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EXPEDITED CONSIDERATION REQUESTED

BEFORE THE
SURFACE TRANSPORTATION BOARD
DOCKET NO. FD 36496

ENTERED
Office of Proceedings
March 30, 2022
Part of
Public Record

APPLICATION OF THE NATIONAL RAILROAD PASSENGER CORP.
UNDER 49 U.S.C. § 24308(e) – CSX TRANSPORTATION, INC. AND
NORFOLK SOUTHERN CORPORATION

AMTRAK'S EXHIBIT LIST

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AmtrakExhibit	Date Filed	Document Title / Description	Designation
AmtrakExhibit_1	2/15/2022	2022.02.15 Written Testimony of Amitabha Bose (DOT and FRA)	Public
AmtrakExhibit_2	12/14/2021	2021.12.14 DOT and FRA Amicus Comments	Public
AmtrakExhibit_3	12/3/2021	LE Peabody (Thomas D. Crowley and Daniel Fapp) Workpapers	
AmtrakExhibit_3A	12/3/2021	[REDACTED]	Confidential
AmtrakExhibit_3B	12/3/2021	Report for the SRC on Potential GC Restoration Options	Public
AmtrakExhibit_3C	12/3/2021	[REDACTED]	Highly Confidential
AmtrakExhibit_3D	12/3/2021	[REDACTED]	Highly Confidential
AmtrakExhibit_3E	12/3/2021	EIA aeotab_7.xlsx	Public
AmtrakExhibit_3F	12/3/2021	[REDACTED]	Highly Confidential
AmtrakExhibit_3G	12/3/2021	[REDACTED]	Highly Confidential
AmtrakExhibit_3H	12/3/2021	[REDACTED]	Highly Confidential
AmtrakExhibit_3I	12/3/2021	[REDACTED]	Confidential
AmtrakExhibit_3J	12/3/2021	[REDACTED]	Highly Confidential
AmtrakExhibit_4	12/3/2021	DB Engineering (Clayton S. Johanson, Michael Weaver, and Darkhan Mussanov)Workpapers	
AmtrakExhibit_4A	12/3/2021	[REDACTED]	Highly Confidential
AmtrakExhibit_4B	12/3/2021	[REDACTED]	Confidential
AmtrakExhibit_4C	12/3/2021	[REDACTED]	Highly Confidential
AmtrakExhibit_4D	12/3/2021	[REDACTED]	Confidential
AmtrakExhibit_4E	12/3/2021	[REDACTED]	Highly Confidential
AmtrakExhibit_4F	12/3/2021	[REDACTED]	Highly Confidential
AmtrakExhibit_4G	12/3/2021	[REDACTED]	Highly Confidential
AmtrakExhibit_5	n/a	LE Peabody Demonstratives	Highly Confidential
AmtrakExhibit_6	n/a	DB Demonstratives	Highly Confidential

March 30, 2022

Respectfully submitted:

/s/ Jessica Ring Amunson

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CERTIFICATE OF SERVICE

I, Jessica Ring Amunson, certify that I have this day served copies of this document upon all parties of record in this proceeding, by email on the service list to Finance Docket No. 36496.

March 30, 2022

/s/ Jessica Ring Amunson
Jessica Ring Amunson

AmtrakExhibit_1

(Public)

2022.02.15 Written Testimony of Amitabha
Bose (DOT and FRA)



**U.S. Department of
Transportation**
Office of the Secretary
of Transportation

General Counsel

1200 New Jersey Avenue, S.E.
Washington, D.C. 20590

February 15, 2022

VIA ELECTRONIC FILING

303912

Ms. Cynthia Brown
Chief, Section of Administration
Surface Transportation Board
395 E Street, S.W.
Washington, D.C. 20423

ENTERED
Office of Proceedings
February 15, 2022
Part of
Public Record

**Re: Docket No. FD 36496 – *Application of the National Railroad Passenger Corporation
Under 49 U.S.C. § 24308(e) – CSX Transp., Inc. and Norfolk Southern Ry. Co.***

Dear Ms. Brown:

Please find enclosed for filing in the above-captioned proceeding the statement made to the Board by Administrator Amitabha Bose on behalf of the United States Department of Transportation (DOT) and the Federal Railroad Administration (FRA), an operating administration of DOT, at today's public hearing.

Thank you for your assistance. Please feel free to contact me with any questions.

Respectfully,

/s/ Christopher S. Perry

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BEFORE THE
SURFACE TRANSPORTATION BOARD

DOCKET NO. FD 36496

APPLICATION OF THE NATIONAL RAILROAD PASSENGER CORPORATION UNDER
49 U.S.C. § 24308(e) – CSX TRANSPORTATION, INC., AND
NORFOLK SOUTHERN RAILWAY COMPANY

**STATEMENT OF ADMINISTRATOR AMITABHA BOSE ON BEHALF OF
THE UNITED STATES DEPARTMENT OF TRANSPORTATION AND
THE FEDERAL RAILROAD ADMINISTRATION FOR PHASE ONE OF
THE BOARD'S PUBLIC HEARING**

Chairman Oberman and Members of the Board, thank you for the opportunity to appear here today. My name is Amit Bose, and I am the Administrator of the Federal Railroad Administration (FRA), an operating administration of the United States Department of Transportation (DOT). I am pleased to offer these remarks on behalf of DOT and FRA.

We appreciate the Board's consideration of Amtrak's application to re-start passenger service along the Gulf Coast by adding two daily round-trip trains between Mobile, Alabama and New Orleans. In DOT's view, the Board's decision here will have far-reaching implications beyond the Gulf Coast. The outcome of this proceeding will be pivotal to the future development of intercity passenger rail in this country. We believe it is imperative that the Board use its authority to ensure that host railroads fulfill their fundamental statutory obligations to allow the

expansion and improvement of intercity passenger rail services. As the Board knows, these statutory obligations are at the core of the balance that Congress struck when, over fifty years ago, it created Amtrak and relieved railroads of their common carrier obligation to provide intercity passenger rail service. It is the American public that suffers when these services are held up – here, the Gulf Coast region has been without Amtrak service for nearly two decades. In this case, service delayed is service denied.

As to our interests in this case, as you know, DOT is charged by statute with promoting “transportation policies and programs that contribute to providing fast, safe, efficient and convenient transportation,” consistent with “the public interest.”¹ DOT and FRA have participated in numerous proceedings before the Board involving matters of rail policy affecting both passenger and freight rail service. In doing so, we have consistently considered the interests of all affected parties, including host railroads, shippers, Amtrak, other passenger service providers, and the public. We have been particularly active in this proceeding, filing comments with the Board at an early stage to urge the Board to decide Amtrak’s petition on the merits, as well as a more recent *amicus* submission providing additional views.

¹ 49 U.S.C. § 101.

Consistent with our previous submissions, I believe it is necessary at the outset to highlight the importance that Congress, and the Biden-Harris administration, have placed on the expansion and enhancement of passenger rail service in this country. As we explained in our previous comments to the Board, the 2021 passage of the Infrastructure Investment and Jobs Act, also known as the Bipartisan Infrastructure Law, reaffirms the importance of passenger rail, and provides unprecedented funding and authority to maintain, improve, and expand intercity passenger rail service throughout the United States. In total, the Bipartisan Infrastructure Law provides \$58 billion in dedicated, advanced appropriations for passenger rail. Congress also reimagined the Federal-State Partnership grant program by, among other things, expanding program eligibility to projects expanding or establishing new intercity passenger rail services beyond the Northeast Corridor. The overwhelming majority of services that would benefit are those that operate over host railroad-owned infrastructure. Likewise, the Bipartisan Infrastructure Law created a new Corridor Identification and Development Program to guide future intercity passenger rail development efforts throughout the country. The Law also calls on FRA to complete a major study to evaluate the restoration of daily Amtrak long-distance services that have been discontinued or that occur on a non-daily basis, all of which operated over infrastructure owned by host railroads.

The Bipartisan Infrastructure Law’s expansive vision for intercity passenger rail development rests largely on the ability to introduce, improve, and restore passenger rail services that operate over host railroads. Without that ability, Congress’s vision cannot become reality.

The host railroads here, CSX and Norfolk Southern, have argued that Amtrak’s two regularly scheduled daily round-trip trains will not just “unreasonably impair” freight transportation, but will cause “near catastrophic” consequences—at least without over \$400 million in additional capital improvements to their infrastructure. I would like to take this opportunity to highlight some key points. We respectfully ask the Board to take these points into account in establishing a framework to govern cases of this kind, which will embody Congress’s intent and, we hope, will help to encourage cooperative solutions in future cases.

First, in DOT’s view, the host railroads in this proceeding have not met their statutorily mandated burden of demonstrating that reintroducing the Gulf Coast passenger service would unreasonably impair freight transportation, as the Board is directed to consider in conducting a hearing under the governing statute, 49 U.S.C. § 24308(e). The concept of “impair unreasonably” must be a meaningful one. Neither this language, nor the other terms of section 24308, indicate that Congress intended for passenger rail service simply to accommodate freight railroad

operations or growth plans for freight service. That approach turns the statute on its head. Congress established a preference for passenger rail operations over host railroad lines, and the presumption is that passenger service will, in fact, operate. This case, involving the proposed addition of two daily round-trip trains, helps to illustrate the point. The Board's decision should ensure that freight railroads cannot effectively "crowd out" passenger service by claiming that it conflicts with their existing or planned railroad operations. That is not what was meant by "unreasonable impairment."

Second, the host railroads have not presented a transparent analysis of what, if any, challenges may arise from Amtrak's proposed operation. In so doing, they have deprived the Board of a clear-eyed view of railroad operations. DOT believes that any operations analysis used to assess the operational effects of changes to intercity passenger rail services, or which is used to identify capital improvements required to support such changes, must be conducted in an appropriately transparent manner. Transparency is a basic prerequisite to meaningful collaboration between Amtrak and host railroads. Transparency is also essential given that the host railroads here have called for costly capital improvements as a prerequisite to adding the Amtrak trains, and such improvements would likely be publicly funded. The public has a right to know why such improvements are being made, why they are necessary, how much they cost, and what other options may

have been considered. In DOT's view, these considerations are even more pronounced in cases like this one, where the publicly funded capital improvements would be made to privately owned and controlled infrastructure.

Third, while the Board should give appropriate confidentiality protection to proprietary commercial information regarding the railroads' operations and customers, in FRA's view, operational analysis can be conducted based on information that steers well clear of data that would compromise the commercial interests of either host railroads or shippers. In fact, railroads in the past have voluntarily participated in collaborative passenger rail planning efforts with FRA and Amtrak that involved both the sharing of these same types of information and their publication in public reports to Congress.² FRA believes it would be beneficial for the Board to clearly establish the need for transparency in operations analysis undertaken as part of passenger rail development efforts, and to address the types of information that would need to be openly shared to achieve that required transparency. These types of information are captured succinctly in the August 3, 2020 letter sent by Amtrak to the host railroads, in which Amtrak addresses the "minimum data requirements" associated with the FRA grant that

² *Potential Improvements to the Washington-Richmond Railroad Corridor* in May 1999, and *Transportation Planning for the Richmond-Charlotte Corridor* in January 2004.

funded the 2020 “Gulf Coast RTC Study.”³ FRA stands ready to assist the Board in determining the types of information that would need to be shared from our perspective as the Federal agency that would likely provide funding for capital improvements that may be identified as necessary to support a change in passenger rail operations over a host railroad.

Finally, DOT appreciates the Board’s willingness to act expeditiously in this case in the interest of reaching a prompt resolution. DOT is concerned with the vitality of the rail network as a whole. Both freight and passenger service are critically important, and we have no interest in undermining freight operations or impeding the efficient movement of goods. Quite the contrary; we are taking numerous steps to help to improve supply chains and fluidity throughout the rail network and other modes of transportation. However, the people of the Gulf Coast region have been without Amtrak service since Hurricane Katrina in 2005. That is too long.

Should the Board grant Amtrak’s application, DOT and FRA remain committed to assisting the Board and the parties in helping to make the requested passenger service a reality. FRA would closely monitor the startup of the operation of the passenger service, and we are fully prepared both to provide technical assistance should any operational challenges arise, and to report regularly

³ See Exhibit L in Amtrak’s Response in Opposition to the Motion to Dismiss.

to the Board on the status of these efforts. On behalf of DOT and FRA, thank you for the opportunity to address the Board and for your consideration of our submissions in this proceeding.

February 15, 2022

John E. Putnam
Deputy General Counsel
Paul M. Geier
*Assistant General Counsel for
Litigation and Enforcement*
Christopher S. Perry
Senior Trial Attorney

*United States Department of
Transportation*

Respectfully,

/s/ Amitabha Bose
Amitabha Bose
Administrator
Allison Ishihara Fultz
Chief Counsel

Federal Railroad Administration

CERTIFICATE OF SERVICE

I hereby certify that on this 15th day of February, 2022, I have filed the foregoing document via the Board's electronic filing system, and have caused a copy to be served via electronic mail upon Parties of Record in this proceeding.

/s/ Christopher S. Perry
Christopher S. Perry

United States Department of Transportation

AmtrakExhibit_2

(Public)

2021.12.14 DOT and FRA Amicus Comments



**U.S. Department of
Transportation**
Office of the Secretary
of Transportation

General Counsel

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December 14, 2021

VIA ELECTRONIC FILING

303355

Ms. Cynthia T. Brown
Chief, Section of Administration
Office of Proceedings
Surface Transportation Board
395 E Street, S.W.
Washington, D.C. 20006

ENTERED
Office of Proceedings
December 14, 2021
Part of
Public Record

Re: Docket No. FD 36496
Application of the National Railroad Passenger Corporation
Under 49 U.S.C. § 24308(e) – CSX Transportation, Inc., and
Norfolk Southern Railway Company

Dear Ms. Brown:

Enclosed for filing in the above-referenced proceeding is the United States Department of Transportation and the Federal Railroad Administration's Motion for Leave to File Comments as *Amici Curiae*, together with their Comments. If you have any questions, please feel free to contact me.

Thank you for your assistance with this matter.

Respectfully,
/s/ Christopher S. Perry

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Enclosures

cc: Counsel for Parties of Record (via electronic mail)

**BEFORE THE
SURFACE TRANSPORTATION BOARD**

DOCKET NO. FD 36496

**APPLICATION OF THE NATIONAL RAILROAD PASSENGER CORPORATION
UNDER 49 U.S.C. § 24308(e) – CSX TRANSPORTATION, INC., AND
NORFOLK SOUTHERN RAILWAY COMPANY**

**MOTION OF THE UNITED STATES DEPARTMENT OF TRANSPORTATION AND
THE FEDERAL RAILROAD ADMINISTRATION FOR LEAVE TO FILE COMMENTS
AS AMICI CURIAE**

The United States Department of Transportation (Department or DOT) and the Federal Railroad Administration (FRA), an operating administration of DOT,¹ respectfully move for leave to file the accompanying Comments in this matter as *amici curiae*. DOT has critical interests at stake here in light of the role that it has played, and will continue to play, in fostering the restoration of passenger rail service in the Gulf Coast region. In particular, as discussed in the accompanying Comments, DOT has provided significant funding for capital improvements and operating financial support for the restored Gulf Coast service. FRA also led a Working Group on these issues that included the parties to this proceeding, as well as various other public and private sector stakeholders. This case is central to the Department's role in advancing the goals of Congress and the Biden-Harris Administration to enhance passenger rail service nationwide.

In addition, these Comments expand upon the views that DOT previously submitted to the Board at an earlier stage, which the Board relied upon in reaching its decision to institute this

¹ For convenience, this submission sometimes refers collectively to DOT and FRA as the Department or DOT.

proceeding. *See* Decision, FD No. 36496 (Aug. 5, 2021), at 6 (discussing the views presented in DOT's docketed Letter of May 10, 2021). DOT's Comments as *amicus* should aid in the Board's examination of the issues and the determination of appropriate relief.

Undersigned counsel for DOT has contacted counsel for the Parties of Record in this proceeding to notify them of DOT's anticipated filing and to ask for their positions. Counsel for Amtrak has advised that Amtrak consents to DOT's motion for leave to file comments as *amicus*. Counsel for CSX Transportation, Inc. (CSX) and Norfolk Southern Railway Company (NS) have advised that CSX and NS do not object.

December 14, 2021

Respectfully submitted,

/s/ Christopher S. Perry

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**BEFORE THE
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**APPLICATION OF THE NATIONAL RAILROAD PASSENGER CORPORATION
UNDER 49 U.S.C. § 24308(e) – CSX TRANSPORTATION, INC., AND NORFOLK
SOUTHERN RAILWAY COMPANY**

**COMMENTS OF *AMICI* UNITED STATES DEPARTMENT OF TRANSPORTATION
AND FEDERAL RAILROAD ADMINISTRATION**

The United States Department of Transportation (DOT or the Department) and the Federal Railroad Administration (FRA), an operating administration of DOT, respectfully submit their comments in this matter as *amici curiae* to expand upon their previously filed letter of May 10, 2021, and to aid in the Board’s consideration of the important issues here.¹ DOT has a critical interest in this proceeding in light of the Department’s continuing efforts to restore Gulf Coast service; the significant funding that DOT has provided for this purpose; and the importance of this service as a component of passenger rail enhancement efforts nationwide. DOT therefore appreciates the Board’s close and expeditious attention to this matter. As the Department previously explained, the Gulf Coast region has gone without passenger rail service for far too long, and the Board’s intercession is necessary to resolve the remaining disputes and to bring about a successful outcome.

