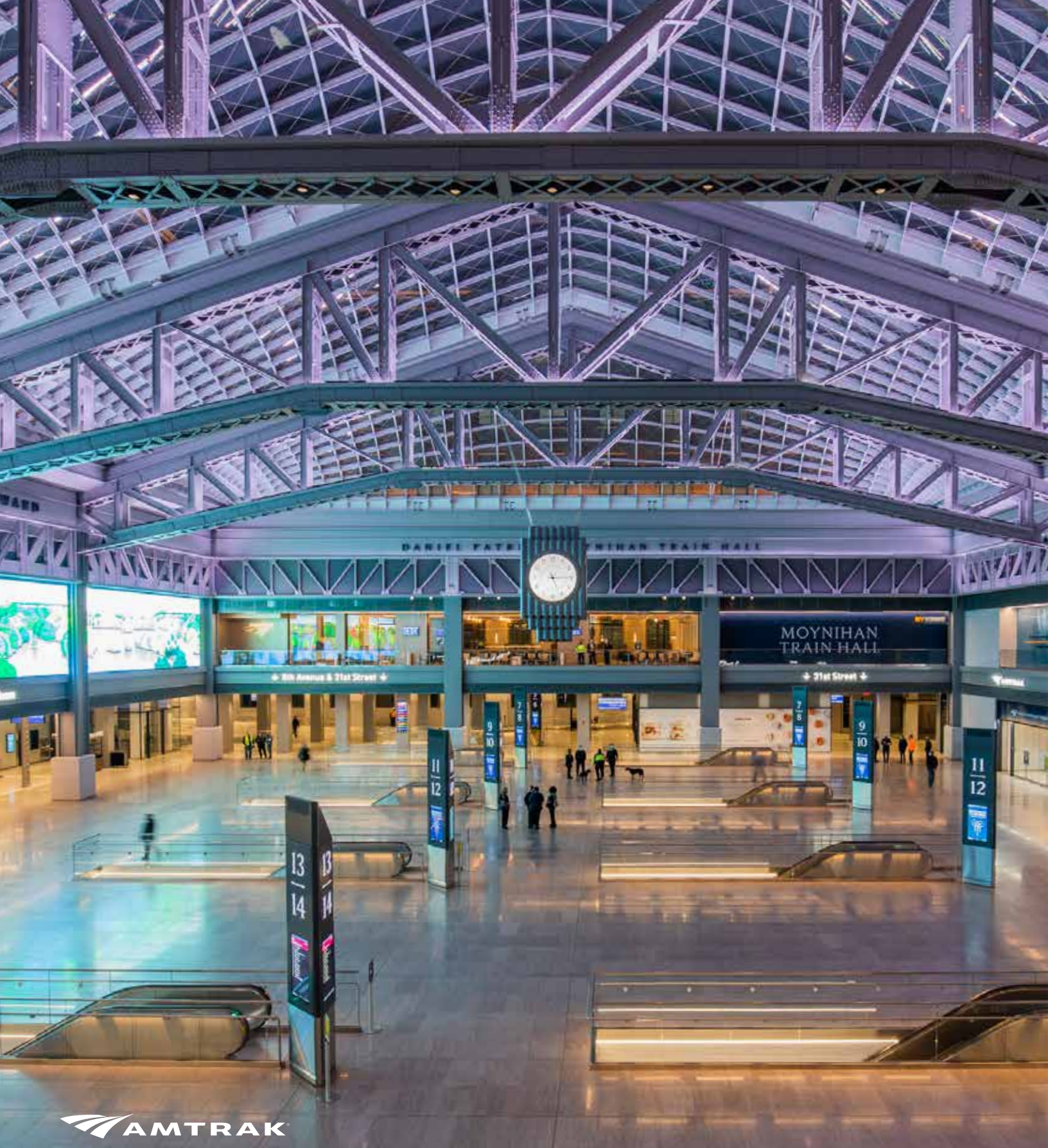

AMTRAK

FIVE-YEAR PLANS

SERVICE AND ASSET LINE PLANS | FY 2021-2026 | AMTRAK.COM


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FIVE-YEAR PLANS

SERVICE AND ASSET LINE PLANS | FY 2021-2026

AMTRAK'S FIVE-YEAR PLANS

Introduction

CURRENT CONDITIONS

As Amtrak finished FY 2019, the company stood in a stronger position than at any time since 1971, a condition that persisted into the first five months of FY 2020. Ridership, revenue, and financial performance were all at record levels. For the first time ever, Amtrak was on track to generate operating revenues that would exceed operating expenses. The company was preparing to take delivery of next generation *Acela* trainsets for its high-speed NEC service, and had a bold vision to expand train service in new and existing corridors across the country. Amtrak was on an upward trajectory—and then came the COVID-19 pandemic.

Amtrak, like all transportation providers, was hit especially hard. In a matter of weeks, Amtrak's ridership plummeted by 97% and we undertook immediate actions to protect the health and safety of our customers and employees and reduce capacity. The situation stabilized, but at far lower levels of ridership and revenue.

Shortly thereafter, Congress passed the CARES Act, which provided $1.02 billion in vital emergency funding for the benefit of Amtrak and our State Partners designed to minimize the negative financial impacts of COVID-19 during FY 2020. Unfortunately, recovery has been slow, and our ridership and revenue are still just 20% of last year's levels. It has become increasingly clear that the pandemic's impacts will extend through, and almost certainly beyond, FY 2021.

Amtrak's response to COVID-19 thus far has focused on ensuring our customers and employees are safe and healthy, and taking steps to manage the loss of revenue. These steps have included adjustments in our workforce and train service to reflect the pandemic's impacts on our ridership and financial resources. It is important to set a post-pandemic course and a future vision for Amtrak and intercity passenger rail for the future. These five-year plans outline a potential course and that vision.

AMTRAK'S FUTURE

COVID-19 has not changed the fundamental economics of intercity passenger rail. It is still the most efficient and the most environmentally responsible way to serve the transportation need of the growing megaregions where the population continues to concentrate. The need to address highway congestion has not vanished, and the constraints that make the addition of highway capacity expensive and difficult have not vanished. In fact, highway congestion has already begun to return as travelers resume driving between cities and avoid air and transit travel due to social distancing concerns. Even with those concerns, COVID-19 has not reduced the requests Amtrak receives from communities and elected officials across the country for service in corridors and regions we do not serve today. Finally, COVID-19's impacts on employment have reinforced the need for many additional good, living wage jobs for skilled employees of the kind provided by Amtrak and the companies from which we buy equipment, goods, and services.

We want to be ready to provide for the passenger rail service America needs as the country returns to normal—along the Northeast Corridor where the much-anticipated replacement of the *Acela* fleet will begin later this year; on our State Supported routes and new intercity corridors, where we see our greatest opportunities to meaningfully address the carbon crisis and enhance mobility as our population continues to grow; and in the small towns throughout rural America where our long distance trains help connect our riders to their family and friends. In the meantime, we are committed to working through this crisis with all stakeholders to best manage the near-term challenges, while protecting the future we all want for intercity passenger service in the next 50 years.

Our Service and Asset Line Plans summarize the opportunities and needs facing the company and our strategies for the next five years, and fulfill the statutory requirements set forth in section 11203 of the Fixing America's Surface Transportation (FAST) Act. These plans, updated annually, inform our General and Legislative Annual Report, required by 49 U.S.C. § 24315(b) which serves as our budget request and justification to Congress. They represent our view of our business and services over the next five years, assuming the current policies and funding levels established under the FAST Act continue beyond its FY 2020 expiration.

About Our Business

Amtrak is the nation's federally chartered intercity passenger rail operator and infrastructure provider. With safety as our highest priority, we aim to provide efficient and effective transportation consisting of friendly, high-quality service that is trip-time competitive with other intercity travel options.

We provide intercity passenger train services through our three operating service lines: Northeast Corridor, which operates Amtrak's high-speed *Acela* and *Northeast Regional* trains between Boston and Washington; State Supported, which provides service on corridor routes of not more than 750 miles through cost-sharing agreements with State Partners; and Long Distance, which includes all routes over 750 miles nationwide, and receives funding support from the federal government.

We also provide commuter and freight railroads access to key infrastructure we own or control, such as right-of-way, stations and facilities. Additionally, we conduct ancillary activities such as real estate and commercial development and serve as a contract operator for commuter train services to generate net revenue that can be used to advance our statutory goals. We also perform reimbursable work for third parties such as other railroads, local and state governments and others that takes place on Amtrak property or requires our unique expertise.

Reliable, frequent intercity passenger rail service is an essential and growing part of our nation's multimodal transportation system. In markets with substantial service levels, such as the Northeast Corridor, California, the Pacific Northwest and the Midwest, Amtrak enhances business productivity and supports the nation's long-term economic growth and global competitiveness. Elsewhere, our long-distance and State Supported routes connect hundreds of smaller communities with major metropolitan areas and provide a unique journey opportunity for leisure travelers.

Amtrak Network Service Lines

FY 2020 RESULTS & ACCOMPLISHMENTS

Prior to the pandemic, and with strong support from our partners, Amtrak set new records for ridership, revenue, and financial performance and was on track to generate annual operating revenues that exceeded operating costs for the first time in its history. Over the next few weeks, ridership on our trains plummeted by 97%. Only a small proportion of our pre-COVID-19 customer base has resumed traveling. Amtrak's revenue from ticket sales was $1.266 billion in FY 2020, which is only 55% of what it was in FY 2019. The vast majority of that revenue was earned during the first five months of FY 2020 before COVID-19 decimated our ridership.

To align our offerings with the depressed demand for service, manage our financial losses, and continue to make investments in capital projects for the long term good of our service, we made several **cost-cutting decisions**:

- We reduced service frequency and train capacity on the NEC, and on our State Supported routes in partnership with our 20 State Partners.
- We deferred and/or restructured $600 million in capital projects.
- We dramatically reduced overtime and took action to minimize the number of employees who worked more hours than labor agreements guarantee.
- We offered voluntary unpaid time off to our employees.
- Several of our unions agreed to defer previously negotiated wage increases, for which we were grateful.
- The 401k match for our non-agreement employees was suspended, and their pay was reduced 7–22% based on a tiered system, for the remainder of FY 2020.
- Implemented a Voluntary Separation Incentive Program (VSIP) to minimize the number involuntary separations and furloughs necessary.

Amtrak has worked steadily over the past fiscal year to prioritize customer safety and advance infrastructure and fast-track technology improvements even as the ongoing pandemic caused a devastating drop in ridership and revenue. Amtrak quickly pivoted to handle this unprecedented challenge and ensure customers and employees remained healthy, while also continuing to focus on improving intercity passenger rail for the future.

The success of Amtrak's COVID-19 recovery measures is an ongoing effort that involves every employee.

Moynihan Train Hall at New York Penn Station opened on January 1, 2021.

FY 2020 HIGHLIGHTS

Safety. Continued advancement of the comprehensive Amtrak Safety Management System, resulting in improvements in a broad range of safety metrics. Completed PTC implementation on all Amtrak-owned and controlled track.

Diversity & Inclusion. Implemented initiatives to improve diversity, inclusion and belonging. We hosted listening sessions with employees, created a Diversity & Inclusion Council, made significant changes to our hiring practices, offered "unconscious bias" training to all employees, and strengthened our relationships with external organizations that support diversity and inclusion.

Equipment. Advanced testing on the new *Acela* trainsets; took actions to meet regulatory requirements for placing them in service; made improvements in infrastructure and in the facilities where the trainsets will be maintained to prepare for their operation, and developed employee training programs so that our flagship service's next generation trains can begin carrying customers by the end of 2021. Our State Partners in the Midwest and California have started accepting new railcars that customers will ride in 2021, with touchless features and updated amenities, including more space for bicycles.

Stations. The final stages of construction on the Moynihan Train Hall at New York Penn Station, one of the most significant station facility enhancements in Amtrak's 50-year history, were completed, and the Train Hall opened its doors to passengers on January 1, 2021.

We also began refreshing major stations across the country. In the Northeast this included: upgrading the ticketed waiting area at New York Penn Station; advancing the New York Penn Master Plan and Expansion projects to add more tracks and platforms to the existing station; a major construction project that will increase rail capacity at Washington Union Station; selecting a team with international expertise to form a master development partnership via ground lease for the renovation of William H. Gray III 30th Street Station, and collaborating with New Jersey Gov. Murphy and NJ TRANSIT on construction work at four New Jersey train stations: New Brunswick, Trenton Transit Center, Princeton Junction, and Elizabeth Stations.

Significant station projects on State Supported routes included improvements to accessibility and safety in Ashland, VA and the new Exchange Street Station in Buffalo, which opened for service in November 2020.

FY 2020 Highlights, continued

Infrastructure. The one positive outcome of COVID-19 was that Amtrak accomplished additional infrastructure work on the NEC, as reduced train volumes afforded us an opportunity to schedule the work.

> **B&P Tunnel concrete slab, tie and rail replacement work that would normally have been limited to weekends and taken two to three years was completed over the summer.**

Accessibility. Amtrak invested a record $109 million on Americans with Disabilities Act (ADA)-related design and construction improvement projects at more than 159 locations nationwide, advancing efforts to make stations universally accessible. We commenced or continued capital projects to improve accessibility at eight stations served only by long distance trains and put out for bid (or advanced to final design) projects at 16 additional long-distance only stations. Accessibility projects finished during FY 2020 included work at the Montgomery, WV, and Picayune, MS stations, and work was commenced in partnership with Metra on $29 million in improvements to the platforms and the station at the Homewood, IL station served by Amtrak Long Distance and State Supported and Metra trains.

Technology. Understanding the importance of convenience and contact-free travel (particularly during pandemic conditions), Amtrak improved and expanded its website and mobile platforms. These updates provide customers with information and services on their mobile devices, such as gate and track notifications at select stations to reduce crowding around station departure boards, and a capacity indicator icon allowing customers to see how full the train is before booking.

Sustainability. Quantified financial impacts to ridership and revenue due to storms and severe weather and developed a greenhouse gas emissions calculator comparing the impacts of rail versus other travel modes. We also set annual targets to reduce greenhouse gas (GHG) emissions, electricity and fuel consumption. Since 2010, Amtrak has reduced emissions by 20% with a target to achieve a 40% reduction by 2030.

Product Upgrades. Amtrak launched several popular programs and expanded others to provide customers with improved amenities, including the Carry-on Bike Program which was introduced on the *Pennsylvanian* and expanded on *Northeast Regional*, Keystone Service, the Downeaster, and Amtrak Hartford Line trains; broadened reserved seating to *Acela*, *Palmetto, Vermonter, Carolinian* and *Northeast Regional* Business class; upgraded bedding, pillows, towels, linens and other goods in private rooms on the *Auto Train*; expanded the pet program to allow customers to travel with small dogs and cats on weekday *Acela* trains, and debuted the RideReserve℠ program that allows passenger on multi-ride tickets to make reservations, facilitating social distancing and assuring them of a seat once COVID-19 capacity limits are removed.

State Supported Services. In partnership with the Virginia Department of Rail and Public Transportation and other stakeholders, Amtrak committed to begin creating new passenger-dedicated rail infrastructure between Washington, DC, Richmond and the North Carolina border to allow for faster and more reliable trips and service. Amtrak and its State Partners are making continued progress toward extending 110 mph service in Michigan and adding 90 mph service in Illinois to improve travel times.

Contract Commuter Services. Throughout a challenging year marked by operational and fiscal uncertainty, Amtrak worked closely with our contract commuter customers to adapt many aspects of their operations, ranging from the frequency of departures to customer-facing processes, to sustain essential services and provide them with the flexibility they needed. In late 2020, Metrolink announced that it was awarding Amtrak a contract to continue operating its commuter trains through June of 2025.

Strategy

These Service and Asset Line Plans describe our strategic efforts and establish the metrics and outcomes we will track to monitor performance.

OUR VISION

We will double Amtrak ridership by 2040 by becoming the preferred mode of intercity travel within the corridors connecting America's major metropolitan areas and support the growth of multimodal travel choices by providing infrastructure, services, and capabilities to passenger railroads nationwide. We will deliver industry-leading safety and operational performance and consistent and courteous customer service.

OUR MISSION

Amtrak is the nation's intercity passenger rail operator and infrastructure provider. We provide safe, efficient, and effective intercity passenger rail mobility consisting of friendly high-quality service that is trip-time competitive with other intercity travel options. Due to changing conditions from COVID-19 and the resulting impact on our business conditions, we have focused our efforts around **four near-term aims:**

Serve with Safety

A key aim is to promote Amtrak as the preferred choice for safe travel in these troubled times. Accomplishing this aim will require Amtrak not only to continue its focus on operating safety, but also to implement measures to protect customers and employees from COVID-19 exposure, communicating those measures to the public. The other important aspect of this focus area is to provide mobility throughout the nation, continuing to offer service on all routes on our network.

Sustain the Company

In today's precarious economic conditions, Amtrak will need to exercise discipline to preserve the enterprise. We will work to regain customers as the public resumes traveling. We will be prudent with cost control and capital spending in order to conserve cash. With a difficult environment facing our employees, we will aim to retain key talent while promoting diversity, inclusion and belonging to maximize the contributions that each of our employees can make to the Company. We will nurture our relationships with partners, including states and commuter agencies, to preserve and strengthen those partnerships as those entities also face challenging circumstances.

Gain New Customers

Recognizing that travel patterns have been dramatically altered by the pandemic, so that many former customers will not resume traveling with the same frequency, Amtrak will emphasize efforts to gain new customers. This will include identifying new customer segments (e.g., younger riders) and pivoting to a higher mix of leisure travelers. Tactics will aim to induce trial of our services and earn loyalty.

Build for the Future

While our priority is sustaining the company, Amtrak must also keep an eye on the post-pandemic future. The critical need to modernize the fleet and improve our infrastructure, stations and other assets remains. Within the constraints of capital funding, we will advance key asset development initiatives to position the company for successful operation as demand recovers. Several of the initiatives involve large financial commitments (over $1 billion) and are complex, of long duration, involve multiple departments and outside entities, and will require significant Amtrak resources to execute. To support these initiatives, Amtrak will stand up a major project development team. This team will provide leadership and focus for these projects, delivering program management capabilities, expertise, and process, with visibility, transparency, and timely decision-making.

CHALLENGES AND RISKS

We face challenges and risks to achieving our performance goals due to:

1. **The COVID-19 pandemic.**
2. **Uncertain funding.**
3. **On-time performance (OTP) and infrastructure access over the host railroad network.**
4. **Aging fleet and infrastructure.**
5. **Changing demographics and travel demand.**
6. **Climate Change and Sustainability.**

While these plans discuss the impact these issues have on our business and how we propose to manage them, the issues themselves are not entirely within our control. Forecasted performance could therefore suffer or improve depending on external events. Enactment of our reauthorization proposal would mitigate many of the risks described in this section.

COVID-19 Pandemic

The COVID-19 pandemic poses major near- and short-term risks to Amtrak's ridership and revenues and to realization of many of our goals. These risks, and the actions we are taking to mitigate them, are discussed above and in our Service Line Plans.

Uncertain Funding

The greatest continual challenge Amtrak has faced throughout its 50-year history is the lack of adequate and predictable federal funding. Unlike nearly all other transportation modes, intercity passenger rail does not have a multi-year, dedicated funding source, but rather depends upon annual appropriations. The COVID-19 pandemic has created the need for emergency funding for an unknown duration to mitigate Amtrak's revenue losses. These losses are a product both of ridership declines and funding crises for many of our State Partners who provide funding for State Supported services and for projects that benefit both Amtrak and commuter rail services. The pandemic has therefore increased the urgent need for a dedicated and assured funding source for intercity passenger rail service.

On-Time Performance

One of the biggest challenges and risks we face is poor on-time performance (OTP) on many of the National Network routes which operate on tracks owned by host railroads. Long distance routes are particularly affected. Over the past several years, OTP on most long-distance routes has been abysmal. In FY 2020, long distance customer OTP was only 59%. On four long distance routes more than half of our customers arrived at their destination late. This creates a massive challenge to our strategy to attract and retain customers when we are unable to deliver the advertised service.

The leading cause of delays to our National Network trains is freight train interference caused by the failure of some of our host railroads to comply with their longstanding legal obligation to provide Amtrak trains with preference over their freight trains. Only the U.S. Department of Justice (DOJ) has been able to enforce this law—and it has brought only one enforcement action against a freight company in Amtrak's history, and that was 40 years ago! Congress intended to give the Surface Transportation Board limited authority to enforce Amtrak's preference rights when it enacted the Passenger Rail Investment and Improvement Act of 2008, but the STB's enforcement powers were stymied by a decade-long legal challenge by the Association of American Railroads (AAR) that sought to prevent the STB from exercising its authority. While that challenge was ultimately unsuccessful, we expect the freight railroads to mount challenges when Amtrak seeks to enforce its preference rights under metrics and standards recently issued by the Federal Railroad Administration (FRA)

Moreover, even if there are blatant preference violations, the STB has no power to investigate them unless a route's OTP is poor for a period of at least six months. As a result, freight railroads suffer no significant consequences for the delays suffered by Amtrak passengers. Amtrak's reauthorization requests that DOJ's authority be supplemented by authorizing Amtrak to bring a civil action in federal district court to enforce its right to preference, which would greatly improve OTP.

Challenges and Risks, continued

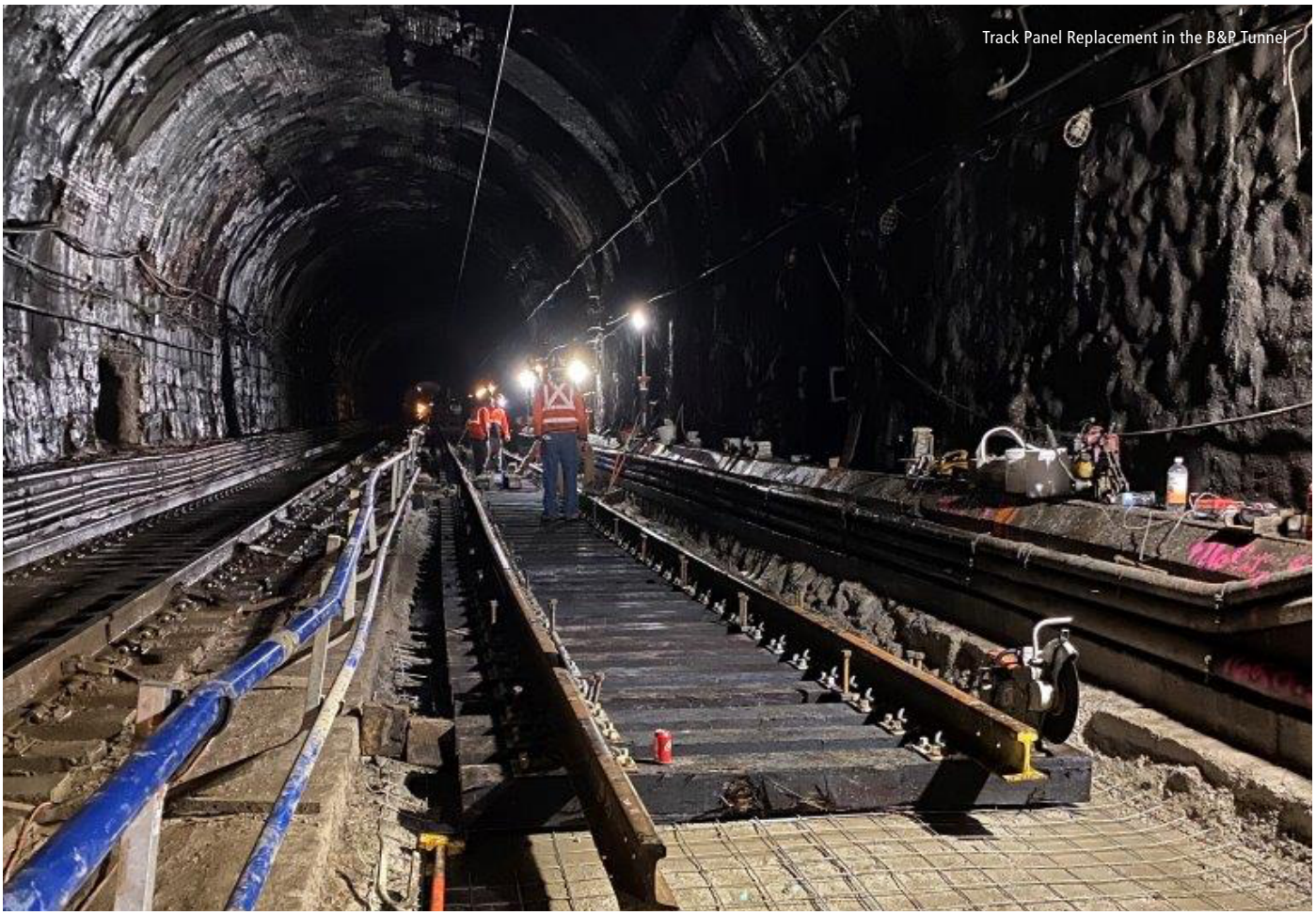
Aging Fleet and Infrastructure

Much of our fleet needs to be replaced given its age, reliability, and functional obsolescence. Re-fleeting is essential to offering a viable product in a competitive travel environment and offers additional benefits such as lower emissions and a sustainable spare parts supply chain for maintenance.

Since 2010, we have ordered (and in some cases, taken delivery of) new electric locomotives, a new generation of *Acela* trainsets, single-level Long Distance equipment that replaced the remaining cars we acquired from private railroads a half century ago, and, most recently, new diesel locomotives for our long-distance trains. We have underway a procurement process for new Intercity Trainsets to replace some 600 locomotives and passenger cars that are at the end of their useful lives, including railcars from the 1960s and 1970s and diesel and dual-mode locomotives from the 1990s.

While many of our upcoming fleet decisions will be impacted by the Congressional reauthorization of Amtrak, the Equipment Asset Line Plan describes our current plans, reflecting today's system, in greater detail and outlines the actions underway to replace and improve our equipment fleet. The plan will be adapted when Amtrak has a clearer view of the long-term network this equipment will need to support.

We also face the challenge of aging infrastructure on the NEC that is deteriorating and in many cases has reached or exceeded its useful life and/or the practical limits of its capacity to accommodate additional trains when the COVID-19 pandemic is behind us. Major infrastructure assets like the Baltimore and Potomac (B&P) Tunnels in Maryland (built in 1873), the Portal Bridge in New Jersey (built in 1910), and the Hudson River Tunnels (also built in 1910) all contain aging components that impede reliability and have severe capacity limitations that restrict ridership growth.



Track Panel Replacement in the B&P Tunnel

Challenges and Risks, continued

Changing Demographics and Travel Demand

Many Amtrak routes date to the company's opening in 1971 and have operated continually ever since. Since Amtrak's inception, however, there have been significant population and demographic changes in the U.S.—but Amtrak's National Network has remained largely the same. The static nature of our network has led to a growing mismatch between likely demand for intercity passenger rail services and Amtrak's routes and frequency levels.

Our business is driven by service to large and growing metropolitan areas and regions where we can offer a competitive product that provides an alternative to driving or flying. However, our service to some of the nation's biggest and fastest growing cities and regions is minimal and, in some cases, non-existent. The only Amtrak service in many cities is Long Distance trains that have poor OTP, offer only one or at most a couple of round trips a day, slow trip times and arrive when nearly all potential customers are asleep. Some examples include:

- Atlanta, the ninth largest metropolitan area in the country, is served by one long-distance route.
- Florida and Texas, the second and third largest states, have a population of nearly 50 million and are each only served by six trains a day (based on pre-COVID-19 service levels).
- Major cities such as Cleveland and Cincinnati are served exclusively during the middle of the night.
- Trip times in most non-NEC markets are not competitive with air or highway travel. Only one major non-NEC air market (Portland-Seattle) has more Amtrak than airline passengers.

Changing demographics mean the services and products that Amtrak provides must be modernized if we want to stay relevant.

The service and experience Amtrak provided in 1971 or even in 2000 is no longer desirable to our current and future customers. Millennials, the largest population cohort, seek travel experiences that are inexpensive yet Instagram-worthy, with seamless Wi-Fi capability for any work or leisure/social activity. By contrast, Baby Boomers gravitate toward luxury experiences with differentiated amenities, yet also value seamless connectivity.

We are also closely monitoring how COVID-19 is impacting current ridership and potential future trends. While overall ridership levels are down, we have seen a higher percentage of new customers on *Acela* and *Northeast Regional* during the COVID-19 pandemic. The current new customer base contains a higher proportion of younger customers who are driving a supportive opinion on passenger rail, exhibiting more sustainable travel mode decision tendencies, and appearing to have higher trust in the safety level of Amtrak travels during COVID-19.

Environmental Impacts and Climate Change Adaptation

According to the 2020 U.S. Department of Energy Transportation Energy Data Book, **Amtrak is 47 percent more energy efficient than traveling by car and 36 percent more energy efficient than traveling by airplane** on a per-passenger-mile basis. To continue being the efficient, low-emission travel option, Amtrak has focused on reducing fuel and energy usage year-over-year. We have set and achieved annual reduction goals by completing energy efficiency upgrades, improved train handling, and purchasing more energy efficient locomotives. Through these energy initiatives we have reduced over 237,000 metric tons of carbon dioxide equivalent since 2010—comparable to 51,200 passenger vehicles driven for one year.

Compared to other modes of transportation, passenger rail offers energy efficiency benefits, greater support to local and regional economic development, lower greenhouse gas emissions, reduced highway congestion, quick access to city centers and, in some cases, travel time savings.

Understanding the risks and opportunities of climate change is important to successful adaptation. Switching from less energy efficient travel modes (such as passenger cars and planes) to more efficient travel modes (such as trains) is one of the best ways for the transportation sector, which accounts for 29% of U.S. emissions, to slow the effects of a warming planet, and Amtrak has set a longer-term goal of 40% emissions reduction from 2010 emissions by 2030. Global concern about climate change also presents a business growth opportunity.

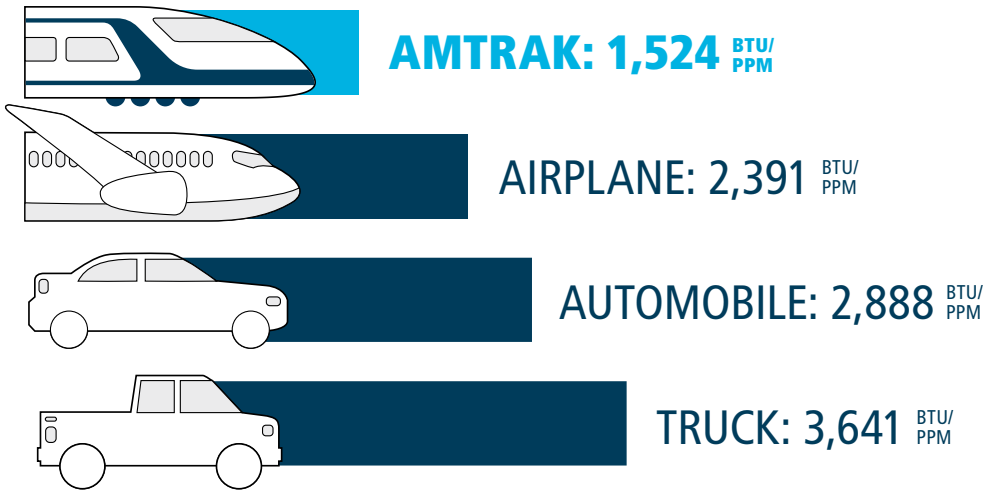
Our climate vulnerabilities are related to increased frequency of weather events, storm surges, heavy precipitation and sea level rise. At Amtrak, we are already experiencing climate impacts that are adversely affecting our operations now and will continue to do so at an increasing rate. To address these threats, the company is developing a Climate Resiliency Strategic Plan with support from external climate experts. The primary purposes of the Plan are to help Amtrak better understand our current state and climate risks, identify our goals and objectives for ensuring resiliency in our operations and infrastructure, and establish priorities and identify actions to achieve them. The strategic plan will outline where and how we can minimize the impacts of climate change on Amtrak, maintain our core mission and functions, and recover to previous or improved conditions.

Amtrak has already identified climate risks and begun amending business processes like design standards and asset condition evaluation to reflect them. What we are undertaking requires strategic involvement across all departments and collaboration with state and federal partners, host railroads, transit agencies, and other stakeholders.

Energy Consumption by Transportation Mode

Energy measured in British Thermal Units (BTUs). Source: Transportation Energy Data Book, Edition 38, 2020

Nationwide, Amtrak trains consume less energy on a per passenger mile (ppm) basis than other modes.

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Plan Highlights

Our service and asset line plans describe our strategies and initiatives in more detail. Each service and asset line is focused on supporting Amtrak's six pillars that serve as the foundation for our plan. Each pillar supports our mission, and outlines goals Amtrak expects to achieve.

AMTRAK'S SIX PILLARS

Safety and Operations

Our focus will be on providing a safe and secure environment to Amtrak's customers in the COVID-19 environment. This will include adapting procedures and policies to the latest public health guidance. Amtrak will continue implementation of the Safety Management System (SMS) Roadmap, advancing PTC and safety mitigations. Initiatives will also enhance enterprise and cyber security. While providing mobility throughout the nation, Amtrak will reliably execute the level of operations and adapt the level of service to evolving demand.

Customer Impact

The Safety and Operations focus on delivering a safe and secure environment has critical customer impact. Amtrak will aim to promote that safe environment to drive ridership. Initiatives will adapt to changing conditions and customer needs. Consistent with the Gain New Customers focus, Amtrak will identify emerging customer segments, deploying tactics to induce trials of our services and gain loyalty. As passenger demand warrants, Amtrak will restore Long Distance routes to daily frequency.

People

Amtrak's focus for the People pillar continues to be to attract, develop and retain a high-performing, diverse, inclusive workforce and leadership. Efforts center around communicating and modeling Amtrak's values and behaviors, enhancing employee development through dialogue and feedback, and leveraging digital tools to connect employees.

With the challenges presented to employees during the pandemic, initiatives will aim to provide support to each other in this environment through resources such as the Employee Assistance Program. In addition, Amtrak will execute a strategy to increase diversity, inclusion and belonging among our workforce.

Financial

The Financial pillar supports the strategic focus to Sustain the Company. Amtrak will exercise discipline to conserve cash, while working to secure funding levels to support operations and investment. To overcome financial challenges, efforts will aim to develop new revenue streams and drive productivity improvement and efficiency.

Strategy

Amtrak's strategy is to develop and support the Federal FAST Act reauthorization as a key to transforming the network to meet future intercity travel needs. We will continue to refine and prepare to roll out the National Network corridor development plan. To achieve network growth, we will nurture relationships with current and future State Partners and advance strategies to ensure network access. Additionally, we will continue to implement the Climate Resiliency Strategic Plan.

Assets

The Asset pillar includes initiatives and activities that enable Amtrak to Build for the Future. Fleet modernization continues, highlighted by placing an Intercity Trainset order and taking delivery of new *Acela* trainsets. We will advance key infrastructure projects, including starting construction of a new Portal Bridge as part of the Gateway program. And we will deliver important station and facilities milestones, including the recent opening of Moynihan Train Hall at Penn Station New York.

KEY BUSINESS DRIVERS

	FY 2020 ACTUAL	FY 2021 GOAL	FY 2026 GOAL
Ticket Revenue (Adjusted) $ Millions	$1,238.3	$592.4	$2,547.8
Ridership (Millions)	16.8	8.6	36.0
Adjusted Operating Earnings	$(789.1)	$(1,524.1)	$(323.3)
Customer Satisfaction Index	81.2%[1]	81.8%	83.8%
LOAD FACTOR			
NEC	43%	28%	55%
State Supported	29%	18%	41%
Long Distance	37%	30%	52%
Customer On-Time Performance			
NEC	86.9%	84.0%	90.0%
State Supported	80.9%	79.0%	82.0%
Long Distance	58.7%	50.0%	50.0%

1. FY 2020 CSI scores based on three-year average.

PLAN ACCOMPLISHMENTS

In our baseline plan, by the end of 2026 we will have...

- **Modernized our fleet:**

  → Replaced 20 legacy *Acela* trainsets with 28 new high-speed trainsets.

  → Replaced 75–125 aging P-42 diesel locomotives with new ALC-42 locomotives.

  → Ordered and begun receipt from vendors of the first of at least 87 new Intercity Trainsets (ICTs) (including motive power) to commence replacement of nearly 500 Amfleet-I and ex-*Metroliner* cars, seven Talgo trainsets and additional P-42 diesel and P32ACDM dual mode (diesel and electric) locomotives.

  → Launched the fleet renewal process for over 400 aging Superliner-I and Amfleet-II railcars.

- Launched **maintenance facility upgrade work** at our Northeast terminals and in the Pacific Northwest, to support ICT and *Acela* Next-Generation equipment while enabling global best practices in rolling stock maintenance.

- Begun operating at least **137 new railcars** owned by our State Partners on routes throughout the Midwest and in California, displacing over 100 legacy Amtrak-owned Horizon and state-owned Comet railcars from these routes.

- Advanced the **Gateway Program** by acquiring property to preserve right-of-way access for the Hudson Tunnel Project and Penn Station South expansion, and continued investment in Hudson Tunnel and Portal North Bridge construction.

- Advanced **B&P Tunnel Replacement Program** by acquiring possession of all property, completing construction of Track A improvements, and initiating construction on other early construction packages.

- Moved forward on **Virginia Rail Transformation:**

  → Initiated the first additional state-sponsored round trip.

  → Completed significant elements of Phase I construction, including Alexandria 4th Track.

  → Initiated construction on a new Long Bridge.

- **Launched dual-mode service on the NEC,** reducing dwell time in Washington and other terminals where trains change between diesel and electric power.

- **Expanded state corridor services** with route and frequency additions around the country.

STAKEHOLDER COORDINATION

The development of these plans includes consultation with Amtrak's service lines to ensure alignment and with outside entities contributing funding.

Amtrak maintains regular communication with our state, commuter and host railroad partners both on a bilateral basis and through our membership in entities such as the Northeast Corridor Commission and the State-Amtrak Intercity Passenger Rail Committee (SAIPRC). We are in continual communication with the federal government through the Federal Railroad Administration's management of our NEC and National Network grants and its membership in both the Commission and SAIPRC. We also communicate regularly with Congress regarding current and planned activities. Current efforts to improve or maintain Amtrak's assets that involve collaboration with stakeholders include Amtrak's fleet acquisition process and managing investment in shared-use infrastructure on the Northeast Corridor.

Coordination on Fleet Acquisition with FRA and SAIPRC

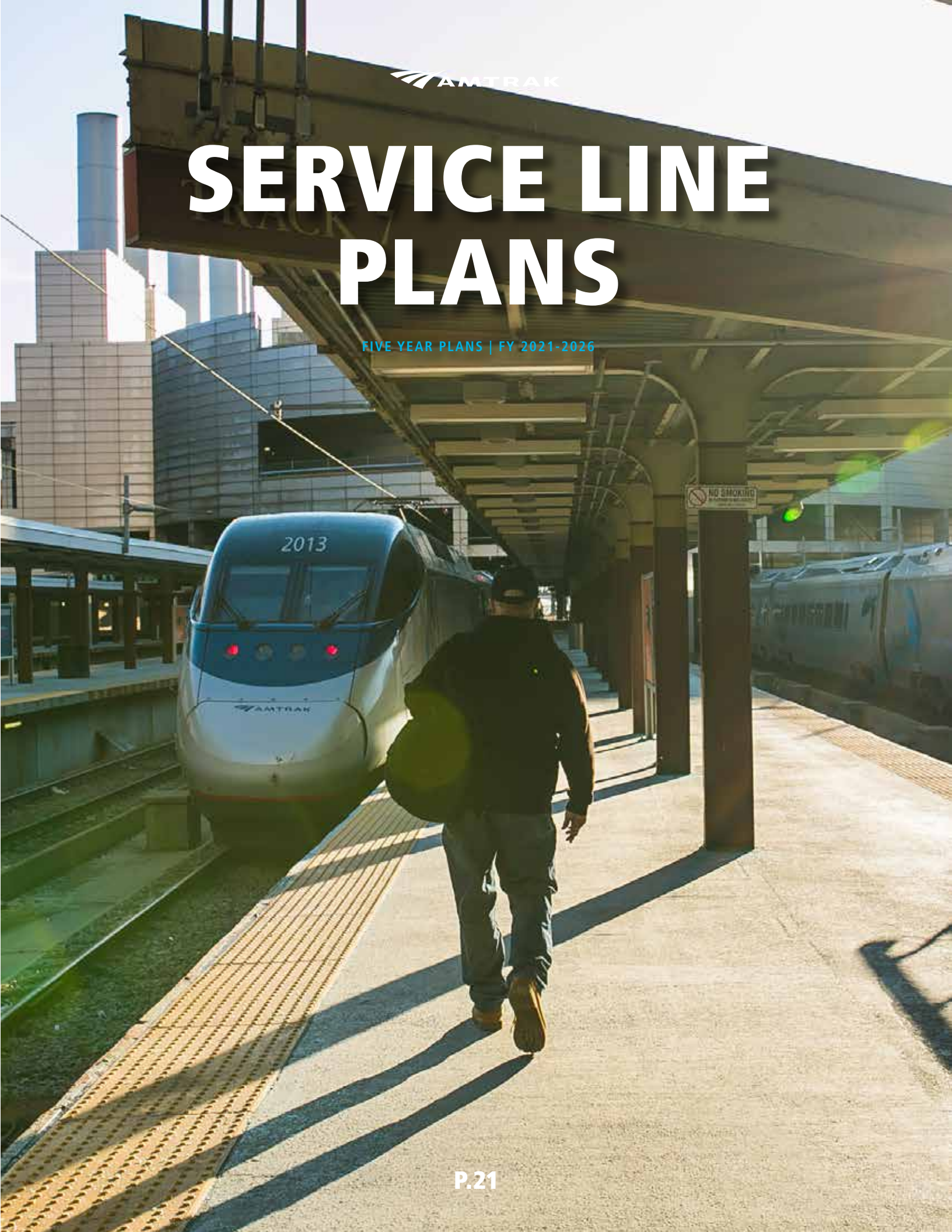
Amtrak reached the conclusion that our current fleet will need large-scale replacement in coming years thanks to both internal efforts and the help of external stakeholders such as the Federal Railroad Administration (FRA) and engineering firms, whose commissioned technical studies included the Amfleet I Life Extension Study that set forth the process for Amfleet replacement. Additionally, we have engaged our State Partners through the State-Amtrak Intercity Passenger Rail Committee (SAIPRC) to determine State Partner preferences regarding new equipment capacities, features and other key components.

Our fleet acquisition process involves outreach to the global vendor marketplace through a Request for Information (RFI) to gain an understanding of products and features available for re-fleeting, followed by a Request for Proposal (RFP) and selection of a vendor for any specific order. So far, we've engaged vendors through the RFI and RFP process for *Acela* replacement High Speed Trainsets, diesel locomotive replacement units and Amfleet I replacement Intercity Trainsets (ICTs). Additionally, State Partners whose routes are slated to receive new ICTs are active partners in our acquisition process for the new equipment, both directly and through SAIPRC. Leading engineering and consulting firms are assisting our related efforts with site analysis for new or retrofitted maintenance facilities, operating plan development to support the new maintenance schedules of ICTs, and a third-party review of our ICT business case prior to board approval.

For other fleet acquisitions, Midwest and California State Partners have also placed an order for 137 Siemens Venture railcars, married pairs and trainset units, which will equip most Midwest state corridors as well as California's *San Joaquin* service. These State Partners, along with Washington State DOT, have also taken delivery of 63 Siemens SC-44 Charger diesel locomotives. As a result, the modernization of Amtrak's fleet includes both Amtrak and state-owned equipment and initiatives.

Coordination on Investments in Northeast Corridor Infrastructure

The FAST Act requires that stakeholders are consulted in the development of the asset line plans. Amtrak engaged both the Federal Railroad Administration and the Northeast Corridor Commission (NECC) in developing its infrastructure asset line plan. Amtrak is continuing efforts to improve alignment between the IALP and Commission's Capital Investment Plan (CIP). Amtrak continues to work with the Northeast Corridor Commission to renew the cost allocation policy and to create a more inclusive process for plan development and review.



SERVICE LINE PLANS

FIVE YEAR PLANS | FY 2021-2026

AMTRAK SERVICE LINE PLANS INTRODUCTION


2115
2115
PACIFIC
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FY 2020 Year In Review & COVID-19 Response

The year 2020 began for Amtrak with a high degree of optimism and enthusiasm, spurred by its performance and the approaching May 1, 2021 50th Anniversary celebration.

Charger diesel locomotives and single level equipment, purchased by a consortium of states, were in service or being delivered. The procurement process to acquire new rolling stock to replace the aging Amfleet and Horizon equipment was well underway. In addition, work continued to prepare for the delivery of 28 new *Acela* high-speed trainsets, a fleet which would drive the next generation of rail service in the densely populated Northeast Corridor. States were aggressively pursuing federal grants to advance infrastructure modernization and expansion opportunities. For Amtrak's Long Distance service, significant work was underway to improve onboard amenities and prepare for refreshing interiors of equipment. Within the company, the record-breaking performance of FY 2019, coupled with the approaching 50th Anniversary, contributed to a sense that this was truly going to be a year like no other.

And it was.

The year began auspiciously, with record financial performance and ridership, and to all appearances, Amtrak was on course for a momentous year. The company was confidently expected to generate revenues in excess of operating costs for the first time in its history. For the first five months of the year, this trend held strong: Amtrak performed slightly above plan with gross ticket revenues of $982 million and was on plan for ridership at 13.2 million riders.

But the optimism that this performance kindled was abruptly dashed by the onset of COVID-19. In early March 2020, unexpected and unprecedented impacts from the onset and spread of the COVID-19 pandemic rippled across the economy. Not only did demand for travel collapse almost overnight, but a large volume of bookings and tickets for future travel were canceled as customers were confronted with the uncertainty of a new and scarcely understood disease. In a few successive weeks, beginning in late February and lasting though the middle of March, the country was wracked by the effects of the COVID-19 virus as the economy shut down, people quarantined in their homes, businesses shuttered, and a national crisis began.

As a result of the unforeseen and unavoidable consequences of COVID-19, Amtrak closed out the year $1,202 million below plan in terms of gross ticket revenue and 16 million riders short of goal. The company incurred an adjusted operating loss of $801 million. The one key statistic on which Amtrak exceeded plan despite COVID-19 was Customer Satisfaction Index (CSI), surpassing the goal of 88.0 with a final score of 88.7 for the year—a fitting tribute to the courage, compassion and patience of our employees, who sustained essential services in the face of a pandemic that was unfolding in front of them.

Against this backdrop, Amtrak faced not only uncertainty, but also an absence of official guidance about how to safeguard customers and employees during ongoing operations. Amtrak's Safety and Public Health departments (which had been monitoring the COVID-19 pandemic since January) activated the Incident Response Team (IRT) in Amtrak's headquarters when the scale of the crisis became evident in March 2020. The IRT conducted round-the-clock monitoring and guidance to keep customers and employees safe. In order to conserve cash, the company also reduced service dramatically, but in support of its mission, continued to maintain a schedule adequate to meet the nation's essential travel needs.

Using the information that was available, Amtrak took immediate action to keep its customers and employees safe and to assure them that all possible measures were being undertaken.

Amtrak established new safety and health processes and guidelines. Process changes included improved operational and cleaning procedures, limiting seat capacity to ensure physical distancing in stations and onboard trains, and changes in food service operations, including informational stickers and posters to support physical distancing and providing personal protective equipment (PPE) such as plexiglass barriers, gloves and masks. Amtrak employees even worked in their spare time to create masks, to ensure that an adequate supply would be available for front line staff. It was an effort that involved every employee.

SEE FOR YOURSELF:

AMTRAK'S NEW STANDARD OF TRAVEL

WHAT YOU SHOULD KNOW

Face Coverings
Amtrak requires face masks or coverings at all times.

Enhanced Cleaning and Disinfection
Enhanced cleaning and disinfection at key touch points with Lysol®

Physical Distancing Measures
Signage has been displayed at our busiest stations to indicate safe distances in high traffic areas.

Handwashing
With restrooms available in-stations and onboard, Amtrak strongly encourages washing hands thoroughly with soap and water.

AT THE STATION

5 **Boarding**
Boarding times have been reduced.

6 **Platform Signs**
Floor signs indicate the best door to enter the train at some stations.

7 **Plastic Barriers**
Barriers have been installed at customer counters in our busiest stations.

ONBOARD

8 Limiting Bookings
We are limiting bookings on reserved trains.

9 Air Quality
All of our trains are equipped with onboard filtration systems with a fresh air exchange rate every 4-5 minutes.

10 Disembarking Procedure
Conductors will announce where to disembark to minimize crowding.

11 Café Service
Signage promotes physical distancing leading up to café counters.

12 Plastic Barriers
Protective plastic barriers have been installed at café countertops.

AMTRAK

FY 2020 Year In Review & COVID-19 Response, continued

To reassure our passengers, Amtrak designed consistent customer messaging and communications to keep its passengers informed. We also augmented our efforts to find out how COVID-19 impacted our customers' preferences and travel plans- and we were fortunate that planned technology improvements came to maturity at the right moment to test their value. In April 2020, we replaced the long, rigid customer surveys we sent to customers at the completion of travel to calculate and track our Customer Satisfaction Index (CSI) with new technology that is more interactive. We can now obtain customized data without the reporting delay associated with our previous approach. The new technology allows us to quickly pivot to obtain customer feedback on new services and processes, and to measure customer reactions to external developments like the COVID-19 pandemic in real time. The efficiency of the methodology has improved customer response rates and provided data that can be tracked at the customer level. These technology improvements helped Amtrak to develop an evolving, up-to-date picture of the pandemic and its consequences, and to suggest ways in which our response strategy could be adapted to respond.

As the health aspects and resulting travel demand impacts of COVID-19 became clearer, Amtrak communicated widely about its impacts on company performance, sharing information directly with our State Partners, Congress, the Federal Railroad Administration (FRA) and other stakeholders. We initiated actions to recover demand by revising strategies and lowering ticket prices as necessary, to react to our competitors and attract new riders. Recovery has proven to be very slow, but we are seeing some encouraging penetration of new markets and customer segments.

FY 2020 Year In Review & COVID-19 Response, continued

As a result of the pandemic, we accelerated deployment of new technology on Amtrak.com and the Amtrak App to facilitate social distancing and provide customer assurance. NER Business Class implemented Reserved Seating on February 1 before the pandemic, and it was added to the *Carolinian*, *Palmetto*, and *Vermonter* in late 2020. Amtrak implemented Reserved Seating in *Acela* Business Class beginning in August 2020, provided "fullness' indicators to let passengers know the percentage of occupied seats on their train, transmitted gate and track information to mobile devices, and implemented a comprehensive communication strategy around Amtrak COVID-19 policies that included electronic communications to passengers on their day of travel. None of this would have been possible in such a short timeframe were it not for the recent development and deployment of the "Omnichannel" platform that unified our e-commerce technology around a single set of standards, technology and application programming interfaces (APIs).

After two months of seemingly ever-falling demand, ridership stabilized in April at less than 5% of normal (pre-COVID-19) riders—a point below which it was almost statistically impossible to fall; from the business perspective, it would be hard to imagine a much worse situation. Bookings have since begun a slow and steady rise as overall travel demand has increased. The measures taken by Amtrak have started to reassure those who are traveling during the pandemic, some of whom were not previously Amtrak customers, about the safety of train travel.

By late 2020, ridership had risen to approximately 25% of pre-COVID-19 levels across the system, except for the *Acela* service. *Acela*, which normally carries Amtrak's highest revenue passengers, is still carrying only 10% of normal ridership volumes. Travel and work patterns continue to be severely disrupted, and it is not yet clear how long these disruptions will last. There is also recent evidence of demand plateauing in some regions, eroding some of the progress we had been seeing since the beginning of summer.

As Amtrak looks to the future, the challenge lies not just in regaining Amtrak's previous customers, but in attracting new customers to compensate for previous customers who have indicated in customer surveys that they expect to travel less, particularly for business. These new customers, fewer of whom will be business travelers, will have different product needs and priorities. The future of our business depends upon service offerings that meet their needs, stimulating their interest in travel on Amtrak, and then satisfying their expectations so that they eagerly return.

The key selling point for these new customers will be a convenient, hassle-free travel experience that is delivered safely and reliably. Amtrak will work to expand its customer base in the short term by leveraging these features as we continue to invest in the infrastructure improvements and new equipment necessary to develop and improve passenger rail service for the future.

Recovery Strategy

As the pandemic proceeded, Amtrak's COVID-19 recovery initiatives reflect recommendations and mandates by the Centers for Disease Control (CDC), as well as requirements at the local and state levels. They include major changes in booking and reservations, in stations, and onboard trains across all service lines. Service changes undertaken as a result of the pandemic can be categorized into three areas: Booking and Reservations, Stations, and Onboard Trains.

BOOKING & RESERVATIONS

In the face of the uncertainty engendered by the pandemic, a need for fluidity and flexibility was a cornerstone of travelers' preferences during the COVID-19 pandemic. Nowhere was that need more evident than in the setting of prices and associated fees, as customers cancelled travel plans en masse and hesitated to make new ones. Amtrak initially waived both change and cancellation fees and continued to waive change fees for reservations made through the end of 2020. In addition, multi-ride pass holders were provided refunds if they requested them and restrictions on their travel during peak time periods were lifted.

One of Amtrak's most significant initiatives was the decision to restrict capacity on trains by limiting coach and business class ticket sales to approximately 50% of available seats. This effort assured passengers traveling alone that the seat next to them would be unoccupied. New technology allowed multi-ride customers, who could not previously reserve a specific seat, to make reservations, allowing Amtrak to limit the number of passengers on board at any one time. During the booking process, all customers were advised of the policy regarding face coverings and required to check a box agreeing to it.

STATIONS

At stations, Amtrak put extra cleaning protocols in place that included cleaning restrooms more frequently. New York Penn Station and Washington Union Station were closed during early morning hours to facilitate deep cleaning. Social distancing floor stickers were placed throughout stations, and signs and Passenger Information Display System (PIDS) announcements promoted social distancing protocols, reminded passengers to wear facial coverings, and advised them of the new cashless policy for onboard food purchases. Protective plexiglass panels were installed at all customer-facing counters, seats were blocked to provide space between customers, and self-service food and beverage items were removed from Metropolitan Lounges, which were limited to use by same-day Amtrak ticket holders. The boarding process at major stations was changed significantly, to create space and eliminate customer clustering around gates. Stanchions for lining up at gates were removed, PIDS announcements with gate information were announced no earlier than 15 minutes prior to departure, and gate and track information was transmitted to customers' electronic devices, allowing them to wait anywhere in or outside of the station until it was time to board their train.

Recovery Strategy, continued

ONBOARD TRAINS

On trains, conductors were asked to make additional announcements to remind passengers to wear facial coverings at all times (unless consuming food or in private rooms) and to spread out throughout the train. Physical distancing was promoted using signage on the floors and walls, by closing seating in café cars (other than the upper level of Sightseer-Lounge cars operated on some Long Distance trains), and by implementing social distancing in dining cars on Long Distance trains and encouraging private room passengers to eat in their rooms. Lexan barriers were added in the café car allowing café attendants to stand behind the barrier when serving customers. Installation of the barriers began in *Acela* and moved quickly to Amfleet I cars and then the remainder of the fleets. Hand sanitizer dispensers were also installed in all café cars for customer usage, using a design created by Amtrak Mechanical.

To advertise these changes and enhancements, Amtrak is developing a message that focuses on the distinctive and mostly new product attributes Amtrak offers that address customers' COVID-19-related concerns, including those listed at right.

AMTRAK'S

NEW STANDARD OF TRAVEL

Touch-free/no hassle experience.

New predeparture boarding information.

New gate boarding process.

"Never a Neighbor" **seating capacity indicator** and all reserved seating on *Acela*.

Shared information with customers about Amtrak's ventilation systems, providing information about **fresh air exchanges and filtration** to customers.

NEC COVID-19 Response

On the Northeast Corridor, where stations typically host both Amtrak and commuter services, the response program was tailored to address the comparatively large volume of traffic generated in a more densely populated region. Adjustments to service levels included the following.

TEMPORARY SERVICE CHANGES

Within weeks of the onset of the pandemic, Amtrak announced drastic reductions in NEC service, halting all *Acela* service for two months and cancelling 70% of NER service. On June 1, Amtrak implemented an updated service plan adding *Northeast Regional* capacity and reintroducing limited *Acela* service (two roundtrips from Washington to Boston and one additional round trip between Washington and New York and Boston and New York). This schedule represented a reduction from pre-COVID-19 *Northeast Regional* frequencies of about 50% and a 70% reduction in *Acela* service. After careful analysis and tracking customer sentiment, Amtrak made the strategic decision to restore as close to hourly service as possible in the NEC on September 7, bringing *Northeast Regional* service to about 75% of a pre-COVID-19 schedule and *Acela* to about 25%.

FOCUS ON STATIONS

Because the NEC is home to four of the five busiest stations in the country, which in normal times are crowded with passengers, transforming the NEC station experience was a major focus. Additional personnel were deployed on the platforms at New York Penn Station to assist customers during the boarding process, the new protocols for which were communicated in day-of-travel personalized emails.

EN ROUTE CLEANING EXPANSION

While the NEC began its en route cleaning program several years ago, the onset of the pandemic changed the importance of the program. New onboard cleaning protocols were introduced, and the program was expanded and enhanced. Additionally, duties were refocused on disinfecting and wiping down door handles and other touch points, cleaning lavatories, as well as surface area cleaning instead of previously focusing on collecting passenger refuse. En route cleaners were instructed to sanitize passenger seating area once that passenger left the train (to include arm rests, tray tables, and seat surfaces).

Long Distance COVID-19 Response

Long Distance trains continued to operate as before but with fewer customers. At its lowest point, ridership was 86% lower than at the same time the previous year. As the pandemic stretched on, Amtrak took the following measures to address the continued decline in travel demand:

REDUCED CAPACITY AND CONSISTS

Beginning in the Spring, Amtrak reduced the number of coaches and sleeping cars on many routes to align with demand, while continuing to operate a sufficient number of coaches to allow for social distancing with reduced capacity. (With physical distancing barriers already in place, private rooms continued to be sold at 100% of capacity.)

Last year, food service was modified to facilitate social distancing, minimize passenger-employee contacts and reflect reduced ridership.

REVISED DINING

Food service was consolidated in a single car on the *Capitol Limited* and *Crescent*. To facilitate social distancing, minimize passenger-employee contacts and reflect reduced ridership, food service was modified on the six overnight trains—the *California Zephyr, Coast Starlight, Empire Builder, Southwest Chief, Sunset Limited* and *Texas Eagle*—that normally offer traditional dining. Private room customers were offered flexible dining service featuring ready-to-serve meals in the Dining Car or via room service, while Coach customers could get Café service in the Sightseer Lounge. The flexible dining menu normally offered on one-night trains was expanded by three new entrees—chicken marsala, shrimp in lobster sauce and vegan enchiladas—to provide more options for customers traveling over several meal periods.

SILVER SERVICE FREQUENCY REDUCTIONS

Beginning in July, the New York City to Miami *Silver Meteor* and *Silver Star* began departing on alternating days. Daily service continued to be available between virtually all city pairs on both routes since the trains travel over largely overlapping routes, most of which are also served by other Amtrak trains. Daily service to Tampa was maintained via an Amtrak Thruway bus connection to the *Silver Meteor* at Orlando on days the *Silver Star* did not operate.

OCTOBER FREQUENCY REDUCTIONS

In October, at the beginning of FY 2021, Amtrak temporarily reduced the frequency of ten other daily long-distance routes to tri-weekly. This service reduction was necessitated by the continued severe decline in Long Distance passenger demand due to COVID-19—more than 60% on the 10 routes—and lack of additional emergency federal funding to maintain service that the CARES Act provided during the second half of FY 2020. The *Auto Train*, on which passenger demand has remained relatively high, continues to operate daily between Lorton, VA and Sanford, FL, and service frequency on the normally tri-weekly *Cardinal* and *Sunset Limited* routes is unchanged.

ONGOING COMMITMENT

Amtrak is committed to operating a national rail network that serves customers across the country and to restoring daily service to the 13 Long Distance routes on which service frequency has been reduced. We will consider the following metrics to decide when to restore each affected route:

1. **Public Health: Is the COVID-19 pandemic under control?** Amtrak will assess COVID-19-related hospitalization rates in the regions through which a given Long Distance route operates. If those rates are stable or declining as of February 15, 2021, this condition will be met.

2. **Future Demand: Are customers booking trips near the same rate as in 2020?** Amtrak will compare advance bookings for June 2021 (as of February 15, 2021) to advance bookings for June 2020 (as of February 15, 2020). If the percentage of available seat-and room-miles booked in 2021 is at least 90% of the 2020 percentage, this condition will be met. (Calculations of availability for 2021 will reflect any caps on ticket sales to promote social distancing, as well as any other relevant measures adopted to minimize COVID-19-related risks.)

3. **Current Performance: Is ridership close to our projections in our operating plan?** Amtrak will compare systemwide ridership levels for the fall (Q1 of FY 2021) with our FY 2021 operating plan, which already accounts for reduced ridership due to COVID-19. If the number of passengers is at least 90% of the projected figure, this condition will be met.

If all three conditions are met for a given Long Distance route, then in February 2021, we will begin working to restore service along that route. Depending on the particular route, that restoration could be complete as early as late May, and no later than June 30, 2021. If any route is not yet ready to be restored when we conduct our review, we will apply an updated version of the criteria described above as part of the FY 2022 planning cycle (or sooner, in the event of dramatic improvement in demand prior to that time).

