

Louisiana Association of Railroad Passengers

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July-August 2020 Newsletter

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Amtrak

National Happenings

Amtrak's authorization expires at the end of this fiscal year in September, meaning that without reauthorization Amtrak will not have a legal framework to operate. Amtrak can continue to operate without reauthorization (it has happened before) but Amtrak is on much more firm legal footing with Congress authorizing the program.

Authorization sets the terms and conditions under which Amtrak operates, authorizes the appropriation of funds, and specifies how appropriated funds are used. The House passed a good multi-year Reauthorization bill (Invest in America Act) in July that would authorize \$29 billion over the next five years, in addition to providing a \$19 billion capital grant program. The Invest in America Act (H.R. 2) was received by the Senate shortly after House passage and since then there has been no action taken on the Senate's part. The House also passed a good Amtrak spending bill as part of a seven-bill minibus (H.R. 7617) that has \$10 billion for Amtrak for FY21 and \$24 billion in transit. The Senate also refused to act on a companion spending bill as the Senate went on recess in mid-August and will be out until after Labor Day. It is possible the Senate will take up reauthorization and funding bills after they return, but there is a short window for debate/passage of bills with no guarantee of Senate action and that distinct possibility could mean Continuing Resolutions for spending at last year's levels. Without a large cash infusion into Amtrak and transit systems, most of these systems will face a serious cash crisis in the next fiscal year due to declined revenues related to the pandemic. Ridership is still down significantly with Amtrak perhaps at 40-50% of normal, and rail transit ridership is even worse with perhaps only 20-25% of normal.

Tri-Weekly Trains

Amtrak intends to cut the frequency of nearly every daily long-distance train to just 3-day-a-week service, including the *City of New Orleans* and *Crescent* trains that serve New Orleans (the *Sunset Limited* is already tri weekly). Amtrak intends to enact the frequency cuts the week of October 5 and last at least until June 30, 2021. The *Crescent* train 20 will depart New Orleans Monday, Thursday, and Saturday, and train 19 will depart New York Tuesday, Friday, and Sunday. The *City of New Orleans* train 58 will depart New Orleans Wednesday, Friday, and Sunday, and train 59 will depart Chicago Monday, Thursday, and Saturday. The purpose of Amtrak's frequency reductions is to reduce financial losses due to decreased ridership related to the pandemic. Amtrak has developed a criterion with three aspects to restore daily service: 1.) Covid-19 being under control; 2.) customers booking trips at the same rate as in 2020; 3.) ridership being close to Amtrak's operating plan projections. The actuality of meeting all three of these criteria is going to be difficult if not impossible.

What Amtrak is proposing likely is not going to work if the goal is to reduce losses. While the pandemic has greatly reduced Amtrak's ridership and increased its losses, cutting frequencies will only make matters worse.

When frequencies have been cut before the result has always been the same – losses have increased. The main reason losses get worse is that revenues will decline faster than the expenses. Tom Downs was Amtrak's CEO the last time frequencies were cut in the mid-1990s, and recently Downs said that the cuts did not work for him and it will not work now. From the revenue side, it is difficult to ask potential passengers to plan their schedules around trains that run just tri weekly and many just will not bother. If a train is not operating at least daily, the reality is that Amtrak really is not in that travel market. Also, connections may/may not happen on the same day resulting in a forced overnight stay in a hotel, perhaps an unacceptable option for some passengers. On the expense side, while Amtrak plans to reduce crews by about 20% of employees, it is unlikely that Amtrak's cash outlay will decline by that percentage due to separation and other unemployment costs incurred.

The great reduction in service that Amtrak seems intent on implementing will result in the layoffs of about 2,000 Amtrak employees and cause economic hardship to many towns and cities that will now see 4 of 7 weekly trains canceled. Big cities and popular tourist destinations like Atlanta, Memphis, Dallas, Minneapolis, and New Orleans will all be reduced to just three-day-a-week Amtrak service. The worst part of what Amtrak plans to do is that it highly likely will not save any money with the result being fewer trains with far less service and greater financial losses. It will be a lose-lose situation.

