

News Release



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NATIONAL RAIL PLAN NEEDS TO RECOGNIZE THE VALUE OF AMTRAK'S INTERCITY PASSENGER RAIL NETWORK Serves as foundation to expand high-speed and conventional rail services

WASHINGTON—Amtrak is urging the Federal Railroad Administration (FRA) to be bold and unambiguous in its vision for the future of the national rail system, including the Amtrak network, as it develops a long-range National Rail Plan (NRP).

“Amtrak’s existing national intercity passenger rail system should be recognized in the NRP as the foundation for the development of an expanded network of high-speed and conventional rail services spanning key corridors across the United States,” said Amtrak Vice President, Policy and Development Stephen Gardner.

Gardner explained that Amtrak is America’s intercity passenger railroad and the only high-speed rail service provider in North America. In addition, Amtrak’s current network of high-speed services in the Northeast Corridor, short-distance corridor services run in partnership with the states, and overnight long-distance services spanning the nation, is a solid base on which to build a truly 21st Century national intercity passenger rail system.

“The NRP should lay out a clear national vision for this network and contain strategies for improving and expanding intercity passenger rail services where such service can advance key national priorities like congestion relief, transportation safety, energy-efficiency, environmental protection, and sustainable development,” he stated.

In written comments submitted to the FRA, Amtrak said that as a company chartered by the federal government, and overseen by the U.S. Department of Transportation, the final NRP should address the Department’s views on Amtrak, its future and its role in delivering the type of modern and efficient intercity passenger rail service envisioned in the preliminary NRP.

Amtrak also believes that the NRP should establish clear federal performance goals for each segment of the passenger and freight rail system, and should link those goals to strategic

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national outcomes. Furthermore, the NRP needs to develop specific targets and milestones for system development and performance that can be used to measure national progress.

When addressing the goal of developing high-speed passenger rail, for instance, Amtrak is recommending a specific target be set to connect all pairs of metropolitan areas with populations of one million or more, and separated by less than 600 miles, with frequent, reliable, high-speed intercity passenger rail service.

In addition, Amtrak said that matching intercity rail development plans to appropriate markets must be a key aspect of the NRP, noting that in a nation as big as the United States, not all travel markets will require the same levels of service. In some cases, high-speed, very-frequent rail service may be necessary to create a viable alternative to existing travel options, while conventional intercity service may be more appropriate for other corridors where the market may be smaller.

Amtrak also stressed that in order for intercity passenger rail to become a viable travel alternative to the nation's highway and aviation systems, the NRP must recognize that intercity passenger rail service needs to be both accessible and well-connected to final destinations through local transit options and that developed corridors will need to be connected into a coherent national network.

Finally, Amtrak noted that federal intercity passenger rail development funding is essential to sustaining and improving the current network and that the best strategy to fund high-speed and intercity passenger rail investment is one that establishes a dedicated source of reliable, predictable, and multi-year funds to support capital grants to both Amtrak and states.

Amtrak recently participated in a series of public meetings hosted by FRA on the NRP. A copy of Amtrak's written comments submitted to FRA is attached.

About Amtrak

As the nation's intercity passenger rail operator, Amtrak connects America in safer, greener and healthier ways. Last fiscal year (FY 2009), the railroad carried 27.2 million passengers, making it the second-best year in the company's history. With 21,000 route miles in 46 states, the District of Columbia and three Canadian provinces, Amtrak operates more than 300 trains each day—at speeds up to 150 mph (241 kph)—to more than 500 destinations. Amtrak also is the partner of choice for state-supported corridor services in 15 states and for several commuter rail agencies. Visit Amtrak.com or call 800-USA-RAIL for schedules, fares and more information.

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Stephen J. Gardner
Vice President, Policy and Development

May 3, 2010

The Honorable Joseph C. Szabo
Administrator
Federal Railroad Administration
1200 New Jersey Avenue, SE
Washington, DC 20590

Re: Docket Number FRA-2010-0020

Dear Administrator Szabo:

In response to the Federal Railroad Administration's (FRA) April 5, 2010 request for public comments for input into the development of the long-range National Rail Plan (NRP), Amtrak is providing the comments and recommendations set forth below.

The first long-range NRP represents a unique and critical opportunity for a federal agency to establish a set of policies and programs to guide a national network and define its importance to the United States. The FRA is tasked with developing a plan that is consistent with approved State rail plans and the rail needs of the nation "in order to promote an integrated, cohesive, efficient, and optimized national rail system for the movement of goods and people."

If properly developed, the NRP will have a lasting impact on rail planning and investment decisions for decades to come. In so doing, it will set a clear vision for rail's role in the national transportation system and the economy it supports. In our view, it also has the potential to set rail apart from other modes that currently lack the sort of strategic, systems-level planning the NRP should provide. Accordingly, we urge FRA to be bold and unambiguous in its vision for the future of the national rail system, including the Amtrak network.

The following comments are organized around plan design, long-term goals of the NRP and policy issues and questions, as requested in the solicitation.

Plan Design

Amtrak generally agrees with the three-part structure outlined in the request for comments, which consists of a review of the current rail system and how it serves the nation, consideration of issues and policies to ensure the nation's rail system is truly considered in surface transportation discussions, and a recommendation of programs, policies and investments that will be required to serve the nation with a



safe and efficient transportation system. Within each of these three broad themes are several important elements that we believe must be included in the NRP.

First Component:

Amtrak recommends that the first component, a review of the current rail system, describe not only the conditions and characteristics of the current system but also outline the historical context that guided the system's path of development to date, including the role of public policy and investment decisions as a contributing factor to the current underdeveloped state of intercity passenger rail service in the United States relative to other advanced nations. Articulating the policy role in shaping the system is important as a means of demonstrating that its current state is not merely the result of market forces or obsolescence due to inherent advantages held by competing modes. Additionally, it establishes support for the notion that, just as policy and investment decisions of the past helped shape current intercity travel trends, new policy directions that are favorable to rail can help shape intercity travel trends of the future.

Amtrak agrees that the first component should also review projected demographic and travel trends to help determine future demand and needs for rail. This evaluation should not only consider the increased demands these trends may place on the rail system, but also the ability of high-speed/intercity passenger rail service to meet the travel needs of a population that is simultaneously aging, growing and concentrating in large metropolitan regions. The NRP should consider the scarcity of transportation options necessary to satisfy the future population and economy of the United States in a safe, efficient and sustainable manner, and outline with some sense of urgency an increased role for rail in meeting this challenge.

