



# *Amtrak Five Year* **Service Line Plans**

Base (FY 2018) + Five Year Strategic Plan (FY 2019–2023)



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**Base (FY 2018) + Five Year Strategic Plan (FY 2019–2023)**

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# Introduction

## Overview

Intercity passenger rail service is an essential and growing part of a multi-modal transportation system connecting communities across the U.S.

As the national rail operator, Amtrak connects America in safer, greener, and healthier ways—traveling by Amtrak offers lower emissions per passenger mile than either cars or airplanes and supports the development of state and local economies, and connects small town America to the national economy. In key markets such as the Northeast Corridor, Amtrak bolsters the productivity of the U.S. business sector, supports the long-term economic growth of the region and enhances the global competitiveness of the U.S.

These plans fulfill the statutory requirements set forth in section 11203(b) of the Fixing America's Surface Transportation (FAST) Act, codified at 49 U.S.C. § 24320(b). Under these requirements, Amtrak must establish five-year plans for each individual service line—Northeast Corridor Services, State Supported Services, Long Distance Services, Infrastructure Access, and Ancillary Services and, beginning in 2019, for the asset lines that provide resources to support the services. These plans are focused on the aspects of our businesses and services that generate revenue.

As a dynamic enterprise, these plans represent the current view of our business and services over the next five-year period, informing our General and Legislative Annual Report, required by 49 U.S.C. § 24315(b), and providing Congress, our partners and other stakeholders a view of our priorities, key strategies, initiatives, and other steps we intend to implement to improve our business, enhance our customers' experience and invest in our future to meet the nation's transportation needs, assuming adequate federal and state funding. Our priorities are framed around six pillars, described beginning on page 8, which guide and shape our efforts.

As Amtrak's organizational structure matures and service and asset line planning and management improve, the content and format of these plans may evolve. Additionally, achieving many of the plan's objectives and financial targets cannot be accomplished by Amtrak alone. With safety as the highest priority, we must meet our customers' expectations and work with our industry partners, federal, state, and local governments, and other stakeholders to drive results.

## Amtrak's Business

Amtrak connects over 500 communities across 46 states and three Canadian provinces, seeking to create economic and social value through safe and efficient mobility. As defined by Congress in the Passenger Rail Investment and Improvement Act of 2008 (PRIIA), Amtrak's core mission is to "provide efficient and effective intercity passenger rail mobility consisting of high quality service that is trip-time competitive with other intercity travel options." Amtrak's goals are to move people, the economy and the nation forward by being Americans' preferred mode of travel. The company can help achieve this by running an efficient and effective business; modernizing our customers' experience; and investing in the infrastructure, rolling stock, stations and facilities that support our services.

Our core business is providing intercity passenger train services through our three operating service lines: Northeast Corridor, which operates Amtrak's high-speed *Acela Express* and *Northeast Regional* trains between Boston and Washington; State Supported, which provides service on short distance routes of not more than 750 miles through cost-sharing agreements with State Partners; and Long Distance, which includes all routes over 750 miles nationwide, which are funded by the federal government.

### AMTRAK ECONOMIC IMPACT

**21,000**

*Employees in 46 States*

**6:1**

*Nearly 6 jobs are created nationally for every job in the rail transportation industry*

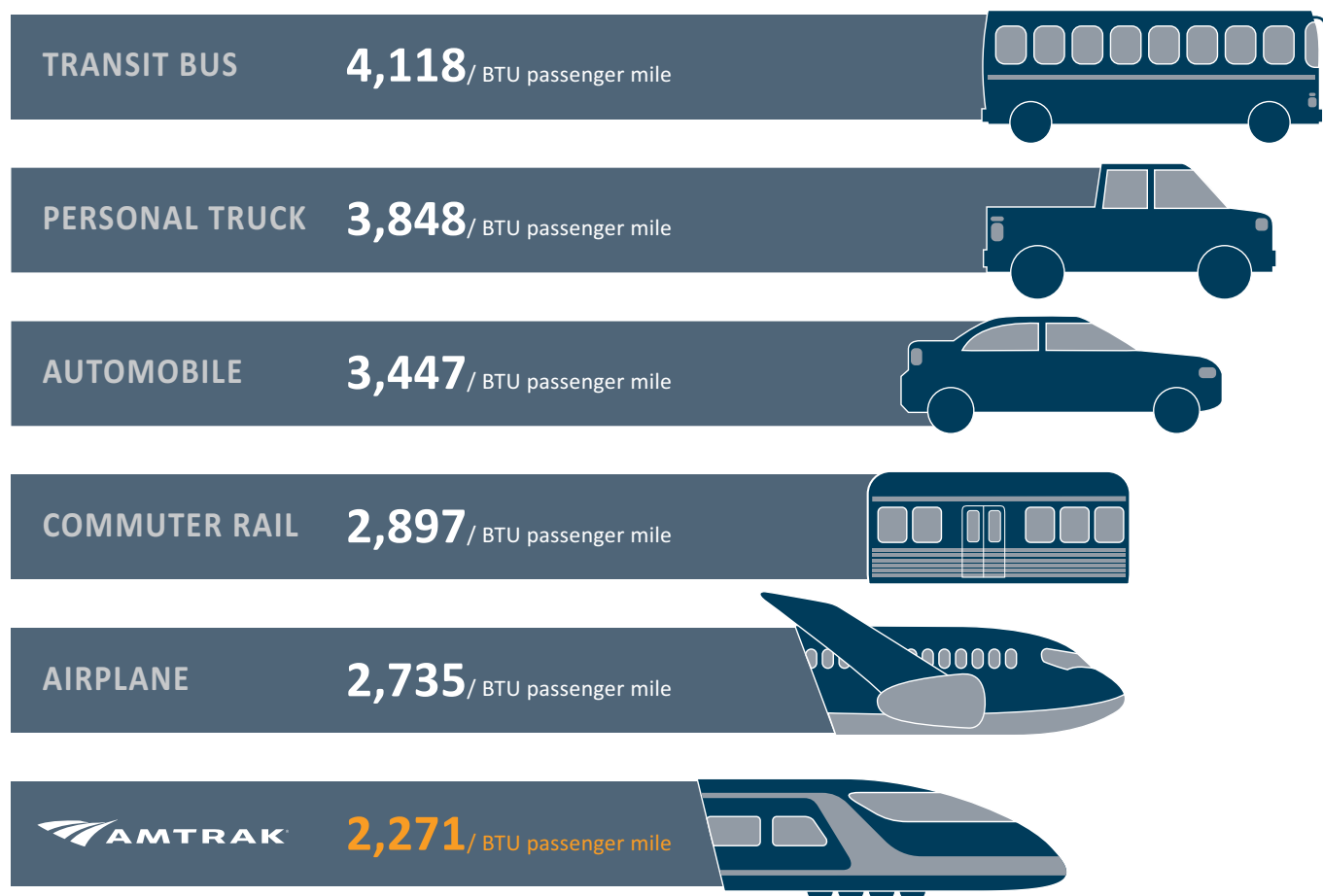
**23**

*Number of jobs supported for every \$1 million Amtrak spends on construction*

## The Amtrak Network System Map



## Energy Use By Transportation Mode





*Compared to other modes of transportation, passenger rail offers benefits of energy efficiency, support to local and regional economic development, lower greenhouse gas emissions, quick access to city centers, and travel time savings.*

Amtrak's primary competition is with other transportation modes. Depending on the origin, distance, and the destination, options include private vehicle, plane, intercity bus, and in some other cases commuter rail. Each of these competitive modes has distinct advantages and disadvantages relative to traveling on Amtrak.

We also provide commuter and freight railroads access to key infrastructure we own or control, such as track, right-of-way, stations and facilities. We also conduct ancillary activities such as real estate and commercial development and serve as a contract operator for commuter train services to generate revenue or, in some cases, to offset fixed costs. We also perform reimbursable work for third parties such as other railroads, local and state governments, and others who require our unique expertise or where we have a legal obligation.



## Competitive Analysis

 <b>Private Vehicle</b>	 <b>Airplane</b>	 <b>Intercity Bus</b>
+ <b>PROS</b>		
<ul style="list-style-type: none"> <li>• Transports passengers from origin to destination with flexibility in selecting routes and making stops.</li> <li>• Travelers can select their own departure time.</li> <li>• More affordable for small group travel.</li> <li>• Ample baggage capacity.</li> <li>• Trip times may be similar or better than Long Distance trains for many city pairs.</li> <li>• Travelers can have a form of local transportation at their destination.</li> </ul>	<ul style="list-style-type: none"> <li>• Short flight times, particularly for passengers traveling longer distances.</li> <li>• Competitive pricing for travel booked in advance.</li> <li>• Provides limited opportunity for productive work during trip.</li> <li>• More frequencies in key markets.</li> <li>• Higher schedule reliability in many markets.</li> <li>• Competitive options in many markets.</li> </ul>	<ul style="list-style-type: none"> <li>• Attractive option for travelers focused on low cost method of transportation between major cities.</li> <li>• Limited opportunity for productive work during trip.</li> <li>• Direct service to suburban markets.</li> <li>• Trip times may be similar or better for many longer distance city pairs.</li> <li>• Ample capacity for baggage</li> </ul>
- <b>CONS</b>		
<ul style="list-style-type: none"> <li>• Need to drive vehicle on often congested highways and park it at destination, often at significant additional cost.</li> <li>• Traffic delays.</li> <li>• No opportunity for productive work during trip.</li> <li>• Need for travel breaks and overnight accommodations on longer trips.</li> </ul>	<ul style="list-style-type: none"> <li>• Narrow seats and less onboard mobility.</li> <li>• Travel time to and from airports, which are generally located further from center city destinations.</li> <li>• Airport screening and waiting times.</li> <li>• Less opportunity for productive work during trip.</li> <li>• Higher costs, particularly for last minute travel or flexibility to change plans.</li> <li>• A less social and engaging travel experience.</li> <li>• Fewer onboard amenities</li> </ul>	<ul style="list-style-type: none"> <li>• Frequent delays due to highway/urban traffic congestion.</li> <li>• Longer trip times in some short and medium city pairs.</li> <li>• Narrow seats and limited personal space and restroom facilities.</li> <li>• Few amenities and no food service.</li> <li>• Limited or no service outside of major center cities.</li> <li>• A less social and engaging travel experience.</li> </ul>

## Account Structure Framework

Amtrak's five-year plans stem from the account structure and improvements to accounting methods required by FAST Act Section 11201, codified at 49 U.S.C. § 24317, to promote efficient use and stewardship of Amtrak funds and enhance transparency.

The account structure is designed around the service lines, which each have distinct missions, customers and revenue profiles, and sums to profit and loss statements (P&Ls). Service lines are supported by asset lines that provide resources and support to the service lines. Amtrak's service lines are:

*Northeast Corridor; State Supported; Long Distance; Infrastructure Access; and Ancillary Services.*

Amtrak's Ancillary Services include the following three sub-categories:

**AMTRAK SERVICES:** provides rail passenger transportation, maintenance, and related services at market-based prices to commuter rail agencies and commercial entities.

**REIMBURSABLE SERVICES** (other than services governed by the state-supported service costing method-

ology developed under Section 209 of (PRIIA)): provides obligatory maintenance, engineering, capital improvement, and other activities for freight and commuter operators and other outside enterprises on a reimbursable cost basis.

**REAL ESTATE AND COMMERCIAL SERVICES:** engages in real estate activities and/or commercial arrangements with public and private sector entities to leverage Amtrak-owned fixed assets.

Amtrak's asset lines are: Transportation; Infrastructure; Equipment; Stations; and National Assets & Corporate Services.

The FAST Act authorizes a Northeast Corridor (NEC) grant (with the NEC defined as the main line from Washington, DC to Boston) and a National Network grant for State Supported and Long Distance routes, which support various operating and capital expenses. The segregation of this funding and the revenues from each service line under the FAST Act ensures that:

- the financial and planning elements of both networks can be clearly understood;
- net NEC revenues are retained for reinvestment in the NEC; and
- National Network needs are not overshadowed by the NEC's large capital requirements.

### Amtrak's Service & Asset Lines

		NEC SERVICE LINES			NATIONAL NETWORK SERVICE LINES			
		NEC	Infrastructure Access	Ancillary	State Supported	Long Distance	Infrastructure Access	Ancillary
ASSET LINES	Transportation							
	Equipment							
	Infrastructure							
	Stations							
	National Assets/Corporate Services							

## ***Planning & Strategy***

Planning involves multiple departments within Amtrak, as well as many external stakeholders. Beginning in FY 2016, service line plans are developed annually and include information about prior year performance, efforts in the current fiscal year (FY 2018) plus the five years included in the plan horizon (FY 2019–FY 2023). The following sections describe Amtrak’s six strategic pillars, FY 2017 results and consultation with stakeholders.

## ***Strategic Pillars and Corporate Initiatives***

Amtrak's success depends on ever-improving safety performance, committed and well-trained employees, excellent operating capabilities, sound planning, and modern, efficient and reliable equipment and infrastructure. Each initiative we undertake fits within one or more of these six strategic pillars: Safety and Operations; Customer Impact; Strategy; Assets; Our Amtrak Team; and Financial Stewardship.

### **SAFETY AND OPERATIONS**

While enhancing safety was our top priority in 2017, the Amtrak Cascades Train 501 derailment on December 18, 2017 was a strong reminder that more work remains as we strive to achieve the highest levels of safety in the passenger rail industry. Recent and upcoming safety initiatives include:

#### ***Positive Train Control***

Amtrak continues to advance implementation of Positive Train Control (PTC) for our trains across our network as soon as possible and in compliance with the December 31, 2018 federally-mandated deadline. PTC is a safety technology that can manage train movements to prevent train-to-train collisions, excessive speed and certain other human-caused incidents such as misaligned track switches. While much of the Amtrak-controlled portion of the NEC, and the Amtrak-owned Michigan and Harrisburg Lines, have operable PTC, work remains across the network to complete installation of required equipment on Amtrak-owned locomotives and “cab cars” operating on Amtrak’s National Network routes and the Back Office Servers that communicate with the host railroads technology and their wayside systems.

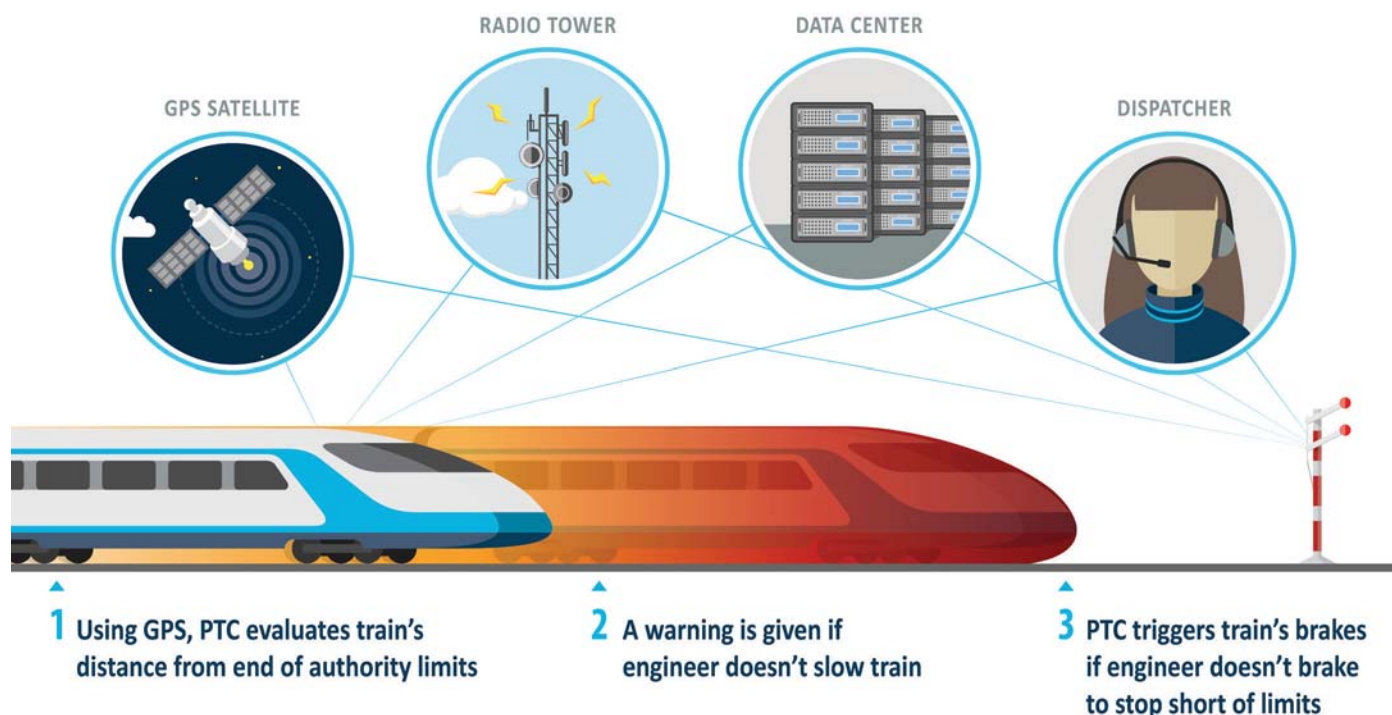
While Amtrak depends on the cooperation of our freight and commuter host railroads to complete PTC activation in certain areas, we will do all we can to accelerate PTC implementation with our partners to meet the deadline.

#### ***EVP & Chief Safety Officer***

In January, 2018, Amtrak established a new Executive Vice President and Chief Safety Officer position reporting directly to the CEO to lead: System Safety, Compliance and Training, Environmental Compliance, Sustainability and Public Health. Amtrak hired a widely respected member of the transportation safety community who has more than 30 years of experience.



## How Positive Train Control Works



### Safety Management Systems

The EVP & Chief Safety Officer will lead implementation and operation of a Safety Management System (SMS). An SMS is a proactive risk management system, which builds on predictive safety management methods. An SMS moves us to a no-fault, collaborative approach for safety analysis and establishes safety as an integral element of all business functions, and is built upon four components: Safety Policy, Safety Promotion, Safety Assurance and Safety Risk Management. SMSs have been a cornerstone of improving safety in many industries, including aviation, health care and energy.

This is a significant undertaking—it requires our organizational commitment and demands that all safety related procedures must be carefully documented, universally understood, and unfailingly applied. Amtrak believes the implementation of SMS will truly take our safety performance to the highest level of care and is consistent with National Transportation Safety Board (NTSB) recommendations that Amtrak and our unions implement a SMS Program.

### Drug & Alcohol Prevention

Amtrak recently launched a new drug and alcohol prevention program. The P.I.E.R. (Prevention, Intervention, Education, Resources) program's primary focus is substance use and abuse prevention, and it uses evidence-based practices including education and resources to make drug and alcohol prevention accessible to all Amtrak employees. This program also acknowledges the increased use and abuse of over-the-counter and prescription medications, which continues to be a major U.S. public health concern.

### Safety Training

To emphasize that safety is not simply the sole responsibility of one department, but rather the responsibility of every employee, our Instructional System Designers have redesigned all safety training modules and created a three-day workshop for all Operations Managers called *Safety Starts with Me*. This program trains managers on proactive risk management practices and effective communications. We have already trained more than 2,000 managers and have begun rolling out the program to agreement employees.



## SAFETY AND OPERATIONS (CONTINUED)

### *Roadway Worker Protection*

Amtrak has undertaken a comprehensive revision of the Roadway Worker Protection manual and training programs. The new course clarifies safety requirements and combines professional instruction with scenario-based exercises to improve participant understanding of protection protocols.

Amtrak supervisors and managers are developing their skills to improve their observations for critical rules compliance. Our operating practices group performs a monthly, system wide efficiency testing audit. Since this process was established in June 2017, we have seen a 15 percent increase in the number of observations made in comparison to the same time last year. To support this effort, we are upgrading our efficiency testing data platform by mid-February 2018, to allow more real-time visibility of our efficiency testing.

There is now a company-wide random testing program for maintenance-of-way employees, as directed by the FRA. We also redoubled safety training with all managers and supervisors to help them focus on preventing and better recognizing drug- and alcohol-related problems.

Our team of 20,000 employees cares deeply about safety, and we will all work together every day to improve the safety of our operations, and every aspect of our company.

*Amtrak's goal is to be the safest railroad in the world.*



## CUSTOMER IMPACT PILLAR

Amtrak is focused on improving the travel experience for all our customers and prioritizing initiatives and investments that materially improve the level of service that our customers receive while traveling with Amtrak. Recent accomplishments and upcoming initiatives include:

- Consolidated customer service training under the HR Training and Development Department, ensuring a consistent, unified approach in defining a training strategy and resources aligned with organizational needs.
- Building a new Product Development and Customer Experience group within the Commercial Department that will lead, together with the service lines, efforts to enhance the onboard and station experience by developing customer services standards and protocols, food and beverage service, ancillary services and connecting transportation partnerships.
- Creating a Customer Care Center of Excellence aimed at increasing communication with our customers and quickly addressing issues and problems when they arise.
- Working to improve customer accessibility and compliance with the Americans with Disabilities Act (ADA) through equipment modifications to provide universal accessibility to all Amtrak passenger rolling stock assets. At stations, we are also taking an aggressive approach to identify and remediate barriers with a concentration on universal design; working closely with external partners to evaluate existing conditions, developing designs and leading construction efforts. A new training program for employees is being developed along with accessibility enhancements to the Web and mobile applications.
- Making investments in an omni-channel approach encompassing streamlined web and mobile booking, new apps and improved customer self-service tools in addition to investments in Wi-Fi, digital on-board and information displays, station kiosks, conductor devices, and baggage and station agent tools.
- Launched a new national advertising campaign that urges travelers to *Break the Travel Quo*. The campaign is designed to educate travelers about the many benefits of train travel versus other modes while also appealing to current customers. Delivering on our brand promise to be the “smarter way to travel,” the campaign leverages Amtrak’s “reasons to believe.”

## AMTRAK'S *HASSLE-FREE* TRAVEL



- ✓ Safe
- ✓ Clean
- ✓ On Time
- ✓ Modern
- ✓ Comfortable
- ✓ Friendly
- ✓ Productive
- ✓ Tech-Enabled





*“No matter what role we have at Amtrak, all employees need to be obsessed with taking care of customers.”*

— RICHARD ANDERSON,  
AMTRAK CEO

## STRATEGY PILLAR

The Amtrak Board of Directors and the new Executive Leadership Team, led by President and CEO Richard Anderson, who started in October, 2017, intend to use the remainder of FY 2018 to set the course for the company’s direction over the longer-term. Amtrak recently implemented organizational changes to establish a more centralized structure, with direct reporting lines and reduced overhead expenses. In addition to supporting cost reduction targets, a simpler organizational structure provides the speed and accountability necessary to achieve the goals set forth in these plans.

## OUR AMTRAK TEAM

We are only as good as our people. We plan to invest in new talent, improved training and development, and greater collaboration across the company throughout the term of these plans. Critical to this and to our overall success will be completion of our collective bargaining agreements with our organized workforce as soon as possible.

Our diverse workforce, customers, and suppliers reflect the communities we serve. Our Diversity, Inclusion and Engagement strategy aims to increase representation of women, minorities, veterans and employees with disabilities from entry-level to leadership; promote an inclusive and engaged workplace where all our people are comfortable bringing their true selves to work every day; and weave diversity and inclusion into the fabric of everyday business practices. Our leaders are committed to supporting our employee-conceived and led affinity groups which foster collaboration and mentorship and promote Amtrak’s business values.

In FY 2017, Amtrak launched Notch 8 Women of Amtrak, a voluntary, Amtrak-wide network that promotes personal and professional development for all employees in support of individual and Amtrak-related business growth. Amtrak will soon expand the program to agreement employees.









# READY TO BUILD

## Project Map



**MAJOR STATIONS  
DEVELOPMENT**  
NORTHEAST & CHICAGO



**SUSQUEHANNA RIVER  
BRIDGE PROJECT**  
MARYLAND



**HUDSON TUNNEL  
PROJECT**  
NEW YORK – NEW JERSEY



**BALTIMORE & POTOMAC  
(B&P) TUNNEL PROJECT**  
MARYLAND



**PORTAL NORTH  
BRIDGE PROJECT**  
NEW YORK – NEW JERSEY

### NEC Main Line Ownership

- Amtrak
- Metro-North
- ConnDOT
- MBTA



## ASSETS

Amtrak is investing in the core assets necessary to drive the service lines including equipment, infrastructure and stations over the duration of these plans. Several key initiatives underway that will extend beyond the duration of these plans include:

### *New and refreshed fleet*

Over the next several years, Amtrak will refresh, acquire and redeploy fleet to meet customer demands and improve performance. By end of FY 2018, the Amfleet I refresh will deliver new seats, furnishings and refreshed bathrooms on more than 450 Amtrak coach cars used for over a dozen popular services in the Northeast and Midwest. The *Acela Express* 2021 Program will deliver 28 next generation high-speed trainsets to deliver increased capacity, frequencies and reliability. The new trainsets will also provide improved Wi-Fi service, onboard information systems and the ability to offer seat assignments. The first trainsets will be available for service in FY 2021 and the full fleet in FY 2022.

Amtrak will also pursue acquisitions and select rebuilding of critical types of rolling stock. Early priorities include purchasing new diesel locomotives for the National Network services, Diesel Multiple Unit (DMU) or Diesel Electric Multiple Unit (DEMU) trains for short-distance corridor services, and a replacement for single level corridor coaches used today on our Northeast Regional service.

### *Station improvements*

The company is undertaking a significant effort to refurbish and improve stations, starting with the 100 stations with the highest ridership to ensure that stations are well-maintained and welcoming to our customers.

### *Infrastructure investment*

Amtrak is in the midst of a series of decades-long initiatives to improve the reliability, capacity and performance of NEC assets that impact each service line. From the Gateway Program in New York and New Jersey to a new Baltimore & Potomac Tunnel in Maryland, Amtrak will continue to advance these vital projects in partnership with the various commuter railroads and states that benefit from them during the term of these plans. In FY 2018, Amtrak launched the *Ready to Build Campaign* to publicize the infrastructure investments necessary to support the business in the near and long-term. The asset line plans required by the FAST Act, when developed, will provide in-depth planning and financial information regarding these projects.

### *Public-private partnerships*

Amtrak is set to complete a series of master development agreements for five of the system's top stations by ridership: New York Penn Station (#1); Washington Union Station (#2); Philadelphia 30th Street Station (#3); Chicago Union Station (#4); and Baltimore Penn Station (#8). Amtrak is pursuing master developer opportunities to partner with the private sector to advance station improvements and generate economic developments in the areas surrounding each station to support passenger rail growth.

*These stations are vital elements of the Amtrak journey and of the communities they serve, and the master developments are aimed at positively impacting the station experience for both the customer and the community.*



*On October 6, 2017, Amtrak revealed the exterior paint scheme for the next-generation high-speed trainsets.*

# \$1.5B

*Amtrak received this amount of federal investment in FY 2017*

# \$40M

*Amtrak is targeting an annualized reduction in SG&A*

# 2021

*Amtrak projects Operating Earnings to break even in 4 years*

## FINANCIAL STEWARDSHIP

Amtrak received nearly \$1.5 billion in federal funding in FY 2017, which is administered through a grant by the Federal Railroad Administration. As a responsible steward of taxpayer dollars, Amtrak is continually pursuing efficiencies and improved performance to maximize this public investment.

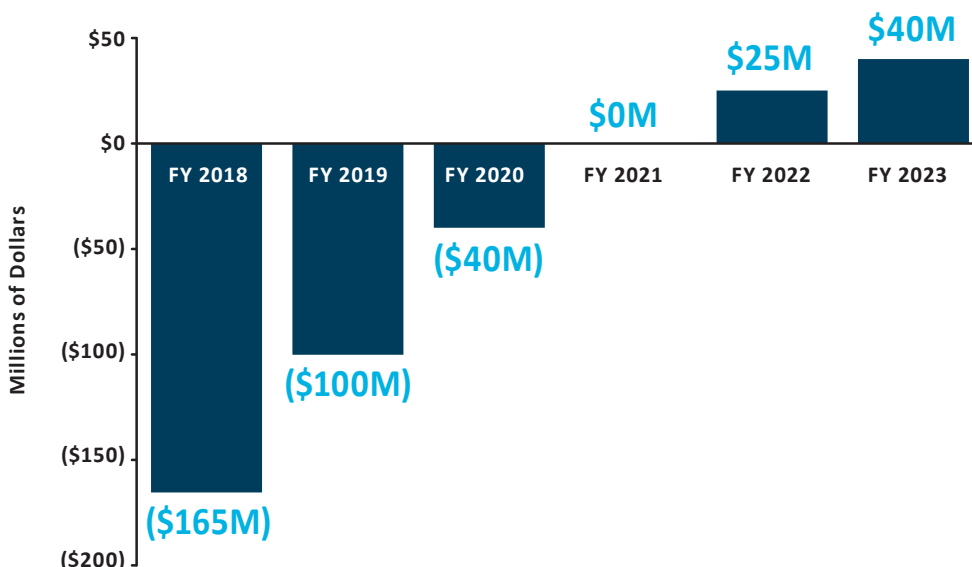
*In FY 2018 we expect to reduce our operating loss to \$165 million and eliminate it entirely by FY 2021.*

To do so, it is imperative to reduce the amount of Sales, General, and Administrative (SG&A) expenses. Over the last five years, SG&A expenses have increased slightly from 26.7 percent of revenue in 2013 to 27 percent of revenue in 2017. The company is targeting a \$40 million annualized reduction in these expenses to reduce SG&A to under 25 percent of revenue.

Amtrak recently completed an assessment and benchmarking initiative, and based on that analysis has implemented recommendations to reduce costs by reducing non-agreement headcount and building more effective systems, processes and policies to drive efficiencies. Service line financial results are expected to benefit during the plan years from these reductions.

Additionally, Amtrak is focused on improving the delivery of our capital program by deploying new methods, systems and project management training and tools to strengthen performance against scope, schedule and budget.

## Amtrak's Adjusted Operating Earnings



## Key Business Metrics

Amtrak's key business metrics are measured by our customer satisfaction index (eCSI), average load factor for each service line, initial terminal performance, on-time performance (OTP endpoint), FRA reportable injury rate and lost time rate.

Metric	FY 2017 Actual	FY 2018 Plan	FY 2023 Goal
Gross Ticket Revenue	\$2.24B <sup>1</sup>	\$2.31B	\$2.83B
Ridership <sup>2</sup>	31.7 million	32.5 million	36.4 million
eCSI <sup>3</sup>	80.1	81.4	85%
Load Factor			
NEC	56%	67%	67%
State Supported	46%	50%	55%
Long Distance	57%	69%	69%
Initial Terminal Performance			
NEC	95%	95%	97%
State Supported	92%	93%	96%
Long Distance	92%	92%	94%
OTP (endpoint) <sup>4</sup>			
NEC	77%	84%	90%
State Supported	78%	84%	90%
Long Distance	52%	70%	70%
<b>FRA Reportable Rate</b>	<b>4.24</b>	<b>3.0</b>	<b>1.75</b>
<b>Lost Time Rate</b>	<b>2.71</b>	<b>2.30</b>	<b>1.00</b>
<b>Operating Rules Violation</b>	<b>121</b>	<b>106</b>	<b>75</b>

<sup>1</sup> Unaudited

<sup>2</sup> Number of passenger trips taken

<sup>3</sup> Amtrak's customer satisfaction index

<sup>4</sup> Host railroad concerns highlighted in this report will need to be addressed in order to accurately forecast OTP over next five years

## FY 2017 Results and Accomplishments

Amtrak posted record ridership, revenue and earnings for the fiscal year which ended Sept. 30, 2017:

**31.7M**

Overall ridership increased  
1.5% over FY 2016

**\$2.18B**

Adjusted ticket revenue  
2.3% over FY 2016

**(\$194M)**

Operating Earnings improved  
15.7% over FY 2016

Amtrak achieved year-over-year increases from FY 2016 for all of its service lines:

**12M**

Ridership on the **Northeast Corridor (NEC)** increased 1% and was the highest ridership year ever

**15M**

Ridership on the **State Supported Service Line** increased 2.1% in FY 2017

**4.7M**

Amtrak's **Long Distance Service Line** saw a 0.9% increase in ridership


## Other Amtrak FY 2017 Highlights

- Completed more than **\$420 million of state of good repair and renewal infrastructure work**, including significant track replacement, numerous projects in the New York area, and a new maintenance facility in Seattle.
- Began a major **Infrastructure Renewal** program at New York Penn Station, which accelerated important construction work. Amtrak installed 897 track ties, 1,100 feet of rails (or six football fields of track), 1,000 tons of ballast, 7 turnouts (switches), 4 complex diamond crossings, and 176 yards of concrete.
- In coordination with our State Partners in Illinois, Wisconsin, Oregon and Washington, deployed state-purchased **Charger diesel locomotives** on certain routes, enhancing customer comfort, safety, reliability and emissions levels.
- Designated a **Master Developer** for Chicago Union Station for a six-year, \$1 billion redevelopment of the station and adjacent property. Amtrak is also continuing a multi-year repair program of the Great Hall atrium in the station.
- Streamlined Amtrak's senior management structure for increased organizational effectiveness, better alignment with the account structure created in the FAST Act and to provide **greater transparency** to customers and stakeholders.
- Continued to **deleverage** the Amtrak balance sheet, decreasing total debt from \$3.3 billion at September 30, 2007 to \$1.2 billion at September 30, 2017, a reduction of 64 percent over the 10 year period.
- Launched a new **Winter Park Express** in Colorado, serving more than 18,000 customers.



## OTHER AMTRAK FY 2017 HIGHLIGHTS (CONTINUED)

- Invested in **customer-facing enhancements** such as new Amfleet I car interiors and improved Wi-Fi service on our *Acela Express*.
- Continued to be an industry leader in **efficient sales distribution** with more than four-fifths of Amtrak's customers using Amtrak's self-service channels for their reservations and ticketing.
- Increased membership in the **Amtrak Guest Rewards** program by 19 percent.
- Launched a **national partnership with Lyft**. Eighty percent of Amtrak customers who have used Lyft indicate it makes their Amtrak trip easier. Amtrak will explore opportunities with additional travel partners to provide additional connectivity to and from Amtrak trains.
- **Completed "Project unITY,"** a corporate-wide effort to integrate, simplify and centralize technology and data services to better meet customer expectations and foster easier communication among Amtrak's national workforce.



*In FY 2017, Amtrak achieved a new record for cost recovery, covering 94.7% of operating costs with ticket sales and other revenues.*

## Stakeholder Coordination

Collaboration with stakeholders is critical to the development of both service and asset line plans.

Since enactment of PRIIA in 2008, the level of information sharing about capital program elements, costs, schedules and future plans has increased due to the processes developed to comply with PRIIA Sections 209 and 212 which address how costs are shared on State Supported routes and on the NEC. The growing baseline of knowledge about the capital needs of the system will allow for a substantive discussion of asset line planning.

As the planning process is refined and integrated into other planning efforts conducted by partners, Amtrak will establish a calendar for receiving stakeholder input on service and asset line plans and incorporating input, as appropriate.

As part of the development of these plans, Amtrak consulted with the Northeast Corridor Commission and the State Amtrak Intercity Passenger Rail Committee on the relevant sections to gain feedback and perspective.

## SWOT Analysis

### S

#### STRENGTHS

- Nationally connected network serves many of the fastest growing major metropolitan areas as well as destinations with few other commercial travel choices.
- Productive and relaxing travel experience.
- Increased services and amenities (e.g. Wi-Fi, ample baggage allowance).
- Value compared to airlines.
- Centrally located stations provide convenient access to destinations.
- Growing ridership in NEC and state corridor markets.
- High cost recovery ratio on NEC generates cash.
- Experienced and capable workforce.
- Stable federal funding for existing Amtrak investment levels in State Supported routes.
- Stakeholders understand value of passenger rail service and need for infrastructure investment.
- Ownership rights in the NEC with valuable and diverse asset holdings nationwide.

### W

#### WEAKNESSES

- Recent safety issues.
- Poor OTP on some routes; constrained by host railroads.
- Aging fleet and equipment.
- NEC infrastructure at or above capacity in multiple locations, especially in key stations and adjacent trackage, tunnels and bridges.
- Large state-of-good-repair backlog for infrastructure and major facilities.
- Unit costs are higher than some alternative forms of transportation with high labor, fuel and overhead costs.
- Long distance service requires \$116 per passenger average subsidy funded by the federal government.
- Expensive food service model.
- States' ability to fund services based on their own fiscal challenges.
- Limited service in many parts of the South and West, the fastest growing regions.
- Perception of conflicting incentives in Section 209 pricing formula, questions from states about costs and billing, and interpretation of Section 209 Policy.

## SWOT ANALYSIS (CONTINUED)

## O

## OPPORTUNITIES


- New and refreshed equipment.
- Redeveloped product elements that strengthen customer experience while lowering costs and improving yield.
- Consist and capacity planning to optimize load factors.
- Standards for efficient, consistent and timely customer communication and service.
- Co-branding has potential to increase revenue opportunities.
- Partnerships with connected transportation providers can strengthen last mile service.
- Partnerships with destinations, travel vendors, business and universities.
- Capturing millennials as new customers.
- Targeted marketing through emerging tech platforms.
- Growth in new markets with *Northeast Regional* providing more local connections.
- Many smaller markets served have limited travel options with shrinking air and bus competition.
- Gateway Program.
- Improve project management and delivery.
- Attract outside resources through partnerships to deliver SOGR and capacity-enhancing station improvements.

## T

## THREATS

- Environment/climate change.
- Aging infrastructure and equipment.
- Risk of major disruptions in service at critical facilities.
- Host railroad PTC implementation.
- Poor OTP over host railroad network.
- Local opposition to rail improvement projects.
- Network changes could shift some shared costs to states, which would be difficult for them to fund.
- Reliance and competition for public funds with other modes and public needs.
- Increasingly competitive environment including new services with lower costs and greater flexibility.
- New technologies, such as autonomous vehicles, that could change the competitive landscape.
- Changing demographics may reduce demand for some routes.
- Potential track downgrading.
- Growing freight traffic along certain routes.
- Threats to infrastructure: extreme weather events, trespassers, security breaches.
- Human error.
- Market downturn.
- Development compatibility of real estate assets with railroad operations.





*The core of Amtrak's mission is to provide efficient and effective intercity passenger rail mobility consisting of high quality service that is trip-time competitive with other intercity travel options.*





## Document Organization

### SECTIONS

The following sections with the corresponding responsible officials noted provide further context and information for each of the service lines:

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#### *NEC Service Line*

*p. 25*

*Caroline Decker, Vice President, NEC Service Line*

- a. Strategy
- b. Financial Information and Assumptions

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#### *State Supported Service Line*

*p. 39*

*Joe McHugh, Vice President, State Supported Service Line*

- a. Strategy
- b. Financial Information and Assumptions

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#### *Long Distance Service Line*

*p. 61*

*Bob Dorsch, Vice President Long Distance Service Line*

- a. Strategy
- b. Financial Information and Assumptions

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#### *Infrastructure Access Service Line*

*p. 77*

*Byron Comati, Vice President, Corporate Planning & Strategy*

- a. Strategy
- b. Financial Information and Assumptions

---

#### *Ancillary Services*

*p. 95*

##### **a. Amtrak Services**

*Paul Vilter, Assistant Vice President, Amtrak Services*

- i. Strategy
- ii. Financial Information and Assumptions

##### **b. Reimbursable Services**

*Tom Moritz, Assistant Vice President, Infrastructure Access and Investment*

- i. Strategy
- ii. Financial Information and Assumptions

##### **c. Real Estate and Commercial Services**

*Bart Bush, Vice President, Real Estate, Stations & Facilities*

- i. Strategy
- ii. Financial Information and Assumptions

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#### *Consolidated Financial Reports*

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# Northeast Corridor Service Line







## About the Northeast Corridor Service Line

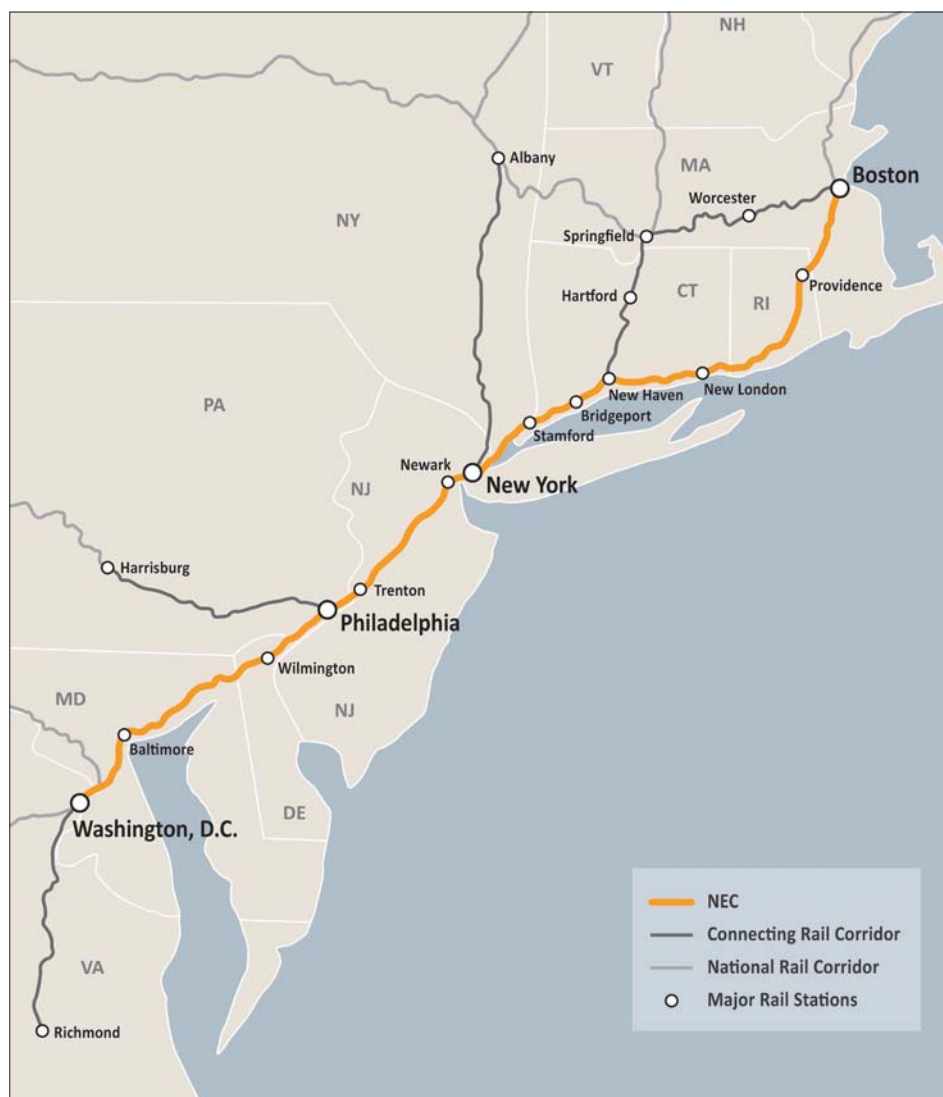
Amtrak's Northeast Corridor Service Line (NECSL) provides intercity passenger rail transportation on the Northeast Corridor (NEC) with its high-speed *Acela Express* and *Northeast Regional* services. For these plans, the FAST Act defines the NEC as the 457-mile main line between Washington, D.C. and Boston. The NEC receives federal funds via appropriation to the Northeast Corridor account.

