

Memorandum

To: CHAIR AND COMMISSIONERS
CALIFORNIA TRANSPORTATION COMMISSION

CTC Meeting: October 19-20, 2016

Reference No.: 3.7
Information Item

From: NORMA ORTEGA
Chief Financial Officer

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Subject: **FISCAL YEAR 2015-16 FOURTH QUARTER AND YEAR-END INTERCITY PASSENGER RAIL OPERATIONS REPORT**

SUMMARY:

As requested by the California Transportation Commission (Commission), this is the Rail Operations Report for the fourth quarter of State Fiscal Year (FY) 2015–16, April through June 2016, for the three intercity passenger rail routes funded by the State. This report compares ridership, on-time performance, and financial results reported in the fourth quarter of FY 2015–16 to those reported in the corresponding quarter of FY 2014–15, and year-end totals for the entirety of FY 2015–16 compared to FY 2014–15.

On July 1, 2015, the California Department of Transportation (Department) transferred administration and marketing duties for intercity passenger rail service to the following Joint Power Authorities (JPAs):

- The LOSSAN Rail Corridor Agency (LOSSAN Agency) for the Pacific Surfliner Route, connecting San Diego, Los Angeles, Santa Barbara and San Luis Obispo
- The San Joaquin Joint Powers Authority (SJJPA) for the San Joaquin Route, between Bakersfield and both Oakland and Sacramento

Administration of the Capitol Corridor connecting San Jose, Oakland, and Sacramento-Auburn was previously transferred to the Capitol Corridor Joint Powers Authority (CCJPA) in 1998.

These routes are the second, fifth, and third busiest routes in the national intercity passenger rail system, respectively.

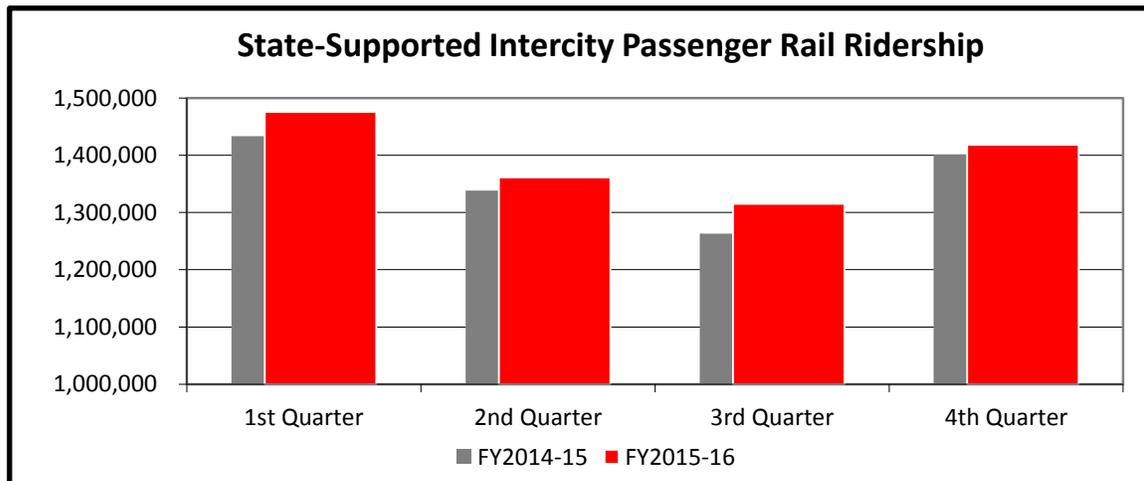
The Department provides State funding for Amtrak operating costs for state supported intercity passenger rail service and equipment capital costs of the three routes, and now acts in an oversight role to ensure statewide integration and oversee performance of the three services. In addition, the Department owns the majority of equipment utilized on two of the three routes.

COMBINED STATEWIDE RESULTS:

RIDERSHIP

Total combined ridership on the three routes for the fourth quarter of FY 2015–16 was 1,418,215, an increase of 1.2 percent when compared to 1,401,756 reported in the corresponding quarter of FY 2014–15.

