High-Speed Intercity Passenger Rail

SPEEDLINES

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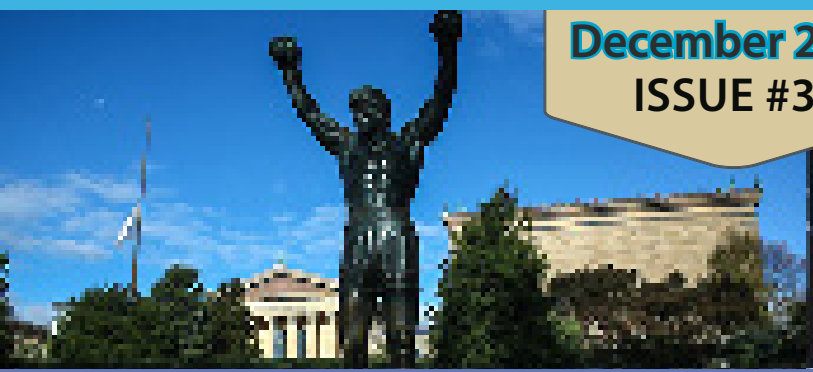
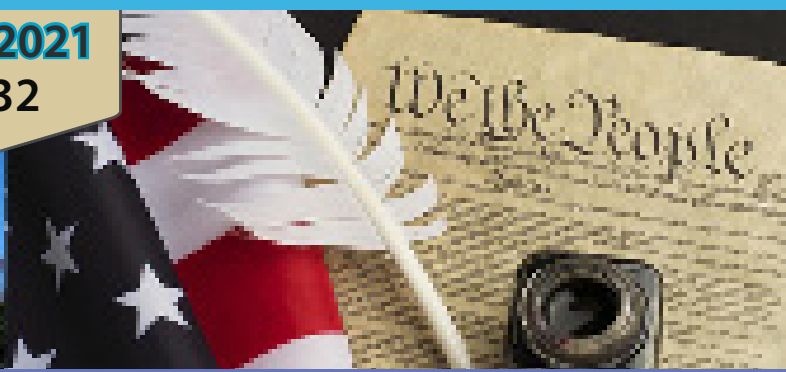
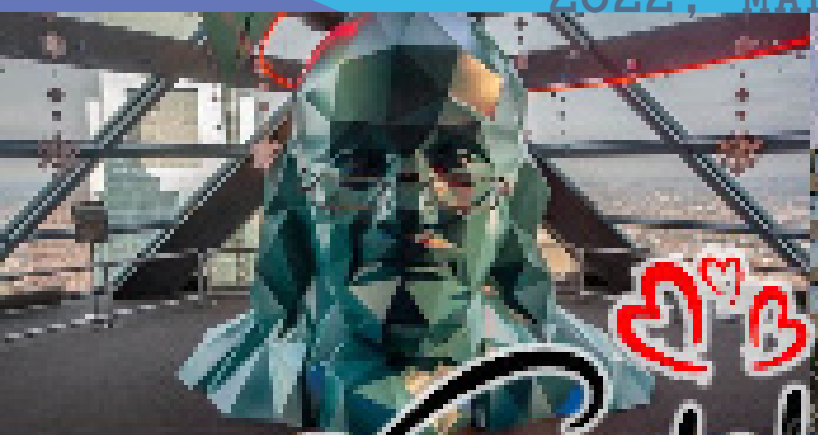




Connecting America's Cities

2022, MARCH 30 - APRIL 1



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SPEEDLINES MAGAZINE

On the front cover:

THE COMING YEARS BRING GREAT OPPORTUNITY TO UNLEASH THE ECONOMIC POWER OF OUR MEGAREGIONS, TO ENABLE EQUITABLE AND AFFORDABLE ACCESS AND OPPORTUNITY, AND TO CREATE SHORT-TERM AND PERMANENT AMERICAN JOBS. THOSE NATIONAL BENEFITS CAN BE ACHIEVED BY BUILDING A ROBUST HIGH-SPEED AND INTERCITY PASSENGER RAIL NETWORK THAT IS ENVIRONMENTALLY FRIENDLY, RESILIENT, AND SUSTAINABLE.

***ABOVE**: Thank you to all who attended the APTA's TRANSform Conference & EXPO in Orlando in November 2021—your participation helped make the meeting a success! We hope to see you again next year. Be sure to get the latest information on the High-Speed and Intercity Passenger Rail Advocacy Program and start arranging your Travel and Registration plans.*

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HS&IPR Committee & Friends

A letter from our Chair: Joseph Giulietti

We are in an exciting time in the history of the U.S. passenger rail. I'd call it the renaissance of passenger rail transportation. Congress and the Biden-Harris Administration are on the verge of reaching agreement and ultimately passage of landmark, long-term authorization and funding for passenger rail, including support for high-speed passenger rail. Since driving the golden spike in Provo, Utah, the U.S. is poised to make its most significant investment in rail in the 1860s.

Dozens of rail improvement and development projects are underway or in the pipeline throughout the U.S. From Florida to California, from the northeast to the southeast, from Texas to Colorado, and throughout the Midwest and in the northwest, Amtrak and a variety of private, public/private, and federal/state initiatives are underway that will ultimately change how people will travel, work, and live, creating reliable, affordable, frequent, environmentally sustainable transportation options for millions of Americans and visitors to our country.

Through the work of APTA and its High-Speed and Intercity Passenger Rail Committee (HSIPR), as well as the backing of the current administration's policy priorities, passenger rail is finally getting the attention it needs and requires to inform the American public and policy decision-makers at all levels on the value, and positive impact passenger rail, including high-speed passenger rail, can have on the economy, the environment, and the quality of life of Americans throughout the nation. Your continued advocacy to your congressional delegation helps advance our cause. As I noted recently in APTA's Passenger Transportation newsletter, "For the past 60 years, Americans have relied overwhelmingly on highways and airlines for travel between regions, following the policy and investment direction of that period. We have an opportunity to change that, building on international success stories and establishing a high-performance passenger rail network of our own."

Earlier this year, the HSIPR forged a vision for passenger rail and endorsed by APTA's leadership. It will serve as the enduring outline for connecting all travelers seamlessly with local and regional public transit services, intercity and high-speed passenger rail, and airports. Hubs will be in downtown business districts, generating jobs, income, and investment around stations, while providing convenient access to destinations and fostering community livability. Like many of you, passenger rail is vital to my state of Connecticut. Commuter and intercity services are the lifeblood of the region and the national economy. This year, we can further enhance this asset of national significance, including long-delayed Northeast Corridor projects such as Gateway. The Northeast Corridor Commission recently released Connect NEC 2035, outlining a series of capital and operating strategies. In June 2018, Connecticut opened its CTrail Hartford Line from New Haven to Hartford to Springfield.

By 2030, it is estimated that some 1.15 million car trips will have been eliminated annually on the 62-mile I-91 corridor because of people switching to the train. I am proud to note that APTA's HSIPR Committee has been busy and productive. APTA's Connecting America's Cities Conference, held in April, brought much energy and substance to the current conversation. We are now planning an in-person conference held in Philadelphia on March 29-31, 2022.

Following years of work, the new report "Assessing the Business Case ROI for Intercity Passenger Rail Corridor Investments" was released by APTA and AASHTO during the recent APTA Rail Conference. This framework provides a consistent evaluation methodology and captures multiple benefits relevant to specific stakeholders, particularly at different levels of government.

Additionally, in late September, APTA, AASHTO, TRB, and States for Passenger Rail will host a joint meeting in Milwaukee, Wisconsin. Please visit the AASHTO Council on Rail Transportation (CORT) for more details and check out the APTA website for other future meetings of the APTA High-Speed and Intercity Passenger Rail Committee and other rail-related APTA events and conferences. Those who want to follow passenger rail developments in more detail or who wish to add their voices and perspectives on HSIPR issues are invited to submit their articles and suggestions to the publisher of SPEEDLINES, ecp50@verizon.net, or to Art Guzzetti at APTA, AGuzzetti@apta.com. To conclude, we are truly experiencing the renaissance of passenger rail transportation. Your active engagement will help make that renaissance reality.

UPCOMING 2022 EVENTS

Save the Dates

BUSINESS MEMBERS ANNUAL MEETING, JANUARY 19-21
MIAMI, FL (REGISTER NOW)

TRANSIT BOARD MEMBERS SEMINAR, JANUARY 26 AND FEBRUARY 2
AN APTA VIRTUAL EVENT (REGISTER NOW)

MARKETING AND COMMUNICATIONS WORKSHOP, FEBRUARY 23-24
AN APTA VIRTUAL EVENT

LEGISLATIVE CONFERENCE, MARCH 13-15
WASHINGTON, DC

HIGH-SPEED RAIL CONFERENCE, MARCH 30-APRIL 1
PHILADELPHIA, PA (REGISTER NOW)

LEGAL AFFAIRS SEMINAR, APRIL 3-5
BOSTON, MA

MOBILITY CONFERENCE, MAY 1-4
COLUMBUS, OH (EXPRESS INTEREST IN SPEAKING)

RAIL CONFERENCE, JUNE 5-8
SAN DIEGO, CA (EXPRESS INTEREST IN SPEAKING)

TRANSFORM CONFERENCE, OCTOBER 9-12
SEATTLE, WA

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IN THE NEWS:

Amtrak Names STEPHEN GARDNER President and CEO

WASHINGTON – Amtrak Board Chair Tony Coscia announced that Bill Flynn will be retiring after leading Amtrak since April 2020 and that Stephen J. Gardner will be appointed as the company's new President and Chief Executive Officer, effective January 17, 2022. Gardner currently serves as Amtrak's President, leading the railroad's day-to-day operations, customer growth initiatives and strategies to modernize Amtrak's products, services, infrastructure and fleet. Flynn, who led Amtrak through COVID-19 recovery efforts, prioritized safety and customer experience initiatives, advanced major infrastructure projects, expanded the company's diversity and inclusion and executed major equipment procurements, all to position the company for the future. Flynn will continue as a senior advisor to Gardner and the company for the remainder of the fiscal year following his retirement to support the transition. "I want to thank Bill Flynn for his strong and steady hand leading Amtrak and navigating a global pandemic," said Coscia. "This was one of Amtrak's most challenging periods in its 50-year history. Bill has built a strong foundation for continued safe and reliable operations, innovation and growth." "With the Biden Administration and Congress just having made a transformational investment in intercity passenger rail, this is the right time to transition the leadership of the company for the long term to help guide Amtrak's promising future," added Coscia. "Stephen has the business skills, industry knowledge and vision to improve and modernize service for the next generation of Amtrak's customers." Gardner has been with Amtrak since 2009 serving in a variety of leadership roles including Chief Operating and Commercial Officer. He has been responsible for efforts to expand state-supported service partnerships, increase Acela capacity, improve Northeast Corridor infrastructure and develop Amtrak's strategic plan. "I'm truly humbled and honored to assume this role for America's Railroad," Gardner said. "With the help of the bipartisan infrastructure investment, I'm excited about working with our state, commuter and freight rail and federal partners to improve our assets, renew our fleet and expand Amtrak service to more communities. Having started my railroad career as an Amtrak intern, it's an opportunity of a lifetime to help lead the incredible team of dedicated men and women at Amtrak." Prior to Amtrak, Gardner worked as senior staff on the Commerce, Science and Transportation's Subcommittee on Surface Transportation & Merchant Marine Infrastructure, Safety and Security. Previously he served as Legislative Assistant for Transportation for Senator Tom Carper and Congressman Bob Clement. Early in his transportation career, Gardner held various operating and managerial positions with Guilford Rail System's Maine Central Railroad in Maine and Massachusetts, and the Buckingham Branch Railroad in Virginia."

