

Louisiana Association of Railroad Passengers

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November-December Newsletter

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Amtrak

National Happenings

The biggest political news impacting Amtrak has been the election of Donald Trump as President and the continued GOP control of the House and Senate. The President Elect had said during the campaign that he wanted to invest \$1 trillion in the nation's infrastructure using an infrastructure bank, but the programs most likely to benefit from this public/private spending would be airports and toll roads. Also, House Speaker Paul Ryan and Senate Majority Leader Mitch McConnell have recently said they would oppose any new spending that would increase the deficit – so a big infrastructure stimulus may be dead on arrival in Congress.

President-elect Donald Trump has selected Elaine Chao to serve as the Secretary of Transportation. Chao is the wife of Senate Majority leader Mitch McConnell and has served in the past as Bush's Secretary of Labor and as deputy DOT secretary. When Amtrak nearly shut down during a cash crisis in 2002 Chao assisted in averting the shutdown of Amtrak. Although Chao is very conservative she likely will not call for the elimination of Amtrak subsidies, and she has already received bipartisan praise from Republicans and Democrats for being a high-quality pick. Chao may be the only Trump nomination to sail through the Senate unopposed.

What Donald Trump thinks of continued taxpayer investment in Amtrak is unclear, although he has lamented how bad our trains are compared to the Chinese. However, the president usually reacts to government programs based on the advice of their closest advisors, and if Amtrak supporters and rail advocates are going to have trouble with the Trump administration it is likely to come from his new budget director Mick Mulvaney. Mulvaney is a GOP Congressman from South Carolina and is a fierce advocate for deep spending cuts. Mulvaney is one of the most conservative members of the House and is a founding member of the "Freedom Caucus," and he has opposed Amtrak funding in the past voting recently against Amtrak's authorization. Even though Amtrak is authorized in the FAST Act for \$8.1 billion through 2020, if Mulvaney gets his way Amtrak would be zeroed out in the next administration FY18 budget. Amtrak is currently funded only through next April by another continuing resolution at FY16's funding level, so the new Congress will again have to pass another CR (or real budgets?) to get through September 30, 2017 fiscal year. The new Trump administration will have input on the next budget, so we will know fairly soon how Amtrak does in the new budget. Keep in mind that Amtrak does enjoy bipartisan support even with the GOP control of Congress, so potential efforts to shut down Amtrak from the Trump administration would face resistance in Congress.

Gulf Coast/Baton Rouge

The final Gulf Coast working group report has not yet been released, but reports are starting to trickle in that the price tag to reinstate service on the Gulf Coast is going to be very large. Evidently CSX is asking for a good bit of second main track to reinstate service, particularly from New Orleans to Mobile, AL. Officials have said publicly that gulf coast service can be restored in 18 months, and the current proposal is to extend the “CITY of New Orleans” overnight to Florida and then to operate one additional local frequency from New Orleans to Atmore, AL. Money has also been awarded from the FRA to begin the planning on building a new train station in Mobile and also for improvements in Gulfport, MS.

With Baton Rouge, some of the FRA money has been awarded for planning for new train stations in Baton Rouge, Gonzales, and Laplace. There has been no movement from the Edwards administration on formal passenger rail proposals so far, but there have been huge state budget problems to deal with (ongoing problems).

Amtrak National Business Performance

Time Period	Passenger Totals	% +/- Last Year	Ticket Revenue	% +/- Last Year	Cost Recov. %	Recov. % Last Year	Employee Total
Sept 16	2.58M	+4.4%	\$183.8M	+6.5%	106%	107%	20,183
FY YTD 16	31.28M	+1.3%	\$2.19B	+0.3%	106%	109%	--

The chart above highlights totals for all of Amtrak's business units. FY YTD is Fiscal Year to Date. M stands for million and B stands for billion.

For the October to September fiscal year Amtrak broke 31 million passengers and revenues increased over the previous year, but yearly ridership and revenue has been basically flat compared to the previous year. The unaudited financial reports for FY16 showed that the Northeast Corridor contributed \$478 million (marginal profit), state-corridor operations lost \$63 million, and long distance lost \$492.4 million -- resulting in the entire national train system losing \$77 million, excluding depreciation. Because of decreased cash flows, Amtrak was forced to reduce capital expenditures by \$472 million less than what they had planned with both engineering and mechanical taking big hits. The long-distance network is currently undercapitalized to the point that the trains lack enough carrying capacity to break even, and if the long-distance network is to be an ongoing concern Amtrak will need to soon replace (and expand) the fleet as many of the cars in daily use are approaching 40-years old.