Second Component: The request for comments notes that the second component of the plan will consider "issues and policies that can ensure that the nation's rail system is truly considered in surface transportation discussions about moving people and goods." Amtrak agrees with the need for the plan to consider policy measures that would foster a greater inclusion of rail in surface transportation planning and investment decisions. However, the plan should not limit itself to considering rail's standing in surface transportation discussions only, especially considering the role of high-speed intercity passenger rail as a complement to air transportation. Amtrak believes that the scope should be broadened beyond just surface transportation to transportation generally in order to reflect a more holistic approach.

Third Component: The request for comments states that the third component will consist of a recommendation of "policies, programs and investments that will be required so the nation can be served with a transportation system that is safe and efficient." Amtrak agrees that this component of the plan must put forth specific policy and investment recommendations. We note that the policies contemplated in the NRP should be focused on ways that the rail system can help contribute to a larger national transportation system that is safe and efficient. The wording of the solicitation suggests that the NRP may include policies designed to contribute to a safe and efficient transportation system that have nothing to do with rail. While we do believe that there is a need for a more broad national transportation plan that considers the ability of all modes to meet strategic goals and would support such an effort, the purpose of the NRP should be to address the rail sector's role in this larger framework.



The third component must be the heart of the plan and its most important element. It should include a vision for where the nation needs rail and what the nation expects rail to accomplish. It should define clear strategic outcomes and specific goals for each segment of the national railroad system – short-line freight; long-haul freight; the national long distance passenger network; intercity passenger corridors including high-speed rail corridors; and commuter rail – to accomplish. The plan should establish clear performance goals for each segment of the rail system to pursue, and should link those goals to strategic national outcomes.

The third component must also include a phased program for achieving those performance goals in five and ten year increments, as well as public policy and investment strategies for implementing the program. In future years, the FRA should produce more detailed and concrete implementation plans for moving forward with these strategies on the entire national rail network.

We believe it will take this level of clear federal direction and strategic guidance to develop a rail system for the 21st Century.

Long-Term Goals of the National Rail Plan

Amtrak also agrees that the plan must consider rail's role in meeting the strategic national goals outlined in the request for comments, in particular:

- improving safety;
- improving fuel economy;
- fostering livable communities;
- increasing the competitiveness of the United States;
- helping to bolster the domestic passenger rail industry and create jobs; and
- developing passenger high-speed rail.

While related to fuel economy, we suggest that the plan also consider rail's role in meeting broader environmental goals, such as those related to land conservation and air and water pollution. Another strategic goal could be providing rural areas with basic access to the national transportation system.

The NRP should not overlook the importance of bolstering a domestic passenger rail industry, especially when it comes to rail equipment manufacturing. We note that the solicitation does not include a policy question specific to equipment requirements and developing domestic manufacturing capabilities, yet equipment procurement is a major need and growing the supply base in the United States will be critical to future efforts to expand and improve intercity passenger rail service. In February 2010, Amtrak released a comprehensive plan for the recapitalization of its equipment fleet. The NRP should address the federal role in the implementation of this plan and discuss its relevance to the future of the national intercity passenger rail system.

After identifying the broad, strategic national goals applicable to rail, the NRP should clearly articulate the rail system's objectives regarding them. For example, with respect to fuel economy, the NRP should outline an objective of improving the fuel economy of the rail system, but also of reducing energy



consumption in the transportation sector generally by shifting passenger and freight miles from more fuel-intensive modes to rail as well as creating fuel-efficient options for meeting new travel demand.

Additionally, the NRP should develop more specific targets and milestones that can be used to measure progress against strategic national goals and the rail sector's objectives within them. When addressing the strategic national goal of developing passenger high-speed rail, for instance, we recommend a specific target be set to link all pairs of metropolitan statistical areas with populations of one million or more and separated by less than 600 miles with frequent, reliable, high-speed intercity passenger rail service by 2050. Other specific targets could be developed in relation to improving on-time performance, expanding ridership, or improving the physical condition of critical rail assets. Without some specific targets to aim for and milestones to measure progress against, we are concerned that the NRP's staying power and relevance will be diminished.

Finally, the NRP must clearly demonstrate an association between the policies, programs and investments that it recommends in the third component and the strategic national goals, rail system objectives and specific targets discussed in this section.

Policy Questions and Comments

1. What strategies are appropriate for funding freight transportation investments? What strategies are appropriate for funding passenger rail and high-speed passenger rail investments? How do we find sustainable sources of funding among Federal/State/Local/private sectors for passenger operations? How do we better assess the public benefits of railroad infrastructure improvements?

Amtrak supports the establishment of broad modal eligibility across surface transportation programs so that investment decisions can be responsive to policy goals. To achieve that aim, federal surface transportation programs should transition to integrated, mode-neutral programs characterized by functional purpose rather than by mode. The new paradigm should ensure that all facets of travel are covered – rural, urban, intercity, interregional and international. It should also account for the various investment needs across modes, such as those related to safety, environmental stewardship, state of good repair, capacity expansion, intermodal connectivity, rural connectivity, metropolitan mobility, demographic accessibility and research. This will allow states, regions and localities to develop solutions to meet national performance goals while maintaining maximum flexibility to accommodate unique individual circumstances and preferences.

While Amtrak supports the concept of a mode-neutral, performance-based approach to surface transportation investment, the nascent condition of intercity passenger rail policy and funding opportunities relative to other modes will require special consideration if intercity passenger rail is to be truly integrated as a more meaningful component of a balanced and complete national surface transportation system. The ideal approach is a program dedicated solely to intercity passenger rail investment amongst a broader set of functionally-based, multi-modal programs of federal interest, several of which intercity passenger rail would play a role in.

The best strategy to fund high-speed/intercity passenger rail investment is one that establishes a dedicated source of reliable, predictable and multi-year funds to support capital grants to both Amtrak and states.



Major capital programs, in any mode, typically require a multi-year commitment of funds, and such commitments cannot be routinely entered into when the level of funding from one year to the next is uncertain. Intercity passenger rail is the only surface transportation mode that does not have a dedicated and multi-year source of capital funding.

