

# Memorandum

To: CHAIR AND COMMISSIONERS

CTC Meeting: August 18, 2005

Reference No.: 3.7  
Information Item

From: CINDY McKIM  
Chief Financial Officer

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Chief, Division of Rail

Ref: **FY 2004-05 4th Quarter RAIL OPERATIONS REPORT**

## **SUMMARY**

This is the FY 2004-05 4th Quarter Intercity Rail Operations Report requested by the California Transportation Commission (Commission). The report provides information for each route on ridership, farebox ratio, passenger miles per train mile, and on-time performance measures.

California provides financial and administrative support for Amtrak intercity rail passenger service on three corridors within the State: the *Pacific Surfliner Route* between San Diego, Los Angeles, and San Luis Obispo; the *Capitol Corridor* between the Sacramento region, Oakland, and San Jose; and the *San Joaquin Route* to Bakersfield from both Oakland and Sacramento. These routes are, respectively, the second, third, and fifth busiest routes in the entire national Amtrak system. State support for the *Pacific Surfliner* and *San Joaquin* routes is administered by the Department of Transportation (Department), while support for the third corridor is administered by a separate agency, the Capitol Corridor Joint Powers Authority (CCJPA), using funding provided through the Department.

The *Pacific Surfliner* and *San Joaquin* routes both suffered major service disruptions during the third quarter, as previously reported, and performance on both routes continued to suffer lingering aftereffects into the fourth quarter. The *Capitol Corridor*, on the other hand, remained trouble-free, and the route again set ridership and revenue records.

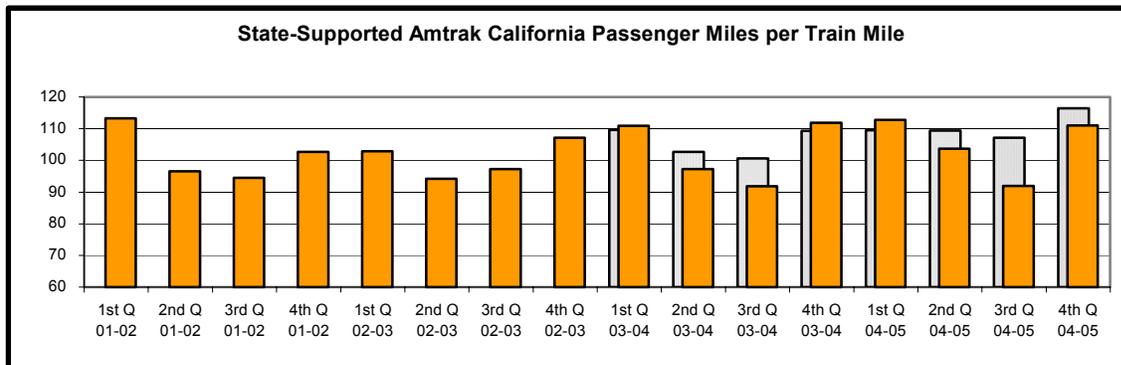
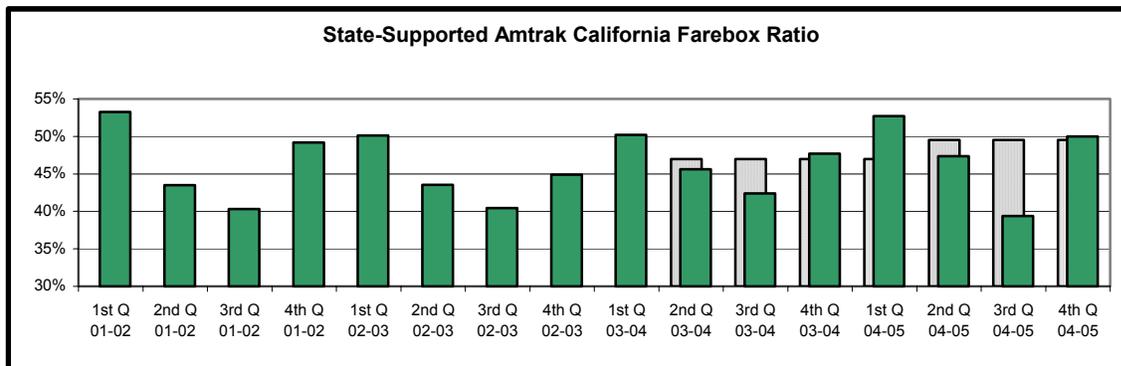
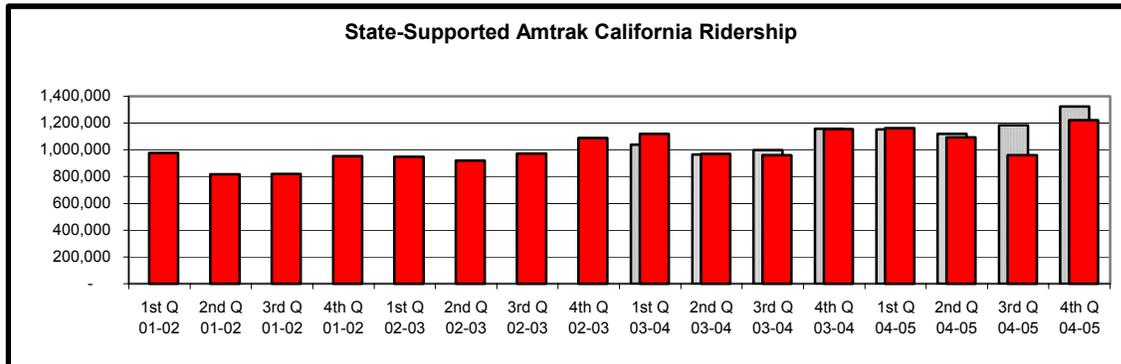
Total ridership during the fourth quarter (April-June 2005) on the three routes increased by 5.7 percent over the comparable quarter in FY 2003-04. Nonetheless, ridership was 7.1 percent below the Business Plan projection for the quarter. Overall revenue increased 2.8 percent and overall expense decreased 2 percent for the fourth quarter, compared with the same quarter the previous year, with the farebox ratio going up by 2.3 percentage points. (Data includes Amtrak estimates of June results.)

