



Transportation

PAT McCRORY
Governor

NICHOLAS J. TENNYSON
Secretary

February 8, 2016

240069

The Honorable Daniel R. Elliott III
Chairman
United States Surface Transportation Board
395 E Street, SW
Washington, D.C. 20423-0001

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The Honorable Debra Miller
Vice Chairman
United States Surface Transportation Board
395 E Street, SW
Washington, D.C. 20423-0001

The Honorable Ann D. Begeman
United States Surface Transportation Board
395 E Street, SW
Washington, D.C. 20423-0001

Re: Surface Transportation Board Decision
Docket No. EP 726
Definition of "on-time performance" 49 USC §24308(f)

Dear Chairman Elliott and Surface Transportation Board Members:

On behalf of the North Carolina Department of Transportation (NCDOT), I submit these comments regarding the Board's proposed definition of on time performance (OTP) for the purposes of 49 U. S. C. §24308(f).

NCDOT supports two passenger train routes operated by the National Railroad Passenger Corporation (Amtrak): the *Carolinian* with daily service between Charlotte, North Carolina and New York, New York, and the *Piedmont* with twice daily service between Charlotte and Raleigh, North Carolina. These services use the North Carolina Railroad Company right-of-way dispatched by Norfolk Southern (NS) between Charlotte and Cary, CSX Transportation (CSXT) between Cary and Raleigh and NS between Raleigh and Selma; CSXT owned and dispatched right-of-way between Selma and Washington, D.C.; and the Northeast Corridor owned and dispatched by Amtrak from Washington, D. C. to New York. These services began in 1990 and 1995, respectively. NCDOT, in cooperation with Amtrak and host railroad partners, has focused on improving safety, service quality and reliability since the inception of these services. NCDOT and USDOT through the Federal Railroad Administration (FRA) and Federal Highway Administration have invested over \$1.1 billion in new and refurbished equipment, station upgrades, and railroad track capacity upgrades to mitigate conflicts between passenger trains themselves and between passenger trains and freight trains and provide a better customer experience to passengers using North Carolina supported services.



On time performance of the *Carolinian* and *Piedmont* has been a challenge since these services began. In Federal Fiscal Year (FFY) 2015, the *Carolinian* and *Piedmont* had total endpoint OTP of 53.4% and 60.1%, respectively, per Amtrak's current endpoint OTP definition (up to 30 minutes late for the *Carolinian* and up to 10 minutes late for the *Piedmont*). Already, in FFY 2016 these figures have declined to 52% and 50.5%, respectively, with delays attributable to freight train conflicts having increased relative to the last few years. Some of the recent delays are likely attributable to construction impacts of NCDOT and Federal investment in the corridor; however NCDOT has allowed NS to add time to the schedule to reflect these temporary disruptions.

NCDOT has consistently invested public monies to improve customer service and service quality on its state-sponsored services. NCDOT has purchased equipment for the *Piedmont* to better ensure reliable service outcomes and customer experience. Over time, we have contracted directly with various providers for other services, such as equipment maintenance and refurbishment, vending of customer food, call center activities, marketing, customer outreach, and other aspects.

NCDOT, however, has no authority to substantially influence the dispatching and internal practices of NS and CSXT that have resulted in passenger service reliability challenges throughout these service corridors on an almost daily basis in recent months. NCDOT supports the Board's action to address Amtrak OTP on a broader basis for improved service quality, consistent with the original subsidy and mandate instituted by Congress in the public interest that allowed the freight railroads to no longer be responsible for passenger service (subsidy) and provided for preferential dispatching and routing of passenger trains operated by Amtrak (mandate). NCDOT and NS negotiated, together with FRA and Amtrak, a Definitive Service Outcomes Agreement as part of the investment of 2009 American Recovery and Reinvestment Act funds in the Raleigh to Charlotte corridor. This Agreement provides for investigation and dispute resolution if the *Piedmont* or *Carolinian* falls below 80% OTP on that portion of the route; however, the Board's proposed process would shed much-needed transparency on similar practices, including the state-sponsored *Carolinian*'s route to Washington, D.C., where it continues on as an Amtrak train to New York City.

NCDOT supports a broader definition of OTP to include reporting of arrivals at interim-destinations rather than the currently proposed definition that only measures the arrival time at the endpoint of a route. Measuring OTP only on arrival at the endpoint of the route ignores a common scenario for the *Carolinian*, where the southbound train arrives at Selma and is handed off from CSXT to NS over an hour late, then frequently makes the rest of the run in at a reasonable rate of travel. Under the proposed definition, this train's poor OTP would require investigation of both NS and CSXT to assemble a factual record that would localize delays to CSXT first, and then to investigate CSXT. If OTP were officially measured at multiple points on the route, then this train's typical delay issues between Selma and Washington D.C. would become part of the opening application or investigation, without having to undergo a burdensome and lengthy discovery process with multiple host railroads.

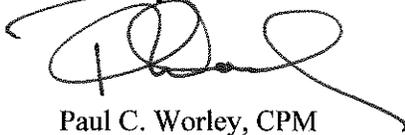
The Board's proposed standards for on-time performance would result in the same delay standard for the *Piedmont* and *Carolinian* as used today: 10 minutes late and 30 minutes late for each service, respectively. NCDOT believes that over routes that are to be traversed in part of one day, such as these, where the average passenger traveled for 108 miles over the 174 mile route in FFY 2015 on the *Piedmont* and 294 miles over the 704 mile route on the *Carolinian*, travelers expect to arrive at their destinations in a reliable fashion. Adding 10 minutes to a 108 mile trip (if a traveler experienced all of the *Piedmont*'s allowable delay) would result in a trip 9% longer than an on-time trip and adding 30 minutes to a 294 mile trip (all of the *Carolinian*'s allowable delay) would result in a trip 10% longer than an on-time trip. For the sake of the individual traveler, it is

clearly in the public interest that these standards be tightened to ensure greater service quality; and they should not be made any looser than they are today.

NCDOT also believes that the rule's proposed definition of measurement at the route's endpoint results in incentives to each host railroad to turn the schedule development process into an adversarial situation wherein the host has significant financial and legal incentive to create as long a schedule as possible. It is a given that schedule development requires technical analysis of safe train running times for both passenger trains and freight trains and the inclusion of responsible station dwell time at each station along a route. A scenario of explicitly encouraging host railroads to advocate for longer schedules would conversely require that service providers such as Amtrak and sponsors such as NCDOT advocate for shorter running times. This runs the risk of creating a perception that the 'safer' alternative from the host railroad is the wiser choice, regardless of the actual risk factor involved in any particular running scenario. Such a scenario also would diminish or negate the value of public investments in the railroad infrastructure for the purposes of eliminating conflicts, enhancing reliability and reducing travel times.

NCDOT commends the Surface Transportation Board for instituting this rulemaking. While NCDOT fully understands that the railroad environment is both dynamic and ever changing, both freight and passenger rail operations must maintain a competitive level of reliability to be commercially feasible. Developing specific metrics for on time performance of passenger trains and, ensuring preference where capacity permits, in addition to encouraging collaboration between stakeholders on capacity and schedules, is essential to ensure an adequate return on state and federal investments in both passenger and freight rail.

Sincerely,

A handwritten signature in black ink, appearing to read 'Paul C. Worley', with a long, sweeping underline that extends to the right.

Paul C. Worley, CPM
Rail Division Director