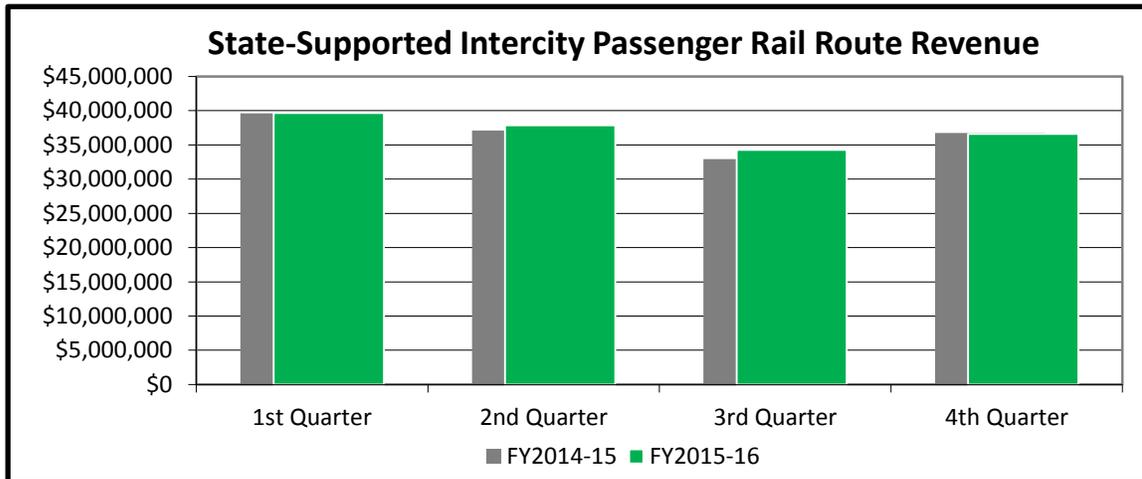
Total combined ridership on the three routes for the entirety of FY 2015–16 was 5,573,812, an increase of 2.5 percent when compared to 5,436,538 reported in FY 2014–15.



REVENUE and EXPENSES

Total combined revenue for the three routes for the fourth quarter of FY 2015–16 was \$36,581,345, a decrease of 0.4 percent when compared to \$36,730,054 reported in the corresponding quarter of FY 2014–15. Fourth quarter expenses for FY 2015–16 were \$58,036,374, a decrease of 5.8 percent compared to \$61,639,639 reported in the corresponding quarter for FY 2014–15, resulting in a farebox ratio increase of 3.4 percentage points.

Total combined revenue for the three routes for the entirety of FY 2015–16 was \$148,372,993, an increase of 1.4 percent when compared to \$146,355,664 reported in FY 2014–15. Total combined expenses for FY 2015–16 were \$239,274,548, a decrease of 3.2 percent compared to \$247,170,755 reported in FY 2014–15, resulting in a farebox ratio increase of 2.8 percentage points from 59.2 percent to 62.0 percent for the year.



The following tables provide further detail on the combined ridership, revenue, expenses, farebox ratio and on-time performance for the three State-supported routes. The first table represents the fourth quarter of FY 2015–16 and the second table represents the entire FY 2015–16:

State-Supported Intercity Passenger Rail - 4th Quarter 2015-16				
All Routes				
	ACTUAL RESULTS			
	4th Qtr 2015-16	4th Qtr 2014-15	Difference	Percent Change
Ridership	1,418,215	1,401,756	16,459	1.2%
Revenue	\$ 36,581,345	\$ 36,730,054	\$ (148,709)	-0.4%
Expense	\$ 58,036,374	\$ 61,639,639	\$ (3,603,265)	-5.8%
Farebox Ratio	63.0%	59.6%	3.4 PP	
End Point On-Time Performance	86.5%	84.4%	2.1 PP	

PP - Percentage Points

State-Supported Intercity Passenger Rail - State Fiscal Year 2015-16				
All Routes				
	ACTUAL RESULTS			
	SFY 2015-16	SFY 2014-15	Difference	Percent Change
Ridership	5,573,812	5,436,538	137,274	2.5%
Revenue	\$ 148,372,993	\$ 146,355,664	\$ 2,017,329	1.4%
Expense	\$ 239,274,548	\$ 247,170,755	\$ (7,896,207)	-3.2%
Farebox Ratio	62.0%	59.2%	2.8 PP	
End Point On-Time Performance	86.2%	83.8%	2.4 PP	

PP - Percentage Points

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

“Provide a safe, sustainable, integrated and efficient transportation system to enhance California’s economy and livability”

