

Why rail's time has come

The US transportation system is the world's most oil intensive. It is 96% dependent on petroleum and accounts for 70% of US petroleum use. The annual movement of five trillion passenger miles and four trillion freight ton-miles consumes almost 20% of the world's total oil production. The primary cause of this oil dependence is nearly a century of federal transportation policy that has focused on roads and air but largely ignored trains for the movement of people and goods.

Development of alternative fuels and more efficient motor vehicles and aircraft is only part of the solution. Rail is the most energy-efficient and environmentally friendly form of transportation. Even in its undercapitalized condition with no new locomotives and some rolling stock as old as 60 years, Amtrak in 2006 was 18% more fuel efficient per passenger-mile than commercial airlines and 25% more fuel-efficient than automobiles, based on the latest data from Oak Ridge National Laboratory (Transportation Edition Data Book, Edition 27). These comparisons understate rail's advantage both because of Amtrak's undercapitalization and because the potential exists to electrify current diesel-operated lines. Trains, indeed, represent the only proven technology for moving people and goods at high speeds over long distances entirely with electricity.

Trains offer a next generation solution - one that other developed and developing nations are pursuing with vigor and one that America is ignoring. For example, according to a December 31 AP report, "China will raise its spending on railway construction by 80% in 2009 to \$87.9 billion as part of a stimulus plan to boost domestic demand, state media said Wednesday. The official Xinhua News Agency said the figure of 600 billion yuan (\$87.9 billion) for railway infrastructure projects was announced at a national railway meeting. The country spent \$48.35 billion (330 billion yuan) on railway construction in 2008, it said."

The public wants more trains. This is reflected both in ridership where trains are available, and in polls. Here are three polls, all taken well before the 2008 gasoline price spike:

- A Harris poll released February 8, 2006 found that, "as personal travel and freight transportation grows in the future, the American public would like to see an increasing proportion of that traffic going by rail...The modes of transportation which the largest number of adults would like to see 'have an increasing share of passenger transportation' are: commuter trains (44%), long-distance trains (35%), local bus service (23%), and airlines (23%)." The comparable percentage for "long-distance travel by car" was just 10%, long-distance bus service 6%.
- A poll conducted by CNN/Gallup/*USA Today* near the height of Amtrak's June, 2002, cash crisis (June 21-23) found that 70% of the public supports continued Federal funding for Amtrak.

- Similarly, *The Washington Post* found that 71% of Americans support continued or increased federal funding for Amtrak (August 5, 2002, article reporting on July 26-30 poll).

How to spend \$20 billion

Amtrak **Chief Operating Officer** William Crosbie, in October 29 testimony before the House Transportation & Infrastructure Committee, identified \$410 million in “immediate capital needs” (\$130 million for rolling stock, \$160m for infrastructure, \$120m for Positive Train Control). We think this was a very conservative figure, and indeed Amtrak itself might have presented a much larger figure had the hearing been held two months later.

Importantly, Crosbie included funding that could increase Amtrak’s capacity quickly by returning to service all 81 parked Amfleet cars. However, a large number of other Amtrak cars—especially the highly-efficient, double-deck Superliners—also are parked and should be returned to service. If Amtrak lacks the capacity to do all this work in-house, companies in the private sector could be retained to some of the work.

Crosbie also mentioned new equipment as follows:

- \$52.5m to add 15 cars to their tiny single-level sleeping car fleet
- \$300m to replace 1950s-vintage baggage cars and diners
- \$180m to replace their “workhorse” AEM-7 Northeast Corridor electric locomotives

There also needs to be replacement and expansion of the Superliner fleet and of equipment for high speed trains in the Northeast Corridor and across the nation.

Amtrak and California have completed specifications for the next-generation double-deck cars. Thus, if red tape associated with procurement can be minimized, this car could go into production very soon. This car in different configurations could support various types of service throughout the nation except in the Northeast (due to clearance issues in the New York City and Baltimore tunnels).

The U.S. Conference of Mayors has identified \$1.06 billion in Amtrak-related projects. <http://www.usmayors.org/mainstreeteconomicrecovery/default.asp?Area=Amtrak>

States for Passenger Rail have identified \$1.4 billion in projects and says “most of these projects can be obligated within 90 days.” <http://www.s4prc.org/info/>

If the time horizon is lengthened somewhat, the number of projects becomes larger. The states have a large number of projects that could be advanced, both incremental

improvements to the existing network and “big leaps” to new systems such the one for which California voters approved bonds the day you were elected. The California system is dependent on a strong federal funding partner, and now is the time to make clear that the federal government is ready for action.

We will have more to add to this discussion in the coming weeks. The central point now is that the transportation industry needs a message that highway-dominated “business as usual” is over, and that your Administration is committed to including “better transportation choices” as part of the “change” for which people voted November 4.