As discussed below, since Hurricane Katrina struck in 2005, Congress has sought to improve intercity passenger rail service and to reaffirm the importance of this service across the

¹ See Letter from John E. Putnam, DOT Acting General Counsel, to Chairman Martin J. Oberman (filed May 10, 2021), Docket No. FD 36496. For convenience, this submission sometimes refers collectively to DOT and FRA as the Department or DOT.

country, most recently, in the 2021 Bipartisan Infrastructure Law. The Biden-Harris Administration has taken the lead in working to enhance passenger rail service as well. DOT remains concerned not only about the extended passage of time without Gulf Coast service, but also, with some of the positions advanced by the host railroads before the Board.²

In the Department's view, it is important to set a precedent in this case that vindicates the governing statute and the purposes underlying it. Rail carriers have obligations in hosting Amtrak service, and these obligations were part and parcel of Congress's decision five decades ago to create Amtrak and to relieve rail carriers of their obligations to carry passengers. The Board should not countenance an interpretation of the statute that makes passenger rail service illusory. Nothing in the governing statute, 49 U.S.C. § 24308(e), indicates that Congress anticipated a protracted period of time or the expenditure of extraordinary sums as a condition precedent to the addition of passenger trains along an existing rail line. In DOT's view, in the event that the Board determines it necessary to undertake any further examination of capital improvements or other measures along the line, those efforts should be expeditious and transparent, and the Board should retain oversight of the matter to ensure that service is promptly restored. Any such analysis should also ensure fair terms for reasonably necessary expenditures to support the passenger rail service.

I. The Board Should Order the Restoration of the Gulf Coast Service.

The restoration of intercity passenger rail service to the Gulf Coast is an important undertaking for the region and is a priority for DOT and FRA. It has now been sixteen years since this service was suspended due to the damage to rail infrastructure caused by Hurricane

² DOT sometimes refers to CSX Transportation, Inc. (CSX) and Norfolk Southern Railway Company (NS) as the "rail carriers" or the "host railroads," and DOT's comments apply equally to both parties unless noted otherwise.

Katrina, and for the past six years, FRA has actively engaged in efforts to restore service. FRA led the Gulf Coast Working Group from 2015 to 2017, and closely participated in the Gulf Coast Rail Traffic Controller (RTC) study in 2020. FRA also provided funding for these efforts and has made grant program selections for capital improvements and operating financial support for the restored Gulf Coast service totaling \$47.6 million. Each additional day of delay in restoring this service deprives the region of a valuable transportation option, in addition to the resulting broader economic benefits.³ Continued delay also threatens the long-term viability of this service by prolonging uncertainty and potentially increasing the cost of capital improvements.

This proceeding is also important to the development and enhancement of other intercity passenger rail services that operate, or seek to operate, over privately owned rail lines, which are generally owned by host railroads providing freight services. The party developing the service and the party that owns the infrastructure must attempt to work collaboratively in identifying appropriate capital investments or operational changes. A breakdown in that collaborative process causes delays and, in cases such as this one, may require the Board to intercede to order the operation of additional trains or other relief. As the interpretation of section 24308(e) is essentially a matter of first impression, the framework that the Board adopts here will be important in governing future disputes, and will set the backdrop against which Amtrak and host railroads negotiate for the addition of passenger trains along host railroad lines.

In the Department's view, the host railroads have advocated here for an unduly restrictive interpretation of the statute, one that fails to vindicate Congress's intent regarding the obligation to host passenger rail service. DOT respectfully asks the Board to hold the host railroads to their

³ See Amtrak's Reply at 9 and Ex. 1 at 3-5; *see also* Gulf Coast Working Group Final Report at App. C, p. 3-5.

high burden of proof under the statute, and to issue a ruling that prevents continued, undue delays in the restoration of the Gulf Coast service.

A. Historical Context for Hosting Passenger Rail Service

The use of a rail line by both Amtrak and a host railroad's freight service is central to the past, present, and future of rail transportation in the United States, and today's operating framework arose directly from Congress's creation of Amtrak. As the Board knows, for many years, private railroads had a common carrier obligation to carry both freight and passengers on their lines. *See National Railroad Passenger Corporation v. Atchison, Topeka & Santa Fe Ry.*, 470 U.S. 451, 453-54 (1985). However, the United States railroad industry, particularly in the Northeast, faced sweeping financial challenges in the 1960s and early 1970s as a result of competition from other forms of transportation and the changing demand for rail service. In response to these challenges,⁴ Congress created Amtrak in 1970 to provide and promote intercity rail passenger service, and allowed the railroads to enter into agreements with Amtrak to relieve them of their common carrier obligation to carry passengers, along with their accompanying operating losses, in exchange for a statutorily prescribed payment. *Rail Passenger Service Act of 1970*, Pub. L. No. 91-518, 84 Stat. 1327, at § 401; *see also* House Report No. 91-1580 (Oct. 7, 1970) ("[T]he overriding purpose of this legislation is to preserve and promote intercity rail passenger service . . ."); *The Past and Future of U.S. Passenger Rail Service*, CBO Study, Sept. 2003, at 8 ("Fearful that losses from passenger service would contribute to the weakening of other railroads, policymakers looked for a way to relieve the freight railroads of that burden.").

⁴ Penn Central Railroad, then the largest railroad in the country, filed for bankruptcy on June 21, 1970 (at that time, the largest corporate bankruptcy in U.S. history), four months before Congress created Amtrak in October of that same year. Ultimately, seven Northeastern railroads failed during this time.

Congress recognized that this arrangement forced Amtrak to rely on the railroad-owned infrastructure, and “as a condition of relief from [the railroads’] common-carrier duties,” Congress provided Amtrak with certain rights in support of the passenger service (and maintained certain corresponding obligations of the railroads to support passenger rail service), including, for example, the right to use railroad facilities. *DOT v. Ass’n of Am. R.R.s*, 575 U.S. 43, 46-47 (2015); *see also* 49 U.S.C. § 24308(a) (“Amtrak may make an agreement with a rail carrier or regional transportation authority to use facilities of, and have services provided by, the carrier or authority under terms on which the parties agree.”).

Since Amtrak’s creation five decades ago, Congress has reaffirmed and further specified the railroads’ continuing obligations to host passenger rail service, particularly as part of Congress’s efforts to improve Amtrak’s operations. In 1973, for example, Congress established in statute a “preference” for rail passenger transportation provided by Amtrak over freight transportation in using a rail line. *Amtrak Improvement Act of 1973*, Pub. L. No. 93-146, 87 Stat. 548 (codified at 49 U.S.C. § 24308(c)) (“Except in an emergency, intercity and commuter rail passenger transportation provided by or for Amtrak has preference over freight transportation in using a rail line, junction, or crossing unless the Board orders otherwise under this subsection.”). More recently, in 2008, Congress required the development of new or improved metrics and minimum standards for measuring the performance and service quality of intercity passenger train operations, and authorized the Board to investigate poor on-time performance or service quality (to include identifying reasonable measures and making recommendations to improve the service, quality, and on-time performance of the train and awarding damages and prescribing other relief). *Passenger Rail Investment and Improvement Act of 2008*, Pub. L. No. 110-432,

122 Stat. 4907, at §§ 207, 213; 49 U.S.C. § 24308(f); *see also* 49 CFR part 273 (codifying regulations on metrics and minimum standards for performance and quality).

In addition, starting in 2008, Congress began authorizing programs and appropriating significant funding for intercity passenger rail development, much of which has involved investments in host railroad infrastructure that directly benefit freight, as well as passenger, operations. In 2008, for example, Congress authorized several new grant programs to support intercity passenger rail development, and then swiftly appropriated more than \$10 billion for these programs. *See Passenger Rail Investment and Improvement Act of 2008*, Pub. L. No. 110-432 (Oct. 16, 2008); *American Recovery and Reinvestment Act of 2009*, Pub. L. No. 111-5 (Feb. 17, 2009); *Consolidated Appropriations Act, 2010*, Pub. L. No. 111-117 (Dec. 16, 2009). In 2015, Congress renewed its commitment to intercity passenger rail development by authorizing several more grant programs, and then annually appropriated significant funding for these programs.⁵ *See Fixing America's Surface Transportation Act*, Pub. L. No. 114-94 (Dec. 4, 2015), §§ 11301-11303 (establishing the Consolidated Rail Infrastructure and Safety Improvements grant program, the Federal-State Partnership for State of Good Repair grant program, and the Restoration and Enhancement Grants program).

Most recently, Congress passed the Infrastructure Investment and Jobs Act of 2021 (the “Bipartisan Infrastructure Law” or “BIL”), which President Biden signed into law on November 15, 2021. The BIL provides an unprecedented \$66 billion in dedicated, advanced appropriations for railroad transportation grant programs, which is in addition to any annually appropriated amounts for such programs. The overwhelming majority of this funding is specifically targeted

⁵ In the five most recent annual appropriations, Congress has appropriated in total more than \$1.6 billion in funding for the Consolidated Rail Infrastructure and Safety Improvements grant program, more than \$1 billion in funding for the Federal-State Partnership for State of Good Repair grant program, and more than \$36 million in funding for the Restoration and Enhancement Grants program.

at intercity passenger rail improvements. In addition to providing this historic level of funding for intercity passenger rail, the BIL makes clear that the development of intercity passenger rail services operating over host railroads will continue to be a major part of our Nation's transportation system. *See, e.g., Infrastructure Investment and Jobs Act of 2021*, Pub. L. No. 117-58, Div. B, § 22308 (establishing a corridor identification and development program to facilitate the development of intercity passenger rail corridors) and § 22307 (broadening the Federal-State Partnership grant program, in part, to fund the expansion or establishment of new intercity passenger rail services not located on the Northeast Corridor).

In summary, Congress created Amtrak to provide and promote intercity passenger rail services that were always expected to operate primarily over host railroad infrastructure. This was part and parcel of an effort to strengthen struggling rail carriers, many of whom were in a precarious financial position, by relieving them of their longstanding common carrier obligations to transport passengers. Since then, Congress has taken numerous steps to reaffirm the importance of Amtrak's ability to operate over host railroad infrastructure, including through the recent provision of historic levels of funding for Amtrak intercity passenger rail development and related investments in host railroad infrastructure. This operational model, which Congress created, forms the foundation for the questions raised in this proceeding.

B. Providing for Additional Trains Under Section 24308(e)

By its terms, and consistent with the principles discussed above, subsection 24308(e) establishes a strong presumption in favor of allowing additional trains to operate along host railroad lines. The Board is authorized to "order the [host] carrier, within 60 days, to provide or allow for the operation of the requested trains" under conditions set forth in the statute. 49 U.S.C. § 24308(e)(1). While the Board is directed to "consider" whether an order would

unreasonably impair freight transportation “when conducting a hearing,” the carrier “ha[s] the burden of demonstrating” unreasonable impairment. *Id.* § 24308(e)(2)(A). With that said, the statute vests the Board with broad discretion to apply its expertise in ruling on an application; Congress directed the Board to “consider” unreasonable impairment, but did not dictate any specific result in the proceeding based solely upon that consideration. If the Board determines that additional trains should be ordered, the terms of compensation already established by contract among the parties shall govern, or, in the absence of such terms, the Board shall proceed to order compensation under subsection (a). *Id.* § 24308(e)(3).

In the Department’s view, the host railroads in this case have urged the Board to adopt an interpretation of section 24308(e) that would pose an undue obstacle to the addition of passenger rail trains, one that lowers the bar for demonstrating “unreasonable impairment” below what Congress required. This standard, as Amtrak correctly argues, is not merely that freight service will be “degraded” or inconvenienced. *See* Amtrak Reply at 15 & n.39. Nor is the addition of Amtrak trains subject to host railroads’ projections or expectations of future freight traffic growth. Rather, the “unreasonabl[e]” statutory standard in subsection 24308(e) necessarily envisions that host railroad lines will accommodate passenger rail services, consistent with other statutory provisions, including the preference requirement of section 24308(c). Amtrak services cannot simply be assumed out of the analysis, and should therefore not be assumed out of host railroads’ planning and projections. *See* Amtrak Reply at 19 (“[T]he potential for some delays in transporting goods due to the need to transport people is the whole premise of the deal Congress struck with the freight railroads when creating Amtrak.”); Host Railroads’ Opening Evidence at 49 (explaining the host railroads’ modeling standard and parameters, without any expected freight service delays or scheduling adjustments).

In addition, the statute’s language and structure shows Congress’s intent to provide for the allowance of additional trains through a swift and efficient procedure. Nothing in the statute indicates that Congress contemplated a protracted process for entering additional trains into service—especially in the case of an addition from *zero to two*, over a line that historically hosted passenger service, where stakeholders have worked with the host railroads for over a decade to restore service to the region. *See* Amtrak’s Reply at (Dec. 3, 2021) (discussing the history of Amtrak’s Gulf Coast service from 1984 until Hurricane Katrina in 2005).

To be sure, as discussed below, there must be an appropriate analysis of whether freight traffic is unreasonably impaired, and in all events, FRA retains its full authority to take appropriate action to ensure that services along the line are operated safely. But as Amtrak correctly notes, under section 24308’s framework, many of these questions relate to compensation; they are not all prerequisites for the Board to order additional trains. *See* 49 U.S.C. § 24308(e), (a) (compensation to be decided by the parties’ agreement or, in the absence of such agreement, by the Board).⁶

Moreover, the extended time that has already passed without passenger service, as well as the time horizon that the host railroads appear to envision here before trains can be added, is plainly at odds with the fast-track procedures that Congress embedded in the statute.⁷ It is also at odds with the bargain that Congress struck when it created Amtrak, and relieved rail carriers of their longstanding obligations in (and the resulting financial consequences of) providing

⁶ The parties already have agreements in place to govern such compensation. *See* Amtrak Reply at 5.

⁷ Section 24308 is replete with indications of Congress’s intent to keep passenger service running and to restore it quickly when problems arise. *See* 49 U.S.C. § 24308(a)(2)(c) (the Board shall decide specified disputes about agreements and compensation within 90 days); *id.* § 24308(a)(3) (failure of Amtrak to pay compensation can be recovered in an action brought by host railroads, but without any provision for the Board to order cessation of passenger service pending such recovery); *id.* § 24308(a)(4) (“Amtrak shall seek immediate and appropriate legal remedies” to enforce track maintenance standards); *id.* § 24308(b) (ordering the operation of Amtrak services during emergencies).

passenger rail service. DOT stands ready to work with the parties to examine and implement continuing investments to maintain and enhance services along the line, but the Board should not allow the statute to be used as a means of facilitating undue delay in restoring the operation of passenger trains in the first instance.

C. The Host Railroads Have Not Demonstrated that the Additional Amtrak Trains Would Impair Unreasonably The Freight Transportation of Rail Carriers.

The host railroads have not demonstrated that the additional Amtrak trains would “impair unreasonably freight transportation of the rail carrier[s]” affected here. 49 U.S.C.

§ 24308(e)(2)(A). In the Department’s view, the host railroads’ operational analysis is insufficient, and also fails to consider non-construction solutions to address the additional trains.

i. The Operational Analysis is Insufficient.

Given the Department’s experience with the issues here, the Department has concerns about the host railroads’ operational analysis. First, regarding the railroad infrastructure characteristics used in the analysis, the host railroads’ Opening Evidence supplies route diagrams showing track configuration and siding lengths, along with information on the operation of the movable bridges. However, insufficient information is provided on many other essential characteristics of the infrastructure that bear upon operating performance, including, for example, the following: engineering track charts; speed tables showing the authorized speeds over the subject territory; the type and sizes of turnouts (which dictate the speed at which trains may move from one track to another); the extent of track equipped with track circuits (the absence of which generally requires trains operating on such track to do so at an exceedingly slow “restricted speed”); the locations of grade crossings (the blocking of which by stopped trains should be avoided or minimized); and signal locations, aspects, and design

speeds (which provide the authority for train movements). These details directly affect how trains operate over the territory.

Second, DOT is also concerned about the railroad traffic characteristics subject to analysis in the host railroads' Opening Evidence. There is no information on the number of trains operating over the territory that was the subject of the simulation; where or when those trains may enter or exit that territory (some trains do not operate over its entire length); or even some categories of basic information on the characteristics of those trains, such as length, trailing tonnage, or aggregate horsepower. Nor is information provided regarding time-specific service requirements for freight operations. Without this information, none of which appears to be commercially sensitive, stakeholders cannot fully understand the influence of traffic characteristics on the operation.