State Supported COVID-19 Response

As the country braced for the escalation of the COVID-19 pandemic, quarantining was implemented in many states and ridership plummeted. In a matter of a few weeks beginning in March, Amtrak responding to requests from each state, began a systematic reduction of services that affected most State Supported routes. While some states sought the reductions in an effort to prevent the spread of the virus, in most cases the impetus was the dramatic drop in demand. From mid-March through May, ridership on State Supported services was down between 90-95% compared to the previous year.

Once the reductions were made, Amtrak provided states with regular updates on their services, as well as advanced booking reports. In early March, we organized calls, initially on a weekly basis, with the states that attracted as many as 130 participants. During these calls, Amtrak provided states with the most up-to-date information on health and safety protocols, notification of infected passengers or employees, cleaning practices, messaging, and other relevant topics. Each call included a report from the company's medical and safety team, followed by a commercial update, a service update, and information on other topics of relevance. Over time, the calls have increasingly focused on financial issues.

In late March, Congress passed the CARES Act, which provided $239 million of emergency relief for State Supported services that Amtrak and states had requested. Working through the State-Amtrak Intercity Passenger Rail Committee (SAIPRC) (comprised of representatives of Amtrak, states that fund State Supported services and the FRA), we immediately began discussions on how to administer the funds. An allocation process was established and quickly implemented, bringing needed relief to all our State Partners. During this time, the company worked hard to quickly analyze and disseminate monthly results and other relevant information to help the states better understand their financial situation and how best to manage through it.

Beginning in June, states began to restore service even though demand was still severely depressed. As services were restored, Amtrak worked closely with the states to implement the service recovery protocols described above, and to move to all-reserved status for all but two State Supported services. By the end of summer, service had been restored to approximately 50% of pre-COVID-19 levels, although ridership was still down nearly 80% compared to the previous year. CARES Act money was able to carry the states through the end of calendar year 2020, providing consistent service frequency through the holiday period. Because it is clear that the conditions engendered by the pandemic will persist for some time, Amtrak and the states have worked together to support additional Congressional funding efforts as well as provide the relevant Congressional committees with regular updates.

In late March, Congress passed the CARES Act, which provided $239 million of emergency relief for State Supported services that Amtrak and states had requested. CARES Act money was able to carry the states through the end of calendar year 2020, providing consistent service frequency through the holiday period.

The Path Ahead

TRAVEL INDUSTRY MACRO CONDITIONS

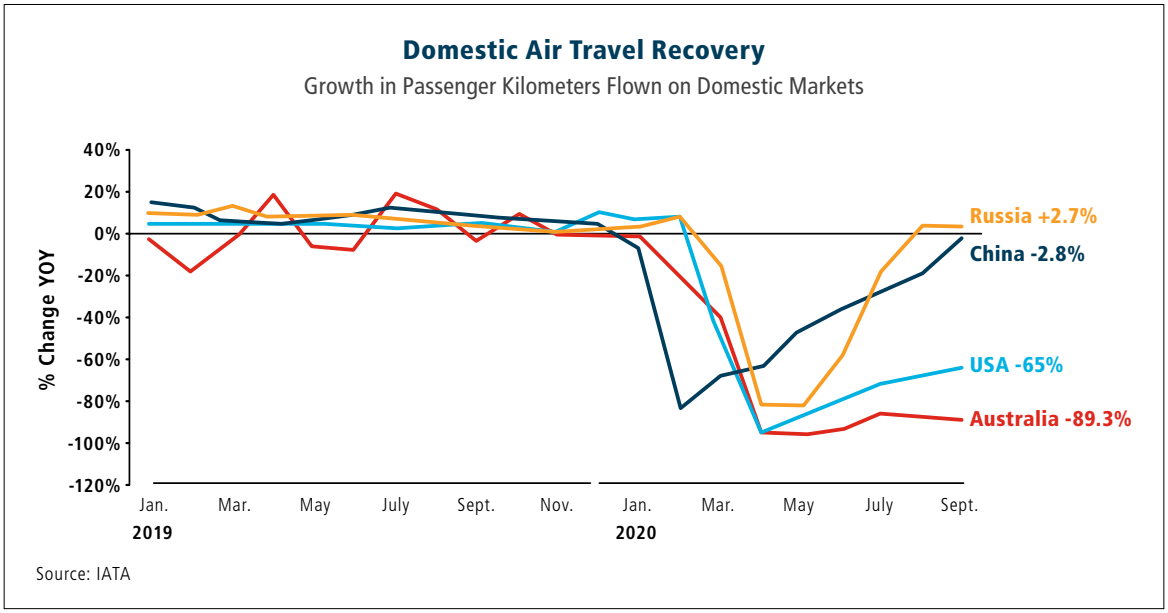
The travel world has been on a roller coaster in 2020. Even as vaccination campaigns started in the United States and Europe, national borders closed to visitors from the United Kingdom because of a new strain of the coronavirus. While the number of people flying in the United States is again on the rise, (topping 1 million a day on the weekend before Christmas), a patchwork of quarantine and testing regulations remain in place in many parts of the country. Recent trends that Amtrak is considering as the situation continuously evolves include:

- Two possible scenarios in 2021: "Vaxi-cations" resulting from pent-up demand and hence people start booking in large numbers after receiving vaccinations; or gradual return to travel after initial round of vaccinations.
- In 2021, a majority of the Americans are expected to travel domestically. This trend started after the COVID-19 pandemic set in and is expected to continue into 2021. In the US, according to Expedia, the most searched destinations for travel are Las Vegas, New York and Los Angeles. There is an opportunity for travel providers to provide attractive domestic packages.
- Travel suppliers will continue to persist with flexible travel policies since demand will initially be driven primarily by leisure travelers.
- Near-term travel recovery will be driven by leisure travelers desperate for vacation or to see family, not by business travelers. Per STR (a hotel industry analytics company), business travel is expected to pick up in third quarter of 2021 and McKinsey expects a full recovery in 2023 or beyond. These leisure travelers will likely choose "outdoorsy" destinations over urban ones reflecting recent trends.
- Many multi-generational trips (going to visit grandparents, etc.) will not happen this year.
- Other travel trends that appear likely to continue; "work-cations", "flex-cations", and longer trips facilitated by remote working.
- Travel customers will continue to deeply care about hygiene of heavily trafficked spaces and will demand a stepped-up focus on health measures. Partnerships similar to what Amtrak has with Lysol will continue to evolve and be marketed to would-be travelers.

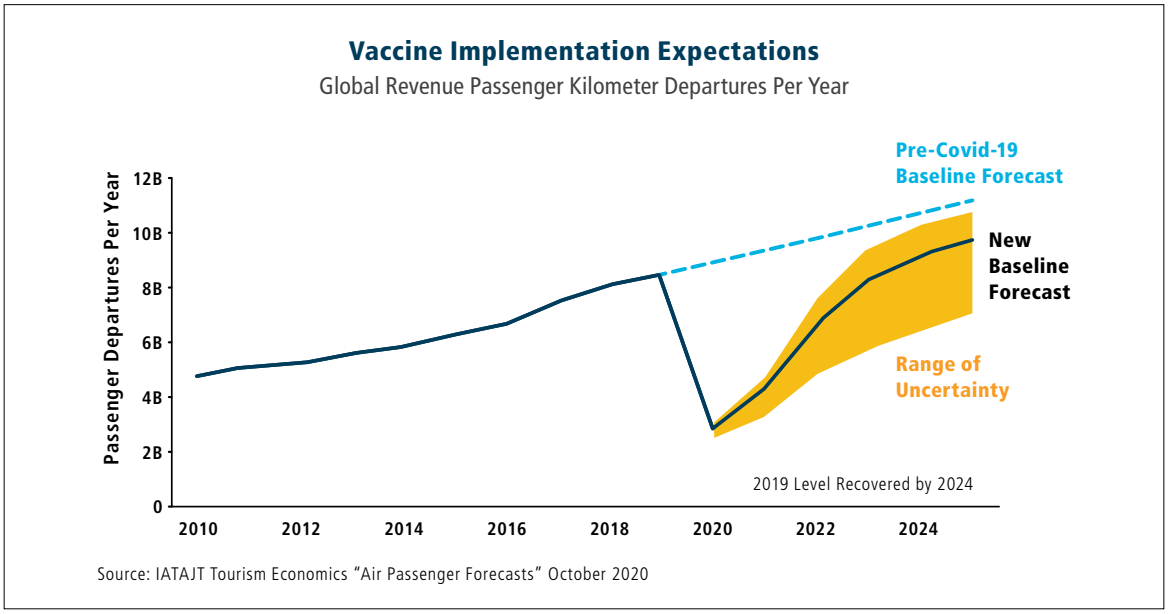
AIRLINE RECOVERY

Given the macro view of travel in 2021 and beyond, airline industry projections relevant to Amtrak are outlined below (data includes global trends, but similar trends will apply to US airline industry).

Domestic air travel trends. IATA data shows US domestic air Revenue Passenger Kilometers (RPK) have declined by 65%. Australia, despite limited coronavirus cases, still shows a decline in domestic travel (down 89.3%), indicating hesitancy in travel combined with public health policies discouraging travel.



Vaccine availability. Recent vaccine news is positive, but recovery will still take some time. Based on IATA data, with vaccines deployed at full-scale in second half of 2021, air travel is expected to rise substantially only in Q4 of 2021 and into 2022. On this basis, IATA expect 2019 RPK levels to be regained only in 2024. The yellow area in the below graph gives an insight into a range of scenarios on how the next few years play out.



AMTRAK ASSUMPTIONS

Within Amtrak, we defined Post COVID-19 recovery as reaching 100% of FY 2019 ridership in the NEC. This is achieved with:

- 90% of Pre-COVID-19 business travel, and
- 105% of pre-COVID-19 non-business travel.

Using the above benchmarks, Management tested three demand scenarios based on achieving post COVID-19 recovery:

1. Optimistic: FY 2023 recovery
2. Middle: FY 2024 recovery
3. Pessimistic: FY 2025 recovery

Assuming the likelihood of a post-COVID-19 recovery in 2024, Management expects the trends for business and non-business travel return to be as shown in the following table.

Traveler Recovery Rate as % of Pre-COVID-19 Ridership

	FY 2021	FY 2022	FY 2023*	FY 2024
Business Traveler Recovery Rate	30%	50%	70%	90%
Non-Business Traveler Recovery Rate	55%	75%	90%	105%

*Corresponds to the Waves study that compared % change in travel frequency post-COVID-19 to pre-COVID-19.

When we translate the business and non-business recovery into a service line view, our revenues and ridership trends are reflected as shown in the table on page 39.

FY 2024 Recovery Projections (Middle Scenario)

	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025
RIDERSHIP (in Millions)								
NEC	12.12	12.53	6.15	3.27	7.92	10.07	**12.53**	13.03
State Supported	15.01	12.44	8.00	4.18	1.28	14.03	**16.98**	17.56
Long Distance	4.51	4.55	2.69	1.14	3.40	3.95	**4.55**	4.60
Total Amtrak	**31.72**	**32.52**	**16.84**	**8.59**	**22.61**	**28.06**	**34.06**	**35.18**
GROSS TICKET REVENUE ($s in Millions)								
NEC	$ 1,263.7	$ 1,321.6	$ 651.7	$ 282.3	$ 763.8	$ 1,009.1	**$ 1,279.4**	$ 1,378.8
State Supported	521.2	538.1	281.7	154.3	383.7	467.3	**564.8**	585.8
Long Distance	486.2	494.6	308.2	163.7	377.0	414.1	**490.4**	499.9
Total Amtrak	**$ 2,271.2**	**$ 2,354.3**	**$ 1,241.6**	**$ 600.3**	**$ 1,524.5**	**$ 1,890.6**	**$ 2,334.7**	**$ 2,464.5**

Even after we reach a steady state growth after FY 2024, we expect to lose 5% of ridership when compared against the pre-COVID-19 FY 2019 scenario growth rates projected to FY 2024 and beyond.

AMTRAK PRICING AND REVENUE MANAGEMENT STRATEGY

Given the travel trends and the demand projections for Amtrak, our pricing and revenue management (PRM) strategy going into FY 2022 and beyond will focus on the following three key concepts:

1. Pricing capabilities/business processes that enable the creation of rate structures and policies to stimulate ridership growth

Pricing capabilities that drive a "test and learn" culture within PRM (offer design, rate structure, policy changes, and more dynamic pricing updates as well as competitor data, real-time data analytics and tools that support a test and learn framework). Since travel trends suggest leisure travel will lead the travel demand recovery, we will continue our less-restrictive pricing policies on change fees.

2. Pricing and Revenue Management integration with Marketing to drive new customer growth

Working closely with Marketing, enable the design of creative offers using innovative pricing strategies that drive growth in our new customer base. Drive incremental demand through creative pricing offers for B2B channel partners like Expedia and other distribution channel partners. We also intend to partner with Convention and Visitor Bureaus in their recovery marketing programs. The focus is on driving demand at the top of the funnel, through creative pricing strategies, offer design and creative merchandising on our owned and 3rd party channels.

3. Revenue Management (RM) to optimize revenues where opportunities exist

RM will be opportunistic when it comes to mix management, even in this phase of tepid ridership growth. The RM team will identify tactical pricing and marketing opportunities to drive incremental demand along with managing inventory to drive higher yield in high-demand situations.


Conductor
AMTRAK

Summary

Amtrak was fortunate, in that it entered this crisis in a strong financial position and had initiatives and investments for the future underway. Those that could be leveraged to improve our response, like the improvements to customer service feedback systems, have been put to good use. Development of the improvements that promise future benefits has continued, to ensure that we will have appealing commercial offerings for the traveling public that will help us rebuild ridership and revenues in the years to come.

The service lines have adapted and managed through the crisis, making service-level decisions, adjusting schedules, communicating with employees, and engaging stakeholders quickly as events escalated. At end of FY 2020, Amtrak had an operating deficit of approximately $800 million. It is expected that ridership recovery will continue to lag for the foreseeable future, especially business-related travel. As such, given the almost overnight need for people to adapt to the new reality of the pandemic and uncertainty about vaccine availability and effectiveness, it is very difficult as a service line to forecast for FY 2021, let alone set plans and goal for the next five years.

Outlined in each of the service line plans are the best strategic and planning insights Amtrak can presently provide for the next five years. The plans will serve as a baseline during this very chaotic period. Amtrak's primary goal is to recover our ridership and revenues.

> **We must continue the efforts to build for the future by advancing procurement of new equipment, pursuing expansion of new services, and continuing active and regular communications with partners and stakeholders.**

All of these activities taken together will underpin the advancement of the 5-year plan and the dynamic nature of the world's recovery from the massive disruptions caused to the transportation sector.

NORTHEAST CORRIDOR SERVICE LINE

Amid the worst disruption to the transportation industry in modern history, Amtrak's Northeast Corridor is preparing for the most transformative decade in its history. Train travel is well-positioned not only to weather the current storm, but to emerge as a mobility leader in the 2021-2026 timeframe and beyond.


DANIEL PATRICK MOYNIHAN TRAIN HALL
MOYNIHAN
TRAIN HALL
31st Street
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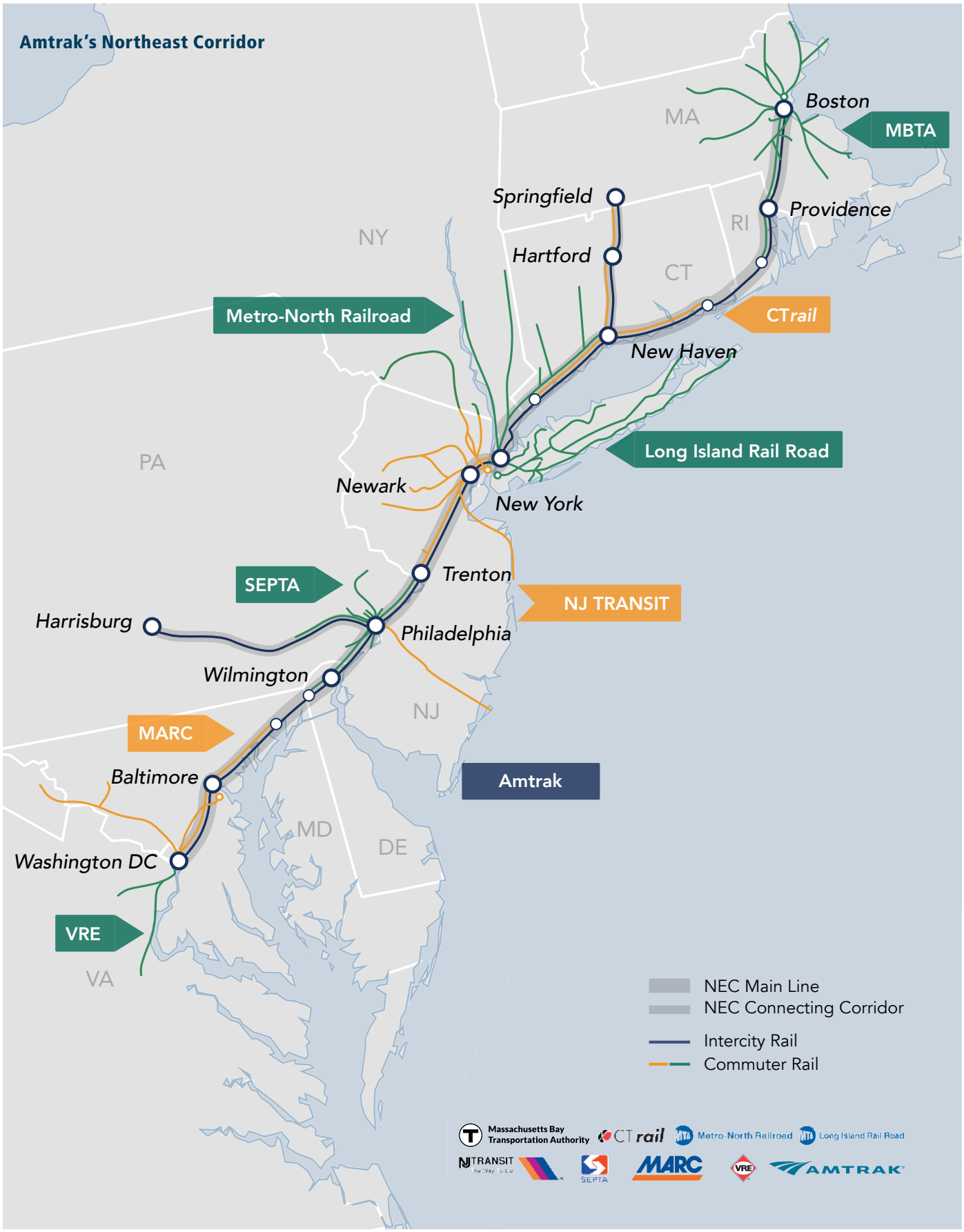
Amtrak's Northeast Corridor
Boston
MBTA
MA
Springfield
Providence
RI
NY
Hartford
CT
Metro-North Railroad
CTrail
New Haven
Long Island Rail Road
PA
Newark
New York
SEPTA
Trenton
NJ TRANSIT
Harrisburg
Philadelphia
Wilmington
NJ
MARC
Baltimore
Amtrak
MD
DE
Washington DC
VRE
VA
NEC Main Line
NEC Connecting Corridor
Intercity Rail
Commuter Rail
Massachusetts Bay Transportation Authority
CTrail
Metro-North Railroad
Long Island Rail Road
NJTRANSIT
SEPTA
MARC
VRE
AMTRAK

Introduction

Amtrak's Northeast Corridor Service Line (NECSL) provides intercity passenger rail transportation on the Northeast Corridor (NEC). The mission of the NECSL is to grow ridership and the financial operating contribution from its high-speed *Acela* and *Northeast Regional* (NER) services.

Amtrak's Northeast Corridor offers two distinct intercity products: *Acela*, Amtrak's premiere service that operates at speeds up 150 mph, and *Northeast Regional* which operates at speeds up to 125 mph. Although capacity has been reduced due to COVID-19-driven limits on ticket sales to facilitate social distancing, *Acela* trainsets have 44 seats in first class and 264 seats in business class, and NER consists vary from 288–566 seats depending on consist size. Several Amtrak Long Distance and State Supported services also traverse the NEC. Where practical, those trains will continue to be open for sale between New York City and Washington, DC. The population density in the northeastern United States makes Amtrak's Northeast Corridor the most heavily traveled portion of the American passenger rail system. Due to the region's economic activity and output, the NEC serves a vital role in the regional and national economies.

At the beginning of 2020, the NEC was on track to achieve another record-breaking year, and several major projects were underway. The new *Acela* fleet was progressing toward a service launch timed for late 2021; the new flagship station in New York City, the Moynihan Train Hall, was slated to open, and the procurement to replace the Amfleet I cars for the *Northeast Regional* fleet was well underway. These programs were expected to lead to significant improvements in ridership, revenues and customer satisfaction. The onset of the COVID-19 pandemic resulted in massive reductions in travel demand, particularly business travel, and continues to take a toll on ridership and revenue. Travel demand remains well below pre-COVID-19 levels and it is anticipated that it will take several years to recover. Furthermore, due to anticipated changes in work and traditional commuter patterns, the future NEC strategy must evolve in order to attract new types of riders beyond traditional business travel.

"The Hive," an art installation by Elmgreen & Dragset, is on display at the Moynihan Train Hall.

In light of this, our strategy focuses on NEC's ability to:

- Grow and rebuild baseline passenger volumes.
- Anticipate and plan for the advancement of major infrastructure projects, including the Gateway Program, B&P Tunnel replacement, and state-of-good-repair and trip time improvement projects.
- Reposition for the future without diluting or diminishing the strength of NEC brands and products.
- Capture new customers and more traffic to meet increased capacity that will be available with introduction of the new *Acela* fleet, followed a few years later by the introduction of the new ICT *Northeast Regional* fleet.

NEC INFRASTRUCTURE

The NEC Main Line is 457 miles long, connecting major northeastern cities including Washington, DC, Baltimore, Philadelphia, New York City and Boston. With the addition of connecting corridors to Harrisburg, PA, Springfield, MA, Albany, NY and Richmond, VA, served by State Supported trains, the NEC spans 899 miles. Most of the NEC infrastructure is owned by Amtrak, with approximately 56 miles owned by the Connecticut Department of Transportation and dispatched and maintained by Metro-North Railroad between New Rochelle, NY and New Haven, CT. Thirty-eight miles of the route are owned by the Commonwealth of Massachusetts and maintained and dispatched by Amtrak.

As a result of the COVID-19 pandemic, commuter rail traffic was drastically reduced, but by the end of 2020 train service frequency had been restored to approximately 80% of pre-COVID-19 schedules in anticipation of returning demand.

The Northeast's five major metropolitan regions—Boston, New York, Philadelphia, Baltimore and Washington, DC—rely on Amtrak services for a significant share of business and leisure passenger travel, and on the NEC infrastructure for the daily commuting needs of their workforces. As a result of the COVID-19 pandemic, commuter rail traffic was drastically reduced, but by the end of 2020, train service frequency had been restored to approximately 80% of pre-COVID-19 schedules in anticipation of returning demand.

In addition to operating the *Acela*, *Northeast Regional*, State Supported and Long Distance trains, Amtrak serves as the infrastructure manager for most of the NEC. Amtrak provides dispatching services and electric propulsion power and maintains and improves the infrastructure and facilities used by Amtrak as well as commuter and freight rail services. The NEC is a very intricate railroad system and the most complex and heavily used railroad territory in the country. While commuter services operate the majority of trains running on the NEC, Amtrak accounts for about half of the train miles actually traveled on the NEC, and is the only operator to provide end-to-end service between Boston and Washington, DC.

Before COVID-19, more than 260 million passenger trips were made on the NEC each year, of which 17.1 million annual trips in FY 2019 were Amtrak passengers. The balance of trips are made on trains operated by Amtrak's eight commuter railroad partners that share the NEC: the Massachusetts Bay Transportation Authority, Shore Line East, Metro-North Railroad, the Long Island Rail Road, New Jersey Transit, Southeastern Pennsylvania Transportation Authority, MARC and Virginia Railway Express. Prior to COVID-19, approximately 820,000 weekday trips were made on the NEC, either on Amtrak or one of the commuter railroads, and more than 2,100 passenger trains and 60 freight trains operated on some portion of the NEC every weekday.

NEC Infrastructure and Capacity Challenges

This heavy traffic volume is carried on an aging and capacity-constrained infrastructure, and consequently, much of the NEC is approaching the limits of its capacity; it is also in need of rehabilitation. Many rail assets need renovation or replacement to provide the capacity needed both support likely growth and to provide safe, reliable, and convenient commuter, Regional and high-speed rail service into the next century.

NEC infrastructure and Capacity Challenges, continued

As required by the Passenger Rail Investment Improvement Act of 2008 (PRIIA), the NEC Commission has adopted a cost allocation policy to share operating and normalized replacement of the NEC's basic infrastructure costs based on each NEC railroad's proportional use. The capital funding that Amtrak and states provide under this policy is the NEC's first dedicated, predictable capital funding. While an important first step, this funding is insufficient to restore the NEC to a state-of-good-repair, let alone make improvements for the future.

In 2015, the Fixing America's Surface Transportation Act (FAST Act) authorized policy and funding levels for five years. The FAST Act authorized Amtrak funding under a new structure that created separate accounts for the NEC and the National Network and requires NEC revenues to be reinvested in the NEC. However, because the FAST Act did not establish a predictable, sustained source of funding for intercity passenger rail service like the trust funds that fund other transportation modes, Federal funding for NEC capital investments remains dependent upon annual appropriations. COVID-19 has exacerbated this problem, since Amtrak's NEC operations are not generating net operating revenues that can be reinvested in NEC infrastructure. While infrastructure age and condition are major considerations, the long-term outlook must also contemplate the growing capacity needs of the NEC. The Northeast is a highly productive and densely inhabited region, supporting 17 percent of the nation's population on two percent of its land area and generating 20 percent of its GDP. About 80 percent of this population lives within 25 miles of the NEC. This population is expected to grow significantly, and that growth is expected to generate increased demand for passenger rail service. In its current state the NEC's infrastructure cannot accommodate pre-COVID-19 demand levels.

More on NEC infrastructure is outlined in detail in the Infrastructure Asset Line Plan.

Market Overview

As Amtrak navigates the new and radically changed travel environment created by COVID-19, we are tracking and adapting to changes in travel patterns and customer sentiment on the NEC. New York City, the hub for Amtrak's NEC service, was initially the epicenter of the pandemic, with more COVID-19 cases than any foreign country. New York's lockdown resulted in massive and historic deterioration in Amtrak's business, almost overnight and with little warning. The impacts to other Northeastern cities compounded the ridership losses.

With so many uncertainties surrounding the timeline for vaccine distribution, the level of economic, leisure and commercial activity that drives travel on the NEC continues to be severely depressed.

While the NEC travel market recovery outlook is ambiguous, it is likely to be several years before travel demand recovers to pre-COVID-19 levels.

Moynihan Train Hall

FY 2020 PERFORMANCE AND RESULTS

Throughout the first five months of FY 2020, Amtrak was achieving record ridership and revenue. Through the end of February 2020, the NECSL was 3.0% ahead of expected ridership and had earned 3.4% more revenue than planned. The business was on track for a record year. Once the global pandemic took hold on the US, ridership and revenue declined steeply, a process that accelerated throughout the remainder of March and into April and beyond. For FY 2020, the NECSL ended the year with decreases of 49.7% in riders and 50.7% in revenue versus FY 2019. In the coming years, as Amtrak looks to rebuild its ridership and customer base, Amtrak expects a challenging period for ridership and revenue to recover.

NEC Ridership Comparison for FY 2020 compared to FY 2019

	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep
Acela	6%	-2%	16%	5%	7%	-66%	-100%	-100%	-97%	-93%	-92%	-91%
NER	2%	0%	12%	5%	8%	-60%	-98%	-96%	-91%	-85%	-82%	-79%

Strategy

NEC SERVICE LINE STRATEGIES

Despite the COVID-19 pandemic and the uncertainties it has brought, there is an upside for Amtrak. Rail transportation will serve as a powerful tool for the northeastern region's economic comeback, offering a mobility solution that more and more consumers will prefer in the post-COVID-19 environment. To meet the challenges of the new environment and capitalize on the inherent competitive advantages of train travel, Amtrak's NEC will advance the key strategies described below.

OVERVIEW OF PRIMARY INITIATIVES

Innovate and Deliver COVID-19-Safe Features and Enhancements

Safety is foundational to Amtrak's mission. But in the COVID-19 age, the safe and secure transportation for customers and employees takes on an entirely new and deeper meaning. Almost overnight, protocols and practices have been revamped to adapt and adjust to the new environment and to take every precaution to prevent the further spread of COVID-19. With its 'New Standard of Travel' (see page 30), Amtrak will consistently demonstrate its commitment and dedication to providing the highest levels of safety. Amtrak will continue to research and implement touchless and contactless technologies such as reserved seating, mobile check in, and other new and innovative enhancements for customers. Throughout this process, Amtrak will continue to monitor and comply with all safety requirements and mandates at the Federal and State levels.

Acela Program

Acela—Amtrak's most commercially successful product and flagship high speed service—marked a major milestone in December 2020, celebrating 20 years of service. The preference and demand for high-speed train travel have continued to grow consistently throughout its service life. More than 52.5 million passengers have traveled on the fleet of 20 *Acela* trainsets since it entered service. For much of its 20+ year operation, *Acela* has appealed to customers for its faster trip time and punctuality, industry leading comfort, diverse first-class offerings, and overall premium experience. Furthermore, the all-electric *Acela* fleet appeals increasingly to travelers attentive to the carbon footprint of travel.

According to the 2019 U.S. Department of Energy Transportation Energy Data Book, Amtrak is 47 percent more energy efficient than traveling by car and 36 percent more energy efficient than domestic air travel.

The new fleet of *Acela* trains being manufactured by Alstom Transportation in Hornell, New York is scheduled to begin entering revenue service in late 2021. The acquisition of 28 next generation high speed trainsets will expand the *Acela* fleet by 40% and offer 25% more seats (304 to 386) per train, as well as offering improved ride quality, increased reliability, and modern contactless features.

Inovate and Offer New Pricing

Historically, NEC customers seeking economical fares have been conditioned to seek NER service, while business customers have gravitated towards Amtrak's *Acela* product. With the collapse of the business market during the pandemic, Amtrak will need to reconsider the future market and the impact that will have on the customer mix for both the NER and the *Acela* products.

Overview of Primary Initiatives, continued

Expand the Customer Base

As the pandemic continues, it becomes clearer that the NEC customer mix of the future will not be the same as it was in the past. Identifying emerging customer segments will be critical. Although we do not yet know how those segments will be composed, it seems certain that a key choice component for these segments will be state-of-the-art onboard and station technologies. High speed Wi-Fi, interactive communications, and an ability to get real-time information on all aspects of the trip will be expected amenities. Amtrak investments in these features will no longer be optional if the NEC services are to be relevant and competitive—they will be requirements. To address dramatic shifts in the travel behavior described above, Amtrak must focus on driving ridership and creatively reaching and winning new NEC customers, not just for the near term, but also for the long term, and in preparation for the new *Acela* revenue service launch in 2021.

NER Relaunch

In addition to the introduction of new *Acela* equipment, Amtrak will be acquiring new equipment to replace the existing, aging Amfleet I cars operating on *Northeast Regional* trains. The acquisition process for new trains is an extended one and can take 5-6 years from notice-to-proceed to the arrival of the first trainset. Amtrak must therefore remain firm in its commitment to modernize the fleet and upgrade infrastructure.

In January 2019, Amtrak began the process of replacing its Amfleet I fleet by issuing a request for proposal for new equipment. The 458 Amfleet I cars were built between 1975 and 1977. Although regular overhauls of mechanical components and refreshes of interior appointments have kept the Amfleet I cars commercially useful, they are overdue for replacement with an equipment fleet that provides an updated modern train experience for today's customers. Amtrak hopes to award this contract in FY 2021, with the first new cars arriving on the NEC five to six years after that.

Sustainability and climate compatibility are also increasingly important to the traveling public. Train travel routinely ranks among the most sustainable, environmentally friendly mode of travel. Amtrak can capitalize on this competitive advantage and leverage it to win new, younger, loyal customers.

Five-Year Plan

The initiatives, projects and proposals for the NEC are outlined with one purpose in mind: positioning Amtrak to be the first choice for customer travel in the NEC. With special focus on an improved customer experience to grow ridership and revenue, the next five years will be transformative.

However, roadblocks remain, given uncertainties with recovery from COVID-19 and impacts on travel behavior, as well as aging infrastructure challenges. With sufficient funding and a continued focus on collaboration and good business practices, Amtrak has the expertise, partnerships and determination to navigate each of these challenges to achieve a transformed NEC for the benefit of the nation.

KEY BUSINESS DRIVERS

	FY 2020 ACTUAL	FY 2021 GOAL	FY 2026 GOAL
Ticket Revenue (Adjusted) $ Millions	$ 637.3	$ 282.3	$ 1,444.9
Ridership (Millions)	6.1	3.3	13.5
CSI	*Acela*: 74.9%[1] NER: 78.1%	*Acela*: 75.9% NER: 78.8%	*Acela*: 79.7% NER: 81.3%
On Time Performance (OTP)[2]	86.9%	84%	90%
Revenue Per Available Seat Mile	$0.29	$0.34	$0.37
Cost Per Available Seat Mile	$0.29	$0.34	$0.24
Passenger Miles (Millions)	1,013.5	520.7	2,263.4
Average Load Factor	43%	28%	55%
Cost Recovery	99%	43%	151%

1. FY 2020 CSI scores based on three-year average.
2. Amtrak uses Customer OTP, which measures the actual on-time performance of our customers, instead of endpoint OTP.

PROFIT & LOSS ANALYSIS

NEC Service Line (FY 2021–FY 2026)

($s in Thousands)	FY 2021	FY 2022	FY2023	FY 2024	FY 2025	FY 2026	Total
Financial Sources:							
Passenger Related Revenue							
Ticket Revenue (Adjusted)	273,551	754,291	996,523	1,263,489	1,361,569	1,444,875	6,094,298
Charter/Special Trains	1,749	-	-	-	-	-	1,749
Food and Beverage	6,732	11,520	14,938	18,949	20,099	21,236	93,475
Contractual Contribution (Operating)							
PRIIA 209 Operating Payments	-	-	-	-	-	-	-
PRIIA 212 Operating Payments	-	-	-	-	-	-	-
Commuter Operations	703	-	-	-	-	-	703
Reimbursable Contracts	9,370	1,901	2,288	2,862	3,000	3,126	22,548
Access Revenue	-	-	-	-	-	-	-
Commercial Revenue (incl. Pipe/Wire, Real Estate, Parking)	783	-	-	-	-	-	783
All Other Revenue (incl. Insurance Revenue, Cobranded Commissions, etc.)	15,494	24,360	29,326	36,670	38,448	40,063	184,360
Operating Sources Subtotal	**308,383**	**792,071**	**1,043,075**	**1,321,970**	**1,423,117**	**1,509,300**	**6,397,917**
Contractual Contribution (Capital)							
PRIIA 209 Capital Payments	-	-	-	-	-	-	-
PRIIA 212 Capital Payments	-	-	-	-	-	-	-
Other State/Local Mutual Benefit	14,957	-	-	-	-	-	14,957
Amtrak Internal Cash	190,357	-	-	-	-	-	190,357
Financing Proceeds Applied	604,016	452,992	106,628	-	-	-	1,163,637
Other Capital and Special Grants (incl., state/local sources)	-	-	-	-	-	-	-
Capital Sources Subtotal	**809,330**	**452,992**	**106,628**	**-**	**-**	**-**	**1,368,951**
Federal Grants to Amtrak							
Prior Year Carryover Capital Grant Funds	94,435	-	-	-	-	-	94,435
Current Year FAST Sec 11101 Grants							
Operating	474,289	15,084	-	-	-	-	489,373
Capital	-	1,049,393	1,081,612	1,380,141	1,254,004	1,399,327	6,164,477
Other Federal Grants (incl., FRA/OST, FTA, DHS)	3,009	3,009	3,009	3,009	3,009	3,009	18,055
Federal Grants to Amtrak Subtotal	**571,734**	**1,067,486**	**1,084,621**	**1,383,150**	**1,257,013**	**1,402,336**	**6,766,341**
Total Financial Sources	**1,689,447**	**2,312,550**	**2,234,324**	**2,705,120**	**2,680,130**	**2,911,636**	**14,533,208**
Financial Uses (Operating):							
Service Line Management	1,058	3,906	4,195	4,506	4,677	4,840	23,183
Transportation	208,839	235,294	252,740	271,484	281,793	291,571	1,541,722
Equipment	201,632	184,039	197,685	212,346	220,408	228,057	1,244,166
Infrastructure	80,800	81,831	87,899	94,418	98,003	101,404	544,355
Stations	52,167	47,837	51,384	55,195	57,291	59,279	323,154
National Assets and Corporate Services	238,176	254,248	273,099	293,353	304,492	315,058	1,678,425
Total Operating Uses	**782,672**	**807,155**	**867,003**	**931,302**	**966,664**	**1,000,209**	**5,355,005**
Operating Surplus/Deficit *(Operating Sources - Operating Uses)*	**(474,289)**	**(15,084)**	**176,073**	**390,667**	**456,454**	**509,091**	**1,042,912**
Available for Capital Uses *(Capital Sources + Federal Grants to Amtrak + Operating Surplus/Deficit - Debt Service Payments)*	**906,775**	**1,505,395**	**1,367,321**	**1,773,818**	**1,713,467**	**1,911,427**	**9,178,203**
Financial Uses (Capital):							
Service Line Management	-	-	-	-	-	-	-
Transportation	38,348	63,244	88,362	139,544	203,365	240,942	773,806
Equipment	567,873	562,293	158,404	334,645	185,020	236,842	2,045,077
Infrastructure	327,357	513,179	523,596	593,205	570,733	678,341	3,206,412
Stations	118,717	119,176	119,058	99,826	83,739	28,915	569,430
National Assets and Corporate Services	37,568	28,219	30,072	30,522	29,336	28,078	183,795
Capital Expenditures	**1,089,863**	**1,286,112**	**919,493**	**1,197,742**	**1,072,193**	**1,213,118**	**6,778,520**
Debt Repayments	159,938	219,283	271,756	185,408	184,820	189,218	1,210,424
Total Capital Uses	**1,249,801**	**1,505,395**	**1,191,249**	**1,383,150**	**1,257,013**	**1,402,336**	**7,988,944**
Remaining Carryover Balance	**$ (343,026)**	**$ -**	**$ 176,073**	**$ 390,667**	**$ 456,454**	**$ 509,091**	**$ 1,189,259**

STATE SUPPORTED SERVICE LINE

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


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Introduction

Amtrak operates 28 State Supported routes. Train operations on these routes are funded by 20 partners from 17 states, including state departments of transportation and authorities chartered specifically to administer individual rail corridors. Collectively, these transportation departments and other entities are referred to as State Partners, and the routes they fund are referred to as State Supported routes. All such routes are under 750 miles in length as defined by statute.

We believe State Supported corridors are the future of rail passenger service in the U.S. and offer the best opportunities for growth.

The service characteristics of existing and planned high-potential corridors align with Amtrak's statutory goals and mission. They are trip time competitive, operate efficiently, and minimize the required federal subsidy. These corridors occupy rail's "sweet spot," serving markets where their unique characteristics allow them to compete with other travel modes and align with trends of population growth, urban densification, and demographic trends. Based on pre-COVID-19 operations, the state routes carry just under half of Amtrak's total ridership. The different service variations operating today provide multiple models that can be applied across the country to seed new corridor services and grow existing ones.

SSSL has two primary customers: the passengers who use the services and the states that provide funding. State Supported services have been the fastest growing segment of Amtrak's rail network for many years, linking urban areas with frequent, reliable rail service. They are also a vital developer of travel and patronage habits, having the highest share of passengers between 18–34 years old of any of Amtrak's service lines.

Heartland Flyer

AMTRAK'S BUILDING BLOCKS

OUR MISSION

Deliver and grow state intercity passenger rail transportation and supporting services across the National Network, meeting the needs of our State Partners and passengers.

INTERCITY PASSENGER RAIL TRANSPORTATION

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

SUPPORTING SERVICES

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

NATIONAL NETWORK

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

STATE PARTNERS

Without State Partners, there are no State Supported trains. Our business is dependent on their satisfaction, and their willingness at the state level to continue funding their services.

CUSTOMERS

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

OUR VISION

Transportation services that exceed expectations while balancing State Partner goals and system efficiencies, in collaboration with all stakeholders.

TRANSPORTATION EXPERIENCE

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

EXCEED EXPECTATIONS

We want our customers' experiences to be better than they expected.

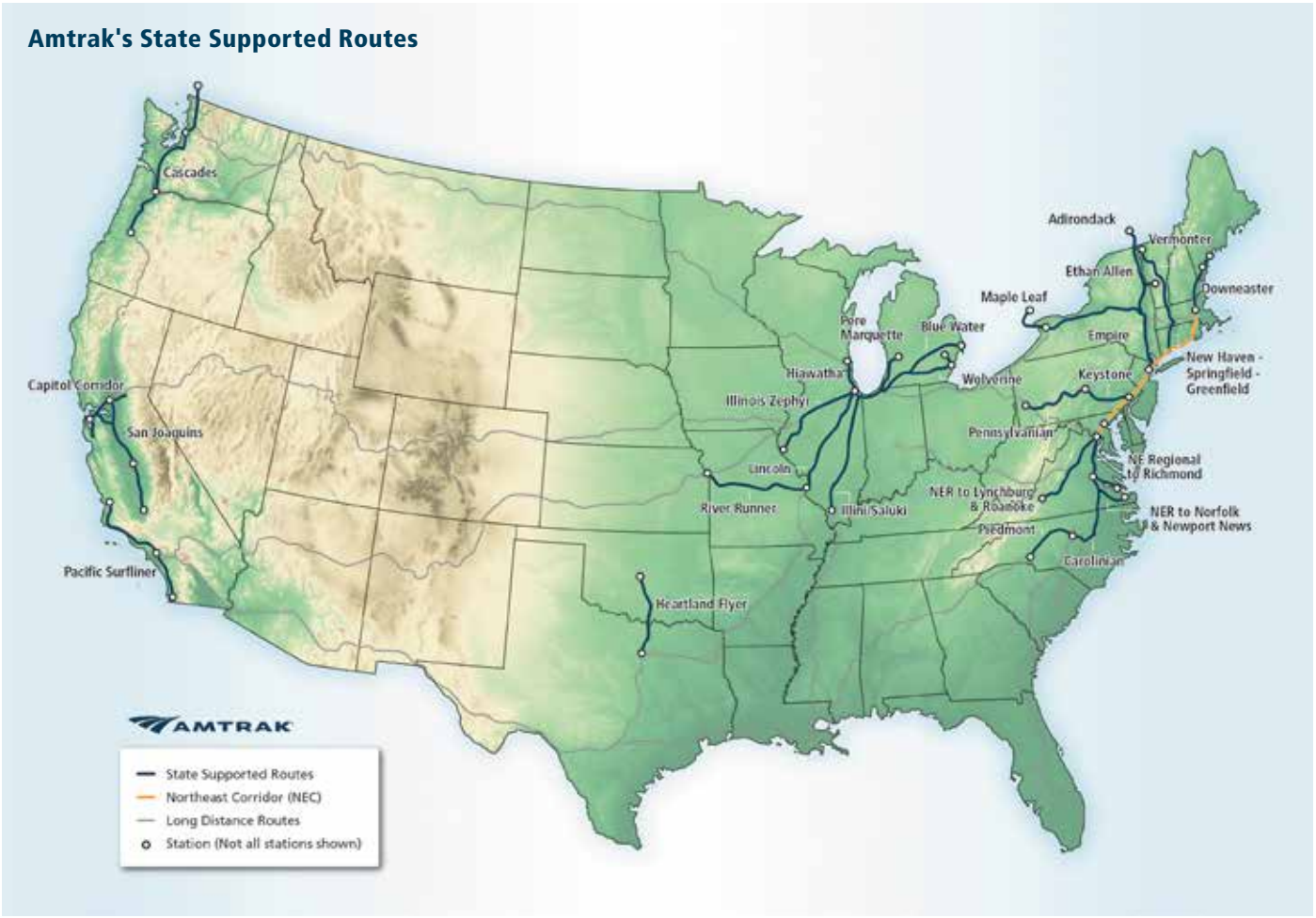
BALANCE STATE PARTNER GOALS AND SYSTEM EFFICIENCIES

From working with 20 State Partners, we know that many of them will have different policy goals and funding levels. Many of these differences can be addressed at the individual route level, but for some issues we need to develop solutions for the entire service line, or the company, that are a fair compromise among our individual goals.

COLLABORATION WITH ALL STAKEHOLDERS

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

Amtrak's State Supported Routes



STATE SUPPORTED PRODUCT OFFERINGS

State Supported routes are a diverse collection of services, reflecting the states, regions, and cities they serve.

Many routes offer multiple daily frequencies, though some routes have a single round trip per day. Most service is reserved, with tickets purchased for specific trains, but a few routes are unreserved, and a ticket can be used at the customer's convenience on any train. All feature coach service (and, in some cases, business class and food service), and all except for the electrified *Keystone Service* in Pennsylvania are diesel-powered.

These services are generally freestanding corridors, but in the Northeast some State Supported trains are extensions of Amtrak's Boston-Washington *Northeast Regional* (NER) service. Additionally, other State Supported services operate over routes used by Long Distance trains.

One of the quickest ways to expand the Amtrak network is through frequent and reliable bus connections bringing passengers from outlying communities directly to those served by passenger rail.

Amtrak's State Supported Routes

REGION	ROUTE	CITIES SERVED	FUNDING PARTNER(S)
NORTHEAST	**The Downeaster**	Boston–Portland–Brunswick	Northern New England Passenger Rail Authority (NNEPRA)
	Hartford Line / Valley Flyer	New Haven–Springfield	Connecticut, Massachusetts
	Vermonter	Washington–St. Albans, VT	Vermont, Connecticut, Massachusetts
	Empire Service	New York–Albany–Niagara Falls	New York State
	Maple Leaf	New York–Toronto	New York State
	Adirondack	New York–Montreal	New York State
	Ethan Allen Express	New York–Rutland, VT	Vermont, New York State
	Keystone Service	New York–Philadelphia–Harrisburg	Pennsylvania
	Pennsylvanian	New York–Philadelphia–Pittsburgh	Pennsylvania
SOUTH	**Washington–Roanoke**	Boston–Roanoke	Virginia
	Washington–Newport News	Boston–Newport News	Virginia
	Washington–Norfolk	Boston–Norfolk	Virginia
	Washington–Richmond	Boston–Richmond	Virginia
	Carolinian	New York–Charlotte	North Carolina
	Piedmont	Charlotte–Raleigh	North Carolina
	Heartland Flyer	Oklahoma City–Fort Worth	Oklahoma, Texas
CENTRAL	**Lincoln Service**	Chicago–St. Louis	Illinois
	Illini / Saluki	Chicago–Carbondale	Illinois
	Illinois Zephyr / Carl Sandburg	Chicago–Quincy	Illinois
	Hiawatha	Chicago–Milwaukee	Wisconsin, Illinois
	Wolverines	Chicago–Detroit	Michigan
	Blue Water	Chicago–Port Huron	Michigan
	Pere Marquette	Chicago–Grand Rapids	Michigan
	Missouri River Runner	St. Louis–Kansas City	Missouri
WEST	**Pacific Surfliner**	San Diego–Los Angeles–San Luis Obispo	Los Angeles–San Diego–San Luis Obispo (LOSSAN) Rail Corridor Agency
	San Joaquins	Oakland/Sacramento–Bakersfield	San Joaquin Joint Powers Authority (SJJPA)
	Capitol Corridor	San Jose–Oakland–Sacramento–Auburn	Capitol Corridor Joint Powers Authority (CCJPA)
	California-owned equipment	Various	California Department of Transportation
	Cascades	Vancouver, BC–Seattle–Portland–Eugene	Washington State, Oregon

Market Overview

In FY 2019, State Supported routes carried 15.4 million riders, 47% of Amtrak's total ridership. The basis of this ridership is a series of collaborative relationships between Amtrak and the State Partners to develop and support these services. These joint efforts have attracted significant—and, prior to COVID-19 rapidly growing—ridership. The most dramatic growth has occurred in the South and West.

The largest Amtrak corridors (apart from the NEC), measured by ridership, are in California, where more than 70 daily State Supported trains carried 5.6 million passengers in FY 2019. Virginia has also invested heavily in Amtrak service.

Between 2009 and 2019, ridership more than doubled on our State Supported corridors in Virginia and more than tripled on our Piedmont corridor in North Carolina. These and other similar State Supported routes have prospered because they offer multiple daily trains along fast-growing megaregions with trip times that are competitive with driving and flying.

State Supported routes also make an important contribution to the National Network by connecting nearby cities to each other, and by connecting smaller communities to larger economic hubs. These services also provide revenue to Amtrak's other service lines, contributing approximately $75 million in gross ticket revenue to the Northeast Corridor and Long Distance service lines through connecting passengers.

In some rural areas, Amtrak is the only provider of scheduled public transportation, and provides vital connectivity for these communities to the medical, educational, and business resource centers in the major regional centers.

COMPETITIVE LANDSCAPE

Amtrak is aware that passengers have choices—and that to obtain their business, we must provide attractive and competitive service offerings. Key decisions about service levels and offerings are ultimately made by our State Partners, who work with Amtrak to determine the most efficient way to provide the service offerings they desire, at a competitive price that meets their revenue and policy goals. This relationship is fundamental to both the operation and the strategy and policy-setting that underpin it.

While Amtrak offers a compelling alternative to automobile, airplane and intercity bus travel, especially given increasing highway and aviation system congestion, we pay careful attention to the geographic and demographic considerations that fundamentally determine the viability of a given route. While our primary focus is on rail, one of the quickest ways to expand the Amtrak network is through frequent and reliable bus connections bringing passengers from outlying communities directly to those served by passenger rail. In the coming year, augmenting the existing bus to rail markets and working strategically with bus providers is a key element of the company's overall growth plan.

While our corridor routes have contributed much to Amtrak's growth in recent decades, the fact is that we do not serve most of the nation's best potential rail markets—including those with the fastest population growth and the greatest potential demand for service.

> **A key service line goal is to develop new and expanded services in these states/regions in the coming years, and the company will put forward its vision in our upcoming reauthorization and corridor strategy proposals.**

We believe that increasing population growth in the metropolitan areas of these regions, coupled with limited capacity increases in the highway and air networks, will require states and regions that have not historically embraced intercity passenger rail service to reexamine the mode.

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

FY 2020 PERFORMANCE AND RESULTS

The State Supported Service Line began FY 2020 with an aggressive plan to grow ridership and revenue as well as advance service expansion opportunities. Ridership was projected to grow from 15.4 to 15.9 million customers and farebox revenue was expected to rise from $538 to $560 million. Major initiatives included advancing the procurement of a new single level fleet, providing support for the Midwest states and California's acquisition of new equipment, strengthening partnerships with host railroads to achieve better OTP, and a thorough review of the Section 209 Additive rates. While the service faced challenges, Amtrak anticipated a year filled with growing ridership, pushing expansion in all areas of the country, and efforts to build closer alignment between Amtrak and the states on cost control and more accurate forecasting, as well as stronger partnerships.

Through the first five months of the fiscal year the service line was running slightly ahead of plan and right on target for its CSI score. The onset of the COVID-19 pandemic impacted Amtrak's ridership significantly.

State Supported Service Line Ridership Comparison for FY 2020 Compared to FY 2019

Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep
2.5%	-1.6%	8.1%	10.1%	6.7%	-56.9%	-95.8%	-93.1%	-86.2%	-82.7%	-81.5%	-77.5%

Empire Service to Grand Central Terminal

Strategy

SERVICE LINE STRATEGIES

In the short term, the SSSL has three major goals for FY 2021:

1. **Secure continued emergency federal funding for Amtrak and State Partners.**

2. **Avoid any permanent loss of service.**

3. **Service restoration: Bringing back the right level of service, at the right time.**

In the longer term, we want to continue to work with the states to evaluate the principles behind PRIIA Section 209, the legislation that guides how we share costs. To the extent there are concerns with the way we approach certain issues today, we want to clearly articulate the problems and propose specific solutions. State Supported Service Line strategies include:

- **Strengthen relationships** with existing State Partners.

- Increase ridership and revenue by **developing new corridors.**

- Pursue **new fleet acquisition** and support fleet deployment.

- Establish **capital partnerships** with current and potential partners to leverage capital funds to make investments in fleet, facilities, and infrastructure.

- Maximize operational efficiencies to effectively **manage costs.**

- **Strengthen relationships** and communication with relevant Congressional staff and committees.

Piedmont Service

OVERVIEW OF PRIMARY INITIATIVES

Fleet Acquisition—Intercity Trainset (ICT)

Four and a half decades after the introduction of the Amfleet I cars that comprise the largest portion of the State Supported Service equipment fleet, Amtrak is looking to replace this fleet with an updated modern train experience for today's customers. The State Supported Service Line is collaborating with the states and the NEC Service Line in the procurement of equipment to replace the Amfleet I s, as well as to provide a new fleet for the Amtrak Cascades. Amtrak hopes to award this contract in FY 2021 with the first new cars arriving 5–6 years after that. *More information on this initiative is included in the Equipment Asset Line plan.*

Route and Frequency Expansions

The SSSL works together with State Partners to determine service levels and expansion plans for the routes they support. More information about Amtrak's vision for future State Supported corridor service can be found on the Amtrak Connects US website (amtrakconnectsus.com).

Obtain Discretionary Grants

United States Department of Transportation (USDOT) discretionary capital grants are an important source of funding for Amtrak and State partners seeking capital for infrastructure projects. Recent grant programs have focused on planning and capital investment for safety and state of good repair. Amtrak and State partners have successfully submitted applications to improve assets such as, signals, tracks, grade crossing, stations, bridges, etc. as well as for capacity improvements. In addition, several states have their own discretionary capital grant programs open to local public transportation agencies and municipalities. Amtrak works closely with State Partners to support their grant applications and will continue to do so in the future.

Section 209 Policy

Section 209 of the Passenger Rail Investment and Improvement Act of 2008 established the basis for a mechanism to allocate and share the costs for Amtrak State Supported services between Amtrak and its partners. Amtrak intends to continue to work collaboratively with stakeholders on improvements to the Section 209 policy. Amtrak has kicked off the process of working collaboratively with stakeholders on improvements to the Section 209 policy, and is confident that future expansion will benefit from these improvements.

RISKS AND ENVIRONMENTAL FACTORS

Diversity of Stakeholders

Each state has its own goals and objectives. While many are shared by Amtrak, we understand that there will always be a desire for some level of customization, and look for opportunities to build on the strengths of each individual service. Throughout the planning process, the service line hopes to better articulate its goals to achieve improved alignment with our State Partners.

Funding

Our success depends in large part on a reliable funding stream from our State Partners and Congress. In many states, operating and capital funding is subject to annual state appropriations. We recognize the challenges states face in providing adequate funding for their passenger rail services, particularly at a time when COVID-19 has decimated states' revenues and increased funding needs for other programs. We will continue to work with state transportation departments and agencies on initiatives to improve ridership, revenues and cost efficiency of State Supported services, and to ensure that state legislatures and local governments are informed and educated about the benefits of intercity passenger rail. We will likewise continue to inform and educate Congress and the Administration on the importance of adequate, consistent federal funding for Amtrak to continue our operating and capital contributions to State Supported services and increase capital investments to permit greater Amtrak investment in route expansion, fleet, technology and station and facility improvements in partnerships with states.

Host Railroad Performance

OTP and reliability remain challenges due to freight train interference. Host railroads are also resistant to accommodating new, additional, or rerouted Amtrak trains on their lines, even though capital improvements to support new passenger service often bring joint benefits to freight operations. Host railroads typically seek large up-front capital investments to increase capacity, which places a major constraint on Amtrak's ability to optimize and expand its network and services. Potential host railroad downgrading or abandonment of rail lines used by Amtrak also pose a threat to several State Supported routes.


8302
8302
BOCCE BEER GARDEN

Five-Year Plan

Forecasting FY 2021 has been difficult given there are so many unknowns about the future. Post-COVID-19 travel behaviors will be different—and could possibly be very different. The next two to three years will be a time of sorting out and better understanding how to meet service needs with changing demographics, workplace requirements, and business and leisure travel guidelines. It will be a time when both Amtrak and the States need to heavily rely on one another.

Over the last six years Amtrak, our State Partners and the FRA have evolved into a strong community and it will be this strength which will help us all get to the other side of this pandemic. The trust and hope which we built and nourished since the onset of this crisis has bettered us, brought us closer together and created a strong bond. We expect to work collaboratively with the states in the coming years to sustain it, and to ensure that the services that the traveling public depends on remain available.

Over the past six years Amtrak, our State partners and the FRA have evolved into a strong community which will help see us through this pandemic.

KEY BUSINESS DRIVERS

	FY 2020 ACTUAL	FY 2021 GOAL	FY 2026 GOAL
Ticket Revenue (Adjusted) $ Millions	$ 278.7	$ 154.3	$ 600.4
Ridership (Millions)	8.0	4.2	17.9
CSI	84.6%[1]	85.3%	87.2%
On-Time Performance (OTP)[2]	80.9%	79.0%	82.0%
Revenue Per Available Seat Mile	$0.18	$0.14	$0.16
Cost Per Available Seat Mile	$0.20	$0.22	$0.17
Passenger Miles (Millions)	1,027.5	544.9	2,325.5
Average Load Factor	29%	18%	41%
Cost Recovery	90%	65%	94%

1. FY 2020 CSI scores based on three-year average.
2. Amtrak uses Customer OTP, which measures the actual on-time performance of our customers, instead of endpoint OTP.

PROFIT & LOSS ANALYSIS

State Supported Service Line (FY 2021–FY 2026)

($s in Thousands)	FY 2021	FY 2022	FY2023	FY 2024	FY 2025	FY 2026	Total
Financial Sources:							
Passenger Related Revenue							
Ticket Revenue (Adjusted)	168,722	383,116	466,656	564,000	584,973	600,418	2,767,885
Charter/Special Trains	(480)	-	-	-	-	-	(480)
Food and Beverage	7,280	11,932	15,139	18,691	19,707	20,442	93,192
Contractual Contribution (Operating)							
PRIIA 209 Operating Payments	185,662	323,502	290,422	229,011	240,130	251,374	1,520,103
PRIIA 212 Operating Payments	-	-	-	-	-	-	-
Commuter Operations	403	-	-	-	-	-	403
Reimbursable Contracts	5,587	2,620	2,904	2,925	2,989	2,989	20,016
Access Revenue	2	-	-	-	-	-	2
Commercial Revenue (incl. Pipe/Wire, Real Estate, Parking)	449	-	-	-	-	-	449
All Other Revenue (incl. Insurance Revenue, Cobranded Commissions, etc.)	11,693	24,120	26,729	26,926	27,517	27,517	144,501
Operating Sources Subtotal	**379,319**	**745,291**	**801,850**	**841,554**	**875,317**	**902,741**	**4,546,071**
Contractual Contribution (Capital)							
PRIIA 209 Capital Payments	71,170	54,981	59,890	61,392	52,585	52,585	352,602
PRIIA 212 Capital Payments	-	-	-	-	-	-	-
Other State/Local Mutual Benefit	27,381	-	45,800	42,400	29,700	36,700	181,981
Amtrak Internal Cash	128,293	-	-	-	-	-	128,293
Financing Proceeds Applied	-	-	-	-	-	-	-
Other Capital and Special Grants (incl., state/local sources)	-	-	-	-	-	-	-
Capital Sources Subtotal	**226,844**	**54,981**	**105,690**	**103,792**	**82,285**	**89,285**	**662,876**
Federal Grants to Amtrak							
Prior Year Carryover Capital Grant Funds	53,252	1,000	-	-	-	-	54,252
Current Year FAST Sec 11101 Grants							
Operating	330,108	68,706	63,830	60,862	58,523	57,299	639,329
Capital	468,104	625,919	431,247	763,124	753,984	744,666	3,787,045
Other Federal Grants (incl., FRA/OST, FTA, DHS)	482	482	482	482	482	482	2,893
Federal Grants to Amtrak Subtotal	**851,946**	**696,108**	**495,560**	**824,468**	**812,989**	**802,447**	**4,483,518**
Total Financial Sources	**1,458,109**	**1,496,379**	**1,403,099**	**1,769,814**	**1,770,591**	**1,794,473**	**9,692,465**
Financial Uses (Operating):							
Service Line Management	3,795	4,416	4,696	4,895	5,066	5,208	28,076
Transportation	277,724	358,946	381,737	397,936	411,793	423,347	2,251,483
Equipment	171,985	172,726	183,693	191,488	198,156	203,716	1,121,762
Infrastructure	20,812	16,925	18,000	18,764	19,417	19,962	113,880
Stations	87,160	80,651	85,771	89,411	92,524	95,120	530,637
National Assets and Corporate Services	147,952	180,333	191,783	199,921	206,883	212,688	1,139,560
Total Operating Uses	**709,427**	**813,997**	**865,680**	**902,415**	**933,840**	**960,040**	**5,185,399**
Operating Surplus/Deficit *(Operating Sources - Operating Uses)*	**(330,108)**	**(68,706)**	**(63,830)**	**(60,862)**	**(58,523)**	**(57,299)**	**(639,329)**
Available for Capital Uses *(Capital Sources + Federal Grants to Amtrak + Operating Surplus/Deficit - Debt Service Payments)*	**748,682**	**682,382**	**537,419**	**867,398**	**836,752**	**834,433**	**4,507,066**
Financial Uses (Capital):							
Service Line Management	175	-	-	-	-	-	175
Transportation	13,573	48,628	81,949	140,479	213,133	257,949	755,711
Equipment	99,745	251,095	188,757	457,252	355,587	414,865	1,767,302
Infrastructure	115,799	251,525	168,048	183,523	179,507	112,670	1,011,071
Stations	62,733	106,909	74,372	61,085	63,195	23,169	391,464
National Assets and Corporate Services	33,871	23,166	23,808	24,511	24,790	24,759	154,906
Capital Expenditures	**325,897**	**681,323**	**536,934**	**866,850**	**836,213**	**833,412**	**4,080,629**
Debt Repayments	18,350	1,060	485	548	539	1,021	22,002
Total Capital Uses	**344,246**	**682,382**	**537,419**	**867,398**	**836,752**	**834,433**	**4,102,630**
Remaining Carryover Balance	**$ 404,436**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ 404,436**

LONG DISTANCE SERVICE LINE

The Long Distance Service Line (LDSL) provides a safe and unique intercity transportation experience, one that connects the nation's major metropolitan regions with over 300 diverse and varied communities across the country. An alternative to automobiles, buses and airplanes, Long Distance routes offer convenient and comfortable transport that contributes to the economic vitality of the communities and regions they serve.

