State of California
DEPARTMENT OF TRANSPORTATION

Business, Transportation and Housing Agency

Memorandum

To: CHAIR AND MEMBERS
CALIFORNIA TRANSPORTATION COMMISSION

Date: September 26-27, 2012

Reference No.: 3.10
Information Item

From: NORMA ORTEGA
Chief Financial Officer

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Subject: **FY 2011-12 FOURTH QUARTER INTERCITY RAIL OPERATIONS REPORT**

SUMMARY:

This is the Fourth Quarter Intercity Rail Operations Report for Fiscal Year (FY) 2011-12, April through June 2012, as requested by the California Transportation Commission (Commission). The report contains information for each route on ridership, on-time performance and financial results. These results are also compared to the same period for the prior year and to the performance goals. This data allows the performance of the routes to be easily compared. In addition, as this is the fourth quarter of the FY, full-year FY 2011-12 results are compared to those from FY 2010-11.

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 San Jose, Oakland, and the Sacramento region; and the *San Joaquin Route* between Bakersfield and both Oakland and Sacramento. These routes are, respectively, the second, third, and fifth busiest routes in the entire national Amtrak system. The *Pacific Surfliner* and *San Joaquin* routes are administered by the California Department of Transportation (Department), while the *Capitol Corridor* is administered by a separate agency, the Capitol Corridor Joint Powers Authority (CCJPA), using funding provided by Caltrans.

Starting with FY 2009-10, the operating contract between Amtrak and the State and continuing through FY 2011-12, expenses have been calculated based on a predetermined fixed dollar amount (with the exception of fuel and host railroad expenses) rather than actual monthly expenses as recorded in Amtrak's accounting system. This form of contract limits the State's exposure to uncertainty. Expenses are calculated in the same manner in the contract between the CCJPA and Amtrak.

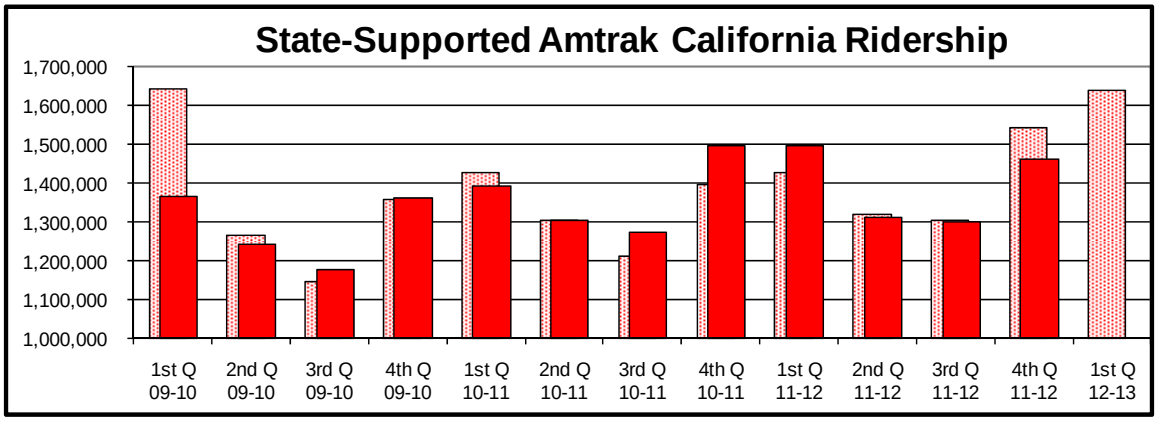
The route financial performance goals (revenues, expenses and farebox ratio) in this report are a projection based on the operating contract for each route. Beginning in FY 2011-12, the actual results that are reported in the quarterly report include: actual revenue, fixed price expenses, and three expenses that are billed as actual expenses. These are fuel cost, railroad performance payments and host railroad access fees. The farebox ratio shown is a ratio of the actual revenue

to billed expenses, which include both fixed price and the three categories of actual expenses. This is not a traditional farebox ratio of actual revenues to actual expenses.

Fourth Quarter Results

Fourth quarter results for the *San Joaquin Route* and *Capitol Corridor* were notable, with ridership and revenues higher than the same quarter the previous year, and revenue records were set on the *Pacific Surfliner* for the quarter.

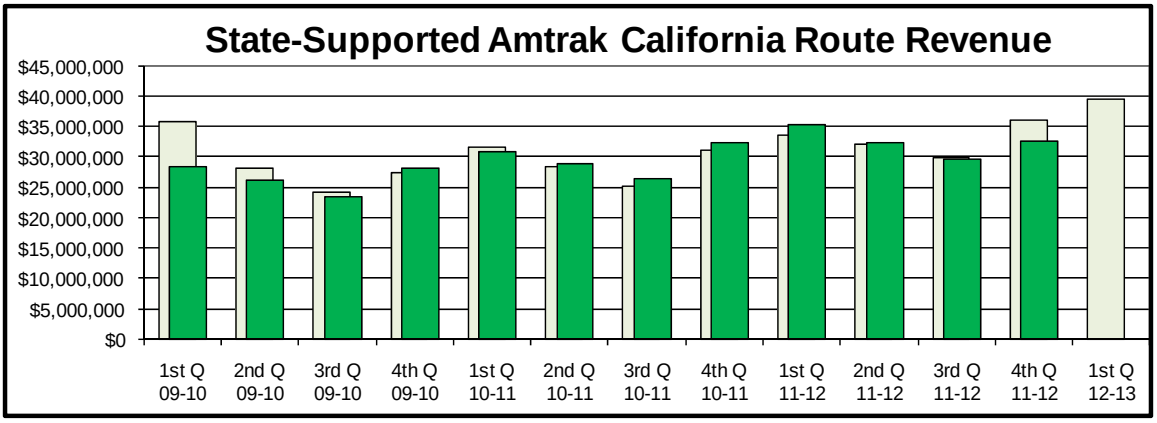
Total ridership during the fourth quarter (April-June 2012) on the three routes was 2.1 percent below the comparable quarter in FY 2010-11, and 5.2 percent below the combined performance goal. The *San Joaquin Route* recorded monthly ridership records for each month of the quarter, continuing a string of 22 record-setting months that began in October 2010. The *Capitol Corridor* also set all-time records for April and May.



Combined on-time performance (OTP) for the fourth quarter was 87.8 percent, 0.5 percentage points below the same quarter in FY 2010-11, but 1.5 percentage points above the combined performance goal. OTP on the *San Joaquin Route* and *Capitol Corridor* were an impressive 88.6 percent and 93.3 percent respectively.

Overall revenue in the fourth quarter increased 1.0 percent with record-high revenues achieved on all three routes in each month of the quarter, however was 9.7 percent below the goal. Expenses increased 10.0 percent compared with the same quarter in the previous year, but were 2.7 percent lower than the performance goal. The result was that the combined farebox ratio dropped by 4.6 percentage points, and was 4.0 percentage points below the performance goal.

Expenses on the *Pacific Surfliner* and *San Joaquin* routes are artificially high this quarter in comparison to the prior year because the monthly allocation formula of fixed expenses was changed in FY 2011-12. As a result, the comparison of both expenses and farebox ratio to the performance goal is a more accurate measure of the routes' performance than a comparison to the prior year. The *Capitol Corridor* did not change the method of monthly allocation of expenses, so there is not a similar discrepancy on that route.