Finally, the host railroads' analysis provides little insight into how the operation functioned in each simulated case, and what factors may have contributed to the operational performance reported for each case. Essentially, the model outputs reported are percentage changes in delays, train speeds, dispatching conflicts, and recrews between simulated cases. *See, e.g.,* Opening Evidence at 38, 40-41, 43-44. The lack of actual values of those metrics makes it impossible to judge the likelihood that the reported percentage changes are either operationally or statistically significant. A small change from a small base value may show as a large percentage change, even though the actual significance may be small or negligible. Furthermore, the absence of stringline diagrams depicting how trains were simulated to move over the territory covered by the model is particularly notable.⁸ Stringline diagrams provide a concise

⁸ The use of stringline diagrams (as a document) as an output of other operations analysis tools (such as simulation) is distinct from the use of "string models" as a primary analytical tool. The use of stringline diagrams as a means for interpreting the results of railroad operations analyses is an established and accepted industry practice.

and rich approach to depicting the train operations within a railroad simulation model, and provide insight into where train delays occur, the cause of those delays, and what measures may be taken to reduce delays. The inability to interpret the model results with stringline diagrams makes it impossible to determine confidently whether the model plausibly reflects real-world railroad operations, or to determine whether the identified capital improvements address identifiable operational needs.

FRA supports the use of simulation and other operations analysis tools to identify capital investments or other operational measures needed to support a proposed change in railroad operations.⁹ However, to be useful to the Board and to other stakeholders, an operations analysis requires an appropriate degree of transparency. Operations analysis is highly complex,¹⁰ particularly when using simulation tools like the RTC software package used by CSX and NS here. Thus, the parties should be able to work from the same data set and to replicate the results, as well as to demonstrate how different inputs or parameters may lead to different results. Transparency ensures that all parties are confident in the conclusions. This can also facilitate audits and other retrospective analyses to identify inadvertent errors.

Furthermore, in FRA's decades of experience funding, participating in, and overseeing railroad operations analysis, FRA has seen the positive effects of transparent operations analysis for stakeholders, as it helps to promote consensus on the scope of necessary capital improvements or other measures needed to support the passenger service. With the analysis

⁹ FRA developed one of the world's first railroad operations simulations software packages in the 1970s to support its implementation of the Northeast Corridor Improvement Project.

¹⁰ This complexity is magnified in cases evaluating many individual capital improvements or combinations of improvements, as is the case here.

open to close scrutiny, stakeholders may gain greater confidence in the integrity of the process and may be further encouraged to reach mutually agreeable solutions.¹¹

In DOT's experience, in the course of performing railroad operations analysis, concerns often arise about the use and exchange of confidential and commercially sensitive information. Of course, the Department recognizes the importance of protecting information that legitimately falls into these categories; in some cases, this concern may counsel in favor of an appropriately tailored nondisclosure agreement or protective order. However, DOT recommends that the Board use caution in its review of the analyses submitted here, particularly in light of the precedential impact of this case. Host railroads should not find encouragement in future disputes to unduly withhold any important, non-sensitive details bearing upon the provision of passenger service. Specifically, the analysis should typically depend on information that is directly relevant to operations; it does not generally require sensitive commercial information, such as waybills, train manifests, or rates charged to shippers. Sharing directly relevant operational information with another party in connection with an operations analysis does not place a railroad at a competitive disadvantage. On the contrary, in many instances, sharing operational details may be necessary to the safe and efficient coordination of service across multiple host railroad lines, as is the case here with CSX and NS in hosting Amtrak along the Gulf Coast route.

ii. The Host Railroads Fail to Fully Consider Non-Construction Solutions.

The host railroads' analysis also does not sufficiently account for solutions that would allow for these additional trains to be quickly put into operation. DOT agrees with Amtrak that host railroads should not, in this or other instances, be permitted under section 24308(e) to insist

¹¹ FRA has found that transparency helps to foster a collaborative process rather than an adversarial one. A collaborative process contributes to the technical veracity of the analysis and allows for the evaluation of promising alternatives. In the best examples, the parties can build off of each other's work, resulting in the identification of superior solutions.

upon the completion of a “wish list” of projects as a prerequisite to adding Amtrak trains where no unreasonable impairment to freight traffic has been shown. Amtrak Reply at 33. Amtrak argues that service can be restored to the Gulf Coast region quite soon, within existing line capacity constraints, without “gold plating.” *Id.* at 39-40.¹²

DOT agrees with Amtrak that the host railroads’ analysis depends too heavily upon extraordinary measures without adequate account of more modest solutions, like improved use of existing infrastructure and better dispatching. *Id.* at 34. The host railroads’ analysis relies significantly upon the construction of new track to accommodate the additional Amtrak trains. However, new track construction is one of the costliest ways of adding operational capacity to a rail line, and in the Department’s view, there are often other, more efficient measures available to provide the necessary capacity.¹³ For example, in this case, the host railroads’ operational analysis does not address the existing permanent speed restrictions on the line (such as those caused by the use of butt joints between the movable and fixed spans of the line’s many movable bridges). These speed restrictions significantly constrain track capacity by forcing trains to first slow into and then accelerate out of the stretch of track subject to the speed restriction.¹⁴ Similarly, the operational analysis does not investigate the constraints imposed by the operation of the moveable bridges, and whether capacity gains could be achieved through improving the speed of operations through these bottlenecks. The host railroads’ operational analysis also does

¹² DOT agrees with Amtrak that the parties’ continuing dispute about arrangements for layover track in the Mobile region appears to be a solvable one, and in all events, should not foreclose the restoration of Gulf Coast service. Amtrak Reply at 39-40.

¹³ It is not always possible to avoid the construction of additional track entirely, but it is best considered a “last resort” rather than the first, or indeed only, approach.

¹⁴ Speed restrictions will further constrain capacity in operations with very long trains (which CSX and NS indicate are prevalent on the territory subject to their analysis), due both to the fact that long trains must maintain the speed of the restriction during the entire period any part of the train is occupying the stretch of track subject to the restriction, and because long trains generally require far more time and distance than shorter trains to decelerate into and accelerate out of a speed restriction.

not fully investigate increasing the regularity of opening the movable bridges, which the Coast Guard has accommodated elsewhere, particularly for scheduled passenger rail service.¹⁵

The host railroads' operational analysis does not appear to investigate other potential changes to the assumed freight and passenger rail operations that might address capacity constraints without the need for costly capital improvements. For example, the host railroads indicate that the precise details of the passenger train schedules that Amtrak proposed in its application are the source of many of the capacity constraints that their analysis identified, but they appear not to have investigated options for reasonable adjustments to those timetables that may alleviate some of those constraints. Likewise, the operational analysis does not sufficiently address opportunities for minor alterations to freight operations, which may also be capable of addressing capacity constraints without affecting service quality. In other contexts, rail carriers have shown creativity in exploring and implementing innovative ways to improve and accommodate changes to their own freight rail operations.¹⁶

II. Any Examination of Capital Investments or Other Measures Should be Expeditious, Transparent, and Subject to the Board's Continuing Oversight.

The Department recognizes that the parties have continuing disagreements about appropriate capital investments and operational measures to accommodate additional Amtrak trains. Such disagreements persisted throughout the course of the Gulf Coast Working Group's efforts, with vastly different estimates presented on both sides. DOT appreciates the Board's careful consideration of these issues, and also supports the Board's preliminary determination to permit some flexibility regarding the evidence and analysis that the parties may offer. Decision

¹⁵ See Amtrak's Reply at Attach. M (addressing the Coast Guard process for considering movable bridge operations).

¹⁶ See Amtrak's Reply at 34 (noting CSX statement that operational efficiencies and other changes would be sufficient to address the needs of passenger service that might otherwise be negatively affected by CSX's proposed acquisition of Pan Am Railways).

at 6-7 (Aug. 5, 2021). In the event the Board determines that there is a need to identify further capital investments or other measures for the Gulf Coast service, the Department suggests some general principles that would be appropriate for the Board to consider in its review of the parties' data and analyses. As described above, DOT has concerns about the analysis that the host railroads have presented here and about the additional delays that would result from what the host railroads have proposed.

In particular, DOT recommends that the following general principles guide any evaluation of proposed capital investments or other measures in connection with the Gulf Coast service:

Transparency. Any capital investments or other measures that the Board orders to support additional trains should be determined through a data-driven process that is objective and transparent, and that provides a clear basis for public investment. Capital investments should be tailored to fit operational requirements without “gold plating.”

Advancement. The governing statute, as the Department explained above, does not contemplate a protracted process for additional trains, and further delay in this instance is particularly unwarranted.

Oversight. The Board should retain jurisdiction over this case to ensure that its order is carried out expeditiously for the prompt restoration of Gulf Coast service.

DOT appreciates the Board's consideration of the views expressed here and of the other evidence that has been submitted by the parties in this proceeding. The Department remains ready to work with the Board, Amtrak, CSX, NS, and other stakeholders to restore passenger service to the Gulf Coast region.

December 14, 2021

Respectfully submitted,

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AmtrakExhibit_3

LE Peabody (Thomas D. Crowley and Daniel
Fapp) Workpapers

The full set of “LE Peabody (Thomas D. Crowley and Daniel Fapp) Workpapers” were provided to the Board electronically. The following specific workpapers are excerpted from the full set of “LE Peabody (Thomas D. Crowley and Daniel Fapp) Workpapers.”

AmtrakExhibit_3A

(Confidential)

[Redacted]

REDACTED

AmtrakExhibit_3B

(Public)

Report for the SRC on Potential GC Restoration
Options

Report for the
Southern Rail Commission on
**Potential Gulf Coast Service
Restoration Options**

December 2015





On the cover

Top: The Amtrak® *Sunset Limited*® crossing Escambia Bay, circa 1994.

Bottom: Amtrak P-42 locomotive and Horizon coaches and Club Dinette cars in state-supported service.

Amtrak, Sunset Limited, City of New Orleans, Silver Meteor, Silver Service, Empire Builder, California Zephyr, Southwest Chief, Lincoln Service, Blue Water, Pere Marquette, Wolverine Service, Hiawatha Service, Capitol Limited, Lake Shore Limited, Cardinal and Hoosier State are registered service marks of the National Railroad Passenger Corporation.

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EXECUTIVE SUMMARY

In mid-2015, the Southern Rail Commission (SRC) commissioned Amtrak to evaluate potential service restoration options along the Gulf Coast. The purpose of this report is to determine the operating characteristics of potential service options and forecast performance so that the SRC can identify the service plan which would best serve the region. The chosen alternative would then provide a basis for any program of community outreach, study of necessary infrastructure improvements or implementation of necessary funding mechanisms to follow.

Amtrak launched its Gulf Coast service with 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 run, but for various reasons (including the route length and carrier operating conditions), successful on-time performance proved to be elusive, hindering the train's ridership and hence its financial performance. Since Hurricane Katrina in 2005, service has been suspended east of New Orleans.

The Gulf Coast region is home to numerous regional, national and global tourist destinations and events, including New Orleans' Mardi Gras, the theme parks of central Florida, Gulf Coast beaches and casino gaming/resorts. Major league sports teams, NCAA bowl games, three cruise terminals with weekly mass-market cruise ship departures and convention opportunities also draw visitors to communities in the region, while military bases and major defense contractor facilities bring business and military travelers. Reintroduction of rail passenger service to this market presents numerous marketing opportunities and Amtrak has the marketing capability to assist in promoting any service which is implemented.

Given these factors and opportunities, Amtrak has identified a range of feasible service options and produced an analysis of ridership levels, projected revenues, and associated costs. While infrastructure capital costs are not included in this evaluation, these service options provide a starting point for a detailed analysis of the capital needs associated with each option.

Of the five evaluated alternatives and sub-alternatives, Amtrak identified **Alternatives A/A1** as providing the best balance of operating costs and ridership benefits:

- **Alternatives A and A1:** Extend a portion of the *City of New Orleans* consist from New Orleans to Orlando, with (**Alternative A**) or without (**Alternative A1**) a single daily state-supported train, priced under the Passenger Rail Investment and Improvement Act, Section 209 methodology (PRIIA 209) between New Orleans and Mobile.
 - o **Alternative A** would generate annual ridership of 153,900 passengers and would require an annual operating (and PRIIA 209 Equipment Capital) funding commitment of \$9.49 million. This alternative provided the **highest total ridership** of any analyzed alternative.
 - o **Alternative A1** would generate annual ridership of 138,300 passengers and require an annual operating funding commitment of \$5.48 million. This alternative provided the

second highest ridership of all the analyzed alternatives, but the lowest level of identified operating need.

In addition, Amtrak evaluated two alternate service plans:

- **Alternatives B and B1**: Two daily state-supported round trips between New Orleans and Mobile, to be priced and funded by the state partners under the PRIIA 209 methodology without (**Alternative B**) or with (**Alternative B1**) a Thruway bus connection from Mobile to Amtrak service at Jacksonville.
 - o **Alternative B** would generate annual ridership of 38,400 passengers and would require an annual PRIIA 209 operating and equipment capital funding commitment of \$6.97 million.
 - o **Alternative B1** would generate annual ridership of 43,400 passengers and would require an annual PRIIA 209 operating and equipment capital funding commitment of \$8.26 million.
- **Alternative C**: One daily long distance round trip between New Orleans and Orlando. This alternative would generate annual ridership of 69,100 passengers and would require an annual operating funding commitment of \$14.4 million.

Alternatives A and A1 yield superior ridership demand and cost efficiency over **Alternatives B and B1** and **C** due to the availability of daily “one-seat ride” service between the Gulf Coast stations and points on the current *City of New Orleans* route, eliminating the need to change trains in New Orleans for travel between the current *City of New Orleans* route and Gulf Coast points. Since the number of passengers who are willing to make a single connection is greater than those willing to make two connections to continue a trip, ridership also increases on additional Amtrak services which connect to both the future Gulf route as well as the existing *City of New Orleans*. Cost efficiencies are also present, as a run-through operation requires less additional equipment than a stand-alone New Orleans-Orlando passenger train with dedicated equipment.

To proceed with any of the proposed alternatives evaluated here, Amtrak and the SRC will need to:

- Approach the host railroads (chiefly CSXT) to identify any infrastructure needs for the proposed service.
- Identify and develop operating and capital funding mechanisms to support any proposed service.
- Identify and build support from institutions which are likely to benefit from, and attract riders to, the proposed Gulf Coast service.
- Work with communities on plans to revitalize station facilities.
- Refine service proposals as a clearer picture emerges of the infrastructure environment and as marketing opportunities are developed along the route.

INTRODUCTION & BACKGROUND

INTRODUCTION AND PURPOSE

This report has been prepared by Amtrak in response to a request from the Southern Rail Commission for a study of possible alternatives for the return of passenger service to the Gulf Coast region. The goal of this report is to determine the potential operating characteristics and performance of different potential service scenarios, allowing the SRC to pick which service plan would benefit the region best, so that it can base community outreach, study necessary infrastructure improvements and develop necessary funding mechanisms accordingly.

History of Amtrak Service Along the Gulf Coast

Amtrak launched service along the Gulf Coast beginning in 1984 with the daily *Gulf Coast Limited* between Mobile and New Orleans, in conjunction with the Louisiana World's Fair Exposition, at the behest of the Southern Rapid Rail Transit Commission (now the SRC). The states of Louisiana, Mississippi and Alabama, via legislature-approved funding, jointly supported the service as a 403(b) operation. Although the train was well patronized, Mississippi did not continue its financial support and the service was terminated in January, 1985. In March of 1993, Amtrak inaugurated the first coast-to-coast intercity passenger train by extending the long distance, tri-weekly Los Angeles-New Orleans *Sunset Limited* to Miami, Florida and points in between. The states (Louisiana, Mississippi, Alabama and Florida) were again called on to provide a one-time financial commitment in the form of capital infrastructure dollars. In the summer of 1996, at the request of the SRC, Amtrak restarted the *Gulf Coast Limited*, again with financial support from Louisiana, Mississippi and Alabama. This New Orleans-Mobile service was operated in addition to the *Sunset Limited*, briefly providing multiple frequencies along the Gulf Coast until its discontinuance in March 1997. While the corridor train proved to be successful, it was lost due to the lack of consistent multi-state funding.

<i>Gulf Coast Limited</i> Ridership during 1984-85 and 1996-97 Operations			
Month	Ridership	Month	Ridership
April 1984*	505	June 1996*	24
May 1984	9,096	July 1996	3,377
June 1984	13,422	August 1996	4,951
July 1984	10,055	September 1996	4,439
August 1984	8,032	October 1996	1,358
September 1984	5,823	November 1996	8,155
October 1984	7,477	December 1996	5,622
November 1984	4,906	January 1997	1,320
December 1984	3,101	February 1997	1,213
January 1985*	1,285	March 1997*	3,658
Total	63,702	Total	34,117
* Trains did not operate for the entirety of first/last months			

<i>Sunset Limited Gulf Coast and Total Ridership, FY1993-FY2005</i>		
Fiscal Year	Gulf Coast Trips*	Total Trips
1993	n/a	148,387
1994	n/a	174,927
1995	n/a	161,412
1996	n/a	144,324
1997	n/a	124,493
1998	n/a	120,691
1999	n/a	113,646
2000	53,256	114,401
2001	48,908	110,262
2002	41,178	97,366
2003	43,936	105,033
2004	37,375	96,426
2005	29,668**	81,348

Note: Gulf Coast breakout data not available prior to Fiscal Year 2000.

