




March 17, 2025

To: Members of the Board of Directors

From: Jason Jewell, Managing Director 

Subject: Fiscal Year 2024-25 Second Quarter Los Angeles – San Diego – San Luis Obispo Rail Corridor Trends

Overview

A report on ridership, revenue, and on-time performance for passenger rail services on the Los Angeles – San Diego – San Luis Obispo Rail Corridor, including the Pacific Surfliner, Metrolink, and COASTER, covering the second quarter of state fiscal year 2024-25.

Recommendation

Receive and file as an information item.

Background

The 351-mile Los Angeles – San Diego – San Luis Obispo (LOSSAN) Rail Corridor (Corridor) travels through a six-county coastal region in Southern California and is the busiest state-supported intercity passenger rail corridor in the United States. The LOSSAN rail corridor includes 41 stations and typically hosts more than 150 daily passenger trains. The Pacific Surfliner currently serves 29 stations and operates 20 daily one-way trains (ten round trips). In fiscal year (FY) 2024 there were nearly 1.9 million passenger trips on Pacific Surfliner trips alone, and an additional 2.8 million passenger trips were taken on the two commuter rail services (Metrolink and COASTER) on the LOSSAN Corridor.

Discussion

The report provides an update on the performance trends of the passenger rail services operating on the LOSSAN Corridor, focusing on three specific performance areas: usage (ridership and passenger miles), efficiency (revenue and farebox recovery), and quality (on-time performance (OTP) and customer satisfaction). The report includes the Pacific Surfliner intercity passenger rail

service, as well as commuter rail service on Metrolink’s Ventura County Line (VCL) and Orange County Line (OCL), and the North County Transit District’s (NCTD) COASTER system. Amtrak national data is included for comparative purposes. The reporting period is the second quarter of FY 2024-25, covering the months of October, November, and December 2025.

Usage

For the second quarter of FY 2024-25, total LOSSAN corridor **ridership for the three services combined was 1,282,259**, representing a 15.1 percent increase when compared to the same period of the previous year. A 24-month chart for the LOSSAN corridor, with the specific performance of each service, is shown in Figure 1.