AMTRAK JOE vs THE MODERN ROBBER BARONS

Contributed by: Phillip Longman, The Washington Monthly

For a chief executive whose love of trains won him the nickname "Amtrak Joe," this must be a pretty exciting moment. President Joe Biden's bipartisan infrastructure bill, which designates an unprecedented $66 billion to expand rail service across the country, appears poised to pass the Senate.

The bill promises to furnish a more convenient and environmentally friendly mode of travel between destinations that are far enough apart to make driving tedious but close enough together to make flying impossible or at best impractical. You may never use these new trains yourself, but those who do will create less traffic congestion, cleaner air, and a cooler planet. Removing more freight from pavement-pounding long-haul semi-trucks onto super fuel-efficient trains will make driving safer and more pleasant, and may yield huge reductions in carbon emissions.

But for any of this to happen on any meaningful scale, the Biden administration will need to do more than invest more public money in train travel. It will also need to reverse decades of deregulation, lax antitrust enforcement, and other policy blunders that left latter-day robber barons in control of nearly all the nation's highly monopolized railroad infrastructure, just as they were in the worst days of the Gilded Age. This time, the financiers aren't presiding over an expanding rail system; they're selling it off and permanently liquidating its assets for short-term economic gain.

Unless Biden takes on the financiers, merely maintaining Amtrak service–let alone expanding it–will become ridiculously expensive. Here's an example that shows why.

Amtrak for decades offered train service along the Gulf Coast corridor between New Orleans and Mobile. In 2005, Hurricane Katrina badly damaged the tracks. The two giant corporate rail systems that own the line, Norfolk Southern and CSX, made the necessary repairs, and within a year resumed running their own freight trains. But Amtrak service never returned.

It's not that people in the region don't want their Amtrak trains back. A broad coalition of civic and business leaders, including Mississippi's Republican Senator Roger Wicker, has been trying for years to persuade the railroads to let Amtrak resume service. They point to a study by the Trent Lott National Center at the University of Southern Mississippi that says restoring Amtrak service will boost tourism significantly, greatly benefiting Mississippi's beaches and casinos. They point to the report of a special Gulf Coast Working Group, created by Congress, that estimates the cost of resuming Gulf Coast passenger service at $5.4 million. They point to the fact that the Biden administration, Amtrak, and the three states involved are all willing to furnish the necessary

operating funds to run two roundtrip trains a day.

But after five years of negotiations, you still can't take the train to Gulfport, Biloxi, Pascagoula, or anywhere else along the Gulf Coast. CSX, which controls most of the track along the route, insists that restoring Amtrak service would interfere with the seven or eight daily freight trains it runs daily along the Gulf Coast. It's an argument that rail corporations often deploy against passenger service.

The objection is absurd on its face. During World War II, when troop and military freight trains crowded this route along with civilian freight traffic long since lost to trucks, dispatchers still managed to move 11 scheduled passenger trains per day between Mobile and New Orleans. These included the storied "Pan American" of country music fame. And they did it using telegraphs, not the efficient GPS train control technology available today.

CSX's recalcitrance is a negotiating strategy to get Amtrak either to go away or to pony up for huge infrastructure investments that would mostly benefit CSX itself. The railroad says restoring Amtrak's two trains requires a second main track, new sidings, siding extensions, yard bypasses, and modernization of drawbridges. At one point, CSX put the price tag at $2 billion–orders of magnitude more than estimates provided by the Federal Railway Administration and other independent experts.

Such maneuverings reflect the growing power of hedge funds and other "activist investors" over the railroad industry. In 2017 the financier Paul Hilal used his activist fund Mantle Ridge to buy a $2 billion stake in CSX and win control of its board. Hilal used this power to depose CSX's long-standing management and replace it with a team of downsizing specialists committed to boosting short-term profits by shrinking the railroad's physical assets, labor force, other expenses. The new focus on cost cutting and downsizing seriously degraded CSX freight operations and caused CSX to take an impossibly hard line with Amtrak.

Exasperated by the railroads' refusal to negotiate in good faith over the restoration of Gulf Coast service, Amtrak recently appealed to an independent federal agency known as the Surface Transportation Board. But deregulation left the federal government with very limited control over railroad infrastructure. When Congress and the Nixon Administration created Amtrak in 1970, they relieved railroad owners of their previous obligation to provide passenger service at their own expense. Half a century later, the federal government has no clear legal standard to decide when freight railroads must grant Amtrak access to their track, or what the terms of service will be. And since Amtrak owns track only between Boston and Washington and a few other places, dependence on freight railroads is a huge obstacle to improving or expanding passenger rail service.

For example, more than ten years' studying and lobbying has been dedicated to the question of whether Amtrak will be permitted to run more than one round-trip train per day between Harrisburg and Pittsburgh. Public policymakers must wrestle with many knotty problems; this shouldn't be one of them. There's plenty of track capacity. Amtrak ran two roundtrip trains along the mostly three-track mainline as recently as 2004. But Norfolk Southern says today that bringing back that second train would create unworkable disruptions to its freight service. The railroad's latest maneuver was to demand that the State of Pennsylvania pay for a study to calculate how much the public must pay Norfolk Southern for the necessary capital improvements, such as a possible fourth track.

Another example is the drawn out battle Amtrak and the public had to wage to restore passenger service between Boston and Portland, Maine. By the time Amtrak came into being, passenger service on the route had already been discontinued. To get it started again, Amtrak, along with state and local governments, had to agree to pay the railroad that owns the tracks tens millions for capital improvements. Then it to took another decade of litigation before the railroad, now known as Pan Am, would allow Amtrak to run its trains fast enough so that people would want to ride them. A pending merger between Pan Am and CSX now threatens the public's considerable

investment in that passenger route and any prospect of expanding Amtrak service elsewhere in New England.

Biden recently signed an executive order that commanded the Surface Transportation Board to put more pressure on railroads to stop their habitual practice of delaying Amtrak trains by making them wait for passing freight trains. That's helpful. But the order failed to clarify what rights Amtrak possesses to expand service, and on what price it and other public entities must pay railroad owners for capital improvements. Because there's no clear statutory authority, some industry insiders predict Amtrak's legal fight to restore Gulf Coast passenger service will go all the way to Supreme Court, which could take years. State and local governments seeking to establish commuter rail service have even less legal leverage than Amtrak in negotiating terms with private railroad owners.

It's much the same story when you consider the prospects for expanding freight rail service in the U.S. Don't expect much progress unless we claw back Wall Street control.

There's an urgent and overwhelming societal need to divert more freight from trucks to trains. Freight trains are three to five times more fuel efficient than trucks, and produce far less emissions. Indeed, when electrically powered by overhead wires, trains can be emission-free, and lack the battery disposal costs that plague electric trucks. According to one study, a modest investment in electrifying freight railroads could reduce carbon emissions by 39 percent and, by 2030, remove an estimated 83 percent of long-haul trucks off the road.

Moving more freight by rail would also reduce the number of Americans who are killed or injured by collisions with large trucks, a casualty rate of 156,000 people per year. In addition, it would reduce dramatically the damage done to America's roads and highways by large trucks–each of which causes the same wear and tear as 9,600 passenger cars.

Yet hedge funds, private equity firms, and other financiers are using their control of highly monopolized, underregulated railroads not to expand rail freight but to sell off rail assets and hand over all but the highest margin business to trucks.

Some of this downsizing is justified by the decline of the railroads' thermal coal business as electric utilities convert to natural gas. But most of the downsizing results simply from financiers forcing railroads to shed all but their most lucrative lines of business. Such practices threaten to shrink the nation's rail network to the point of non-viability, but so long as rail expenses fall faster than rail revenues, the short-term return on assets increases. That's all Wall Street cares about.

The scale of the downsizing is dramatic. One measure is the rapid disappearance of box cars. During the ten years leading up to 2019, even as GDP increased by nearly 50 percent, the railroad box car fleet shrank by one third. Between 2000 and 2019, the trade journalist Bill Stephens reported, the equivalent of 16,132 merchandise freight trains, each with 75 cars, vanished from the tracks of CSX and Norfolk Southern. The main driver of this decline was an industry trend known as "de-marketing," in which railroads actively turn away profitable but low-margin business—for example, hauling grain or consumer appliances—if the move doesn't involve huge volumes or if it requires box cars to be hauled back empty. As a consequence, many farmers now have to use expensive trucks to get their crops to market while many kinds of manufactured products become far more difficult if not impossible to move in towns and cities where the railroads will no longer do business.

Railroads are also making it more expensive and cumbersome for shippers to realize any advantage from combining shipment by truck with shipment by rail. Especially for trips over about 500 miles, moving containers by both truck and train is much more fuel efficient and environmentally friendly than using trucks for the entire journey. During the 1980s and '90s railroads won substantial market share back from trucks in some lanes by offering such intermodal service. But that was before Wall Street started demanding that railroads limit themselves to the highest-margin business.