In our view, continued reliance on annual appropriations to fund intercity passenger rail capital improvement programs will frustrate efforts to develop our national intercity passenger rail network and thus expand travel options and relieve pressure on other modes. Amtrak's nearly 40 year history bears this out, as reliance on annual appropriations has greatly restricted Amtrak's ability to efficiently undertake comprehensive and multi-year capital programs, since out-year funding availability is never known. States and Amtrak must know that when they start work on a corridor or begin to procure equipment, a mechanism is in place to ensure the project can be completed. We believe that a multi-year Federal commitment of capital funding, backed by dedicated revenue, would also make it easier for state grantees to secure financial commitments to match Federal grants, maintain assets funded by grants, and operate service. These non-Federal commitments are more difficult to secure when Federal capital funding is uncertain from year-to-year.

Further, when contemplating funding for intercity passenger rail, it is imperative that Amtrak's unique funding needs are recognized. Congress established Amtrak as the foundation of the national intercity rail passenger transportation system, and modernizing and maintaining the core, interstate long distance network and bringing the Northeast Corridor to a state of good repair is primarily a federal responsibility, as affirmed by Passenger Rail Investment and Improvement Act of 2008 (PRIIA). Any strategy for sustained investment in intercity passenger rail grants, therefore, should take Amtrak's needs into account. Without dedicated funding of its own, Amtrak will likely be unable to significantly improve the network currently serving as the nation's intercity passenger rail foundation. In recognition that the Amtrak network is a national responsibility, the NRP should not overlook Amtrak in any discussion of intercity passenger rail funding needs.

The NRP should contemplate a diverse portfolio of new and existing revenue options to fund high-speed/intercity passenger rail investments. While Amtrak has not taken an official position in support of any set of revenues to support intercity passenger rail investments, the following concepts for capital and operating funding should be considered.

- *General Revenues.* General revenues are the current primary source of funding for intercity passenger rail. Due to intercity passenger rail's many public benefits – including those related to safety, energy and climate security, economic development, congestion mitigation and basic mobility – we believe that continued General Fund support is appropriate. However, as noted, we believe that continued reliance on the annual appropriations process as a vehicle for general revenues will frustrate the multi-year capital planning efforts of both Amtrak and states. Therefore, the NRP should propose amending Federal budget rules to allow contract authority to be drawn from the General Fund in the case of high-speed/intercity rail capital investment. It is our understanding that the mass transit program was briefly supported by contract authority drawn from general revenues. A narrow Budget Act exemption to support dedicated, multi-year contract authority for high-speed and intercity rail passenger rail development would help Amtrak



and states overcome the challenges associated with managing multi-year projects with annual increments of budget authority.

- *Gasoline Excise Taxes.* Another approach could be to create a passenger rail account within the Highway Trust Fund, supported by a portion of a user fee increase large enough to address the significant needs of the existing trust fund programs as well as the new intercity passenger rail program. Dedicating a portion of highway user tax receipts to intercity passenger rail development would recognize the role that intercity passenger rail service can play in offering a mobility alternative for users of the highway system, as is currently done with the Mass Transit Account to support transit investments. Demand for fast and efficient intercity passenger rail service is strongest in congested intercity corridors that connect major metropolitan areas. New intercity rail service in these corridors, supported by highway user fees, would relieve congestion to benefit both highway users and the general public alike.
- *Airport and Airway User Fees.* The development of high-speed intercity rail corridors offers similar benefits to users of the nation's air transportation system, particularly in short- to medium-distance corridors between 100 and 600 miles in length. Reliable rail service that is trip-time competitive with short-haul air service would free up capacity for long-distance flights. Additionally, Amtrak supports a concentrated effort to locate intercity passenger rail stations at airports, which has the potential to create new synergies between the modes and allow them to compliment each other, while also obviating the need for inefficient short-haul connecting flights. The NRP should therefore consider whether it is appropriate for air travelers to share in the costs of developing the nation's high-speed and intercity passenger rail network, or at least a portion of the costs of air-rail stations, considering the congestion-relief and synergistic benefits that would likely accrue to airport and airway users as a result.
- *National Infrastructure Bank.* A national infrastructure bank could be established to facilitate intercity passenger rail investments. Multiple proposals in Congress and the Administration have contemplated creating a national infrastructure bank to finance infrastructure projects of national or regional importance via grants, loans and loan guarantees. Amtrak believes that such a bank should be able to finance both high-speed and conventional intercity passenger rail capital improvements and that such investment decisions must be made in coordination with the U.S. Department of Transportation (U.S. DOT).
- *Tax-exempt and Tax-credit Bonds.* The proceeds of tax credit bonds issued by the states or Amtrak could be another mechanism to support the development of high-speed and intercity passenger rail projects. Intercity passenger rail infrastructure bonds should only be issued to fund projects approved by the Federal Railroad Administration or incorporated in state rail plans. Additionally, the NRP should consider allowing bond issuers to use a portion of bond proceeds to help pay back bond principal and whether debt associated with a project may be repaid through farebox revenue generated from a new high-speed rail corridor service.
- *Highway Tolling, Pricing and Concession Strategies.* The NRP should contemplate using revenue derived from highway tolls, variable pricing schemes and concession arrangements to fund transportation alternatives in the applicable highway corridor. Expanding capacity for



transportation alternatives in highway corridors being tolled, priced or leased to private concessionaires offers benefits both to users of those corridors and to the communities they serve by mitigating congestion and increasing travel options. Revenues derived from these strategies should be eligible for expenditure on both the capital and operating costs of providing intercity passenger rail service.

