

7.0 SouthwestLynx Prerequisites

The SouthwestLynx concept requires three crucial changes in the funding, operation and management of the disjointed intercity public transportation services now being offered in Southwestern Ontario. Without these, the further elements of the plan are doomed to provide far less than their full potential and they may, in fact, be unjustifiable. These three changes are:

- the acquisition of a sufficient number of new, high-performance diesel-electric locomotives and rolling stock to service the Southwestern Ontario routes out of Toronto;
- the re-alignment and coordination of the disconnected and disjointed transportation planning, funding and delivery policies of the governments of Canada and Ontario; and
- a new governance, management and service delivery structure for Southwestern Ontario to plan and, with federal and provincial funding, provide the core rail service, develop a feeder system of intercommunity transportation services and assume responsibility for several still-undeveloped intermodal mobility hubs.

All three changes must occur in lockstep if Southwestern Ontario is to avoid the misfires that have occurred in the past when political attention and public money have been directed to producing scattered transportation improvements with responsibility badly divided between the two levels of government and multiple operators.

7.1 Southwestern Ontario Rail Fleet Renewal

With rail service at its core, SouthwestLynx cannot move forward without the complete and accelerated replacement of the fleet of locomotives and rolling stock serving Southwestern Ontario today.

Currently, VIA operates the oldest frontline fleet of equipment in the industrialized world and it is consequently incapable of boosting service levels, improving performance and reducing the per-passenger cost of the service it provides in Southwestern Ontario.

VIA's own corporate plan for 2016-2020 said it best:

“There are no tactical or strategic improvements that can overcome the inherent negative dynamic of limited frequencies, poor reliability and on-time performance, longer trip times and outdated equipment. . . . VIA Rail can no longer function within its existing framework.”

Despite numerous warnings of this sort, which have been made since the federal government's Rail Passenger Action Force faced the issue squarely in 1984-1985, there have been only words of support, but little action from Ottawa. VIA has been limping along with Band-Aid solutions ever since and they are rapidly peeling away, especially in terms of its fleet.

In March 2016, the federal budget allocated \$3.3 million over three years for government studies of VIA's high-frequency rail (HFR) proposal and a further funding package for VIA that included studies of its equipment needs, which became intertwined with the HFR proposal and made to appear as a single issue. Two years later, Budget 2018 contained a further \$8 million over three years for more studies of the HFR proposal and a commitment – but no firm funding – for a corridor fleet renewal program, which was originally targeted to begin delivering new equipment by 2019 when it was first investigated by an outside consulting firm in the first quarter of 2015.

VIA has recently issued press statements saying it will launch a request for qualifications, followed by a request for proposals, all of which will take about a year to complete. The date for the arrival of the first new equipment has now been pushed back to 2022, with completion of the order in 2024. One of the criteria for the proposed new fleet of 32 bi-directional, push-pull trainsets valued at up to \$1.5 billion is that it should be dual-mode, capable of switching from conventional diesel traction to electric power, even though VIA operates on no electrified trackage today.

While this process has been grinding on in Canada, the U.S. has been making progress. Using service-proven European technology, Siemens has produced what amounts to the only high-performance corridor rail equipment currently available off the shelf in North America. This consists of its 4,400-hp, 200-km/h Charger diesel-electric locomotive and single-level rolling stock suitable for operation at the same speed. Complete sets

of Chargers and rolling stock have been delivered to the privately-funded Brightline project in Florida and 71 additional locomotives have been ordered for state-supported Amtrak routes and Maryland's commuter rail service, some of which are already in revenue service. Options are pending for a further 197 Chargers for both corridor and long-haul service.



While VIA and the federal government have dithered over the urgently-required renewal of the rail passenger fleet used in Southwestern Ontario and across the entire Quebec-Windsor Corridor, the U.S. has been making progress through successive orders with Siemens in Sacramento for its 200-km/h Charger diesel-electric locomotives and single-level, push-pull rolling stock.

