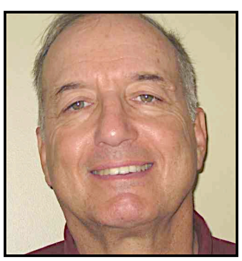
Ontario Report
Transport Action Ontario
(Formerly Transport 2000 Ontario)

Société de transport de Montréal's new Azur subway car was unveiled April 28. First ordered in 2010, Bombardier/Alstom are jointly building 468 cars for 52 nine-car trains. Trains feature a full-width walkway; top speed is 72.4 kph. The cars have rubber-tire trucks, first developed for selected lines of the Paris metro. Montreal's subway opened in 1966.

FROM THE PRESIDENT - PETER MIASEK



Let's Move Ontario Forward, Premier Wynne!

As I write this column, it is the day after the provincial election, and much of the province is still in shock over the Liberal majority victory. I would like to extend Transport Action Ontario's congratulations to Premier Wynne and the Liberal party of Ontario for this victory. It was a hard-fought campaign during which many important issues were raised, one of the most pressing being transportation options and services, and worsening gridlock in the Greater Toronto and Hamilton Area (GTHA) and elsewhere in Ontario.

In This Issue:

- ➢ VIA Rail's own data show it is in decline (headline story at right)
- ➢ We explain why TAO opposes Toronto Island airport expansion; our research proves decisive in the public's effort to save Toronto's waterfront (p. 2)
- ➢ California's high speed rail appeared to be in trouble, but a closer look shows it is moving forward (p. 4)
- ➢ VIA's future is clouded by many problems from sources external and internal. But Greg Gormick sees some actions that could be taken now at no substantial cost; read his op-ed on page 7

The Liberal platform, as announced in the weeks before the budget, and confirmed in the budget introduced on May 1, announced the creation of the *Move Ontario Forward* plan. Key was the establishment of two 10-year funds - a $15 billion fund for GTHA transit expansion and a $14 billion fund for transportation improvements in the rest of Ontario. The fund was to be created largely by repurposing existing revenue streams that currently go into general revenue (7.5 ¢/l of the existing provincial gas/diesel tax ...continued on PAGE 2

Fed's budget cuts continue to crush VIA Rail

Federal budget cuts hit VIA in 2012, 2013, and are anticipated again for 2014. Even prior to these cuts, VIA was in serious trouble. Mismanaged track upgrades on CN's Kingston subdivision led to failure to upgrade the Georgetown-Guelph-Kitchener-London line, and to cutting short the LRC passenger car renovations project. VIA president Marc Laliberté swung into action by cutting services across the VIA system in southwestern Ontario, in the corridor, to the Canadian in the west, and to the Ocean in the east.

Critics, including Transport Action, responded to these events by pointing out that cutting trains, closing stations, more stringent baggage rules, and treating long-distance commuters badly would bring a major drop in ridership. And so it has.

VIA Rail has recently released its operating results for the first quarter of 2014. Tom Box of Port Hope, ON, has analyzed the quite sparse data in this report, drawing what conclusions he can. His analysis appeared on the Canadian-Passenger-Rail listserv on May 31.

"The news is mostly bad. Revenue is down, expenses are up, passenger numbers are down, on-time performance is way down," Box wrote. Load factor (% seats filled), yield (amount paid per passenger mile ...continued on Page 8

This Issue's Table of Contents

PRESIDENT'S REPORT

...continued from PAGE 1

and the HST on the gas/diesel tax) as well as debt financing. This would be supplemented by some asset sales and funds from High Occupancy Toll lanes. The budget identified some ways in which the general revenue shortfall was to be made up, including an income tax surcharge on high income earners.

The funds met many of the criteria long recommended by advocacy groups like TAO, such as being dedicated, transparent, accountable, longer-term and regionally equitable.

Another very positive part of the plan was the Liberal interest in Regional Express Rail – all-day two-way 15 minute GO electric (EMU) rail service on all GO lines owned by the province. This was the top-featured project in the plan. The idea is very similar to TAO's "GTHA Regional Rapid Rail" vision outlined in our July, 2013 report, and has many positive features. We are extremely pleased that the Liberals picked up on this idea.

Other positive pieces of the plan included a commitment to continue to build the already-funded GTHA transit projects, bus and rail refurbishment for the Ontario Northland Transportation Commission, investing in the Ring of Fire, investing in LRT in Ottawa and Kitchener-Waterloo and GO service expansion beyond the GTHA.

