

Wednesday, June 29, 2011

DOT Announces \$562.9 Million AMTRAK Loan for 70 Locomotives to Run on Northeast Corridor

American Manufacturers Get a Boost From U.S. Department of Transportation Financing Plan

WASHINGTON – Today, U.S. Department of Transportation Secretary Ray LaHood announced a \$562.9 million loan to Amtrak under the Federal Railroad Administration’s Railroad Rehabilitation and Improvement Financing (RRIF) program that will create hundreds of manufacturing jobs across several states. This is the largest loan issued through the RRIF program to date, and the dollars will finance the purchase of 70 high-performance, electric locomotives from Siemens Industry USA. These locomotives are more energy-efficient and will enable Amtrak to improve frequency, performance and reliability for regional and intercity routes along the Northeast and Keystone Corridors.

“President Obama has a bold vision to provide Americans with a world-class, passenger rail network, while giving American manufacturers and suppliers nationwide an opportunity to get into the rail business,” said Secretary LaHood. “The Obama Administration is committed to making strategic, long-term investments that create jobs and boost the economy now, and this financing plan is already putting Americans back to work at assembly plants and supply companies in Ohio, Pennsylvania, California and Georgia.”

Siemens Industry USA is adding 250 new manufacturing jobs in order to design and build 70 new energy-efficient locomotives for Amtrak. Three of Siemens’ U.S. manufacturing plants will deliver the equipment order, with traction motors and gear units being produced in Norwood, OH, traction converters and braking choppers being built in Alpharetta, GA, and final assembly of the locomotives in Sacramento, CA. The RRIF loan will also upgrade maintenance facilities and allow for the purchase of spare parts needed to support the new locomotives.

Suppliers from communities around the country will soon be tapped by Siemens Industry USA to provide components for the order, further boosting U.S. manufacturing. For example, PHW, Inc. a company based in East Pittsburgh, PA, has already been contracted to manufacture safety-related parts for the locomotives.

“The RRIF program is a model of how we can leverage federal dollars to spur private investment and build up the economy,” said Federal Railroad Administrator Joseph C. Szabo. “It provides steady, affordable financing for major rail construction and expansion projects, and best of all, it comes at zero cost to the taxpayer.”

As part of a comprehensive plan to modernize and expand its fleet of equipment, the 70 Amtrak Cities Sprinter ACS-64 locomotives – still in the final design phase – will replace existing units that have been in service for 20-30 years with an average of 3.5 million miles traveled. The electric locomotives will begin operating along regional and intercity routes in 2013 on the Northeast and Keystone Corridors, which together serve more than one million Amtrak passengers every month.

The Federal Railroad Administration’s RRIF program provides direct loans and loan guarantees through \$35 billion available for railroads to acquire, improve, or rehabilitate rail and intermodal equipment, infrastructure or facilities. RRIF offers a responsible approach to supplementing capital investment for all types of railroads. For more information about the RRIF program, please visit www.fra.dot.gov.

###

Contact: Brie N. Sachse • **Tel:** (202) 493-6024

[Web Policies & Notices](#) | [Accessibility](#) | [FOIA](#) | [Privacy Policy](#) | [No Fear Act](#) | [Small Business](#) | [Ethics](#) | [OIG](#) | [OIG Hotline](#) | [Regulations](#) | [Information Quality](#) | [Payment Accuracy](#) | [USA.gov](#) | [WhiteHouse.gov](#)

[U.S. Department of Transportation](#) | 1200 New Jersey Avenue, SE | Washington