



General and Legislative Annual Report

& Fiscal Year 2020 Grant Request



March 19, 2019

The Honorable Michael Pence
President of the Senate
U.S. Capitol
Washington, DC 20510

Richard Anderson
President and co-Chief Executive Officer



The Honorable Nancy Pelosi
Speaker of the House of Representatives
U.S. Capitol
Washington, DC 20515

Dear Mr. President and Madam Speaker:

I am pleased to transmit Amtrak's Fiscal Year 2020 General and Legislative Annual Report to Congress. It includes our FY 2020 grant request and an overview of our FY 2018 accomplishments, highlighted below. We will transmit our legislative recommendations later this year for your consideration as part of a comprehensive proposal for the reauthorization of the federal programs and policy related to Amtrak and intercity passenger rail.

FY 2018 Highlights

- Adjusted operating loss was reduced to **\$171 million**, an improvement of 11.9 percent from the prior year, and the lowest in Amtrak's history.
- Operating cost recovery was increased to **95 percent**, another record for the company.
- Total revenue was **\$3.39 billion**, an increase of 2.5 percent over the prior year.¹
- Capital spending on infrastructure, rolling stock, stations, and other assets and systems was **\$1.46 billion**, one of the highest levels of investment in recent history.
- Began deployment of a Safety Management System (SMS), becoming first major U.S. railroad to do so and implemented Positive Train Control across much of Amtrak's network.

FY 2020 Grant Request

- **\$1.8 billion** overall request to Congress to support the Northeast Corridor and National Network accounts, consistent with the overall level authorized by the FAST Act and which the law requires we not exceed in our grant request.
- An explanation of where additional funding beyond the authorized level is needed.
- Includes the financial breakdown by service line and asset line, and also how the requested federal funding fits within our overall business strategy and investment plan.

Sincerely,

A handwritten signature in blue ink that reads "Richard Anderson".

Richard Anderson
President and Chief Executive Officer

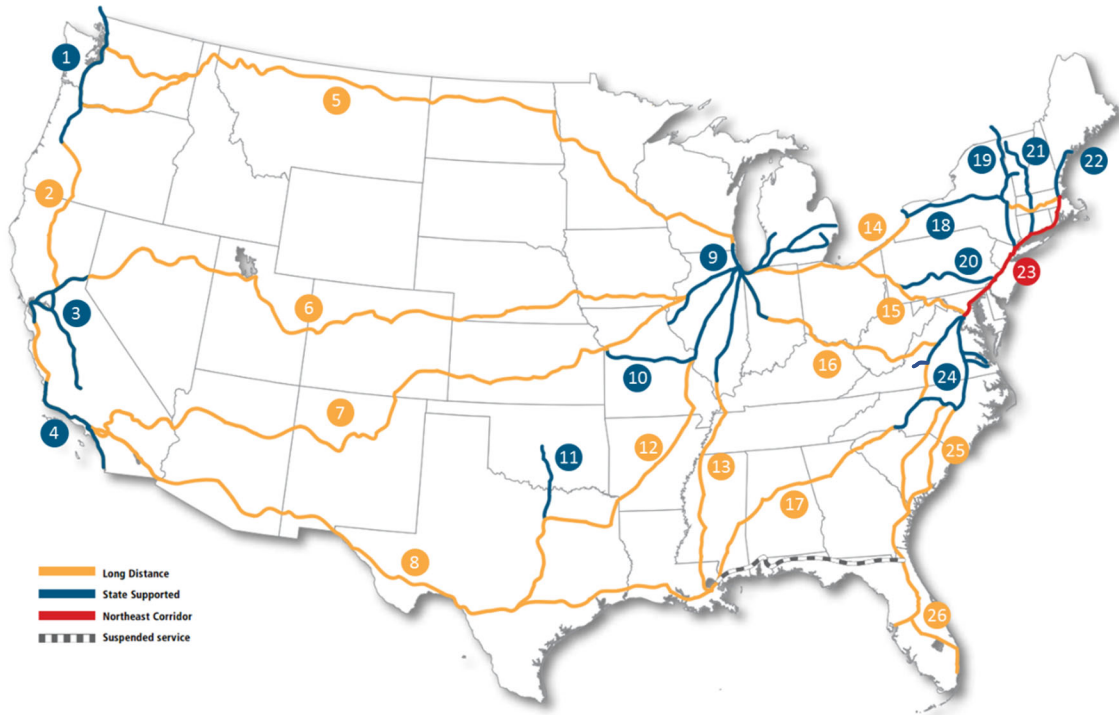
¹ Revenue figure conforms to GAAP standards.

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FY 2020 BUDGET REQUEST

Map of Amtrak System



1	Cascades	14	Lake Shore Limited
2	Coast Starlight	15	Capitol Limited
3	Capitol Corridor, San Joaquin	16	Cardinal
4	Pacific Surfliner	17	Crescent
5	Empire Builder	18	Maple Leaf
6	California Zephyr	19	Adirondack, Empire, Ethan Allen
7	Southwest Chief	20	Keystone
8	Sunset Limited	21	Vermont
9	Blue Water, Carl Sandburg, Hiawatha, Hoosier State, Illini, Illinois Zephyr, Lincoln, Pere Marquette, Saluki, Wolverine	22	Downeaster
10	Missouri River Runner	23	Northeast Corridor (e.g., Acela Express, Northeast Regional)
11	Heartland Flyer	24	Carolinian, Piedmont, Virginia
12	Texas Eagle	25	Auto Train, Palmetto
13	City of New Orleans	26	Silver Meteor, Silver Star

Figure 1: Map of Amtrak routes and associated route names

Budget Request by Appropriations Account

Table 1: Amtrak FY 2020 Appropriations Request	
Northeast Corridor	National Network
\$600 million	\$1.200 billion

NORTHEAST CORRIDOR GRANTS TO THE NATIONAL RAILROAD PASSENGER CORPORATION

To enable the Secretary of Transportation to make grants to the National Railroad Passenger Corporation for activities associated with the Northeast Corridor as authorized by section 11101(a) of the Fixing America’s Surface Transportation Act (division A of Public Law 114–94), \$600,000,000 shall become available on October 1, 2019 and shall remain available until expended, \$612,000,000 shall become available on October 1, 2020 and shall remain available until expended, \$624,240,000 shall become available on October 1, 2021 and shall remain available until expended, \$636,724,800 shall become available on October 1, 2022 and shall remain available until expended, and \$649,459,296 shall become available on October 1, 2023 and shall remain available until expended: Provided, That the Secretary may retain an amount of the funds provided under both this heading and the National Network Grants to the National Railroad Passenger Corporation heading to fund the costs of project management and oversight of activities authorized by section 11101(c) of division A of Public Law 114–94: Provided further, That in addition to the project management oversight funds authorized under section 11101(c) of division A of Public Law 114–94, the Secretary may retain an amount of the funds provided under this heading to fund expenses associated with the Northeast Corridor Commission established under section 24905 of title 49, United States Code: Provided further, That of the amounts made available under this heading and the National Network Grants to the National Railroad Passenger Corporation heading, not less than \$50,000,000 shall be made available to bring Amtrak served facilities and stations into compliance with the Americans with Disabilities Act.

NATIONAL NETWORK GRANTS TO THE NATIONAL RAILROAD PASSENGER CORPORATION

To enable the Secretary of Transportation to make grants to the National Railroad Passenger activities associated with the National Network as authorized by section 11101(b) of the Fixing America’s Surface Transportation Act (division A of Public Law 114–94), \$1,200,000,000 shall become available on October 1, 2019 and shall remain available until expended, \$1,224,000,000 shall become available on October 1, 2020 and shall remain available until expended, \$1,248,480,000 shall become available on October 1, 2021 and shall remain available until expended, \$1,273,449,600 shall become available on October 1, 2022 and shall remain available until expended, and \$1,298,918,592 shall become available on October 1, 2023 and shall remain available until expended: Provided, That the Secretary may retain an amount of the funds provided under this heading to fund expenses associated with the State-Supported Route Committee established under 24712 of title 49, United States Code.

FY 2020 Funding Needs Above the Authorized Level

Throughout this document, the requested grant funds are detailed assuming an appropriation of \$1.8 billion, consistent with the authorized level and the amount the FAST Act requires Amtrak to assume in its annual grant request to Congress. However, Congress provided funding above the authorized levels in FY 2018 and FY 2019 to advance key projects that address the backlog of deferred investment in Amtrak’s key infrastructure and rolling stock assets. Given this history, included below are examples of the types of projects that could be advanced if additional federal funds are provided to Amtrak above the authorized amount of \$1.8 billion in FY 2020. This list represents many of Amtrak’s priorities, but at this time it is meant to be illustrative.

Transportation	System	\$252.3 million
Infrastructure	System	\$321.0 million
Equipment	System	\$907.2 million
Stations	System	\$298.6 million
National Assets & Corporate Services	System	\$0
Takedowns		\$21 million
Total FY 2020 Authorized Level		\$1.800 billion
Portal North Bridge	NJ	+\$20 million
Chicago Union Station Master Plan	IL	+\$20 million
Zoo-Paoli Catenary Pole Design	PA	+\$20 million
East River Tunnel Rehabilitation	NY	+\$20 million
B&P Tunnel Replacement Design	MD	+\$20 million
Concrete Casing Segment 3	NY	+\$21 million
Connecticut Bridge Replacement	CT	+\$20 million
Current Funding Level (amounts provided in both FY 2018 and FY 2019)		\$1.941 billion
Right of Way Acquisition: S Line (Petersburg, VA–Raleigh, NC)	NC, VA	TBD
Amfleet Replacement	System	+\$145 million
Restoration of the Detroit–Toronto Service	MI	TBD
Portal North Bridge (additional investment)	NJ	+\$30 million
B&P Tunnel Replacement Design (additional investment)	MD	+\$30 million
Zoo-Paoli Catenary Pole Design (additional investment)	PA	+\$30 million
Right of Way Acquisition and/or Improvements: Gulf Coast (New Orleans–Mobile)	AL, LA, MS	TBD
Concrete Casing Segment 3 (additional investment)	NY	+\$30 million
East River Tunnel Rehabilitation (additional investment)	NY	+\$30 million
New Diesel Locomotives	System	+\$145 million
Chicago Union Station Master Plan (additional investment)	IL	+\$30 million
Right of Way Acquisition: Auburndale	FL	TBD
<i>Heartland Flyer</i> Extension to Newton, Kansas and Additional Frequency	KS, OK, TX	TBD
Susquehanna Bridge Replacement	MD	+\$30 million
Augmented FY 2020 Funding Level		\$2.441 billion

² Due to rounding, presented numbers may not add up precisely to the totals provided.

Explaining the NEC and National Network Requested Amounts

	FAST Act Authorized Levels	FY 2020 Federal Appropriations Request	Total National Network share of NEC investment
Northeast Corridor	\$600 million	\$600 million	+\$280 million
National Network	\$1.200 billion	\$1.200 billion	-\$280 million
Total	\$1.800 billion	\$1.800 billion	n/a

Several long-distance trains, including the *Cardinal*, *Crescent*, *Palmetto*, *Silver Meteor*, and *Silver Star* operate over the NEC and/or are maintained at NEC maintenance facilities. Many state-supported trains also utilize NEC stations and maintenance facilities. Since states fund some but not all of these costs, a portion of NEC costs are allocated to the National Network in accordance with section 11201 of the FAST Act and the FRA’s Account Structure Definition and Account Methodology Improvements memorandum. To help understand this process, below are just a few examples of the various costs that are physically located on the NEC, but allocated to the National Network:

- Stations – Most of Amtrak’s major stations are located on the NEC, such as Philadelphia 30th Street Station, New York Penn Station, and Washington Union Station. Yet these stations are used not only by *Acela Express* and *Northeast Regional* trains, they are also used by several long-distance and state-supported trains. For example, long-distance trains’ customers who begin or end their travel at an NEC station may use its waiting areas, ticketing counters, restrooms, and platforms. An appropriate cost is allocated to the National Network based on the PRIIA Sec. 212 calculation for corridor stations, which factors in the number of boardings/alightings and train stops.
- Infrastructure – Throughout much of the NEC, facilities such as track, bridges, tunnels, interlockings, and environmental remediation efforts benefit both the NEC and the National Network trains that operate over the NEC or use NEC facilities. As such, some of the cost is allocated to the National Network depending on the type of infrastructure; for example, gross-ton miles, electric-unit miles, train-moves, train-miles, and unit-miles are used to allocate expenses.
- Equipment – Non-passenger rolling stock, including catenary, track inspection, and maintenance cars that work to fix and maintain NEC infrastructure also benefit National Network trains. These costs are allocated to the National Network based

on the type of infrastructure work; for example, gross-ton miles, and electric-unit miles are used to allocate various expenses. The *Acela Express* rolling stock's costs are not allocated to the National Network, and most of the costs of the equipment used for *Northeast Regional* service are allocated to the NEC. The only time any of that equipment's costs are assigned to the National Network is when specific units are used in National Network service, and those allocations follow the rules as noted above.

- Transportation – Terminal and non-terminal dispatching systems and facility upgrades, such as those at our yards and mechanical shops on the NEC, are also utilized by National Network trains. The National Network's allocation of such costs is primarily driven by the number of train-movements and train-miles.

Comparative Statement of New Budget Authority

Table 4: FY 2020 Comparative Statement of New Budget Authority

	FY 2018 Enacted	FY 2019 Enacted	Amtrak's FY 2020 Request	
			Authorized Levels	Consistent with Current Levels
Northeast Corridor	\$650,000,000	\$650,000,000	\$600,000,000	\$650,000,000
National Network	\$1,291,600,000	\$1,291,600,000	\$1,200,000,000	\$1,291,600,000
Total	\$1,941,600,000	\$1,941,600,000	\$1,800,000,000	\$1,941,600,000

Advance Appropriations

A significant majority of transportation programs are funded through a trust fund via contract authority, including all highway and most transit programs. However, Amtrak does not receive any trust fund dollars and, as such, we are dependent on discretionary funding via the annual appropriations process. Our discretionary funding originates in the Transportation, and Housing and Urban Development, and related agencies (THUD) appropriations bill, competing with other important priorities beyond transportation needs. This places Amtrak in a precarious position and complicates our annual and long-term capital planning, which can result in investment delays, inefficiencies, and higher federal funding requirements.