- *Carbon Taxes or Trading.* While transportation is responsible for more than a quarter of America's greenhouse gas emissions, railroads are responsible for only 3 percent of transportation-related CO₂ emissions, and intercity passenger rail is responsible for only about two-tenths of a percent of the industry total. Due to its 20 percent per passenger mile fuel efficiency advantage over commercial air travel and 28 percent per passenger mile fuel efficiency advantage over auto travel, increasing intercity passenger rail's role in the nation's surface transportation system can help reduce transportation-related emissions and mitigate climate change. Therefore, the NRP should consider whether revenue generated from a carbon tax on transportation fuels or through emissions allowance trading should be used for capital investment in and operating support for lower-carbon transportation alternatives such as intercity passenger rail. In fact, if highway revenue sources are transitioned to a more direct measure of use, such tolling or a vehicle-miles-traveled fee, a sales or excise tax on gasoline could be retained as a carbon tax. Such a scenario would not only price highway use to a closer reflection of its true societal costs, but also raise revenue to provide the alternatives necessary to reduce emissions from the transportation sector.
- *Oil Securities Tax.* The NRP could support a transaction tax on futures contracts and options for a futures contract on crude oil securities. Such a tax has the potential raise revenue for intercity passenger rail development as well as reduce speculation and volatility in the oil market. Transaction taxes paid by end-use hedgers, as opposed to short-term traders speculating on the price of oil, should be rebated.
- *Impact and Mobility Fees.* Another option the NRP may want to consider is empowering and encouraging state and local governments to assess fees on developers or businesses that benefit directly from the provision on intercity passenger rail service. Impact fees would charge developers for the capital costs of infrastructure needed to support or serve the development. Impact fees collected from developments at or near rail stations could be used for station improvements. Additionally, payroll taxes could be levied as a "mobility fee" on businesses that benefit from the provision of intercity passenger rail service. States or municipalities that collect mobility fees within a given corridor or proposed corridor could then collectively pool resources to coordinate corridor improvements or contribute to the operating costs of providing intercity passenger rail service.

One of the public benefits of rail infrastructure investment relative to other modes is that in many cases it entails fewer environmental and social externalities. A way to quantify the public benefits of railroad infrastructure improvements, therefore, would be to measure and assess the full external costs of competing modal investment options. Some areas where rail enjoys a quantifiable advantage are in emissions pollution, noise, land requirement, and crash costs.



2. When assessing opportunities and challenges for implementing passenger rail service on freight rail lines and rights-of-way, what are the issues and concerns of infrastructure access and liability (owner vs. user)? In shared use rights-of-way (freight and passenger use), what are the best examples of access agreements with freight railroads? How can rail corridor development for passenger service be balanced with freight railroad service requirements to assure that freight service will not be impeded?

The ability of railroad owners and passenger rail service operators to enter into acceptable risk or liability allocation agreements is emerging as a significant obstacle to the improvement of existing and establishment of new passenger rail service in the United States. However, from Amtrak's point of view, the problem is particularly acute not when implementing passenger rail service on private freight rail lines and rights-of-way, as suggested in the question, but in situations where states or public authorities assume infrastructure ownership or operating roles traditionally performed by private entities. This is because state sovereign immunity laws and/or related limitations preclude states from entering into traditional risk allocation agreements or purchasing insurance at levels sufficient to protect the traveling public.

At or around the time of its creation, Amtrak and nearly all of the private "host railroads" that provide tracks and services for its trains entered into "no fault" liability apportionment/indemnity agreements, still in effect today, that specify which party is responsible for paying various types of claims and require the party responsible for a particular claim to indemnify the other party. The growing role of states and other governmental entities in the ownership or operation of rail lines, primarily to date in connection with the provision of commuter rail service, has created liability issues that are much more difficult to resolve.

While accidents involving state-owned or operated trains may be caused by factors within a state's control, sovereign immunity laws limit and in some cases preclude rail passengers from obtaining compensation from a state for injuries or deaths resulting from negligence by the state and sometimes its rail contractor. Further, some states assert that they can not enter into "no-fault" liability allocation agreements or that liability apportionment agreements they are already a party to can not be enforced against them.

The results of these challenges have ranged from litigation, lengthy processes to amend state constitutional or statutory limitations, or complete impasse to passenger rail service programs moving forward. All of these consequences are unacceptable in terms of time and cost, and a rational global approach to liability allocation must be developed in order to facilitate unimpeded passenger rail service growth in the United States. A 2009 GAO report on liability and indemnity issues in commuter rail identified a number of potential solutions; including requiring all passenger rail operators to maintain specified levels of insurance coupled with a process under which the federal government could provide funding should claims exceed the required insurance coverage. Another alternative would be requiring that rail line sales to state agencies, and grants to states for capital investments in commuter, passenger and high-speed rail, or states which become operators of any such service, be conditioned upon the state's assumption of appropriate liability and indemnification obligations, and any waivers or modifications of state laws needed to make those obligations enforceable.

With regard to passenger train performance and reliability in shared-use rights-of-way owned by host railroads, Amtrak believes that access agreements between the state/service operator and host railroad must include up-front, enforceable agreements on service outcomes. The stakeholders should design in



infrastructure to support agreed-upon outcomes without unreasonably impairing host operations. These service outcomes should include enforceable commitments on the number of passenger train frequencies per day, the passenger train trip times and the maximum minutes of delay per passenger train trip. The maximum number of delay minutes should be measured the same way as, and not exceed, the delay minutes standard issued under Section 207 of PRIIA, once established.

Such agreements are necessary because host railroads control dispatching, infrastructure maintenance, and other factors and directly affect the ability of trains to achieve the desired operating, customer service, and finance goals. Furthermore, by requiring and specifying enforceable commitments, FRA will speed the grant-making process by avoiding extended negotiations over the need for, and form of, host railroad commitments.

Additionally, it is imperative that planning for new service is done in a collaborative fashion with all anticipated project sponsors from the very beginning of the process, and the NRP should promote this as a best practices principle in negotiating access agreements.

Finally, Amtrak believes that there is no single solution for balancing the need to develop rail corridors for passenger service with freight railroad service requirements. Each situation depends on many unique circumstances and variable conditions which are best addressed on a case-by-base basis. As such, there should be no arbitrary speed which automatically triggers the separation of passenger and freight trains. Amtrak agrees with U.S. DOT's statement on page 2 of the April 2009 *Vision for High Speed Rail in America* document, which notes that "top speeds of 90-110" mph can be expected to operate "on primarily shared track." As such, we oppose any attempts to prevent the reasonable development of such shared corridors by requiring unjustifiable levels of infrastructure investment and imposition of an arbitrary cap on passenger train speeds. Amtrak believes that higher-speed services can be successfully operated on shared trackage under the right conditions and notes that issues of capacity, safety and reliability can be well-managed in such corridors. Such evaluations should be made on a case-by-case basis.

3. What are the issues that should be considered with Governance, such as roles and responsibilities, including national leadership as well as those of State, and local governments? What is the proper framework for multi-State/regional agreements when corridors extend beyond the boundaries of a single State?

