
Amtrak Overview

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We are a 21,000 mile intercity passenger system.....



We are a rolling hotel and restaurant chain.....

We are *Acela Express* to New York, Washington, and Boston.....

The 457 mile Northeast Corridor carries more people between New York and DC than all the airlines put together

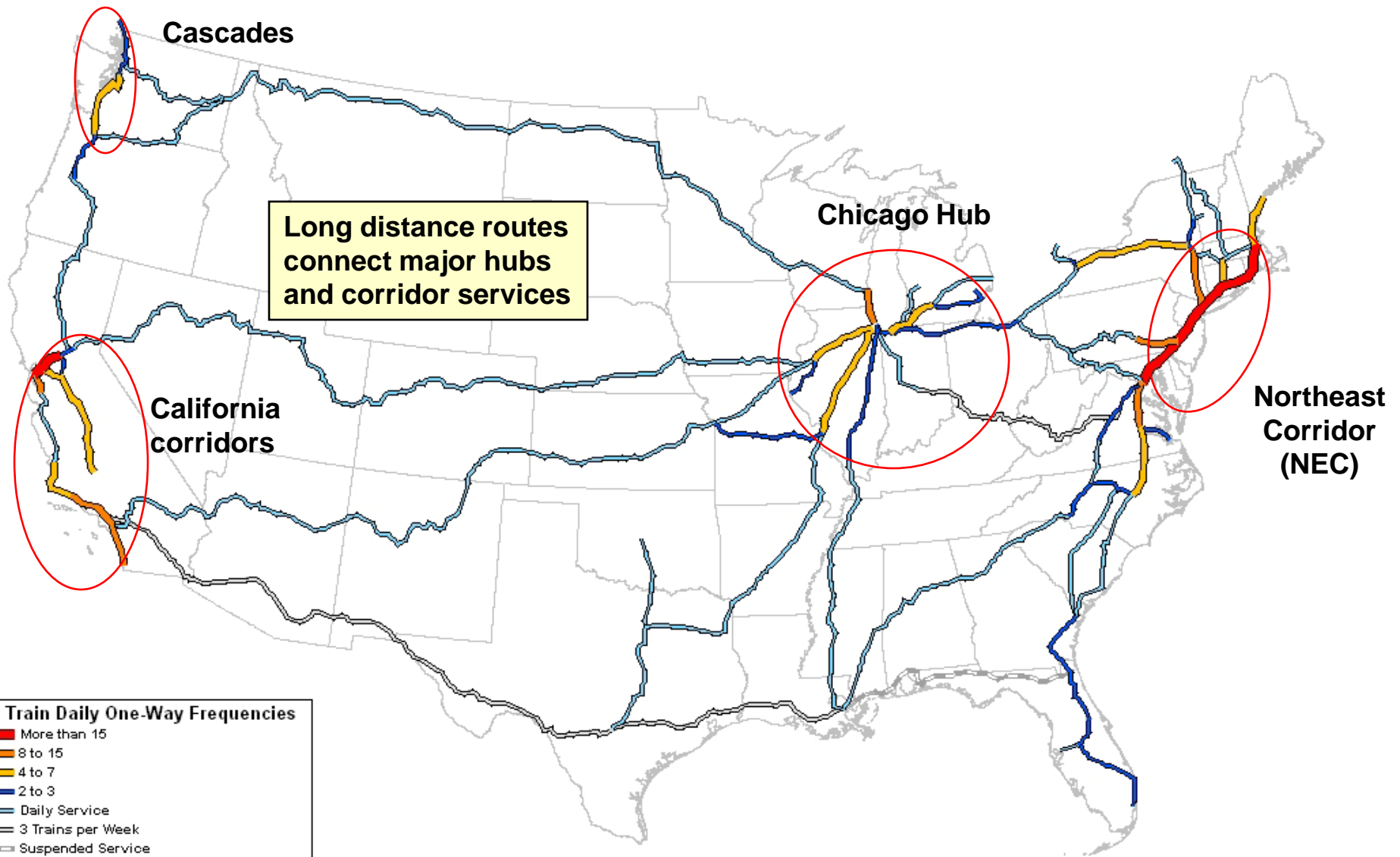


We are the daily train to Denver, Reno and Sacramento



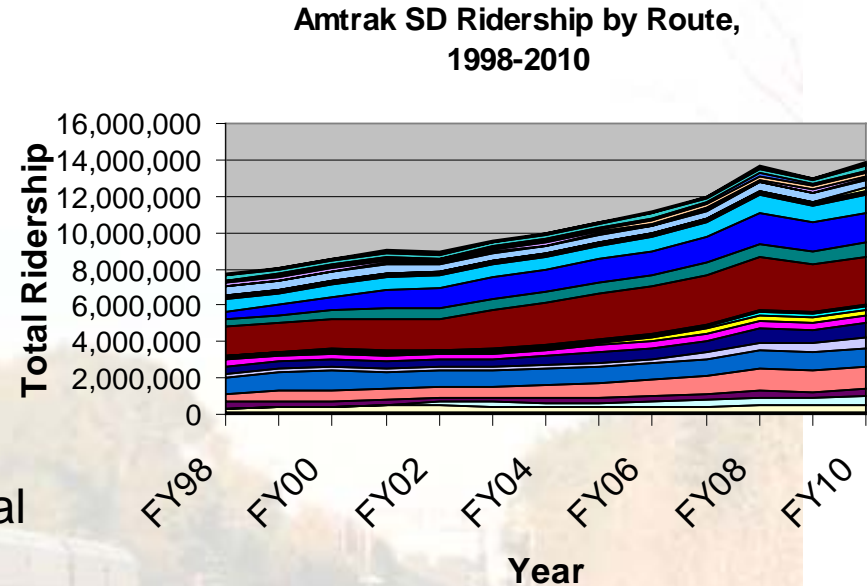
Our *California Zephyr* connects Chicago, San Francisco and 33 on-line communities on a daily schedule – one of 15 long distance trains

We operate in 46 of the lower 48 states.....