Introduction

The LDSL includes a portfolio of 15 long distance routes—each running at least 750 miles, end-to-end, and operating through 39 states. With connecting trains and Thruway buses, Long Distance services reach 47 of the 48 contiguous states. In FY 2020, these routes carried more than 2.6 million riders and generated $308 million in ticket revenue. This accounted for 16% and 25% respectively of Amtrak network wide totals.

Because of its national reach, Congress plays a pivotal role in support of the Long Distance network. In FY 2020, the Amtrak National Network received $1.826 billion in federal support. Of this amount, $645 million funded operating losses on Long Distance routes.

Amtrak's National Network

Market Overview

The LDSL offers customers three classes of service. **"Coach class"** is available on all trains, offering 2x2 reclining seats, big picture windows and access to power outlets. **"Sleeping class"** (customers in private rooms) is available on all LDSL routes except the *Palmetto*. Customers in private rooms enjoy several premium class amenities including complimentary onboard meals, turndown service, access to private restrooms and showers, and entry into Amtrak Metropolitan Lounges located at major stations. **"Business class"** is available on three LDSL routes (*Coast Starlight*, *Lake Shore Limited* and *Palmetto*) providing additional amenities such as a dedicated car, extra legroom, flexibility regarding cancelations and a 25% point bonus for Amtrak Guest Rewards members.

The LDSL customer profile is primarily driven by leisure travel—with fewer than 10% of trips conducted for business. Overall, the LDSL skews more female than male and nearly a third of customers are over the age of 65. But even within the LDSL, there are striking differences between the two primary classes of service. While Coach class represents 82% of trips, private Sleeper rooms account for 38% of ticket revenue. In addition, the average trip in Coach is, on average, half of the distance traveled by a customer in a room: 457 vs. 990 miles.

FY 2020 PERFORMANCE AND RESULTS

Throughout the first five months of FY 2020, Amtrak achieved record ridership and revenue. Once the global pandemic took hold on the US, ridership and revenue declined steeply, a process that accelerated throughout the remainder of March and into April and beyond. For FY 2020, the LDSL ended the year with decreases of 39.2% in riders and 37.7% in revenue versus FY 2019. In the coming years, as Amtrak looks to rebuild its ridership and customer base, Amtrak expects a challenging period for ridership and revenue to recover.

The LDSL kicked off FY 2020 with several major initiatives aimed at generating ticket revenue, controlling operating costs and readying the route portfolio for a new decade of intercity mobility. The severity of coronavirus-related impacts on the travel industry was swift, and the Long Distance business line was not exempt. Immediate steps were taken to address the near-term loss of ridership and revenue, as well as the need to mitigate costs result from that loss.

Long Distance Service Line Ridership Comparison for FY 2020 Compared to FY 2019

Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep
0.5%	-6.3%	2.4%	-0.1%	3.6%	-47.6%	-86.2%	-76.8%	-63.3%	-61.3%	-60.4%	-48.7%

MAJOR INITIATIVES

Auto Train

Prior to the start of FY 2020, Amtrak announced several changes and enhancements to its flagship Long Distance route, the *Auto Train*, aimed at bolstering the customer experience and keeping fares attractive.

For private room customers, that enhanced experience included upgraded bedding, pillows, towels and linens as well as new in-room amenities that offered an array of a la carte travel products on demand. Outside of the room, private room customers found a new sleeping car-exclusive menu for dinner, including the addition of a complimentary wine pour. New menu items were also added to the continental breakfast prior to station arrival.

For Coach customers, we emphasized affordable fares and introduced a new dining experience that aligned to the Coach product on other long-distance trains. On January 15, 2020, the Cross-Country Café debuted an expanded café menu of meals, snacks and beverages for sale. The café also offered coach customers a complimentary continental breakfast prior to station arrival—an amenity that kept the *Auto Train* Coach product unique. At that time, Coach fares were offered at prices as low as $89 (plus the cost of the vehicle), and were made eligible for Amtrak Share Fares, offering deep discounts for small groups. Both steps ensured the *Auto Train* continued to offer economical options for travel.

For both private room and Coach customers, Amtrak made several additions to the *Auto Train* experience. In May 2020, the extended vehicle fare was launched, placing a premium price on spots reserved for customers traveling with trucks, minivans and 3-row SUVs. And for mobile device users, *Auto Train* can now be booked on the Amtrak app, furthering the ability to sell *Auto Train* via self-service customer touchpoints.

While not fully immune to the widespread drop in travel demand, the *Auto Train* quickly became Amtrak's strongest performing route from the onset of the pandemic into the summer period. Amtrak added sleeping cars to meet increased demand for northbound travel during this period. *Auto Train* demand ultimately experienced substantial year-over-year declines following the spring peak and the consist was adjusted accordingly. These declines, however, were less severe than counterpart routes in the network experienced representing a revenue and ridership bright spot in the second half of FY 2020.

New Dining Launch

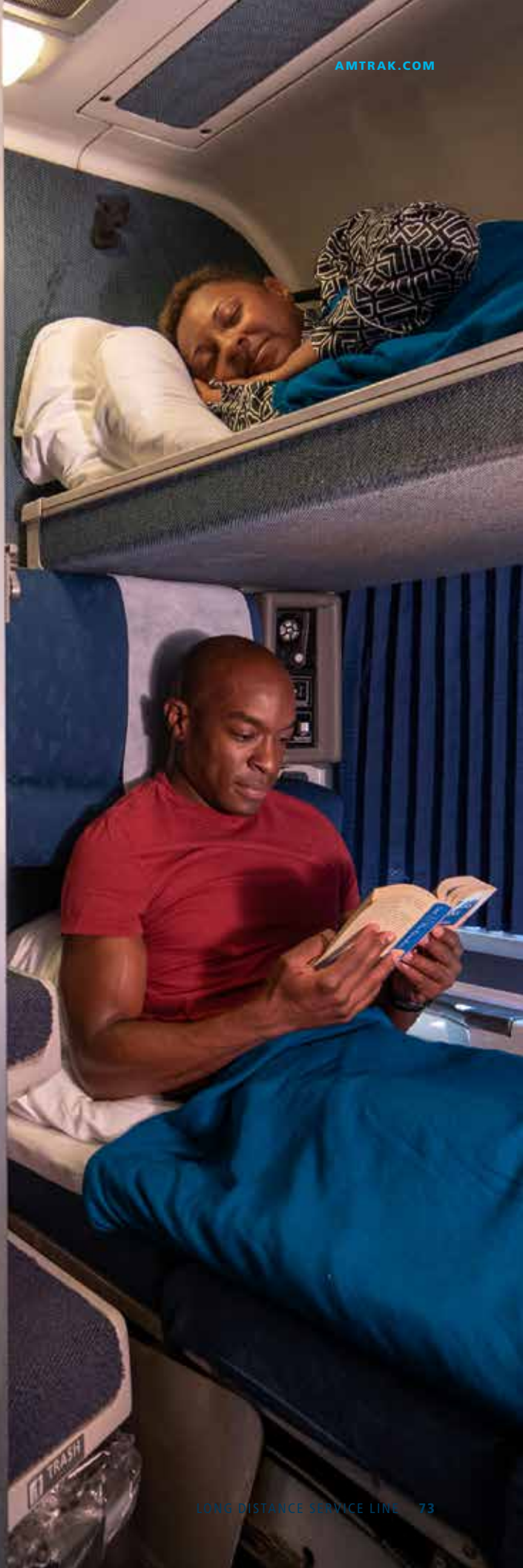
Beginning on October 1, 2019, Amtrak debuted a new flexible dining product exclusively offered for customers in private rooms on select routes. The experience included a new menu with hot, ready-to-serve choices for breakfast, lunch and dinner as well as a wide selection of beverages. Customers have the option to enjoy their meals in an exclusive lounge space on the train or receive complimentary room service. Flexible dining initially debuted on six routes (*Capitol Limited, Cardinal, City of New Orleans, Crescent, Lake Shore Limited* and *Silver Meteor*) and was added to the *Silver Star* in early 2020. This represented a return to complimentary dining for private room customers on the *Silver Star,* which previously offered Café service only. For all routes with flexible dining, café service is available for both private room and coach customers, offering a refreshed menu of meals, snacks and beverages for sale.

Refreshed Fleet

In the fall of 2019, Amtrak introduced a new car type to the Long Distance fleet. As part of the procurement of 130 single-level long-distance cars from CAF USA, the new Viewliner II baggage dormitories debuted on the *Crescent* in November and the *Cardinal* in December. These new cars provide adequate space for checked baggage in one half of the car while providing accommodations for onboard employees in the other half. Prior to the introduction of these new cars, onboard employees occupied rooms that would otherwise be available for sale to customers; these spaces can now be used to generate revenue.

By the end of 2019, Amtrak completed a major milestone in the multi-year fleet refurbishment initiative by refreshing the Amfleet II cars that carry coach passengers on single-level Eastern long-distance trains. The refreshed interiors include new seating cushions, carpets, curtains and LED reading lights.

The unique train travel experience is the most significant factor for customers choosing long distance travel.



Passengers enjoying the new bedroom equipment on the *Auto Train.*

Strategy

STRATEGIC FOCUS

Utilizing Amtrak's four strategic focus areas, the LDSL has outlined a number of strategic initiatives aimed at generating demand while still in a pandemic, controlling the considerable costs of long distance operation that are attributable to higher staffing levels and equipment requirements, and positioning Amtrak as a compelling choice for travel.

Build for the Future, continued

Sustain the Company

After initially maintaining normal service frequency on the long-distance network, Amtrak has temporarily reduced service on most routes from daily to three times per week to reflect greatly reduced demand, and minimize staggering increases in operating losses due to sharply reduced revenues. Our future plans for the LDSL assume that full service will be restored on all routes as soon as the COVID-19 pandemic is brought under control and passenger demand returns.

Gain New Customers

The long-term impacts of the pandemic have provided Amtrak with a unique opportunity to promote the physical distancing benefits of private rooms on Amtrak trains. As a result, Amtrak has begun moving away from characterizing private rooms exclusively as 'sleeping accommodations' associated with 'long distance' or 'overnight' travel, instead emphasizing their benefits of space, privacy and comfort—even for customers on shorter trips and for daytime use. Efforts to inform customers about the benefits of private rooms include a new experiential landing page on Amtrak.com, a digital content strategy focused on the customer-friendly experience they offer, new emphasis on private rooms in paid media and more prominent display of room choices when passengers book travel on Amtrak.com.

Mindful that both existing and prospective LDSL customers will be seeking travel information on Amtrak channels, enhancements have been made to Amtrak.com and the Amtrak app in an effort to boost the conversion rate. In FY 2020, Amtrak launched the latest generation booking experience on Amtrak.com, with enhancements to the fare finder, search results and checkout. The launch includes tangible benefits for customers on long distance trains, including more prominence for private rooms in search results, streamlining the content for complex itineraries that require connections between trains, and optimizing the experience for mobile users who have not downloaded the Amtrak app.

The next major enhancement, slated for release in early 2021, expands on the existing search result experience by presenting a seven-day calendar of available fares: those of the requested date as well as the lowest fare up to three days prior and three days forward. In addition to offering customers more—and potentially lower—fare options with a single search, this solution will provide a better path for long distance customers to find available travel dates on trains operating less than daily.

Build for the Future

Amtrak customers traveling on Long Distance routes will notice a number of new changes to their experience in FY 2021. This begins with onboard dining. On routes in the west, traditional dining will be reimagined and reintroduced for both private room and coach customers. On routes in the east, menus for flexible dining and the café will be refreshed to ensure customers have both variety and choice.

New Viewliner II sleeping cars will be introduced on routes along the east coast. As part of the final new equipment delivery from CAF USA, these cars represent the first new Amtrak sleeping cars in 25 years. They feature a number of enhancements: increased in-room luggage storage, improved lighting, twice the number of electrical outlets and larger and studier tray tables for laptops, tablets, reading and gaming. Customers in Roomettes will find two private restrooms and a shower down the hall, while customers in the Accessible Bedroom will have an automatic sliding door to access their room.

The upcoming fiscal year will also kick off the next wave of interior refreshes for the Long Distance fleet. With the Amfleet II refurbishment now complete, Superliner and Viewliner I interiors will receive new cushions and upholstery coverings, carpets curtains, light coverings and deep cleaning in coaches, sleeping cars and dining cars. These elements are designed to align appropriately with other recently completed interior refresh projects across the Amtrak fleet. This multi-year effort will ensure that customers enjoy a uniform level of experiential quality across the Long Distance network.

RISKS AND ENVIRONMENTAL FACTORS

Because the LDSL relies heavily on federal support for capital and operating costs, the uncertainty about future travel demand in the wake of the pandemic and the question of whether Congress will provide sufficient funding to replace lost passenger revenues until demand returns represent major risks for the LDSL.

Poor on-time performance on many long-distance routes has major negative impacts on ridership, revenues and costs that in many cases are beyond the company's control, since Amtrak does currently not have a legal remedy when host railroads violate federal law by failing to give Amtrak trains preference over freight transportation. Amtrak is seeking to remedy this situation in its reauthorization proposal.

PRIMARY INITIATIVES

Fleet Planning and Acquisition

The acquisition of new equipment will provide the opportunity to accomplish several goals, including:

- **Modernizing equipment and amenities** to match updated service models and improve customer satisfaction.
- **Redesigning train consists** to match passenger demand, create operating efficiencies, and reduce capital needs.
- **Reducing car and locomotive maintenance** and turnaround costs.
- Reducing engine and car related mechanical delays to **improve OTP.**
- **Reducing fuel consumption** and greenhouse gas emissions.

The LDSL is collaborating with other Amtrak departments to evaluate the financial impact of replacing equipment. The Equipment Asset Line Plan provides additional information about Amtrak's efforts. Its highlights include:

Viewliner II. Deliveries of remaining cars (combination baggage/dorms and sleeping cars) are expected through 2021.

Diesel Locomotives. A contract was awarded in December 2019 for 75 new, more reliable, and greener locomotives. Delivery of these locomotives will occur in the early 2020s.

Amfleet II. Amtrak's replacement of the Amfleet I fleet may provide the basis for an Amfleet II replacement solution. If desired, that would require that an option for Amfleet II replacements to be added to the Amfleet I order. If not, then a separate procurement will be needed.

Superliners. While Amtrak is developing plans for replacing Superliner equipment, acquisition of replacements is beyond the five-year scope of this plan.

Address Reliability and On-Time Performance

OTP has a significant impact on customer satisfaction. On-time performance weighs heavily in a customers' decision to travel on Amtrak again, and is a factor for future travelers when deciding to make travel plans by train. Long Distance has the lowest OTP of Amtrak's service lines and—not coincidentally—the highest level of freight train interference delays, driven by some host railroads' failure to give Amtrak trains preference over freight trains, as required by law. To address LDSL host railroad and Amtrak-related delays, Amtrak will continue to use a data-driven approach and work with the host railroads to understand the causes of host railroad and Amtrak responsible delays, opportunities to mitigate them, and the actions required to improve OTP. Collaboration with host railroads has resulted in improved OTP on a few Long Distance routes. Amtrak is also proposing enhanced authority to enforce existing laws giving Amtrak trains preference over freight transportation.

Experiential Service Model

The unique train travel experience is the most significant factor for customers choosing long distance travel. The trains that operate over two nights require a different strategy to establish a more contemporary model and attract an expanded ridership base. The current rider demographic skews heavily to retirees and train aficionados, due to long trip times and often poor on-time reliability. Substantial opportunity exists beyond these markets and an evolved Long Distance product would encourage new customers to try the service while ensuring the key, core audiences are retained. The strategy includes redesigning sleeper cars, reconfiguring seating in dining and lounge areas, updating menus and providing specialized staff training.

New Food Service Model

Food and beverage revenue from LDSL cafés and diners accounted for $70 million of the LDSL's $538 million total core revenue in FY 2019. At the start of FY 2020, an updated food service for customers in private rooms was launched on several single night trains—targeting improved flexibility and customer satisfaction while reducing food and beverage operating costs. Additionally, café menus have been enhanced and standardized to improve offerings, increase choice, generate additional revenue, simplify processes and reduce operating costs. The service line will also benefit from the roll out of a food and beverage point-of-sale system (POS) with improved features.

Five-Year Plan

For 50 years Amtrak has been the only provider of long distance passenger rail service in the U.S. and much of Amtrak's identity is tied to its long distance trains. Their rich heritage has played a major role in providing transportation service across the nation and in developing some of today's high-frequency corridors.

While customer demographics, traveler preferences and the competitive landscape have all evolved during this period, Amtrak's Long Distance network continues to provide essential service to many rural communities and offers a unique and treasured travel excursion experience supporting many leisure destinations. Amtrak continues to work to address long-standing reliability issues particularly with host railroad partners and is addressing customer service challenges resulting from operating an aging fleet. In addition to interior refreshes and the upcoming entry of new locomotives into service, Amtrak is beginning to plan formally for the replacement of the fleet of customer cars serving the Long Distance network.

KEY BUSINESS DRIVERS

	FY 2020 ACTUAL	FY 2021 GOAL	FY 2026 GOAL
Ticket Revenue (Adjusted) $ Millions	$ 275.8	$ 163.7	$ 502.5
Ridership (Millions)	2.7	1.1	4.6
CSI	76.7%[1]	77.5%	80.6%
On Time Performance (OTP)[2]	58.7%	50.0%	50.0%
Revenue Per Available Seat Mile	$0.09	$0.08	$0.12
Cost Per Available Seat Mile	$0.26	$0.34	$0.24
Passenger Miles (Millions)	1,409.2	690.1	2,482.6
Average Load Factor	37%	30%	52%
Cost Recovery	34%	24%	48%

1. FY 2020 CSI scores based on three-year average.
2. Amtrak uses Customer OTP, which measures the actual on-time performance of our customers, instead of endpoint OTP.

PROFIT & LOSS ANALYSIS

Long Distance Service Line (FY 2021–FY 2026)

($s in Thousands)	FY 2021	FY 2022	FY2023	FY 2024	FY 2025	FY 2026	Total
Financial Sources:							
Passenger Related Revenue							
Ticket Revenue (Adjusted)	148,834	371,715	408,324	483,511	492,919	502,537	2,407,841
Charter/Special Trains	-	-	-	-	-	-	-
Food and Beverage	5,933	17,953	21,277	24,981	25,722	26,487	122,351
Contractual Contribution (Operating)							
PRIIA 209 Operating Payments	-	-	-	-	-	-	-
PRIIA 212 Operating Payments	-	-	-	-	-	-	-
Commuter Operations	396	-	-	-	-	-	396
Reimbursable Contracts	5,189	2,184	2,184	2,184	2,184	2,184	16,109
Access Revenue	1	-	-	-	-	-	1
Commercial Revenue (incl. Pipe/Wire, Real Estate, Parking)	441	-	-	-	-	-	441
All Other Revenue (incl. Insurance Revenue, Cobranded Commissions, etc.)	8,180	26,444	26,444	26,444	26,444	26,444	140,399
Operating Sources Subtotal	**168,973**	**418,296**	**458,229**	**537,120**	**547,269**	**557,652**	**2,687,539**
Contractual Contribution (Capital)							
PRIIA 209 Capital Payments	-	-	-	-	-	-	-
PRIIA 212 Capital Payments	-	-	-	-	-	-	-
Other State/Local Mutual Benefit	6,833	-	45,800	42,400	29,700	36,700	161,433
Amtrak Internal Cash	136,070	-	-	-	-	-	136,070
Financing Proceeds Applied	-	-	-	-	-	-	-
Other Capital and Special Grants (incl., state/local sources)	-	-	-	-	-	-	-
Capital Sources Subtotal	**142,903**	**-**	**45,800**	**42,400**	**29,700**	**36,700**	**297,503**
Federal Grants to Amtrak							
Prior Year Carryover Capital Grant Funds	72,828	1,000	-	-	-	-	73,828
Current Year FAST Sec 11101 Grants							
Operating	825,574	586,817	593,799	559,853	584,348	607,809	3,758,200
Capital	103,532	645,464	483,557	534,373	648,685	555,021	2,970,633
Other Federal Grants (incl., FRA/OST, FTA, DHS)	1,048	1,048	1,048	1,048	1,048	1,048	6,290
Federal Grants to Amtrak Subtotal	**1,002,983**	**1,234,330**	**1,078,404**	**1,095,275**	**1,234,082**	**1,163,879**	**6,808,952**
Total Financial Sources	**1,314,859**	**1,652,626**	**1,582,433**	**1,674,795**	**1,811,051**	**1,758,230**	**9,793,994**
Financial Uses (Operating):							
Service Line Management	1,329	2,493	2,609	2,721	2,806	2,890	14,849
Transportation	321,155	491,184	514,110	536,075	553,005	569,544	2,985,072
Equipment	181,828	201,464	210,867	219,876	226,820	233,604	1,274,459
Infrastructure	19,544	15,678	16,410	17,111	17,652	18,179	104,574
Stations	57,414	67,354	70,497	73,509	75,831	78,099	422,704
National Assets and Corporate Services	153,276	226,941	237,533	247,682	255,504	263,145	1,384,081
Total Operating Uses	**734,547**	**1,005,113**	**1,052,028**	**1,096,973**	**1,131,617**	**1,165,461**	**6,185,739**
Operating Surplus/Deficit *(Operating Sources - Operating Uses)*	**(565,574)**	**(586,817)**	**(593,799)**	**(559,853)**	**(584,348)**	**(607,809)**	**(3,498,200)**
Available for Capital Uses *(Capital Sources + Federal Grants to Amtrak + Operating Surplus/Deficit - Debt Service Payments)*	**580,312**	**647,513**	**530,405**	**577,822**	**679,434**	**592,769**	**3,608,254**
Financial Uses (Capital):							
Service Line Management	196	-	-	-	-	-	196
Transportation	17,920	15,696	17,354	21,055	25,280	27,866	125,171
Equipment	308,231	263,278	173,284	210,567	308,535	334,834	1,598,729
Infrastructure	89,982	103,342	101,491	137,026	131,268	127,084	690,193
Stations	84,354	222,143	193,977	163,657	168,518	57,114	889,762
National Assets and Corporate Services	41,970	41,995	43,814	44,969	45,294	44,851	262,893
Capital Expenditures	**542,653**	**646,453**	**529,920**	**577,273**	**678,895**	**591,749**	**3,566,944**
Debt Repayments	30,970	1,060	485	548	539	1,021	34,623
Total Capital Uses	**573,624**	**647,513**	**530,405**	**577,822**	**679,434**	**592,769**	**3,601,566**
Remaining Carryover Balance	**$ 6,688**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ 6,688**

ANCILLARY SERVICE LINE

Amtrak pursues opportunities for the company to provide services at market-based prices to commuter rail authorities and commercial entities and seeks to develop business partnerships that can be leveraged to grow Amtrak's own ridership and revenues.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Introduction

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

Amtrak departments work together to achieve these outcomes. When opportunities are pursued and new business is won, Amtrak's functional departments deliver the service, while appropriate departments manage the profits and losses and seek additional business opportunities with the customer or in the marketplace. Amtrak currently pursues opportunities in four major areas that will be discussed in this Plan: Contract commuter operations; Thruway connecting services; Charter trains and private cars; and Multimodal connections and other opportunities.

KEY HIGHLIGHTS

Amtrak's contract commuter business has opportunities to grow existing and new commuter services for which contracting opportunities will become available during the period of this Five-Year Plan. The financial estimates in this Plan do not assume bidding on or winning any new opportunities, but they do incorporate the financial impact of winning the Metrolink train and engine operations contract in 2020, which will extend our tenure on that property to June 2025.

Amtrak offers a network of connecting motorcoach routes branded as "Thruway" services. Thruway routes are operated by contractors or interline partners such as Greyhound Lines. Before the COVID-19 pandemic, Thruway buses carried approximately 1.5 million Amtrak-ticketed passengers per year, generating approximately $42 million in incremental operating revenue for connecting trains, however, COVID-19 impacts have reduced ridership by approximately 75 percent. Several Thruway bus routes were completely suspended or are operating at reduced frequency. Expansion of Thruway bus service can provide a means to grow Amtrak ridership and revenue in the near term while concurrently working toward expanding intercity passenger rail service. This Five-Year Plan assumes a gradual recovery in net Thruway revenue and cost as suspended transportation services are restored and travel demand returns to more normal levels.

The charter train and private car portfolios were significantly restructured during FY 2018 and are now on a sustainable footing. Both services generated revenues in excess of both fixed and variable costs in FY 2019 and FY 2020, in the latter case, in spite of the strongly unfavorable conditions generated by COVID-19 in the second half of the fiscal year. This allowed them to play the role envisioned by statute, that of making a positive financial contribution to Amtrak's bottom line.

AMTRAK PRODUCT OFFERINGS

Commuter Train Contract Services

We provide services such as train and engine crews to commuter rail authorities on a market-based contract basis. (Commuter rail authorities' access to Amtrak infrastructure is managed separately by the Infrastructure Access group.)

Based on annual billing revenue, there are approximately $950 million worth of commuter contracts in the U.S. Each contract comes up for bid at various times, often only every five to ten years. Of these total potential contracted services, Amtrak's commuter revenues in FY 2020 will be approximately $141 million. When evaluating opportunities for potential Amtrak response when services are put up for bid, Amtrak refers to its key tenets and does not pursue opportunities that do not fit these criteria.

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Current Amtrak Commuter Customers

	METROLINK.	MARC	Shore Line East	SOUNDTRANSIT	SunRail
Agency	**Southern California Regional Rail Authority (Los Angeles, CA)**	**Maryland Transit Administration (Baltimore, MD)**	**Connecticut Department of Transportation (New Haven, CT)**	**Sound Transit (Seattle, WA)**	**Central Florida Commuter Rail Commission (Orlando, FL)**
Amtrak Services	Train Operations	Train Operations, Maintenance of Equipment	Train Operations, Maintenance of Equipment	Maintenance of Equipment	Maintenance of Equipment
System Route Miles	538	77	50	82	32
Number of Pre-COVID-19 Trains	171 Weekday	57 Weekday; 18 Saturday; 12 Sunday	36 Weekday; 22 Saturday/Sunday	38 Weekday	40 Weekday
Pre-COVID-19 Annual Riders	14.3M	6.2M	720,000	4.6M	831,000
Stations	62	13	9 (Not including Metro-North Railroad Segment)	12	16
Equipment Units Maintained by Amtrak	None	46 locomotives, 179 coaches	21 locomotives, 49 coaches	14 locomotives, 67 coaches	11 locomotives, 20 coaches

Amtrak Product Offeringss, continued

Thruway Connecting Services

Amtrak uses the marketing name "Thruway" to refer to through tickets between Amtrak's rail network and connecting services, most of which are buses. Thruway services also encompass vans, shuttles, ferries, and some commuter rail operations. The Thruway system highlights are at right.

The primary purpose of Thruway connections is to help customers access Amtrak's rail network. Market research estimates that 80 percent of Thruway bus connecting passengers would not travel on Amtrak trains if it were not for the existence of the Thruway bus connection, making the train accessible to them.

Amtrak combines two types of Thruway service with our rail network. "Dedicated" bus routes are contracted through private bus service providers by Amtrak to carry only Amtrak passengers. "Interline" tickets are sold for travel on the independently operated services of partner carriers. Interline transportation carriers receive ticket revenue from the Thruway segment of the trip, with Amtrak usually retaining a commission. In a few select cases, Amtrak will provide a minimum revenue guarantee of ticket sales to an interline partner in order to arrange for a coordinated route connection. Dedicated buses are generally used where no interline option is available, the on-time performance of Amtrak train service is too unreliable, or the volume of Thruway passengers is too large for an interline route to absorb. Amtrak contracts with dedicated bus operators through a competitive procurement process.

Thruway services play a key role in the existing and future Amtrak network as feeders, connectors, auxiliary frequencies, and in some cases providing Amtrak transportation service in advance of instituting passenger rail service.

The intercity bus network has contracted significantly through most of Amtrak's history, but the COVID-19 pandemic has resulted in accelerated reductions in bus service by private carriers. Partnering with Amtrak may help keep some intercity bus routes financially viable and preserve mobility for communities.

Thruway connections do not need to be buses. Interline ticketing with commuter rail and mass transit is an opportunity for Thruway expansion. Upgrades to Amtrak's reservation system and related IT applications combined with potential new interline agreements with commuter rail and transit operators can open new markets for Amtrak travel, especially in the Northeast Corridor, which has the largest volume of commuter rail connections in the Amtrak network.

FY 2020 Thruway System Highlights

Significantly reduced from FY 2019

110

Routes operated by over 40 carriers

$51M

Gross trip revenue (Bus + train connections)

+400

Bus stops, in addition to the rail network

$35M

Connected train segment revenue; Bus segment revenue is $16M

1M

Thruway rides

$13M

Approximate net revenue added to the rail network in FY 2020

Amtrak Product Offeringss, continued

Charter Trains and Private Cars

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.

During FY 2018 Amtrak undertook a major restructuring of the charter train and private car business to minimize operational impacts to passenger rail service and improve financial returns. Although private car unit-miles and revenue have decreased after the restructuring, they appear to have stabilized in FY 2020, prior to COVID-19. While we expect to see a reduction of leisure travel due to the impact of COVID-19, the private car business will adapt and we expect the business to normalize by FY 2023. Charter train revenues and contribution for FY 2020 showed increased revenue and new customers during the time period prior to the impact of COVID-19. Taken together, after the restructuring the higher margins from these niche businesses provide solid contribution to Amtrak's bottom line. We anticipate in the FY 2021 Annual Operating Plan Charter Train revenue of $1.8 million and Private Car revenue of $2.0 million.

Other Opportunities

Amtrak pursues other commercial services opportunities that align with its key tenets. For example, Amtrak is exploring the possibility of expanding multimodal journeys with potential technology and transportation partners in order to allow customers to search for and purchase address-to-address transportation (for example, combining Amtrak travel with local mass transit or ride-hailing). We are also collaborating with the proposed privately-funded high speed rail operation between Dallas and Houston, TX. We have executed a through ticketing agreement that, following construction of the high-speed rail lined, would allow its passengers to connect to the nationwide Amtrak rail network in Dallas and Houston.

Shore Line East train at New Haven Union Station

Market Overview

Amtrak operates in a range of markets with customers and competitors that include public agencies and private businesses. We adapt our approach and pricing to the market to achieve the best deals that can be made with partners and vendors in each circumstance.

OPPORTUNITIES AND STRENGTHS

1. The conventional rail operating model of a single integrated system run by agency employees has not been expanding. With the sole exceptions of Utah Transit and the commuter rail system in Denver, every new commuter system which has begun service since the early 1990s has contracted out the traditional railroad work disciplines.

2. When new commuter operations were established, Amtrak was chosen in many cases as the initial provider to set up the service and ensure that it was operated safely and in a manner that met all Federal Railroad Administration (FRA)s regulatory requirements.

3. Our strategy going forward embraces both geographic locations where our economies of scale can be most effectively applied, and business opportunities where a commuter rail provider is looking for a competent and experienced operator. Commuter operations bids can also solidify Amtrak's presence in strategically important areas such as California.

4. Commuter contracts may provide us with an opportunity to develop other business with our customers, who could potentially come to us in search of operational, mechanical, engineering, or dispatching expertise.

5. Most commuter rail systems must comply with FRA requirements, which creates an opportunity for Amtrak to offer our knowledge of compliance and expertise in this area to agencies.

6. Although COVID-19 has impacted commuter rail ridership to an even greater extent than Amtrak ridership, commuter agencies have not reduced service to levels commensurate with ridership, because of the essential nature of the service. While every agency has implemented service reductions, the impact to their operations and Amtrak commuter revenue has not been as significant as the ridership drop. We do not expect that ridership or service will return to pre-COVID-19 levels immediately, but it is likely that agencies will continue to seek competitive bids in an effort to become more efficient and effective.

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

We have resources such as train and engine crews, maintenance facilities, and supervision already in place in many major cities.

We have fifty years of experience operating intercity passenger trains nationwide, along with decades of experience providing contract commuter operations (currently Metrolink, Shore Line East, and MARC's Penn Line) and contract maintenance (currently Sounder, SunRail, MARC, and Shore Line East). We operate over and are trusted by nearly 30 host railroads nationwide and have a strong reputation for standing by our payment and indemnification commitments. Amtrak maintains a unique set of key resources necessary for the efficient and effective operation of rail services, including planning, training, mechanical, safety, security, environmental, strategy, operational and infrastructure engineering resources.

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

Amtrak enjoys a reputation as a competent and reliable train operator, with a deeper bench of available staff than most of our contract commuter competitors, plus unique training capabilities. However, pricing to win business while providing a reasonable financial return for the company can be a challenge in this competitive field.

A Metrolink train led by an F125 rolls past the San Clemente Pier at sunset.

Strategy

Amtrak is seeking market-based and competitively bid business opportunities. Pricing is based on providing a positive financial contribution at a minimum and obtaining more if a particular market will support it. Amtrak subject matter experts undertake evaluations such as make versus buy. For example, the routing optimizer in a Multimodal Travel project discussed below would likely be more quickly and cost-effectively acquired through partnership or licensing with external firms who have years of experience, rather than built in-house.

Amtrak uses a selection process that evaluates potential projects based on the key tenets. Other considerations for potential projects or target markets include:

- **Are investments required** to make Amtrak competitive? If so, is public or private seed money available?
- Should Amtrak join with **joint venture partner(s)**? Are market opportunities large enough to justify this? An attractive return on investment is required, along with effort to establish legal and business agreements.
- If **modifications to work rules,** wages, etc., from the agreement workforce are required, can they be agreed upon?
- Will there be opportunities where **establishing a subsidiary** may be beneficial?
- Understanding of and adherence to any applicable **regulatory/governmental requirements.**
- Can Amtrak develop methods to handle **flow-down requirements** on work funded by the Federal Transit Administration (FTA), which differ from requirements for FRA-funded work with which Amtrak otherwise complies, or can those rules be addressed in some other way?

The level of Amtrak resources will determine how much time we can spend developing options and bidding more effectively based on deep understanding of markets and relationships established prior to Requests for Proposals.

Metrolink Passengers on the platform at LAX.

PRIMARY OBJECTIVES

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

Pursue Commuter Operations Opportunities

Pursue and win targeted opportunities through competitive and compelling proposals that meet customer needs. In addition, work with existing and potential customers on an ongoing basis to understand their needs and offer our services to their operations. In FY 2018, Amtrak was awarded the contract to continue to provide Train and Engine (T&E) services to the MARC Penn Line commuter service; the five-year contract, with an option for an additional five years, began in July 2018 and will generate more than $100 million in revenue for Amtrak over five years.

Several bid opportunities are likely to arise in the next 2-4 years. Amtrak will review these and other opportunities for fit with our key tenets. We'll also consider the best approach for each bid, including self-performing the services, using subcontractors, or forming a joint venture or other form of business structure.

Support Existing Commuter Agency Customers

For existing customers, work with Amtrak functional areas to provide the services customers require to execute their vision, while developing opportunities for Amtrak to meet additional needs.

Continue to Improve Financial Performance of Charter Trains and Private Cars

The market is still adapting to the restructuring of the business described in this Plan, but indications are that Amtrak can anticipate high margins from this niche business with solid contribution to Amtrak's bottom line. Amtrak will continue to monitor market acceptance of our restructuring and adjust as necessary to maximize contribution without distracting from Amtrak's core activities.

Continue to Expand Thruway Services

Expanding rail service faces high barriers due to funding requirements and host railroad resistance frequently accompanied by large capital investment demands. Thruway service provides a means to grow ridership and revenue in new and existing Amtrak markets by instituting bus service at low initial cost to establish an Amtrak presence in new markets, and to provide route extensions and additional frequencies for existing rail routes. Amtrak will explore closer schedule and operational coordination with bus operators and with state funding partners.

Current national network planning concepts envision buses performing some, or all, of the following roles:

- Enhancing rail service with **auxiliary frequencies.** Current example: The Amtrak Cascades service.
- **Adding new markets** to feed customers to/from the Amtrak rail system using bus connections. Example: Replicate Bakersfield, CA hub in Harrisburg, PA or other locations.
- Pursuing **interline ticketing partnerships** with commuter rail and transit operators to expand the Amtrak network to new markets.

Under federal and some state rules Amtrak cannot sell "bus-only" trips on dedicated bus routes contracted by Amtrak. This impairs mobility for passengers and unnecessarily increases the federal funding required to maintain nationwide connectivity. A statutory change eliminating this restriction would address this situation and would be particularly beneficial to potential passengers on routes, most of which serve rural areas, over which direct intercity bus service is not otherwise offered.

NEW OPPORTUNITIES

Amtrak pursues other opportunities which fit its key tenets. During the period of this Plan, this is expected to include pursuing, in coordination with Amtrak's Marketing and IT departments, the possibility of a Multimodal Travel initiative to provide information to customers regarding connections to help them travel beyond Amtrak stations to their ultimate destination address from their origin address. This is the so-called "First Mile/Last Mile" challenge. The premise of this project is that by reducing uncertainty regarding travel to/from Amtrak stations, we can attract new riders to Amtrak. Potential partners could include commuter railroads, transit systems (e.g., metropolitan rail, subways and buses), taxis, Transportation Network Companies / ride-hailing services to/from specific addresses, livery (limousine) services to/from specific addresses, shuttle carriers, rental cars, car sharing services, and bike and scooter sharing services.

Multimodal trip-planners that combine public transit and intercity service, including in some cases through-ticketing, already exist in many countries. For example, in Sweden, the "Samtrafiken" partnership enables travelers to search for routes and in many cases to purchase combined ("Res Plus") intercity rail and mass transit tickets. Similar ticketing systems exist in Switzerland, Italy, Germany, and other European countries. Amtrak, through the Amtrak Procurement Department, issued a Request for Information (RFI) to the marketplace in 2019. As indicated in the RFI, we sought to learn from established, world-class firms in order to expand Amtrak's "Thruway" program functionality to include commuter rail, local transit, ride-hailing services and other transportation connections in order to increase the range of origins and destinations available to travelers. The objective of a Multimodal initiative would shift from intercity transportation to focusing on the "First Mile/Last Mile" issue of passengers getting to and from Amtrak's stations. During FY 2021, Amtrak will next steps to identify solution options and potential partners.

> **We know from experience that adding connections to our network attracts new riders and grows revenue.**

RISKS AND ENVIRONMENTAL FACTORS

EXTERNAL FACTORS

Contract Commuter Operations

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

Commuter operations are funded by public agencies as a service and by their nature operate at a financial loss. When combined with state and local funding pressures, this drive commuter agencies to economize, pursuing lower costs and pushing risk onto contractors. Meeting Amtrak's goal of achieving sufficient contribution while operating in this market is a challenge. COVID-19 may worsen this challenge, as it is clear it is financially stressing many agencies. However, it may also make it more likely that agencies we do not currently serve, whose current contracts are now ending will seeking to bid them out, which could create new opportunities for Amtrak.

Amtrak also faces accounting and compliance hurdles. Amtrak receives federal funding through the FRA, while commuter carriers generally receive federal funding through the FTA. Currently, the federal flow-down compliance rules are different for the two sources of federal funding. As Amtrak is requesting in its reauthorization proposals, it would be beneficial to Amtrak and commuter operators if this impediment was eliminated.

Thruway Connecting Services

Dedicated Amtrak bus routes (for which Amtrak charters the buses) currently have legal restrictions, as noted earlier, that impact Amtrak's ability to leverage bus services to connect communities across the country.

Charter Trains and Private Cars

Amtrak significantly restructured both of these businesses during FY 2018 to retain as much financial contribution as possible while eliminating low-contribution moves and interference with Amtrak's core operations, to comply with our key tenets. Amtrak's consistent application of the clear guidelines for charter trains we have adopted has enabled implementation of our restructuring strategy. However, it is still not fully known how the marketplace will react to this structure long-term.

INTERNAL FACTORS

Capacity

The bandwidth available to actively pursue new business, including the effort required from across Amtrak to respond to each potential business opportunity and Request for Proposal, can present a challenge to pursuing new opportunities, for example, the capacity of Amtrak functional areas such as Engineering and IT to take on additional work within the timeframes required. Subcontracting, licensing, or partnering are options, although they still require Amtrak resources to hire and manage and can cut into Amtrak returns.

Risk Appetite

Willingness to take on reasonable business liability risks from performing additional work can be a challenge.

Ability to Price Competitively

Essential to running Amtrak as a business is market-driven pricing that contributes positive financial contribution but is also competitive in the marketplace.


653

Conclusion

One of the basic tenets for Amtrak's efforts seeking commercial opportunities is to provide a positive financial contribution to Amtrak. The FY 2021 Annual Operating Plan calls for Contract Commuter, Charter Trains, and Private Cars together to generate Contribution of $45.1 million. This reflects contributions from Thruway that are significantly reduced from prior periods due to capacity reduction for social distancing and route suspensions. Amtrak will continually evaluate business opportunities and pursue those that satisfy its three key tenets: (1) Provide positive financial contribution to Amtrak; (2) Provide clear strategic value for Amtrak; and (3) Do not distract from or impede Amtrak's core activities.

REAL ESTATE & COMMERCIAL SERVICE LINE

Amtrak owns and manages a nationwide portfolio of real estate that spans the Amtrak system. This portfolio includes more than eight million square feet of station and maintenance facilities, five of our top 10 busiest stations, and over 800 miles of right-of-way and other property in 46 states, Canada, and the District of Columbia.


AMTRAK
TO TRAINS

Introduction

Amtrak Portfolio Facts

517

U.S. Stations Served, of which it fully owns 24 and shares ownership of an additional 50 stations

9

Canadian Stations Served

38

Parking Facilities, of which it fully owns 29

74

Owned Structures, of which it fully owns 71

48

Platforms, of which it fully owns 45

While our assets are primarily used for railroad operations, they do produce recurring revenue or have the potential to generate revenue. This revenue is used for reinvestment back into critical infrastructure and operational improvements that benefit our customers through Amtrak's general fund.

In addition to revenue-producing opportunities, the Real Estate & Commercial (RE&C) service line supports Amtrak's primary business function by acquiring property and/or real estate rights necessary for railroad operations. All activities are reported through the Ancillary Service Line under the FAST Act account structure.

The major functions of the RE&C service line, which is organized through the Stations, Facilities, Properties, and Accessibility department, include:

- **Overseeing the company's portfolio of real estate assets** (owned, leased, and managed) through acquisitions, dispositions, and day-to-day operations.
- Working to **maximize the real estate portfolio's performance.**
- Proactively **making real estate decisions** that are aligned with enterprise business strategy, minimizing risk and maximizing returns.
- **Establishing and implementing the standards** for Amtrak-owned and leased facilities to deliver high-quality space to all customers, employees and visitors.
- **Analyzing financial feasibility** of third-party proposed projects.
- **Providing oversight** for all the company's development strategies and evaluate development activities.
- **Negotiating agreements** for utility occupations ("pipe and wire") as well as telecommunications and fiber optic occupations of the right-of-way and Amtrak-owned stations.
- **Managing Amtrak-owned parking lots and garages** as well as station, onboard and right-of-way advertising.
- **Managing and overseeing all retail locations** owned or managed by the company.
- **Seeking opportunities** to leverage Amtrak-owned fixed assets and air rights through arrangements with public and private sector entities.

To maximize the benefits to Amtrak associated with these activities, the company has undertaken a progressive effort to analyze opportunities across multiple asset classes including stations, maintenance facilities, rights-of-way, and air rights in order to identify a diverse program of opportunities for improvements and potential partnership with the private sector. Opportunities range from direct real estate transactions to comprehensive partnerships covering a variety of real estate asset types, station operations and maintenance, and master plan improvements. These types of opportunities can capture untapped value, strengthen Amtrak's self-reliance and develop facilities, amenities and density that support Amtrak's mission.

ABOUT THE DEPARTMENT

Under the Planning & Asset Development group within Amtrak, the Real Estate and Commercial service line comprises several functions and development programs that serve both to proactively manage Amtrak's assets and generate revenue.

The Stations, Facilities, Properties, and Accessibility (SFPA) department performs a variety of Real Estate Operations and Commercial Development functions, including:

Real Estate Operations and Asset Management

Manages all corporate owned, leased, or occupied real property assets to support the company's station, maintenance facility, and corporate office operations. These include:

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

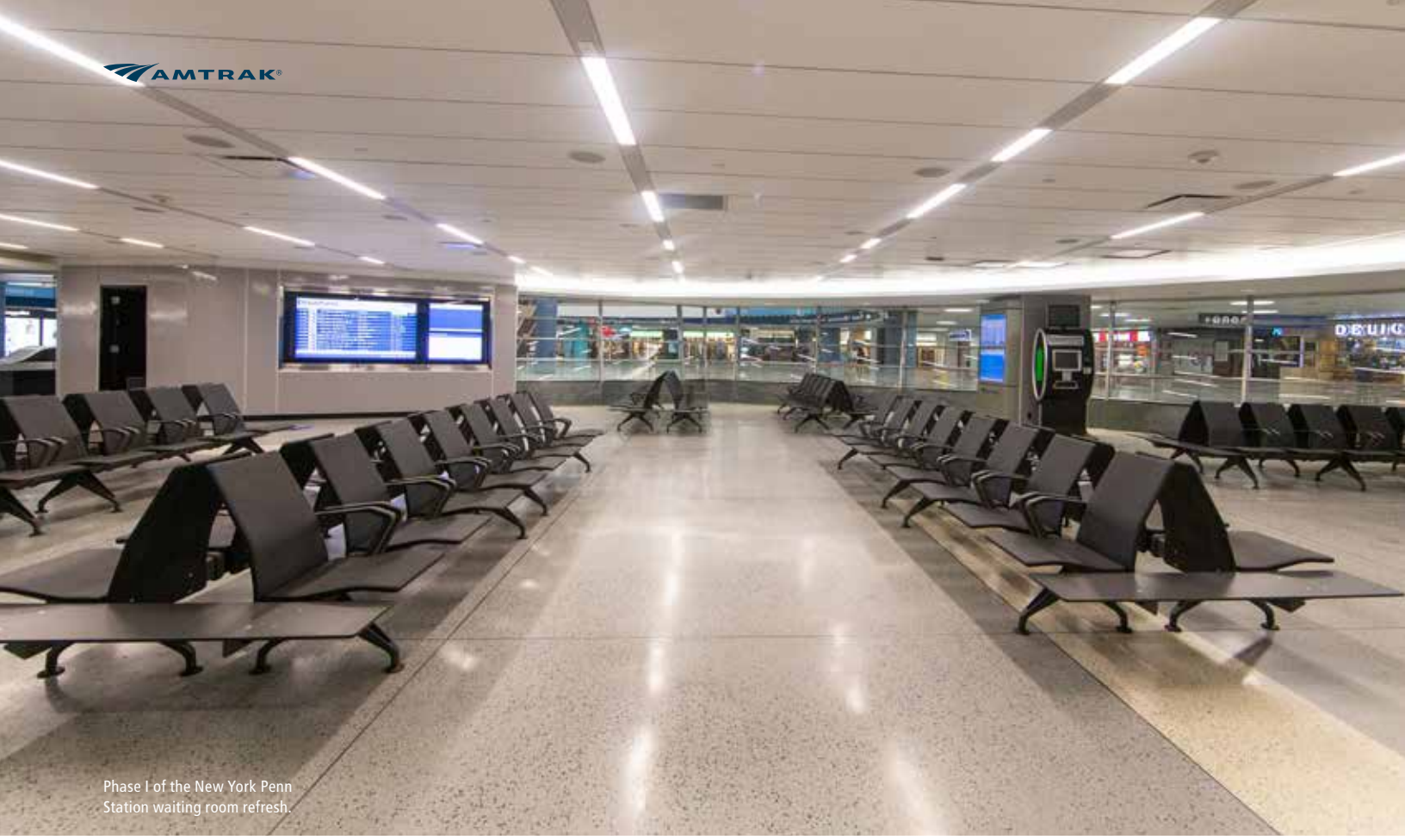
Real Estate Operations. Manages all real estate assets required to support railroad operations, including corporate office space. Responds to inquiries from station owners, prospective station owners/developers, and Amtrak Operations to obtain or renew leases, enforce lease terms, negotiate facility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

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

Financial Operations. Manages all revenue pertaining to retail, parking, advertisement, and telecommunications and pipe and wire uses of Amtrak property, which involves providing occupancy to utilities and other third- party encumbrances. Budgets for and manages all real estate payments. Communicates with all facets of operations to address issues with leases, contracts, and special projects.

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

"Go," a hand-painted, stained glass triptych by Kehinde Wiley at Moynihan Train Hall.



Phase I of the New York Penn Station waiting room refresh.

Commercial Planning & Development

Generates revenue from all corporately owned real property assets as a non-core business activity.

Advertising. Manage a portfolio of over 270 existing static billboards and over 650 static indoor station advertising locations throughout the Amtrak network. Responsible for the conversion from static to digital medium for strategic billboard and in-station locations. Manage the onboard advertising for trains throughout the Northeast Corridor.

Retail. Management of the over 190 retail facilities owned by the company made available for lease; maintains good relationships with tenants; markets available space, procures new tenants, and negotiates leases. Responds to and manages ad-hoc requests for short-term seasonal or event-driven lease space.

Parking. Oversight of nine parking garages and lots (a subset of the 38 parking facilities where Amtrak has ownership interest) utilized for commercial revenue purposes. Responsible for coordination of maintenance and capital improvements at these garages/lots.

Filming. Manages on-location station and right-of-way and onboard train filming requests on Amtrak property.

Station Development. Provides oversight for all the company's development strategies and evaluates development activities; establishes development strategies and evaluations; analyzes the financial feasibility of proposed projects; leads transactions.

Telecommunications. Negotiates, drafts, manages and enforces revenue generating telecommunications agreements pursuant to which third parties, primarily telecom carriers, install, operate and maintain network facilities on Amtrak's ROW and stations. Agreements are for longitudinal fiber optic cables and wireless facilities for approximately 65 base sites.

Utility & Right-of-Way Occupations "Pipe & Wire". Manage a portfolio of over 2,400 existing agreements and negotiate all new agreements related to long-term third-party usage of the Amtrak right-of-way including transverse and longitudinal cable, fiber optic, electric transmission, sewer, water, oil, gas, and steam occupations.

Market Overview

Real Estate activities occur throughout the Northeast Corridor and the National Network, and span 46 states and 3 Canadian provinces. Amtrak has sole ownership of all existing components (station, platform, and parking) at 24 stations, and ownership of some components or shared ownership at an additional 50 stations, and no ownership interest at 452 stations within its operating portfolio of 526 stations. (Station operations where Amtrak provides services, but has no ownership interest, are governed by active Real Estate property agreements.) In addition, Amtrak owns 58 stations that are not served by Amtrak rail, but are leased to other rail operators.

Amtrak also occupies over 1 million square feet of office space and owns approximately half of this space. Amtrak owns approximately 7.1 million square feet of maintenance facilities in over 150 unique locations in 24 states. Amtrak owns or holds long-term leases on approximately 750 miles of rights of way including: 245 miles from Washington, DC to Rochelle, NY; 10 miles of the Empire line in New York, NY; 118 miles of the NEC from New Haven, CT to the Rhode Island–Massachusetts border; 104 miles of the Keystone line in Pennsylvania; 95 miles of the Empire line in upstate New York; 12 miles of the Post Road Branch in upstate New York; 60 miles of the Springfield line from New Haven, CT to Springfield, MA; 95 miles of the Michigan line from Porter, IN to Kalamazoo, MI; and the trackage in and around Chicago's Union Station.

RE&C FY 2020 Performance Highlights

$9.8M
Advertising Revenue

$4.9M
Parking Revenue

$24.0M
Retail Revenue

$11.1M
Utility and Right-of-Way Occupations Revenue

$21.3M
Telecommunications Revenue

CUSTOMER ANALYSIS

Internal customers include the Corporation's functions and departments that use Amtrak-owned, leased and occupied real estate assets, ranging from corporate services such as IT and Government Affairs to Operations. External customers include Amtrak passengers, retail tenants and vendors, commuter railroads, and local governments. Commercial customers also include telecommunications and utility companies, companies wishing to advertise on Amtrak property, and other private sector entities.

FY 2020 PERFORMANCE

Amtrak's Real Estate and Commercial Service Line produced revenue and proceeds from disposition from Real Estate and other holdings totaling approximately $77.1 million in FY 2020. Revenue was derived from a variety of asset classes, listed at right.

Asset Classes

Advertising. Throughout the Amtrak network, revenue from advertising was $9.8 million, a decrease of $4 million over FY 2019.

Parking. Amtrak's 9 parking garages and surface lots generated $4.9 million, resulting in a decrease of $9.3 million from FY 2019 results.

Retail. Amtrak retail portfolio generated $24.0 million in retail rental revenue, resulting in a decrease of $4.2 million from FY 2019 results.

Utility & Right-of-Way Occupations "Pipe & Wire". Agreements produced $11.1 million resulting in an increase of $2.0 million from FY 2019 results.

Telecommunications. Fiber and wireless occupancy agreements produced $21.3 million in revenue remaining consistent with FY 2019 results.

Real Estate & Commercial Strategies

In early March 2020, unexpected and unprecedented impacts from the onset and spread of the COVID-19 pandemic rippled across the economy. Not only did demand for travel collapse almost overnight, but a large volume of bookings and tickets for future travel were canceled as customers were confronted with the uncertainty of a new and scarcely understood disease. In a few successive weeks beginning in late February and lasting though the middle of March, the country was wracked by the effects of the COVID-19 virus, the economy shut down, people quarantined in their homes, businesses closed, and the country was plunged into crisis.

The slowdown had a major impact on Real Estate's retail business as customers remained home, and our real estate tenants struggled to keep their businesses viable in the initial months of the pandemic—a challenge that continued through the spring and fall, and continues as this is written. Several tenants have filed for bankruptcy; others have ceased their business and notified Real Estate of their pending closure. Advertising and Parking have also seen precipitous declines in revenue resulting from stay-at-home orders and limited foot and vehicle traffic.

Moving into FY 2021, we anticipate limited growth from our past work to drive revenue increases, with some revenue sources anticipating an overall decline in revenue as fallout effects of COVID-19 pandemic. We expect an overall 8% decrease in total revenue from FY 2019 results, primarily attributable to our retail, parking and advertising revenues. Each of these revenue generators require foot and vehicle traffic which with current expectation to re-occur until latter second quarter of FY 2021.

Real Estate Operations. To provide greater efficiency in the processing of agreements, in FY 2020, the department will be implementing Phase II of Documentum (Real Estate's digital repository of its lease agreements and supporting documents) and will begin scanning all the hard copy agreements currently housed in our offices at 30th Street Station. Phase II was delayed for several months due to COVID-19, but appears to be on-track for completion during the Q2 of 2021.

Property Control. In FY 2021, the department will continue to investigate methods for identifying property encroachment by adjacent property owners. Digitization of mapping property lines is being integrated as part of Amtrak's Enterprise Asset Management project.

KEY BUSINESS DRIVERS

	FY 2020 ACTUAL	FY 2021 GOAL	FY 2026 GOAL
Gross Revenue (Adjusted)	$77.1 million	$70.7 million	$105 million
CSI	83.8%	84.7%	85%


Baltimore Penn Station

OVERVIEW OF PRIMARY INITIATIVES

Master Developments

BALTIMORE PENN STATION

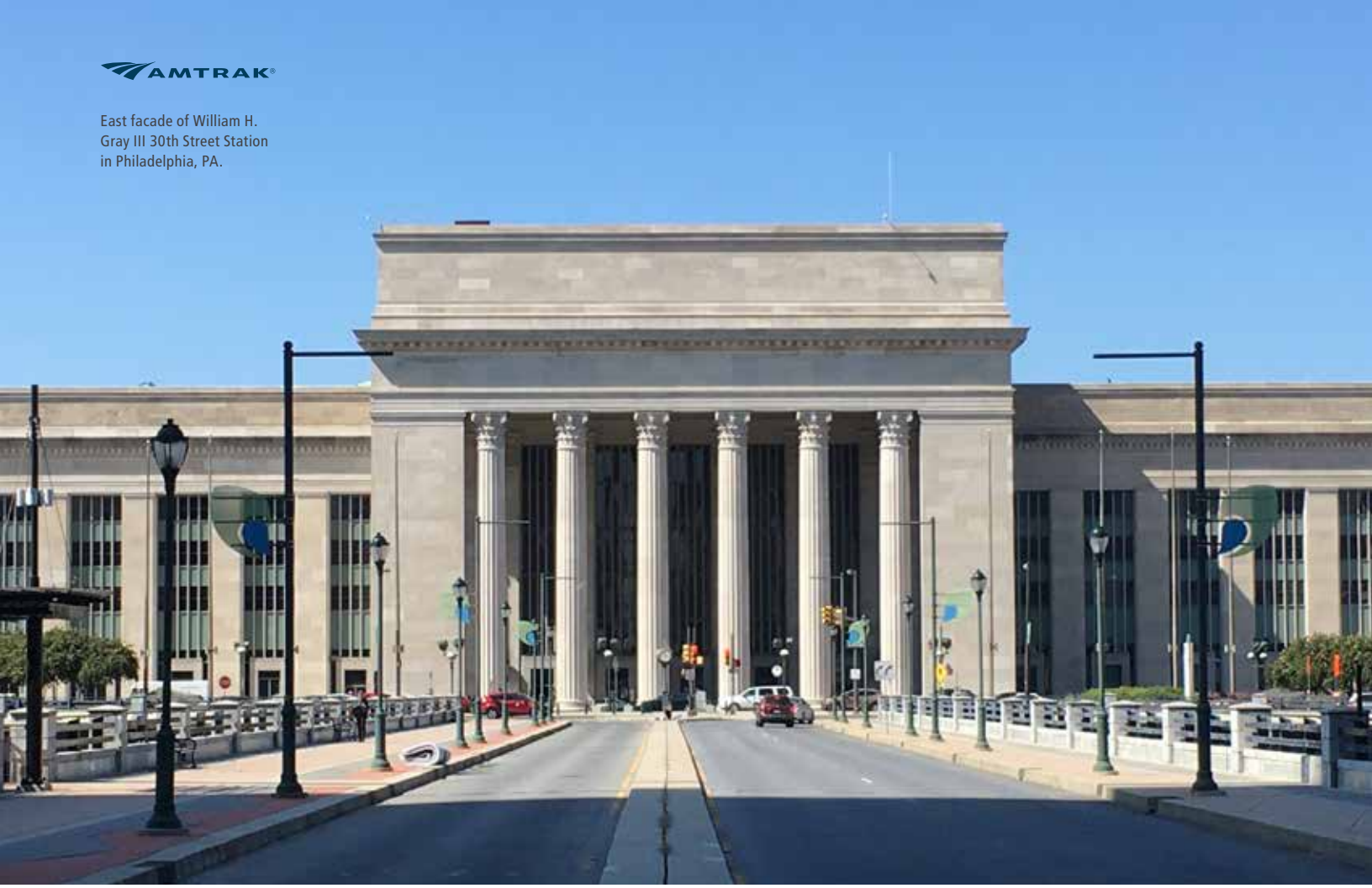
In 2019, Amtrak executed a Master Development Agreement and reached Commercial Close with Penn Station Partners for the redevelopment of Baltimore Penn Station. Since then, designs for early action State of Good Repair improvements have reached the 60% milestone for the first construction Guaranteed Maximum Price (GMP) contract. The remaining design scope remains on schedule for 2021, along with the anticipated GMP contracts for construction and execution of eases for the historic Headhouse and adjacent Lanvale property.

Upon completion, a fully modernized and expanded station will leverage private transit-oriented commercial development, providing additional density as part of the overall station district development. Amtrak continues to improve and integrate Amtrak and MARC customer interfaces at Baltimore Penn Station with additional design and construction proceeding over the next 3-5 years.

A fully modernized and expanded Baltimore Penn Station will leverage private commercial development, providing additional density as part of the overall station district.