Amtrak believes that the federal role with respect to an intercity passenger rail program should be to rebuild the existing system, provide the majority of the capital costs associated with developing new corridors, and ensure that the various corridors designed and constructed by disparate states function as part of an integrated, connected national system. PRIIA provides the policy framework and sets up the relationships between the various stakeholders that will be necessary to accomplish this goal in the complex North American passenger rail environment. Additional federal support will be necessary to provide a dedicated stream of multi-year funding for capital improvements, similar to that of other modes. The federal government should define consistent engineering standards, establish guidelines, manage federal grants and measure system performance. Additionally, it should develop data and analytical tools to aid the state rail planning and modeling process, as well as put forth best practices in agreements with host railroads and passenger service operators.



We view the role of states as planning, developing, managing, acting as the principal recipient of federal capital grants and providing operating support for corridor services under 750 miles in length. States would also provide the non-federal match associated with capital grants and the ongoing maintenance costs of an asset funded by a grant once it is placed into service.

States will be the principal non-federal partner in the development of intercity passenger rail corridors, primarily because the size and scope of rail corridors will exceed the jurisdiction of local governments and Metropolitan Planning Organizations (MPOs). However, local and regional planning, including land use planning, should to the maximum extent feasible be consistent and compatible with statewide rail planning. Additionally, the involvement and support of local governments and regional transportation authorities in developing terminal capacity where needed will be critical to the success of the program. While line capacity is obviously an issue, nodes are just as important and constrained terminals can be just as detrimental to a well-functioning system.

The NRP must not overlook the importance of multi-state planning on a regional scale. Many of the high-speed and intercity passenger rail corridors being developed throughout the nation cross state lines and will necessarily involve multiple state, regional and local jurisdictions in the planning process, in addition to non-governmental project partners. Additionally, in many cases high-speed and intercity passenger rail is being considered as a solution to regional problems. Issues such as congestion, pollution and mega-regional agglomeration do not stop at state boundaries and thus the solutions designed to address those issues must similarly be planned, executed and managed across state lines. The Northeast Corridor Master Plan process and FRA's recent solicitation for multi-state planning proposals are two recent examples of multi-state coordination efforts that the NRP should consider as a model for multi-state/regional coordination.

In addition to defining federal, state, local and multi-state governmental roles, the National Rail Plan should also address Amtrak's role within the plan and in the future of the national intercity passenger rail system. The Preliminary National Rail Plan provides background information on Amtrak and notes it as a stakeholder, however; it does not address FRA's views on the future of Amtrak or its role in responding to the rail needs of the nation, nor does the request for comments signal any intention to do so. While we are excited about what a National Rail Plan could mean for the intercity passenger mode generally, we believe FRA's vision for the National Rail Plan must include a statement about its vision for the future of Amtrak, as well as an explanation about how the two relate.

As operator of the intercity passenger rail network in the United States, and the only operator of high speed rail service in North America, Amtrak has a unique perspective and experience. We have longstanding relationships with host railroads and unparalleled experience in planning and operating passenger service. We understand the needs, opportunities and challenges associated with improving existing intercity passenger rail services and creating new services.

Additionally, the federal government has a major stake in Amtrak. Amtrak is a Congressionally-chartered corporation with a federally-appointed Board of Directors that includes the U.S. Secretary of Transportation. The U.S. DOT controls Amtrak's ability to take on debt and administers federal capital and operating grants to Amtrak. Accordingly, as the federal government and the U.S. DOT in particular



have a considerable amount of direct control over Amtrak and its mission, a rail plan produced by the U.S. DOT must address the Department's views on Amtrak, its future and its role in delivering the type of modern and efficient intercity passenger rail service envisioned in the plan.

A discussion of Amtrak's role could be particularly useful in addressing the issue of multi-state/regional agreements. The statutory eligibility of Amtrak to submit capital grant applications in cooperation with states provides one tool for bridging the gap when states are interested in developing a corridor but unable or unwilling to assume a leadership role and/or coordination with multiple states is required. As such, the NRP should take advantage of this eligibility and consider Amtrak as a resource in facilitating multi-state/regional agreements.

Finally, we believe the NRP should address the role of the private sector in developing the intercity passenger rail system. Private host freight railroads will clearly play a role where passenger service operates over their track, and the NRP should address issues related to public investment in private infrastructure. But, apart from the private host freight railroads, other private firms and/or foreign governmental entities have expressed interest in participating in the development or operation of high-speed intercity passenger rail service in the United States. Little policy consideration has been given to the implications arising from such scenarios, and the current statutory framework does not contain any provisions for protecting the public interest in intercity passenger rail concession arrangements. The private sector can be a valuable resource in the future of the national intercity passenger rail program, particularly where it is willing to augment limited federal capital investment, but mechanisms must be put into place to govern private involvement and ensure that the interests of rail employees, the national transportation system and the general public are accounted for.

4. What issues should be considered in network design and network development (corridors and connectivity)? What role should rail play? What modal issues arise --cooperation vs. competition? What are the best approaches to assess system performance? Should national standards be considered?

As noted in the response to the second question, Amtrak would oppose any network design standard which called for the separation of passenger and freight trains above an arbitrary speed, as we believe that decisions to construct separate right-of-way will be driven by circumstances in individual corridors. In particular, we agree with FRA's statements that top passenger speeds of 90-110 mph can be expected to operate primarily on shared track.

A critical issue for network design to consider is the travel market that a proposed service is best suited to capture. This includes recognition of the modes currently meeting travel demand and the modal options available to meet demand in the future. The travel market should determine the level and type of service that will satisfy trip-time, frequency, and maximum acceptable delay minute requirements. In some cases, high-speed service may be desirable, while conventional intercity service may prove sufficient in corridors where the cost of high-speed service cannot be justified. There are a number of different factors which can be useful in identifying the conditions under which intercity passenger rail provides the optimal mobility choice. In the North American market, the vast majority of intercity trips rely on the auto. To compete with the auto-highway system's flexibility, intercity passenger rail service must be both accessible and well-connected to final destinations. Congested highway corridors with well-developed



transit systems at the nodes offer a particularly receptive market for intercity passenger rail service and should therefore be priority areas in designing a network.

Intercity passenger rail, particularly high-speed rail, can also be a competitive substitute for short-haul air service in congested corridors. As such, network design should consider air travel patterns of 600 miles or less between metropolitan areas with congested airports. Such corridors offer the potential for competitive service that would benefit air and rail passengers alike.