We remain committed to the idea of a trust fund for capital investment connected to Amtrak. However, absent Amtrak having access to such a trust fund, Amtrak requests that Congress provide its discretionary funding through a mechanism known as “advance appropriations.” This would provide a predictable funding stream that Amtrak has sought since our creation and would improve our ability to plan.

To plan in a manner consistent with most private enterprises, Amtrak requests five years of funding, which includes the fiscal year of the annual appropriations bill being considered by Congress, as well the four subsequent fiscal years. For example, the FY 2020 Transportation, Housing and Urban Development, and Related Agencies appropriations bill would include funding for FY 2020, FY 2021, FY 2022, FY 2023, and FY 2024. The following table includes the requested five years, in one case starting with FY 2020 at the authorized level and in the other with FY 2020 at the current funding level, and then in each case growing via two percent inflation from there. While the FAST Act requires Amtrak to plan at the authorized funding levels, Amtrak faces significant unfunded needs which would benefit from additional investment.

	Northeast Corridor	National Network	Total (Authorized and Adjusted for Inflation)	Total (Current Level and Adjusted for Inflation)
FY 2020	\$600,000,000	\$1,200,000,000	\$1,800,000,000	\$1,941,600,000
FY 2021	\$612,000,000	\$1,224,000,000	\$1,836,000,000	\$1,980,432,000
FY 2022	\$624,240,000	\$1,248,480,000	\$1,872,720,000	\$2,020,040,640
FY 2023	\$636,724,800	\$1,273,449,600	\$1,910,174,400	\$2,060,441,453
FY 2024	\$649,459,296	\$1,298,918,592	\$1,948,377,888	\$2,101,650,282

According to OMB Circular No. A-11, Preparation, Submission, and Execution of the Budget: “Advance appropriations of budget authority will be scored as new budget authority in the fiscal year in which the funds become newly available for obligation, not when the appropriations are enacted.”

To be clear, these four additional years of advance appropriations (FY 2021 through FY 2024) would not score in FY 2020 and would not count against the FY 2020 THUD appropriations bill’s 302(b) allocation.

The Appropriations Committee would continue to have oversight and be able to amend future funding levels as needed. Also, to appropriate funding in this manner, the budget committees would need to authorize Amtrak for advance appropriations to ensure compliance with budget rules and points of order.

Based on the advantages outlined above, as well as no clear disadvantage to doing this, Amtrak believes providing an advance appropriation is simply the most prudent way to invest the American taxpayer's resources in intercity passenger rail.

The FAST Act, Amtrak's Budget Request, and Five-Year Plans

The FAST Act required USDOT, in consultation with Amtrak, to define a new account structure and improvements to accounting methodologies to support the NEC and National Network. Following enactment, the FRA worked extensively with Amtrak to create this account structure, thereby establishing a new way that Amtrak reports its financial activities. The goals of this new structure include more effective management of costs and revenues, as well as increased transparency for Amtrak's stakeholders, which include Congress, states, passengers, and other partners.

Through this work, the FRA and Amtrak created an account structure built upon Service Lines (NEC, State Supported, Long Distance, Infrastructure Access, and Ancillary Services) and Asset Lines (Transportation, Equipment, Infrastructure, Stations, and National Assets and Corporate Services). Service Lines use the resources from the Asset Lines to deliver service to customers. The account structure functions as a financial sources-and-uses table showing how funding sources (e.g., federal appropriations, ticket revenues, railroad access revenues) are expended on company activities (e.g., maintenance of way, train and engine crew labor, equipment overhauls).

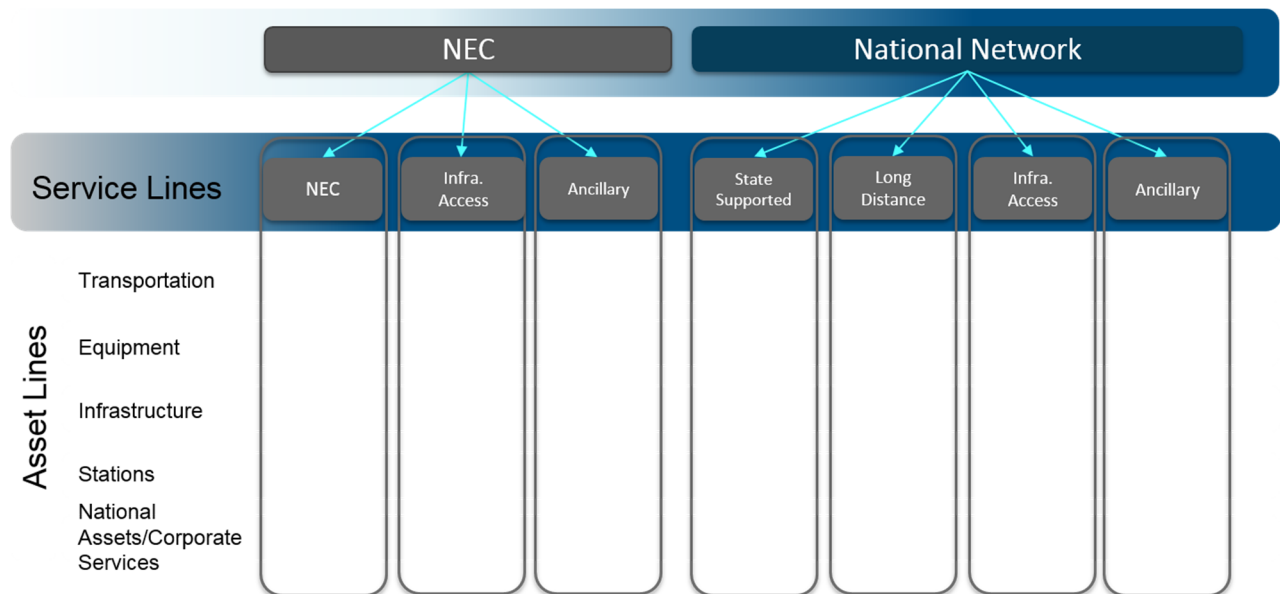


Figure 2: Diagram of Amtrak accounts and asset lines

This accounting methodology will be primarily illustrated in Amtrak's five-year Service Line and Asset Plans mandated by the FAST Act. Service Line plans include: goals and objectives, projected revenues and expenditures, projected ridership levels, debt estimates, annual profit and loss statements, annual cash flow forecasts, and other detailed financial and strategic planning information for each of Amtrak's businesses (service lines) over a five-year period. Amtrak submitted its first Five-Year Service Line Plans in June 2017 and the latest iteration was released in conjunction with this document. The FAST Act requires that the Five-Year Asset plans also be transmitted in 2019. Congress repealed the requirement for the legacy Five-Year Financial Plan.

FY 2020 Federal Grant Request by Service and Asset Line

Table 6: FY 2020 Federal Grant by Service Line

NEC	State Supported	Long Distance	Infrastructure Access	Ancillary Services
\$413,176,600	\$382,218,592	\$702,337,852	\$254,053,044	\$27,213,913

Table 7: FY 2020 Federal Grant by Asset Line

Transportation	Infrastructure	Equipment	Stations	National Assets & Corporate Svs
\$252,265,834	\$320,975,807	\$907,204,384	\$298,553,975	\$0

Note: Tables 6 and 7 totals do not reflect the takedowns.

As defined by the FRA, the below Service Lines³ reflect the various activities associated with service types and the needs of respective customers.

- **NEC:** Provides premium and regular intercity rail passenger service along the NEC while seeking to maximize operating surplus. Its customers are intercity travelers on the NEC.
- **State Supported:** Provides intercity rail passenger service and supporting services under contract to States on corridor routes of not more than 750 miles. Its primary customers are State Departments of Transportation and authorities, and intercity travelers.
- **Long Distance:** Provides intercity rail passenger service on routes of more than 750 miles. Its primary customers are travelers and communities across the National Network and the federal government.
- **Infrastructure Access:** Seeks to safely and efficiently plan for, develop, manage, and provide access to Amtrak-owned or controlled infrastructure and facilities consistent with Amtrak’s statutory obligations. Its primary customers include rail operators and other public and private sector entities that currently use, or plan to use, Amtrak-owned assets.
- **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 methodology developed under PRIIA Sec. 209): Provides obligatory maintenance, engineering, capital improvement, and other activities for freight and commuter operators and other outside enterprises on a reimbursable cost basis.

³ As defined by the FRA’s May 2016 document “Account Structure Definition and Accounting Methodology Improvements to Address Section 11201 of the FAST Act of 2015.” Since then, Ancillary Services has been updated to reflect Amtrak’s business more accurately.

- **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.

As defined by the FRA, Asset Lines represent the business activities required to manage Amtrak's assets and deliver the needs of the Service Lines:

- **Transportation:** Includes items such as train crew operating trains on the road, crew moving equipment in the yards, crew providing on-board services on the trains (for example, service attendants, café attendants), on-board food and beverage supplies, commissary management, diesel fuel and electric propulsion costs, host railroad maintenance of way and performance incentive payments, passenger inconvenience payments, passenger claims, connecting bus service, utilities, and the management, supervision, and support required to perform activities listed here.
- **Equipment:** Includes the management and maintenance of Amtrak-controlled locomotives, cars, and trainsets, train servicing, maintenance of facilities where equipment is maintained, and the management, supervision and support required to perform activities listed here. This service line also includes any preventive maintenance and minor repair performed by external vendors or contractors to maintain the locomotives, cars, trainsets, and non-revenue equipment.
- **Infrastructure:** Includes management and safe maintenance of Amtrak-controlled fixed assets, and the management, supervision and support required to provide a safe and reliable railroad. Fixed assets include, but are not limited to, track and associated materials, communication and signal, electric traction propulsion generation and transmission, tunnels, bridges, culverts, rights-of-way, signs, real property and associated air rights buildings. It excludes stations and facilities where equipment is maintained.
- **Stations:** Includes all passenger rail stations served by Amtrak trains, with a focus on Amtrak-controlled stations and elements of other stations for which Amtrak has legal responsibility or where it intends to make capital investments. This includes the maintenance and operation of such facilities that serve one or multiple routes, and their related management, supervision, and support.
- **National Assets:** Includes Nation's core rail assets shared among Amtrak services such as: systems for reservations, security, training and training centers, and other assets associated with Amtrak's national rail passenger transportation system. Corporate services are defined to include company-wide functions, such as legal, finance, government affairs, human resources, information technology, etc.

Table 8: FY 2020 Northeast Corridor (NEC) Account

Dollar figures all in thousands.		NEC Revenue & Other Sources			Infrastructure Access Revenue & Other Sources			Ancillary Services Revenue & Other Sources			Totals Revenue & Other Sources		
		Grant	Subtotal	Grant	Subtotal	Grant	Subtotal	Grant	Subtotal	Grant	Total		
		Subtotal	Subtotal	Subtotal	Subtotal	Subtotal	Subtotal	Subtotal	Subtotal	Subtotal	Subtotal		
Transportation	Operating	-	260,240	260,240	-	57,193	57,193	-	47,366	47,366	-	364,799	364,799
	Capital	-	30,722	30,722	-	17,111	17,111	-	898	898	-	48,731	48,731
	Subtotal	-	290,962	290,962	-	74,304	74,304	-	48,264	48,264	-	413,530	413,530
Equipment	Operating	-	240,311	240,311	-	12,031	12,031	-	35,048	35,048	-	287,390	287,390
	Capital	339,666	503,217	842,883	29,534	26,598	56,132	4,949	1,325	6,274	374,149	531,140	905,289
	Subtotal	339,666	743,528	1,083,194	29,534	38,629	68,163	4,949	36,373	41,322	374,149	818,530	1,192,679
Infrastructure	Operating	-	120,207	120,207	-	93,314	93,314	-	36,396	36,396	-	249,916	249,916
	Capital	41,052	393,595	434,647	107,234	488,456	595,690	311	2,091	2,402	148,597	884,142	1,032,739
	Subtotal	41,052	513,802	554,854	107,234	581,770	689,004	311	38,486	38,797	148,597	1,134,058	1,282,655
Stations	Operating	-	52,858	52,858	-	16,374	16,374	-	772	772	-	70,004	70,004
	Capital	32,458	137,675	170,133	31,796	68,896	100,692	-	15	15	64,254	206,586	270,840
	Subtotal	32,458	190,533	222,991	31,796	85,270	117,066	-	787	787	64,254	276,590	340,844
Natl. Assets & Corp. Svcs.	Operating	-	291,480	291,480	-	72,913	72,913	-	37,220	37,220	-	401,613	401,613
	Capital	-	25,969	25,969	-	20,956	20,956	-	1,300	1,300	-	48,225	48,225
	Subtotal	-	317,449	317,449	-	93,868	93,868	-	38,521	38,521	-	449,838	449,838
Subtotal	Operating	-	965,095	965,095	-	251,825	251,825	-	156,802	156,802	-	1,373,722	1,373,722
	Capital	413,177	1,091,178	1,504,355	168,564	622,016	790,580	5,260	5,629	10,889	587,000	1,718,824	2,305,823
	Takedown	-	-	-	-	-	-	-	-	-	13,000	-	13,000
NEC TOTAL		413,177	2,056,274	2,469,450	168,564	873,841	1,042,404	5,260	162,432	167,691	600,000	3,092,546	3,692,546