Notwithstanding these positive points, the next four years promise to be interesting, with major decisions and challenges ahead:

- There is legitimate concern about the long term sustainability of the transportation funds. There will be pressure to reduce the provincial deficit or to return the gas/diesel tax funds to general revenue. Numerous expert reports, including from the Toronto Region Board of Trade, Metrolinx, and the Transit Investment Advisory Strategy Panel, have confirmed that broad-based **new** revenue streams are needed, such as an **increase** in the gas tax, HST or corporate tax. The Liberals need to be encouraged to use the existing fund structure as a foundation, and work towards new revenue streams to fund it. To improve public acceptance, readers will recall that the Move the GTHA collaborative, including TAO, had recommended a kick-starter fund to fund immediate transit and transportation improvements.
- There is still wide-spread concern among transit experts about the Liberal plan to proceed with the Scarborough underground subway extension. Transit experts had universally endorsed the previous plan – a 9.9 km LRT with 7 stations costing $1.9B, versus an underutilized 7.6 km subway extension, with only 3 stations costing $3.1B. As readers well know, and as recently described by John Lorinc in a hard-hitting series of articles in *Spacing Magazine*, the decision to move forward with the subway was entirely political to save Liberal seats in Scarborough. We can only hope, as detailed design continues and costs become clearer, that the Liberals will again reverse course and proceed with a more cost-effective technology. It is encouraging that two of the major Toronto mayoral candidates also favour reverting back to LRT.
- One surprising feature of the Liberal plan was to construct High Speed Rail (320km/hr electric service) between Toronto and London, and ultimately to Windsor. This has been universally panned by experts. It would be much wiser for the province to partner with VIA Rail to improve service on the existing line and throughout southwestern Ontario. Speeds of 160 km/hr, with frequent service and upgraded equipment, would be a great first component of an improvement plan. Any improvements to intercity rail require a partnership with the federal government. As the Liberals were shut out in southwestern Ontario, it awaits to be seen how committed they will be to this region.
- There are still a few dubious highway expansion projects in the plan, including extending Highway 407 East from Oshawa (current terminus of the first phase of extension) to Highway 35/115 in Clarington. TAO has long opposed this second extension phase, as our modeling has demonstrated that this highway capacity is not needed.

In summary, we believe that the Premier and her party are definitely committed to transportation improvements and believe the government will live up to its promise to make it a top priority. We will continue to push for sustainable long term funding, and advocate that the funds are expended on solid projects based on rigorous business-case analyses. We will also continue to support the province in these efforts. ▪

Saying "no" to Toronto Island airport expansion

On April 1, Toronto City Council voted unanimously to defer a decision on Porter Airline's request to expand the Toronto Island airport to allow jets. What happened? For starters, citizen groups were piling up evidence of the negative impacts of expansion, raising more and more safety questions not yet addressed. As the municipal election loomed in six months, that meant the Island airport would be a major election issue. One effect of deferring the decision was to leave the future battle to the next council.

Porter Airlines has portrayed jets as bringing more jobs to its hub at the Island airport and bringing greater convenience to their passengers by offering more flight destinations. What Porter doesn't admit is that its airport plan is a scale change at the airport and for Toronto's waterfront.

Limiting commercial flights to prop planes was done on purpose. Opposition by the City to commercialization of the Island airport goes back to the 1970s and resulted in a 1983 "tripartite agreement" between the federal government, the Toronto Harbour Commission (now the Toronto Port Authority)(TAP), and the City of Toronto. Besides limiting the types of planes that can use the airport, the agreement contained a cumulative noise convention that effectively puts a cap on the number of daily flights.

Why oppose expansion of the Island airport? Because a jet airport at that location would be a facility that would overwhelm the waterfront. It would be a massive transfer of rights to public space to a private enterprise. It has taken volunteers at TAO and at NoJetsTO working for over a year to bring to light all of the many negative impacts of the expansion plan. TAO's research focussed on the implications of runway safety requirements for jet airports sited near waterways.

On the day of the debate at City Council, NoJetsTO published a large ad in the *Toronto Star* listing reasons to oppose expansion (see box below). For the reasons given, NoJetsTO asked citizens to immediately contact their councillor to urge rejecting expansion. At the top of the list was interference with the long underway waterfront redevelopment. Wider, longer and lower safety zones to the airport's runways means severe curtailment of building heights on Toronto's Port Lands east of the airport. The reference to $300 million in corporate welfare refers to the cost of the expansion that will come out of taxpayers' pockets. And not mentioned is the likelihood that the City will have to pay a major part of expansion costs. The reference to greater congestion refers to road traffic that will occur at the foot of Bathurst Street where one needs to go to get to the Island airport. The school and community centre at the foot of Bathurst would be put in jeopardy.

The visual in the ad points to the space grab as only a picture can. Airports next to water must exclude boats from a broad area extending beyond a runway's endpoint to secure public safety. Currently, the Island airport's "marine exclusion zones" (MEZs) are small (the red areas on the map). With runway expansion, there are two possible major enlargements of the MEZs, one at 450m and one at 720m. Depending on Transport Canada's decisions, runway expansion may also require additional approach lighting that extends into the water forcing enlargement of exclusion zones. All of this was never explained by Porter and it took citizen effort to discover. The ad does not point to additional issues such as jet engine blasts, and airplane fuel transport and storage.

The visual clearly shows that the new marine exclusion zones to meet today's safety standards would close off a huge portion of Toronto's harbour to boating.

The April 1 vote to defer has been seen by some observers as Porter's foot in the door. This is because the motion passed permit the City to engage in discussions with the TPA about specifics of expansion. This has lead to a feud over how to progress. The TPA wants to start an EA, preliminary runway design, and do an update to its master plan. But the City has stated that the first order of business is to agree on caps to the number of flights and passenger volumes. The City has suggested a 2.7 million annual maximum, whereas the TPA has aspirations of an Ottawa airport-by-the-lake; Ottawa has Canada's sixth busiest airport with 4.6 million annual passengers.