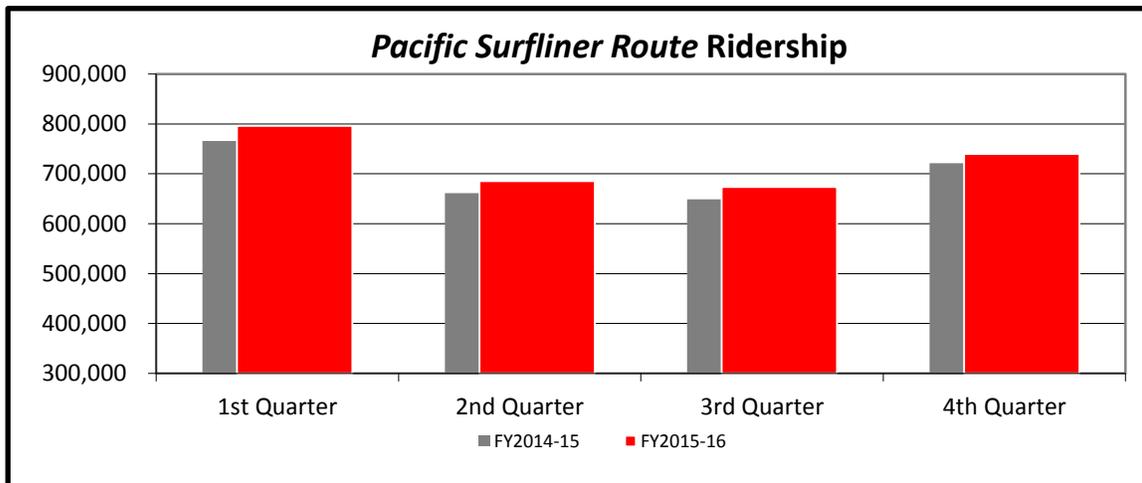
PACIFIC SURFLINER ROUTE:

There are 11 daily 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 allowing connectivity with San Luis Obispo. A second San Luis Obispo round-trip originates in Los Angeles, turns around in San Luis Obispo and continues south to San Diego (as one of the 11 Los Angeles – San Diego southbound trips), bringing the total level of service north of Los Angeles to five daily round-trips.

RIDERSHIP

Ridership on the Pacific Surfliner Route for the fourth quarter of FY 2015–16 was 739,764, an increase of 2.6 percent when compared to 721,069 reported in the corresponding quarter of FY 2014–15.

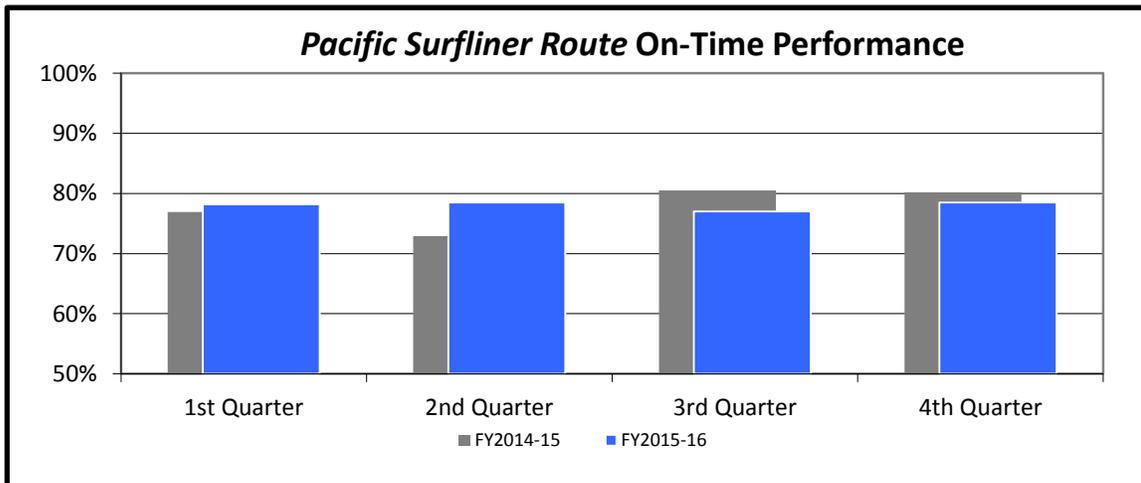
Total ridership on the Pacific Surfliner Route for the entirety FY 2015–16 was 2,897,954, an increase of 3.6 percent when compared to 2,796,591 reported in FY 2014–15.



ON-TIME PERFORMANCE

The On-Time Performance (OTP) for the Pacific Surfliner Route for the fourth quarter of FY 2015–16 was 78.5 percent, a decrease of 1.7 percentage points when compared to 80.2 percent reported in the corresponding quarter of FY 2014–15.