Table 9: FY 2020 National Network (NN) Account

Dollar figures all in thousands.		State Supported Revenue & Other Sources			Long Distance Revenue & Other Sources			Infrastructure Access Revenue & Other Sources			Ancillary Services Revenue & Other Sources			Totals Revenue & Other Sources		
		Grant	Subtotal	Grant	Subtotal	Grant	Subtotal	Grant	Subtotal	Grant	Subtotal	Grant	Total			
		Subtotal	Subtotal	Subtotal	Subtotal	Subtotal	Subtotal	Subtotal	Subtotal	Subtotal	Subtotal	Subtotal	Subtotal			
Transportation	Operating	-	399,171	399,171	225,338	285,950	511,288	6,592	-	6,592	-	44,059	44,059	231,929	729,180	961,109
	Capital	8,207	25,649	33,856	9,917	39,635	49,553	890	835	1,725	1,323	300	1,623	20,336	66,420	86,756
	Subtotal	8,207	424,820	433,027	235,255	325,585	560,840	7,482	835	8,317	1,323	44,359	45,681	252,266	795,600	1,047,865
Equipment	Operating	-	182,593	182,593	218,682	-	218,682	44	-	44	15,668	1,394	17,063	234,395	183,988	418,383
	Capital	191,904	105,450	297,355	99,227	122,668	221,895	2,989	2,446	5,436	4,540	17	4,557	298,661	230,582	529,243
	Subtotal	191,904	288,044	479,948	317,910	122,668	440,577	3,034	2,446	5,480	20,208	1,412	21,620	533,056	414,570	947,626
Infrastructure	Operating	9,163	21,746	30,909	19,710	-	19,710	9,344	-	9,344	-	55,581	55,581	38,217	77,327	115,544
	Capital	50,665	28,109	78,774	35,581	23,978	59,559	47,514	40,892	88,406	401	42	443	134,162	93,020	227,182
	Subtotal	59,828	49,855	109,684	55,291	23,978	79,269	56,858	40,892	97,750	401	55,623	56,024	172,379	170,348	342,726
Stations	Operating	58,385	27,381	85,766	64,227	-	64,227	2,485	-	2,485	-	87	87	125,097	27,467	152,564
	Capital	63,894	4,326	68,220	29,655	6,872	36,527	15,631	16,713	32,344	22	-	22	109,203	27,911	137,114
	Subtotal	122,279	31,707	153,986	93,882	6,872	100,754	18,116	16,713	34,829	22	87	109	234,300	55,378	289,678
Natl. Assets & Corp. Svcs.	Operating	-	222,344	222,344	-	249,102	249,102	-	26,455	26,455	-	29,046	29,046	-	526,948	526,948
	Capital	-	24,747	24,747	-	22,660	22,660	-	1,923	1,923	-	1,925	1,925	-	51,255	51,255
	Subtotal	-	247,091	247,091	-	271,762	271,762	-	28,378	28,378	-	30,971	30,971	-	578,203	578,203
Subtotal	Operating	67,548	853,236	920,784	527,957	535,052	1,063,010	18,465	26,455	44,920	15,668	130,167	145,835	629,638	1,544,910	2,174,548
	Capital	314,671	188,281	502,952	174,381	215,813	390,193	67,025	62,810	129,834	6,286	2,285	8,571	562,362	469,188	1,031,550
	Takedown	-	-	-	-	-	-	-	-	-	-	-	-	8,000	-	8,000
NN Total		382,219	1,041,517	1,423,736	702,338	750,865	1,453,203	85,489	89,264	174,754	21,954	132,452	154,406	1,200,000	2,014,098	3,214,098

NN & NEC TOTAL 1,800,000 5,106,644 6,906,644

Amtrak Response to the Administration Budget

The Administration's FY 2020 budget proposes only \$936 million for Grants to Amtrak – a \$1.005 billion (52%) reduction below the enacted level of \$1.941 billion provided by Congress in FY 2019. In addition, the Administration proposes a new initiative in FY2020 to restructure the long-distance network by providing \$550 million for the Restoration and Enhancement Grant program. The FRA explained in its FY2020 Budget Estimates that: *“Amtrak's Long Distance routes account for only 14 percent of Amtrak ridership, but 32 percent of train system operating costs, while also suffering from poor on-time performance (OTP) due largely to delays on the freight-owned railroads that host Long Distance trains (48.6 percent endpoint OTP in FY 2018).”* Therefore, FRA further explains that *“The FY 2020 President's Budget proposes to begin the process of restructuring Amtrak's Long Distance network, phasing decision-making and cost responsibilities to states. This proposal promotes a market-based, passenger-focused intercity passenger rail network that better meets the transportation demands of the American public.”*

Amtrak appreciates the Administration's focus on expanding intercity passenger rail service to today's many underserved cities and corridors across the nation. We believe that a modernization of the National Network, with the right level of dedicated and enhanced federal funding, would allow Amtrak to serve more passengers efficiently while preserving our ability to maintain appropriate Long Distance routes. We look forward to working with the Administration, Congress, our state partners, and other stakeholders to consider these proposals in more depth.

NORTHEAST CORRIDOR

Table 10: NEC Appropriation Summary

Category	Grant Request	Revenue & Other Sources	Total Spend
Transportation	-	\$413,529,755	\$413,529,755
Equipment	\$374,148,748	\$818,530,428	\$1,192,679,176
Infrastructure	\$148,597,157	\$1,134,058,052	\$1,282,655,209
Stations	\$64,254,095	\$276,590,066	\$340,844,161
National Assets & Corporate Services	-	\$449,837,861	\$449,837,861
Takedowns (NEC Commission, FRA)	\$13,000,000	-	\$13,000,000
Total NEC	\$600,000,000	\$3,092,545,161	\$3,692,546,161

Transportation (NEC)

Table 11	
Revenue and Other Sources:	\$413,529,755
Federal Grant Request:	-
Total:	\$413,529,755

Transportation includes the train crew operating trains on the railroad, crew moving equipment in the yards, crew providing on-board services on the trains (for example, service attendants, café attendants), on-board food and beverage supplies, commissary management, diesel fuel and electric propulsion costs, host railroad maintenance of way and performance incentive payments, passenger inconvenience payments, passenger claims, connecting bus service, utilities, and the management, supervision, and support required to perform activities listed here. For more detail on Transportation, please see Amtrak’s Five-Year Asset Line Plan.

Table 12		
Enterprise Asset Management	Cap	\$18,052,545
Food/Bev POS and Inventory Management Upgrade	Cap	\$1,284,176
All Other Transportation Capital Projects	Cap	\$29,394,273
Operating Labor	Op	\$213,641,561
Host RR, MOW and Performance Incentives	Op	\$27,367,796
Fuel & Power	Op	\$88,364,084
All Other Operating Expense	Op	\$35,425,319
Total Transportation		\$413,529,755

Infrastructure (NEC)

Table 13	
Revenue and Other Sources:	\$1,134,058,052
Federal Grant Request:	\$148,597,157
Total:	\$1,282,655,209

Infrastructure includes the track and associated materials, communications and signal systems, electric propulsion generation and transmission, tunnels, bridges, culverts, rights-of-way, signs, real property, and associated air rights. It excludes stations and facilities where equipment is maintained. These facilities require federal investment to support the Amtrak and passenger rail on the NEC, both to ensure that service can be reliably maintained and to provide the necessary capacity the regional economy requires to support future growth. For more detail on Infrastructure, please see Amtrak’s Five-Year Asset Line Plan.

Table 14		
Undercutting – Washington to New York	Cap	\$57,619,604
Concrete Tie Replacement – NEC	Cap	\$56,171,967
Baseline Cap. Contribution (PRIIA § 212) – Amtrak’s payment to Host Rail for NR cost	Cap	\$28,210,000
All Other Normalized Replacement	Cap	\$275,235,751
Total Normalized Replacement	Cap	\$417,237,322
Safety-Related Mitigation Next Gen High Speed Rail	Cap	\$32,023,173
PTC Installation – NEC	Cap	\$7,156,247
All Other Safety & Mandates	Cap	\$4,521,613
Total Safety & Mandates	Cap	\$43,701,033
North Hudson River & East River Tunnel Rehabilitation Design Phase	Cap	\$5,948,380
Pelham Bay Bridge Replacement – Design Phase	Cap	\$5,000,000
Trenton to New Brunswick – NJ High Speed Rail Catenary Design Modifications	Cap	\$3,961,716
All Other Major Backlog	Cap	\$1,176,414
Total Major Backlog	Cap	\$16,086,510
Hudson Property Acquisition	Cap	\$107,850,000
Hudson River Tunnel – Construction	Cap	\$102,883,334
Constant Tension Catenary: Clark - Hamilton	Cap	\$44,968,066
All Other Improvements	Cap	\$263,553,431
Total Improvements	Cap	\$519,254,832
PCB Remediation – Wilmington Facility	Cap	\$4,631,721
Trenton, NJ – Commuter Yard Remediation	Cap	\$4,000,000
Track Remediation – New York Penn Station	Cap	\$2,663,783
All Other Remediation	Cap	\$4,618,381
Total Environmental Remediation	Cap	\$15,913,885
Program Management (Capital Projects) – Engineering	Cap	\$5,272,413
All Other Program Management	Cap	\$3,214,047
Total Program Management	Cap	\$8,486,460
Operating	Op	\$249,915,917
Debt		\$12,059,250
Total Infrastructure		\$1,282,655,209

Equipment (NEC)

Table 15	
Revenue and Other Sources:	\$818,530,428
Federal Grant Request:	\$374,148,748
Total:	\$1,192,679,176

Equipment on the NEC includes Amtrak-controlled locomotives, cars, and trainsets, train servicing, maintenance of facilities where equipment is maintained, and the management, supervision, and support required to perform activities listed here. It also includes any preventive maintenance and minor repairs performed by external vendors or contractors to maintain the locomotives, cars, trainsets, and non-revenue equipment. For more detail on Equipment, please see Amtrak's Five-Year Asset Line Plan.

Table 16		
Acela Overhauls	Cap	\$12,000,000
Amfleet Overhauls	Cap	\$30,489,460
Bi-Level Overhauls	Cap	\$477,512
Locomotive Overhauls	Cap	\$7,873,535
All Other Overhauls	Cap	\$15,515,782
Total Overhauls	Cap	\$66,356,289
Amfleet Replacement	Cap	\$258,274,000
Next-Gen High Speed Rail Trainset Procurement	Cap	\$361,297,419
Engineering Major Equipment Purchases	Cap	\$35,543,595
All Other New/Replacement Equipment	Cap	\$17,481,824
Total New/Replacement Equipment	Cap	\$672,596,838
Ivy City Next-Gen High Speed Rail Facility Improvements	Cap	\$8,000,000
Sunnyside High Speed Rail Facility – Design & Construction	Cap	\$7,900,000
All Other Facilities	Cap	\$7,615,308
Total Facilities	Cap	\$23,515,309
Total Life Cycle Preventive Maintenance	Cap	\$196,371
Amfleet Wi-Fi State of Good Repair Upgrades	Cap	\$1,547,534
Locomotives – Inward and Outward Facing Cameras	Cap	\$446,841
All Other Train Capital	Cap	\$10,815,272
Total Other Train Capital	Cap	\$12,809,647
Operating	Op	\$287,390,445
Debt		\$129,814,278
Total Equipment		\$1,192,679,176

Stations (NEC)

Table 17	
Revenue and Other Sources:	\$276,590,066
Federal Grant Request:	\$64,254,095
Total:	\$340,844,161

Stations includes Amtrak-controlled stations and elements of other stations for which Amtrak has legal responsibility or where it intends to make capital investments. This includes the maintenance and operation of such facilities that serve one or multiple routes. For more detail on Stations, please see Amtrak's Five-Year Asset Line Plan.

Table 18		
Roof Replacement – Philadelphia 30 th Street Station	Cap	\$7,103,420
Station Construction Repairs – Mid-Atlantic Division	Cap	\$5,387,145
All Other Normalized Replacement	Cap	\$10,567,636
Total Normalized Replacement	Cap	\$23,058,201
ADA Station Compliance Projects	Cap	\$43,000,738
Total Safety & Mandates	Cap	\$43,000,738
Chilled Water System Upgrade – New York Penn Station	Cap	\$6,427,656
All Other Major Backlog	Cap	\$502,856
Total Major Backlog	Cap	\$6,930,512
Master Plan Implementation – Washington Union Station (D.C.)	Cap	\$50,729,371
Moynihan Station Train Hall (NY)	Cap	\$39,074,287
Master Plan Improvements – New York Penn Station	Cap	\$36,755,232
All Other Improvements	Cap	\$71,291,343
Total Improvements	Cap	\$197,850,233
Operating	Op	\$70,004,476
Total Stations		\$340,844,161

National Assets & Corporate Services (NEC)

Table 19	
Revenue and Other Sources:	\$449,837,861
Federal Grant Request:	\$0
Total:	\$449,837,861

National Assets are the Nation’s core rail assets shared among Amtrak services, including systems for reservations, security, training, and training centers, and other assets associated with Amtrak’s national rail passenger transportation system. Corporate services are defined to include company-wide functions, such as legal, finance, government affairs, human resources, information technology, among others. These resources play a vital role in ensuring that Amtrak can develop and consistently provide competitive products and services, as well as delivering investments that will sustain, improve, and grow our business. For more detail on National Assets and Corporate Services, please see Amtrak’s Five-Year Asset Line Plan.