The mission of NECSL, organized at Amtrak within its Commercial Department, is to grow the financial operating contribution to Amtrak from its high-speed *Acela Express* and *Northeast Regional* services by providing superior intercity travel services that are safe, reliable and competitive on a trip time and price point basis. NECSL must ensure its products exceed intercity travelers' expectations in a competitive travel market.

Amtrak is well positioned in the region with frequent service to center city and suburban stations in some of the nation's most populous cities. At these stations, Amtrak connects to regional and local multimodal transportation systems, expanding Amtrak's "reach" in the travel market.

The NECSL will be successful in growing Amtrak's revenue contribution by improving train service reliability, enhancing the customer experience with updated or new product offerings, and augmenting connectivity with other modes of transportation.

Amtrak's Northeast Corridor



*With Amtrak's corporate objectives in mind, NECSL is focused on meeting the needs of the robust yet demanding Northeast travel market by providing superior service and delivering innovative product offerings.*

*In only 10 years, the number of Amtrak riders on the NEC has increased from 10 million in FY 2007 to 12 million in FY 2017.*

*In FY 2017, the NEC achieved record revenue (of \$1.2 billion).*

## Market Overview

The NEC main line is one of the most complex rail markets in the world. It connects five major metropolitan regions: Boston, New York, Philadelphia, Baltimore, and Washington, DC. Home to more than 51 million people, the region has a \$2.6 trillion economy, generating 20 percent of U.S. GDP on only 2 percent of the land area. When compared to travel markets worldwide, there are only four countries in the world with larger economies than the Northeast region.

Projections for the region indicate continued population growth and economic activity in the coming decades. While already dominating air/rail market share between Washington and New York, the NECSL seeks to preserve and grow Amtrak's market share between these cities and increase its share of the air/rail market between New York and Boston. The NECSL seeks to attract more passengers who might otherwise drive or take the bus.

In the NEC, Amtrak offers two types of intercity service. *Acela Express*, which operates at speeds of up to 150 mph and makes express station stops, is Amtrak's premier product. The *Northeast Regional*, which also makes local stops, has a more attractive price point for value-oriented travelers. *Northeast Regional* trains carried more than twice as many passengers (8.6 million) between NEC points as *Acela Express* trains (3.4 million) in FY 2017, but the two services had very similar ticket revenues—\$637 million and \$596 million, respectively—reflecting the higher average fare and trip length of *Acela Express* passengers.

While most passengers traveling on these services begin and end their rail journeys at Amtrak's NEC stations, many connect to or from Amtrak's long distance and state supported routes, and NEC commuter rail services. Amtrak's NEC services contributed 145,000 riders and \$6.6 million in revenue to the State Supported and Long Distance Service Lines in FY 2017.

### FY 2017 Connecting Ticket Revenue & Ridership

	Riders	Ticket Revenue
NEC to Long Distance	32,000	\$3.6 million
NEC to State Supported	113,000	\$3.0 million
Total	145,000	\$6.6 million

Amtrak demand correlates strongly to three primary statistics related to economic growth: change in population, change in the average household income and the change in employment. Between 2016 and 2020, growth in the NEC will be characterized by a relative slowdown in employment and population growth compared to the previous 10 years. However, travel demand is expected to continue its growth and the NEC is anticipated to remain the nation's most heavily urbanized region.



## Customer Analysis

Amtrak collects and analyzes its customer demographic, survey and segmentation to develop products and services to drive customer preference, repurchase and revenue growth.

NORTHEAST REGIONAL CUSTOMER PROFILE	ACELA EXPRESS CUSTOMER PROFILE
<ul style="list-style-type: none"> <li>• 55% of customers are female (45% male) and average age is 47 years old.</li> <li>• 77% of customers are employed and 15% retired.</li> <li>• Average income is \$123,000/year.</li> <li>• Business travel and commuting account for 32% of customers, while visiting family/friends/personal business is another 40%.</li> <li>• A little over one-quarter (28%) are riding for vacation/ recreation/leisure purposes.</li> <li>• 71% travel round-trip.</li> <li>• First time customers account for 26% of riders.</li> </ul>	<ul style="list-style-type: none"> <li>• 55% of customers are male (45% female) and average age is 50 years old.</li> <li>• 85% of customers are employed and 10% retired.</li> <li>• Average income is \$170,000/year.</li> <li>• Business travel and commuting account for 61% of customers, while visiting family/friends/personal business is another 22%.</li> <li>• Vacation/recreation/leisure accounts for 17% of travelers.</li> <li>• 76% travel round trip.</li> <li>• 32% are first time <i>Acela Express</i> customers</li> </ul>



# Competition & Competitive Advantage

While Amtrak may have a unique status as an intercity passenger rail provider, Amtrak does not have a monopoly on intercity travel. Travelers have many ways to move between cities and Amtrak must provide a competitive offering to attract passengers. Depending on the origin, distance, and destination, various competitors include automobile, plane, intercity bus, and in some cases commuter rail. Each of these competitive modes has distinct advantages and disadvantages relative to traveling on an Amtrak train.

Amtrak’s principal competitor is the automobile. Automobile travel leads the intercity travel market in the NEC Region as the preferred mode of transportation. Automobiles also provide first/last mile transportation for the majority of Amtrak passengers, although other modes play a large role at major urban stations.

Given congestion, tolls, and roadwork, along the NEC, Amtrak service is faster than or equivalent to average automobile driving times. While auto holds the top market share position in the Greater Baltimore/Washington, DC submarket, the majority of trips made are without a car. Rail, air, and bus together capture over half of the market.

*Acela Express and Northeast Regional, each with two different service classes, provide multiple options for customers.*

*Acela Express* provides a higher end, faster service, while *Northeast Regional* (NER) offers a lower cost service to more stops and is competitive with respect to trip times and amenities.

Because most trips among those who travel at all in the NEC are for leisure purposes (between 65–72 percent), Amtrak has opportunities to expand its leisure offerings. Today, the majority of *Acela Express*, and many *Northeast Regional*, customers take Amtrak for business purposes. However, 60 percent of all NEC travelers say they would consider Amtrak for future travel.

Increasing highway congestion, limited growth in vehicle miles traveled (VMTs) and airspace congestion may contribute to new opportunities for Amtrak to better exploit its current value proposition and positioning for capturing growth in the NEC.

## Benefits of Amtrak’s Acela Express and Northeast Regional Services

NORTHEAST REGIONAL		ACELA EXPRESS	
	<p><b>Value service</b></p> <p>Serves 30 stations in 8 states and the District of Columbia</p> <p>21 round trips per day*</p> <p>Business and coach class</p>		<p><b>Premium service</b></p> <p>Serves 16 stations in 8 states and the District of Columbia</p> <p>Up to 16 round trips per day</p> <p>First class and business class</p>

\* Plus additional *Keystone Service* trips between New York and Philadelphia

## Key Business Drivers

	FY 2017 Actual	FY 2018 Goal	FY 2023 Goal
Gross Ticket Revenue	\$1.238 billion	\$1.265 billion	\$1.612 billion
Ridership	12.0 million	12.1 million	13.8 million
eCSI	Acela: 75.6%, NER: 78.9%	Acela: 77.5%, NER: 80.5%	85%
Load Factor	57%	67%	Acela: 60%, NER: 70%
Initial Terminal Performance (ITP)	95%	95%	97%
OTP	77%	84%	90%

## FY 2017 Performance

### NEC SETS NEW REVENUE AND RIDERSHIP RECORD

In FY 2017, NECSL achieved record ridership and gross ticket revenue with 12 million and \$1.2 billion, respectively. In FY 2018, Amtrak will continue to drive improvements in its core performance metrics and has continued to see year over year growth in ridership (+3.3 percent) and gross ticket revenue (+5.9 percent) for the first quarter of the fiscal year.

### CONTINUED PROGRESS ON FLEET REFRESH AND RENEWAL

In order to grow and maintain loyal customer base, Amtrak must deliver on its brand promise and deliver a high product quality and customer experience onboard its trains.

The Amfleet I Refresh Project commenced in FY 2017 to deliver customer-facing improvements on the appearance and quality of the equipment used on *Northeast Regional* trains. All restroom floors will be removed and replaced. Cushions, carpets, curtains, wall panels, wainscot and bulkhead will be updated with new materials in the Amtrak brand colors. Reading and cove lights will be converted to LED. Amtrak will conduct a thorough cleaning of all food service assets' interiors and each trainset's interior hard surfaces.

NECSL also initiated a refresh project for *Acela Express*, Amtrak's premier product in FY 2018. Although delivery of the NextGen Acela trainsets will begin in FY 2021, current Acela equipment will be in revenue service for up to four more years and needs Amtrak's immediate attention to maintain product quality standards. The Acela Refresh will recondition the leather of half of the first class seats, which have experienced less structural wear and tear. Business class seats will be reskinned with the same product that will be used on the NextGen Acela Trainsets. Center walkway carpets will be replaced and bathroom deodorizers will be installed to ensure the customer experience onboard Amtrak's premier product is in line with customer expectations. The project is expected to be completed in FY 2019.



FISCAL YEAR 2017  
PERFORMANCE HIGHLIGHTS

12.027M

Ridership

1.984B

Total Passenger Miles

36¢

Revenue per Available Seat Mile

22¢

Cost per Available Seat Mile

160%

Cost Recovery Ratio

KEY BUSINESS DRIVERS (CONTINUED)

*Focused efforts to improve the customer experience*

In addition to the Amfleet and Acela refresh projects discussed above, the NECSL has partnered with various internal Amtrak departments to improve the customer experience both the near and long-term. These initiatives include:

**ON-BOARD ANNOUNCEMENTS:** The most recent eCSI scores indicate that the lack of consistency in announcements and the lack of timely information when trains are delayed have contributed to lower eCSI scores. NECSL met with the superintendents and trainmasters (supervisors of conductors) serving Acela and *Northeast Regional* to review current service standards to ensure that Amtrak's announcements are clear, concise, and focused on key safety and service attributes.

**BATHROOMS:** The cleanliness and smell of bathrooms is a consistent complaint. The Amfleet and Acela refreshes will improve the physical state of the bathrooms. While the bathrooms are normally dispatched in good condition, the conditions deteriorate with use as paper products and liquids find their way to the sink counters and floors. NECSL, in conjunction with Operations, is exploring multiple options to alleviate this concern.

**FINDYOURWAY IN PENN STATION:** This free mobile application helps Amtrak passengers navigate Penn Station New York and avoid crowds while providing gate information in real time. To date there have been nearly 5,000 unique users. Overall customer feedback has been positive during this initial implementation phase. This service will soon be extended to cover New Jersey Transit and Long Island Rail Road station areas over the next 45 days to provide better a more accurate wayfinding service to Amtrak's customers.

**SEAT RESERVATIONS:** Together with IT and Marketing, Product Development and Customer Experience is initiating a pilot for reserving specific seats. The initial pilot will involve Acela First Class for two trains operating between New York Penn and Boston. This will extend to all Acela first class and then to the *Northeast Regional* business class customers going to Richmond, VA.

*Commence service model analysis*

Amtrak will initiate analysis of possible future changes in NEC services as the new trainsets enter service and may begin testing various product and service offerings.

*Identify actions needed to address OTP goal*

In FY 2018, Amtrak will identify the necessary steps to improve its reliability for customers through improved on time performance with a goal of 90 percent by FY 2023.



## NEC Service Line Strategies

- Grow or maintain preference as a premier transportation provider in the Northeast Corridor.
- Differentiate the customer experience for premium customers and continue improvements of *Acela Express* product offering to meet customers' vision of premium service.
- Profitably deliver service adjustments optimized to meet customer and traveler demand.
- Optimize and procure fleet to support network requirements.
- Enhance reliability and flexibility of equipment that is adaptable to changing travel preferences.
- Maximize product line profit through better asset and resource allocation.
- Maximize non-transportation (ancillary, food and beverage) financial performance.



## Initiatives and Measures (FY 2019-FY 2023)

Initiative	Summary	Strategic Linkages		
		Supports Strategic Pillars	Asset Lines Impacted	Impacts Key Business Measures
<b>Equipment Refresh - Acela Express</b>	Refresh the soft assets onboard the <i>Acela Express</i> train to maintain product quality and standards	<ul style="list-style-type: none"> <li>• Customer Impact</li> <li>• Assets</li> <li>• Safety &amp; Operations</li> </ul>	<ul style="list-style-type: none"> <li>• Equipment</li> </ul>	<ul style="list-style-type: none"> <li>• eCSI</li> <li>• Revenue</li> <li>• Ridership</li> </ul>
<b>Marketing, Pricing, Fleet &amp; Network Planning</b>	Short term optimization of peak / off peak trains to match customer demand. Begin program to consider <i>Northeast Regional</i> equipment replacement strategy.	<ul style="list-style-type: none"> <li>• Financial Stewardship</li> <li>• Customer Impact</li> </ul>	<ul style="list-style-type: none"> <li>• National Assets</li> </ul>	<ul style="list-style-type: none"> <li>• Revenue</li> <li>• Ridership</li> </ul>
<b>Improve Service Reliability</b>	Partner with Operations and other departments within Amtrak to work on an initiative to deliver increased reliability for its service.	<ul style="list-style-type: none"> <li>• Customer Impact</li> <li>• Safety &amp; Operations</li> </ul>	<ul style="list-style-type: none"> <li>• Infrastructure</li> </ul>	<ul style="list-style-type: none"> <li>• eCSI</li> <li>• OTP</li> </ul>
<b>Acela Express 2021 Program</b>	Procure and manage delivery of 28 new <i>Acela Express</i> trainsets. Identify and plan for requisite changes to service model.	<ul style="list-style-type: none"> <li>• Customer Impact</li> <li>• Assets</li> <li>• Safety &amp; Operations</li> </ul>	<ul style="list-style-type: none"> <li>• Equipment</li> <li>• Infrastructure</li> </ul>	<ul style="list-style-type: none"> <li>• eCSI</li> <li>• Load factor</li> <li>• OTP</li> <li>• Safety</li> <li>• Revenue</li> <li>• Ridership</li> </ul>
<b>Continue to grow and identify new areas of non-transportation related revenue</b>	Increase share of non-transportation revenue	<ul style="list-style-type: none"> <li>• Financial Stewardship</li> </ul>	<ul style="list-style-type: none"> <li>• Transportation</li> <li>• National Assets</li> </ul>	<ul style="list-style-type: none"> <li>• Revenue</li> </ul>

### PRIMARY INITIATIVES

#### *Equipment Refresh - Acela Express*

Amtrak will continue to deliver on its brand promise and to offer a high quality product and customer experience onboard its trains. The NECSL will continue the work of the *Acela Express* refresh into FY 2019.

#### *Marketing, Pricing and Network Planning*

In the near term while capacity constrained on Acela service, the NECSL will look to internal partners in marketing, pricing and network planning to help optimize its service and prices to best match customer demand. Additionally, work will begin as part of the overall Fleet Plan development to build a strategy and start procurement activities to replace *Northeast Regional* equipment.

## PRIMARY INITIATIVES (CONTINUED)

### *Improve Service Reliability*

NECSL believes that a reasonable on-time performance for Acela is 90 percent. Therefore, NECSL will engage with Operations and other departments within Amtrak to work on an initiative to deliver increased reliability for its service.

### *Acela Express 2021 Program*

The Next Generation High-Speed Trainset Project will position Amtrak's premier service, *Acela Express*, for the future, enhance other Amtrak services on the NEC and significantly expand Amtrak's ability to self-fund other essential investments to supplement an increasingly uncertain federal appropriations process. Amtrak is procuring through Alstom Transportation 28 next generation high-speed trainsets to deliver increased capacity, frequencies and reliability. The first trainsets will be available for service in FY 2021 and the full fleet available for service in FY 2022. In conjunction, Amtrak will coordinate the retirement of old trainsets as they are replaced and a new service plan for the *Northeast Regional*. The new trainsets will also provide improved Wi-Fi service, onboard information systems and the ability to offer seat assignments. In addition, they will provide the following features and benefits:

**IMPROVED RELIABILITY AND PERFORMANCE:** Delivery of the new Acela trainsets will provide improvements to

reliability and performance of *Acela Express* service and increased speeds. The trains will initially operate at speeds of 160 mph based on NEC track speed limits, but are capable of traveling at speeds up to 186 mph. Anticipative tilting technology will allow the train to maneuver curves safely and more comfortably at high speeds.

**NEW ONBOARD DIAGNOSTIC TECHNOLOGY:** The new Acela trainsets will also feature onboard diagnostic technology that Amtrak will leverage to improve maintenance cycles through automated diagnostics and maintenance scheduling.

**DELIVERY OF NEW SERVICE MODEL:** In FY 2022, increasing capacity and schedule modifications will be possible along the route. In the preceding years, Amtrak will need to assess the most effective use of available assets and capacity to influence demand and deliver services desired by its customer base.

### *Continue to grow and identify new areas of non-transportation related revenue*

Amtrak has a solid portfolio of non-transportation related revenue. In partnership with its Ancillary service line, Amtrak will continue to dedicate efforts to increasing share of non-transportation revenue to enhance its financial position.

## NEC Initiatives Timeline







## ***Environmental Factors***

### ***Aging infrastructure, equipment, reliability & capacity***

The aging infrastructure on which Amtrak operates limits the ability to operate with the trip times, frequencies and reliability expected by its NEC customers. Amtrak also continues to face limited capacity on the NEC until completion of the *Acela Express 2021* program, which will increase the capacity of each train operating over the NEC as well as provide the opportunity to increase the frequency of *Acela Express* trains during peak hours between New York City and Washington DC. Related investments will improve the safety, reliability and customer experience of those traveling on *Acela Express*.

### ***Urbanization/megalopolises***

Future population growth is projected to be concentrated in megalopolises: multi-city urbanized areas in which metropolitan boundaries are obscured by increased population throughout the entire corridor or cluster. The largest of these megalopolises is along the NEC, which has the highest concentration by far of Amtrak service and infrastructure assets. Its population is projected to increase 23%—from 52 million to 64 million— between 2010 and 2040. Growth of megacities and general urbanization trends may also contribute to the continued reduction in vehicle ownership.

## ***Strategic Issues***

### ***Competition and Service Model***

NEC services operate in a dynamic, competitive environment in which factors such as fluctuations in the price of aviation fuel and gasoline, and the relative ease with which air and bus competitors can enter and exit markets, can quickly and significantly impact Amtrak's competitive position. Amtrak must improve its agility and identify the changes in the competitive environment to be prepared with initiatives, including service modifications and pricing strategies, that will address these changes.

### ***Rise of Millennials***

The Millennial generation—roughly defined as those born between 1980 and 1997—comprises 23.5% of the U.S. population. Millennials per capita spending on travel is collectively over \$200 billion and exceeds that of Generation X according to studies. The lifestyle preferences and expectations of many (but by no means all) of this “digital generation” have been widely documented. They are currently underrepresented among Amtrak customers but represent a growing demographic of strategic importance for Amtrak's financial stability.

### ***Customer Expectations and Service Model***

The “digital age” continues to influence the experience and expectations of consumers in all industries. Travelers, particularly on the NEC, have increasingly high expectations of reliability and customer service for their transportation providers. To meet the changing needs of its customer base, Amtrak will need to adjust its service model while making the best possible use of available assets and capacity.

# Profit & Loss Analysis

NEC Service Line (FY 2018 - FY 2023)

(\$s in Thousands)	FY 2018	FY 2019	FY2020	FY 2021	FY 2022	FY 2023	Total
<b>Financial Sources:</b>							
Passenger Related Revenue							
Ticket Revenue (Adjusted)	1,234,793	1,274,925	1,324,059	1,374,350	1,480,950	1,564,069	8,253,146
Charter/Special Trains	2,298	2,344	2,391	2,439	2,487	2,537	14,495
Food and Beverage	40,671	41,484	42,314	43,160	44,023	44,904	256,556
Contractual Contribution (Operating)							
PRIIA 209 Operating Payments	-	-	-	-	-	-	-
PRIIA 212 Operating Payments	-	-	-	-	-	-	-
Commuter Operations	-	-	-	-	-	-	-
Reimbursable Contracts	109	111	114	116	118	121	689
Access Revenue	-	-	-	-	-	-	-
Commercial Revenue (incl. Pipe/Wire, Real Estate, Parking)	-	-	-	-	-	-	-
All Other Revenue (incl. Insurance Revenue, Cobranded Commissions)	13,848	14,125	14,408	14,696	14,990	15,289	87,355
<b>Operating Sources Subtotal</b>	<b>1,291,719</b>	<b>1,332,989</b>	<b>1,383,285</b>	<b>1,434,760</b>	<b>1,542,568</b>	<b>1,626,920</b>	<b>8,612,241</b>
Contractual Contribution (Capital)							
PRIIA 209 Capital Payments	-	-	-	-	-	-	-
PRIIA 212 Capital Payments	-	-	-	-	-	-	-
Other State/Local Mutual Benefit	27,137	23,444	8,601	73,662	140,956	131,091	404,891
Financing Proceeds Applied	185,539	349,015	618,063	546,940	127,761	-	1,827,319
Other Capital and Special Grants (incl., state/local sources)	-	3,169	3,169	3,169	3,169	2,519	15,195
<b>Capital Sources Subtotal</b>	<b>212,676</b>	<b>375,629</b>	<b>629,833</b>	<b>623,771</b>	<b>271,886</b>	<b>133,610</b>	<b>2,247,404</b>
Federal Grants to Amtrak							
Prior Year Carryover Capital Grant Funds	360,802	-	-	-	-	-	360,802
Current Year FAST Sec 11101 Grants							
Operating	-	-	-	-	-	-	-
Capital	-	71,588	73,462	59,087	52,713	226,686	483,537
Other Federal Grants (incl., FRA/OST, FTA, DHS)	10,447	9,762	9,544	9,544	9,544	9,544	58,386
<b>Federal Grants to Amtrak Subtotal</b>	<b>371,250</b>	<b>81,350</b>	<b>83,006</b>	<b>68,631</b>	<b>62,257</b>	<b>236,231</b>	<b>902,726</b>
<b>Total Financial Sources</b>	<b>1,875,645</b>	<b>1,789,968</b>	<b>2,096,124</b>	<b>2,127,162</b>	<b>1,876,711</b>	<b>1,996,760</b>	<b>11,762,371</b>
<b>Financial Uses (Operating):</b>							
Service Line Management	5,190	5,146	5,316	5,564	6,349	6,932	34,496
Transportation	251,568	261,383	266,192	270,742	281,755	291,346	1,622,986
Equipment	185,699	184,132	190,193	199,060	227,151	248,005	1,234,240
Infrastructure	66,173	65,615	67,775	70,934	80,945	88,376	439,818
Stations	37,826	37,507	38,742	40,548	46,270	50,518	251,412
National Assets and Corporate Services	337,313	333,457	343,771	358,859	407,729	444,139	2,225,268
<b>Total Operating Uses</b>	<b>883,770</b>	<b>887,240</b>	<b>911,989</b>	<b>945,707</b>	<b>1,050,199</b>	<b>1,129,316</b>	<b>5,808,220</b>
<b>Operating Surplus/Deficit</b> (Operating Sources - Operating Uses)	<b>407,949</b>	<b>445,749</b>	<b>471,296</b>	<b>489,053</b>	<b>492,369</b>	<b>497,604</b>	<b>2,804,021</b>
<b>Financial Uses (Debt Service Payments):</b>							
RRIF debt repayments	22,600	34,867	44,377	92,031	137,375	172,484	503,734
<b>Total Debt Service Payments</b>	<b>22,600</b>	<b>34,867</b>	<b>44,377</b>	<b>92,031</b>	<b>137,375</b>	<b>172,484</b>	<b>503,734</b>
<b>Available for Capital Uses</b> (Capital Sources + Federal Grants to Amtrak + Operating Surplus/Deficit - Debt Service Payments)	<b>969,275</b>	<b>867,860</b>	<b>1,139,759</b>	<b>1,089,424</b>	<b>689,137</b>	<b>694,961</b>	<b>5,450,416</b>
<b>Financial Uses (Capital):</b>							
Service Line Management	26,339	27,485	5,635	1,968	1,968	1,968	65,362
Transportation	31,078	25,146	383,766	411,429	141,818	91,257	1,084,494
Equipment	233,083	336,108	252,742	226,193	88,901	85,120	1,222,147
Infrastructure	368,461	393,533	429,975	503,597	668,892	720,650	3,085,109
Stations	90,234	86,077	83,056	92,441	65,633	58,666	476,107
National Assets and Corporate Services	184,344	57,597	56,922	49,153	49,598	51,055	448,669
<b>Capital Expenditures</b>	<b>933,539</b>	<b>925,945</b>	<b>1,212,096</b>	<b>1,284,782</b>	<b>1,016,809</b>	<b>1,008,718</b>	<b>6,381,889</b>
Legacy Debt Repayments	135,409	138,095	131,262	85,473	54,091	48,551	592,880
<b>Total Capital Uses</b>	<b>1,068,948</b>	<b>1,064,040</b>	<b>1,343,358</b>	<b>1,370,255</b>	<b>1,070,900</b>	<b>1,057,269</b>	<b>6,974,769</b>
<b>Remaining Carryover Balance</b>	<b>\$ (99,673)</b>	<b>\$ (196,180)</b>	<b>\$ (203,600)</b>	<b>\$ (280,830)</b>	<b>\$ (381,763)</b>	<b>\$ (362,308)</b>	<b>\$ (1,524,353)</b>



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# *State Supported Service Line*



## ***Train 501***

On December 18, 2017, Amtrak Cascades Train 501 derailed near DuPont, Washington. As a result, three passengers were killed and numerous passengers were injured, many severely. All of Amtrak is deeply saddened by these events, which served to highlight our primary responsibility of ensuring the safety of our customers and crew.

The organization that will ultimately determine what happened in this tragic incident is the National Transportation Safety Board (NTSB). We are working closely with the NTSB, fully cooperating with them, and providing every piece of information we have to help determine the causes so this never happens again. As of this writing, the NTSB has begun its investigation but has not issued any conclusions. When they do, Amtrak pledges that we will work diligently to implement their recommendations.

At this time, our first priority is to take good care of the passengers and crew who were on board Train 501, as well as their families. We established a Family Assistance Center in Tacoma, Washington and staffed it with more than 50 members of our Incident Response Team. Every person who was on board the train has at least one Amtrak employee working closely with them and their families to make sure they get the support they need. We are directly paying all medical bills and incidental expenses of the injured and their families. We also have several Amtrak employees assigned to support the families of the deceased.

We also want to express our gratitude to the first responders who were on the scene after the incident. Because of their specialized training, their professionalism, and their dedication, they were able to assist the passengers and crew and begin treatment of the injured. We know that many of the passengers and crew involved in the incident are better off today because of the bravery and selflessness of the first responders who assisted them.

Finally, Amtrak's top safety priority is to achieve operation of the Positive Train Control (PTC) system across Amtrak's entire network as soon as possible. Amtrak is quickly advancing all of the aspects of PTC that it has responsibility for and working in partnership with States who own equipment used in State Supported services and the various host railroads that we operate over to speed completion of this system prior to the 2018 statutory deadline. Additionally, we are developing and instituting a comprehensive new Safety Management System (SMS) process to improve safety based on best practices within the US commercial aviation industry and in compliance with the FRA's 49 CFR Part 270, System Safety Program regulations. The new Amtrak SMS will revitalize Amtrak safety programs with management and employee accountability for safety risk management and the implementation of process controls throughout the operation.



## About the State Supported Service Line

The mission of Amtrak's State Supported Service Line (SSSL) is to deliver State intercity passenger rail transportation and supporting services across the National Network, meeting the needs of our state partners and passengers. Our vision is transportation services that exceed expectations while balancing State partner goals and system efficiencies, in collaboration with all stakeholders.

SSSL has two primary customers: the passengers who use the services and the states that provide funding. These services have been the fastest growing segment of Amtrak's rail network, linking urban areas with frequent, reliable rail service, and represent the future of Amtrak.

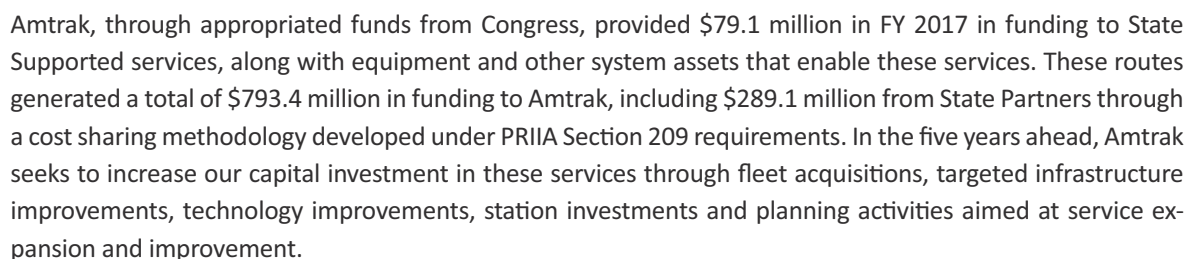
Across the country, 29 routes are funded by 21 partners from 18 states, including state departments of transportation and authorities chartered specifically to administer specific rail corridors. Collectively, these transportation departments and other entities are referred to as State Partners, and the routes they fund are referred to as State Supported routes. All routes are under 750 miles in length and outside the NEC.

State Supported routes are a diverse collection of services, reflecting the states, regions, and cities served by the individual routes. Many routes offer multiple daily frequencies, though

some routes have a single round trip per day. Most service is reserved, with tickets purchased for specific trains, but a few routes are unreserved and a ticket can be used at the customer's convenience on any train. Generally these services are freestanding corridors, but in the Northeast some State Supported trains are extensions of Amtrak's Boston-Washington main line or Northeast Regional service. Additionally, other State Supported services operate over routes used by Long Distance trains. Finally, while the majority of service is diesel-powered, the Keystone Service in Pennsylvania is the only electrified Amtrak route off the NEC main line.

Just as there is a wide spectrum of routes, we work with a wide spectrum of organizations to plan, fund and administer the State Supported services. They range from small teams in the rail offices of state departments of transportation looking for a turnkey passenger rail solution to larger freestanding agencies chartered to manage their specific rail corridors. Within our regulatory and operating requirements, the State Supported team strives to give each partner a mix of rail services tailored to its needs. Amtrak and our State Partners also collaborate through the State-Amtrak Intercity Passenger Rail Committee (SAIPRC) to analyze growth and efficiency opportunities that are the foundation of this plan.





This year marks the 10 year anniversary of PRIIA, legislation that fundamentally changed the delivery and expectations of rail passenger service. In those 10 years, the states and Amtrak have come a long way in developing, increasing and improving these services. We believe that the brightest days of corridor service lie ahead. To “seize the day,” these services will require bold thinking and strong leadership from the states and Amtrak—from experimenting with new service delivery models, utilization of new equipment and technology to attracting the kind of investment we need. There is a pent-up demand for intercity rail passenger service and bringing safe, reliable and relevant transportation is not just our mission, but is what is expected from the American people.

Large and growing urban centers across the nation offer significant opportunities on existing and new State Supported routes – both in customer growth and financial performance. In FY 2017, these routes carried 47 percent of total Amtrak ridership, and the \$502 million in ticket revenue covered nearly two-thirds of costs.

## Amtrak's State Supported Routes

Region	Route	Cities Served	Funding Partner(s)
<b>Northeast</b>	The Downeaster	Boston–Portland–Brunswick	Northern New England Passenger Rail Authority (NNEPRA)
	New Haven–Springfield	New Haven–Springfield	Connecticut, Massachusetts
	Vermont	Washington–St. Albans, VT	Vermont, Connecticut, Massachusetts
	Empire Service	New York–Albany–Niagara Falls	New York State
	Maple Leaf	New York–Toronto	New York State
	Adirondack	New York–Montreal	New York State
	Ethan Allen Express	New York–Rutland, VT	Vermont, New York State
	Keystone Service	New York–Philadelphia–Harrisburg	Pennsylvania
	Pennsylvanian	New York–Philadelphia–Pittsburgh	Pennsylvania
<b>South</b>	Washington–Roanoke	Boston–Roanoke	Virginia
	Washington–Newport News	Boston–Newport News	Virginia
	Washington–Norfolk	Boston–Norfolk	Virginia
	Washington–Richmond	Boston–Richmond	Virginia
	Carolinian	New York–Charlotte	North Carolina
	Piedmont	Charlotte–Raleigh	North Carolina
	Heartland Flyer	Oklahoma City–Fort Worth	Oklahoma, Texas
<b>Central</b>	Lincoln Service	Chicago–St. Louis	Illinois
	Illini / Saluki	Chicago–Carbondale	Illinois
	Illinois Zephyr / Carl Sandburg	Chicago–Quincy	Illinois
	Hiawathas	Chicago–Milwaukee	Wisconsin, Illinois
	Wolverines	Chicago–Detroit	Michigan
	Blue Water	Chicago–Port Huron	Michigan
	Pere Marquette	Chicago–Grand Rapids	Michigan
	Hoosier State	Chicago–Indianapolis	Indiana
	Missouri River Runner	St. Louis–Kansas City	Missouri
<b>West</b>	Pacific Surfliner	San Diego–Los Angeles–San Luis Obispo	Los Angeles–San Diego–San Luis Obispo (LOSSAN) Rail Corridor Agency
	San Joaquins	Oakland/Sacramento–Bakersfield	San Joaquin Joint Powers Authority (SJJA)
	Capitol Corridor	San Jose–Oakland–Sacramento–Auburn	Capitol Corridor Joint Powers Authority (CCJA)
	California-owned equipment	Various	California Department of Transportation
	Cascades	Vancouver, BC–Seattle–Portland–Eugene	Washington State, Oregon

\*The endpoints shown in the “Cities Served” column include segments on the Boston–New York–Washington NEC main line on which these routes are not State Supported.





## BUILDING BLOCKS OF OUR MISSION

### *Intercity passenger rail transportation*

As defined by PRIIA, the mission of Amtrak is to “provide efficient and effective intercity passenger rail mobility consisting of high quality service that is trip-time competitive with other intercity travel options.” State Supported services are a core method in achieving this goal.

### *Supporting services*

Passengers don’t only begin and end journeys at our station. From booking a ticket to arriving at the station and riding a train, we must work to meet the variety of wants, needs and expectations that they have. We need to provide the supporting services to help make our mode the preferred option for travel.

### *National Network*

State Supported and long distance services comprise Amtrak’s National Network and each service line’s success is interdependent. We must work together with our Long Distance Service Line colleagues and other National Network stakeholders to make our shared network as integrated and efficient as possible.

### *State Partners*

Without State Partners, there are no State Supported trains. Our business is dependent on their satisfaction.

### *Customers*

Without customers and demand for intercity rail travel, there is no reason for our State Partners to support the trains.

## BUILDING BLOCKS OF OUR VISION

### *Transportation experience*

We want all components of our customers’ journeys to be seamless and not just focus on the time spent on the train.

### *Exceed expectations*

We want our customer’s experience to be better than they expected.

### *Balance State Partner goals and system efficiencies*

Working with 21 State Partners, we know that many of them will have different policy goals and funding levels. Many of these differences can be addressed at the individual route level, but for some issues we need to develop solutions for the entire service line, or the company, that are a fair compromise among our individual goals.

### *Collaboration with all stakeholders*

As we work out these compromises among us, we need to do so together with all stakeholders—State Partners, cities and towns, advocacy groups and others.

## Market Overview

Over the last decade, ridership on State Supported routes increased nearly 35 percent, making it the fastest growing segment of Amtrak's services. In FY 2017, more than 65 percent of Amtrak's additional riders came from the State Supported network. State Supported routes strengthen the National Network by connecting small, rural communities to larger economic hubs and in some rural areas, Amtrak is the only provider of scheduled transportation and is therefore essential to the livability and economic vitality in these communities.

The service line contributed nearly \$502 million in gross ticket revenue and carried over 15 million riders in FY 2017, both of which were better than FY 2016 results.

More than 40 percent of State Supported routes carried greater than 500,000 passengers and five routes each carried well over one million passengers. These services also provide revenue to Amtrak's other service lines, contributing approximately \$33.6 million in gross ticket revenue to the Northeast Corridor and State Supported Service Lines through connecting passengers.

### FY 2017 Connecting Ticket Revenue & Ridership

	Riders	Ticket Revenue
<b>SSSL to Long Distance</b>	160,134	\$24.2 million
<b>SSSL to Northeast Corridor</b>	101,722	\$9.4 million
<b>Total</b>	<b>261,856</b>	<b>\$33.6 million</b>

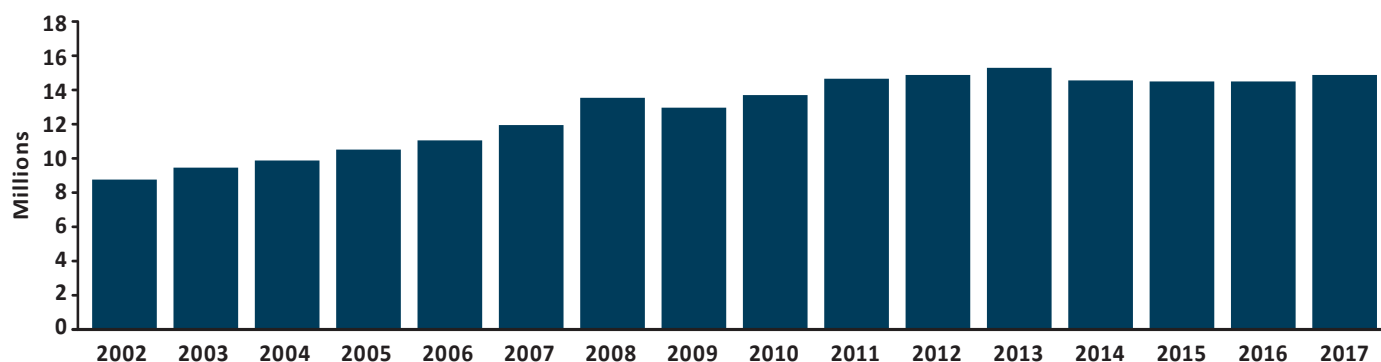
Amtrak demand correlates strongly to three primary statistics from economic growth: change in population, change in the average household income and the change in employment. Between 2006 and 2016, State Supported counties grew by 7.2 percent. Forecasted growth to 2020 will continue this trend, offering greater opportunities to provide viable transportation options by connecting urban areas.

The entire National Network will ultimately be impacted by regional population shifts. While significant population increases are projected along the NEC, the fastest growing regions of the country are the South and West. From 2007 to 2016, the South and West both grew more than 10 percent, while population in the Northeast and Midwest increased less than 3 percent.

California, the state that is adding more residents than any other (a two million increase from 2010 to 2016), and the five states with populations over five million that experienced the greatest population growth on a percentage basis since 2010—Texas, Florida, Colorado, Washington and Arizona—are all located in these growing South and West regions.

While Amtrak has significant State Supported corridor services in the West Coast states, its service in the remainder of the South and West is limited to a few long distance trains; an emerging network of State Supported routes in Virginia and North Carolina linked to the NEC; and a single State Supported round trip in Texas/Oklahoma. Amtrak must work with stakeholders in these regions to develop passenger rail solutions that are meaningful responses to the transportation challenges associated with this growth.

### State Supported Ridership





## Customer Analysis: Passengers

The Amtrak service line team looks to its State Partners to determine service levels and, when possible, other aspects of individual routes.

*What unites this diverse spectrum of routes is what Amtrak believes our national corridor customers are seeking: a safe, convenient, and reliable travel experience that is a compelling alternative to congested highways and airports.*

### STATE SUPPORTED INTERCITY TRAVELER PROFILE

- 54% of customers are female (46% male) and average age is 47 years old.
- 60% of customers are employed and 22% retired.
- Average income is \$83,000/year.
- Business travel and commuting account for 31% of customers, while visiting family/friends/personal business is another 45%.
- Nearly a quarter (24%) are riding for vacation/recreation/leisure purposes.
- 71% travel round-trip.
- First time customers account for 33% of riders.





*Fundamentally, Amtrak strives to improve outcomes for State Partners through a sustained culture of transparent communication and collaborative problem solving.*

## **Customer Analysis: SAIPRC**

In July 2015, the states, Amtrak and FRA approved the creation of SAIPRC to provide a more structured format to handle the outstanding cost-sharing and other issues related to Section 209 and to oversee implementation and coordinate decision making on an ongoing basis. In November 2015, SAIPRC held, and passed, its first vote to update the cost-sharing formula of the Section 209 methodology. In December 2015, the FAST Act formally authorized the creation of a committee to address Section 209 issues and provided funding support.

SAIPRC has identified certain goals and objectives, and has set up standing working groups to achieve those objectives. SAIPRC has also made recommendations to Congress about ways to foster growth in State Supported service, supported by Amtrak. We will address these objectives and recommendations as they fit in with our strategic pillars below.

In its recent Report to Congress, SAIPRC articulated its five goals:

1. **Drive Economic Growth through Improved Mobility**
2. **Grow Ridership and Revenue**
3. **Improve Customer Service and Experience**
4. **Improve Collaboration and Partnership**
5. **Fiscal Accountability and Efficiency**

These goals help Amtrak understand what is important to states – the improved mobility and economic growth that results from State Supported services; the ridership and revenue growth that are measures of a successful service; the customer service and experience that bring passengers to the mode; the collaboration and partnership that help us all work together; and the fiscal accountability and efficiency that helps keep the service affordable in light of the variety of competing state funding wants and needs.

SAIPRC also made five recommendations to Congress:

1. **Dedicated Funding for Intercity Passenger Rail**
2. **Preserve Access Rights and Improve On Time Performance for Intercity Passenger Rail Service**
3. **Fully Fund Amtrak and DOT Grant Programs**
4. **Advance Amtrak's Fleet Strategy**
5. **Maintain Funding for SAIPRC**

Amtrak further supports these recommendations— increased funding, improving on-time performance, and expanding and upgrading the fleet are significant requirements for growing the service line—as discussed throughout this plan.



## Competition and Competitive Advantage

Travelers have many ways to move between cities and Amtrak must provide a competitive offering to attract passengers. The service line looks to its State Partners to determine the service levels and, wherever possible, other aspects of the individual routes in order to deliver the most efficient passenger rail services possible, at a competitive price that reflects the value that Amtrak delivers. In addition, we work hard to identify any and all opportunities to expand services.

While we offer a compelling alternative to automobile, airplane and intercity bus travel, especially given increasing highway and aviation system congestion, Amtrak must consider its geographic positioning and connections with multimodal partners.

With the exception of the West Coast and Virginia/North Carolina, we do not serve the fastest growing states/regions of the country with the greatest potential demand for short distance corridor and higher speed rail service. Developing services will be a major challenge in those states/regions, which do not have a history of providing funding support for intercity passenger rail service coupled with host railroads not eager to accommodate additional Amtrak trains. However, opportunities to establish new service in certain corridors such as between Mobile, AL and New Orleans, LA may exist in part because of the strong support from the communities and regional rail authorities. In any event, establishing new service without strong state, regional and local support as well as a willingness from the host railroad to engage in these conversations will be difficult.

### Provision of State Supported Services

Amtrak also faces competition in the provision of State Supported services. While there are factors that may limit State Partners' ability to open all Amtrak-provided service to competitive bidders, many states use other providers for some of the services required for the operation of their State Supported trains or have done so in the past. All states are diligently pursuing opportunities to reduce costs, and there are many organizations with operating experience both in the U.S. and globally which are exploring ways to enter the U.S. market for intercity passenger rail.

#### FISCAL YEAR 2017 PERFORMANCE HIGHLIGHTS

**15.013M**

*Ridership*

**1.92B**

*Total Passenger Miles*

**17¢**

*Revenue per Available Seat Mile*

**19¢**

*Cost per Available Seat Mile*

**89%**

*Cost Recovery Ratio*

## Key Business Drivers

	FY 2017 Actual	FY 2018 Goal	FY 2023 Goal*
Gross Ticket Revenue	\$501.5 million	\$532.4 million	\$651.3 million
Ridership	15.01 million	15.6 million	17.65 million
eCSI	83.8	84.7%	85%
Load Factor	40%	50%	55%
ITP	92%	93%	96%
OTP	78%	84%	90%

\*SAIPRC has come up with stretch goals that in some cases are more aggressive than Amtrak's internal goals.