For the entire 2004-05 fiscal year, combined ridership increased by 5.5 percent, compared to the prior year, yet remained 7.1 percent below the projection in the Business Plan. Combined revenues increased by 5.0 percent for the year, while expenses increased 3.3 percent, resulting in a 0.8 percentage point increase in the farebox ratio, to 47.3 percent.

## Intercity Rail 4th Quarter Operations Report for FY 2004-05

Passenger Miles per Train Mile (PM/TM), a measure of the average number of passengers on board an individual train at any one time, was 111.0 for the fourth quarter of FY 2004-05, 0.9 percent below the same period the prior year and 5.4 percent below the Business Plan projection.

The following graphs depict the combined results of the three State-supported rail corridors in California. Route-specific charts are in the sections for each route that follow:



*Notes:*

*Solid Bars reflect actual data; Shaded Bars reflect Business Plan Projection.*

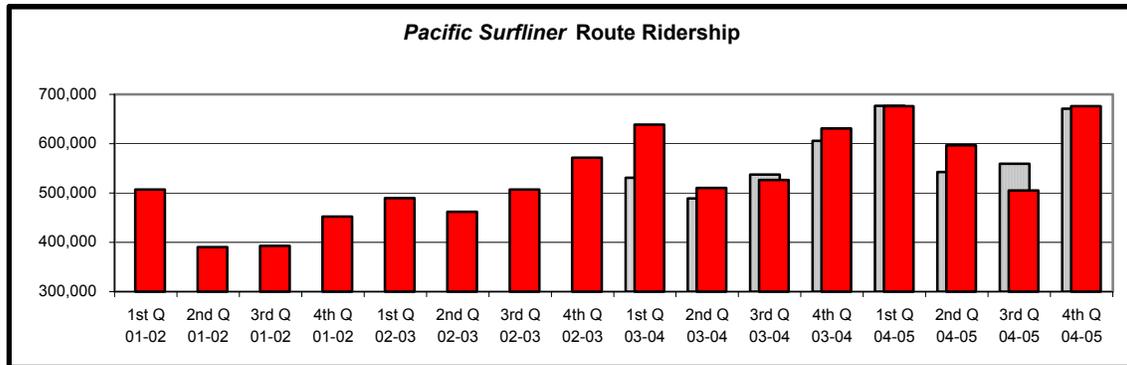
*June data is estimated by Amtrak, as the final billings are not yet available.*