CHICAGO UNION STATION

In October 2020, Amtrak reached substantial completion for the new ADA-compliant Clinton Street headhouse entrance construction, monumental window restoration, and former Fred Harvey Restaurant space reactivation. In accordance with a memorandum of understanding between Amtrak and the City of Chicago, Amtrak will be reimbursed for this work utilizing funds expended by Amtrak to purchase the City's air rights above their Union Station Transit Center as a component of the parking garage transaction with Riverside Investment and Development. In spring 2021, the Chicago Department of Transportation will construct an ADA-compliant Clinton Street crosswalk to provide a complete pathway to the new headhouse entrance. Amtrak's search for a third-party entity to fit out and operate the reactivated space continues.



East facade of William H. Gray III 30th Street Station in Philadelphia, PA.

Revenue Growth Initiative

WILLIAM H. GRAY III 30TH STREET STATION

In Philadelphia, Amtrak continues to advance activities to implement the 30th Street Station District Plan. The Master Development procurement process was completed in spring 2020 and the Amtrak Board of Directors approved selection of the best value proposer in May 2020.

The Philadelphia Gray 30th Street Station Master Development Implementation is a strategic partnership. Amtrak will partner with the public-private partnership (P3) Developer to advance station improvements to address a backlog of deferred maintenance; improve station operations; enhance the customer experience for current customers and in anticipation of future growth in ridership; modernize corporate offices; and revive the historic station as a customer-oriented gateway and civic destination. Amtrak seeks to achieve these goals through consolidation of employee functions; improvement of operational adjacencies and retail opportunities; renovation of corporate offices; and the restoration of historic fabric.

The P3 Developer not only provides financing support, they bring project delivery, asset management, and commercial development expertise to the table to help Amtrak cultivate a first-class customer experience, while maximizing the performance and value of Philadelphia Gray 30th Street Station.

More information on master developments at stations is included in the Stations Asset Line Plan.

RISKS AND ENVIRONMENTAL FACTORS

Federal Appropriations

While Amtrak does not use federal funds for Ancillary Services, a reduction in appropriations would require increased revenues to fill the resulting gap. Such a gap could lead to prioritization of initiatives generating short term revenue streams over longer-term real estate and commercial objectives.

Major Service Disruption

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

Complex or Shared Ownership of Some Facilities

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

Staff Resources and Expertise

Amtrak requires sufficient staff in both the SFPA group and among the Operations disciplines that support third party work along Amtrak's right-of-way and other assets. Revenue-generating opportunities are in constant competition for resources with capital and state of good repair projects.

KEY STRATEGIC ISSUES FOR SFPA

- Improving coordination with internal and external stakeholders on **programmatic improvements** at both owned and leased stations and facilities.
- **Improving oversight** and monitoring of corporate office space occupancy and utilization, and enforcement of corporate office space policy and standards.
- Coordinating and **prioritizing customer needs** across national geographic footprint.
- Establishing **appropriate benchmarks** for operating and maintenance responsibilities.
- **Staffing and resources** to execute complex public-private-partnership (P3) and real estate transactions.
- **Flexibility** to meet market opportunities in a timely manner.

INFRASTRUCTURE ACCESS/ REIMBURSABLE SERVICE LINE

The Infrastructure Access Service Line (IASL) plan summarizes Amtrak's plans to, develop, manage, and provide access to Amtrak-owned or controlled infrastructure. The primary customers of IASL services are commuter and freight railroads in addition to Amtrak's own trains.

Introduction

Our fundamental responsibilities in delivering IASL services include: **Meeting customer expectations** related to their use of Amtrak assets; **Generating and growing revenue** from their use; and Driving investments to **renew, rebuild and enhance Amtrak infrastructure** to meet present and future service needs.

Success depends on clear and consistent communication with stakeholders, robust asset and work management practices, integrated service and capital planning, and project delivery processes to reliably provide infrastructure access. The key goal is to generate sufficient funding from users and investors to perform ongoing maintenance, recapitalization and improvement activities needed to ensure Amtrak's infrastructure supports safe and reliable operations and accommodates future demand.

IASL provides infrastructure access primarily to commuter authorities and freight railroads on the Amtrak-owned portions of the Boston-to-Washington Northeast Corridor (NEC) main line, but also manages Amtrak-owned/operated lines elsewhere on Amtrak's National Network. Principal financial sources include operating and capital payments by NEC users pursuant to agreements governed by the Northeast Corridor Commuter and Intercity Rail Cost Allocation Policy (hereafter referred to as "the Policy") developed by the Northeast Corridor Commission (NEC Commission), freight railroad payments under existing access agreements, payments by other entities outside the NEC that use Amtrak assets (such as Metra), and federal appropriations to the National Network Account.

IASL ACTIVITIES

Partner Relationship Management and Coordination

IASL serves as the primary point of contact for major capital projects involving internal and external stakeholders through its management of contractual agreements related to access and design and construction support services. It supports the company's priorities through relationship management and coordination, which requires extensive communication with various stakeholders through regular outreach sessions and negotiations with, among many others, federal, state, and local governments.

Infrastructure Planning

Coordinating planning for Amtrak infrastructure for both existing and new services requires a strategic, proactive approach to building consensus with the other rail service providers which use Amtrak assets. Long- term infrastructure planning is a complex responsibility that requires regular communication with partners and other stakeholders, extensive attention to resource allocation, integration of intercity commuter and freight service plans, and strategic planning for improved or expanded services.

Capital Program Management

In conjunction with other departments (notably Engineering), IASL supports the development and management (i.e., monitoring, reporting and adjusting) of both annual and five-year infrastructure capital plans to maintain Amtrak assets in a state of good repair and advance improvements to meet expanded service, reliability, frequency and trip time improvements. IASL's collaboration with external stakeholders in the pursuit of FAST Act and other discretionary grant funding sources is critical to the effort is to support shared benefit capital investments.

Coordination with the NEC Commission

The NEC Commission includes Amtrak, the U.S. Department of Transportation, and the eight Northeast states and the District of Columbia. It was established by Section 212 of the Passenger Rail Investment and Improvement Act of 2008 (PRIIA), which mandated development of a cost sharing policy for Corridor users and coordinated regional leadership on near-term strategies to stabilize the NEC and establish a foundation for growth. Amtrak has been informed by its NEC Commission membership in developing this plan by participating in its committees and working groups. We also regularly meet with Corridor partners on a bilateral basis to discuss issues and ensure appropriate coordination among the relevant parties. On an operational level, we communicate with partners daily.

An important next step is our work with the NEC Commission to further integrate service and asset line plan development and approval processes into the Commission's planning timeline. *Many items addressed in this document will be covered in greater detail in the Infrastructure Asset Line Plan.*

REIMBURSABLE

Amtrak also performs a variety of services for third parties. While these services are labeled "reimbursable", the actual financial terms are agreed to with the respective third party on a case-by-case basis. Reimbursable work is considered an ancillary business and reported separately under the FAST Act framework but is discussed here because Infrastructure Access and Reimbursable activities have similar customers, and both often derive from access agreements. Financial forecasts are provided separately.

Many contractual arrangements are single sourced to Amtrak based upon unique expertise Amtrak may possess or Amtrak's ownership of right-of-way and property where work takes place. In addition, IASL also responds to requests for proposals issued by states and public agencies. This plan outlines the current functions provided by Amtrak in detail, discusses selected ongoing projects, and describes our approach to this type of work.

Reimbursable Functions

Design Review and Approval. Amtrak review, comment and approval of Engineering design activity performed by third parties for projects which will impact Amtrak rail-related assets.

Safety. Railroad protective services for projects in the vicinity of rail infrastructure, including flagging and overhead catenary system de-energization.

Rail Construction and Support. Track construction, tie replacement.

Station Maintenance. Support of maintenance and construction activities for commuter stations.

Ancillary Commuter Services. Contractual-based services providing Amtrak ticket sellers and other station management personnel.

Reimbursable Projects

Amtrak is often asked to perform engineering design and construction services on various state, commuter authority or third-party projects on a reimbursable basis. These services range from the support of local station construction to some of the largest transportation projects in the United States.

The largest projects may involve dozens of staff from the design phases through project close-out, including related activities like project management and budgeting. We seek payments from these services to cover the fully-allocated costs of Amtrak's work, including direct costs, overheads, and general and administrative and other costs, although, in certain instances where the investments have a direct benefit to Amtrak services or assets lower rates may be charged. We recently completed several third-party projects and have others ongoing. Select examples of reimbursable projects recently **completed or near completion** are detailed below.

EXTON STATION

The $23.4 million Exton Station was completed in spring 2020. This was a SEPTA and PennDOT-funded initiative providing a new ADA-compliant station building with an indoor waiting room, ticket office and restroom facilities along with new platforms, parking facilities, lighting, pedestrian circulation, and stormwater management. Amtrak reimbursable services included design review and roadway worker protection for SEPTA's contractor. Total cost of Amtrak services was approximately $3.4 million.

DELAWARE THIRD TRACK

This $71.2 million capacity enhancement initiative was a joint initiative between Amtrak, Delaware Department of Transportation and Delaware Transit Corporation (DTC). Project funding included a $13.3 Million discretionary grant from FRA to DTC. Completed in September 2020, it provides infrastructure improvements on the NEC just south of the Wilmington, DE Station, including 1.5 miles of high speed third track, an expansion of the Mill Creek Bridge to support the new track alignment, new interlocking crossovers, and new catenary and signals for the new track.

MTA EAST SIDE ACCESS

The New York Metropolitan Transportation Authority (MTA) is undertaking a project that will enable Long Island Rail Road trains to access Grand Central Terminal. The project includes constructing and upgrading trackage, signals, circuits, and other components of existing infrastructure at the Harold and Loop Interlockings near Amtrak's Sunnyside Yard in Queens. We provide various support functions for the project where it intersects Amtrak's tracks and other infrastructure.

FY 2020 AND BEYOND REIMBURSABLE PROJECTS

Penn Station Access for Metro-North Trains

This project, sponsored by the Metropolitan Transportation Authority Construction & Development (MTA C&D) and Metro-North Railroad for four new stations in Bronx, NY and additional track structure to support Metro-North commuter rail service over Amtrak's Hell Gate Line between New Rochelle, NY and New York Penn Station.

Coatesville Station

Amtrak is supporting the construction of a new Coatesville Station on the Keystone Line. This initiative is being led and funded by PennDOT with construction expected to begin in CY 2021. Improvements include two new high-level platforms, track improvements, and two new elevators and stair towers providing ADA accessible access to and from the platforms via a pedestrian walkway and underpass. Other improvements include signage, lighting, storm water management and security system.

Pawtucket Train Station

Amtrak is supporting a Rhode Island Department of Transportation (RIDOT) project to build a new commuter rail station in Pawtucket, RI. This project will begin in FY 2020 with groundbreaking and construction. Work includes undercutting and realignment of Tracks 1, 2 and 7; reprofiling catenary, Communications and Signal (C&S) infrastructure relocation and construction of a new signal house by Amtrak's Lancaster, PA Signal Shop.

Many agreements are single sourced to Amtrak based on unique expertise or ownership of right-of-way and property where reimbursable work takes place.

Train 233 heads to Albany from Grand Central Terminal, passing by the Metro-North Railroad maintenance yard at Highbridge, the Bronx. As part of the NYP Renewal, three weekday roundtrips between New York and Albany have been rerouted to Grand Central Terminal (NYG).

Market Overview

Our right-of-way infrastructure assets are primarily located in the Northeast but also include some important National Network assets, principally the Michigan Line and several major terminal areas.

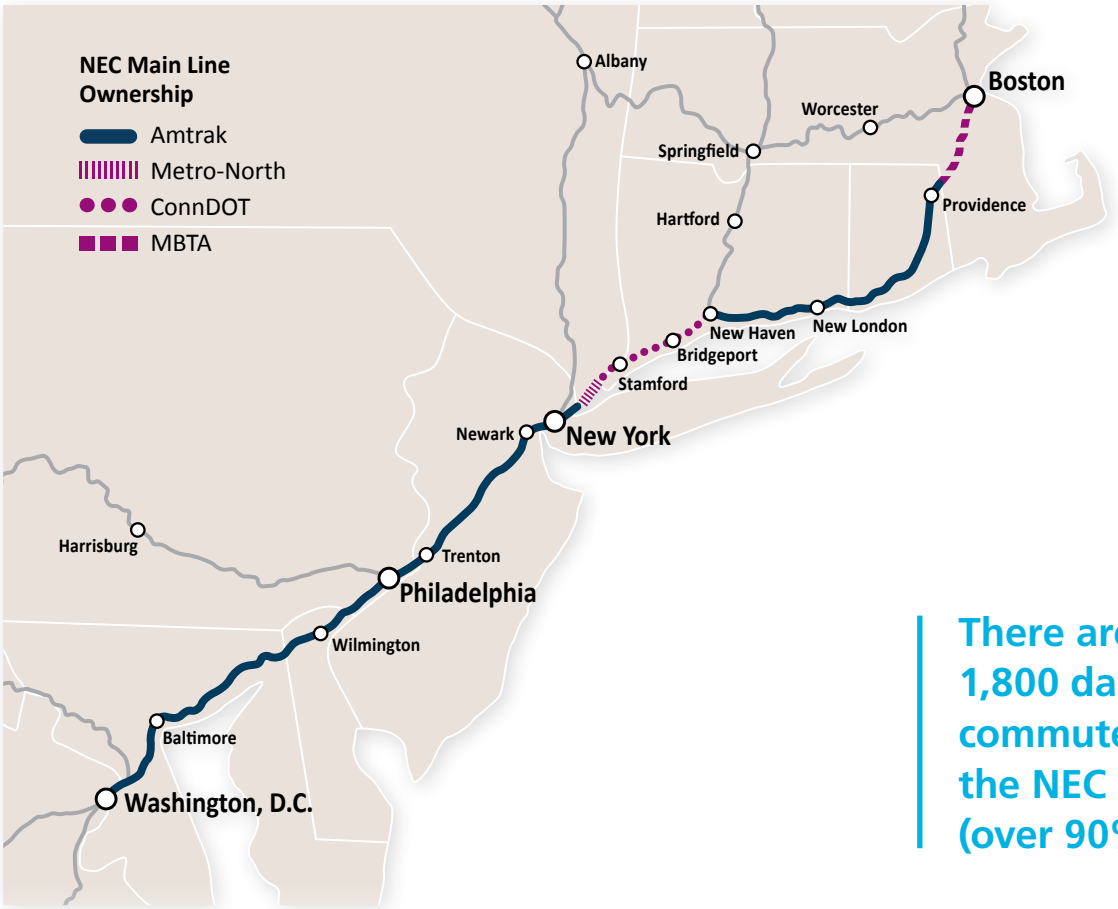
THE NORTHEAST CORRIDOR

We own 363 miles of the 457-mile right-of-way of the NEC main line between Washington, DC and New Rochelle, NY, and between New Haven, CT, and the Rhode Island-Massachusetts border.

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

The branch lines are part of the NEC in several contexts, including subject to capital planning and cost allocation statutory provisions. Some statutory and other definitions of the NEC also include portions of the New York-Albany line (Hudson Line) and Washington, DC-Richmond, VA line. However, for purposes of accounting and preparation of Amtrak service line plans, FAST defines the NEC as the Washington-Boston main line, and the branch lines as part of the National Network.

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



There are over 1,800 daily commuter trains on the NEC main line (over 90% of total).

New Jersey Transit train at Sunnyside Yards in Queens, NY. Photo by Chuck Gomez for Amtrak.

Amtrak's NEC Infrastructure Access Customers (Agency and Description of Service)

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

NATIONAL NETWORK

We own the 104-mile Keystone Corridor from Philadelphia, PA to Harrisburg, PA and the 61-mile Springfield Line from New Haven, CT to Springfield, MA. Amtrak holds a long-term lease with CSX for the Hudson Line between Poughkeepsie, NY and Schenectady, NY (and own outright two short segments of the Hudson Line in New York City and the Schenectady area). In the Midwest, Amtrak owns 95 miles of right-of-way and infrastructure between Porter, IN and Kalamazoo, MI (Michigan Line), and Chicago Union Station and adjacent trackage. Chicago Union Station is the hub of Amtrak's National Network. On the National Network, Amtrak provides infrastructure access to the commuter rail agencies detailed below.

Amtrak's National Infrastructure Access Customers (Agency and Description of Service)

CT rail	**Connecticut Department of Transportation** for CTrail service on the Springfield Line.
NEW YORK STATE	**New York State Department of Transportation** for Amtrak Empire Service.
pennsylvania DEPARTMENT OF TRANSPORTATION	**Pennsylvania Department of Transportation** for Amtrak Keystone Service on the Harrisburg Line.
MDOT	**Michigan Department of Transportation** for Amtrak Michigan Services.
Metra	**Metra** for access to Chicago Union Station and adjacent terminal trackage.
SEPTA	**Southeastern Pennsylvania Transportation Authority (SEPTA)** for commuter rail service on the Paoli/Thorndale–Philadelphia portion of the Harrisburg Line.

CUSTOMER ANALYSIS

Our primary external customers for infrastructure access activities are commuter and freight railroads. We also host our own trains for the NEC, State Supported and Long Distance Service Lines, which have different service and infrastructure requirements than our external partners. Ultimately, the end users are Amtrak and commuter rail passengers and freight shippers, who depend on Amtrak to provide reliable and safe infrastructure and services to freight operators entrusted with their shipments. Other institutional customers include third parties such as states and localities that seek to use our infrastructure or engage in capital projects or other activities that affect our infrastructure temporarily or over an extended period.

COMPETITIVE LANDSCAPE

As an access provider to passenger and freight railroad operators, we must optimize and enhance competitiveness of all rail services that rely on Amtrak infrastructure. The NEC—Amtrak's primary infrastructure asset—has geographic advantages stemming from its location in a growing region that accounts for the largest share of U.S. commercial activity. Regional competitive advantages created by its high volume, high speed main line serving central business districts and ports enable NEC rail operators to capitalize on the advantages rail transportation offers compared to other modes.

Many rail assets need replacement to continue to provide safe, reliable, and convenient rail service to, and the capacity needed for a growing population and economy. The number of passenger trips on the NEC is projected to reach over a half billion—almost twice as many as prior to the COVID-19 pandemic—by 2040. As the popularity of rail increases, Amtrak and our NEC partners are challenged to ensure the NEC can meet the demand for new capacity on this critical infrastructure asset.

Accommodating heavy daily use of aging NEC infrastructure, some more than a century old, that has reached or exceeded the limits of its capacity and service life is one of the greatest challenges Amtrak faces.

FY 2020 PERFORMANCE

Since the agreements between Amtrak and its NEC commuter partners became fully compliant with the requirements of the NEC Commission's Cost Allocation Policy in 2018, and the NEC Commission approved in 2019 contribution by each NEC passenger operator of 100% of the Baseline Capital Charge (BCC) that reflects the cost of normalized capital replacements, we have continued to work with our NEC partners on adhering to the requirements of the Policy and improving identification of capital funding needs, capital program delivery and reporting, and During fiscal year 2020, the NEC Commission led the task of performing an updated and geo-specific Asset Assessment for NEC Infrastructure within the territory subject to the PRIIA 212 Policy.

As the largest single infrastructure owner, Amtrak has been heavily involved and has been continually working with Commission Staff This collective effort is substantially complete from a technical perspective, and has resulted in a new annual Normalized Replacement amount for PRIIA 212 territory of $912 million, of which $653 million is for Amtrak-owned infrastructure. Moreover, the Amtrak Normalized Replacement amount is now derived from an Asset Assessment performed for each individual BCC Segment, providing a much geographic link than the existing assessment from 2011. The Commission is currently soliciting feedback and input from its other member agencies, with the goal of approving new annual Normalized Replacement levels, new BCC obligations, and an appropriate implementation and ramp-up phasing timeline.

In addition, Amtrak is conducting a multi-departmental initiative to improve the Planning & Reporting materials it is required to provide the NEC Commission under the Cost Allocation Policy. Significant progress has been made on aligning the various internal data systems that feed Planning & Reporting deliverables, with the aim of creating a more automated and intuitive quarterly report for Commission members. Amtrak has shared draft template versions of the materials at NECC Committees for feedback and status update purposes and intends to utilize the new reporting format for the first quarter of FY 2021.

Infrastructure Access: Ongoing Partner Shared Benefit Capital Investments

ST	SPONSOR	PROJECT DESCRIPTION	COMPLETION DATE	BENEFITS			AMTRAK FORCES	OTHER PARTNER COSTS/ CONTRACTOR	TOTAL PROJECT COST	AMTRAK CONTRIBUTION	FRA GRANT CONTRIBUTION
				ADA	CUSTOMER	TRACK / INFRASTR.					
NEC LINE											
MA	MBTA	**Tower One Rehabilitation**	2024			X	$18,000,000	$32,400,000	$82,000,000	$8,600,000	$41,000,000
RI	RIDOT	**Providence Station SOGR**	2021	X	X		$326,728	$5,250,000	$25,000,000	$7,250,000	$12,500,000
NY	MTA	**Penn Station Access**	2025	X	X	X	TBD	$1,170,000,000	$1,200,000,000	TBD	$30,000,000
NY	MTA	**East Side Access - Regional Improvement Projects**	2023			X	$83,600,000	$1,026,700,000	$1,404,300,000	TBD	$294,000,000
DE	DTC	**Delaware Third Track**	2020			X	$60,470,000	$10,730,000	$71,200,000	$26,200,000	$13,300,000
DE	DTC	**Newark Regional Transportation Center**	2024	X	X	X	$45,850,598	$18,247,402	$64,098,000	$2,000,000	$-
MD	MARC	**Martin's Yard Switch Modernization**	2023			X	$5,580,000	$620,000	$6,200,000	$500,000	$3,100,000
NJ	NJT	**Newark Penn Station, Platform D**	2023	X	X		TBD	$5,905,000	$26,350,000	$2,000,000	$18,445,000
NJ	NJT	**Substation 41**	2024			X	TBD	$15,600,000	$73,000,000	$21,000,000	$36,400,000
MD	MARC	**BWI Thurgood Marshall Station**	2019	X	X		$519,000	$9,681,000	$10,200,000	$-	$-
NHHS LINE											
CT	CTDOT	**Windsor Station**	2022	X	X		$525,897	$2,385,500	$2,911,397	$-	$-
CT	CTDOT	**Windsor Locks Station**	2023	X	X		$25,000,000	$26,000,000	$56,500,000	$5,500,000	$-
HARRISBURG LINE											
PA	PENNDOT	**New Middletown Station**	2021	X	X		$4,595,163	$19,804,837	$24,400,000	$-	$-
PA	PENNDOT	**Mt. Joy Station**	2019	X	X		$4,299,867	$26,200,133	$30,500,000	$-	$-
PA	SEPTA	**Track 2 Upgrade Glen to Thorn Interlockings**	2023			X	$16,675,000	$-	$16,675,000	$400,000	$8,337,500
PA	SEPTA	**Signal System Renewal: Paoli to Overbrook**	2026			X	$21,910,000	$-	$21,910,000	$2,000,000	$15,910,000
PA	SEPTA	**Ardmore Transportation Center**	2022	X	X		$6,820,707	$42,924,759	$49,745,466	$6,820,707	$-

PVD Amtrak forces is only for design. Estimate for construction will come in 2021.

Platform and tracks at Newark Penn Station.

Strategy

IASL STRATEGIES

- **Increase investment in shared-use infrastructure** through FRA FAST Act and other discretionary grant opportunities
- **Increase productive utilization** of Amtrak infrastructure where capacity exists.
- **Improve data** available for decision making.
- Collaborate with partners in developing **long-range infrastructure planning** and construction strategies.

PRIMARY INITIATIVES

Advance Gateway Program Development

The Gateway Program is Amtrak's highest infrastructure investment priority and the most urgently needed infrastructure program in America.

Focused on preservation and expansion of service on the busiest stretch of the Northeast Corridor (the 10 miles between Newark, NJ and New York Penn Station), Gateway is a series of projects that will build critical resiliency into the NEC, improve service reliability and ultimately expand capacity to support an approximate doubling of service across the Hudson River.

Today's increasingly unreliable infrastructure threatens disruption to regional travel and highlights the acute need for the Gateway Program to ensure viability of current and future NEC operations. The approximately 200,000 (pre-COVID-19 pandemic) daily commuter and intercity train trips between New York City and all points west and south are at increased risk without committed action and investment. Given the NEC's importance to the regional and national economy, the Gateway Program is truly a project of national significance.

Artist's rendering of *Acela* and NJ TRANSIT trains crossing the future Portal North Bridge.

Advance Gateway Program Development, continued

Gateway Program development advanced in 2020 in partnership with the states of New York and New Jersey. Significant milestones were reached, including:

- Execution of a Full Funding Grant Agreement between NJ TRANSIT and the Federal Transit Administration (FTA) committing up to $766.5 million in funding from the Capital Improvement Grant (CIG) Program to the **Portal North Bridge** project and moving it closer to the start of construction. FTA also allocated $248 million for the first year of construction, while FRA awarded Amtrak a $55.1 million grant from the Fed-State Partnership for State of Good Repair program.

- Submittal of an updated financial plan for the **Hudson Tunnel Project** and resumption of work on the environmental review after a 3 year delay. Relocation of critical utilities in the path of the third section of the **Hudson Yards Concrete Casing** also began in 2020.

- A Finding of No Significant Impact (FONSI) for the **Sawtooth Bridges Replacement Project,** completing environmental review of this critical element of the Gateway Program and clearing the way for Preliminary Engineering to begin on this complicated project. The project will replace the two-track structure that carries the Northeast Corridor over tracks used by NJ TRANSIT, PATH and Conrail.

- Start of Preliminary Engineering on **Harrison Fourth Track Project** to add an additional track in the vicinity of the PATH station in Harrison, N.J.

- A framework for the **expansion of track and platform** capacity at Penn Station advanced as a partnership among Amtrak, the State of New York, the Metropolitan Transportation Authority Construction and Development (MTA C&D), MTA Long Island Rail Road and NJ TRANSIT. The partners began a multi-year design and environmental planning effort in 2020.


Hudson Yards

Looking ahead, the start of construction on the Portal North Bridge project will mark a key milestone in the development and implementation of the Gateway Program. The project, a partnership between Amtrak, the Federal Railroad Administration (FRA) NJ TRANSIT, the State of New Jersey and the Federal Transit Administration (FTA), can serve as a model for other program elements that continue to advance through various stages of planning, engineering, and development. Amtrak's FY 2021 capital budget will advance Gateway projects on multiple fronts, including funding for service planning, design of Penn Station Expansion, early works construction, and acquisition of key properties.

A formal benefit-cost analysis of the Gateway Program undertaken by Amtrak determined that every dollar spent returns nearly four dollars of value to the region.

Primary Initiatives, continued

Funding Commitments for B&P Tunnel

Built in 1873, the Baltimore & Potomac (B&P) Tunnel is Amtrak's oldest tunnel. It is critical to Amtrak and MARC commuter operations. One-third of Amtrak's ticket revenue and a significant portion of MARC's ridership rely on the tunnel, which has no redundancy or alternate route. The tunnel is well past the end of its useful life: near-constant repairs and modifications, it frequently cannot remedy its excessive water infiltration, continued deterioration of infrastructure and equipment and lack of modern fire and life safety systems. Furthermore, it is the largest chokepoint on the NEC between Washington and New Jersey and has the distinction of being the only location outside stations where trains must slow to 30 mph due to excessive track curvature. The tunnel's numerous limitations delay rail operations daily and impede overall efforts to improve capacity, trip times, and reliability for Amtrak's largest travel market.

The B&P Tunnel Replacement Program will modernize and transform a nearly four-mile section of the NEC within which a replacement tunnel will be constructed. It will return this segment to a state of good repair, while also enhancing safety, increasing speeds, reducing trip times, expanding capacity, and significantly improving reliability and resiliency by eliminating a critical bottleneck.

Amtrak has completed preliminary engineering for this project and it is currently in final design. However, the financial impacts of COVID-19 forced Amtrak to suspend design and inhibit advancement of other pre-construction activities. With sufficient funding, Amtrak could significantly advance design and prepare for construction, which could be undertaken in phases as funding becomes available.

A deteriorating portion of the B&P Tunnel

Funding Commitments For Susquehanna River Rail Bridge

This 111-year old, two-track bridge connects Havre de Grace and Perryville, MD, and is used by Amtrak, MARC and Norfolk Southern. As the longest moveable bridge on the NEC, it is a critical and fragile link that needs to be replaced with a new structure to maintain NEC rail services.

The bridge's functionally obsolete design and age require increasingly larger-scale rehabilitation and repairs which drive up maintenance costs and conflict with the need to maintain continuous rail operations. The replacement project will provide future improvements to capacity, trip time, and safety for commuter, freight, and intercity passenger rail services on the NEC, consistent with State and Amtrak plans, and could also improve the navigation channel for marine users.

Environmental reviews for the Susquehanna Bridge Replacement Project were completed in 2017 and final design was begun. A two-phase approach is planned for construction.

The first phase would include preliminary construction activities and construction of a new bridge on a new alignment upriver from the current bridge. The second phase, which preferably would start immediately after completion of Phase 1 but could be deferred until funding becomes available, would involve construction of a second bridge on the current bridge alignment. While achievement of a 60% design milestone was originally planned for September 2020, funding constraints, exacerbated by COVID-19, have required deferral of the project to FY 2022 unless additional funding becomes available before then.

Primary Initiatives, continued

Building Partnerships for Planning and Investment

Over the next five years, we will do the following to maintain and build partnerships to improve planning and increase investment:

- **Enhance internal and external partnerships** through the NEC Commission and bilateral efforts.
- **Ensure costs and obligations are being paid by all partners.**
- **Implement new capital methodology** policy to increase capital contributions by Commission members above BCC level that was approved by the NEC Commission and is now in effect.
- **Align infrastructure investments** with the NEC Commission's plans and member contributions. Coordinate with partners in advancing long range investment planning strategies.
- Continue to **seek additional funding** via joint or sole application for various federal grant programs.
- **Update Amtrak's long-term service plans** to reflect the NEC FUTURE Record of Decision, and work with the FRA, NEC Commission, commuter authorities and other stakeholders in developing an NEC Strategic Development Plan.
- **Continue coordinated planning** and project construction efforts with other users of the NEC to prioritize work, coordinate service impacts and schedule track outages in the near and long term.
- Execute a fair and financially viable **new Access Agreement** with Metra for Metra's use of Chicago Union Station that includes enhanced capital contributions.

Work Planning

Over the last two years, we instituted a Prioritization of Capital Projects process to seek collaborative input on the NEC capital project rankings for the upcoming fiscal year. We coordinate with state Departments of Transportation, Commuter Agencies, and various other Third Parties to obtain relevant information projects and the Amtrak resources they will require.

Projects are then reviewed for consistency with Amtrak's Pillars and by a Work Force Manager who, after considering personnel requirements and resources, governmental mandates and priorities of Amtrak's partners determines what projects can be accomplished in the next fiscal year and allocates resources among them. The prioritization process provides accountability and transparency, increased engagement partners, and better partner understanding of why some projects cannot be initiated.

A prototype new Acela trainset heads over the Susquehanna River on its first trip to Washington, DC.

RISKS AND CHALLENGES

General

- **Inadequate funding** from the federal government and for and from Amtrak's commuter partners. The NEC Commission estimates the NEC's state of good repair backlog at $42 billion, with no long-term and stable funding program yet available to fund the majority of these investments.
- **Climate change.** Severe weather conditions, including hurricanes, floods, and other natural disasters, may cause service interruptions and result in revenue loss, increased costs and liabilities, and require urgent repair work.
- **Infrastructure Condition.** Unplanned outages from infrastructure failures.
- **Legislative and Regulatory.** Conflicting regulations among U.S. DOT modal administrations.
- **Terrorism.** Any terrorist attack, or other similar event, could cause significant interruption of service and adverse effects.
- **Accidents.** Accidents may cause significant interruption of service and result in loss of revenue, increased costs and liabilities, and other adverse effects.
- **Resources** for staffing, training, infrastructure investment, track outages.
- IT and planning that link infrastructure investment priorities to goals and information about asset conditions and relationships to train delays, ridership, revenues, and partner satisfaction.
- **Human failure.**

Preliminary Engineering of Husdon River Tunnel Interior Systems

Asset Condition and Capacity

- Deteriorating asset conditions and inadequate track, station and tunnel capacity threaten current performance and future growth.
- Due primarily to growth in commuter rail operations, many of the most critical Amtrak-owned NEC infrastructure assets—particularly New York Penn Station and the adjacent Hudson River Tunnels, and Washington Union Station—have grossly inadequate capacity to handle current levels of trains and passengers, let alone future growth.
- Amtrak's premier National Network asset, Chicago Union Station (CUS), has also experienced large increases in passengers and commuter trains that, prior to the COVID-19 pandemic, have produced severe overcrowding. CUS requires substantial investment to increase station and track capacity and fulfill its potential to become a world-class transportation facility.

Available Funding

- In recent years, federal funding has been available to address some SOGR backlog and improvements and a number of FAST Act discretionary grant programs have been funded at authorized levels. To date, since the enactment of the FAST Act, only modest amounts through discretionary competitive grant programs have been available to Amtrak for such NEC investments.
- The BCCs that all NEC passenger rail operators are required to pay do not fully fund normalized replacement of basic infrastructure, let alone necessary rehabilitation and improvement projects.
- Additional state/commuter agency funding will also be needed to advance joint benefit projects beyond normalized replacement funded with BCCs.

Risks and Challenges, continued

Managing Shared Assets

- Different services have different needs (e.g., commuter trains are slower and stop more frequently than intercity trains), making scheduling difficult. Deadhead positioning moves of empty commuter trains consume valuable capacity (e.g., NJ TRANSIT between New York Penn Station and Sunnyside Yard), as do mid-day train storage needs for commuter railroads (e.g., MARC and VRE in Washington Terminal).

- Major stations (e.g., Chicago Union Station) are primarily used by commuters.

- Challenges in managing and reporting information in a useful format make it difficult to link capital planning with service goals.

- Many station assets are owned or controlled by others, and their owners may have broader interests than serving Amtrak (and in some cases commuter rail) passengers. A few examples:

  → Washington Union Station is owned by the U.S. Department of Transportation and managed by the Union Station Redevelopment Corporation (USRC). Other users include Metro passengers, public and private bus passengers, retail, and office space.

  → At Penn Station New York, LIRR, Amtrak, and NJ TRANSIT each control different areas, and some areas have shared control.

  → Shared use stations in New Jersey are owned by NJT, though Amtrak remains responsible for track maintenance and in some cases station platforms.

Resource Availability, Including Track Time and Trained Workforce

- Retaining a qualified workforce is a challenge.

- Specialized equipment or materials can take a long lead time to procure.

- Available time for infrastructure maintenance, renewal and improvement must be balanced against existing service needs.

Maintenance Windows and Service Curtailments

- The public, elected officials, and commuters have a limited appetite for delay or disruption, and may oppose temporary measures that curtail service to permit infrastructure maintenance and renewals.

- Performing maintenance, recapitalization, and improvement activities without affecting service is a balancing act that is more efficient when engineering forces have longer maintenance windows. The recent success of Infrastructure Renewal at Penn Station demonstrates, however, how much more efficiently work can be completed if longer maintenance windows are available.

- Working between trains makes such work more expensive and time-consuming, compared to modifying schedules or curtailing service to provide extended track outages.

Governance

- Intercity and commuter rail are governed by different statutory, regulatory and funding schemes overseen by different federal agencies: the FRA and the FTA.

- There is not a single process or point of contact at the federal level when projects involving multiple participants are proposed. This fragmented approach makes it challenging to implement jointly funded projects.

- Conflicting regulations of different federal modal agencies relating to grant agreement ("flowdown") provisions, Buy America requirements, environmental review of projects, the application to various participants of the costs and responsibility for complying with certain labor regulations, and disaster relief hamper funding and management of projects and impose unnecessary costs.

Conclusion

The next five years will provide a critical window during which Amtrak and its partners must advance essential infrastructure projects in order to maintain current rail services and to make vital investments that ensure the long-term utility of the network.

We continue to face many challenges, including the many new ones created by the COVID-19 pandemic. Our most significant challenge continues to be that intercity passenger rail is the only major transportation mode that lacks a consistent, assured multi-year funding source that is vital to advancing major public transportation projects. Addressing this by establishing new sources of adequate federal funding is essential if Amtrak and its partners are to carry out the vital initiatives included in our five-year plan to replace and improve infrastructure on the NEC and elsewhere so that passenger rail in the United States can at last realize its full potential.

The challenges are significant and therefore strong partnerships among federal, state and local stakeholders are crucial for success.

An Amtrak work train travels along the NEC and approaches West Baltimore station.

PROFIT & LOSS ANALYSIS

Infrastructure Access/Reimbursable Service Line (FY 2021–FY 2026)

($s in Thousands)	FY 2021	FY 2022	FY2023	FY 2024	FY 2025	FY 2026	Total
Financial Sources:							
Passenger Related Revenue							
Ticket Revenue (Adjusted)	-	-	-	-	-	-	-
Charter/Special Trains	-	-	-	-	-	-	-
Food and Beverage	-	-	-	-	-	-	-
Contractual Contribution (Operating)							
PRIIA 209 Operating Payments	-	-	-	-	-	-	-
PRIIA 212 Operating Payments	208,820	257,345	263,778	270,373	277,132	284,060	1,561,509
Commuter Operations	509	-	-	-	-	-	509
Reimbursable Contracts	6,630	834	855	876	898	921	11,015
Access Revenue	33,957	-	-	-	-	-	33,957
Commercial Revenue (incl. Pipe/Wire, Real Estate, Parking)	567	-	-	-	-	-	567
All Other Revenue (incl. Insurance Revenue, Cobranded Commissions, etc.)	178	-	-	-	-	-	178
Operating Sources Subtotal	**250,661**	**258,179**	**264,633**	**271,249**	**278,030**	**284,981**	**1,607,734**
Contractual Contribution (Capital)							
PRIIA 209 Capital Payments	-	-	-	-	-	-	-
PRIIA 212 Capital Payments	205,234	211,397	217,739	224,271	230,999	237,929	1,327,570
Other State/Local Mutual Benefit	21,870	100,000	366,400	339,200	237,600	293,600	1,358,670
Amtrak Internal Cash	579,725	-	72,717	286,606	350,051	400,606	1,689,706
Financing Proceeds Applied	4,022	-	-	-	-	-	4,022
Other Capital and Special Grants (incl., state/local sources)	-	-	-	-	-	-	-
Capital Sources Subtotal	**810,851**	**311,397**	**656,857**	**850,077**	**818,651**	**932,136**	**4,379,969**
Federal Grants to Amtrak							
Prior Year Carryover Capital Grant Funds	114,804	628,823	-	-	-	-	743,626
Current Year FAST Sec 11101 Grants							
Operating	385,912	155,401	57,928	57,993	58,427	58,787	774,447
Capital	854,437	423,323	325,890	189,842	71,471	119,766	1,984,729
Other Federal Grants (incl., FRA/OST, FTA, DHS)	12,418	12,418	12,418	12,418	12,418	12,418	74,508
Federal Grants to Amtrak Subtotal	**1,367,570**	**1,219,964**	**396,235**	**260,253**	**142,316**	**190,971**	**3,577,310**
Total Financial Sources	**2,429,082**	**1,789,540**	**1,317,725**	**1,381,580**	**1,238,997**	**1,408,088**	**9,565,013**
Financial Uses (Operating):							
Service Line Management	2,330	534	556	577	594	611	5,201
Transportation	60,263	86,736	90,305	93,556	96,294	99,041	526,194
Equipment	16,933	22,503	23,438	24,290	25,008	25,728	137,899
Infrastructure	131,929	162,905	169,639	175,773	180,941	186,126	1,007,313
Stations	45,156	41,975	43,693	45,257	46,574	47,895	270,549
National Assets and Corporate Services	150,962	118,466	123,354	127,806	131,557	135,319	787,464
Total Operating Uses	**407,573**	**433,119**	**450,985**	**467,258**	**480,967**	**494,719**	**2,734,621**
Operating Surplus/Deficit *(Operating Sources - Operating Uses)*	**(156,912)**	**(174,940)**	**(186,352)**	**(196,009)**	**(202,937)**	**(209,738)**	**(1,126,887)**
Available for Capital Uses *(Capital Sources + Federal Grants to Amtrak + Operating Surplus/Deficit - Debt Service Payments)*	**2,021,510**	**1,356,421**	**866,741**	**914,322**	**758,030**	**913,369**	**6,830,392**
Financial Uses (Capital):							
Service Line Management	2,871	-	-	-	-	-	2,871
Transportation	9,775	8,208	8,111	8,266	7,419	7,089	48,867
Equipment	50,330	88,645	54,001	25,357	26,038	26,109	270,480
Infrastructure	329,267	1,128,568	847,720	926,413	789,020	976,124	4,997,111
Stations	120,622	135,389	68,119	75,246	65,124	41,931	506,431
National Assets and Corporate Services	21,514	15,152	17,213	17,056	14,939	13,067	98,942
Capital Expenditures	**534,379**	**1,375,961**	**995,164**	**1,052,338**	**902,540**	**1,064,320**	**5,924,701**
Debt Repayments	-	-	-	-	-	-	-
Total Capital Uses	**534,379**	**1,375,961**	**995,164**	**1,052,338**	**902,540**	**1,064,320**	**5,924,701**
Remaining Carryover Balance	**$ 1,487,131**	**$ (19,540)**	**$ (128,424)**	**$ (138,016)**	**$ (144,510)**	**$ (150,952)**	**$ 905,690**

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ASSET LINE PLANS

FIVE YEAR PLANS | FY 2021-2026

AMTRAK ASSET LINE PLANS INTRODUCTION

Amtrak's Five-Year Plans support the account structure and improvements to accounting methods required by Fixing America's Surface Transportation (FAST) Act to promote efficient use and stewardship of Amtrak funds and enhance transparency. The account structure is designed around the service lines which each have distinct missions, customers, and revenue profiles.

Introduction

Amtrak's Asset Lines support Service Lines by providing the resources necessary to produce revenue and support our mission and goals. The FAST Act established four asset lines: Equipment, Infrastructure, Stations, and National Assets and Corporate Services (NACS). The Federal Railroad Administration (FRA) and Amtrak believed it was necessary to establish a fifth asset line, Transportation.

In addition to its core functions (detailed at right), each service and asset line requires strategic and operational leadership, management, and administrative support to carry out its functions.

AMTRAK'S ASSET LINES

Transportation. Transportation refers to assets related to the operation and movement of the trains, onboard services and amenities.

National Assets and Corporate Services. Cross-cutting assets such as systems for reservations, security, training, training centers, and others associated with Amtrak's national rail passenger transportation system. Corporate Services include company-wide functions such as legal, finance, government affairs, human resources, and information technology.

Infrastructure. All Amtrak-controlled Northeast Corridor infrastructure assets and other Amtrak-controlled infrastructure, along with the associated facilities that support the operation, maintenance, and improvement of those assets.

Equipment. Amtrak-controlled rolling stock, locomotives, and mechanical shop facilities that are used to maintain and overhaul equipment.

Stations. 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.

Employees at the Bear Heavy Maintenance Facility in Delaware are primarily responsible for the overhaul and wreck repair of Amfleet I and II cars, as well as the overhaul of maintenance-of-way equipment and rolling stock.

Plan Contents and Organization

This document includes discussion of asset line strategies, asset inventories, and our five-year capital plan to show how we are prioritizing investments to maintain and improve our assets to provide safe and reliable services.

STRATEGIES

Asset line strategies include goals, objectives, performance metrics, and any relevant statutory/regulatory issues. Information on strategies for Equipment, Infrastructure, and Stations Asset Lines is provided in the following sections of this report. Strategies related to Transportation and the National Assets and Corporate Services Asset Lines, which frequently involve broad multi-functional efforts, are addressed in the context of the relevant initiative with within corresponding service line plans and later in this introductory section.

Asset Lines provide the resources necessary to produce revenue and support our mission and goals.

ASSET INVENTORIES

Asset inventories provide information on existing Amtrak capital assets with information on shared ownership. Information for the Equipment, Infrastructure, and Stations Asset Lines is summarized in the following sections of this plan with additional detail provided in separate appendices or internal information systems. Many of the functions that support the NACS asset line do not directly own or maintain physical assets. A summary of identified NACS assets is provided below.

Information Technology (IT). IT owns few physical assets. Amtrak's strategy is to own less hardware and software and move to a managed service, cloud and software subscription model. The majority of our hardware is contracted for either under a managed service contract or through our cloud vendors. Many of our software titles are contracted for using a SaaS (software as a service) model for an annual subscription fee. Amtrak benefits from this IT model by gaining the ability to move quickly to set up new solutions and provide customers with up to date versions and patches, and a secure software environment.

Amtrak Police Department (APD). Amtrak has its own police department, responsible for safeguarding Amtrak employees, customers, patrons and infrastructure through partnerships and best practices. For security reasons, only summarized information regarding APD assets is included.

Asset types include: Facilities in more than 20 locations; Police vehicles; Canine (K-9) detection dogs with supporting facilities (e.g., kennels, vehicle cages); Tactical equipment such as training simulators, multimode threat detectors, thermal imaging cameras, explosive trace detectors and communication devices (e.g. police radios).

Human Resources. Our Human Resources organization supports technical skills training for employees, as well as providing core training programs that ensure compliance with regulatory training mandates and improve employee performance. Training and Development staff are located at various facilities, with training provided virtually and at locations that include Amtrak stations and other facilities.

Project Management

Good project management is critical to our ability to deliver the improvements articulated in our plans for all asset lines.

Amtrak uses a project management methodology that is scalable to the project size, cost complexity and organizational impact. Our methodology aligns with globally recognized project management standards and best practices, while allowing for reasonable flexibility in the project management practices to meet the specific needs unique to rail projects. Amtrak's methodology draws on our organizational project management experience as well as best practices and standards including:

1. Project Management Institute PMBOK.
2. U.S. Department of Transportation (DOT) Project Management Guides and Processes.
3. Practices learned from industry conferences, groups, and forums.
4. Benchmarking against industry peers.
5. Practices, manuals, policies, and tools employed by various groups within the organization.

At Amtrak, project managers are required to follow industry standards for Project and Program Management as outlined in the Project Management Body of Knowledge (PMBOK®) Sixth Edition, and they must establish appropriate project management structures with applicable management controls. Amtrak project managers are also subject to Amtrak's Enterprise Project Management policy and standards. Projects at Amtrak are required to have appropriate governance and controls, and project teams are accountable for work performance. Project documentation used by project managers includes, but is not limited to, a project charter, a project schedule, a risk register, a stakeholder register, project management plan (PMP), and regular project status reports.


AMTRAK
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ENGINEERING

TRANSPORTATION ASSET LINE

The Transportation Asset Line covers management of the operations workforce. Operations is the execution arm of the service lines and drives safety, customer service and productivity for our stakeholders and customers each day.

OVERVIEW

Operations works in close collaboration with the Commercial & Marketing and Safety teams to ensure strategies and initiatives are implemented safely and efficiently to achieve the best results. Operations also has its own initiatives to drive safety, customer service and productivity. These improvement initiatives are led by the operating divisions and supported by the Operations Research and Continuous Improvement teams. We have made significant progress under this data-driven approach and will leverage planned Information Technology projects to drive process improvements and continued productivity gains in the next five years.

We practice a **Just Culture** management approach across Amtrak. Simply put, we encourage the self-reporting of human errors. We do this to learn, as an organization, from those errors and implement measures to prevent them in the future. We will not discipline for self-reporting and the company response will be fair, appropriate and in accordance with our values and the law. Each day the traveling public places their trust in us. Accordingly, we will never tolerate intentional disregard and reckless behavior that violate Amtrak policy and procedures.

2020 was a year of two stories: Pre- and Post-COVID-19. Through February the company was on track to be better than break-even on an operating basis for the first time. Operations efficiency gains helped drive that performance. When COVID-19 hit, operations moved to managing the significant impacts, from the need for enhanced cleaning and disinfecting to making schedule changes to reflect the reduced ridership and changing a multitude of customer service policies to protect our passengers and employees while reducing costs.

FY 2020 PERFORMANCE AND RESULTS

During FY 2020 we implemented a number of projects to drive efficiencies in staffing and improve the customer experience. The Operations Research team developed new tools to analyze route costs and create adjusted staffing models. Continuous Improvement worked with Transportation, Stations, Engineering and Mechanical to use root cause analysis to drive a six-year high in on-time performance.

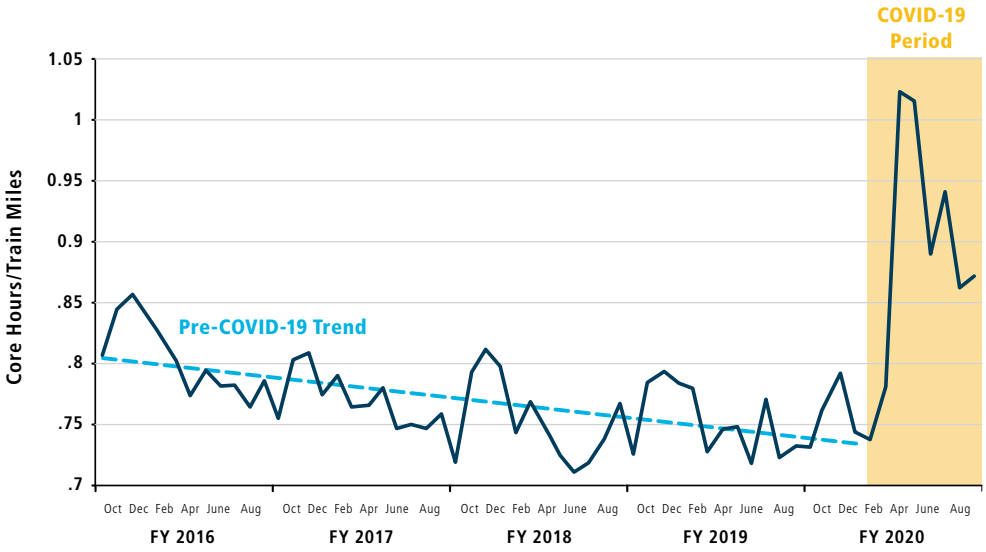
Amtrak adjusted staffing to support cost cutting initiatives, offering an early retirement option to employees followed by involuntary reductions to adjust staffing levels and manage costs. Successful initiatives supported the operations while driving management and agreement employee headcount reductions as well as reducing agreement overtime.

Accomplishments

- **Implemented Positive Train Control (PTC) on 100% of route miles owned by Amtrak nationwide.** We also began operating under PTC on six host railroads including BNSF, Union Pacific, CSX, Norfolk Southern, Metrolink and North County Transit District, and prior to the December 31, 2020 statutory deadline we were operating under PTC on all host railroad lines on which it is required. On non-PTC territory, Amtrak has implemented PTC equivalent mitigations per our Safety Management System.
- Supported the continued implementation of an industry-leading **Safety Management System (SMS).** Amtrak's SMS is focused on data-driven, proactive risk management.
- Established **System Safety Working Groups (SSWG)** in each operating department that work to identify and implement mitigations for the most severe safety risks faced in each department.
- Refined and deployed **Safety Starts with Me training** for non-agreement employees. We will be rolling the program out to the agreement population in CY 2021.
- Even with COVID-19 constraints, the Engineering team took advantage of additional track time and completed more production and capital **state of good repair work** on vital Northeast Corridor (NEC) infrastructure than in FY 2019.
- Continued to deliver **customer service training** for customer-facing employees.
- Introduced **assigned seating** in Business class on *Acela*, *Northeast Regional* and several other routes.
- Introduced **gate and track push notifications** to customer mobile devices at select stations to improve the stationboarding experience and new boarding and queue management at Washington Union Station.
- Implemented multiple **new train cleaning protocols** and procedures post COVID-19 and launched station and onboard auditing to monitor key customer service behaviors and standards.
- Deployed the **AWARE app,** a situational awareness tool hosted on conductor electronic mobile devices (EMD) that provides fixed speed restriction alerts to conductors working in the body of the train.
- Implemented many **Food and Beverage (F&B) initiatives,** including introductions of Coca-Cola and Minute Maid products and COVID-19 driven changes including modifications to café menus and temporarily shifting to flexible dining on six additional Long Distance routes.
- Front line managers worked with staff in stations and onboard to **improve friendliness and helpfulness** to increase CSI scores.
- **Completed the Delaware Third Track Project** and three years of scheduled rail block tie and slab replacement work in the Baltimore & Potomac tunnel.

Total Operations Core Hours by Train Miles (Hours/TM)

Current Including COVID-19 Period



Measuring the efficiency of total operation using core hours per train mile statistics illustrates the improvements over the past three years.

Total Amtrak Employee Compensation (FY 2017–FY 2020)

($s in Thousands)	Actual FY 2017	Actual FY 2018	Actual FY 2019	Actual FY 2020
Salaries	$ 141,240	$ 132,531	$ 135,442	$ 129,649
Wages & Labor Protection	868,933	812,028	854,529	849,482
Overtime Wages	151,967	154,985	160,811	113,224
Total Wages	**1,162,141**	**1,099,544**	**1,021,937**	**968,185**
Total Compensation	**$ 1,314,108**	**$ 1,254,529**	**$ 1,182,748**	**$1,081,4092**

HEADCOUNT (in Thousands)				
Management & Contractor Headcount	1,210	1,058	1,069	948
Agreement Headcount (incl. ARASA & PT)	12,912	12,751	12,586	11,871

While labor rates increase every year pursuant to collective bargaining agreements, Operations has successfully completed initiatives to absorb these wage and benefit increases and developed further efficiencies to achieve lower total core compensation costs. Management headcount has dropped by a larger percentage than agreement headcount.

FIVE-YEAR PLAN

Safety is Amtrak's highest priority. The continued implementation of the Safety Management System and PTC, or PTC equivalency, on all route-miles used by Amtrak are the two most critical projects for FY 2021. For Amtrak to be a world class transportation company, we must achieve world class safety results. Our mission is to be the safest passenger railroad in North America.

To achieve this goal, operations will:

- Continue to leverage training to **drive safety and enhanced customer experiences** as well as management training for new leaders.
- Embrace and disseminate **Just Culture** concepts to create a learning organization. This will assist in pushing decision making to the lowest potential levels, increase ownership and accountability in the organization, and facilitate continued improvements in safety, customer service and productivity.
- Roll out **ADA training** for all customer-facing employees and complete it within the next two years, and continue to deliver the customer service training begun in FY 2018.
- Work closely with the Service Lines, Product Development and Customer Experience teams to analyze, design, and deliver a **new onboard food service model** intended to enhance and modernize the customer experience while reducing food and beverage operating costs. The COVID-19 crisis drove new requirements for less perishable and low-touch food options served in a socially distant manner.

We are focused on how to best utilize investments to drive long term efficiencies that reduce our future staffing requirements. Some of our **planned investments** include:

- Engineering capital planning and execution targets aimed at bringing the NEC into a **state of good repair** which will drive a reduction in unplanned delay and minimize its impact on customer service. Amtrak is also investing over $375 million in engineering equipment to double its production capacity in critical disciplines aimed at expediting the achievement of a SOGR.
- Significant capital investment in **new rolling stock**, including the new *Acela* trainsets and diesel locomotives currently being added to our fleet and the new Intercity Trainsets (ICT) for which a procurement is underway, will drive substantial improvements in reliability and onboard amenities. This new equipment will require updated back shop staffing and servicing standards.
- Significant **technology upgrades** and new platforms will provide better customer service and drive operational effectiveness and efficiency.

Amtrak is enhancing its customer service by separating station management, facility management and train operations to drive greater focus in each of these critical areas.

NATIONAL ASSETS AND CORPORATE SERVICES

Amtrak's strategy focuses on a set of strategic imperatives that apply technology in alignment with the organization's strategic pillars and core business objectives.

SAFETY AND SECURITY

Improving safety and security will require the successful delivery of new technology and analytics across a broad spectrum of safety processes and goals. Technology initiatives that support achievement of our safety and security goals include capabilities for data analytics, predictive modeling, modernized and updated equipment, passenger prescreening programs and information sharing with intelligence and law enforcement communities and supporting systems for the Amtrak Police Department (APD), safety management, and continuous improvement. Key initiatives include:

Safety Management System (SMS). A comprehensive technology application that supports the SMS framework to include safety promotion, safety assurance, safety risk management, and safety policy. The SMS technology project will enhance data collection, integration, and analysis that informs decision making to mitigate safety hazards and environmental and public health risks throughout the organization, as well as increase compliance. This project serves as a foundation to Amtrak's SMS, required by 49 CFR Part 270, System Safety Program Plan (SSPP). Full implementation is required by 2024.

Mobile Document Compliance System (MDCS). Access to safety critical and federally required documentation by Amtrak Operations employees electronically through an application on a mobile device.

Safety, Performance and Record Tracking Network (SPARTN). Enhancements to SPARTN will provide new functionality for safety related audits and inspections. Deployment of closed-loop feedback systems will continue to enable real-time intervention in risky situations, such as trains running overspeed or equipment defects.

Aware. Enhancements to Aware, which provides location data and real-time alerts on conductor handheld devices in non-PTC territory when trains are approaching locations where conductor-engineer communications are required.

APD K9 team Ken Wolf and Teddy oversee the boarding of the Coast Starlight.

APD Communications. Equip APD officers with body radios and vehicle radios with required capabilities for communication between officers. These improvements will document and record police activity and intervention as it happens, enhancing safely.

Video Surveillance Systems (VSS). Install video surveillance systems at key Amtrak locations in alignment with the targeted future state video management platform architecture and operating model which drives standardization of video camera device, storage, software, and network.

Safety Analytics. Create a large, complex portfolio of data related to safety outcomes, processes, and risk factors, including environmental and public health. Amtrak will need robust data assets to support advanced analytics, as well as capabilities for predictive modeling and other analytical techniques. This will help Amtrak move beyond measuring safety outcomes to understanding risk factors that lead to injuries and incidents. Actionable analytics will lower the frequency and severity of safety related incidents.

CUSTOMER EXPERIENCE

As Amtrak manages the effects of the COVID-19 pandemic, we are continuing development of responsive technologies for Amtrak's passengers, employees, and business partners. Amtrak's technology platforms are continuously improving on time-to-market. This approach is planned to position Amtrak to regain passengers and maximize customer satisfaction for the post-pandemic market.

The customer experience strategy adheres to the principles of design, to include unified communications across all channels, devices, and locations; simplified, intuitive, customer interface that requires minimal customer effort to use; continuous exchange of information from Amtrak to Passengers, and vice versa; and creation of rich, connected, reliable and clean data assets. Digital payment solutions will evolve to support self-service for point of sale, cashless and touchless product offerings, future trends for onboarding, and customer-initiated check-in, including automated ticket lifts. Moving forward, the direction is to standardize the service offerings leveraged by our State Partners, and to operate and maintain them at the highest level to help State Partners in their operations and provide them economies of scale.

Key initiatives include:

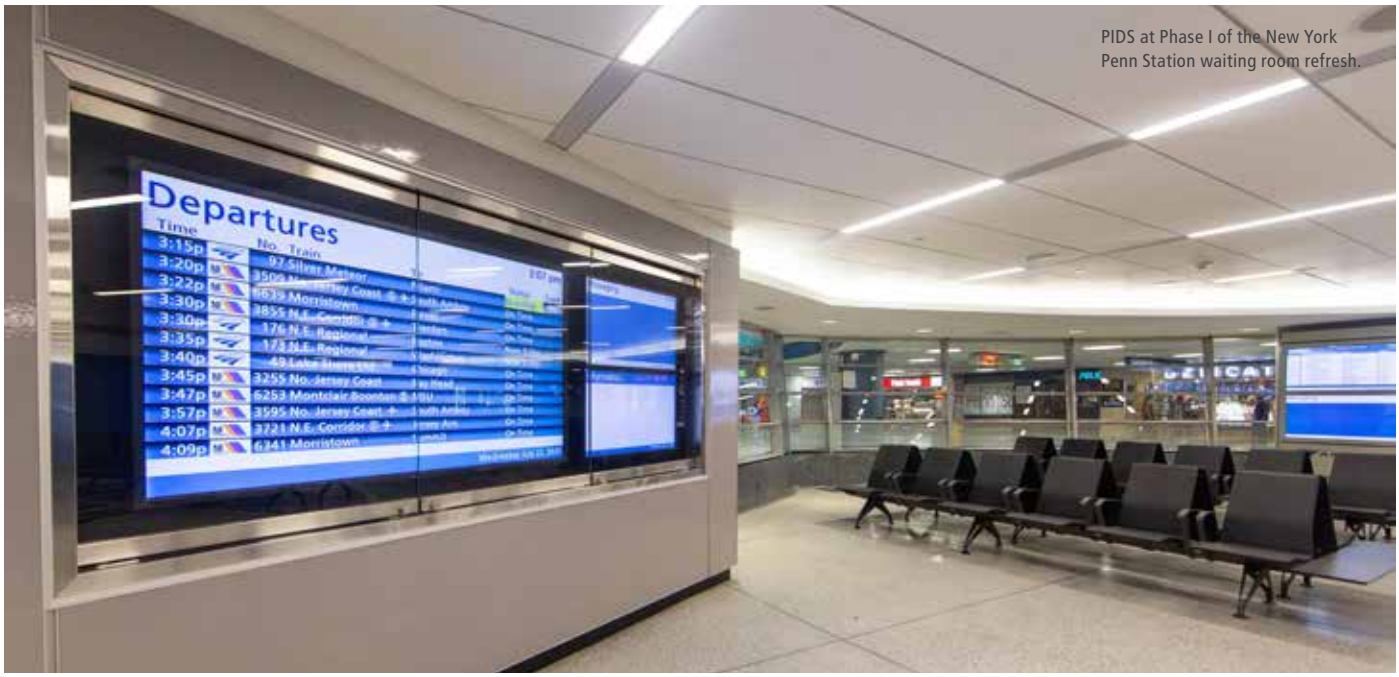
Channel Unification. Unifying all digital and physical customer channels with the Omnichannel program will deliver a singular customer experience to any location, including home, office, station, or train, and on any device.