## FY 2017 Performance

### Continued service line growth

SSSL carried more than 15 million passengers in FY 2017 and has the fastest growing rider base. Gross ticket revenues for the service line grew 3.1% over FY 2016. Aggressive ridership goals over the coming six years will drive planning and investment activity.

### Continued infrastructure investment and service expansions in partnership with States

In FY 2017, Amtrak and State Partners welcomed numerous service expansions and improvements. These cases illustrate the demand across the country for improved corridor service.

Leveraging the success of the recent expansion to Lynchburg, on October 31, 2017, the Commonwealth of Virginia expanded the Lynchburg service an additional 50 miles to Roanoke, Virginia, restoring Amtrak service that was discontinued 38 years ago. Since the service began on October 31, 2017 through the end of the calendar year, Amtrak has carried over 11,000 riders on this extension.

Led by the Illinois Department of Transportation, investments continue to modernize infrastructure, upgrade stations along St. Louis-to-Chicago corridor, improve crossing and signal safety, OTP and reliability. Customers can expect reduced trip times of an hour, from 5½ to 4½ hours, and speeds up to 110 mph along 75 percent of the route. The high speed rail service is expected to begin in 2018.

In 2017, the Point Defiance Bypass opened to provide a shorter route for the Amtrak Cascades service around Tacoma, and to allow for two additional frequencies. As described, in December 2017 an Amtrak Cascades train derailed on the new route, resulting in many injuries and three fatalities and a return to the previous route and service levels. At this time, Amtrak and the State of Washington, together with the relevant host railroads, equipment suppliers and others, are working to implement PTC across the entire Amtrak Cascades route as soon as possible in 2018 to permit resuming the additional frequencies and a return to the Bypass route.

### Increased work group collaboration, focused group efforts

Collaboration has helped Amtrak and SAIPRC build a solid foundation to share best practices and facilitate mutual cooperation among Amtrak, its State Partners and the federal government. Amtrak and SAIPRC successfully developed a website to store and share information among its committee members in addition to holding monthly conference calls or in-person meetings to better identify and understand issues, solve problems and share best practices.

### Identify actions needed to address OTP goal

In FY 2018, Amtrak will identify the necessary steps to improve its reliability for customers through improved on time performance (OTP). The primary driver of poor OTP is host railroad related delays, including freight train interference and slow orders. Other causes include equipment problems, trespasser and grade crossing incidents.



## ***State Supported Service Line Strategies***

- Deliver reliable service on behalf of our State Partners.
- Maintain and grow connectivity and access in markets that supplement Amtrak's State Supported network.
- Capture economic growth through service adjustments or additions in markets experiencing or projecting population increases.
- Continually evaluate cost allocation processes to ensure routes are charged fairly for the services they use.
- Provide transparent, accurate, timely, detailed, collaborative financial documentation, based on aligned Section 209 interpretation, which provides actionable insights.
- Improve route performance through better asset and resource allocation.
- Improve equipment condition, right-size fleet across the National Network, and introduce new fleet types and technologies to better align with service requirements and customer expectations.
- Advance Amtrak's "Customer Now" station refresh program to improve customer experience.



## Initiatives and Measures (FY 2019 – FY 2023)

		Strategic Linkages		
Initiative	Summary	Supports Strategic Pillars	Asset Lines Impacted	Impacts Key Business Measures
<b>Address Reliability and OTP</b>	Improve Amtrak's operational performance and increase the desirability of its service by focusing on host railroad performance, enforcement of Amtrak's access rights and opportunities for targeted investments and collaboration.	<ul style="list-style-type: none"> <li>• Customer Impact</li> <li>• Safety &amp; Operations</li> </ul>	<ul style="list-style-type: none"> <li>• Transportation</li> <li>• Equipment</li> </ul>	<ul style="list-style-type: none"> <li>• eCSI</li> <li>• OTP</li> <li>• ITP</li> </ul>
<b>Improve access and connectivity</b>	Improve availability of connectivity information. Aggressively advance service expansion opportunities for Thruway connectivity services and case-by-case needs to integrate with multimodal ticketing platforms.	<ul style="list-style-type: none"> <li>• Customer Impact</li> </ul>	<ul style="list-style-type: none"> <li>• Transportation</li> <li>• Amtrak Services</li> <li>• National Assets</li> </ul>	<ul style="list-style-type: none"> <li>• Revenue</li> <li>• Ridership</li> </ul>
<b>Service changes: Route, frequency expansions</b>	Work with State Partners to add new frequencies and routes each year.	<ul style="list-style-type: none"> <li>• Customer Impact</li> </ul>	<ul style="list-style-type: none"> <li>• Transportation</li> <li>• Equipment</li> </ul>	<ul style="list-style-type: none"> <li>• Revenue</li> <li>• Ridership</li> </ul>
<b>Fleet Analysis and Improvements</b>	Work with State Partners and Amtrak's Corporate Planning group to analyze current fleet condition, utilization and suitability for current services. Undertake fleet refresh program across various fleet types to enhance onboard customer experience and begin strategic fleet acquisitions to enable growth, increased economic performance and better service delivery.	<ul style="list-style-type: none"> <li>• Customer Impact</li> <li>• Financial Stewardship</li> </ul>	<ul style="list-style-type: none"> <li>• Transportation</li> <li>• Equipment</li> </ul>	<ul style="list-style-type: none"> <li>• eCSI</li> <li>• Revenue</li> <li>• Ridership</li> <li>• PSI</li> </ul>
<b>Targeted outreach and advertising to millennials and college students</b>	Work with State Partners to deliver targeted outreach to nearby college and university students to drive ridership and awareness.	<ul style="list-style-type: none"> <li>• Customer Impact</li> </ul>	<ul style="list-style-type: none"> <li>• National Assets</li> </ul>	<ul style="list-style-type: none"> <li>• Revenue</li> <li>• Ridership</li> </ul>
<b>Improve service change forecasting process along State Supported routes</b>	Streamlined process for evaluating route expansion and new service delivery opportunities from State Partners.	<ul style="list-style-type: none"> <li>• Financial Stewardship</li> </ul>	<ul style="list-style-type: none"> <li>• National Assets</li> </ul>	<ul style="list-style-type: none"> <li>• Revenue</li> <li>• Ridership</li> </ul>
<b>Bike Racks</b>	Evaluating installing bike racks on existing fleet and expanding program.	<ul style="list-style-type: none"> <li>• Customer Impact</li> <li>• Assets</li> </ul>	<ul style="list-style-type: none"> <li>• Equipment</li> <li>• Transportation</li> </ul>	<ul style="list-style-type: none"> <li>• Revenue</li> <li>• Ridership</li> </ul>
<b>SAIPRC Collaboration</b>	Partner with SAIPRC Work Groups to address prioritized opportunity areas.	<ul style="list-style-type: none"> <li>• Strategy</li> <li>• Customer Impact</li> </ul>		<ul style="list-style-type: none"> <li>• Partner Satisfaction Index</li> </ul>

## PRIMARY INITIATIVES

### *Address reliability and on-time performance challenges*

Achieving reliable OTP would significantly improve Amtrak's operational performance and increase the desirability of its services.

Certain State Supported routes have specific infrastructure challenges that lead to recurrent OTP issues. The primary driver of poor OTP in the SSSL is host railroad-related delays, including freight train interference and slow orders. Additional causes include equipment problems, trespasser and grade crossing incidents, and other factors. For example, some routes in the Midwest are experiencing issues involving shunting, which is how trains communicate with the signaling system on the host railroad. In some cases, Amtrak trains are currently running with extra cars and at slower speeds in order to meet the requirements of the host railroad's signaling system, leading to extra expense, reduced OTP, and reduced ridership and revenue. Amtrak has been working with host railroads to make the necessary investments to allow Amtrak trains, including State Supported, to safely run at higher speeds and reduced trip times on these corridors.

*Unreliability significantly undermines intercity passenger rail as a viable option for travelers and weakens Amtrak and the States' financial positions by reducing revenues and increasing operating costs; primarily by extending shifts, increasing staff and equipment requirements and using more fuel.*

### *Improve access and connectivity*

With few exceptions, passengers don't begin and end their journeys at train stations. While the train can bring them places not well served by air or bus, most journeys require a trip to and from the train station via private car, public transit or ride sharing providers. At many large stations these options are well-known and visible at the station; however, at medium- and smaller-sized stations on the National Network these

connectivity options are less visible or widely known. We believe that by doing a better job of helping to foster and share these connectivity options, we can encourage first-time travelers to try taking the train, and we can provide more reasons for our existing customers to continue using the train as their mode of choice. We are currently exploring ways to more easily gather this local connectivity information from the local experts, and share it across our various platforms, including our website and mobile application.

To extend the reach of Amtrak service to communities without rail service and offer a wider selection of destinations, Amtrak provides Thruway Bus service with guaranteed connections to Amtrak trains. SSSL, in partnership with Amtrak Services, will identify Thruway Bus expansion opportunities to increase access to the Amtrak rail network.

In some regions, stations serving State Supported routes may have high enough service levels and ridership to support additional integration between intercity passenger rail and other connecting modes. In these cases, we will work with our State Partners on a case-by-case basis to explore options to integrate their State Supported routes with other connecting transportation options and platforms. While options like these have existed in Europe for years, at this time they have not experienced widespread adoption across the U.S. Depending on state partner interest we could foresee a future with integrated door-to-door transportation provided through a single ticket.

### *Service changes: Route, frequency expansions*

Amtrak works together with State Partners in determining the service levels and expansion plans for the routes they support. We will assist our state partners with revenue projections, analyses of alternatives, discussions with host railroads, and other studies to plan for, and potentially operate, additional state corridors of the future. New frequencies and routes will continue to deliver new customers and offer opportunities for new service delivery models to keep the product fresh. As stated, Amtrak has supported the Gulf Coast Working Group's efforts to establish service between Mobile, AL and New Orleans, LA, to link two major urban areas in a region underserved by passenger rail service.



## PRIMARY INITIATIVES (CONTINUED)

### *Fleet Improvements and acquisitions*

State partners, particularly those with multi-frequency corridors, have expressed the need for additional equipment to meet growing ridership demands and improvements to current equipment to enhance customer experience and service reliability. Available corridor equipment in the United States is limited and states are left to cannibalize existing fleets to achieve optimum utilization. Amtrak, the FRA, and the states should work together, building on the work of the PRIIA 305 Committee, to stimulate and encourage railcar builders to manufacture rolling stock which meets regulatory, environmental, and access specifications in the United States.

*We cannot expect equipment that is in some cases 40 years old to attract new riders, just as we cannot hold on to the notion that it can forever be rebuilt.*

Therefore, Amtrak will undertake a major ten year fleet plan review this year. As part of the review, we will look at the current condition of the existing fleet to optimize its use. We will continue to refresh existing rolling stock to provide a better customer experience. In the past several months Amtrak has undertaken a refresh of its Amfleet I cars, upgrading and improving seats, lighting, carpeting and restrooms. Further fleet refreshes are being planned. Finally, Amtrak will begin an aggressive effort to acquire new locomotive and rolling stock including potential new technologies such as Diesel Multiple Unit trainsets which could be used in some state corridors.

### *Targeted outreach and advertising to millennials and college students*

Amtrak's focus for growth through digital advertising efforts is primarily targeted at the segment of "Connected Experience-Seekers." They're savvy travelers who are always looking for a good experience but default mostly to driving and flying. Amtrak also works with State Partners to deliver targeted outreach to nearby college and university students.

### *Improve service change forecasting process along State Supported routes*

A unique element of the service line is that it is funded in large part by State Partners in addition to ticket revenue and Amtrak's federal grant. While there are many similarities in state funding, each state has a unique set of requirements for obtaining the necessary funds to support the service. An important foundation of this process is a forecast provided by Amtrak estimating the costs under the Section 209 formula. Many states have suggested that this process could be improved to better meet their needs. Amtrak is working to understand specific state needs and requirements for the Section 209 forecasts and we will adjust the current process for the upcoming FY 2019 forecast cycle based on this feedback.

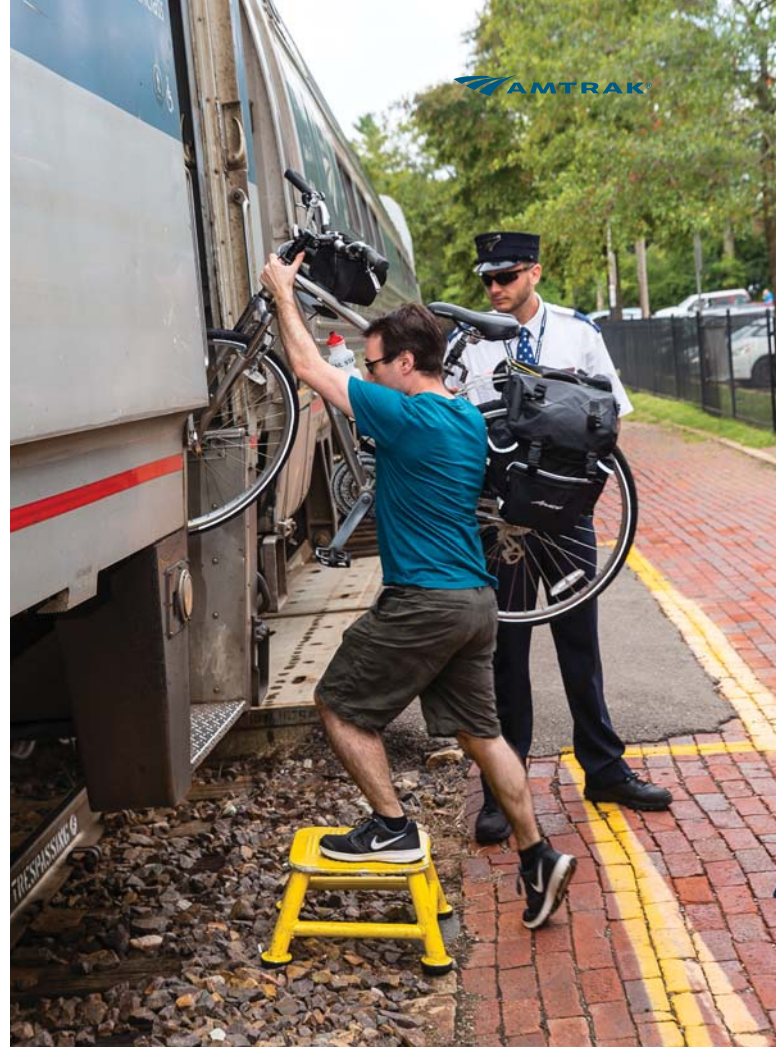
### *Bike Racks*

Our State Partners have been longtime advocates of making trains bike-friendly. Recently, Amtrak led a pilot to install roll-on bike racks in a limited number of Amfleet I coaches that are used on the Washington, D.C.–St. Albans, VT *Vermont*. After testing, the results have been generally positive—the bike racks are popular among cyclists. The service has generated additional revenue on the NEC and on the State Supported leg. Together with the NEC Service Line, we are evaluating alternatives for installing these bike racks on additional Amfleet I coaches and expanding roll-on bike service to more routes.

### *Kiosk Replacement and Station Experience*

Amtrak's current generation of Quik-Trak station kiosks is quickly approaching the end of its service life. Amtrak is working to incorporate state partner requirements into the next generation of Quik-Trak machines. SAIPRC hopes to extend the project to more broadly consider the customer experience at stations, and how technology can improve it.







## PRIMARY INITIATIVES (CONTINUED)

### *SAIPRC Collaboration*

#### ***APT Work Group***

The APT Work Group is the SAIPRC forum focused on monitoring the Amtrak Performance Tracking (APT) system, which is the basis for Section 209 allocated costs. The APT Work Group works with Amtrak to ensure APT updates are designed and carried out in a way that is mindful of the Section 209 formula. Through the APT Work Group, Amtrak hopes to work with states on the steady stream of APT housekeeping issues, and to consider other potential changes to APT to make it work better for State Partners and other stakeholders.

#### ***Equipment Work Group***

On many State Supported routes where the track is owned by host railroads, the equipment used on the route is the largest capital asset. While some states own their equipment, many State Supported routes use Amtrak-owned equipment that is shared among State Supported and other Amtrak routes. This equipment sharing helps keep equipment usage high and spreads costs across multiple routes.

When Section 209 was originally implemented, the states and Amtrak organized an ad hoc committee under the supervision of the more formal Next Generation Equipment Committee chartered under Section 305 of PRIIA, known informally as the “514 Committee” (reflecting the sum of Sections 209 and 305). In 2017, the “514 Committee” officially moved from the 305 Committee to SAIPRC, became the Equipment Work Group, and the states and Amtrak met to revisit the committee’s charter. Amtrak and the states agree that they need to broaden the Work Group’s focus to include strategic discussion about investments in the current fleet, and, more importantly, how to fund and procure the next generation of fleet to be used in State Supported services.

#### ***Marketing Work Group***

The SAIPRC Marketing Work Group is the forum where Amtrak and State Partners meet to discuss ways to increase ridership and revenue. Goals for the upcoming year include continuing to improve information sharing between Amtrak and the States including marketing campaigns, creative materials, and best practices. With the recent reduction in Amtrak’s standing discounts, the Marketing Work Group will have a particular focus on testing more targeted and route-specific discounts and promotions. We believe this approach will result in improved ticket revenues for all Amtrak services, including State Supported, and more dynamic discounts that achieve specific marketing goals, while minimizing revenue dilution.

#### ***Reports Work Group***

Amtrak strives to provide State Partners with the necessary information to monitor the performance of their services, validate their invoices and make decisions about their routes. The SAIPRC Reports Work Group is the clearinghouse where state report requests are gathered, prioritized and implemented. Having spent recent months developing Cost Validation Reports to provide detailed financial schedules in support of invoices, the Reports Work Group is now working to improve standardized reports on customer information based on State feedback.

Another recently launched effort is a pilot program for self-service data access. We believe this approach will allow states to tailor their data queries and analysis to their own needs.

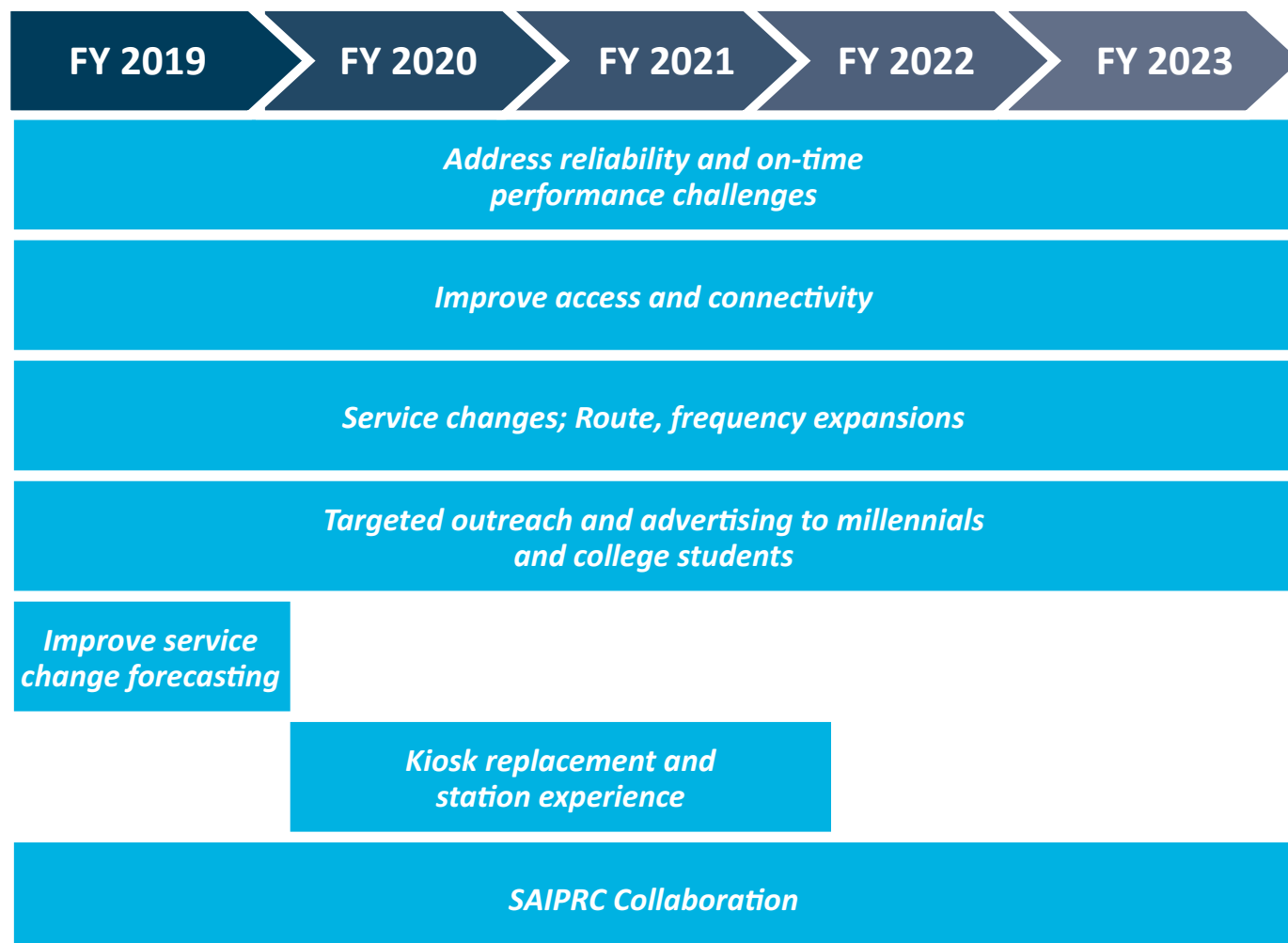
### *Future Initiatives based on Partner Satisfaction Index Results*

Every year, Amtrak conducts a partner satisfaction survey (PSI) to measure the satisfaction of State (and commuter) Partners across the different elements of the service that Amtrak provides. At this writing, the survey instrument for 2017 has been circulated to State Partners and we are currently compiling the responses. We will use this information working together with SAIPRC to focus on improvement opportunities.





## State Supported Initiatives Timeline









## Environmental Factors

### FUNDING

Our success depends in large part on a reliable funding stream from our State Partners and Congress. In many states, annual operating and capital funding is subject to annual state appropriations. Amtrak recognizes that states make tough choices to fund their State Supported services, and Amtrak will work with state departments of transportation and agencies to describe the benefits of intercity passenger rail to state legislatures and local governments. Likewise, Amtrak will continue to inform and educate Congress and the Administration on the importance of federal funding for Amtrak to continue our operating and capital contributions to these services and increase capital investments to permit greater Amtrak investments in route expansions, improvements, fleet acquisitions, technology and improvements to stations and facilities in partnerships with States.

### STRATEGIC ISSUES

#### *Diversity of Stakeholders*

The service line has stakeholders with diverse viewpoints—each state has its own goals and objectives. While many of these are shared by Amtrak, and with understanding there is always a yearning for some level of customization, we should nonetheless look for opportunities to build on the strengths of each individual service. Throughout the planning process, the service line hopes to better articulate its goals to achieve improved alignment across the organization and with our State Partners.

#### *Fixed Asset Charge*

The Section 209 Cost Methodology Policy called for a capital charge to be funded by States for use of Amtrak-owned equipment, Amtrak fixed assets, and other investments in assets not owned by Amtrak but required to maintain or enhance service. While Amtrak and State Partners have implemented the capital charge for equipment, we have not yet implemented a capital charge for Amtrak fixed assets.

Amtrak will work with our State Partners to develop the details of the capital charge for Amtrak fixed assets to help maintain

those assets in a state of good repair and fully enact the 209 Policy. By developing a common framework for investment in fixed assets, Amtrak aims to increase our capital investments in those assets in partnership with the states that support these services. To develop a common framework for investment, Amtrak will undertake a route by route inventory of assets under our control to determine what current or future needs of these assets are required to achieve a state of good repair. Amtrak will dedicate capital funds to match with state partners to improve these assets.

#### *Host Railroad Performance*

OTP and reliability on many routes remains a challenge primarily due to freight train interference. Amtrak's all stations OTP fell from 81 percent in 2016 to 78 percent in 2017 on State Supported routes, as freight train interference delays rose 28 percent.

Since deregulation in 1980, nearly half the Class I network has been abandoned or spun off and traffic has been consolidated on fewer, higher-density main lines. Rail networks that once had significant surplus capacity are now capacity-constrained in many areas, leading to greater congestion and higher instances of Amtrak trains not receiving the priority required by law.

Concurrent with this performance drop has been a lengthy legal battle that has effectively diminished Amtrak's statutory rights, at least temporarily, related to host railroad performance of Amtrak trains. It is clear our host railroads increasingly view Amtrak service as an imposition that negatively impacts their business and consumes important capacity.

The host railroads are also increasingly resistant to accommodating new, additional or rerouted Amtrak trains on their lines, even though the improvements bring joint benefits to freight operations. Invariably, host railroads now seek large up-front capital investments to increase capacity. This places a major constraint on Amtrak's ability to optimize and expand its network and services. Potential host railroad downgrading or abandonment of rail lines used by Amtrak that are no longer needed due to market changes also pose a threat to several State Supported routes.



# Profit & Loss Analysis

## State Supported Service Line (FY 2018–FY 2023)

(\$s in Thousands)	FY 2018	FY 2019	FY2020	FY 2021	FY 2022	FY 2023	Total
<b>Financial Sources:</b>							
Passenger Related Revenue							
<i>Ticket Revenue (Adjusted)</i>	523,162	547,736	572,345	596,223	614,890	635,580	3,489,937
<i>Charter/Special Trains</i>	3,534	3,605	3,677	3,750	3,825	3,902	22,292
<i>Food and Beverage</i>	26,666	27,199	27,743	28,298	28,864	29,442	168,213
Contractual Contribution (Operating)							
<i>PRIIA 209 Operating Payments</i>	244,701	256,341	265,698	274,453	280,590	287,692	1,609,474
<i>PRIIA 212 Operating Payments</i>	-	-	-	-	-	-	-
<i>Commuter Operations</i>	-	-	-	-	-	-	-
<i>Reimbursable Contracts</i>	521	531	542	553	564	575	3,287
<i>Access Revenue</i>	-	-	-	-	-	-	-
Commercial Revenue (incl. Pipe/Wire, Real Estate, Parking)	-	-	-	-	-	-	-
All Other Revenue (incl. Insurance Revenue, Cobranded Commissions)	10,914	11,132	11,354	11,582	11,813	12,049	68,844
<b>Operating Sources Subtotal</b>	<b>809,497</b>	<b>846,544</b>	<b>881,360</b>	<b>914,860</b>	<b>940,547</b>	<b>969,239</b>	<b>5,362,046</b>
Contractual Contribution (Capital)							
<i>PRIIA 209 Capital Payments</i>	67,780	58,343	71,454	85,540	85,540	85,540	454,197
<i>PRIIA 212 Capital Payments</i>	-	-	-	-	-	-	-
<i>Other State/Local Mutual Benefit</i>	68,361	21,094	15,136	16,749	22,899	21,491	165,730
Financing Proceeds Applied	4,951	6,945	3,677	189	33	-	15,795
Other Capital and Special Grants (incl., state/local sources)	-	-	-	-	-	-	-
<b>Capital Sources Subtotal</b>	<b>141,093</b>	<b>86,381</b>	<b>90,268</b>	<b>102,478</b>	<b>108,472</b>	<b>107,031</b>	<b>635,722</b>
Federal Grants to Amtrak							
<i>Prior Year Carryover Capital Grant Funds</i>	150,871	-	-	-	-	-	150,871
<i>Current Year FAST Sec 11101 Grants</i>							
<i>Operating</i>	84,102	83,581	82,652	82,250	77,435	76,941	486,961
<i>Capital</i>	168,083	247,850	244,781	244,396	262,240	248,536	1,415,887
<i>Other Federal Grants (incl., FRA/OST, FTA, DHS)</i>	1,387	1,317	1,295	1,295	1,295	1,295	7,884
<b>Federal Grants to Amtrak Subtotal</b>	<b>404,443</b>	<b>332,748</b>	<b>328,728</b>	<b>327,942</b>	<b>340,970</b>	<b>326,772</b>	<b>2,061,603</b>
<b>Total Financial Sources</b>	<b>1,355,033</b>	<b>1,265,673</b>	<b>1,300,355</b>	<b>1,345,279</b>	<b>1,389,989</b>	<b>1,403,042</b>	<b>8,059,371</b>
<b>Financial Uses (Operating):</b>							
Service Line Management	5,370	5,466	5,497	5,552	5,500	5,521	32,907
Train Operations	388,682	400,427	405,896	411,602	426,757	440,020	2,473,383
Equipment	182,365	191,552	201,188	211,220	212,470	216,485	1,215,281
Infrastructure	26,600	26,536	28,052	29,450	30,025	30,896	171,559
Stations	83,819	88,042	93,071	97,712	96,794	99,603	559,040
National Assets and Corporate Services	206,765	218,102	230,309	241,573	246,435	253,655	1,396,838
<b>Total Operating Uses</b>	<b>893,600</b>	<b>930,125</b>	<b>964,011</b>	<b>997,110</b>	<b>1,017,981</b>	<b>1,046,180</b>	<b>5,849,007</b>
<b>Operating Surplus/Deficit</b> <i>(Operating Sources - Operating Uses)</i>	<b>(84,102)</b>	<b>(83,581)</b>	<b>(82,652)</b>	<b>(82,250)</b>	<b>(77,435)</b>	<b>(76,941)</b>	<b>(486,961)</b>
<b>Financial Uses (Debt Service Payments):</b>							
RRIF debt repayments	-	-	-	-	-	-	-
<b>Total Debt Service Payments</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Available for Capital Uses</b> <i>(Capital Sources + Federal Grants to Amtrak + Operating Surplus/Deficit - Debt Service Payments)</i>	<b>461,433</b>	<b>335,548</b>	<b>336,344</b>	<b>348,169</b>	<b>372,007</b>	<b>356,862</b>	<b>2,210,364</b>
<b>Financial Uses (Capital):</b>							
Service Line Management	408	166	268	246	246	246	1,581
Transportation	31,679	19,421	17,463	15,774	14,363	13,542	112,242
Equipment	128,304	94,512	89,220	93,289	116,382	114,457	636,164
Infrastructure	100,821	57,189	54,077	63,159	70,171	64,730	410,148
Stations	66,291	48,747	60,198	50,910	44,733	36,240	307,117
National Assets and Corporate Services	111,065	44,683	44,200	33,814	35,225	35,941	304,928
<b>Capital Expenditures</b>	<b>438,568</b>	<b>264,718</b>	<b>265,426</b>	<b>257,192</b>	<b>281,119</b>	<b>265,157</b>	<b>1,772,180</b>
Legacy Debt Repayments	14,606	7,517	6,860	5,542	2,112	1,617	38,253
<b>Total Capital Uses</b>	<b>453,174</b>	<b>272,235</b>	<b>272,285</b>	<b>262,734</b>	<b>283,231</b>	<b>266,774</b>	<b>1,810,433</b>
<b>Remaining Carryover Balance</b>	<b>\$ 8,260</b>	<b>\$ 63,314</b>	<b>\$ 64,058</b>	<b>\$ 85,435</b>	<b>\$ 88,776</b>	<b>\$ 90,088</b>	<b>\$ 399,931</b>





# *Long Distance Service Line*







## About the Long Distance Service Line

Amtrak's Long Distance Service Line (LDSL) provides intercity rail passenger transportation along routes 750 or more miles between endpoints, as defined by Passenger Rail Investment and Improvement Act of 2008 (49 U.S.C. § 24102(7)(C)).

Long distance intercity passenger rail service and its 15 routes range in length from 764 to 2,438 miles. These routes connect the nation's major regions, providing an alternative means of transportation for intercity travel between major city pairs along such routes and serving intermediate, rural and underserved communities and populations between metropolitan areas. Although these services account for roughly 15 percent of Amtrak's ridership and 22 percent of Amtrak's total revenue, they are an extensive component of Amtrak's network, providing service in 45 states, including the only Amtrak service to some 217 stations. Many of these routes have been served by Amtrak since the company's founding in 1971 and all receive significant operating and capital support from the federal government through appropriation to the National Network account. Thus, the primary customers of the LDSL are intercity train travelers along these routes and the federal government as the sole funder, beyond ticket revenue, of these services.

The mission of the LDSL is to connect travelers and their destinations across the national network efficiently. With Amtrak's strategic pillars in mind, the LDSL remains focused on driving accountability and optimizing operating and financial efficiencies while providing exceptional customer service.

The LDSL has crafted a five year plan focusing on these key components:

- Fleet planning and acquisitions;
- Optimizing operations where possible;
- Service delivery;
- Financial efficiencies; and
- Enhanced customer services and products while maintaining the highest standards for safety and security.

Together with reliable service, the long distance network's value relies, in part, on its broad connectivity. Poor OTP affects customers' willingness to consider these services for travel, thereby diminishing the potential customer base and threatening revenues.

To improve the operating economics of its service, the LDSL has begun analysis on its network, structure and fleet plan. The LDSL will look for opportunities to remove excess capacity and drive out inefficiencies across the network by sizing the long distance services for national demand, rather than peak segments.



# +25%

*Long Distance ridership growth since 2006, without new services, frequencies, or equipment*

# Market Overview

Amtrak operates the only regularly-scheduled long distance intercity passenger rail service in the contiguous U.S. The U.S. increasingly competes in a dynamic global market where changing technology and market forces determine the economic winners and losers. Maintaining and enhancing the comparative advantage of state and local economies is critical to success in this fluid environment. Provision of quality passenger rail service can aid communities in addressing each of these goals. These services also provide revenue to Amtrak's other service lines, contributing approximately \$7.3 million in gross ticket revenue to the Northeast Corridor and State Supported Service Lines through connecting ridership.

Additionally, with Amtrak Thruway and other connecting bus services, this network reaches beyond the rails by using other transport modes. By facilitating bus, van, taxi, commuter rail and ferry service connections, Amtrak can extend the long distance network into communities without train service at lower costs and with greater frequencies than otherwise available.

Amtrak also strategically partners with other first mile/last mile transportation providers to provide those in both urban and rural areas a means to connect with Amtrak stations and long distance rail service. Continued development of these feeder mechanisms will be required to improve the bottom line.

The key challenge for this service line is that high costs of equipment, fuel, host railroad payments and staffing and relatively light and seasonal consumer demand for long distance train service mean it is not currently possible to cover all operating expenses solely with ticket and other revenues.

The LDSL continues to face extraordinary challenges in the marketplace, particularly regarding on-time performance primarily related to host railroad responsible delays, and looming long-term capital needs for equipment and stations. These factors, together with Amtrak's statutory instruction to minimize the need for federal subsidies, will be important inputs into Amtrak's network strategy.

FY 2017 Connecting Ticket Revenue & Ridership

	Riders	Ticket Revenue
Long Distance to State Supported	227,000	\$5.9 million
Long Distance to Northeast Corridor	27,000	\$1.4 million
Total	254,000	\$7.3 million



## Long Distance Service Summary

Train Name	City Pairs	Frequency
Sunset Limited	Los Angeles–New Orleans	3x/week
Southwest Chief	Chicago–Los Angeles	Daily
California Zephyr	Chicago–Oakland	Daily
Empire Builder	Chicago–Seattle/Portland	Daily
Coast Starlight	Los Angeles–Seattle	Daily
Crescent	New York–New Orleans	Daily
Texas Eagle	Chicago–San Antonio Chicago–Los Angeles	Daily 3x/week
Capitol Limited	Chicago–Washington	Daily
Lake Shore Limited	Chicago–New York/Boston	Daily
Cardinal	Chicago–New York	3x/week
Auto Train	Lorton–Sanford	Daily
City of New Orleans	Chicago–New Orleans	Daily
Palmetto	New York–Savannah	Daily
Silver Star	New York–Tampa–Miami	Daily
Silver Meteor	New York–Miami	Daily



**FISCAL YEAR 2017  
PERFORMANCE HIGHLIGHTS**

**4.698M**

*Ridership*

**2.616B**

*Total Passenger Miles*

**12¢**

*Revenue per  
Available Seat Mile*

**23¢**

*Cost per Available Seat Mile*

**52%**

*Cost Recovery Ratio*

## Customer Analysis

Amtrak collects and analyzes its customer demographic, survey and segmentation to develop products and services to drive customer preference, repurchase and revenue growth. Amtrak, like other travel providers, will need to position itself to meet changing travel preferences and take into consideration needs specific to each product line's customer demographics.

### Long Distance Customer Profile

COACH CLASS	SLEEPER CLASS
<ul style="list-style-type: none"> <li>• Coach class represents 84% of customer trips</li> <li>• 60% of customers are female (40% male) and average age is 54 years old</li> <li>• 47% of customers are employed and 38% retired.</li> <li>• Average income is \$67,000/year.</li> <li>• 92% of customers are traveling for non-business reasons; business travel and commuting account for only 8%</li> <li>• Of the non-business reasons, visiting family/friends accounts for 63% of customers; while vacation/recreation account for 25%</li> <li>• 64% travel round-trip</li> <li>• Average trip length is 497 miles</li> </ul>	<ul style="list-style-type: none"> <li>• Sleeper class represents 16% of customer trips</li> <li>• 53% of customers are male (47% female) and average age is 61 years old</li> <li>• 42% of customers are employed and 52% retired</li> <li>• Average income is \$102,000/year</li> <li>• 92% of customers are traveling for non-business reasons; business travel and commuting account for only 8%</li> <li>• 45% are riding for vacation/recreation and 42% to visit family or friends</li> <li>• 61% travel round-trip</li> <li>• Average trip length is 991 miles</li> </ul>

## Competition and Competitive Advantage

There are many ways to travel between cities on the long distance network aside from Amtrak. Depending on the origin, distance, and the destination, options can range from private automobile, plane, intercity bus and potentially in the future, ride-sharing and other emerging transportation services. Each of these competitive modes has distinct advantages and disadvantages relative to traveling on an Amtrak long distance train. Amtrak must continually evaluate its long distance business model with respect to changes in competitive conditions to ensure that our services and products continue to deliver value that equals or exceeds the federal government's investments.

Many of Amtrak's long distance routes do serve fast growing regions, which should facilitate retaining and increasing ridership despite their small share of relevant travel markets, and Amtrak will look to strengthen and improve our products in such markets. Amtrak will also evaluate those Amtrak-served markets where airlines and bus services are limiting or abandoning service to seek growth and revenue.

## Key Business Drivers

	FY 2017 Actual	FY 2018 Goal	FY 2023 Goal
Gross Ticket Revenue	\$504.4 million	\$515.6 million	\$577.5 million
Ridership	4.69 million	4.73 million	4.96 million
eCSI <sup>1</sup>	73.9	741	741
Load Factor <sup>1</sup>	59%	69%	69%
Initial Terminal Performance (ITP)	92%	92%	94%
OTP <sup>2</sup>	52.1%	70%	N/A <sup>2</sup>

<sup>1</sup> eCSI and Load Factor goals will depend on adjustments to service model, network planning and fleet allocation strategy

<sup>2</sup> Host railroad concerns highlighted in this report will need to be addressed in order to accurately forecast OTP over next five years.



## ***FY 2017 Performance***

### ***Ridership growth***

LDSL carried 4.6 million riders, an increase of 0.9 percent over FY 2016 despite significant challenges with OTP. Over the past decade, long distance ridership has increased over 25 percent.

### ***Reduced federal subsidy***

The LDSL core operating loss in FY 2017 was \$483.5 million. Over the past five years, the average federal subsidy for Amtrak's long distance services has been reduced from \$132 per passenger in FY 2013 to \$116 per passenger in FY 2017. Amtrak remains focused on further reducing these losses, consistent with our statutory goal of minimizing federal subsidies.

### ***Cost Management***

Excluding system fixed costs, the top three cost categories for the LDSL in FY 2017 included:

- Train and Engine Crew Costs (\$156.2 million)
- Car and Locomotive Maintenance and Turnaround (\$149.8 million)
- On-Board Service Costs (\$122.3 million)

### ***Reduction in food and beverage losses***

Food and beverage revenue from the LDSL cafes and dinners contributed \$69.7 million, along with other core revenue \$11.4 million, to total \$547.6 million total core revenue for the FY 2017 for the LDSL.

The LDSL will continue food and beverage service cost reduction or revenue generation programs which have resulted in:

- Aligning food and beverage service models with variations in ridership and customer demand.
- Optimizing provisioning levels to drive sales while reducing spoilage and loss.
- Optimized supply chain through reduction in Stock Keeping Units (SKUs) and increase in National Volume Discounts (NVDs), and bulk purchases with our supply chain partners.
- Numerous pricing actions to drive higher revenue.





## ***Long Distance Service Line Strategies***

- Continue commitment to safety and reliable performance.
- Effectively position the LDSL products and services to meet the needs of new and growing customer segments within the long distance network while exploring strategies to preserve intercity mobility for underserved communities and populations.
- Increase alignment between product and distribution strategy.
- Evaluate service model to improve revenue performance.
- Evaluate areas to improve customer service including OTP, consist optimization and right sizing, food and beverage offerings, onboard classes of service/configuration and other customer amenities.
- Acquire new and improve existing fleet.

*Long Distance service is a vital part of our national transportation system and economy.*

*Over the past decade, Long Distance ridership has increased more than 25%.*



## Initiatives and Measures (FY 2019 – FY 2023)

Initiative	Summary	Strategic Linkages		
		Supports Strategic Pillars	Asset Lines Impacted	Impacts Key Business Measures
<b>Achieve Positive Train Control (PTC) implementation across the LDSL routes</b>	Finish equipping approximately 310 locomotives and complete related technology projects to comply with federal deadline to support PTC implementation by December 31, 2018.	<ul style="list-style-type: none"> <li>• Safety &amp; Operations</li> </ul>	<ul style="list-style-type: none"> <li>• Transportation</li> <li>• Equipment</li> </ul>	<ul style="list-style-type: none"> <li>• Compliance with federal mandates</li> </ul>
<b>Address reliability and on time performance</b>	Improve Amtrak's operational performance and increase the desirability of its service by focusing on host railroad performance, enforcement of Amtrak's access rights, and opportunities for targeted investments and collaboration.	<ul style="list-style-type: none"> <li>• Customer Impact</li> <li>• Safety &amp; Operations</li> </ul>	<ul style="list-style-type: none"> <li>• Transportation</li> <li>• Equipment</li> </ul>	<ul style="list-style-type: none"> <li>• eCSI</li> <li>• OTP</li> </ul>
<b>Network and Fleet Planning and Acquisition</b>	Optimize long distance network for national demand, better align its fleet of equipment to its routes and begin targeted fleet acquisition program.	<ul style="list-style-type: none"> <li>• National Assets</li> <li>• Customer Impact</li> </ul>	<ul style="list-style-type: none"> <li>• Equipment</li> </ul>	<ul style="list-style-type: none"> <li>• Revenue</li> <li>• Load Factor</li> <li>• eCSI</li> </ul>
<b>Cost Driver Analysis</b>	Analyze and prioritize opportunities for continued cost reduction across the LDSL including the reduction of losses from non-transportation related activities such as food & beverage service and maintenance/turnaround.	<ul style="list-style-type: none"> <li>• Financial Stewardship</li> </ul>	<ul style="list-style-type: none"> <li>• Transportation</li> </ul>	<ul style="list-style-type: none"> <li>• Revenue</li> </ul>
<b>Service Model Evaluation</b>	Investigate the most relevant service model for long distance routes and right approach for serving their diverse customer base to drive customer preference, repurchase and revenue growth with most efficient use of personnel, assets and capacity.	<ul style="list-style-type: none"> <li>• Customer Impact</li> <li>• Strategy</li> <li>• Financial Stewardship</li> </ul>	<ul style="list-style-type: none"> <li>• Transportation</li> <li>• Equipment</li> </ul>	<ul style="list-style-type: none"> <li>• Revenue</li> <li>• Ridership</li> <li>• Load Factor</li> <li>• OTP</li> </ul>
<b>Increase productivity and accountability</b>	Ensure standard levels of service across the network and drive accountability of internal service providers through defined metrics and clear targets. Efforts will also focus on optimizing workforce scheduling and productivity through process improvements and service standards. Managing services and crew at the train level will ensure standard levels of service across the network.	<ul style="list-style-type: none"> <li>• National Assets</li> <li>• Customer Impact</li> </ul>	<ul style="list-style-type: none"> <li>• Transportation</li> </ul>	<ul style="list-style-type: none"> <li>• eCSI</li> </ul>

## PRIMARY INITIATIVES

### *PTC Implementation*

Amtrak is committed to achieving Positive Train Control (PTC) implementation across the LDSL routes, in partnership with our various host railroads to ensure customer and employee safety. **To ensure PTC is activated across the entirety of the network, LDSL planning efforts will include Amtrak incremental costs attributable to PTC on host railroads, where required.**

### *Address reliability and on-time performance challenges*

Unreliability significantly undermines intercity passenger rail as a viable option for travelers and weakens Amtrak's financial position by reducing revenues and increasing operating costs; primarily by extending shifts, increasing staff and equipment requirements and using more fuel. Achieving reliable OTP would significantly improve Amtrak's operational performance and improve the desirability of its services.