# Intercity Rail

## 4th Quarter Operations Report for FY 2004-05

### *Pacific Surfliner Route*

There are currently eleven weekday round trips between Los Angeles and San Diego, four of which are through trains between San Diego and Goleta (Santa Barbara). One of the four Santa Barbara round trips continues north to and from San Luis Obispo. A second San Luis Obispo train, which operates only between Los Angeles and San Luis Obispo, was instituted November 17, 2004, bringing the total level of service north of Los Angeles to five round trips daily. This second San Luis Obispo train replaced a weekend only Los Angeles-Santa Barbara train.



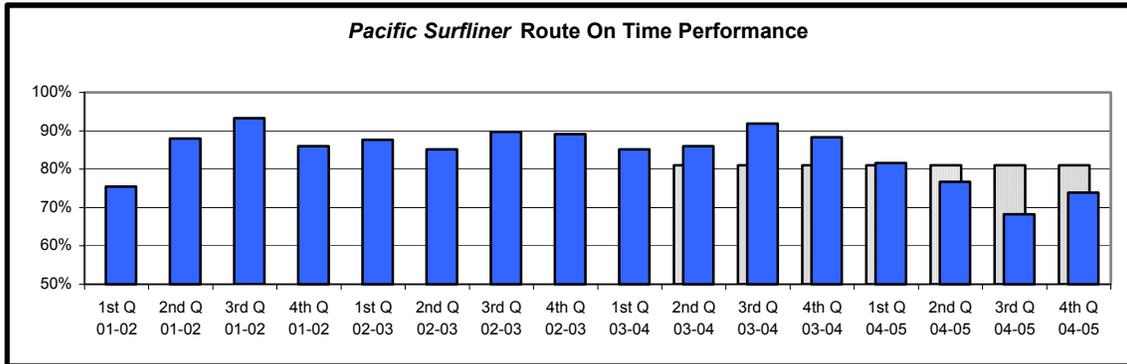
Performance on the *Pacific Surfliner* route has recovered well following the service disruptions of January and February 2005. All three months in the fourth quarter set ridership records for their respective months. Total *Pacific Surfliner* ridership for the fourth quarter was 7.1 percent higher than the same quarter the previous year and 0.8 percent higher than the projection in the Business Plan. For the entire 2004-05 fiscal year, ridership increased by 6.4 percent, compared to the prior year, and exceeded the projection in the Business Plan by 0.2 percent.

The “Rail 2 Rail” Program, in which the Department and Amtrak partner with both Metrolink and Coaster for the mutual honoring of tickets, continues to help spur ridership increases on all three services. Since its inception, almost one million riders have taken advantage of this Program, demonstrating that the increased convenience of being able to use either of two systems at all stations from Oxnard south has made rail travel much more attractive throughout the Los Angeles basin. In addition to the “Rail 2 Rail” Program, targeted marketing to the senior and Hispanic markets is also contributing to the higher ridership and revenue on the corridor.