Customer Loyalty via Amtrak Guest Rewards (AGR). Implement a state-of-the-art loyalty platform on Salesforce Marketing and Service Clouds. This update will enable deeper customer insights, the potential for targeted marketing campaigns and faster, more agile execution of AGR member communication, service, and support. AGR customer loyalty platform will drive incremental ridership and revenue, recognize high value members, fuel customer retention and new customer acquisition.

Next Generation Kiosks. New station ticketing kiosks, soon to be deployed, will provide easy access to booking, information, and support capabilities on an Omnichannel platform for a modern and intuitive experience.

Customer Data Hub (CDH). Data strategy to consolidate and reconcile disorganized silos of information. The initiative will develop a system of cloud-based platforms supporting high volumes of transactions. The system will generate business analytics and insights. The CDH is a single repository of more than thirty million customer records and will support the Commerce and Marketing ecosystems across all channels and vendors.

Customer 360. This platform will interface with the CDH, and will support Artificial Intelligence (AI)-driven state-of-the-art segmentation and activation capabilities for Amtrak to better understand customer behavior and buying habits. The functionality will enable one-to-one personalization across all channels to support targeted services like upsells, upgrades, pre-trip notification and addressing customer feedback.



PIDS at Phase I of the New York Penn Station waiting room refresh.

Customer Experience, continued

Train Status. Deliver travel information such as train status, delays, disruptions, and service capacity to stations with Passenger Information Display Systems (PIDS). The expansion of onboard technical capabilities on new equipment trains like the second generation *Acela* trainsets and Siemens Venture cars through Onboard Information Systems (OBIS) will provide real-time information, to enhance the customer experience.

Passenger Wi-Fi. Wi-Fi plays a vital part in influencing customer experience, so we will continue to invest in technical innovations and upgrades to the overall service offering. IT is working to transition Long Distance and State Supported routes to enhanced Wi-Fi service under a unified national Wi-Fi strategy. We are also working to future-proof our onboard networks for the emergence of 5G and are expanding the role of Wi-Fi to provide connectivity for new systems such as Point-of-Sale (POS).

Onboard Entertainment (OBE). Enables customer Wi-Fi devices to access onboard movies, television, and other entertainment options. OBE reduces train-to-ground Wi-Fi congestion, reduces Amtrak's Wi-Fi data costs, and offers compelling entertainment in areas where cellular services may be limited or nonexistent.

Mobile Customer Service Representative (CSR). Will bring Agents into this Omnichannel ecosystem, whether they are in stations, on trains or in a call center.

Customer Notification and Service Change Management. Deliver customer notification and self-service functionality to provide accurate and timely information throughout the customer journey. This will enhance pre-trip, en-route, gate/track, and advisory notifications to internal and external customers. To improve customer experience and reduce calls to Amtrak's 800 number, when it is not possible to automatically reassign customers whose travel plans are impacted by service disruptions and other events sign, the self-service functionality will notify and allow customers to access channels to cancel or modify their bookings.

Onboard Food & Beverage Point-of-Sale (POS). Streamline sales of food on trainsby collecting real time sales data. This will improve analyis of revenues, profitability and the mix of products offered for sale, and facilitate orders to replenish inventory while trains are en-route.

Customer Satisfaction Data Collection. IT and Marketing will continue to extend the Customer Experience cloud platform to collect Customer Satisfaction data. This platform will enable Amtrak to target specific aspects of the travel experience with short surveys, request feedback from passengers in real time during their travel and reduce time for this data collection.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REVENUE, RIDERSHIP, AND TRANSFORMATION

In response to changing market conditions affected by the COVID-19 pandemic, we must deliver new and sophisticated technology services and solutions to support Amtrak's customer and revenue growth.

The highest priority is overhauling of Amtrak's Revenue Accounting processes and platforms. This planned transformation will significantly decrease overall complexity of the current platform. The approach will address antiquated technology, business rules, and processes to enable better revenue reconciliation, accounting and reporting of revenue. In addition, improved data, analytics and forecasting for the Pricing and Revenue Management group will help ensure that Amtrak is able to price its products and services optimally and effectively balance price and demand at the margin.

Key initiatives include:

Train Consist Planning. Provide a scalable software solution to plan future train consists. This will handle multiple time zones, multiple trains with the same number on the same day, removing cars, adding cars, track work schedules, turn plans, crew statistics, and customer reporting. Train Consist Planning contributes to our data-driven strategy and opens opportunities for rolling stock allocation simulations and modeling to meet future demand.

Pricing and Revenue Management (PRM). Provide more responsive pricing for Amtrak. The Marketing department will use PRM program functionality to optimize the pricing of every seat of inventory. Improved competitive data and analytical tools to execute predictive modeling and what-if scenarios will help the company modify pricing in real time as demand patterns dictate.

Ancillary Offer Management. Dynamic pricing for Amtrak's products and services. An early version of this platform already supports preordering of meals on selected trains. The Upgrade Bidding (BidUp) program will use AI to maximize revenue by allowing customers to bid for premium offers and upgrade their existing booking. These programs provide opportunity for better management of unsold inventory and capacity while enhancing the customer experience.

Sales Data Hub (SDH). A dynamic repository of near real-time data relating to all train and non-train revenue. This hub will accurately reflect the current state of all transactions allowing Amtrak to better measure and manage pricing and capacity in light of current bookings.

Sales Data Insights. As the country's demand for intercity travel eventually rebounds, it is likely that old patterns and heuristics relating to pricing, demand and customer travel patterns will be replaced by new ones. Work during FY 2021 and beyond on improved forecasting and inventory management technology efforts will ensure that Amtrak can precisely understand capacity and load factors so that we can optimize supply against demand and develop enhanced pricing algorithms that deliver maximum revenue yield.

Voice Call Recording and Analytics. Provide 100% call recording, voice analytics, and biometric fraud detection.

FINANCIAL VIABILITY AND COST DISCIPLINE

Amtrak continues to seek out and develop opportunities to reduce operating costs and become a leaner, more efficient operation. The IT Finance strategy is based on key investments in data and analytics, process redesign and automation, and Enterprise Resource Planning (ERP) platform optimization. Major initiatives include the following:

Standardize and Optimize Revenue Accounting. Standardize the outflow of all train earning processes into a single unified set of attributes, known as the Unified Amtrak Customer Order. This customer order will create, and make available, the sole truth of any transaction at any time, for any transaction state (e.g., Active, Ticketed, Lifted etc.). In addition, all Non-Train Earnings will deliver a consistent methodology for reconciliation and accounting.

Financial Insights. The Finance Data Hub will develop a central repository of near-real time financial data for planning, analysis, and strategic decisions. This solution will facilitate sharing of key data across financial platforms, while ensuring that a single source of data is being used in all systems. With access to the right data, Amtrak can utilize analytics to identify trends and patterns to discover opportunities for streamlining costs or reducing expenditures. The finance data hub will also contribute to the speed of monthly close.

Procurement and Supply Chain Management Insights. Analytics capabilities for Procurement and Supply Chain will enable line-item level spend analysis; provide greater visibility and insights to trend analysis, spend concentration, pricing variance and outliers, and inventory value; support better make versus buy decisions; and enable predictive and prescriptive forecasting. This will provide significant improvement over current spend analytics processes which are highly manual and only available at the supplier level due to the effort involved.

Streamline Supply Chain (Inventory and Warehouse) Management Processes. Existing inventory and warehouse management processes are manual, time consuming and inefficient, and there is no process or technology to track materials stored alongside tracks. IT and Procurement will identify opportunities and solutions to automate remote tracking of inventory, proof of delivery and tracking of track-side materials. By simplifying and digitizing these processes, Amtrak can eliminate cost and delays. Potential solutions include a warehouse mobile application and Radio-frequency Identification (RFID) tracking technologies.

Improved Project/Portfolio Management and Reporting. Ongoing development of the Enterprise Project and Portfolio Management program will standardize, automate, and provide transparency to the planning, monitoring, and reporting of capital projects across the enterprise. An integrated technology solution will improve efficiency, quality controls and analytics through a consistent lifecycle for project and portfolio management and execution.

Timekeeping Standardization. Consolidate timekeeping systems to capture time across a diversified workforce and apply relevant pay rules, schedule employee shifts, and manage overtime and labor costs with ease. Solution implementation is expected to improve internal controls, reduce manual work, centralize pay rules, align to collective bargain agreements, provide aggregated insights into overtime, and minimize opportunity for fraud.

Enterprise Resource Planning (ERP) Platform Optimization. Fully leverage the available capabilities of our ERP and ancillary systems to produce near term efficiencies and simplify the process of upgrading the SAP ecosystem to leverage new capabilities and functionality to streamline, automate and improve processes. Additional enhancements to the recently implemented procure-to-pay solution, Ariba on Demand, will also bring additional efficiencies and process improvements.

Continuous Process Improvements. Currently many Finance, Procurement and Supply Chain Management processes are heavily manual and inefficient. IT will partner with Finance to identify opportunities to increase efficiency and reduce complexity. Improvements may include robotics process automation (RPA) to automate repetitive and manual tasks, a supply chain inventory and demand planning tool to better capture demand and optimize inventory management, a contract deliverable system to better track key contract provisions and deliverables, and other tools to address current business pain points.


AMTRAK

CONNECTED EMPLOYEE

Every vertical service in IT supports the goal of "the connected employee" as part of our overarching strategy to take a user-centric approach to deliving technology. An engaged employee is more motivated, productive, and committed to Amtrak's goals, leading to a more satisfied and retainable workforce.

Technology solutions that facilitate effective and efficient work, communication, training, and easy access to HR functions like compensation and benefits, time off, and resolution of employment-related issues will create a better employee experience and are the key to success in this area. Consolidation of core HR functions and a data-driven approach to workforce management using built-in platform reporting, SuccessFactors cloud application reporting and Enterprise Data Warehouse for enterprise-level analysis will drive efficiency and consistency.

A connected employee can access systems critical to perform their job functions at any time, in any place and on any device. The technology platform provides the structure for a series of flexible solutions adapted to employee information and support needs. A centralized platform to enhance the employee experience by utilizing self-service capabilities, mobile friendly interface, and expanding single sign-on capabilities serves as the means for the employee to easily locate, access, and utilize the systems they need to do their jobs. Amtrak's IT strategy will focus on providing search capabilities for employees to find enterprise information, policies, rules, regulations, and advisories etc.; access to Office 365 productivity tools and collaboration portal; and increasing digital engagement with employees to facilitate training, corporate initiatives, and communications.

Connected Employee, continued

Key initiatives include:

Case Management. Case management systems are in place for Information Technology services and are a part of the Omni experience for Amtrak's customers. IT will continue to build out case management capabilities for HR, Operations and other areas of focus, with an emphasis on employee self-service, and will seek to unify the technical solution wherever possible to limit technology sprawl.

HR Information System (HRIS). Migrate the current core HRIS (SAP HCM) to the latest SuccessFactors platform to provide a unified platform for core HR functions and leverage available functionality to meet key business needs and address existing pain points. Amtrak intends to fully embrace SuccessFactors processes and functions to make it the single point of contact for employees and replace third-party add-ons and customizations with similar functionality in the core system.

Law Systems. Continue to expand capabilities for the Passport application which encompasses claims, matters management and invoicing. Update the Freedom of Information Act (FOIA) system to support improved productivity and Department of Justice (DOJ) integration. Enhance Certificate of Compliance (CoC) and General Data Protection Regulation (GDPR) systems to ensure compliance and protect customer data. Implement an updated document management solution supporting document retention policies and providing easier access to documentation in a centralized, secure, and easily searchable platform.

Employee Training. Continue to expand the Electronic Learning Management Platform (ELMP), including extending it to mobile devices. Centralize training and certifications, and implement tools and processes to provide remote training, as well as virtual reality options when appropriate.

Knowledge Access. The ability to find information, both structured and unstructured, is a key part of ensuring workers can do their job effectively. All-Aboard, Microsoft Teams and email are key components of the Unified Communications approach, giving tools to employees to collaborate and stay connected. We will continue to evolve the All-Aboard intranet platform, expanding content and leveraging it as a central portal to provide access to key IT applications and information that employees need in the course of their daily work and a critical component in providing opportunities for real-time collaboration and meaningful connections.

Continuous Process Improvements. Leverage features within the core HRIS platform and ancillary technologies to implement continuous improvements and enhance the employee experience. Focus will be given to streamlining and automating the recruitment and onboarding processes including leveraging AI, mobility, and other technology advancements. Additional improvements and enhancements will be related to leave management/administration, employee assistance program (EAP), 401K and other benefits processing, Office of Disciplinary Investigations and Labor Relations (ODILR) system and processes, and improvements to other HR and employee processes.

Technology solutions that facilitate effective and efficient work, communication, training, and access to HR functions will create a better employee experience and are keys to success in this area.

MANAGE TRANSPORTATION, RAIL OPERATIONS AND ASSETS

The systems and practices of many aspects of rail operations are ready for modernization. The current Amtrak culture relies heavily on legacy practices and a labor-intensive approach to producing results. Currently, multiple platforms at Amtrak are in place to control systems such as train traffic and overhead power, and some of them are nearing the end of their lives. Inconsistent practices and safety protocols have led to issues with training, rules violations and maintenance. Manual processes related to labor management, incident management, yard workflow management, and other core Operations processes cause inefficiencies, delays and added cost.

Asset maintenance is an integral part of rail operations with a high degree of coordination to ensure optimum asset utilization. Amtrak's targeted approach to asset management addresses modernizing and automating practices and procedures for maintenance of physical assets consistently across Amtrak.

Likewise, these modernization and automation goals extend beyond asset management to other aspects of Operations, and seek to leverage automation for improved efficiency across the entire department. Leveraging richer data, coupled with supporting analytical technologies will enhance asset performance, identify productivity opportunities, reduce unplanned issues as well as help prioritize investments that lead to the largest performance improvement.

Manage Transportation, Rail Operations and Assets, continued

Key initiatives include:

Consolidated National Operations Center (CNOC) Modernization. Updating technology and processes for incident management, train schedule optimization, crew usage optimization, and rail traffic management. The CNOC Incident Management System will provide a single system to monitor operations-related incidents from initiation to closure, including root cause analysis to avoid recurrence. The Centralized Electrification and Traffic Control (CETC) Technology Refresh will upgrade the systems required by dispatchers to move trains through the NEC safely, efficiently, on-time and cost effectively.

Train Control Systems. Advances in train positioning, railroad management, collision prevention, and interoperability provide concrete foundations on which to build a safer railroad. Implementation of the Interoperable Electronic Train Management System (I-ETMS) PTC system nationwide will ensure interoperable PTC train operations for Amtrak trains on host railroads and provide for interoperable PTC services for other railroads operating on Amtrak lines. Maturation of the Positive Train Control (PTC) system across the Amtrak network and implementation of Positive Train Stop Override (PTSO) will create additional benefits in ensuring passenger and employee safety. The Electric Traction Supervisory Control and Data Acquisition (ET SCADA) Systems will migrate to a consolidated system. The initiative to standardize dispatch systems on the Amtrak-developed AMTEC platform to replace the legacy Collins dispatch system will provide a common dispatch platform for the NEC and the Central division that is more reliable and resilient and will reduce maintenance cost. This will also allow Amtrak to increase focus on preventative maintenance practices while improving safety.

Enterprise Asset Management (EAM). Amtrak currently manages its physical assets with multiple systems, some of which are nearing end of life or are no longer supported by the vendors. The EAM Program is a multi-department, multi-phase program to deliver a single EAM system for the Stations, Facilities, Properties, and Accessibility (SFPA) group, Mechanical and Engineering Departments. In addition to creating a single unified asset management platform for these groups, the project will also create rich data assets that can be used to execute conditional maintenance and identify opportunities for improved processes and procedures throughout our network.

Integrated Labor Management System (ILMS). Supports migration from paper-based personnel management systems for job bidding covering Bids, Boards and Awards (BB&A), and vacation scheduling for Conductors and Engineers via a web interface and self-service capabilities. The ILMS Program expands on the initial BB&A functionality to provide workforce scheduling and extends BB&A and workforce scheduling to all relevant crafts: Train & Engine (T&E), Onboard Services (OBS), and Transportation Communications Union (TCU).

Advanced Analytics (Rolling Stock and Track Data, others). Advanced analytics include accelerating the adoption of advanced analytics, using scanning technology and trackside detectors to collect data and images of rolling stock; establishing track data analytics, analyzing large data sets to proactively identify maintenance requirements and safety risks; leveraging data to better manage train performance and drive decisions; and developing "Analytics at the Edge" to collect real-time data. These efforts will rely on Amtrak's Enterprise Data Warehouse (EDW), Enterprise Data Lake (EDL), and established analytics tools.

Operational Improvements. Continue to leverage technology to implement continuous improvements to address process inefficiencies, inconsistencies, performance gaps, etc. This may include such initiatives as Yard Workflow Management, Incident Management, Project Management Information System, Advanced Analytics, GIS Improvements, Product Lifecycle Management, Fleet Availability Management, Asset Tracking, Illustrative Parts Visualization, Work Planning and Scheduling, Forecast and Demand Planning, Integrated Service Planning, Train and Network Simulations and Irregular Operations Management.


acela

FLEET MODERNIZATION

Amtrak is in a multi-year, multi-billion-dollar refresh of its entire fleet, procuring modern locomotives and cars to replace aging equipment and refreshing existing equipment.

We are comprehensively coordinating the introduction of new technologies that will be deployed across the network. Amtrak's fleet refresh initiative will produce technologically advanced equipment with manufacturer-installed new or different technologies, minimizing inefficient customization and simplifying ongoing maintenance and support. A by-product of this change will be an evolution of Amtrak's technology network to support the increase in real-time data provided by new equipment. Key initiatives are:

Acela. The new *Acela* trainsets are highly technologically advanced. IT work will support introduction of the new trainsets into the *Acela* fleet while maintaining continuity of operations of thefirst generation *Acela* trainsets. In the future as ICT trainsets are procured, IT will follow the templates, standards and technology used to support *Acela* and the Siemens Venture cars recently, allowing Amtrak to develop a standard technology to support both Amtrak and partner rail services.

Cooperative Service & Maintenance. Supports new vendor cooperative models for service and maintenance through creation of common application programming interfaces (APIs). The Standardized TSSSA Service and Maintenance technology is available for use by vendors to connect functions like virtual warehousing, parts masters, and procure-to-pay.

One Fleet. As new equipment is placed in service, the first focus is on developing a minimum viable product for each of the IT workstreams to achieve continuity of safety and operations for our employees and passengers.

Safety & Security Insights. IT is enhancing support for Amtrak's critical Safety, Compliance and Training organization through the adoption of new train simulators, provisioning and access to train events and telemetry data, development of dashboards, and providing secure, easy access to on-line video recordings.

Onboard Technologies. In addition to manufacturer-provided technologies on new equiment, Amtrak incorporates additional technologies into our equipment to provide our customers with a positive and connected experience throughout their journey. Amtrak is responsible for delivery of systems like Wi-Fi and Food & Beverage Point of Sale, while OBIS is delivered in partnership with the manufacturer to ensure strong integration with both the equipment and our unified customer information ecosystem (Omnichannel). Our objective is to deliver a consistent and accessible experience to our customers regardless of what equipment they are riding.

Condition & Performance. IT will use event and telemetry data collection from trainsets to evolve Amtrak's condition and performance insights. This approach will seek to use data to improve the efficiency of the operation by moving away from risky break-fix repairs toward condition-based and predictive maintenance models.

Fleet Cybersecurity. Amtrak's cybersecurity capabilities will extend into the new trainsets via tooling for scanning and monitoring. This approach includes developing partnerships with vendor cybersecurity operations centers for cooperative incident detection and response.

TECHNOLOGY OF THE FUTURE

The leading-edge technologies of today are often the mainstream technologies of tomorrow.

Amtrak monitors emerging technologies and considers use when the technology is promising and has begun to show value in the market. As new business opportunities arise, we partner with business leaders to make decisions about deploying these new technologies.

INFRASTRUCTURE ASSET LINE

The 2021 Infrastructure Asset Line Plan (IALP2021) includes all Amtrak-owned or maintained assets: track, communications and signals, electric traction, bridges and buildings, and maintenance of way equipment. The Infrastructure Asset Line Plan effort is led by the Engineering Department with contributions from Safety, Operations and Planning.

Overview

Amtrak—America's Railroad—is dedicated to safe and reliable mobility as the nation's intercity passenger rail service provider and its high-speed rail operator. The infrastructure we own and maintain is largely located in the Northeast—including 1,154 main-line track miles on the Northeast Corridor (NEC) between Washington, DC, and New Rochelle, NY and between New Haven, CT and the Rhode Island-Massachusetts border.

In normal times, our infrastructure on the NEC is used by over 2,100 passenger trains and 60 freight trains each day, at speeds up to 150 mph (241 kph). We own infrastructure nationwide, as well as manage infrastructure on behalf of the States of Michigan and New York. We provide efficient and effective intercity passenger rail mobility, connecting more than 500 destinations in 46 states that is trip-time competitive with other intercity travel options.

The Engineering Department acts as the custodian of the infrastructure on which Amtrak customers travel. Engineering endeavors to provide a proactive, preemptive, customer-service approach to infrastructure maintenance, project planning, design, construction and maintenance that will deliver a safe and reliable railroad for Amtrak customers and employees. To achieve this mission, the Engineering Department is comprised of three key functions: Engineering & Design, Maintenance and Project Delivery.

The **Engineering & Design** group creates and monitors standards for design, installation, and maintenance of assets to improve quality and performance of the infrastructure assets, including:

- **Communications & Signals –** Track circuits, signals, interlockings, and communication systems.
- **Electric Traction –** Catenary, substations, third rail, frequency converter stations.
- **Structures –** Bridges, buildings, tunnels, culverts, retaining walls.
- **Track –** Rails, ties, turnouts, ballast, substructure.

These four technical disciplines prepare design solutions utilizing engineering drawings, basis of design documents, and specifications that allow for the efficient procurement, installation, and maintenance of assets. They work collaboratively and provide technical guidance, review, and approval of third-party work affecting Amtrak assets. The technical disciplines establish and maintain professional and mutually beneficial relationships with regulatory agencies, external partners, and other rail carriers, both passenger and freight.

In addition, to the technical disciplines, the Engineering & Design group is also responsible for business improvement initiatives within the Engineering Department. This group drives collaboration among Engineering sub-groups and other business lines for the purpose of improving the effectiveness and efficiency of the Engineering Department, and It sets the strategy, establishes processes and delivers tools and technology for asset management. The Business Improvement group promotes sound business principles through process development and improvement, reporting, analysis, business cases, etc. It develops the strategic direction for the department, disciplines, and divisions based on Amtrak's Strategic Objectives and Engineering's goals. As well as being responsible for the acquisition of Engineering Maintenance of Way equipment.

The **Maintenance** group maintains the infrastructure to a State of Good Repair (SOGR). It promotes production and quality processes to improve the product delivered and continuously assesses the state of all assets, taking necessary actions to maintain and improve them. Maintenance has overall responsibility and oversight for directing Engineering Department resources in all construction, inspection, and maintenance activities on Amtrak-owned and or maintained right-of-way (ROW) assets including track, bridges, buildings, communications and signals, and electric traction to provide continued safe and reliable operation of intercity passenger, commuter rail and freight trains on all Amtrak ROW assets. Within the Maintenance organization, the Production group is responsible for major infrastructure construction work. It has dedicated gangs for large volume asset renewals, including an Undercutter, Track Laying System (TLS) and Switch Exchange System.

Overview, continued

The **Project Delivery** group executes engineering designs. It provides construction and project management services to internal and external stakeholders, as well as facilitating information exchange among technical disciplines, front line personnel, third party contractors, and the Maintenance organization. Project Delivery promotes production and quality processes to improve the end-product delivered, manages third party contracts for adherence to scope, schedule, and budget, and provides estimates to internal customers and external partners to assist in the planning, budgeting, and staffing of projects. It also creates, maintains and distributes Engineering schedules that reflect all aspects of the Engineering program to internal customers and external partners.

The IALP sets out the strategies by which Amtrak manages the infrastructure, including the methodology used to calculate the SOGR backlog and improvements to the data behind condition parameters. It also describes how Engineering is using its scarce manpower, track possession and equipment resources in combination with decision-focused information to maximize the return on invested capital for the benefit of Amtrak and other infrastructure users. The IALP provides a geographically specific SOGR Program plan and highlights key strategic initiatives and major capital projects for FY 2021 (base) and the FY 2022–FY 2026, plan period.

YEAR IN REVIEW

Despite the unprecedented challenges brought on by COVID-19, Amtrak Engineering achieved several noteworthy accomplishments during FY 2020.

Key Accomplishments & Impact of COVID-19

- Implementation of I-ETMS Positive Train Control (PTC) technology for MARC and Norfolk Southern operations on the NEC, and for all train operations in Chicago Union Station was completed. Prior to the December 31, 2020 statutory deadline, PTC is fully implemented for all operations on Amtrak owned or operated territory, and where required on our national network.

- Completion of five years' worth of block tie, slab and rail replacement in the B&P tunnel.

- Track and catenary changes were completed on Track 1 between Hanson and Bridge Interlockings (31 miles) in Maryland in preparation for operation of new *Acela* trainsets.

- Installation of a #24 clothoidal crossover, the first on Amtrak's system, at CP94 on the Empire Division about 20 miles north of Poughkeepsie, New York. It occupies a smaller footprint, will facilitate higher speeds, and provide better ride quality.

- Completion of 1.5 miles of new electrified, signaled third track in Delaware to increase capacity and improve train operations for DelDOT service operated by SEPTA and Amtrak.

The Engineering Department's Capital Plan supports Amtrak's continuing efforts to achieve SOGR across its infrastructure assets and to advance the Company's strategic priorities. Table 1 on page 154 summarizes the major production work delivered in FY 2020.

Table 1: FY 2020 Engineering Major Production

	PROGRAM SCOPE				PROGRAM BUDGET			
	Actual Units (FYTD)	Planned Units (FYTD)	Total Planned Units (FY 20)	% Complete (FYTD)	Total Spend (FYTD)	Planned Budget (FYTD)	Total Budget (FY 20)	% Spend (FYTD)
Surfacing (track miles)	238.8	246.9	246.9	97%	$ 13,954,204	$ 15,855,182	$ 15,855,182	88%
Wood Ties (each)	40,852	40,852	40,852	100%	$ 22,210,696	$ 20,078,804	$ 20,078,804	111%
Concrete Ties (each) [2]	538	538	538	100%	$ 1,582,914	$ 1,160,269	$ 1,160,269	136%
Joint Elimination Welding (each)	1,368	1,451	1,451	94%	$ 8,284,655	$ 7,528,610	$ 7,528,610	110%
TLS - Continuous Welded Rail (rail miles) [1]	25.0	24.0	24.0	104%	$ 30,366,716	$ 29,028,578	$ 29,028,578	105%
TLS - Concrete Ties (each) [1]	33,277	32,000	32,000	104%				
Undercutting (track miles)	26.5	26.5	26.5	100%	$ 44,353,923	$ 47,401,397	$ 47,401,397	94%
Turnouts (each)	27	30	30	90%	$ 26,286,220	$ 25,730,571	$ 25,730,571	102%
Continuous Welded Rail (rail miles) [2]	62.0	65.3	65.3	95%	$ 23,000,071	$ 21,490,246	$ 21,490,246	107%
Bridge Ties (each)	514	514	514	100%	$ 3,211,005	$ 2,608,904	$ 2,608,904	123%
ET Transformers (each)	1	1	1	100%	$ 722,652	$ 633,471	$ 633,471	114%
ET Breakers (each)	13	13	13	100%	$ 1,571,891	$ 1,748,228	$ 1,748,228	90%
ET Switch Heaters Power Substation (each)	5	4	4	125%	$ 1,374,989	$ 2,894,092	$ 2,894,092	48%
ET Air Break Switches (each)	10	15	15	67%	$ 877,302	$ 782,217	$ 782,217	112%
12 KV Switches (each)	21	24	24	88%	$ 402,234	$ 947,131	$ 947,131	42%

Notes: 1. Grouped together for accounting purposes. 2. Excludes work completed by TLS operation.

MAJOR FY 2020 PROJECTS

Described below are other major FY 2020 Amtrak Engineering projects, many of which Amtrak was able to complete more quickly and at lower cost because tracks could be taken out of service for longer periods due to reductions in train operations attributable to COVID-19.

Harrisburg Line

Thorn to Paoli Tie Replacement. A continuous track outage on Track 4 between Frazer and Downs interlockings, located near Exton, PA, that increased average production time per shift from five to eight hours. The increased efficiency resulted in more than doubled nightly production and eliminated the need for overtime to install the over 25,000 new wood ties.

Zoo Interlocking. At Zoo Interlocking in Philadelphia, where a heavily used SEPTA line and Amtrak's Harrisburg Line converge. Approximately 1,800 wood ties were installed during weekdays rather than on weekend overtime work.

New York

PENN STATION

Station Tracks 1 & 5 Overhead Catenary wire renewal. Reduced train operations provided the rare opportunity to remove a Penn Station track from service, facilitated work on the overhead catenary—the wiring system that provides electric power to electric trains. Which will reduce the risk of a broken/failed wire that can often lead to lengthy delays for Amtrak and commuter passengers.

C&S LED signal upgrades. Nine (9) locations completed. LED bulbs, which provide more visible light and are longer lasting, were installed in difficult to access signals located above or adjacent to tracks at nine locations in Penn Station, enhancing safety in the dark underground track area and increasing the time until bulbs must be replaced, which often disrupts train operations.

North Tube – Tie Installation & Drainage remediation. In the North Tube, one of the two tunnels which carries trains under the Hudson River to New Jersey, the reduction in service allowed for the necessary outages for installation of 200 ties and ongoing drainage without impacting train operations and our customers.

Track 11 block tie replacement project. The lengthy track outages required to replace block ties—wooden or concrete ties typically found in stations and tunnels that are cast directly into concrete instead of sitting on ballast—on Track 11 were also facilitated by the ability to remove a track from service without disrupting train operations. The block tie replacement project was successfully completed in June 2020.

NEWARK TRACK 5

Installed 2200 feet of continuous welded rail (CWR) following replacement of block ties on Track 5 to provide a smoother ride and enhanced track infrastructure requiring less maintenance.

DOCK BRIDGE

Installed 200 ties and 26 bridge timbers.

INTERLOCKING RENEWAL WORK

Renewal of three interlockings—switches which allow trains to change tracks—in Northern New Jersey where very high train volumes normally make it very difficult to take tracks out of service.

- **Lack Interlocking.** Renewal of 25 concrete switch timbers at "26" switch, also removed fouled ballast and surfaced track.
- **Hunter Interlocking.** Tracks 1 and 4 Overhead Catenary Wire renewal
- **Lane Interlocking.** Rail renewal at "32" switch.

Northeast Corridor Production

SWITCH EXCHANGE SYSTEM (SES)

The SES, which performs switch replacement work that requires multiple tracks be taken out of service (normally only possible on weekends when crews receive overtime pay), was able to replace two turnouts at the complex Hook Interlocking, in Marcus Hook, PA during weekday daytime hours.

TRACK SURFACING

Track surfacing gangs, who resurface the ballast beneath the rails to improve alignment and ride quality, were able to complete 238.8 miles of surfacing in FY 2020 due to extended track outages.

Major FY 2020 Projects, continued

Michigan Line

Rail Installation. Over 70,000 feet of CWR (13.25 miles) were installed from MP 103.7 to MP 105.6 between Battle Creek and Albion; 14,000 wood ties will be replaced on the same segment during FY 2021.

Chicago Union Station (CUS)

Two switches and a cross-over south of the station were replaced with new switches with fewer joints, increasing reliability, while a grade crossing was replaced on the station's north side, in a joint project with Metra.

Automated Tests

- Miles of track tested nightly for internal rail defects not visible to the naked eye, increased 38% in fiscal year 2020 due to the availability of extended track time.
- Crews are accomplishing more Sperry rail testing each night on the Northeast Corridor. The average number of miles inspected during each night of Sperry rail testing increased over 20% due to extended overnight, improving safety and reliability while reducing the cost per mile by almost 50%.
- Additional Sperry inspections were also completed on the Michigan Line. The increased availability of track access and longer working windows allowed Engineering to deliver its annual capital program and advance several key projects while reducing total hours worked and overtime.
- Total Engineering hours were reduced by about 50,000 per month during COVID-19 compared to pre-COVID-19 levels.

Engineering Hours

- The height of the production season (June through August) saw about a 50,000 total hour reduction per month.
- Straight time increased from pre-COVID-19 levels of about 72% to 87% of total hours during COVID-19. The average straight time hours went from 505,000 hours/month to 540,000 hours/month during COVID-19.
- Overtime hours were reduced by 50% during COVID-19 from an average of 25% (170,000 hours/month) to 13% (85,000 hours/month).

Table 2: Total Engineering Hours – 2019 vs 2020

	Straight Time Hours	% of Total	OT Hours	% of Total	Total Hours
2019					
June	486,000	72%	191,000	28%	677,000
July	519,000	74%	184,000	26%	703,000
August	514,000	73%	192,000	27%	706,000
September	485,000	73%	182,000	27%	667,000
October	566,000	75%	187,000	25%	753,000
November	463,000	74%	162,000	26%	625,000
December	451,000	78%	126,000	22%	577,000
2020					
January	533,000	75%	179,000	25%	712,000
February	475,000	74%	169,000	26%	644,000
March	564,000	81%	134,000	19%	698,000
April	550,000	91%	52,000	9%	602,000
May	515,000	89%	64,000	11%	579,000
June	570,000	88%	80,000	12%	650,000
July	550,000	86%	93,000	14%	643,000
August	516,000	79%	134,000	21%	650,000
Grand Total	**7,757,000**	-	**2,129,000**	-	**9,886,000**

Infrastructure Strategy

Amtrak Engineering's asset strategies center on using information that will ensure normalized steady state activities deliver the best investment opportunities in the near term and work towards a SOGR in the longer term that is able to support a safe, efficient and sustainable railroad.

OVERVIEW

Amtrak Engineering is driving a plan to ensure the continued viability of the infrastructure with a longer-term objective of achieving an SOGR across infrastructure assets. With the introduction of the Steady State Program in 2017 and Construction Program Procedure in 2018, there has been a renewed focus on capital maintenance. Moreover, capital improvement projects which contribute to the replacement or renewal of aging infrastructure are prioritized higher than those projects which provide little to no SOGR benefits. The steady state (normalized replacement) program identifies the number of track asset units requiring replacement annually to prevent an increase in the existing SOGR backlog. When Amtrak achieves a SOGR, the normalized replacement annual requirement will ensure infrastructure assets remain in a state of good repair.

STRATEGIES FOR ENSURING SAFE OPERATION

In 2017, Amtrak Engineering commenced a review of the Asset Strategies for all infrastructure assets to develop the long-term infrastructure maintenance and improvement programs to reach SOGR. These strategies are included in Appendix A – Asset Strategies.

Our existing strategies for ensuring continued safe operation can be summarized as follows:

Core Funding

- **Inspection/monitoring** activities to confirm the asset can function in its required state and provide a safe operational environment.
- **Preventive maintenance** activities to achieve a required level of asset performance and maintain a safe operational environment.
- **Corrective maintenance** activities to return the asset to its required function.

Capital Funding

- **Capital maintenance** to restore the asset to an operational design standard and maintain performance.
- **Capital replacement** to renew the asset and maintain performance.
- **Capital improvement** to replace the asset and improve performance or network capability.

Strategies for Ensuring Safe Operation, continued

Inspection/Monitoring Activities

Amtrak's Engineering standards set out the requirements for inspection and monitoring of assets to ensure safe infrastructure performance. Except for ET assets, these are aligned to FRA mandated inspections, and in some areas (track and movable bridges for example) go beyond FRA requirements. Inspection and monitoring programs drive corrective and capital maintenance programs.

Maintenance (Preventive, Corrective and Capital) Activities

Historically, asset maintenance strategies could be summarized as run-to-fail (where fail exceeds a maintenance defined limit, and not a failed asset that is unsafe). Currently, data is being developed utilizing root cause analysis to identify high impact assets and introduce preventive maintenance replacement cycles. Corrective actions are typically assigned following an inspection. These are a mix of addressing identified faults and poor conditions which will lead to an asset failure, either through a corrective maintenance action or through a capital maintenance action.

Capital Replacement and Improvement Activities

Tools are in use that allow for a more consistent approach in the use of manpower, track possession and equipment resources. Historically, the capital replacement of assets was determined by engineering judgment that considered asset conditions, safety and reliability, funding availability and track access.

In 2018, Amtrak Engineering introduced reliability analysis to better inform replacement decisions. This included identifying assets with repeat failures or asset types which may be prone to failures.

In 2019, significant steps were taken to advance root cause analysis. Each failure work order was linked to the asset that failed, the resulting minutes of Amtrak and commuter train delay, and an enhanced problem, cause and remedy structure designed by the technical departments. In development are processes and tools that link asset design with asset maintenance, bringing the technical organization together with the maintenance organization. By establishing standard asset classes for quicker construction, providing a material view specific to the asset maintained, and returning failure data to asset design to improve performance, Amtrak can use the latest asset management techniques to improve asset performance and expected economic life.

ESTABLISHING CAPITAL INVESTMENT PRIORITIES

FY 2021 Capital Prioritization

For the FY 2021 construction plan the prioritization process has been further developed to align fully to Amtrak's Strategic Pillars and demonstrate how each project supports our corporate strategic objectives. The approach is presented in Table 3 on page 159.

FY 2022-2026 Capital Prioritization

Beginning in FY 2022, Amtrak Engineering will be applying a tiered prioritization process to its annual construction program. Major production work, including Undercutter, TLS and SES will take top priority. followed by SOGR capital maintenance performed by local divisions. The third tier will be capital and third-party projects, which will be prioritized in accordance with Table 3.

Table 3: FY 2021 Infrastructure Capital Investment Prioritization Approach

Engineering Category and Definition	Infrastructure Capital Investment Prioritization - Rating					
	0	1	2	3	4	5
EXCELLENCE IN SAFETY AND OPERATIONS PILAR						
SAFETY Unsafe condition for employees or customers	No improvements to overall safety	Minimal improvements to overall safety	↔	Safety measures can be put in place to mitigate risk	↔	No measures can be put in place to mitigate addressed safety risk
POSITIVE CUSTOMER IMPACT PILAR						
CUSTOMER IMPACT Significantly improve OTP, ride quality or reliability of the asset	No positive impact to OTP, ride quality or reliability	Minimal positive impact to OTP, ride quality or reliability	↔	Positive impact to OTP, ride quality, and/or reliability	↔	If project not completed, asset will be taken out of service with negative customer impact
INTEGRATED STRATEGY PILAR						
NON-STRATEGIC REQUIREMENTS Strong external requirements which may not align with Amtrak Strategic Pillars	Project aligns with an Amtrak Strategic Pillar (Already factored into priority ranking)	Project has external pressure for completion but is only in planning and/or initiation phase	↔	Project has external pressure for completion but does not have to be completed in upcoming fiscal year	↔	Project has significant external pressure for completion and must be completed in upcoming fiscal year
INVEST IN OUR ASSETS PILAR						
STEADY STATE CONTRIBUTION Work completed will achieve steady state unit contribution	No Steady State improvements achieved	Minimal Steady State improvements achieved	↔	Steady State unit replacement contributes to annual required levels	↔	Steady State unit replacement significantly contributes to annual required levels
EXCELLENCE IN FINANCIAL STEWARDSHIP PILAR						
FINANCIAL STEWARDSHIP Project will have a positive return on investment	Project has no financial impact or a negative return on investment	Project has minimal financial impact or a low return on investment	↔	Projects return on investment will break even	↔	Project is funded by external resources or will result in positive return on investment

MOVING TOWARDS NORMALIZED OR STEADY STATE MAINTENANCE

Lifecycle Management Strategies

Amtrak Engineering lifecycle management strategies presented in Appendix A have four key elements. They are as follows:

Achieve SOGR. The primary objective of this strategy is to bring the infrastructure assets to a state of good repair and then maintain them in a steady state to ensure sufficient capability to meet operational needs.

Prevent Insidious Decline. While Amtrak progresses towards SOGR, introduction of an enhanced assessment regime will guard against the insidious decline in the condition of any individual assets and ensure that they remain in a safe operational state.

Maintain Performance. The implementation of the steady state strategy is through a program that is prioritized to ensure that the infrastructure assets can function in their required state, thus minimizing performance loss due to asset faults and failures.

Support Network Capability Improvement. The program is also designed to ensure that the infrastructure assets contribute to capability targets established through the Amtrak Service Plans, including enabling higher speed operations.

Useful Life Benchmarks

Useful life benchmarks (ULBs) define a program of steady state or normalized levels of capital replacement necessary to move to a sustained state of good repair. ULBs have been established using several sources, including:

- Previous SOGR reports and studies conducted in the last five years.
- Engineering review and judgement of typical asset lifecycles on Amtrak property.
- Independent review by outside parties.
- International benchmarking against comparable rail networks including those in the United Kingdom and Europe.

Transition Strategy

While establishing ULBs supports the development of a work-bank, it is not an asset management strategy. The transition to steady state maintenance requires SOGR backlog needs to be addressed first. To address this, Engineering has identified a series of delivery strategies, described below, that must be fully implemented to effectively move to a steady state maintenance strategy.

REDUCING EXPENDITURE

More efficient delivery of work in the long-term reduces the funding needed and makes steady state maintenance more affordable. To achieve this, we need to invest in our equipment to create a high-output plant delivering maintenance efficiently; invest in our people so we have qualified and experienced staff delivering the work; and invest in our asset management approaches so we have the right information to inform our decisions and can ensure that our assets are performing to the optimum service levels.

EQUIPMENT AVAILABILITY

The performance of Amtrak's maintenance of way (MOW) equipment has a direct impact on our ability to achieve steady state (normalized) infrastructure maintenance. Asset replacement is done by large machines working with an assembly line of smaller support machines. The tempo of work is determined by factors including how efficiently both the large and smaller machines utilize available track time. Pace is also driven by the timeliness with which material is delivered and removed by work trains, whether equipment works reliably without failure, and the skill of equipment operators.

Steady state levels of capitalization cannot be achieved with current MOW equipment. **Simply stated, we do not have enough reliable equipment to achieve a SOGR—or even to prevent the SOGR deficit from increasing each year.**

To address the challenges attributable to outmoded, unproductive and insufficient equipment, the Engineering Department has prepared an Equipment Asset Strategy that proposes acquisition of the MOW equipment necessary to achieve Amtrak's business goals. The strategy is designed based on our current production capacity and the forecast production capacity necessary to address state-of-good repair and transition to steady state.

Engineering's equipment acquisition plan includes one new TLM for tie and rail replacement, two new undercutters for ballast cleaning and replacement, and five new high-speed tampers for track geometry maintenance. While the financial impacts of the COVID-19 pandemic may delay the acquisition of some or all this equipment, Engineering is working with the Finance and Procurement departments to ensure we have strategies in place to proceed with our acquisition plan as soon as funding is available.

Moving Towards Normalized or Steady State Maintenance, continued

AVAILABILITY OF QUALIFIED PERSONNEL

Historical shortages of qualified personnel hinder the ability to reach steady state maintenance levels. Training challenges, position vacancies, and employee attrition are all contributing factors. The Communications & Signals (C&S) and Electric Traction (ET) departments training qualification processes are the longest, and the processes must be successfully completed before personnel become qualified. The average duration for an ET employee to become fully qualified (as an A-Man) is over 2 years. Only 75% of the employees that begin the ET training program complete the course, with a 25% failure rate. Similarly, with C&S, the time required for a new hire to become fully qualified (as a maintainer) is about 2 ½ years. New hires in C&S retain the Helper qualification for 18 months before starting a training program that takes no less than 10 months to complete. The five-year average failure rate for C&S employees in the training program is 27%.

In addition to training, vacancies in key operator positions is a detriment. The vacancy rate for the critical positions of Track Foreman, Welders, and Equipment Operators are over 17%, with Welders averaging over 25% for the last 5 years. The current vacancy rate for all Engineering positions is 9.6%. Vacancy rates around 5% can be managed, if the key operator position vacancy rates are low. Qualified personnel are not required to hold key positions. There are over twice as many qualified Track Foreman that are holding lower positions than there are open Track Foreman positions.

The current attrition rate of employee separation is 5.9%, which is slightly higher than the 5-year average of 5.3%. Attrition rates vary by discipline, ET has the highest 5-year average attrition rate of any discipline at 6.8%. High attrition rates compound the challenges Engineering faces with training and vacancies in critical positions.

Moving Towards Normalized or Steady State Maintenance, continued

TRACK TIME AVAILABILITY

While obtaining sufficient track time for maintenance work and capital replacements is a challenge for all railroads, Amtrak faces the greatest challenge because of the extraordinary density of train operations throughout the NEC and the high passenger train volumes on other lines we maintain. The optimal solution to delivering increased steady state production while minimizing the impact on train service is to reduce the time track must be taken out of service to perform maintenance, which requires more efficient production equipment, improved planning and greater access to needed resources.

Currently Engineering has three large MOW gangs on the NEC—two Undercutters and the TLS—that require continuous track outages: 24/7 possession of the track segments on which they are performing work. Utilizing a "blitz" approach under which the TLS replaces rail and ties on a track segment, and is followed immediately by an Undercutter gang replacing the ballast on the same segment during the same continuous outage, reduces the number of outages needed and produces a complete track renewal returned the track with clean ballast, new rail, and new ties. The Engineering department was able to successfully complete such a "blitz" on Track 1 between Lehigh and Mantua in Philadelphia during FY 2020 and intends to utilize this approach in the future once normal workforce levels are restored.

ADDRESSING FUNDING

As discussed below, the estimated SOGR backlog on the NEC and other Amtrak-owned and maintained infrastructure assets is enormous—$47.7 billion. A robust and consistent funding stream needs to be established to address it. An implementable shared funding strategy to address the full SOGR backlog remains a work-in-progress.

IMPROVING OUR STRATEGIES AND PLANS

As we move to a steady state replacement cycle, we recognize that the first iteration needs to be staged (prioritized) such that the ongoing work program is manageable year-over-year. The plans in the appendix therefore propose replacement cycles and implementation strategies. This work will be further developed, refined and implemented through the asset plan period.

The optimal solution to delivering increased steady state production while minimizing the impact on train service is to reduce the time track must be taken out of service to perform maintenance, which requires more efficient production equipment, improved planning and greater access to needed resources.

Asset Inventory

Amtrak is responsible for 2,364 track miles of track, 1,320 undergrade bridges, 1,467 track miles of electric traction, and 238 signaling interlockings nationwide. This includes 1,154 track miles of main-line infrastructure along the Northeast Corridor—the nation's highest speed, highest train density rail line.

OVERVIEW

Amtrak owns and/or manages infrastructure nationwide with an estimated replacement value of $83 billion. The infrastructure is predominantly located on the NEC main line between Washington and Boston and the NEC branch lines. Most of the infrastructure outside of the NEC is located on the Michigan Line in Indiana and Michigan.

NEC Main Line

Amtrak owns and operates 1,154 track miles of main-line infrastructure on the NEC main line between Washington DC and New Rochelle, NY, and New Haven, CT and the Massachusetts/Rhode Island border, and also maintains the NEC main line between that border and Boston (see Figure 1).

The corridor is largely built to operate as an FRA class 7 railroad with passenger speeds up to 125 mph. There are a limited number of track segments classified as class 8 for up to 135 mph between Washington and New York City and 150 mph between New Haven and Boston.

Figure 1: NEC Main Line and Branch Lines – Accountabilities

NEC Branch Lines

In addition to the main-line assets described above, Amtrak also owns branch lines which are considered part of the NEC under some statutory definitions. They include:

- The 261 track miles of up to 110mph track along the *Keystone* Corridor from Philadelphia, PA to Harrisburg, PA.
- The 108 track miles of the Springfield Line from New Haven, CT to Springfield, MA.
- The 19 track miles of the West Side Connection from New York Penn Station to Spuyten Duyvil, NY.
- The 12 track miles of infrastructure on the Post Road Branch from Post Road Junction to Rensselaer, NY.

Large portions of the trackage on the NEC branch lines are operated as an FRA class 6 railroad with passenger speeds up to 110mph. Amtrak also maintains 53 track miles of sidings along the NEC branch-lines.

Overview, continued

State of New York Supported Assets

Amtrak manages infrastructure, leased from CSX, on 190 track miles of the Empire Corridor between Poughkeepsie, NY and Hoffmans (near Schenectady, NY), and owns outright two short segments of the Empire Corridor in New York City and the Schenectady areas.

The State of New York funds the capital and operating MOW expenses on the leased infrastructure.

National Rail Network

Amtrak is also responsible for other track infrastructure assets nationwide, including:

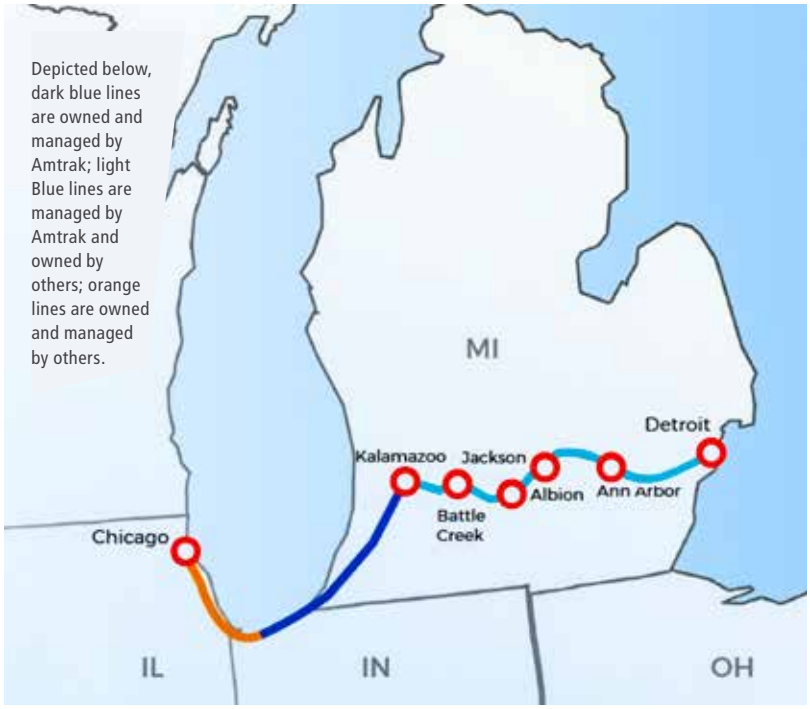
- Owning and operating 84 track miles of up to 110 mph track from Porter, IN to Kalamazoo, MI, along with 17.5 track miles of sidings.
- Owning and operating 67 track miles of yard tracks and sidings in Chicago, Los Angeles, New Orleans, New York City, Oakland (Kirkham Street Yard), Orlando, Portland, Saint Paul and Seattle.
- Maintaining and operating 7 track miles of yard tracks in Hialeah, near Miami, FL, leased from the State of Florida.

State of Michigan Supported Assets

Amtrak is responsible for maintaining and operating the 181 track miles of infrastructure from Kalamazoo, MI to Dearborn, MI owned by the State of Michigan, along with 41 track miles of sidings. Large portions of the Michigan-owned Michigan Line have been upgraded for future operation as an FRA class 6 railroad with speeds up to 110 mph. Michigan funds the capital and operating MOW expenses on this infrastructure.

The John D. Dingell Transit Center in Dearborn, MI. Photo by MDOT.

Figure 2: National Network Infrastructure - Accountabilities



ASSET INVENTORY

Amtrak's Engineering Department organizes the infrastructure assets into **four asset classes**; Table 4 provides a summary. Further details are provided in the asset class plans in the appendices.

Table 4: Amtrak Infrastructure Assets - Summarized by Route/Ownership

Track	Bridges and Buildings	Electric Traction	Communications and Signals
NEC MAIN LINE			
• 1,323 track miles of Rail main and siding • 2,044 Turnouts • 354,651 Wood ties • 2,623,447 Concrete ties	• 10 Movable bridges • 451 Signal bridges • 814 Undergrade bridges • 21,018 Bridge ties • 543 Culverts • 100,476 Linear feet of tunnel	Two systems: • 371 track miles 60 Hz constant tension in the north • 818.5 track miles 25 Hz fixed tension in the south • 23.5 track miles 60 Hz constant tension in the south	• 136 Interlockings • 2,251 Switch machines • 272 Switch heaters • 2,210 Signals • 2,545 Track circuits • 136 Central Instrument Houses (CIH) • 363 route miles of PTC
NEC BRANCH LINE			
• 453 track miles of Rail main and siding • 393 Turnouts • 856,624 Wood ties • 252,588 Concrete ties	• 1 Movable bridge • 87 Signal bridges • 280 Undergrade bridges • 2,202 Bridge ties • 349 Culverts • 2,681 Linear feet of tunnel	254 track mile 25Hz fixed tension on the Harrisburg line	• 40 Interlockings • 372 Switch machines • 80 Switch heaters • 489 Signals • 497 Track circuits • 40 CIH • 164 route miles of PTC
Infrastructure leased from CSX, Capital Funded by the State of New York and maintained and operated by Amtrak			
• 190 track miles of Rail main and siding • 68 Turnouts • 204,341 Wood ties • 44,782 Concrete ties	• 1 Movable bridge • 13 Signal bridges • 114 Undergrade bridges • 3,031 Bridge ties • 58 Culverts • 57 Linear feet of tunnel	N/A	• 24 Interlockings • 95 Switch machines • 24 Switch heaters • 176 Signals • 253 Track circuits • 24 Central Instrument Houses (CIH) • 71 route miles of PTC
NATIONAL NETWORK			
• 176 track miles of rail main and siding • 558 turnouts • 399,555 wood ties • 2,957 concrete ties	• 2 Movable bridges • 4 Signal bridges • 52 Undergrade bridges • 0 Bridge ties • 0 Culverts • 0 Linear feet of tunnel	N/A	• 18 Interlocking • 322 Switch machines • 18 Switch heaters • 90 Signals • 76 Track circuits • 18 CIH
Infrastructure owned by the State of Michigan and maintained and operated by Amtrak			
• 222 track miles of rail main and siding • 173 turnouts • 651,517 wood ties • 2,112 concrete ties	• 0 Movable bridges • 12 Signal bridges • 60 Undergrade bridges • 0 Bridge Ties • 4 Culverts • 0 Linear feet of tunnel	N/A	• 20 Interlocking • 96 Switch machines • 20 Switch heater cabinets • 14 Signals • 121 Track circuits • 20 CIH

Asset Inventory, continued

Inventory Improvement Actions

The development of the 2019 IALP highlighted the need to improve the completeness, consistency and accuracy of infrastructure asset information facilitate analysis of asset performance issues and improve planning of capital investments.

Amtrak Engineering has undertaken an initiative to establish a more robust information set to support asset decisions and management actions. The initiative includes defining asset information requirements, leveraging industry leading geospatial databases for location and asset inventory, collating information from existing sources and undertaking a program of field verification, where necessary, to improve the confidence in asset information. This will result in a complete data set that is consistent and accurate.

ASSET CONDITION

Current Condition Monitoring (Inspection) Approaches

Amtrak currently conducts extensive condition monitoring (inspection) programs of its infrastructure assets, as further described in the Asset Class Strategies (Appendix A). The monitoring activities—many of which are federally mandated—ensure day-to-day safe operation of the railroad. They are used to identify faults and potential faults which result in prioritized and scheduled maintenance.

Asset Condition Assessment

Except for Structures (bridges and tunnels), a challenge across all asset classes is that historically there has been little assessment of long-term asset condition. This limits predictive analysis to determine future investment needs based on the asset conditions.

In 2019, Amtrak Engineering developed and introduced an asset condition assessment framework designed to provide data on long-term trends in asset SOGR to inform capital replacement decisions and assign investment prioritization.

The asset condition assessment framework results in a measured SOGR index for each asset. Separate condition assessment guidelines have been developed for each of the major asset classes. Within each asset class, the 'parent level' to assess condition has been determined based on the intervention activity options. For each parent asset type, a condition assessment matrix has been produced that considers one or more of the following five factors:

1. **Age (or cumulative level of use):** Estimate based on the share of an asset's useful life elapsed.

2. **Visual Condition:** Assessment based on visually identifiable signs of asset wear or deterioration.

3. **Reliability:** Assessment based on an asset's ability to meet the required technical level of service.

4. **Measured Condition:** Assessment based on automatic, equipment-based, or manual measurement of one or more specific asset characteristics, which are indicative of the asset's overall condition.

5. **Maintenance Condition:** Assessment based on ability to maintain condition using planned maintenance activities, and the number of outstanding maintenance activities that exist within the system requiring unplanned interventions outside of routine maintenance.

For each factor, a grading system has been developed for the parent asset type that ranges from zero (asset is non-operable) through five (asset is new or nearly new). An assigned condition index has then been derived from a review of the above factors.

Defining State of Good Repair (SOGR)

Amtrak considers an asset to be in SOGR when it satisfies the following:

- It is in a condition where it can continue to meet and perform the functional requirements for which it was designed.

- The use of the asset in its current condition does not pose a safety risk.

- The lifecycle investment needs of the asset have been met including all scheduled maintenance and where no backlog of capital needs exist.

Amtrak grades an asset in SOGR if it scores 2.5 on its updated condition assessment framework.

Condition Assessment Approach

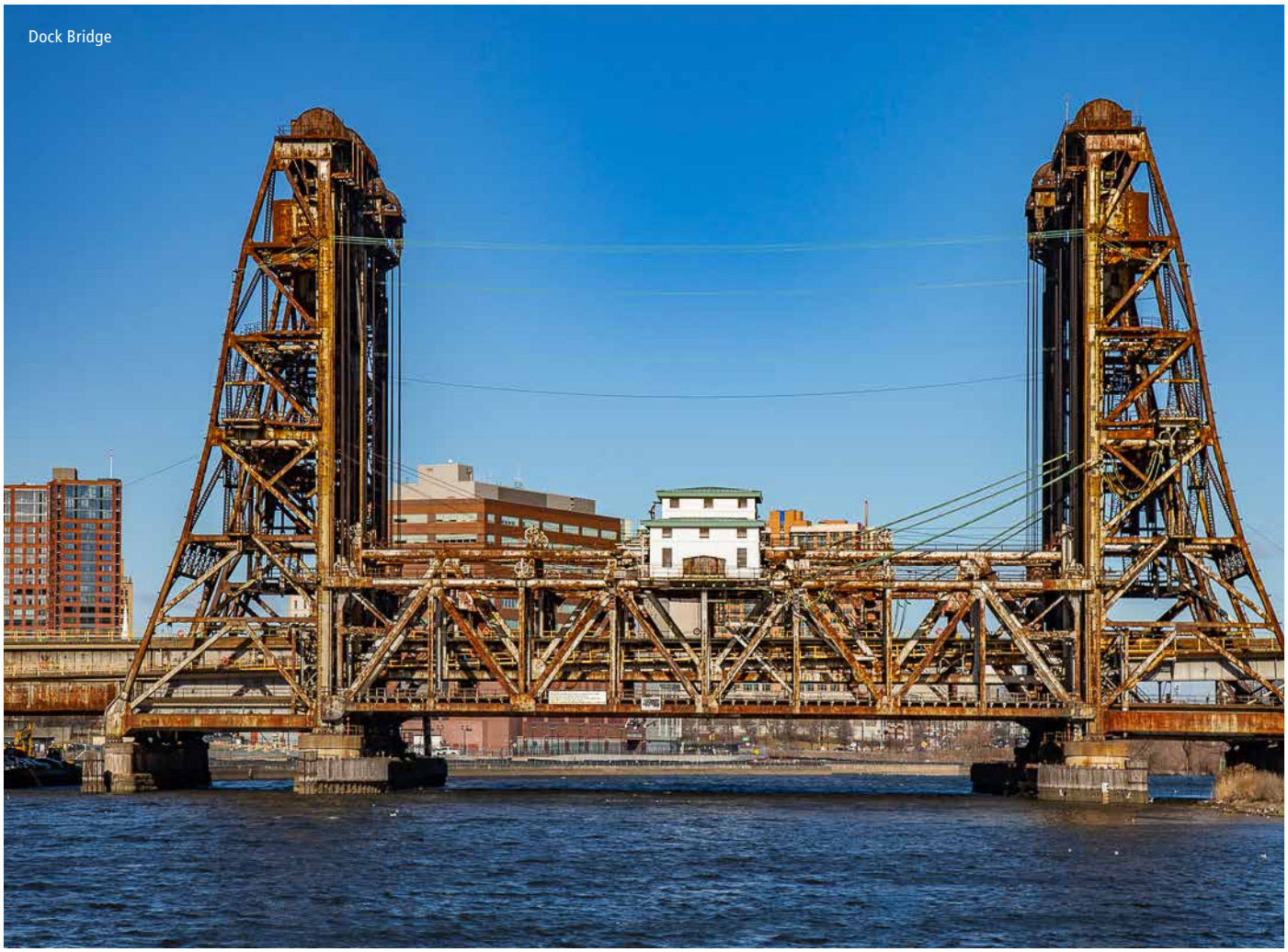
Condition assessments are comprised of five components detailed above: age, visual condition, measured condition, maintenance condition, and reliability. Amtrak Engineering has introduced condition assessments for one asset type per technical discipline as detailed below. Depending on the asset type, a subset of the components maybe used to determine the overall asset SOGR score. In the absence of a condition assessment for the remaining asset types, age will continue to be used for assessing SOGR. The following score ranges are provided for guidance on the overall asset SOGR based on age:

- **Score 5:** Asset is new or nearly new; 76% to 100% of expected useful life benchmarks remaining.
- **Score 4:** Asset is at or nearing its midlife point; 50% to 75% of expected useful life benchmarks remaining.
- **Score 3:** Asset has passed its midlife point; 25% to 49% of expected useful life benchmarks remaining.
- **Score 2:** Asset is nearing the end of its useful life; 0% to 24% of expected useful life benchmarks remaining.
- **Score 1:** Asset is beyond its useful life; 0% of expected useful life benchmarks remaining.
- **Score 0:** Asset is non-operable.