The primary driver of poor OTP across the LDSL is host railroad-related delays, including freight train interference and slow orders. Additional causes include equipment problems, trespasser and grade crossing incidents, and other factors.

### *Network and Fleet Plan*

In collaboration with Corporate Planning & Strategy and the Network Scheduling/Costing groups, network structure and equipment allocation will be studied and plans developed to optimize use of the National Network assets including strategically redeploying and acquiring fleet to meet customer demands and improve performance. This work will include a deep examination of the supply and demand on long distance routes in both directions in order to better optimize equipment to customer demand for service. Network optimization and asset utilization will enhance Amtrak's ability to manage yield on its long distance trains.

### *Cost Driver Analysis*

Amtrak will conduct labor and time studies to assess the productivity of employees and understand the most effective application of our resources. Analyzing the most effective way to reduce major cost categories is complex and will include a thoughtful, deliberate approach to balance efficient operations without sacrificing a quality travel experience.

*Amtrak will take a hard look at the cost drivers behind the Long Distance model including crew base locations, train turnarounds, maintenance facilities and other opportunities for operational efficiencies.*

*This includes detailed analysis at the craft and train level to optimize resource utilization, enabling Amtrak to be a better steward of capital.*



## PRIMARY INITIATIVES (CONTINUED)

### *Reduce losses from non-transportation related activities*

Amtrak has implemented various pilot programs consistent with the FAST Act's requirements regarding food service, including: scheduling optimization; on-board logistics; product development and supply chain efficiency; training, awards and accountability; technology enhancements and process improvements.

Amtrak remains committed to reducing its food and beverage losses and will continue to implement and update its multi-year plan designed to improve efficiency, customer satisfaction, and cost recovery of food and beverage service. Financial data for Food and Beverage will be studied to understand monthly volatility across all routes. Analysis may result in recommendations for process improvements and/or service model changes, ultimately reducing costs

### *Strategic Network Adjustments and Service Model Evaluation*

Given changing markets and demographics, host railroad challenges, and other factors, the long-term viability of the LDSL and its various routes may depend on strategic adjustments to its current structure. The LDSL will evaluate these opportunities and assess the best opportunities to improve Long Distance routes for the National Network, while seeking to serve through various means the current service territories. Any network adjustments would also impact fleet allocation and acquisition needs.

One area of potential network change has been along the Gulf Coast, where Amtrak has worked closely with the Gulf Coast Working Group to evaluate the potential to restore improved passenger rail service to that region along portions or all of the suspended *Sunset Limited* route. The Long Distance and State Supported Service Lines continue to collaborate with relevant stakeholders as plans advance.

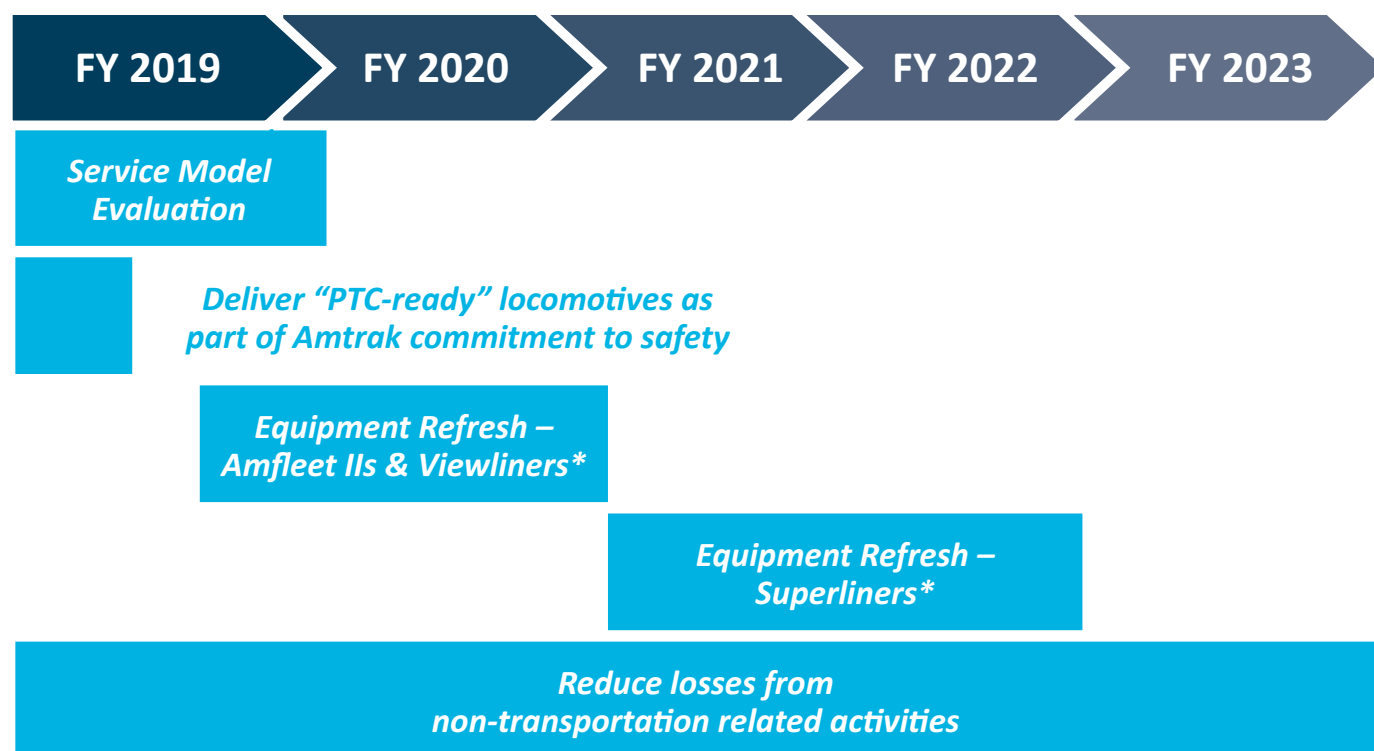
### *Service Model Evaluation*

The changing national landscape and market for long distance travel means Amtrak must evaluate the long distance business and service model. The LDSL must determine the most appropriate service model for its customer base while remaining focused on cost discipline and efficiency. The LDSL will comprehensively assess its product offering, including markets, frequencies, timing and the incremental costs of servicing a diverse customer base.

### *Increase Productivity and Accountability*

Once the service model evaluation is complete, the LDSL will define its operating model, services and identify core business processes required to deliver long distance rail service through a matrixed organization. Managing services and crew at the train level will ensure standard levels of service across the network. This structure will also drive accountability and align internal stakeholders, or service providers, with defined metrics, costs and clear targets. The LDSL will assign service owners responsible for performance targets for all Amtrak services that support the long distance service line and external services such as host railroads and privately owned stations.

## Long Distance Initiatives Timeline



\*Equipment refresh timeline for Superliner equipment is dependent on completion of equipment refresh work underway



## Environmental Factors

### *Public Policy/Investments In Rail Infrastructure*

The continuation of the LDSL requires consistent and sufficient federal funding to Amtrak. While Amtrak will work to continue to reduce LDSL operating losses and optimize the route structure, both operating and capital costs will need federal support, with insufficient funding likely leading to worse financial performance as service quality and equipment condition deteriorate.

### *Increased Domestic and International Travel Demand*

Domestic travel—for both business and leisure—has increased steadily since the downturn triggered by the Great Recession. Domestic travel is projected to continue modest growth through 2020, while international visitors are projected to increase to 94 million in 2021.

## Strategic Issues

### *Reliability, On Time Performance and Host Railroads*

OTP and reliability remain a challenge primarily due to freight train interference. All stations on-time performance fell from 53.6 percent in 2016 to 46.6 percent in 2017 on long distance trains, as freight train interference delays rose 30.3 percent.

Concurrent with this performance drop has been a lengthy legal battle that has effectively diminished Amtrak's statutory rights, at least temporarily, related to host railroad performance of Amtrak trains. It is clear our host railroads increasingly view Amtrak service as an imposition that negatively impacts their business and consumes important capacity.

The host railroads are also increasingly resistant to accommodating new, additional or rerouted Amtrak trains on their lines, even with improvements which bring joint benefits to freight operations. Invariably, host railroads now seek large up-front capital investments to increase capacity. This places a major constraint on Amtrak's ability to optimize and expand its network and services. Potential host railroad downgrading or abandonment of rail lines used by Amtrak that are no longer needed due to dwindling commodity business also threatens some long distance routes.









# Profit & Loss Analysis

## Long Distance Service Line (FY 2018–FY 2023)

(\$s in Thousands)	FY 2018	FY 2019	FY2020	FY 2021	FY 2022	FY 2023	Total
<b>Financial Sources:</b>							
Passenger Related Revenue							
Ticket Revenue (Adjusted)	477,635	516,415	528,844	540,293	552,520	563,668	3,179,374
Charter/Special Trains	-	-	-	-	-	-	-
Food and Beverage	69,686	71,080	72,501	73,951	75,430	76,939	439,588
Contractual Contribution (Operating)							
PRIIA 209 Operating Payments	-	-	-	-	-	-	-
PRIIA 212 Operating Payments	-	-	-	-	-	-	-
Commuter Operations	-	-	-	-	-	-	-
Reimbursable Contracts	34	35	35	36	37	38	215
Access Revenue	-	-	-	-	-	-	-
Commercial Revenue (incl. Pipe/Wire, Real Estate, Parking)	-	-	-	-	-	-	-
All Other Revenue (incl. Insurance Revenue, Cobranded Commissions)	7,525	7,675	7,829	7,986	8,145	8,308	47,468
<b>Operating Sources Subtotal</b>	<b>554,880</b>	<b>595,205</b>	<b>609,210</b>	<b>622,266</b>	<b>636,133</b>	<b>648,952</b>	<b>3,666,645</b>
Contractual Contribution (Capital)							
PRIIA 209 Capital Payments	-	-	-	-	-	-	-
PRIIA 212 Capital Payments	-	-	-	-	-	-	-
Other State/Local Mutual Benefit	10,448	6,669	4,123	10,386	17,262	15,911	64,800
Financing Proceeds Applied	4,227	6,678	4,436	2,851	753	-	18,945
Other Capital and Special Grants (incl., state/local sources)	-	-	-	-	-	-	-
<b>Capital Sources Subtotal</b>	<b>14,675</b>	<b>13,347</b>	<b>8,559</b>	<b>13,238</b>	<b>18,015</b>	<b>15,911</b>	<b>83,745</b>
Federal Grants to Amtrak							
Prior Year Carryover Capital Grant Funds	163,502	-	-	-	-	-	163,502
Current Year FAST Sec 11101 Grants							
Operating	521,675	450,323	463,580	443,845	436,022	434,655	2,750,099
Capital	314,598	307,442	324,477	323,967	347,621	329,454	1,947,559
Other Federal Grants (incl., FRA/OST, FTA, DHS)	1,759	1,696	1,677	1,677	1,677	1,677	10,162
<b>Federal Grants to Amtrak Subtotal</b>	<b>1,001,533</b>	<b>759,461</b>	<b>789,734</b>	<b>769,489</b>	<b>785,319</b>	<b>765,786</b>	<b>4,871,322</b>
<b>Total Financial Sources</b>	<b>1,571,088</b>	<b>1,368,013</b>	<b>1,407,503</b>	<b>1,404,992</b>	<b>1,439,467</b>	<b>1,430,649</b>	<b>8,621,712</b>
<b>Financial Uses (Operating):</b>							
Service Line Management	5,129	5,221	5,250	5,303	5,253	5,273	31,430
Transportation	510,509	528,465	536,996	545,703	567,787	587,231	3,276,690
Equipment	214,472	211,336	203,111	197,112	192,581	190,646	1,209,258
Infrastructure	20,552	20,251	19,318	18,747	18,030	17,641	114,539
Stations	71,868	70,817	67,554	65,559	63,049	61,688	400,534
National Assets and Corporate Services	254,026	251,803	240,561	233,687	225,455	221,128	1,426,660
<b>Total Operating Uses</b>	<b>1,076,555</b>	<b>1,087,893</b>	<b>1,072,790</b>	<b>1,066,111</b>	<b>1,072,154</b>	<b>1,083,607</b>	<b>6,459,110</b>
<b>Operating Surplus/Deficit</b>							
(Operating Sources - Operating Uses)	(521,675)	(492,689)	(463,580)	(443,845)	(436,022)	(434,655)	(2,792,465)
<b>Financial Uses (Debt Service Payments):</b>							
RRIF debt repayments	-	-	-	-	-	-	-
<b>Total Debt Service Payments</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Available for Capital Uses</b>							
(Capital Sources + Federal Grants to Amtrak + Operating Surplus/Deficit - Debt Service Payments)	494,534	280,119	334,713	338,881	367,313	347,042	2,162,602
<b>Financial Uses (Capital):</b>							
Service Line Management	3,336	3,218	915	486	486	486	8,927
Train Operations	42,295	48,094	40,494	20,344	12,483	12,228	175,939
Equipment	193,883	188,924	228,339	245,403	282,667	281,315	1,420,532
Infrastructure	61,148	65,908	59,132	69,887	84,862	84,654	425,590
Stations	54,238	40,612	40,868	50,843	47,045	35,907	269,513
National Assets and Corporate Services	88,578	21,056	19,374	15,318	15,730	16,244	176,301
<b>Capital Expenditures</b>	<b>443,479</b>	<b>367,812</b>	<b>389,122</b>	<b>402,281</b>	<b>443,273</b>	<b>430,835</b>	<b>2,476,802</b>
Legacy Debt Repayments	23,665	29,788	26,811	21,933	7,889	7,304	117,390
<b>Total Capital Uses</b>	<b>467,144</b>	<b>397,600</b>	<b>415,933</b>	<b>424,214</b>	<b>451,162</b>	<b>438,139</b>	<b>2,594,193</b>
<b>Remaining Carryover Balance</b>	<b>\$ 27,390</b>	<b>\$ (117,480)</b>	<b>\$ (81,220)</b>	<b>\$ (85,333)</b>	<b>\$ (83,850)</b>	<b>\$ (91,097)</b>	<b>\$ (431,591)</b>



# *Infrastructure Access*





## About the Infrastructure Access Service Line

The Infrastructure Access Service Line (IASL) consists of business activities involving the planning, development, management, and provision of access to users of Amtrak-owned or controlled infrastructure. Its primary customers are commuter and freight railroads.

The fundamental responsibilities of the service line include meeting customer expectations related to their use of Amtrak assets, generating and growing revenue from such use, and driving appropriate investments to renew, rebuild and enhance Amtrak infrastructure to meet present and future service needs. Its success depends upon clear and consistent communication with the NEC asset users, robust asset and work management practices and capital planning, and project delivery processes to reliably provide its customers with the infrastructure needed to run their services.

Its key goal is to generate sufficient funding from users and investors to perform ongoing maintenance, recapitalization and improvement activities necessary to ensure Amtrak's infrastructure supports safe and reliable operations and accommodates future demand.

IASL primarily provides infrastructure access to commuter authorities and freight railroads on the Boston-to-Washington NEC main line, but also provides infrastructure access on Amtrak-owned/operated lines elsewhere on Amtrak's National Network. Under the FAST Act's account structure, IASL's financial sources and uses are assigned between the NEC Account and the National Network Account. Its principal financial sources include operating and capital cost payments by NEC users pursuant to agreements governed by the *Northeast Corridor Commuter and Intercity Rail Cost Allocation Policy* (the Policy) developed by the Northeast Corridor Commission (NEC Commission), host railroad payments made in accordance with existing access agreements, payments by other entities outside the NEC that use Amtrak assets, such as Metra, and federal appropriations to the National Network Account.

The NEC Commission is composed of members representing Amtrak, the U.S. Department of Transportation, and the eight Northeast states and the District of Columbia. It was established by Section 212 of the Passenger Rail Investment and Improvement Act of 2008 (PRIIA) to develop a cost sharing



policy for Corridor users and coordinate regional leadership on near-term strategies to stabilize the NEC and establish a foundation for growth. Amtrak has been informed by its NEC Commission membership in developing the plan set forth herein by participating in its committees and working groups. The IASL also regularly meets with its Corridor partners on a bilateral basis to discuss issues and ensure appropriate coordination among the relevant parties. On an operational level, we communicate with our partners each day.

An important next step for development of FY 2020–FY 2024 plans is working with the NEC Commission to integrate Amtrak's service and asset line plan development and approval process into the Commission's planning timeline. As Amtrak develops asset line plans in the coming years to meet the requirements of 49 U.S.C. § 24320(c), many issues addressed in this document will be covered in greater detail in the Infrastructure Asset Line Plan.

## ABOUT THE INFRASTRUCTURE ACCESS SERVICE LINE (CONTINUED)

*The Infrastructure Access Service Line's mission is to efficiently plan, develop, provide, and manage Amtrak's fixed assets.*

IASL performs a variety of functions, including:

### *Partner Relationship Management and Coordination*

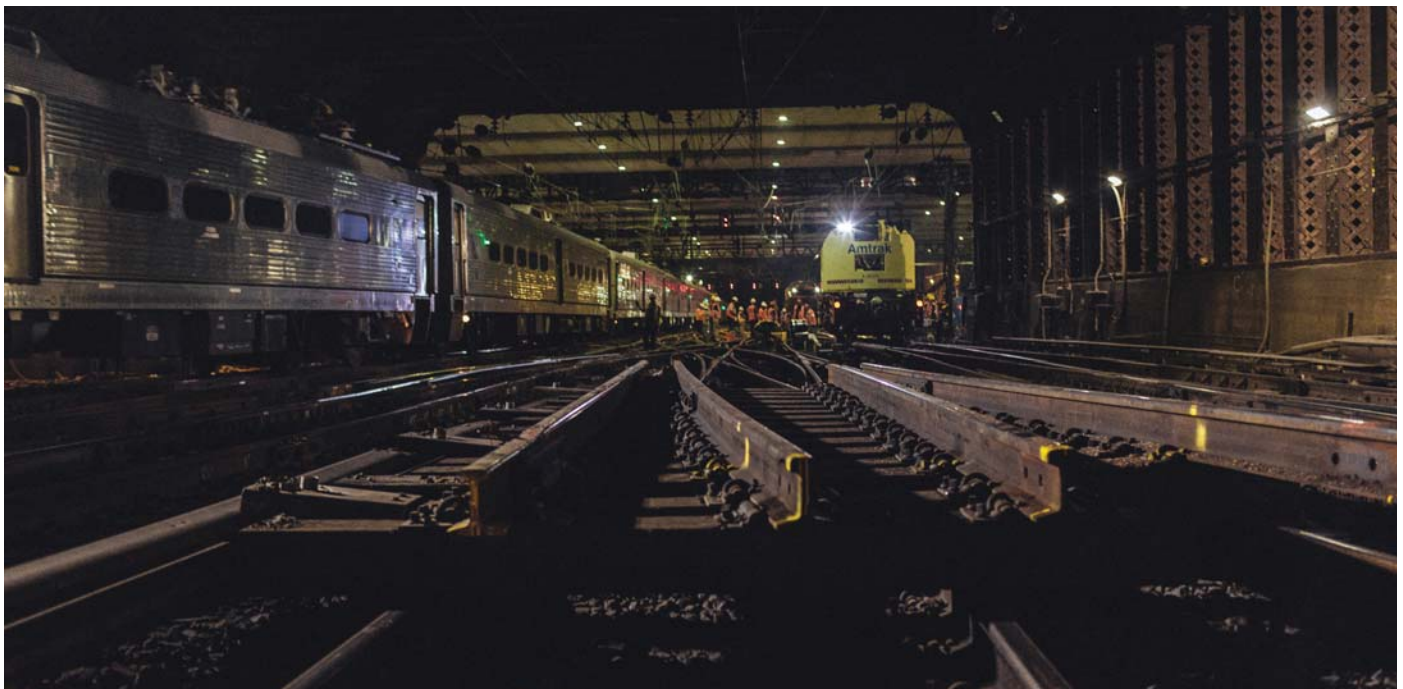
Serving as point of contact for major capital projects involving internal and external stakeholders and managing contractual agreements related to access and other project and force account agreements. Contributes to the company through relationship management and coordination, which requires extensive communication with various stakeholders through regular outreach sessions and negotiations with, among many others, federal, state, and local governments.

### *Infrastructure Planning*

Coordinating planning for Amtrak infrastructure for both existing and new services. Long-term infrastructure planning is a complex responsibility that requires regular communication with partners and other stakeholders, extensive attention to resource allocation, integrating intercity commuter and freight service plans, and strategic planning for improved or expanded services.

### *Capital Program Management*

Developing and managing, (i.e., monitoring, reporting and adjusting) both annual and five-year infrastructure capital plans in order to maintain Amtrak assets in a state of good repair and advance improvements to meet expanded service, reliability, frequency, and trip time improvements.





## Market Overview

### THE NORTHEAST CORRIDOR

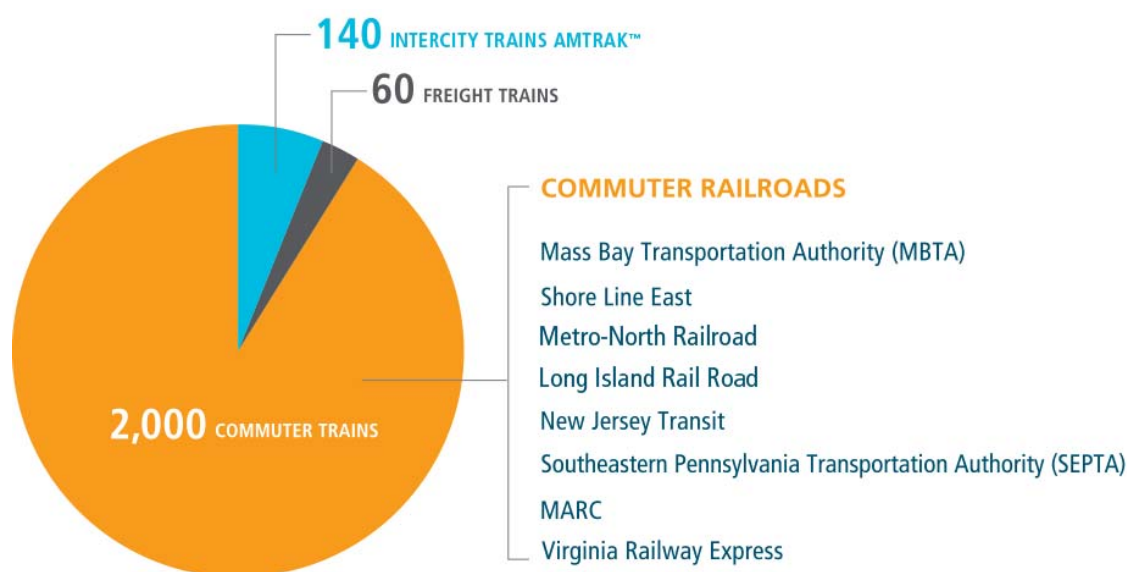
*Amtrak's right-of-way infrastructure assets are primarily located in the Northeast. Amtrak owns 363 miles of the 457-mile right-of-way of the NEC main line between Washington, DC, and New Rochelle, NY, and between New Haven, CT, and the Rhode Island-Massachusetts border.*

Amtrak acquired its portions of the NEC, along with the branch lines to Springfield, Mass. (Springfield Line) and Harrisburg, PA. (Keystone Corridor) pursuant to the Railroad Revitalization and Regulatory Reform Act of 1976, along with interests previously held by Penn Central Transportation Co. (Penn Central) in passenger rail yards and stations. For example, Sunnyside Yard in Queens, New York, was conveyed to Amtrak, but only the interests retained by Penn Central in New York Penn Station below an air rights plane were conveyed.

The branch lines are part of the NEC in several contexts, including being subject to capital planning and cost allocation provisions of Section 11306 of FAST and Section 212 of PRIIA, codified at 49 U.S.C. § 24904 and § 24905. Some statutory and other definitions of the NEC also include the New York, NY-Albany, NY line (Hudson Line) and Washington, DC-Richmond, VA line. However, for purposes of accounting and preparation of Amtrak service line plans, FAST defines the NEC as the Washington-Boston main line, and the branch lines as part of the National Network.

### Complex Operations

*The Northeast Corridor has the busiest and most complex operations of any railroad in the Western Hemisphere.*



**2,200 DAILY TRAINS**

SOURCE: AMTRAK



#### NEC Main Line Ownership

- Amtrak
- Metro-North
- ConnDOT
- MBTA

#### THE NORTHEAST CORRIDOR (CONTINUED)

On the NEC main line, Amtrak provides infrastructure access for commuter services provided by seven commuter railroads:

- **Massachusetts Bay Transportation Authority (MBTA)** for operation between the Rhode Island/Massachusetts State Line and Providence, RI, and between Providence and Wickford Junction, RI under contract with the Rhode Island Department of Transportation
- **Shore Line East** commuter rail service between New London, CT and New Haven, CT by Connecticut Department of Transportation
- **Long Island Rail Road** between Harold Interlocking (Queens), NY and New York Penn Station
- **New Jersey Transit (NJT)** between New York Penn Station and Trenton, NJ, and from Frankford Junction, PA to Philadelphia, PA
- **Southeastern Pennsylvania Transportation Authority (SEPTA)** between Trenton, NJ and Newark, DE; service within Delaware is provided under contract with the Delaware Department of Transportation
- **Maryland Area Regional Commuter (MARC)** between Perryville, MD and Washington, DC
- **Virginia Railway Express (VRE)** between Washington Union Station and Virginia Avenue in Washington, DC

These commuter railroads depend upon Amtrak, the infrastructure manager, to maintain infrastructure and ensure reliable operations for their services.



The territory between New Rochelle, NY and the Connecticut border is owned and operated by Metro North Railroad. Connecticut DOT owns the territory from the New York-Connecticut to New Haven, CT, and the MBTA owns the NEC in Massachusetts (known locally as the Attleboro Line.) Station ownership is even more complex. For example, New Jersey Transit owns NEC stations in New Jersey.

Metro-North owns and operates the portion of the NEC main line between New Haven, CT and New Rochelle, NY that is owned by the Connecticut Department of Transportation and New York Metropolitan Transportation Authority (MTA).

More than 260 million passenger trips are made on the NEC main line and branches each year. Over 17.1 million trips annually are made by Amtrak passengers. The balance are made on services operated by the commuter railroads which operate on the NEC. On a daily basis, approximately 820,000 trips are made on the NEC—either on Amtrak or one of the commuter railroads.

In the context of such heavy daily use and its reliance on aging infrastructure, much of the NEC is approaching the limits of its capacity and at the same time needs rehabilitation. Many rail assets need redesign and replacement to provide the capacity needed for a growing population and economy, and to continue to provide safe, reliable, and convenient rail service into the next century and beyond.

The recent events at Penn Station have underscored the need for increased collaboration among Amtrak and the station's commuter railroads—NJT and LIRR—and for acceleration of already planned track renewal work. Amtrak successfully completed the first phase of accelerated scheduled work on a series of major track and switch improvement projects that, once complete, will improve reliability and operations at Penn Station and along the NEC.

While the bulk of the renewal work in calendar year 2018 will occur on weekends, there will be a series of continuous single-track closures within the Station through the end of May, which will require minor modifications to Amtrak and commuter train weekday operations at New York Penn Station. Amtrak is working with NJT and LIRR on an overall service plan that minimizes the impact to all New York Penn Station customers to the greatest extent possible.

Completion of Moynihan Train Hall will allow Amtrak to relocate ticketing, passenger waiting and baggage functions to the Moynihan Building, the former Farley Post Office across the street from Penn Station, enabling the redevelopment of Penn Station's main concourse currently shared by Amtrak and NJT passengers. Amtrak plans to create a new concourse development entity or other structure to seek private sector partners to handle concourse operations, maintenance and improvements, and is inviting NJT and LIRR to join in this initiative.



## THE NATIONAL NETWORK

Amtrak owns the 104-mile Keystone Corridor from Philadelphia, PA to Harrisburg, PA and the 60-mile Springfield Line from New Haven CT to Springfield, MA, and has a long-term lease with CSX for the Hudson Line between Poughkeepsie, NY and Schenectady, NY (and owns outright two short segments of the Hudson Line in New York City and the Schenectady area).

In the Midwest, Amtrak owns 95 miles of right-of-way and infrastructure between Porter, IN and Kalamazoo, MI (Michigan Line), and Chicago Union Station and adjacent trackage. Chicago Union Station is the hub of Amtrak's National Network.

Amtrak owns three heavy maintenance facilities and other smaller maintenance facilities.

On the National Network, Amtrak provides infrastructure access to eight freight railroads and the following commuter rail agencies:

- **SEPTA** for operation on the Keystone Corridor between Philadelphia and Thorndale, PA
- Connecticut Department of Transportation for **CTrail** service on the Springfield Line
- **Metra** for access to Chicago Union Station and adjacent terminal trackage

## Customer Analysis

IASL's primary external customers are commuter and freight railroads. It also provides services for the three Amtrak train service lines: NEC, State-Supported and Long Distance, which have different service and infrastructure requirements than external partners. Ultimately, IASL's customers are the Amtrak and commuter rail passengers, and freight shippers, who depend upon IASL to provide reliable and safe infrastructure and services to freight operators entrusted with their shipments. Other institutional customers include third parties such as states and localities that seek to use Amtrak's infrastructure or engage in capital projects or other activities that affect Amtrak's infrastructure temporarily or over an extended period.

## Competitive Advantage

As a provider of access to passenger and freight railroad operators, IASL's role is to optimize and enhance the competitiveness of Amtrak, commuter and freight rail services that rely upon Amtrak infrastructure.

The NEC—Amtrak's primary infrastructure asset—has geographic advantages stemming from its location in a growing region that accounts for a significant share of U.S. commercial activity, as well as competitive advantages created by its high volume, high speed main line serving central business districts and ports that enables NEC rail operators to exploit the advantages rail transportation offers compared to other modes.

The number of passenger trips on the NEC is projected to reach over a half billion—almost twice as many as today—by 2040. As the popularity of rail travel soars, Amtrak and our NEC partners are challenged to ensure that the NEC can meet the demand for new capacity on this critical infrastructure asset, portions of which date back a century, and continue to deliver safe, reliable and convenient service.





## FY 2017 Performance

IASL continues to work with its NEC partners on adhering to requirements of the PRIIA Policy Section 212 including improving capital program delivery and reporting.

In June, 2017, Amtrak and MBTA executed a new access agreement that is compliant with Section 212, and provides for Amtrak's continued performance of maintenance of way and dispatching services on this MBTA-owned infrastructure. Amtrak has provided these maintenance and dispatching services at no charge to MBTA since 2003, under an agreement reached to allow Amtrak to have a greater degree of control in coordination with the recently introduced *Acela Express* service. That agreement was not compliant with Section 212's prohibition against cross-subsidization, as MBTA was not paying its fully allocated share of the operating and capital costs. Under the new agreement, MBTA is responsible for managing the Attleboro Line, and Amtrak pays MBTA for Amtrak's fully allocated share of the operating and capital costs. Amtrak will continue to work closely with MBTA in developing operating and capital plans, as a major user of the Attleboro Line, and also as an experienced manager of the line in the immediate past.

## Initiatives and Measures (FY 2019–FY 2023)

Initiative	Summary	Strategic Linkages		
		Supports Strategic Pillars	Asset Lines Impacted	Impacts Key Business Measures
<b>Gateway Program Development</b>	Advance design and engineering work on elements of Amtrak's program of projects to maintain and expand service on the NEC.	<ul style="list-style-type: none"> <li>• Assets</li> <li>• Strategy</li> <li>• Financial Stewardship</li> </ul>	<ul style="list-style-type: none"> <li>• Infrastructure</li> </ul>	<ul style="list-style-type: none"> <li>• Revenue</li> <li>• Ridership</li> </ul>
<b>Major Project Funding Commitments</b>	Establish financial sources and uses for B&P Tunnel and Susquehanna Rail River Bridge.	<ul style="list-style-type: none"> <li>• Assets</li> </ul>	<ul style="list-style-type: none"> <li>• Infrastructure</li> </ul>	<ul style="list-style-type: none"> <li>• Revenue</li> <li>• Ridership</li> </ul>
<b>Building Partnerships for Planning and Investment</b>	Work with partners to implement fair cost sharing agreements for asset use and future investment.	<ul style="list-style-type: none"> <li>• Assets</li> <li>• Financial Stewardship</li> </ul>	<ul style="list-style-type: none"> <li>• Infrastructure</li> </ul>	<ul style="list-style-type: none"> <li>• Revenue</li> <li>• Ridership</li> </ul>
<b>Slot Fee Structure</b>	Develop pricing structure for new rights of access.	<ul style="list-style-type: none"> <li>• Assets</li> <li>• Strategy</li> <li>• Financial Stewardship</li> </ul>	<ul style="list-style-type: none"> <li>• Transportation</li> <li>• Infrastructure</li> </ul>	<ul style="list-style-type: none"> <li>• Revenue</li> </ul>
<b>Asset Management</b>	Use updated asset data drive investment decisions and update data that underlies the Section 212 cost allocation model.	<ul style="list-style-type: none"> <li>• Assets</li> <li>• Financial Stewardship</li> </ul>	<ul style="list-style-type: none"> <li>• Infrastructure</li> </ul>	<ul style="list-style-type: none"> <li>• Revenue</li> </ul>



## PRIMARY INITIATIVES

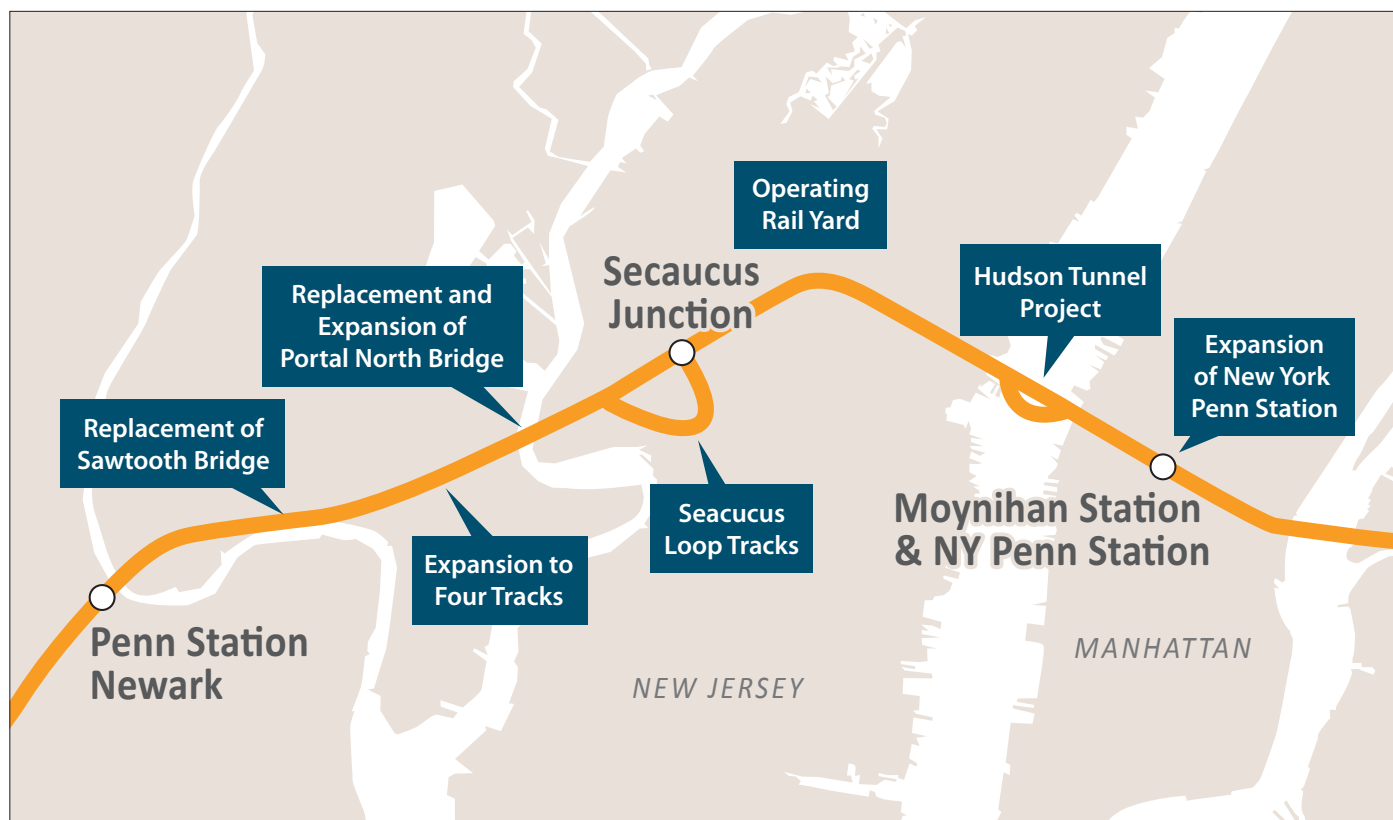
### *Advance Gateway Program Development*

The Gateway Program is Amtrak's highest infrastructure investment priority and one of the most urgent infrastructure programs in America. Focused on preservation and expansion of service on the busiest stretch of the Northeast Corridor (the 10 miles between Newark, New Jersey and New York Penn Station), Gateway is a series of projects that will build critical resiliency into the NEC and expand capacity to support an approximate doubling of service across the Hudson River.

Recent infrastructure failures at Penn Station have disrupted regional travel and highlighted the acute need for the Gateway Program to ensure viability of NEC operations. Approximately 200,000 daily commuter and intercity trips between New York and points west and south are at increased risk without committed action and investment. Given the NEC's importance to the national economy, the nation cannot afford inaction—Building the Gateway Program is truly of national significance.

In 2017, the Program took major steps forward. The Gateway Program Development Corporation (GDC), New Jersey-based non-profit dedicated to funding, financing, and delivering the program, began operations. Working together under the GDC, the Gateway partners—representing Amtrak and the States of New York and New Jersey—successfully submitted and continue to refine funding applications under the Federal Transit Administration's (FTA) New Starts and Core Capacity Capital Investment Grant (CIG) programs for the Hudson Tunnel and Portal North Bridge Projects.

### The Gateway Program Summary Map





## PRIMARY INITIATIVES (CONTINUED)

The Hudson Tunnel Project is advancing through an expedited environmental review process on target for completion this spring. The GDC received a robust response to a Request for Information issued this past summer to engage private sector and industry experts on funding, finance, risk allocation, contract packaging and project delivery methods. These responses are helping inform the procurement and project delivery strategies for the project.

Early construction activities including utility relocation and finger pier construction are now underway on the Portal North Bridge Project. The project will replace a century-old swing bridge with a fixed span twice as high over the river, allowing marine traffic to pass underneath without having to open and close. The project will increase reliability and permit higher speeds, allowing an increase in capacity for NJT trains. Local funding commitments are now in place for the project and project sponsor, NJT, is seeking federal funding through the FTA'S CIG programs, which would permit construction contracts to be let and work begin.

Later projects envisioned in the Gateway Program include expansion of New York Penn Station to accommodate an approximate doubling of rail traffic from the west, and construction of the Bergen/Secaucus Loop. The loop tracks will connect the Metro-North Port Jervis Line and NJT Main/Bergen and Pascack Valley line services directly to the Northeast Corridor, creating a one-seat ride to New York Penn Station and radically reshaping the commuting experience for thousands of daily riders. Other projects include replacement of the Sawtooth Bridge and construction of a new, two-track Portal South Bridge to complement the new Portal North Bridge described above.

Amtrak has included approximately \$178 million in our FY 2018 capital budget to advance Gateway projects. Between FY2019 and FY2023, program costs are expected to range between \$2.2 billion to \$3.4 billion annually with Amtrak's share for most projects at 10 to 20 percent of these total amounts. A formal benefit-cost analysis of the Gateway Program undertaken by Amtrak recently determined that every dollar spent returns nearly four dollars of value to the region.

*Above: An Amtrak train, led by an ACS-64 locomotive, exits the north tube of the North River Tunnel.*



## Obtain Funding Commitments for B&P Tunnel and Susquehanna Rail River Bridge

### B&P Tunnel

Built just after the Civil War in 1873, the B&P Tunnel is one of the oldest infrastructure assets along the NEC. The tunnel is critical to Amtrak, MARC commuter and local Norfolk Southern Railway (NS) freight operations that support states throughout the region. It is a major chokepoint along the NEC as train volume is constricted and the tunnel's tight curvature requires trains to reduce speeds to 30 mph. These limitations have impeded overall efforts to improve capacity and trip times along the NEC.

In 2010, the Maryland Department of Transportation (MDOT) was awarded \$60 million in funds provided by the Federal Railroad Administration's (FRA) High-Speed and Intercity Passenger Rail Program (HSIPR) funded by the American Recovery and Reinvestment Act of 2009 for preliminary engineering and environmental review. FRA and MDOT have managed the Environmental Impact Statement process, while Amtrak is managing the project engineering as the infrastructure owner. The Record of Decision was released in March 2017.

While Amtrak is prepared to continue to fund this project through final design and plans to invest \$76 million through FY 2023, the Company cannot undertake construction of the project until the Maryland Transit Authority or another state entity commits to the allocated share of costs attributable to the MARC commuter service and public transportation use of these new assets.

# 1874

*The B&P Tunnel was built after the Civil War and is approaching the end of its useful life*

# 1/4

*of Amtrak trains must travel through the B&P Tunnel*

# 32%

*of Amtrak ticket revenue is generated from travel through the tunnel*



*A view inside the Baltimore and Potomac (B&P) Tunnel. The two-track tunnel will be replaced by a new tunnel with four tubes that will allow for faster, more reliable and more frequent service.*



## PRIMARY INITIATIVES (CONTINUED)

### ***Susquehanna River Rail Bridge***

This 111-year old, two-track bridge connects Havre de Grace and Perryville, MD, and is used by Amtrak, MARC and Norfolk Southern. As the longest moveable bridge on the NEC, the bridge is a critical and fragile link, and needs to be replaced with a new structure to maintain NEC rail services. This project will also provide future improvements to capacity, trip time, and safety for commuter, freight, and intercity passenger rail services on the NEC, consistent with state and Amtrak plans, and could also improve the navigation channel for marine users.