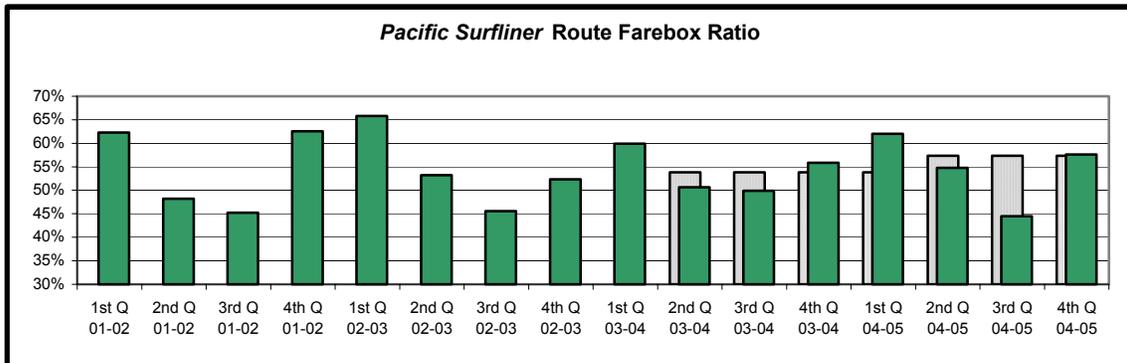
# Intercity Rail

## 4th Quarter Operations Report for FY 2004-05

### *Pacific Surfliner Route (continued)*



On-time performance did not rebound as well as ridership in the fourth quarter, but it did improve to 74 percent (from 68 percent the previous quarter). This is below the Business Plan projection of 81 percent and can be attributed in part to ongoing rehabilitation work following the winter storm damage north of Santa Barbara. In addition, Union Pacific is diverting some freight traffic onto the tracks used by the Pacific Surfliner while they conduct a major track rehabilitation project on their line over the Tehachapi summit.

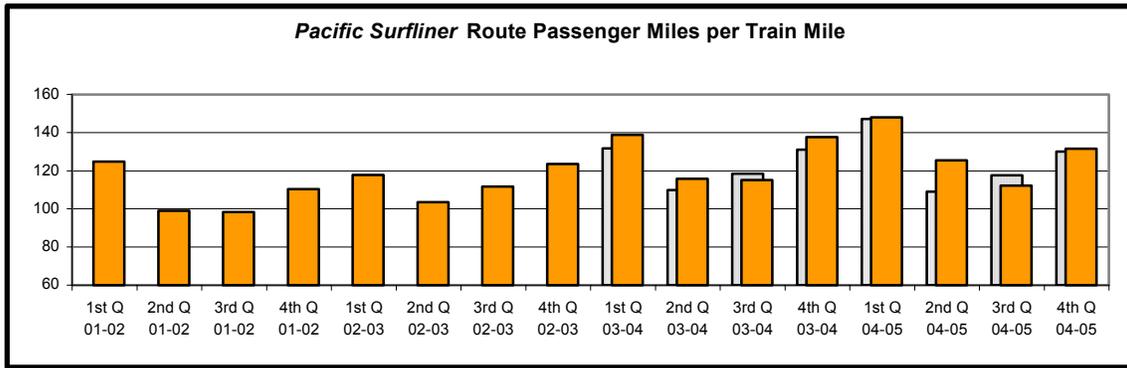


*Pacific Surfliner* revenue for the fourth quarter increased 4.2 percent, compared with the same quarter the previous year. The corresponding increase in expense was 1.0 percent, with the farebox ratio going up by 1.8 percentage points, to 57.6 percent.

For the entire 2004-05 fiscal year, *Pacific Surfliner* revenues increased by 5.5 percent, while expenses increased by 4.1 percent, resulting in a 0.8 percentage point increase in the farebox ratio, to 55 percent. The Business Plan projection for the year was 57 percent.

## Intercity Rail 4th Quarter Operations Report for FY 2004-05

### *Pacific Surfliner Route (continued)*



Passenger Miles per Train Mile (PM/TM) for the fourth quarter decreased from 137.6 last year to 131.6 this year, a decline of 4.3 percent. The decline in this indicator, in contrast to the increase in ridership for the same period, indicates that more and more passengers, on average, are taking shorter distance trips. This is, at least in part, an effect of the “Rail-2-Rail” Program that brings short-distance Metrolink and Coaster riders onto the Amtrak trains.