NO to undermining Toronto's $1.4 billion waterfront revitalization

NO to even more traffic congestion downtown

NO to $300 million corporate welfare

NO to bigger planes and a bigger flight path along our waterfront

NO to paving over 400 metres of Lake Ontario

NO to moving an entire school to make room for a parking lot

NO to exposing citizens to more noise, pollution and inconvenience

NO to obstructing and stalling the development of our Port Lands

NO to years of costly, wasteful study

NO to hijacking Toronto's harbour for one company's gain

TAO is proud of its role in suggesting two successful amendments to the final motion adopted by the City on April 1. One amendment concerned the required forthcoming environmental assessment. The City has required that it be given access to all raw data used in an EA. This will permit the city and others to examine for itself if EA findings, inferences, and conclusion are truly supported by facts as provided through studies and experts. The amendment enshrines full disclosure and transparency in the EA going forward.

TAO had another area of concern, the secrecy of the current regulatory framework regarding the Island airport. The April 1 motion requires that the City be provided with a complete inventory of all regulations from which the Island airport and Porter have been exempted and all proposed future exemptions. Regarding these past and future exemptions, the City is to be given all reasoning and justifications for these exemptions.

One question that the public should ask is, if in the future the airport and Porter were exempted from meeting established standards for jet airports, and an accident were to occur, would the City have additional liability as a party to an airport exempt from best safety practices in the industry?

The City has also mandated a study of bird populations near the Island airport. It turns out that birds are not innocent when it comes to the safety of planes with jet engines. Canada geese and cormorants abound on Toronto's waterfront and may be a significant safety hazard for the Island airport in particular.

Regarding Toronto Island airport expansion for jets, TAO takes the view that the impacts and costs to Toronto's waterfront are too great, that jets belong at Pearson, that the new express rail service between Union Station and Pearson will provide a better alternative, and that, in the long term, intercity higher speed rail in southwestern Ontario and between Toronto-Ottawa-Montreal-Quebec City would provide a network of travel options that would bring major reductions in the use of fossil fuel. Rail travel in all its forms has the potential to bring about significant greenhouse gas reductions in the transportation sector in contrast to automobile and air travel. ▪

\- Tony Turrittin

Key to map of Toronto Island airport (right):

Green areas inside red areas: proposed 200m runway extensions.

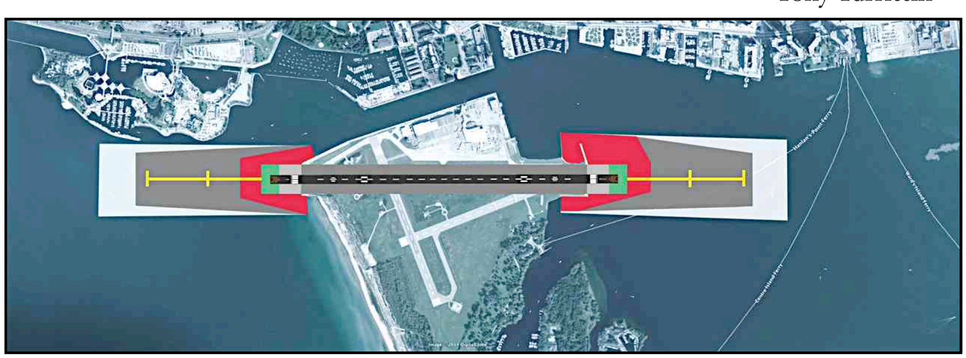
Red: current marine exclusion zones (MEZ).

Grey: Code 3 non-precision MEZ.

White: Code 3 precision approach MEZ.

Yellow (1st bar): Code 3 non-precision lighting (450m).

Yellow (end bar): Code 3 precision approach lighting (720m).



U.S.A. rail news

California high speed rail moves forward

In the previous issue of *Ontario Report*, we profiled the All Aboard Florida (AAF) plans for a fast train between Miami and Orlando, a passenger train initiative that fits with a shift in the U.S. to higher speed rail rather than high speed rail (HSR) (240 kph/150mph plus). California is the exception. Adoption of Proposition 1A (Prop 1A) in a state-wide referendum in 2008 mandated building European/Asian-style HSR and authorized a $10.9 billion bond issue for the project. The California High Speed Rail Authority (CHSRA) was created to manage the project.

High speed trains would connect San Francisco (SF) to Los Angles (LA) through the Central Valley, extending to Anaheim, a route of 520 miles. Time of travel between endpoints was estimated at 2 hours 40 minutes. The estimated cost of building the core segment of the system was originally $43 billion. Once up and running, it was calculated that revenues would cover operating costs with surpluses sufficient to pay for extensions to Sacramento in the north and San Diego south of LA.

For many years, public support for HSR in California has been strong, in part because the CHSRA has done extensive community outreach in developing its plans. But public support has deteriorated as costs estimates have risen based on detailed engineering studies. In 2009, one figure in the media for the core segment was $67.3 billion before the purchase of trains. After taking office in January 2011, Gov. Jerry Brown asked the CHSRA for a new hard-nosed estimate of costs. In November 2011, CHSRA released a new business plan that priced the core segment at $98.5 billion, a figure that created instant sticker shock across the state. This cost estimate works out to about $190 million per mile of route.