It is important to note that by penetrating these travel markets, intercity rail development can also deliver public policy benefits related the energy, the environment and land use, safety.

While highway, aviation and transit system characteristics should be key determinants, there are other important factors to consider in network design, including: demographic conditions resulting from population growth and concentration in metropolitan areas; distance between metropolitan areas; level of intercity passenger rail service already present in a corridor; employment and economic activity within a corridor's catchment area; the degree of economic interdependence between metropolitan areas in a corridor; and level and quality of planning completed by a state interested in developing service.

Equally important in selecting appropriate corridors for high-speed service is establishing connectivity between passenger rail corridors. The NRP must address the integration of the various types of passenger services – high-speed intercity, conventional intercity, commuter, and localized rail transit – in a manner that is rational, convenient for passengers and capitalizes on network economies. The NRP should recognize the value that the existing Amtrak national intercity passenger rail network can offer in providing basic connections between proposed regional high-speed systems.

When addressing intra-modal integration, the NRP should include policies for the phasing of HSR construction projects in a manner that allows existing services to utilize minimum operable segments of independent utility. Constructing new high-speed rail projects in this fashion will permit the immediate realization of public benefits from initial investments. If the initial assets are left dormant while waiting for the remainder of a corridor to be constructed, the realization of any public return on investment will be severely delayed and a significant opportunity cost will be incurred. The integration of conventional service into initial high-speed rail segments ensures that high-speed rail assets can be utilized during the often long transition period from conventional rail to true high-speed rail and ensures that the initial public investment produces revenue service and public benefit. Integrated phasing of high-speed rail assets is a necessity given the funding, time, resource and public expectation constraints facing the High-Speed Intercity Passenger Rail program.

Intermodal connectivity should also be addressed. While Amtrak enjoys a competitive advantage in many markets by offering service to and from the city center, an intercity passenger rail trip is often just one leg of a passenger's journey. Intermodal connectivity at intercity passenger rail stations is essential to making the mode a viable option for travelers with dispersed points of origin and destination. In particular, direct connections must be provided between intercity/high-speed rail and local rail transit and commuter rail systems. Seamless air-rail connections have the potential to increase intercity rail ridership and reduce airport congestion at major hubs by providing an alternative to inefficient and space-consuming short-haul connecting flights. In many cases, air-rail connections can also enhance the



convenience of airport access, particularly in metropolitan areas with airports that can only be accessed by congested highways.

Finally, as noted in the response to the third question, terminal operations and capacity issues must be given an appropriate level of attention in the context of network design.

In terms of modal issues related to cooperation vs. competition, Amtrak recommends that the NRP view the growth of intercity passenger rail service as providing additional options in the increasingly transportation-scarce environment that should be described under the plan's first component. The plan should recognize and seek to exploit the ways in which intercity passenger rail can cooperate with and complement other modes. This systems-level approach moves beyond traditional modal conflicts to contemplate the needs of a holistic national transportation system and its users.

Certainly, for rail to be a more substantial element of a truly balanced and multi-modal national transportation system, it must be competitive with other modes. It would therefore be appropriate for the plan to address ways to enhance the competitiveness of intercity passenger rail options, particularly with respect to the key competitive indicators of frequency, trip time, and on-time performance.

However, it would be short-sighted to think that any one mode can meet the totality of intercity mobility needs of the future population and economy of the United States, particularly in heavily-trafficked corridors. The plan should not, therefore, seek to enhance the competitiveness of rail to the detriment of other mobility options, but identify where new or improved rail service could enhance the overall efficiency of the national transportation system.

Dwelling on competition between modes tends to divert the attention of public policy discussions away from the much larger concern at hand, which is the lack of optimal transportation choices available in many intercity markets. Enhancing intercity passenger rail service in the United States, including through the development of new high-speed corridors, should be done under the name of creating a more transportation-rich environment where true choices exist. While we believe that there are many public benefits to be had from shifting passenger miles of travel to rail, particularly in certain markets, the NRP should be framed as one response to a lack of transportation options, not an affront to other modes. It should also be noted that the need for a national rail plan, particularly on the passenger side, is in part prompted by decades of federal underinvestment and even neglect relative to other modes. In that sense, the NRP is more about creating modal equity by integrating rail into the national transportation policy landscape than it is about favoring it over other modes.

Further, to the extent that the improvement and development of intercity passenger rail corridors decreases the competitiveness or market share of other modes, this should be viewed as a natural rationalization of national intercity travel trends. Intercity passenger rail service is not a competitive threat to other modes in every market. In many, it serves merely as a basic mobility option or the backbone of a national, interconnected network. But in other markets, intercity passenger rail's market share is artificially depressed due to the mode's underdevelopment or non-existence. Growing the market share of intercity passenger rail in such corridors is merely a positive indication of a more balanced national transportation system.



Amtrak recommends that approaches to measure intercity passenger rail system performance be consistent with the metrics and standards required by Section 207 of PRIIA, once established, and that national standards are appropriate in order to promote transparency, consistency and alignment with strategic goals of the national intercity passenger rail system.

In addition to performance measurement, we believe that national standards are also appropriate in network design itself. As the current policy framework places primarily states at the forefront of designing corridors, national standards are necessary to ensure some basic level of connectivity, interoperability and network economies. However, the NRP may want to consider the limitations of the current framework in establishing a national high-speed intercity passenger rail network, and recommend a more centralized approach to planning, designing and selecting corridors.

5. Identify areas where transportation safety can continue to improve (include technological and operational changes). What consideration should be given to equipment improvement? What are the issues in joint freight and passenger use of track/corridors?

As stated previously, Amtrak believes that higher-speed intercity passenger rail services can be operated safely in shared-use corridors. Our experience on the Northeast Corridor and Keystone Corridor are two examples where high-speed intercity, conventional intercity, commuter and freight trains safely interact in high-train movement environments.

On the technological front, we believe the installation of Positive Train Control (PTC) systems will produce significant safety benefits by controlling and protecting train movements in order to prevent collisions and other accidents. That is why Amtrak is moving to install PTC on the entirety of track it owns in the Northeast Corridor and Michigan Line by the end of 2012, three years ahead of the federal deadline.

With respect to equipment, the NRP may want to include proposals for addressing the apparent conflict between the desire of some states to introduce true high-speed service with equipment from foreign manufacturers and the fact that such equipment is not compliant with FRA safety regulations. The relationship between crash-worthiness and vehicle weight should also be explored because current weight requirements will make it very difficult to press new high-speed rail equipment into service quickly and will not permit realization of greenhouse gas emissions savings in the transportation sector that the mode is capable of producing.