The Electric Traction Department has begun utilizing the condition assessment framework methodology as part of the catenary structure assessment. A helicopter will perform an aerial flight assessment of Amtrak's catenary, signal and transmission system structures, electrical lines, and components and system assets along the ROW. Qualified personnel will review the baseline assessment and identify defects, as well as assign a condition rating of specified components based on a rubric developed following the above scoring model. These defects will be created as work orders in Amtrak's enterprise asset management system for action by appropriate division personnel. This initiative will result in reliability centered maintenance regimes and improved capital planning for catenary structure renewal or replacement.

An SOGR score for catenary structures will be based on three factors of condition: visual, maintenance and age. The visual condition will account for 55% of the structures SOGR score, with the maintenance condition 30%, and age 15%. The visual condition assessment is an aggregate value derived from the condition rating of each structure component. The maintenance condition is based on the total defects identified on the structure, with the 0 to 5 rating scale defining the allowable number of defects per condition score. The age SOGR scoring approach will remain unchanged from previous years but equate for a lower percentage of the overall asset condition. Catenary structures yet to be inspected during the helicopter flights will continue to solely use age as the measure of condition.

The Track Department will be utilizing their turnout inspections to determine the visual condition factor of the SOGR score. Turnout components are assessed using a good, fair, poor rating by track inspectors. These ratings are translated into the 0 to 5 scoring methodology utilized in SOGR and determine the visual condition score. The age SOGR score will remain unchanged from previous years but equate for a lower percentage of the overall asset condition. The visual condition and the age components will be equally weighted to provide an overall SOGR score for each turnout.


Dock Bridge

Condition Assessment Approach, continued

The Structures Department will be utilizing their required FRA yearly inspections and System level annual inspections to determine the visual condition factor of the SOGR score. Culverts are visually inspected once per year by Bridge & Building (B&B) inspectors, with each component receiving a score based on its condition. The culvert SOGR score will be determined by evenly weighting both the visual condition and the age components.

In addition to culverts, B&B will be utilizing visual condition assessments for bridge ties. The bridge tie component of an undergrade bridge is inspected twice per year during the required FRA inspections. During these inspections, the bridge ties receive a condition score by a B&B inspector based on the visual appearance. Using the most recent inspection score at the time of reporting, a visual condition SOGR factor will be determined. Like the culverts, the SOGR score of bridge ties will be determined by evenly weighting both the visual condition and the age components.

The C&S Department is continuing to determine the best approach for defining condition of its assets, outside of age, as many of its assets are maintained in service until they fail. This makes it challenging to determine a condition score, since the assets are either working or not. Cables will be the asset type targeted, since their inspection provides a rating beyond pass/fail. When a cable measurement value is outside of the defined parameters, the required inspection frequency increases. Determining the inspection frequency of each cable and correlating each frequency to a 0 to 5 condition score, will provide a measured condition factor for the SOGR score. The overall SOGR score for cables will be determined by evenly weighting both the measured condition and the age components of each asset.

This interlocking is the critical sorting mechanism that routes trains entering and exiting New York Penn Station (NYP) from the Hudson River tunnels and the Long Island Rail Road's West Side Yard across 21 tracks.

ASSESSED ASSET CONDITION

Table 5 provides a summary of assessed condition by asset class, route and ownership. The replacement value of infrastructure, with assets having a condition rating below 2.5, is considered to be Amtrak's SOGR backlog for infrastructure and is estimated to be $47.7 billion in 2020 dollars.

Table 5: Summary Assessed Condition – by Asset Class, Route and Ownership

Asset Class	NEC Main Line		NEC Branch Line		National Network	
	Average SOGR Score	% Not in SOGR	Average SOGR Score	% Not in SOGR	Average SOGR Score	% Not in SOGR
ASSETS OWNED BY AMTRAK						
Track	2.96	34.9%	2.85	41.8%	3.07	45.5%
Bridges and Buildings	2.23	63.1%	2.03	74.4%	1.87	71.5%
Electric Traction	2.55	49.9%	1.05	65.1%	-	-
Comms and Signals	2.90	21.6%	2.34	40.3%	3.47	26.8%
ASSETS MAINTAINED AND OPERATED BY AMTRAK – OWNED BY OTHERS			**LEASED FROM CSX, CAPITAL FUNDED BY STATE OF NEW YORK**		**OWNED BY STATE OF MICHIGAN**	
Track			2.34	21.3%	2.85	45.9%
Bridges and Buildings			2.11	66.1%	1.74	63.7%
Comms and Signals			2.30	45.5 %	3.78	13.0%

Note: Average SOGR's are weighted based on replacement value of the asset – not the proposed project value which could include additional improvements. The average SOGR score and the % not in SOGR are not directly proportional. Average SOGR scores are weighted based on replacement cost, so assets with higher replacement costs have greater impact on the values presented in the table above. Amtrak is working on asset information initiatives to improve the estimation of average SOGR scores.

It should be noted that this is the estimated value of assets that are past their useful life and which need replacement. It is not the forecast project costs associated with replacing these assets. The total value of the SOGR backlog is based on unit rates developed using recent actual costs and confirmed by the Deputy Chief Engineers responsible for each asset class. Many of the highest priorities for SOGR are also identified as opportunities for network performance improvement (for example infrastructure assets included in the Gateway Program). The SOGR backlog figure considers the refurbishment of the existing asset only and does not consider the proposed project costs of these capital improvement programs.

Figure 3 and Figure 4 on page 172 present the backlog by line and asset class. 82% of the total backlog or $39.3 billion is on the NEC main line and branch lines. About three quarters of the backlog is B&B, with ET and Track making up most of the remaining quarter. C&S accounts for a very small proportion of the overall SOGR backlog.

Assessed Asset Condition, continued

Figure 3: Assessed State of Good Repair Backlog by Line – Total Value $48.2 Billion

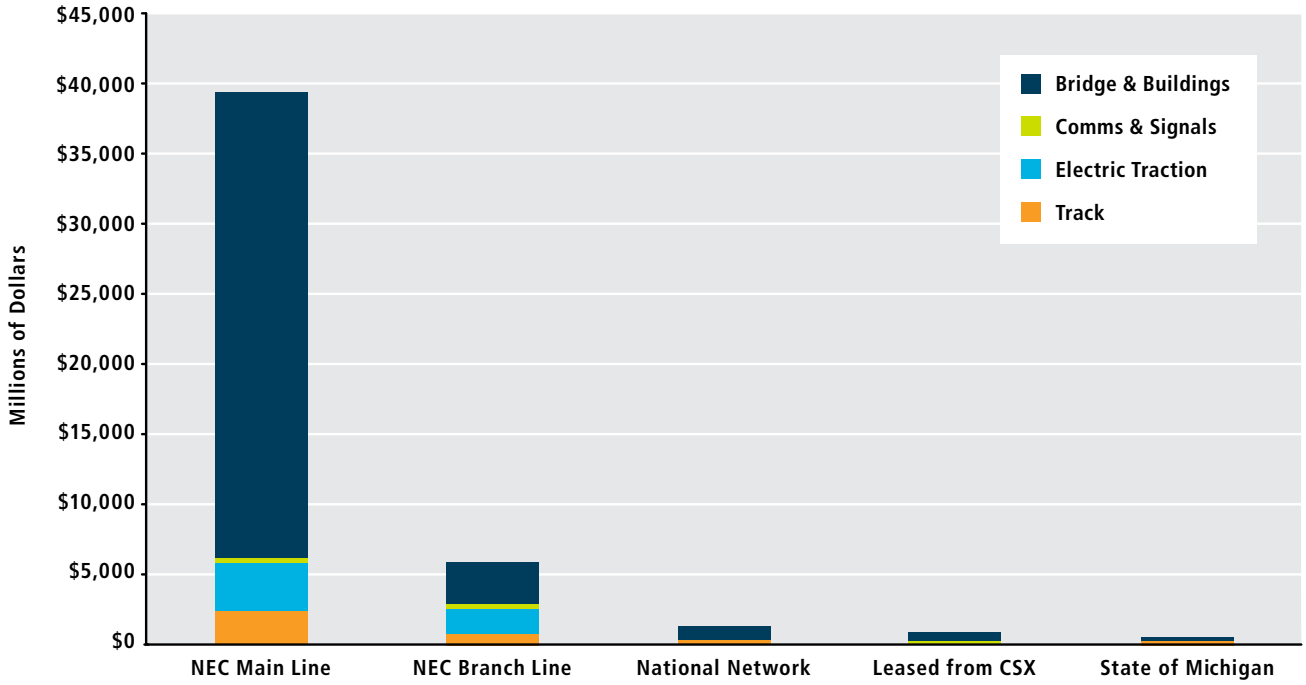
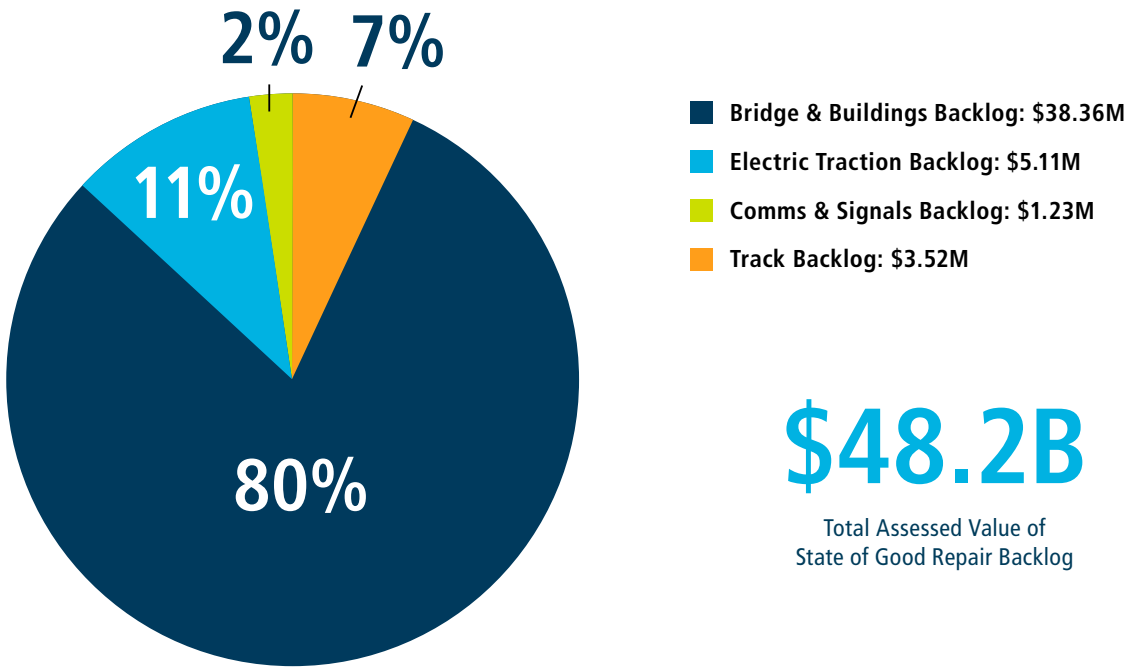


Figure 4: Assessed State of Good Repair Backlog by Discipline – Total Value $48.2 Billion



$48.2B

Total Assessed Value of
State of Good Repair Backlog

Five Year Capital Program

MOVING TOWARDS STEADY STATE AND ADDRESSING SOGR BACKLOG

A principal goal of the IALP is to continue the implementation of a transition strategy to move to normalized investment levels to maintain SOGR. To achieve this, it is necessary to address the SOGR backlog.

Steady State Capital Replacement

Maintaining a SOGR is accomplished by replacing capital components at the end of their useful life—which are defined in the Asset Strategies in Appendix A. For planning purposes, replacement units are calculated by taking the number of assets in the system and dividing them by their useful lives. This is what we define as normalized capital replacement—or steady state.

Based on the analysis presented in the asset strategies in the appendices, the steady state program is estimated at $1.032 billion annually. This represents a $507 million increase over the current FY 2021 authorized capital plan for infrastructure.

Amtrak will require $4.82 billion per year to address SOGR across all the asset categories in this 10-year window.

Ballasted East River Tunnel

SOGR Backlog

The ability to maintain infrastructure assets in a reliable state, or State of Good Repair, with a steady state maintenance approach is only possible if the backlog is first addressed. To determine the SOGR backlog Amtrak has assessed the backlog of infrastructure investment, using the condition assessment methodology detailed in the earlier Asset Condition section.

Amtrak Engineering has assessed the **SOGR backlog at $48.2 billion** for infrastructure nationally. Given the advancing age of the infrastructure, historical underinvestment and the precipitous end of life facing major asset classes Amtrak Engineering has set a target of ten years to eliminate the SOGR backlog. While achieving a 10-year schedule for all asset types would likely require more support resources (manpower, equipment and track outages) than are realistically available, Amtrak is confident that some asset classes, such as track, can be brought to a SOGR within this period if adequate funding, reliable MOW equipment and sufficient track access are available.

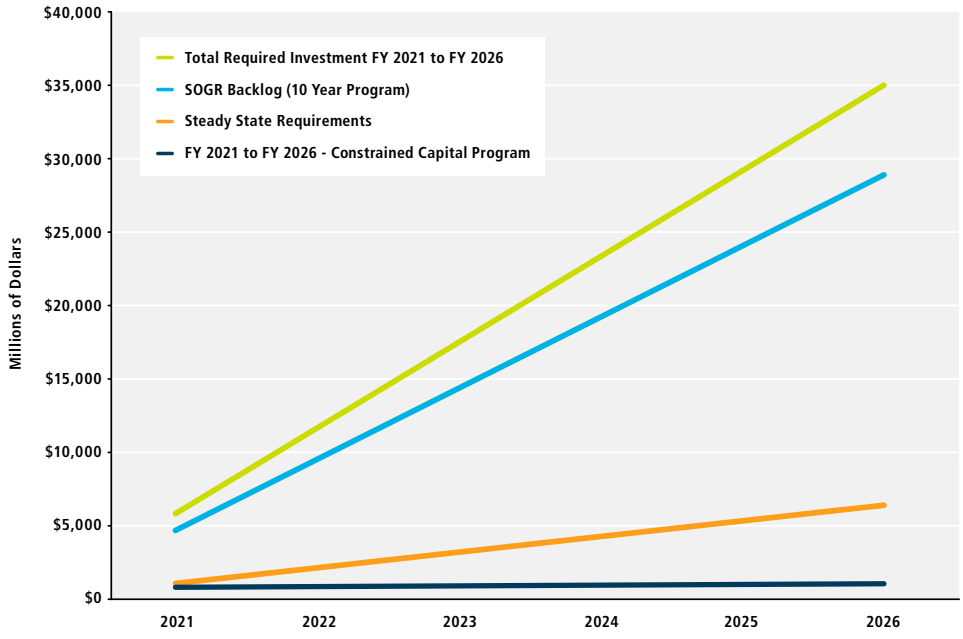
Additionally, we've set this aggressive goal because the longer we delay our SOGR efforts, the greater the gap to steady state and risk to reliable service for our customer.

This 10-year SOGR strategy now allows us to define the funding requirements. As a result of this analysis, we have determined we will require $4.82 billion per year to address SOGR across all the asset categories in this 10-year window. When assessing our forecast FY 2021 to FY 2026 capital funding there is a $18.3 billion shortfall in funding to *begin* to address SOGR.

The amount of funding needed to address SOGR backlog is *in addition to* the necessary $1.032 billion annual steady state investment required to prevent further infrastructure deterioration. Therefore, the backlog over the 6-year planning period to transition to SOGR is **$34.8 billion.**

Figure 5 presents a comparison of the budgeted capital program against a normalized steady state level of investment and the level of investment needed to address the SOGR backlog. We have also provided the total requirement to transition to SOGR (which includes steady state and six years of the 10-year SOGR backlog program). It should also be noted that the 6-year forecast program includes both SOGR and **network performance improvement projects.**

Figure 5: Comparison of Amtrak's Six-Year Forecast Capital Program FY 2021-FY 2026 and Estimated Steady State Program and Estimated SOGR Backlog Recovery Program (10 year)



SOGR PROGRAM ELEMENTS

Major Track Program Capital Investments

Track Ballast. Perform spot and system undercutting to remove mud spots, improve track geometry and preserve ties and rail, as well as shoulder cleaning where total replacements are not needed.

Track Drainage. Renew and replace track drainage assets, including reprofiling of existing drainage ditches and establishing new ones, to avoid poor drainage that will result in slow orders and higher maintenance costs due to accelerated degradation of track geometry.

Tie Replacement Program. Utilization of Track Laying System (TLS) for complete replacement of wood ties with concrete ties and replacement of concrete ties that are defective or have exceeded their useful life.

Timber Program. Replace crosstie and track timber along the NEC, including the installation of timber underneath turnouts in yards and block tie replacement at specific locations.

Track Geometry. Surfacing, realignment and re-profiling of track surface as required to meet FRA Track Safety standards, maintain ride quality standards and extend the life of track components.

Track Turnouts. Replacement of turnouts and associated components, including frogs, switch points, and wood and concrete switch timbers not currently in a state of good repair.

Rail Replacement. Amtrak replaces an average of 35 miles of rail per year.

Rail Grinding. Cyclical grinding of rail to extend useful life by removing surface flaws before they become larger defects impacting other track components and optimize wheel/rail interface for ride quality.

Insulated Joint Repair. Replacement of defective or past useful life insulated joints.

Joint Elimination Program. Elimination of joints to improve operational performance.

Interlocking Renewal. Total renewal of the existing track structure within interlocking limits with new advanced technology, including repair or replacement of turnouts, concrete switch ties, movable point frogs, and switches.

Section Improvements. Replacement of track infrastructure to improve ride quality, increase speed, improve reliability and increase On Time Performance (OTP) and track capacity.

Major Structures Program Capital Investments

Movable Bridges. Complete replacement of movable bridges, or replacement of selective components including the movable structure, mechanical and electrical systems.

Undergrade Bridges. Convert undergrade bridges to ballast deck for improved train performance or replace selective components.

Culverts. Rehabilitate or replace culverts to improve ROW drainage and reliability.

Bridge Timber Replacement. Replace aging and deteriorated bridge timbers.

Tunnels. Replace tunnel components, or completely replace tunnels under extreme circumstances.

Facility upgrades. Upgrades to Transportation, MOW, and Maintenance of Equipment Facilities.

Retaining wall replacement. Rehabilitate or replace retaining walls.

Major Bridge Special Projects. Selective component or in most cases complete replacement of major bridges, including construction of the Portal North Bridge in Kearny, NJ, and replacement of the Connecticut River Bridge in Old Saybrook, CT.

SOGR Program Elements, continued

Major Electric Traction Program Capital Investments

Catenary. Replacement and renewal of catenary wire that is beyond its useful life or allowable wear percentages, and of insulators and catenary hardware.

Catenary Pole. Replacement of catenary poles that support the power transmission and catenary systems, many of which are over 90 years old and beyond their designed service life. Replacement of the poles will provide physical support to the power transmission and catenary systems.

Transmission. Replacement of traction power transmission wires, many of which have been in service for over 70 years, and associated hardware. In addition to replacement of transmission lines, work performed under this program includes design and installation of solid dielectric cable, replacement of the duct bank, terminations, splices and testing of the new cable.

Substations and Frequency Converters. Improvements to the electric traction system and substations along the Northeast Corridor, including replacement of traction power frequency converters, replacement or renewal of air break switches, and renewal of substation components such as power transformers, circuit breakers and control cables.

Signal Power Upgrades. Replacement and renewal of the existing signal power machines that generate the 6,900 volts for the signal transmission lines, which run constantly, have many rotating parts and require extensive maintenance. Work under this program also includes the upgrade of the open signal power wire to insulated cable at key locations.

Major Communications & Signals Program Capital Investments

- **Automatic Block Signaling (ABS).** Upgrades to ABS components, which are a major contributor to train delay.

- **ACSES.** ACSES is the PTC system used on the NEC. This program includes upgrades to Central Instrument House, radio transmission equipment and wayside interface units. For interoperability with freight carriers operating on the NEC, Amtrak will install I-ETMS overlay that will allow freight trains and some commuter trains to operate on the NEC without ACSES equipment.

- **Interlocking - C&S.** Upgrade signal systems at interlockings via conversion of air switch machines to electric machines, automation of remaining manual towers that control switches, and replacement of obsolete interlocking signal-system components.

- **Grade Crossings.** Upgrade highway crossing detection devices for more reliable operation.

- **Radio Upgrades.** With the conversion to FCC required narrow banding, radio coverage will become an issue as bandwidth restricts signal strength. Engineering work, including a coverage study, and design are needed to ensure adequate coverage along the ROW, which will also require replacement of analog radio voters (quality signal selectors) with state-of-the-art voters on the NEC.

- **Comms Equipment Housing.** Replacement of communications equipment houses, including moving existing equipment and cabling into new houses.

STRATEGIC INITIATIVES

While much of our infrastructure capital investment focuses on urgent SOGR backlog and normalized (steady state) capital replacement, Amtrak is committed to infrastructure investments necessary to support the business in the near and long-term. The following sections provide examples of planned strategic initiatives and improvements during the period covered by the IALP to improve OTP, track capacity and/or reduce scheduled transit time.

Acela: Next Generation High Speed Fleet Infrastructure

Investment in new MOW equipment and changes in maintenance practices are necessary to run the new *Acela* trainsets at planned maximum speeds of 160 mph. Current surfacing methods are outdated and cannot provide track conditions to sustain a true high-speed railroad. Amtrak plans to develop a Reference Surfacing Data Management System, undertake a baseline survey of surfacing conditions, and purchase three sets of Surfacing Equipment. Each set will include a GPS-enabled tamper, a BMS and a stabilizer. This will result in maintenance practices that are reliable and repeatable, longer intervals between required tamping maintenance, less wear and tear on track and equipment, and improved track geometry that will provide higher ride quality and passenger comfort.

Maryland Section Reliability Improvements

Upgrade of 30 miles of existing Track 1 infrastructure, and the associated signal system, in Maryland to enable higher speed operations. This section of the NEC has insufficient track capacity to reliably absorb increases in service without additional infrastructure improvements. This project targets reductions in congestion-related delays and provides new overtake capacity that will allow faster trains to pass slower trains. These improvements, along with structural and operational changes, optimize use of this infrastructure and provide the necessary capacity to meet Amtrak's Service Plan requirements.

Portal North Bridge

The project involves replacement of the 110-year-old Portal Bridge, which must swing open to accommodate boat traffic on the Hackensack River, halting Northeast Corridor rail traffic in the process. The aging bridge often fails to close properly, delaying dozens of Amtrak and NJ TRANSIT trains in a critical section of the railroad. Portal North Bridge—a state-of-the-art, two-track structure—will feature much higher clearance over the river and will not have to open and close, allowing for faster train speeds, increased reliability and improved safety. A Full Funding Grant Agreement between NJ TRANSIT and the Federal Transit Administration, signed in January 2021, commits more than $760 million of Federal funding to the project. With additional funding from Amtrak and the State of New Jersey along with all necessary permits and design work, the project moves into the construction phase in 2021.

East River Tunnel Rehabilitation

This project would rehabilitate East River Tunnel tubes 1 and 2 which connect Penn Station New York to Queens, NY. Each tunnel is approximately 13,000 feet in length. Both tunnel tubes will be demolished down to the concrete liner and entirely rebuilt with new bench walls, communication systems, and modern electrical and signaling conduit. The tunnel renovations will also improve safety and security. Some funding is available through FRA Superstorm Sandy recovery grants, but a significant funding gap remains.

Cracks in the East River Tunnel Benchwall

Strategic Initiatives, continued

Baltimore and Potomac (B&P) Tunnel Replacement

This project would replace the aging B&P Tunnel built in 1873 the most significant chokepoint on the NEC where the right-of- way is reduced from four to two tracks and the tunnel's tight curvature require trains to reduce speeds to 30 mph. The planned scope of work within the period covered by this plan includes design and initiating construction.

Hudson Tunnel Project

The Hudson Tunnel Project involves construction of a new two-track tunnel beneath the Hudson River and comprehensive rehabilitation of the existing two-track North River Tunnel. The existing tunnel was inundated with corrosive salt water during Superstorm Sandy and continues to deteriorate, with increasingly frequent failures of the signal and other systems threatening service reliability. When complete, the Hudson Tunnel Project will increase resiliency in this critical stretch of the Northeast Corridor and add reliability and operational flexibility for Amtrak and NJ TRANSIT.

Connecticut River Bridge Replacement

This project would replace the Connecticut River Bridge between in Old Saybrook, CT that carries Amtrak and Shore Line East trains and Providence & Worcester Railroad freight trains. Environmental reviews have been completed; preliminary design is underway; and initiation of construction during the period covered by this plan is anticipated following a recent award of federal funding.

Susquehanna River Bridge Replacement

This project would replace the existing two-track movable Susquehanna River Bridge in Perryville, MD with two modern high-level, fixed structures, each with two tracks. Within the period covered by this plan the projected scope of work includes completing final design and enabling projects and initiating construction.

Hudson Yards Concrete Casing - Phase 3

This project involves construction of an underground concrete casing under the Hudson Yards development project west of New York Penn Station to protect the right of way for a future tunnel connecting to Penn Station New York.

Pelham Bay Bridge Replacement

This project would replace the over 100-year-old Pelham Bay Bridge which spans the Hutchinson River in New York City. The current bridge is an outdated, lift style, moveable bridge that is required to open multiple times per day. The bridge's deteriorated overall condition restricts the speed of trains passing over the bridge.

Aberdeen, MD OTP and Capacity Improvements

Re-configuration of Grace and Bush interlockings in Aberdeen, MD is projected to reduce delay minutes by 13%, benefiting Amtrak and MARC.

Sawtooth Bridge Replacement

This project, a key element of the Gateway Program, would replace the 2-track Sawtooth Bridge that carries the NEC over NJ TRANSIT, PATH and Conrail rail lines in Kearny, NJ, with a new four-track structure to support an expansion of service through the territory.

Fitter Interlocking

Fitter Interlocking is a new, wired universal interlocking that would be constructed in Clinton, CT to split the current 16-mile long block between Guilford and View interlockings. This would increase the flexibility of Shore Line East and Amtrak operations, enabling them to expand services while reducing train conflicts and resulting delays.

Veltri Interlocking – New England

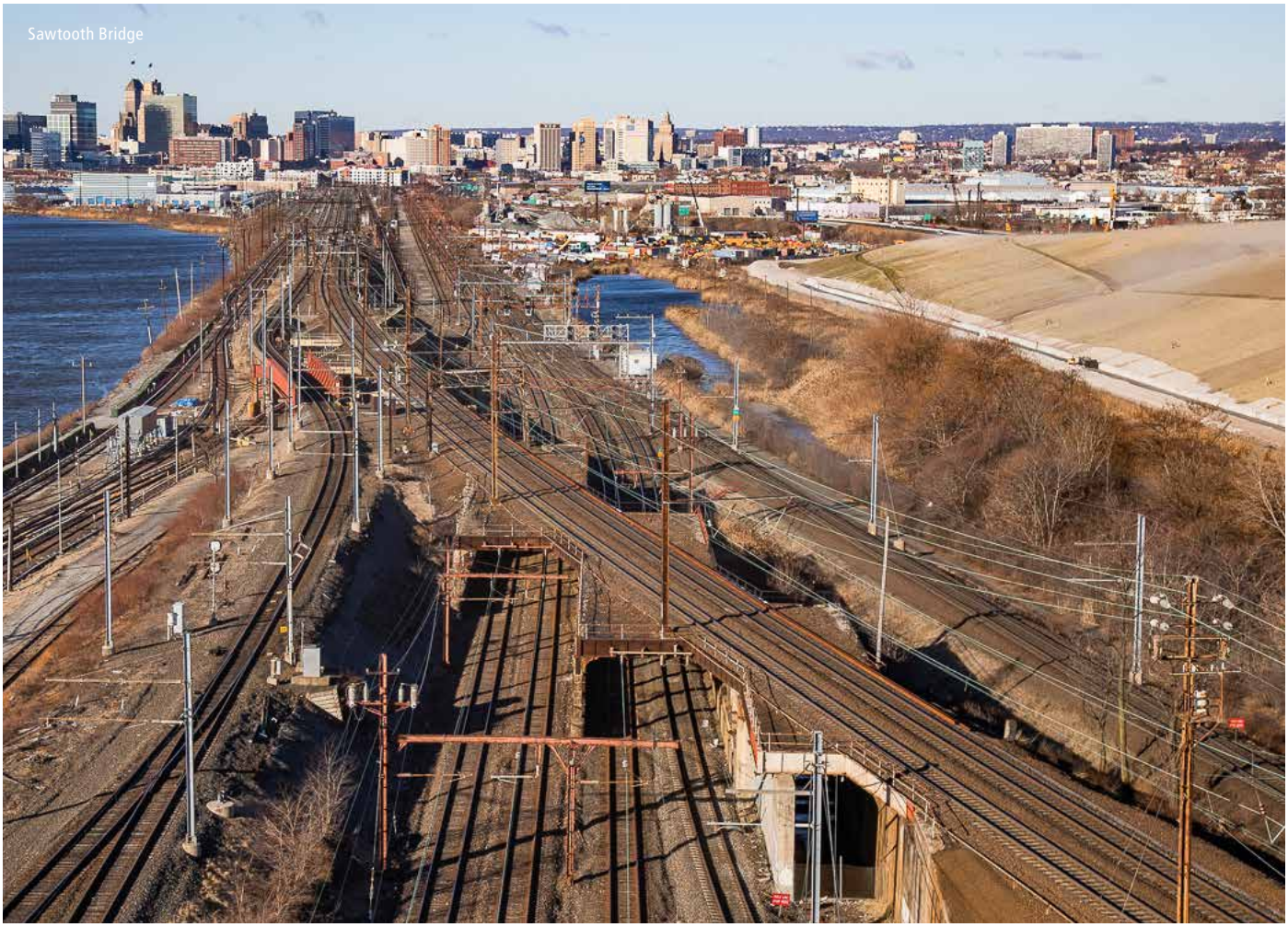
This project entails construction of a new interlocking to splits an 18-mile block between Groton interlocking and High Street interlocking.

BWI Station Signals Improvement

Improvements to the signal system around BWI station located on the longest signal block on the NEC, will improve capacity and OTP.

MBTA Territory of NEC

Construction of Readville to Route 128 track 3 extension in Massachusetts will improve Amtrak and MBTA OTP and increase line capacity.


Sawtooth Bridge

Strategic Initiatives, continued

Empire Corridor South – Albany Line

In partnership with New York State DOT and Metro-North Railroad (MNR), Amtrak plans to institute a program of reference surfacing along the Empire Corridor south of Albany to improve ride quality and facilitate curve geometry improvements that could increase speeds and improve production efficiency.

In addition, construction of Poughkeepsie terminal improvements that include high capacity signal upgrades and higher speed turnouts will improve OTP for both MNR and Amtrak services.

Springfield Line

Institute a program of reference surfacing to improve ride quality, facilitate curve geometry improvements that could increase speeds and improve production efficiency.

Harrisburg Line

Institute a program of reference surfacing to improve ride quality, facilitate curve geometry improvements that could increase speeds and improve production efficiency. In addition, undertake interlocking improvements between Philadelphia and SEPTA Frazer yard, that results in improved speed and On-Time Performance of *Keystone* and SEPTA services.

Michigan Line

Connecting sidings between Kalamazoo and Niles, MI on the Amtrak-owned portion of the Michigan Line will increase capacity to support improved State Supported Michigan service.

EQUIPMENT ASSET LINE

Amtrak's Equipment Asset Line includes our fleet of passenger locomotives, railcars and trainsets, as well as the facilities to maintain this fleet. The equipment is used to carry customers on the railroad's three intercity rail passenger service lines: Northeast Corridor, State Supported and Long Distance.


PACIFIC
SURFLINER
SURFLINER

Overview

EQUIPMENT ASSET LINE

STRATEGIC INITIATIVES

1. Adjustments to Our Existing Fleet in Response to the impact of COVID-19 on Travel
2. Arriving in 2021: *Acela* Next-Generation Trainsets
3. Arriving in 2021: ALC-42 Long-Distance Diesel Locomotives
4. Arriving in 2021: New Railcars for Amtrak Midwest Routes and California's *San Joaquins*
5. Intercity Trainsets (ICT)
6. Long-Distance Railcar Strategy
7. Refresh of Existing Fleet
8. Disposal of Equipment
9. Maintenance Facility Strategy

As of the start of this fiscal year, we operate an active equipment fleet of 296 locomotives, 1,346 railcars and 20 high-speed trainsets, plus 201 locomotives and railcars owned by our State Partners, and 133 railcars in fleets we own jointly with our State Partners. A significant portion of this fleet is at or nearing the end of its useful service life; The average passenger railcar we own or lease is 34 years of age, while the average locomotive or trainset unit is over 21 years old.

Most passenger railcars operating in North America are retired between 30 and 50 years of age. Globally, most high-speed trainsets of the same generation as our original *Acela* have been or will soon be replaced, at approximately 20 years of age. Therefore, the time is now for us to undertake a long-term renewal our fleet, despite the short-term challenges posed by the COVID-19 pandemic. As a result, we continue along our comprehensive, multiyear strategy of initiatives to modernize our locomotive and passenger car roster. These initiatives are listed at left.

Our Equipment Asset Line Plan supports the current and planned product mix and service structures of each service line. For example:

The Northeast Corridor (NEC) Service Line Plan includes both *Acela* initiatives aimed at supporting the launch of next-generation trainsets as well as a proposed relaunch of *Northeast Regional*. The second and fifth initiatives of this Equipment Asset Line Plan's strategy correspond to the NEC Service Line Plan accordingly.

The State Supported Service Line plans to increase ridership and revenue by developing new corridors, pursuing new fleet acquisition and fleet deployment, and maximizing operational efficiencies to effectively manage costs. These three goals are supported by the fourth and fifth initiatives in the Equipment Asset Line Plan strategy listed above. The Long Distance Service Line identifies fleet planning and acquisition as one of its strategic goals for the next five years, which aligns with this plan's proposed Long Distance Railcar Strategy. It also proposes the launch of an experiential product on some western routes in the future, which can be incorporated into any new equipment order. These are supported by the third, sixth, and seventh initiatives in the Equipment Asset Line Plan strategy listed at left.

All of our intercity service lines are impacted by the first, eighth, and ninth initiatives of the strategy.

ASSET LINE GOALS

Our Equipment Asset Line Plan initiatives support our FY 2021 goals as a company:

Serve with Safety

This plan includes replacing legacy equipment with new equipment which incorporates all applicable modern safety features as standard features of design, allowing Amtrak to take advantage of nearly 50 years of design innovations in railcar safety since some of the cars in our legacy fleet were on the drawing board.

Sustain the Company

New equipment will cost money, but a new fleet is essential to sustain our services as legacy equipment reaches the end of its practical service life and cannot cost-effectively continue in service indefinitely.

Win New Customers

New fleet allows us to win new customers in three ways. First, the offering of a more modern product with up-to-date features creates a more attractive service new riders will be inclined to try out. Second, growing our capacity for the future will ensure that we have sufficient seats on trains to welcome new customers aboard once ridership rebounds from the COVID-19 pandemic. Finally, equipment for proposed expanded future services, such as additional *Acela* frequencies and new State Supported corridors, will allow us to win customers we cannot serve today with our existing route and schedule footprint.

Build for the Future

The planned new fleet includes the completion of 28 new high-speed trainsets and at least 75 new diesel locomotives, the order of at least 83 conventional-speed (up to 125 mph) trainsets or locomotive/railcar equivalents, and the potential for ordering hundreds of additional railcars over the next five years. Our plan includes the expenditure of $1.5 billion on the rebuild/four-year overhaul of our legacy fleet of locomotives and railcars so that they can safely continue in service until replacements are delivered. This plan also includes the first steps towards building and retrofitting several maintenance facilities to support both new equipment and new maintenance processes.

PROJECT MILESTONES

Our 50th anniversary year of 2021 will be significant for this fleet renewal process. Significant milestones expected this year include:

- The launch of service for the first of 28 new next-generation *Acela* trainsets.
- The launch of service for the first of at least 75 new ALC-42 diesel locomotives on long-distance routes.
- The launch of service for the first of 137 new Siemens railcars; we will operate these State Partner-owned railcars on most Midwest state corridor routes plus California's *San Joaquins*.
- The award of a contract for Intercity Trainsets (ICTs) to replace Amfleet I, ex-*Metroliner* and Talgo equipment on *Northeast Regional*, Amtrak Cascades, all State Supported routes serving the Northeast, and the Long Distance *Palmetto*.

Our fleet plan is an ambitious one, requiring the execution of several major modernization programs in relatively quick succession. However, the benefits of such a program will be significant.

Asset Inventory

AMTRAK'S FLEET TODAY

Our passenger locomotive, railcar and trainset fleets generally consist of custom-built equipment nearing the end of useful service life. Our active fleet (owned and leased) includes some 214 road diesel locomotives, 67 electric locomotives (plus an additional 15 in reserve), 1,346 railcars and 20 high-speed trainsets. We also operate 201 locomotives and railcars owned by our State Partners and 133 railcars in fleets where ownership split between us and our State Partners.

At the start of FY 2021, our fleet of active owned and leased passenger train equipment includes:

- **General Electric P-40/P-42 diesel locomotives (178 units) and P32ACDM dual-mode locomotives (18),** built 1993-2001. P-40/42 locomotives are used nationwide on long-distance and State Supported routes while P32ACDM units are used on services between New York City (where their ability to use electric power is required to access Penn Station) and Albany-Rensselaer, NY, Niagara Falls, NY and Rutland, VT; our fleet of 17 P32-8 locomotives, generally used in terminals but also capable of road operations, is approaching 30 years of age.

- **Siemens ACS-64 electric locomotives (67),** built between 2013 and 2016, used to haul *Northeast Regional, Keystone Service* and long-distance trains that operate in electrified territory on the NEC.

- **Budd Amfleet I (450) and ex-*Metroliner* (16) railcars,** built 1975-1977 (1967 for the ex-*Metroliner* coaches), which are the workhorses of *Northeast Regional,* Northeast state corridors and some Midwest corridor routes.

- **Budd Amfleet II coaches and lounge cars (123),** built 1981-1983, used on all long-distance routes that serve New York (where clearances preclude operation of bi-level Superliners), as well as the State Supported *Adirondack*, *Maple Leaf* and *Pennsylvanian*.

- **Superliner I railcars (230),** built 1979-1981 by Pullman-Standard, and **Superliner II railcars (177)** built 1993-1995 by Bombardier, used on all long-distance routes except those which serve New York, plus the State Supported *Pere Marquette, Heartland Flyer* and California corridors.

- **Horizon railcars (87),** built 1989-1990 by Bombardier and used on Midwest and California state corridors; these units will soon be replaced by state-owned Siemens Viaggio equipment and can thus be re-deployed, including to support the start-up of new and expanded corridor services.

- **Viewliner I sleeping cars (49),** built by Morrison-Knudsen/Amerail in 1995-1996 and used on long-distance routes serving New York; one Viewliner I diner prototype built in 1988 also operates.

- ***Acela* trainsets (20),** built 1999-2001 by Alstom and Bombardier; these trainsets, most of which are leased, will be retired following the delivery of Alstom Avelia Liberty trainsets.

- **Surfliner cars (39),** built by Alstom in 1999-2001 for *Pacific Surfliner* service; we also operate an additional ten cars of this type that are owned by Caltrans, our California State Partner.

- **80 *Auto Train* Auto Carriers,** built in 2006 by the Johnstown Corporation of America, used to haul passenger automobiles on *Auto Train*.

- At the start of FY 2021, there were **84 Talgo trainset car units** listed in our active fleet; while some of these cars continue to operate in Amtrak Cascades service under the State of Oregon's ownership of Talgo 8 trainsets, Talgo VI units owned by us or our Washington State Partner are currently in the retirement process.

At this time we are receiving the last of **130 Viewliner II baggage, sleeping, dining and baggage-dorm cars** from Construcciones y Auxiliar de Ferrocarriles (CAF) USA. The first 108 cars from this order were active at the start of FY 2021. These cars are used for long-distance routes. The table on the following page summarizes our fleet types, their ages and quantities; a full inventory of passenger fleet assets, including unit-level in-service status and ownership as of the start of FY 2021 is included as the Equipment Appendices.

Amtrak's Active Fleet of Operated Passenger Equipment, Start of FY 2021 (October 1, 2020)

Active counts based on October 2020 query of Amtrak's Operations Maintenance Systems (OMS) and subsequent review by System Operations and Finance.

Fleet Type	Ownership Status	Active Fleet	Ave. Yr. Built	Ave. Unit Age (Yrs)	Notes
AMTRAK-OWNED/LEASED LOCOMOTIVE FLEETS					
GE P-42 Diesel	Amtrak-owned	165	1998	22	
Former F40PH Diesel	Amtrak-owned	1	1977	43	One unit retains HEP Generator and is used as an NPCU.
GE P32-8 Diesel	Amtrak-owned	17	1991	29	
P32ACDM Dual Mode	Amtrak-owned	18	1996	24	
GE P-40 Diesel	Amtrak-owned	13	1993	27	
Siemens ACS-64 Electric	Amtrak-owned	67	2014	6	
HHP-8 Electric	9 units leased, 6 owned	15	2000	20	In reserve status.
AMTRAK-OWNED/LEASED RAILCAR FLEETS					
Heritage	Amtrak	6	1954	66	
Amfleet I	Amtrak	450	1976	44	
Amfleet II	Amtrak	123	1982	38	
Ex-Metroliner	Amtrak	16	1967	53	
Horizon	Amtrak	87	1989	31	
Superliner I	Mix of Owned and Leased	230	1980	40	Plus 25 inactive units. Of total, 138 are Amtrak-owned while 128 are Amtrak-leased.
Superliner II	Amtrak	177	1995	25	
Viewliner I	Amtrak	50	1996	24	
Viewliner II	Amtrak	108	2015	5	
NPCU (former F40PH)	Amtrak	19	1977	43	F40PH locomotives built 1977 and rebuilt into NPCUs.
Auto Carrier	Amtrak	80	2005	15	
TRAINSET FLEET OWNED/LEASED BY AMTRAK					
Acela Express	19 sets leased, 1 owned	160	1999	21	Does not include Acela Inspection Car (non-passenger equipment).
STATE-OWNED FLEETS OPERATED BY AMTRAK					
California Cars	California	92	1996	24	Most cars are California I built in 1996, also includes Comets (1968) and California II (2002).
Oregon NPCU Units	Oregon	2	1977	43	Subfleet of Amtrak NPCU fleet with an average build date as F40PHs in 1977.
NCDOT Railcar	NCDOT	20	1961	59	
NCDOT F59/F59PHI	NCDOT	9	1991	29	
F59PHI / P32-8 (Caltrans)	California	16	1996	24	
Siemens SC-44 Charger	WSDOT, IDOT, California	62	2017	3	Of 63 total units, 8 are owned by WA, 20 owned by CA, 33 owned by IDOT.
TRAINSET AND RAILCAR FLEETS WITH OWNERSHIP SPLIT BETWEEN AMTRAK AND STATE PARTNERS AT THE UNIT LEVEL					
Surfliner	Amtrak, California	49	2000	20	Amtrak owns 39 units, California 10 units.
Talgo	Amtrak, WSDOT, ODOT	84	2004	16	ODOT owns 26 active units, WSDOT/Amtrak-owned fleet undergoing retirement.

Unit Summary	# Units	Avg. Age (Years)
Total Amtrak-Operated Units:	**2,136**	**28.8**
Amtrak-owned railcar fleets:	1,346	34.0
Amtrak-owned trainset fleets:	160	21.0
Amtrak-owned/leased diesel locomotive fleets:	214	23.1
Amtrak owned/leased electric locomotive fleets:	82	8.6
State or split-ownership fleets:	334	19.8

Superliner Sightseer Lounge

Amtrak's Fleet Today, continued

Our aged fleet impacts our operation every day. Insufficient equipment has caused some State Partners to look elsewhere for cars and locomotives to support ridership growth. Road diesel locomotives suffer from mechanical challenges due to their age and accumulated years of wear and tear despite routine maintenance, which can cause train delays resulting in passenger inconvenience and dissatisfaction.

Other drawbacks include the lack of amenities such as manufacturer-installed Wi-Fi, and even baby changing tables on many routes; the small windows and limited toilet retention tank capacity of Amfleet I cars also negatively impact customer experience. Furthermore, the dated layout of restroom modules on Amfleet and Superliner equipment hinders our ability to keep cars clean, further degrading customer satisfaction.

Transformational technical changes such as dual-power (diesel and electric) consists could completely eliminate lengthy (and sometimes delay-producing) engine changes on *Northeast Regional, Carolinian, Palmetto, Pennsylvanian, Vermonter* and other services. Dual-ended consists—trains that can operate in either direction because they have locomotives, engineers' cabs and/or NPCUs at both ends—have also become common in other parts of the world and result in dramatic reductions in turnaround time at key terminals, but are currently operated on only a few Amtrak routes.

NOW ARRIVING: FLEET RENEWAL

We have historically found railcars to have a useful commercial life of 30 years, and 20-25 years for locomotives, before key factors which govern the lifespan of a locomotive or car fleet come into play:

- **Maintainability.** Cost and obsolescence of routine maintenance on equipment.
- **Availability.** Quantities and types of cars required versus evolving service needs.
- **Technical capability.** Capacity to meet service requirements.
- **Customer acceptance.** Appeal of the equipment to passengers.
- **Capital availability.** Ability to fund fleet replacements, which may not exist when the outer limit of useful or commercial life is reached. By any of these measures, much of our fleet needs replacement. As new equipment typically takes four or more years from contract award to reliably enter service, Amfleet and Superliner I equipment will operate for nearly 50 years by the time replacements are manufactured, tested and delivered. The first P-40/P-42 locomotives entered service in 1993; even with replacement units on order, the oldest units may approach 30 years of age before retirement.

Therefore, we have embarked on an ambitious plan to modernize our fleet. In the next five years, we expect to receive 28 new high-speed trainsets, at least 75 new ALC-42 diesel locomotives, and the first of at least 83 trainset consists (or railcar equivalents) to replace Amfleet equipment on *Northeast Regional* and several state corridor routes. Order options for additional diesel locomotives and trainsets provide us with the ability to equip future growth over and above the fleet modernization of our existing services. Over the next five years, we also plan to develop a strategy for addressing our aging Superliner and single-level Amfleet II fleets alongside effective use of the recently-delivered Viewliner II fleet. We also plan to enter Technical Services and Spares Supply Agreements (TSSSAs) with vendors to support new equipment, refresh any operational legacy equipment, assess and modify our mix and capabilities at shops and terminals to support the new fleet and dispose of aged equipment.

By the end of 2026, with *Acela*, most P-42s and Talgo equipment retired, and the first Amfleet replacements entering service, we anticipate our average fleet age to begin to decrease. Significant further reductions in average fleet age are planned through the early 2030s; the exact figure will depend on the quantity of Amfleet replacement trainset options ordered, Superliner/Amfleet II replacement quantities, and delivery timing.

EQUIPMENT ASSET LINE PLAN LEADERSHIP

Equipment initiatives are managed through close coordination among teams. Mechanical work, from refresh through heavy overhauls and wreck repair, and the development of specifications for equipment acquisitions, is managed by Chief Mechanical Officer George Hull. Fleet planning work, including route/service needs and fleet and repair facility sizing needs, are managed under Amtrak's planning organization, led by Executive Vice President Dennis Newman. New equipment acquisition initiatives, including Requests for Proposal (RFPs), Financial and Technical evaluation work, are conducted by a cross-functional team under Chief Procurement Officer Mark Vierling.

AMTRAK'S MECHANICAL FACILITIES AND CAPABILITIES

We operate facilities nationwide where various levels of car, locomotive and trainset maintenance occur, and manage a maintenance program that includes facilities operated by contractors or owned by State Partners.

Work ranges from simple overnight or midday turnaround of equipment between trips to restoring wreck-damaged equipment and heavy overhauls on equipment that is no longer in production by manufacturers.

Between now and the FY 2026 horizon of this plan, we plan to spend approximately $1.5 billion on capital work to maintain our fleet in a state of good repair through overhauls, wreck rebuilds, refresh and other key projects, in addition to costs related to upcoming fleet replacements and facility needs.

FACILITIES OVERVIEW

The fleet is maintained in over 60 locations nationwide, ranging from rail yards where basic cleaning and light servicing work is done to back shops where heavy overhauls and rebuilds of wrecked equipment are performed. All high-speed trainset maintenance for *Acela* trainsets takes place at three purpose-built facilities in Boston, New York and Washington.

Three major back shops deal with conventional equipment and are located in Wilmington, Delaware (specializing in locomotives), Bear, Delaware (specializing in Amfleet I equipment) and Beech Grove, Indiana (specializing in equipment which operates predominantly outside the Northeast). Other programmed mechanical work and repairs take place in over a dozen other facilities located throughout the country, while servicing work between trips takes place at approximately three dozen field locations where trains turn around; this basic work is often performed by contractors. Please refer to Equipment appendices for tables which provide information on all Amtrak mechanical facility locations and the work performed at each.

MAINTENANCE CAPABILITIES

Turnaround and Layover Servicing

The most basic type of train maintenance is turnaround and layover servicing. Typical servicing tasks include: Daily federally mandated inspections of equipment; emptying toilets; refueling, restocking paper goods and other consumables; and rectifying minor mechanical issues that may develop over the course of a train's route (minor bad order repairs). More extensive repairs can typically be carried out at the larger turnaround end point facilities, of which most routes have one, although such extensive repairs often require equipment to be taken out of service for several days.

Periodic Inspections, Preventive and Corrective Maintenance

Equipment has a periodic inspection schedule to address regulatory requirements and mechanical issues. This work may also be supplemented with preventive maintenance. Equipment is taken out of service and deadheaded to a facility for work, which typically takes several days to a week. Tasks during a periodic inspection include a deeper cleaning of equipment, repair of critical and non-critical issues that may require additional tools or staff time/expertise to rectify, application of small-scale modifications to equipment, and any mandatory 92 or 184-day inspection procedures.

For *Acela*, a different continuous maintenance approach has allowed up to 17 trainsets (of a fleet of 20) to operate in revenue service on a given day, reducing the spare ratio (the percentage of equipment units that are expected to be out of service for maintenance at any given time) for the fleet and increasing revenue for the service. This approach has also been adapted for the ACS-64 fleet, which fragments the traditional 92/184-day periodic and preventive maintenance tasks into weekly or bi-weekly periods. All units receive the same work tasks over the course of each 92-day or 184-day period.

The enhanced fleet availability that comes from Amtrak's shift away from the historic maintenance practices and towards continuous maintenance with vendor support through a TSSSA has yielded measurable results. Enhanced *Acela* fleet availability, for instance, allowed the addition of a 16th New York-Washington round trip in 2013 and the launch of *Acela* Nonstop in late 2019, in addition to enhanced weekend service.

The P-42 fleet uses a program called Synchronized Quarterly Periodic Maintenance (SQPM) that aligns 92-day periodic inspections with 184/368-day tasks divided into the quarterly periods. All units receive the same work for the quarterly period, allowing for more efficient labor and material planning.

Overhaul

The centerpiece of the heavy mechanical work program for Amtrak's existing fleet is the overhaul cycle.

- **Level I (Every 4 years):** The lightest overhaul includes complete rebuilding of trucks, HVAC units, brake valves, door operators and system critical components as well as heavy cleaning of carpeted surfaces and seat cushion replacement.
- **Level II (Every 8 years):** A Level I overhaul plus a complete replacement of all major components such as seats, diaphragms, windows and 480V trainline cabling.
- **Level III (As needed):** A Level II overhaul plus a complete interior upgrade or reconfiguration, including bathroom modules and any required modifications.

Stripped interior of an Amfleet 1 Level 1 Overhaul at Amtrak's Bear Car Shop

Overhaul, continued

Going forward, we are shifting to Reliability Centered Maintenance (RCM). Rather than performing all heavy maintenance work on a locomotive, railcar or trainset in an extended outage once every four years, components are evaluated and replaced individually on rotating schedules aligned with periodic inspections or other maintenance periods to better match the replacement cycles of individual parts based on failure rate experience.

For P-42 locomotives, Amtrak entered into a Life Cycle Preventive Maintenance (LCPM) agreement with original equipment manufacturer, General Electric, to perform larger component replacement work as part of the routine preventive maintenance inspections which occur to each unit four times each year, reducing the need for heavy four-year overhauls. We committed to this new approach towards heavy maintenance of equipment with the recent ACS-64 acquisition and will implement similar programs with the new *Acela* high speed trainsets and Amfleet replacement equipment.

Modifications and Field Alterations (Including Refresh)

Since FY 2018, we have refreshed over 700 Amfleet I, Amfleet II, ex-*Metroliner* and Horizon railcars, along with 20 *Acela* trainsets. Refresh of our *Surfliner* Business Class cars is currently underway. Refresh elements include new seat cushions, new carpets, restroom air fresheners and other soft goods changes.

Rebuild

The Beech Grove and Bear shops perform restorations of damaged equipment that is deemed economically repairable, and convert equipment from one configuration to another as business needs evolve. Restoration of wreck-damaged equipment is critical to the continuation of current Amtrak service levels throughout the lifespan of a generation of equipment since replacements for our predominantly custom-built equipment, most decades old and built by original equipment manufacturers that have exited the business, is usually unobtainable. Specific quantities of cars and locomotives to be repaired in a given year fluctuate depending upon funding, the number of restorable equipment units, and the widely varying scope of work necessary to rebuild each one.

Equipment Strategy

We plan to make significant advances in the modernization of our fleet over the next five years, including new locomotives, railcars and trainsets; modifications to mechanical facilities; and continued rebuild/overhaul work as necessary on existing equipment. We have nine major strategic initiatives planned beyond the overhaul work we do every year that are explained in detail as follows.

1. ADJUSTMENTS TO OUR EXISTING FLEET IN RESPONSE TO THE IMPACT OF COVID-19 ON TRAVEL

The COVID-19 pandemic has led to a disruption in the travel and transportation industries unlike anything in our fifty-year history. The significant, prolonged and continuing reduction in travel across all services has forced us to reduce capacity and service to match the decline in ridership and accommodate directives from State Partners, resulting in lower train frequencies across all three of our intercity service lines. As a result, we are implementing a plan to store 144 passenger cars and retire 17 Heritage axle count cars (former baggage operated to meet minimum train axle requirements on some routes) during FY 2021. The 144 passenger cars to be placed in storage consist of 42 Amfleet I cars; 4 Amfleet II cars; 27 Horizon cars (additional cars may be stored as new Siemens Venture cars arrive); 35 Viewliner cars (12 of which are baggage cars); and 36 Superliner cars.

To maximize cost savings, cars will be chosen for storage based on their upcoming dates for FRA-mandated four-year brake inspections and related scheduled overhauls. When cars are needed in the future, they will undergo these inspections and overhauls prior to re-entry into service. We are storing rather than retiring passenger cars so that we can restore all services fully once travel demand returns. We do not currently plan to retire any passenger-carrying cars due to the COVID-19 pandemic. On a longer-term front, we do not believe that the pandemic diminishes our need to make significant investments in replacing current equipment with a new, modern fleet. Fleet procurements in the commuter and intercity rail passenger industry typically take four or more years from contract award to delivery of the first railcar or locomotive. Large procurements involving hundreds of units take a period of multiple additional years from first unit delivery through the last unit delivery. Furthermore, our first-generation *Acela*, Amfleet I, ex-*Metroliner* and P-42 fleets, which are the primary equipment to be replaced by our next-generation *Acela*, ICT and ALC-42 procurements, are at the end of their useful lives and already in need of replacement on technical grounds to preserve existing service. As a result, we are moving forward with our initiatives to replace the fleet. We are also using this opportunity to engage with vendors regarding ways to incorporate the new demands of our customers (such as enhanced air filtration systems) on equipment we plan to order.

2. ARRIVING IN 2021: ACELA NEXT-GENERATION TRAINSETS

The new *Acela* fleet will serve as the cornerstone for the relaunch of the NEC's premium *Acela* service with the introduction of 28 new high-speed trainsets which will expand Amtrak's *Acela* fleet size by 40% (28 trainsets compared to the current 20) and total seats by 77% (with each of the 28 sets having 386 seats, versus the current 304). By leveraging a proven, in-demand design with interiors that can be reconfigured to meet changing customer preferences, combined with using a TSSSA to ensure reliable maintenance and parts availability, the new *Acela* trainsets will meet the highest customer expectations for Amtrak's premium service in both 2021 and throughout the anticipated 30 years this equipment will be in service. The new trainsets are primarily funded through a $2.45 billion Railroad Rehabilitation and Investment Financing (RRIF) loan from the Federal Railroad Administration (FRA). The loan will be repaid using the incremental net revenues generated through increased *Acela* ridership and ticket sales.

2. Arriving in 2021: Acela Next-Generation Trainsets, continued

The future of *Acela* is more than just new trainsets. World-class accommodations, improved sustainability and enhanced customer-facing amenities will deliver a new premium service for customers including enhanced Wi-Fi equipment and an onboard information system for delivering real time announcements and locational information.

Additional new features on these trainsets include USB ports, outlets and lights in the seats, and an increased focus on sustainability via use of materials like e-leather and reduced packaging. The new trainsets will operate at speeds of up to 160 miles per hour on upgraded sections of the NEC as track projects are completed.

The first *Acela* prototype began testing at the test track in Pueblo, CO in March 2020. A second prototype trainset began testing on the NEC in June 2020. The first fully equipped and revenue-ready trainset will be delivered in early 2021 for continued NEC testing and validation, commissioning activities, and to enable equipment training. Based on current schedule data, the earliest revenue service launch date is October 2021.

Interior of new *Acela* Next-Generation Trainsets

Amtrak *Hiawatha* Service train with new SC-44 Charger locomotive and legacy Horizon fleet coaches.

3. ARRIVING IN 2021: ALC-42 LONG DISTANCE DIESEL LOCOMOTIVES

We are committed to the continued operation of long-distance routes, including the restoration of daily service on routes which are temporarily less-than-daily due to the COVID-19 pandemic. In late 2018, we placed an order for 75 diesel-electric locomotives from Siemens. Dubbed the ALC-42 (for Amtrak Long-distance Charger, 4,200 horsepower), these 75 units will replace most of the General Electric P-40/P-42 diesels required for long-distance service. The P-40 and P-42, in long-distance Amtrak service since the 1990s, are nearing the end of their useful service lives. Our contract with Siemens includes the ability to acquire up to 100 additional ALC-42 units as options. As we require approximately 125 locomotives to operate the current long-distance network with sufficient spare ratios, we anticipate that we may execute options for up to 50 additional units to enable the complete replacement of P-42s in long-distance service with ALC-42s.

The first unit is scheduled to enter revenue service in the summer of 2021, and all 75 base units scheduled to enter service by 2024. The base order total cost is $850 million, which includes the purchase price, warranty, technical support and spare parts through a multi-year TSSSA. Unit acquisition is funded through a combination of our cash reserves and our National Network grant, while ongoing TSSSA work is split between operating expenses (funded by passenger fares and annual grants) and LCPM capital costs.

The ALC-42 represents a significant generational enhancement over current power. Its benefits include:

Better Performance. The ALC-42 can operate at speeds up to 125 MPH (15 MPH faster than the P-42) and accelerate 30 percent faster. While both unit types are rated at 4,200 horsepower, the ALC-42 generates head-end power (HEP) for onboard lights, climate control and appliances more efficiently via inverters. This allows an ALC-42-powered consist to provide HEP to more passenger cars than the current P-42, which may allow for additional Superliners to operate on *Auto Train*. Fuel range will improve over both the P-42 and SC-44 Charger ordered by our State Partners, with the ALC-42 featuring 2,200 gallon fuel tanks.

Environmental Benefits. The ALC-42s will meet EPA Tier IV standards for emissions, with reductions of up to 90 percent in various emission types versus the Tier 0 General Electric P-42 units they replace. The units will also be about 10 percent more fuel efficient, helping us reduce our carbon footprint.

Safety and Reliability Benefits. The ALC-42 features several reliability improvements over the P-42. Scheduled maintenance will require two events per year instead of four, reducing programmed interruptions to revenue service and deadhead movements to/from locomotive shops. The units will feature onboard diagnostics which will allow both our mechanical team and Siemens technical staff to monitor and diagnose unit conditions in real time. The ALC-42's TSSSA provides stiff penalties for Siemens if the new units do not achieve significant reductions in both the frequency of enroute failures as well as in the time necessary to receive spare parts. The ALC-42 will also contain several enhancements over the SC-44 Charger locomotives, including enhanced winterization/weatherproofing, and a bolt-on nose cone for easy replacement in the event of a grade crossing accident. All units will come equipped with necessary equipment for Positive Train Control.