Bowing to such pressure, in 2018 the Union Pacific and CSX discontinued their partnered service on 197 of 301 cross-country container train routes. As a consequence, even shippers who still use railroads to ship containers wind

up making much greater use of trucks. Rather than taking a container from Midwest cities to Baltimore, for example, CSX will take it only as far as Chambersburg, Pennsylvania and then make the shipper hire a trucker to drive the remaining 77 miles to Baltimore.

Railroads have also been stripping out terminal capacity. Wonder why it took so long to get that new car you ordered? The shortage of rail terminal space is a major reason for the widespread logistical bottlenecks that have occurred since the economy began recovering from the Covid pandemic.

In July, the Union Pacific railroad told customers it was suspending all container freight service between West Coast ports and its Global IV terminal in Chicago, a hub clogged with stacked containers that the railroad lacked the capacity to sort and redirect. The embargo immediately meant that still more boxes coming from Asia, with everything from auto parts to transistors, piled up on docks as West Coast ports waited for canceled trains. As the chain reaction continued, the steamship line HMM warned customers to expect more delays and announced restrictions on loading containers bound for Chicago. Rail expert Larry Gross calculated that it would take 50 double-stack trains, each carrying 800 20-foot containers, to haul away the pileup caused by just one week of suspended rail service.

Why was Global IV overwhelmed? In large part because, to appease Wall Street's demands for higher margins, Union Pacific closed a separate Chicago facility, Global III.

Wall Street has also pressured railroads into cutting expenses by reducing the frequency of freight service. If you live near railroad tracks, or if you drive regularly over grade crossings, you may have noticed that railroads run freight trains much less frequently nowadays, and that the trains they do run can stretch as long as three miles. The industry refers to this as PSR, or "Precision Scheduled Railroading." In practice, PSR has nothing to do making trains run on precise schedules. The term was coined by the late E. Hunter Harrison, a railroad executive who, starting in the 1990s, boosted railroad stock prices through radical downsizing. This made him the darling of hedge funds like Pershing Square Capital Management and Mantle Ridge.

PSR mostly just involves running fewer trains to fewer places using fewer employees, while imposing all kinds of new fees on shippers. After Harrison implemented PSR at CSX, Norfolk Southern and Union Pacific and other railroads imitated him, and freight rail operations deteriorated nationwide. In 2019, Congress held hearings where shippers relayed example after example of paying more for worse service. Since then, CSX and other railroads have taken PSR still further by ripping out yards and laying off hard-to-replace employees such as locomotive mechanics and engineers. Between 2014 and 2019, before COVID had any impact, the four largest railroads laid off 30,000 mostly unionized workers.

The downsizing was so great that railroads can't meet the post-pandemic surge of freight shipments. As a consequence, still more freight will crowd onto the nation's highways. "We can't let hedge fund managers write the rules of railroading," complained Rep. Peter DeFazio, (D-OR), chairman of the House Transportation Committee, in May, as he called for an investigation of the way PSR has degraded railroad freight service.

Deregulation and a retreat from antitrust enforcement also feeds the financiers' control over railroads. Since 1980, the number of major, or Class 1 railroads has shrunk from 33 to seven –-a number that will drop to six if a proposed merger between Canadian National and Kansas City Southern wins regulatory approval. The result is that more shippers are served by only a single railroad. There's always trucks, of course, but some commodities (grain and chemicals, for instance) are too heavy and bulky to move economically by truck for more than short distances.

Captive shippers once could depend on the Interstate Commerce Commission to protect them from predatory pricing, but in 1980 the Carter Administration and Congress stripped the government of almost all its practical ability to do so. The combination of deregulation and lax antitrust enforcement that ensued

leaves railroads free to hike prices or degrade service standards.

The shippers' loss has been the railroad stockholders' gain. Less than three years after Mantle Ridge brought in Harrison to run CSX, the railroad's stock price doubled. Today, its new CEO says he's committed to growing the business—but that isn't necessarily the railroad business. On his watch, CSX bought a trucking company and used a $5 billion stock buyback program to raise the company's stock price and fatten his own $15 million compensation package. The stock of other Class 1 railroads have also surged thanks to cost cutting that now allows railroads to spend less than 60 cents for every dollar they take in as revenue.

This is the industry on which Congress and Biden propose to bestow $66 billion. To protect that investment, we'll need to do a lot more.

Government played an oversized role in building the nation's railroads. Historically, railroads operated under charters granted by state and local governments that required them to serve the public good. CSX's tracks along the Gulf Coast, for example, were originally laid by a corporation created by an act of Alabama's state legislature in 1866. The legislature gave this corporation government-like powers, including eminent domain to acquire right of way across the state. But in return, the legislature stipulated that the line must be built and managed in a manner "best adapted to and for the public accommodation."

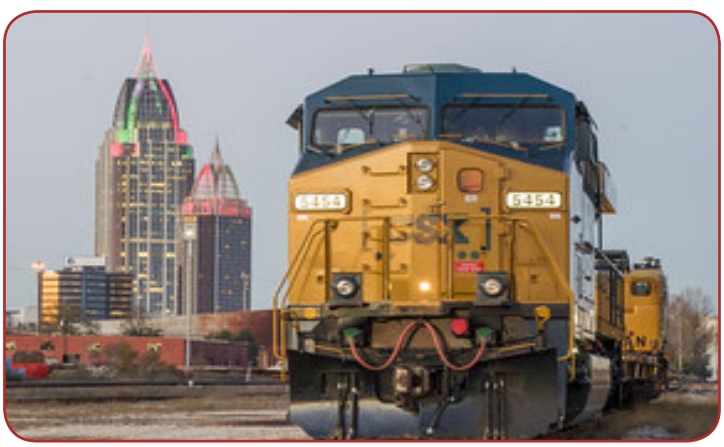
This basic relationship between railroads and the public was codified into federal law in the late 19th century and lasted until the end of the 1970s. America's early railroads received vast grants of public land and other direct subsidies that turned them into local or regional monopolies. In return, American law treated them as quasi-public utilities, subject to strict price regulation and the principle known as "common carriage," which prohibited them from turning away some customers or classes of business while favoring others.

As Supreme Court Justice John Marshall Harlan wrote for the majority in the 1898 case of Smyth v Ames:

A railroad is a public highway and none the less so because constructed and maintained through the agency of a corporation deriving its existence and powers from the state. Such a corporation was created for public purposes. It performs a function of the state. Its authority to exercise the right of eminent domain and to charge tolls was given primarily for the benefit of the public.

This led to railroads being heavily regulated, first by state railroad commissions in the 1870s and then, after 1887, by the Interstate Commerce Commission, the first federal regulatory agency. The I.C.C. came to wield enormous influence over industrial development by barring railroads from favoring one shipper, industry, city or region over another. The I.C.C. also compelled railroads to provide certain low-margin or even money-losing lines of busines, such as branch lines necessary to connect smaller cities and villages to the political and economic life of the nation. By controlling rates and terms of service, the I.C.C. also prevented price wars and other ruinous competition among railroads and gave them a legal vehicle to coordinate operating plans so that freight and passengers could travel efficiently across more than one railroad.

Because of the I.C.C and passage of the Sherman Antitrust Act in 1890, railroads in that era were subjected to far more regulation and antitrust enforcement than today. That's one big reason why late 19th and early 20th century rail



tycoons like James Hill or E.H. Harriman concentrated on building railroads rather than on predatory pricing and "demarketing" like today's financiers.

This regulatory regime worked reasonably well until the mid-20th century. As a the political scientist Samuel Huntington would write in 1952, "During its sixty-five years of existence, the Commission developed an enviable reputation for honesty, impartiality and expertness." But then it began falling apart. As advancing technology expanded transportation by automobile, truck, and air, policymakers should have adjusted transportation policy to take advantage of potential synergies. They could have encouraged, for example, combining trains and trucks to move long-haul freight, or trains and planes to reach out-of-the-way places. Instead, funding was lavished on highway and airport construction.

A telling symbol of this imbalance is Washington's monumental Union Station, built by a consortium railroads in the early 20th century. By the early 1960s, the railroads were paying property taxes on the station of $350,000 a year and an annual maintenance bill of more than $1 million, even as they lost money on passenger train service mandated by the I.C.C. Meanwhile, across the Potomac, airlines availed themselves of the federally owned and operated National Airport–built, expanded, and operated by a tangle of federal agencies that included the Civil Aeronautics Board, the Army Corp of Engineers, and even the National Park Service.

This imbalance led to massive railroad bankruptcies in the 1970s. Washington at that point might have nationalized the railroads, as nearly every other industrialized nation had done long before. Instead, it bailed out railroad stockholders by allowing railroads to shed public responsibilities such as operating passenger trains and branch lines, while allowing them to engage in a mad merger frenzy.

The strategy saved much of the industry from insolvency, but at a tremendous cost to the public good. Since 1980 the nation has lost more than 40 percent of its rail mileage, as many lines were ripped out that would be invaluable today as we struggle to decarbonize the economy and rationalize our transportation system. And once financiers twigged that Congress had turned railroads into unregulated monopolies answerable only to shareholders, they swooped in and pressured rail management to adopt policies like PSR to further downsize and squeeze out the last drops of monopoly profit.

One solution to this mess would be to nationalize the railroads. The U.S. actually did this, temporarily, during World War I, with many impressive results. Or we could nationalize only rail infrastructure, leaving private companies to operate trains. This "open access" approach has shown promising results in Europe, and it's not all that different from how the Interstate Highway System works.

Alternatively, we could take a "back to the future" approach, once again treating railroads as public utilities, but paying better attention this time to coordinating regulation and subsidies among all transportation modes, including new ones like drones and self-driving cars.

The one thing we shouldn't do, however, if we want to preserve Planet Earth and build back a transportation network that suits our needs, is give the railroad industry more money without demanding that it serve the public interest. The looting has gone on long enough.

Washington Wire

Legislative Update

Contributed by: Karen Hedlund

There are two new potential opportunities for federal funding of the High-Speed Rail Projects: (1) under the recently-enacted Infrastructure Investment and Jobs Act (IIJA or the "Act"); and (2) under the Build Back Better (BBB) legislation that has passed the House and is currently pending in the Senate. In the IIJA the Congress appropriated $12 billion for a new intercity passenger rail program for which bothconventional and high-speed rail projects may apply. The BBB, if enacted, would provide $10 billion for a dedicated high-speed rail program.