After a serious misfire on the development of bi-level intercity coaches for state-supported Amtrak corridor services in California and the Midwest, the Siemens rolling stock design was substituted for the bi-level design. The initial order will be for 137 cars similar to the 20 already in service on the Brightline operation in Florida, with the first cars arriving in 2020.

Despite the development and delivery of this corridor equipment in the U.S., the Canadian study and pre-procurement process stretches out with an uncertain result. In dealing with a chillingly similar situation in

1985, the members of the federally-appointed Rail Passenger Action Force commented, "Studies cause delay and enable government officials to in turn delay making decisions; in this, they are sometimes welcomed by those government officials. . ."

Until new equipment is on the rails, there will be only a limited opportunity to even tweak the existing VIA service as part of a new vision for integrated public transportation in Southwestern Ontario and elsewhere.

7.2 A Federal-Provincial Partnership

The federal and provincial governments have long attempted to build walls around their transportation policy and funding responsibilities, carving up the modes and the types of service between themselves and, in the case of urban transit, with municipal and regional governments. But the lines of responsibility between the governments have been blurred for decades and the result has been a failure to craft coordinated plans that address a simple question: What is best for users and taxpayers?

No matter which mode or market segment, transportation needs to be handled under policies and plans that recognize each component as ultimately being part of a national system that requires coordination and connectivity. There especially needs to be a recognition that no mode or operator functions in isolation from the others and actions taken by or on behalf of one have repercussions throughout what should be an integrated system.

A perfect example of the consequences of this disjointed approach to transportation is visible in the current rail passenger service in Southwestern Ontario. With VIA's assumption of the remaining CN and CP passenger services across Canada beginning in 1978, it became a wholly federal responsibility. But Ottawa-induced service cuts in 1981, 1990 and 2012 brought it down to its lowest level ever. Meanwhile, the provincial government's Metrolinx began expanding its service territory westward with new GO rail and bus services, competing with and further destabilizing the VIA services, particularly on the North Main Line.

Now, the Government of Ontario is pushing forward with its proposal for high-speed rail over this same market segment to London and eventually Windsor, cutting

further into VIA's market on both of its Toronto-London routes, but bypassing communities such as Woodstock, Ingersoll, Stratford and St. Marys. The province has also said it expects the federal government, which is already funding VIA, to participate in the financing of the high-speed project. The federal government is contributing to some of the GO expansion projects and it is a continuing source of funding through the trackage fees VIA pays for access to GO-owned route segments it requires, such as those connecting Toronto Union Station with Bramalea on the North Main Line and Burlington on the South Main Line, as well as from Georgetown to Kitchener.

No attempt has been made to dovetail the plans, the funding and the services supported by both upper levels of government, which contrasts sharply with the approach now taken in the U.S. on several rail passenger corridors. The one that has had the greatest success has been the California joint powers authority (JPA) model, as outlined in elsewhere in this report.

With the overlapping and often conflicting agendas of the governments of Canada and Ontario, it is difficult to envision any progress being made on the crafting of a new approach to public transportation in Southwestern Ontario to revamp the one that has produced a disjointed and disconnected system of services that have failed to deliver an effective, optimized alternative to the private automobile.

A catalyst is required to bring the two governments and their service providers together if the changes required to increase non-automotive mobility are to be implemented.

7.3 A New Governance and Service Delivery Model

The delivery of the interconnected, multi-modal service envisioned in SouthwestLynx requires more than simply a federal-provincial funding agreement. It needs leadership unencumbered by the practices and politics of the past, which have resulted in inadequate levels of public transportation service and barriers between modes and carriers.

This same issue was addressed in the U.S. in advancing the state-funded rail and feeder bus services within the Amtrak system. Various models have been applied, including the creation of divisions of the state departments of transportation to assume control or arm's-length agencies to administer the projects. The approach that has proven to be the most successful is the one adopted by California for its three rail passenger corridors.

Starting as the Amtrak California division of the state's department of transportation, Caltrans, the program has evolved through the adoption of the joint powers authority (JPA) approach in 1996, with decision making transferred from the state to the new inter-regional and inter-municipal entities. Employed on more than 1,800 programs ranging from transportation to public

utilities such as water and electricity, a JPA brings together two or more agencies with common powers and objectives, but prevents turf wars by establishing at the outset a strong set of rules to quell any conflict that may arise when the members are at odds.

