WRITTEN TESTIMONY

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TO THE

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HEARING ON

GETTING TO WORK: EXAMINING CHALLENGES AND SOLUTIONS IN THE COMMUTER RAIL INDUSTRY

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Thank you, Chairman Nehls, Ranking Member Payne and members of the subcommittee for the invitation to testify today on the many opportunities and challenges facing our nation's commuter railroads. My name is Darren Kettle, Chief Executive Officer of Metrolink in Southern California. I appreciate the opportunity to provide Metrolink's perspective as operator of the third-largest commuter rail system in the country and the largest in California.

Metrolink began service in October 1992 and was established to provide Southern California with safe, efficient, dependable rail transportation service while offering an outstanding customer experience, reducing emissions and fostering economic vitality by connecting jobs and housing in a traditionally carcentric region. Today, Metrolink is constituted as a joint powers authority under California law and governed by an 11-member Board of Directors representing the county transportation agencies in Los Angeles, Orange, Riverside, San Bernardino and Ventura counties. Metrolink's 545 route mile system also extends into the northern portion of San Diego County.

As you know, Southern California is a region with some of the most congested highways in the nation. The population of the six Southern California counties served by Metrolink is now 21.5 million people, more than half of California's total population. For those commuting to work, Metrolink provides the freedom to live in almost any portion of the region with the option to hop on one of our trains to get to work or school and to travel to the region's rich entertainment and cultural destinations. We connect multiple commercial markets, along with urban and rural areas, to major job centers all over Southern California – the largest of which is downtown Los Angeles where most of our lines converge at historic Los Angeles Union Station.

OPPORTUNITIES & CHALLENGES

TRANSITION TO REGIONAL RAIL

The COVID-19 pandemic fundamentally altered the commute patterns of many of America's workers. While this has impacted all modes of transit across the country, none more so than commuter rail. Before the pandemic, roughly three-fourths of Metrolink's riders held 22-day monthly passes. The size of this market has plummeted significantly. Full-time or hybrid remote workers have forced commuter railroads to evolve to attract new riders.

For the last 30 years, Metrolink has operated service focused on these commuters, offering peak service in the morning to primary job centers such as downtown Los Angeles and Orange County and then returning in the evening, centered around traditional white-collar office schedules. Today, remote work and hybrid work schedules remain common, and the white-collar commuter customer group – Metrolink's historic core market – may never fully ride in the same patterns or frequencies as they did before the pandemic.

In early 2022, Metrolink began to work on the development of a new optimized service plan to increase off-peak service levels and support our transformation from a commuter rail model to a regional rail model. We started on the path of determining how to serve a broader set of markets such as leisure travelers and non-office commuters, while operating more cost-effective service by optimizing crews and equipment and operating more train miles with fewer train sets.

We have had time to observe changed travel patterns and welcome some riders back to our system. While peak commuter period ridership remains below pre-pandemic ridership levels, off-peak ridership has

returned more strongly. We see this on our weekend ridership and off-peak trains; there is an unmet demand for midday service and desire for travel across multiple lines. Presently, Metrolink operates a total of 142 trains across all our line segments that are primarily focused on peak periods. The recommended schedule to transform our system to a regional rail model would increase service by 36 trains, with 178 total trains operating in the system, and would spread service across the day and into the evening. The schedule would promote transfer opportunities through "pulse" scheduling across lines, providing a more competitive travel time when compared to driving.

We have started to implement this first phase of systemwide service optimization starting with our Antelope Valley Line, which provides service from northern Los Angeles County, through the San Fernando Valley and downtown Los Angeles. In October 2023, we implemented a 58% increase in revenue trainmiles with most of the new service added during non-commuter hours and doubling weekend service. During this time, we also launched a pilot student pass program using funds provided from a State of California grant program that allows all students to ride at no cost.

For the four months following the expansion of service on the Antelope Valley Line, total ridership increased by 27% compared to the same period of the prior year, with students accounting for half of the new ridership. We expect to see further increases long-term, but the short-term results are promising. We believe that a full roll out of optimized service with pulse scheduling and distribution of trains to cover non-peak times will be a successful model and transform the transportation landscape for Southern California.

In addition to the promising ridership returns of this expanded model, we recognize there are two opportunities in the coming years that hold the potential to provide permanent, transformative impacts to passenger rail transportation in Southern California for the 21st century. These are the 2028 Olympic and Paralympic Games, which will be held in multiple venues throughout the Southern California region, and the introduction of high-speed rail passenger service — the nation's first, true high-speed service — connecting Las Vegas to Southern California, also scheduled to commence in 2028. I would like to briefly explain Metrolink's critical role in the success of each.