IIJA: FEDERAL-STATE PARTNERSHIP FOR INTERCITY PASSENGER RAIL

The IIJA amends existing Federal-State Partnership for State of Repair program under 49 USC 22491, renaming it Federal State Partnership for Intercity Passenger Rail. In addition, it adds the list of eligible projects listed in Section 22491(c) -- "(3) a project to expand or establish new intercity passenger rail service." Congress advance-appropriated a total of $36 billion over 5 years to fund for projects under this program, with least $12 billion reserved for projects outside the Northeast Corridor.

Under Section 22307(d)(2)(iii), for projects not on the NEC, the Secretary is directed to give preference to projects that are identified in, and consistent with, a "corridor inventory" to be prepared under a new Corridor Identification and Development Program (CIDP) described in Section 25101 of Title 49 added by the Act. Some of these requirements suggest that the program may have been designed to implement Amtrak's announced plans to develop conventional service on routes under 750 miles on existing freight lines. Nevertheless, the White House and the Federal Railroad (FRA) leadership have publicly stated that "high-speed rail" projects are eligible for funding under this program. Corridor Development and Identification Program (CDIP) and Service Development Plans Section 22308 of the Act creates the CDIP under a new Section 25101 of Title 49. This section includes extensive requirements for project selection, many of which reflect the requirements for the existing High Speed Rail Program under Chapter 260 of Title 49. Included are criteria for determining the level of readiness for Federal financial assistance including—"(A) identification of a service operator which may include Amtrak or private rail carriers; (B) identification of a service sponsor or sponsors; (C) identification capital project sponsors; and (D) engagement with the host railroads. The act then identifies fourteen (14) factors that the Secretary should consider in selecting projects for the "pipeline" to be developed under the CDIP. These include:

(1) whether the route was identified as part of a regional or interregional intercity passenger rail systems planning study; (2) projected ridership, revenues, capital investment, and operating funding requirements; (3) anticipated environmental, congestion mitigation, and other public benefits; (4) projected trip times and their competitiveness with other transportation modes; (5) anticipated positive economic and employment impacts, including development in the areas

near passenger stations, historic districts, or other opportunity zones;'6) committed or anticipated State, regional transportation authority, or other non-Federal funding for operating and capital costs; (7) benefits to rural communities; (8) whether the corridor is included in a State's approved State rail plan developed pursuant to chapter 227; '(9) whether the corridor serves historically unserved or underserved and low-income communities or areas of persistent poverty; (10) whether the corridor would benefit or improve connectivity with existing or planned transportation services of other modes; (11) whether the corridor connects at least 2 of the 100 most populated metropolitan areas; (12) whether the corridor would enhance the regional equity and geographic diversity of intercity passenger rail service; (13) whether the corridor is or would be integrated into the national rail passenger transportation system and whether the corridor would create benefits for other passenger rail routes and services; and (14) whether a passenger rail operator, including a private rail carrier, has expressed support for the corridor.

The Secretary is also directed to take into account a number of other factors, including: i. the cost-benefit analysis of the proposed project, including (I) effects on system and service performance, (II) effects on safety, competitiveness, reliability, trip or transit time, greenhouse gas emissions, and resilience; (III) anticipated positive economic and employment impacts, including development in areas near passenger stations, historic districts, or other opportunity zones; (IV) efficiencies from improved connections with other modes; and (V) ability to meet existing or anticipated demand. ii. the degree to which the proposed project's business plan considers potential private sector participation in the financing, construction, or operation of the proposed project; iii. the applicant's past performance in developing and delivering similar projects, and previous financial contributions;

iv. (iv) whether the applicant has, or will have—(I) the legal, financial, and technical capacity to carry out the project; (II) satisfactory continuing access to the equipment or facilities; and {III) the capability and willingness to maintain the equipment or facilities; and v. whether the proposed project serves historically unconnected or under-connected communities.

For each selected corridor, the Secretary is also directed to work with the project sponsor to prepare (or update) a Service Development Plan with elements specified in the subsection (d) of new Section 25101 of Title 49.

BUILD BACK BETTER

Dedicated funding for High-Speed Rail under Chapter 261 of Title 49 The "Build Back Better Act" that recently passed the House and is now pending in the Senate for adoption under the "Reconciliation" process, contains an additional $10 billion appropriation dedicated for high-speed rail projects under the existing High-Speed and Intercity Passenger Rail Program (Chapter 261 of Title 49). Of this amount, $1 billion is reserved for planning projects. Section 110006 of the BBB bill adds a few new provisions to Chapter 261. It redefines "high-speed rail" as a rail line that "is reasonably expected to reach speeds of— (A) 160 miles per hour or faster on a shared use right-of-way; or (B) 186 miles per hour or faster on a dedicated right-of-way." It must also directly serve rail stations within the center of an urban area. The federal share may not exceed 90% of the project cost. Entities eligible for funding include state, local agencies and public authorities, but not private entities.

The existing criteria for project selection are set forth under Section 26106(e)(2), and include many that are also required for selection under the Intercity Passenger Rail provisions of the IIJA.

ADDITIONAL FEDERAL FUNDING SOURCES

There are a number of other federal programs that have received additional appropriations under the IIJA that high-speed and intercity rail projects could qualify for, including CRISI, and RAISE. There is also a new $5 billion "Mega Projects" program, which funds projects over $500 million in size, includinghighways, bridges, freight intermodal, highway-railway grade separation, as well as intercity passenger rail projects.

CONNECTICUT RAIL EXPERTS

CTDOT SAYS, "IT'S TIME FOR CONNECTICUT!"

Contributed by: Richard W. Andreski,
Bureau Chief for Public Transportation, Connecticut Department

It is sometimes easy to overlook the role passenger rail plays in Connecticut's economy. We are a car-centric state, to be sure. That generalization tends to ignore the extraordinary effect rail has on housing markets, equity and access to jobs and educational opportunity, economic development, and the quality of life.

Where rail investments are made in the United States and around the world, economies thrive.Connecticut is fortunate to have historic rail lines that have operated continuously for generations.Unfortunately, we have not invested as much as we should, and we are not getting the most out of our rail system. We have some of the oldest rail infrastructure in the nation. Trains today are slower than they were 50 years ago, and this needs to change. Governor Lamont's vision from Day One has been about making transformative investments in passenger rail. Trains need to operate faster and more frequently to New York City and, they need to connect our cities better. Our ability to attract new businesses to the state and attract and retain talent depends on modern, higher-speed passenger rail service. While everyday commuters may use rail less often as some shift to working from home, others will use the system on weekends and other non-traditional commuting times.

TIME FOR CT, the recently announced plan to speed up rail service, is the start of something big. Planners and engineers have spent the better part of two years reviewing every mile of track, evaluating every bridge, developing service scenarios to achieve travel time savings, beginning with 10 minutes next year and then up to 25 minutes over the next 10 years. The plan will straighten track, rebuild major bridges, renovate train stations, and buy new rail cars and electric dual-power locomotives. The plan benefits all rail lines as travel between Hartford and Stamford, for example, will be possible without transfers in a few years.

TIME FOR CT comes at the right time with historic levels of federal investment planned for passenger-rail. The Connecticut Department of Transportation is developing a pipeline of projects to take advantage of this moment. The replacement of the Saugatuck River Bridge in Westport and trackstraightening in the Bridgeport and Stratford area are two projects that will have a material impact on travel time. Building new rail platforms on the Waterbury Line will speed boarding and bring accessibility for all customers. A new siding on the New Canaan Line will enable new services. A new fleet of modern, comfortable, and 5G connected rail cars will upgrade the customer experience. Connecticut is fortunate to have exceptional representation in Congress, a delegation that knows well the importance of making investments in passenger rail. The key to our collective success will be leveraging every federal dollar available to Connecticut. Federal funding may cover much of the cost, but state funding will be needed to match those federal dollars. The recently passed Highway Use Fee is an example of a long-term funding solution that will pay dividends many times over by enabling Connecticut to secure more federal funding.

TIME FOR CT is ready to go. It is a real plan that will produce real results. It is TIME FOR CT.

BUILD BACK BETTER

BIDEN SUPPORTS H-S ELECTRIFICATION

Contributed by: CAHSR Authority

President Biden Offers His Support for Funding for Clean, Electric High-Speed Rail in a virtual forum on Thursday, August 12th.

President Biden sees the benefits of high-speed rail and supports it's future funding in a big way. In a virtual forum held on August 12th, just one day after bipartisan infrastructure bill passed in the Senate, the President was touting the massive investment in high-speed rail contained in the bill, "We have more money in this, in this area for high-speed rail than all the money we spend on set, setting up Amtrak. This is a gigantic investment." Biden didn't stop there, in his exchange with Fresno Mayor Jerry Dyer, he mentioned the benefits our system will have on air quality, "We're talking about electric. We're talking about electric. We're not talking diesels. We're talking about electric. And we're talking about being able to transform and impact on the air quality in your area, because of geographic location and the spot you're in."

In the virtual discussion - a bipartisan effort to improve infrastructure - Mayor Dyer and The President mainly focused their remarks on cleaner transportation methods to help reduce the air pollution in Fresno. Mayor Dyer also remarked on the importance of federal investments, "And I'm proud to say that Fresno will be host to the — the nation's first high-speed rail station right here in downtown Fresno. And so federal assistance is vital in order to complete this project. And I'm hopeful that this infrastructure bill will provide that financial support to us here in Fresno."

The President's remarks were picked up in a number of publications and news features, check out a few here: The Fresno Bee, KFSN ABC 30 Fresno, StreetsBlog.

Read the full transcript of the virtual forum here.

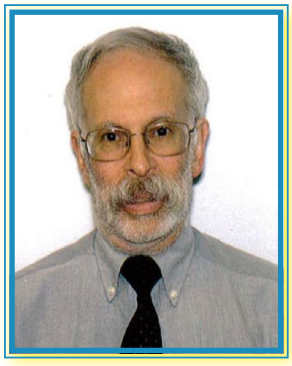
IN THE SPOTLIGHT

CAROL BOEHM

VICE PRESIDENT, CUSTOMER ACCOUNT MANAGER

Amtrak's Northeast Corridor and Corridor Vision are critical to providing access to those communities and people in need. The improvement of greenhouse gas reductions where trains can replace cars and planes will be pivotal to overall climate change. With the infrastructure bill and unprecedented funding to Amtrak, significant support to advance infrastructure and planning projects is necessary and I am happy for my involvement as part of the AECOM team supporting Amtrak's effort.