4. ARRIVING IN 2021: NEW RAILCARS FOR AMTRAK MIDWEST ROUTES AND CALIFORNIA'S SAN JOAQUINS

Beginning this year, our State Partners plan to introduce to service 137 single-level Siemens single-level railcars, a derivative of the Siemens Viaggio product family. Cars of this general design have received FRA certification and have operated on Brightline services in Florida. The new cars are currently forecast to arrive and enter service between FY 2021 and FY 2023. The 137-car base order consists of:

- Seven 7-car semi-permanently coupled trainsets, with a cab control coach on one end, business class, and checked baggage, for use in California on the *San Joaquins* corridor.
- Twenty single coaches for use on Midwest corridor routes.
- Seventeen married pairs consisting of one coach and one business class/coach combination car for use on Midwest corridor routes.
- Seventeen married pairs consisting of one coach and one café/coach combination car for use on Midwest corridor routes.

In addition to the 137 cars under manufacture for the original order, Wisconsin was awarded a federal discretionary grant to acquire nine additional cars for Hiawatha service. This acquisition includes six coaches and three cab control coaches to supplement the Midwest railcar order.

The delivery of Siemens single-level cars for the Midwest and California will replace most of our Horizon Fleet and about two dozen Amfleet I railcars currently in Midwest state corridor service. At this time, we intend to re-deploy these railcars to other state corridors to facilitate growth until sufficient ICT/Amfleet Replacement equipment enters service in the mid-to-late 2020s.

The introduction of seven Siemens single level trainsets for *San Joaquins* service will also enable the re-deployment of some single level and bi-level equipment currently used on the route. Additional single-level corridor coaches will also likely remain available for re-deployment even after equipping the nationwide service expansions outlined above. We anticipate collaboration with our State Partners in California over the next year to determine how available equipment can best be re-deployed to accommodate planned growth over the next decade.

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5. INTERCITY TRAINSETS (ICT)

In January 2019, we issued a Request for Proposals (RFP) for 75 new trainsets (or railcar equivalents) to replace 450 Amfleet I railcars, 16 ex-*Metroliner* railcars, and five Talgo VI trainsets. The RFP also called for up to 50 additional trainsets as options. Since January 2019, we have solidified plans with our State Partners regarding planned service levels over the next five to ten years. As a result, we now seek 83 trainsets (or railcar equivalents) for current fleet replacement and projected service growth throughout the 2020s, with options for up to 120 additional trainsets. Vendor bids have been received, and we are evaluating them with input from both our State Partners. Our business case is being developed with input from our State Partners, in consultation with the FRA regarding regulatory issues and Amtrak's programming requirements. An award decision announcement is expected in the first half of calendar year 2021.

The base order of new trainsets is slated to operate on *Northeast Regional*, the long-distance *Palmetto* and a series of state corridors, including Amtrak Cascades, *Northeast Regional* Virginia extensions, Keystone Service, Empire Service, Downeaster, *Pennsylvanian*, *Carolinian*, Adirondack, *Vermonter*, Ethan Allen Express, and New Haven-Springfield trains. As nearly half of our nationwide ridership occurs on these routes, we are enthusiastic about this once-in-a-generation opportunity to significantly improve both train performance and customer experience. The options to the base equipment order are intended to equip service growth on new and existing state corridors into the 2030s. Until then, state corridor growth can be accommodated through use of our Horizon fleet, which will be displaced from its current role on the *San Joaquins* and Midwest corridor routes by new Siemens equipment over the next 24-36 months.

5. Intercity Trainsets (ICT), continued

We seek equipment which can come in varying consist capacities and with varying propulsion types including diesel, catenary-electric and dual-power propulsion for both diesel-catenary and diesel-third rail environments.

Dual power, catenary electric consists will enable us to eliminate engine changes in Washington, DC, Philadelphia, PA and New Haven, CT. Eliminating engine changes will bring several benefits for our customers, including:

- **Speeding up passenger trips** through Washington, Philadelphia and New Haven through the removal of engine change time from train schedules.

- **Increasing track and platform capacity** within the lower level of Washington Union Station and adjacent tracks shared with Virginia Railway Express trains, because trains will be in the station for less time and the two light engine movements required each time an engine change occurs will be eliminated.

- **Continuous operation** of onboard lighting, climate control and restrooms that are disrupted during engine changes today.

Onboard the trains, we seek improvements in reliability, performance and customer experience. Double-ended consists will reduce requirements for turnaround time on some *Northeast Regional*, *Empire* Service and other corridor trains that currently do not have engineer's cabs on both ends, and provide redundancy in case controls in one cab are inoperable. Well-known problem areas for customer satisfaction and mechanical reliability such as restrooms, vestibules, HVAC systems and door systems will be addressed through new design and configuration. Semi-permanent couplings between trainset units are under consideration and would provide an additional layer of reliability for train-wide systems (such as public address systems) and climate control when passing through cars. The new equipment will be fully compliant with Americans with Disabilities Act (ADA) requirements for new-build equipment, providing a better experience for customers with disabilities. We also seek a TSSSA as part of this trainset procurement which, similar to the agreement in place for ALC-42 units, would put the responsibility for technical support, reliability, and material delivery on the trainset vendor.

Since the Amfleet railcar order was placed nearly fifty years ago, most nations with advanced rail passenger networks have migrated away from individual rail cars in favor of integrated, double-ended trainsets with hardened connections between cars. These trainsets enable more standardized, interchangeable consists with more reliable connections between cars, and reduce total switching costs. The downsides for this arrangement include reduced consist flexibility and a need for more modern maintenance facilities which are conducive to performing repairs on an entire trainset via modular parts replacement—another global rolling stock trend. Under modular replacement, a critical failure to any one component in a railcar or trainset can be addressed through removal and replacement of that component (e.g., crane replacement of overhead HVAC unit) during an overnight servicing, enabling the consist to be ready for service the next day. These facilities also better facilitate the continuous maintenance approach to scheduled mechanical work: Tasks historically assigned to major multi-year overhauls are instead performed one-at-a-time as add-ons to shorter, scheduled maintenance tasks at terminal maintenance facilities. Continuous maintenance has yielded positive results since we applied it to our *Acela* trainsets; decreasing downtime and allowing us to incrementally expand *Acela* frequencies throughout the 2010s even with a static fleet size. As a result of this generational evolution in rolling stock and maintenance, mechanical facilities and servicing schedules are being reviewed in parallel with the operational and technical evaluations of vendor bids currently underway.

Site-specific facility plans and related cost estimates are being developed at this time for major Northeast maintenance facilities including Boston-Southampton Street, New York Sunnyside, Philadelphia's Penn Coach Yard, Washington-Ivy City and Rensselaer; site specifics are also being evaluated for outlying points such as Springfield (MA), Harrisburg, Niagara Falls, Richmond, Newport News and Norfolk, along with other terminals where ICTs will overnight. The results of the site-specific improvements necessary, and specific cost projections will be reflected in future Asset Line Plans. As the site planning work is still currently underway, a high-level estimate of $1.685 billion in facility expenses at ICT terminals through 2030 is currently projected; the portion of these costs anticipated through FY 2026 total $1.4 billion and are included in the five-year outlook within the financial sections of this plan. This ICT facility work would include or replace state-of-good-repair projects at several sites which are necessary to continue reliable service even if Amfleet equipment could continue operation indefinitely; therefore, not all of the estimated facility expenses are incremental to new equipment.

5. Intercity Trainsets (ICT), continued

Funding for the trainsets will come from a variety of sources, including cash reserves, NEC operating surpluses (which can be reinvested for NEC capital uses, such as *Northeast Regional* fleet replacement), Amtrak grant funding, and State Partner funding under the PRIIA 209 Equipment Capital Use Charge. We will also collaborate with our State Partners on applications for federal discretionary grants (such as Federal-State Partnership grants) for portions of the procurement.

We anticipate the new base order of equipment to start entering service in the mid-2020s. Therefore, within the FY 2021-2026 timeframe of this plan, we anticipate a contract award and the delivery of the first portion of the base trainset order. Remaining base order trainsets, along with any trainset options, are anticipated to arrive beyond FY 2026.

6. LONG-DISTANCE RAILCAR STRATEGY

In the first quarter of FY 2021 we debuted the first of 25 new Viewliner II sleeping cars on our *Silver Star* and *Silver Meteor* routes between New York and Florida. These cars, buit by Construcciones y Auxiliar de Ferrocarriles (CAF) USA, are our first new sleeping cars since the mid-1990s. They contain customer-friendly improvements to the Amtrak private room experience that we expect will retain the increased attractiveness to travelers we have seen during the COVID-19 pandemic, including additional power outlets, more luggage space, and enhanced lighting and tray tables. As we complete work pertaining to the procurements of next-generation *Acela*, ALC-42 diesel locomotive and Intercity Trainsets, we will shift focus to developing and implementing a long-term fleet renewal solution for our aging Superliner and Amfleet II equipment. Most of our Superliner fleet (241 of 425 active cars) entered service between 1979 and 1981, while our fleet of 138 Amfleet IIs were built in the early 1980s. As a result, both fleets are well-worn and by the early 2030s will reach the end of the 30 to 50-year typical lifespan of rail passenger equipment in regular revenue service. Our remaining long-distance fleet consists of 184 Superliner II cars which entered service in the mid-1990s, 49 Viewliner I sleeping cars which entered service in the mid 1990s, and 130 Viewliner II baggage, baggage-dorm, sleeping and dining cars that have entered service within the past five years.

6. Long Distance Railcar Strategy, continued

Our Superliner fleet includes sleeping, dining, lounge and coach cars. Superliners operate on the long-distance *Coast Starlight, Empire Builder, California Zephyr, Southwest Chief, Texas Eagle, Sunset Limited* and *City of New Orleans*, *Capitol Limited* and *Auto Train*, along with some state corridors. We have begun preparations for a project to refresh the interiors of the Superliner fleet (and the Viewliner I fleet discussed below) that will provide updated cushions and upholstery on all seating surfaces along with new carpets, curtains, table surfaces and heavy cleaning throughout the cars; initiation of installation has been temporarily postponed due to funding constraints caused by the COVID-19 pandemic. Our Superliner I fleet continues to undergo a life extension study that will help drive a rebuild-versus-replacement decision, the results of which will be incorporated into the development of our railcar strategy.

Our Amfleet II fleet provides coach and lounge cars for long-distance routes serving New York, such as the *Silver Star*, *Silver Meteor*, *Crescent*, *Lake Shore Limited*, *Cardinal* and *Palmetto*, along with a handful of state corridor routes where Amfleet II cars operate along with Amfleet I equipment. Amfleet II coaches have recently undergone a refresh and now feature e-leather seating, enhanced LED lighting, new curtains, carpets and restroom air fresheners.

Viewliner I equipment consists of 49 sleeping cars. Like the Superliner fleet, our Viewliner I sleeping car fleet was scheduled to undergo refresh beginning in FY 2021, however this project's implementation timeline has been temporarily delayed due to capital constraints related to the COVID-19 pandemic. Viewliner II equipment is new and thus does not need refreshing.

Viewliner-II Accessible Room. Our Viewliner-II sleeping cars are entering service this year on select Eastern long-distance routes.

As discussed in the Long Distance Service Line Plan, acquiring new equipment provides the opportunity to accomplish several goals, including:

- **Modernizing equipment and amenities** to match updated service models and improve customer satisfaction.
- **Redesigning train consists** to match passenger demand, create operating efficiencies, and reduce capital needs.
- **Reducing car and locomotive maintenance** and turnaround costs.
- Reducing engine and car related mechanical delays to **improve on-time performance (OTP).**

A new fleet will also facilitate and enable long-term solutions to strategic goals of the Long Distance Service Line, including enhancements to Food & Beverage service offerings and the overall customer experience, and incorporation into new vehicle design any equipment modifications that may remain part of the "New Normal" after the COVID-19 pandemic.

We plan to begin development of this railcar strategy in earnest following the selection of a manufacturer for the ICT, with a goal of launching the procurement process for new equipment within the five-year span of this Equipment Asset Line Plan. Given the long lead times required for the acquisition of any new passenger railcar fleet, we anticipate the actual deliveries of new long-distance railcars will commence after the through FY 2026 horizon on this plan.

6. Long Distance Railcar Strategy, continued

7. REFRESH OF EXISTING FLEET

As discussed above, in the past three years we have refreshed over 800 railcars operating on all three of our service lines; we intend to initiate refreshments of Superliner I and Viewliner I cars as soon as funding allows. During FY 2021 we will be refreshing Business Class equipment used on the *Pacific Surfliner*, one of our busiest State Supported routes. In addition to the refresh work on our existing Superliner, Surfliner and Viewliner I equipment, we are soliciting a vendor who can design modifications to our new Viewliner II dining cars to enable them to provide both Flexible Dining service and café/lounge service, which currently requires two separate cars. In addition to cost savings, providing food service in a modern car configured to accommodate our current food service model would improve customer service.

8. DISPOSAL OF EQUIPMENT

Our pursuit of new equipment for most routes over the next five years and beyond will result in a continued need to dispose of locomotives and railcars as new units displace portions of the current fleet. In FY 2020, we sold 45 units (locomotives and railcars) which were no longer needed for passenger service (and in many cases were wreck-damaged), resulting in over $400,000 in proceeds.

The FY 2020 sales are the latest installment of an aggressive multi-year effort to dispose of hundreds of units that we no longer use in passenger service. We have established a consistent process by which units are identified as candidates for disposal and made available for sale after vetting to identify any ownership/title, legal or asbestos/environmental abatement considerations. As part of this process, we have established a point of contact (assetrecovery@amtrak.com) for potential buyers to express interest in receiving updates as future units become available for sale.

FY 2021–2026 Fleet Retirement Outlook

First-Generation *Acela* trainsets. By FY 2023 we anticipate having sufficient next-generation *Acela* trainsets to replace all existing *Acela* trainsets. In December 2020, we acquired title to six HHP-8 locomotives and eight additional *Acela* trainsets from our lessors. We plan to return remaining *Acela* trainsets that are leased to the lessors; disposition of Amtrak-owned *Acela* equipment has not yet been determined. We have determined that continued operation of first-generation *Acela* trainsets by Amtrak would be impractical, as we will not have the capacity to maintain them at *Acela*'s custom-built maintenance facilities once they are retrofitted to serve next-generation trainsets. Operating legacy *Acela* equipment on other routes that are not electrified or have low-level platforms is not feasible, and their current seating arrangement requires costly retrofits to provide sufficient capacity in non-premium services.

P-40/P-42 Locomotive fleets. The arrival of ALC-42 locomotives will allow for the displacement of at least 75 P-40/P-42 locomotives from long-distance service in the FY 2021–FY 2026 time span of this plan. Eventually, we plan for the entire fleet to be replaced, along with P32ACDM dual-mode power, following the arrival of any additional ALC-42 options units and dual-power intercity trainsets (ICTs); many of these additional displacements will likely occur beyond FY 2026.

Amfleet I and ex-Metroliner railcars. We plan to retire this combined fleet of nearly 500 cars once our intercity trainsets (ICTs) prove themselves reliable in revenue service. While the first of these units may be eligible for retirement by FY 2026, we anticipate that most will be retired in the late 2020s.

Other Fleets. Our long-distance fleet planning work will determine any retirement strategy and timeline for our Amfleet II and Superliner fleets, which we anticipate will primarily occur after FY 2026.

9. MAINTENANCE FACILITY STRATEGY

Our maintenance facilities will undergo significant changes as a result of refleeting in the coming decade, as well as changes currently underway in how we maintain equipment. Most of our current equipment is maintained under a traditional maintenance schedule and methodology, which includes:

- **Overnight servicing and cleaning and FRA Daily Inspection** in outdoor rail yards, with necessary brake inspections every five service days.
- Every 92-184 days, a **Preventive Maintenance (PM)** and related FRA-mandated inspections in a maintenance facility building. These often take place over a few consecutive days and require equipment to be out of regular revenue service for up to one week every 3-6 months.
- **Four-year overhaul cycles** in Amtrak back shops, where major component replacements occur along with FRA-mandated COT&S (clean, oil, test & stencil) work on air brakes. Overhauls require equipment to be out of regular revenue service for a period of a few weeks every four years.
- When a mechanical failure develops en-route or during overnight servicing, the "bad order" car is "set out" by a switcher locomotive at a maintenance facility and replaced by another similar railcar. Mechanical staff will then repair or replace the faulty component or system using an **Amtrak-managed supply chain of spare parts,** some of which must be custom-fabricated for fleets whose vendors exited the railcar business 25 or more years ago. Once repaired, the railcar is placed back in the consist of a train requiring a car of that type at the next opportunity.

Intercity passenger rail rolling stock maintenance has evolved greatly in the near-fifty years since our Amfleet I and Superliner I fleets were designed. Rolling stock manufacturers now offer comprehensive technical support and manage supply chains of spare parts through TSSSAs. Advances in technology allow for diagnostic monitoring of trainsets for mechanical faults, enabling Amtrak and vendor staff to spot problems for correction before they would otherwise become noticeable. As a result, our Mechanical department envisions a new approach in line with global best practices in maintaining modern intercity passenger rail rolling stock.

This new approach consists of:

- **Servicing and Cleaning,** along with FRA Daily Inspections, would occur on purpose-built tracks at major terminals or rail yards.
- **Maintenance and Inspection (M&I):** Performed once every few days, additional necessary inspections, as well as some preventive maintenance or overhaul tasks, occur over an eight-hour "touch time" overnight (or between regular revenue trips) in a Service & Inspection building at a major terminal; trainsets would be scheduled to overnight (or similarly layover) at a major terminal every few days as a course of their regular assignments. The cumulative amount of work over successive M&I events would allow for all tasks related to Preventive Maintenance, and some overhaul tasks, to occur during M&I periods—an approach known as "continuous maintenance."
- **Major Overhauls:** Would involve a reduced scope of work as some tasks would be done during M&I "touch time" windows.
- Some mechanical failures would be corrected before they occur during M&I events, thanks to more frequent visits to S&I buildings for conventional equipment, and **remote diagnostic monitoring** of trainsets which can identify invisible faults as they occur, before they have the chance to grow into a larger problem.
- When a mechanical failure does occur, **new rolling stock** is designed such that often the entire trainset can be brought into an S&I building, where a crane or equivalent removes and replaces the faulty component. The entire trainset can then be released for service again in less time than previous car "set-outs" required, often overnight in between scheduled trips. Components are then repaired at our back shops, or replaced using a vendor's parts supply through the TSSSA.

9. Maintenance Facility Strategy, continued

We have already applied continuous maintenance to the frequent scheduled visits to S&I buildings already made by our *Acela* fleet. Continuous maintenance has enabled us to decrease total shop time and spare ratios necessary to provide service, allowing us to add service without any increase in the number of *Acela* trainsets. Looking forward, our Planning, Engineering and Mechanical departments are currently working with leading engineering and consulting firms to determine the necessary facility changes to support our migration to a new fleet and continuous maintenance once Amfleet I and ex-*Metroliner* equipment is replaced with new ICTs throughout the Northeast. As further fleet modernization occurs beyond the Northeast, we will undertake similar facility analyses in preparation for migration of our future fleet to a continuous maintenance approach in other regions as well.

As our current review of Northeast facilities is currently underway, we are currently finalizing specific cost estimates and have retained an industry-leading consulting/engineering firm to assist us with facility planning and design work. At this time, we anticipate $1.685 billion in expenses through the year 2030 for our Northeast facilities to provide sufficient capacity and capability to service our next-generation *Acela* and ICT fleets along the NEC and, in the case of ICT, at overnight servicing terminals off the NEC. Of this high-level estimate, $1.4 billion is anticipated through FY 2026. Much of this expense would be incurred regardless of changes in fleet and maintenance practices due to the State of Good Repair (SOGR) needs at existing facilities; indeed, our master plans for major terminals had identified up to $1.2 billion in facility SOGR needs. More detailed information on both the site-specific scope of work and cost for each facility will be forthcoming in future Asset Line Plans, which may result in a revision to the total cost estimate for this work.

Work being performed at the Beech Grove Maintenance Facility.

Summary of Planned Rolling Stock Modernization by Route

<table>
<tr><th>Route</th><th>FY 2021 Equipment</th><th>FY 2026 Equipment</th><th>Early 2030s Equipment</th></tr>
<tr><td colspan="4">NORTHEAST CORRIDOR SERVICE LINE</td></tr>
<tr><td>Acela Express</td><td>Acela First-Generation Trainsets</td><td>Acela Second-Generation Trainsets</td><td>Acela Second-Generation Trainsets</td></tr>
<tr><td>Northeast Regional</td><td>Amfleet I + ACS-64</td><td>Phase-out Amfleet-I, Phase-in Intercity Trainsets</td><td>Intercity Trainsets (ICTs)</td></tr>
<tr><td colspan="4">STATE CORRIDOR SERVICE LINE</td></tr>
<tr><td>Northeast Regional VA, CT/MA Thru Trains</td><td rowspan="6">Amfleet I + P-42</td><td rowspan="10">Intercity Trainset (ICTs) deliveries underway; transition between FY 2021 Equipent and ICTs</td><td rowspan="10">Intercity Trainsets (ICTs)</td></tr>
<tr><td>Vermonter</td></tr>
<tr><td>Downeaster</td></tr>
<tr><td>Carolinian</td></tr>
<tr><td>Empire Service</td></tr>
<tr><td>Ethan Allen Express</td></tr>
<tr><td>Keystone Service</td><td>Amfleet I + Ex-Metroliner + ACS-64</td></tr>
<tr><td>Adirondack</td><td rowspan="3">Mix of Amfleet I and Amfleet II + P-42/P32ACDM</td></tr>
<tr><td>Maple Leaf</td></tr>
<tr><td>Pennsylvanian</td></tr>
<tr><td>Amtrak Cascades</td><td>Talgo 8, Amfleet I / Horizon</td></tr>
<tr><td>Pere Marquette</td><td>Superliner + State-owned SC-44</td><td colspan="2" rowspan="8">State-owned Siemens cars</td></tr>
<tr><td>Illini/Saluki</td><td>Currently Superliner; Usually Amfleet I / Horizon; hauled by state-owned SC-44</td></tr>
<tr><td>Wolverine Service</td><td rowspan="6">Amfleet I / Horizon + State-owned SC-44</td></tr>
<tr><td>Blue Water</td></tr>
<tr><td>Hiawatha Service</td></tr>
<tr><td>Illinois Zephyr/Carl Sandburg</td></tr>
<tr><td>Lincoln Service</td></tr>
<tr><td>Missouri River Runner</td></tr>
<tr><td>San Joaquins</td><td colspan="3" rowspan="2">Primarily California-owned Equipment</td></tr>
<tr><td>Capitol Corridor</td></tr>
<tr><td>Pacific Surfliner</td><td colspan="3">Primarily Amtrak Surfliner + California-owned Equipment</td></tr>
<tr><td>Piedmont</td><td colspan="3">Primarily NCDOT-owned Equipment</td></tr>
<tr><td>Heartland Flyer</td><td colspan="2">Superliner + P-42</td><td>TBD; ICTs or New LD Fleet Strategy</td></tr>
<tr><td colspan="4">LONG DISTANCE SERVICE LINE</td></tr>
<tr><td>Palmetto</td><td>Mix of Amfleet I and Amfleet II + P-42 / P32ACDM</td><td>Intercity Trainset (ICTs) deliveries underway; transition between FY 2021 Equipment and ICTs.</td><td>Intercity Trainsets (ICTs)</td></tr>
<tr><td>Auto Train</td><td rowspan="9">Superliner + P-40/42</td><td rowspan="15">P-40/42 locomotives replaced by ALC-42 locomotives; railcar fleet renewal to be determined in forthcoming Long Distance Fleet Renewal Strategy. Overnight routes continue to operate with legacy fleet; applicable new equipment order(s) would be placed by FY 2026 but deliveries are likely to commence in earnest after FY 2026.</td><td rowspan="15">ALC-42 locomotives; railcar strategy to be announced upon completion of Long Distance Fleet Renewal strategy; at a minimum Amfleet II equipment is likely to be replaced; Superliner I will be replaced or heavily rebuilt following conclusion of Superliner Life Extension Study currently underway.</td></tr>
<tr><td>Capitol Limited</td></tr>
<tr><td>Coast Starlight</td></tr>
<tr><td>Empire Builder</td></tr>
<tr><td>Californa Zephyr</td></tr>
<tr><td>Southwest Chief</td></tr>
<tr><td>Sunset Limited</td></tr>
<tr><td>Texas Eagle</td></tr>
<tr><td>City of New Orleans</td></tr>
<tr><td>Silver Star</td><td rowspan="6">Viewliner / Amfleet II + P-42</td></tr>
<tr><td>Silver Meteor</td></tr>
<tr><td>Crescent</td></tr>
<tr><td>Lake Shore Limited</td></tr>
<tr><td>Cardinal</td></tr>
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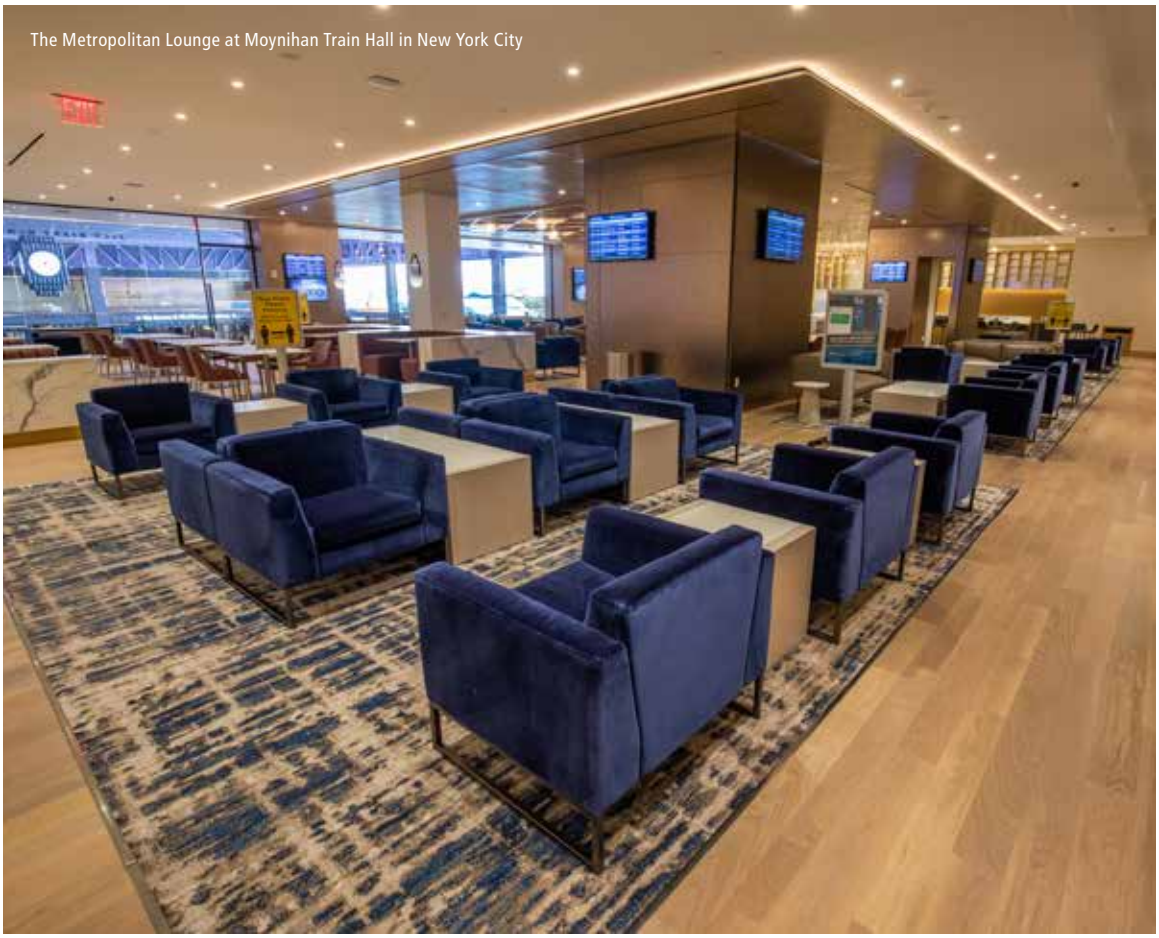
STATIONS ASSET LINE

The Stations Asset Line includes all Amtrak-controlled passenger rail stations and elements of other stations for which Amtrak has legal responsibility or intends to make capital investments. Amtrak plays an important role in the national transportation network by providing travelers with a safe, efficient, and reliable alternative to highway and airline travel. The Amtrak network is currently made up of more than 526 stations across 46 states, the District of Columbia and three Canadian provinces.

Introduction

Amtrak's stations mirror the development landscape of the country from small rural stations served by a shelter and a platform to large cities served by urban stations connecting multiple transportation modes. The mixture of stations and the variety of service routes combine to provide a national passenger rail network that supports national mobility and economic and urban and community development.



The Metropolitan Lounge at Moynihan Train Hall in New York City

Key components of Amtrak's Station Asset Line include a focus on identifying ways to improve customer experience at stations, implementing customer focused near term improvements, preserving, and improving Amtrak assets, and continuing development of Amtrak's Major Stations Program.

Strategy

Our strategy is formulated around Amtrak' six strategic pillars: Safety and Operations, Customer Impact, Strategy, Assets, People and Financial Stewardship. As such we are investing in critical projects that will enhance the passenger experience, sustain the national passenger network, provide additional capacity, and improve reliability and safety. Among the unique challenges in developing a plan to manage station assets are: working with other stakeholders, such as states, cities and host railroads that own many of the stations we utilize; working with state DOTs and commuter agencies that either own or utilize stations served by Amtrak and have their own service goals; making improvements that align with Amtrak guidelines for station aspects such as branding and signage so as to provide consistent and recognizable products and services; operating and maintaining a safe, world class passenger railroad utilizing a mixture of modern and historic station assets; managing station roll-outs of technological updates such as ticketing and baggage handling upgrades; and coordinating station management plans with our asset development and monetization initiatives.

CUSTOMER STATION EXPERIENCE

Amtrak customers have three touch points with their departing and arriving stations—entering the station, waiting/transiting, and leaving the station. Customers enter the station from the street, parking lot or from an arriving train and likewise leave the station for the street, parking lot or departing train. Their experiences in the station involve waiting for the train and transiting through. These experiences vary greatly from station to station. One station may have a small, sheltered waiting area while a larger station may have Amtrak staff, Red Cap Services, lounges, restrooms, restaurants, and shopping. Yet, the core components remain, and customers expect to find signage and information related to their journeys.

Among the attributes that determine the station experience are the number of passengers (crowding), amenities, connecting services, cleanliness, condition, and safety. As stations are owned and maintained by a variety of partners and governed by various agreements, some station attributes are not within Amtrak's direct control. However, we have adapted our organizational structure and responsibilities leading to improvements and a better understanding of both the customer experience and the assets. These changes include the expansion of the Stations and Facilities group to include a centralized facilities management function.

Shifting priorities and inconsistent funding over decades have resulted in a patchwork of station experiences and building conditions. However, as we continue to adapt and modernize our organization, improving the station experience has been identified as vital to retaining customers and increasing revenue.

Key Objectives

- Adaptability in the delivery of our station services to meet the challenges of operating in a COVID-19 reality while providing **the highest level of safety and protection** for all Amtrak customers and employees in this new and everchanging environment.

- **Deliver consistency in station image and behavior across the network.** A customer should recognize Amtrak's presence in a station through consistent branding, furnishings, and customer service no matter what location. Signage, restroom and interior cleanliness/condition, seating, access, lighting, and building conditions are the fundamental elements of what a customer can see and interact with at every station.

- Standardize the designs and elevate the offerings of all station lounges, now branded as **Metropolitan Lounges,** to enhance the customer experience with the current and next generation customer in mind.

- **Offer personalized and connected services.** Customer experience in the station can be enhanced to offer personalized touches through push notifications and custom coupons or upgrades. This also improves our ability to understand patterns and preferences for future trips.

- **Reduce operational inefficiencies.** Manual and inefficient procedures result in lost productivity for employees and frustration for customers. Operational practices, including ticket sales, baggage handling and boarding, will be improved through process re-engineering and automation and station design upgrades where possible.


The Metropolitan Lounge at Moynihan Train Hall in New York City

Metropolitan Lounge

Currently Amtrak's major stations offer access to passenger lounges, branded as the Metropolitan Lounge, for eligible first-class customers, Amtrak Guest Rewards Executive Select and Select Plus members, and those wanting to purchase a day pass. The lounges are intended for premium customers and includes exclusive offerings, such as complimentary food and beverages and priority boarding. Depending on the city, each lounge has unique finishes, furnishings, décor, and food and beverage options. Because it is important to bring consistency, as part of a larger lounge station refresh initiative Amtrak will continue to standardize these designs and elevate the offerings of all lounges. Our goal is to enhance the customer experience, with the current and next generation customer in mind, in alignment with the customer demographic for the station and physical space limits.

Through the design and execution of these unique customer spaces we aim to:

- Provide an **elevated and welcoming** customer experience.
- Create a **relaxing environment** as a component of the customer's pre/post journey experience.
- Provide a **comfortable space** to help customers do what they want/like while traveling.
- Ensure the **care and safety** of our customers and employees.
- Deliver **unexpected benefits** to customers, and enhancements to communities across the country.

COVID-19 STATION RECOVERY

Understanding and communicating our awareness of the concerns of our customers because of the COVID-19 pandemic is crucial because customers recognize and value efforts to make their journeys safe and stress-free. Sharing with our customers the measures Amtrak has implemented to address COVID-19 is how we make them aware that we are doing our part to keep America's passenger rail system as a safe mode of transportation. Amtrak's COVID-19 response highlights and effort can be summarized as follows:

- Our goal is to provide the highest level of safety and protection for all Amtrak customers and employees in this new and ever-changing environment. We want to position Amtrak as the preferred mode of travel in the COVID-19 world.

- To achieve this goal, Amtrak has established a multi-functional team dedicated to focused on the station customer experience.

- At each station we have introduced announcements about COVID-19 protocols every 15 minutes, added posters and social distancing floor decals, and protective plexiglass panels have been installed where possible at all customer facing counters. Enhanced cleaning protocols are also in place to ensure that all stations are maintaining a level of cleanliness in line with heightened customer expectations.

- Changes to the boarding process were also introduced nationwide with a focus on creating space and removing customer clustering around gates. Stanchions were removed from larger stations and announcements with gate information were restricted to 15 minutes prior to departure.

- We also support federal, state, and local policies and public health protocols such as the NYC Track and Trace Program.

BWI Airport Rail Station underwent renovations in 2018-2019 including installation of a new canopy, three new larger restrooms and an updated waiting area, as well as additional improvements to the heating, air conditioning and plumbing systems and the roof.

STATION IMPROVEMENTS

Our emphasis on station improvements began with our Customer Now initiative which sought to deliver enhancements to the customer experience at Amtrak stations through the Station Refresh and Executive Adopt-A-Station programs.

Station Refresh is focused on the 25 stations with the highest ridership (Top 25 Stations), while the Executive Adopt-a-Station Program is focused on the 174 Stations with the highest ridership (Top 174 Stations). An overarching objective is to fund significant, near-term attainable projects that will deliver the greatest customer impact. Due to COVID-19 and restrictions on funding and travel, these programs were mostly paused during FY 2020, but we expect to resume them when circumstances allow.

MAJOR STATION PLANNING AND DEVELOPMENT

Amtrak is the owner and manager of a nationwide portfolio of assets including over eight million square feet of station facilities and five of our 10 busiest stations. The station asset portfolio is aging, suffers from decades of deterioration and needs modernization to meet growing demands.

Despite these challenges, Amtrak's stations are community hubs and the surrounding markets present opportunities to extract value from our assets from commercial real estate development or partnerships with area institutions and the private sector. A strategic asset management and development program can improve the performance and value of Amtrak's asset portfolio by:

- Addressing our facility state of good repair and modernization needs;
- Making key investments that will have a positive impact on the customer experience;
- Taking a sustainable approach to life cycle asset maintenance and preservation;
- Ensuring sufficient near- and long-term capacity for ridership growth;
- Optimizing utilization of our assets for Amtrak rail and business operations;
- Producing revenue, such as retail or advertising revenue, for reinvestment back into critical infrastructure and operational improvements; and
- Capturing commercial development opportunities from underutilized or non-core assets.

At the five Amtrak-owned stations with the highest ridership (Major Stations)—New York Penn Station (#1), Washington Union Station (#2), Philadelphia William H. Gray III 30th Street Station (#3) (Philadelphia 30th Street Station), Chicago Union Station (#4), and Baltimore Penn Station (#8)—we have commenced Major Station Asset Development Programs. In these major urban markets, the challenges and opportunities facing Amtrak's asset portfolio are heightened.

Projected ridership growth and regional economic growth create a substantial and increasing demand on Major Stations that will only exacerbate state of good repair needs. However, there is high potential to attract investment for transit-oriented development that enhances intermodal connections and integrates stations with surrounding neighborhoods to create an exceptional station experience, one which will retain and grow a loyal customer base. The Major Station Asset Development Programs rely on three primary strategies: master plans, strategic partnerships, and master developments.

Master plans identify near- and long-term station needs. Master planning also identifies opportunities for improvements for intermodal connections and connectivity to the surrounding neighborhoods and opportunities for commercial development of Amtrak assets. Master plans serve as the aspirational vision for the future, but also serve as roadmaps for planned capital investments by Amtrak and its partners for concourse improvement and expansion, track and platform improvements, and site improvements such as plaza, customer parking facilities, and intermodal connections. Amtrak's master plans are completed as partnerships with other significant stakeholders, such as commuter railroads, and express our future shared goals. Master plans have been completed either by Amtrak or in partnership with key area institutions for Washington Union Station, Philadelphia 30th Street Station and Chicago Union Station. Amtrak is currently working on a master plan for New York Penn Station.

Chicago's Union Station

Major Station Planning and Development, continued

Strategic partnerships with local and regional government entities, commuter rail and transit providers, area institutions, and the private sector are necessary to advance Major Stations Asset Development Programs. In some cases, funding partnerships raise the capital needed to complete design and construction of critical projects. In other cases, collaboration partnerships are necessary to coordinate financing, design, and construction activities at the stations.

Master developments are a specific type of strategic partnership where Amtrak seeks to partner with the private sector to advance station improvements and generate economic developments in the areas surrounding each station to support passenger rail growth. Beyond funding and financing support, these master developers bring project delivery, asset management and commercial development expertise to the table to help Amtrak cultivate a first-class customer experience, while maximizing the performance and value of our Major Stations. We selected master developers for Chicago Union Station and Baltimore Penn Station in 2017, and Philadelphia William H. Gray III 30th Street Station in May 2020. A vision plan, "Next Stop Baltimore Penn Station" is underway for Baltimore Penn Station and will be completed in 2021.

CUSTOMER ACCESSIBILITY

The goal and objective of the Americans with Disabilities Act (ADA) Stations Program is to bring all Amtrak-served stations for which Amtrak has ADA responsibility into compliance with the ADA.

In coordination with the FRA, we have developed the ADA priorities and work necessary to bring stations with existing accessibility deficiencies into compliance. The five-year strategic plan will be used to bring stations with known or potential accessibility deficiencies in certain key areas into compliance with the ADA within the plan period.

Stations that are listed as the highest priority include stations with known or potential: Train access deficiencies, 2) Passenger Information Display Systems (PIDS) deficiencies, and 3) station access and/or key amenity deficiencies. Additional priorities include adding level boarding platforms where required by law and pursuing more integrated boarding solutions (based on Amtrak's Platform Design Policy) where level boarding is not required by law due to the presence of existing freight traffic adjacent to the platform. Platform projects, which may include level boarding platform projects and low-level platform projects, will be funded after these three priorities have been funded and advanced to the greatest extent possible and as remaining budget is available. Additional information on the ADA program is included in the Stations Appendices.


Boston's historic South Station

Major Station Planning and Development, continued

SAFETY AND SECURITY

While customer safety and satisfaction are among our highest priorities, both of those are based in security. Amtrak stations adhere to standard design criteria and minimum specifications for a variety of security systems to protect Amtrak employees, customers, and facilities. Amtrak's Emergency Management and Corporate Security (EMCS) provides design guidance, practices, and recommendations to cover all physical protection system components, integrates Amtrak Engineering Department Standards, and corresponds to security counter measures. Protection includes implementing target hardening solutions to Amtrak facility vulnerabilities that are identified through a local assessment of risk to Amtrak employees, customers, and facilities. Several categories of security systems applicable to Amtrak stations system-wide, including:

- Fencing and Gates
- Site Hardening Barriers
- Access Control Devices
- Intrusion Detection Systems
- Chemical, Biological, Radiological, and Nuclear Detection Equipment
- Video Surveillance Systems
- Emergency Communications
- Public Notification, Alert, and Signage
- Security Lighting
- Blast Containers

Capital funding for safety and security is included in the National Assets and Corporate Services (NACS) category under the FAST Act Account Structure.

Asset Inventory

ASSET MANAGEMENT APPROACH

A five-year cycle of comprehensive condition assessments identifies deficiencies and prioritize improvements at Amtrak stations began in 2017. Amtrak has completed comprehensive condition assessments for Amtrak owned or maintained stations in the Southeast, Southwest, and Northeast divisions, and we are currently assessing stations in the Central Northwest division are. In addition, we completed a pilot inventory of station assets that have a direct relationship to our customers such as conveyances, HVAC , plumbing, electrical, and fire/life safety equipment. These assets and their specifications within stations that will be accessible in IBM's Maximo asset management system. Once we have a comprehensive understanding of the conditions of our stations, we can develop an asset management plan that is aligned to our service line plans and overall corporate goals, and one that defines a clear path for decision-making. This effort will be aligned and integrated with existing information systems and processes.

AMTRAK STATIONS AND ADA RESPONSIBILITY

During FY 2020, Amtrak provided rail service to 526 stations across the U.S. and Canada. Development work by state and local partners resulted in five new replacement station facilities— Springfield, MA; Mt. Joy, PA; Paoli, PA; BWI Airport, MD; and Memphis, TN—replacing outdated facilities with ADA-compliant facilities. Of the 526 stations receiving Amtrak service, 517 are required to be ADA compliant. (The nine stations served in Canada do not fall under the jurisdiction of the Americans with Disabilities Act.) Of these, Amtrak has either sole or shared responsibility for ADA compliance of station components (station structure, platform, parking) at 386 stations; these are included in the ADA Stations Program.

The Station Appendices contains a table showing the entity responsible for ADA compliance of components at stations where ADA compliance is mandated, ownership of station components at all Amtrak-served stations, and notes where Amtrak service is reimbursed by partner agencies under PRIIA. Another table shows the type of station and staffing level at each Amtrak-served station.

Five Year Plan

Our five-year plan supports continued improvements to stations and facilities programs and advancing major stations work. Some key highlights Include:

STATIONS AND FACILITIES

The Stations and Facilities group is comprised of teams for facilities management, asset management, and vertical transportation at network and major stations who each work to improve and maintain the stations and facilities for customer experience. For Amtrak, facilities management refers to the ongoing functionality, safety, and efficiency of our stations. Asset management refers to the maintenance of the individual building systems. Vertical transportation equipment refers to escalators and elevators. Each of these areas relate to the overall station environment that customers experience.

At Amtrak, stations facility management is managed by two groups: Major Stations and Network Stations. Amtrak major stations mirror those in the Major Station Planning department. At these large stations, Amtrak has ownership and responsibility for maintenance the station building and the passenger environment utilizing a combination of union, contract, and management personnel. Apart from the major stations, network stations are merely stations within the Amtrak network and are generally leased and host railroad owned spaces. The network stations are managed by regional facility managers.

The focus is to develop and maintain Amtrak assets which lead to high customer satisfaction resulting in increased ridership and revenue. We perform a wide array of functions related to the planning, development, and maintenance of stations and facility throughout the Amtrak network. Among the most visible of these are detailed on the following pages.

New York Penn Station Phase I Refresh

Stations and Facilities, continued

Station Refresh (Top 25 Stations)

The Station Refresh program for the Top 25 stations includes customer-facing improvements at Baltimore, Chicago, New York, Philadelphia, and Washington. The improvements are organized by six distinct categories: 1) Waiting Areas; 2) Restrooms; 3) Stairs; 4) Elevators/Escalators; 5) Platforms; and 6) Lighting and Signage.

The program for remaining stations includes customer-facing improvements organized by eight distinct categories: 1) Waiting Areas; 2) Customer Service Areas; 3) Restrooms; 4) Stairs; 5) Elevators/Escalators; 6) Platforms; 7) Lighting and Signage; and 8) Site. These eight categories mirror the broader Amtrak operational audits and performance areas for stations, including new stations and master planning work for major stations.

Projects and areas of improvement are identified through Executive Audits, customer CSI scores and other methods, such as operational audits and surveys at stations. In FY 2020, the Executive Audits and some capital improvement work were deferred due to COVID-19 and related restrictions on travel. However, for FY 2021, projects will continue at the Top 5 major stations and continue at other stations, including Albany, Syracuse, Trenton, Boston South Station and New Haven. In FY 2022 and beyond work will include projects from the remaining 17 stations of the Top 25 as needed.

Adopt-A-Station (Top 174 Stations)

The Adopt-A-Station program includes executives and senior managers each adopting a group of stations to audit. Audits are completed on a rolling basis throughout the year and entered into a newly designed data and work management system. This new system allows District Station Managers, and others involved in the program, to enter new, review existing, and close-out completed maintenance deficiencies on display dashboards within their respective territories.

The program is intended to transform audit notes and findings into customer-facing improvement programs and projects at 174 staffed stations. Programs and projects are organized by the following categories: Approach to the Station; Parking Area; Site/Station Structure Exterior; Station Structure Interior (Waiting Room, Restrooms, Ticketing/Baggage Areas, and Retail); and Platform and Track Area.

Station Seating

The Station Seating program that will replace damaged, outdated or functionally deficient seating, which will begin with the Top 25 Stations and then progress to the other Top 100 Stations, has been paused, but is expected to relaunch in FY 2023.

AMTRAK'S TOP 25 STATIONS

1. New York Penn Station
2. Washington Union Station
3. Philadelphia William H. Gray III 30th Street Station
4. Chicago Union Station
5. Los Angeles Union Station
6. Boston South Station
7. Sacramento Valley Station
8. Baltimore Penn Station
9. Albany-Rensselaer Station
10. Santa Fe Depot Station
11. Providence Station
12. Wilmington Station
13. BWI Rail Station
14. Newark Penn Station
15. King Street Station
16. New Haven Union Station
17. Milwaukee Intermodal Station
18. Boston Back Bay Station
19. Portland Union Station
20. Emeryville Station
21. Lancaster Station
22. Harrisburg Transportation Center
23. Bakersfield Station
24. Irvine Transportation Center
25. Route 128 Station

Stations and Facilities, continued

Station Signage and Branding

The presence of station signs and brand identification directly influences customer behaviors and interactions at stations. Good signage can effortlessly direct passengers through large stations and provide a positive feedback and reassurance to customers. Bad or non-existent signage can cause customer stress and uncertainty about being in the right place or knowing where to go, which is detrimental to brand identity and customer perceptions.

Amtrak is continuing its Top 100 Branding Modernization and General Signage Programs during FY 2021 and expects spending for Station Signage and Branding to remain consistent for the five-year plan period. The Top 100 Branding Modernization program seeks to replace old, outdated station branding signage in four key areas: building, monumental, ticket counter and hours of operation signage. While the scope of work will vary from station to station the key objective will be to provide focus and quick signage improvements using pre-determined signage standards. The fabrication and installation of new branding signs will launch during FY 2021, and after the Top 100 stations have been addressed will transition to the remainder of the stations.

The General Signage Program consists of the replacement of damaged or missing wayfinding or station signs. In limited cases, this will include a full signage package to update all station signs Station Upgrades Program

The Station Upgrade Programs provide smaller scale capital improvements for stations across the network aimed at directly improving safety and the passenger experience. Examples include new ticket counters, platform lighting, restroom fixtures and HVAC systems.

Vertical Transportation Equipment

Vertical Transportation Equipment includes the inspections and maintenance required to keep escalators and elevators safe and operational. The goal is improving the safety and readiness of equipment for customers while reducing the annual number of injuries to customers. For FY 2021, escalator improvements programs will continue and a pilot monitoring program that will provide real-time notifications of out of service escalators to facility managers and generate work orders for repairs will be added.

Network Stations Facilities Management

The Network Stations Facilities Management program consists of procuring a professional facilities management firm to provide preventative and reactive maintenance at stations. Areas covered include: landscaping, lighting, HVAC, electrical, plumbing, fire/life safety, doors and locks, and window cleaning One key benefit of this approach include the establishment of a toll-free number to report deficiencies and issues reporting by the District Managers. In addition, the program will also allow for data collection of work items and warranties to provide a maintenance history for each station, and the development of better data on the costs associated with operating stations.

Major Stations Facilities Management

Under the Major Stations Facilities Management program, dedicated facilities managers for each major station oversee professional facilities maintenance and cleanliness contracts. The work covered ranges from general maintenance, to capital improvements, support of major station development, and coordination of work and maintenance issues with a variety of state and transportation partners, other station users, and labor representatives.

PLANS FOR ADDITIONAL FUNDING

The need for station improvements is high. Prior to COVID-19 many stations were experiencing strained capacity and services as burgeoning ridership butted against antiquated or historic stations which were not designed for modern facility requirements and technology, accessibility, or the number of people using them. Several programs have been developed for future work to bring Amtrak stations into a state of good repair and modernize and right-size stations to meet future needs.

Programs and Initiatives

Subject to funding availability over the next five years and beyond, Stations and Facilities plans to launch the following programs requiring approximately $290 million in capital investment. Elements that could be completed within a five-year timeframe include:

Roofing Program. Re-roof and/or repair Amtrak responsible roofs at stations facilities—including crew bases.

HVAC Program. Replace HVAC units at stations and crew bases.

Signage and Branding Program. Fully roll out complete branding and signage overhauls to all stations.

Landscaping Program. Re-landscape, replace, or repave the station grounds, parking and exteriors.

Painting Program. Repaint and clean station interiors and exteriors.

Lighting Program. Upgrade platform lighting to current Amtrak standards at all platforms.

Doors and Locks. Upgrade stations to swipe locks.

Furniture Upgrade. Upgrade and replace Amtrak station furniture.

Flooring Upgrade. Replace floor tiles and carpeting.

Restroom Upgrades. Replace all fixtures.

Station Ownership and Maintenance. Assume maintenance responsibility, through ownership change or agreement, of select third-party owned stations.

Additionally, Station and Facilities would begin larger scale initiatives that would extend beyond five-years of approximately $150 million in capital investment, to include:

Station right-sizing. Planning and development of new, replacement stations that align with future needs.

Facility Overhauls. Complete rehab of select crew or stations.

MAJOR STATIONS PROGRAMS

Our plan also includes continued improvements at major stations in Chicago, New York, Philadelphia, Baltimore, and Washington.

Chicago

In Chicago, we continue to make progress in modernizing and expanding Chicago Union Station (CUS) by advancing both the Master Development and Master Plan programs. Utilizing proceeds from Amtrak's sale of the parking garage to Riverside Investment & Development and the purchase of City air rights, Amtrak has nearly completed creating a new ADA-accessible Clinton Street entrance and reactivating the former Fred Harvey Restaurant space that has remained dormant since being destroyed by fire over forty years ago. Amtrak will complete its landlord work in early FY 2021 and will continue the search for a food hall operator who will fit-out this space and operate it as a customer amenity and revenue source for Amtrak. Remaining sale proceeds will then be used to begin work to reactivate additional unused spaces within the station, such as the former Metro Deli space.

As part of the CUS Master Plan, Amtrak is currently leading design efforts to reactivate the High-Level Mail Platform for passenger use. This critical project will not only provide the first level-boarding platform at CUS, but it will also provide the much-needed additional rail capacity and operational flexibility required to implement future platform improvement projects.

As funding becomes available in future years, Amtrak and its Partners (Metra, City of Chicago, Regional Transportation Authority, and others) will work together to advance additional Master Plan projects, including the Concourse Improvement project, expansions of platforms 2/4, 6/8 and 10/12, and trainshed ventilation improvements.

New York

Working with the Metropolitan Transportation Authority and NJ TRANSIT (NJT), we commissioned the development of a new Master Plan for New York Penn Station. With the assistance of a multi-disciplinary consultant team, the Master Plan aims to transform Penn Station to improve customer experience, increase passenger handling capacity, and restore the status of Penn Station as a world-class transportation facility. The Master Plan also seeks to create a unified vision of the larger transportation complex created by the renovation of Penn Station, the opening of the Moynihan Train Hall, and an anticipated future Penn Expansion—collectively called the Empire Station Complex. This plan is coordinated with Empire State Development Corporation-sponsored General Project Plan for the larger Penn District, which will imagine Transit and Public Realm improvements to be funded via an increase in commercial density in the area surrounding the station. We expect a preferred design alternative for the Master Plan to be chosen and advanced to 5% design by early 2021.

The Major Stations group is undertaking an Interim Improvements Plan for New York Penn Station, to identify short-term improvements that can be implemented after we move most of our passenger-facing operations and services to Moynihan Train Hall and vacates certain operational spaces. This plan seeks to strengthen connections between Penn Station and Moynihan Train Hall, as well as optimize retail opportunities that serve all passengers. In addition, we are conducting a State of Good Repair Assessment, identifying station assets that need improvements and upgrading, via a Capital Improvements Plan.

Several capital improvement projects have recently been completed or are currently underway. They include near-term improvements to the Ticketed Waiting Area and Platform Improvements Project to deliver unified wayfinding on the platforms in time for Moynihan Train Hall opening, and refreshed finishes and lighting on Platforms 3-8. The modernization of elevator C2 is expected to be completed in early 2021, followed immediately by work on elevator P4. We are working with NJT to implement a unified facility wayfinding plan under which updated signage is being installed throughout the station to help all passengers navigate its expanded area.

Philadelphia

At Philadelphia Gray 30th Street Station, we continue to advance activities to implement the 30th Street Station District Plan following selection of the master developer.

The Master Development Implementation is a strategic partnership under which Amtrak is partnering with the master developer to advance station improvements to address a backlog of deferred maintenance; improve station operations; enhance the customer experience for current customers and in anticipation of future growth in ridership; modernize corporate offices; and revive the historic station as a customer-oriented gateway and civic destination. Amtrak seeks to achieve these goals through consolidation of employee functions; improvement of operations and retail opportunities; renovation of corporate offices; and the restoration of historic fabric. In addition to providing financing support, the master developer brings project delivery, asset management, and commercial development expertise to the table to help Amtrak cultivate a first-class customer experience, while maximizing station performance and value.

Washington

In Washington, we are working with the FRA to advance the Washington Union Station Expansion Project to transform this vital transportation hub while preserving the iconic historic station building. The proposed Project is intended to provide a reliably high-quality customer experience, with improved access to increased rail service.

Benefits include:

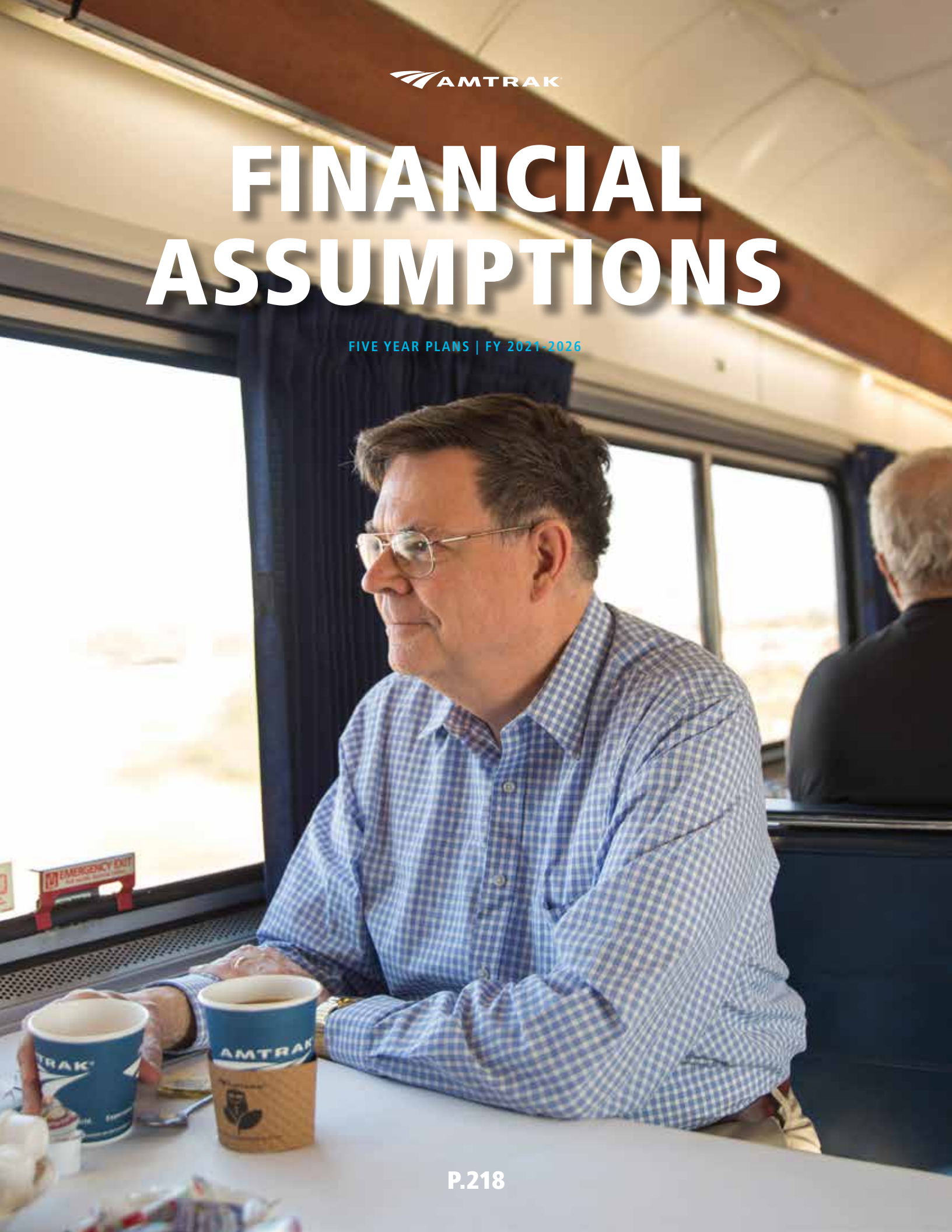
- **New concourse space** to improve connections for station users.
- **New tracks and platforms** to allow for additional capacity.
- **New train hall** to provide light and air over the tracks.
- **New bus and parking facilities.**
- **Improved pedestrian spaces** and additional entrances.
- **Additional bicycle facilities.**
- **Improved vehicular circulation** and pick-up/ drop- off areas.

Baltimore

In Baltimore, we are developing a comprehensive multi-modal approach to station planning and design with Penn Station Partners, commuter rail and transit partners, and local stakeholders that incorporates all modes and retains the flexibility needed for future changes in mobility.

A complete station redevelopment is planned, including state of good repair improvements to the historic station, concourse modernization, and station expansion. Design is underway for the first phases of Amtrak's improvements to the station with a focus on securing the building envelope; providing increased, safe and accessible access to the station; and expanding customer facing concourse facilities including front and back-of-house operations, amenities and retail.

Future transit-oriented commercial development will provide additional density as part of the overall station district development and integrate with Amtrak and MARC customer interfaces at Baltimore Penn Station. Design and construction will proceed over the next three to five years with phases implemented through the Master Developer Partnership and managed through long term ground leases.



FINANCIAL ASSUMPTIONS

FIVE YEAR PLANS | FY 2021-2026

ACCOUNT STRUCTURE FRAMEWORK

Amtrak's five-year plans support the account structure required by FAST Act Section 11201, codified at 49 U.S.C. § 24317, to promote efficient use and stewardship of Amtrak funds and enhance transparency. This account structure is designed around the distinct missions, customers, and revenue profiles of Amtrak's services. Service lines are supported by asset lines that provide the necessary resources to the service lines to produce revenue.

The FAST Act authorizes a Northeast Corridor (NEC) grant for the NEC main line between Washington and Boston, and a National Network grant for State Supported and Long Distance routes which supports operating and capital expenses.