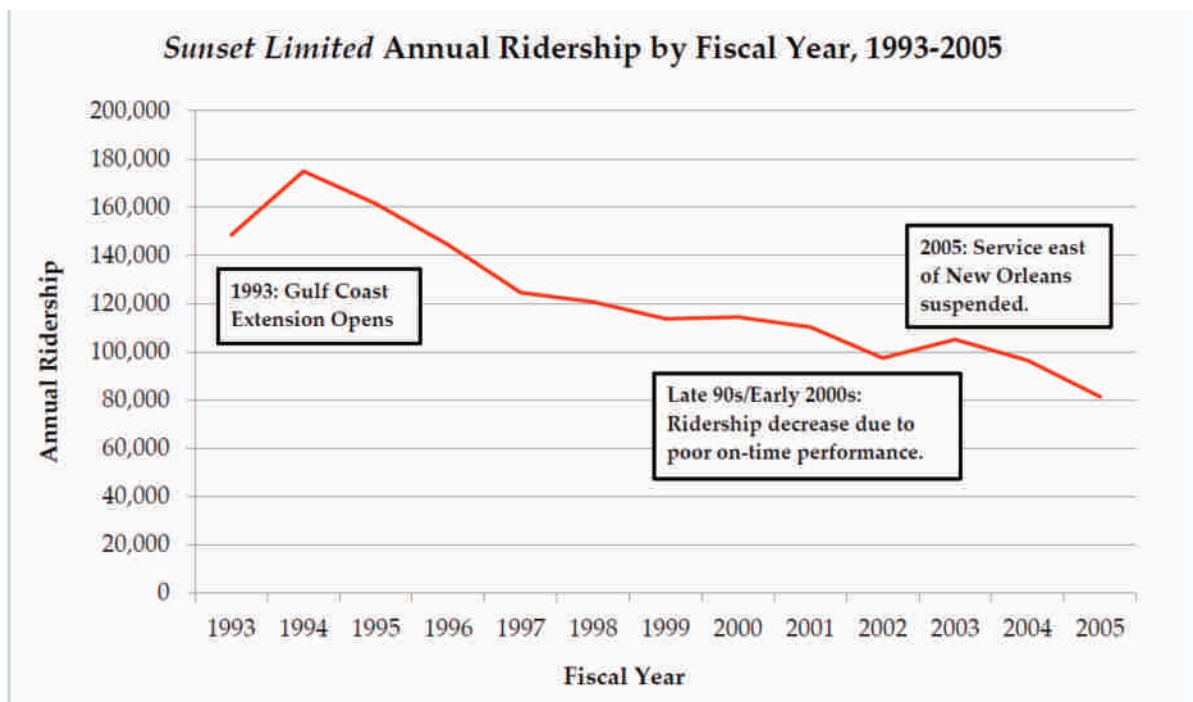
* Gulf Coast trips include trips where the origin, destination or both were east of New Orleans.

** Gulf Coast service suspended August 2005; Amtrak's Fiscal Year ended September 30.



*Inaugural run of the Sunset Limited along the Gulf Coast Gulfport, Mississippi, March 31, 1993.
Photo: Amtrak Archives courtesy Ira Silverman*

While the *Sunset Limited* was initially a success, as the years went on the train suffered from significant operating and timekeeping problems which were a product of more general operating problems experienced by the host railroads. While the host railroad operating problems were beyond Amtrak's control, the 2,764-mile length of the *Sunset Limited* route greatly magnified the impacts to service. Trains frequently ran several hours late (sometimes over 24 hours late) in the late 1990s and early 2000s. Amtrak made several adjustments in an attempt to address the delays, including adding more time to the schedule, but to no avail. By 2005, Amtrak was busing passengers east of New Orleans on nearly one third of all trips in an effort to keep the *Sunset Limited* on schedule over the rest of its route.



The *Sunset Limited* service was suspended in August of 2005, immediately prior to Hurricane Katrina making landfall along the Louisiana-Mississippi border. Due to the significant damage to the region, CSXT railroad service was also suspended. Following the restoration of the CSXT mainline in the spring of 2006, Amtrak did not restore the previous service east of New Orleans. Service has remained suspended since that time as Amtrak, the states, Federal and local governments have taken the problem of service restoration under consideration.

The Southern Rail Commission's Request

In mid-2015, the SRC commissioned Amtrak to evaluate service options along the Gulf Coast. This evaluation includes a range of service options that Amtrak believes it can reliably provide,

as well as an analysis of ridership levels, projected revenues, and associated costs. While infrastructure capital costs are not included in this evaluation, the service options provide a starting point for a detailed analysis of the capital needs associated with each option.

Amtrak developed and evaluated five alternatives and sub-alternatives. The superior alternatives from a ridership demand and /or cost effectiveness standpoint are **Alternatives A/A1**:

- **Alternative A**: Extend a portion of the *City of New Orleans*' consist through from New Orleans to Orlando, with a single state-supported train priced under PRIIA 209 between New Orleans and Mobile. This alternative was also evaluated without the state-supported service, as **Alternative A1**, which has the lowest forecast operating funding need of all evaluated alternatives. A stable, multi-year operating funding mechanism for the additional long distance service would have to be developed that is beyond the scope of PRIIA 209 state-supported pricing.

In addition, Amtrak evaluated:

- **Alternatives B/B1**: Two daily state-supported round trips between New Orleans and Mobile, to be priced and funded by the state partners under the PRIIA 209 methodology. A Thruway bus connection from proposed service at Mobile to Amtrak service at Jacksonville was also evaluated, as **Alternative B1**.
- **Alternative C**: One daily long distance round trip between New Orleans and Orlando. A stable, multi-year funding mechanism for this service would have to be developed that is beyond the scope of PRIIA 209 state-supported pricing.

Details of the proposed operational and financial results of each alternative are described in detail in the "Evaluated Alternatives" and "Comparison of Results" sections of this report.

In June 2009, pursuant to Section 226 of the Passenger Rail Investment and Improvement Act of 2008, Amtrak released a report containing potential service restoration alternatives for Gulf Coast Service, including the stand-alone long distance train and *City of New Orleans* extension options. This report contains updated figures to reflect changes in market demand and operating assumptions such as a modified schedule assumption and more economical consist assumptions. Furthermore, the financial forecasts based in this evaluation reflect updated base cost data from more recent systemwide cost experience, and identifies and prices state-supported service under the PRIIA 209 methodology.

The Gulf Coast Region

The Gulf Coast region is defined for the purposes of this report as the towns, cities, metropolitan and micropolitan areas between New Orleans and Orlando which would gain service under

the alternatives proposed in this study. The region is home to numerous regional, national and global tourist destinations and events, including New Orleans' Mardi Gras, the theme parks of central Florida, the Gulf Coast beaches, and multiple casino gaming/resort destinations. Major league sports teams, NCAA bowl games, three cruise terminals with weekly mass-market cruise ship departures and conventions also draw visitors to communities in the region, while military bases and major defense contractor facilities bring business and military travelers. The tables on the following pages highlight some of the attractions and major institutional traffic generators along the proposed route, along with the population of the individual communities, as well as the aggregate totals for the region.

The geography of the Gulf Coast region and the proposed service schedules open up numerous opportunities for connectivity with other Amtrak services and modes of transportation. A long distance train terminating in Orlando would benefit from connections to existing Amtrak service to the Miami metropolitan area, Tampa and the west coast of Florida. At New Orleans, connections (or through service in **Alternatives A/A1**) can be offered to points north including Jackson, Memphis and Amtrak's Chicago hub for long distance and state-supported routes aboard the *City of New Orleans* train. Connections up the east coast of the United States could be facilitated through Jacksonville, while the joint Amtrak/Greyhound station facility in New Orleans could also facilitate new Thruway bus connections under Amtrak interline ticketing agreements with Greyhound. Specific connections available under each alternative are highlighted in the Alternatives section of this report.

Major Institutions and Traffic Generators, New Orleans-Orlando Gulf Coast Route

Attraction or Institution	Colleges/ Univ- ersities	Tourism, Leisure, Sports/ Entertain- ment	Govern- ment/ Defense	Conven- tions/ Group Travel or Business
New Orleans, LA				
Allstate Sugar Bowl, R+L Carriers New Orleans Bowl (NCAA)		X		
Cruises: <i>Carnival Triumph</i> (2,758 berths), <i>Norwegian Dawn</i> (2,340), <i>Carnival Elation</i> (2,052)		X		
Global tourist destination		X		
HBCUs: Southern, Dillard, Xavier (Combined enrollment: 7,000)	X			
Mardi Gras, festivals, conventions, etc.		X		X
New Orleans Pelicans (NBA)		X		
New Orleans Saints (NFL)		X		
New Orleans Zephyrs (AAA Baseball)		X		
Tulane University (Enrollment: 13,000)	X			
University of New Orleans (9,000)	X			
Bay St. Louis, MS				
Festivals		X		
Casino gaming/resorts		X		
Stennis Space Center/INFINITY Science Center		X	X	
Gulfport				
Casino Gaming/Resorts		X		
NCBC Gulfport			X	
Biloxi				
Biloxi Shuckers (AA Baseball)		X		
Casino gaming/resorts		X		
Kessler Air Force Base			X	
Pascagoula				
Ingalls Shipbuilding			X	X
Mobile, AL				
Cruises: <i>Carnival Fantasy</i> (2,052 berths)		X		
GoDaddy Bowl (NCAA)		X		
Mobile BayBears (AA Baseball)				
Mardi Gras and Festivals		X		
University of Mobile and Spring Hill College (Combined enrollment: 3,000)	X			
University of South Alabama (Enrollment: 11,000)	X			
Atmore				
Casino gaming/resorts		X		
Pensacola, FL				
Pensacola Blue Wahoos (AA Baseball)		X		
Pensacola NAS			X	
University of West Florida (Enrollment: 13,000)	X			

Continued on following page

Major Institutions and Traffic Generators, New Orleans-Orlando Gulf Coast Route

Continued from previous page

Attraction or Institution	Colleges/ Univ- ersities	Tourism, Leisure, Sports/ Entertain- ment	Govern- ment/ Defense	Conven- tions/ Group Travel or Business
Crestview				
Gateway to Eglin AFB			X	
Gateway to Ft. Walton Beach/Destin		X		
Chipley				
Gateway to Baptist College of Florida	X			
Gateway to Panama City/Beaches		X		
Tallahassee				
Florida A&M University (Enrollment: 10,000)	X			
Florida State Capital			X	
Florida State University (Enrollment: 42,000)	X			
Madison				
Access to camping/campgrounds		X		
Lake City				
Osceola National Forest		X		
Jacksonville				
Access to conventions				X
Cruises: <i>Carnival Fascination</i> (2,052 berths)		X		
Gateway to beaches		X		
Jacksonville Jaguars (NFL)		X		
Jacksonville Naval Complex			X	
Jacksonville Suns (AA Baseball)		X		
TaxSlayer Bowl (NCAA)		X		
University of North Florida (Enrollment: 16,000)	X			
Palatka				
St. Johns River State College	X			
DeLand				
Gateway to East Coast beaches		X		
Stetson University (Enrollment: 3,000)	X			
Winter Park				
Access to SunRail Connecting Service				
Rollins College (Enrollment: 3,000)	X			
Orlando				
Access to conventions				X
Access to SunRail Connecting Service				
AutoNation Cure Bowl, Russell Athletic Bowl, Buffalo Wild Wings Citrus Bowl (NCAA)		X		
Gateway to Disney World, Sea World, Universal Studios		X		
Global tourist destination		X		
Major League Baseball spring training at multiple locations in the region		X		
Orlando Magic (NBA)		X		

Population and Income of Gulf Coast Region Station Communities					
Municipality	Metropolitan/Micropolitan Area	Population		Median Household	
		Town/City Proper ¹	Metro/Micro area ²	Town/City Proper	Metro/Micro area
New Orleans, LA	New Orleans-Metairie, LA Metro Area	384,320	1,209,239	\$37,146	\$47,341
Bay St. Louis, MS	None	11,388		\$44,573	
Gulfport, MS	Gulfport-Biloxi-Pascagoula, MS Metro Area	71,750	375,259	\$37,610	\$45,479
Biloxi, MS		44,984		\$39,666	
Pascagoula, MS		22,224		\$39,363	
Mobile, AL	Mobile, AL Metro Area	194,675	413,188	\$38,644	\$43,028
Atmore, AL	None	10,006		\$24,911	
Pensacola, FL	Pensacola-Ferry Pass-Brent, FL Metro Area	53,068	456,374	\$44,144	\$48,594
Crestview, FL	Crestview-Fort Walton Beach-Destin, FL Metro Area	22,955	242,442	\$49,124	\$52,303
Chipley, FL	None	3,605		\$31,611	
Tallahassee, FL	Tallahassee, FL Metro Area	188,107	370,777	\$39,524	\$45,516
Madison, FL	None	2,843		\$19,985	
Lake City, FL	Lake City, FL Micro Area	12,100	67,568	\$28,155	\$38,070
Jacksonville, FL	Jacksonville, FL Metro Area	853,382	1,363,610	\$47,557	\$52,258
Palatka, FL	Palatka, FL Micro Area	10,387	73,683	\$19,883	\$32,497
DeLand, FL	Deltona-Daytona Beach-Ormond Beach, FL Metro Area	29,194	593,569	\$37,744	\$43,133
Winter Park, FL	Orlando-Kissimmee-Sanford, FL Metro Area	29,442	2,183,363	\$57,545	\$48,459
Orlando, FL		262,372		\$42,147	
Total Population		2,206,802	7,349,072		

Sources for Data: US Census Bureau, Census.gov

1. 2014 Census Estimate
2. 2009-2013 American Community Survey 5-Year Estimates
3. 2009-2013 American Community Survey 5-Year Estimates, in 2013 inflation-adjusted \$

METHODOLOGY

In order to forecast the operating results for the proposed Gulf Coast services, including forecast PRIIA 209 methodology pricing results for proposed state-supported services, Amtrak Market Research and Amtrak Finance relied on modeling processes consistent with those used for studies of other service changes throughout the Amtrak system. To obtain data on market demand, Amtrak Market Research relied on research and modeling services provided by Steer Davies Gleave (SDG), an industry leader in demand forecasting.

To ensure effective modeling of demand, SDG uses a model developed specifically for services whose frequency, operational characteristics, and levels of service were typical of the operations Amtrak has historically provided in the Gulf Coast Region. Basic demand forecasting was provided by the Long Distance Train Demand Forecasting Model, which provided the starting point for the analytical effort. The resulting demand forecasts were then fed into Amtrak's Route and Service Change Evaluation Model, along with the proposed service plan, to determine incremental costs, PRIIA 209 pricing, and the resulting profit and/or loss results.

Long Distance Train Demand Forecasting Model

The Long Distance Train Demand Forecasting Model is a reliable and well tested instrument which Amtrak uses to forecast ridership and ticket revenue on Amtrak's existing long distance train services. The model uses a direct demand approach to forecast Amtrak ridership by geographic market and class of service. Long distance customer travel surveys and actual ridership/revenue data were used to create a mathematical model which would, with the necessary inputs, provide users with forecasts of ridership, passenger mileage, and ticket revenue. The surveys included stated preference questions addressing sensitivities to changes in key characteristics of Amtrak long distance train travel. The model utilizes existing and historical ridership data, where available, to validate the baseline condition.

For a particular analysis, the long distance model is applied to all existing and new markets impacted by the proposed change(s), including markets served directly by a "one seat ride" and major markets served by connecting trains and Thruway bus services. Socio-economic data and forecasts of population, employment, and income, provided by Moody's Economy.com, are assembled for a 30-mile radius around each station area. Other key inputs to the long distance model analysis include:

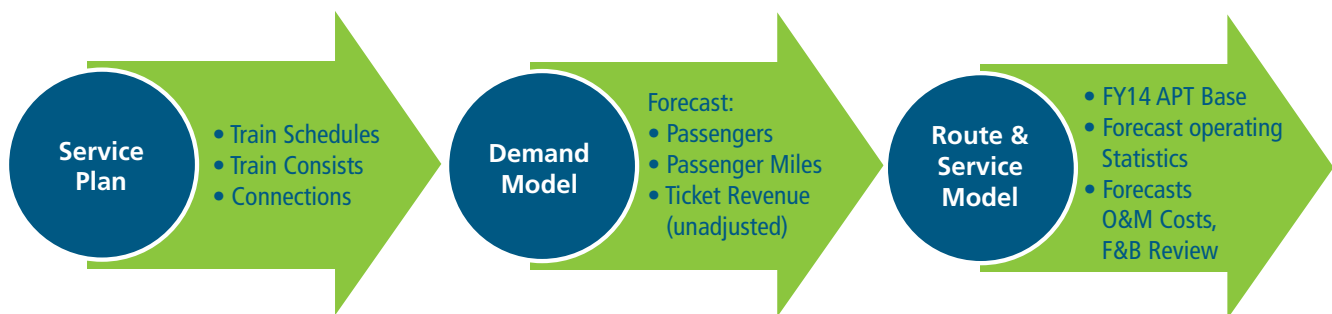
- Timetables (for each train and connection), which provide:
 - Departure and arrival times, that define
 - Travel times
 - Time of day
 - Number of nights
 - Spacing between trains
 - Class(es) of service provided (coach, sleeper, etc.)
 - Frequency of service (daily, tri-weekly, etc.)

- Direct vs. connecting service (and train vs. bus)
- Fares (average yields) by class of service

Route and Service Change Evaluation Model

Once the relevant demand data has been generated by the Amtrak Long Distance Train Demand Forecasting Model administered by Steer Davies Gleave, Amtrak Finance evaluates the forecast cost of each alternative. This evaluation uses Amtrak’s internally-developed Route and Service Change Evaluation Model.