On Time Performance

For June, on-time performance was 79.2% with long-distance at 61.7%. Every railroad operator earned a grade of "A" or "B" from Amtrak concerning on time performance for the month of June. For July, on time performance was 76.4% with long distance at 53.4%. All roads earned an "A" or "B" except Norfolk Southern that earned a "C" for July.

Route Name	Jun20 OT%	Jun20 Delay/Rider	Jul20 OT%	Jul20 Delay/Rider
<i>CITY of New Orleans</i>	59.6%	54 minutes	79.6%	53 minutes
<i>Crescent</i>	67.6%	55 minutes	58.0%	62 minutes
<i>Sunset Limited</i>	22.8%	79 minutes	23.9%	121 minutes
<i>Texas Eagle</i>	58.6%	71 minutes	44.5%	89 minutes

On time performance is for all stations, and minutes of delay is the average minutes late per late rider.

Gulf Coast Restoration/Baton Rouge

There is no recent movement on restoration of Amtrak service between New Orleans and Mobile, although cities are likely working behind the scenes on their plans for depots. So far, \$33 million in federal funds have been awarded to improve the CSX tracks to allow for the reinstatement of passenger service. In addition, that \$33 million is being matched by the three states in a pro-rata share (\$66 million total). There is a detailed plan to increase siding lengths as well as to add new sidings with that money. Also, about \$10 million has been awarded in federal funds to pay for the expected operating losses for about two years' worth of operating costs.

There is no news at all on the Baton Rouge train. The cost to reinstate service could easily be in the \$300 million range now and there has not been any formal plan made to pay for these infrastructure costs or the operating losses.

Service Disruptions

There were a couple of instances of disruptions to both the *Crescent* and *City of New Orleans* during July and August due to freight derailments and locomotive breakdowns, then Hurricanes Marco and Laura disrupted everything. Amtrak suspended train service Monday, August 23rd for all trains, and the *City of New Orleans* and *Crescent* trains were scheduled to come back Friday, August 28th. The *Sunset Limited* will be reinstated likely the first week of September due to the severity of Hurricane Laura in southwest Louisiana.

Odds and Ends

- LARP now has an active Facebook page with more than 1,400 followers – “Like” us on Facebook to get rapid notification of news. Our website *LARPral.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.
- Brightline has ended its affiliation with Virgin trains. The passenger trains in Florida (and Nevada) were supposed to be rebranded to Virgin but Brightline has chosen not to continue that venture going forward. Brightline had suspended service in south Florida due to the pandemic but they are continuing construction north of West Palm Beach to Orlando.
- The new CN bridge over the Bonnet Carre Spillway is close to completion, perhaps within a couple of months. The new concrete/steel bridge will provide far more reliable availability for Amtrak trains than the 90-year old wooden trestle built when the Spillway was first put into place. The CN Railway had refused to allow Amtrak to operate its *City of New Orleans* train over the old wooden bridge during several week periods when the spillway was open, and those disruptions should now come to an end.

Amtrak Long Distance Charger Locomotive (ALC-42), PHASE VI LIVERY



Siemens ALC-42 Locomotive Rendering
Amtrak is a registered service mark of the National Railroad Passenger Corporation.

Amtrak's new Charger locomotive in their new attractive paint scheme. The locomotives should start soon appearing on trains in Louisiana.

2020 LARP Officers

John Sita President; **Andrew Lodriguss** Vice-President, **Louis Bangma** Secretary/Treasurer

Dues were payable January 1, 2020.

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 LARP meeting will be in September, likely virtually via Zoom** – if you would like to join in send an email to jsitajr@gmail.com.



LARP Membership Application

Single member \$20 Family Member \$30

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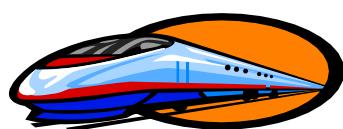
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