AECOM



JOSHUA D. CORAN

DIRECTOR, OPERATIONS

"On July 4, 1828, Charles Carrol, a signer of the Declaration of Independence, laid the cornerstone of the B&O (now CSX) Railroad. It is remarkable that nearly two centuries later, today's trains, using the same (albeit greatly refined) technology continue to provide highly competitive transportation with minimal environmental impact."

TALGO, INC.

JOSHUA PULVERMAN

CHIEF, INTEGRATION AND NETWORK PLANNING BRANCH

"California must continue to invest in infrastructure and build a statewide integrated multimodal network to extend opportunity and provide equitable access to all Californians. The California State Rail Plan lays out the State's framework for investing in and integrating California's rail network in the short-term, mid-term, and long-term for improving access, mobility and efficiency for both passenger and freight rail systems."

CALTRANS, DIVISION OF RAIL & MASS TRANSPORTATION

VISION FOR HIGH-SPEED RAIL

A FOUNDATION FOR GROWTH

Contributed by: Al Engel

In February 2009, those of us in the high-speed rail advocacy community, celebrated the visionary act of the Obama Administration in making an $8 billion down payment on the development of a national high performance passenger rail program as part of the ARRA Act. The US DOT followed in April 2009 with "A Vision for High-Speed Rail in America". An additional $2 billion was appropriated. The Vision document included a discussion of the unbalanced investment in the various transport modes and included a map of the corridors where investment was appropriate.

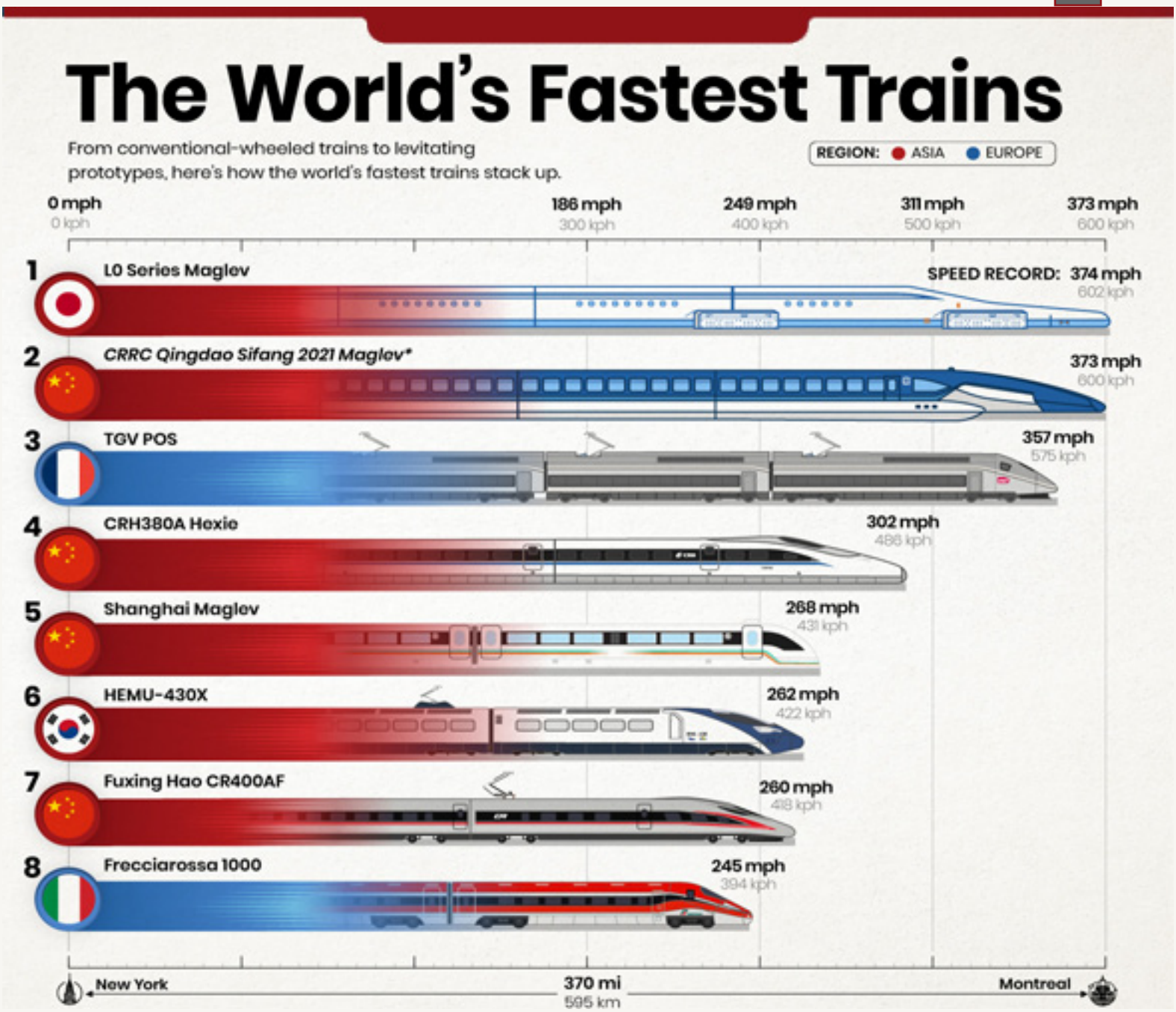
HTTPS://RAILROADS.DOT.GOV/SITES/FRA.DOT.GOV/FILES/FRA_NET/16536/2009_VISION%20FOR%20HIGH%20-%20SPEED%20RAIL%20IN%20AMERICA.PDF

In September 2010, Amtrak published its vision for next generation high-speed rail in the Northeast Corridor. The NEC Vision was complete with estimated capital costs, construction schedule, service plans and projected economic return on investment.

After the 2010 mid-term elections, House leadership changed and the rest is history. Nevertheless, much progress has been made in advancing several HSR corridors plus planning for other projects has advanced as well. In November 2013, APTA released its legislative proposal for passenger rail as part of its recommendations for reauthorization of the surface transportation bill. The document included a recommendation for a funding level of $50 billion over six years. A subsequent document released in June 2014 provided capital cost estimates for the numerous corridors under construction or in planning and included a map of corridors ready for capital investment. Another reauthorization legislative proposal followed in 2019.

When it became clear in early 2021 that this country would have national leadership favorable to investment in passenger rail and there were numerous legislators offering several proposals for HSR investment, the HS&IPR Steering Committee decided we should prepare a new vision statement memorializing APTA's position on HSR. A special working group of volunteers was promptly formed and through numerous Zoom brainstorming sessions, a series of drafts evolved. There were diverse opinions on the length of the statement and what the content should comprise. Some thought a network map and projected funding needs over time should form a part of the vision. Others argued that we should refrain from being proscriptive since a number of specific ideas were being advanced in Congress. When the Vison working group completed its task, the draft was given to APTA staff for final editing to comply with style and content guidelines. The final APTA HSR vision statement, which is given below, is intended to serve as a guidance document for legislators and policy leaders in crafting a national intercity passenger rail plan. It states clearly the goals for a national passenger rail program, the need for a dedicated source of long-term funding, and the multiple expected outcomes and diverse benefits.

A Vision for Connecting America's Urban and Rural Communities with Passenger Rail, May 5, 2021



Visualizing the Fastest Trains in the World

As the world faces climate change, short-haul flights look increasingly unattractive to many travelers. With air travel under increasing scrutiny as a dangerously indulgent mode of transport, rail touts one of the greenest forms of mass transit available. Across Europe and Asia, ultra-fast trains are racing to capture overland routes back from the air industry. New technologies are pushing the envelope, Maglev trains, hovering over specialized track on magnetic fields, free from catenaries and wheels, and in theory can glide along as fast as air resistance allows. In reality, the 603kph was set by Japan Railway in 2015 – not a compelling advance on what has been achieved by a conventional train travelling on line which costs one third as much to build. High-speed trains can pick up passengers in centrally located railway stations before switching to high-speed lines beyond city limits. Maglev trains are restricted to a dedicated track, isolating them to out-of-town terminals, adding to overall journey times.

NORTHEAST CORRIDOR COMMISSION

RELEASES 15-YEAR SERVICE DEVELOPMENT PLAN

Contributed by: David Wilcock

On Wednesday, July 14 th the Northeast Corridor Commission (NECC) released Connect NEC 2035 (C35) its 15-year service development plan and infrastructure planning process for the Northeast Corridor (NEC).The C35 Plan, which has been under development by the NECC for the past two years, presents the most ambitious reinvestment program in the history of the NEC. It also has ushered in a new collaborativeand comprehensive planning process for the corridor investment. The plan represents the cumulativeefforts of the federal government, Amtrak, and the state governments and eight commuter rail operators along the NEC. It is the first phase of a multistep program to reinvest in the NEC that was documented in the Federal Railroad Administration's 2017 NEC Futures report.

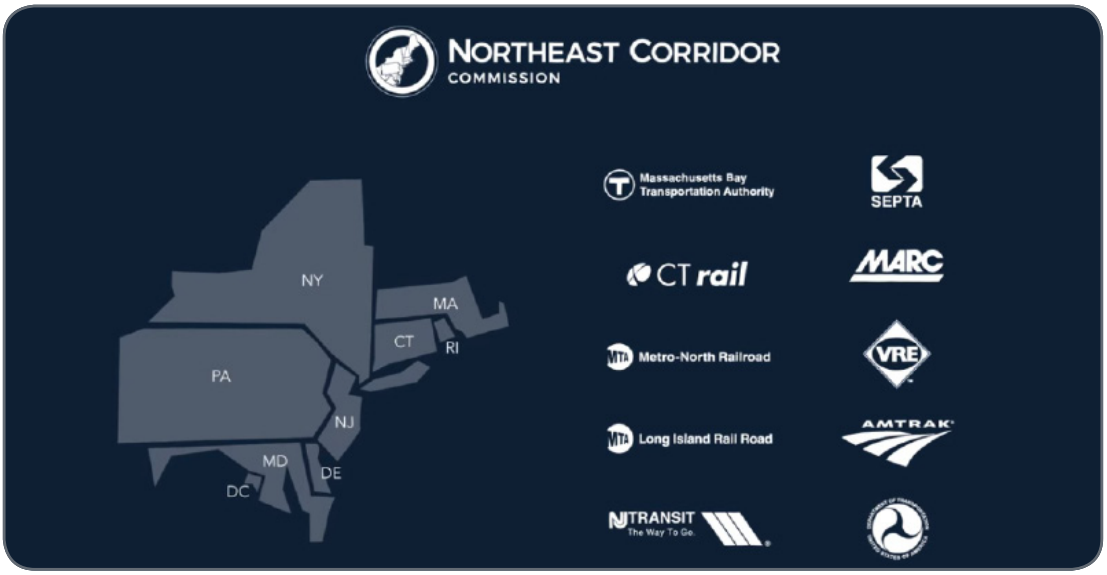
The $117 billion multi-year plan includes over 150 capital improvement projects sequenced between now and 2035 to improve the overall quality of the NEC infrastructure. It includes station, track, bridge, tunnel, interlocking and catenary improvements along the 494-mile corridor, the Harrisburg Line and the Hartford Line. Among the many anticipated benefits is a 30-minute travel time savings between Boston and New York City and a 30-minute savings between New York City and Washington. The Plan also envisions new peak period express services focused on the central business districts along the corridor as well as new regional rail services. By 2035, the goal is to have 132 miles of track capable of 160 MPH operating speeds.