The Route and Service Change Model receives the demand forecasts from the Demand Model and builds the service plan based on the proposed train schedules and equipment consists. Forecast ticket revenue is subsequently adjusted in the Route and Service Change Model to transfer the forecast value of any premium class (sleeping car, business class) food and beverage service amenities to food and beverage revenue. This value is added to the forecast food and beverage revenue based on the forecast passenger miles.



The base unit costs are calculated using FY2014 Amtrak Performance Tracking (APT) data for the specific routes affected, in this case the *City of New Orleans* and *Sunset Limited*. These unit costs are then applied to the demand and operating statistics to forecast the operating and maintenance costs. Statistics that drive these costs include: train miles, labor hours, ticket revenue, passengers, passenger miles, number of equipment sets, unit miles, and train hours. The results are presented within the model in FY2014 dollars inflated to FY2016 for the proposed Gulf Coast services.

PRIIA 209 Methodology

Section 209 of the Passenger Rail Investment and Improvement Act of 2008 (PRIIA 209) requires that all Amtrak routes under 750 miles in length (and outside of the Boston-Washington Northeast Corridor) must be the financial responsibility of the states they operate through. Costs and payments for these services must be computed using a uniform methodology that is applied equally to all states and state-supported routes. The line-item breakdown and representation of

costs for state-supported services in this study is shown in the PRIIA 209 methodology format, resulting in state payment figures which are consistent with the methodology. PRIIA 209 also requires that states pay for the appropriate share of overhauls of equipment operated in state-supported service through an equipment capital use charge, which is also included in the results of this evaluation for all state-supported routes. These costs are based on the percent share of units used for a given equipment type and the forecast overhaul costs for that equipment type across Amtrak's fleet for the forecast year.

Long Distance Financial Figures

Long distance trains are not subject to the PRIIA 209 cost methodology. Amtrak forecasted figures using its standard Route and Service Change Evaluation Model, as the model can forecast costs for both PRIIA 209 and non-PRIIA 209 Amtrak services. The net incremental operating losses forecast are not currently funded, and require future discussion with the SRC, as Amtrak is under considerable pressure to reduce losses and cannot cover the costs of any of the proposed options. The long distance incremental cost impacts provided in this report represent the total systemwide impact, including instances where some losses to the Gulf Coast long distance service can be partially mitigated through positive connecting revenue impacts to other routes within the Amtrak system.

EVALUATED ALTERNATIVES

Overview

At the request of the SRC, Amtrak evaluated five alternatives and sub-alternatives for service to the Gulf Coast. **Alternatives A/A1** clearly outperformed the other alternatives in terms of ridership demand and operating funding need:

Alternative A: Extend the *City of New Orleans* from New Orleans to Orlando and operate a single state-supported round trip between New Orleans and Mobile. This alternative had the best forecast ridership demand.

- **Alternative A1:** Extend the *City of New Orleans* from New Orleans to Orlando without additional service between New Orleans and Mobile. This alternative had the lowest operating funding need.

Amtrak also evaluated two other alternatives, **B/B1** and **C**:

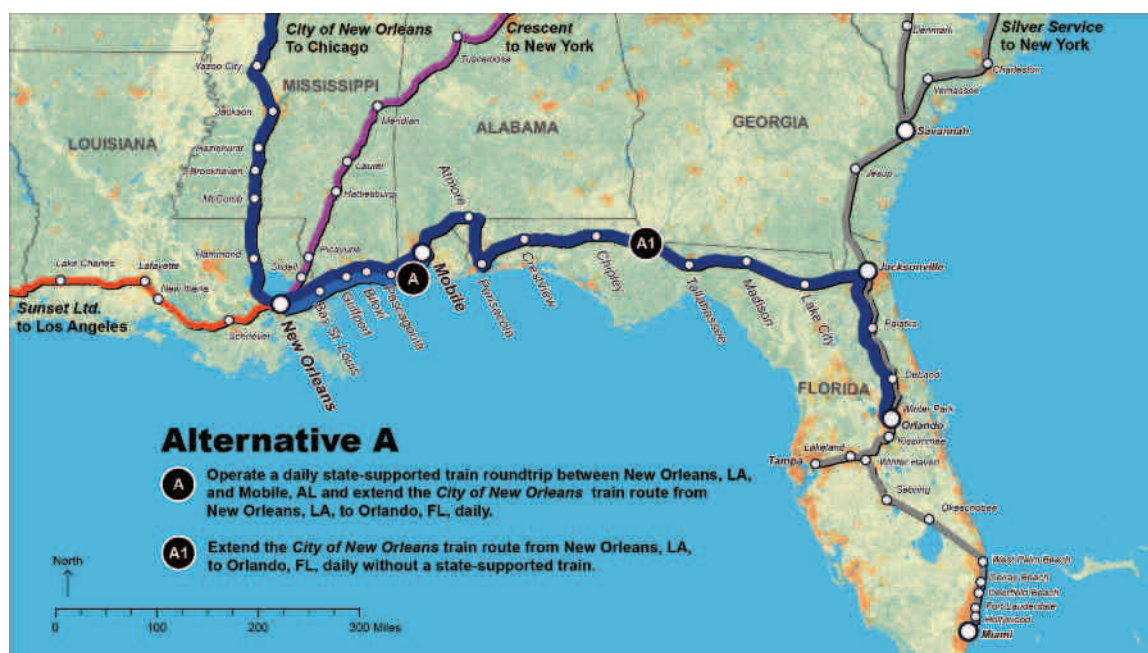
Alternative B: Two daily state-supported round trips between New Orleans and Mobile.

- **Alternative B1:** Two daily state-supported round trips between New Orleans and Mobile with a dedicated Amtrak Thruway motorcoach connection between Mobile and Jacksonville.

Alternative C: Stand-alone long distance train operating between New Orleans and Orlando.

Detailed descriptions of each alternative, including conceptual schedules, proposed consists and equipment turns, connections and staffing assumptions, are presented on the following pages.

Alternatives A and A1: Extend the City of New Orleans to Florida with (A) or without (A1) an additional State-Supported Train.



Overview

For **Alternative A**, Amtrak would extend a portion of the *City of New Orleans* train through to Orlando. The train would make intermediate station stops at Bay St. Louis, Gulfport, Biloxi, Pascagoula, Mobile, Atmore, Pensacola, Crestview, Chipley, Tallahassee, Madison, Lake City, Jacksonville, Palatka, DeLand and Winter Park. The eastbound train would depart New Orleans in the late afternoon, Mobile in the evening, Tallahassee early the next morning, Jacksonville mid-morning, and arrive into Orlando late morning. The westbound train would depart Orlando in the early afternoon, Jacksonville late afternoon, Tallahassee in the evening, Mobile early the next morning, and arrive into New Orleans mid-morning. Amtrak would also operate a single state-supported train eastbound in the morning and westbound in the afternoon/evening between New Orleans and Mobile. This alternative envisions operating the daily state-supported round trip between New Orleans and Mobile with intermediate station stops at Bay St. Louis, Gulfport, Biloxi, and Pascagoula. Coach service with at-seat power outlets and AmtrakConnect Wi-Fi would be available on both trains. On the *City of New Orleans* extension, food service would be provided with a Cross-Country Café and equipment would be maintained overnight at the Sanford, FL *Auto Train* Facility. On the state-supported corridor train, food service would consist of café car service provided through a Club Dinette car, and equipment would be maintained in New Orleans with contract cleaning and turnaround services in Mobile.

Amtrak also evaluated the impact of the long distance train extension without the added state corridor train, referred to as **Alternative A1**.



The Amtrak southbound City of New Orleans arriving into Jackson, MS. In Alternative A/A1, this train extends beyond New Orleans to Gulf Coast points and Orlando.

Conceptual Schedule

Conceptual schedules for **Alternative A** are shown in the tables on the following pages. For the long distance train, stations on the extended section are highlighted in blue.

Eastbound				
Train Name ▶				New Orleans - Mobile
Train Number ▶				TBD 4
Normal Days of Operation ▶				Daily
On Board Service ▶				R C W
Station	Mile			
New Orleans, LA	0.0	CST	Dp	8:00 AM
Bay St. Louis, MS	56.0	CST		9:13 AM
Gulfport, MS	71.0	CST		9:35 AM
Biloxi, MS	83.0	CST		9:53 AM
Pascagoula, MS	103.0	CST		10:17 AM
Mobile, AL	143.0	CST	Ar	11:13 AM
On Board Service Reference Marks:				
B - Business Class, Ba - Checked Baggage, Bi - Bicycles, C - Café/Lounge, Ca - Cart Service, D - Dining Car, F - First Class, R - Reserved Coach, S - Sleeping Car, U - Unreserved Coach, W - WIFI				

Westbound				
Train Name ▶				New Orleans - Mobile
Train Number ▶				TBD 3
Normal Days of Operation ▶				Daily
On Board Service ▶				R C W
Station	Mile			
Mobile, AL	0.0	CST	Dp	5:00 PM
Pascagoula, MS	40.0	CST		5:40 PM
Biloxi, MS	60.0	CST		6:04 PM
Gulfport, MS	72.0	CST		6:22 PM
Bay St. Louis, MS	87.0	CST		6:44 PM
New Orleans, LA	143.0	CST	Ar	8:23 PM
On Board Service Reference Marks:				
B - Business Class, Ba - Checked Baggage, Bi - Bicycles, C - Café/Lounge, Ca - Cart Service, D - Dining Car, F - First Class, R - Reserved Coach, S - Sleeping Car, U - Unreserved Coach, W - WIFI				

Southbound				
Train Name ▶				City of New Orleans
Train Number ▶				59
Normal Days of Operation ▶				Daily
On Board Service ▶				R S D Ba W
Station	Mile			
Chicago, IL	0.0	CST	Do	8:05 PM
Homewood, IL	25.0	CST		8:54 PM
Kankakee, IL	57.0	CST		9:23 PM
Champaign-Urbana, IL	129.0	CST		10:34 PM
Mattoon, IL	174.0	CST		11:13 PM
Effingham, IL	201.0	CST		11:37 PM
Centralia, IL	254.0	CST		12:25 AM
Carbondale, IL	310.0	CST		1:21 AM
		CST		1:26 AM
Fulton, KY	407.0	CST		3:14 AM
Newbern-Dyersburg, TN	442.0	CST		3:56 AM
Memphis, TN	520.0	CST		6:27 AM
		CST		6:50 AM
Greenwood, MS	644.0	CST		9:00 AM
Yazoo City, MS	697.0	CST		9:51 AM
Jackson, MS	741.0	CST		11:20 AM
Hazlehurst, MS	777.0	CST		11:55 AM
Brookhaven, MS	797.0	CST		12:15 PM
McComb, MS	821.0	CST		12:40 PM
Hammond, LA	873.0	CST		1:28 PM
New Orleans, LA	926.0	CST		3:32 PM
		CST		5:00 PM
Bay St. Louis, MS	982.0	CST		6:13 PM
Gulfport, MS	997.0	CST		6:35 PM
Biloxi, MS	1009.0	CST		6:53 PM
Pascagoula, MS	1029.0	CST		7:17 PM
Mobile, AL	1069.0	CST		8:18 PM
Atmore, AL	1114.0	CST		9:12 PM
Pensacola, FL	1173.0	CST		10:39 PM
		CST		10:45 PM
Crestview, FL	1222.0	CST		11:49 PM
Chipley, FL (CT)	1289.0	CST		1:11 AM
Tallahassee, FL (ET)	1375.0	EST		5:00 AM
Madison, FL	1431.0	EST		6:14 AM
Lake City, FL	1480.0	EST		7:04 AM
Jacksonville, FL	1546.0	EST		8:15 AM
		EST		8:31 AM
Palatka, FL	1604.0	EST		9:36 AM
DeLand, FL	1656.0	EST		10:21 AM
Winter Park, FL	1688.0	EST		11:02 AM
Orlando, FL	1693.0	EST	Ar	11:30 AM

On Board Service Reference Marks:

B - Business Class, Ba - Checked Baggage, Bi - Bicycles, C - Café/Lounge, Ca - Cart Service, D - Dining Car, F - First Class, R - Reserved Coach, S - Sleeping Car, U - Unreserved Coach, W - WiFi

Northbound				
Train Name ▶				City of New Orleans
Train Number ▶				58
Normal Days of Operation ▶				Daily
On Board Service ▶				R S D Ba W
Station	Mile			
Orlando, FL	0.0	EST	Do	4:15 PM
Winter Park, FL	5.0	EST		4:33 PM
DeLand, FL	37.0	EST		5:15 PM
Palatka, FL	89.0	EST		6:01 PM
Jacksonville, FL	147.0	EST		7:25 PM
		EST		7:45 PM
Lake City, FL	213.0	EST		8:48 PM
Madison, FL	262.0	EST		9:38 PM
Tallahassee, FL (ET)	318.0	EST		11:10 PM
Chipley, FL (CT)	404.0	CST		12:11 AM
Crestview, FL	471.0	CST		1:33 AM
Pensacola, FL	520.0	CST		2:37 AM
		CST		2:43 AM
Atmore, AL	579.0	CST		4:10 AM
Mobile, AL	624.0	CST		6:03 AM
Pascagoula, MS	664.0	CST		6:43 AM
Biloxi, MS	684.0	CST		7:07 AM
Gulfport, MS	696.0	CST		7:25 AM
Bay St. Louis, MS	711.0	CST		7:47 AM
New Orleans, LA	767.0	CST		9:30 AM
		CST		1:45 PM
Hammond, LA	820.0	CST		2:45 PM
McComb, MS	872.0	CST		3:32 PM
Brookhaven, MS	896.0	CST		3:56 PM
Hazlehurst, MS	916.0	CST		4:17 PM
Jackson, MS	952.0	CST		5:44 PM
Yazoo City, MS	996.0	CST		6:42 PM
Greenwood, MS	1049.0	CST		7:37 PM
Memphis, TN	1173.0	CST		10:00 PM
		CST		10:40 PM
Newbern-Dyersburg, TN	1251.0	CST		12:22 AM
Fulton, KY	1286.0	CST		1:04 AM
Carbondale, IL	1383.0	CST		3:11 AM
		CST		3:16 AM
Centralia, IL	1439.0	CST		4:10 AM
Effingham, IL	1492.0	CST		4:57 AM
Mattoon, IL	1519.0	CST		5:23 AM
Champaign-Urbana, IL	1564.0	CST		6:10 AM
Kankakee, IL	1636.0	CST		7:13 AM
Homewood, IL	1668.0	CST		7:44 AM
Chicago, IL	1693.0	CST	Ar	9:00 AM

On Board Service Reference Marks:

B - Business Class, Ba - Checked Baggage, Bi - Bicycles, C - Café/Lounge, Ca - Cart Service, D - Dining Car, F - First Class, R - Reserved Coach, S - Sleeping Car, U - Unreserved Coach, W - WiFi

Connections

Alternative A provides the greatest number of possible connection options. By extending the *City of New Orleans* to Orlando, passengers could travel between Gulf Coast stations and points on the *City of New Orleans* route such as Jackson, Memphis and Chicago without changing trains. Passengers from Gulf Coast stations and points on the existing *City of New Orleans* route could connect with the *Silver Meteor* at Orlando for travel to points south to West Palm Beach, Fort Lauderdale and Miami, or use the Amtrak Thruway motorcoach service to reach Lakeland, Tampa, St. Petersburg, Bradenton or Sarasota. Passengers at Jacksonville can connect with the *Silver Star* and *Silver Meteor* for destinations in Georgia, the Carolinas, Virginia and the Northeast Corridor (Washington – Philadelphia – New York City). At New Orleans, passengers could connect overnight with the *Sunset Limited* service to Los Angeles. Passengers from Gulf Coast stations could connect at Jackson with Amtrak Thruway interline motorcoach service to Shreveport. Additionally, passengers from Gulf Coast stations could connect with Amtrak Thruway motorcoach service at Carbondale to St. Louis. Finally, access to Chicago Union Station would permit connections with Amtrak's *Empire Builder*, *California Zephyr*, *Southwest Chief*, *Lincoln Service*, *Blue Water*, *Pere Marquette*, *Wolverine Service*, *Hiawatha Service*, *Capitol Limited*, *Lake Shore Limited*, *Cardinal* and *Hoosier State*.

Amtrak also has the ability to offer through ticketing on connecting bus services under its nationwide partnership with Greyhound. This partnership would allow passengers to access the frequent service between New Orleans and Baton Rouge, as well as connections to/from Alexandria, Lafayette, Beaumont and Houston. Amtrak and Greyhound both use New Orleans Union Passenger Terminal, allowing for convenient access and ease of connectivity at this important location on the route.

Consist

The *City of New Orleans* currently operates with three sets of equipment. A fourth and fifth set of equipment will be necessary, but they will be smaller sets since they will include only equipment needed for the operation between New Orleans and Orlando. This alternative assumes that the P-42 locomotive, one Superliner coach, one Superliner coach-baggage, one Superliner Cross-Country Café car and one Superliner sleeping car would operate through from Chicago to Orlando on a year-round basis, while the rest of the consist would turn at New Orleans. On some peak dates, however, an additional coach and/or the transition sleeping car from the *City of New Orleans* may also need to operate through in order to capture all ridership demand and revenue. This concept of operating trains of variable lengths depending on demand is consistent with the "right-sizing" initiative in place for nearly all routes in Amtrak's Long Distance Business Line, where consists vary in size according to seasonal demand.