Note: Solid Bars reflect actual data; Shaded Bars reflect Business Plan Projection.

Year End Results

Total ridership on all three routes in the State Fiscal Year (SFY) 2011-12 set an all time SFY record at almost 5.6 million passengers. Total ridership increased 2.0 percent from 2010-11, with ridership up 9.8 percent on the *San Joaquin Route*, up 5.4 percent on the *Capitol Corridor*, but down 3.0 percent on the *Pacific Surfliner Route*. Ridership was only 0.3 percent below the combined performance goals.

Full year 2011-12 combined OTP was 86.1 percent, down 1.8 percentage points from 2010-11, and 0.2 percentage points below the combined performance goals.

Revenue increased 9.8 percent in 2011-12, but was 1.2 percent below the combined performance goals. Expenses were up 7.0 percent, but 0.6 percent below the goals. Farebox ratio was 54.1 percent, 1.3 percentage points above the prior year.

The following tables provide further detail on the combined ridership, revenue, expense, farebox ratio and on-time performance for the three State-supported routes for the fourth quarter and full year FY 2011-12.

Route-specific graphs and tables are in are contained in the following sections.

State-Supported Amtrak California Services - 4th Quarter 2011-12
All Routes

	ACTUAL RESULTS				*PEFORMANCE GOALS*		
	4th Qtr 11-12	4th Qtr 10-11	Difference	Percent Change	*4th Qtr 11-12*	*Actual to Goals*	*Percent Difference*
Ridership	1,461,989	1,493,246	(31,257)	-2.1%	*1,542,300*	*(80,311)*	*-5.2%*
Revenue	$ 32,590,060	$ 32,258,572	$ 331,488	1.0%	*$ 36,073,066*	*$ (3,483,006)*	*-9.7%*
Expense	$ 62,898,095	$ 57,155,425	$ 5,742,670	10.0%	*$ 64,614,416*	*$ (1,716,321)*	*-2.7%*
Farebox Ratio	51.8%	56.4%	-4.6 PP		*55.8%*	*-4.0 PP*	
On-Time Performance	87.8%	88.3%	-0.5 PP		*86.3%*	*1.5 PP*	

PP - Percentage Points

State-Supported Amtrak California Services - State Fiscal Year 2011-12
All Routes

	ACTUAL RESULTS				*PERFORMANCE GOALS*		
	SFY 11-12	SFY 10-11	Difference	Percent Change	*SFY 11-12*	*Actual to Goals*	*Percent Difference*
Ridership	5,569,205	5,458,788	110,417	2.0%	*5,588,131*	*(18,926)*	*-0.3%*
Revenue	$ 129,677,519	$ 118,146,726	$ 11,530,793	9.8%	*$ 131,232,769*	*$ (1,555,250)*	*-1.2%*
Expense	$ 239,544,342	$ 223,804,250	$ 15,740,092	7.0%	*$ 240,980,919*	*$ (1,436,577)*	*-0.6%*
Farebox Ratio	54.1%	52.8%	1.3 PP		54.5%	*-0.3 PP*	
On-Time Performance	86.1%	87.9%	-1.8 PP		*86.3%*	*-0.2 PP*	

PP - Percentage Points

BACKGROUND:

Pacific Surfliner Route

There are currently 11 weekday round-trips between Los Angeles and San Diego, four of which are through-trains between San Diego and Goleta (Santa Barbara), one of which continues north to and from San Luis Obispo. A second San Luis Obispo round-trip originates/terminates in Los Angeles, (with a connection southbound to San Diego) bringing the total level of service north of Los Angeles to five daily round-trips.

Tables at the end of this section provide data on ridership, revenue, expenses, farebox ratio, and on-time performance for the fourth quarter and the year as whole.

Ridership on the *Pacific Surfliner Route* declined 6.5 percent in the fourth quarter compared to the same quarter in the prior year, and was 7.3 percent short of the performance goal. Ridership was down for each month in the quarter. For the entire year, ridership declined 3.0 percent between FY 2010-11 and FY 2011-12.

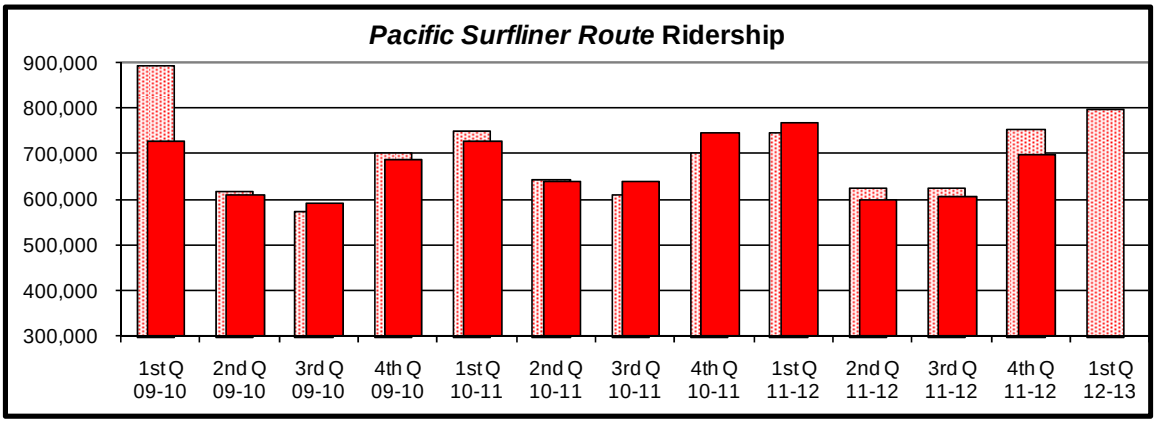
An analysis was made by Amtrak to determine the reason why ridership declined each month of the quarter from last year. In April, almost 50 percent of the decline (8,665 passengers) has been determined to be from the pricing actions of an increase in fares taken this past fiscal year. Just over 40 percent of the decline (7,067 passengers) is attributed to the loss of Metrolink Rail-2-Rail passengers. This is consistent with the decline in ridership, but revenue per passenger improved due to the low income credited Amtrak for Rail-2-Rail passengers.

In May, the reduced Metrolink ridership again was a major element of the ridership decline that resulted in 36 percent of the ridership decline. However, there was an apparent anomaly occurred over the May 4-6 weekend, with a steep ridership drop off for that one weekend, compared to that same weekend in 2011, that was responsible for 37 percent of the ridership decline for the month.

The June results were mixed. Once again, the drop in Metrolink Rail-2-Rail riders declined over 22 percent (10,006 passengers). Local riders, defined as riders who begin and end their trips on the *Pacific Surfliners* was up 6.5 percent (9,529 passengers), but the Non-Local passengers, defined by Amtrak as "those passengers that connected from another train", meaning connected between Amtrak long distance trains, the connecting *San Joaquin Route* buses from Bakersfield, or from other Metrolink trains, declined 13.7 percent (6,717 passengers).