Much of the infrastructure along the NEC is over 100 years old. Catenary portals, bridges and tunnels have long outlived their use lives. Prior to the COVID-19 pandemic, the NEC was carrying over 800,000 daily trips on the trains of the eight commuter rail operators and Amtrak. These trains face consistentdelays due to the restrictions placed upon the network by the condition of the infrastructure. The implementation of C35 will start the replacement of this aged infrastructure that will ultimately result in a more reliable railroad for all rail services.

The C35 strategy includes two categories of projects – special projects and capital renewal. Special projects are major backlog projects such as the replacement or overhaul of major bridges and tunnels as well as improvement projects that seek to replace an existing asset with a significantly superior asset.

Some of the special projects have been grouped into special project groups. These group representprojects that are interrelated due to their close proximity. Capital renewal focuses on maintaining astate of good repair for all basic infrastructure including track, roadbed, signals, communication, catenary and traction power. The special project groups can also include capital renewal work. The plan breaks the corridor into five territories for investment purposes. The highlights of the program by territory include:

New England Territory (Boston MA to New Haven CT; the Hartford Line): $12.5 billion investment including the replacement of the Connecticut



River Bridge, South Station interlocking improvements, elimination of 4 of the remaining 11 grade crossing in Connecticut, and new station stop at T.F. Green Airport for Amtrak and a MBTA station in Pawtucket, RI.

Connecticut - Westchester Territory (New Haven CT to New Rochelle NY): $9 billion investment including the replacement of four moveable bridges in Connecticut, restoration of the last four mile segment of the fourth main line track between Devon and Woodmont CT, and an upgrade of the signal system from New Haven to New Rochelle.

New York City Metro Territory (New Rochelle NY to Trenton NJ): $55 billion investment including the Pelham Bay Bridge replacement, Penn Station Access, Penn Reconstruction and Gateway Penn Station Expansion, Gateway Hudson Tunnel, Gateway Sawtooth Bridges, Hunter Flyover, the Mid Line Loop, and Gateway Secaucus Station and Loop tracks.

Mid-Atlantic North Territory (Trenton, NJ to Perryville, MD; the Harrisburg Line): $18 billion investment including interlocking, signal, catenary and ADA station improvements along the Harrisburg Line; SEPTA related improvements along the NEC including additional interlockings, turnback tracks, and removal of SEPTA train storage at Trenton Station.

Mid-Atlantic South Territory (Perryville, MD to Washington, DC): $23 billion including the replacement of the Susquehanna River Bridge and the B&P Tunnels, improvements at Baltimore and Washington Union Stations, and MARC related station improvements.

The full report with a list of all the projects included along the NEC as well as a discussion of the anticipated benefits can be found at the NECC website: http://nec-commission.com/connect-nec-2035/

In the July 16 th edition of APTA's Passenger Transport, Connecticut DOT Commissioner (and the Chair of the High-Speed and Intercity Passenger Rail Committee) commented that the investments identified in the C35 plan are the "building blocks for our country's future and transforming the Northeast. As a blueprint for making tangible and significant social, equitable and economic impact in countless communities, we have an opportunity to reshape how people move - where and why – for this generation and the next. Connectivity will be key to ensuring economic opportunities are created for all people".

GULF COAST PASSENGER RAIL RESTORATION

Contributed by: Ken Sislak, AECOM

The Southern Rail Commission (SRC) was established in 1982 to foster the development and enhancement of passenger rail services in Alabama, Mississippi, and Louisiana. Over the years the commission has led numerous initiatives focused on passenger rail service in the three-state region.

In 1984, Amtrak launched the Gulf Coast Limited, a train that operated between Mobile and New Orleans during the 1984 World's Fair, and again in 1996-1997. From 1993 through 2005 Amtrak also operated an extension of the Sunset Limited through the region, as part of a transcontinental Los Angeles-Florida service. The Sunset Limited was notorious for operating late for various reasons including the route length and freight railroad conflicts and operational indifference. Because on-time performance was abysmal, the train's ridership and hence its financial performance were poor. Since Hurricane Katrina in 2005, service has been suspended east of New Orleans. The SRC has been working tirelessly to restore service along the Gulf Coast since then.

Amtrak and SRC studied the potential restoration of the service with Amtrak publishing a feasibility study in 2015. The feasibility study examined the operating characteristics of potential service options and forecast performance. The study showed restoring the rail service between Louisiana and Central Florida would attract between 138,300 and 153,900 passengers annually. The study also showed it would cost $5.48 million to operate a daily roundtrip train and the cost rising to $9.49 million if additional service is instituted between New Orleans and Mobile, Ala., under the proposal. It was determined that operating a train to Jacksonville, Florida would be too costly

In February 2016, Amtrak operated an invitation only inspection train that stopped at many of the communities along the former route of the Sunset Limited east of New Orleans to Jacksonville, Florida. The inspection train was hosted by former Amtrak President and CEO Joe Boardman and carried elected officials, industry representatives, community leaders and federal stakeholders. The goal of the trip was to examine the existing CSX railroad infrastructure and to better understand rail's economic, cultural and mobility opportunities. It provided an unparalleled opportunity to demonstrate support for improved intercity passenger rail service along the Gulf Coast. Boardman said in a statement, "We want to work with community leaders and CSX. Additional regional economic development can come from shared infrastructure investments on a timeline to better connect the region to the rest of the country and more than 500 other Amtrak destinations."

Since then SRC and Amtrak have worked on developing a service plan that would best serve the region and provide a basis for community outreach, determine necessary infrastructure improvements and examine where the funding would come from to pay for the investments and added operational

costs not covered by ticket revenue. The objective of the revised service restoration plan is to initiate new daily passenger rail service between New Orleans and Mobile with two round trips each day. Trains would depart each morning and evening in both directions with stops in Bay St. Louis, Gulfport, Biloxi, and Pascagoula offering business-friendly schedules. Amtrak's proposed schedules include westbound trains to leave Mobile at 6:30 a.m. (Train 23) and 4:30 pm (Train 25), arriving in New Orleans at 9:53 a.m. and 7:53 pm, respectively. Eastbound trains would leave New Orleans at 7:35 a.m. (Train 24) and 5:31 pm (Train 26), arriving in Mobile at 10:58 a.m. and 8:54 pm.

Progress toward restoring the service, which had gained momentum in 2017 as a result of the inspection train tour, was slowed in 2018 when issues at the state level resulted in the SRC missing a key federal funding deadline. The SRC was prepared to submit applications to two federal grant programs, the Consolidated Rail Infrastructure and Safety Improvements (CRISI) program and the Restoration and Enhancement Grant Program (REG). Applications requiring state matches from Louisiana, Mississippi and Alabama were due in May and June. State officials would have needed to dedicate local funds over the course of four years to match these federal grants aimed at restoring service. Louisiana was prepared to support the CRISI grant application with a $9.5 million match; however, Alabama and Mississippi officials declined to provide the necessary local matches. The SRC stated that, should Alabama and Mississippi officials pledge funding in the future, it will ready an application for a future round of CRISI funding.

Restoring Gulf Coast service is inching closer to reality once again. President Biden favors investment in high-speed and intercity passenger rail as part of a national effort to improve infrastructure and to invest in technologies that thwart the effects of climate change. During the confirmation hearings of the President's nominee for Secretary of Transportation, Sen. Roger Wicker (R-MS), who chaired the confirmation hearing, invited Secretary Pete Buttigieg to the Gulf Coast - an offer which Buttigieg accepted. Wicker then asked Buttigieg if he would be committed to working with him to reinstate Amtrak service on the Gulf Coast. Buttigieg said he would be interested in learning more.

Gulf Coast states have now pledged state and local funding and secured a $33 million federal grant to make capital investments required to restore and improve passenger rail service between New Orleans, and Mobile, Alabama. The grant was matched with $15 million from Mississippi, $10 million from Louisiana and the Mobile City Council voted 6-1 on Feb. 4, 2020, in support of a resolution that commits $3 million to the project. Amtrak has set aside $6 million toward capital improvements along the rail line.

Advocates for restoring the rail service along the Gulf Coast stressed that more work is needed – close to $2.2 million must be committed to improve infrastructure, and a train station will have to be built in Mobile. Amtrak is likely to utilize a location near Cooper Riverside Park as its near-term stop in downtown Mobile. It would be on a site where the city's train station once stood before it was destroyed by Hurricane Katrina's floodwaters.

Amtrak has statutory rights to run the trains on the route. Amtrak studied the route in cooperation with CSX using Rail Traffic Controller simulation modeling software to examine capacity constraints and capital improvements needed to run twice daily service on the route. The Amtrak study indicated the route has sufficient capacity to host both freight and passenger traffic. The railroads accuse Amtrak of bad faith in not completing the simulation modeling work. Amtrak blames CSX and NS for not completing the simulation work and has delayed the study almost five-years by their refusal to cooperate. In essence, the railroads distinguished between outright refusal to allow Amtrak to operate the trains and the five-year delay about which Amtrak complained. So, in effect, both sides are blaming each other over the study that was not completed.