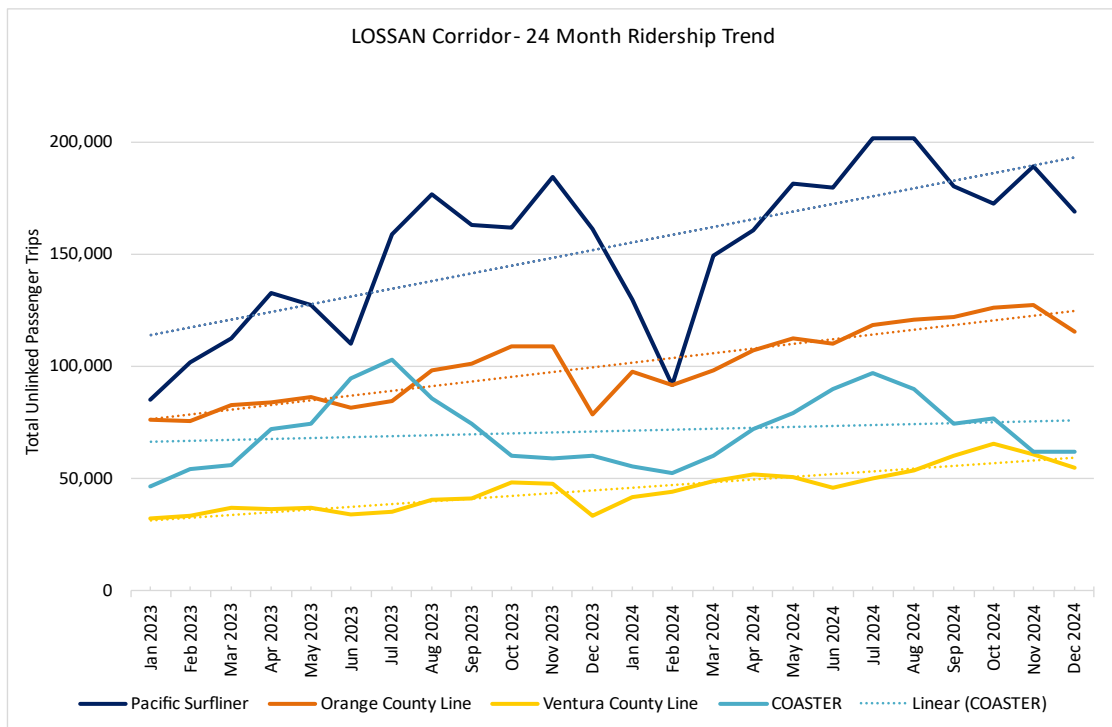


Figure 1

The 24 months of ridership data included in Figure 1 provide a more accurate indicator of the overall change in ridership along the corridor. Due to seasonal variances, a complete ridership trend is difficult to discern from a single 12-month period. Including 24 months of data accounts for seasonal variations in ridership patterns and provides sufficient information to develop a linear trendline for each service. A summary table of the ridership, revenue, and OTP for the LOSSAN corridor can be found in Attachment A. In addition to this overall corridor data, details on the performance of each service are provided below.

Pacific Surfliner

Overall LOSSAN corridor ridership includes ridership on the Pacific Surfliner intercity passenger rail service, which operates between San Diego and San Luis Obispo. Pacific Surfliner ridership during the second quarter of FY 2024-25 was 531,049, representing an increase of 4.7 percent when compared to the same period last year, as is illustrated in Figure 2.

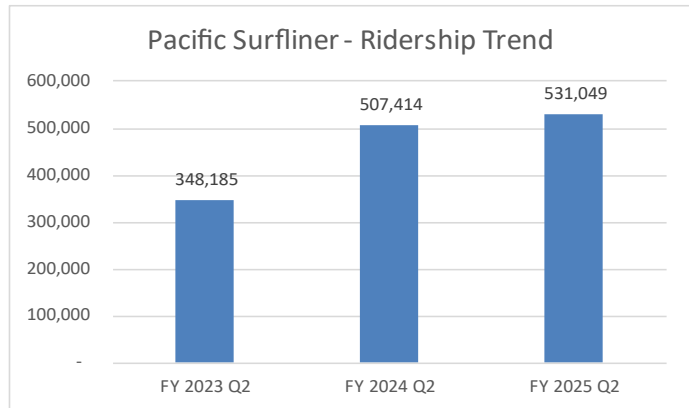


Figure 2

The increase in ridership during FY2025 Q2 can be attributed to a combination of growing demand and the holiday season. Additionally, the reported Pacific Surfliner ridership includes Metrolink and COASTER pass holders utilizing the Rail 2 Rail (R2R) Program, which allows Metrolink monthly pass holders and COASTER passengers to ride Pacific Surfliner trains within the stations identified on their valid fare media, subject to certain restrictions.

Metrolink

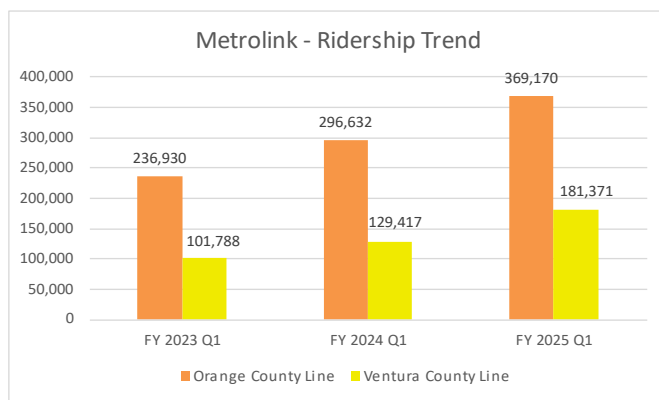


Figure 3

The VCL, which operates between East Ventura and Los Angeles, saw a ridership increase of 40.1 percent when compared to the second quarter of last year. The OCL, which operates between Los Angeles and Oceanside, saw a 24.5 percent increase in ridership over the same report period in the prior year. During the second quarter of FY 2024-25, there

were an average of 10,956 Metrolink pass holders per month who utilized the R2R Program to ride Pacific Surfliner trains¹.