Amtrak Regional Business Performance

Detailed performance statistics for Louisiana regional trains. M stands for millions.

Time Period	<i>City of New Orleans</i>	<i>Crescent</i>	<i>Sunset Limited</i>	<i>Texas Eagle</i>
Sept 16 Riders	20,500	20,390	6,700	24,443
Sept 16 Rider % +/- last year	+2.1%	-7.6%	-4.7%	+8.1%
Sept 16 Revenue	\$1.51M	\$2.24M	\$0.74M	\$1.63M
Sept 16 Revenue +/- last year	+6.5%	-2.8%	-5.4%	+0.8%
Oct 15 to Sept 16 Fiscal Riders	248,960	268,344	98,079	306,321
Fiscal 16 Riders % +/- last year	-2.5%	-4.8%	-2.6%	-3.5%
Oct 15 to Sept 16 Revenue	\$18.71M	\$29.51M	\$10.77M	\$22.32M
Fiscal 16 Revenue +/- last year	-3.7%	-5.8%	-7.5%	-8.5%

All of our regional trains carried fewer passengers and made less revenue than the previous year.

On-Time Performance

The On-Time performance for the entire Amtrak system was 78.9% for September and 79.1% for the Fiscal Year to Date.

Route Name	Sept 16 OT%	FY YTD OT%
<i>CITY of New Orleans</i>	68.3%	83.6%
<i>Crescent</i>	66.7%	51.4%
<i>Sunset Limited</i>	92.3%	72.3%
<i>Texas Eagle</i>	53.3%	50.8%

The on-time performance goal for Amtrak's long-distance trains is 80% with a pad of 30 minutes allowed at the end point to be considered an on time arrival. Compared with the previous September, the "CITY of New Orleans" and the "Crescent" did worse and the "Sunset Limited" and "Texas Eagle" did better. For the fiscal year the "CITY of New Orleans," "Sunset Limited," and "Texas Eagle" improved by 7 to 14 points over the previous fiscal year and the "Crescent" did about the same. However, trains arriving at the end points only half of the time when they are supposed to (even with a 30-minute schedule pad) is clearly unacceptable.

Odds and Ends

- LARP now has an active Facebook page with about than 1,300 followers – "Like" us on Facebook to get rapid notification of news. Our website *LARPrair.com* has also been updated recently and you can now safely **pay your dues on the website**. Check both our Facebook page and the website frequently and get up-to-date information on meeting times, notices, and blog posts.
- Amtrak finally accepted its first new Viewliner diner – the "Annapolis" in mid-December. The new car has been put in rotation on the "Silver Meteor" and eventually the new cars will be put in the consist for the "Crescent". Now that the issues have all been resolved with the Viewliner diners the cars should start arriving at the rate of 2 or 3 per month. Next up will be the new Viewliner sleepers.
- The annual "Crescent" line closure for Norfolk Southern track work between New Orleans and Atlanta in 2017 will be scheduled for seven weeks starting with the second week of January and going through the third week of February. The route will be closed Sunday through Wednesday for southbound train 19 and Monday through Thursday for northbound train 20. Like last year Amtrak will again provide alternate bus transportation making all of the stops. The trains will basically run normally for the three days over the weekend, but make sure to check with Amtrak before you travel as your train might actually be a bus.
- The first Brightline train for the new privately-operated passenger service on the Florida East Coast deadheaded through New Orleans from the Siemens plant in Sacramento on its way to West Palm Beach. The new trains will be testing on the FEC beginning in the spring of next year with actual passenger service to begin late next summer from Miami to West Palm. Service to Orlando is currently on hold with the company seeking more financing, so the timing of a 2018 startup of Orlando service is unlikely.

2016 LARP Officers

John Sita, Jr. President; **John Turner** Vice-President, **Louis Bangma** Secretary/Treasurer

Dues are payable January 1, 2017.

Join the Louisiana Association of Railroad Passengers and help reconnect our cities by passenger rail once again. Your membership helps LARP advocate for trains and also entitles you to receive a subscription to our newsletter. LARP is a non-profit consumer organization supported solely by yearly dues and contributions of its members. The next regular meeting will be **10:00 a.m., Saturday, January 14, 2017** at New Orleans Union Passenger Terminal, 1001 Loyola Avenue, in the second floor conference room.



LARP Membership Application

Single member \$20 Family Member \$30

Name _____

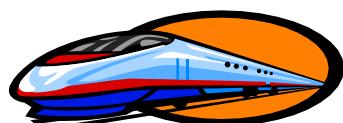
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