.....15 of which are our direct business partners

- Trains operated over relatively short distances (86-750 miles), often in partnership with states
- Are the only service at 203 of our 528 stations
- 220 daily trains – more than half our total
- States play a pivotal role in service development
 - Develop rail plans to guide capital investment, service growth
 - Integrate rail with other modes to serve state and regional needs
 - Also provide operating support - states and ticket revenues have traditionally covered about 72% of fully allocated costs for these services



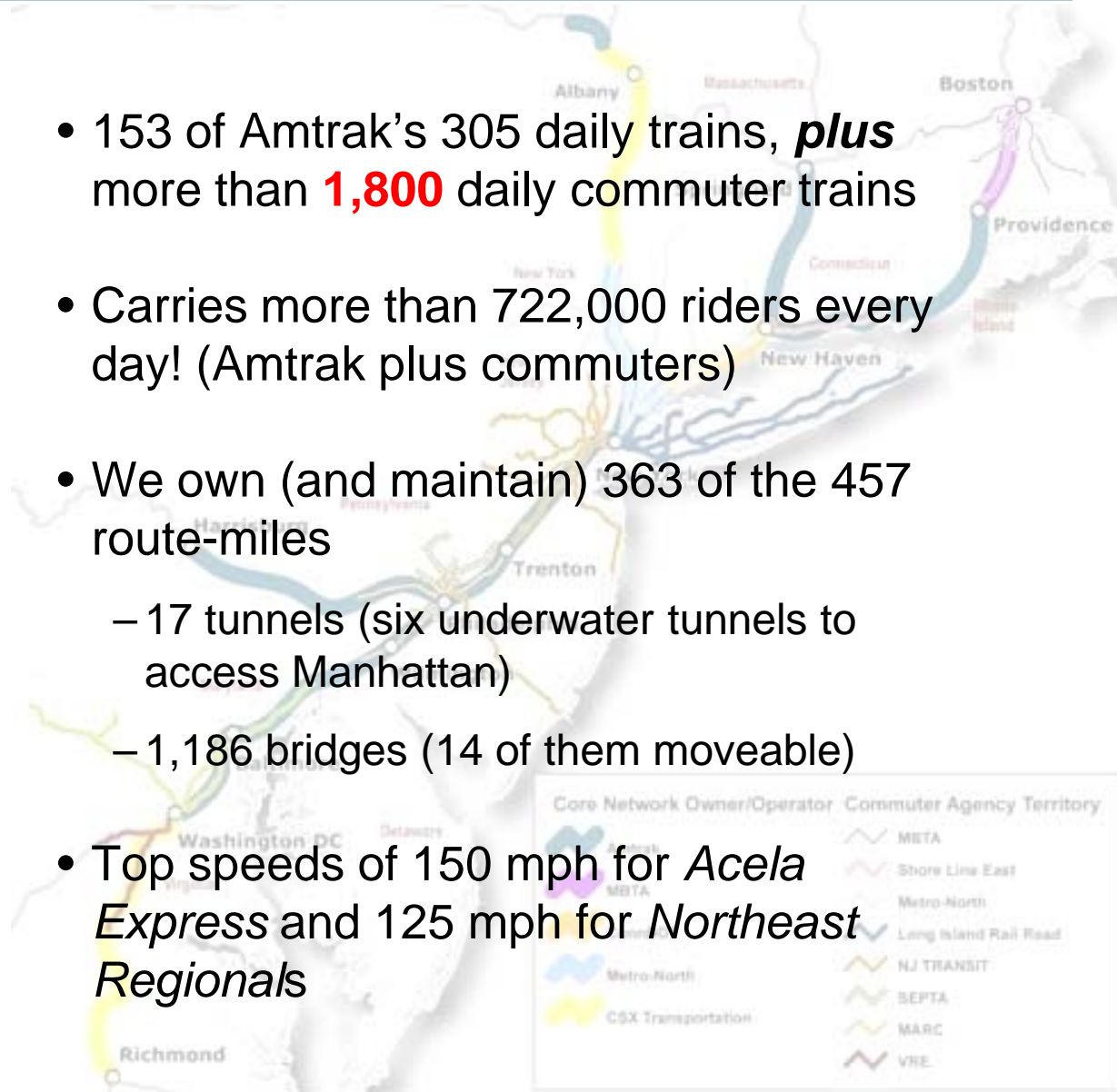
We are all things to all people!

Which can make it hard to be a
corporation with a business plan
and a strategy!

Amtrak Northeast Corridor – what is it?



- 153 of Amtrak's 305 daily trains, **plus** more than **1,800** daily commuter trains
- Carries more than 722,000 riders every day! (Amtrak plus commuters)
- We own (and maintain) 363 of the 457 route-miles
 - 17 tunnels (six underwater tunnels to access Manhattan)
 - 1,186 bridges (14 of them moveable)
- Top speeds of 150 mph for *Acela Express* and 125 mph for *Northeast Regionals*

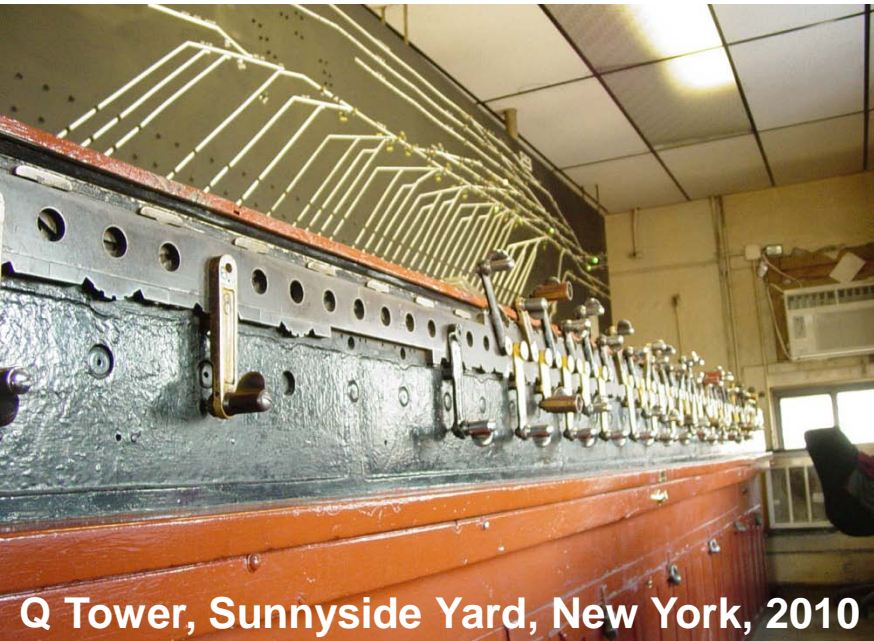


It's a combination of the ultra-modern.....