Amtrak is asking the Surface Transportation Board (STB) to expedite a decision on its request to operate trains starting in 2022. CSXT and NS have claimed they have not refused to allow Amtrak to

The Southern Rail Commission's efforts to restore passenger rail service to the Gulf Coast received a significant $33 million grant from the Federal Rail Administration (FRA). This federal grant will be matched with commitments from the state of Mississippi, the Mississippi Department of Transportation, the city of Mobile, Amtrak, and private partners, and is paired with priority investments from the state of Louisiana. Combined, this funding will be used to make the major infrastructure and capital investments required to allow Amtrak to move ahead with launching new, regular, reliable passenger service between New Orleans, LA and Mobile, AL.

operate the service. However, they claim the simulation modeling is not complete.

The carriers also raised the lack of funding from the State of Alabama for the proposed service, and the threat of interference with freight operations there. CSX has expressed concern in the past that adding passenger trains could negatively impact its ability to move freight from the Port of Alabama. Mobile is not far from the Mississippi state line, so it appears reasonable to expect that the Board will consider how much the lack of funding from Alabama would impede service primarily intended for Mississippi and New Orleans, as well as the actual amount of interference with freight operations that two daily passenger round-trips could cause.

STB could require Class 1 freight railroads CSX Transportation and Norfolk Southern Railway to permit twice daily roundtrip trains unless the freight railroads can prove why passenger trains cannot be hosted successfully. USDOT filed a letter on May 10 supporting Amtrak and moving the project forward. USDOT expressed, "our interests in this proceeding and to highlight the importance of the passenger rail service at issue here … FRA has worked closely with Amtrak, CSX, Norfolk Southern and other stakeholders for several years to make the restoration of Gulf Coast service a reality. Unfortunately, despite an extended period of examination and the investment of significant funds, Amtrak has been unable to obtain the agreement of the host freight railroads, and there is no clear or imminent path to the restoration of this service, absent the Board's intercession. We therefore urge the Board to act expeditiously on Amtrak's application in the above-referenced proceeding, relating to the restoration of passenger rail service.

The dispute seems to boil down to a contest between Amtrak and Mississippi wanting to get the trains rolling, against CSX, NS and Alabama, who are playing for time and hoping to delay the new start. Gov. Kay Ivey said Alabama will oppose the plan to restore service without a study of its possible impact on freight traffic.

Funding is secured for the first three years of train service from New Orleans to Mobile, and the SRC has secured $66 million in federal grants and local matching funds for improvements to railroad infrastructure to benefit passenger and freight service along the route.

It's now up to the STB to consider evidence and determine a resolution that considers both passenger and freight rail along the Gulf Coast.

A bipartisan coalition of local leaders, mayors, business people, governors, and their representatives in Congress are close to creating what would be the first new long-distance passenger rail service in the U.S. in more than half a century—and it's in the Deep South.

TRANSPORTATION

SHARED USE: SECONDING THE MOTION

Contributed by: Joshua D. Coran, PE (Ret.), Director, Product Development and Compliance

In October of 1965, President Johnson signed the High-Speed Ground Transportation Act. Our progress ever since has been anything but high speed. Clearly, we need to take another, more practical, approach.

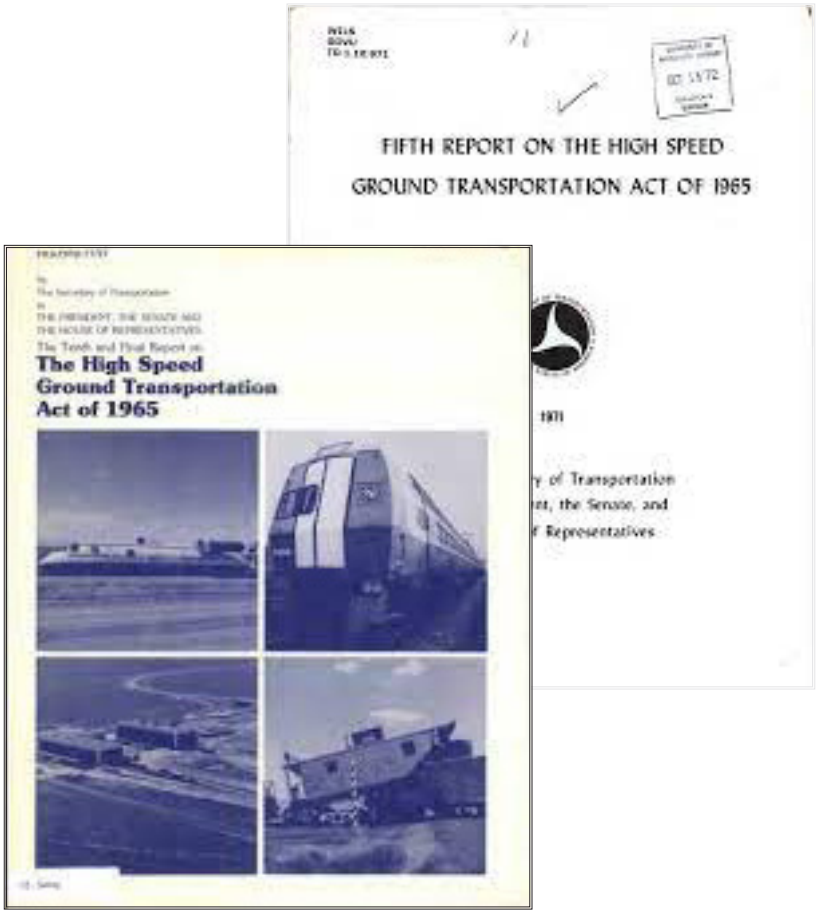
I agree with Mr. Litzinger that shared use can provide that approach, but I believe he is understating the case. There can be no doubt that high speed passenger trains will be effective here in the "Lower 48" and adjacent parts of Canada and Mexico as well. There is a school of thought that, since the US is so much larger than many countries that use them, high-speed trains are not appropriate here. This thinking misses two facts. First, while it is true that a "coast-to-coast" high speed service would not be practical, regional service certainly would. Spain has more high-speed track than any other country but China, yet its area and population density are both quite similar to those of the Midwest. The Spanish high-speed network is centered on Madrid, making it even more similar to the Midwest's developing Chicago hub. Similar hubs are becoming apparent in many other regions.

Let's not ignore that one country with more high-speed mileage than Spain. While China's population is much greater than that of the US, its area is comparable. At 3.71 million square miles it is larger (by about 19%) than the 48 contiguous states. Thus, while our population may not be able to support the frequencies found in China, our air and highway competitiveness will be similar. Another fixable issue is that of freight train priority. While that priority may currently be true in fact, it is not true in law. The "deal with the devil" that the predecessors of today's Class I CEOs signed to rid themselves of passenger trains (just fifty years ago this month) required those passenger trains to be given priority. The problem is that few (perhaps no one except for one individual I happen to know) would delay a freight train for an hour to save a passenger train one minute. Once we are on a slippery slope involving judgement the Class Is' bottom lines tend to rule the decisions made by the train dispatchers they employ. While the Surf Board is about to take on this issue, it is only fair, not to mention best for the economy, to be sure that system capacity is sufficient to make this choice rare enough to be insignificant.

The above notwithstanding, we do have challenges.

While Spain's population density may be similar to that of the Mid-west, its transit density is much greater. Early-on, one US high-speed proposal purposely ignored first-mile/last-mile issues, saying it would serve "train ports" not train stations. That thinking has evolved, and I believe most now recognize the advantage high speed rail has in its ability to come close into population centers; however, it will never provide door-to-door service for everyone. Looking at what has happened to local transit in so many cities since Mr. Johnson signed that 1965 bill makes it clear we are well on our way to correcting this situation.

As we are seeing in Texas, there is and probably always will be a serious problem with NIMBYs. In the rail equivalent of "fly-over country" these folks do have a point; they suffer the disadvantages of a new high-speed line (primarily noise and land usage) but gain none of the benefits. As Mr. Litzinger says, the solution is the addition of local service running between (and well-coordinated with) the high-speed trains. Unfortunately, we have an issue with the FRA here. As the rules are now written, "Tier III" compliant (essentially European high-speed) equipment will be allowed speeds greater than 125 mph only on "dedicated right-of-way". Note that "track" is not sufficient; real property ownership seems



to be the guiding principle. Several years ago, I asked then Deputy FRA Administrator Bob Lauby how far away from a freight railroad such a high-speed right-of-way would need to be. His answer was, "Let's start with one mile." I believe a more practical approach would be what we have recently called "temporal separation". It is a new term for an old concept. Two trains at the same place at the same time is the very definition of a train wreck, so we have been doing "temporal separation" for a very long time. Originally we called it "timetable and train order" train control. What is new is that technology has increased the precision of the technique by orders of magnitude. I believe even Mr. Lauby would agree that it would be acceptable to upgrade a long-abandoned freight route to accommodate high-speed trains. He might agree, even if the line had been abandoned just yesterday. What if the last freight train had run just twelve hours ago? What about one hour ago?

Another issue arises from the fact that the vast majority of track in North America is optimized for heavy haul freight. Because high center of gravity freight cars must be able to stop on a curve without tipping over, superelevation on track used by freight trains is limited, usually to five inches. In highly curved territory that situation limits conventional passenger trains to a speed that would require eight to ten inches to fully balance the centrifugal force. Low center of gravity equipment can operate safely at higher speeds, and if that equipment tilts, it can do so while maintaining a high degree of passenger comfort as well. For example, Talgo equipment can safely and comfortably operate through a curve with five inches of superelevation at a speed that would require 12.6 inches to be fully balanced. The tilting is accomplished solely by suspension geometry, eliminating all the complexity required by the "active" tilting employed by the Acela (and once used by VIA Rail's LRC but removed long ago due to the high cost of maintaining it).

Finally, while France has shown the way to shared use, virtually all the conventional lines there were already electrified. On our "general system" the only electrification we have outside of the Northeast is a few miles (of DC overhead) south of Chicago on Metra and NICTD and soon the newly electrified (AC) route between San Jose and San Francisco. To make full use of this infrastructure we will need equipment like the service proven 255 mph Talgo Dual, capable of taking power from an overhead electric source where available and from an onboard diesel (or perhaps hydrogen fuel cells in the future) where it is not.

No doubt future generations will enjoy many miles of North American dedicated high speed passenger track (and perhaps right of way), but until then, shared use is an absolute necessity. There are challenges posed by the existing, freight-optimized, network, but completely ignoring that asset makes no sense. To reach the point where we can start building substantial high-speed mileage we must firstget more of the public onboard, both literally and figuratively. Shared use is the way to do it, and we have the technology needed.