Clearly, the decline of Metrolink Rail-2-Rail riders, which account for 44 percent of the overall ridership decline since January, had a very major impact on overall ridership on the *Pacific Surfliner* trains. Much of the decline is a result of the changes in the *Pacific Surfliner* schedule that were instituted in January. For example, a schedule change of a *Pacific Surfliner* might result in a Metrolink train being more convenient, as passengers would gravitate to the next departing train, regardless if it was a *Pacific Surfliner* or a Metrolink train. Amtrak has identified several instances where this has occurred. In addition, the express *Pacific Surfliner* from San Diego to Los Angeles eliminated a number stops in a morning inbound train including the stations of Fullerton, Santa Ana, and San Juan Capistrano.

The other two factors in the ridership decline are the price increases instituted last fall when, unlike prior years, fares were not reduced for the off peak season. Although this resulted in a loss of passengers during this period, as projected, revenue per passenger and overall revenue increased. The other driving factor, as referenced in the OTP portion of this report, was the trackwork project between Los Angeles and Fullerton that resulted in delays to all rail traffic through this region. Amtrak determined that 22 percent of the traffic loss during this period was due to the impact of the delays that reduced reliability throughout the entire system.



On-time performance (OTP) in the fourth quarter was 80.3 percent, 0.7 percentage points below the previous year's second quarter and 2.7 percentage points below the 83 percent performance goal.

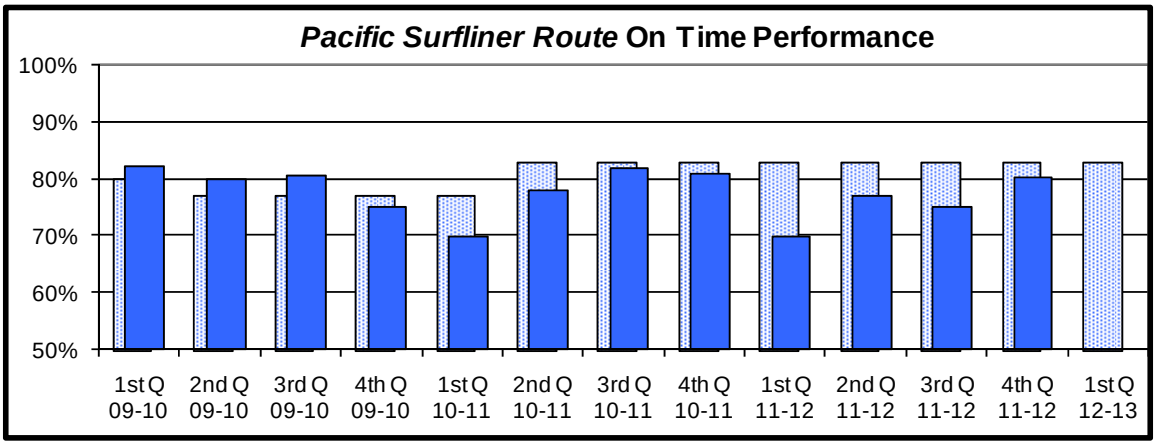
For the quarter, between Los Angeles and San Diego, OTP was 77.4 percent. Between Los Angeles and San Luis Obispo, OTP was 82.7 percent. This compares to prior year fourth quarter OTP of 83.1 percent on service south of Los Angeles and 77.1 percent north of Los Angeles. For the entire year, OTP was 75.4 percent for the route, 73.9 percent between Los Angeles and San Diego, and 74.3 percent on service north of Los Angeles.

OTP for April and May were both very good, in fact, the best monthly OTP this year, with results of 82.9 percent and 83.6 percent respectively. However, two events took place that caused OTP to decline to 74.2 percent in June. First, on April 29, North County Transportation District (NCTD) took over dispatching for the line in San Diego County, which they own. This line had previously been dispatched by Metrolink. There was a learning curve that resulted in trains handled differently than Metrolink had. This situation was exacerbated by a major tie replacement program by BNSF between Los Angeles and Fullerton that began on May 20 and extended into July. This track project replaced over 60,000 crossties, and on an average resulted in delays of 18 minutes per train, due to restricted track capacity and slow orders through the work zone, delay that impacted every train through the work zone, whether it was a *Pacific Surfliners*, Amtrak's transcontinental *Southwest Chief*, a Metrolink commuter train or a BNSF freight train. Because the route is near operational capacity, when a train is forced out of its planned time slot, delays can cascade throughout the system, and time recovery is not only impossible, but trains can continue to lose time as the dispatchers attempt to accommodate the trains.

Again, overlaying all operations on the corridor, the primary reason that OTP remains below the goal is that there is inadequate capacity for all of the intercity, commuter and freight trains operating on the corridor. Between San Diego and Los Angeles, approximately 60 percent of the route is single track; between Los Angeles and San Luis Obispo, about 90 percent of the route is single track. Because of the density of traffic and the lack of additional track capacity, when one train's schedule is disrupted, it can result in a continuing series of delays for subsequent trains on the route. There are a number of capital projects to increase capacity in progress—notably the completion of triple track between Los Angeles to Fullerton—which will result in an improvement on overall OTP.

In order to improve OTP, the Department has been working with Amtrak to identify delays under Amtrak's control, particularly those related to equipment. In the fall of 2010, the Department formally asked Amtrak to develop a plan to address OTP. As a result, Amtrak has improved the technical training of new equipment maintenance employees, and is doing daily checks on all delay reports to determine the cause of each delay and developed an ongoing solution for repeated problems. Amtrak also implemented a "rider" program to increase Amtrak staff presence on trains with the goal of pinpointing and resolving problems related to OTP.

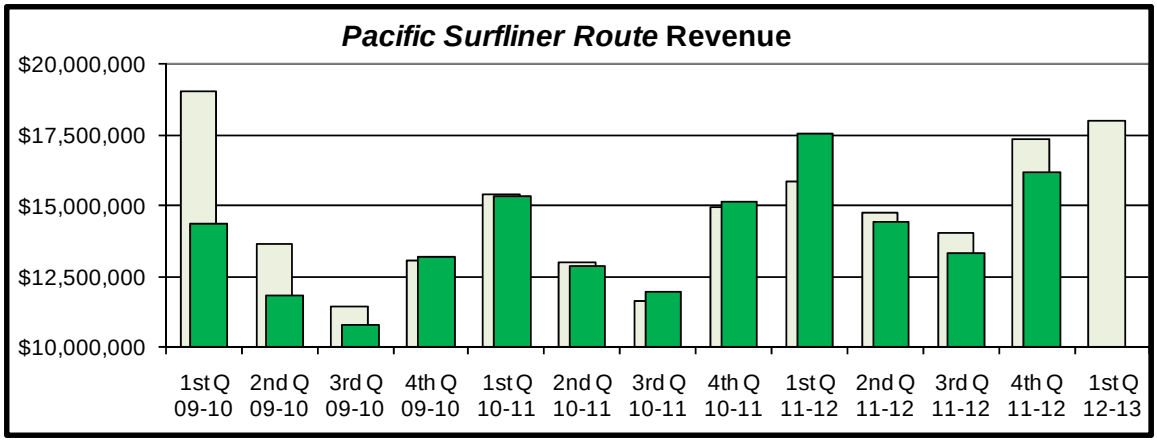
Amtrak also works with the dispatching railroads and the Amtrak mechanical and train crews to determine the cause of any delays and how to decrease the incidence of delays in the future.
The Amtrak equipment mechanical group is focusing on troubleshooting to identify the root cause of equipment failures and develop procedures to correct the specific problems. Amtrak is working with train crews on the accurate recording of dwell times, and reducing dwell times at station stops.