Of the three California JPAs handling the corridor rail passenger projects, the one that appears to have the most relevance in the context of SouthwestLynx is the Capitol Corridor Joint Powers Authority (CCJPA), which manages and contracts for the operation of the state-funded rail service from San Jose to Oakland, Sacramento and Auburn, a distance of 272 kilometres, and outward to adjoining communities through its extensive network of connecting bus services.

The CCJPA is defined as "a partnership among the six local transit agencies in the eight-county service area, which shares the administration and management of the Capitol Corridor. Services are developed with input from our riders, private and public sector stakeholders, along with the partners who help deliver the Capitol Corridor service – Amtrak, the Union Pacific Railroad, Caltrans and the various agencies and communities that make up the Capitol Corridor."



From trailers riding “piggyback” on flat cars in the early 1950s to today’s doublestacked containers moving in trains of 150 The Pacific Surfliner and two other Amtrak California routes are directed by locally-based joint powers authorities, which provide highly workable models for the creation of new approach to planning and delivering rail passenger and intercommunity transportation services under the SouthwestLynx plan. Photo courtesy of Amtrak

The CCJPA contracts with various service providers, public and private, based on its board-approved operating and business plans, which are required under its enabling legislation and the inter-agency transfer agreement with the State of California. Approval of the annual state operating grant and access to capital funding from additional state and federal programs is dependent on the attainment of these performance-based targets.

After two decades of CCJPA management and the input of all its partners and suppliers, the Capitol Corridor has evolved into an integrated public transportation system providing car-free mobility throughout the Northern California Megaregion, as well as providing a connection to other services that link it with the rest of the state and the nation.

While it's difficult to determine what percentage of its success is due to the adoption of the JPA governance and delivery structure, it should be noted that the Capitol Corridor languished in its first four years under what amounted to absentee management by Caltrans in Sacramento and Amtrak in Washington. It became a candidate for discontinuance when Amtrak and the State of California faced budgetary problems in 1995. It was the new JPA that brought about the ambitious service improvement plan that led to increased ridership, revenues and cost recovery, as well as vastly improved connectivity with other public transportation services.

Although not a transportation undertaking, the SouthWestern Integrated Fibre Technology (SWIFT) ultra-high-speed broadband project in Southwestern Ontario and the Niagara Region is a cooperative and regionalized approach that shares many key features of the California JPA model. Initiated by the county governments, it also includes municipalities, First Nations and numerous public and private sector

stakeholders. SWIFT is a not-for-profit response to a need that was not being met for a variety of reasons by the upper levels of government or the private sector. It has successfully attracted a portion of its initial capital funding from both the federal and provincial governments.

Without changes in governance and project delivery similar to those demonstrated by the California JPAs and SWIFT, it is difficult to visualize any meaningful improvement in public transportation occurring in Southwestern Ontario. Federally-funded VIA, headquartered in Montreal and ultimately controlled through its budget by Ottawa, has not addressed Southwestern Ontario's need for improved rail service and has never been authorized to engage in intercommunity feeder bus services, such as those developed by the California JPA rail agencies and Amtrak. VIA's intense focus on its high-frequency rail proposal for the services east of Toronto also rings alarm bells for those advocating Southwestern Ontario rail passenger improvements.

The integrated, multi-modal solutions contemplated in SouthWestLynx are also unlikely to be undertaken by the Government of Ontario on its own. The province has always resisted direct involvement in intercity transportation, even though the provincially-owned highways are the main competitors of any public mode. Complicating the situation further has been the growth of GO rail and bus service and its overlap on VIA's routes and the intercity bus services provided by the private carriers. Ontario's proposal to now build a high-speed rail system in Southwestern Ontario would only exacerbate the situation further.

As demonstrated by the California JPAs and the SWIFT broadband initiative, a fresh approach that empowers new and more regionally-focused leadership will be vital to the implementation of SouthWestLynx.