The cost of HSH is obviously very high. Why? Because it requires new right-of-way through land acquisitions, totally grade-separated track with gentle curves (thus costly embankments, viaducts, trenches and tunnels), new amenity intensive large stations, computer controlled trains, electrification, and highly sophisticated passenger cars. In the California situation, that means building everything from scratch. But, why should we blink at such numbers when numerous countries around the world have completed intercity HSR systems and find riders flocking to their trains? AAF, by contrast, is being built for roughly $8 million per mile based on much pre-existing infrastructure that doesn't need to be built from the ground up.

With a very much concerned Gov. Brown looking over its shoulders, CHRSA moved to revise their business plan to bring down costs. A new draft plan was ready by November 1, 2011 which led to the 2012 business plan published in April 2012. CHRSA proposed a "blended system" which stretched out construction over time.

The blended plan concentrates on the Central Valley for its Initial Operating Section (IOS). Simultaneously, it introduces investments that yield immediate benefits for commuters and Amtrak at the "bookends" of the San Francisco Peninsula and the LA Basin. As the spine line through the Central Valley is built, the "bookends" are also upgraded to fast train status, but not to HSR. For instance, San Francisco Peninsula commuters will benefit from the electrification of the Caltrain route from San Jose to San Francisco, which will later be used for the entrance of SF-LA bullet trains into downtown San Francisco. Amtrak will be able to use high speed track as it becomes available in the Central Valley. This change in the CHRSA's plan is the main source of the reduction in cost of the project.

The blended plan has five steps. Step 1: The first HSR track is built Fresno to Madera (Merced), later extended to Bakersfield. Caltrain moves forward with electrification. Work starts on the difficult project of building HSR from Bakersfield over the Tehachapi Mountains to Palmdale for which the state has set aside an initial $4 billion. Metrolink in LA begins study of its Antelope Valley commuter line which will provide future bullet train access into the LA Basin. Step 2: New rolling-stock capable of 220 mph would go into service when a track segment is available and operating costs can be recovered from fares. Work continues to extend HSR track to Burbank in the LA Basin. Step 3: HSR track is extended over mountains to San Jose using Pacheco Pass. No railway exists in this area at present. Most of the HSR track is in place. Step 4: Track is extended from Burbank to Los Angeles Union Station and Anaheim. Step 5: Extensions to Sacramento and San Diego are built.

Another way to look at California's HSR is geographically. The 2012 business plan highlights the IOS, to be completed by 2022 at a cost of $31 billion. It includes HSR from north of Fresno to Bakersfield. This track is extended to Palmdale where it would connect with Metrolink service to the San Fernando Valley and LA. The ISO would offer completion of 300 miles of HSR track from Merced to the San Fernando Valley. Simultaneously, Caltrain would upgrade its San Jose-San Francisco commuter rail line to accommodate future CHRSA high speed trains.

Completion of the ISO is seen by the CHSRA as necessary to secure private sector financing. With track in place, and with ridership likely increasing substantially on the Amtrak trains that would move over to it as it opens, a private-sector operator would then be willing to step forward to acquire a concession to operate high speed trains in exchange for payments to the CHSRA.

The Bay to Basin part of the project would cost an additional $20 billion and would put into service an additional 110 miles of track from Merced to San Jose by 2026. Trains from the LA Basin would use the electrified Caltrain commuter line to gain access to downtown San Francisco.

Phase 1 Blended would add the final 110 miles of track (total of 520 miles), and would be completed by 2029 at an additional cost of $17 billion. Metrolink track would be upgraded from LA to Anaheim. It should be noted that completing the 520 mile system at an estimated total cost of $68 billion works out to $130.8 million per mile.

The blended plan proposed by the CHSRA in 2012 holds one, and perhaps two compromises. The first is the use of Caltrain to gain entry into San Francisco from San Jose. As a commuter rail line, top speed is 79 mph for 52 miles. Cities on the Caltrain route were strongly opposed to a new HSR line grade-separated and running at very high speeds. The compromise averts what could have been a nasty battle with local communities undermining support for HSR more generally. In Los Angles, similarly, the high speed line will make use of Metrolink for its stops in the LA Basin (Burbank, LA Union Station, Anaheim). This route will also require electrification. However, the Metrolink tracks that the high speed trains would use are at a distance from residential areas and so a track speed above 79 mph may be possible. Not building a separate grade-separated high speed entry to downtown San Francisco from San Jose allowed the project cost of California HSR to be reduced by $30 billion!

HSR in California is the result of a long-term grassroots movement. It culminated in the 2008 referendum authorizing $10 billion in state bonds to pay for the proposed network. Private sector funds, however, have proved elusive. The election of Obama in 2008 brought a passenger rail champion to the White House. In his first two years he had the benefit of Democratic control of both houses of Congress. In those years Congress provided the necessary programs that also backed HSR in California. The recession in those years also helped federal investment in rail projects as Congress supported major economic stimulus programs directed to or including passenger rail.