Farebox ratio for the quarter was 56.9 percent, a decline of 3.2 percentage points over FY 2010-11. Revenue in the fourth quarter increased 6.9 percent compared to the same quarter in the previous year but was short of the performance goal by 6.8 percent. Expenses increased 13.1 percent over the prior year quarter, but were 2.8 percent below the performance goal**.** As mentioned above, expenses on the *Pacific Surfliner Route* were artificially high this quarter in comparison to the prior year because the monthly allocation formula of fixed expenses was changed in FY 2011-12. As a result, the comparison of both expenses and farebox ratio to the performance goal is a more accurate measure of the route's performance than a comparison to the prior year's quarter.

For full FY 2011-12, revenue was up 11.1 percent, expenses up 7.7 percent and the farebox ratio improved 1.8 percentage points to 57.8 percent. The revenue fell short of the performance goal by 0.9 percent, the expenses were also less than the goal by 1.0 percent, and the farebox ratio exceed the goal by 0.1 percentage point.

Ticket revenue set monthly records in all three months, and was strong as a result of a change in fare policy. In September 2011, peak-pricing was retained. In the past, after Labor Day, peak pricing was reduced. The retention of peak pricing is one of the initiatives Amtrak and Caltrans have taken to maximize revenue on the route in anticipation of the implementation of a new national cost allocation methodology mandated by federal statute in 2008.



State-Supported Amtrak California Services - 4th Quarter 2011-12
Pacific Surfliner Route

	ACTUAL RESULTS				PERFORMANCE GOALS		
	4th Qtr 11-12	4th Qtr 10-11	Difference	Percent Change	*4th Qtr 11-12*	*Actual to Goals*	*Percent Difference*
Ridership	696,092	744,856	(48,764)	-6.5%	*750,549*	*(54,457)*	*-7.3%*
Revenue	$ 16,174,085	$ 15,125,172	$ 1,048,913	6.9%	*$ 17,353,564*	*$ (1,179,479)*	*-6.8%*
Expense	$28,447,384	$ 25,148,106	$ 3,299,278	13.1%	*$ 29,251,865*	*$ (804,481)*	*-2.8%*
Farebox Ratio	56.9%	60.1%	-3.2 PP		*59.3%*	*-2.4 PP*	
OTP-Route	80.3%	81.0%	-0.7 PP		*83.0%*	*-2.7 PP*	
OTP-North	82.7%	77.1%	5.6 PP				
OTP-South	77.4%	83.1%	-5.7 PP				

PP - Percentage Points

State-Supported Amtrak California Services - State Fiscal Year 2011-12
Pacific Surfliner Route

	ACTUAL RESULTS				PERFORMANCE GOALS		
	SFY 11-12	SFY 10-11	Difference	Percent Change	*SFY 11-12*	*Actual to Goals*	*Percent Difference*
Ridership	2,664,935	2,746,320	(81,385)	-3.0%	*2,739,343*	*(74,408)*	*-2.7%*
Revenue	$ 61,497,105	$ 55,342,510	$ 6,154,595	11.1%	*$ 62,039,711*	*$ (542,606)*	*-0.9%*
Expense	$106,401,372	$ 98,826,221	$ 7,575,151	7.7%	*$ 107,488,426*	*$ (1,087,053)*	*-1.0%*
Farebox Ratio	57.8%	56.0%	1.8 PP		57.7%	*0.1 PP*	
OTP-Route	75.4%	77.6%	-2.2 PP		*83.0%*	*-7.6 PP*	
OTP-North	74.3%	74.1%	0.2 PP				
OTP-South	73.9%	79.0%	-5.1 PP				

PP - Percentage Points

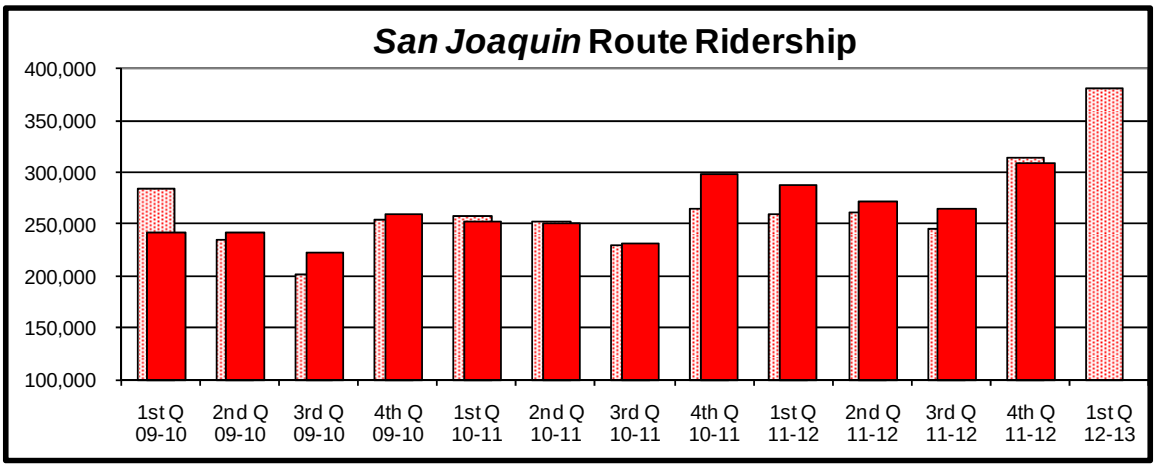
San Joaquin Route

Six daily round-trips serve the *San Joaquin Route*, four operating between Oakland and Bakersfield and two between Sacramento and Bakersfield. All six round-trips have dedicated bus connections between Bakersfield and Los Angeles and other points throughout Southern California. On the north end, buses at Stockton connect Sacramento with Oakland trains and connect 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.

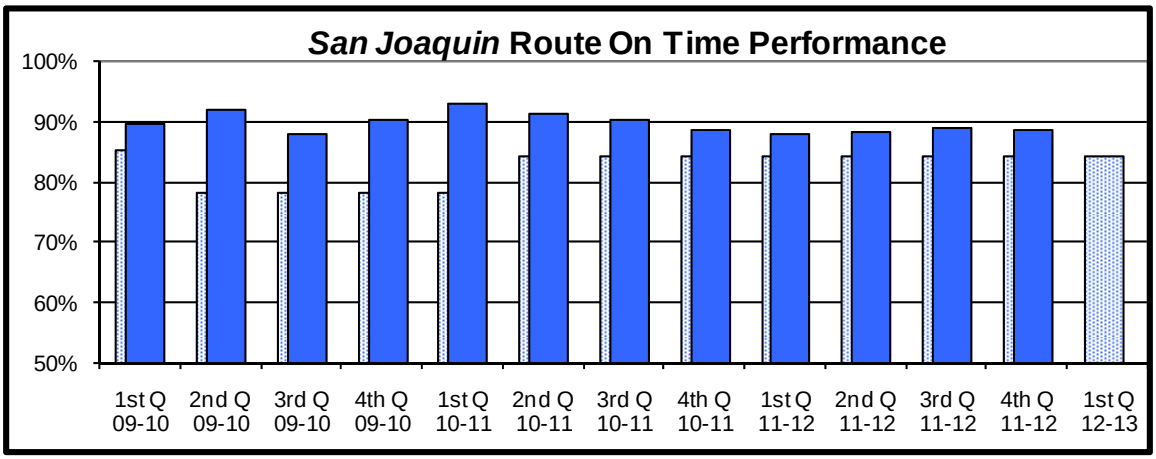
Tables at the end of this section provide data on ridership, revenue, expenses, farebox ratio, and on-time performance.