¹ Metrolink R2R values are based on preliminary, unaudited data provided by Amtrak.

COASTER

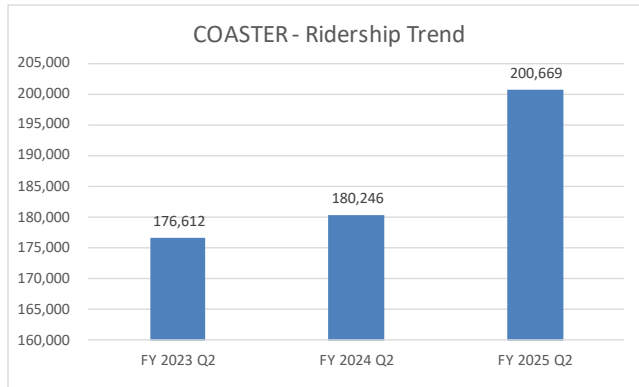


Figure 4

NCTD’s COASTER commuter rail service operating between Oceanside and San Diego experienced a sizable increase in ridership during the second quarter of FY 2024-25 when compared to the same period in the prior year, as shown in Figure 4. During the second quarter of FY 2024-25, there were an average of 419 COASTER pass holders per month utilizing the

R2R Program to ride Pacific Surfliner trains².

Amtrak System

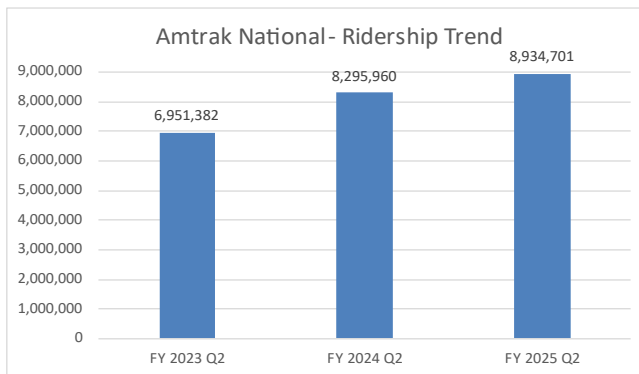


Figure 5

Amtrak service nationwide experienced a cumulative ridership increase of 7.7 percent for the second quarter of FY 2024-25 when compared to the same period in the prior year, as illustrated in Figure 5.

Amtrak’s Coast Starlight, which operates between Seattle and Los Angeles, saw ridership increase by 3.6 percent in the second quarter compared with the same period last year. The Capitol Corridor (operating between Auburn, Sacramento, Oakland, and San Jose) and the San Joaquins Corridor (operating from both Oakland and Sacramento to Stockton and Bakersfield) are the two other California state-supported intercity passenger rail services operated by Amtrak and provide a comparison to the Pacific Surfliner service despite serving significantly different markets. Ridership increased by 4.4 percent on the Capitol Corridor and decreased by 0.9 percent on the San Joaquins Corridor during the second quarter when compared to the same period last year.

² COASTER R2R values are based on preliminary, unaudited data provided by Amtrak.

Passenger Miles

A passenger mile is defined as one passenger traveling one mile. For example, ten passengers who each travel 100 miles would generate 1,000 passenger miles. This metric depicts the growth in passenger usage and distance traveled.