In 2009, California Governor Arnold Schwarzenegger, who personally backed HSR, unveiled the California application for $4.7 billion in stimulus funds for HSR. Funds were requested for LA-Norwalk-Anaheim track and stations, grade-separated electrification San Jose-San Francisco, and for two Central Valley segments, Bakersfield-Fresno, and Fresno-Merced. In January 2010, the White House announced $2.25 billion in stimulus funds for California HSR. In October of 2010, an additional $715 million was added specifically for construction in the Central Valley. In December 2010, based on grants rejected by Wisconsin and Ohio, $624 million was repurposed to the Central Valley project. In May of 2011, of the $300 million grant rejected by Florida went to a specific Central Valley project. These grants total more than $3 billion.

On its website, CHSRA estimates the cost of the Madera-Bakersfield portion of the IOS at $6 billion. This would be paid for with the $3.3 billion already in hand, $2.6 billion in Prop 1A bonds and other state bonds, further federal support, and from local funds. Governor Brown is on side for using state Cap and Trade derived revenues from the auctioning of emission credits for CHSRA shortfalls in funding. A plan now in the state legislature would divide such revenues up for affordable housing, transit operations, high speed rail, intercity rail, and parks and wetlands. Such revenues would be stable and grow with time.

In June, 2013, the CHRSA awarded a construction contract for civil works worth $985 million to the joint venture of Tutor Perini Zachry Construction and Parsons for the 29.4 mile first HSR section from Madera to Fresno. A similar contractor selection is underway for a 60 mile track segment from Fresno to near Delano with bids due September 2, 2014 and final selection following in November. The estimated cost is $1.5 to $2 billion.

The ability of the CHSRA to move forward with construction has been put in jeopardy by a recent court decision in a suit by HSR foes in Kings County. The opponents launched a suit against CHSRA claiming that plans for the bullet trains to share electrified commuter rail tracks from San Jose to San Francisco, and to a lesser extent Metrolink commuter tracks in the LA area, violates Prop 1A in several respects. They argue that the blended system is substantially different from the fully grade-separated system promised by Prop 1A, that the sharing of track with commuter trains cannot deliver the promised 2 hour 40 minute end-to-end trip time indicated in Prop 1A, and that the system would require a public subsidy to operate which Prop 1A said would not be required. These shortcomings amount to an illegal spending of public funds on the high speed rail project, they maintain.

On Nov. 5, 2013, Sacramento County Superior Court Judge Michael Kenny suspended the release of funds from Prop 1A bonds to be used by the CHSRA project, ruling that CHSRA violated Prop 1A by issuing a financial plan in late 2011 that failed to meet requirements of the ballot measure. An appeal by CHSRA at the District Court of Appeal failed. On appeal by the State, the California Supreme Court has sent the new appeal case to the California 3rd District Court of Appeal.

While the CHSRA has not yet produced a new financial plan, on April 10, 2014, it released a new business plan as required every two years. The plan reduces revenues by 5% over the previous plan by 2025 due to a trend towards people taking shorter trips. It says that this change will not alter the ability of the system to operate without a taxpayer subsidy. While the contractor for the first HSR segment has been selected, no ground-breaking date has been set. Instead, engineering studies and land acquisition continues. Also on April 10, the mayor pro tem of Anaheim released letters of support for the bullet train

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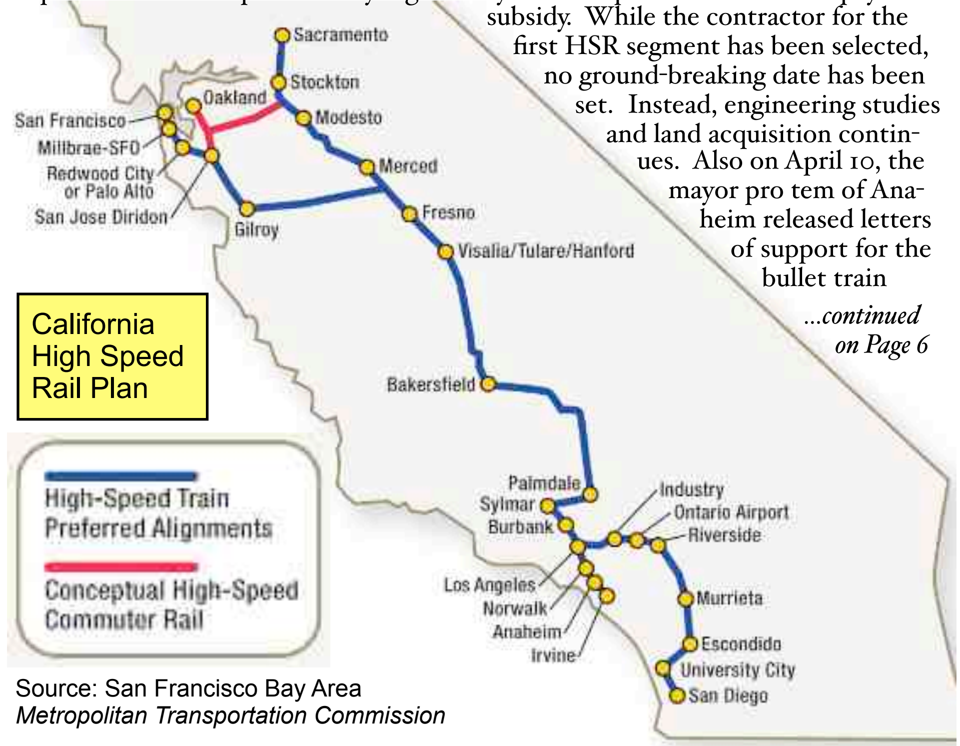