Ridership on the *San Joaquin Route* continued steady growth by climbing 3.6 percent for the quarter, but was 1.7 percent below the performance goal. This is the 11th consecutive quarter that ridership has increased over the same quarter in the prior year. Ridership in each month set all time highs for those months, and there have now been 22 consecutive months of record ridership on the route.

The *San Joaquin Route* is now consistently exceeding one million passengers on a 12-month basis. In FY 2010-11, there were 1,032,579 passengers. In FY 2011-12, a total of 1,133,654 passengers rode the *San Joaquin Route*, an improvement of 9.8 percent, a significant achievement, considering the current economic environment in the region. This record breaking ridership continues, as ridership in July 2012 was 0.8 percent over July 2011.

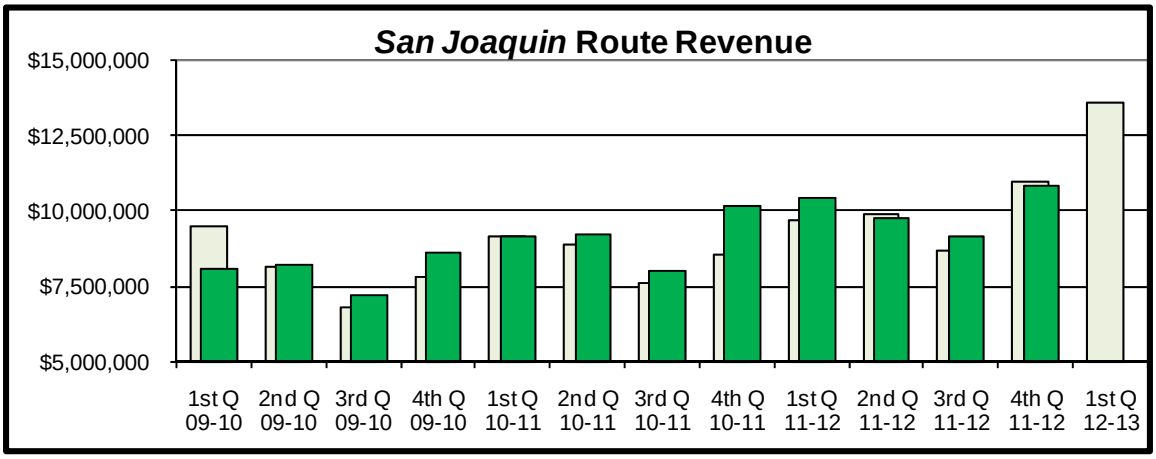


On-time performance (OTP) in the fourth quarter was 88.6 percent, a 0.1 percentage point improvement over the same quarter in FY 2010-11. It is 4.5 percentage points above the performance goal of 84 percent. OTP has exceeded the performance goal for each of the last 19 quarters. For the year OTP was 88.5 percent, down 2.3 percent from the prior year,



Farebox ratio was 54.7 percent in the fourth quarter FY 2011-12, 3.3 percentage points below the same quarter the prior year. Revenues for the fourth quarter increased 6.5 percent compared to the same quarter in the previous year, but were 1.3 percent below the performance goal. Expenses increased 12.9 percent from the prior year, and were 4.8 percent below the projected goal.
As mentioned previously in this report, expenses on the *San Joaquin Route* are artificially high this quarter in comparison to the prior year because the monthly allocation formula of fixed expenses was changed in FY 2011-12. As a result, the comparison of both expenses and farebox ratio to the performance goal is a more accurate measure of the routes performance, then a comparison to that quarter in the prior year.

The results for the entire FY are impressive. Revenue for FY 2011-12 was up 9.8 percent over FY 2010-11, exceeding the performance goal by 2.3 percent. Expenses were down 0.3 percent, and were 1.7 percent less than the performance goal. The full year farebox ratio was 54.0 percent, up 5.0 percentage points over the prior year, exceeding the performance goal by 2.1 percentage points.



State-Supported Amtrak California Services - 4th Quarter 2011-12 San Joaquin Route							
	ACTUAL RESULTS				PERFORMANCE GOALS		
	4th Qtr 11-12	4th Qtr 10-11	Difference	Percent Change	*4th Qtr 11-12*	*Actual to Goals*	*Percent Difference*
Ridership	308,615	297,986	10,629	3.6%	*314,077*	*(5,462)*	*-1.7%*
Revenue	$ 10,815,028	$ 10,157,380	$ 657,648	6.5%	*$ 10,952,215*	*$ (137,187)*	*-1.3%*
Expense	$ 19,769,124	$ 17,509,441	$ 2,259,683	12.9%	*$ 20,757,457*	*$ (988,333)*	*-4.8%*
Farebox Ratio	54.7%	58.0%	-3.3 PP		*52.8%*	*1.9 PP*	
On-Time Performance	88.6%	88.5%	0.1 PP		*84.0%*	*4.6 PP*	

PP - Percentage Points

State-Supported Amtrak California Services - State Fiscal Year 2011-12 San Joaquin Route							
	ACTUAL RESULTS				PERFORMANCE GOALS		
	SFY 11-12	SFY 10-11	Difference	Percent Change	*SFY 11-12*	*Actual to Goals*	*Percent Difference*
Ridership	1,133,654	1,032,579	101,075	9.8%	*1,082,501*	*51,153*	*4.7%*
Revenue	$ 40,161,170	$ 36,571,203	$ 3,589,967	9.8%	*$ 39,249,313*	*$ 911,857*	*2.3%*
Expense	$ 74,367,228	$ 74,586,244	$ (219,016)	-0.3%	*$ 75,663,951*	*$ (1,296,723)*	*-1.7%*
Farebox Ratio	54.0%	49.0%	5.0 PP		51.9%	*2.1 PP*	
On-Time Performance	88.5%	90.7%	-2.3 PP		*84.0%*	*4.5 PP*	