MDOT received an award of \$22 million through a cooperative agreement between FRA and MDOT for the preliminary engineering and environmental phases of the Susquehanna River Rail Bridge Project. FRA, MDOT, the Maryland Transit Administration, and Amtrak are working together to study various alternatives to improve this rail crossing along the heavily traveled NEC. The project study began in 2013 with the Preliminary Engineering and the NEPA process was completed in spring 2017. Similar to the B&P Tunnel, a cost-sharing partnership must be developed among the State of Maryland, Norfolk Southern and Amtrak for this critical project to advance into construction.

# 1906

*At 111 years old, the pre-World War I bridge needs replacement*

# 110

*Daily passenger and freight movements cross the bridge*

# 35 mph

*Reduction in speeds required to cross the bridge*



## *Building Partnerships for Planning and Investment*

IASL expects to do the following over the next five years to maintain and build partnerships to improve planning and increase investment.

- Enhance its internal and external partnerships through the NEC Commission and bilateral efforts.
- Implement the Section 212 Policy through bilateral agreements with each of the commuter agencies subject to Section 212. Bilateral agreements with each agency are necessary to implement the Base Capitol Charge (BCC) program that the NEC Commission agreed would comprise the minimum level of annual investment in basic infrastructure activities.
- Secure NEC Commission approval to increase the capital charge level from 80 percent to 100 percent of normalized replacement beginning in FY 2019 by meeting commitments set forth in the Policy. In addition to the BCC program, Amtrak and commuter agencies are expected to enter into agreements to fund other jointly selected projects.
- Establish permanent capital allocation methods for capital investments beyond basic infrastructure.
- Align infrastructure investments with the NEC Commission's plans and member contributions.
- Ensure the federal government appropriates its share of project costs.
- Update Amtrak's long term service plans to reflect the NEC FUTURE record of decision, working with the FRA, NEC Commission, commuter authorities and other stakeholders in developing an NEC Service Development Plan.
- Coordinate planning and project construction efforts with other users of the NEC to prioritize work, coordinate service impacts, and schedule track outages in the near and long term.
- Execute an access agreement with Metra that reflects fair cost sharing for Chicago Union Station.

## *Slot Fee Structure*

IASL is developing a slot fee structure for new rights of access on Amtrak-owned NEC infrastructure to ensure that capacity is used efficiently and that decisions to add new trains take long-term service plans into consideration.

## *Asset Management*

Asset management comprises all systems, methods, procedures, and tools to optimize costs, performance and risks for the complete rail infrastructure life cycle. The aim is to realize the best "value for money." These improvements should address all infrastructure activities (building, maintenance and renewal, including equipment and materials) over the whole life cycle as well as the consequences of these activities for Amtrak as owner and for its partners as users.

Amtrak's Engineering department recently completed an asset management plan addressing procedures and technology solutions necessary to implement improved asset management processes relating to infrastructure. IASL will work closely with Engineering to develop more accurate data to update the NEC baseline capital charge calculation.

*Many key assets are over 100 years old and disruptions already cost the economy \$500 million per year in lost productivity.*

## **Environmental Factors**

There are several environmental factors that impact IASL's ability to deliver on its mission. These include:

- **Infrastructure Condition:** Unplanned outages from infrastructure failures.
- **Legislative and Regulatory:** Conflicting regulations among U.S. DOT modal administrations.
- **Severe Weather Conditions:** Severe weather conditions, including hurricanes, floods, and other natural disasters, may cause significant interruption of service and result in loss of revenue, increased costs and liabilities.
- **Terrorism:** Any terrorist attack, or other similar event, could cause significant interruption of service and adverse effects.
- **Accidents:** Accidents may cause significant interruption of service and result in loss of revenue, increased costs and liabilities, and other adverse effects.
- **Resources** for staffing, training, infrastructure investment and track outages
- **IT and Planning** (linking infrastructure investment priorities to goals and information about condition of assets and relationship to train delays, ridership, revenues and partner satisfaction)
- **Human failure**

## **Key Strategic Issues**

### **Asset condition and capacity**

- As illustrated by the critical infrastructure issues at New York Penn Station, deteriorated asset conditions and inadequate track, station and tunnel capacity threaten current performance and future growth.
- Based on the best available high-level assessment, the NEC State of Good Repair (SOGR) backlog is estimated to be \$38 billion, with no long-term and stable funding program yet available to fund the majority of these costs.
- Due primarily to growth in commuter rail operations, many of the most critical Amtrak-owned NEC infrastructure assets—particularly New York Penn Station and the adjacent Hudson River Tunnels, and Washington Union Station—have grossly inadequate capacity to handle current levels of trains and passengers, let alone future growth.
- Amtrak's premier National Network asset, Chicago Union Station, has also experienced large increases in passengers and commuter trains that have produced severe overcrowding, and requires substantial investment to increase station and track capacity and fulfill its potential to become a world-class transportation facility.



## KEY STRATEGIC ISSUES (CONTINUED)

### *Available funding*

- No reliable, dedicated federal funding is available to address SOGR backlog and improvements. To date, since the enactment of the FAST Act, only modest amounts through discretionary competitive grant programs have been available to Amtrak for NEC investments.
- The BCCs that all NEC passenger rail operators are required to pay do not fully fund normalized replacement of basic infrastructure, let alone necessary rehabilitation and improvement projects.
- Additional state/commuter agency funding will also be needed to advance joint benefit projects beyond normalized replacement funded with BCCs.

### *Managing shared assets*

- Different needs for different users (e.g., commuter trains are slower and stop frequently) make scheduling difficult, and deadhead positioning moves of empty commuter trains consume valuable capacity (e.g. NJT to/from Sunnyside Yard), as do mid-day train storage needs for commuter railroads (e.g., MARC and VRE in Washington Terminal).
- Major stations (e.g., Chicago Union Station) are primarily used by commuters.
- Many station assets are owned or controlled by others and such owners may have broader interests than serving Amtrak (and in some cases commuter rail) passengers. A few examples: (1) Washington Union Station is owned by Union Station Redevelopment Corporation, and other users include Metro passengers, public and private bus passengers, retail, and office space. (2) At Penn Station New York, LIRR, Amtrak, and NJT each control different areas, and some areas have shared control. (3) Shared use stations in New Jersey are generally owned by NJT, though Amtrak remains responsible for track maintenance and in some cases station platforms.
- Challenges in managing and displaying information in a useful format make it difficult to link capital planning with service goals.

### *Resource availability, including track time and trained workforce*

- Retaining a qualified workforce is a challenge.
- Specialized equipment or materials can take a long time to procure.
- Available time for infrastructure maintenance, renewal and improvement must be balanced against the needs of existing services.

### *Maintenance Windows and Service Curtailments*

The riding public, elected officials and commuters may oppose temporary measures that curtail service to permit infrastructure maintenance and renewals. Performing maintenance, recapitalization and improvement activities without affecting service is a balancing act that is more efficient when engineering forces have longer maintenance windows. Working in between trains makes such work more expensive and time-consuming compared to modifying schedules or curtailing service to provide extended track outages. The recent success of the first phase of Infrastructure Renewal at Penn Station demonstrates how much more efficiently work can be completed when given longer maintenance windows.

### *Governance*

Intercity and commuter rail are governed by different statutory, regulatory and funding schemes overseen by different federal agencies: FRA and the FTA. This means there is not a single process or point of contact at the federal level when projects involving multiple participants are proposed. This fragmented approach makes it challenging to implement jointly funded projects. The NEC Commission has identified the numerous intercity/commuter regulatory conflicts relating to grant agreement (“flowdown”) provisions, Buy America requirements, environmental review of projects, the application to various participants the costs and responsibility for complying with certain labor regulations and disaster relief. Through Amtrak’s Commission membership, the IASL is engaged with the Commission’s work to harmonize these federal requirements which have the greatest effect in the NEC given its proliferation of shared infrastructure and operations.

# Profit & Loss Analysis

## Infrastructure Access Service Line (FY 2018–FY 2023)

(\$s in Thousands)	FY 2018	FY 2019	FY2020	FY 2021	FY 2022	FY 2023	Total
<b>Financial Sources:</b>							
Passenger Related Revenue							
Ticket Revenue (Adjusted)	-	-	-	-	-	-	-
Charter/Special Trains	-	-	-	-	-	-	-
Food and Beverage	-	-	-	-	-	-	-
Contractual Contribution (Operating)							
PRIIA 209 Operating Payments	-	-	-	-	-	-	-
PRIIA 212 Operating Payments	134,535	137,225	139,970	142,769	145,625	148,537	848,660
Commuter Operations	-	-	-	-	-	-	-
Reimbursable Contracts	17,445	17,794	18,150	18,513	18,883	19,261	110,045
Access Revenue	77,305	78,852	80,429	82,037	83,678	85,351	487,652
Commercial Revenue (incl. Pipe/Wire, Real Estate, Parking)	-	-	-	-	-	-	-
All Other Revenue (incl. Insurance Revenue, Cobranded Commissions)	212	216	220	225	229	234	1,336
<b>Operating Sources Subtotal</b>	<b>229,497</b>	<b>234,087</b>	<b>238,769</b>	<b>243,544</b>	<b>248,415</b>	<b>253,383</b>	<b>1,447,694</b>
Contractual Contribution (Capital)							
PRIIA 209 Capital Payments	-	-	-	-	-	-	-
PRIIA 212 Capital Payments	147,260	193,949	198,472	192,681	207,067	211,208	1,150,637
Other State/Local Mutual Benefit	113,344	34,663	26,797	97,679	179,886	153,339	605,708
Financing Proceeds Applied	-	-	-	-	-	-	-
Other Capital and Special Grants (incl., state/local sources)	-	-	-	-	-	-	-
<b>Capital Sources Subtotal</b>	<b>260,605</b>	<b>228,613</b>	<b>225,268</b>	<b>290,360</b>	<b>386,953</b>	<b>364,547</b>	<b>1,756,345</b>
Federal Grants to Amtrak							
Prior Year Carryover Capital Grant Funds	89,233	-	-	-	-	-	89,233
Current Year FAST Sec 11101 Grants							
Operating	4,042	38,922	38,548	39,079	37,584	36,454	194,630
Capital	313,400	484,794	556,500	690,875	769,364	729,774	3,544,706
Other Federal Grants (incl., FRA/OST, FTA, DHS)	1,923	463	-	-	-	-	2,386
<b>Federal Grants to Amtrak Subtotal</b>	<b>408,598</b>	<b>524,180</b>	<b>595,048</b>	<b>729,954</b>	<b>806,948</b>	<b>766,228</b>	<b>3,830,956</b>
<b>Total Financial Sources</b>	<b>898,699</b>	<b>986,880</b>	<b>1,059,085</b>	<b>1,263,857</b>	<b>1,442,316</b>	<b>1,384,158</b>	<b>7,034,995</b>
<b>Financial Uses (Operating):</b>							
Service Line Management	172	172	175	179	177	176	1,050
Transportation	63,481	67,713	69,969	71,614	75,004	77,749	425,530
Equipment	15,651	15,705	16,002	16,358	16,254	16,237	96,207
Infrastructure	88,772	90,226	91,540	93,472	92,399	91,901	548,309
Stations	17,712	17,768	18,093	18,492	18,363	18,332	108,760
National Assets and Corporate Services	88,464	88,495	89,619	91,466	90,210	89,552	537,806
<b>Total Operating Uses</b>	<b>274,252</b>	<b>280,079</b>	<b>285,398</b>	<b>291,581</b>	<b>292,406</b>	<b>293,947</b>	<b>1,717,662</b>
<b>Operating Surplus/Deficit</b> <i>(Operating Sources - Operating Uses)</i>	<b>(44,755)</b>	<b>(45,993)</b>	<b>(46,629)</b>	<b>(48,037)</b>	<b>(43,992)</b>	<b>(40,563)</b>	<b>(269,968)</b>
<b>Financial Uses (Debt Service Payments):</b>							
RRIF debt repayments	-	-	-	-	-	-	-
<b>Total Debt Service Payments</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Available for Capital Uses</b> <i>(Capital Sources + Federal Grants to Amtrak + Operating Surplus/Deficit - Debt Service Payments)</i>	<b>624,448</b>	<b>706,800</b>	<b>773,687</b>	<b>972,277</b>	<b>1,149,909</b>	<b>1,090,211</b>	<b>5,317,333</b>
<b>Financial Uses (Capital):</b>							
Service Line Management	39,019	44,092	5,882	-	-	-	88,993
Transportation	51,627	13,995	9,150	10,802	9,657	9,657	104,888
Equipment	30,409	34,923	44,915	80,859	34,490	34,640	260,237
Infrastructure	404,320	325,060	411,845	522,006	695,187	646,953	3,005,372
Stations	49,087	73,576	119,567	116,806	79,622	86,946	525,604
National Assets and Corporate Services	851	-	-	885	-	-	1,736
<b>Capital Expenditures</b>	<b>575,313</b>	<b>491,647</b>	<b>591,360</b>	<b>731,358</b>	<b>818,956</b>	<b>778,197</b>	<b>3,986,830</b>
Legacy Debt Repayments	7,124	7,030	6,963	6,898	4,820	2,779	35,615
<b>Total Capital Uses</b>	<b>582,437</b>	<b>498,677</b>	<b>598,322</b>	<b>738,255</b>	<b>823,777</b>	<b>780,976</b>	<b>4,022,444</b>
<b>Remaining Carryover Balance</b>	<b>\$ 42,011</b>	<b>\$ 208,123</b>	<b>\$ 175,365</b>	<b>\$ 234,021</b>	<b>\$ 326,133</b>	<b>\$ 309,235</b>	<b>\$ 1,294,888</b>



# *Ancillary Service Line Overview*





## Ancillary Service Line Overview

The following functions comprise Amtrak's Ancillary Service Line (ASL):

### *Amtrak Services*

Manages Amtrak's provision of services at market-based prices to commuter rail authorities and commercial entities. It also seeks to develop business partnerships that can be leveraged to grow Amtrak's own ridership and revenues.

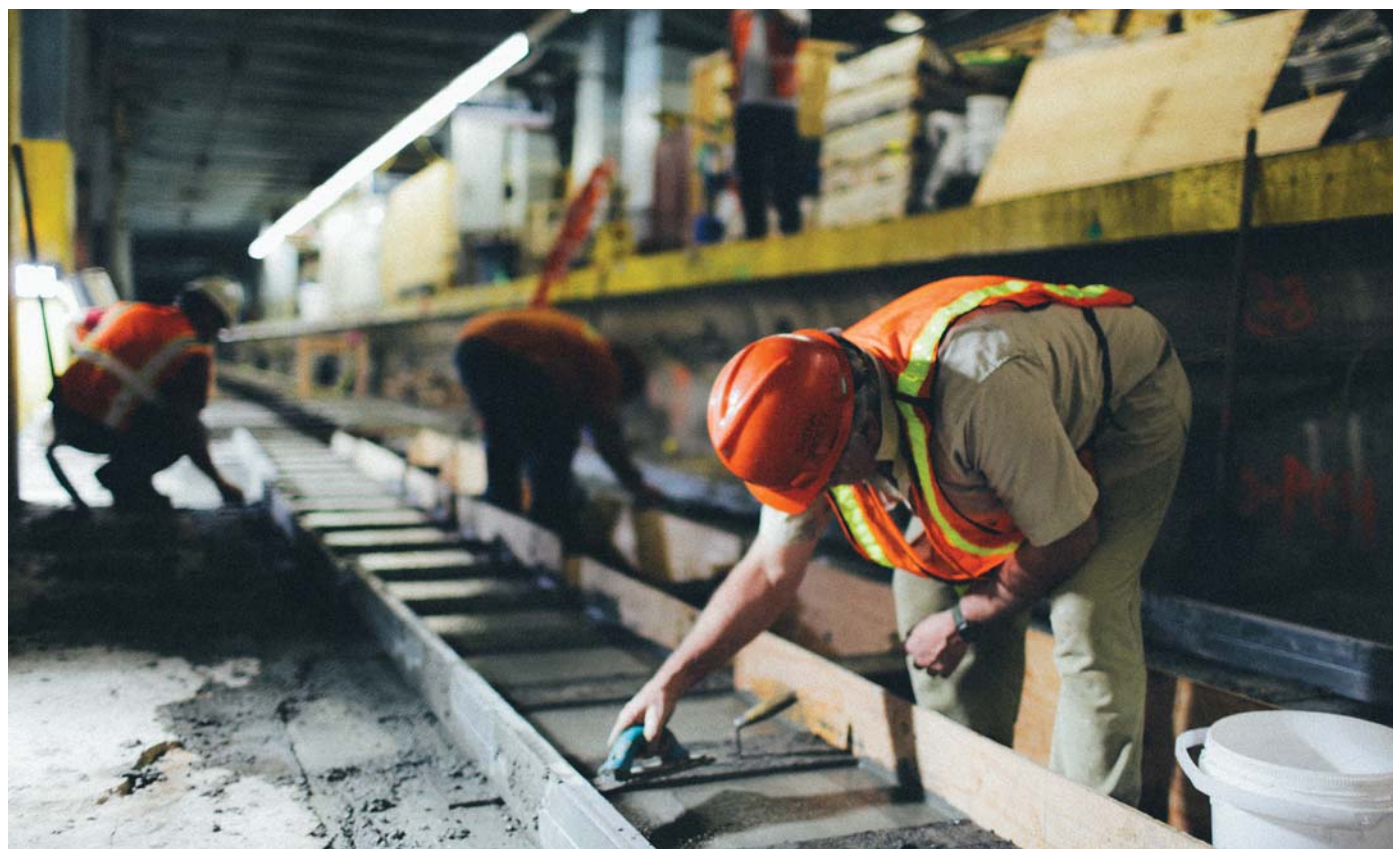
### *Reimbursable services*

Provides maintenance, engineering, capital improvement, and other activities for freight and commuter operators, and other outside enterprises on a reimbursable cost basis for services not governed by the state supported service costing methodology developed under section 209 of the Passenger Rail Investment and Improvement Act of 2008 (PRIIA).

### *Real estate and commercial services*

Engages in real estate activities and/or commercial arrangements with public and private sector entities to leverage Amtrak-owned fixed assets.

*Amtrak's Ancillary Service Line engages in activities both on the NEC and across the U.S. Thus, the financial sources and uses of this Service Line are assigned appropriately between the NEC Account and the National Network Account.*



# Profit & Loss Analysis

## Ancillary Service Line (FY 2018–FY 2023)

(\$s in Thousands)	FY 2018	FY 2019	FY2020	FY 2021	FY 2022	FY 2023	Total
<b>Financial Sources:</b>							
Passenger Related Revenue							
Ticket Revenue (Adjusted)	9,990	-	-	-	-	-	9,990
Charter/Special Trains	-	-	-	-	-	-	-
Food and Beverage	-	-	-	-	-	-	-
Contractual Contribution (Operating)							
PRIIA 209 Operating Payments	-	-	-	-	-	-	-
PRIIA 212 Operating Payments	-	-	-	-	-	-	-
Commuter Operations	120,590	123,001	125,461	127,971	130,530	133,141	760,694
Reimbursable Contracts	139,983	148,795	154,506	162,719	175,453	186,574	968,029
Access Revenue	-	-	-	-	-	-	-
Commercial Revenue (incl. Pipe/Wire, Real Estate, Parking)	87,675	89,429	91,218	93,042	104,382	114,081	579,827
All Other Revenue (incl. Insurance Revenue, Cobranded Commissions)	7,368	7,515	7,665	7,818	7,975	8,134	46,475
<b>Operating Sources Subtotal</b>	<b>365,605</b>	<b>368,740</b>	<b>378,850</b>	<b>391,550</b>	<b>418,340</b>	<b>441,930</b>	<b>2,365,015</b>
Contractual Contribution (Capital)							
PRIIA 209 Capital Payments	-	-	-	-	-	-	-
PRIIA 212 Capital Payments	-	-	-	-	-	-	-
Other State/Local Mutual Benefit	-	-	-	-	-	-	-
Financing Proceeds Applied	-	-	-	-	-	-	-
Other Capital and Special Grants (incl., state/local sources)	-	-	-	-	-	-	-
<b>Capital Sources Subtotal</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Federal Grants to Amtrak							
Prior Year Carryover Capital Grant Funds	-	-	-	-	-	-	-
Current Year FAST Sec 11101 Grants	-	-	-	-	-	-	-
Operating	-	-	-	-	-	-	-
Capital	-	-	-	-	-	-	-
Other Federal Grants (incl., FRA/OST, FTA, DHS)	-	-	-	-	-	-	-
<b>Federal Grants to Amtrak Subtotal</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Financial Sources</b>	<b>365,605</b>	<b>368,740</b>	<b>378,850</b>	<b>391,550</b>	<b>418,340</b>	<b>441,930</b>	<b>2,365,015</b>
<b>Financial Uses (Operating):</b>							
Service Line Management	563	559	559	569	552	540	3,342
Transportation	73,144	75,662	76,802	78,203	81,774	85,066	470,651
Equipment	42,171	42,205	42,778	43,670	44,712	45,946	261,481
Infrastructure	133,053	131,402	134,980	141,396	152,007	162,271	855,110
Stations	827	829	844	862	911	960	5,233
National Assets and Corporate Services	73,226	73,069	73,723	75,172	82,705	88,092	465,986
<b>Total Operating Uses</b>	<b>322,984</b>	<b>323,727</b>	<b>329,687</b>	<b>339,871</b>	<b>362,661</b>	<b>382,875</b>	<b>2,061,804</b>
<b>Operating Surplus/Deficit</b> (Operating Sources - Operating Uses)	<b>42,622</b>	<b>45,013</b>	<b>49,163</b>	<b>51,679</b>	<b>55,679</b>	<b>59,055</b>	<b>303,211</b>
<b>Financial Uses (Debt Service Payments):</b>							
RRIF debt repayments	-	-	-	-	-	-	-
<b>Total Debt Service Payments</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Available for Capital Uses</b> (Capital Sources + Federal Grants to Amtrak + Operating Surplus/Deficit - Debt Service Payments)	<b>42,622</b>	<b>45,013</b>	<b>49,163</b>	<b>51,679</b>	<b>55,679</b>	<b>59,055</b>	<b>303,211</b>
<b>Financial Uses (Capital):</b>							
Service Line Management	-	-	-	-	-	-	-
Transportation	-	-	-	-	-	-	-
Equipment	-	-	-	-	-	-	-
Infrastructure	-	-	-	-	-	-	-
Stations	775	-	-	-	-	-	775
National Assets and Corporate Services	-	-	-	-	-	-	-
<b>Capital Expenditures</b>	<b>775</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>775</b>
Legacy Debt Repayments	2,846	2,790	3,767	4,973	4,976	4,973	24,325
<b>Total Capital Uses</b>	<b>3,621</b>	<b>2,790</b>	<b>3,767</b>	<b>4,973</b>	<b>4,976</b>	<b>4,973</b>	<b>25,100</b>
<b>Remaining Carryover Balance</b>	<b>\$ 39,000</b>	<b>\$ 42,223</b>	<b>\$ 45,396</b>	<b>\$ 46,706</b>	<b>\$ 50,703</b>	<b>\$ 54,082</b>	<b>\$ 278,112</b>





# *Ancillary: Amtrak Services*





## ***About the Amtrak Services Service Line***

The objective of the Amtrak Services group is to support Amtrak's strategy by identifying, selecting, developing, competing for, and implementing market-based services, projects, programs and initiatives that: (1) Provide additional positive contribution to Amtrak; (2) Provide clear strategic value for Amtrak; and (3) Do not distract from or impede Amtrak's core activities.

Amtrak Services works closely with other Amtrak departments to achieve these outcomes. In addition to a small dedicated staff, we use the "eyes and ears" of existing Amtrak personnel who interact with potential customers, including the Service Lines, Government Affairs, Mechanical, and Transportation to help identify opportunities. Amtrak Services works with additional internal Amtrak departments including Finance, Information Technology, Marketing, Labor Relations, and Law to further develop and vet opportunities. When opportunities are pursued and new business is won, Amtrak's functional departments deliver the service, while Amtrak Services manages the P&L where appropriate and seeks additional business opportunities with the customer or in the market.

Amtrak Services was created at the beginning of 2017. The group resides in Amtrak's new Product Development and Customer Experience department within the Commercial group. It manages Amtrak's provision of services at market-based prices to commuter rail authorities and commercial entities. It also seeks to develop business partnerships that can be leveraged to grow Amtrak's own ridership and revenues.

Historically, Amtrak has sought such contract services work in an ad hoc way, sometimes hampered by inefficiencies due to pursuing each opportunity as a one-off event. The Amtrak Services function seeks to mitigate these barriers, and to provide a place that creates, receives, evaluates, and drives to completion ideas that may not have been previously pursued due to lack of an organizational home within Amtrak.

### **BENEFITS TO AMTRAK**

#### ***Financial***

Create positive cash flow to assist in offsetting Amtrak fixed and overhead costs.

#### ***Strategic***

Position Amtrak as a viable, market-based rail operator.

#### ***Build the Brand***

Strengthen Amtrak's market orientation by creating products and services that external customers want to buy. Create confidence within Amtrak based on competing for and winning new business.

#### ***Customer Service***

Build partnerships that will enhance the customer experience, build ridership, and improve our financial performance.





## ***Market Overview***

### ***Commuter Train Contract Services***

Amtrak provides services such as train and engine crews to commuter rail authorities on a market-based contract basis (Commuter rail authorities' access to Amtrak infrastructure is managed separately by the Infrastructure Access group). The delivery of contract services is executed by the local Amtrak Operations teams in each region.

### ***Non-Commuter Train Operations***

Amtrak can provide rail operations services in conjunction with non-traditional sponsors or funders, as well as services for transit customers such as light rail or subway systems.

### ***Business Partnerships***

Amtrak has developed systems that may be valuable to other passenger transportation operators, either as separate projects or in combination with other Amtrak services. Examples include multimodal journey planning, ticket sales and train delay reporting systems.






## Competitive Analysis and Advantage

Amtrak Services competes in a range of markets, from competitive to sole-source. We adapt our approach and pricing to the market to achieve the best deals that can be cut with partners and vendors in various circumstances.

A competitive analysis of the commuter market is provided as an example:

1. The conventional rail operating model of a single integrated system run by long-term agency employees is not expanding. With the exception of Utah Transit and SMART, every new commuter system which has begun service since the early 1990s has contracted out the traditional railroad work disciplines.
2. When establishing new commuter operations, Amtrak was chosen in many cases as the initial provider to set up the service and ensure that it was operated safely, and in a manner that met all of FRA's regulatory requirements.
3. Our strategy going forward should embrace both geographic locations where our natural economies of scale can be most effectively applied, and business opportunities where a provider is looking for an operator whose competence and experience make them a strong partner for service expansion or improvement.
4. Commuter contracts may provide us with an opportunity to develop other business with our customers, who could potentially come to us in search of operational, mechanical, or engineering expertise.
5. Most transit systems must comply with FRA requirements in some form, which creates an opportunity for Amtrak to offer our knowledge of compliance and expertise to agencies.

### Commuter Customers of Amtrak Services

					
Agency	Southern California Regional Rail Authority (Los Angeles, CA)	Maryland Transit Administration (Baltimore, MD)	Connecticut Department of Transportation (New Haven, CT)	Sound Transit (Seattle, WA)	Central Florida Commuter Rail Commission (Orlando, FL)
Amtrak Services	Train Operations	Train Operations, Maintenance of Equipment	Train Operations, Maintenance of Equipment	Maintenance of Equipment	Maintenance of Equipment
System Route Miles	409	77	50	82	32
Number of Trains	171 weekday; 48 Saturday; 42 Sunday	57 weekday; 18 Saturday; 12 Sunday	36 weekday; 22 Saturday/ Sunday	34 weekday	36 weekday
Annual Riders	11.5M	6.2M	585,218	4.2M	910,000
Stations	59	13	9 (Not including Metro-North Railroad Segment)	12	12





## Capabilities

Amtrak has nationwide in-house expertise in nearly all dimensions of operating a North American passenger railroad.

We have resources such as train and engine crews, maintenance facilities, and supervision already in place in most major cities. We have 46 years of experience operating intercity passenger trains nationwide, along with decades of experience providing contract commuter operations (currently Metrolink, Shore Line East, and MARC's Penn Line). We operate over and are trusted by nearly thirty host railroads nationwide, and have a strong reputation for standing by our payment and indemnification commitments.

Amtrak maintains a unique set of key resources necessary for the efficient and effective operation of rail services, including planning, training, mechanical, safety, security, environmental, strategy, operational and infrastructure engineering resources.

Amtrak train and engine crews operating Amtrak's own trains, or operating trains where Amtrak provides crews on a contract basis, are trained in our world-class training facility, which includes providing the opportunity to refine their skills with up-to-date simulator technology before going out under qualified supervision to complete their training on the job.

We are also one of the nation's centers of knowledge and excellence in passenger equipment maintenance. We keep a fleet of more than 1,500 cars and 400 diesel and electric locomotives rolling to support our daily scheduled intercity trains. No other potential contractor has maintained equipment in the United States for as long as we have, and no potential contractor maintains a U.S. fleet near the size of Amtrak's fleet. We also have experience with a wide range of equipment types and manufacturers. We perform services ranging from daily running repairs, periodic maintenance and inspections, all the way to major overhauls and rebuilding and remanufacturing wreck-damaged cars and locomotives. Key component systems that are supported by the Mechanical operation include wheel maintenance, air brake services, electronic testing and maintenance and truck repair and overhaul, which comply with all applicable AAR Recommended Practices and federal regulations.

We have some of the nation's foremost experts on passenger equipment design, maintenance, and operation, with extensive experience in design, construction, remanufacturing and commissioning, and a particular focus on data-driven "condition based" maintenance programs designed to address issues preemptively, rather than reactively.

Amtrak enjoys a reputation as a competent and reliable train operator, with a deep bench and unique training, plus significant maintenance skills and resources. However, pricing competitively has been a challenge.



## Key Business Drivers and Performance

Amtrak Services seeks to pursue opportunities with intention, rather than reacting to potential projects without a strategy. Achieving this requires the following to be accomplished:

- **Continue to develop the organization:** The Amtrak Services group is building the appropriate capacity to find and evaluate opportunities and cultivate relationships with B2B services partners. We are off to a strong start.
- **Develop strategy:** Define Amtrak's strategy for potential markets, rather than chasing one-off opportunities as they arise. Focus activity on growth that generates contribution to Amtrak's bottom line, has a strategic benefit, and does not distract from core Amtrak activities.
- **Pursue opportunities:** Pursue and win targeted opportunities through competitive and compelling proposals that meet customer needs. In addition, work with existing and potential customers on an ongoing basis to understand their needs and offer our services to their operations
- **Support existing customers:** For existing customers, work with Amtrak functional areas to provide the services customers require to execute their vision, while developing opportunities for Amtrak to meet additional needs.

*We have 46 years of experience operating intercity passenger trains nationwide, along with decades of experience providing contract commuter operations.*

## Organizational Development

Amtrak Services is undertaking the following organizational development activities:

- Conduct a "listening tour" within and beyond Amtrak to understand what Amtrak products and services are potentially available, and which are potentially in demand.
- Create and implement templates and procedures to vet and prioritize business opportunities. Use these to accelerate the "go/no go" decision process to minimize the investment of Amtrak staff time which may be unnecessary if Amtrak elects not to pursue an opportunity.
- Establish financial reporting.
- Identify and address potential barriers within Amtrak such as risk appetite and pricing.
- Build expertise in pro-forma financial analysis.
- Build expertise in targeting new business areas.
- Use the "eyes and ears" of existing Amtrak personnel interacting with potential customers: the Service Lines, Government Affairs, Mechanical, and Transportation. Seek input from these groups on new business opportunities, and develop methods to assimilate any information received.
- Opportunistically review and select to pursue new business opportunities and pilot programs.

## ***Environmental Factors***

Environmental factors both outside and inside of Amtrak play a role in Amtrak Services.

### **EXTERNAL**

Entrenched competitors exist in each potential market with resources and market presence that generally exceed what Amtrak has available, at least initially. Some competitors, particularly in the commuter services area but potentially also in other areas, appear willing to price below their cost or take significant risks in areas such as liability to establish or defend their positions in the marketplace.

Commuter operations by their nature operate at a financial loss, which when combined with state and local funding pressures drives commuter agencies to economize, pursuing lower costs and pushing risk onto contractors. This can make it difficult for Amtrak to meet its goal of increasing contribution to fixed costs while operating in this market.

### **INTERNAL**

#### ***Capacity (2 Types of Issues)***

1. The bandwidth available to develop strategies and actively pursue new business, including the effort required from across Amtrak to respond to each potential business opportunity and Request for Proposal.
2. The capacity of Amtrak functional areas such as Mechanical, Engineering, and IT to take on additional work in the timeframes required. Subcontracting, licensing, or partnering are options, although they can cut into profits.

#### ***Risk appetite (2 Types of Issues)***

1. Willingness to take on reasonable business liability risks from performing additional work. Amtrak's culture and risk tolerance appetite have historically leaned toward taking on zero or nearly zero additional risk, which can lead to high insurance/mitigation costs or declining to bid.
2. Willingness to take on additional work at competitive costs, timelines, and resource requirements. Amtrak's culture and risk tolerance appetite have historically leaned toward constructing requirements to take on zero or near zero risk of failure to perform, thus increasing the risk of failure to grow.

#### ***Ability to price competitively***

Essential to running Amtrak as a business is market-driven pricing, essentially pricing to what the market will bear. We require pricing that contributes positively to covering Amtrak's costs, but that is also competitive in the marketplace.

#### ***Creativity***

Planning and prioritizing workflows based on past practices may inadvertently underestimate Amtrak's capabilities to do new things. Business to business (B2B) marketing of services is unfamiliar to Amtrak, rather than business to consumer marketing we ordinarily perform.

## Strategic Considerations

Amtrak Services performs a unique role within Amtrak because it is seeking market-based and competitively bid business opportunities. Pricing is based on providing a positive financial contribution at a minimum, and obtaining as much more than that as a particular market will bear. Amtrak Services, in conjunction with Amtrak subject matter experts, also undertakes evaluations such as make versus buy. For example, the routing optimizer in the Multimodal Travel project is likely to be more quickly and cost-effectively acquired through partnership or licensing with external firms who have years of experience, rather than built in-house.

Amtrak Services uses a selection model that evaluates potential projects based on the key criteria of (1) Provide additional positive contribution to Amtrak; (2) Provide clear strategic value for Amtrak; and (3) Do not distract from Amtrak's core activities.

Other considerations for potential projects or target markets include:

- Are investments required to make Amtrak competitive? If so, is public or private seed money available?
- Should Amtrak join with joint venture partner(s)? Are market opportunities large enough to justify this? An attractive ROI is required, along with efforts to establish legal and business frameworks.
- If modifications to work rules, wages, etc. from the agreement workforce are required, can they be agreed upon?
- Will there be opportunities where establishing a subsidiary or joining with partner(s) may be beneficial?
- Understand and adhere to any applicable regulatory/ governmental requirements.
- Can Amtrak develop a way to handle flow-down requirements on work funded by FTA, or can those rules be changed?
- The level of Amtrak Services resources will determine how much time we can spend developing options and bidding more effectively due to deep understanding of markets and relationships established prior to RFPs.





## Initiatives and Measures (FY 2019–FY 2023)

Initiative	Summary	Strategic Linkages		
		Supports Strategic Pillars	Asset Lines Impacted	Impacts Key Business Measures
<b>Multimodal Travel</b>	Provide a platform for trip-planning and fare-purchasing services across multiple transportation modes, including First and Last Mile connectivity.	<ul style="list-style-type: none"> <li>• Customer Impact</li> <li>• Financial Stewardship</li> </ul>	<ul style="list-style-type: none"> <li>• Amtrak Services</li> <li>• National Assets</li> </ul>	<ul style="list-style-type: none"> <li>• Revenue</li> <li>• Ridership</li> </ul>
<b>Maximize Current Businesses</b>	Review and maximize current Amtrak business lines including Thruway services and Charter trains.	<ul style="list-style-type: none"> <li>• Customer Impact</li> <li>• Financial Stewardship</li> </ul>	<ul style="list-style-type: none"> <li>• Amtrak Services</li> <li>• National Assets</li> </ul>	<ul style="list-style-type: none"> <li>• Revenue</li> <li>• Ridership</li> </ul>
<b>New Opportunities for Transportation Service</b>	Evaluate and pursue opportunities to provide transportation services in commuter and non-commuter settings.	<ul style="list-style-type: none"> <li>• Financial Stewardship</li> </ul>	<ul style="list-style-type: none"> <li>• Transportation</li> <li>• Equipment</li> </ul>	<ul style="list-style-type: none"> <li>• Revenue</li> <li>• Ridership</li> </ul>

### PRIMARY INITIATIVES

#### Multimodal Travel

This project allows Amtrak to provide trip-planning and fare-purchasing services across multiple transportation modes in one application. This ability does not exist today in the U.S. This will make it easier to plan a journey including Amtrak and other transportation providers, removing uncertainty over pricing, ticketing, and connectivity among modes that can be a barrier to public transportation.

This project will allow interaction with other carriers' transportation and ticketing systems. These efforts will expand on the current integration between Amtrak Thruway and rail services by adding functionality for commuter rail, transit, ride-sharing and other transportation connections. Amtrak plans to issue a Request for Qualifications (RFQ) soon to vendors, including those who provide this functionality in Europe today, to determine whether and at what cost this type of system can be implemented here. Amtrak Services is also coordinating with states, particularly California and the Northeast Corridor Commission which are pursuing similar multimodal objectives.

#### Thruway and Charter Trains

Amtrak Services has recently taken on management of on-going business lines, specifically Thruway and Charter trains. The Thruway service provides through ticketing between Amtrak trains and Amtrak operated or coordinated busses, and thus aligns with the Multimodal Travel initiative. Charter trains operates train services for customers as diverse as professional sports teams, special interest groups, and the Philadelphia Orchestra. Amtrak Services will review the business processes and economics of this business, along with private cars, and make any necessary adjustments to ensure it is a profitable ancillary service.

#### New Opportunities for Transportation Service

Amtrak Services is exploring partnership opportunities to participate in various activities including the design, consulting, operation, and maintenance of train services. For example, during FY17 Amtrak joined Spanish train operator Renfe's consortium as a subcontractor to provide consulting services for the California High Speed Rail project, potentially leading to future operations. Although the Renfe consortium came in second in the bidding, Amtrak may be able to undertake similar partnerships in the future.

# Profit & Loss Analysis

## Ancillary: Commuter Operations (FY 2018–FY 2023)

(\$s in Thousands)	FY 2018	FY 2019	FY2020	FY 2021	FY 2022	FY 2023	Total
<b>Financial Sources:</b>							
Passenger Related Revenue							
Ticket Revenue (Adjusted)	-	-	-	-	-	-	-
Charter/Special Trains	-	-	-	-	-	-	-
Food and Beverage	-	-	-	-	-	-	-
Contractual Contribution (Operating)							
PRIIA 209 Operating Payments	-	-	-	-	-	-	-
PRIIA 212 Operating Payments	-	-	-	-	-	-	-
Commuter Operations	120,590	123,001	125,461	127,971	130,530	133,141	760,694
Reimbursable Contracts	-	-	-	-	-	-	-
Access Revenue	-	-	-	-	-	-	-
Commercial Revenue (incl. Pipe/Wire, Real Estate, Parking)	-	-	-	-	-	-	-
All Other Revenue (incl. Insurance Revenue, Cobranded Commissions)	-	-	-	-	-	-	-
<b>Operating Sources Subtotal</b>	<b>120,590</b>	<b>123,001</b>	<b>125,461</b>	<b>127,971</b>	<b>130,530</b>	<b>133,141</b>	<b>760,694</b>
Contractual Contribution (Capital)							
PRIIA 209 Capital Payments	-	-	-	-	-	-	-
PRIIA 212 Capital Payments	-	-	-	-	-	-	-
Other State/Local Mutual Benefit	-	-	-	-	-	-	-
Financing Proceeds Applied	-	-	-	-	-	-	-
Other Capital and Special Grants (incl., state/local sources)	-	-	-	-	-	-	-
<b>Capital Sources Subtotal</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Federal Grants to Amtrak							
Prior Year Carryover Capital Grant Funds	-	-	-	-	-	-	-
Current Year FAST Sec 11101 Grants							
Operating	-	-	-	-	-	-	-
Capital	-	-	-	-	-	-	-
Other Federal Grants (incl., FRA/OST, FTA, DHS)	-	-	-	-	-	-	-
<b>Federal Grants to Amtrak Subtotal</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Financial Sources</b>	<b>120,590</b>	<b>123,001</b>	<b>125,461</b>	<b>127,971</b>	<b>130,530</b>	<b>133,141</b>	<b>760,694</b>
<b>Financial Uses (Operating):</b>							
Service Line Management	389	387	388	395	385	378	2,323
Transportation	71,261	73,729	74,849	76,222	79,708	82,925	458,695
Equipment	32,793	32,737	33,016	33,661	33,028	32,646	197,880
Infrastructure	872	875	890	909	902	900	5,347
Stations	368	370	377	385	384	384	2,267
National Assets and Corporate Services	22,956	22,668	22,792	23,219	22,695	22,359	136,689
<b>Total Operating Uses</b>	<b>128,639</b>	<b>130,766</b>	<b>132,312</b>	<b>134,792</b>	<b>137,101</b>	<b>139,591</b>	<b>803,202</b>
<b>Operating Surplus/Deficit</b> <i>(Operating Sources - Operating Uses)</i>	<b>(8,049)</b>	<b>(7,765)</b>	<b>(6,851)</b>	<b>(6,821)</b>	<b>(6,571)</b>	<b>(6,451)</b>	<b>(42,508)</b>
<b>Financial Uses (Debt Service Payments):</b>							
RRIF debt repayments	-	-	-	-	-	-	-
<b>Total Debt Service Payments</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Available for Capital Uses</b> <i>(Capital Sources + Federal Grants to Amtrak + Operating Surplus/Deficit - Debt Service Payments)</i>	<b>(8,049)</b>	<b>(7,765)</b>	<b>(6,851)</b>	<b>(6,821)</b>	<b>(6,571)</b>	<b>(6,451)</b>	<b>(42,508)</b>
<b>Financial Uses (Capital):</b>							
Service Line Management	-	-	-	-	-	-	-
Transportation	-	-	-	-	-	-	-
Equipment	-	-	-	-	-	-	-
Infrastructure	-	-	-	-	-	-	-
Stations	-	-	-	-	-	-	-
National Assets and Corporate Services	-	-	-	-	-	-	-
<b>Capital Expenditures</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Legacy Debt Repayments	-	-	-	-	-	-	-
<b>Total Capital Uses</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Remaining Carryover Balance</b>	<b>\$ (8,049)</b>	<b>\$ (7,765)</b>	<b>\$ (6,851)</b>	<b>\$ (6,821)</b>	<b>\$ (6,571)</b>	<b>\$ (6,451)</b>	<b>\$ (42,508)</b>



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# *Ancillary: Reimbursable*





## About Ancillary: Reimbursable Services

Amtrak performs a variety of services for third parties. While these services are labeled “reimbursable,” the actual financial terms of these efforts are agreed upon with the respective third party on a case-by-case basis.