California High Speed Rail Plan

Source: San Francisco Bay Area *Metropolitan Transportation Commission*

California high speed rail

...continued from Page 5

from six Orange County businesses and organizations including Disneyland and the NHL's Anaheim Ducks.

Will a bullet train time of 2 hours 40 minutes be achieved? The design speed of HSR track is 220 mph. Even with the blended plan, CHSRA publicly believes that it can deliver that trip time. This matters for now, given the litigation CHSRA is facing. Some leading experts believe that this timing may be achieved in test trials, but not in regular service, as time will slip with added stops. In this writer's view, three hours, even 3.5 hours would be just fine for most folks for a 520 mile journey.

Not being able to access Prop 1A bonds would be a major difficulty for the CHRSA. It would also be a blow to Caltrain upgrading and electrification. The tab for new signals and positive train control and electrification (including EMUs) is $1.456 billion. Caltrain lists 11 sources of funding for its project, with Prop 1A funds from the HSR authority providing $600 million or 41% of total costs.

If California's HSR project can get by the current court hurdles, construction can move into high gear. The project enjoys the support of the governor and the state legislature, both Democratic, and this is not likely to change this election year as Gov. Brown is highly popular. It is important for the bullet train to get off to a good start. It needs momentum because it is a 15 year venture. Planning continues: On January 24, Amtrak and CHSRA issued a joint request for proposals for the Northeast Corridor and the IOS for train sets to carry 400-450 passengers each. CHSRA would require 15 train sets capable of running at 220 mph (350 kph), and Amtrak 28 train sets (replacing current Acela equipment) that would operate at 160 mph (257 kph). Proposals are due May 17 with a possible order by the end of the year.

On May 23, the 3rd District appeal court heard the State's arguments to lift Judge Kenny's prohibition of Prop 1A bond sales. The State argued that Prop 1A was wrongly interpreted and only the state legislature can determine whether or not there is sufficient detail in the funding plan to go forward with the bond sale (which it did in 2012). The crux of the lawsuit before Judge Kenny was whether or not all funds had to be in place in advance of any construction, and that the proposed system could not be built except in its entirety according to the original plan. The 3rd District panel of three judges has 90 days to render a decision. Meanwhile, CHSRA is spending the federal funds it has received.

With strong champions for HSR in many communities in California and at the level of state government, NIMBYs and right-wingers are scrambling to foil the bullet train by turning to court actions. Opponents in Kings County brought the initial lawsuit that obtained victory last November. They are now forming up with another suit claiming a defective environmental assessment process. The opposition is trying to block any Central Valley segment long enough so that the Obama funds for this great project will fail to be used on time which is by 2017.

However, Gov. Brown is not backing down. At a meeting with San Francisco *Chronicle* editors and reporters (reported on May 17), Brown dismissed concerns over cost, difficulties and scope of the HSR project pointing out that California had helped build a transcontinental railroad and the BART system in the Bay Area. "We can build it. We can link the north to the south. We can reshape the land use in the Central Valley...We can do it in an elegant way...It's cheaper than more highways...and it's better for greenhouse gases. We can do it with renewable energy...and it will be a model for the country...And if 17 other countries can do it, California can," Brown said.

Note: On June 15, the California legislature approved its 2014/15 budget which provides $250 million for high speed rail, and also allocates 25% of cap-and-trade revenues to that purpose. ▪

- Tony Turrittin

Source:...only in California - Hollywood community TV takes up high speed rail: www.bitesizetv.com/#!/hollywood-goes-green/&episodeId=4275

...see also //www.standupfortrains.org

www.hsr.ca.gov for documents & blog

www.caltrain.com see electrification

www.youtube.com/watch?v=zUaEa3vCkJA HSR video from LA basin perspective

Transport Canada imposes new rules on railway tank cars

On April 23, Transport Minister Lisa Riatt announced new regulations for railway tank cars in Canada. The oldest thin-walled DOT-111 cars are banned altogether (about 5,000 such cars in North America). More recently built DOT-111 cars, about 65,000, have until 2017 to be rebuilt or will then be excluded from use in Canada. Railways must study tank car routing and limit train speed to 80 kph or less in built up area or near bodies of drinking water. Railways must provide municipalities with appropriate emergency response plans if hazardous tank cars are passing through them.

Forbes Magazine (3/10/14) has noted that most railways own few tank cars; rather they are owned by various liquid and gas manufacturers or large car leasing firms. It will be these companies that will carry the burden of new tank car regs. Forbes estimates only 14,000 DOT-111 cars are compliant with the latest car standards, leaving 75,000 DOT-111 cars that will need rebuilding at an estimated cost of $30,000-$40,000 (USD) per car. Car builders can turn out about 4,500 new tank cars every three months.