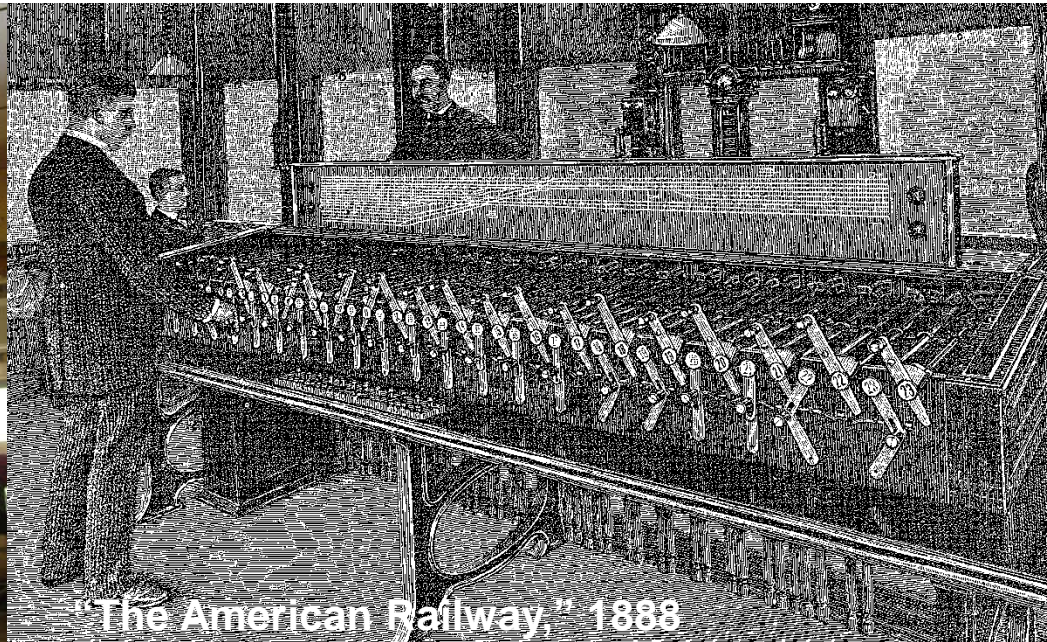
Acela Express at 30th Street Station,
Philadelphia



.....and the very, very durable!

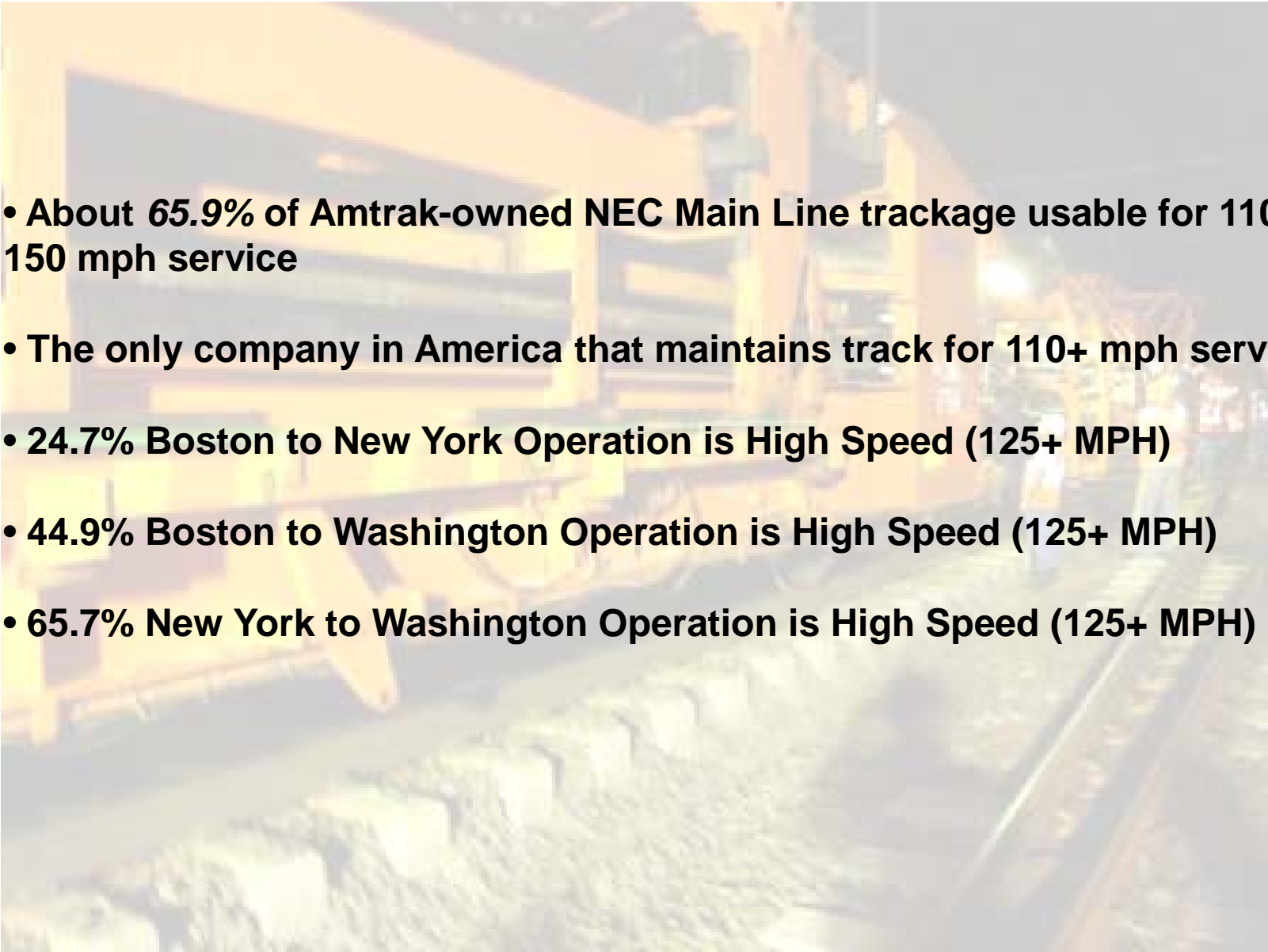


Q Tower, Sunnyside Yard, New York, 2010



"The American Railway," 1888

The NEC is a bona-fide HSR operation

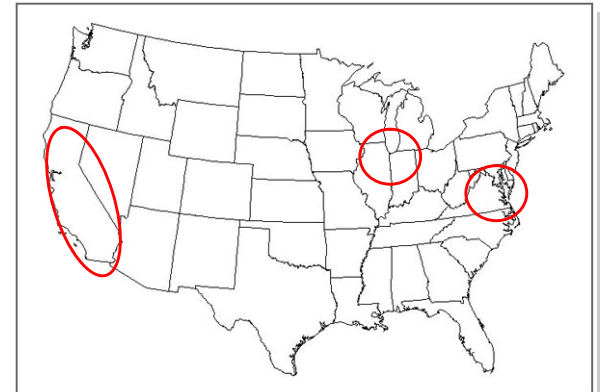
- 
- **About 65.9% of Amtrak-owned NEC Main Line trackage usable for 110-150 mph service**
 - **The only company in America that maintains track for 110+ mph service**
 - **24.7% Boston to New York Operation is High Speed (125+ MPH)**
 - **44.9% Boston to Washington Operation is High Speed (125+ MPH)**
 - **65.7% New York to Washington Operation is High Speed (125+ MPH)**