The organization within Amtrak that has historically performed most reimbursable work is the Engineering department. Because most of the contractual arrangements derive from infrastructure access agreements, there is considerable coordination between the Infrastructure Access Service Line and Engineering. The responsible party at Amtrak for negotiating and managing these efforts is the AVP Infrastructure Access and Investment. The work is often single-sourced to Amtrak based on unique expertise Amtrak may possess or obligation due to Amtrak’s right-of-way and property ownership. In addition, Amtrak also responds to requests for proposals issued by states and public agencies. This plan outlines the current functions provided by Amtrak in more detail, selected ongoing projects, and describes our approach to this type of work.

*Amtrak provides engineering design and construction services on a reimbursable basis on some of the largest transportation projects in the United States.*





## Functions

The Amtrak Engineering Department performs a substantial amount of reimbursable work for states, state agencies, and freight railroads.

Function	Illustrative Examples
Design review and approval	Amtrak review, comment and approval of Engineering design activity performed by third parties for projects which will impact on Amtrak rail-related assets, environmental impact statements
Rail construction and support	Track construction, tie replacement
Station maintenance	Support of maintenance and construction activities for commuter stations
Safety	Railroad protective services for projects in the vicinity of rail infrastructure, including flagging and overhead catenary system de-energization



*New Haven-Hartford-Springfield Rail Program: Construction of signal upgrades. Photo courtesy of Connecticut Department of Transportation.*

## Major Projects

Amtrak is often asked to perform engineering design and construction services on various state, commuter authority or third-party projects on a reimbursable basis that range from local elevator construction to some of the largest transportation projects in the United States. The largest projects may involve hundreds of Amtrak staff from the design phases through project close-out, including related activities like project management and budgeting. Amtrak generally seeks payments from these services to cover the fully-allocated costs of Amtrak's work, including direct costs, overheads, general and administrative and other costs, although, in certain instances when the investments have a direct benefit to Amtrak services or assets, lower rates may be charged. A selection of the largest projects is described in this section.

### *New Haven-Hartford-Springfield Rail Program*

The Connecticut-led New Haven–Hartford–Springfield Rail program includes design and construction of additional rail capacity on Amtrak-owned infrastructure between New Haven, CT, and Springfield, MA (Springfield Line) to support additional intercity and commuter service. Improvements include re-establishing a second main line track and construction of station facilities to upgrade the Springfield Line. The project is funded through a combination of federal grants to Connecticut and state bonds. This work will be completed in early 2018, resulting in an increase from the current six daily roundtrips to 17 roundtrips a day.

### *New York Hudson Line*

On behalf of the New York State Department of Transportation, Amtrak is undertaking several key projects on the Empire Corridor Hudson Line between Schenectady and Poughkeepsie. These projects include signal line improvements south of Albany to significantly improve the reliability of rail service, replacing over 60 miles of obsolete signal wires and replacing 30-year-old wiring with new underground power cables and electronic track circuits. A second track is being installed between Albany–Rensselaer and Schenectady stations to allow for two-way train traffic in one of the most critical bottlenecks on the Empire Corridor. Additionally, a new 4,300 square-foot intermodal station in Schenectady will replace the existing Amtrak station. The projects also include design and safety improvements to 13 highway-rail grade crossings in Columbia, Dutchess, and Rensselaer counties in New York, and final design and construction of a fourth station track at the Albany-Rensselaer to improve flexibility and reliability at this station.

### *MTA East Side Access*

The MTA is undertaking a project that will enable Long Island Rail Road trains to access Grand Central Terminal. The project includes constructing and upgrading trackage, signals, circuits and other components of existing infrastructure at the Harold and Loop Interlockings. Amtrak provides various support functions for the project where it intersects with the NEC and Amtrak's Sunnyside Yard.

## Work Planning

Amtrak is working to develop more stringent processes for receiving requests to perform reimbursable work. In addition, Amtrak is evaluating factors such as pricing structure, staffing resources, and outage planning to develop a more robust management plan for these type of activities particularly as they relate to our infrastructure access agreements.

# Profit & Loss Analysis

Ancillary: Reimbursable (FY 2018–FY 2023)

(\$s in Thousands)	FY 2018	FY 2019	FY2020	FY 2021	FY 2022	FY 2023	Total
<b>Financial Sources:</b>							
Passenger Related Revenue							
Ticket Revenue (Adjusted)	9,990	-	-	-	-	-	9,990
Charter/Special Trains	-	-	-	-	-	-	-
Food and Beverage	-	-	-	-	-	-	-
Contractual Contribution (Operating)							
PRIIA 209 Operating Payments	-	-	-	-	-	-	-
PRIIA 212 Operating Payments	-	-	-	-	-	-	-
Commuter Operations	-	-	-	-	-	-	-
Reimbursable Contracts	139,897	148,707	154,417	162,628	175,360	186,479	967,489
Access Revenue	-	-	-	-	-	-	-
Commercial Revenue (incl. Pipe/Wire, Real Estate, Parking)	-	-	-	-	-	-	-
All Other Revenue (incl. Insurance Revenue, Cobranded Commissions)	7,368	7,515	7,665	7,818	7,975	8,134	46,475
<b>Operating Sources Subtotal</b>	<b>157,255</b>	<b>156,222</b>	<b>162,082</b>	<b>170,447</b>	<b>183,335</b>	<b>194,613</b>	<b>1,023,954</b>
Contractual Contribution (Capital)							
PRIIA 209 Capital Payments	-	-	-	-	-	-	-
PRIIA 212 Capital Payments	-	-	-	-	-	-	-
Other State/Local Mutual Benefit	-	-	-	-	-	-	-
Financing Proceeds Applied	-	-	-	-	-	-	-
Other Capital and Special Grants (incl., state/local sources)	-	-	-	-	-	-	-
<b>Capital Sources Subtotal</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Federal Grants to Amtrak							
Prior Year Carryover Capital Grant Funds	-	-	-	-	-	-	-
Current Year FAST Sec 11101 Grants							
Operating	-	-	-	-	-	-	-
Capital	-	-	-	-	-	-	-
Other Federal Grants (incl., FRA/OST, FTA, DHS)	-	-	-	-	-	-	-
<b>Federal Grants to Amtrak Subtotal</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Financial Sources</b>	<b>157,255</b>	<b>156,222</b>	<b>162,082</b>	<b>170,447</b>	<b>183,335</b>	<b>194,613</b>	<b>1,023,954</b>
<b>Financial Uses (Operating):</b>							
Service Line Management	174	172	171	174	167	162	1,020
Transportation	1,883	1,932	1,952	1,980	2,065	2,141	11,954
Equipment	9,201	9,290	9,582	9,825	11,481	13,078	62,457
Infrastructure	130,957	129,302	132,847	139,216	148,200	158,175	838,698
Stations	-	-	-	-	-	-	-
National Assets and Corporate Services	35,682	35,771	36,080	36,785	39,731	40,694	224,744
<b>Total Operating Uses</b>	<b>177,898</b>	<b>176,469</b>	<b>180,632</b>	<b>187,980</b>	<b>201,644</b>	<b>214,249</b>	<b>1,138,871</b>
<b>Operating Surplus/Deficit</b> (Operating Sources - Operating Uses)	<b>(20,643)</b>	<b>(20,247)</b>	<b>(18,550)</b>	<b>(17,533)</b>	<b>(18,309)</b>	<b>(19,636)</b>	<b>(114,917)</b>
<b>Financial Uses (Debt Service Payments):</b>							
RRIF debt repayments	-	-	-	-	-	-	-
<b>Total Debt Service Payments</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Available for Capital Uses</b> (Capital Sources + Federal Grants to Amtrak + Operating Surplus/Deficit - Debt Service Payments)	<b>(20,643)</b>	<b>(20,247)</b>	<b>(18,550)</b>	<b>(17,533)</b>	<b>(18,309)</b>	<b>(19,636)</b>	<b>(114,917)</b>
<b>Financial Uses (Capital):</b>							
Service Line Management	-	-	-	-	-	-	-
Transportation	-	-	-	-	-	-	-
Equipment	-	-	-	-	-	-	-
Infrastructure	-	-	-	-	-	-	-
Stations	-	-	-	-	-	-	-
National Assets and Corporate Services	-	-	-	-	-	-	-
<b>Capital Expenditures</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Legacy Debt Repayments	-	-	-	-	-	-	-
<b>Total Capital Uses</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Remaining Carryover Balance</b>	<b>\$ (20,643)</b>	<b>\$ (20,247)</b>	<b>\$ (18,550)</b>	<b>\$ (17,533)</b>	<b>\$ (18,309)</b>	<b>\$ (19,636)</b>	<b>\$ (114,917)</b>





# Ancillary: Real Estate & Commercial Services





## About Ancillary: Real Estate & Commercial Services

Amtrak is the nation's intercity passenger rail service provider and high-speed rail operator. Amtrak is also the owner and manager of a nationwide portfolio of assets including over eight million square feet of station and maintenance facilities and ownership of five of our top 10 busiest stations.

These and other assets produce reoccurring revenue or have the potential to do so—revenue for the reinvestment back into critical infrastructure and operational improvements that benefit our customers.

Amtrak performs a variety of Real Estate & Commercial (RE&C) activities to support its business. These activities are reported through the Ancillary Service Line under the account structure developed in accordance with Section 11201 of the FAST Act. Amtrak's Real Estate, Stations, and Facilities department (RESF) is responsible for:

- **Negotiating, executing and administering agreements** for acquisition and disposition of all corporately utilized owned, leased, or occupied real estate holdings.
- **Overseeing** the establishment and implementation of standards for Amtrak-owned and leased facilities to deliver high quality space to all customers, employees and visitors.
- **Managing** Amtrak's owned, leased and occupied space on the Corporation's behalf.
- **Directing space utilization planning**, leasing, management and disposition.
- **Directing master planning** and design activities at Amtrak's major stations to address future capacity needs and opportunities for customer-facing capital improvements.
- **Seeking opportunities** to leverage Amtrak-owned fixed assets and air rights through arrangements with public and private sector entities.
- **Pipe and wire leasing**, parking, station and right-of-way advertising, retail development and other commercial revenue generation.

To maximize the benefits to Amtrak associated with these activities, the company has undertaken a progressive effort to analyze opportunities across multiple asset classes including stations, maintenance facilities, rights-of-way, and air rights in order to identify a diverse program of opportunities for improvements and potential partnership with the private sector. Opportunities range from direct real estate transactions to comprehensive partnerships covering a variety of real estate asset types, station operations and maintenance, and master plan improvements.

Executing these types of business transactions to capture untapped value can help strengthen Amtrak's self-reliance and develop facilities, amenities and density that support Amtrak's mission.

### PORTFOLIO FACTS

**516**

*U.S. Stations*

**8**

*Canadian Stations*

**40**

*Parking Facilities*

**75**

*Owned Structures*

**51**

*Platforms*





Above: Amtrak, in partnership with the New York Empire State Development Corporation (ESD) and its subsidiary Moynihan Station Development Corporation (MSDC), is creating the future home of Amtrak's New York City passenger operations within the new Train Hall in Moynihan Station.

## ABOUT ANCILLARY: REAL ESTATE & COMMERCIAL SERVICES (CONTINUED)

### STATION EXPERIENCE

A trip on one of Amtrak's trains involves more than the ride itself: every journey begins and ends at a station. As a result, stations are vital—they profoundly affect the experience our customers have in using our services; they are important economic anchors in the communities we serve; and a positive station experience for both the rider and the community is a key factor in ensuring Amtrak's bottom line success.

Amtrak's Revenue Growth Initiative has brought a new focus to our stations. Amtrak is advancing major plans for redeveloping and improving the busiest stations on the Amtrak system where we have an ownership interest. We are collaborating in communities around the country to look for ways to do more with stations of all sizes – more for the customer, more for the community, and more for Amtrak as a business.



## Market Overview

Amtrak operates in 46 states and three Canadian provinces, and therefore its RE&C activities occur throughout the Northeast Corridor and the National Network. Amtrak fully owns 96 stations within its operating portfolio of over 500 stations. Some 49 owned stations are leased directly to SEPTA, the sole or primary user of these facilities. Amtrak also occupies over 1 million square feet of office space and owns 52% of this space. Amtrak owns approximately 7.1 million square feet of maintenance facilities in over 150 unique locations in 24 states. Amtrak owns or long-term leases approximately 750 miles of rights of way including most of the Washington to Boston Northeast Corridor, 104 miles of the Keystone line in Pennsylvania, 94 miles between Poughkeepsie and Hoffmans (Schenectady), NY, 61 miles between Springfield, MA, and New Haven, CT and 96 miles from Porter, IN to Kalamazoo, MI.

RESF performs a variety of functions including:

### REAL ESTATE OPERATIONS AND ASSET MANAGEMENT

Manage all corporately utilized owned, leased, or occupied real property assets to support the company's station, maintenance facility, and corporate office operations.

#### Corporate Office Operations

Responsibilities include setting and ensuring compliance with Amtrak workplace policies, acquiring space required to support operations, administering agreements, managing space inventory, managing furniture inventory, preparing space plans and providing project oversight for office fit-out/occupancy.

#### Real Estate Operations

Excluding corporate office, manages all real estate assets required to support railroad operations. Responds to inquiries from station owners and prospective station owners/developers, as well as from Amtrak Operations, to obtain or renew leases, enforce lease terms, negotiate facility acquisition and dispose excess or underused assets.

#### Facilities Development

Responsible for specifying Amtrak's operating space requirements and reviewing operating facility development plans for consistency with the space and signage requirements for assets nationwide. This team also maintains and periodically updates the Amtrak Station Program and Planning Guidelines and the Amtrak Station Graphic Signage Standards Manual.

#### Financial Operations

Manages all revenue pertaining to retail, parking, advertisement, and telecommunications and so called "pipe and wire" uses of Amtrak property. Budgets for and manages all real estate payments. Communicates with all facets of operations to address issues with leases, contracts, and special projects.

#### Property Control Group

Maintains current property plans and maps. Custodian for over 14,000 archival documents from predecessor railroads, including deeds, leases, easements, sales record, purchase records and licenses. Maintains a digital map library, responds to requests for information from within Amtrak and from third parties, and provides testimony in legal proceedings involving property rights and ownership.



## MARKET OVERVIEW (CONTINUED)

### COMMERCIAL PLANNING & DEVELOPMENT

Responsible for a large portfolio of revenue generating assets and complex development transactions in the NEC and on the National Network. This team develops and implements strategies to drive revenue from non-core business activities such as retail, advertising, parking and providing third-party occupancy on Amtrak right-of-way.

### MAJOR STATION PLANNING DEVELOPMENT

While Amtrak owns a minority of the stations it serves, it has ownership rights at five of the system's top ten stations by ridership: New York Penn Station (#1); Washington Union Station (#2); Philadelphia 30th Street Station (#3); Chicago Union Station (#4); and Baltimore Penn Station (#8). In 2013, Amtrak launched the first phase of its Revenue Growth Initiative focusing on these five stations, and is pursuing master developer opportunities to partner with the private sector to advance station improvements and generate economic developments in the areas surrounding each station to support passenger rail growth.

*Initial estimates suggest nearly \$850 million could be realized in the coming decades through Amtrak's Revenue Growth initiatives.*

### Customer Analysis

RESF has several customer types:

#### *Internal customers*

These include the Corporation's functions and departments that use Amtrak-owned, leased and occupied real estate assets, ranging from corporate services such as IT and Government Affairs to Operations.

#### *External customers*

These include Amtrak passengers, retail tenants and vendors, commuter railroads, and local governments. Commercial customers also include telecommunications and utility companies, companies wishing to advertise on Amtrak property, and other private sector entities.



## FY 2017 Performance

Amtrak's Real Estate and Commercial Service Line produced revenue and proceeds from disposition from real estate and other holdings totaling approximately \$86.0 million in FY 2017. Revenue was derived from a variety of asset classes.

- **Retail revenue:** Amtrak generated approximately \$26.9 million in retail rental revenue from 194 retail leases in major and other stations.
- **Parking:** Amtrak's 10 parking garages and surface lots generated \$14.7 million.
- **Advertising:** Comprised of in-station advertising on the NEC and Chicago, on-board advertising, and over 300 billboards along Amtrak's right-of-way in 11 states and Washington, DC generated \$10.1 million.
- **Pipe & Wire:** The over 2,400 Pipe and Wire agreements along the 700 miles of right-of-way which produced \$8.4 million. The Telecom group, which manages fiber optic occupancy agreements and wireless agreements in approximately 65 base sites, produced \$18.8 million.

Moving into FY 2018 we anticipate four percent revenue growth across all asset lines, bringing our budgeted revenue to \$83.3 million. With the inclusion of real estate disposition and miscellaneous proceeds the total will reach \$87.7 million. Each major asset class has developed a plan of new initiatives requiring additional resources to meet appropriate targets including:

- **Retail Leasing:** While the transition to a master developer in Chicago in FY 2019 will result in loss of rental revenue for this specific activity, repositioning of existing and adding new retail pads in New York Penn Station and 30th St. Station is expected to generate additional revenue, bringing total revenue to \$22.5 million in FY 2018.
- **Advertising and Parking:** New initiatives include digitization of existing billboards and in station advertising, the development and execution of an Advertising/Sponsorship/Branding RFP, and the future development of a digital advertising joint venture with the Chicago Master Developer (Riverside Investment & Development). FY 2018 revenue is estimated at \$29.6 million.
- **Pipe & Wire:** FY 2018 Revenue is estimated at \$8.7 million. Significant new initiatives include streamlining Amtrak's permit to enter process, wayside audits and digitizing P&W records.
- **Telecom:** New initiatives for FY 2018 include the Baltimore Tunnel Verizon agreement and pending renewals of existing major dark fiber contracts. Revenue is estimated at \$17.1 million for FY 2018.

	FY 2017 Actual	FY 2018 Goal	FY 2023 Goal
Commercial Revenue	\$86.1M	\$87.7M	\$114.2M
eCSI	83.8%	84.7%	85%

*Amtrak is thinking big and planning for the future. The Revenue Growth Initiative launched in 2013 to leverage untapped assets and redevelop major stations.*



## Initiatives and Measures (FY 2019–FY 2023)

Initiative	Summary	Strategic Linkages		
		Supports Strategic Pillars	Asset Lines Impacted	Impacts Key Business Measures
<b>Master Developer Partnerships</b>	Enter into favorable master development partnerships at Amtrak's major stations to drive business performance.	<ul style="list-style-type: none"> <li>• Customer Impact</li> <li>• Safety &amp; Operations</li> <li>• Financial Stewardship</li> </ul>	<ul style="list-style-type: none"> <li>• Stations</li> </ul>	<ul style="list-style-type: none"> <li>• Revenue</li> <li>• Ridership</li> <li>• eCSI</li> </ul>
<b>Revenue Growth</b>	Execute business transactions capturing untapped value ranging from direct real estate transactions to comprehensive partnerships bringing new revenue to create a more self-reliant business model for Amtrak.	<ul style="list-style-type: none"> <li>• Financial Stewardship</li> </ul>	<ul style="list-style-type: none"> <li>• Stations</li> </ul>	<ul style="list-style-type: none"> <li>• Revenue</li> <li>• Ridership</li> </ul>

Amtrak's asset portfolio also includes rights-of-way, corporate office facilities, maintenance facilities, and both leased and vacant commercial properties. Amtrak conducted an inventory of these assets and initiated a number of programs to increase revenue. One such program is:

### Digital Advertising Expansion

Growing ridership coupled with the demand for digital advertising has put Amtrak in a great position to increase its advertising revenue. Amtrak will seek proposals in FY 2018 for the development of two new digital advertising networks. The larger of the two networks will deliver an annual audience of approximately 25 million people, and will be comprised of the top stations on the NEC and Chicago Union Station. The second network will consist of the stations on the east coast and the Keystone Corridor (Philadelphia-Harrisburg) with annual ridership of 200,000 to 700,000 passengers. These combined networks will deliver to advertisers an annual audience of over four million people. Amtrak is also exploring converting select billboards along its right-of-way to digital.



## Environmental Factors

### EXTERNAL

#### *Federal appropriations*

While Amtrak does not use federal funds for Ancillary Services, a reduction in appropriations would require increased revenues to fill the gap which could lead to prioritization of initiatives generating short term revenue streams over longer term RE&C objectives.

#### *Major Service Disruption*

A major disruption in Amtrak service due to terrorist attack, infrastructure failure or other similar event could cause significant interruption of service and station usage that would adversely impact RE&C revenues and initiatives.

#### *Complex or shared ownership of some facilities*

Some Amtrak facilities have shared ownership, which may provide benefits but requires extensive coordination that can slow down implementation of projects and initiatives.

### INTERNAL

Internal environmental factors that impact Amtrak's Real Estate and Commercial Service Line ability to deliver on its mission include having sufficient staff resources with expertise to implement initiatives, including support from various Operations department entities that support third-party work along Amtrak's right-of-way and other assets. Amtrak has obtained professional service/consulting support with relevant expertise to provide advisory services.

## Strategic Issues

Key strategic issues for RESF include:

- Improved engagement with stakeholders at major stations to facilitate a coordinated station improvement approach.
- Improved coordination and implementation processes within Amtrak business lines to successfully complete revenue opportunities.
- Staffing and resources to ensure successful oversight and coordination of stations and facilities initiatives system-wide.
- Improved coordination with internal and external stakeholders on programmatic improvements at both owned and leased stations and facilities.
- Improved oversight and monitoring of corporate office space occupancy and utilization, and enforcement of corporate office space policy and standards.
- Coordinating and prioritizing customer needs across national geographic footprint.
- Establishing appropriate benchmarks for operating and maintenance responsibilities.
- Staffing and resources to execute complex public-private-partnership (P3) and real estate transactions.
- Flexibility to meet market opportunities in a timely manner





# Profit & Loss Analysis

Ancillary: Real Estate/Commercial (FY 2018–FY 2023)

(\$s in Thousands)	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	Total
<b>Financial Sources:</b>							
Passenger Related Revenue							
Ticket Revenue (Adjusted)	-	-	-	-	-	-	-
Charter/Special Trains	-	-	-	-	-	-	-
Food and Beverage	-	-	-	-	-	-	-
Contractual Contribution (Operating)							
PRIIA 209 Operating Payments	-	-	-	-	-	-	-
PRIIA 212 Operating Payments	-	-	-	-	-	-	-
Commuter Operations	-	-	-	-	-	-	-
Reimbursable Contracts	86	87	89	91	93	95	541
Access Revenue	-	-	-	-	-	-	-
Commercial Revenue (incl. Pipe/Wire, Real Estate, Parking)	87,675	89,429	91,218	93,042	104,382	114,081	579,827
All Other Revenue (incl. Insurance Revenue, Cobranded Commissions)	-	-	-	-	-	-	-
<b>Operating Sources Subtotal</b>	<b>87,761</b>	<b>89,516</b>	<b>91,307</b>	<b>93,133</b>	<b>104,475</b>	<b>114,176</b>	<b>580,368</b>
Contractual Contribution (Capital)							
PRIIA 209 Capital Payments	-	-	-	-	-	-	-
PRIIA 212 Capital Payments	-	-	-	-	-	-	-
Other State/Local Mutual Benefit	-	-	-	-	-	-	-
Financing Proceeds Applied	-	-	-	-	-	-	-
Other Capital and Special Grants (incl., state/local sources)	-	-	-	-	-	-	-
<b>Capital Sources Subtotal</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Federal Grants to Amtrak							
Prior Year Carryover Capital Grant Funds	-	-	-	-	-	-	-
Current Year FAST Sec 11101 Grants							
Operating	-	-	-	-	-	-	-
Capital	-	-	-	-	-	-	-
Other Federal Grants (incl., FRA/OST, FTA, DHS)	-	-	-	-	-	-	-
<b>Federal Grants to Amtrak Subtotal</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Financial Sources</b>	<b>87,761</b>	<b>89,516</b>	<b>91,307</b>	<b>93,133</b>	<b>104,475</b>	<b>114,176</b>	<b>580,368</b>
<b>Financial Uses (Operating):</b>							
Service Line Management	-	-	-	-	-	-	-
Transportation	0	0	0	0	0	0	3
Equipment	177	177	180	184	204	222	1,145
Infrastructure	1,223	1,225	1,244	1,270	2,905	3,197	11,065
Stations	459	460	467	477	527	576	2,966
National Assets and Corporate Services	14,587	14,629	14,852	15,167	20,279	25,039	104,553
<b>Total Operating Uses</b>	<b>16,447</b>	<b>16,492</b>	<b>16,743</b>	<b>17,099</b>	<b>23,916</b>	<b>29,035</b>	<b>119,731</b>
<b>Operating Surplus/Deficit</b> (Operating Sources - Operating Uses)	<b>71,314</b>	<b>73,024</b>	<b>74,564</b>	<b>76,034</b>	<b>80,559</b>	<b>85,141</b>	<b>460,637</b>
<b>Financial Uses (Debt Service Payments):</b>							
RRIF debt repayments	-	-	-	-	-	-	-
<b>Total Debt Service Payments</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Available for Capital Uses</b> (Capital Sources + Federal Grants to Amtrak + Operating Surplus/Deficit - Debt Service Payments)	<b>71,314</b>	<b>73,024</b>	<b>74,564</b>	<b>76,034</b>	<b>80,559</b>	<b>85,141</b>	<b>460,637</b>
<b>Financial Uses (Capital):</b>							
Service Line Management	-	-	-	-	-	-	-
Transportation	-	-	-	-	-	-	-
Equipment	-	-	-	-	-	-	-
Infrastructure	-	-	-	-	-	-	-
Stations	775	-	-	-	-	-	775
National Assets and Corporate Services	-	-	-	-	-	-	-
<b>Capital Expenditures</b>	<b>775</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>775</b>
Legacy Debt Repayments	2,846	2,790	3,767	4,973	4,976	4,973	24,325
<b>Total Capital Uses</b>	<b>3,621</b>	<b>2,790</b>	<b>3,767</b>	<b>4,973</b>	<b>4,976</b>	<b>4,973</b>	<b>25,100</b>
<b>Remaining Carryover Balance</b>	<b>\$ 67,693</b>	<b>\$ 70,235</b>	<b>\$ 70,797</b>	<b>\$ 71,061</b>	<b>\$ 75,584</b>	<b>\$ 80,169</b>	<b>\$ 435,537</b>



# *Financial Reports*







## Consolidated Financial Reports: Key Assumptions

The 5 Year Plan financials assume a steady state for Amtrak, with no significant changes in route services until the introduction of the Acela 2021 Program in FY 2022.

Key assumptions were submitted by Service and Asset Lines based on Amtrak and Service Line specific goals. This results in significant improvement in Adjusted Operating Earnings (breakeven in FY 2021 excluding Short Term Incentive (STI)) based on a consolidated financial statement view and continued capital investment with focus on large strategic projects, new fleet acquisition, and continuing state of good repair. All FY 2017 data is preliminary and unaudited.

### Adjusted Operating Earnings

Steadily progress to breakeven in FY 2021. Revenue and expense reflect lower growth in FY 2020 and FY 2021 and accelerated growth in FY 2022 and FY 2023 in line with Acela 2021 Program deliverables.

### Capital

Total capital spend (including RRIF loan spending) remains above \$2 billion through FY 2023. As Operating Earnings approach breakeven, nearly all the combined Federal grant is used for Federal capital as other third-party capital declines.

### Grant

Federal grant is assumed at the FAST Act authorization level of funding for FY 2019 through FY 2021 with moderate growth (\$100 million per year) for FY 2022 and FY 2023.

## Revenue and Ridership

Ticket Revenue & Ridership is expected to grow modestly in FY 2020 and FY 2021 (average of 3.6%) and increase considerably in FY 2022 with the introduction of new high-speed rail trainsets. With the new trainsets, significant ridership growth is expected in the NEC in line with increased capacity. Baseline projections include assumptions for market growth, price changes, and service adjustments. In addition to the baseline growth, revenue is included for the multi modal travel initiative beginning in FY 2019. State Supported and Other Core Revenue is expected to grow 2% per year, consistent with historical trends and inflation.

## Key Expense Drivers

Growth in expenses includes measured growth in key areas to achieve breakeven in FY 2021 and continued bottom line growth through FY 2023. General inflation is assumed at approximately 2% based on Federal Reserve estimates.

Despite inflation, savings from organization right sizing, procurement initiatives, and effective expense management will need to continue through FY 2023. Expenses are expected to increase at a level to support the Acela 2021 Program launch in FY 2022. Total capital spend, including PRIIA & Third Party, grows to \$2.5 billion in FY 2023 driven by large increases in Gateway, new fleet acquisition, station master plan spending and continued Engineering state of good repair.

## Capital Fund by Source

Third party capital increases through FY 2021 growing to \$764.1 million (29% of total funding) and begins to decline in FY 2022 and FY 2023. Federal funding allocated to capital increases significantly in FY 2021 and is able to cover more of the Gateway spend previously covered by third party partners. Expected capital contribution estimates from state and commuter partners are included through FY 2023. PRIIA 212 contribution increases steadily and is generally in line with NEC commission plans. PRIIA 209 contribution grows to \$85.5 million or 19.7% in FY 2021 and remains flat through FY 2023.

# Consolidated Operating Profit & Loss

FY 2018–FY 2023

(\$s in Millions)	Plan FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	Total
Ticket Revenue (Adjusted)	\$ 2,251.4	\$ 2,345.0	\$ 2,431.3	\$ 2,517.1	\$ 2,654.7	\$ 2,769.8	\$ 14,969.2
Food & Beverage	137.0	139.8	142.6	145.4	148.3	151.3	864.4
State Supported Train Revenue	244.7	256.3	265.7	274.5	280.6	287.7	1,609.5
<b>Subtotal Passenger Related Revenue</b>	<b>2,633.1</b>	<b>2,741.1</b>	<b>2,839.6</b>	<b>2,936.9</b>	<b>3,083.6</b>	<b>3,208.7</b>	<b>17,443.1</b>
Other Core Revenue	263.2	267.7	273.1	278.5	284.1	289.8	1,656.3
Ancillary Revenue	354.9	368.7	378.9	391.6	418.3	441.9	2,354.3
<b>Total Revenue</b>	<b>3,251.2</b>	<b>3,377.6</b>	<b>3,491.5</b>	<b>3,607.0</b>	<b>3,786.0</b>	<b>3,940.4</b>	<b>21,453.6</b>
Salaries, Wages & Benefits	2,046.5	2,073.5	2,134.8	2,203.6	2,314.7	2,426.4	13,199.5
Train Operations	309.5	312.0	312.0	312.0	322.0	328.5	1,896.1
Fuel, Power & Utilities	244.8	271.7	286.9	297.8	314.6	329.0	1,744.8
Materials	118.9	118.9	118.9	118.9	118.9	119.4	713.7
Facility, Communication & Office	162.3	162.3	162.3	162.3	162.3	162.3	973.7
Advertising and Sales	95.7	99.5	99.5	99.5	104.8	109.4	608.5
Casualty and Other Claims	72.2	72.2	72.2	72.2	72.7	72.7	434.1
Professional Fees & Data Processing	230.0	230.0	221.9	221.9	223.0	223.0	1,349.9
All Other Expense	126.8	129.3	124.8	124.8	125.7	125.7	757.1
Transfer to Capital & Ancillary	(239.6)	(248.7)	(265.2)	(278.3)	(293.7)	(311.6)	(1,637.1)
<b>Core Expense</b>	<b>3,167.0</b>	<b>3,220.7</b>	<b>3,268.1</b>	<b>3,334.7</b>	<b>3,465.1</b>	<b>3,584.8</b>	<b>20,040.5</b>
Ancillary Expense	284.2	288.3	295.8	305.7	330.3	351.1	1,855.4
<b>Total Expense</b>	<b>3,451.2</b>	<b>3,509.1</b>	<b>3,563.9</b>	<b>3,640.4</b>	<b>3,795.4</b>	<b>3,935.9</b>	<b>21,895.8</b>
<b>Adjusted Operating Earnings (Includes STI)</b>	<b>\$ (200.0)</b>	<b>(131.5)</b>	<b>(72.4)</b>	<b>(33.4)</b>	<b>(9.4)</b>	<b>\$ 4.5</b>	<b>\$ (442.2)</b>

(\$s in Millions)	Growth Inc/(Dec) - %				
	'18 to '19	'19 to '20	'20 to '21	'21 to '22	'22 to '23
Ticket Revenue (Adjusted)	4.2%	3.7%	3.5%	5.5%	4.3%
Food & Beverage	2.0%	2.0%	2.0%	2.0%	2.0%
State Supported Train Revenue	4.8%	3.7%	3.3%	2.2%	2.5%
<b>Subtotal Passenger Related Revenue</b>	<b>4.1%</b>	<b>3.6%</b>	<b>3.4%</b>	<b>5.0%</b>	<b>4.1%</b>
Other Core Revenue	1.7%	2.0%	2.0%	2.0%	2.0%
Ancillary Revenue	3.9%	2.7%	3.4%	6.8%	5.6%
<b>Total Revenue</b>	<b>3.9%</b>	<b>3.4%</b>	<b>3.3%</b>	<b>5.0%</b>	<b>4.1%</b>
Salaries, Wages & Benefits	1.3%	3.0%	3.2%	5.0%	4.8%
Train Operations	0.8%	0.0%	0.0%	3.2%	2.0%
Fuel, Power & Utilities	11.0%	5.6%	3.8%	5.6%	4.6%
Materials	0.0%	0.0%	0.0%	0.0%	0.5%
Facility, Communication & Office	0.0%	0.0%	0.0%	0.0%	0.0%
Advertising and Sales	4.0%	0.0%	0.0%	5.3%	4.4%
Casualty and Other Claims	0.0%	0.0%	0.0%	0.8%	0.0%
Professional Fees & Data Processing	0.0%	(3.5%)	0.0%	0.5%	0.0%
All Other Expense	2.0%	(3.5%)	0.0%	0.8%	0.0%
Transfer to Capital & Ancillary	(3.8%)	(6.7%)	(5.0%)	(5.5%)	(6.1%)
<b>Core Expense</b>	<b>1.7%</b>	<b>1.5%</b>	<b>2.0%</b>	<b>3.9%</b>	<b>3.5%</b>
Ancillary Expense	1.5%	2.6%	3.3%	8.0%	6.3%
<b>Total Expense</b>	<b>1.7%</b>	<b>1.6%</b>	<b>2.1%</b>	<b>4.3%</b>	<b>3.7%</b>
<b>Adjusted Operating Earnings (Includes STI)</b>	<b>34.2%</b>	<b>44.9%</b>	<b>53.9%</b>	<b>71.8%</b>	<b>147.7%</b>

# Consolidated Account Structure: Northeast Corridor

FY 2018–FY 2023

(\$s in Thousands)	FY 2018	FY 2019	FY2020	FY 2021	FY 2022	FY 2023	Total
<b>Financial Sources:</b>							
Passenger Related Revenue							
Ticket Revenue (Adjusted)	1,244,783	1,274,925	1,324,059	1,374,350	1,480,950	1,564,069	8,263,136
Charter/Special Trains	2,298	2,344	2,391	2,439	2,487	2,537	14,495
Food and Beverage	40,671	41,484	42,314	43,160	44,023	44,904	256,556
Contractual Contribution (Operating)							
PRIIA 209 Operating Payments	-	-	-	-	-	-	-
PRIIA 212 Operating Payments	134,535	137,225	139,970	142,769	145,625	148,537	848,660
Commuter Operations	65,237	66,542	67,873	69,230	70,615	72,027	411,523
Reimbursable Contracts	80,350	87,969	92,464	99,436	110,904	120,734	591,857
Access Revenue	65,095	66,397	67,725	69,080	70,461	71,870	410,629
Commercial Revenue (incl. Pipe/Wire, Real Estate, Parking)	72,771	74,226	75,711	77,225	88,249	97,625	485,806
All Other Revenue (incl. Insurance Revenue, Cobranded Commissions)	16,036	16,357	16,684	17,017	17,358	17,705	101,157
<b>Operating Sources Subtotal</b>	<b>1,721,775</b>	<b>1,767,469</b>	<b>1,829,189</b>	<b>1,894,705</b>	<b>2,030,672</b>	<b>2,140,008</b>	<b>11,383,818</b>
Contractual Contribution (Capital)							
PRIIA 209 Capital Payments	-	-	-	-	-	-	-
PRIIA 212 Capital Payments	132,585	174,428	178,626	173,227	184,838	187,485	1,031,189
Other State/Local Mutual Benefit	85,520	38,849	23,443	166,431	315,918	281,338	911,499
Financing Proceeds Applied	185,539	349,015	618,063	546,940	127,761	-	1,827,319
Other Capital and Special Grants (incl., state/local sources)	-	3,169	3,169	3,169	3,169	2,519	15,195
<b>Capital Sources Subtotal</b>	<b>403,644</b>	<b>565,462</b>	<b>823,301</b>	<b>889,767</b>	<b>631,686</b>	<b>471,342</b>	<b>3,785,201</b>
Federal Grants to Amtrak							
Prior Year Carryover Capital Grant Funds	441,097	-	-	-	-	-	441,097
Current Year FAST Sec 11101 Grants							
Operating	-	-	-	-	-	-	-
Capital	313,400	535,279	629,962	749,962	822,077	956,460	4,007,140
Other Federal Grants (incl., FRA/OST, FTA, DHS)	12,370	10,225	9,544	9,544	9,544	9,544	60,773
<b>Federal Grants to Amtrak Subtotal</b>	<b>766,867</b>	<b>545,504</b>	<b>639,506</b>	<b>759,506</b>	<b>831,621</b>	<b>966,004</b>	<b>4,509,010</b>
<b>Total Financial Sources</b>	<b>2,892,286</b>	<b>2,878,435</b>	<b>3,291,997</b>	<b>3,543,978</b>	<b>3,493,979</b>	<b>3,577,355</b>	<b>19,678,029</b>
<b>Financial Uses (Operating):</b>							
Service Line Management	5,492	5,449	5,625	5,879	6,663	7,246	36,354
Transportation	334,751	349,561	356,982	363,646	379,092	392,448	2,176,480
Equipment	233,285	231,908	238,925	248,888	278,511	301,018	1,532,534
Infrastructure	241,847	240,230	247,682	258,490	278,435	295,830	1,562,514
Stations	55,227	54,977	56,561	58,768	64,451	68,747	358,731
National Assets and Corporate Services	447,611	444,018	456,543	474,168	530,526	572,671	2,925,536
<b>Total Operating Uses</b>	<b>1,318,212</b>	<b>1,326,143</b>	<b>1,362,318</b>	<b>1,409,839</b>	<b>1,537,678</b>	<b>1,637,960</b>	<b>8,592,150</b>
<b>Operating Surplus/Deficit</b> (Operating Sources - Operating Uses)	<b>403,563</b>	<b>441,325</b>	<b>466,871</b>	<b>484,866</b>	<b>492,994</b>	<b>502,049</b>	<b>2,791,669</b>
<b>Financial Uses (Debt Service Payments):</b>							
RRIF debt repayments	22,600	34,867	44,377	92,031	137,375	172,484	503,734
<b>Total Debt Service Payments</b>	<b>22,600</b>	<b>34,867</b>	<b>44,377</b>	<b>92,031</b>	<b>137,375</b>	<b>172,484</b>	<b>503,734</b>
<b>Available for Capital Uses</b> (Capital Sources + Federal Grants to Amtrak + Operating Surplus/Deficit - Debt Service Payments)	<b>1,551,474</b>	<b>1,517,424</b>	<b>1,885,302</b>	<b>2,042,108</b>	<b>1,818,926</b>	<b>1,766,911</b>	<b>10,582,145</b>
<b>Financial Uses (Capital):</b>							
Service Line Management	65,357	71,577	11,517	1,968	1,968	1,968	154,355
Transportation	66,872	35,628	392,775	422,087	151,332	100,772	1,169,467
Equipment	262,948	370,936	297,616	307,010	123,349	119,729	1,481,586
Infrastructure	717,465	696,361	809,865	989,168	1,320,610	1,327,335	5,860,804
Stations	128,474	150,507	192,939	198,487	134,496	134,853	939,757
National Assets and Corporate Services	185,195	57,597	56,922	50,038	49,598	51,055	450,405
<b>Capital Expenditures</b>	<b>1,426,312</b>	<b>1,382,605</b>	<b>1,761,633</b>	<b>1,968,759</b>	<b>1,781,352</b>	<b>1,735,712</b>	<b>10,056,373</b>
Legacy Debt Repayments	145,234	147,769	141,885	97,264	63,806	56,227	652,184
<b>Total Capital Uses</b>	<b>1,571,546</b>	<b>1,530,374</b>	<b>1,903,518</b>	<b>2,066,023</b>	<b>1,845,158</b>	<b>1,791,939</b>	<b>10,708,558</b>
<b>Remaining Carryover Balance</b>	<b>\$ (20,072)</b>	<b>\$ (12,950)</b>	<b>\$ (18,216)</b>	<b>\$ (23,915)</b>	<b>\$ (26,232)</b>	<b>\$ (25,028)</b>	<b>\$ (126,413)</b>