The state-supported round trip would require a single P-42, two Horizon coaches and a Horizon Club Dinette (offering both food service and Business Class) in dedicated Gulf Coast service.

A table of the equipment used on each train operating east of New Orleans is presented below:

Alternative A/A1 Consist Proposal			
Equipment Type	Locomotives/ Cars per Trainset	Incremental Number of Trainsets**	Incremental Number of Locomotives/ Cars Needed
<i>City of New Orleans Extension</i>			
P-42 Diesel Locomotive	1	2	2
Superliner Coach*	1	2	2
Superliner Cross-Country Café	1	2	2
Superliner Sleeper	1	2	2
Superliner Coach-Baggage	1	2	2
Superliner Transition Sleeper*	On Demand		
State-Supported Train (Not included in Alternative A1)			
P-42 Diesel Locomotive	1	1	1
Horizon Coach	2	1	2
Horizon or Amfleet-I Club Dinette	1	1	1

* Second coach per trainset, and total of 4 additional coaches needed on the route, on demand during peak

** For the *City of New Orleans* extension, all equipment operating through from New Orleans to Orlando requires a five-set rotation compared to the current three-set rotation.



Amtrak Superliner Sleeping Car Roomette, set up for daytime use, similar to the sleeping accommodations which would be available on the proposed long distance service. At night, the seats fold into a lower bunk bed, an upper bunk is lowered from above.



Cross-Country Café car, with tables for sit-down meal service and a counter for ordering food.

Staffing

The long distance train would be staffed with 1-2 engineers, conductor and assistant conductor (3-4 crewmembers) who are subject to Federal Hours of Service regulations. The number of engineers is determined based on Amtrak's labor agreements. This study assumes these crews would change at Pensacola and Jacksonville. In addition, each train would be staffed with an on-board service (OBS) crew of 5, including:

- One coach attendant for the coach section
- One Sleeping car attendant for the sleeping car
- One chef, one service attendant and one lead service attendant in the Cross Country Café to provide food service.
- If the *City of New Orleans* extension must operate with an additional coach and / or Transition Sleeper for peak trips, the additional cars also will trigger a sixth OBS employee, one additional attendant.

On-board service positions are not subject to Federal Hours of Service regulations and these employees will work through from New Orleans to Orlando, with rest hours for portions of the trip during the middle of the night. As with **Alternative C**, Amtrak forces would maintain the long distance train at the Sanford *Auto Train* mechanical facility.

The state-supported trains would be staffed with an engineer, conductor, assistant conductor and a single lead service attendant providing food service in the Club-Dinette. The financial evaluation assumes that trains would be serviced by a mechanical contractor at Mobile and by Amtrak's in-house mechanical forces in New Orleans.

Performance

If **Alternative A** (operation of both the long distance and state-supported trains) is selected, the posited results would include the following:

- 153,900 annual passengers (34,800 on the state-supported service plus 119,100 on the *City of New Orleans* extension).
- 65.1 million annual rail passenger miles (3.8 million on the state-supported service plus 61.3 million on the *City of New Orleans* extension).
- \$12.72 million in annual ticket and food & beverage revenue (\$756,000 on the state-supported service plus \$11.96 million on the *City of New Orleans* extension).
- \$3.93 million in annual operating expenses under PRIIA 209 for the state-supported service.
- \$3.17 million in annual state operating payments under PRIIA 209.
- \$609,000 in annual equipment capital expenses charged to the state partners under PRIIA 209 for the state-supported service.
- \$3.78 million in total PRIIA 209 state payments (operating and equipment capital) for the state-supported service.

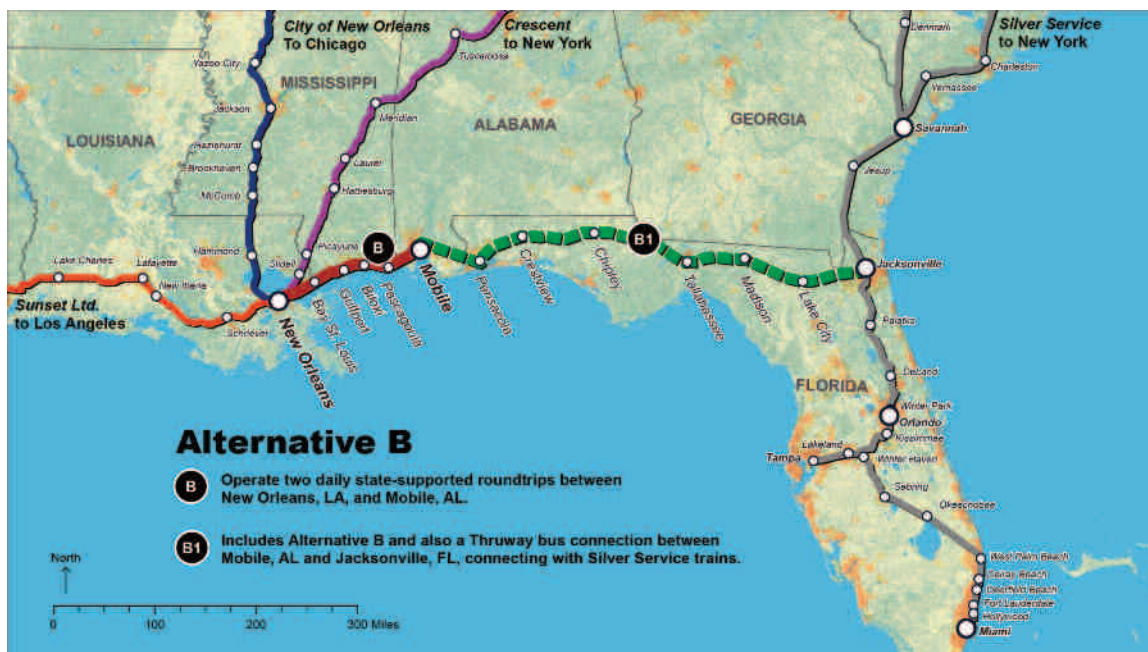
- \$5.71 million in annual incremental operating loss as a result of the *City of New Orleans* extension.
- \$9.49 million in combined annual funding needs for the *City of New Orleans* extension and state-supported service, the net of the \$5.71 million annual incremental operating loss for the long distance train east of New Orleans and the \$3.78 million net operating and equipment capital expense for the state-supported service.
- Potential cost reductions of \$654,000 annually are possible if the chef position in the Cross-Country Café is removed from the proposal, and food is instead prepared and served by the Lead Service Attendant and Service Attendant. A trial of this staffing plan is currently underway on the *City of New Orleans*.
- Conversely, potential additional costs are possible if the third coach and/or Transition Sleeper must operate through from New Orleans to Florida on a regular basis in order to realize all demand and revenue on all trips during peak periods. Based on figures provided by Amtrak Finance, an incremental cost of \$363,000 is possible for the cars to be added to the busiest 25% of trips in a given year.

If **Alternative A1** is chosen, the most notable variations to the results listed above would include:

- 138,300 annual incremental passengers (down from 153,900).
- 63.0 million annual rail passenger miles (down from 65.1 million).
- \$5.48 million in combined annual funding needs for the long distance train extension (down from \$5.71 million).
- The same potential cost adjustments regarding the chef position and/or addition of peak season equipment in **Alternative A** also apply to **Alternative A1**.

Forecast long distance expenses included in this evaluation are incremental in nature and do not reflect allocations of system-wide expenses.

Alternatives B and B1: Two daily state-supported round trips between New Orleans and Mobile.



Overview

Alternatives B and B1 envision operation of two daily state-supported round trips between New Orleans, LA and Mobile, AL, making the same intermediate station stops as the state-supported train in **Alternative A**. The two round trips (listed in the accompanying timetables as TBD 3, 4, 5 and 6) would include one morning train in each direction, and one late afternoon/early evening train in each direction. One round trip (operating eastbound in the afternoon/evening and westbound in the morning) would use equipment which currently sits in New Orleans in between scheduled runs of the *City of New Orleans*. Coach and lounge car service would be provided. The other round trip (eastbound in the morning and westbound in the afternoon/evening) would use a dedicated trainset and could include coach, Business Class and café car service. Both trains would offer AmtrakConnect Wi-Fi service and at-seat power outlets. One of the coaches could also be designated an Amtrak Quiet Car if the state partners so desire.

For **Alternative B1**, Amtrak also evaluated a connecting motorcoach operation between Mobile and Jacksonville, providing connectivity between the new service and stations east of Mobile, as well as a connection to the New York-Miami *Silver Star* at Jacksonville.

Conceptual Schedule

Conceptual schedules for **Alternatives B and B1** are shown in the tables below:

New Orleans-Mobile Gulf Coast Service Westbound						New Orleans-Mobile Gulf Coast Service Eastbound					
Train Name ▶				New Orleans - Mobile	New Orleans - Mobile	Train Name ▶				New Orleans Mobile	New Orleans Mobile
Train Number ▶				TBD 5	TBD 3	Train Number ▶				TBD 4	TBD 6
Normal Days of Operation ▶				Daily	Daily	Normal Days of Operation ▶				Daily	Daily
On Board Service ▶				R C W	R C W	On Board Service ▶				R C W	R C W
Station	Mile					Station	Mile				
Mobile, AL	0.0	CST	Dp	7:00 AM	5:00 PM	New Orleans, LA	0.0	CST	Dp	8:00 AM	5:45 PM
Pascagoula, MS	40.0	CST		7:40 AM	5:40 PM	Bay St. Louis, MS	56.0	CST		9:13 AM	6:58 PM
Biloxi, MS	60.0	CST		8:04 AM	6:04 PM	Gulfport, MS	71.0	CST		9:35 AM	7:20 PM
Gulfport, MS	72.0	CST		8:22 AM	6:22 PM	Biloxi, MS	83.0	CST		9:53 AM	7:38 PM
Bay St. Louis, MS	87.0	CST		8:44 AM	6:44 PM	Pascagoula, MS	103.0	CST		10:17 AM	8:02 PM
New Orleans, LA	143.0	CST	Ar	10:23 AM	8:23 PM	Mobile, AL	143.0	CST	Ar	11:13 AM	8:58 PM
On Board Service Reference Marks:						On Board Service Reference Marks:					
B - Business Class, Ba - Checked Baggage, Bi - Bicycles, C - Cafe/Lounge, Ca - Cart Service, D - Dining Car, F - First Class, R - Reserved Coach, S - Sleeping Car, U - Unreserved Coach, W - WIFI						B - Business Class, Ba - Checked Baggage, Bi - Bicycles, C - Cafe/Lounge, Ca - Cart Service, D - Dining Car, F - First Class, R - Reserved Coach, S - Sleeping Car, U - Unreserved Coach, W - WIFI					

For **Alternative B1**, the Thruway motorcoach schedule assumption was:

Proposed Dedicated Thruway Bus					
Daily	Days of Operation				Daily
6:39 AM	Dp	Silver Star connects at Jacksonville		Ar	11:03 PM
7:30 AM		Jacksonville, FL			9:55 PM
8:45 AM		Lake City, FL			8:45 PM
9:40 AM		Madison, FL			7:50 PM
11:20 AM		Tallahassee, FL (ET)			6:35 PM
12:00 Noon		Chipley, FL (CT)			4:30 PM
1:20 PM		Crestview, FL			3:10 PM
2:35 PM		Pensacola, FL (Airport)			1:05 PM
3:45 PM	Ar	Mobile, AL		Dp	11:45 AM

Connections

Trains TBD 5 and TBD 6 would connect with the *City of New Orleans* at New Orleans. In **Alternative B1**, Trains TBD 3 and TBD 4 would also connect with the proposed dedicated Thruway bus from Mobile to Jacksonville, which would provide a connection with Amtrak's *Silver Star* Trains 91 and 92 service to Georgia, the Carolinas, Virginia and the Northeast Corridor (Wash-

ington – Philadelphia – New York). At New Orleans, passengers would be able to connect overnight with the *Sunset Limited*.

Amtrak, through its nationwide partnership with Greyhound, also has the ability to offer through ticketing on connecting bus services, such as the frequent service between New Orleans and Baton Rouge, as well as connections to/from Alexandria, Shreveport, Lafayette, Beaumont and Houston. Amtrak and Greyhound both use the New Orleans Union Passenger Terminal in New Orleans, affording passengers an easy connection.

Consist

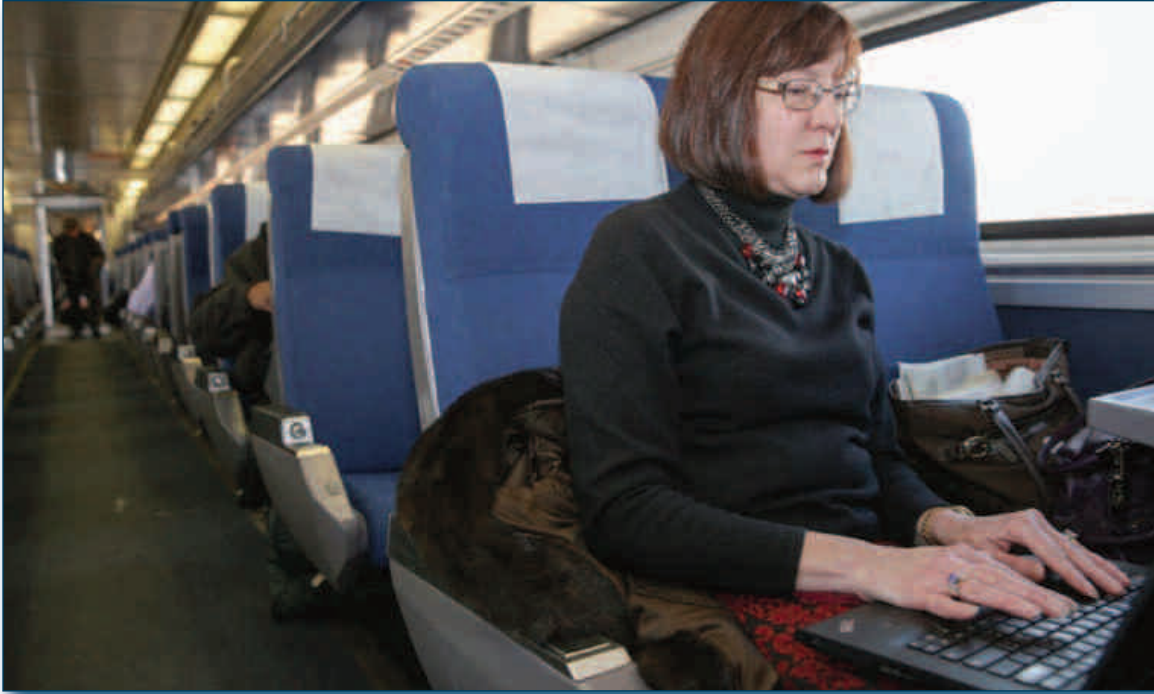
Two sets of equipment would be used for the state-supported service in **Alternative B**. One round trip (shown here as Trains TBD 5 and TBD 6) would use a P-42, two Superliner coaches, a

Alternative B Consist Proposal			
Equipment Type	Locomotives/ Cars per Trainset	Trainsets Used in Daily Service	Locomotives and Cars Used
State-Supported Trains			
P-42 Diesel Locomotive*	1	2	2
Superliner Coach	2	1	2
Superliner Sightseer Lounge	1	1	1
Horizon Coach	2	1	2
Horizon or Amfleet-I Club Dinette	1	1	1

* P-42 Diesels are used to pull both a single Superliner trainset and a single Horizon/Amfleet trainset.



Amtrak's Horizon Business Class features spacious leather seating with two seats (shown) on one side of the aisle and single seats on the other side of the aisle.



Amtrak Horizon Coaches feature reclining seats, overhead reading lights, power outlets at each seat pair and AmtrakConnect Wi-Fi.

Superliner coach-baggage and Superliner Sightseer Lounge which otherwise would layover in New Orleans between regularly scheduled *City of New Orleans* trips. The other trainset would use a single P-42, two Horizon coaches and a Horizon Club Dinette in dedicated Gulf Coast service. The table on the following page shows the equipment required for each trainset.

Staffing

Each train would be staffed with an engineer, conductor, assistant conductor and attendant providing food service in the Sightseer Lounge car (Trains TBD 5 and TBD 6) or Club Dinette (Trains TBD 3 and TBD 4). The financial evaluation assumes trains being serviced by a mechanical contractor at Mobile and by Amtrak's in-house mechanical forces in New Orleans.