The Pacific Surfliner generated over 52 million passenger miles during the second quarter of FY 2024-25, which is a 3.3 percent increase compared to the same period in the prior year. This increase in passenger miles corresponds with the growth in ridership and the holiday season. Factoring in the average pounds of carbon dioxide emissions generated per passenger mile traveling in a private automobile versus on passenger rail, a reduction of about 19,067 tons of greenhouse gases was achieved, which is equivalent to avoiding burning approximately 1,946,371 gallons of gasoline.

Efficiency

Passenger Trips Per Train Mile

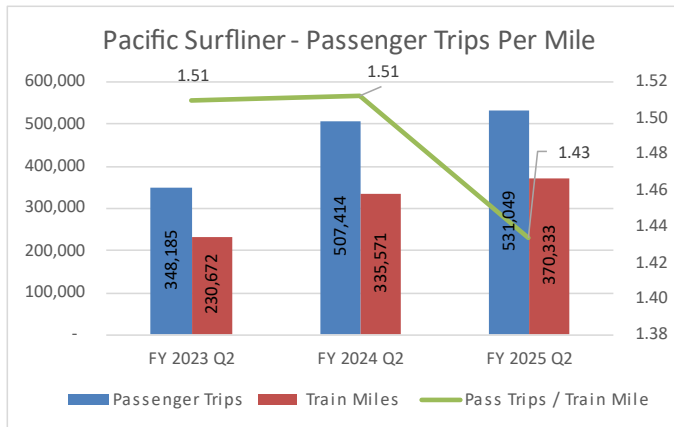


Figure 6

Passenger trips per train mile is calculated by dividing total passenger trips (ridership) by the total miles traveled by all Pacific Surfliner trains operated in revenue service³.

This metric focuses on service efficiency, as it is the ratio of usage (passenger trips) over service provided (train miles). The higher the ratio value, the more efficient

the service, and vice versa. For the second quarter of FY 2024-25, the ratio of passenger trips per train mile decreased by 5.2 percent when compared with the same period in the prior year, as illustrated in Figure 6.

³ Total train miles include deadhead mileage to and from rail yard facilities.

Revenue

In line with the increase in Pacific Surfliner ridership, driven primarily by growing demand and the holiday season, total revenue also increased. For the second quarter of FY 2024-25, total revenue increased by 6.8 percent when compared with the same period in the prior year, as shown in Figure 7.

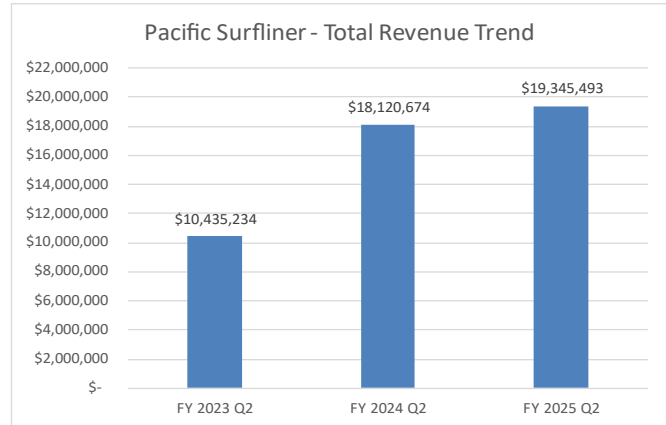


Figure 7

Farebox Recovery

The Pacific Surfliner farebox recovery ratio is calculated as total revenue divided by total operating expenses. As a performance measure, farebox recovery is normally reported on an annual basis, versus a shorter period. This is because expenses are not linear throughout the year, which can result in significant fluctuations in the farebox recovery ratio from month to month and even quarter to quarter. The Pacific Surfliner is legislatively required to achieve a minimum annual farebox recovery of 50 percent. The Pacific Surfliner farebox recovery ratio for the 12-month period ending December 31, 2024, was 58.6 percent. For comparison, including only the three months of the second quarter of FY 2024-25 results in a farebox recovery ratio of 62.6 percent.