# Consolidated Account Structure: National Network

FY 2018–FY 2023

(\$s in Thousands)	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	Total
<b>Financial Sources:</b>							
Passenger Related Revenue							
Ticket Revenue (Adjusted)	1,000,797	1,064,151	1,101,189	1,136,516	1,167,411	1,199,247	6,669,311
Charter/Special Trains	3,534	3,605	3,677	3,750	3,825	3,902	22,292
Food and Beverage	96,352	98,279	100,245	102,250	104,295	106,381	607,801
Contractual Contribution (Operating)							
PRIIA 209 Operating Payments	244,701	256,341	265,698	274,453	280,590	287,692	1,609,474
PRIIA 212 Operating Payments	-	-	-	-	-	-	-
Commuter Operations	55,353	56,460	57,589	58,741	59,915	61,114	349,171
Reimbursable Contracts	77,742	79,297	80,883	82,501	84,151	85,834	490,409
Access Revenue	12,210	12,454	12,703	12,958	13,217	13,481	77,023
Commercial Revenue (incl. Pipe/Wire, Real Estate, Parking)	14,905	15,203	15,507	15,817	16,133	16,456	94,021
All Other Revenue (incl. Insurance Revenue, Cobranded Commissions)	23,830	24,307	24,793	25,288	25,794	26,310	150,322
<b>Operating Sources Subtotal</b>	<b>1,529,424</b>	<b>1,610,096</b>	<b>1,662,284</b>	<b>1,712,274</b>	<b>1,755,331</b>	<b>1,800,416</b>	<b>10,069,824</b>
Contractual Contribution (Capital)							
PRIIA 209 Capital Payments	67,780	58,343	71,454	85,540	85,540	85,540	454,197
PRIIA 212 Capital Payments	14,676	19,521	19,845	19,454	22,229	23,723	119,448
Other State/Local Mutual Benefit	133,770	47,021	31,214	32,045	45,085	40,494	329,630
Financing Proceeds Applied	9,178	13,623	8,113	3,040	786	-	34,740
Other Capital and Special Grants (incl., state/local sources)	-	-	-	-	-	-	-
<b>Capital Sources Subtotal</b>	<b>225,405</b>	<b>138,508</b>	<b>130,627</b>	<b>140,080</b>	<b>153,640</b>	<b>149,756</b>	<b>938,015</b>
Federal Grants to Amtrak							
Prior Year Carryover Capital Grant Funds	323,311	-	-	-	-	-	323,311
Current Year FAST Sec 11101 Grants							
Operating	609,819	572,826	584,780	565,175	551,041	548,050	3,431,690
Capital	482,681	576,395	569,258	568,363	609,861	577,990	3,384,549
Other Federal Grants (incl., FRA/OST, FTA, DHS)	3,146	3,014	2,972	2,972	2,972	2,972	18,047
<b>Federal Grants to Amtrak Subtotal</b>	<b>1,418,957</b>	<b>1,152,235</b>	<b>1,157,010</b>	<b>1,136,510</b>	<b>1,163,874</b>	<b>1,129,012</b>	<b>7,157,597</b>
<b>Total Financial Sources</b>	<b>3,173,785</b>	<b>2,900,839</b>	<b>2,949,920</b>	<b>2,988,863</b>	<b>3,072,844</b>	<b>3,079,185</b>	<b>18,165,436</b>
<b>Financial Uses (Operating):</b>							
Service Line Management	10,933	11,116	11,171	11,287	11,168	11,195	66,871
Transportation	952,632	984,088	998,873	1,014,218	1,053,985	1,088,965	6,092,762
Equipment	407,073	413,023	414,347	418,531	414,658	416,300	2,483,933
Infrastructure	93,302	93,800	93,983	95,510	94,971	95,255	566,820
Stations	156,825	159,986	161,742	164,405	160,935	162,354	966,248
National Assets and Corporate Services	512,182	520,909	521,439	526,589	522,008	523,895	3,127,022
<b>Total Operating Uses</b>	<b>2,132,948</b>	<b>2,182,922</b>	<b>2,201,556</b>	<b>2,230,540</b>	<b>2,257,724</b>	<b>2,297,965</b>	<b>13,303,655</b>
<b>Operating Surplus/Deficit</b> (Operating Sources - Operating Uses)	<b>(603,524)</b>	<b>(572,826)</b>	<b>(539,273)</b>	<b>(518,266)</b>	<b>(502,394)</b>	<b>(497,549)</b>	<b>(3,233,831)</b>
<b>Financial Uses (Debt Service Payments):</b>							
RRIF debt repayments	-	-	-	-	-	-	-
<b>Total Debt Service Payments</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Available for Capital Uses</b> (Capital Sources + Federal Grants to Amtrak + Operating Surplus/Deficit - Debt Service Payments)	<b>1,040,837</b>	<b>717,917</b>	<b>748,364</b>	<b>758,323</b>	<b>815,120</b>	<b>781,220</b>	<b>4,861,781</b>
<b>Financial Uses (Capital):</b>							
Service Line Management	3,745	3,384	1,183	732	732	732	10,508
Transportation	89,807	71,028	58,098	36,261	26,989	25,913	308,097
Equipment	322,732	283,532	317,601	338,734	399,091	395,804	2,057,494
Infrastructure	217,286	145,329	145,164	169,482	198,501	189,653	1,065,415
Stations	132,150	98,504	110,749	112,512	102,537	82,906	639,360
National Assets and Corporate Services	199,643	65,739	63,574	49,133	50,955	52,185	481,229
<b>Capital Expenditures</b>	<b>965,362</b>	<b>667,517</b>	<b>696,370</b>	<b>706,854</b>	<b>778,806</b>	<b>747,194</b>	<b>4,562,103</b>
Legacy Debt Repayments	38,416	37,450	33,778	27,555	10,082	8,998	156,279
<b>Total Capital Uses</b>	<b>1,003,778</b>	<b>704,967</b>	<b>730,148</b>	<b>734,409</b>	<b>788,888</b>	<b>756,192</b>	<b>4,718,381</b>
<b>Remaining Carryover Balance</b>	<b>\$ 37,059</b>	<b>\$ 12,950</b>	<b>\$ 18,216</b>	<b>\$ 23,915</b>	<b>\$ 26,232</b>	<b>\$ 25,028</b>	<b>\$ 143,400</b>

# Consolidated Account Structure: Total Amtrak

FY 2018–FY 2023

(\$s in Thousands)	FY 2018	FY 2019	FY2020	FY 2021	FY 2022	FY 2023	Total
<b>Financial Sources:</b>							
Passenger Related Revenue							
Ticket Revenue (Adjusted)	2,245,580	2,339,076	2,425,249	2,510,866	2,648,361	2,763,316	14,932,447
Charter/Special Trains	5,832	5,948	6,067	6,189	6,312	6,439	36,787
Food and Beverage	137,023	139,763	142,559	145,410	148,318	151,284	864,357
Contractual Contribution (Operating)							
PRIIA 209 Operating Payments	244,701	256,341	265,698	274,453	280,590	287,692	1,609,474
PRIIA 212 Operating Payments	134,535	137,225	139,970	142,769	145,625	148,537	848,660
Commuter Operations	120,590	123,001	125,461	127,971	130,530	133,141	760,694
Reimbursable Contracts	158,092	167,266	173,347	181,937	195,055	206,568	1,082,265
Access Revenue	77,305	78,852	80,429	82,037	83,678	85,351	487,652
Commercial Revenue (incl. Pipe/Wire, Real Estate, Parking)	87,675	89,429	91,218	93,042	104,382	114,081	579,827
All Other Revenue (incl. Insurance Revenue, Cobranded Commissions)	39,866	40,663	41,476	42,306	43,152	44,015	251,479
<b>Operating Sources Subtotal</b>	<b>3,251,199</b>	<b>3,377,565</b>	<b>3,491,473</b>	<b>3,606,979</b>	<b>3,786,003</b>	<b>3,940,424</b>	<b>21,453,642</b>
Contractual Contribution (Capital)							
PRIIA 209 Capital Payments	67,780	58,343	71,454	85,540	85,540	85,540	454,197
PRIIA 212 Capital Payments	147,260	193,949	198,472	192,681	207,067	211,208	1,150,637
Other State/Local Mutual Benefit	219,291	85,870	54,657	198,476	361,003	321,832	1,241,129
Financing Proceeds Applied	194,717	362,638	626,176	549,980	128,547	-	1,862,059
Other Capital and Special Grants (incl., state/local sources)	-	3,169	3,169	3,169	3,169	2,519	15,195
<b>Capital Sources Subtotal</b>	<b>629,048</b>	<b>703,970</b>	<b>953,928</b>	<b>1,029,846</b>	<b>785,325</b>	<b>621,099</b>	<b>4,723,216</b>
Federal Grants to Amtrak							
Prior Year Carryover Capital Grant Funds	764,408	-	-	-	-	-	764,408
Current Year FAST Sec 11101 Grants							
Operating	609,819	572,826	584,780	565,175	551,041	548,050	3,431,690
Capital	796,081	1,111,674	1,199,220	1,318,325	1,431,938	1,534,450	7,391,689
Other Federal Grants (incl., FRA/OST, FTA, DHS)	15,516	13,239	12,516	12,516	12,516	12,516	78,820
<b>Federal Grants to Amtrak Subtotal</b>	<b>2,185,824</b>	<b>1,697,739</b>	<b>1,796,516</b>	<b>1,896,016</b>	<b>1,995,495</b>	<b>2,095,016</b>	<b>11,666,607</b>
<b>Total Financial Sources</b>	<b>6,066,071</b>	<b>5,779,274</b>	<b>6,241,917</b>	<b>6,532,841</b>	<b>6,566,823</b>	<b>6,656,539</b>	<b>37,843,465</b>
<b>Financial Uses (Operating):</b>							
Service Line Management	16,424	16,565	16,796	17,166	17,831	18,441	103,224
Transportation	1,287,383	1,333,650	1,355,855	1,377,864	1,433,077	1,481,413	8,269,241
Equipment	640,358	644,930	653,272	667,419	693,169	717,318	4,016,467
Infrastructure	335,149	334,030	341,665	354,000	373,406	391,085	2,129,334
Stations	212,052	214,963	218,303	223,173	225,387	231,102	1,324,979
National Assets and Corporate Services	959,793	964,927	977,983	1,000,757	1,052,533	1,096,566	6,052,558
<b>Total Operating Uses</b>	<b>3,451,159</b>	<b>3,509,065</b>	<b>3,563,874</b>	<b>3,640,379</b>	<b>3,795,402</b>	<b>3,935,924</b>	<b>21,895,805</b>
<b>Operating Surplus/Deficit</b> (Operating Sources - Operating Uses)	<b>(199,961)</b>	<b>(131,500)</b>	<b>(72,401)</b>	<b>(33,400)</b>	<b>(9,400)</b>	<b>4,500</b>	<b>(442,162)</b>
<b>Financial Uses (Debt Service Payments):</b>							
RRIF debt repayments	22,600	34,867	44,377	92,031	137,375	172,484	503,734
<b>Total Debt Service Payments</b>	<b>22,600</b>	<b>34,867</b>	<b>44,377</b>	<b>92,031</b>	<b>137,375</b>	<b>172,484</b>	<b>503,734</b>
<b>Available for Capital Uses</b> (Capital Sources + Federal Grants to Amtrak + Operating Surplus/Deficit - Debt Service Payments)	<b>2,592,311</b>	<b>2,235,341</b>	<b>2,633,666</b>	<b>2,800,431</b>	<b>2,634,046</b>	<b>2,548,131</b>	<b>15,443,926</b>
<b>Financial Uses (Capital):</b>							
Service Line Management	69,102	74,961	12,700	2,700	2,700	2,700	164,863
Transportation	156,679	106,656	450,873	458,349	178,321	126,685	1,477,563
Equipment	585,679	654,468	615,217	645,744	522,440	515,533	3,539,080
Infrastructure	934,751	841,690	955,029	1,158,650	1,519,111	1,516,988	6,926,219
Stations	260,624	249,011	303,688	310,999	237,033	217,760	1,579,116
National Assets and Corporate Services	384,838	123,336	120,496	99,171	100,552	103,241	931,634
<b>Capital Expenditures</b>	<b>2,391,674</b>	<b>2,050,122</b>	<b>2,458,003</b>	<b>2,675,613</b>	<b>2,560,158</b>	<b>2,482,906</b>	<b>14,618,476</b>
Legacy Debt Repayments	183,650	185,219	175,663	124,818	73,888	65,224	808,463
<b>Total Capital Uses</b>	<b>2,575,324</b>	<b>2,235,341</b>	<b>2,633,666</b>	<b>2,800,431</b>	<b>2,634,046</b>	<b>2,548,131</b>	<b>15,426,939</b>
<b>Remaining Carryover Balance</b>	<b>\$ 16,987</b>	<b>\$ 0</b>	<b>\$ (0)</b>	<b>\$ (0)</b>	<b>\$ (0)</b>	<b>\$ (0)</b>	<b>\$ 16,987</b>

## Fiscal Year 2018 Budget

	Northeast Corridor (NEC) Account					NEC Account Total
(\$s in Thousands)	NEC	Infrastructure Access	Ancillary - NEC			
			Commuter Operations	Reimbursable	Real Estate/ Commercial	
Financial Sources:						
Passenger Related Revenue						
Ticket Revenue (Adjusted)	1,234,793	-	-	9,990	-	1,244,783
Charter/Special Trains	2,298	-	-	-	-	2,298
Food and Beverage	40,671	-	-	-	-	40,671
Contractual Contribution (Operating)						
PRIIA 209 Operating Payments	-	-	-	-	-	-
PRIIA 212 Operating Payments	-	134,535	-	-	-	134,535
Commuter Operations	-	-	65,237	-	-	65,237
Reimbursable Contracts	109	17,445	-	62,725	71	80,350
Access Revenue	-	65,095	-	-	-	65,095
Commercial Revenue (incl. Pipe/Wire, Real Estate, Parking)	-	-	-	-	72,771	72,771
All Other Revenue (incl. Insurance Revenue, Cobranded Commissions)	13,848	201	-	1,987	-	16,036
Operating Sources Subtotal	1,291,719	217,276	65,237	74,701	72,842	1,721,775
Contractual Contribution (Capital)						
PRIIA 209 Capital Payments	-	-	-	-	-	-
PRIIA 212 Capital Payments	-	132,585	-	-	-	132,585
Other State/Local Mutual Benefit	27,137	58,383	-	-	-	85,520
Financing Proceeds Applied	185,539	-	-	-	-	185,539
Other Capital and Special Grants (incl., state/local sources)	-	-	-	-	-	-
Capital Sources Subtotal	212,676	190,968	-	-	-	403,644
Federal Grants to Amtrak						
Prior Year Carryover Capital Grant Funds	360,802	80,295	-	-	-	441,097
Current Year FAST Sec 11101 Grants						
Operating	-	-	-	-	-	-
Capital	-	313,400	-	-	-	313,400
Other Federal Grants (incl., FRA/OST, FTA, DHS)	10,447	1,923	-	-	-	12,370
Federal Grants to Amtrak Subtotal	371,250	395,618	-	-	-	766,867
Total Financial Sources	1,875,645	803,861	65,237	74,701	72,842	2,892,286
Financial Uses (Operating):						
Service Line Management	5,190	145	157	-	-	5,492
Transportation	251,568	54,118	28,120	945	0	334,751
Equipment	185,699	15,035	19,468	12,936	147	233,285
Infrastructure	66,173	72,742	791	101,125	1,015	241,847
Stations	37,826	16,651	368	-	381	55,227
National Assets and Corporate Services	337,313	65,673	11,212	21,306	12,107	447,611
Total Operating Uses	883,770	224,363	60,116	136,312	13,651	1,318,212
Operating Surplus/Deficit (Operating Sources - Operating Uses)	407,949	(7,088)	5,121	(61,610)	59,191	403,563
Financial Uses (Debt Service Payments):						
RRIF debt repayments	22,600	-	-	-	-	22,600
Total Debt Service Payments	22,600	-	-	-	-	22,600
Available for Capital Uses (Capital Sources + Federal Grants to Amtrak + Operating Surplus/Deficit - Debt Service Payments )	969,275	579,498	5,121	(61,610)	59,191	1,551,474
Financial Uses (Capital):						
Service Line Management	26,339	39,019	-	-	-	65,357
Transportation	31,078	35,794	-	-	-	66,872
Equipment	233,083	29,865	-	-	-	262,948
Infrastructure	368,461	349,004	-	-	-	717,465
Stations	90,234	38,240	-	-	-	128,474
National Assets and Corporate Services	184,344	851	-	-	-	185,195
Capital Expenditures	933,539	492,772	-	-	-	1,426,312
Legacy Debt Repayments	135,409	7,124	-	-	2,701	145,234
Total Capital Uses	1,068,948	499,897	-	-	2,701	1,571,546
Remaining Carryover Balance	\$ (99,673)	\$ 79,601	\$ 5,121	\$ (61,610)	\$ 56,489	\$ (20,072)



**FY 2018**

National Network Account							National Network Account Total Amtrak	Total Amtrak
State Supported	Long Distance	Infrastructure Access	Ancillary - National Network					
			Commuter Operations	Reimbursable	Real Estate/ Commercial			
523,162	477,635	-	-	-	-	1,000,797	2,245,580	
3,534	-	-	-	-	-	3,534	5,832	
26,666	69,686	-	-	-	-	96,352	137,023	
244,701	-	-	-	-	-	244,701	244,701	
-	-	-	-	-	-	-	134,535	
-	-	-	55,353	-	-	55,353	120,590	
521	34	-	-	77,173	15	77,742	158,092	
-	-	12,210	-	-	-	12,210	77,305	
-	-	-	-	-	14,905	14,905	87,675	
10,914	7,525	11	-	5,381	-	23,830	39,866	
809,497	554,880	12,221	55,353	82,553	14,919	1,529,424	3,251,199	
67,780	-	-	-	-	-	67,780	67,780	
-	-	14,676	-	-	-	14,676	147,260	
68,361	10,448	54,961	-	-	-	133,770	219,291	
4,951	4,227	-	-	-	-	9,178	194,717	
-	-	-	-	-	-	-	-	
141,093	14,675	69,637	-	-	-	225,405	629,048	
150,871	163,502	8,938	-	-	-	323,311	764,408	
84,102	521,675	4,042	-	-	-	609,819	609,819	
168,083	314,598	-	-	-	-	482,681	796,081	
1,387	1,759	-	-	-	-	3,146	15,516	
404,443	1,001,533	12,980	-	-	-	1,418,957	2,185,824	
1,355,033	1,571,088	94,838	55,353	82,553	14,919	3,173,785	6,066,071	
5,370	5,129	27	232	174	-	10,933	16,424	
388,682	510,509	9,363	43,141	938	0	952,632	1,287,383	
182,365	214,472	617	13,325	(3,735)	30	407,073	640,358	
26,600	20,552	16,030	81	29,832	208	93,302	335,149	
83,819	71,868	1,061	-	-	78	156,825	212,052	
206,765	254,026	22,791	11,744	14,377	2,480	512,182	959,793	
893,600	1,076,555	49,888	68,523	41,586	2,796	2,132,948	3,451,159	
(84,102)	(521,675)	(37,667)	(13,170)	40,967	12,123	(603,524)	(199,961)	
-	-	-	-	-	-	-	22,600	
-	-	-	-	-	-	-	22,600	
461,433	494,534	44,950	(13,170)	40,967	12,123	1,040,837	2,592,311	
408	3,336	-	-	-	-	3,745	69,102	
31,679	42,295	15,833	-	-	-	89,807	156,679	
128,304	193,883	544	-	-	-	322,732	585,679	
100,821	61,148	55,316	-	-	-	217,286	934,751	
66,291	54,238	10,847	-	-	775	132,150	260,624	
111,065	88,578	-	-	-	-	199,643	384,838	
438,568	443,479	82,540	-	-	775	965,362	2,391,674	
14,606	23,665	-	-	-	145	38,416	183,650	
453,174	467,144	82,540	-	-	920	1,003,778	2,575,324	
\$ 8,260	\$ 27,390	\$ (37,590)	\$ (13,170)	\$ 40,967	\$ 11,203	\$ 37,059	\$ 16,987	

## Fiscal Year 2019 Forecast

	Northeast Corridor (NEC) Account					NEC Account Total
(\$s in Thousands)	NEC	Infrastructure Access	Ancillary - NEC			
			Commuter Operations	Reimbursable	Real Estate/ Commercial	
Financial Sources:						
Passenger Related Revenue						
Ticket Revenue (Adjusted)	1,274,925	-	-	-	-	1,274,925
Charter/Special Trains	2,344	-	-	-	-	2,344
Food and Beverage	41,484	-	-	-	-	41,484
Contractual Contribution (Operating)						
PRIIA 209 Operating Payments	-	-	-	-	-	-
PRIIA 212 Operating Payments	-	137,225	-	-	-	137,225
Commuter Operations	-	-	66,542	-	-	66,542
Reimbursable Contracts	111	17,794	-	69,991	73	87,969
Access Revenue	-	66,397	-	-	-	66,397
Commercial Revenue (incl. Pipe/Wire, Real Estate, Parking)	-	-	-	-	74,226	74,226
All Other Revenue (incl. Insurance Revenue, Cobranded Commissions)	14,125	205	-	2,027	-	16,357
Operating Sources Subtotal	1,332,989	221,621	66,542	72,018	74,299	1,767,469
Contractual Contribution (Capital)						
PRIIA 209 Capital Payments	-	-	-	-	-	-
PRIIA 212 Capital Payments	-	174,428	-	-	-	174,428
Other State/Local Mutual Benefit	23,444	15,405	-	-	-	38,849
Financing Proceeds Applied	349,015	-	-	-	-	349,015
Other Capital and Special Grants (incl., state/local sources)	3,169	-	-	-	-	3,169
Capital Sources Subtotal	375,629	189,833	-	-	-	565,462
Federal Grants to Amtrak						
Prior Year Carryover Capital Grant Funds	-	-	-	-	-	-
Current Year FAST Sec 11101 Grants						
Operating	-	-	-	-	-	-
Capital	71,588	463,691	-	-	-	535,279
Other Federal Grants (incl., FRA/OST, FTA, DHS)	9,762	463	-	-	-	10,225
Federal Grants to Amtrak Subtotal	81,350	464,154	-	-	-	545,504
Total Financial Sources	1,789,968	875,609	66,542	72,018	74,299	2,878,435
Financial Uses (Operating):						
Service Line Management	5,146	145	157	-	-	5,449
Transportation	261,383	57,898	29,294	986	0	349,561
Equipment	184,132	15,095	19,546	12,988	148	231,908
Infrastructure	65,615	73,033	795	99,768	1,019	240,230
Stations	37,507	16,718	370	-	383	54,977
National Assets and Corporate Services	333,457	65,803	11,094	21,493	12,171	444,018
Total Operating Uses	887,240	228,691	61,255	135,236	13,721	1,326,143
Operating Surplus/Deficit (Operating Sources - Operating Uses)	445,749	(7,070)	5,286	(63,218)	60,578	441,325
Financial Uses (Debt Service Payments):						
RRIF debt repayments	34,867	-	-	-	-	34,867
Total Debt Service Payments	34,867	-	-	-	-	34,867
Available for Capital Uses (Capital Sources + Federal Grants to Amtrak + Operating Surplus/Deficit - Debt Service Payments )	867,860	646,917	5,286	(63,218)	60,578	1,517,424
Financial Uses (Capital):						
Service Line Management	27,485	44,092	-	-	-	71,577
Transportation	25,146	10,482	-	-	-	35,628
Equipment	336,108	34,828	-	-	-	370,936
Infrastructure	393,533	302,828	-	-	-	696,361
Stations	86,077	64,431	-	-	-	150,507
National Assets and Corporate Services	57,597	-	-	-	-	57,597
Capital Expenditures	925,945	456,660	-	-	-	1,382,605
Legacy Debt Repayments	138,095	7,030	-	-	2,644	147,769
Total Capital Uses	1,064,040	463,691	-	-	2,644	1,530,374
Remaining Carryover Balance	\$ (196,180)	\$ 183,227	\$ 5,286	\$ (63,218)	\$ 57,934	\$ (12,950)

**FY 2019**

National Network Account						National Network Account Total	Total Amtrak
State Supported	Long Distance	Infrastructure Access	Ancillary - National Network				
			Commuter Operations	Reimbursable	Real Estate/ Commercial		
547,736	516,415	-	-	-	-	1,064,151	2,339,076
3,605	-	-	-	-	-	3,605	5,948
27,199	71,080	-	-	-	-	98,279	139,763
256,341	-	-	-	-	-	256,341	256,341
-	-	-	-	-	-	-	137,225
-	-	-	56,460	-	-	56,460	123,001
531	35	-	-	78,716	15	79,297	167,266
-	-	12,454	-	-	-	12,454	78,852
-	-	-	-	-	15,203	15,203	89,429
11,132	7,675	11	-	5,488	-	24,307	40,663
846,544	595,205	12,465	56,460	84,204	15,218	1,610,096	3,377,565
58,343	-	-	-	-	-	58,343	58,343
-	-	19,521	-	-	-	19,521	193,949
21,094	6,669	19,258	-	-	-	47,021	85,870
6,945	6,678	-	-	-	-	13,623	362,638
-	-	-	-	-	-	-	3,169
86,381	13,347	38,779	-	-	-	138,508	703,970
-	-	-	-	-	-	-	-
83,581	450,323	38,922	-	-	-	572,826	572,826
247,850	307,442	21,104	-	-	-	576,395	1,111,674
1,317	1,696	-	-	-	-	3,014	13,239
332,748	759,461	60,026	-	-	-	1,152,235	1,697,739
1,265,673	1,368,013	111,271	56,460	84,204	15,218	2,900,839	5,779,274
5,466	5,221	27	230	172	-	11,116	16,565
400,427	528,465	9,816	44,435	946	0	984,088	1,333,650
191,552	211,336	611	13,192	(3,697)	30	413,023	644,930
26,536	20,251	17,193	80	29,534	206	93,800	334,030
88,042	70,817	1,050	-	-	77	159,986	214,963
218,102	251,803	22,693	11,575	14,278	2,458	520,909	964,927
930,125	1,087,893	51,388	69,511	41,233	2,771	2,182,922	3,509,065
(83,581)	(492,689)	(38,922)	(13,051)	42,971	12,446	(572,826)	(131,500)
-	-	-	-	-	-	-	34,867
-	-	-	-	-	-	-	34,867
335,548	280,119	59,883	(13,051)	42,971	12,446	717,917	2,235,341
166	3,218	-	-	-	-	3,384	74,961
19,421	48,094	3,513	-	-	-	71,028	106,656
94,512	188,924	95	-	-	-	283,532	654,468
57,189	65,908	22,232	-	-	-	145,329	841,690
48,747	40,612	9,146	-	-	-	98,504	249,011
44,683	21,056	-	-	-	-	65,739	123,336
264,718	367,812	34,987	-	-	-	667,517	2,050,122
7,517	29,788	-	-	-	146	37,450	185,219
272,235	397,600	34,987	-	-	146	704,967	2,235,341
\$ 63,314	\$ (117,480)	\$ 24,897	\$ (13,051)	\$ 42,971	\$ 12,300	\$ 12,950	\$ 0



## Fiscal Year 2020 Forecast

	Northeast Corridor (NEC) Account					NEC Account Total
(\$s in Thousands)	NEC	Infrastructure Access	Ancillary - NEC			
			Commuter Operations	Reimbursable	Real Estate/ Commercial	
Financial Sources:						
Passenger Related Revenue						
Ticket Revenue (Adjusted)	1,324,059	-	-	-	-	1,324,059
Charter/Special Trains	2,391	-	-	-	-	2,391
Food and Beverage	42,314	-	-	-	-	42,314
Contractual Contribution (Operating)						
PRIIA 209 Operating Payments	-	-	-	-	-	-
PRIIA 212 Operating Payments	-	139,970	-	-	-	139,970
Commuter Operations	-	-	67,873	-	-	67,873
Reimbursable Contracts	114	18,150	-	74,126	74	92,464
Access Revenue	-	67,725	-	-	-	67,725
Commercial Revenue (incl. Pipe/Wire, Real Estate, Parking)	-	-	-	-	75,711	75,711
All Other Revenue (incl. Insurance Revenue, Cobranded Commissions)	14,408	209	-	2,067	-	16,684
Operating Sources Subtotal	1,383,285	226,054	67,873	76,193	75,785	1,829,189
Contractual Contribution (Capital)						
PRIIA 209 Capital Payments	-	-	-	-	-	-
PRIIA 212 Capital Payments	-	178,626	-	-	-	178,626
Other State/Local Mutual Benefit	8,601	14,842	-	-	-	23,443
Financing Proceeds Applied	618,063	-	-	-	-	618,063
Other Capital and Special Grants (incl., state/local sources)	3,169	-	-	-	-	3,169
Capital Sources Subtotal	629,833	193,468	-	-	-	823,301
Federal Grants to Amtrak						
Prior Year Carryover Capital Grant Funds	-	-	-	-	-	-
Current Year FAST Sec 11101 Grants						
Operating	-	-	-	-	-	-
Capital	73,462	556,500	-	-	-	629,962
Other Federal Grants (incl., FRA/OST, FTA, DHS)	9,544	-	-	-	-	9,544
Federal Grants to Amtrak Subtotal	83,006	556,500	-	-	-	639,506
Total Financial Sources	2,096,124	976,022	67,873	76,193	75,785	3,291,997
Financial Uses (Operating):						
Service Line Management	5,316	148	160	-	-	5,625
Transportation	266,192	59,925	29,859	1,006	0	356,982
Equipment	190,193	15,397	19,937	13,248	151	238,925
Infrastructure	67,775	74,494	810	103,564	1,040	247,682
Stations	38,742	17,052	377	-	390	56,561
National Assets and Corporate Services	343,771	67,119	11,316	21,923	12,414	456,543
Total Operating Uses	911,989	234,135	62,459	139,740	13,995	1,362,318
Operating Surplus/Deficit (Operating Sources - Operating Uses)	471,296	(8,081)	5,413	(63,547)	61,789	466,871
Financial Uses (Debt Service Payments):						
RRIF debt repayments	44,377	-	-	-	-	44,377
Total Debt Service Payments	44,377	-	-	-	-	44,377
Available for Capital Uses (Capital Sources + Federal Grants to Amtrak + Operating Surplus/Deficit - Debt Service Payments )	1,139,759	741,887	5,413	(63,547)	61,789	1,885,302
Financial Uses (Capital):						
Service Line Management	5,635	5,882	-	-	-	11,517
Transportation	383,766	9,009	-	-	-	392,775
Equipment	252,742	44,873	-	-	-	297,616
Infrastructure	429,975	379,890	-	-	-	809,865
Stations	83,056	109,883	-	-	-	192,939
National Assets and Corporate Services	56,922	-	-	-	-	56,922
Capital Expenditures	1,212,096	549,537	-	-	-	1,761,633
Legacy Debt Repayments	131,262	6,963	-	-	3,660	141,885
Total Capital Uses	1,343,358	556,500	-	-	3,660	1,903,518
Remaining Carryover Balance	\$ (203,600)	\$ 185,387	\$ 5,413	\$ (63,547)	\$ 58,130	\$ (18,216)

FY 2020								
National Network Account							National Network Account Total	Total Amtrak
State Supported	Long Distance	Infrastructure Access	Ancillary - National Network					
			Commuter Operations	Reimbursable	Real Estate/ Commercial			
572,345	528,844	-	-	-	-	1,101,189	2,425,249	
3,677	-	-	-	-	-	3,677	6,067	
27,743	72,501	-	-	-	-	100,245	142,559	
265,698	-	-	-	-	-	265,698	265,698	
-	-	-	-	-	-	-	139,970	
-	-	-	57,589	-	-	57,589	125,461	
542	35	-	-	80,290	15	80,883	173,347	
-	-	12,703	-	-	-	12,703	80,429	
-	-	-	-	-	15,507	15,507	91,218	
11,354	7,829	11	-	5,598	-	24,793	41,476	
881,360	609,210	12,715	57,589	85,888	15,522	1,662,284	3,491,473	
71,454	-	-	-	-	-	71,454	71,454	
-	-	19,845	-	-	-	19,845	198,472	
15,136	4,123	11,955	-	-	-	31,214	54,657	
3,677	4,436	-	-	-	-	8,113	626,176	
-	-	-	-	-	-	-	3,169	
90,268	8,559	31,800	-	-	-	130,627	953,928	
-	-	-	-	-	-	-	-	
82,652	463,580	38,548	-	-	-	584,780	584,780	
244,781	324,477	-	-	-	-	569,258	1,199,220	
1,295	1,677	-	-	-	-	2,972	12,516	
328,728	789,734	38,548	-	-	-	1,157,010	1,796,516	
1,300,355	1,407,503	83,063	57,589	85,888	15,522	2,949,920	6,241,917	
5,497	5,250	26	228	171	-	11,171	16,796	
405,896	536,996	10,044	44,990	946	0	998,873	1,355,855	
201,188	203,111	605	13,079	(3,666)	30	414,347	653,272	
28,052	19,318	17,046	79	29,283	204	93,983	341,665	
93,071	67,554	1,041	-	-	77	161,742	218,303	
230,309	240,561	22,500	11,476	14,157	2,437	521,439	977,983	
964,011	1,072,790	51,263	69,853	40,891	2,748	2,201,556	3,563,874	
(82,652)	(463,580)	(38,548)	(12,264)	44,997	12,774	(539,273)	(72,401)	
-	-	-	-	-	-	-	44,377	
-	-	-	-	-	-	-	44,377	
336,344	334,713	31,800	(12,264)	44,997	12,774	748,364	2,633,666	
268	915	-	-	-	-	1,183	12,700	
17,463	40,494	141	-	-	-	58,098	450,873	
89,220	228,339	42	-	-	-	317,601	615,217	
54,077	59,132	31,955	-	-	-	145,164	955,029	
60,198	40,868	9,684	-	-	-	110,749	303,688	
44,200	19,374	-	-	-	-	63,574	120,496	
265,426	389,122	41,822	-	-	-	696,370	2,458,003	
6,860	26,811	-	-	-	107	33,778	175,663	
272,285	415,933	41,822	-	-	107	730,148	2,633,666	
\$ 64,058	\$ (81,220)	\$ (10,022)	\$ (12,264)	\$ 44,997	\$ 12,667	\$ 18,216	\$ (0)	

## Fiscal Year 2021 Forecast

	Northeast Corridor (NEC) Account					NEC Account Total
(\$s in Thousands)	NEC	Infrastructure Access	Ancillary - NEC			
			Commuter Operations	Reimbursable	Real Estate/ Commercial	
Financial Sources:						
Passenger Related Revenue						
Ticket Revenue (Adjusted)	1,374,350	-	-	-	-	1,374,350
Charter/Special Trains	2,439	-	-	-	-	2,439
Food and Beverage	43,160	-	-	-	-	43,160
Contractual Contribution (Operating)						
PRIIA 209 Operating Payments	-	-	-	-	-	-
PRIIA 212 Operating Payments	-	142,769	-	-	-	142,769
Commuter Operations	-	-	69,230	-	-	69,230
Reimbursable Contracts	116	18,513	-	80,732	75	99,436
Access Revenue	-	69,080	-	-	-	69,080
Commercial Revenue (incl. Pipe/Wire, Real Estate, Parking)	-	-	-	-	77,225	77,225
All Other Revenue (incl. Insurance Revenue, Cobranded Commissions)	14,696	213	-	2,109	-	17,017
Operating Sources Subtotal	1,434,760	230,575	69,230	82,840	77,300	1,894,705
Contractual Contribution (Capital)						
PRIIA 209 Capital Payments	-	-	-	-	-	-
PRIIA 212 Capital Payments	-	173,227	-	-	-	173,227
Other State/Local Mutual Benefit	73,662	92,769	-	-	-	166,431
Financing Proceeds Applied	546,940	-	-	-	-	546,940
Other Capital and Special Grants (incl., state/local sources)	3,169	-	-	-	-	3,169
Capital Sources Subtotal	623,771	265,996	-	-	-	889,767
Federal Grants to Amtrak						
Prior Year Carryover Capital Grant Funds	-	-	-	-	-	-
Current Year FAST Sec 11101 Grants						
Operating	-	-	-	-	-	-
Capital	59,087	690,875	-	-	-	749,962
Other Federal Grants (incl., FRA/OST, FTA, DHS)	9,544	-	-	-	-	9,544
Federal Grants to Amtrak Subtotal	68,631	690,875	-	-	-	759,506
Total Financial Sources	2,127,162	1,187,445	69,230	82,840	77,300	3,543,978
Financial Uses (Operating):						
Service Line Management	5,564	152	164	-	-	5,879
Transportation	270,742	61,403	30,467	1,033	0	363,646
Equipment	199,060	15,743	20,385	13,546	154	248,888
Infrastructure	70,934	76,170	829	109,494	1,063	258,490
Stations	40,548	17,436	385	-	399	58,768
National Assets and Corporate Services	358,859	68,629	11,570	22,416	12,694	474,168
Total Operating Uses	945,707	239,533	63,801	146,489	14,310	1,409,839
Operating Surplus/Deficit (Operating Sources - Operating Uses)	489,053	(8,958)	5,429	(63,648)	62,990	484,866
Financial Uses (Debt Service Payments):						
RRIF debt repayments	92,031	-	-	-	-	92,031
Total Debt Service Payments	92,031	-	-	-	-	92,031
Available for Capital Uses (Capital Sources + Federal Grants to Amtrak + Operating Surplus/Deficit - Debt Service Payments )	1,089,424	947,913	5,429	(63,648)	62,990	2,042,108
Financial Uses (Capital):						
Service Line Management	1,968	-	-	-	-	1,968
Transportation	411,429	10,658	-	-	-	422,087
Equipment	226,193	80,817	-	-	-	307,010
Infrastructure	503,597	485,571	-	-	-	989,168
Stations	92,441	106,047	-	-	-	198,487
National Assets and Corporate Services	49,153	885	-	-	-	50,038
Capital Expenditures	1,284,782	683,977	-	-	-	1,968,759
Legacy Debt Repayments	85,473	6,898	-	-	4,893	97,264
Total Capital Uses	1,370,255	690,875	-	-	4,893	2,066,023
Remaining Carryover Balance	\$ (280,830)	\$ 257,038	\$ 5,429	\$ (63,648)	\$ 58,097	\$ (23,915)



FY 2021								
National Network Account							National Network Account Total	Total Amtrak
State Supported	Long Distance	Infrastructure Access	Ancillary - National Network					
			Commuter Operations	Reimbursable	Real Estate/ Commercial			
596,223	540,293	-	-	-	-	1,136,516	2,510,866	
3,750	-	-	-	-	-	3,750	6,189	
28,298	73,951	-	-	-	-	102,250	145,411	
274,453	-	-	-	-	-	274,453	274,453	
-	-	-	-	-	-	-	142,769	
-	-	-	58,741	-	-	58,741	127,971	
553	36	-	-	81,896	15	82,501	181,937	
-	-	12,958	-	-	-	12,958	82,037	
-	-	-	-	-	15,817	15,817	93,042	
11,582	7,986	12	-	5,710	-	25,288	42,306	
914,860	622,266	12,969	58,741	87,606	15,833	1,712,274	3,606,979	
85,540	-	-	-	-	-	85,540	85,540	
-	-	19,454	-	-	-	19,454	192,681	
16,749	10,386	4,910	-	-	-	32,045	198,476	
189	2,851	-	-	-	-	3,040	549,980	
-	-	-	-	-	-	-	3,169	
102,478	13,238	24,364	-	-	-	140,080	1,029,846	
-	-	-	-	-	-	-	-	
82,250	443,845	39,079	-	-	-	565,175	565,175	
244,396	323,967	-	-	-	-	568,363	1,318,325	
1,295	1,677	-	-	-	-	2,972	12,516	
327,942	769,489	39,079	-	-	-	1,136,510	1,896,016	
1,345,279	1,404,992	76,412	58,741	87,606	15,833	2,988,863	6,532,841	
5,552	5,303	27	231	174	-	11,287	17,166	
411,602	545,703	10,211	45,755	947	0	1,014,218	1,377,864	
211,220	197,112	615	13,276	(3,721)	30	418,531	667,419	
29,450	18,747	17,302	81	29,722	207	95,510	354,000	
97,712	65,559	1,057	-	-	78	164,405	223,173	
241,573	233,687	22,837	11,648	14,369	2,474	526,589	1,000,757	
997,110	1,066,111	52,048	70,991	41,491	2,789	2,230,540	3,640,379	
(82,250)	(443,845)	(39,079)	(12,250)	46,115	13,044	(518,266)	(33,400)	
-	-	-	-	-	-	-	92,031	
-	-	-	-	-	-	-	92,031	
348,169	338,881	24,364	(12,250)	46,115	13,044	758,323	2,800,431	
246	486	-	-	-	-	732	2,700	
15,774	20,344	143	-	-	-	36,261	458,349	
93,289	245,403	42	-	-	-	338,734	645,744	
63,159	69,887	36,436	-	-	-	169,482	1,158,650	
50,910	50,843	10,760	-	-	-	112,512	310,999	
33,814	15,318	-	-	-	-	49,133	99,171	
257,192	402,281	47,381	-	-	-	706,854	2,675,613	
5,542	21,933	-	-	-	80	27,555	124,818	
262,734	424,214	47,381	-	-	80	734,409	2,800,431	
\$ 85,435	\$ (85,333)	\$ (23,016)	\$ (12,250)	\$ 46,115	\$ 12,964	\$ 23,915	\$ (0)	

## Fiscal Year 2022 Forecast

	Northeast Corridor (NEC) Account					NEC Account Total
(\$s in Thousands)	NEC	Infrastructure Access	Ancillary - NEC			
			Commuter Operations	Reimbursable	Real Estate/ Commercial	
Financial Sources:						
Passenger Related Revenue						
Ticket Revenue (Adjusted)	1,480,950	-	-	-	-	1,480,950
Charter/Special Trains	2,487	-	-	-	-	2,487
Food and Beverage	44,023	-	-	-	-	44,023
Contractual Contribution (Operating)						
PRIIA 209 Operating Payments	-	-	-	-	-	-
PRIIA 212 Operating Payments	-	145,625	-	-	-	145,625
Commuter Operations	-	-	70,615	-	-	70,615
Reimbursable Contracts	118	18,883	-	91,826	77	110,904
Access Revenue	-	70,461	-	-	-	70,461
Commercial Revenue (incl. Pipe/Wire, Real Estate, Parking)	-	-	-	-	88,249	88,249
All Other Revenue (incl. Insurance Revenue, Cobranded Commissions)	14,990	217	-	2,151	-	17,358
Operating Sources Subtotal	1,542,568	235,186	70,615	93,977	88,326	2,030,672
Contractual Contribution (Capital)						
PRIIA 209 Capital Payments	-	-	-	-	-	-
PRIIA 212 Capital Payments	-	184,838	-	-	-	184,838
Other State/Local Mutual Benefit	140,956	174,963	-	-	-	315,918
Financing Proceeds Applied	127,761	-	-	-	-	127,761
Other Capital and Special Grants (incl., state/local sources)	3,169	-	-	-	-	3,169
Capital Sources Subtotal	271,886	359,800	-	-	-	631,686
Federal Grants to Amtrak						
Prior Year Carryover Capital Grant Funds	-	-	-	-	-	-
Current Year FAST Sec 11101 Grants						
Operating	-	-	-	-	-	-
Capital	52,713	769,364	-	-	-	822,077
Other Federal Grants (incl., FRA/OST, FTA, DHS)	9,544	-	-	-	-	9,544
Federal Grants to Amtrak Subtotal	62,257	769,364	-	-	-	831,621
Total Financial Sources	1,876,711	1,364,350	70,615	93,977	88,326	3,493,979
Financial Uses (Operating):						
Service Line Management	6,349	151	163	-	-	6,663
Train Operations	281,755	64,355	31,894	1,087	0	379,092
Equipment	227,151	15,664	20,283	15,239	173	278,511
Infrastructure	80,945	75,789	825	118,181	2,696	278,435
Stations	46,270	17,349	384	-	449	64,451
National Assets and Corporate Services	407,729	68,286	11,512	25,218	17,780	530,526
Total Operating Uses	1,050,199	241,594	65,061	159,725	21,099	1,537,678
Operating Surplus/Deficit (Operating Sources - Operating Uses)	492,369	(6,407)	5,553	(65,748)	67,227	492,994
Financial Uses (Debt Service Payments):						
RRIF debt repayments	137,375	-	-	-	-	137,375
Total Debt Service Payments	137,375	-	-	-	-	137,375
Available for Capital Uses (Capital Sources + Federal Grants to Amtrak + Operating Surplus/Deficit - Debt Service Payments )	689,137	1,122,757	5,553	(65,748)	67,227	1,818,926
Financial Uses (Capital):						
Service Line Management	1,968	-	-	-	-	1,968
Train Operations	141,818	9,515	-	-	-	151,332
Equipment	88,901	34,448	-	-	-	123,349
Infrastructure	668,892	651,718	-	-	-	1,320,610
Stations	65,633	68,863	-	-	-	134,496
National Assets and Corporate Services	49,598	-	-	-	-	49,598
Capital Expenditures	1,016,809	764,543	-	-	-	1,781,352
Legacy Debt Repayments	54,091	4,820	-	-	4,895	63,806
Total Capital Uses	1,070,900	769,364	-	-	4,895	1,845,158
Remaining Carryover Balance	\$ (381,763)	\$ 353,393	\$ 5,553	\$ (65,748)	\$ 62,332	\$ (26,232)