Performance

Amtrak Finance, using demand data from Amtrak Market Research and SDG, forecast the following performance for the proposed service in **Alternative B**:

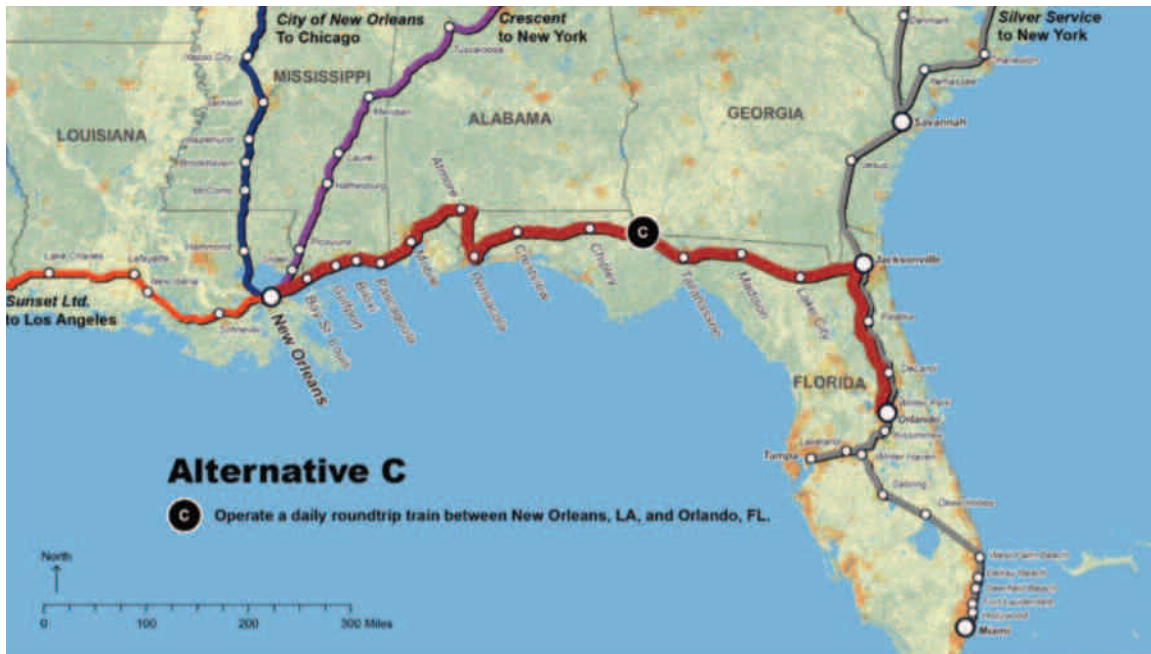
- 38,400 annual passengers.
- 3.79 million annual rail passenger miles.
- \$704,000 annual ticket and food & beverage revenue.

- \$6.15 million in annual operating expenses under the PRIIA 209 methodology.
- \$5.45 million in annual state operating payments under the PRIIA 209 methodology.
- \$1.52 million in annual equipment capital expenses charged to the state partners under the PRIIA 209 methodology.
- \$6.97 million in annual state payments.

Adding the Thruway connection between Mobile and Jacksonville for **Alternative B1** increases the state payment by \$1.26 million annually. Due to the length of the Thruway route, a separate vehicle and driver would be required for each one way trip, with drivers likely required to overnight with their vehicles away from their home terminal. Specific ridership, revenue and financial performance data for **Alternative B1** was forecast as follows:

- 43,400 annual passengers.
- 5.228 million annual rail passenger miles.
- \$1.05 million in annual ticket and food & beverage revenue.
- \$7.78 million in annual operating expenses under the PRIIA 209 methodology.
- \$1.52 million in annual equipment capital expenses charged to the state partners under the PRIIA 209 methodology.
- \$8.26 million in annual state payments.

Alternative C: Stand-Alone Long Distance Train Operating Between New Orleans and Orlando.



Overview

Alternative C involves operation of a single daily overnight round trip between New Orleans and Orlando, Florida. The schedule and intermediate station stops are identical to the long distance service east of New Orleans in **Alternatives A and A1**. Coach and sleeping car service would be available, with AmtrakConnect Wi-Fi and power outlets at coach seats and in sleeping car rooms. Food service would be provided with a Cross-Country Café, similar to the food service car on the *City of New Orleans*. Equipment would be maintained overnight at the Sanford, FL Auto Train facility.

Conceptual Schedule

The conceptual schedule for Alternative C is shown in the table below as Trains TBD 1 & 2:

New Orleans-Orlando Gulf Coast Service Westbound					
Train Name ▶					New Orleans-Orlando
Train Number ▶					TBD 1
Normal Days of Operation ▶					Daily
On Board Service ▶					R S D Ba W
Station	Mile				
Orlando, FL	0.0	EST	Dp		4:15 PM
Winter Park, FL	5.0	EST			4:33 PM
DeLand, FL	37.0	EST			5:15 PM
Palatka, FL	89.0	EST			6:01 PM
Jacksonville, FL	147.0	EST			7:25 PM
		EST			7:45 PM
Lake City, FL	213.0	EST			8:48 PM
Madison, FL	262.0	EST			9:38 PM
Tallahassee, FL (ET)	318.0	EST			11:10 PM
Chipley, FL (CT)	404.0	CST			12:11 AM
Crestview, FL	471.0	CST			1:33 AM
Pensacola, FL	520.0	CST			2:37 AM
		CST			2:43 AM
Atmore, AL	579.0	CST			4:10 AM
Mobile, AL	624.0	CST			6:03 AM
Pascagoula, MS	664.0	CST			6:43 AM
Biloxi, MS	684.0	CST			7:07 AM
Gulfport, MS	696.0	CST			7:25 AM
Bay St. Louis, MS	711.0	CST			7:47 AM
New Orleans, LA	767.0	CST	Ar		9:30 AM
On Board Service Reference Marks:					
B - Business Class, Ba - Checked Baggage, Bi - Bicycles, C - Café/Lounge, Ca - Cart Service, D - Dining Car, F - First Class, R - Reserved Coach, S - Sleeping Car, U - Unreserved Coach, W - WiFi					

New Orleans-Orlando Gulf Coast Service Eastbound					
Train Name ▶					New Orleans-Orlando
Train Number ▶					TBD 2
Normal Days of Operation ▶					Daily
On Board Service ▶					R S D Ba W
Station	Mile				
New Orleans, LA	0.0	CST	Dp		5:00 PM
Bay St. Louis, MS	56.0	CST			6:13 PM
Gulfport, MS	71.0	CST			6:35 PM
Biloxi, MS	83.0	CST			6:53 PM
Pascagoula, MS	103.0	CST			7:17 PM
Mobile, AL	143.0	CST			8:18 PM
Atmore, AL	188.0	CST			9:12 PM
Pensacola, FL	247.0	CST			10:39 PM
		CST			10:45 PM
Crestview, FL	296.0	CST			11:49 PM
Chipley, FL (CT)	363.0	CST			1:11 AM
Tallahassee, FL (ET)	449.0	EST			5:00 AM
Madison, FL	505.0	EST			6:14 AM
Lake City, FL	554.0	EST			7:04 AM
Jacksonville, FL	620.0	EST			8:15 AM
		EST			8:31 AM
Palatka, FL	678.0	EST			9:36 AM
DeLand, FL	730.0	EST			10:21 AM
Winter Park, FL	762.0	EST			11:02 AM
Orlando, FL	767.0	EST	Ar		11:30 AM
On Board Service Reference Marks:					
B - Business Class, Ba - Checked Baggage, Bi - Bicycles, C - Café/Lounge, Ca - Cart Service, D - Dining Car, F - First Class, R - Reserved Coach, S - Sleeping Car, U - Unreserved Coach, W - WiFi					

Connections

This train offers same-day connections with the *City of New Orleans* at New Orleans for points north to Jackson, Memphis and Chicago, the *Silver Star* and *Silver Meteor* at Jacksonville for points north in Georgia, the Carolinas, Virginia and the Northeast Corridor (Washington – Philadelphia – New York), and the *Silver Meteor* at Orlando for points south to West Palm Beach, Fort Lauderdale and Miami. This train would also connect with existing Amtrak Thruway motorcoach service to Lakeland, Tampa, St. Petersburg, Bradenton and Sarasota. At New Orleans, passengers can connect overnight with the *Sunset Limited*.

Amtrak, through its nationwide partnership with Greyhound, also has the ability to offer through ticketing on connecting bus services, such as the frequent service between New Orleans and Baton Rouge, as well as connections to/from Alexandria, Shreveport, Lafayette, Beaumont and Houston. Amtrak and Greyhound both use the New Orleans Union Passenger Terminal in New Orleans, so bus-to-train connections are facilitated within the same building.

Consist

Three sets of equipment are required to operate this service, each consisting of one P-42 locomotive, one Superliner coach, one Superliner coach-baggage (coach with checked baggage room), one Superliner Cross-Country Café (to offer food service) and one Superliner sleeping car. Coach and sleeping car service is offered on board. Equipment would turn around during the day at New Orleans, and would be maintained overnight at the current *Auto Train* maintenance facility near Orlando at Sanford, FL. A table of the equipment used for each of the three trainsets is presented below:

Alternative C Consist Proposal			
Equipment Type	Locomotives/ Cars per Trainset	Trainsets Used in Daily Service	Locomotives and Cars Used
New Long-Distance Service			
P-42 Diesel Locomotive	1	3	3
Superliner Coach	1	3	3
Superliner Coach-Baggage	1	3	3
Superliner Cross-Country Café	1	3	3
Superliner Sleeper	1	3	3

* P-42 Diesels are used to pull both a single Superliner trainset and a single Horizon/Amfleet trainset.

Staffing

Each train would be staffed with an engineer, conductor and assistant conductor who are subject to Federal Hours of Service regulations. A second engineer would also work the train where applicable, per Amtrak's labor agreements. Amtrak assumes these crews will change at Pensacola and Jacksonville. In addition, each train would be staffed with:

- A coach attendant for the coach section
- Sleeping car attendant for the sleeping car
- Service attendant, chef and lead service attendant in the Cross-Country Café to provide food service.

These attendant positions are not subject to Federal Hours of Service regulations and these employees will work through from New Orleans to Orlando, with rest hours for portions of the trip during the middle of the night.

Performance

Amtrak Finance, using demand data from Amtrak Market Research and SDG, forecast the following performance for the proposed service in **Alternative C**:

- 69,100 annual passengers.
- 24.04 million annual rail passenger miles.
- \$4.03 million in annual ticket and food and beverage revenue.
- \$14.4 million in annual incremental operating loss.

Forecast expenses included in this evaluation alternative are incremental in nature and do not reflect allocations of system-wide expenses.

Alternatives A/A1 yield superior ridership demand and cost efficiency over **Alternatives B/B1** and **C** as they allow for daily “one-seat ride” service between the Gulf Coast stations and the current *City of New Orleans* route. Since the number of passengers who are willing to make a single connection is also greater than those willing to make two connections to continue a trip, ridership also increases on additional Amtrak services which connect to both the future Gulf route as well as the existing *City of New Orleans*. Cost efficiencies are also present, as a run-through operation requires less additional equipment than a stand-alone New Orleans-Orlando passenger train with dedicated equipment.

COMPARISON OF RESULTS

A comparison of the full range of alternatives studied is summarized in the table below, in 2016 dollars:

Gulf Coast Service Alternatives					
	Alternative A (Extend City of New Orleans, 1 daily state train)	Alternative A1 (Extend City of New Orleans, no state trains)	Alternative B (2 daily state-supported Trains)	Alternative B1 (2 daily state trains with Thruway to JAX)	Alternative C (NOL-ORL standalone long distance Train)
Endpoints	New Orleans-Orlando, 2nd train New Orleans-Mobile	New Orleans to Orlando	New Orleans to Mobile	New Orleans-Mobile, Thruway to Jacksonville	New Orleans to Orlando
Ridership	153,900	138,300	38,400	43,400	69,100
Passenger miles	65.14M	63.00M	3.79M	5.23M*	24.04M
Total Revenue	\$12.72M	\$12.25M	\$704K	\$1.05M	\$4.03M
PRIIA 209 Operating Costs	\$3.93M	N/A	\$6.15M	\$7.78M	N/A
PRIIA 209 Equipment Capital Use Charge	\$609K	N/A	\$1.52M	\$1.52M	N/A
PRIIA 209 State Payment	\$3.78M	N/A	\$6.97M	\$8.26M	N/A
Long Distance Incremental Cost**	\$17.67M	\$17.73M	n/a	n/a	\$18.43M
Long Distance Incremental Loss	\$5.71M	\$5.48M	n/a	n/a	\$14.40M
Total Annual Funding Need	\$9.49M	\$5.48M	\$6.97M	\$8.26M	\$14.40M

Please note that some figures may not sum precisely due to rounding.

*All passenger miles are rail only.

** Net of route-specific losses and connecting route impacts.

As can be seen in the table above, **Alternatives A and A1** clearly outperform the other alternatives in terms of ridership, and both include service through to Orlando from New Orleans. **Alternative A1** offers the lowest forecast total annual funding need, while **Alternative A** features the highest ridership.

MARKETING & SALES RESOURCES

Amtrak Marketing has developed a sample strategy for marketing and sales for the analyzed alternatives designed to maximize publicity and stimulate travel demand. This strategy includes paid advertising, strategic public relations (PR) initiatives, social media campaigns, and partnerships with local traffic generators, educational institutions and tourist attractions. A well-managed publicity campaign could include a “whistle stop” inaugural run designed to maximize media exposure. This sample strategy is based on recent Amtrak experience launching other routes, many of which have benefited from widely advertised service launches.

With the proposal for new Amtrak Service between New Orleans, LA and Orlando, FL, there are several notable opportunities which can be leveraged to raise the public profile of any future service both in the general marketplace as well as through earned media gained from public relations and social media. This service would not just reconnect a region of the country that has had no Amtrak service since Hurricane Katrina, it would serve to connect important southern economies and support growing tourism in this prosperous and economically active region. New Amtrak service would facilitate group travel, increase the availability of public transportation for student travelers, and provide opportunities for business and government travel throughout the region.

Strategy

An integrated marketing strategy would be a vital component of any plan to inaugurate any new service. It will be important to develop a brand identity, paid media strategy and the route specific collateral about the service that will be used to consistently communicate about the new service. These elements would also be used in communication and PR about the service and also support a social media presence. A paid media schedule could begin to promote an inaugural train and whistle stop tour, but there will be a need to identify funding for these efforts.

Ideally, messaging and public relations efforts should begin a year before the scheduled service launch. An integrated public relations and media relations campaign including news releases and public forums will help to educate and inform the public and communities along the route about the future service.

Four months before scheduled service launch, the date of an inaugural train and whistle stop tour to promote the new service could be announced. The inaugural train could include a stop with celebrations and media events in each community, picking up dignitaries and key stakeholders along the way, and culminating with a final grand event at a chosen destination station. This is also an appropriate time to announce an introductory fare offer (if determined by pricing) to increase awareness. Another and often more efficient method is to announce city pair pricing between various destinations along the route.

Social media can be used to create awareness, leveraging the social media efforts and market penetration of the various partners to ensure a widespread reach. Grass roots relationships and partnerships developed and implemented including convention/visitors bureau (CVB) memberships and engagement with business and political communities would greatly enhance such an effort, and would pave the way for a paid media program that would begin two weeks ahead of service launch.



Amtrak and Virginia state partner officials cut the ribbon to launch Amtrak's state-supported service to Lynchburg in October of 2009. Amtrak's successful state partnership with Virginia will result in this train being extended further south, to Roanoke, in 2016.

Tactics

The marketing effort would center around the identified markets along the route. An integrated effort, involving Amtrak and its partners, would target these markets heavily, leveraging our partners' knowledge and market penetration to ensure effective outreach. Key efforts would include (but not necessarily be limited to):

- Promote student travel by connection and sponsorship of colleges and universities along the route.

- Develop and promote Amtrak Vacations packages (route specific) (12-14 months prior to inaugural train).
- Business and government travel (military installations and major employers in the region). Include eligibility for Amtrak Federal Fare program.
- Family reunion travel.
- Sports sponsorships (both college and professional).