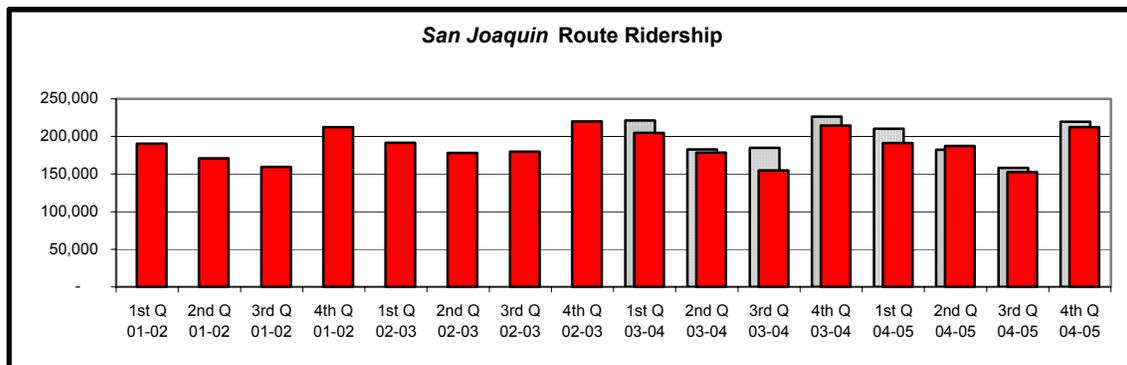
The length of the average trip on the route is 80.5 miles.

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## 4th Quarter Operations Report for FY 2004-05

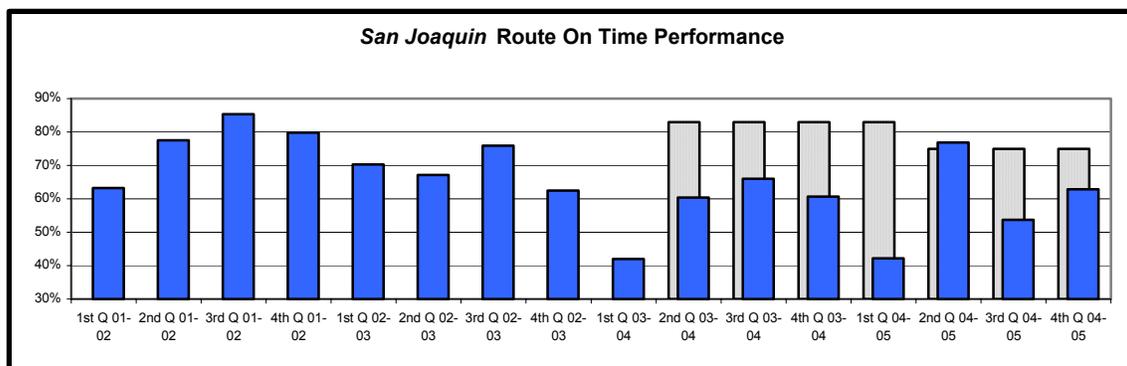
### *San Joaquin Route*

Currently six daily train round trips serve the *San Joaquin Route*, four operating between Bakersfield and Oakland/San Francisco and two between Bakersfield and Sacramento. All six round trips have dedicated bus connections between Bakersfield and Los Angeles and other points throughout Southern California. On the north end, similar buses to and from Stockton connect Sacramento with Oakland trains and San Francisco/Oakland with Sacramento trains, thus providing six daily arrivals and departures for both northern terminals. Additional connecting buses provide feeder service to communities throughout the north end of the State.



*San Joaquin* performance continues to be affected by the disruption of BNSF freight operations caused by Union Pacific's extensive track rehabilitation project over Tehachapi Pass east of Bakersfield (BNSF is a tenant on the UP-owned line between Bakersfield and Mojave). Schedule reliability can vary widely from day to day and from train to train, though the situation is gradually improving.