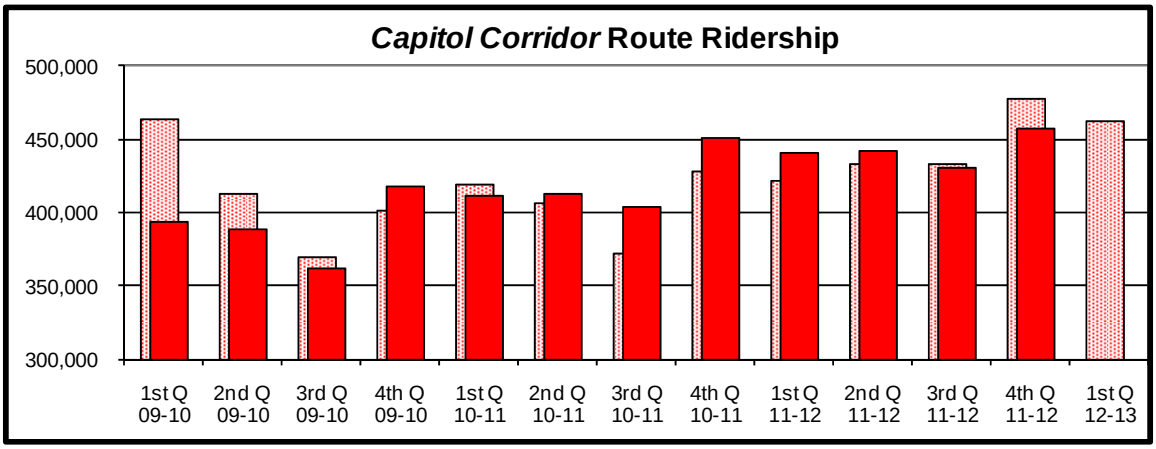
PP - Percentage Points

Capitol Corridor

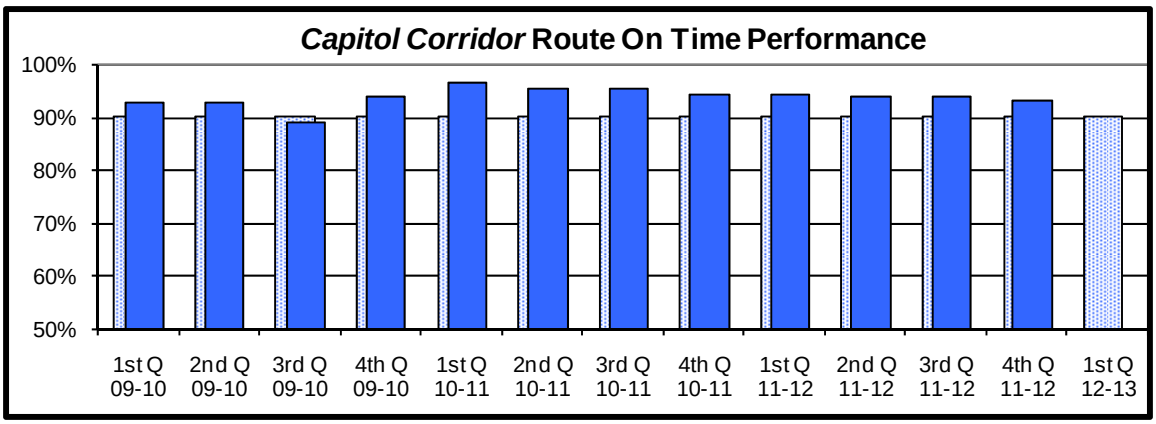
There are currently 16 weekday round-trips between Oakland and Sacramento. One of these trains extends beyond Sacramento to Auburn, and seven of the trains extend beyond Oakland to San Jose. On weekends, there are 11 round-trips between Oakland and Sacramento, with one extension to Auburn and seven round trips to San Jose.

Tables at the end of this section provide data on ridership, revenue, expense, farebox ratio and on-time performance.

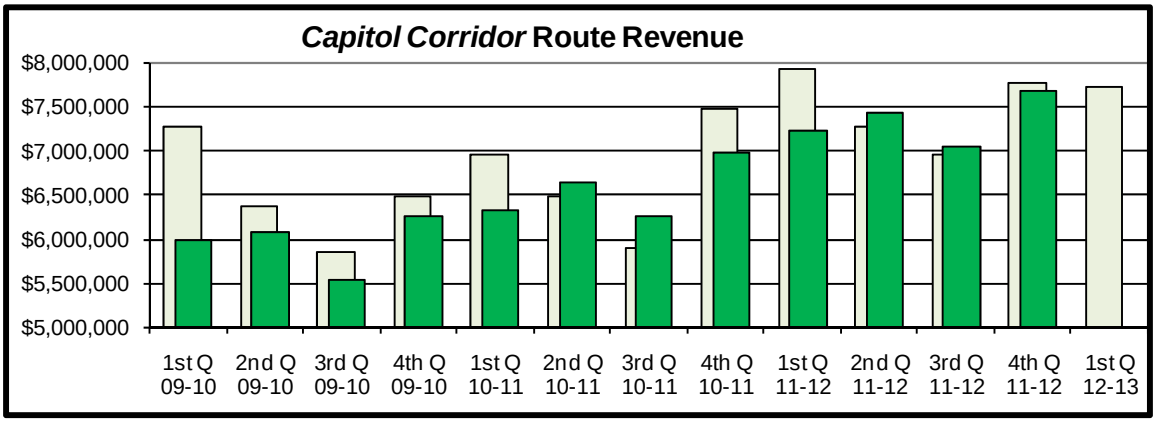
Ridership on the *Capitol Corridor* remains strong. It improved 1.5 percent over the same quarter the prior year, although it was 4.3 percent below the performance goal for the quarter. Monthly records were set in both April and May, and almost topped last June's record ridership. Ridership for the Fiscal Year set a new annual record of 1,770,616 passengers in FY 2011-12, up 5.4 percent over FY 2010-11.



On-time performance (OTP) remains excellent and recorded a fourth quarter OTP of 93.3 percent, and but was 1.1 percentage points below the comparable quarter the previous year. OTP has exceeded the *Capitol Corridor* performance goal of 90 percent in 14 of the last 16 quarters, including the last nine. For the fiscal year, OTP was 93.8 percent down 1.7 percentage points from FY 2010-11.



Farebox Ratio, for the fourth quarter was 52.3 percent, 4.2 percentage points above the same quarter the previous year but 0.9 percentage points below the performance goal. Revenues for the fourth quarter increased 10.1 percent compared to the same quarter in the previous year, and achieved record highs each month, however was 1.1 percent below the performance goal. Expenses increased 1.3 percent, and were 0.5 percent above the performance goal. For FY 2011-12, the farebox ratio was 50.0 percent, an improvement of 2.6 percentage points from FY 2010-11, but was 1.8 percentage points below the goal. Revenues were up 12 percent, 1.8 percent below the performance goal, and expenses increase 6.2 percent, 1.6 percent above the goal.