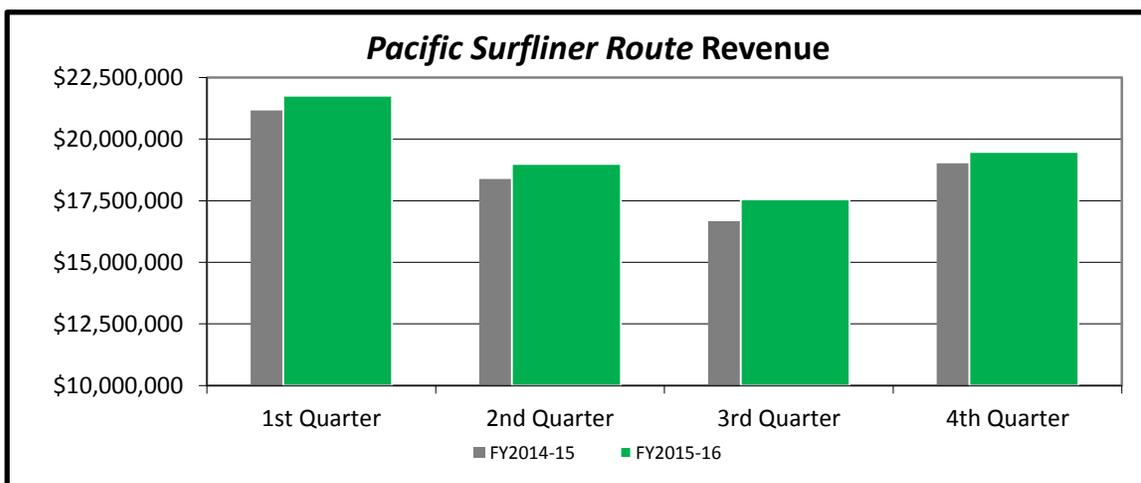
The OTP for the Pacific Surfliner Route for the entirety FY 2015–16 was 78.1 percent, an increase of 0.5 percentage point when compared to 77.6 percent reported in FY 2014–15.



REVENUE and FAREBOX RATIO

Revenue for the Pacific Surfliner Route for the fourth quarter of FY 2015–16 was \$19,484,145, an increase of 2.4 percent when compared to \$19,021,604 reported in the corresponding quarter of FY 2014–15. Expenses for the fourth quarter of FY 2015–16 were \$24,702,605, a decrease of 13.7 percent compared to \$28,621,506 reported in the corresponding quarter of FY 2014–15, resulting in a farebox ratio increase of 12.4 percentage points.

Total revenue for the Pacific Surfliner Route for the entirety of FY 2015–16 was \$77,797,081, an increase of 3.4 percent when compared to \$75,246,335 reported in FY 2014–15. Expenses for FY 2015–16 were \$104,403,356, a decrease of 2.2 percent from the \$106,744,935 reported in FY 2014–15, resulting in a farebox ratio increase of 4.0 percentage points from 70.5 percent to 74.5 percent for the year.



The following tables provide further detail on the combined ridership, revenue, expenses, farebox ratio and the OTP for the Pacific Surfliner Route. The first table represents the fourth quarter of FY 2015–16 and the second table represents the entire FY 2015–16:

State-Supported Intercity Passenger Rail - 4th Quarter 2015-16				
Pacific Surfliner Route				
	ACTUAL RESULTS			
	4th Qtr 2015-16	4th Qtr 2014-15	Difference	Percent Change
Ridership	739,764	721,069	18,695	2.6%
Revenue	\$ 19,484,145	\$ 19,021,604	\$ 462,541	2.4%
Expense	\$ 24,702,605	\$ 28,621,506	\$ (3,918,901)	-13.7%
Farebox Ratio	78.9%	66.5%	12.4 PP	
End Point On-Time Performance	78.5%	80.2%	-1.7 PP	

PP - Percentage Points

State-Supported Intercity Passenger Rail - State Fiscal Year 2015-16				
Pacific Surfliner Route				
	ACTUAL RESULTS			
	SFY 2015-16	SFY 2014-15	Difference	Percent Change
Ridership	2,897,954	2,796,591	101,363	3.6%
Revenue	\$ 77,797,081	\$ 75,246,335	\$ 2,550,746	3.4%
Expense	\$ 104,403,356	\$ 106,744,935	\$ (2,341,579)	-2.2%
Farebox Ratio	74.5%	70.5%	4.0 PP	
End Point On-Time Performance	78.1%	77.6%	0.5 PP	