OLYMPICS

The 2028 Olympic Games are a once in a generation opportunity to welcome the world to the United States to celebrate our shared humanity through sports competition. Los Angeles has hosted two successful Olympic Games in the past, but this will be the first "car-free" Olympics to be held in the United States, where spectators and participants will not be provided parking at sports venues. With an estimated 3 million people from around the country and the world expected to attend and support these Games, the public transit system of the region must be improved and prepared to accommodate that expected demand. Metrolink's service will provide the regional backbone of public transit service, connecting people across five counties to first and last mile connections to reach venues across Southern California.

Building off the foundation of an optimized schedule and in anticipation for hosting the world as part of the Olympics in 2028, Metrolink is also preparing its entire Southern California rail network to operate more frequent service in all directions. This effort to improve service through capital investment is part of a more than \$10 billion Metrolink capital improvement initiative called the Southern California Optimized Rail Expansion (SCORE) program. Metrolink has secured more than \$2.5 billion in state, local and some federal funds to improve capacity by adding new track sidings, grade crossing improvements, station

upgrades, and by revitalizing our fleet. The goal is to improve our railroad system to accommodate two trains per hour in both directions of travel on core lines and one train per hour on all other lines. Such improvements are necessary to accommodate a sizable portion of regional travel during the Games period in 2028 and to provide a legacy for the growth of Southern California passenger rail capacity beyond the Games. Metrolink is on track to complete a first tier of service improvements before the Games but requires additional funding for several key projects to round out the program of investments. Particularly, there is a need to complete the rehabilitation or replacement of the oldest and most polluting models in our 55-locomotive fleet. Funds are needed to replace Tier 2 locomotives with the cleanest burning and more reliable EPA-certified Tier 4 locomotives, which offer significant reductions in smog-producing emissions and diesel particulates, a key public health goal in Southern California which far too often ranks as the most polluted air basin in the nation. We also need federal funds to enhance the capacities of our facilities to maintain those locomotives as well as our coach and cab car fleet. Furthermore, Metrolink seeks to secure agreements with Class I railroads to operate passenger service more frequently during the Games periods and explore ways to leverage that experience to support more long-term growth.

We have identified, and shared with the Biden Administration, Metrolink's specific multi-year funding needs for rolling stock, maintenance and capital projects, and operational surge. These needs include additional leased or rehabbed trainsets consisting of up to 13 locomotives and 78 railcars; expansion of our shop/yard maintenance facilities; relocated station platforms along a key capacity chokepoint located between Los Angeles and Anaheim, and an operational surge supplement to ramp up for the Games. In total these costs are estimated at \$651.9 million over three fiscal years leading to the 2028 Games.

In prior U.S. Olympics, including most recently in Atlanta and Salt Lake City, the federal government provided significant transportation infrastructure funding to supplement local investment in providing transportation for the Games. To date, no such investment has been made for the 2028 Games which will be "car-free". The window of opportunity to complete rail infrastructure projects and rolling stock procurements is rapidly closing and attention to the transit needs of the Games is needed from Congress and the Administration. While the Games are hosted by cities worldwide, it is the national government which typically takes the lead in providing robust transportation funding and security coordination for the Olympic Games. It is important that the U.S. government step up to provide this assistance to ensure that America again provides an Olympic Games experience that the rest of the world can aspire to, with legacy benefits to residents and visitors for decades to come.

The benefits of investing in passenger rail are well-documented, saving time and expense and improving safety for travelers, enhancing economic activity while also alleviating the need for investments in highway systems. Investment also reduces greenhouse gas emissions and increases independence from imported fuels. According to the American Public Transportation Association, investment in transit can yield 49,700 jobs per \$1 billion invested and offers a 5 to 1 economic return.

BRIGHTLINE WEST

The other truly transformational passenger rail transportation opportunity on the near-term horizon in Southern California is high speed rail service between our region and Las Vegas. In December 2023, the U.S. Department of Transportation awarded \$3 billion in grant funds to Brightline West to construct a privately owned and operated electrified high-speed passenger railroad between Southern California and Las Vegas. The fully grade-separated line will operate primarily within the right of way along Interstate 15

between Las Vegas and Rancho Cucamonga – where Metrolink currently operates a station. Design coordination at the Rancho Cucamonga Station is ongoing between Brightline West and Metrolink staff and is intended to facilitate passenger transfers between high-speed rail and our commuter railroad for a seamless passenger connection. We have also agreed that the service schedule for Brightline West trains and Metrolink's San Bernardino Line trains will be on an hourly, pulsed schedule, providing a customer-friendly schedule that is intuitive and reliable.