Quality

OTP

The methodologies for calculating OTP vary significantly between intercity and commuter rail services. A commuter train is considered late if it arrives six or more minutes late to its terminal location, while a Pacific Surfliner train is considered late if it arrives more than 15 minutes after its scheduled arrival time. For the Pacific Surfliner service, endpoint OTP is calculated by dividing the total number of trains arriving on time at the end point by the total number of trains operated. The State of California intercity passenger rail Uniform Performance Standards (UPS), which were approved by the Secretary of Transportation in 2014, set an endpoint OTP goal of 90 percent for the Pacific Surfliner service.

For the three months in the second quarter of FY 2024-25, endpoint OTP for the Pacific Surfliner averaged 72.8 percent, which was a seven percent decrease

over the same period in the prior year. Figure 8 illustrates a monthly OTP trend for the Pacific Surfliner.

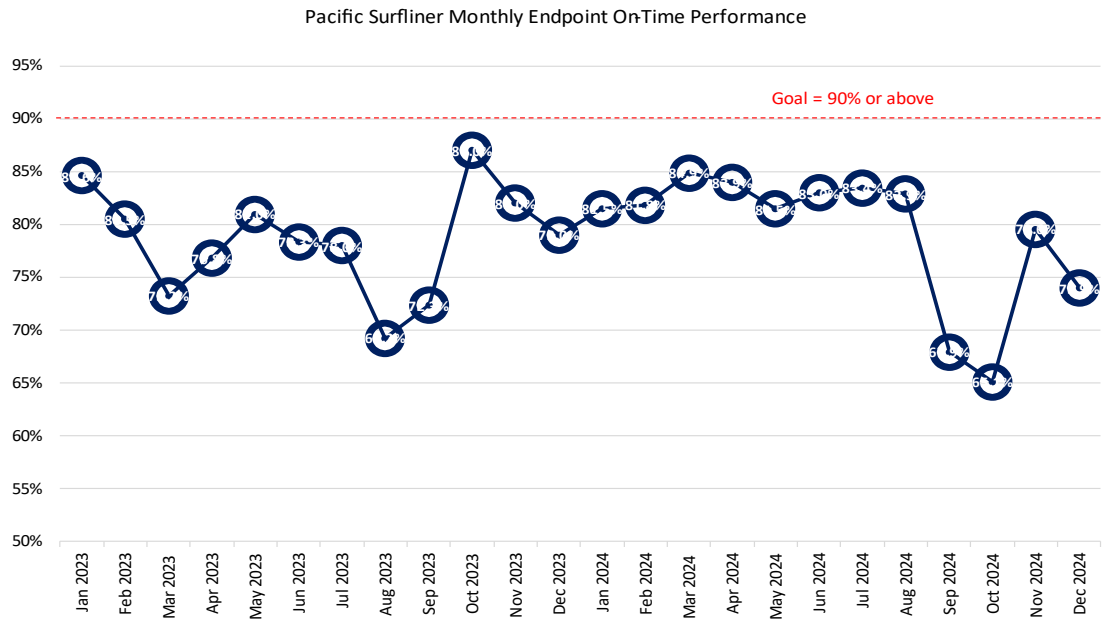


Figure 8

The sharp decline in OTP in October 2024 continues to be due to operational challenges on the BNSF Railway between Los Angeles and Fullerton. In early 2024, BNSF relocated its Southern California dispatching functions from San Bernardino to Fort Worth, Texas, leading to disruptions as newly assigned dispatchers were less familiar with the territory. BNSF has since assigned a senior manager to oversee dispatching, which is expected to improve OTP. Additionally, widespread vandalism along the corridor caused extended service delays for passengers and freight trains. BNSF is evaluating measures to enhance corridor security and prevent future disruptions.

The LOSSAN Agency will continue to work collaboratively with the Corridor Improvement Team via quarterly meetings to identify and address issues negatively impacting OTP.