FY10 Intercity Travel Market

- US travel market has been shrinking due to recession and high unemployment
 - Amtrak is growing
 - US Outlook
 - **Leisure travel** - modest growth (~50% of Amtrak ridership)
 - **Business Travel** – flattening (~46% of Amtrak ridership)

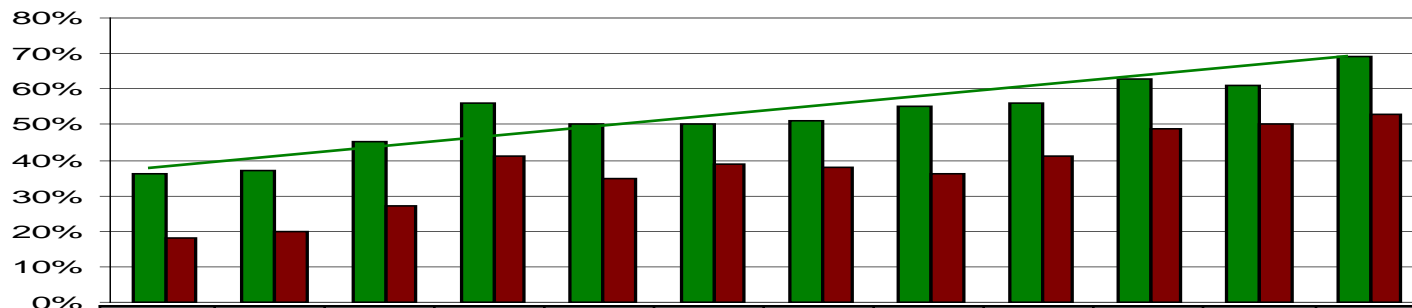
-----Market Shares-----				
	-----National-----		---Northeast Corridor---	
	<u>2009</u>	<u>2011</u>	<u>2009</u>	<u>2011</u>
	%	%	%	%
Amtrak	1.7	2.0	16.0	22.0
Car	67.0	69.0	69.0	58.0
Air	29.0	27.0	9.0	12.0
Bus	2.0	2.0	6.0	7.0

- Amtrak market share strongest in high frequency markets, mainly in NEC and West
- Near-term growth through increasing rail market share
 - Southeast corridors (DC-Richmond-Charlotte)
 - California corridors
 - Chicago – Midwest



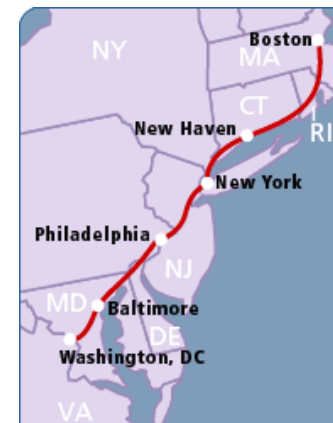
Fast/Frequent Service Induces Modal Shift – NEC

Trends in Amtrak Share of Air-Rail Market



	FY99	FY00	FY01	FY02	FY03	FY04	FY05	FY06	FY07	FY08	FY09	FY10
DC-NY	36%	37%	45%	56%	50%	50%	51%	55%	56%	63%	61%	69%
NY-Boston	18%	20%	27%	41%	35%	39%	38%	36%	41%	49%	50%	53%

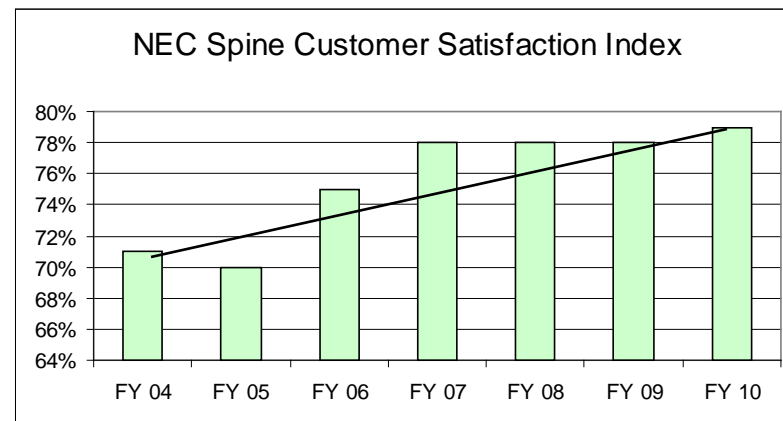
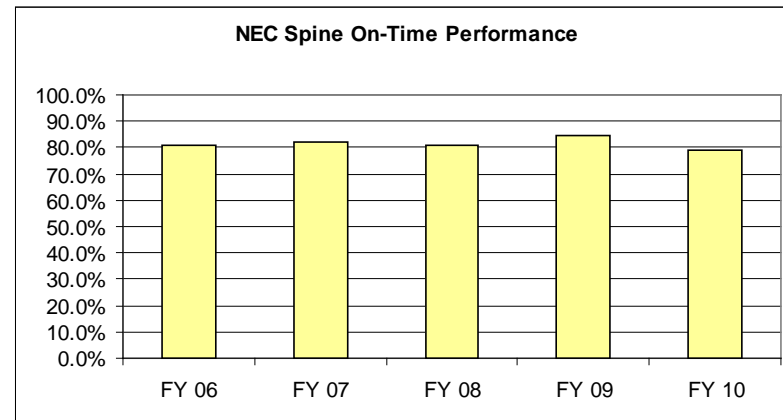
- Amtrak is now the dominant provider in the NEC
 - Frequency, competitive trip times, OTP drive share shift
- Acela product quality also critical to increased share
 - Wi-Fi, Leather seats, quality of customer experience
 - Improved Food and Beverage service
 - En route cleaning, customer service focus
- True HSR eliminates airline service in these markets