PP - Percentage Points

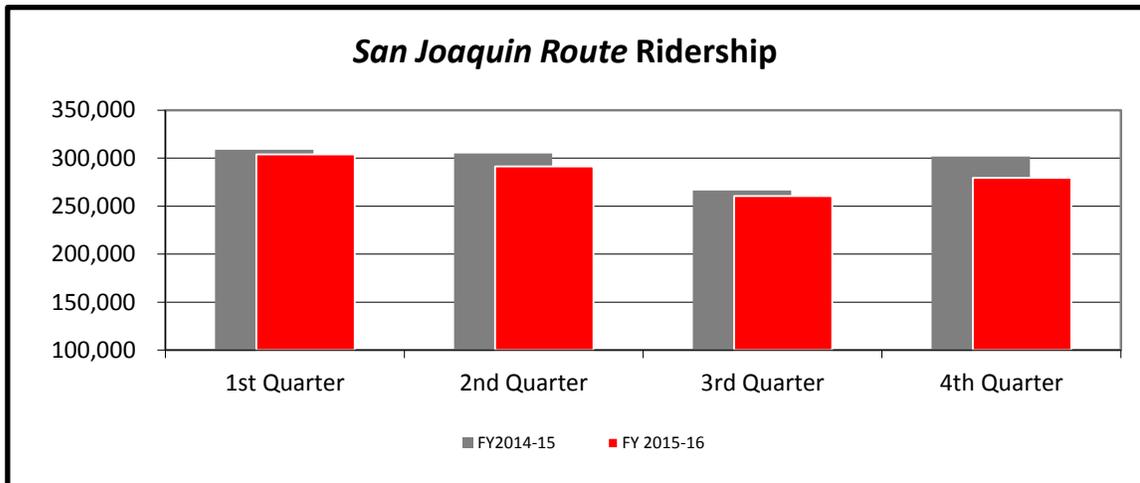
SAN JOAQUIN ROUTE:

On June 20, 2016, the number of daily round-trips serving the San Joaquin Route increased from six to seven. Five trains, instead of four, now operate between Oakland and Bakersfield and two between Sacramento and Bakersfield. This change in service has almost no impact on the fourth quarter results as the new train only operated for the last ten days of the quarter. All seven round-trips have dedicated bus connections between Bakersfield, Los Angeles and other points throughout Southern California. On the north end, buses at Stockton connect Sacramento with Oakland bound trains and connect Oakland with Sacramento bound trains, thus providing seven daily arrivals and departures for both northern terminals. Additional connecting buses provide feeder service to communities throughout the north end of the State.

RIDERSHIP

Ridership on the San Joaquin Route for the fourth quarter of FY 2015–16 was 279,442, a decrease of 7.4 percent when compared to 301,800 reported in the corresponding quarter of FY 2014–15.

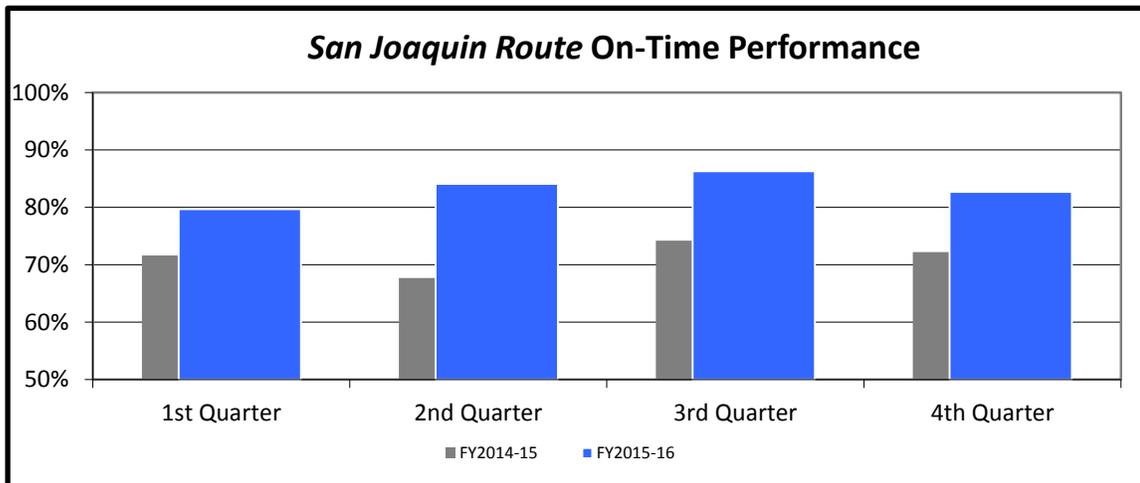
Total ridership on the San Joaquin Route for the entirety FY 2015–16 was 1,135,424, a decrease of 3.9 percent when compared to compared to 1,181,639 reported in FY 2014–15



ON-TIME PERFORMANCE

The OTP for the San Joaquin Route for the fourth quarter of FY 2015–16 was 82.7 percent, an increase of 10.5 percentage points when compared to 72.2 percent reported in the corresponding quarter of FY 2014–15.