As noted in the previous section, Amtrak strongly supports a policy of phasing the construction of HSR corridors which would allow for the integration of conventional service into the initial minimum operable segment. As such, we believe that the NRP should adapt a safety regime to deal with the integration of conventional service on HSR assets and HSR service on conventional assets.

The NRP should also address the need for continued elimination of highway-rail grade crossings, or safety enhancements and public awareness campaigns where closures cannot be achieved.

Finally, we understand the question to encompass transportation safety improvement and not just rail transportation safety improvement. As such, we recommend that the NRP discuss the potential safety



benefits of diverting a certain percentage of highway traffic to intercity passenger rail. Intercity passenger rail is a very safe mode of transportation with much lower death rates per passenger mile traveled than automobiles, and its expansion can provide a safer option for travelers.

6. What issues should be addressed to continue and advance the rail system to effectively meet defense, emergency, and security transportation requirements?

Amtrak recommends that the NRP advance modal redundancy, with rail as a critical element, as a strategic national transportation and homeland security objective. The value of maintaining an intercity passenger rail system to respond to such needs was proven in the response to the attacks of September 11, 2001, the evacuation of New Orleans during the approach of Hurricane Gustav in August 2008, and the recent volcanic eruption in Iceland.

One of Amtrak's goals is to meet national needs, which includes supporting disaster relief and mobilization efforts. Amtrak has maintained an agreement with the Department of Defense for the transport of troops since 1991, and also maintains agreements with the Federal Emergency Management Agency for support of evacuation and disaster relief efforts.

The NRP should recognize the value of an intercity passenger rail network in meeting such needs and reinforce the importance of the types of agreements Amtrak maintains to respond to them. It should also spell out specific emergency and defense requirements where rail can play a role, including in large urban areas prone to natural disaster. Finally, the NRP should call for interoperable security procedures, interagency cooperative operations and shared technology solutions among the various public and private sector partners that make up the rail system and its first responders. Integration of security efforts will help to foster a more robust and resilient passenger rail system that is able to effectively respond to emergency needs or quickly recover from disruptions to its operations.

Passenger rail is an underutilized resource when it comes to disaster preparedness and the NRP should include suggested policies and programs for including it as an integrated evacuation strategy in emergency situations.

7. What are the land use issues that must be considered in making transportation infrastructure investments? How can rail promote livable communities?

The relationship between transportation infrastructure and land use and development patterns is so intrinsically linked as to require coordinated decision-making between the first two in order to encourage development patterns in a sustainable and livable way. Transportation investments will not realize their full potential for public benefits without supportive surrounding land-use policies and decisions, and the goals of certain land use decisions can likewise be thwarted without compatible transportation infrastructure.

In the context of high-speed/intercity passenger rail investments, the NRP should adopt a policy of ensuring that the value of such investments is captured by supportive land use policies. The development of high-speed rail and intercity passenger rail corridors require substantial land use planning decisions on both a regional and local level. At the regional level, decisions on where to build and invest taxpayer



funds for additional capacity to move people and goods should take into account how much land will be required to maintain and build mobility. At the local level, because many communities have historically developed around rail stations, basic supporting infrastructure such as water and sewer lines and highways/street grids often exist in the area surrounding rail station locations. The development is therefore in-fill development, without the need to use up additional land that could be used for other purposes.

While land use and zoning policies are largely a local responsibility, the FRA has leverage in the grant selection process which can be used to incentivize prospective grantees to ensure that projects applying for Federal funds are backed up by land use and development policies that will maximize the public return on investment. Generally speaking, this means favoring corridors where stations are accessible to facilities, services and activities that will attract passengers. Compact, mixed-use development surrounding a station provides a number of different attractions and is conducive to rail travel because it can be easily accessed by public or non-motorized transportation options.

Just as livable communities promote intercity passenger rail use, the development of intercity passenger rail service can promote livable communities. For one, intercity passenger rail service has the ability to carry large volumes of passengers into the center of a city on a relatively small land requirement compared to other intercity modes, increasing the accessibility of downtown areas while preserving valuable space for other uses. Additionally, intercity passenger rail stations can serve as catalysts for economic growth, anchor business and community activity for generations, promote agglomeration economies and be valuable component of transit-oriented development patterns that consume less energy and are less costly to provide public services to than suburban sprawl development. Finally, the availability of intercity passenger rail service decreases a community's automobile dependence and is compatible with walking, bicycling and public transportation for the first and last legs of a passenger's journey.

The NRP should also establish principles for local land use agencies to use in protecting rail facilities from trespassing and encroachment, as well as preserving land for future rail corridor or facility development.

Lastly, the NRP should acknowledge that the development of new intercity passenger rail corridors will necessarily have some significant local environmental and property infringement impacts. However, the NRP should simultaneously recognize the larger public environmental benefits to be had from a modern intercity rail network, and develop a public communications plan to explain the tradeoffs between local impacts and significant national and regional benefits. It should also discuss the environmental impacts, including local property infringement impacts, of investing in other modal solutions to meet the mobility challenges that should be described in the plan's first component. In most cases, intercity passenger rail is likely to be the least intrusive alternative available. The tradeoffs between modes and between national-regional-local considerations must be recognized and explained by the NRP.

8. What opportunities does rail provide to improve energy use and the environment (include both technological and operational changes)?



Intercity passenger rail provides opportunities to improve energy use and the environment by shifting passenger miles of travel away from more energy-intensive, polluting modes and by adopting technological and operational changes to improve the energy and environmental profile of the mode itself.

Intercity passenger rail enjoys natural energy efficiencies because it is a low friction, high-capacity form of transportation. A typical Amtrak corridor train has the same capacity as six or more 50-seat regional jets, and that capacity can be increased by adding passenger rail cars. As a result, Amtrak's energy consumption per passenger mile is much lower than competing intercity modes such as the automobile and the airplane, and lower fuel consumption translates into fewer heat-trapping greenhouse gas emissions that contribute to global climate change. Offering intercity passenger rail service in new corridors or improving service in existing corridors, therefore, has the potential to attract passenger miles to a more fuel efficient and less polluting mode of transportation. Further, due to its natural efficiencies and potential for scale economies, intercity passenger rail can handle growth in a sustainable manner. For example, from 2000 to 2008, Amtrak was able to reduce diesel fuel consumption and carbon emissions by 8.5 percent while ridership grew more than 27 percent over the same period.