In the fourth quarter, ridership declined in April (a consequence of Easter shifting to March this year), remained even in May, and then increased in June. Total ridership for the fourth quarter of FY 2004-05 decreased 1.1 percent, compared to the same period the year before, falling short of the *San Joaquin Route* Business Plan projection by 3.3 percent. For the entire 2004-05 fiscal year, ridership decreased by 1.2 percent, compared to the prior year, and was 3.5 percent below the projection in the Business Plan.

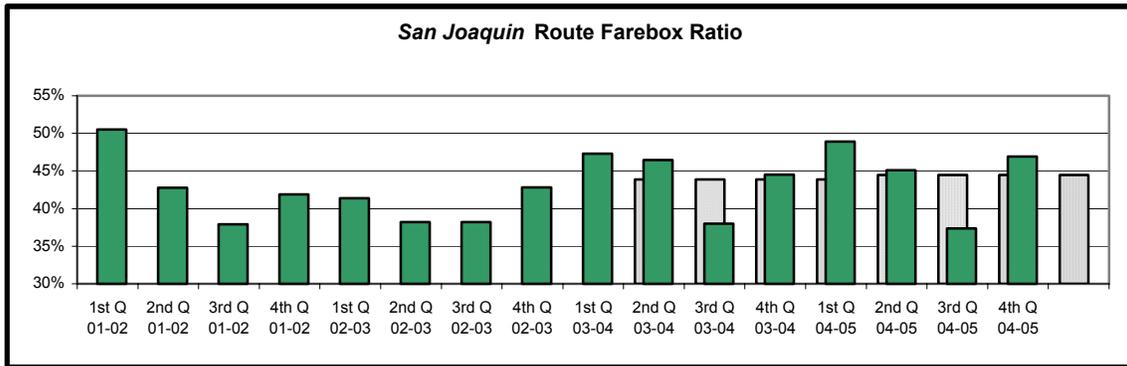


On time performance in the fourth quarter improved in each successive month, averaging 63 percent for the full quarter (up from 54 percent in the third quarter).

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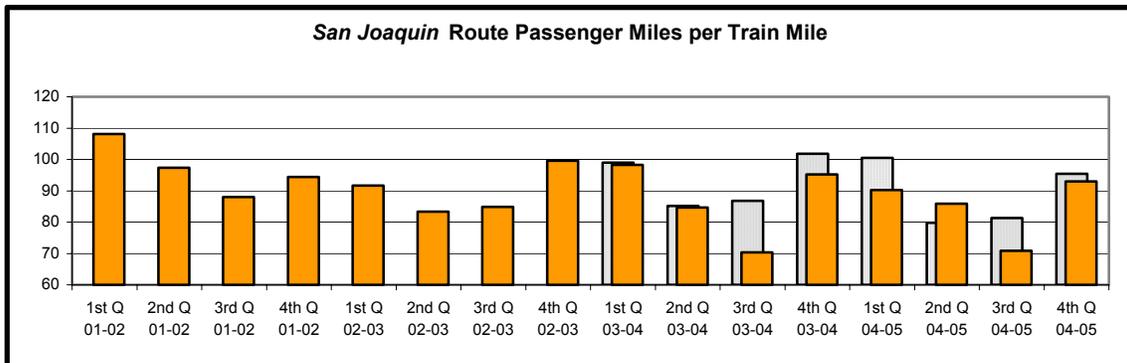
## 4th Quarter Operations Report for FY 2004-05

### *San Joaquin Route (continued)*



*San Joaquin* revenue for the fourth quarter decreased 5.8 percent, compared with the same quarter the previous year. Expenses decreased 10.6 percent, with the farebox ratio going up by 2.4 percentage points.

For the entire 2004-05 fiscal year, *San Joaquin* revenues declined by 0.3 percent, while expenses decreased by 1.1 percent, resulting in a 0.4 percentage point increase in the farebox ratio, to 44.5 percent. The Business Plan projection was 44 percent.