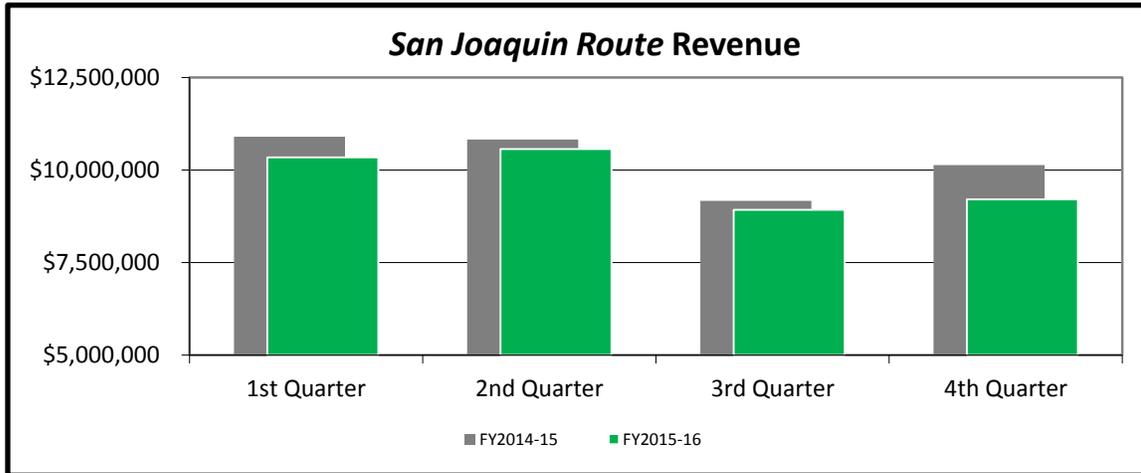
The OTP for the San Joaquin Route for the entirety FY 2015–16 was 83.2 percent, an increase of 11.8 percentage points when compared to 71.4 percent reported in FY 2014–15.



REVENUE and FAREBOX RATIO

Revenue for the San Joaquin Route for the fourth quarter of FY 2015–16 was \$9,206,659, a decrease of 9.1 percent when compared to \$10,130,400 reported in the corresponding quarter in FY 2014–15. Expenses for the fourth quarter of FY 2015–16 were \$18,995,548, decrease of 1.5 percent compared to \$19,285,597 reported in the corresponding quarter of FY 2014–15, resulting in a farebox ratio decrease of 4.0 percentage points.

Total revenue for the San Joaquin Route for the entirety of FY 2015–16 was \$39,040,339, a decrease of 4.8 percent when compared to \$41,020,415 reported in FY 2014–15. Expenses for FY 2015–16 were \$77,388,218, a decrease of 4.6 percent from the \$81,117,154 reported in FY 2014–15, resulting in a farebox ratio decrease of 0.2 percentage point from 50.6 percent to 50.4 percent for the year.



The following tables provide further detail on the combined ridership, revenue, expenses, farebox ratio and the OTP for the San Joaquin Route. The first table represents the fourth quarter of FY 2015–16 and the second table represents the entire FY 2015–16:

State-Supported Intercity Passenger Rail - 4th Quarter 2015-16				
San Joaquin Route				
	ACTUAL RESULTS			
	4th Qtr 2015-16	4th Qtr 2014-15	Difference	Percent Change
Ridership	279,442	301,800	(22,358)	-7.4%
Revenue	\$ 9,206,659	\$ 10,130,400	\$ (923,741)	-9.1%
Expense	\$ 18,995,548	\$ 19,285,597	\$ (290,049)	-1.5%
Farebox Ratio	48.5%	52.5%	-4.0 PP	
End Point On-Time Performance	82.7%	72.2%	10.5 PP	

PP - Percentage Points

State-Supported Intercity Passenger Rail - State Fiscal Year 2015-16				
San Joaquin Route				
	ACTUAL RESULTS			
	SFY 2015-16	SFY 2014-15	Difference	Percent Change
Ridership	1,135,424	1,181,639	(46,215)	-3.9%
Revenue	\$ 39,040,339	\$ 41,020,415	\$ (1,980,076)	-4.8%
Expense	\$ 77,388,218	\$ 81,117,154	\$ (3,728,936)	-4.6%
Farebox Ratio	50.4%	50.6%	-0.2 PP	
On-Time Performance	83.2%	71.4%	11.8 PP	