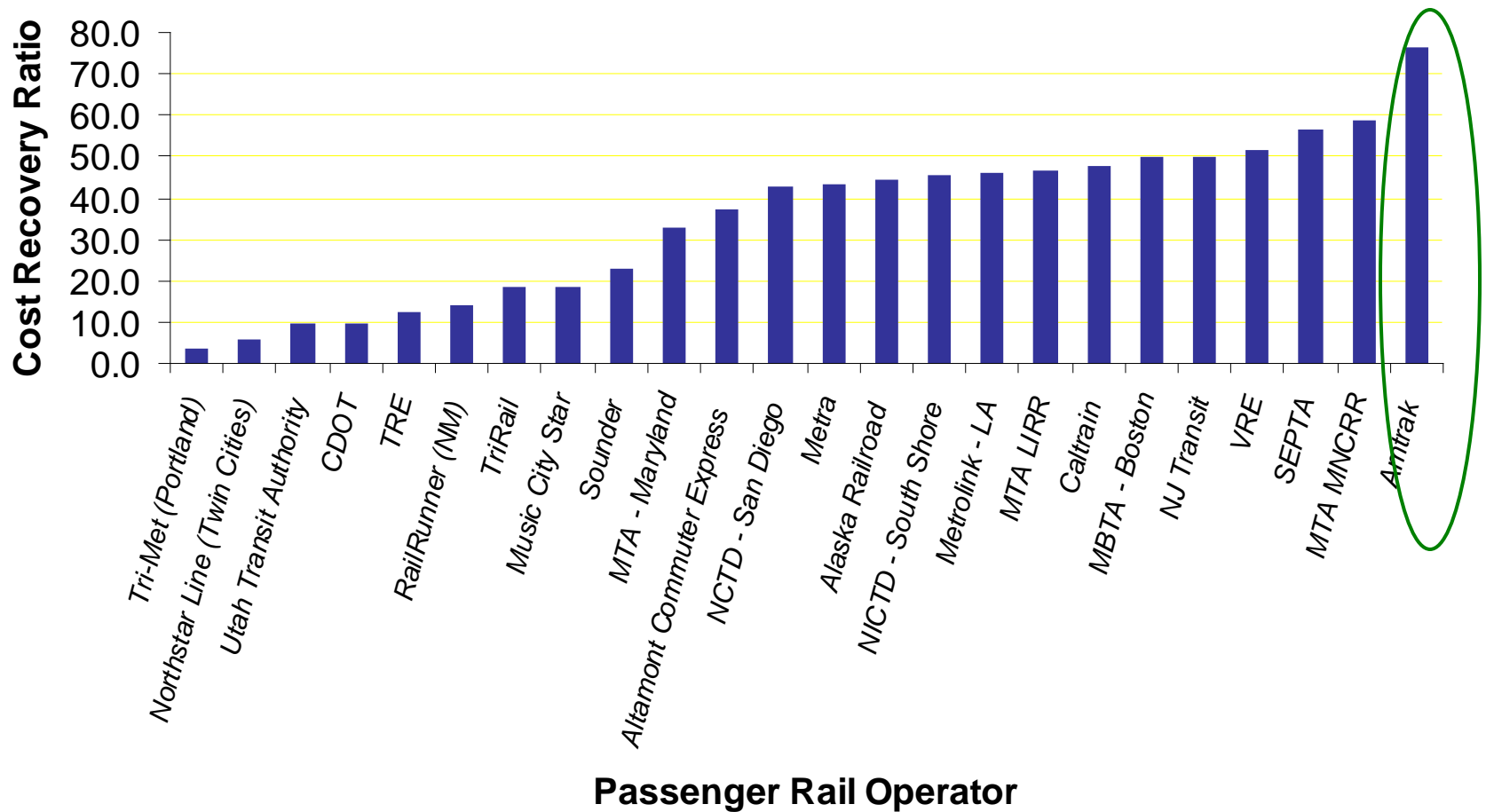
	Daily Round Trips
New York - Washington	36
New York - Philadelphia	46
New York - Boston	19

Key Ridership Drivers – Fast, Frequent, Reliable, and Comfortable

- “Hard” service improvements
 - On-time performance
 - Faster trip times
 - Frequency of service (departures)
 - Information (i.e., Info/announcements when trains are going to be late)
- “Soft” service improvements
 - On-board amenities/service
 - Station and equipment design features/elements consistent with customer expectations
 - Comfort, convenience
 - Personal space
 - Productivity support, business amenities (especially Acela)



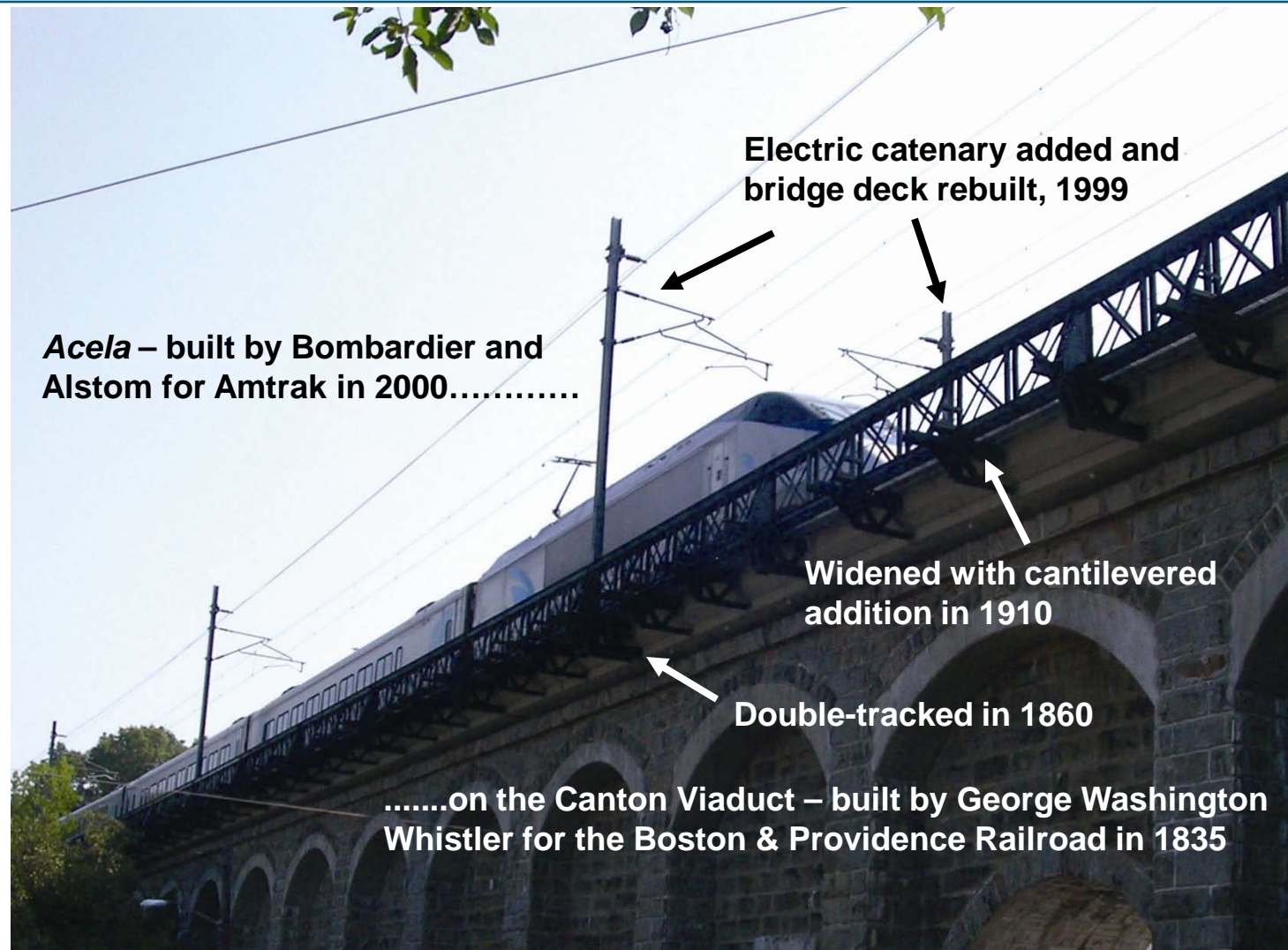
Farebox* recovery of American passenger rail providers