**FY 2022**

National Network Account							Total Amtrak
State Supported	Long Distance	Infrastructure Access	Ancillary - National Network			National Network Account Total	
			Commuter Operations	Reimbursable	Real Estate/ Commercial		
614,890	552,520	-	-	-	-	1,167,411	2,648,361
3,825	-	-	-	-	-	3,825	6,312
28,864	75,430	-	-	-	-	104,295	148,318
280,590	-	-	-	-	-	280,590	280,590
-	-	-	-	-	-	-	145,625
-	-	-	59,915	-	-	59,915	130,530
564	37	-	-	83,534	16	84,151	195,055
-	-	13,217	-	-	-	13,217	83,678
-	-	-	-	-	16,133	16,133	104,382
11,813	8,145	12	-	5,824	-	25,794	43,152
940,547	636,133	13,228	59,915	89,358	16,149	1,755,331	3,786,003
85,540	-	-	-	-	-	85,540	85,540
-	-	22,229	-	-	-	22,229	207,067
22,899	17,262	4,924	-	-	-	45,085	361,003
33	753	-	-	-	-	786	128,547
-	-	-	-	-	-	-	3,169
108,472	18,015	27,153	-	-	-	153,640	785,325
-	-	-	-	-	-	-	-
77,435	436,022	37,584	-	-	-	551,041	551,041
262,240	347,621	-	-	-	-	609,861	1,431,938
1,295	1,677	-	-	-	-	2,972	12,516
340,970	785,319	37,584	-	-	-	1,163,874	1,995,495
1,389,989	1,439,467	77,966	59,915	89,358	16,149	3,072,844	6,566,823
5,500	5,253	26	222	167	-	11,168	17,831
426,757	567,787	10,649	47,814	978	0	1,053,985	1,433,077
212,470	192,581	590	12,745	(3,758)	30	414,658	693,169
30,025	18,030	16,610	77	30,019	209	94,971	373,406
96,794	63,049	1,014	-	-	79	160,935	225,387
246,435	225,455	21,924	11,182	14,513	2,498	522,008	1,052,533
1,017,981	1,072,154	50,813	72,040	41,919	2,817	2,257,724	3,795,402
(77,435)	(436,022)	(37,584)	(12,125)	47,440	13,332	(502,394)	(9,400)
-	-	-	-	-	-	-	137,375
-	-	-	-	-	-	-	137,375
372,007	367,313	27,153	(12,125)	47,440	13,332	815,120	2,634,046
246	486	-	-	-	-	732	2,700
14,363	12,483	142	-	-	-	26,989	178,321
116,382	282,667	42	-	-	-	399,091	522,440
70,171	84,862	43,469	-	-	-	198,501	1,519,111
44,733	47,045	10,760	-	-	-	102,537	237,033
35,225	15,730	-	-	-	-	50,955	100,552
281,119	443,273	54,413	-	-	-	778,806	2,560,158
2,112	7,889	-	-	-	81	10,082	73,888
283,231	451,162	54,413	-	-	81	788,888	2,634,046
\$ 88,776	\$ (83,850)	\$ (27,260)	\$ (12,125)	\$ 47,440	\$ 13,251	\$ 26,232	\$ (0)



## Fiscal Year 2023 Forecast

	Northeast Corridor (NEC) Account					NEC Account Total
(\$s in Thousands)	NEC	Infrastructure Access	Ancillary - NEC			
			Commuter Operations	Reimbursable	Real Estate/ Commercial	
Financial Sources:						
Passenger Related Revenue						
Ticket Revenue (Adjusted)	1,564,069	-	-	-	-	1,564,069
Charter/Special Trains	2,537	-	-	-	-	2,537
Food and Beverage	44,904	-	-	-	-	44,904
Contractual Contribution (Operating)						
PRIIA 209 Operating Payments	-	-	-	-	-	-
PRIIA 212 Operating Payments	-	148,537	-	-	-	148,537
Commuter Operations	-	-	72,027	-	-	72,027
Reimbursable Contracts	121	19,261	-	101,274	79	120,734
Access Revenue	-	71,870	-	-	-	71,870
Commercial Revenue (incl. Pipe/Wire, Real Estate, Parking)	-	-	-	-	97,625	97,625
All Other Revenue (incl. Insurance Revenue, Cobranded Commissions)	15,289	222	-	2,194	-	17,705
Operating Sources Subtotal	1,626,920	239,890	72,027	103,468	97,704	2,140,008
Contractual Contribution (Capital)						
PRIIA 209 Capital Payments	-	-	-	-	-	-
PRIIA 212 Capital Payments	-	187,485	-	-	-	187,485
Other State/Local Mutual Benefit	131,091	150,247	-	-	-	281,338
Financing Proceeds Applied	-	-	-	-	-	-
Other Capital and Special Grants (incl., state/local sources)	2,519	-	-	-	-	2,519
Capital Sources Subtotal	133,610	337,732	-	-	-	471,342
Federal Grants to Amtrak						
Prior Year Carryover Capital Grant Funds	-	-	-	-	-	-
Current Year FAST Sec 11101 Grants						
Operating	-	-	-	-	-	-
Capital	226,686	729,774	-	-	-	956,460
Other Federal Grants (incl., FRA/OST, FTA, DHS)	9,544	-	-	-	-	9,544
Federal Grants to Amtrak Subtotal	236,231	729,774	-	-	-	966,004
Total Financial Sources	1,996,760	1,307,396	72,027	103,468	97,704	3,577,355
Financial Uses (Operating):						
Service Line Management	6,932	151	163	-	-	7,246
Train Operations	291,346	66,761	33,198	1,143	0	392,448
Equipment	248,005	15,664	20,283	16,873	192	301,018
Infrastructure	88,376	75,789	825	127,855	2,985	295,830
Stations	50,518	17,349	384	-	497	68,747
National Assets and Corporate Services	444,139	68,286	11,512	26,207	22,526	572,671
Total Operating Uses	1,129,316	243,999	66,366	172,079	26,200	1,637,960
Operating Surplus/Deficit (Operating Sources - Operating Uses)	497,604	(4,109)	5,661	(68,611)	71,504	502,049
Financial Uses (Debt Service Payments):						
RRIF debt repayments	172,484	-	-	-	-	172,484
Total Debt Service Payments	172,484	-	-	-	-	172,484
Available for Capital Uses (Capital Sources + Federal Grants to Amtrak + Operating Surplus/Deficit - Debt Service Payments )	694,961	1,063,396	5,661	(68,611)	71,504	1,766,911
Financial Uses (Capital):						
Service Line Management	1,968	-	-	-	-	1,968
Train Operations	91,257	9,515	-	-	-	100,772
Equipment	85,120	34,608	-	-	-	119,729
Infrastructure	720,650	606,685	-	-	-	1,327,335
Stations	58,666	76,187	-	-	-	134,853
National Assets and Corporate Services	51,055	-	-	-	-	51,055
Capital Expenditures	1,008,718	726,994	-	-	-	1,735,712
Legacy Debt Repayments	48,551	2,779	-	-	4,896	56,227
Total Capital Uses	1,057,269	729,774	-	-	4,896	1,791,939
Remaining Carryover Balance	\$ (362,308)	\$ 333,623	\$ 5,661	\$ (68,611)	\$ 66,607	\$ (25,028)

**FY 2023**

National Network Account							Total Amtrak
State Supported	Long Distance	Infrastructure Access	Ancillary - National Network			National Network Account Total	
			Commuter Operations	Reimbursable	Real Estate/ Commercial		
635,580	563,668	-	-	-	-	1,199,247	2,763,316
3,902	-	-	-	-	-	3,902	6,439
29,442	76,939	-	-	-	-	106,381	151,284
287,692	-	-	-	-	-	287,692	287,692
-	-	-	-	-	-	-	148,537
-	-	-	61,114	-	-	61,114	133,141
575	38	-	-	85,205	16	85,834	206,568
-	-	13,481	-	-	-	13,481	85,351
-	-	-	-	-	16,456	16,456	114,081
12,049	8,308	12	-	5,941	-	26,310	44,015
969,239	648,952	13,493	61,114	91,146	16,472	1,800,416	3,940,424
85,540	-	-	-	-	-	85,540	85,540
-	-	23,723	-	-	-	23,723	211,208
21,491	15,911	3,092	-	-	-	40,494	321,832
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	2,519
107,031	15,911	26,815	-	-	-	149,756	621,099
-	-	-	-	-	-	-	-
76,941	434,655	36,454	-	-	-	548,050	548,050
248,536	329,454	-	-	-	-	577,990	1,534,450
1,295	1,677	-	-	-	-	2,972	12,516
326,772	765,786	36,454	-	-	-	1,129,012	2,095,016
1,403,042	1,430,649	76,762	61,114	91,146	16,472	3,079,185	6,656,539
5,521	5,273	25	215	162	-	11,195	18,441
440,020	587,231	10,988	49,726	998	0	1,088,965	1,481,413
216,485	190,646	572	12,362	(3,796)	31	416,300	717,318
30,896	17,641	16,112	75	30,320	211	95,255	391,085
99,603	61,688	984	-	-	79	162,354	231,102
253,655	221,128	21,266	10,847	14,486	2,513	523,895	1,096,566
1,046,180	1,083,607	49,947	73,226	42,170	2,835	2,297,965	3,935,924
(76,941)	(434,655)	(36,454)	(12,112)	48,976	13,638	(497,549)	4,500
-	-	-	-	-	-	-	172,484
-	-	-	-	-	-	-	172,484
356,862	347,042	26,815	(12,112)	48,976	13,638	781,220	2,548,131
246	486	-	-	-	-	732	2,700
13,542	12,228	142	-	-	-	25,913	126,685
114,457	281,315	32	-	-	-	395,804	515,533
64,730	84,654	40,269	-	-	-	189,653	1,516,988
36,240	35,907	10,760	-	-	-	82,906	217,760
35,941	16,244	-	-	-	-	52,185	103,241
265,157	430,835	51,203	-	-	-	747,194	2,482,906
1,617	7,304	-	-	-	76	8,998	65,224
266,774	438,139	51,203	-	-	76	756,192	2,548,131
\$ 90,088	\$ (91,097)	\$ (24,388)	\$ (12,112)	\$ 48,976	\$ 13,561	\$ 25,028	\$ (0)

## FY 2018 Ridership Projections

(\$s in Millions)	Ridership (000s)	Allocated Operating Sources	Allocated Operating Uses	Allocated Contribution/ (Loss)	Allocated Contribution/ (Loss) Per Rider (\$)
Acela	3,422.7	\$ 613.5	\$ 353.9	\$ 259.6	\$ 75.8
Northeast Regional	8,695.2	672.6	527.2	145.4	16.7
NEC Special Trains & Adjustments	15.3	5.7	2.7	3.0	196.9
<b>Total NEC</b>	<b>12,133.2</b>	<b>\$ 1,291.7</b>	<b>\$ 883.8</b>	<b>\$ 407.9</b>	<b>33.6</b>
Ethan Allen	50.6	\$ 6.1	\$ 6.4	\$ (0.3)	(5.4)
Vermont	96.3	6.8	9.6	(2.7)	(28.3)
Empire West/Maple Leaf	362.1	30.5	24.6	5.8	16.0
Downeaster	545.1	16.0	16.9	(1.0)	(1.8)
New Haven-Springfield	295.6	24.8	18.0	6.8	23.0
Keystone	1,534.6	50.2	55.8	(5.6)	(3.6)
Empire South	1,185.8	48.9	73.6	(24.7)	(20.8)
Lincoln Service	605.9	36.5	30.4	6.0	10.0
Hiawatha	834.4	23.3	23.7	(0.4)	(0.5)
Wolverine	468.7	30.6	34.6	(4.0)	(8.6)
Illini/Saluki	254.2	18.0	16.8	1.2	4.7
Illinois Zephyr/Carl Sandburg	203.7	16.5	15.8	0.7	3.3
Heartland Flyer	71.3	6.9	7.9	(1.0)	(13.9)
Pacific Surfliner	3,087.1	114.3	141.8	(27.5)	(8.9)
Cascades	1,007.7	70.2	85.1	(14.9)	(14.8)
Capitol Corridor	1,639.5	64.1	80.9	(16.8)	(10.3)
San Joaquins	1,129.4	84.1	98.1	(14.1)	(12.4)
Adirondack	117.7	13.0	16.5	(3.5)	(30.1)
Blue Water	186.4	13.5	14.3	(0.7)	(3.8)
Washington-Lynchburg	229.5	16.3	9.0	7.3	32.0
Washington-Newport News	339.2	24.5	13.2	11.3	33.3
Washington-Norfolk	158.2	11.7	6.3	5.4	33.9
Washington-Richmond	178.9	12.0	17.8	(5.7)	(32.1)
Hoosier State	28.4	4.1	3.1	1.0	34.7
Missouri River Runner	176.8	15.0	17.2	(2.2)	(12.6)
Pennsylvanian	222.3	17.1	14.4	2.7	12.0
Pere Marquette	93.5	1.7	5.2	(3.4)	(36.9)
Carolinian	289.7	22.8	21.2	1.6	5.5
Piedmont	182.8	6.6	7.2	(0.7)	(3.7)
Non-NEC Special Trains & Adjustments	46.6	3.5	8.1	(4.5)	(96.9)
<b>State Supported</b>	<b>15,622.3</b>	<b>\$ 809.5</b>	<b>\$ 893.6</b>	<b>\$ (84.1)</b>	<b>(5.4)</b>
Silver Star	379.4	\$ 34.7	\$ 66.0	(31.3)	(82.4)
Cardinal	109.0	8.8	25.3	(16.5)	(151.5)
Silver Meteor	350.8	41.1	69.5	(28.4)	(81.0)
Empire Builder	453.3	58.6	121.0	(62.4)	(137.6)
Capitol Limited	230.1	21.3	41.5	(20.2)	(87.6)
California Zephyr	418.7	60.4	121.0	(60.6)	(144.7)
Southwest Chief	360.7	48.0	131.3	(83.4)	(231.1)
City of New Orleans	250.6	19.8	44.6	(24.8)	(98.9)
Texas Eagle	346.9	26.5	62.8	(36.3)	(104.7)
Sunset Limited	100.2	12.5	52.7	(40.2)	(401.3)
Coast Starlight	442.7	46.9	109.1	(62.3)	(140.6)
Lake Shore Limited	385.8	32.4	58.3	(25.9)	(67.1)
Palmetto	403.0	31.5	29.7	1.8	4.4
Crescent	267.0	32.4	63.4	(31.0)	(116.2)
Auto Train	237.3	76.6	78.9	(2.3)	(9.8)
Long Distance Adjustments		3.4	1.4	2.1	
<b>Long Distance</b>	<b>4,735.5</b>	<b>\$ 554.9</b>	<b>\$ 1,076.6</b>	<b>\$ (521.7)</b>	<b>(110.2)</b>
<b>Total NTS</b>	<b>32,491.0</b>	<b>\$ 2,656.1</b>	<b>\$ 2,853.9</b>	<b>\$ (197.8)</b>	<b>(6.1)</b>
Ancillary Infrastructure		365.6 229.5	323.0 274.3	42.6 (44.8)	
<b>Amtrak</b>		<b>\$ 3,251.2</b>	<b>\$ 3,451.2</b>	<b>\$ (200.0)</b>	



## FY 2019 Ridership Projections

	Ridership (000s)	Allocated Operating Sources	Allocated Operating Uses	Allocated Contribution/ (Loss)	Allocated Contribution/ (Loss) Per Rider (\$)
<i>(\$s in Millions)</i>					
Acela	3,479.4	\$ 638.1	\$ 355.3	\$ 282.8	\$ 81.3
Northeast Regional	8,907.2	693.0	529.3	163.8	18.4
NEC Special Trains & Adjustments	12.4	1.9	2.7	(0.8)	(64.9)
<b>Total NEC</b>	<b>12,399.0</b>	<b>\$ 1,333.0</b>	<b>\$ 887.2</b>	<b>\$ 445.7</b>	<b>\$ 36.0</b>
Ethan Allen	51.4	\$ 6.4	\$ 6.7	\$ (0.3)	\$ (4.9)
Vermont	96.0	7.1	9.9	(2.8)	(29.3)
Empire West/Maple Leaf	366.6	31.8	25.6	6.2	16.9
Downeaster	582.1	16.7	17.6	(0.9)	(1.6)
New Haven-Springfield	348.5	25.9	18.7	7.2	20.7
Keystone	1,564.6	52.5	58.1	(5.6)	(3.5)
Empire South	1,200.8	51.1	76.6	(25.5)	(21.2)
Lincoln Service	602.9	38.1	31.7	6.5	10.7
Hiawatha	840.9	24.3	24.7	(0.3)	(0.4)
Wolverine	473.8	32.0	36.0	(4.1)	(8.6)
Illini/Saluki	253.6	18.8	17.5	1.3	5.3
Illinois Zephyr/Carl Sandburg	201.8	17.2	16.4	0.8	3.9
Heartland Flyer	72.3	7.2	8.2	(1.0)	(13.8)
Pacific Surfliner	3,156.0	119.5	147.6	(28.0)	(8.9)
Cascades	1,055.4	73.4	88.6	(15.2)	(14.4)
Capitol Corridor	1,659.9	67.0	84.2	(17.2)	(10.4)
San Joaquin	1,136.2	87.9	102.1	(14.2)	(12.5)
Adirondack	119.8	13.5	17.2	(3.6)	(30.3)
Blue Water	187.1	14.2	14.8	(0.7)	(3.6)
Washington-Lynchburg	335.0	17.1	9.4	7.7	23.1
Washington-Newport News	345.1	25.6	13.7	11.9	34.5
Washington-Norfolk	191.6	12.2	6.6	5.6	29.4
Washington-Richmond	182.0	12.6	18.5	(5.9)	(32.6)
Hoosier State	28.4	4.2	3.2	1.0	36.9
Missouri River Runner	177.9	15.6	17.9	(2.2)	(12.6)
Pennsylvanian	225.1	17.9	15.0	2.9	12.7
Pere Marquette	94.4	1.8	5.4	(3.6)	(37.9)
Carolinian	288.2	23.9	22.1	1.8	6.2
Piedmont	213.3	6.9	7.5	(0.7)	(3.2)
Non-NEC Special Trains & Adjustments	8.0	3.7	8.4	(4.7)	(97.6)
<b>State Supported</b>	<b>16,098.4</b>	<b>\$ 846.5</b>	<b>\$ 930.1</b>	<b>\$ (83.6)</b>	<b>\$ (5.2)</b>
Silver Star	383.9	\$ 37.3	\$ 66.7	(29.4)	(76.7)
Cardinal	109.1	9.4	25.6	(16.1)	(148.0)
Silver Meteor	353.5	44.0	70.2	(26.2)	(74.0)
Empire Builder	456.1	62.9	122.3	(59.4)	(130.2)
Capitol Limited	232.1	22.9	41.9	(19.0)	(82.1)
California Zephyr	420.0	64.8	122.3	(57.5)	(136.8)
Southwest Chief	361.2	51.4	132.7	(81.2)	(224.9)
City of New Orleans	251.3	21.3	45.1	(23.8)	(94.8)
Texas Eagle	353.6	28.5	63.5	(35.0)	(99.1)
Sunset Limited	100.4	13.4	53.3	(39.9)	(397.2)
Coast Starlight	445.9	50.3	110.3	(60.0)	(134.6)
Lake Shore Limited	388.5	34.8	58.9	(24.1)	(62.1)
Palmetto	418.1	33.8	30.0	3.7	9.0
Crescent	267.2	34.7	64.1	(29.3)	(109.8)
Auto Train	239.4	82.1	79.7	2.4	10.1
Long Distance Adjustments		3.7	1.4	2.3	
<b>Long Distance</b>	<b>4,780.4</b>	<b>\$ 595.2</b>	<b>\$ 1,087.9</b>	<b>\$ (492.7)</b>	<b>\$ (103.1)</b>
<b>Total NTS</b>	<b>33,277.8</b>	<b>\$ 2,774.7</b>	<b>\$ 2,905.3</b>	<b>\$ (130.5)</b>	<b>\$ (3.9)</b>
Ancillary		368.7	323.7	45.0	
Infrastructure		234.1	280.1	(46.0)	
<b>Amtrak</b>		<b>\$ 3,377.6</b>	<b>\$ 3,509.1</b>	<b>\$ (131.5)</b>	

## FY 2020 Ridership Projections

(\$s in Millions)	Ridership (000s)	Allocated Operating Sources	Allocated Operating Uses	Allocated Contribution/ (Loss)	Allocated Contribution/ (Loss) Per Rider (\$)
Acela	3,509.0	\$ 657.1	\$ 365.2	\$ 291.9	\$ 83.2
Northeast Regional	9,118.6	724.3	544.0	180.3	19.8
NEC Special Trains & Adjustments	12.4	1.9	2.8	(0.9)	(70.8)
<b>Total NEC</b>	<b>12,640.0</b>	<b>\$ 1,383.3</b>	<b>\$ 912.0</b>	<b>\$ 471.3</b>	<b>\$ 37.3</b>
Ethan Allen	52.5	\$ 6.7	\$ 6.9	\$ (0.2)	\$ (4.4)
Vermont	97.7	7.4	10.3	(2.9)	(29.4)
Empire West/Maple Leaf	371.7	33.2	26.6	6.6	17.7
Downeaster	594.5	17.4	18.3	(0.9)	(1.5)
New Haven-Springfield	353.9	27.0	19.4	7.6	21.4
Keystone	1,598.7	54.7	60.2	(5.5)	(3.4)
Empire South	1,223.0	53.2	79.4	(26.1)	(21.4)
Lincoln Service	612.7	39.7	32.8	6.9	11.2
Hiawatha	854.5	25.3	25.6	(0.2)	(0.3)
Wolverine	480.1	33.3	37.4	(4.1)	(8.5)
Illini/Saluki	257.3	19.6	18.1	1.5	5.7
Illinois Zephyr/Carl Sandburg	203.9	17.9	17.0	0.9	4.4
Heartland Flyer	74.1	7.5	8.5	(1.0)	(13.5)
Pacific Surfliner	3,257.8	124.4	152.9	(28.5)	(8.8)
Cascades	1,095.5	76.4	91.8	(15.4)	(14.1)
Capitol Corridor	1,712.0	69.8	87.3	(17.5)	(10.2)
San Joaquins	1,176.0	91.5	105.8	(14.3)	(12.2)
Adirondack	122.5	14.1	17.8	(3.7)	(30.2)
Blue Water	189.6	14.8	15.4	(0.6)	(3.4)
Washington-Lynchburg	343.5	17.8	9.7	8.1	23.5
Washington-Newport News	353.3	26.7	14.2	12.4	35.2
Washington-Norfolk	196.2	12.7	6.8	5.9	30.1
Washington-Richmond	186.5	13.1	19.2	(6.1)	(32.6)
Hoosier State	28.8	4.4	3.3	1.1	38.3
Missouri River Runner	181.8	16.3	18.5	(2.3)	(12.4)
Pennsylvanian	229.5	18.6	15.6	3.0	13.3
Pere Marquette	95.9	1.9	5.6	(3.7)	(38.6)
Carolinian	295.5	24.9	22.9	2.0	6.6
Piedmont	225.0	7.1	7.8	(0.7)	(3.0)
Non-NEC Special Trains & Adjustments	48.0	3.9	8.7	(4.8)	(100.7)
<b>State Supported</b>	<b>16,512.1</b>	<b>\$ 881.4</b>	<b>\$ 964.0</b>	<b>\$ (82.7)</b>	<b>\$ (5.0)</b>
Silver Star	388.7	\$ 38.2	\$ 65.8	\$ (27.6)	\$ (71.1)
Cardinal	110.5	9.7	25.2	(15.6)	(140.9)
Silver Meteor	357.9	45.1	69.2	(24.2)	(67.5)
Empire Builder	459.3	64.4	120.6	(56.2)	(122.4)
Capitol Limited	234.8	23.4	41.3	(17.9)	(76.3)
California Zephyr	424.3	66.3	120.6	(54.3)	(127.9)
Southwest Chief	365.5	52.7	130.9	(78.2)	(213.9)
City of New Orleans	253.9	21.8	44.5	(22.7)	(89.4)
Texas Eagle	358.7	29.1	62.6	(33.5)	(93.4)
Sunset Limited	101.5	13.7	52.5	(38.8)	(382.5)
Coast Starlight	454.0	51.4	108.7	(57.3)	(126.2)
Lake Shore Limited	391.2	35.6	58.1	(22.5)	(57.5)
Palmetto	423.8	34.6	29.6	5.0	11.7
Crescent	268.3	35.6	63.2	(27.6)	(103.0)
Auto Train	242.5	84.0	78.6	5.5	22.5
Long Distance Adjustments		3.8	1.4	2.4	
<b>Long Distance</b>	<b>4,834.8</b>	<b>\$ 609.2</b>	<b>\$ 1,072.8</b>	<b>\$ (463.6)</b>	<b>\$ (95.9)</b>
<b>Total NTS</b>	<b>33,987.0</b>	<b>\$ 2,873.85</b>	<b>\$ 2,948.79</b>	<b>\$ (74.94)</b>	<b>\$ (2.20)</b>
Ancillary Infrastructure		378.9 238.8	329.7 285.4	49.2 (46.6)	
<b>Amtrak</b>		<b>\$ 3,491.5</b>	<b>\$ 3,563.9</b>	<b>\$ (72.4)</b>	

## FY 2021 Ridership Projections

(\$s in Millions)	Ridership (000s)	Allocated Operating Sources	Allocated Operating Uses	Allocated Contribution/ (Loss)	Allocated Contribution/ (Loss) Per Rider (\$)
Acela	3,535.8	\$ 677.3	\$ 378.7	\$ 298.6	\$ 84.5
Northeast Regional	9,297.5	755.5	564.1	191.4	20.6
NEC Special Trains & Adjustments	12.4	1.9	2.9	(1.0)	(78.7)
<b>Total NEC</b>	<b>12,845.7</b>	<b>\$ 1,434.8</b>	<b>\$ 945.7</b>	<b>\$ 489.1</b>	<b>\$ 38.1</b>
Ethan Allen	53.4	\$ 7.0	\$ 7.2	\$ (0.2)	\$ (4.0)
Vermont	99.1	7.7	10.7	(2.9)	(29.7)
Empire West/Maple Leaf	375.4	34.4	27.5	6.9	18.4
Downeaster	604.5	18.0	18.9	(0.8)	(1.4)
New Haven-Springfield	358.2	28.0	20.1	7.9	22.2
Keystone	1,630.0	56.8	62.3	(5.5)	(3.4)
Empire South	1,242.1	55.3	82.1	(26.9)	(21.6)
Lincoln Service	620.2	41.2	34.0	7.3	11.7
Hiawatha	865.1	26.3	26.4	(0.1)	(0.2)
Wolverine	484.4	34.6	38.6	(4.1)	(8.4)
Illini/Saluki	259.3	20.3	18.7	1.6	6.2
Illinois Zephyr/Carl Sandburg	204.3	18.6	17.6	1.0	4.8
Heartland Flyer	75.6	7.8	8.8	(1.0)	(13.4)
Pacific Surfliner	3,353.0	129.2	158.2	(29.0)	(8.7)
Cascades	1,133.3	79.3	95.0	(15.6)	(13.8)
Capitol Corridor	1,762.2	72.4	90.3	(17.9)	(10.1)
San Joaquins	1,212.8	95.0	109.5	(14.5)	(11.9)
Adirondack	125.0	14.6	18.4	(3.8)	(30.2)
Blue Water	191.4	15.3	15.9	(0.6)	(3.2)
Washington-Lynchburg	351.3	18.5	10.0	8.4	24.0
Washington-Newport News	360.8	27.7	14.7	13.0	36.0
Washington-Norfolk	200.4	13.2	7.1	6.2	30.7
Washington-Richmond	190.7	13.6	19.8	(6.2)	(32.7)
Hoosier State	29.4	4.6	3.4	1.2	39.4
Missouri River Runner	185.3	16.9	19.2	(2.3)	(12.3)
Pennsylvanian	233.1	19.3	16.1	3.2	13.8
Pere Marquette	97.0	1.9	5.8	(3.8)	(39.4)
Carolinian	302.0	25.8	23.7	2.1	7.0
Piedmont	236.2	7.4	8.1	(0.7)	(2.8)
Non-NEC Special Trains & Adjustments	48.0	4.0	9.0	(5.0)	(103.9)
<b>State Supported</b>	<b>16,883.5</b>	<b>\$ 914.9</b>	<b>\$ 997.1</b>	<b>\$ (82.3)</b>	<b>\$ (4.9)</b>
Silver Star	391.6	\$ 39.0	\$ 65.4	(26.4)	(67.4)
Cardinal	111.3	9.9	25.1	(15.2)	(136.6)
Silver Meteor	360.6	46.0	68.8	(22.8)	(63.1)
Empire Builder	460.7	65.8	119.9	(54.1)	(117.4)
Capitol Limited	236.7	23.9	41.1	(17.2)	(72.5)
California Zephyr	426.8	67.7	119.8	(52.1)	(122.0)
Southwest Chief	368.5	53.8	130.0	(76.3)	(206.9)
City of New Orleans	255.4	22.2	44.2	(22.0)	(86.0)
Texas Eagle	362.2	29.8	62.2	(32.5)	(89.7)
Sunset Limited	102.6	14.0	52.2	(38.2)	(372.3)
Coast Starlight	460.2	52.5	108.1	(55.5)	(120.6)
Lake Shore Limited	392.4	36.4	57.8	(21.4)	(54.5)
Palmetto	427.4	35.3	29.4	5.9	13.8
Crescent	268.3	36.3	62.8	(26.5)	(98.7)
Auto Train	244.2	85.8	78.1	7.7	31.7
Long Distance Adjustments		3.8	1.3	2.5	
<b>Long Distance</b>	<b>4,868.8</b>	<b>\$ 622.3</b>	<b>\$ 1,066.1</b>	<b>\$ (443.8)</b>	<b>\$ (91.2)</b>
<b>Total NTS</b>	<b>34,598.0</b>	<b>\$ 2,971.9</b>	<b>\$ 3,008.9</b>	<b>\$ (37.0)</b>	<b>\$ (1.07)</b>
Ancillary		391.6	339.9	51.7	
Infrastructure		243.5	291.6	(48.0)	
<b>Amtrak</b>		<b>\$ 3,607.0</b>	<b>\$ 3,640.4</b>	<b>\$ (33.4)</b>	



## FY 2022 Ridership Projections

(\$s in Millions)	Ridership (000s)	Allocated Operating Sources	Allocated Operating Uses	Allocated Contribution/ (Loss)	Allocated Contribution/ (Loss) Per Rider (\$)
Acela	4,087.7	\$ 784.7	\$ 485.4	\$ 299.3	\$ 73.2
Northeast Regional	9,297.5	755.9	561.9	194.1	20.9
NEC Special Trains & Adjustments	12.4	1.9	2.9	(1.0)	(82.5)
<b>Total NEC</b>	<b>13,397.5</b>	<b>\$ 1,542.6</b>	<b>\$ 1,050.2</b>	<b>\$ 492.4</b>	<b>\$ 36.8</b>
Ethan Allen	54.3	\$ 7.1	\$ 7.3	\$ (0.2)	\$ (3.1)
Vermont	100.7	7.9	10.9	(3.0)	(29.4)
Empire West/Maple Leaf	379.6	35.4	28.1	7.3	19.3
Downeaster	614.7	18.5	19.3	(0.7)	(1.2)
New Haven-Springfield	362.7	28.8	20.5	8.3	22.9
Keystone	1,660.6	58.4	63.6	(5.2)	(3.1)
Empire South	1,261.6	56.8	83.8	(27.0)	(21.4)
Lincoln Service	628.0	42.4	34.7	7.7	12.3
Hiawatha	875.5	27.0	27.0	0.0	0.1
Wolverine	489.3	35.5	39.4	(3.9)	(8.0)
Illini/Saluki	261.2	20.9	19.1	1.8	6.8
Illinois Zephyr/Carl Sandburg	204.5	19.1	18.0	1.1	5.6
Heartland Flyer	77.1	8.0	9.0	(1.0)	(12.6)
Pacific Surfliner	3,445.5	132.8	161.5	(28.7)	(8.3)
Cascades	1,170.4	81.5	96.9	(15.4)	(13.2)
Capitol Corridor	1,810.0	74.5	92.2	(17.7)	(9.8)
San Joaquins	1,248.8	97.7	111.8	(14.1)	(11.3)
Adirondack	127.5	15.1	18.8	(3.7)	(29.4)
Blue Water	193.4	15.7	16.3	(0.5)	(2.6)
Washington-Lynchburg	358.9	19.0	10.3	8.7	24.3
Washington-Newport News	368.0	28.5	15.0	13.4	36.5
Washington-Norfolk	204.5	13.6	7.2	6.4	31.2
Washington-Richmond	194.8	14.0	20.3	(6.3)	(32.2)
Hoosier State	29.9	4.7	3.5	1.2	40.6
Missouri River Runner	188.8	17.4	19.6	(2.2)	(11.7)
Pennsylvanian	236.9	19.9	16.4	3.4	14.5
Pere Marquette	98.1	2.0	5.9	(3.9)	(39.6)
Carolinian	309.0	26.5	24.2	2.3	7.6
Piedmont	247.6	7.6	8.2	(0.6)	(2.5)
Non-NEC Special Trains & Adjustments	48.0	4.1	9.2	(5.1)	(105.5)
<b>State Supported</b>	<b>17,249.9</b>	<b>\$ 940.5</b>	<b>\$ 1,018.0</b>	<b>\$ (77.4)</b>	<b>\$ (4.5)</b>
Silver Star	395.5	\$ 39.8	\$ 65.7	\$ (25.9)	\$ (65.5)
Cardinal	112.4	10.1	25.2	(15.1)	(134.6)
Silver Meteor	364.2	47.1	69.2	(22.1)	(60.8)
Empire Builder	463.0	67.2	120.5	(53.3)	(115.1)
Capitol Limited	239.1	24.4	41.3	(16.9)	(70.5)
California Zephyr	430.2	69.2	120.5	(51.3)	(119.2)
Southwest Chief	372.2	55.0	130.8	(75.8)	(203.6)
City of New Orleans	257.4	22.7	44.4	(21.7)	(84.3)
Texas Eagle	366.5	30.4	62.6	(32.2)	(87.7)
Sunset Limited	103.7	14.3	52.5	(38.2)	(368.1)
Coast Starlight	467.6	53.7	108.7	(55.0)	(117.5)
Lake Shore Limited	394.4	37.2	58.1	(20.9)	(53.0)
Palmetto	432.1	36.1	29.6	6.5	15.0
Crescent	268.8	37.1	63.1	(26.0)	(96.8)
Auto Train	246.6	87.8	78.5	9.2	37.4
Long Distance Adjustments		3.9	1.4	2.6	
<b>Long Distance</b>	<b>4,913.8</b>	<b>\$ 636.1</b>	<b>\$ 1,072.2</b>	<b>\$ (436.0)</b>	<b>\$ (88.7)</b>
<b>Total NTS</b>	<b>35,561.2</b>	<b>\$ 3,119.2</b>	<b>\$ 3,140</b>	<b>\$ (21.1)</b>	<b>\$ (0.59)</b>
Ancillary Infrastructure		418.3 248.4	362.7 292.4	55.7 (44.0)	
<b>Amtrak</b>		<b>\$ 3,786.0</b>	<b>\$ 3,795.4</b>	<b>\$ (9.4)</b>	

## FY 2023 Ridership Projections

	Ridership (000s)	Allocated Operating Sources	Allocated Operating Uses	Allocated Contribution/ (Loss)	Allocated Contribution/ (Loss) Per Rider (\$)
<i>(\$s in Millions)</i>					
Acela	4,486.6	\$ 870.0	\$ 522.0	\$ 348.0	\$ 77.6
Northeast Regional	9,297.5	755.0	604.2	150.9	16.2
NEC Special Trains & Adjustments	12.4	1.9	3.2	(1.2)	(100.6)
<b>Total NEC</b>	<b>13,796.4</b>	<b>\$ 1,626.9</b>	<b>\$ 1,129.3</b>	<b>\$ 497.6</b>	<b>\$ 36.1</b>
Ethan Allen	55.3	\$ 7.4	\$ 7.5	(0.2)	(2.8)
Vermont	102.2	8.2	11.2	(3.0)	(29.5)
Empire West/Maple Leaf	383.6	36.5	28.8	7.6	19.8
Downeaster	624.6	19.1	19.8	(0.7)	(1.1)
New Haven-Springfield	367.0	29.7	21.1	8.6	23.5
Keystone	1,690.5	60.2	65.3	(5.2)	(3.1)
Empire South	1,280.6	58.5	86.1	(27.6)	(21.6)
Lincoln Service	635.2	43.7	35.6	8.0	12.6
Hiawatha	885.3	27.9	27.7	0.1	0.1
Wolverine	493.7	36.6	40.5	(3.9)	(8.0)
Illini/Saluki	262.5	21.5	19.7	1.9	7.2
Illinois Zephyr/Carl Sandburg	204.3	19.7	18.5	1.2	6.0
Heartland Flyer	78.5	8.3	9.3	(1.0)	(12.5)
Pacific Surfliner	3,536.1	136.8	166.0	(29.1)	(8.2)
Cascades	1,208.1	84.0	99.6	(15.6)	(12.9)
Capitol Corridor	1,857.3	76.7	94.8	(18.0)	(9.7)
San Joaquins	1,285.8	100.6	114.9	(14.2)	(11.1)
Adirondack	130.0	15.5	19.3	(3.8)	(29.3)
Blue Water	195.1	16.2	16.7	(0.5)	(2.5)
Washington-Lynchburg	366.4	19.6	10.5	9.0	24.6
Washington-Newport News	375.1	29.4	15.5	13.9	37.0
Washington-Norfolk	244.1	14.0	7.4	6.6	27.0
Washington-Richmond	198.8	14.4	20.8	(6.4)	(32.2)
Hoosier State	30.4	4.9	3.6	1.3	41.5
Missouri River Runner	192.3	17.9	20.1	(2.2)	(11.5)
Pennsylvanian	240.6	20.5	16.9	3.6	14.9
Pere Marquette	99.1	2.1	6.0	(4.0)	(40.3)
Carolinian	316.1	27.4	24.9	2.5	7.8
Piedmont	259.5	7.9	8.5	(0.6)	(2.4)
Non-NEC Special Trains & Adjustments	48.0	4.2	9.4	(5.2)	(108.2)
<b>State Supported</b>	<b>17,646.1</b>	<b>\$ 969.2</b>	<b>\$ 1,046.2</b>	<b>\$ (76.9)</b>	<b>\$ (4.4)</b>
Silver Star	399.5	\$ 40.6	\$ 66.4	(25.8)	(64.6)
Cardinal	113.5	10.3	25.5	(15.2)	(133.8)
Silver Meteor	367.8	48.0	69.9	(21.9)	(59.6)
Empire Builder	465.3	68.6	121.8	(53.2)	(114.4)
Capitol Limited	241.5	24.9	41.8	(16.8)	(69.6)
California Zephyr	433.6	70.6	121.8	(51.2)	(118.0)
Southwest Chief	375.9	56.1	132.2	(76.1)	(202.4)
City of New Orleans	259.5	23.2	44.9	(21.7)	(83.7)
Texas Eagle	370.9	31.0	63.3	(32.2)	(86.9)
Sunset Limited	104.9	14.6	53.1	(38.5)	(366.7)
Coast Starlight	475.1	54.8	109.8	(55.0)	(115.8)
Lake Shore Limited	396.4	37.9	58.7	(20.8)	(52.4)
Palmetto	436.8	36.8	29.9	6.9	15.8
Crescent	269.4	37.9	63.8	(25.9)	(96.3)
Auto Train	249.1	89.5	79.4	10.1	40.7
Long Distance Adjustments		4.0	1.4	2.6	
<b>Long Distance</b>	<b>4,959.2</b>	<b>\$ 649.0</b>	<b>\$ 1,083.6</b>	<b>\$ (434.7)</b>	<b>\$ (87.6)</b>
<b>Total NTS</b>	<b>36,401.7</b>	<b>\$ 3,245.1</b>	<b>\$ 3,259</b>	<b>\$ (14.0)</b>	<b>\$ (0.38)</b>
Ancillary		441.9	382.9	59.1	
Infrastructure		253.4	293.9	(40.6)	
<b>Amtrak</b>		<b>\$ 3,940.4</b>	<b>\$ 3,935.9</b>	<b>\$ 4.5</b>	

## Food and Beverage Initiatives

Amtrak remains committed to reducing its food and beverage losses and will continue to implement and update its multi-year plan designed to improve efficiency, customer satisfaction, and cost recovery of food and beverage service.

Amtrak has implemented various pilot programs, consistent with the FAST Act, including: scheduling optimization; on-board logistics; product development and supply chain efficiency; training, awards and accountability; technology enhancements and process improvements. In FY 2017 we completed the year with a Food & Beverage operating loss of \$41.4 million, the lowest in Amtrak's history. This represents a reduction of \$12.2 million over FY 2015, the last full fiscal year prior to the passage of the FAST Act. Our cost recovery has grown to a record 78.8%, an increase of 5.7 percentage points over FY 2015.

As part of the plan to eliminate losses associated with food and beverage service delivery, Amtrak will continue successful programs began in FY 2017 and look for additional opportunities for cost efficiencies across our National Network's food and beverage service.



Initiatives include:

- Supply & provisioning optimization:
  - Continue efforts to better align food and beverage service models with variations in ridership and customer demand.
  - Continue adjustments to provisioning levels to drive sales while reducing spoilage and loss.
  - Continue reduction of Stock Keeping Units (SKUs), increases in National Volume Discounts (NVDs), and bulk purchases with our supply chain partner
- Identify opportunities to improve customer satisfaction and sales
- Take pricing actions to better align prices to use and improve margins

## Food and Beverage Profit and Loss

(\$s in Millions)	Plan						% Growth Inc/(Dec) vs Prior Year				
	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY18/FY19	FY19/FY20	FY20/FY21	FY21/FY22	FY22/FY23
Cash Sales	\$ 67.7	\$ 78.5	\$ 83.0	\$ 91.0	\$ 97.2	\$ 98.8	16.0%	5.7%	9.7%	6.7%	1.7%
First Class Transfer	69.4	61.3	59.6	54.4	51.2	52.5	(11.6%)	(2.8%)	(8.8%)	(5.9%)	2.7%
State Contribution to Food & Beverage	14.1	14.4	14.7	15.0	15.3	15.6	2.0%	2.0%	2.0%	2.0%	2.0%
<b>Total Revenue</b>	<b>\$ 151.2</b>	<b>\$ 154.2</b>	<b>\$ 157.3</b>	<b>\$ 160.4</b>	<b>\$ 163.6</b>	<b>\$ 166.9</b>	<b>2.0%</b>	<b>2.0%</b>	<b>2.0%</b>	<b>2.0%</b>	<b>2.0%</b>
OBS Labor & Support	107.7	109.3	110.7	112.5	114.1	115.5	1.5%	1.2%	1.7%	1.4%	1.2%
Commissary Provisions and Management	80.4	80.8	81.2	81.6	82.0	82.4	0.5%	0.5%	0.5%	0.5%	0.5%
<b>Total Expense</b>	<b>\$ 188.1</b>	<b>\$ 190.1</b>	<b>\$ 191.9</b>	<b>\$ 194.2</b>	<b>\$ 196.2</b>	<b>\$ 197.9</b>	<b>1.1%</b>	<b>0.9%</b>	<b>1.2%</b>	<b>1.0%</b>	<b>0.9%</b>
<b>Cost Recovery</b>	<b>80%</b>	<b>81%</b>	<b>82%</b>	<b>83%</b>	<b>83%</b>	<b>84%</b>					
Cost management, revenue generation initiatives, and ticket revenue allocation	-	35.9	34.6	33.8	32.5	31.0	N/A	(3.7%)	(2.5%)	(3.6%)	(4.6%)
<b>Adjusted Contribution/(Loss)</b>	<b>\$ (36.9)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>100.0%</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>



## Equipment Reliability: Mean Miles Between Service Interruption

	FY 2015	FY 2016	FY 2017
Cars	390,865	374,896	364,428
Locomotives	25,889	26,649	25,225
Fleet <sup>1</sup>	318,740	305,748	294,842

<sup>1</sup> Fleet: Average of cars and locomotives excludes equipment not operated during time period.





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**National Railroad  
Passenger Corporation**  
1 Massachusetts Avenue NW  
Washington, D.C. 20001

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