To ensure this effort is a success, Amtrak would leverage its existing marketing resources heavily. As the nation's only national passenger rail carrier, Amtrak possesses significant advertising, marketing, ticketing and reservation operations that would support any of the identified service alternatives. These would include:

- Full service web service (route page and regional specific content, Amtrak policies, schedules, Google Maps, etc.)
- Email marketing
- Reservation system
- Contact centers
- E-ticketing
- Thruway bus connectivity
- Amtrak Vacations
- National asset development, TV, radio, digital
- Social media support

NEXT STEPS

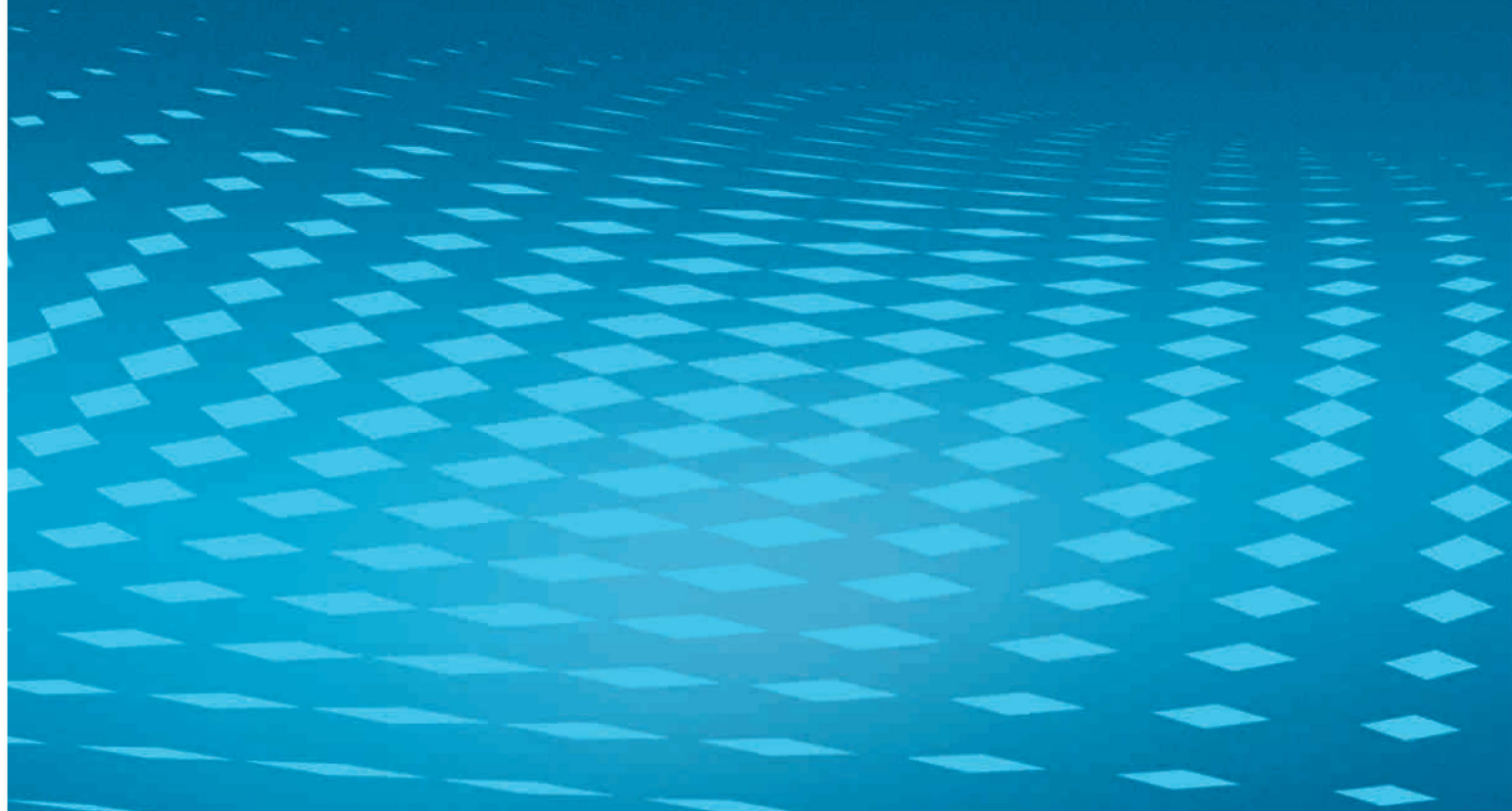
The financial evaluations performed by Amtrak and included here examine only the operating cost impacts of the proposed long distance services, or operating and equipment capital state pricing for state-supported services under PRIIA 209. The evaluation figures provided here do not include the capital costs associated with stations or any infrastructure improvements necessary to support track speeds equal to those available for the last passenger trains to regularly operate over the Gulf Coast route in 2005. These figures also do not include any incremental costs for Positive Train Control or capacity improvements needed to operate passenger trains alongside existing freight traffic.

To proceed with any of the proposed alternatives evaluated here, Amtrak and the SRC will need to:

- *Approach the host railroads (chiefly CSXT) to identify any infrastructure needs for the proposed service.* A capacity study may be necessary, and infrastructure improvements necessary to support passenger operation may be identified.
- *Develop operating and capital funding mechanisms to fund any proposed service.* Such solutions will need to either assure funding for state supported services of under 750 miles route length per PRIIA 209, or will need to assure funding that is sufficient to recover any incremental costs incurred by Amtrak as a result of changes to the long distance route network.
- *Identify and build support from institutions which are likely to benefit from, and attract riders to, the proposed Gulf Coast service.* Amtrak and the SRC will need to reach out to colleges/universities, tourist attractions, communities, chambers of commerce and other major government and private institutions to determine how proposed rail service can provide the most useful transportation options to as many such potential traffic generators as possible.
- *Work with communities on plans to revitalize stations to support service.* Throughout the Amtrak system, physical station facilities for new routes are the responsibility of communities and states served. Amtrak can assist the SRC in working with communities to ensure that station facilities will be in proper condition for service.
- *Further refine service proposals as a clearer picture emerges of the infrastructure environment and additional marketing opportunities are forged along the route.* As Amtrak and the SRC proceed with the other next steps, changes to assumptions for the service plan and potential economic viability of the route may emerge, and should be explored in follow-up evaluation work.

NOTES

NOTES





Amtrak
60 Massachusetts Avenue, NE
Washington, D.C. 20002
Amtrak.com

AmtrakExhibit_3C

(Highly Confidential)

[Redacted]

REDACTED

AmtrakExhibit_3D

(Highly Confidential)

[Redacted]

REDACTED

AmtrakExhibit_3E

(Public)

EIA aeotab_7.xlsx

Key Indicators and Consumption	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032
Key Indicators													
Travel Indicators													
(billion vehicle miles traveled)													
Light-Duty Vehicles less than 8,501 pounds	2,627	2,804	2,859	2,917	2,964	3,002	3,034	3,061	3,085	3,103	3,121	3,136	3,151
Commercial Light Trucks 1/	90	94	96	98	99	101	103	104	105	106	107	108	109
Freight Trucks greater than 10,000 pounds	275	283	293	296	301	306	310	313	316	320	324	328	332
(billion passenger miles traveled)													
Bus Transportation	108	135	155	170	181	190	196	201	205	207	210	211	213
Passenger Rail	25	30	33	36	38	40	41	42	42	43	43	44	44
(billion seat miles available)													
Air	739	1,082	1,216	1,284	1,332	1,383	1,414	1,440	1,465	1,486	1,512	1,543	1,578
(billion ton miles traveled)													
Rail	1,522	1,618	1,654	1,639	1,638	1,611	1,629	1,625	1,642	1,665	1,680	1,687	1,697
Domestic Shipping	348	359	357	351	345	339	331	322	314	305	297	293	289
Energy Efficiency Indicators													
(miles per gallon)													
New Light-Duty Vehicle CAFE Standard 2/	34.6	35.5	36.1	36.7	37.2	37.7	38.3	38.3	38.4	38.4	38.5	38.6	38.6
New Car 2/	42.2	44.2	44.8	45.5	46.2	46.9	47.6	47.6	47.7	47.7	47.7	47.7	47.7
New Light Truck 2/	30.9	31.5	31.9	32.5	32.9	33.4	34.0	34.0	34.0	34.0	34.0	34.0	34.0
Compliance New Light-Duty Vehicle 3/	35.6	36.7	37.3	37.8	38.2	38.6	39.3	39.4	39.5	39.6	39.8	39.9	40.1
New Car 3/	43.3	45.1	45.6	46.3	47.1	47.6	48.4	48.5	48.6	48.7	48.9	49.1	49.3
New Light Truck 3/	31.8	32.8	33.3	33.7	34.0	34.3	34.9	35.1	35.1	35.2	35.2	35.3	35.4
Tested New Light-Duty Vehicle 4/	35.4	36.6	37.2	37.7	38.1	38.5	39.0	39.1	39.2	39.3	39.5	39.6	39.7
New Car 4/	43.1	44.9	45.3	46.1	46.8	47.3	48.1	48.1	48.2	48.3	48.4	48.6	48.7
New Light Truck 4/	31.7	32.7	33.2	33.6	33.9	34.2	34.7	34.8	34.8	34.9	34.9	35.0	35.0
On-Road New Light-Duty Vehicle 5/	28.9	29.8	30.4	30.7	31.1	31.4	31.8	31.9	32.0	32.1	32.2	32.3	32.4
New Car 5/	35.2	36.6	37.0	37.6	38.2	38.6	39.2	39.3	39.4	39.4	39.5	39.7	39.8
New Light Truck 5/	25.9	26.7	27.1	27.4	27.6	27.9	28.3	28.4	28.4	28.4	28.5	28.5	28.6
Light-Duty Stock 6/	24.0	24.5	25.0	25.5	26.0	26.5	27.0	27.4	27.8	28.2	28.6	28.9	29.2
New Commercial Light Truck 1/	15.2	15.4	15.5	15.6	15.8	16.1	16.3	16.5	16.6	16.7	16.8	16.8	16.8
Stock Commercial Light Truck 1/	14.0	14.2	14.4	14.6	14.8	14.9	15.1	15.2	15.4	15.5	15.7	15.8	15.9
Freight Truck	7.2	7.3	7.4	7.5	7.6	7.7	7.8	7.9	8.1	8.2	8.4	8.5	8.7
(seat miles per gallon)													
Aircraft	71.0	72.2	72.6	73.1	73.8	74.4	74.9	75.4	75.9	76.4	76.9	77.4	78.0
(ton miles/thousand Btu)													
Rail	3.5	3.5	3.5	3.6	3.6	3.6	3.6	3.7	3.7	3.7	3.7	3.7	3.8
Domestic Shipping	4.8	4.9	4.9	4.9	5.0	5.0	5.0	5.0	5.1	5.1	5.1	5.2	5.2
Energy Use by Mode													
(quadrillion Btu)													
Light-Duty Vehicles	13.67	14.31	14.30	14.31	14.26	14.18	14.08	13.98	13.88	13.77	13.67	13.58	13.49
Commercial Light Trucks 1/	0.80	0.82	0.84	0.84	0.84	0.85	0.85	0.85	0.85	0.85	0.85	0.86	0.86
Bus Transportation	0.12												

Lubricants	0.12	0.12	0.12	0.13	0.13	0.13	0.13	0.13	0.13	0.13	0.13	0.13	0.13
Pipeline Fuel	0.71	0.76	0.76	0.72	0.68	0.66	0.62	0.62	0.62	0.62	0.61	0.61	0.62
Total	24.63	26.22	26.78	26.89	26.87	26.83	26.69	26.55	26.44	26.31	26.23	26.13	26.07

(million barrels per day oil equivalent)													
Light-Duty Vehicles	7.41	7.76	7.76	7.76	7.73	7.69	7.64	7.58	7.53	7.47	7.42	7.37	7.32
Commercial Light Trucks 1/	0.42	0.43	0.44	0.44	0.44	0.44	0.44	0.44	0.44	0.44	0.44	0.45	0.45
Bus Transportation	0.06	0.08	0.09	0.09	0.10	0.11	0.11	0.11	0.11	0.11	0.11	0.11	0.11
Freight Trucks	2.51	2.56	2.62	2.63	2.63	2.64	2.63	2.61	2.59	2.57	2.56	2.55	2.53
Rail, Passenger	0.01	0.02	0.02	0.02	0.02	0.02	0.02	0.02	0.02	0.02	0.02	0.02	0.03
Rail, Freight	0.21	0.22	0.22	0.22	0.22	0.21	0.21	0.21	0.21	0.21	0.21	0.21	0.21
Shipping, Domestic	0.04	0.04	0.04	0.04	0.04	0.03	0.03	0.03	0.03	0.03	0.03	0.03	0.03
Shipping, International	0.39	0.40	0.43	0.43	0.43	0.42	0.42	0.41	0.41	0.41	0.42	0.41	0.41
Recreational Boats	0.11	0.11	0.11	0.11	0.11	0.11	0.11	0.11	0.11	0.11	0.10	0.10	0.10
Air	0.90	1.22	1.37	1.43	1.47	1.49	1.50	1.51	1.52	1.54	1.55	1.57	1.59
Military Use	0.26	0.26	0.26	0.26	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25
Lubricants	0.06	0.06	0.06	0.06	0.06	0.06	0.06	0.06	0.06	0.06	0.06	0.06	0.06
Pipeline Fuel	0.33	0.36	0.36	0.34	0.32	0.31	0.29	0.29	0.29	0.29	0.29	0.29	0.29
Total	12.71	13.51	13.77	13.82	13.81	13.79	13.72	13.65	13.59	13.53	13.48	13.43	13.40

1/ Commercial trucks 8,501 to 10,000 pounds gross vehicle weight rating.

2/ CAFE standard based on projected new vehicle sales.

3/ Includes CAFE credits for alternative fueled vehicle sales and credit banking.

4/ Environmental Protection Agency rated miles per gallon.

5/ Tested new vehicle efficiency revised for on-road performance.

6/ Combined "on-the-road" estimate for all cars and light trucks.

CAFE = Corporate average fuel economy.

Btu = British thermal unit.

Note: Totals may not equal sum of components due to independent rounding.

Sources: 2020: U.S. Energy Information Administration (EIA), Short-Term Energy Outlook, October 2020 and EIA,

AEO2021 National Energy Modeling System run ref2021.d113020a. Projections: EIA, AEO2021 National Energy Modeling System run ref2021.d113020a.

0.13	0.13	0.13	0.13	0.12	0.12	0.12	0.12	0.12	0.12	0.12	0.12	0.12	0.12	0.12	0.12	0.12	0.12	0.1%
0.62	0.62	0.63	0.63	0.63	0.64	0.64	0.65	0.65	0.66	0.67	0.68	0.68	0.69	0.69	0.70	0.71	0.71	0.0%
26.03	26.03	26.04	26.04	26.04	26.07	26.11	26.16	26.24	26.35	26.49	26.62	26.75	26.88	27.00	27.14	27.29	27.44	0.4%
7.29	7.26	7.24	7.21	7.19	7.17	7.16	7.15	7.15	7.15	7.15	7.16	7.17	7.18	7.19	7.20	7.22	7.23	-0.1%
0.45	0.45	0.46	0.46	0.46	0.47	0.47	0.48	0.48	0.49	0.49	0.50	0.51	0.51	0.52	0.52	0.53	0.54	0.9%
0.11	0.11	0.11	0.11	0.11	0.11	0.11	0.11	0.11	0.11	0.11	0.11	0.11	0.11	0.11	0.11	0.11	0.11	2.0%
2.52	2.52	2.52	2.52	2.52	2.53	2.54	2.55	2.56	2.59	2.61	2.64	2.66	2.68	2.71	2.74	2.76	2.79	0.4%
0.03	0.03	0.03	0.03	0.03	0.03	0.03	0.03	0.03	0.03	0.03	0.03	0.03	0.03	0.03	0.03	0.03	0.03	2.7%
0.21	0.21	0.21	0.21	0.21	0.21	0.21	0.21	0.21	0.21	0.21	0.21	0.21	0.21	0.21	0.21	0.21	0.21	0.0%
0.03	0.03	0.03	0.03	0.03	0.03	0.02	0.02	0.02	0.02	0.02	0.02	0.02	0.02	0.02	0.02	0.02	0.02	-1.7%
0.41	0.41	0.41	0.41	0.41	0.41	0.41	0.41	0.41	0.41	0.41	0.41	0.41	0.41	0.41	0.41	0.41	0.41	0.1%
0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	-0.3%
1.62	1.64	1.66	1.68	1.70	1.71	1.73	1.75	1.78	1.80	1.83	1.85	1.88	1.90	1.92	1.94	1.96	1.98	2.7%
0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.26	0.26	0.26	0.26	0.26	0.26	0.26	0.26	0.26	0.0%
0.06	0.06	0.06	0.06	0.06	0.06	0.06	0.06	0.06	0.06	0.06	0.06	0.06	0.06	0.06	0.06	0.06	0.06	0.1%
0.29	0.29	0.30	0.30	0.30	0.30	0.30	0.31	0.31	0.31	0.32	0.32	0.32	0.33	0.33	0.33	0.33	0.34	0.0%
13.38	13.37	13.38	13.38	13.38	13.39	13.41	13.44	13.48	13.53	13.60	13.66	13.73	13.79	13.86	13.93	14.00	14.08	0.3%

AmtrakExhibit_3F

(Highly Confidential)

[Redacted]

REDACTED

AmtrakExhibit_3G

(Highly Confidential)

[Redacted]

REDACTED

AmtrakExhibit_3H

(Highly Confidential)

[Redacted]

REDACTED

AmtrakExhibit_3I

(Confidential)

[Redacted]

REDACTED

AmtrakExhibit_3J

(Highly Confidential)

[Redacted]

REDACTED

AmtrakExhibit_4

DB Engineering (Clayton S. Johanson, Michael Weaver, and Darkhan Mussanov)Workpapers

The full set of “DB Engineering (Clayton S. Johanson, Michael Weaver, and Darkhan Mussanov) Workpapers” were provided to the Board electronically. The following specific workpapers are excerpted from the full set of “DB Engineering (Clayton S. Johanson, Michael Weaver, and Darkhan Mussanov) Workpapers.”

AmtrakExhibit_4A

(Highly Confidential)

[Redacted]

REDACTED

AmtrakExhibit_4B

(Confidential)

[Redacted]

REDACTED

AmtrakExhibit_4C

(Highly Confidential)

[Redacted]

REDACTED

AmtrakExhibit_4D

(Confidential)

[Redacted]

REDACTED

AmtrakExhibit_4E

(Highly Confidential)

[Redacted]

REDACTED

AmtrakExhibit_4F

(Highly Confidential)

[Redacted]

REDACTED

AmtrakExhibit_4G

(Highly Confidential)

[Redacted]

REDACTED

AmtrakExhibit_5

(Highly Confidential)

LE Peabody Demonstratives

REDACTED

AmtrakExhibit_6

(Highly Confidential)

DB Demonstratives

REDACTED