Sources: Amtrak, APTA

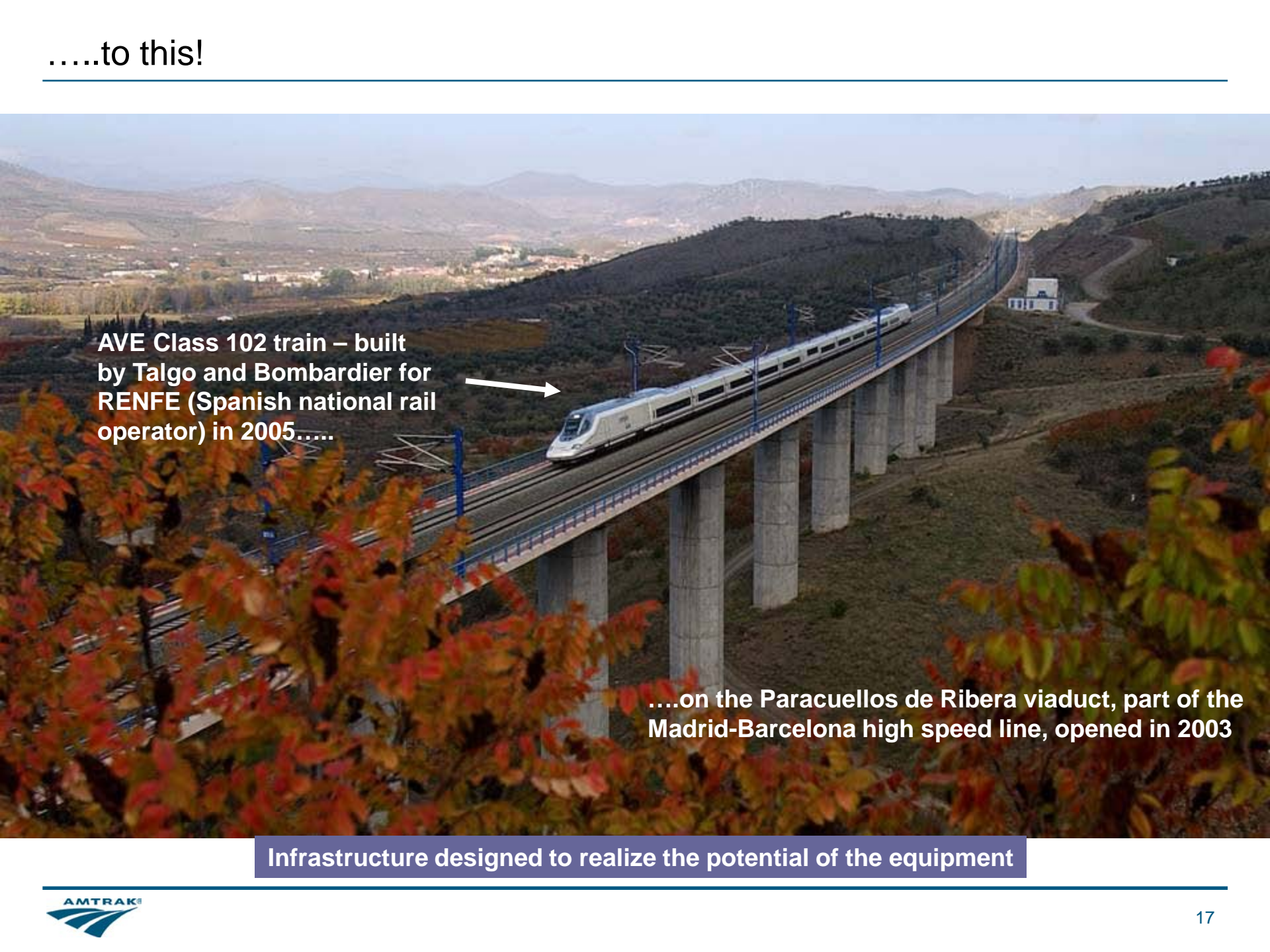
***Percentage of costs covered from ticket revenues; other income sources may raise this (e.g., Amtrak covers ~85% of costs from revenue)**

We want to get from this.....



Equipment designed to operate within the constraints imposed by the infrastructure

.....to this!

A photograph of a high-speed train crossing a long concrete viaduct. The train is white with blue accents and is moving towards the right. The viaduct is supported by several tall concrete pillars. The background shows a hilly landscape with some buildings and trees. In the foreground, there are some out-of-focus trees with autumn-colored leaves.

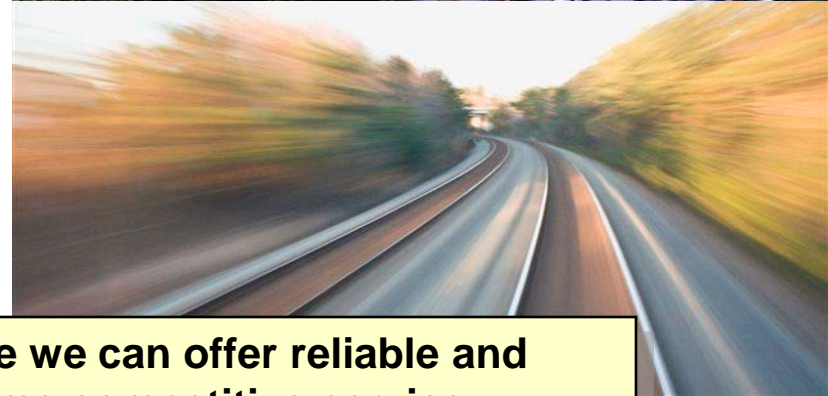
AVE Class 102 train – built by Talgo and Bombardier for RENFE (Spanish national rail operator) in 2005.....

