes earlier Winnemucca, NV-Emeryville, CA (Chicago-Elko, NV, unchanged), with 5:40 pm Emeryville arrival. Train 6 will depart Emeryville 45 minutes later, at 8:55 am, run later to Salt Lake City; no change Salt Lake City-Chicago.

**Memphis service** still requires bus ride with early departures from station due to sinkhole under track near station (July *News*). City of Memphis and CN agreed to split cost of fixing the sinkhole, but now Sprint Communications says the \$1 million cost of moving its fiber optics line is city/railroad responsibility. NARP Board Member Bill Strong has been active in getting service restored.

outage (March *News*), Amtrak belatedly reached traveler-friendly decisions. It remains to be seen if they will get to similar decisions more quickly in the future.