State-Supported Amtrak California Services - 4th Quarter 2011-12
Capitol Corridor

	ACTUAL RESULTS				*PERFORMANCE GOALS*		
	4th Qtr 11-12	4th Qtr 10-11	Difference	Percent Change	*4th Qtr 11-12*	*Actual to Goals*	*Percent Difference*
Ridership	457,282	450,404	6,878	1.5%	*477,674*	*(20,392)*	*-4.3%*
Revenue	$ 7,678,303	$ 6,976,020	$ 702,283	10.1%	*$ 7,767,287*	*$ (88,984)*	*-1.1%*
Expense	$ 14,681,587	$ 14,497,878	$ 183,709	1.3%	*$ 14,605,093*	*$ 76,494*	*0.5%*
Farebox Ratio	52.3%	48.1%	4.2 PP		*53.2%*	*-0.9 PP*	
On-Time Performance	93.3%	94.4%	-1.1 PP		*90.0%*	*3.3 PP*	

PP - Percentage Points

State-Supported Amtrak California Services - State Fiscal Year 2011-12
Capitiol Corridor

	ACTUAL RESULTS				*PERFORMANCE GOALS*		
	SFY 11-12	SFY 10-11	Difference	Percent Change	*SFY 11-12*	*Actual to Goals*	*Percent Difference*
Ridership	1,770,616	1,679,889	90,727	5.4%	*1,766,287*	*4,329*	*0.2%*
Revenue	$ 29,392,707	$ 26,233,013	$ 3,159,694	12.0%	*$ 29,943,745*	*$ (551,038)*	*-1.8%*
Expense	$ 58,775,742	$ 55,354,368	$ 3,421,374	6.2%	*$ 57,828,543*	*$ 947,199*	*1.6%*
Farebox Ratio	50.0%	47.4%	2.6 PP		*51.8%*	*-1.8 PP*	
On-Time Performance	93.8%	95.5%	-1.7 PP		*90.0%*	*3.8 PP*	

PP - Percentage Points

Progress Report on Implementation of State Rail Plan Goals

At its January 2008 meeting, the Commission provided advice and consent on the draft 2007-08 to 2017-18 California State Rail Plan (Rail Plan). The consent resolution states that Caltrans will report on a quarterly basis on its progress in meeting the goals in the Rail Plan that include two-year (through 2009-10), five-year (through 2012-13), seven-year (through 2014-15) and ten-year (through 2017-18) goals.

Caltrans has been reporting on the two-year goals since FY 2008-09. The initial period for the two-year goals was through Federal Fiscal Year (FFY) 2009-10. In FFY 2010-11, the goals were updated to reflect the five-year goals as follows. If a 2009-10 goal had not yet been met it continued to be reported. Additional five-year (through 2012-13) goals were also added. For FFY 2011-12, annual financial and performance goals were updated.

Following are tables for each route that show the goals for FFY 2011-12 (October 2011-September 2012) and the progress in meeting them.

Pacific Surfliner Route Objectives		FFY 2011-12 Goals	Progress
Improve On-Time Performance		83 percent	April-June 2012 OTP was 80.3 percent. Did not meet goal.
Construct a San Diego Layover Facility - Work With San Diego Association of Governments (SANDAG) to Identify Suitable Location; Develop Funding Partnership for Local, State and Federal Funds; and Develop a Schedule for Delivering the Facility		Identify suitable location and develop funding plan, funding partnership and delivery schedule Proceed with project consistent with funding plan and delivery schedule	A field review with stakeholders identified a new site near Old Town in San Diego. Potentially half the needed acreage is in the City's Redevelopment area, but is privately owned. Stakeholders need to determine if enough additional land can be acquired. Some pre-construction funding is available but no construction funding has yet been identified. Amtrak has provided a preliminary Project Study Report/cost estimate. A meeting between the city of San Diego and the Department took place in January 2011. Future meetings will include BNSF and HSR. It is difficult to proceed with this project due to lack of funding.
Streamline Operations and Improve Passenger Amenities	Implement Automated Ticket Validation (ATV) and Internet ticket purchase	Work with Amtrak, who plans to implement e-ticketing by early 2012.	Amtrak is launching a national e-ticketing program. E-Ticketing was launched in late April 2012 on the San Joaquin Route and Capitol Corridor. The system was expaned to cover the Pacific Surfliner Route in July 2012.
	Implement comprehensive wireless network for on-board, safety and equipment operations	Begin installation of Wi-Fi equipment to be completed end of 2011.	Milestone achieved. A statewide WiFi launch for all three routes occurred in November 2011. Passenger response to WiFi has been very positive.
Improve Multimodal Connectivity	Cross-ticketing and coordinated Schedules With Metrolink and Coaster per LOSSAN integration	Continue to participate in LOSSAN integration	Department continues to participate in LOSSAN integration meetings and short-term and long-term operation analysis and implementation plans have been published. The first integrated schedule is now in place and has improved operations in the corridor.
Reduce Travel Times	Monitor integration of Express Service between Los Angeles and San Diego	Monitor success of service	The Express Service schedule departing San Diego at 7:00 am began on February 15, 2011. The one-year trial period for the train ended on February 14, 2012. Department and Amtrak is conducting an evaluation of the success of the service.
	San Diego to Los Angeles	Under 2.5 Hours Over 10-Year Period Achieve 2.5 hour travel time by 2017-18	Goal to reduce travel time to 2.5 hours requires completion of multiple capital projects: The Los Angeles to Fullerton Triple Track Project is located on approximately 15 miles of BNSF right-of-way within the LOSSAN Corridor. Completion of the third main track will include; new main track; siding upgrades and extensions; upgrade of the railroad infrastructure, signal system upgrades, including Positive Train Control, and various civil structure modifications. The project is divided into eight segments of track construction and six grade separations. Seven of the track segments have been funded (Segment 7 received a Federal award in August, 2011). Segments 1-6 are complete. Segment 7 construction began in April 2012. Segment 8 is unfunded. Two of the six grade separations are funded. Passons Grade Separation is under construction and contract has been awarded for the Valley View Grade Separation is due to go to construction by September 2012. Completion of the project will allow up to 34 Amtrak trains per day operating at 90 percent on-time performance. The San Onofre-Pulgas Double Track Project Phase 1 will construct 4.2 miles of double track and complete the environmental and design phases covering both phases. Final design has begun and environmental permitting is in progress. Final design is expected to be completed by December 2012. In October 2010, FRA approved five PE/NEPA projects for this segment that will improve running times when constructed. All of the five
	Los Angeles to San Luis Obispo	Under 5.0 Hours Over 10-Year Period Achieve 5 hour travel time by 2017-18	Goal to reduce travel time to under 5 hours requires completion of multiple capital projects: Two siding extension projects that will improve running time are programmed in the STIP for 2012-13 in Santa Barbara and Ventura Counties. UP has completed preliminary modeling, which is being evaluated by AECOM to ensure consistency with other models in use. A corridor wide program level EIR/EIS for LOSSAN North is in progress and is necessary for the State to compete for Federal funds. In October 2010, FRA approved four PE/NEPA projects for this segment that will improve running times when constructed. All of the four projects now have completed grant agreements and work is underway to complete the first task which is a detailed work plan. Two FRA grants will fund the completion of NEPA and PE for the Ortega and Seacliff sidings. The other two projects are Van Nuys and Raymar.
Increase Annual Ridership		2,790,000	April-June 2012 ridership was 696,092, short of the quarterly goal by 7.3 percent.
Increase Annual Revenues (dollars in millions)		$45.0	April-June 2012 revenue was $16.2 million, short of the quarterly goal by 6.8 percent.
Increase Farebox Ratio		60.9 percent	April-June 2012 farebox ratio was 56.9 percent.
Service Frequency (Total Weekday Trains)	Between San Diego and Los Angeles	11	This is the current frequency.
	Between Los Angeles and Goleta (Santa Barbara)	5	This is the current frequency.
	Between Goleta (Santa Barbara) and San Luis Obispo	2	This is the current frequency.