I am pleased to report that our partnership with Brightline West has been outstanding and, going forward, we believe that we will connect our services efficiently with sufficient capacity to provide an attractive, viable alternative to the millions of people who annually travel between Las Vegas and Southern California by car and airplane. The advent of this service holds the promise to truly transform passenger rail in the region.

It also underscores another topic I would like to touch on that my colleague, Dave Dech of Tri-Rail in Florida, addressed in his testimony, and that is our work in partnership with the private sector. Metrolink, like Tri-Rail, operates on a contracting business model where most of the maintenance and operations of the railroad are contracted with private sector partners in the rail industry. We utilize the services of many, if not most, of the same rail industry partners that Dave mentions in his testimony. Metrolink has operated on this model since the beginning, and we have found that it is flexible, efficient, and responsive to the needs of our railroad in a rapidly evolving economy and passenger service market. A contracting model of operations and maintenance will help us ramp up our service temporarily in preparation for the Olympics and permanently with the advent of high-speed rail service. We value our partnership with our private sector partners, whether it is to help operate the railroad or transform connectivity from our region to Las Vegas.

RETIREMENT OF POLLUTING FLEET

As I previously mentioned, Metrolink has made a concerted effort to replace older, more polluting locomotives with the cleanest operating models certified as Tier 4 by the U.S. Environmental Protection Agency. Metrolink's acquisition of 40 Tier 4 locomotives, among the largest fleet of Tier 4s in the nation, allowed Metrolink to decommission all its remaining Tier 0 locomotives in March 2020. This decommissioning was required as a condition of state grant funds provided to purchase the new Tier 4 locomotives. Older locomotives that are replaced are required to have their engines destroyed or rendered unusable to improve regional air quality and reduce localized impacts to communities near maintenance facilities. However, Metrolink's retirement of two locomotives occurred after about 18 years of service, before the end of their useful life expectation of 25 years under Federal Transit Administration regulation. Due to this early retirement, Metrolink has been required to repay to the FTA the remaining federal interest in the equipment, for a total repayment amount of nearly \$1.3 million. If the remaining Tier 2 locomotives we are seeking funds to replace are retired, we estimate that Metrolink will be required to repay another \$3 million to \$3.5 million. This FTA repayment requirement unfairly penalizes agencies like Metrolink seeking to replace polluting locomotives in an air basin as polluted as Southern California's, a laudable public policy goal. We urge Congress to require the repayment be waived when locomotives are retired earlier than allowed by FTA regulation in a federally recognized pollutant non-attainment air basin.

FUNDING - FULL ELIGIBILITY FOR CRISI

Finally, I would like to reiterate and amplify the testimony of Debra Johnson of the Denver Regional Transportation District regarding full eligibility of commuter rail for the Consolidated Rail Infrastructure and Safety Improvements (CRISI) grant program. CRISI was first authorized in the Fixing America's Surface Transportation (FAST) Act of 2015. The program consolidated five existing FRA funding programs into one safety and infrastructure funding source. Despite being administered by the FRA, project eligibility is limited to intercity and freight rail corridors, and commuter rail-specific corridors are not eligible. Due to this limitation, much of the Metrolink railroad network does not qualify to receive program funding.

To ensure the safety and resilience of rail corridors for regional passenger rail service, we urge Congress to consider including full eligibility for commuter and regional rail corridors, rolling stock procurements, and rehabilitation to be eligible for CRISI program funding.

CONCLUSION

In my role as Chief Executive Officer, I am committed to ensuring Metrolink delivers the safest and most convenient passenger rail service possible. With improved customer service, increased frequency and reliability, and a paramount commitment to passenger safety, commuter rail will become an even more compelling alternative to our nation's most congested roadways. I invite members of this Committee to visit us in Southern California to see Metrolink's commitment in action.

The future for our industry depends on an integrated transportation system that connects all modes with one another in a system that offers a seamless experience to passengers. In our region and across the country in metropolitan areas, this begins with commuter rail. We are modernizing our business practices and delivering services for future generations. To achieve these goals, we need robust federal support.

Chairman Nehls, Ranking Member Payne and Subcommittee Members, thank you for the opportunity to testify before you today. I look forward to working with you as we deliver on the vision of transformative commuter rail service across the nation.