Efforts to reduce transportation greenhouse gas emissions from the transportation sector to date have largely focused on improving vehicle fuel efficiency and reducing the carbon content of fuels. However, the emissions reduction potential of such measures will likely be offset by projected growth in vehicle-miles traveled if steps are not taken to lower our nation's automobile dependence. It is therefore essential that the NRP be part of a comprehensive national energy and environmental policy that seeks to reduce oil use and lower emissions from the transportation sector by increasing the viability of intercity passenger rail options. It is also important to note that a viable intercity passenger rail network provides the capacity necessary to offer consumers an economical alternative if the cost of using more fuel-intensive modes is impacted by rising oil prices. Proof of this concept was seen in 2008, when fuel prices reached \$4 per gallon and Amtrak's ridership surged by 11 percent as consumers sought a more affordable means of intercity travel.

In addition to policies aimed at growing rail's market share, the NRP should also advance measures to improve the energy and environmental profile of the mode itself. For example, where service can be electrified, intercity passenger rail generally provides mobility from non-petroleum based sources, an important U.S. energy and foreign policy consideration. Electric power can be derived from clean and renewable sources, which has the potential to drastically reduce carbon emissions associated with transportation. Electrified service also offers the potential for regenerative braking, where electricity can be sent back to the grid during the braking process for future use. On the electrified Northeast Corridor from Washington to Boston, 80 percent of our electric locomotive fleet is equipped with regenerative brakes, which return up to 8 percent of the power they use to the electrical grid. As such, we recommend that the NRP explore electrification where it makes sense to do so, both for energy and environmental reasons and also because future operations over 110 mph will probably require electric power.

Where electrification is not warranted or not feasible, the NRP should advance policies for the continued development and procurement of high-speed, low-emission diesel and alternative fuel locomotives, including GenSet switcher locomotives. Examples of other technological changes to reduce intercity passenger rail's energy use include installation of automatic start/stop devices on diesel locomotives so that engines can shut down when the outside temperature is above 40 degrees Fahrenheit. Amtrak has



installed such devices on most of its fleet. We have further reduced diesel fuel consumption by installing transformers at stations where our trains lay over. This eliminates the need for trains to idle in order to maintain electric power. The NRP should seek to expand the proliferation of such technological measures.

The NRP should also promote measures to improve the efficiency of rail operations. Amtrak has undertaken ongoing training programs for efficient operating practices, including simulators and training software to teach locomotive engineers the most optimum and fuel-conserving method for operating a specific train in a specific territory. The NRP should call for the further refinement of such programs, such as through the development of software programs that can be upgraded to operate in "real time" and reflect conditions as they change.

Furthermore, the NRP should plan for the ongoing replacement of Amtrak's fleet. Most of the electric locomotives used on Amtrak's Northeast Corridor are nearing 30 years of age, and the average age of Amtrak's entire fleet is older than at any time during Amtrak's history. New equipment running in more places carrying more people, creating a greater intercity transportation market share for Amtrak, will be more energy efficient and create more energy security.

Finally, the NRP should seek to harmonize new EPA rules on locomotive emissions standards to avoid any potential fuel economy penalty.

9. What are the opportunities and challenges for professional capacity building--passenger and freight? What are the challenges facing the nation in developing a labor force to meet the needs of a highly technical rail network considering implementation of high-speed rail and technological advances such as positive train control and electronically controlled pneumatic brakes?

From Amtrak's perspective, the opportunity and simultaneous challenge in professional capacity building is the age of our workforce. More than half of Amtrak's workforce is over the age of fifty, including more than 60 percent of its managers. This creates an opportunity to develop a new generation of employees, but developing them in time to replace a wave of retirements in the next 10 years will be a major challenge.

In addition to replacing our existing workforce, the demands of a new policy environment focused on growth and improvement of the system prompts additional staffing needs above and beyond the current baseline. Compounding this challenge is the fact that Amtrak has over 3,000 fewer employees than it did in 2000, and was prohibited by law from planning new services from 2002-2008. This means that the type of professional and analytical capacity that we would ideally have to operate a national system and help our partners plan new services is underdeveloped.

Many state departments of transportation and rail planning divisions are facing the same challenge. Their ability to respond to new opportunities for federal assistance in corridor development is severely hampered by human capital issues. And, of course, staffing is also an issue at the FRA.

As such, it is imperative that the NRP include strategies for developing the management and operating workforce necessary to implement the vision for new and improved passenger service. Proposals could



include new partnerships between government, industry and academia to develop curricula and vocational training on all aspects of railroad planning, management and operations. The single most effective way to create more railroad experts in the country is to provide sufficient and sustained investment to Amtrak and states to enable them to recruit, hire and retain capable people. A number of skills from other modes of transportation or other expert industries are transferable to the future development of high-speed and intercity passenger rail, but if there is not a promise of long-term career development, the ability of states, Amtrak and federal governmental agencies to develop the human capital required will be compromised.

10. When making infrastructure investments, how can project delivery be expedited and costs controlled?

The NRP should propose some modest streamlining in the environmental review process to eliminate redundancies and improve project delivery without adversely affecting the quality or integrity of the process. Specifically, project sponsors should not be required to duplicate work in the environmental review phase of project delivery that was already conducted in the planning phase.

The review process under the National Environmental Policy Act should focus on studying environmental impacts of the preferred alternative and not a duplication of alternatives analysis conducted at the planning stage, provided that the planning analysis meets standards to ensure the adequate consideration of alternatives and public participation. The NRP should also include policies to ensure that all modes have access to the same options and resources for expediting project delivery.

Federal agencies involved in the environmental review process also need to be appropriately staffed to respond to environmental documentation needs in a thorough yet timely manner. As such, the NRP should include recommendations for ensuring that FRA has the resources it needs.

Conclusion

We greatly appreciate the opportunity to share these comments and suggestions with you and look forward to working with the FRA to further develop the nation's rail system.

Sincerely,

A handwritten signature in black ink, which appears to read "Stephen J. Gardner" followed by "for S.J. Gardner". The signature is written in a cursive, flowing style.

Stephen J. Gardner
Vice President, Policy and Development