Table 20		
Emergency Management Infrastructure Protection	Cap	\$6,168,295
Amtrak Police Department Radio Repeater System Upgrade	Cap	\$1,995,580
Amtrak Police Department Personnel APX Radios	Cap	\$721,993
Total Police and Emergency Management	Cap	\$8,885,869
Data Center Transformation	Cap	\$3,557,977
Timekeeping Systems Consolidation	Cap	\$2,317,382
Revenue Accounting System Replacement	Cap	\$1,425,742
Self-Service Reservation Rebookings During Service Disruptions	Cap	\$1,005,960
Self-Service Kiosk Replacements	Cap	\$965,152
All Other National Assets & Corporate Services	Cap	\$30,066,911
Corporate Operations	Op	\$158,026,050
Marketing & Direct Advertising	Op	\$39,665,905
National Assets Operating	Op	\$203,920,912
Total National Assets & Corporate Services		\$449,837,861

NATIONAL NETWORK

Table 21: National Network Appropriation Summary

Category	Grant Request	Revenue & Other Sources	Total Spend
Transportation	\$252,265,834	\$795,599,660	\$1,047,865,495
Equipment	\$533,055,637	\$414,570,034	\$947,625,671
Infrastructure	\$172,378,649	\$170,347,576	\$342,726,226
Stations	\$234,299,880	\$55,378,156	\$289,678,036
National Assets & Corporate Services	\$0	\$578,202,683	\$578,202,683
Takedowns (State Supported, FRA)	\$8,000,000	\$0	\$8,000,000
Total National Network	\$1,200,000,000	\$2,014,098,110	\$3,214,098,110

Transportation (NN)

Table 22	
Revenue and Other Sources:	\$795,599,660
Federal Grant Request:	\$252,265,834
Total:	\$1,047,865,495

National Network Transportation includes the train crew operating trains on the railroad, crew moving equipment in the yards, crew providing on-board services on the trains (for example, service attendants, café attendants), on-board food and beverage supplies, commissary management, diesel fuel and electric propulsion costs, host railroad maintenance of way and performance incentive payments, passenger inconvenience payments, passenger claims, connecting bus service, utilities, and the management, supervision, and support required to perform activities listed here.⁴ For more detail on Transportation, please see Amtrak’s Five-Year Asset Line Plan.

Table 23		
Enterprise Asset Management	Cap	\$17,847,455
Host Railroad PTC Installation	Cap	\$27,300,000
Oakland, CA – New Commissary Construction	Cap	\$20,990,606
All Other Transportation Capital Projects	Cap	\$20,618,374
Operating Labor	Op	\$560,561,184
Host RR, MOW, & Performance Incentives	Op	\$117,793,007
Fuel & Power	Op	\$155,843,258
All Other Operating Expense	Op	\$126,911,611
Total Transportation		\$1,047,865,495

⁴ As defined by the FRA’s May 2016 document “Account Structure Definition and Accounting Methodology Improvements to Address Section 11201 of the FAST Act of 2015.”

Infrastructure (NN)

Table 24	
Revenue and Other Sources:	\$170,347,576
Federal Grant Request:	\$172,378,649
Total:	\$342,726,226

Infrastructure includes the track and associated materials, communications and signal systems, electric propulsion generation and transmission, tunnels, bridges, culverts, rights-of-way, signs, real property, and associated air rights. It excludes stations and facilities where equipment is maintained.⁵ Not only does this include assets physically located on the National Network, but it also includes the National Network’s share of the cost associated with infrastructure on the NEC that is used by long-distance trains. Infrastructure on the National Network includes Amtrak-owned assets, such as: the 104-mile Keystone Corridor; the 61-mile Springfield Line; and the 96-mile Michigan Line, as well as Amtrak-leased infrastructure, such as the Hudson Line between Schenectady and Poughkeepsie, New York. For more detail on Infrastructure, please see Amtrak’s Five-Year Asset Line Plan.

Table 25		
Catenary Pole Design	Cap	\$25,118,443
National Network Turnout Renewal Program	Cap	\$10,506,000
<i>Southwest Chief</i> Track Replacement	Cap	\$8,057,066
All Other Normalized Replacement	Cap	\$59,163,407
Total Normalized Replacement	Cap	\$102,844,915
Lighting and Electrical Improvements – Empire Line Overbuild	Cap	\$3,239,630
PTC Installation – Chicago Terminal	Cap	\$4,248,986
All Other Safety & Mandates	Cap	\$5,261,524
Total Safety & Mandates	Cap	\$12,750,140
Total Major Backlog	Cap	\$270,571
Chicago St. Yard Retaining Wall Upgrade	Cap	\$11,766,607
National Network Maintenance of Equipment Facilities Improvements	Cap	\$8,272,598
Michigan West Line Rail Renewal	Cap	\$7,600,000
All Other Improvements	Cap	\$72,754,669
Total Improvements	Cap	\$100,393,874
Los Angeles Waste and Storm Water Treatment Facility Upgrade	Cap	\$986,475
Drainage Improvements, Wilmington, DE Training Center	Cap	\$878,259
Chicago Engine & Pump House Floor Replacement & Contamination Removal	Cap	\$490,275
All Other Remediation	Cap	\$2,941,102
Total Environmental Remediation	Cap	\$5,296,115
Program Management (Capital Projects) – Engineering	Cap	\$1,727,587
All Other Program Management	Cap	\$995,329
Total Program Management	Cap	\$2,722,916
Operating	Op	\$115,544,217
Debt		\$2,903,477
Total Infrastructure		\$342,726,226

⁵ As defined by the FRA’s May 2016 document “Account Structure Definition and Accounting Methodology Improvements to Address Section 11201 of the FAST Act of 2015.”

Equipment (NN)

Table 26	
Revenue and Other Sources:	\$414,570,034
Federal Grant Request:	\$533,055,637
Total:	\$947,625,671

Equipment on the National Network includes the Amtrak-controlled locomotives, cars, and trainsets, train servicing, maintenance of facilities where equipment is maintained, and the management, supervision and support required to perform activities listed here. This also includes any preventive maintenance and minor repair performed by external vendors or contractors to maintain the locomotives, cars, trainsets, and non-revenue equipment.⁶ For more detail on Equipment, please see Amtrak’s Five-Year Asset Line Plan.

Table 27		
Amfleet Overhauls	Cap	\$45,168,156
Bi-Level Overhauls	Cap	\$67,060,087
Locomotive Overhauls	Cap	\$8,401,864
All Other Overhauls	Cap	\$42,634,773
Total Overhauls	Cap	\$163,264,881
Amfleet Replacement	Cap	\$187,026,000
Diesel Locomotive Replacement	Cap	\$40,114,125
Long Distance Fleet Replacement	Cap	\$20,750,000
All Other New/Replacement Equipment	Cap	\$17,619,331
Total New/Replacement Equipment	Cap	\$265,509,456
Seattle S&I Facility, Phase III – Construction	Cap	\$8,468,036
Seattle 2 nd Avenue Yard Purchase and Upgrade	Cap	\$2,800,000
All Other Facilities	Cap	\$18,666,656
Total Facilities	Cap	\$29,934,691
Total Life Cycle Preventive Maintenance	Cap	\$33,242,994
Amfleet Wi-Fi State of Good Repair Upgrades	Cap	\$1,452,466
Locomotives – Inward and Outward Facing Cameras	Cap	\$2,253,159
All Other Train Capital	Cap	\$2,330,105
Total Other Train Capital	Cap	\$6,035,730
Operating	Op	\$418,382,842
Debt		\$31,255,077
Total Equipment		\$947,625,671

⁶ As defined by the FRA’s May 2016 document “Account Structure Definition and Accounting Methodology Improvements to Address Section 11201 of the FAST Act of 2015.”

Stations (NN)

Table 28	
Revenue and Other Sources:	\$55,378,156
Federal Grant Request:	\$234,299,880
Total:	\$289,678,036

Passenger rail stations served by Amtrak on the National Network include Amtrak-controlled stations and elements of other stations for which Amtrak has legal responsibility or where it intends to make capital investments. This includes the maintenance and operation of such facilities that serve one or multiple routes.⁷ Amtrak serves 526 stations in the United States and Canada. 517 of these are in the United States, and of these stations, Amtrak owns or shares ownership of one or more station components (i.e., station structure, platform, parking facility) at 102 stations, including 81 station structures, 51 platforms, and 41 parking facilities. For more detail on Stations, please see Amtrak’s Five-Year Asset Line Plan.

Table 29		
State of Good Repair Improvements – Chicago Station	Cap	\$10,000,000
Station Construction Repairs – Mid-Atlantic Division	Cap	\$1,612,855
Harrisburg Line Station Upgrades	Cap	\$2,000,000
National Network Station Upgrades Design Phase	Cap	\$2,049,102
All Other Normalized Replacement	Cap	\$3,981,471
Total Normalized Replacement	Cap	\$19,643,428
ADA Station Compliance Projects	Cap	\$70,276,076
Total Safety & Mandates	Cap	\$70,276,076
Platform Improvements – Burlington, IA	Cap	\$3,500,000
Upgrades, Replacements, & Major Construction to Station – Central Div.	Cap	\$5,000,000
Upgrades, Replacements, & Major Construction to Station – West Div.	Cap	\$4,000,000
All Other Major Backlog	Cap	\$4,069,488
Total Major Backlog	Cap	\$16,569,488
Master Plan Implementation – Washington Union Station (D.C.)	Cap	\$8,090,310
Master Plan Implementation – Chicago Union Station	Cap	\$10,966,761
In-Station Wi-Fi Improvements	Cap	\$657,591
All Other Improvements	Cap	\$10,910,242
Total Improvements	Cap	\$30,624,904
Operating	Op	\$152,564,140
Total Stations		\$289,678,036

⁷ As defined by the FRA’s May 2016 document “Account Structure Definition and Accounting Methodology Improvements to Address Section 11201 of the FAST Act of 2015.”

National Assets and Corporate Services (NN)

Revenue and Other Sources:	\$578,202,683
Federal Grant Request:	\$0
Total:	\$578,202,683

National Assets are the Nation’s core rail assets shared among Amtrak services, including systems for reservations, security, training and training centers, and other assets associated with Amtrak’s national rail passenger transportation system.⁸

Corporate services are defined to include company-wide functions, such as, legal, finance, government affairs, human resources, information technology, among others.⁹ These resources play a vital role in ensuring that Amtrak can develop and consistently provide competitive products and services, as well as delivering investments that will sustain, improve, and grow our business. For more detail on National Assets and Corporate Services, please see Amtrak’s Five-Year Asset Line Plan.

Emergency Management Infrastructure Protection	Cap	\$6,613,252
Amtrak Police Department Radio Repeater System Upgrade	Cap	\$2,139,534
Amtrak Police Department Personnel APX Radios	Cap	\$774,075
Total Police and Emergency Management	Cap	\$9,526,861
Data Center Transformation	Cap	\$3,517,555
Timekeeping Systems Consolidation	Cap	\$2,291,055
Revenue Accounting System Replacement	Cap	\$1,226,258
Self-Service Kiosk Replacements	Cap	\$1,577,348
All Other National Assets & Corporate Services	Cap	\$33,115,726
Corporate Operations	Op	\$235,426,930
Marketing & Direct Advertising	Op	\$26,758,054
National Assets Operating	Op	\$264,762,895
Total National Assets & Corporate Services		\$578,202,683

⁸ As defined by the FRA’s May 2016 document “Account Structure Definition and Accounting Methodology Improvements to Address Section 11201 of the FAST Act of 2015.”

⁹ As defined by the FRA’s May 2016 document “Account Structure Definition and Accounting Methodology Improvements to Address Section 11201 of the FAST Act of 2015.”

LEGISLATIVE PROPOSALS & OTHER FEDERAL GRANTS

Amtrak's Reauthorization

The FAST Act, Amtrak's current authorization, is set to expire at the end of FY 2020. Amtrak will transmit a comprehensive reauthorization proposal to Congress in calendar year 2019. Amtrak's proposal will build on the success of PRIIA and the FAST Act and support Amtrak's mission and goals as defined by statute. In particular, it will propose legislative remedies to address the major challenges facing Amtrak, such as:

- Improve how Amtrak operates over its host railroads; in particular, the reliability of current Amtrak services and the way in which intercity passenger rail services are expanded for the future.
 - A legislative fix is necessary to remedy poor on-time performance and ensure host railroad compliance with existing Federal law which requires that Amtrak passenger trains be given preference over freight transportation. Providing Amtrak with a private right of action to enforce preference would be a potential remedy.
 - In addition, legislation is needed to provide a fair and expeditious process for determining appropriate compensation for the use of host railroad infrastructure to support the expansion of Amtrak service to underserved communities.
- Public policy that supports growth, expansion, and modernization of the national rail network, which is basically the same now as it was when Amtrak was created in 1971. While much remains the same, Amtrak state-supported ridership has grown nearly 70% in the last 15 years. We need to modernize and expand to increase ridership and serve more customers, including underserved communities and major city pairs between 400 miles or less, and increase frequencies and/or improve schedules for existing routes.
- Authorize dedicated, sustainable federal funding for capital improvements, for both the NEC and National Network. This will help Amtrak improve its ability to plan, especially for major projects that require multiple years' worth of funding.
- Advance policies and funding that will support Amtrak's goal of eventually implementing positive train control (PTC) everywhere on its network.
- Amend programs and funding levels to address the imminent need to renew much of Amtrak's rolling stock. Major diesel fleets are 20 years old or older, and Amtrak's major Amfleet I and II and Superliner I fleets are approximately 40 years old, with some equipment even older. Safety standards and passenger expectations have changed a great deal over the decades, and no amount of refreshing and rebuilding can address structural and maintenance issues with these fleets.
- Address the NEC's infrastructure backlog by authorizing programs and funding levels that help bring the corridor into a state of good repair.

FY 2020 Appropriations Issues, Report Language, & Other Federal Grants & Programs

Below are funding levels Amtrak recommends for various federal programs that support and advance passenger rail:

	FY 2018 Enacted	FY 2019 Enacted	Amtrak FY 2020 Request
FRA Fed/State Partnership for S.O.G.R.	250,000	400,000	500,000
FRA CRISI	592,547	255,000	300,000
FRA Restoration & Enhancement Grants	20,000	5,000	20,000
FTA 5309 CIG (New Starts)	2,644,960	2,552,687	3,350,000
FTA Transit Infrastructure Grants	834,000	700,000	800,000
OST Nat'l. Infrastructure Investments (BUILD)	1,500,000	900,000	1,000,000
FRA Safety & Operations	221,698	221,698	221,698
FRA Research & Development	40,600	40,600	50,600
Surface Transportation Board	37,100	37,100	40,100
Magnetic Levitation	-	10,000	-
Figures all in thousands of dollars.			