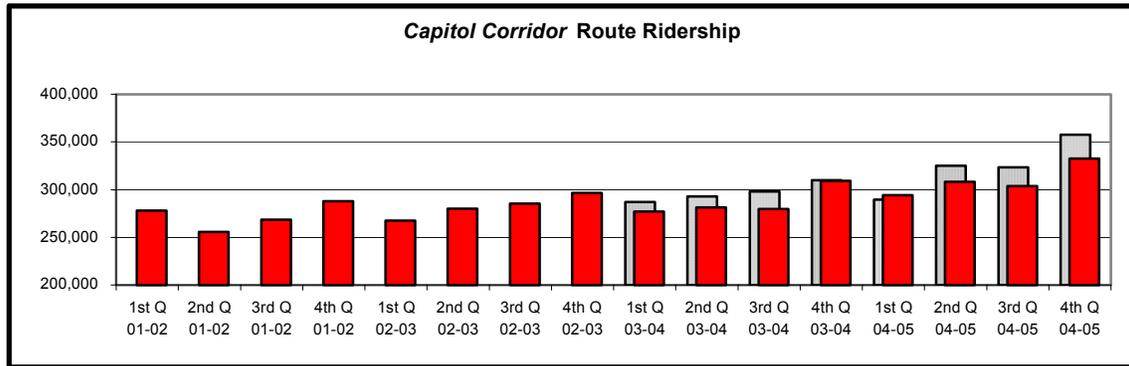
Passenger Miles per Train Mile (PM/TM) for the fourth quarter of the fiscal year were 93.0, down 2.4 percent from the 95.3 PM/TM generated during the same period of the previous fiscal year. Average trip length was 153.1 miles.

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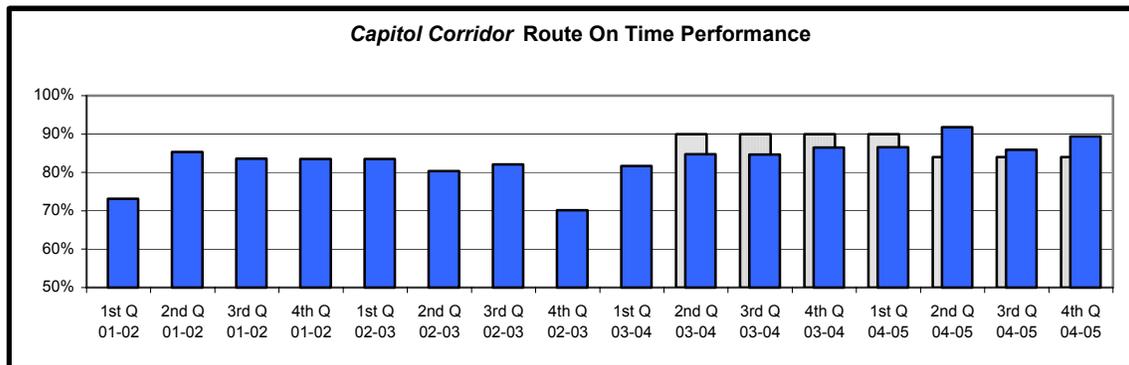
## 4th Quarter Operations Report for FY 2004-05

### *Capitol Corridor*

There are currently twelve weekday round trips between Oakland and Sacramento. One round trip each day continues to and from Auburn, and four round trips extend beyond Oakland to San Jose. On weekends there are nine Sacramento-Oakland round trips, with six round trips extending to San Jose and one to Auburn.



The *Capitol Corridor* was not beset with significant disruptions this winter, as were the other two routes, and again set ridership records in all three months of the quarter. The service has now marked 22 consecutive months of monthly ridership records, and May was the highest single month in the history of the service (breaking the record just set in March). Total ridership for the fourth quarter of FY 2004-05 increased 7.5 percent, compared to the same quarter the year before, but was 7.0 percent below the quarter's projection in the Business Plan. Ridership for the entire fiscal year increased by 7.9 percent, although this was 4.4 percent below the Business Plan.

