Statement of

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Thank you very much for the opportunity to address the Commission and offer our perspective on your challenging task.

I. Introduction

The National Association of Railroad Passengers has worked since 1967 to develop a modern rail passenger network for the U.S. Although our main focus has been intercity service because that has been most at risk, our work also encompasses commuter rail, local transit and intermodalism, that is, the most seamless possible connections among all forms of passenger travel.

Intercity passenger rail must be a key part of our transportation future.

- In 2003, the most recent data which Oak Ridge National Laboratory has published, Amtrak used 18% less energy (BTU's) per passenger mile than the airlines, 17% less than automobiles. This can improve (see III below).
- Rail also supports more energy efficient living, by encouraging pedestrianfriendly development that reduces highway vehicle miles traveled and makes the use of public transit more attractive.
- Polls show that a wide cross-section of the population wants rail as a choice. This is also demonstrated by public response to new services. Rail is especially important for the growing numbers of people who cannot, do not want to, or should not, drive. Rail's importance will increase further as the baby boom generation balloons the ranks of seniors in the years ahead.
- As international competition intensifies, nations with a modern, efficient and comprehensive rail system will have a significant competitive advantage.
- Smaller cities benefit from rail's ability to make intermediate stops with relatively low cost in time and energy. Indeed, Bureau of Transportation Statistics research

shows that *nearly half* of all intercity trips are between metro and non-metro areas.

II. The Next Steps

U. S. transportation policy is biased in favor of the road and air – the two least efficient forms of transportation in terms of energy consumption, environmental impact, land foot print and capacity returned per dollar invested. This bias must be eliminated by providing federal matching funds for intercity rail passenger projects States' decisions about transportation spending priorities are heavily influenced by how many federal dollars they can leverage. The result is that they generally ignore rail — even in situations where rail would be most efficient option.

California's intercity passenger rail program has proven wildly popular with the traveling public, even though many regard California auto capital of the world. From our perspective, California reached the dead end of an unsustainable policy sooner than other states. In 1990, some far-sighted state legislators backed up by the voters forced an unenthusiastic state DOT bureaucracy to embark on a \$2 billion program to improve and expand intercity rail service. Public money together with good planning is what makes California unique. But even California has reached the point where significant new capital investment depends on of the enactment of a federal matching grant program.

We join States for Passenger Rail (S4PR) and others in urging support for legislative vehicles likely to fill this need. And we join both S4PR and the DOT Inspector General in recommending that the federal match be 80% so that rail will have an equal footing with highways and aviation.

H.R. 1300 is the first bill to gain significant support that has a funding mechanism. It incorporates RIDE-21, the high speed rail bill that the House Transportation & Infrastructure Committee passed on a bi-partisan basis in the previous Congress. This provides \$12 billion in tax credit bonds for improvement and expansion of intercity rail passenger service. S. 294, the bipartisan Lautenberg-Lott bill, includes both an Amtrak reauthorization and the framework for a state-federal partnership. This bill requires enactment of companion legislation that would fund it with tax exempt bonds. We support both bills.

It is in the vital national interest that rail assume a significantly larger role in the movement of people and goods in this country. Federal policy should make growth Amtrak's top priority. Congress should expect Amtrak to more than double the volume of passengers and passenger miles by 2020 and then provide the resources it needs to enable that growth.

III. On Time Performance and Investment to Improve it

This is a key concern for passengers and a key problem for most trains. Since inadequate track capacity or maintenance is a major cause for delays, adding capacity and increasing

maintenance will lead to major improvements in on-time performance and—subject to agreement with the owning railroads—more frequent service. This in turn will lower costs and boost revenues.

An infrastructure program targeted at eliminating "chokepoints" would reduce delays and trip times for all types of Amtrak trains and also would enhance goods movement. The fluidity of the freight network would benefit since the added capacity is available all the time while passenger train requirements are not. A good example already on the ground is the investment that laid the groundwork for the Los Angeles commuter rail network (Metrolink).

IV. Overnight Trains

Overnight (a.k.a. long-distance) trains have been the subject of furious debate that has been long on emotion and short on fact. These trains are heavily used. The average number of passengers on board at any given time (passenger-miles-per-trainmile) was 176 in Fiscal 2006. The average number of passenger per trip was 326 (higher than any other service except Northeast Regionals).

These trains meet the needs of people in both small and large travel markets who cannot or do not want to fly. Those who "cannot" fly include people with temporary or permanent medical conditions incompatible with flight. "Small" markets include a growing number of communities where Amtrak is the only public transportation option, or the only affordable one.

The majority of passengers on these trains travel coach, and these people as a group have the lowest incomes of any segment of Amtrak travelers. Some have suggested that Amtrak simply drop sleeping cars, but past experience with coach-only overnight trains has not been positive; both economics and politics argue for service that appeals to most income levels.