....on the Paracuellos de Ribera viaduct, part of the Madrid-Barcelona high speed line, opened in 2003

Infrastructure designed to realize the potential of the equipment

Why we need rail

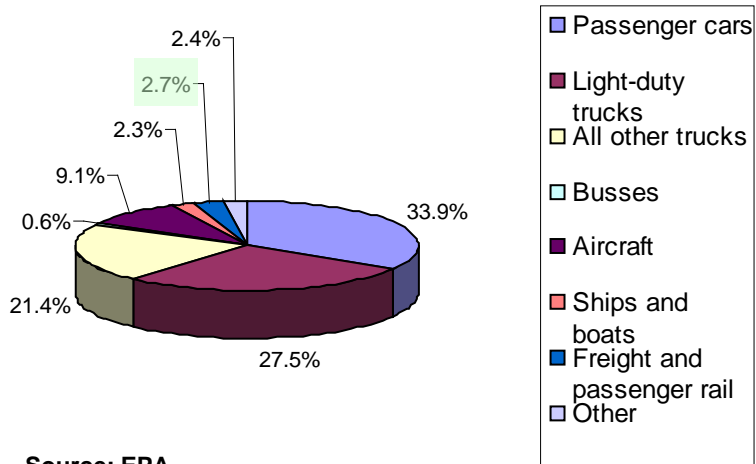
- Competing modes are congested, and getting worse
 - Number of urban areas with more than 20 hours of annual rush hour traffic delay increased *sevenfold* between 1982 and 2007
 - Between 2000 and 2008, number of flight delays due to airport terminal volume increased by 42%
- Rail's niche is the sub-500 mile intercity market – and it's a big market
 - More than 79% of total trips USDOT classifies as 'long distance' (50+ miles) fall into this category
 - Number of Americans living in urban areas expected to double (150M to 300M) by 2050



Where we can offer reliable and trip-time competitive service, Amtrak thrives – and demonstrates the latent and growing demand for intercity passenger service

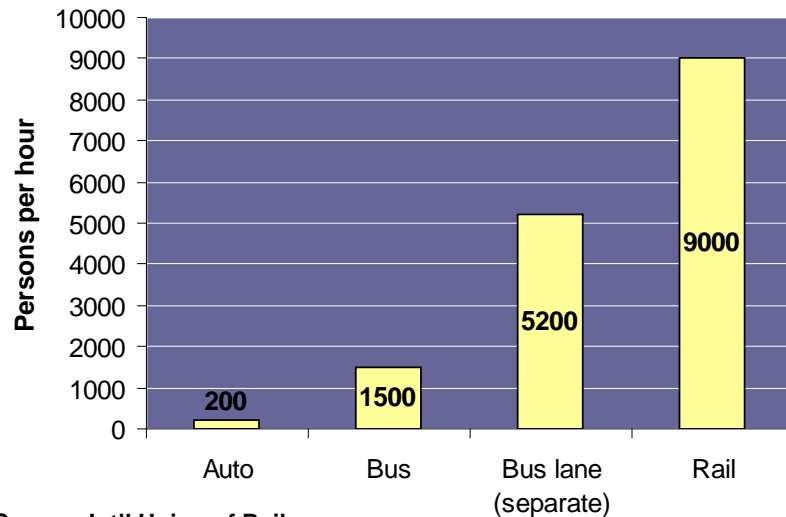
What role can passenger rail play in America's life?

CO₂ Emissions by Mode



- Rail is inherently:
 - Energy-efficient
 - Clean
 - Scalable
- Can (and does) access city centers on existing rights-of-way
- Provides an **affordable** means of capacity expansion

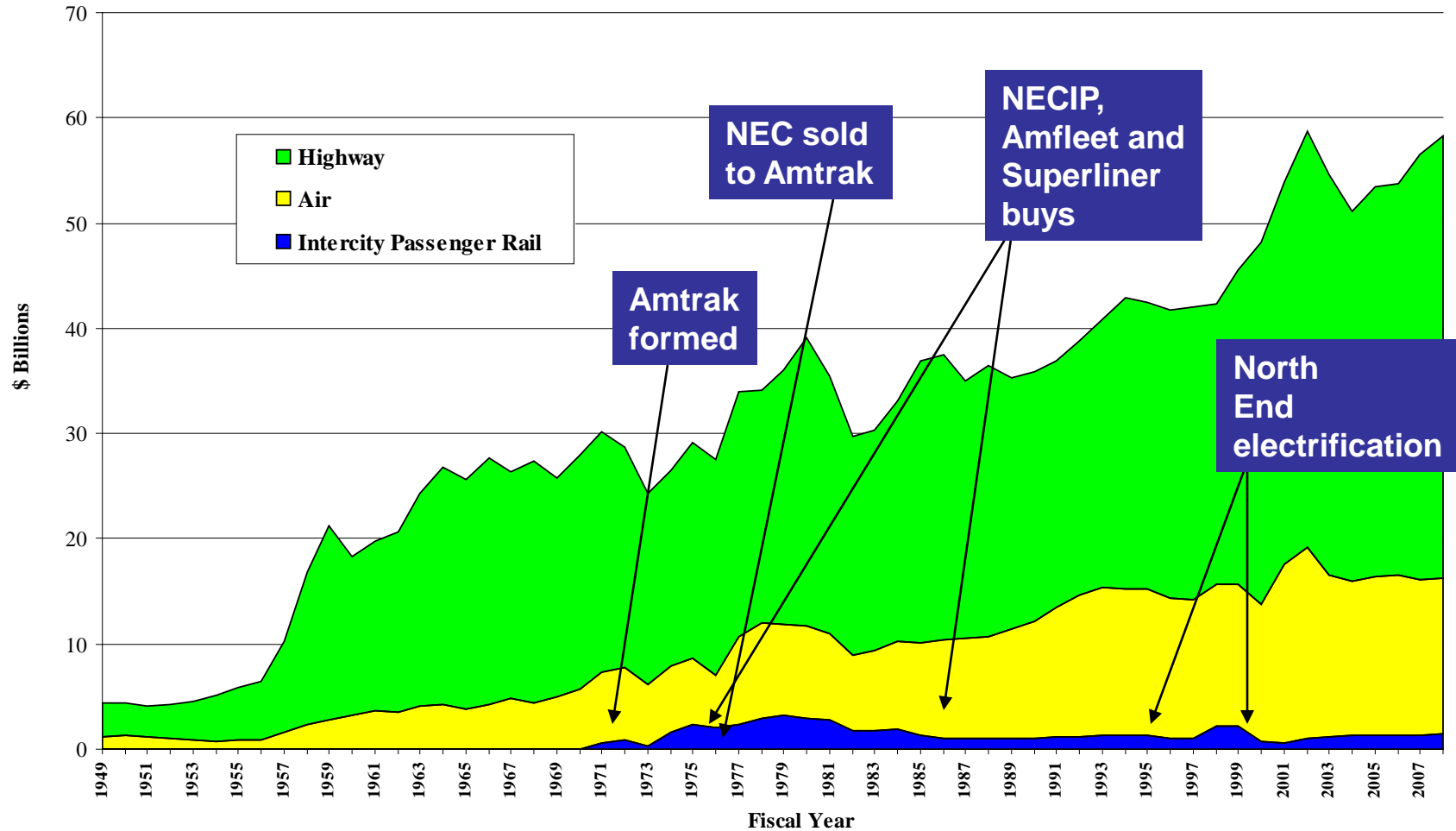
Modal Capacity Per Meter of Width



How did it get to be this way?