In addition to funding, Amtrak requests that Congress consider the following report language for inclusion in the FY 2020 Transportation, Housing and Urban Development, and Related Agencies Appropriations Bill:

Federal Railroad Administration
SAFETY AND OPERATIONS

Metrics and Standards. – In July 2018, the DC Circuit Court ruled that PRIIA Section 207 is constitutional. The Committee now looks forward to FRA and Amtrak jointly developing new metrics and standards to measure the performance and service quality of intercity passenger train operations. Considering it has now been more than a decade since PRIIA was enacted into law, the Committee directs FRA and Amtrak to publish new final metrics and standards within 90 days of enactment of this Act. The Committee expects that the process for developing and adopting the metrics and standards shall be similar to the process that was used in developing and adopting the original metrics and standards (Docket No FRA 2009-0016).

Federal Railroad Administration
RESEARCH AND DEVELOPMENT

The Committee recommends an appropriation of \$55,600,000 for Railroad Research and Development, which is \$36,600,000 more than the budget request and \$15,000,000 more than the fiscal year 2019 enacted level.

Workforce Development.— The FRA has identified the need to develop the future railroad workforce as one of its near-term strategic priorities. Therefore, no less than \$5,000,000 in R&D funding shall support initiatives for FRA to work with universities, labor, and railroads to develop the workforce to support the unique workforce needs associated with intercity passenger rail service.

Technology.— Emerging technology has great potential to provide significant benefits to the rail industry, including to intercity passenger rail. The FRA’s mission is to enable a safe, reliable, and efficient movement of people and goods for 55a strong America, now and in the future. Therefore, it is critical that the FRA play an important role in advancing new infrastructure and rolling stock inspection technologies, while always ensuring that safety is the top priority. The FRA is directed to apply at least \$5,000,000 of its R&D funding to advance such technology for the benefit of intercity passenger rail.

Federal Railroad Administration
CONSOLIDATED RAIL INFRASTRUCTURE AND SAFETY IMPROVEMENTS GRANTS

Reimbursement for PTC Costs.— CRISI grants shall be available to cover pre-award costs, including to states and Amtrak, to reimburse costs to Amtrak’s host railroads for installing railroad safety technology, including the implementation of a positive train control system, that are incurred at locations on the National Network where such safety technologies are being implemented solely due to Amtrak’s long distance and state-supported services. In addition, non-federal State and Amtrak matches should be consistent with PRIIA Sec. 209.

Federal Railroad Administration
RAILROAD REHABILITATION AND IMPROVEMENT FINANCE PROGRAM

Credit Risk Premium Rating.— Although Amtrak is an eligible applicant for a RRIF loan, DOT and OMB have had difficulties in applying RRIF program requirements to Amtrak. As a result, the cost of a loan is significantly higher for Amtrak than it would be for another private sector railroad with a similar rating by the major investment rating agencies. The Committee directs the Secretary, in conjunction with OMB, to calculate the RRIF credit risk premium for future Amtrak loans by considering Amtrak’s rating.

Credit Risk Premium Repayment.— The original authorization of the RRIF program required the Department to return the credit risk premium [CRP], and interest accrued thereon,

to borrowers once the corresponding loan was repaid and all obligations attached to a cohort of loans have been satisfied. Returning the CRP could allow borrowers to reinvest their own funds for critical improvements to railroad infrastructure across the Nation. To date, DOT has not returned any CRP to borrowers that have repaid their loans. The Committee directs the Secretary to repay the CRP to applicants in a timely manner, if applicable, or to provide a written explanation within 90 days of enactment of this act to the House and Senate Committees on Appropriations explaining why the CRP for loans that have been repaid should not be returned to the borrower.

Surface Transportation Board
SALARIES AND EXPENSES

The Committee recommends a total appropriation of \$40,100,000. This funding level is \$3,000,000 more than the budget request and \$3,000,000 more than the fiscal year 2019 enacted level. The increase over current levels will support improved passenger rail activities, including sufficient staff to conduct investigations as required by PRIIA Sec. 213.

DHS Intercity Passenger Rail Grants

Within the Homeland Security Appropriations bill, Congress provides annual funding to support rail security under the State and Local Programs account. Congress provided such funding for several years at a level of \$25,000,000; however, in more recent years this amount has been reduced to \$10,000,000 per year. Amtrak greatly appreciates this federal support, but the nation’s intercity passenger rail security needs far exceed the current appropriation level. Therefore, Amtrak is requesting that Congress restore the funding level to \$25,000,000 as was originally intended and appropriated. Below is a breakdown of this DHS grant request:

FY 2019 Enacted Level	\$10,000,000
Adjustments to base:	
<i>Pay-raises, Contractual obligations, Rent, Benefits</i>	\$500,000
<i>Inflation</i>	\$250,000
FY 2020 Baseline Estimate	\$10,750,000
Program Changes	
<i>3 new screening teams (4 officers per team)</i>	\$2,580,000
<i>30 new canine teams</i>	\$5,450,000
<i>6 new Special Agents</i>	\$1,220,000
<i>Video surveillance systems (CCTV) upgrades</i>	\$3,500,000
<i>Access control system improvements</i>	\$1,500,000
FY 2020 Total Request	\$25,000,000

As outlined above, the proposed FY 2020 request includes additional funding for a number of key security enhancements. An increase in the number of explosive screening teams (three teams of four officers) at strategic locations on the Northeast Corridor between Washington, D.C. and Boston would allow for more hands-on passenger screening prior to boarding trains. Thirty additional K-9 teams (dog and officer) deployed throughout the U.S. at high-volume passenger locations would improve the coverage of non-intrusive conventional and vapor-wake type explosive detection activity. Six additional Special Agents for the Special Operations Unit would allow for more surge augmentation, counter-surveillance, and show-of-force actions across the country.

The installation of Physical Protection Equipment (video surveillance system – CCTV – access control, intrusion detection systems, lighting, sensors, and alarms) and site hardening (bollards, barriers, ballistic film, etc.) mitigation solutions will directly limit improper access and reduce risk across Amtrak facilities, protecting its critical assets and customers.

These additional deployments and physical improvements each act as another layer in the systematic ability for Amtrak to protect the national passenger rail system, our customers who ride the rail system, and our employees from terrorist attack.

APPENDIX

Table 34: Supplemental Project List for a Proposed Infrastructure Bill

Rough order of magnitude estimate, and costs are subject to change if construction dates are delayed.

Project	Federal Share	Total Project Cost	Amtrak FY 2019- FY 2024 Budgeted Amount	Remaining Federal Funds Needed	Location	Construction Start Date	Construction Duration	Impacted Regions
Locomotives and Cars								
Amfleet Replacement	\$1.45 billion	\$1.45 billion	\$1.37 billion	\$80 million	N/A	2020	3 years	Systemwide
Superliner Replacement	\$900 million	\$1.55 billion	\$0	\$1.55 billion	N/A	2022	5 years	Systemwide (off-NEC)
Diesel Locomotive Replacement (includes TSSSA)	\$1.300	\$1.300	\$466 million	\$834 million	N/A	2019	3 years	Systemwide
Additional Fleet Investment for New Routes & Frequencies on the National Network	Approx. \$4 billion	Approx \$4 billion	\$0	Approx \$4 billion	N/A	TBD	TBD	Systemwide
Bridges and Tunnels								
Portal North Bridge	\$977 million	\$1.78 billion	\$155 million	\$822 million	Kearny, NJ	2017	8 years	Northeast, South & Midwest
East River Tunnel Rehabilitation	\$250 million	\$750 million	\$171 million	\$79 million	Manhattan & Queens, NY	2020	5 years	Northeast, South & Midwest
Hudson Tunnel Project	\$6.35 billion	\$12.7 billion	\$546 million	\$5.804 billion	Secaucus, NJ & Manhattan, NY	2019	11 years	Northeast, South & Midwest
Sawtooth Bridge Replacement	\$800 million	\$1.6 billion	\$74 million	\$726 million	Kearny, NJ	2024	4 years	Northeast, South & Midwest
Baltimore & Potomac Tunnel Replacement	\$3.6 billion	\$5 billion	\$500 million	\$3.1 billion	Baltimore, MD	2020	12 years	Northeast, South & Midwest
Susquehanna Bridge Replacement	\$1.36 billion	\$1.7 billion	\$244 million	\$1.116 billion	Perryville, MD	2025	5 years	Northeast, South & Midwest
Pelham Bay Bridge Replacement	\$410 million	\$410 million	\$23 million	\$387 million	Bronx, NY	2025	4 years	Northeast
Connecticut River Bridge Replacement	\$470 million	\$660 million	\$25 million	\$445 million	Old Saybrook & Old Lyme, CT	2024	6 years	Northeast
Stations and Facilities								
Chicago Union Station Train Shed Ventilation	\$55 million	\$275 million	\$0 million	\$55 million	Chicago, IL	2016	10 years	Midwest & Systemwide
Chicago Union Station Master Plan – High-Level Mail Platform	\$35 million	\$70 million	\$12 million	\$27 million	Chicago, IL	2016	7 years	Midwest & Systemwide
Chicago Union Station Master Plan – Concourse/ Platform Improvements	\$75 million	\$500 million	\$49 million	\$19 million	Chicago, IL	2016	25 years	Midwest & Systemwide
Oakland Maintenance Facility – Phase II	\$35 million	\$35 million	\$35 million	\$0 million	Oakland, CA	2018	2 years	West
New Sunnyside Yards Crew & Admin Building and Other Improvements	\$140 million	\$140 million	\$104 million	\$36 million	Queens, NY	2018	4 years	Northeast, South & Midwest
Baltimore Penn Station Improvements	\$104 million	\$104 million	\$84 million	\$20 million	Baltimore, MD	2015	10 years	Northeast, South & Midwest
Penn Station South Property Acquisition	\$1.2 billion	\$1.2 billion	\$0 million	\$1.2 billion	Manhattan, NY	2018	2 years	Northeast, South &

Project	Federal Share	Total Project Cost	Amtrak FY 2019- FY 2024 Budgeted Amount	Remaining Federal Funds Needed	Location	Construction Start Date	Construction Duration	Impacted Regions
								Midwest
Ivy City Yard Improvements	\$30 million	\$30 million	\$17 million	\$4 million	Washington, D.C.	2019	4 years	Northeast, South & Midwest
Infrastructure								
Chicago Terminal ROW Acquisition & Improvements	\$500 million	\$500 million	\$0 million	\$500 million	Porter, IN – Chicago, IL	2019	3 years	Midwest & Northeast
Safety, Security, and Accessibility								
Reimbursement Costs Associated with PTC Implementation by Host Railroads	\$250 million	\$250 million	TBD	TBD	Systemwide	2017	2 years	Systemwide
Station Accessibility Program	\$1.8 billion	\$1.8 billion	\$554 million	\$1.246 billion	Systemwide	2017	10 years	Systemwide
New or Improved Corridors								
Various	\$20 billion	\$20 billion	\$0	\$20 billion	Midwest, South & West	2019	10 years	Midwest, South & West
ROW Acquisition: S line (Petersburg, VA–Raleigh, NC)	TBD	TBD	\$0	TBD	Petersburg, VA–Raleigh, NC	TBD	TBD	TBD
Restoration of Detroit-Toronto Service	TBD	TBD	\$0	TBD	Detroit-Toronto	TBD	TBD	TBD
ROW Acquisition and/or Improvements to Gulf Coast (New Orleans-Mobile)	TBD	TBD	\$0	TBD	New Orleans, LA-MS-Mobile, AL	TBD	TBD	TBD
ROW Acquisition: Auburndale	TBD	TBD	\$0	TBD	TBD	TBD	TBD	TBD
Heartland Flyer Extension to Newton, KS and Additional Frequency	TBD	TBD	\$0	TBD	TBD	TBD	TBD	TBD

Table 35: Fiscal Year 2018 and 2019 Statement of Revenues and Expenditures

(\$s in Millions)	FY 2018 (Actual)	FY 2019 (Plan)	Y/Y Growth (\$)	Y/Y Growth (%)
Ticket Revenue (Adjusted)	2,180.5	2,261.2	80.7	3.7%
Thruway Bus Revenue*	26.7	26.9	0.2	0.7%
Food & Beverage	140.7	139.1	(1.7)	(1.2%)
State Supported Train Revenue	233.8	237.7	3.9	1.7%
Subtotal Passenger Related Revenue	2,581.7	2,664.8	83.1	3.2%
Ancillary Revenue	341.8	329.8	(12.0)	(3.5%)
Other Core Revenue	284.5	292.2	7.7	2.7%
Total Revenue	3,208.0	3,286.8	78.8	2.5%
Salaries, Wages & Benefits	2,085.6	2,176.2	90.6	4.3%
Train Operations	299.6	307.4	7.8	2.6%
Fuel, Power & Utilities	269.8	273.2	3.4	1.2%
Materials	136.1	133.4	(2.7)	(2.0%)
Facility, Communication & Office	169.1	174.9	5.8	3.5%
Advertising and Sales	93.2	100.4	7.2	7.7%
Casualty and Other Claims	119.2	69.6	(49.6)	(41.6%)
Professional Fees & Data Processing	233.5	238.1	4.6	2.0%
All Other Expense	158.0	146.9	(11.1)	(7.0%)
Transfer to Capital & Ancillary	(185.5)	(201.1)	(15.6)	(8.4%)
Total Expense	3,378.7	3,419.0	40.3	1.2%
Adjusted Operating Expense	(170.6)	(132.2)	38.4	22.5%

* Amtrak Thruway routes improve Amtrak rail service financial performance by adding greater amounts of revenue than the bus operating cost. Thruway bus revenue of \$26.7 million represents the fares for the bus portions of itineraries with a bus segment. The total value of the bus and rail segments of all itineraries including a bus segment is approximately \$80 million.