PP - Percentage Points

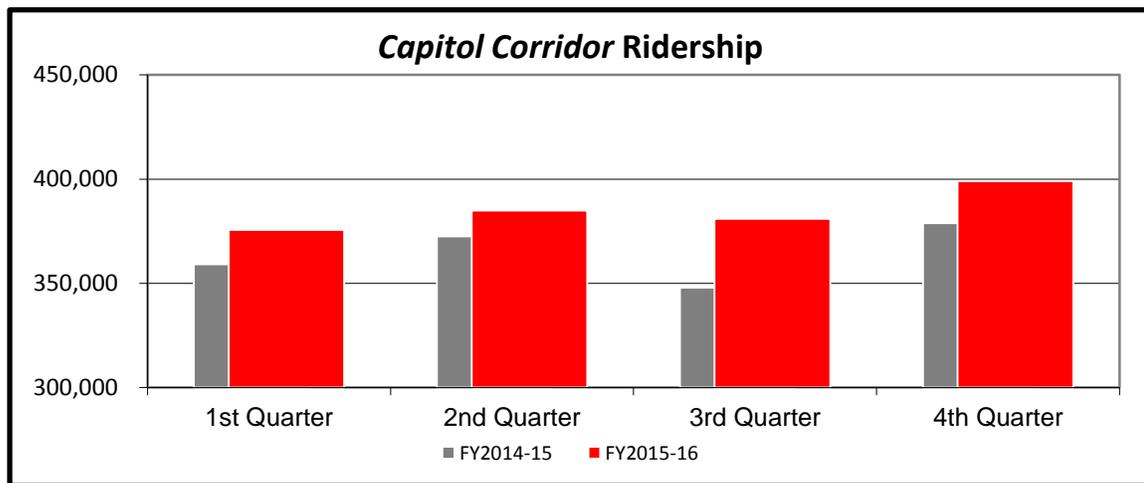
CAPITOL CORRIDOR:

There are 15 weekday round-trips between Oakland and Sacramento. One of the 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.

RIDERSHIP

Ridership on the Capitol Corridor for the fourth quarter of FY 2015–16 was 399,009, an increase of 5.3 percent when compared to 378,887 reported in the corresponding quarter of FY 2014–15.

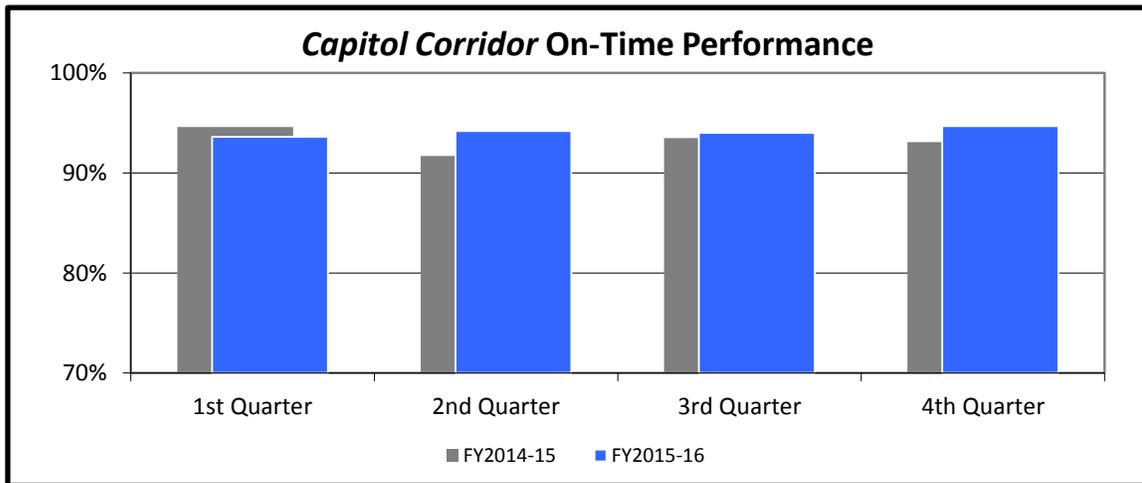
Total ridership on the Capitol Corridor for the entirety FY 2015–16 was 1,540,434, an increase of 5.6 percent when compared to 1,458,308 reported in FY 2014–15.



ON-TIME PERFORMANCE

The OTP for the Capitol Corridor for the fourth quarter of FY 2015–16 was 94.7 percent, an increase of 1.6 percentage points when compared to 93.1 percent reported in the corresponding quarter of FY 2014–15.