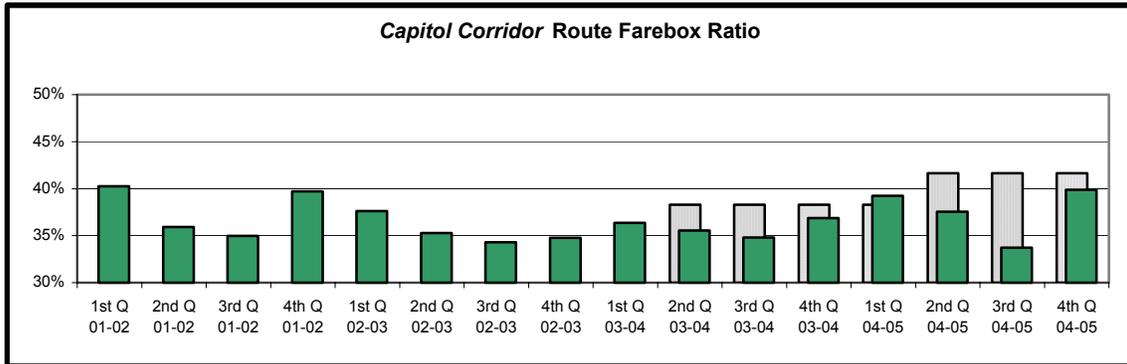


On time performance was 89 percent in the fourth quarter, up from 86 percent in the prior quarter, and above the *Capitol Corridor's* Business Plan projection of 84 percent.

# Intercity Rail

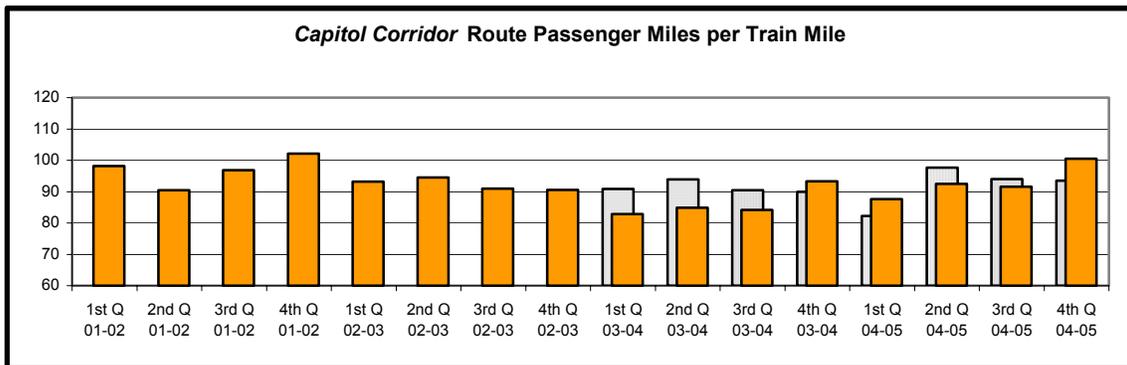
## 4th Quarter Operations Report for FY 2004-05

### Capitol Corridor (continued)



Capitol Corridor revenue for the fourth quarter increased by 13.4 percent, compared with the same quarter the previous year. Expenses increased 4.8 percent, with the farebox ratio going up by 3 percentage points.

For the entire 2004-05 fiscal year, Capitol Corridor revenues increase 12.8 percent, while expenses increased 8.1 percent, resulting in a 1.6 percentage point increase in the farebox ratio, to 37.5 percent. The Business Plan projection was 42 percent.



Passenger Miles per Train Mile (PM/TM) for the fourth quarter of the fiscal year were 100.5, up 8.8 percent from the 93.3 PM/TM generated during the same period of the previous fiscal year. Average trip length remained almost the same at 68.0 miles.