Table 36: Amtrak FY 2018 Annual Operations Report

Route Name	Ridership	Passenger-Miles	Adjusted Allocated Operating Sources (\$)	Adjusted Allocated Operating Uses (\$)	Revenue-to-Cost Ratio	Fully-Allocated Profit or (Loss) Per Passenger-Mile (\$)
<i>Acela Express</i>	3,428,338	648,377,570	624,321,998	305,501,521	2.04	0.49
<i>Northeast Regional</i>	8,686,930	1,340,181,213	686,794,368	476,095,608	1.44	0.16
NEC Special Trains & Adjustments	8,375	1,126,730	4,806,320	10,215,568	0.47	(4.80)
Northeast Corridor	12,123,643	1,989,685,513	1,315,922,686	791,812,696	1.66	0.26
<i>Adirondack</i>	111,740	32,257,101	12,890,652	13,385,912	0.96	(0.02)
<i>Blue Water</i>	185,020	36,162,409	11,823,062	12,835,701	0.92	(0.03)
<i>Capitol Corridor</i>	1,706,849	113,798,088	61,631,932	70,315,399	0.88	(0.08)
<i>Carolinian</i>	256,886	71,001,150	22,964,193	19,214,679	1.20	0.05
<i>Cascades</i>	806,137	126,067,567	61,240,850	67,240,198	0.91	(0.05)
<i>Downeaster</i>	540,038	43,973,344	17,483,473	17,357,073	1.01	0.00
<i>Empire South</i>	1,150,498	141,889,850	48,119,854	65,553,569	0.73	(0.12)
<i>Empire West/Maple Leaf</i>	366,696	107,524,669	29,493,656	33,573,796	0.88	(0.04)
<i>Ethan Allen</i>	49,669	9,443,314	4,669,394	5,247,463	0.89	(0.06)
<i>Hearland Flyer</i>	68,075	11,932,447	6,071,116	6,891,712	0.88	(0.07)
<i>Hiawatha</i>	844,396	67,832,564	23,515,997	21,712,160	1.08	0.03
<i>Hoosier State</i>	27,876	4,384,127	3,694,043	5,583,440	0.66	(0.43)
<i>Illini/Saluki</i>	245,876	43,471,849	17,535,994	17,118,334	1.02	0.01
<i>Illinois Zephyr/ Carl Sandburg</i>	191,612	31,092,300	15,460,709	14,567,760	1.06	0.03
<i>Keystone</i>	1,519,936	132,890,568	51,319,314	56,037,299	0.92	(0.04)
<i>Lincoln Service</i>	586,166	106,346,576	33,876,929	32,200,553	1.05	0.02
<i>Missouri River Runner</i>	169,471	31,754,929	15,470,882	14,335,064	1.08	0.04
New Haven-Springfield	286,477	23,833,361	19,227,602	23,440,334	0.82	(0.18)
<i>Pacific Surfliner</i>	2,945,994	253,461,238	111,099,891	128,908,900	0.86	(0.07)
<i>Pennsylvanian</i>	214,827	50,295,149	14,654,798	17,283,344	0.85	(0.05)
<i>Pere Marquette</i>	95,540	14,304,062	6,279,775	6,980,191	0.90	(0.05)
<i>Piedmont</i>	167,203	18,562,086	6,379,710	7,433,616	0.86	(0.06)
<i>San Joaquin</i>	1,078,859	147,722,510	84,021,316	95,073,340	0.88	(0.07)
<i>Vermont</i>	97,909	24,782,934	11,449,169	10,673,534	1.07	0.03
Washington-Lynchburg	206,252	47,934,742	14,760,554	9,610,899	1.54	0.11
Washington-Newport News	322,265	69,054,413	24,373,468	18,667,289	1.31	0.08
Washington-Norfolk	152,611	28,814,216	10,894,656	9,402,936	1.16	0.05
Washington-Richmond	158,318	23,863,837	11,571,581	9,426,328	1.23	0.09
<i>Wolverine</i>	483,670	102,710,161	30,685,871	32,572,885	0.94	(0.02)
Non-NEC Special Trains & Adjustments	42,192	4,515,119	5,678,184	36,769,049	0.15	(6.89)
State Supported	15,079,058	1,921,676,680	788,338,628	879,412,756	0.90	(0.05)
<i>Auto Train</i>	224,837	193,584,657	71,989,213	87,461,429	0.82	(0.08)
<i>California Zephyr</i>	418,203	295,678,349	59,058,662	116,349,708	0.51	(0.19)
<i>Capitol Limited</i>	219,033	98,779,079	21,380,052	49,009,554	0.44	(0.28)
<i>Cardinal</i>	96,710	33,313,579	7,127,007	22,643,665	0.31	(0.47)
<i>City of New Orleans</i>	237,781	100,272,820	19,399,123	40,437,972	0.48	(0.21)
<i>Coast Starlight</i>	417,819	194,382,390	44,541,555	90,112,715	0.49	(0.23)
<i>Crescent</i>	274,807	129,039,734	33,141,871	72,559,789	0.46	(0.31)
<i>Empire Builder</i>	428,854	303,918,093	57,626,494	109,501,033	0.53	(0.17)
<i>Lake Shore Limited</i>	337,882	149,358,299	28,411,059	64,083,465	0.44	(0.24)
<i>Palmetto</i>	387,919	94,908,198	30,869,529	36,262,835	0.85	(0.06)
<i>Silver Meteor</i>	337,023	190,075,999	40,082,745	79,869,814	0.50	(0.21)
<i>Silver Star</i>	368,518	165,945,944	34,842,292	69,730,438	0.50	(0.21)
<i>Southwest Chief</i>	331,239	272,714,245	45,511,902	102,680,813	0.44	(0.21)
<i>Sunset Limited</i>	97,078	73,279,546	12,391,231	47,569,328	0.26	(0.48)
<i>Texas Eagle</i>	335,770	154,765,722	25,742,874	57,527,780	0.45	(0.21)
Long Distance Adjustments	N/A	N/A	(8,676,561)	20,850,926	(0.42)	-
Long Distance	4,513,473	2,450,016,654	523,439,047	1,066,651,265	0.49	(0.22)
Total	31,716,174	6,361,378,847	2,627,700,361	2,737,876,717	0.96	(0.02)

Table 37: FY 2018 Amtrak On Time Performance Measure by Route
(All values in percent.)

Route	Customer OTP	Endpoint OTP	All Stations OTP
Amtrak System	73.0%	74.9%	72.9%
Northeast Corridor	79.7%	80.4%	79.0%
<i>Acela Express</i>	80.0%	81.6%	77.6%
<i>Northeast Regional</i>	79.5%	79.7%	79.6%
Richmond/ Newport News/ Norfolk	70.9%	68.5%	73.9%
Lynchburg	73.6%	69.5%	77.0%
<i>On Spine Northeast Regional</i>	84.9%	84.3%	85.6%
<i>Springfield Shuttles</i>	82.6%	81.9%	69.5%
State Supported	76.4%	77.1%	79.9%
<i>Capitol Corridor</i>	88.8%	90.1%	90.4%
<i>Carolinian</i>	50.6%	55.0%	52.8%
<i>Cascades</i>	58.3%	57.5%	64.9%
<i>Downeaster</i>	76.1%	62.8%	82.7%
<i>Empire</i>	73.4%	77.7%	76.6%
<i>Adirondack</i>	67.8%	70.2%	71.0%
<i>Ethan Allen Express</i>	77.9%	86.6%	86.6%
<i>Maple Leaf</i>	58.6%	74.5%	60.7%
New York – Albany	84.8%	82.7%	89.5%
New York – Niagara Falls	58.5%	62.3%	68.9%
<i>Heartland Flyer</i>	46.5%	43.7%	63.6%
<i>Hiawatha</i>	95.7%	93.2%	96.7%
<i>Hoosier</i>	75.8%	77.0%	78.8%
Illinois	63.2%	68.1%	67.9%
<i>Carl Sandburg / Illinois Zephyr</i>	85.7%	88.5%	88.6%
<i>Illini / Saluki</i>	21.3%	28.1%	34.7%
<i>Lincoln Service</i>	73.6%	77.9%	75.7%
<i>Keystone</i>	90.5%	87.3%	91.6%
Michigan	55.8%	64.2%	68.3%
<i>Blue Water</i>	59.3%	67.1%	75.6%
<i>Pere Marquette</i>	77.3%	77.2%	85.9%
<i>Wolverine</i>	50.2%	58.9%	64.0%
<i>Missouri River Runner</i>	78.3%	82.7%	82.4%
<i>Pacific Surfliner</i>	76.7%	77.2%	81.3%
<i>Pennsylvanian</i>	71.7%	72.3%	73.2%
<i>Piedmont</i>	70.5%	59.0%	78.3%
<i>San Joaquin</i>	72.7%	77.0%	77.6%
<i>Vermonter</i>	65.3%	71.3%	61.3%
Long Distance	43.1%	48.6%	44.1%
<i>Auto Train</i>	59.4%	68.3%	70.9%
<i>California Zephyr</i>	44.8%	52.1%	48.8%
<i>Capitol Limited</i>	28.7%	30.8%	40.1%
<i>Cardinal</i>	53.7%	54.3%	53.5%
<i>City of New Orleans</i>	56.7%	69.9%	45.8%
<i>Coast Starlight</i>	53.9%	65.2%	53.0%
<i>Crescent</i>	25.9%	14.3%	31.3%
<i>Empire Builder</i>	44.6%	57.3%	46.1%
<i>Lake Shore Limited</i>	31.0%	41.9%	40.0%
<i>Palmetto</i>	55.8%	48.3%	57.9%
<i>Silver Meteor</i>	37.2%	42.5%	43.6%
<i>Silver Star</i>	30.4%	32.3%	37.6%
<i>Southwest Chief</i>	43.6%	55.1%	47.0%
<i>Sunset Limited</i>	46.2%	49.4%	30.3%
<i>Texas Eagle</i>	40.1%	46.4%	39.7%

Table 38: U.S. Passenger Railroad Farebox Recovery Comparison

Name and Location	Fare Revenues per Total Operating Expense (Recovery Ratio)
Amtrak (FY 2017), US	84.2%
Peninsula Corridor Joint Powers Board (Caltrain), CA	72.6%
Metro-North Commuter Railroad Company, NY	60.4%
New Jersey Transit Corporation, NJ	59.6%
Virginia Railway Express, VA	57.2%
Massachusetts Bay Transportation Authority, MA	54.7%
Long Island Rail Road, NY	53.8%
Denver Regional Transportation District, CO	51.7%
Southeastern Pennsylvania Transportation Authority, PA	50.8%
Northeast Illinois Regional Commuter Railroad Corp. (Metra), IL	47.8%
Northern Indiana Commuter Transportation District, IN	45.8%
Altamont Corridor Express, CA	41.2%
Southern California Regional Rail Authority (Metrolink), CA	37.6%
Maryland Transit Administration, MD	36.9%
Central Puget Sound Regional Transit Authority, WA	33.1%
North County Transit District, CA	32.6%
Dallas Area Rapid Transit, TX	31.4%
Regional Transportation Authority, TN	21.6%
Utah Transit Authority, UT	20.9%
Metro Transit, MN	16.5%
South Florida Regional Transportation Authority, FL	14.1%
Brightline (1,2,3Q18), FL	8.9%
Connecticut Department of Transportation, CT	8.3%
Rio Metro Regional Transit District, NM	7.6%
Central Florida Commuter Rail, FL	5.8%

The data in the above table come from the Federal Transit Administration National Transit Database 2017 records for commuter rail operations. The Amtrak entry uses FY 2017 financials. The Brightline entry uses publicly-released figures for the first three quarters of 2018.

Report to Congress on Charter Train and Private Train Policies

Amtrak offers the services of operating Charter Trains and moving privately-owned passenger rail cars. Charter Trains may use Amtrak cars and locomotives, or customer-supplied cars and locomotives, or any combination, moving as a non-regularly scheduled Amtrak train. Private Cars are privately owned railcars moved on regularly scheduled Amtrak trains. Private Cars and Charter Trains involve payments received by Amtrak from customers and are the subject of this report. “Special Trains” refers to trains operated by Amtrak on its own behalf and are non-revenue/non-commercial. Examples include emergency response equipment training, test trains, damaged equipment repositioning trains, Amtrak equipment displays, and empty equipment repositioning moves.

Amtrak significantly restructured both the Private Car and Charter Train services during FY 2018 to eliminate interference with Amtrak’s core operations and to put the businesses on a firm financial footing. Consistent application of clear Guidelines enabled implementation of Amtrak’s restructuring strategy. Amtrak’s primary objective is to operate its core scheduled train service safely, punctually, and efficiently. Amtrak issued these Guidelines for Charter Trains and Private Cars in 2018.

Guidelines for Charter Trains and Private Cars

Guidelines for Charter Trains defined as non-regularly-scheduled trains for commercial customers operated by Amtrak pursuant to negotiated agreements. These Guidelines do not apply to special moves that Amtrak may operate for its own or for governmental purposes. These Guidelines do not apply to Private Cars.

- Charter Trains must operate on existing Amtrak routes;
- Charter Trains must not be one-time trips;
- Charter Trains proposing to use Amtrak resources such as equipment and crews are subject to the availability of those Amtrak resources without impact on regularly scheduled operations;
- Charter Trains must generate sufficient financial benefit for Amtrak to justify the Amtrak resources and assets;
- All Charter Train terms and conditions are subject to a final written agreement signed by Amtrak and the commercial charter customer.

Guidelines for Private Cars defined as non-Amtrak cars moved on regularly scheduled Amtrak trains, parked at Amtrak-controlled facilities, or repaired by Amtrak employees for commercial

customers. These Guidelines do not apply to any such move, parking, or repair activity that Amtrak may perform for its own or for governmental purposes.

- In every instance of Private Car service requests, the needs of regularly scheduled Amtrak passenger trains and customers will take first priority. Private Car services are dependent on the availability of facilities, equipment, and resources. All such activities require prior Amtrak written approval.
- Private Cars must not delay Amtrak trains. While customers could previously request movement of Private Cars to or from essentially any Amtrak station, the restructuring of the business has reduced the number of locations where Amtrak will add or remove a private car from an Amtrak train to 42 locations around the country.
- Maintenance performed by Amtrak on Private Cars is limited to FRA-required repairs of safety appliances, with such maintenance performed only as necessary on Private Cars in the consist of an Amtrak train during an approved Private Car journey, plus a few selected types of maintenance that Amtrak is particularly qualified to provide.
- Private Car activities on Amtrak must be approved by Amtrak in advance on a case-by-case basis.
- Private Car activities and personnel are subject to all applicable safety, security, operational and other rules and requirements of Amtrak and its host railroads. Private Car owners and staff are strictly responsible for compliance with all such applicable rules and requirements.