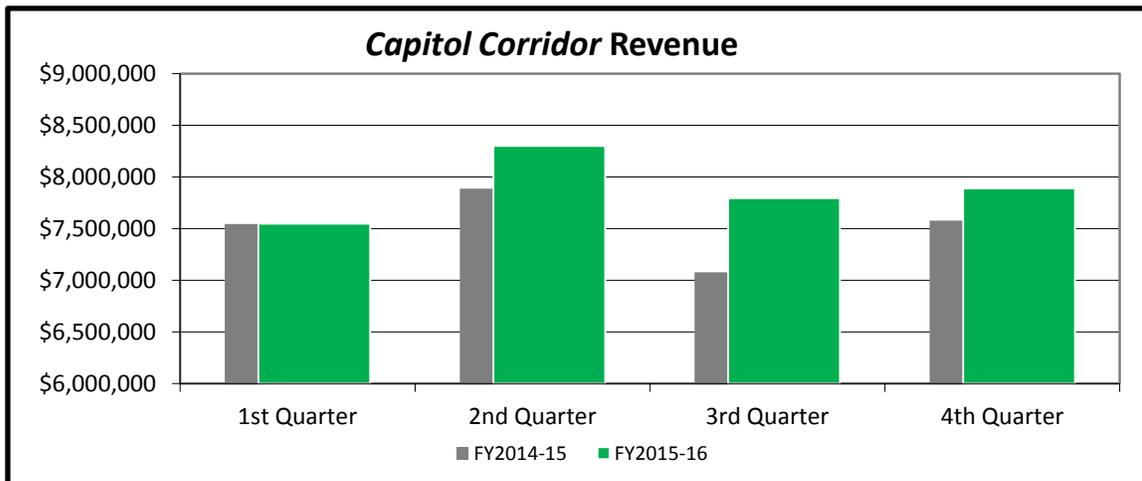
The OTP for the Capitol Corridor for the entirety FY 2015–16 was 94.1 percent, an increase of 1.0 percentage point when compared to 93.1 percent reported in FY 2014–15.



REVENUE and FARE BOX RATIO

Revenue for the Capitol Corridor for the fourth quarter of FY 2015–16 was \$7,890,541, an increase of 4.1 percent when compared to \$7,578,050 reported in the corresponding quarter in FY 2014–15. Expenses for the fourth quarter of FY 2015–16 were \$14,338,221, an increase of 4.4 percent compared to \$13,732,536 reported in the corresponding quarter of FY 2014–15, resulting in a farebox ratio decrease of 0.2 percentage point.

Total revenue for the Capitol Corridor for the entirety of FY 2015–16 was \$31,535,573, an increase of 4.8 percent when compared to \$30,088,914 reported in FY 2014–15. Expenses for FY 2015–16 were \$57,482,974, a decrease of 3.1 percent from \$59,308,666 reported in FY 2014–15, resulting in a farebox ratio increase of 4.1 percentage points from 50.7 percent to 54.9 percent for the year.



The following tables provide further detail on the combined ridership, revenue, expenses, farebox ratio and the OTP for the Capitol Corridor Route. The first table represents the fourth quarter of FY 2015–16 and the second table represents the entire FY 2015–16:

State-Supported Intercity Passenger Rail - 4th Quarter 2015-16				
Capitol Corridor				
	ACTUAL RESULTS			
	4th Qtr 2015-16	4th Qtr 2014-15	Difference	Percent Change
Ridership	399,009	378,887	20,122	5.3%
Revenue	\$ 7,890,541	\$ 7,578,050	\$ 312,491	4.1%
Expense	\$ 14,338,221	\$ 13,732,536	\$ 605,685	4.4%
Farebox Ratio	55.0%	55.2%	-0.2 PP	
End Point On-Time Performance	94.7%	93.1%	1.6 PP	

PP - Percentage Points

State-Supported Intercity Passenger Rail - State Fiscal Year 2015-16				
Capitol Corridor				
	ACTUAL RESULTS			
	SFY 14-15	SFY 13-14	Difference	Percent Change
Ridership	1,540,434	1,458,308	82,126	5.6%
Revenue	\$ 31,535,573	\$ 30,088,914	\$ 1,446,659	4.8%
Expense	\$ 57,482,974	\$ 59,308,666	\$ (1,825,692)	-3.1%
Farebox Ratio	54.9%	50.7%	4.1 PP	
On-Time Performance	94.1%	93.1%	1.0 PP	

PP - Percentage Points