Public pressure is mounting in North America to route hazardous goods traffic (oil, ethanol, chemicals, etc.) around urban populations. Needless to say, doing so would require a very large capital cost and take many years. What is not being noted in Canada is that the federal government and provinces have allowed the railway industry to abandon thousands of kilometres of track that could have been used for moving hazardous goods away from cities. The abandonment of both CN and CP track in the Ottawa River valley is a case in point. As a result crude-by-rail from the west must pass through Toronto to get to Quebec and the Maritimes.

In addition, much secondary track that does still exist is being allowed to deteriorate becoming close to unusable, a major safety concern in itself.

Something that is particularly absurd is the secrecy in the movement of dangerous goods. Municipalities are advised on hazardous goods movements only after the fact and not in advance. ▪

Op-Ed Analysis

Giving VIA its legislative teeth

by Greg Gormick

What's wrong with VIA? That's a question rail passenger advocates have debated almost since the day the poor beast was born through a series of slap-dash manoeuvres in 1977. It usually comes down to five key items:

- Physical renewal;
- Sustainable funding;
- Experienced, engaged management;
- Improved access to freight railway infrastructure; and
- Comprehensive, innovative legislation.

The first four all come with costs, some extraordinarily large after so many years of deferral. But that last one – legislation – requires nothing but a determination to give VIA the mandate, rights and powers it has always lacked. The cost is minimal, but the impact would be tremendous, as has been proven in the U.S. Amtrak's enabling act stood the test of time and its reauthorization under the *Passenger Rail Investment and Improvement Act of 2008* is working equally well.

There have been various attempts to make this happen in Canada over the years, but they've never borne fruit.

Why?

The simple answer is the enactment of definitive VIA legislation would have the power to, at the least, blunt the destructive influence of those who have always opposed VIA's mere existence. That includes modal competitors whose lobbying reaches right up to the Prime Minister's Office, unsupportive politicians in the governments that have been in power since VIA was poorly launched and senior civil servants who – in the words of one buried government memo of the past – "earn their points today by short-term cuts in government spending."

Little wonder every attempt to enact VIA legislation has been thwarted in the House of Commons.

Earlier this year, the NDP's transport critic, Olivia Chow, introduced a bill to enact a *VIA Rail Canada Act* (Bill C-577). It received first reading on March 4, but it required reintroduction when Chow resigned to run in the Toronto mayoral contest. The bill wasn't perfect, but it was a good first step in giving VIA the necessary targets and tools it has always required.

Now, the party is taking another and more concerted run at the issue. On June 12, NDP Deputy House Leader and MP for Gaspé – Îles-de-la-Madelaine, Philip Toone, introduced for first reading Bill C-614, a modified version of the previous bill. Over the summer, I will be working closely with MP Toone and his staff to refine it further.

No one should have any illusions about this. Under a majority government, a bill originating on the opposition side of the House of Commons is likely to be defeated. This was the fate of the *National Public Transit Strategy Act* (Bill C-305) and other legislation that would have benefitted our national transportation system.

That being the case, a cynic might ask why even bother. But there are several good reasons why the presentation of a well thought-out VIA bill can only pay dividends in the long run.

First, it's useful for those opposition MPs who, obviously, hope to form the next government in 2015. With a finely-honed *VIA Rail Canada Act* in hand, they'll have a head start in bringing about the necessary changes they have espoused, but have been unable to bring about while in opposition.

Next, the bill's introduction drives home to MPs of all parties the fact that VIA remains a matter of importance to a not-inconsequential percentage of the electorate, particularly in areas where the service cuts of 2012 have not been forgotten.

Equally important, this is an opportunity to remind voters they should never stop asking their elected officials fundamental questions about Canada's misguided rail passenger policy – if it can even be called a policy. What would a fully functional VIA look like? What would be the extent of its route network? Which tools will be used to boost VIA's level of public utility and cost-effectiveness? What performance standards will the host freight railways have to meet?

Throughout VIA's recent turbulent years, the current government has on several occasions said it supports the maintenance of an effective passenger service tailored to the needs of travellers today. If a majority of the members of this government are sincere in that view, they can prove it by voting in support of this bill.

Should the members of the current government defeat the proposed *VIA Rail Canada Act*, they can ponder one possible outcome of such action. Those Canadians who want a modern rail passenger service aren't apt to forget such a negative approach when next they have a chance to cast votes of their own.

The NDP is now articulating a firm position on the future of VIA; the Green Party has done the same in other meaningful ways. This is the opportunity for others to follow suit. ▪

The views expressed are those of the author and do not necessarily reflect those of Transport Action Ontario.