Customer Satisfaction

Amtrak reports a monthly Electronic Customer Satisfaction Index (eCSI) score for all routes, in which a “very satisfied” percentage is calculated per 100 passengers via electronic surveys. For the second quarter of FY 2024-25, the Pacific Surfliner scored an average eCSI of 82.4 percent, representing a one percent decrease from the average eCSI of 83.2 percent achieved during the same period last year.

Additional Performance Indicators

Food and Beverage Sales

The LOSSAN Agency’s focus on improving service quality and the customer experience has prompted additional attention to the food and beverage selections offered in the Pacific Surfliner Café Car. Continual effort is made to ensure that menu items are meeting passenger expectations.

As part of that effort, LOSSAN Agency staff closely monitor food and beverage sales to gauge the success of what is being offered and identify items that need to be adjusted.

<i>Sales Category</i>	<i>FY24 Q2</i> <i>(Oct-Dec 2023)</i>	<i>FY25 Q2</i> <i>(Oct-Dec 2024)</i>	<i>% Change</i>
Baked Goods	\$ 114,619	\$ 70,061	-38.9%
Beer	\$ 172,064	\$ 195,853	13.8%
Beverages	\$ 348,617	\$ 246,564	-29.3%
Dairy Products	\$ 1,070	\$ 1,471	37.5%
Fresh Prepared Foods	\$ 183,918	\$ 191,908	4.3%
Liquor	\$ 100,094	\$ 111,453	11.3%
Miscellaneous Merchandise	\$ 1,468	\$ -	-100.0%
Packaged Snack Foods	\$ 460,090	\$ 362,603	-21.2%
Salads	\$ 49	\$ -	-100.0%
Wine	\$ 311,655	\$ 233,802	-25.0%

Figure 9

For the second quarter of FY 2024-25, food and beverage sales decreased by 16.5 percent compared to the same quarter in the prior year. This decline is primarily attributed to the increased use of Comet Car sets, which do not have Café Cars and therefore eliminate onboard food and beverage sales opportunities during their operation. The Comet Car sets were utilized approximately 22 times during the quarter due to equipment issues requiring their use as protect service or replacements for out-of-service equipment. The absence of Café Cars on these trainsets directly impacted overall sales, contributing to the variance. Additionally, salads were removed from the menu due to high spoilage and low return on investment (ROI), while merchandise items like playing cards and earbuds are being phased out due to minimal ROI. Details on the performance of each specific category are provided in Figure 9.

Amtrak Thruway Bus Service

Pacific Surfliner rail service is supplemented by Amtrak’s network of Thruway buses that connect passengers throughout the LOSSAN corridor. The bus routes function as part of the Pacific Surfliner service and as of December 31, 2024, included:

- Route 17: Two daily round trips between Santa Barbara, San Luis Obispo, and Oakland (where it connects with Capitol Corridor); and one daily round trip between San Luis Obispo and Oakland.
- Route 39: One daily round trip between Fullerton and Indio/Coachella Valley, and one daily round trip between Fullerton and Palm Springs.

For the second quarter of FY 2024-25, combined ridership on these two routes totaled 26,332, representing a marginal decrease when compared to the ridership of 26,345 for the same period in the prior year.

Summary

This report provides an update of trends for the usage, efficiency, and quality of the passenger rail services on the Los Angeles – San Diego – San Luis Obispo Rail Corridor, including the Pacific Surfliner, Metrolink, and COASTER, for the second quarter of FY 2024-25. During the second quarter, total combined passenger rail ridership along the corridor increased by 15.1 percent when compared to the same period last year. Notably, ridership on the Pacific Surfliner alone increased by 4.7 percent, accompanied by a 6.8 percent increase in total revenue relative to the same period in the previous year.

Attachment

- A. Los Angeles – San Diego – San Luis Obispo Rail Corridor Performance Summary, Second Quarter Fiscal Year 2024-25

Prepared by:



Kristopher Ryan
Chief Financial Officer
(714) 560-5409