On many routes, trains offer the best way to see the nation's natural beauty, and the only practical way for those who can't drive very long distances. This also has appeal to overseas visitors, many of whom are inclined towards the train because they use it at home.

In 25 states, the only trains Amtrak operates are overnight trains. Besides providing the real transportation services noted above, these trains also hold rail passenger facilities in place, thereby reducing the capital investment and logistical problems to be encountered in conjunction with future efforts to provide new commuter rail and short intercity services.

Most of the chokepoints that a robust, conventional "high speed rail" program would fix also would benefit the overnight trains. To cite one example, there is general agreement that creating reliable Chicago-Detroit service requires laying track on a now disused right-of-way to let passenger trains escape Norfolk Southern congestion between Chicago

and Porter, Indiana. If that is done, Amtrak's overnight trains to Pittsburgh, Buffalo and the East Coast would also benefit, and a major source of delays for those trains would be eliminated. In addition, of course, some capacity would be freed up on NS for goods movement.

V. Environment

As the introduction notes, Amtrak is more energy efficient than airlines or highways. The Oak Ridge National Laboratory's latest Transportation Energy Data Book figures show the following (British Thermal Units per passenger-mile):

Transit (buses)	4,160
Certificated route aviation	3,587
Automobiles	3,549
Transit (light & heavy rail)	3,228
Amtrak	2,935
Commuter rail	2,751

These figures of course do not reflect transit's ability to foster pedestrian-friendly, energy-efficient real estate development.

Going forward, all modes are working to improve their energy efficiency. Amtrak anticipates more efficient locomotives and operating practices, including anti-idling methods such as automatic start/stop. Also, increased ridership, particularly since Amtrak could add cars to many of its trains without needing to add another locomotive.

VI. Amtrak's Record & Amtrak Reform

Overall, Amtrak has done a credible job of keeping rail passenger service alive through almost 36 years which included periods when many questioned the need for some or most of the service or questioned the appropriateness of Amtrak as the vehicle to provide it.

"Reform" comes in almost as many flavors as the number of individuals who call for it. At one end of the continuum, the Bush Administration advocates the end of all federal operating grants and the transition of Amtrak to a so-called pure operating company. Near the other end is Sen. Patty Murray (D-WA), the appropriations subcommittee chair, who on February 28 said there should be reform "in the way freight railroads dispatch passenger trains, the way Amtrak compensates its employees and the way the Bush Administration budgets for Amtrak."

Some critics of the present setup have cited overseas examples without acknowledging that, in the U.S., the private sector owns most of the nation's rail infrastructure and U.S. railroads strongly oppose multiple passenger operators.

Our assessment of the present management is that they are committed to implementing most of the reforms that are compatible with continuing and expanding service.

VII. Land use and transit

Germane to any discussion about transportation costs and revenues is recognition of how land use influences transportation demand. Pedestrian-friendly real estate development reduces demand for auto trips. Local rail transit in many forms encourages pedestrian-friendly development, but Federal Transit Administration "new start" criteria are blind to this and do not count the walking trips that a project could generate. So, when the Administration says it is funding "all transit projects ready to receive federal funding," we must remember that its criteria are designed to minimize the number of eligible projects.

VII. Intermodalism: Covering all the bases, including airports and rental cars

As public transportation advocates, we recognize the importance of intermodalism of all types. The more convenient it is to transfer among different transport modes including the automobile, the more closely public transportation comes to equally the automobile's flexibility and convenience, the greater the number of people willing to use public transport. All of this in turn reduces pressure to build more roads. Indeed, one reason it is so hard to raise revenues in this country is that the public is not inspired by the extent to which investment to date has been dominated by roads.

The U.S. is far behind Europe in bringing intercity rail to airports, but we are catching up. Secretary Busalacchi knows well the success of the new Milwaukee Airport stop on the Amtrak/Wisconsin Hiawatha line.

Amtrak travelers and would-be travelers often are frustrated by the fact that the car rental locations with the best hours in town—sometimes around-the-clock—are at airports, not at train stations or even in downtowns. Thus, what is happening near Providence is exciting. The new station planned on Amtrak's mainline at T. F. Green Airport will house car rental agencies, and will be connected to the airport by a people-mover. This will solve a road congestion problem for the airport stemming from the fact that the rental agencies are widely dispersed in the area. It also means that rental cars, for once, will be very convenient for rail travelers (even slightly more convenient than for airline passengers). Making this happen was not easy, and some of the credit belongs to Norman Mineta, then transportation secretary.

We expect that success stories with these pioneering examples of rail intermodality will inspire many similar investments in the future.

Thank you again for this opportunity.

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