BRIGHTLINE UPDATE

Contributed by: David Wilcox

Amidst the fallout of the coronavirus pandemic, inter-Brightline continues to make the news as it advances work on several projects in Florida and is moving the Los Angeles to Las Vegas service project out west. Key to Brightline's passenger rail initiatives is its' business model which makes the rail service a part of a broader real estate vision. Stations are expected to be more than a place to board a train; they will be transportation and community hubs helping to reinvigorate and transform neighborhoods. This model sounds a lot like a modern version of the approach used develop the initial US railroad network in the 1800's. Real estate was as important to the business plan then as it is now to Brightline.

MIAMI – WEST PALM BEACH – ORLANDO - TAMPA

On August 10th, Brightline CEO Patrick Goddard announced that service will resume between Miami and West Palm Beach by mid-November 2021. Service along the original segment has been suspended since March of 2020 due the COVID-19 pandemic. Most of the Brightline operations staff were let go when service was suspended. Despite the impacts of the pandemic, construction on the 170-mile West Palm Beach – Orlando International Airport (MCO) extension continues. Service along the $2.7 billion MCO extension is expected to commence in 2022. The extension includes a new intermodal facility at MCO's South Terminal that will house the passenger station. A people mover will connect to the airport terminals. The parking garage that is part of the facility is already open and being used by airport employees. The intermodal facility construction should be finished soon.

In addition to the new MCO station, three new stations are being developed along the original Miami to West Palm Beach segment - Aventura, Boca Raton and Port Miami. Ground was broken on September 3, 2020 for the Aventura Station which is adjacent to Aventura Mall just north of downtown Miami. Miami-Dade County invested $76 million from the People's Transportation Plan (PTP) for development of this station. A second station in Miami-Dade County is at the Port of Miami. This station would allow a direct connection from the train to the cruise ships. Currently it is about a 10-minute cab or TNC ride from the Miami Central Station to the Port. In Boca Raton, plans are ready to roll for $46 million station that will include a garage. The city has secured a $16 million grant from FRA to help with funding. Plans call for the City to lease the station site to Brightline.

Brightline still expects to finish the Orlando line by the end of 2022 and start carrying passengers between Orlando and South Florida in early 2023. Brightline expects to charge a $95 fare for the 235-mile Miami to Orlando ride, which will provide faster, safer and cheaper options than planes, and cars.

Brightline is progressing the planning for its' proposed third leg of the Florida service from MCO to Tampa. Work is continuing on the location and design of the alignment. They are currently looking at two route options to connect between the MCO station and the I-4 corridor which is expected to carry the rail line into Tampa. Brightline has a preferred option using State Route 417 which is controlled by the Central Florida Expressway Authority (CFEA) but International Drive businesses are proposing an alternate alignment following State Route 528. Brightline has commented that they are looking for the best route to make the connection to I-4 and Tampa. In July the CFEA approved a resolution of support for Brightline's planned extension to Tampa. The resolution clears the way for Brightline to study an alignment along the SR 417 corridor. In parallel, Brightline is working with Florida DOT regarding the I-4 portion of the alignment.

BRIGHTLINE WEST

Brightline West continues to work on the financing of its' proposed $8.4 billion high speed rail line connecting Southern California and Las Vegas. The proposed line would primarily utilize the I-15 corridor to make the connection from Las Vegas to Victor Valley. At Palmdale the line would split into a route to Palmdale and a second route to Rancho Cucamonga. In 2020 the company had expected to sell $2.4 billion in debt through California and Nevada agencies but the bonds did not sell. Earlier this year a company spokesperson indicated that a new financial plan was being prepared. Throughout 2020 progress was made on the development of the project including the execution of primary right-of-way, construction agreements, environmental permitting and 30% design development. A groundbreaking is anticipated sometime in 2021 but no date has been announced. In July 2021 Brightline Holdings announced the acquisition of a 110-acre parcel located at the south end of Las Vegas Boulevard to serve as the Las Vegas hub for the service. Following the Florida stations model, the Las Vegas terminal is expected to be both a real estate-oriented development as well as a multimodal transportation center.

LAUNCH OF TRANSIT WORKFORCE

FTA'S FIRST EVER NATIONAL TECHNICAL ASSISTANCE CENTER

Contributed by: Xinge Wang and Julie Deibel-Pundt, International Transportation Learning Center

The workforce needs for commuter and passenger rail agencies is undeniable.

Retirement and turnover produce a need to hire and train a large number of workers across public transportation modes in the next ten years, and more than 90 percent are frontline operations and maintenance workers. 1 On top of that, new technologies (like positive train control and automated track inspections technologies) are flourishing. This is good for commuter and passenger rail, and society more largely but it also presents a training challenge. Not only will new hires need to be trained on these emerging technologies but so will incumbent workers.

Recognizing these workforce development needs and committed to providing dedicated resources to address them, the Federal Transit Administration (FTA) announced on August 2, 2021 that a Cooperative Agreement totaling $5 million was awarded to the International Transportation Learning Center (ITLC) for the purpose of establishing the new Transit Workforce Center (TWC). This award marks a very significant milestone in the development of commuter and passenger rail agencies.

TRANSIT WORKFORCE CENTER SCOPE OF WORK

This newly established Transit Workforce Center will provide technical assistance to public transportation agencies to help them recruit, hire, train and retain a diverse workforce that is needed now and in the future. Strategies to accomplish this huge undertaking will include forging collaborative partnerships between agency management and labor organizations and creating and improving workforce development programs including apprenticeships.

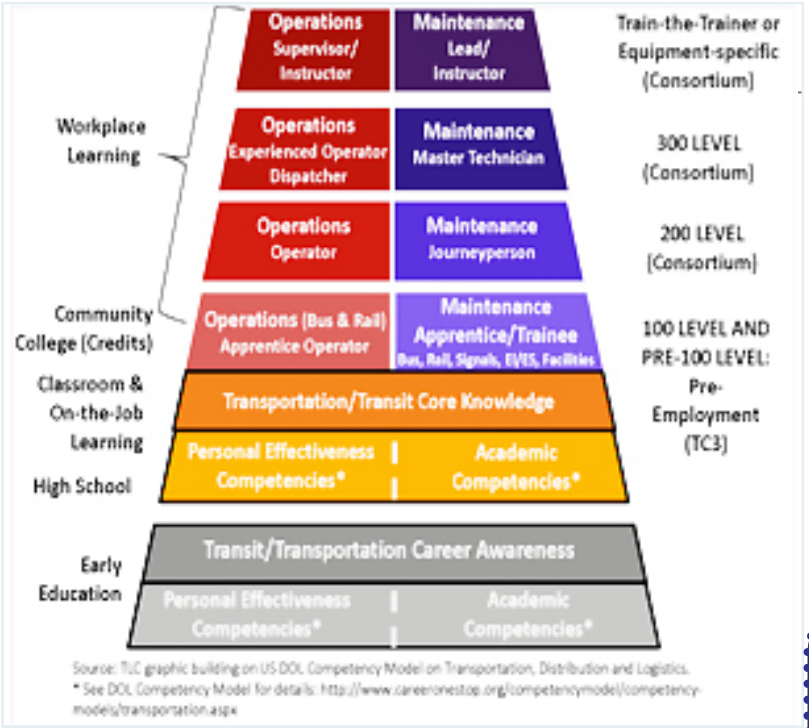
> "Transit workers play a vital role in President Biden's vision for America," said FTA Administrator Nuria Fernandez. This award to the International Transportation Learning Center will help the nation address the transit worker shortage by providing resources to reskill and upskill our workforce and will facilitate the green technology initiatives many transit agencies are undertaking."

WHY THE INTERNATIONAL TRANSPORTATION LEARNING CENTER?

For twenty years, the International Transportation Learning Center has worked to improve public transportation at the national level and within communities. As illustrated here in ITLC's interpretation of US DOL's Competency Model, ITLC approaches workforce development at roughly three levels:

- Career Awareness and Readiness
- Apprenticeship
- Continued Workplace Training

Commuter and passenger rail careers offer well-paying, good jobs to people without higher level education. Those who are not able or not interested in going to college can



start a rail career and get the training they need while being paid a living wage. The challenge is letting young people know that this is a viable path.

ITLC's Transit Core Competencies Curriculum (TC3) provides the critical connection in a pathway leading from general academic and personal competencies developed in school or through workforce development programs to transportation-focused training and education.

Once recruited and hired, the best way to retain employees is engaging them in a joint apprenticeship program. To date, ITLC has established DOL recognized apprenticeship programs for the occupations of bus operator and bus, transit elevator-escalator, rail car, signals and traction power maintainer.

Training programs for these occupations can be quite an undertaking to create or upkeep. In 2009, ITLC started the first National Training Consortium. This model lessens the burden for each location by pooling resources from multiple agencies to create training programs that meet industry recognized training standards. Agencies contribute written resources, subject matter expert knowledge and financially. ITLC coordinates the efforts, and its instructional designers create instruction-ready materials which are used at each location. ITLC also offers train-the-trainer programs to support local implementation.

Of special note to rail agencies is the work of the Signals and Traction Power Training Consortia. Since 2013, the Signals Consortium has completed 28 instruction-ready courses, over 100 on-the-job learning checklists, an equipment inventory and five interactive troubleshooting scenarios. The Traction Power Consortium launched in 2020 and has completed an initial batch of courses with plans to finish development of all courses by 2023.

With this added investment from FTA, ITLC is well positioned to expand their work and its impact on commuter and passenger rail.

National Signals Training Consortium Meeting in Portland

PARTNERSHIP WORKS

It is important to note that the success of ITLC, and shortly, the TWC would not have been possible without solid partnerships and commitment of agencies and unions at all levels – from frontline workers and trainers that serve as Subject Matter Experts to top management and union leadership. The ITLC's Board of Directors has exemplified that partnership over many years, with Board Chair John Costa, International President of the Amalgamated Transit Union, working side-by-side with Paul Skoutelas, President of American Public Transportation Association, and leaders from other industry associations and labor organizations, public interest advocates and research institutions in the industry, as well as general managers from leading agencies.

For more information on the International Transportation Learning Center or the new Transit Workforce Center please email info@transportcenter.org.