VIA Rail Canada Act re-introduced in House of Commons

On June 12, 2014, Phil Toone, NDP MP for the Gaspésie-Îles-de-la-Madeleine (Québec), re-introduced his private member's bill, a VIA Rail Canada Act, C-614. This bill was originally introduced March 5, 2014, by MP Olivia Chow, NDP's transport critic, but died when she resigned her seat to be a candidate for mayor of Toronto. Modifications and improvements to the draft bill are expected as it moves forward in the House. ▪

Kitchener-Waterloo LRT

GrandLinq consortium has been selected for the 3P contract to design, build, finance, operate and maintain a 16-stop Phase 1 LRT for Kitchener-Waterloo. The contract is for 33 years including the three-year construction period. It is to open in 2017. Dubbed the ION, it will use Bombardier vehicles as designed for Toronto. ▪

New surcharge for receiving a mailed TAO newsletter

At its June 5 meeting, the Board of TAO added a surcharge of $10.00 to the TAO membership fee to cover costs of mailing a printed copy of the *Ontario Report* newsletter. In March, Canada Post raised postage on first class letters from $0.63 to $0.85. Members may chose to receive newsletters by email at no extra charge. The surcharge goes into effect at the time of renewal which for most members will be this fall. ▪

VIA Rail Q1 statistics	Corridor or train	2012	2013	2014
Passenger revenue	*Corridor* *Canadian* *Ocean*	$47,550,000 $3,745,000 $2,962,000	$47,342,000 $3,716,000 $1,558,000	$46,983,000 $3,116,000 $1,459,000
Passengers	*Corridor* *Canadian* *Ocean*	869,000 15,000 34,000	887,000 15,000 16,000	890,000 11,000 15,000
Passenger miles	*Corridor* *Canadian* *Ocean*	141,933,000 16.127,000 13,687,000	154,527,000 16,970,000 7,788,000	155.480,000 12,828,000 7,135,000
Subsidy/ passenger mile	*Corridor* *Canadian* *Ocean*	$0.32 $1.06 $0.76	$0.30 $0.89 $1.20	$0.31 $1.22 $1.39

Fed's budget cuts to VIA

...continued from Page 1

in fares), and riders in the corridor are up.

Box was able to establish some data trends by comparing first quarter results for the years 2012, 2013, and 2014, as shown in the table above. He noted that, while ridership has gone up in the corridor, revenue has dropped, "suggesting that there has been more discounting to sell tickets." Subsidies have held steady.

For VIA's premier train, the *Canadian*, in the first quarter of 2012 it ran three-days per week, but was cut to two-days per week in the first quarters of 2013 and 2014. Riders and revenues appeared to hold steady into 2013, but plummeted in 2014. The likely cause of this decline is the terrible on-time performance of the *Canadian* as CN gives priority to its own freight trains. The *Canadian* runs between Toronto,Winnipeg, Edmonton and Vancouver.

The *Ocean* was running six-days per week in 2012, cut to three-days per week in 2013. As the table shows, the cuts to the *Ocean* reduced revenues and ridership almost by half. Not unsurprisingly, and as critics predicted, the subsidy has risen from $0.76 per passenger mile in 2012 to $1.39 in 2014. Transport Action Atlantic is working hard to return the *Ocean* to six-days per week arguing that that's the only way the train can be made attractive again and be useful for regional intercity travel. The *Ocean* travels between Montreal, Mont-Joli, Matapedia, Moncton, and Halifax.

Thanks to Tom Box for putting together and analyzing VIA's recent numbers.

Transport Action's National Dream Renewed campaign has asked for a new deal for VIA - expansion not contraction, and returning it to a national network of integrated train services. Amtrak, the train network in the U.S. that gets both federal and state funding, demonstrates that there is a high demand for rail travel when a system is continuously modernized, services expanded, and given sufficient and appropriate capital and operating funds by governments.

VIA Rail's new president. VIA Rail's top officer has changed hands twice this year. President and CEO Marc Laliberté stepped down in January at the end of his contract. Marketing head at VIA, Steve Del Bosco, was named interim president. On May 10, the government announced the appointment of Yves Desjardins-Siciliano as President and CEO for a five-year term. Desjardins-Siciliano was previously chief legal officer at VIA. His job will not be an easy one given VIA's current condition.

Transport Action Ontario wishes VIA's new president all the best in his new post.

We have noted VIA's failing fleet, declining ridership, rising costs, and funding shortfalls which have put VIA Rail into a downward spiral. It would be all too easy for VIA to be blamed for its current situation which has multiple causes both internal and external. We hope to be able to provide more information on VIA's plight in the next several issues of this newsletter, and, as always, to provide useful suggestions for a turnaround.

One element of a turnaround that doesn't cost bucks is to address VIA's legal limbo. Greg Gormick considers the possibilities elsewhere in this issue of *Ontario Report*. ▪ - Tony Turrittin

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To join, send your name, address, telephone number, email address (if any), and membership fee to our box address above. Our annual membership fees are: introductory (1st year only) $20; regular $35; senior $30; student $25; low income $20; family $50; non-profit affiliate $75; business $170. Transport Action Canada is a registered charity and donations to it receive a tax-credit receipt. Its website address is //www.transport-action.ca.

Board meetings: July 23 (4:30pm), Sept. 4, Oct. 2, Nov. 6 at 5:30pm at CSI, 215 Spadina Ave., Toronto. If you wish to participate, please contact Peter Miasek at 905.477.8636 or by email at peter.miasek @rogers.com to confirm as date, time and location may change.