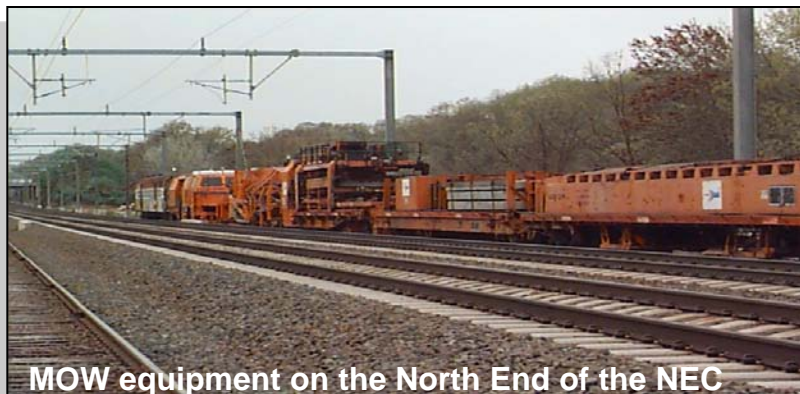
Federal Investment in Transportation, 1949-2008

(2009 Constant Dollars. Time Axis Not to Scale.)

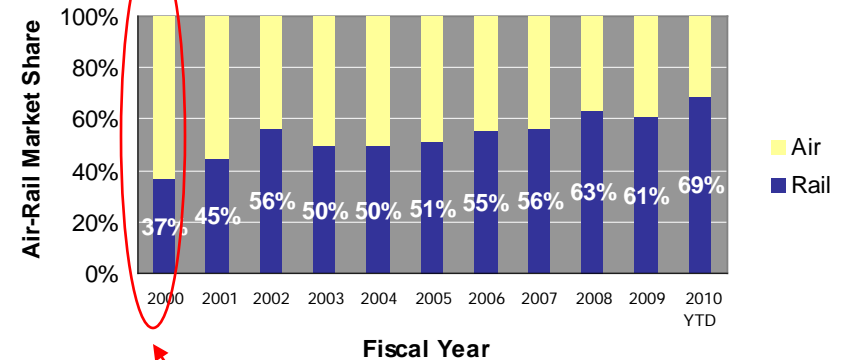


In spite of these challenges...

- We're operating a vital transportation link that can touch 150 mph – but the challenges are mounting
- We're also running out of capacity – but demand continues to grow
- *How do we solve these problems – and how do we grow?*

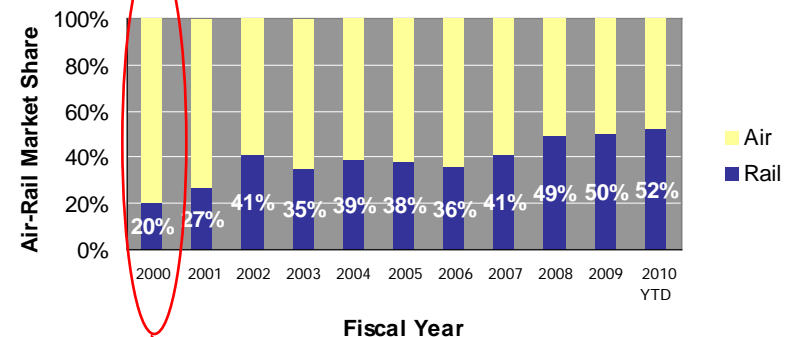


Washington to New York Air-Rail Market



Acela service introduced – 86% growth in South End ridership between FY 2000 and FY 2010

New York to Boston Air-Rail Market



Acela service, electrification, and 125 mph Regional service introduced – 160% growth in North End ridership between FY 2000 and FY 2010

HSR opportunities



- California

- Plan to link the Bay Area with Los Angeles
- Initial segment to be funded by bond issue, HSIPR grant

- Midwest

- Several routes have excellent potential
- Work going ahead in Illinois on upgrading Chicago-St. Louis and in Michigan on Chicago-Detroit, both as 110mph corridors



- NEC

- Amtrak has proposed plan to develop “NextGen” HSR plan
- Will expand services and cut trip times
- New infrastructure to reach 220mph speeds



....there are some real opportunities for HSR development



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Debunking some Amtrak myths

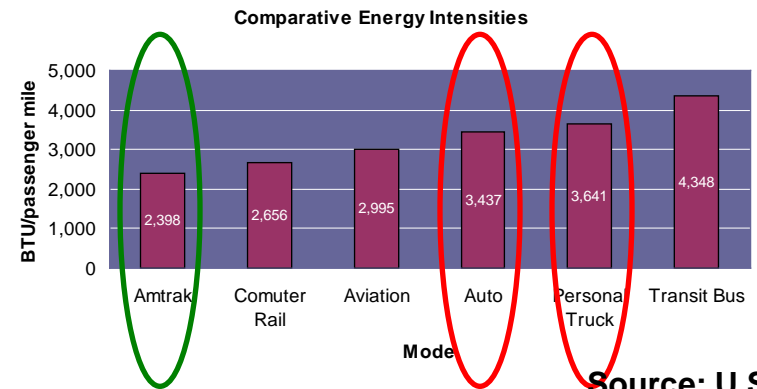
- “the train [*Acela*] rarely gets above 100 mph”

- “the average intercity highway trip uses less energy per passenger mile than the average Amtrak trip”

- “private industry will do it better”

- “people who want trains dislike the personal autonomy that the auto confers”

- 65% of the track between DC and NYC is rated for 125-135mph



Source: U.S. DOE

- Amtrak was formed because private companies couldn't make money when competing with government-supported roads and aviation
- The average Chicagoan wastes a 70 hours of his/her life in traffic every year. What's authoritarian about wanting an alternative to that?

Conclusions

- States are vital partners for Amtrak – and we are dedicated to working with them
 - Largest segment of our ridership
 - Funding may be constrained for short term – but framework for growth is now real
 - HSIPR Grant Program
 - Upcoming transportation reauthorization discussion will be very important
- We are dedicated to working with states to
 - Help states develop plans for the future
 - Pursue joint processes to a mutually satisfactory conclusion
 - Work with states to continue development of successful services