PRIVATE PASSENGER RAIL

Live Long and Prosper?
STATE OF PLAY FOR PRIVATE RAIL PASSENGER OPERATORS

- Total number of private intercity rail passenger operators in the US: 1
- Total number of trains per week: 8
- Total number of railcars in service: 4
WHAT ARE THE COMPONENTS OF PRIVATE OPERATION

- Access to the infrastructure and facilities needed to run services
- Rolling Stock
- Compliance with all applicable regulations
- A business plan
- Funding
ACCESS TO INFRASTRUCTURE AND FACILITIES

- Only Amtrak has compelled access
- Private operators must negotiate access
- Amtrak controls many, but not all major stations
- PRIIA 217 gives access to states
Amtrak owns a lot of rolling stock
- Newest Amtrak passenger-carrying equipment is 20 years old
- Amtrak rolling stock is high mileage, and has high failure rates

Private operators have several options
- State-supplied rolling stock
- Heritage rolling stock upgraded to be compliant
- New rolling stock
COMPLIANCE WITH APPLICABLE REGULATIONS

- FRA enforces many regulations
  - 238 – passenger rolling stock
  - 223 – windows
  - Many others including locomotive, operating crews, drug and alcohol, etc.
  - Also enforces ADA.
- FDA – Food service, water, commissary
- OSHA – worker safety
- States – Liquor license, public health
BUSINESS PLAN

- But passenger trains don’t make money!
- Analyze revenues and expenses
- Key items include rolling stock maintenance cost, insurance, fuel, labor
- How do you make the numbers come out?
FUNDING

• State-supported trains
  • 19 states support intercity services
  • Many are looking for improvements vs what they have now
  • Indiana was the first to move private services
• Fast Act provision for private operation of long-distance routes
  • Up to three routes can be privatized
  • Private operator has to make agreement with track owner
  • USDOT provides up to 90% of the subsidy Amtrak receives
WHAT HAPPENS NEXT?
SOME POSSIBLE OUTCOMES

• Amtrak realizes that private investment can help them leverage their assets to provide additional train services, grow the network, and improve their financial situation.

• States continue to look for alternatives that provide better service.

• Private operators make direct access arrangement with track owners.
THANK YOU

Questions?