The following discussion will focus on the number of moves and revenues. This reflects the House Committee's acknowledgement that certain information is commercially sensitive and cannot be made public.

Private Cars

This Private Car discussion reflects a report issued during FY 2019 by Amtrak's Office of the Inspector General (OIG) recommending that Amtrak develop updated costing for Private Car movements, and then make any further pricing adjustments that may be necessary based on that work. Amtrak Management agrees with these recommendations and will implement them. The OIG's report and Amtrak management's response has been made public.

During early 2018, Amtrak reviewed its Private Car business with a focus on Amtrak's primary objective of operating its core train service as safely, punctually, and efficiently as possible. Amtrak serves over 31 million customers annually on its regularly-scheduled trains. Limiting other, non-regularly-scheduled services offered by Amtrak to routes which can be operated safely

and efficiently without interfering with our base business is paramount. This translates to a requirement that in every instance of Private Car service requests, the needs of regularly scheduled Amtrak passenger trains and customers will take first priority, with Private Car services dependent on the availability of Amtrak facilities, equipment and resources.

A careful review was undertaken by Amtrak's operations team which identified locations where adding or removing Private Cars from Amtrak trains did not cause delay to those trains or otherwise create inefficient operations. As a result, Private Car service has been retained at 40 locations nationwide. They are mostly origin or termination points of trains where adding or removing Private Cars does not affect passengers on the trains. There are also some intermediate points where time in the schedule and local conditions permit adding and removing Private Cars from Amtrak trains without delaying Amtrak customers.

After implementing these changes, Amtrak revisited certain locations at the request of the major Private Car advocacy groups. Amtrak reinstated adding and removing Private Cars at two locations where, upon operational review, it was determined that Private Cars would not delay Amtrak trains, resulting in the current 42 locations around the country. Specifically, since the initial adjustments effective April 18, 2018, Amtrak added Spokane, Washington on June 21, 2018 and Oakland, California (arrivals only) on November 1, 2018. Amtrak will continue to monitor delays to ensure Private Car additions and removals from trains occurs only at approved locations, and Amtrak may remove locations where trains are continuing to incur delays due to adding or removing Private Cars.

Amtrak also believed that pricing for Private Car moves was significantly lower than an appropriate market price and potentially lower than some Amtrak costs for providing Private Car services, and thus increased Private Car prices by 12.5%.

These changes in locations to add and remove Private Cars, along with changes in pricing, were in place by May 1, 2018. Amtrak reviewed the period of May through December 2017, prior to these changes, versus May through December, 2018, after these changes, to identify the resulting trends in the business. Between May 2017 and December 2017, Amtrak earned \$2.8 million in total revenue associated with Private Cars. In comparison, between May 2018 and December 2018 Amtrak earned \$2.0 million total Private Car revenue, a 29% reduction. This was accompanied by a 38% decline in total Private Car mileage during these comparison periods. Comparing February 2019, the most recent month for which data are available, with the same month in 2018, delays to Amtrak trains due to Private Cars (excluding one delay related to a service disruption) have declined by over 87%.

Amtrak believes that the reduction in revenue was largely offset by reductions in cost including lower fuel consumption, reduction in Private Car switching costs, and elimination of the majority of Private Car delays to regularly scheduled Amtrak trains and customers on those trains. Amtrak also believes that most of the decline in movements and revenue are due to the reduction in number of locations where Private Cars are added or removed from trains, which was necessary to reduce the delays to Amtrak trains, rather than from price increases. Thus, Amtrak has taken an additional 12.5% price increase on Private Car movements effective January 1, 2019.

This increase was done with significant consultation with the Private Car community and advance notice. Amtrak senior management met with leadership of the two major private car advocacy groups, AAPRCO (American Association of Private Railroad Car Owners) and RPCA (Railroad Passenger Car Alliance), during October 2018 and took many of their suggestions. Amtrak published the resulting increases on November 1, 2018 to be effective January 1, 2019 – sixty days' notice, after consultations in advance. Amtrak will monitor the Private Car business closely to determine what additional changes may be warranted. Amtrak's objective is to avoid interference with our core operations but retain private car business that fits our Core Operations. Within this operational requirement, Amtrak is seeking to find market pricing without driving the business away, and also to be responsive to an audit of the Private Car business.

Amtrak Inspector General Report on Private Cars

On February 6, 2019, Amtrak's Inspector General (OIG) released a report regarding Amtrak's Private Car business (Train Operations: Opportunities Exist to Improve Private Railcar Management and Business Practices (OIG-A-2019-003)).

Amtrak agrees with each of the OIG's recommendations to further improve our management of Private Cars and will initiate actions as described below to address each in a timely manner. A summary of actions already taken by management to improve financial results, operating impacts and overall management of Private Cars operating on the Amtrak network during 2018 includes:

- New Private Car Guidelines effective April 18, 2018, articulating Amtrak's policy that the needs of regularly scheduled Amtrak passenger trains and customers will take first priority over Private Cars; Private Cars must not delay Amtrak trains; maintenance performed by Amtrak on Private Cars is limited to FRA-required repairs of safety appliances, with such maintenance performed only as necessary on Private Cars in the consist of an Amtrak train during an approved Private Car journey; and Private Car activities and personnel are subject to all applicable safety, security, operational and other rules and requirements of Amtrak and its host railroads.

- Revised list of locations approved for adding and removing Private Cars from Amtrak trains, to ensure consistency with the issued Private Car Guidelines.
- 12.5% price increase effective May 1, 2018 and another 12.5% price increase effective January 1, 2019.

Regarding OIG's recommendations:

Recommendation 1:

Amtrak will catalogue its activities involved in moving Private Cars on regularly scheduled Amtrak trains, and parking private cars on Amtrak-controlled property, and assign costs to each of those activities.

Recommendation 2:

Amtrak will factor cost data developed in Recommendation 1 into decisions on setting or adjusting prices for Private Car services. If there are cases where the price does not cover these costs, Amtrak will raise the price accordingly.

Recommendation 3:

Amtrak will take the following steps:

- a) Establish and begin to monitor regular financial and performance reporting.
- b) Finalize and ensure implementation of standard operating procedures for the Private Car program, including for billing and providing long-term parking, and oversee staff implementation of the procedures.
- c) Develop and ensure implementation of guidelines and parking permits for Private Car owners for all short- and long-term parking facilities.

The results of the cost analysis prompted by the OIG report may result in some further price adjustments, since a primary finding of the OIG is that Amtrak may not be capturing and charging for all appropriate costs which should be allocated to this business. Amtrak also continues to monitor delays to Amtrak trains and may continue to adjust specific locations where Private Cars are added or removed in order to avoid delays to Amtrak's regularly scheduled services at those locations.

Charter Trains

During early 2018, as with Private Cars, Amtrak also reviewed its Charter Train business with a focus on Amtrak's primary objective of operating its core train service as safely, punctually, and efficiently as possible, and Amtrak's emphasis on keeping its team completely focused

on this objective. Up until the time of this review, many Charter Trains were operated as one-time trains off of Amtrak's normal route structure which required extensive use of Amtrak equipment and management time to plan and safely execute these trips. As a result of Amtrak's review, Amtrak is now more selective and restrictive in determining the charter services we will perform. Under these new Guidelines, charters must operate on existing Amtrak routes, must not be one-time trips, and must generate sufficient profit to justify the diversion of resources and assets to execute them. In practice, this means that many Charter Train moves Amtrak performed prior to the review are no longer eligible for Amtrak service. During March 2018, Amtrak personnel spoke with each Charter Train customer, and sent a follow-up letter, describing the new Guidelines and discussing how that customer's Charter Train service would be affected. Some Charter Trains could no longer be operated, some Charter Trains were not affected at all, and Amtrak engaged with some customers to reformulate their Charter Trains, so they could operate under the new Guidelines.

The Charter Train Guidelines became effective March 28, 2018. During the period between May 2017 and December 2017, before any changes, Amtrak earned \$3.4 million in Charter Train revenue. One year later, between May 2018 and December 2018, after the new Guidelines were in place Amtrak also earned \$3.4 million in Charter Train revenue. During these May through December periods Amtrak operated 103 charters during 2017 and 82 charters during 2018, a 20% decrease, at no loss of revenue. This reflects Amtrak no longer operating lower revenue, single-trip Charter Trains and focusing on higher revenue, multiple-trip charters on Amtrak's network in accordance with the Guidelines.

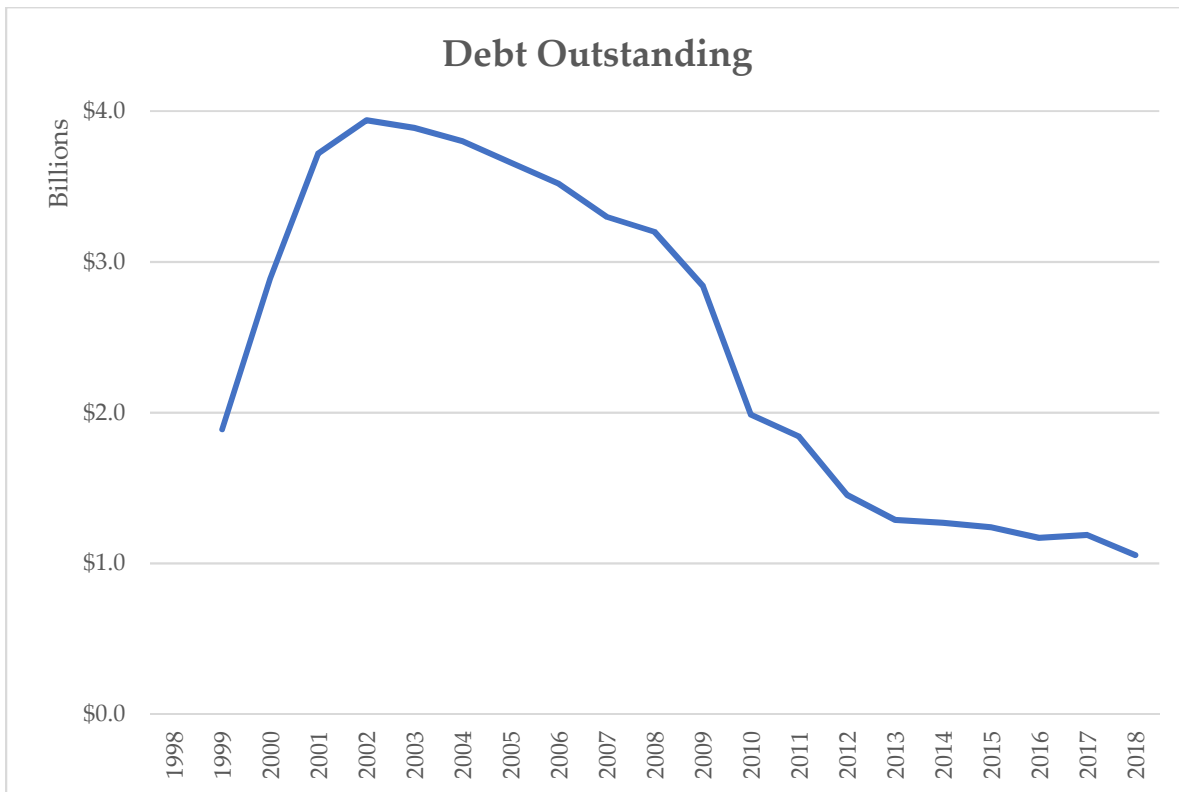
Summary

Amtrak has restructured its Private Car and Charter Train businesses to support the primary objective of operating its core train service as safely, punctually, and efficiently as possible, and keeping its team completely focused on this objective. In the case of Charter Trains this was accomplished at little to no loss of revenue, and in the case of Private Cars at a loss of revenue offset by reduced costs, delays, and distraction. Unfortunately, achieving these objectives requires disruption for a limited number of Amtrak Charter Train and Private Car customers, to the benefit of the large number of customers on Amtrak's regularly-scheduled services.

Debt Overview

At the end of Fiscal Year 2018, Amtrak had a total debt and capital lease obligation of \$1.055 billion. During FY 2019, Amtrak has \$209.3 million in anticipated debt expenses, which includes \$23.6 million in RRIF payments. For FY 2020, Amtrak’s plan includes \$218.3 million in debt expense, which includes \$42.3 million in RRIF payments. For both FY 2019 and FY 2020, these figures include current assumptions about new borrowing under the RRIF agreement.

Table 39: Amtrak Debt Outstanding	
(\$s in Millions)	FY 2018
30 th Street PEDFA Parking Bond	31.7
Term Loan A	54.1
Term Loan B	43.1
Mortgages	154.4
NGHSR RRIF	136.1
Private Placements	450.7
Unamortized Discount	(3.6)
Total Mortgages and Debt	866.5
Capital Lease Obligations	189.0
Total Debt and Capital Lease Obligations	1,055.5



FY 2018 Accomplishments

Continuing financial improvements in recent years, Amtrak again posted record revenue and earnings for its fiscal year, which ended Sept. 30, 2018. Strong management and improved product delivery and customer service led the company to its best operating performance in company history, despite challenges during the year. Preliminary results for Fiscal Year 2018 are:

- Operating Earnings: (\$170.6 million) – best Amtrak operating performance to date, improved 11.9 percent over FY 2017 total of \$193.7 million
- Ridership: 31.7 million customer trips –steady year-over-year, with growth offset by reductions due to service disruptions
- Total GAAP Revenue: \$3.39 billion – increased 2.5 percent over FY 2017
- Capital Investment: \$1.46 billion – the highest level of capital investment in recent Amtrak history¹⁰

Northeast Regional and state-supported lines saw growth in ridership, while long-distance service was down 3.9 percent due to the hundreds of trains truncated or canceled due to weather events, infrastructure outages, planned repairs, and poor on-time performance across much of the host railroad network used by Amtrak trains.