San Joaquin Route Objectives		FFY 2011-12 Goals	Progress
Improve On-Time Performance		84 percent	April-June 2012 OTP was 88.6 percent, and marks 19 consecutive quarters of exceeded goals.
Streamline Operations and Improve Passenger Amenities	Implement comprehensive wireless network for on-board, safety and equipment operations	Begin installation Wi-Fi equipment to be completed end of 2011.	Milestone achieved. A statewide WiFi launch for all three routes occurred in November 2011. Passenger response to WiFi has been very positive.
	Implement Automated Ticket Validation (ATV) and Internet ticket purchase	Work with Amtrak, who plans to implement e-ticketing by early 2012.	Amtrak is launching a national e-ticketing program. E-Ticketing was launched in late April 2012 on the San Joaquin Route and Capitol Corridor. The system was expaned to cover the Pacific Surfliner Route in July 2012.
	Implement Positive Train Control (PTC)	BNSF completing project. To be completed by December 2012.	There are four Positive Train Control (PTC) projects, two are funded by Prop 1A and two are proceeding under a Letter of No Prejudice(LONP) that will allow the locals to pay for their own project, with later reimbursement. The BNSF is currently working on PTC on the San Joaquin Corridor and the Pacific Surfliner Corridor between Los Angeles and Fullerton. Installation on both projects expected to be completed by December 2012, and implemented July 2013.
	Implement safety and security cameras on trains and at stations	Station and on-board cameras to be implemented by December 2011	Station cameras and all 22 on-board cab-car cameras installation have been installed. Vendor for locomotive cameras has been selected; cameras are being installed as part of the scheduled locomotive overhaul.
Improve Multimodal Connectivity	Expand coordination with local transit connections and commuter rail operators	Increase connectivity consistent with results of coordination efforts	Department has improved the transit transfer program with new uniform transfer tickets and is expanding the number of transit providers in the program for both the San Joaquin and Pacific Surfliner corridors.
Reduce Travel Times	Oakland to Bakersfield	Under 6.0 Hours Over 10-Year Period	Projects to reduce travel time are progressing. Kings Park double track project to reduce travel times was placed into service on March 18, 2011.
	Sacramento to Bakersfield	Under 5.0 Hours Over 10-Year Period	Kings Park double track project will benefit Sacramento to Bakersfield service travel times and was placed into service on March 18, 2011.
Increase Annual Ridership		1,204,000	April-June 2012 ridership was 308,615, short of the quarterly goal by 1.7 percent.
Increase Annual Revenues (dollars in millions)		$43.1	April-June 2012 revenue was $10.8 million, short of the quarterly goal by 1.3 percent.
Increase Farebox Ratio		57.6 percent	April-June 2012 farebox ratio was 54.7 percent.
Service Frequency (Total Trains)	Oakland and Bakersfield	4	This is the current frequency.
	Sacramento and Bakersfield	2	This is the current frequency.

Capitol Corridor Route Objectives		FFY 2011-12 Goals	Progress
Improve On-Time Performance		Maintain 90 percent throughout the ten-year period	April-June 2012 OTP was 93.3 percent. Exceeded goal in last nine quarters.
Enhance Customer Satisfaction	Implement comprehensive wireless network for on-board, safety and equipment operations	Begin installation Wi-Fi equipment to be completed end 2011.	Milestone achieved. A statewide WiFi launch for all three routes occurred in November 2011. Passenger response to WiFi has been very positive.
	Implement Automated Ticket Validation System and eTicketing	Full implementation expected in the summer of 2011	Amtrak is launching a national e-ticketing program. E-Ticketing was launched in late April 2012 on the San Joaquin Route and Capitol Corridor. The system was expaned to cover the Pacific Surfliner Route in July 2012.
	Implement safety and security cameras on trains and at stations	Station and on-board cameras to be implemented by December 2011	Station cameras and all 22 on-board cab-car cameras installation have been installed. Vendor for locomotive cameras has been selected; cameras are being installed as part of the scheduled locomotive overhaul.
Reduce Travel Times		Reduce by up to 12 percent over 10-Year Period	Travel time was not reduced in FFY 2010-11 year-to-date and no reductions are planned for the remainder of the FFY or into 2012-13.
Increase Annual Ridership		1,806,000	April-June 2012 ridership was 457,282, short of quarterly goal by 4.3 percent.
Increase Annual Revenues (dollars in millions)		$29.7	April-June 2012 revenue was $7.7 million, short of the quarterly goal by 1.1 percent.
Increase Farebox Ratio		50.1 percent	April-June 2012 farebox ratio was 50.0 percent.
Increase Service Frequency	Between Oakland and Sacramento	16	This is the current frequency.
	Between San Jose and Oakland	7	This is the current frequency.
	Between Sacramento and Roseville	1	This is the current frequency.
	Between Roseville and Auburn	1	This is the current frequency.

Caltrans Intercity Rail Program

Fourth Quarter and Full Year 2011-12 Rail Operations Report

Caltrans Division of Rail

Pacific Surfliner Route
4th Quarter and FY Highlights

Period	Ridership	Revenue	Expenses	Total Route OTP	OTP LA-South	OTP LA-North
	Percent Change from Prior Year Period			*Actual Results*		
4th Qtr.	-6.5%	+6.9%	+13.1%*	80.3%	77.4%	82.7%
FY 11-12	-3.0%	+11.1%	+7.7%	75.4%	73.9%	74.3%

- Ridership and OTP were negatively impacted due to major track projects.
- Ridership of Rail-2-Rail Metrolink passengers down significantly each month due to schedule changes and the limited stop express service.
- Revenue up even with ridership decrease, primarily the result of a fare increase in September 2011.

* Expenses are artificially high because of a change in the allocation formula.

San Joaquin Route 4th Quarter Highlights

Period	Ridership	Revenue	Expenses	OTP
	Percent Change from Prior Period			*Actual Results*
4th Qtr.	+3.6%	+6.5%	+12.9%*	88.6%
FY 11-12	+9.8%	+9.8%	-0.3%	88.5%

- 11th consecutive quarter of increased ridership.
  - All time records set in for each month of this quarter.
  - 22 consecutive months of record ridership.
  - Ridership now consistently exceeds one million passengers per 12-month period.
- Record revenue each month of the quarter.
- OTP has exceeded the performance goal for 19 consecutive quarters.

* Expenses are artificially high because of a change in the allocation formula.

Capitol Corridor 4th Quarter Highlights

Period	Ridership	Revenue	Expenses	OTP
	Percent Change from Period			*Actual Results*
4th Qtr.	+1.5%	+10.1%	+1.3%	93.3%
FY 11-12	+5.4%	+12.0%	+6.2%	93.8%

- Ridership outperformed the prior year 25 of the past 26 months.
  - Record ridership for May and June.
- Record revenue each month of the quarter.
- OTP was 93.3%, the ninth successive quarter with OTP over 90%.

1st Quarter FY 2012-13 Statewide Preview

Route highlights for July and August 2012:

Route	Ridership	Revenue	OTP
Pacific Surfliner	-4.7%	-0.8%	62.8%
San Joaquin	+2.4%	+3.7%	85.5%
Capitol Corridor	-3.8%	+2.1%	93.4%

- San Joaquin Route set ridership records for both July and August.
- San Joaquin Route and Capitol Corridor set revenue records for July and August.
- OTP exceeded performance goals for the San Joaquin Route and Capitol Corridor.