In response to two significant derailments early in FY 2018, Amtrak began implementation of a Safety Management System (SMS), a proven safety program that anticipates and mitigates risk, and continued its aggressive efforts to implement Positive Train Control (PTC).

Also notable this fiscal year, Amtrak invested more than \$1.46 billion on capital assets, including state-of-good-repair work on the Northeast Corridor (NEC), equipment refreshes, station upgrades, technology improvements and other customer-friendly benefits that support the long-term future and growth of intercity passenger rail.

Other Amtrak highlights in FY 2018 include:

- Began implementation of a SMS, a proactive, data-driven safety program used in many complex industries. We are the first major U.S. railroad to deploy SMS and have already seen improvements in a broad range of train safety metrics.
- Installation of operational PTC on more than 13,000 miles of the Amtrak network. When 2019 arrives, we expect to have nearly all of our track, all of our training, and locomotive PTC work complete. Amtrak plans to be operating under PTC across nearly all tracks we control and across a significant portion of the host railroad network.

¹⁰ Capital spend excludes milestone payments and other third-party contributions.

- Invested in customer-facing enhancements, including a refresh of the Amfleet I and *Acela Express* interiors, as well as improved Wi-Fi service.
- Manufacturing began for the new *Acela Express* fleet, which will increase capacity and re-define the customer experience on Amtrak's premium NEC service.
- Started an en route train cleaning program on the NEC, which has received positive feedback from customers who noticed the cleaner onboard experience and improved Customer Satisfaction Index (CSI) scores.
- Issued RFP for new or rebuilt locomotives to supplement and replace our aging National Network diesel locomotive fleet, and an RFI for passenger equipment to replace our Amfleet I equipment used on *Northeast Regional* trains and many state-supported services.
- Modernized and improved the passenger areas of stations, including new restrooms in New York Penn Station, and added lactation suites at several major stations.
- Invested more than \$51 million on ADA-related design and construction improvement projects at more than 100 locations nationwide.
- In coordination with our Gateway Program partners, advanced critical elements of the Hudson Tunnel Project including preliminary engineering and environmental review, began early construction on Portal North Bridge and are working with the Federal Transit Administration on financial plans to begin major construction on both projects.
- Improved the reliability and performance of our infrastructure in New York City by completing our FY 2018 New York Penn Station renewal work on time and budget and completing an overhaul of the Spuyten Duyvil Bridge.
- Made investments to double our track infrastructure maintenance capacity by committing \$370 million to new equipment for improving the NEC.
- Together with the Virginia Department of Rail and Public Transportation, launched new service to Roanoke, serving more than 54,000 customers in the first year.
- In partnership with North Carolina, added a third frequency to the daily *Piedmont* service between Raleigh and Charlotte, serving more than 13,000 customers.
- With our state partners at the Connecticut Department of Transportation, launched additional Amtrak service on the Springfield Line and assisted the state in its implementation of CTrail Hartford Line Service, which carried a combined total of more than 21,000 customers over its opening weekend and more than 10,000 customers during the first full week of operation.
- Added Thruway bus service for customers to connect to the *Empire Service*, *Lake Shore Limited*, and *Maple Leaf* trains at Amtrak stations in Rochester, Syracuse, and Utica, New York, and at Harrisburg, Pennsylvania for connections to State College, Lewisburg, and Williamsport, Pennsylvania, as well as several other locations.
- Offered real-time and frequent information via social media @AmtrakAlerts and @AmtrakNECAAlerts.

- Implemented new fresh and contemporary food service on the *Capitol Limited* and *Lake Shore Limited* and introduced new menus on the *Northeast Regional*.
- Reached new seven-year labor contracts with all unions providing reasonable wage increases for employees and medical plan cost control.
- Streamlined the Amtrak management staff, creating service line leaders for strategic focus, and redirecting staff to business-critical positions.

Amtrak Sustainability

Amtrak’s company-wide Sustainability Program has a mission to increase awareness of sustainable practices and integrate them throughout our operations in transparent and measurable ways. Recent highlights include: recycling seat cushions to avoid adding to landfills, revamping lighting in maintenance facilities for lower energy bills, and improving the fuel and energy efficiency of our locomotive fleet.

Our Environmental Impact: Measuring, Managing and Partnering for Continued Success

Amtrak is more energy efficient than other transportation modes (Figure 3).

Amtrak is also a member of CDP (formerly the Carbon Disclosure Project), a voluntary framework whereby companies self-report their environmental data and impacts.

Amtrak commits to report publicly greenhouse gas emissions data (our carbon footprint) and information on our climate change initiatives and mitigation strategies.

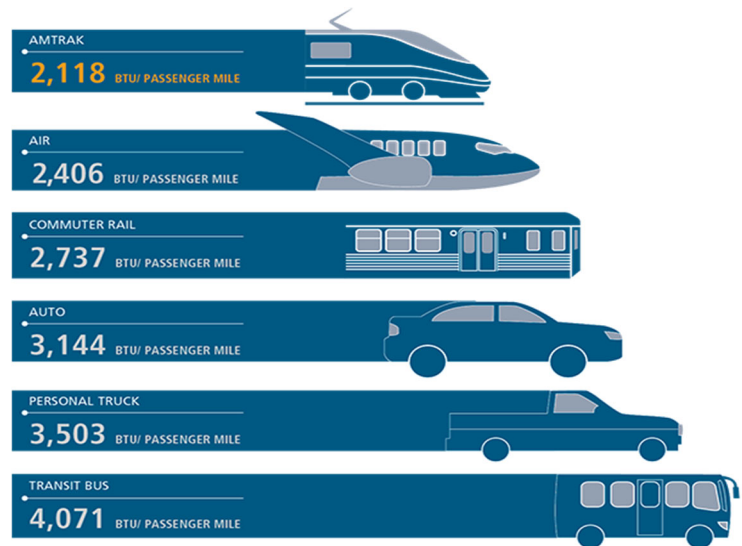
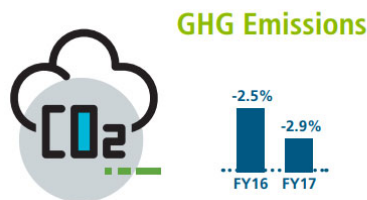


Figure 3: BTUs/passenger mile, Amtrak and selected modes.

CDP scores range from A to E (highest to lowest). In 2016 and 2017, Amtrak received a leadership level score of an A-, placing the company among the leading organizations with regards to identifying and managing risks and opportunities related to climate change.



Goal: Reduce greenhouse gas emissions from our operations by **1%** incrementally year-over-year.



Goal: Achieve an average environmental audit score of 83.5 at all Amtrak audited facilities.

Figure 4: Amtrak sustainability goals

Climate Adaptation

In 2014, Amtrak established a multi-disciplinary Climate Change Sub-Committee to explore potential climate change risks and respond with recommendations. Since 2015, three assessments have been conducted, and the results

indicated the likeliest of Amtrak’s climate vulnerabilities are related to storm surges, precipitation, and sea level rise, although extreme temperatures and mudslides may also impact service.

“Upcycling” – Amfleet and Acela Refresh Materials



Figure 5: Old Acela seat leather transformed into stylish bags

During a recent refresh of more than 500 passenger cars, Amtrak recycled, re-used, and diverted from landfills approximately 133 tons of seat cushions, carpet and curtain materials. The leather from refreshed *Acela* train seats was used to create a collection of high-end bags in partnership with the Indianapolis-based non-profit People for Urban Progress.



Figure 6: Simplified bike handling procedures in action

Bikes on Trains/Amtrak Hearts Bikes

With expanded bike accommodations since 2016, we have carried 164,000 bikes and counting!

On many routes, bikes can be carried onto the train or checked at trainside and loaded into a baggage car.

Other Memberships and Recognitions

- International Union of Railways (UIC) Railway Climate Responsibility Pledge Signatory
- Gold Level recognition as part of the American Public Transportation Association (APTA) Sustainability Commitment.
- Amtrak Headquarters Achieved LEED Silver Certification for interior construction at our new Washington, D.C., headquarters (Green Business Certification, Inc., 2018).

Amtrak Safety

Our Commitment to Safety

- Our goal is to become America's safest passenger railroad. We believe that zero accidents and zero serious injuries are possible – and we will work together toward everyone performing at this level.
- All employees are empowered to stop an operation if an unsafe condition exists. This means everyone – at any time.
- We will operate at the highest level of safety – by exceeding regulatory standards. It is not good enough for us to simply meet minimum standards. We must do better.
- We will proactively identify and mitigate risk based on data. We are identifying new metrics that will allow us to focus on leading indicators instead of relying only on historical incident data.
- We will become a learning organization where safety self-reporting is encouraged. We will not discipline employees for self-reporting a safety issue. We need to know where we are falling short in safety, so we can study these incidents and learn from them.

Safety Actions

- We are instituting a comprehensive new Safety Management System (SMS) to improve our safety culture. SMS is intended to move Amtrak from reactive responses to individual safety events toward a continual assessment and predictive understanding of risks facing the entire organization before an unwanted event occurs. SMS has been a cornerstone of improving safety in the aviation, health care and energy industries.
- We have significant safety measures in place, some going beyond what we are required to do by the Federal Railroad Administration (FRA). For example, Amtrak requires a full annual physical evaluation for every engineer, including sleep apnea screening, whereas FRA requires an exam once every three years.
- Also, Amtrak's drug and alcohol testing protocols exceed federal requirements. Our testing regimen is so strenuous that employees understand that a random drug test during the year is not just possible, it is likely.

Positive Train Control

- All Amtrak-owned or controlled track had Positive Train Control (PTC) in operation on January 1, 2019, except approximately four miles of slow-speed track in the complex Chicago and Philadelphia terminal areas. We expect to have Philadelphia complete by early April and Chicago by July. The 135-mile segment of track from Dearborn

to Kalamazoo, Michigan, has PTC installed and in the testing phase, however, final vendor and regulatory approvals is expected in late March with cutover occurring in April.

- As of December 2018, 100% of wayside and onboard PTC hardware had been installed, and all employees who required training for PTC operations had completed training.
- Our trains operate with PTC on approximately 16,600 miles of host railroad-controlled track. These are the tracks owned by others that Amtrak uses for most of its route network.
 - As of January 1 2019, more than 15,800 miles of host railroad-controlled track was operating with PTC.
- We have implemented operational risk mitigations across the remaining approximately 5,000 host railroad track miles that did not have PTC operating on January 1, 2019. These sections of track have been granted a PTC exemption (MTEA) by the FRA or alternative schedule for PTC implementation. Approximately 1,500 of the 5,000 miles qualify for MTEAs.
 - Mitigations include: posting of signage to remind the locomotive engineer on approach to a critical speed restriction, the locomotive engineer required to communicate signals observed to the conductor, speed restrictions at areas known to be at risk of track obstructions, targets indicating switch position, existing wayside signal system, cab signal system with Automatic Train Control, and Automatic Train Stop.
- In November 2018, Amtrak submitted an application to the FRA for an alternative schedule to allow for interoperability testing with our freight and commuter partners and for the potential for some limited technical issues to arise during testing. Amtrak's alternative schedule request was approved by the FRA on January 4, 2019.
- As we evolve the PTC system, customers might experience minimal service delays. Amtrak provides real-time service information on Twitter at the following accounts: @AmtrakNECAAlerts for the Northeast Corridor and @AmtrakAlerts for long-distance trains. To help minimize any issues that might arise, including operational impacts from the implementation of PTC, Amtrak has a help desk to manage incidents, which will be tasked with the responsibility of real-time allocation and vendor escalation to implement solutions.

Safety Management System

- An SMS is an organization-wide comprehensive and preventative approach to managing safety. An SMS will move us toward a no-fault, collaborative approach for safety analysis. It will establish safety as an integral element in all operational business functions and is built upon four components: Safety Policy, Safety Promotion, Safety Assurance, and Safety Risk Management.

- On November 1, 2018, in advance of any regulation, Amtrak was the first railroad to submit our Safety System Program Plan to the FRA.
- Amtrak is the first U.S.-based railroad to start implementing this proven system.

2018 Safety Improvements

- Created a new safety organization and hired a renowned and experienced safety expert, to lead our safety program.
- Worked with our partners to advance the implementation of PTC across our network, including on tracks used by the Amtrak Cascades service.
- Revised and released a new company safety policy in line with SMS practices that outlines the key principles of Amtrak's commitment to safety.
- Implemented new risk assessment processes to improve the safety of operations while simultaneously introducing a formalized incident investigation process.
- Expanded our voluntary Safety Incident Reporting to include Engineering Department employees.
- Implemented a multimillion-dollar upgrade to our efficiency testing data management system to better identify safety trends and provide input into training programs.
- Expanded our safety metrics to provide a more comprehensive picture of operating safety on and around the railroad.
- Implemented new Roadway Worker Protection measures to enhance the safety of employees who work along our tracks.
- Developed a new comprehensive process for how we qualify new routes, including earlier interaction with host railroads and the FRA.
- Adopted a new Engineer Route Qualification protocol that standardizes how crews will be trained, evaluated, and qualified on new territory.
- Redesigned over 50 technical safety training courses that are delivered annually to workers performing safety-critical tasks.
- Invested in people and systems to increase our oversight capabilities and to verify that prescribed processes and procedures are followed on all train operations.

Safety Metrics – Fiscal Year 2018

- 17% reduction in FRA-reportable employee injuries.
- 32% reduction in employee incidents with serious injury or fatality potential.
- 5% reduction in trespasser and grade crossing incidents during Amtrak operations.

Safety Improvements Planned for 2019

- Undertaking multiple efforts to establish and expand our Just Culture across the organization. A Just Culture focuses on learning, rather than punishment, as a means to balanced accountability for both individuals and the organization.
- Implementing an Internal Evaluation Program to evaluate the effectiveness of our critical safety processes and to identify opportunities to improve our safety management system.
- Initiating a comprehensive risk reduction program regarding grade crossing and trespasser incidents. Through this effort, we will evaluate the design of grade crossing systems and identify opportunities to reduce risk.



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