Segregation of this funding and the revenues from each service line ensure that:

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

Amtrak's Service & Asset Lines

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

Forecast Methodology

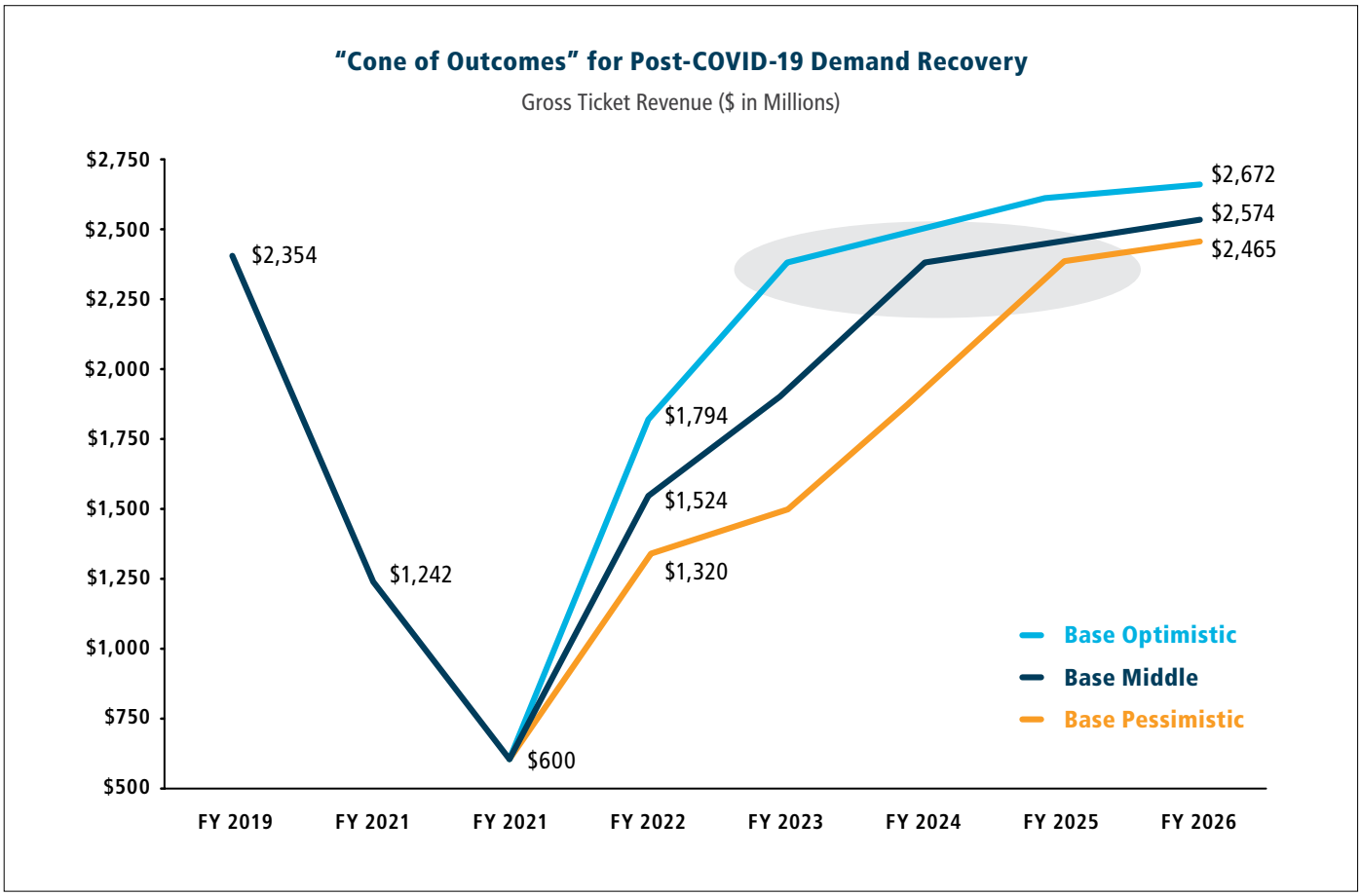
This year's Plan forecasts a world vastly different from that envisioned by last year's Plan due to the COVID-19 pandemic. As described here and in the Plan, since travel demand dropped precipitously starting in March of 2020, Management, has adapted the company to the new realities of COVID-19 and the years ahead.

During 2020 Amtrak, with the support and involvement of its federal and State Partners, modified health and safety procedures, train frequencies, capital projects, information systems, customer and employee communications, expenditures, and the staffing of the company itself through voluntary and involuntary separation programs—virtually every activity of the company was affected. The Plan describes Management's range of forecasts for how and when travel demand, train operations, and expenses will return to pre-COVID-19 levels (generally defined as FY 2019) during the five-year Plan horizon.

In addition, the Plan also contains Management's bold aspirational vision for not only returning to pre-COVID-19 activities, but for growing and thriving far beyond by improving our existing infrastructure and expanding operations onto new and expanded corridors nationwide. The aspirational proposals include projects on the NEC to improve or replace multiple bridges, upgrade catenary, improve track alignments, and expand and renew stations. Off-NEC projects would help improve OTP and increase speeds on host railroads. Amtrak has also identified approximately sixty new or expanded corridors where, as a result of the preliminary analysis, Amtrak believes intercity passenger rail should be introduced or expanded over the next fifteen years to provide a valuable and necessary travel alternative, adding service in communities large and small to Amtrak's pre-COVID-19 route network. Additional rolling stock would also be acquired to support these ventures. These aspirational growth plans can become reality through sustained federal funding at the levels suggested in Amtrak's Reauthorization and General and Legislative Annual Report proposals.

Plan financials are built with the continuation of assumptions from the FY 2021 Annual Operating Plan (AOP). The Plan continues to set a path for operational improvement and includes more robust assumptions on key capital project needs (Fleet acquisition, Gateway, key infrastructure projects, etc.), along with refined funding assumptions highlighting the need for additional discretionary Federal funding. Unlike prior years, the Plan has a large number of assumptions, reflecting the uncertainty around the demand recovery timing, and the levels of ridership and revenue for the next 12-24 months. Management anticipated that the continued impact of COVID-19 would require a nimble and responsive process with respect to capital spend planning, capacity adjustments, and service level changes. As a result of this fluid and changing environment, Management developed a capacity and driver-based Plan flexible enough to incorporate multiple demand and capacity recovery scenarios, resulting in a cone of outcomes. Each of these demand and capacity scenarios identifies a level of external financial support necessary to achieve the same target for ending cash level.

To define the cone of outcomes, Management developed six operating scenarios; three are based on demand recovering to FY 2019 Pre-COVID-19 levels in FY 2023, FY 2024, or FY 2025. These three scenarios envision capacity recovering to FY 2019 Pre- COVID-19 in FY 2023. The three remaining scenarios envision the same demand recovery, but with capacity recovering to FY 2019 Pre-COVID-19 levels in FY 2024.



In addition to these six operating scenarios, we developed a baseline capital scenario and an aspirational capital scenario. The three base demand recovery cones of outcomes are displayed above, but with this context, we built a detailed Plan using the "base middle scenario" based on the following assumptions:

- Suppressed travel demand and growing economic distress will continue through FY 2021;
- Gross Ticket Revenue and Ridership levels return to pre-COVID-19 levels in FY 2024;
- Capacity recovery, including resumption of daily Long Distance service, begins in FY 2022 and achieves pre-COVID-19 levels in FY 2023, slightly ahead of the scenario for demand recovery so as not to stifle demand recovery, should it occur more quickly than assumed;
- Continuation of most major capital priorities with an annual bill of $3B to $3.5B;
- Continued focus on cash preservation; and
- Federal funding request in annual and supplemental funding which prioritizes maintaining optimal cash levels and maintaining service across the entire network to match demand.

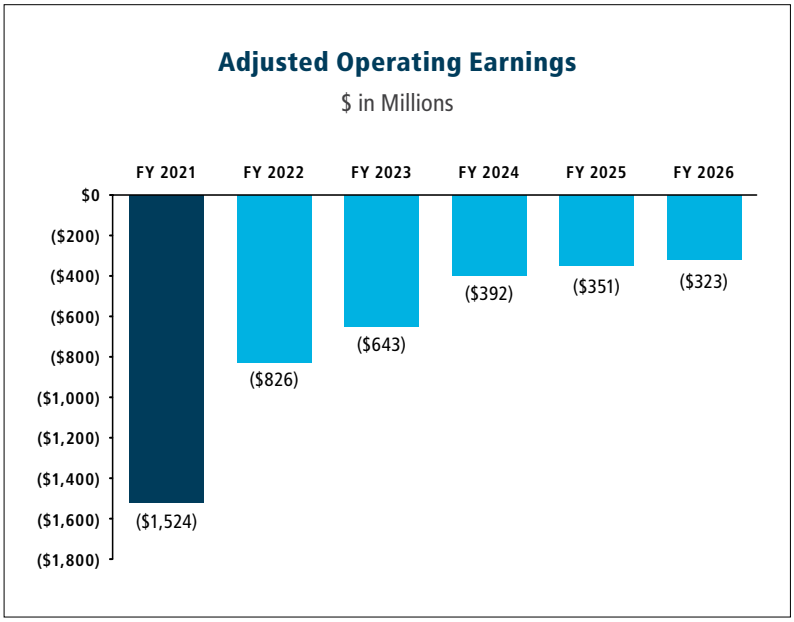
The amount of federal funding assumed in the Plan (annual grant and supplemental grant) was a calculated number (output) in order to maintain cash at our assessed optimal levels of $2.0B based on the minimum cash obligations philosophy, the projected capital spend, and maintaining operations to scale the business in response to changing conditions.

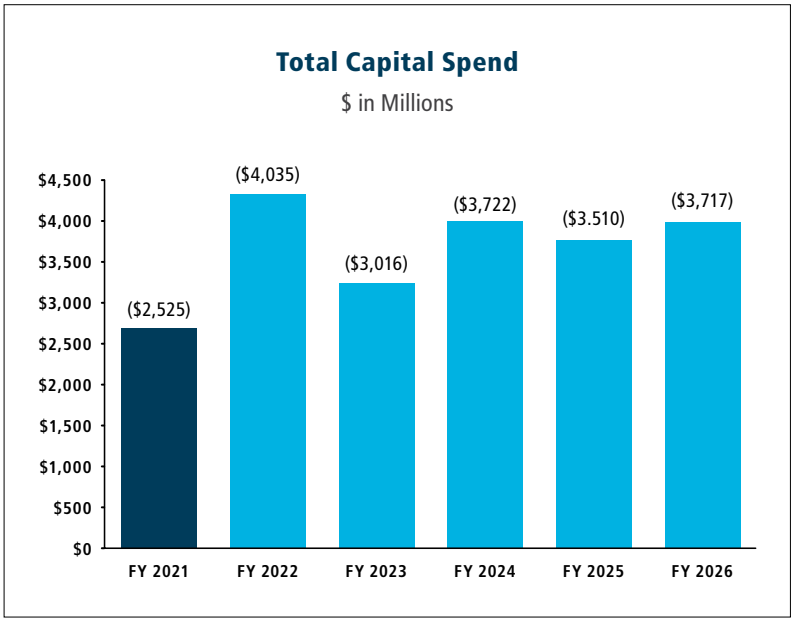
REVENUE GROWTH VERSUS COST GROWTH

The main theme of the Adjusted Operating Results in all of the scenarios is that while revenues return to pre- COVID-19 levels by FY 2024, with growth continuation in the five-year timeframe, they are exceeded by the compounding effect of costs over that time, that include assumed labor agreement increases and inflation. The result is a significant improvement of the Adjusted Operating Results during the five-year timeframe but not to the levels of pre-COVID-19 financial performance.

The Plan **Adjusted Operating Earnings** targets bottom line improvement beginning in FY 2022 and assumes route and service changes beginning in FY 2022 and continuing through to the introduction of the *Acela* 21 program. While network and policy changes could significantly alter these assumptions, the Plan reflects an extension of the current policy and approximate levels set forth in the FAST Act. **Expense grows at a 2.5% compound annual growth rate (CAGR) from FY 2019 through FY 2026, while revenue lags behind at 1.4%.** The base Operating plan indicates Amtrak will not achieve breakeven over the 5 year planning horizon (unit revenue will not catch up to unit cost). However, management will continue to work on cost escalation mitigations as we set goals to reduce key components of our cost structure (i.e., reducing labor incremental impact, achieve work rule benefits, use technology implementations, and process automation that optimize spend) and continue to look for efficiencies throughout the 5 year planning horizon.

The 5 Year Base (non-Aspirational) **Capital Plan** centers around the core themes of Production in order to maintain the railroad and associated infrastructure, Re-fleeting through the acquisition of new rolling stock and its associated facilities as well as maintaining and upgrading Major Bridges and Tunnels. Additionally, the Plan will focus on Construction and Technology upgrades for new infrastructure and IT assets designed to drive customer satisfaction, employee productivity and operational excellence.





Level of Operations

The Level of Operations compiled for the Plan includes key statistics and other information about how much capacity and scheduled train activity Amtrak expects to operate over the five-year planning horizon (FY 2022 through FY 2026). A key component to the operating Plan is adjusting capacity across the network to match anticipated demand. The level of operations serves as a key input in developing the Plan and includes frequencies, train miles, available seat/berth miles, station departures/arrivals, train and car hours, number of cars required, and fleet utilization. As a measure of capacity recovery, the scenario included in the Plan assumes full recovery to FY 2019 (pre-COVID-19 levels) in FY 2023. Key assumptions incorporated into the Plan Level of Operations include:

Capacity increases across all service lines at varying levels over the five-year plan horizon:

- Train Miles, Seat Miles, and Frequencies reach 91%–96% of FY 2019 levels in FY 2022 and exceed pre-COVID-19 operations in FY 2023.
- *Acela* returns to FY 2019 schedule in FY 2022. Capacity continues to increase in FY 2023 with the rollout of the new *Acela* trainsets (60% y/y increase in Seat Miles, 46% increase in Frequencies, and 28% increase in Train Miles) and remains constant through FY 2026.
- NEC service (including all Virginia trains) increases modestly beginning in FY 2022 to meet ridership demand, and includes the addition of a new Norfolk frequency; however, operations remain below FY 2019 pre-COVID-19 levels as capacity is shifted to *Acela* with the launch of the new trainsets.
- As demand recovers, Horizon fleet is replaced by new Siemens Venture cars as they become available and the mothballed fleet is restored to support full plan including consist expansions.
- State Partners will make their own determinations about desired levels of service and pace of restoration, so frequency plans for these routes will continue to evolve. However, the Plan assumes base service will remain at FY 2020 levels with 15 route expansions beginning in FY 2022. Expansions include;
  - → Four frequency increases or route extensions beginning in FY 2022 (*Hiawatha* 8th roundtrip, *Pacific Surfliner* 14th roundtrip, Norfolk 3rd roundtrip, *Ethen Allen* extension to Burlington).
  - → Six frequency increases or route extensions beginning in FY 2023 (Capitols expansion, Keystones 14th roundtrip, Lynchburg 2nd roundtrip, Cascades 5th & 6th roundtrips, plus two new routes, Gulf Coast and Chicago-Twin Cities).
  - → One frequency increase beginning in FY 2024 (Piedmont 4th roundtrip), and two frequency increases beginning in FY 2025 (Hiawatha 9th & 10th roundtrips), plus a new Chicago-Moline route.
- For Long Distance routes, Management is assuming a return to daily service in FY 2022 for all routes that had daily frequencies pre-COVID-19. Sufficient fleet will be restored to accommodate daily service and will remain constant through FY 2025 when additional capacity will be added on two Viewliner routes (as was planned pre-COVID-19).

Key Capacity Statistics FY 2019–FY 2026

	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026
Train Miles (Millions)	38.1	31.0	21.7	36.4	39.4	41.4	42.2	42.6
Seat Miles (Millions)	12,702.8	9,771.7	7,238.7	11,596.6	12,722.3	13,516.5	14,433.4	14,602.6
Frequencies	108,514	81,626	63,120	103,712	115,596	121,175	124,095	125,268

Operating Overview

Adjusted Operating Results (AOP) over the five-year planning horizon are expected to steadily improve from a FY 2021 AOP of ($1.52B) to an improved loss of ($323.3MM) in FY 2026.

Operating P&L FY 2021–FY 2026

($s in Millions)	Board Plan FY 2021	5 Year Plan FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	Y/Y Growth 22-21	23-22	24-23	25-24	26-25
Ticket Revenue (Adjusted)	$ 592.4	$ 1,509.1	$ 1,871.5	$ 2,311.0	$ 2,439.5	$ 2,547.8	154.8%	24.0%	23.5%	5.6%	4.4%
Food & Beverage	19.9	41.4	51.4	62.6	65.5	68.2	107.6%	24.0%	21.9%	4.6%	4.0%
State Supported Train Revenue	185.7	323.5	290.4	229.0	240.1	251.4	74.2%	(10.2%)	(21.1%)	4.9%	4.7%
Subtotal Passenger Related Revenue	**798.0**	**1,874.0**	**2,213.3**	**2,602.6**	**2,745.1**	**2,867.4**	**134.8%**	**18.1%**	**17.6%**	**5.5%**	**4.5%**
Other Core Revenue	305.8	333.7	347.7	361.9	371.1	379.7	9.1%	4.2%	4.1%	2.5%	2.3%
Ancillary Revenue	337.4	363.1	376.6	393.5	405.2	417.3	7.6%	3.7%	4.5%	3.0%	3.0%
Total Revenue	**1,441.2**	**2,570.8**	**2,937.6**	**3,358.0**	**3,521.4**	**3,664.3**	**78.4%**	**14.3%**	**14.3%**	**4.9%**	**4.1%**
Salaries	324.6	371.5	382.7	394.2	406.0	418.2	14.4%	3.0%	3.0%	3.0%	3.0%
Wages & Overtime	899.8	997.3	1,076.4	1,140.8	1,184.1	1,226.1	10.8%	7.9%	6.0%	3.8%	3.5%
Employee Benefits	587.6	692.4	729.9	766.3	793.7	820.2	17.9%	5.4%	5.0%	3.6%	3.3%
Employee Related	26.6	30.6	31.9	33.2	34.0	34.8	15.3%	4.2%	3.9%	2.5%	2.3%
Salaries, Wages & Benefits	1,838.6	2,091.9	2,220.9	2,334.5	2,417.8	2,499.3	13.8%	6.2%	5.1%	3.6%	3.4%
Train Operations	221.8	274.0	288.2	300.4	310.4	319.5	23.5%	5.2%	4.2%	3.3%	2.9%
Fuel, Power & Utilities	182.0	227.9	237.0	243.8	249.3	254.1	25.2%	4.0%	2.8%	2.3%	1.9%
MMR	102.7	151.6	158.9	166.7	173.8	177.2	47.7%	4.8%	4.9%	4.2%	2.0%
Facility, Communication & Office	191.9	195.6	199.6	203.5	207.6	211.8	1.9%	2.0%	2.0%	2.0%	2.0%
Advertising and Sales	43.8	67.3	84.0	103.9	110.8	116.9	53.7%	24.8%	23.6%	6.6%	5.6%
Casualty and Other Claims	40.2	61.0	66.4	71.3	74.0	76.6	51.7%	8.9%	7.3%	3.9%	3.4%
Professional Fees & Data Processing	164.4	179.7	185.3	190.9	195.3	199.5	9.3%	3.1%	3.0%	2.3%	2.2%
All Other Expense	147.9	147.0	146.0	146.7	147.1	147.4	(0.6%)	(0.7%)	0.5%	0.3%	0.2%
Transfer to Capital & Ancillary	(231.5)	(265.1)	(276.9)	(288.0)	(295.5)	(302.4)	(14.5%)	(4.5%)	(4.0%)	(2.6%)	(2.3%)
Core Expense	**2,701.8**	**3,131.1**	**3,309.3**	**3,473.6**	**3,590.6**	**3,699.9**	**15.9%**	**5.7%**	**5.0%**	**3.4%**	**3.0%**
Ancillary Expense	263.5	265.7	271.1	276.5	282.0	287.7	0.8%	2.0%	2.0%	2.0%	2.0%
Total Expense	**2,965.4**	**3,396.8**	**3,580.4**	**3,750.1**	**3,872.7**	**3,987.6**	**14.5%**	**5.4%**	**4.7%**	**3.3%**	**3.0%**
Adjusted Operating Results	**$ (1,524.2)**	**$ (826.0)**	**$ (642.8)**	**$ (392.1)**	**$ (351.2)**	**$ (323.3)**	**45.8%**	**22.2%**	**39.0%**	**10.4%**	**8.0%**
Operating Margin	***(105.8%)***	***(32.1%)***	***(21.9%)***	***(11.7%)***	***(10.0%)***	***(8.8%)***					

The Plan assumes demand recovery to pre-COVID-19 levels in FY 2024 (ridership level achieves 105% and gross ticket revenue achieves 99%) with gross ticket revenue growth accelerating through FY 2024 then leveling off to an average of 4% growth through FY 2026. This growth is primarily driven by ridership gains as average ticket price never fully recovers to pre-COVID-19 levels by the end of the planning horizon. In addition, variable expense growth follows capacity increases.

Key Metrics FY 2019–FY 2026

	Actuals FY 2019	AOP FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	Growth 19 - 21	21 - 22	22 - 23	23 - 24	24 - 25	25 - 26	FY19 - FY26 CAGR
Ticket Revenue	$ 2,354.3	$ 600.3	$ 1,524.5	$ 1,890.6	$ 2,334.7	$ 2,464.5	$ 2,574.1	-74.5%	154.0%	24.0%	23.5%	5.6%	4.4%	1.3%
Total Revenue	$ 3,322.9	$ 1,441.2	$ 2,570.8	$ 2,937.6	$ 3,358.0	$ 3,521.4	$ 3,664.3	-56.6%	78.4%	14.3%	14.3%	4.9%	4.1%	1.4%
Total Expense	$ 3,352.2	$ 2,965.4	$ 3,396.8	$ 3,580.4	$ 3,750.1	$ 3,872.7	$ 3,987.6	-11.5%	14.5%	5.4%	4.7%	3.3%	3.0%	2.5%
Seat Miles *(in millions)*	12,702.8	7,238.7	11,596.6	12,722.3	13,516.5	14,433.4	14,602.6	-43.0%	60.2%	9.7%	6.2%	6.8%	1.2%	2.0%
Load Factor	51%	24%	40%	44%	50%	48%	48%	-52.5%	64.1%	11.5%	12.3%	-3.7%	1.0%	-0.8%
Train Miles *(in millions)*	38.1	21.7	36.4	39.4	41.4	42.2	42.6	-43.2%	68.2%	8.1%	5.1%	2.0%	1.0%	1.6%
Frequency	108,514	63,120	103,712	115,596	121,175	124,095	125,268	-41.8%	64.3%	11.5%	4.8%	2.4%	0.9%	2.1%
Ridership *(in thousands)*	32,519	8,589	22,608	28,060	34,064	35,180	35,988	-73.6%	163.2%	24.1%	21.4%	3.3%	2.3%	1.5%
RTM	$ 87.2	$ 66.5	$ 70.6	$ 74.6	$ 81.2	$ 83.5	$ 86.0	-23.7%	6.0%	5.7%	8.8%	2.8%	3.1%	-0.2%
CTM	$ 88.0	$ 136.9	$ 93.2	$ 90.9	$ 90.7	$ 91.8	$ 93.6	55.6%	-31.9%	-2.5%	-0.3%	1.2%	2.0%	0.9%
Average Ticket Yield	$ 0.36	$ 0.34	$ 0.33	$ 0.34	$ 0.35	$ 0.36	$ 0.36	-6.1%	-3.1%	1.4%	3.5%	2.7%	2.2%	0.0%
Average Ticket Price	$ 72.40	$ 69.67	$ 67.43	$ 67.38	$ 68.54	$ 70.06	$ 71.53	-3.8%	-3.2%	-0.1%	1.7%	2.2%	2.1%	-0.2%

REVENUE AND RIDERSHIP

Plan revenue and ridership growth are underpinned by the three main factors previously discussed:

- Service recovery following COVID-19 demand reductions in FY 2020 that have continued into FY 2021.
- Service expansion across State Supported routes.
- Launch of the new *Acela* fleet.

With the combination of these three factors, year over year Ticket Revenue growth is expected at 155% in FY 2022, 24% in FY 2023 and 23.5% in FY 2024 before slowing down to 5.6% in FY 2025 and 4.4% in FY 2026.

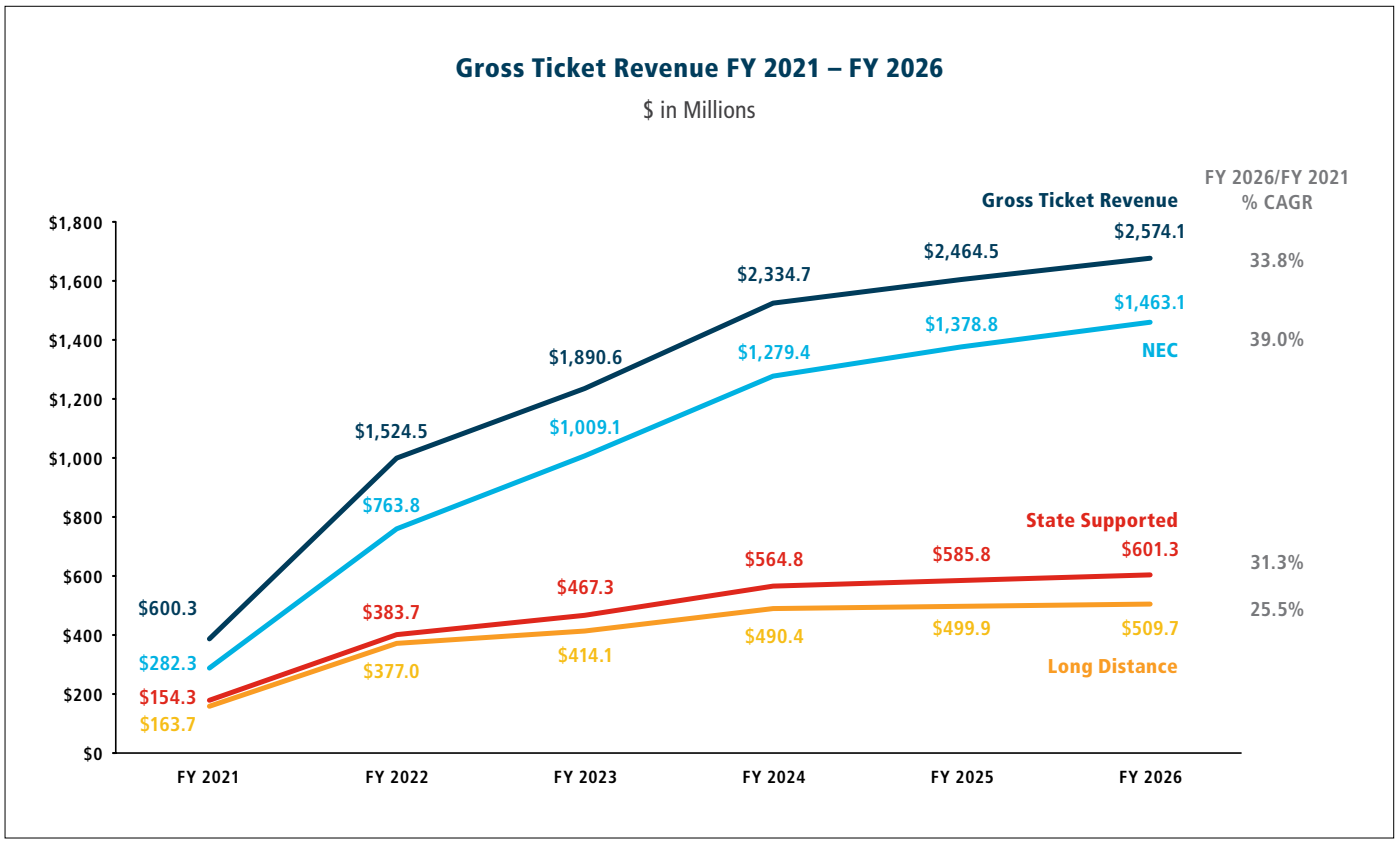
Ridership follows a similar profile, growing 163% in FY 2022, 24% in FY 2023 and 21% in FY 2024 before slowing down to 3.3% and 2.3% in FY 2025 and FY 2026, respectively. In total, this represents a seven year CAGR of 1.3% in ticket revenue over FY 2019 actuals, and a 1.5% CAGR for ridership over the same period. Baseline projections include assumptions for market growth, price changes, and service adjustments.

With the *Acela* 21 program, significant ridership growth is expected in the NEC (though toward the end of the five year planning period) in line with increased capacity. The *Acela* assumptions, consistent with the expected level of operations, include the following:

- Reduced service and equipment levels will operate through FY 2021.
- Schedules return generally to pre-COVID-19 service levels and new trainsets replace the existing fleet starting in FY 2022, opening up the possibility for different mixes of service between NER and Acela;
- New schedule with added frequencies and increased capacity in place in FY 2023 continuing through FY 2026, increasing the supply of Acela seats by 60%.

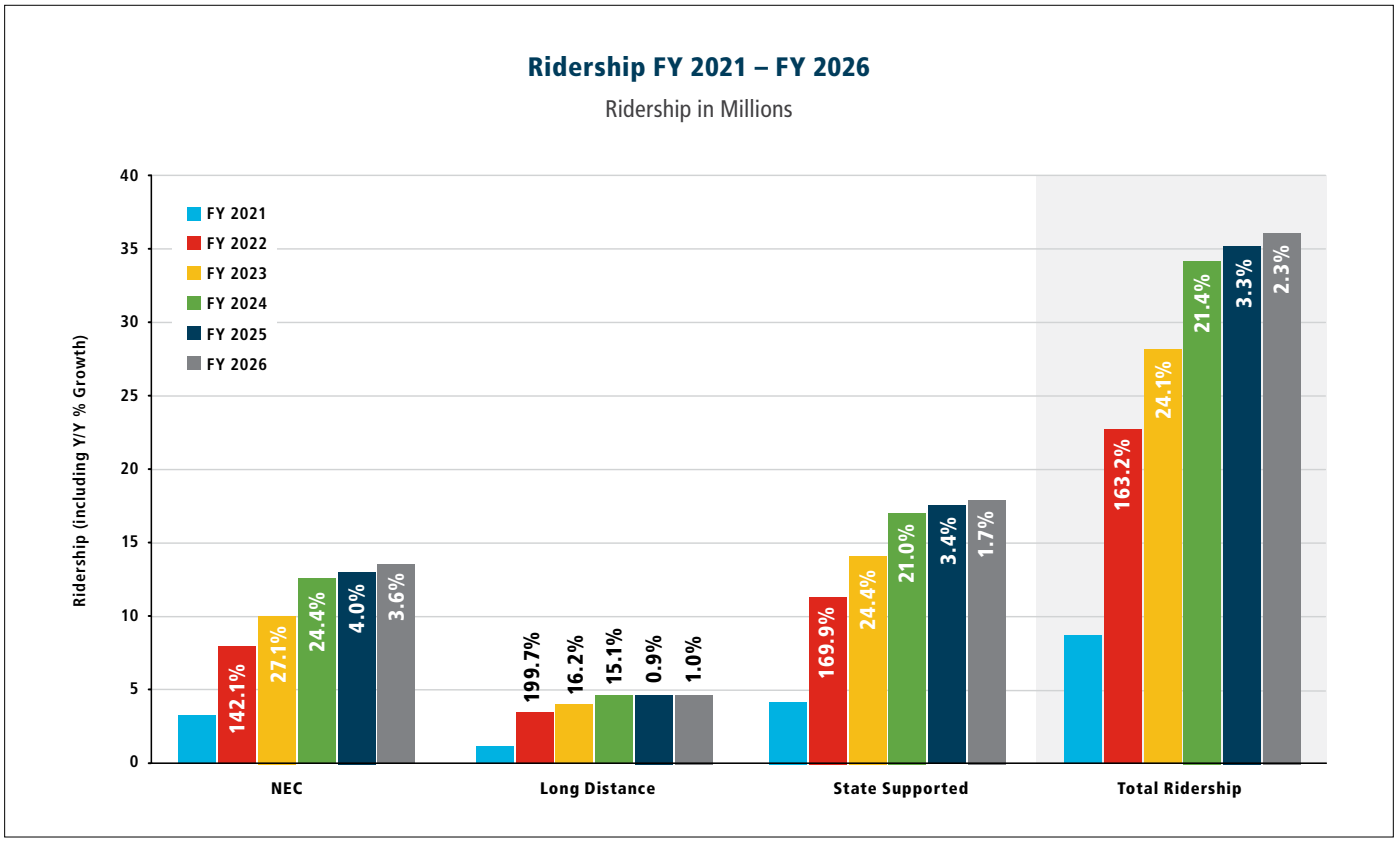
All Other Revenue is expected to follow a similar growth trend, with growth front loaded in the beginning of the planning horizon and then tapering off to low single digit growth in subsequent years, line with historical trends and inflation.

- **Food & Beverage revenue** is aligned with growth in ridership;
- **State Supported revenue** (PRIIA 209 Operating payments) is assumed to recover to near breakeven based on PRIIA 209 methodology or the possibility of supplemental Federal funding for these services in FY 2022 and continue as such through FY 2026;
- **Commuter revenues** increase 7% in FY 2022 as service returns to pre-COVID-19 levels, and then returns to annual growth of 3% through FY 2026, based on agreement labor expense growth assumptions;
- **Commercial revenue** growth accelerates from 3% in FY 2022 to 10% in FY 2024 as the negative impacts of COVID-19 on retail and advertising subside in the next two to three years, and then returns to annual growth of 3% thereafter;
- **Reimbursable revenue** is assumed to maintain constant growth of 3% in line with GWI; and
- **Infrastructure revenue** increases by 5% in FY 2022 as PRIIA 212 nears 100% funding and then grows at 2.5% thereafter.



Gross Ticket Revenue FY 2021 – FY 2026

($s in Millions)	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	5Y Total FY 2022 - FY 2026	Y/Y Growth 22-21	23-22	24-23	25-24	26-25
NEC	$ 282.3	$ 763.8	$ 1,009.1	$ 1,279.4	$ 1,378.8	$ 1,463.1	$ 5,894.2	171%	32%	27%	8%	6%
State Supported	154.3	383.7	467.3	564.8	585.8	601.3	2,603.0	149%	22%	21%	4%	3%
Long Distance	163.7	377.0	414.1	490.4	499.9	509.7	2,291.1	130%	10%	18%	2%	2%
Gross Ticket Revenue	**$600.3**	**$1,524.5**	**$1,890.6**	**$2,334.7**	**$2,464.5**	**$2,574.1**	**$10,788.4**	**154%**	**24%**	**23%**	**6%**	**4%**
% of FY 2019	*25%*	*65%*	*80%*	*99%*	*105%*	*109%*						



Ridership FY 2021 – FY 2026

(Ridership in Millions)	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	5Y Total FY 2022 - FY 2026	FY21/FY26 CAGR	Y/Y Growth 22-21	23-22	24-23	25-24	26-25
NEC	3.27	7.92	10.07	12.53	13.03	13.50	57.05	32.8%	142%	27%	24%	4%	4%
State Supported	4.18	11.28	14.03	16.98	17.56	17.85	77.70	33.7%	170%	24%	21%	3%	2%
Long Distance	1.14	3.40	3.95	4.55	4.60	4.64	21.15	32.5%	200%	16%	15%	1%	1%
Ridership	**8.59**	**22.61**	**28.06**	**34.06**	**35.18**	**35.99**	**155.90**	33.2%	**163%**	**24%**	**21%**	**3%**	**2%**
% of FY 2019	*26%*	*70%*	*86%*	*105%*	*108%*	*111%*							

MACRO CONDITIONS & RECOVERY PATTERN ASSUMPTIONS

Key Expense Drivers for Baseline Scenario

Variable expense growth over the planning horizon follows capacity changes in the level of operations, and so ramps up steadily from FY 2022 to FY 2026 with both service recovery and expansion as well as the launch of the new *Acela* trainsets, while discretionary and regulatory expenses grow with inflation at 2% per year based on expected vendor price increases (no management adjustments or expense reduction initiatives are assumed). Growth in key expense drivers is as follows:

Labor Expense (Operations Management) headcount is assumed to gravitate to Pre-COVID-19 FY 2019 levels starting in FY 2022. This assumes the self-help actions related to operations management headcount that the organization took in FY 2021 will be largely reversed in FY 2022 to support full service of Long Distance and following the recovery of capacity. Salary expense then grows at 3% per year thereafter based on merit increases.

Labor Expense (Agreement) wages and overtime are expected to increase steadily through the planning period in line with service recovery and expansion (volume), and the inclusion of assumed GWI increases of 3% per year after the current labor agreements expire. Transportation wages vary in line with capacity, while other crafts (Stations, Mechanical, Engineering, and Other) remain relatively flat through the period. With respect to overtime (OT), Transportation OT follows capacity growth. Mechanical OT returns to pre-COVID-19 levels as new fleet comes online and shops are at capacity, and Stations OT sees double digit growth following FY 2021 decreases and sustained lower headcount (relative to pre-COVID-19 staffing).

Benefits Expense is expected to increase steadily at an average of 5% over the five year planning horizon. This assumes that 50% of the growth is attributed to volume from increasing management and labor staffing levels (to support increased capacity across the network), while the remaining 50% is attributed to increases in rate. The annual rate increases are assumed at 3% per year based on average vendor rates (assumed that average vendor rate of 4% increase would be offset by 1% in benefits initiatives to renegotiate and/or pass costs onto employees).

Fuel Expense increases dramatically in FY 2022, driven largely from volume as Amtrak builds back to full capacity. Fuel expense growth increases slightly in FY 2023 from increased capacity (primarily new State Supported routes) and then levels off at 2% annual increase for FY 2024 through FY 2026. Rate assumption is based on November long term futures estimates (low oil price futures) for price per gallon with an average annual rate increase of 1.5%.

Host Railroad Expense assumes continued strong on time performance experienced in FY 2020 (before and during COVID-19) and FY 2021 and follows changes in capacity (increases as service recovery puts more frequencies back online).

TSSSA Expense reflects the new and existing agreements for electric and diesel locomotives, *Acela* 21, State rail cars and new Intercity Trainsets that will be entering into service that will be partially offset in other P&L line items like materials.

SG&A Expense was already substantially targeted in FY 2020 and FY 2021 in response to the COVID-19 pandemic, and prior to that with Project Zero. As a result and given the anticipated increase in service levels and capital work, major general expense reduction programs have not been included in the five year planning horizon. That said, we anticipate targeted areas of expense reduction and overall expenses will be tightly managed with low single digit growth expected through FY 2026. Exceptions to this include areas such as Advertising, which were cut to anemic levels during the pandemic and will require substantial investment to attract new riders.

Capital Overview

Total Capital spend over the five-year planning horizon (FY 2022 through FY 2026) is expected to be approximately $18.0B, averaging roughly $3.6B per year with average growth of approximately 8%.

A majority of spend is focused on re-fleeting through the ICT and associated facility expansion, maintaining Amtrak's Infrastructure in a state of good repair in the Production and Other SOGR categories, as well as advancing design and construction activity for large Infrastructure projects in the Major Bridges and Tunnels category. Other areas of spending include continuing work in Construction and Technology which includes Stations Master plans as well as all IT improvements. The $18.0B of spend is primarily funded by Federal Appropriation, PRIIA 209/212, RRIF and existing cash reserves.

In addition to our current Base Plan for spending $18.0B in capital from FY 2022 to FY 2026, Amtrak is also submitting through its reauthorization proposal to Congress an Aspirational plan that contains an additional $35.3B for infrastructure, equipment, and stations projects that would further modernize and expand the company's impact on passenger rail nationwide. The largest component of this spend will serve to develop expanded corridor service to multiple regional rail hubs, an additional $21.6B over the Base Plan. Other areas of proposed strategic investment are within Construction and Technology as well as Major Bridges and Tunnels, in order to accelerate modernization of infrastructure assets and customer-facing improvements.

Total Capital Spend (All fund sources) FY 2021–FY 2026 by Theme

($'s in Millions)	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	Total FY 22 to FY 26	Year/Year % Growth '21-'22	'22-'23	'23-'24	'24-'25	'25-'26
Production	$ 780	$ 998	$ 1,036	$ 1,001	$ 1,003	$ 1,033	$ 5,071	28.0%	3.8%	(3.4%)	0.2%	3.1%
Refleeting	839	1,049	565	1,071	1,064	1,229	4,977	25.0%	(46.1%)	89.4%	(0.7%)	15.5%
Major Bridges and Tunnels	117	547	758	1,058	911	1,012	4,286	368.3%	38.4%	39.5%	(13.8%)	11.1%
Construction and Technology	398	515	475	435	392	347	2,164	29.3%	(7.8%)	(8.3%)	(10.1%)	(11.4%)
Other SOGR	377	439	181	157	140	95	1,012	16.4%	(58.6%)	(13.5%)	(10.9%)	(32.0%)
Property Acquisition	15	487	1	1	1	1	489	3257.4%	(99.9%)	2.5%	2.5%	2.5%
Total Capital Spend	**$ 2,525**	**$ 4,035**	**$ 3,016**	**$ 3,722**	**$ 3,510**	**$ 3,717**	$ 18,000	59.8%	(25.3%)	23.4%	(5.7%)	5.9%

Note: Gateway Hudson Property Acquisition spend of $486MM delayed from FY 2021 to FY 2022.

PROJECTED CAPITAL SPEND FY 2021–FY 2026

Production spend of $5.1B: Engineering-related Infrastructure SOGR spend is expected to remain relatively flat from FY 2022 through FY 2026 after an initial ramp up from FY 2021 to FY 2022. Spend assumes continued steady state for Track replacement programs, Interlocking renewal projects, Tie and Timber programs as well as Stations and Facilities Maintenance upkeep.

Refleeting spend of $5.0B: Acquisition cost of equipment and facility modifications for the new Intercity trainsets totals $2.7B, with $1.4B for equipment and $1.3Bfor required facilities necessary to house and service new rolling stock. First Intercity Trainset delivery is expected in FY 2024. *Acela* 21's expected spend over the plan period is approximately $0.6B with $0.3B for equipment and $0.3B for required facilities modification, stations & ride quality improvements and safety related upgrades. Other Refleeting spend includes approximately $0.4B for the new ALC 42 diesel locomotives, with initial delivery expected in FY 2021.

Major Bridges and Tunnels spend of $4.3B: Significant work to expand and improve aging bridges and tunnels over the plan period leads to average annual growth rate of over 50% from FY 2021 to FY 2026. Total spend of $4.3B will be driven primarily by ramp-up for the following projects:

- B&P Tunnel ($1.4B)
- East River Tunnel Rehabilitation ($0.9B)
- Susquehanna River Bridge Replacement ($0.8B)
- Virginia Rail Transformation ($0.5B)

Construction spend of $1.3B: Spend in this category includes construction work to improve physical infrastructure beyond normal SOGR work that does not consist of major bridges and tunnels, as well as improvement work for Stations and Master Plans. Some examples of these two categories of work include:

Large Construction Projects

- Brill to Landlith OCS Improvements ($201MM)
- Newark & Davis Interlocking ($147MM)
- Clark to Ham Constant Tension Upgrade ($141MM)
- Zoo to Paoli Catenary Structure Upgrade ($141MM)

Stations and Master Plans

- Washington Union Station – 2nd Century Master Plan Program ($171MM)
- 30th St. Station Redevelopment Partnership ($103MM)
- Baltimore Station – Master Development ($73MM)
- Penn Station 7th Ave/32nd St. Entrance Renovation ($35MM)

Technology spend of $0.9B: Throughout Amtrak, there are plans to leverage technology investments to drive operational and customer improvements. The success of these investments will be dependent on, and critical to, operational and technology standardization and automation. Examples of these transformational initiatives are the Safety Management System, Next Generation Kiosks, Customer Onboard Wi-Fi, Finance and HR technology modernization, Enterprise Asset Management, Train Control System consolidation, and integration with new fleets including *Acela* 21 and the Intercity Trainsets.

Other SOGR spend of $1.0B: Investment spread across the capital portfolio that is currently on-going with a direct relation to specific initiatives such as Fleet, Infrastructure, and Facilities SOGR such as Southwest Chief annual maintenance, Engineering equipment upgrades & overhauls, existing fleet refreshes and State Supported PTC/MTEA-mitigation implementation.

Property Acquisition of $0.5B in FY 2022: These dollars are to be utilized in order to secure access rights for the new Hudson Tunnel.

Capital by Fund Source

OVERVIEW

Federal grants and prior year reserves account for approximately $14.3B or 80% of the total capital funding source. Third party capital of $1.7B includes contributions for Major Bridges and Tunnels work, such as B&P tunnel replacement and East River tunnel rehabilitation. The usage of RRIF funds of $0.6B is expected to ramp down as Acela 21 trainset and related facility & stations upgrades nears completion. The 5 Year Capital spend plan also includes $1.4B of PRIIA 212/209 funding contributions from Amtrak's State Partners.

Total Capital Spend FY 2021– FY 2026 by Fund Source

($'s in Millions)	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	Total FY 22-FY 26	Year/Year % Growth '21-'22	'22-'23	'23-'24	'24-'25	'25-'26
Annual Federal Grant Funding	$ 647	$3,197	$2,155	$2,994	$2,911	$3,041	$ 14,296	394.4%	(32.6%)	38.9%	(2.8%)	4.5%
Prior Year Funded Capital	338	-	-	-	-	-	-	(100.0%)	N/A	N/A	N/A	N/A
NEC Operationg Revenue Funded Capital	566	-	-	-	-	-	-	(100.0%)	N/A	N/A	N/A	N/A
RRIF	608	453	107	-	-	-	560	(25.5%)	(76.5%)	(100.0%)	N/A	N/A
PRIIA 209	71	55	60	61	53	53	281	(22.7%)	8.9%	2.5%	(14.3%)	0.0%
PRIIA 212	205	211	218	224	231	238	1,122	3.0%	3.0%	3.0%	3.0%	3.0%
Third Party	90	119	477	443	316	386	1,740	32.1%	301.5%	(7.1%)	(28.7%)	22.2%
Total Capital Sources	**$2,525**	**$4,035**	**$3,016**	**$3,722**	**$3,510**	**$3,717**	**$ 18,000**	**59.8%**	**(25.3%)**	**23.4%**	**(5.7%)**	**5.9%**

PRIIA 209 & PRIIA 212

Amtrak and Commuter PRIIA 212 Capital funding contributions are forecasted to increase annually by approximately 3% from the FY 2021 baseline, which is currently at 100% normalized replacement cost. Additionally, there are ongoing discussions around increasing asset base eligibility for PRIIA 212 normalized replacement cost. The current Plan does not take any of these potential increases into account.

PRIIA 209 funding is projected to decrease between FY 2021 and FY 2022 as a result of equipment being pulled out of service more extensively than in years past and lower State Supported service levels. Additionally, the current PRIIA 209 contribution forecast does not include any potential increase associated with Intercity Trainset acquisitions, as the discussions are still on-going.

Total PRIIA Contribution FY 2021– FY 2026

($'s in Millions)	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	Total FY 22 to FY 26	Year/Year % Growth '21-'22	'22-'23	'23-'24	'24-'25	'25-'26
PRIIA 212 Commuter BCC's	$ 220	$ 226	$ 233	$ 240	$ 247	$ 255	$ 1,201	3.0%	3.0%	3.0%	3.0%	3.0%
PRIIA 212 Amtrak BCC's	314	324	333	343	354	364	1,719	3.0%	3.0%	3.0%	3.0%	3.0%
PRIIA 212 BCC's	**$ 534**	**$ 550**	**$ 566**	**$ 583**	**$ 601**	**$ 619**	**$ 2,920**	3.0%	3.0%	3.0%	3.0%	3.0%
PRIIA 209 Capital Contributions	**$ 71**	**$ 55**	**$ 60**	**$ 61**	**$ 53**	**$ 53**	**$ 281**	(22.7%)	8.9%	2.5%	(14.3%)	0.0%

NOTE: PRIIA 212 BCCS INCLUDES 7% G&A

DEBT

Overall debt level remains relatively constant at an average of $210 million through FY 2026. Although the total debt expense level remains steady, the mix shifts from mostly federally funded legacy debt, which begins to decline in FY 2022, to RRIF debt (Acela 21) which is reserved from Operating revenue. The current 5-year plan does not require additional indebtedness beyond existing commitments; however, this could change as funding assumptions are revised.

Total Debt Expense FY 2021– FY 2026

($s in Millions)	Total Amtrak						Year/Year % Growth				
	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	'21-'22	'22-'23	'23-'24	'24-'25	'25-'26
HHP Locomotives & HS Trainsets	$ 51.5	$ 25.9	$ 11.3	$ 1.1	$ -	$ -	(49.7%)	(56.3%)	(90.3%)	(100.0%)	N/A
Diesel Locomotives	45.1	-	-	-	-	-	(100.0%)	N/A	N/A	N/A	N/A
Real Estate	25.7	10.9	6.3	6.3	6.3	12.7	(57.8%)	(42.0%)	0.1%	(0.1%)	101.5%
Electric Locomotives	24.3	24.0	34.5	38.1	38.6	37.6	(1.3%)	43.7%	10.5%	1.3%	(2.7%)
Acela 21	79.8	160.2	220.2	140.0	140.0	140.0	100.8%	37.5%	(36.4%)	0.0%	0.0%
Revolver	0.4	0.4	0.4	1.0	1.0	1.0	0.0%	0.0%	124.7%	0.0%	0.0%
Total Debt Expense	**$ 226.9**	**$ 221.4**	**$ 272.7**	**$ 186.5**	**$ 185.9**	**$ 191.3**	**(2.4%)**	**23.2%**	**(31.6%)**	**(0.3%)**	**2.9%**

CASH

Cash balance remains strong at $2B as Management prioritizes and reserves cash. In order to achieve a consistent $2B cash balance, federal funding requests (highlighted below in green) will be adjusted based on expected capital spend and Operating results. Cash balance is expected to decline post FY 2026 as we anticipate paying for important capital investments, chiefly the Fleet initiative (locomotive & Amfleet I replacement). The out-year cash balance is subject to change with any significant adjustments to the assumptions for large scale capital projects (B&P Tunnel, Gateway Program, Fleet, Infrastructure, etc.).

Total Debt Expense FY 2021– FY 2026

($s in Millions)	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	5 Year Total
Cash from / (used in) Operating							
Op Income net of Tax and non cash	$ (1,524)	$ (826)	$ (643)	$ (392)	$ (351)	$ (323)	$ (2,535)
Change in working capital	-	-	-	-	-	-	-
Total CFO	**$ (1,524)**	**$ (826)**	**$ (643)**	**$ (392)**	**$ (351)**	**$ (323)**	**$ (2,535)**
Cash from / (used in) Investing							
Capital Expenditures	$ (2,526)	$ (4,035)	$ (3,016)	$ (3,722)	$ (3,510)	$ (3,717)	$ (17,999)
Total CFI	$ (2,526)	$ (4,035)	$ (3,016)	$ (3,722)	$ (3,510)	$ (3,717)	$ (17,999)
Cash from Grants and Financing							
Stimulus (NEC profit short fall + Capital Profit)	$ 1,000	$ 15	$ -	$ -	$ -	$ -	$ 15
Annual Grant	2,014	4,084	3,071	3,573	3,448	3,555	17,730
PRIIA 209/212 Capital	250	266	278	286	284	291	1,404
Other (3rd Party & Financing)	12	119	477	443	316	386	1,740
Loan Withdrawals	250	453	107	-	-	-	560
Debt service	(209)	(221)	(273)	(187)	(186)	(191)	(1,058)
Total CFF	**$ 3,317**	**$ 4,716**	**$ 3,659**	**$ 4,114**	**$ 3,861**	**$ 4,040**	**$ 20,390**
Change in Cash	**$ (733)**	**$ (145)**	**$ 1**	**$ 0**	**$ (0)**	**$ (0)**	**$ (878)**
Cash beginning of Period*	**2,877**	**2,144**	**2,000**	**2,000**	**2,000**	**2,000**	**2,877**
Available Cash end of Period	**$ 2,144**	**$ 2,000**	**$ 2,000**	**$ 2,000**	**$ 2,000**	**$ 2,000**	**$ 2,000**
Restricted Cash	**242**	**242**	**242**	**242**	**242**	**242**	**242**
Total Cash end of Period	**$ 2,386**	**$ 2,241**	**$ 2,242**	**$ 2,242**	**$ 2,242**	**$ 2,242**	**$ 2,242**

Note: Federal Funding (highlighted above in Green) excludes FRA Holdback & Additional Program funds (average $25MM -$28MM per year).

OPERATING PROFIT & LOSS

CONSOLIDATED OPERATING PROFIT & LOSS

FY 2021–FY 2026

($s in Millions)	Board Plan FY 2021	5 Year Plan FY 2022	FY 2023	FY 2024	FY 2025	FY 2026
Ticket Revenue (Adjusted)	$ 592.4	$ 1,509.1	$ 1,871.5	$ 2,311.0	$ 2,439.5	$ 2,547.8
Food & Beverage	19.9	41.4	51.4	62.6	65.5	68.2
State Supported Train Revenue	185.7	323.5	290.4	229.0	240.1	251.4
Subtotal Passenger Related Revenue	**798.0**	**1,874.0**	**2,213.3**	**2,602.6**	**2,745.1**	**2,867.4**
Other Core Revenue	305.8	333.7	347.7	361.9	371.1	379.7
Ancillary Revenue	337.4	363.1	376.6	393.5	405.2	417.3
Total Revenue	**1,441.2**	**2,570.8**	**2,937.6**	**3,358.0**	**3,521.4**	**3,664.3**
Salaries	324.6	371.5	382.7	394.2	406.0	418.2
Wages & Overtime	899.8	997.3	1,076.4	1,140.8	1,184.1	1,226.1
Employee Benefits	587.6	692.4	729.9	766.3	793.7	820.2
Employee Related	26.6	30.6	31.9	33.2	34.0	34.8
Salaries, Wages & Benefits	1,838.6	2,091.9	2,220.9	2,334.5	2,417.8	2,499.3
Train Operations	221.8	274.0	288.2	300.4	310.4	319.5
Fuel, Power & Utilities	182.0	227.9	237.0	243.8	249.3	254.1
MMR	102.7	151.6	158.9	166.7	173.8	177.2
Facility, Communication & Office	191.9	195.6	199.6	203.5	207.6	211.8
Advertising and Sales	43.8	67.3	84.0	103.9	110.8	116.9
Casualty and Other Claims	40.2	61.0	66.4	71.3	74.0	76.6
Professional Fees & Data Processing	164.4	179.7	185.3	190.9	195.3	199.5
All Other Expense	147.9	147.0	146.0	146.7	147.1	147.4
Transfer to Capital & Ancillary	(231.5)	(265.1)	(276.9)	(288.0)	(295.5)	(302.4)
Core Expense	**2,701.8**	**3,131.1**	**3,309.3**	**3,473.6**	**3,590.6**	**3,699.9**
Ancillary Expense	263.5	265.7	271.1	276.5	282.0	287.7
Total Expense	**2,965.4**	**3,396.8**	**3,580.4**	**3,750.1**	**3,872.7**	**3,987.6**
Adjusted Operating Results	**$ (1,524.2)**	**$ (826.0)**	**$ (642.8)**	**$ (392.1)**	**$ (351.2)**	**$ (323.3)**

Food and Beverage (F&B) Financial Performance

	PLAN						% GROWTH INC/(DEC) VS PRIOR YEAR				
($s in Millions)	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	FY21/ FY22	FY22/ FY23	FY23/ FY24	FY24/ FY25	FY25/ FY26
Cash Sales	$15.0	$41.4	$51.4	$62.6	$65.5	$68.2	175.8%	24.0%	21.9%	4.6%	4.0%
Total Revenue	**$15.0**	**$41.4**	**$51.4**	**$62.6**	**$65.5**	**$68.2**	**175.8%**	**24.0%**	**21.9%**	**4.6%**	**4.0%**
OBS Labor & Support	64.8	78.8	91.7	96.1	99.4	102.4	21.6%	16.3%	4.8%	3.4%	3.0%
Commissary Provisions and Management	44.4	66.1	71.6	76.7	80.0	83.1	48.9%	8.2%	7.2%	4.3%	3.8%
Total Expense	**$109.2**	**$145.0**	**$163.3**	**$172.8**	**$179.4**	**$185.5**	**32.7%**	**12.6%**	**5.9%**	**3.8%**	**3.4%**
Direct Contribution/(Loss)	**$(94.2)**	**$(103.6)**	**$(111.9)**	**$(110.2)**	**$(113.9)**	**$(117.3)**					
Cost Recovery	**14%**	**29%**	**31%**	**36%**	**37%**	**37%**					
F&B Portion of Ticket Revenue	16.9	46.7	57.9	70.6	73.9	76.9	175.8%	24.0%	21.9%	4.6%	4.0%
State Contribution to Food & Beverage	19.7	26.2	29.5	31.2	32.4	33.5	32.7%	12.6%	5.9%	3.8%	3.4%
Cost Recovery with State Contribution	**47%**	**79%**	**85%**	**95%**	**96%**	**96%**					
Cost management, revenue generation initiatives, and ticket revenue allocation	57.6	30.7	24.5	8.4	7.6	6.9	(46.7%)	(20.1%)	(65.8%)	(9.4%)	(8.7%)
Adjusted Contribution/(Loss)	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**

CONSOLIDATED ACCOUNT STRUCTURE: NORTHEAST CORRIDOR

FY 2021–FY 2026

($s in Thousands)	FY 2021	FY 2022	FY2023	FY 2024	FY 2025	FY 2026	Total
Financial Sources:							
Passenger Related Revenue							
Ticket Revenue (Adjusted)	273,551	754,291	996,523	1,263,489	1,361,569	1,444,875	6,094,298
Charter/Special Trains	1,749	-	-	-	-	-	1,749
Food and Beverage	6,732	11,520	14,938	18,949	20,099	21,236	93,475
Contractual Contribution (Operating)							
PRIIA 209 Operating Payments	-	-	-	-	-	-	-
PRIIA 212 Operating Payments	205,884	239,954	245,953	252,102	258,404	264,865	1,467,162
Commuter Operations	70,734	72,134	74,298	76,527	78,822	81,187	453,702
Reimbursable Contracts	108,658	151,628	158,258	167,845	172,929	178,149	937,466
Access Revenue	21,020	-	-	-	-	-	21,020
Commercial Revenue (incl. Pipe/Wire, Real Estate, Parking)	59,018	-	-	-	-	-	59,018
All Other Revenue (incl. Insurance Revenue, Cobranded Commissions, etc.)	15,672	25,164	30,156	37,530	39,333	40,975	188,829
Operating Sources Subtotal	**763,017**	**1,254,690**	**1,520,125**	**1,816,441**	**1,931,158**	**2,031,287**	**9,316,718**
Contractual Contribution (Capital)							
PRIIA 209 Capital Payments	-	-	-	-	-	-	-
PRIIA 212 Capital Payments	176,501	191,246	196,983	202,893	208,979	215,249	1,191,851
Other State/Local Mutual Benefit	29,575	80,000	366,400	339,200	237,600	293,600	1,346,375
Amtrak Internal Cash	762,676	-	72,717	286,606	350,051	400,606	1,872,658
Financing Proceeds Applied	608,232	452,992	106,628	-	-	-	1,167,852
Other Capital and Special Grants (incl., state/local sources)	-	-	-	-	-	-	-
Capital Sources Subtotal	**1,576,983**	**724,238**	**742,729**	**828,699**	**796,631**	**909,455**	**5,578,736**
Federal Grants to Amtrak							
Prior Year Carryover Capital Grant Funds	196,396	615,789	-	-	-	-	812,185
Current Year FAST Sec 11101 Grants							
Operating	768,313	113,462	-	-	-	-	881,775
Capital	854,437	1,437,531	1,360,724	1,521,817	1,265,512	1,521,984	7,962,005
Other Federal Grants (incl., FRA/OST, FTA, DHS)	15,425	15,425	15,425	15,425	15,425	15,425	92,547
Federal Grants to Amtrak Subtotal	**1,834,571**	**2,182,206**	**1,376,148**	**1,537,242**	**1,280,937**	**1,537,409**	**9,748,512**
Total Financial Sources	**4,174,571**	**4,161,134**	**3,639,002**	**4,182,382**	**4,008,726**	**4,478,151**	**24,643,966**
Financial Uses (Operating):							
Service Line Management	10,359	11,251	11,736	12,236	12,585	12,928	71,095
Transportation	297,306	342,582	363,773	386,004	399,372	412,233	2,201,270
Equipment	279,151	261,902	277,671	294,390	304,369	313,959	1,731,441
Infrastructure	249,169	288,257	301,571	314,852	324,345	333,694	1,811,888
Stations	87,463	79,294	84,115	89,090	92,172	95,151	527,285
National Assets and Corporate Services	391,950	384,866	408,543	433,263	448,263	462,715	2,529,600
Total Operating Uses	**1,315,398**	**1,368,151**	**1,447,408**	**1,529,835**	**1,581,107**	**1,630,680**	**8,872,578**
Operating Surplus/Deficit *(Operating Sources - Operating Uses)*	**(552,380)**	**(113,462)**	**72,717**	**286,606**	**350,051**	**400,606**	**444,140**
Available for Capital Uses *(Capital Sources + Federal Grants to Amtrak + Operating Surplus/Deficit - Debt Service Payments)*	**2,859,174**	**2,792,983**	**2,191,595**	**2,652,547**	**2,427,619**	**2,847,471**	**15,771,388**
Financial Uses (Capital):							
Service Line Management	-	-	-	-	-	-	-
Transportation	48,202	71,651	96,562	147,912	211,230	248,464	824,022
Equipment	618,820	651,373	212,289	359,052	210,046	261,891	2,313,470
Infrastructure	628,327	1,572,950	1,304,100	1,450,217	1,277,671	1,634,686	7,867,951
Stations	223,564	233,068	185,560	174,409	148,141	70,076	1,034,818
National Assets and Corporate Services	61,207	44,659	48,610	48,942	45,659	42,529	291,604
Capital Expenditures	**1,580,120**	**2,573,699**	**1,847,121**	**2,180,532**	**1,892,748**	**2,257,646**	**12,331,866**
Debt Repayments	159,938	219,283	271,756	185,408	184,820	189,218	1,210,424
Total Capital Uses	**1,740,058**	**2,792,983**	**2,118,877**	**2,365,941**	**2,077,567**	**2,446,864**	**13,542,290**
Remaining Carryover Balance	**$ 1,119,116**	**$ -**	**$ 72,717**	**$ 286,606**	**$ 350,051**	**$ 400,606**	**$ 2,229,098**

CONSOLIDATED ACCOUNT STRUCTURE: NATIONAL NETWORK

FY 2021–FY 2026

($s in Thousands)	FY 2021	FY 2022	FY2023	FY 2024	FY 2025	FY 2026	Total
Financial Sources:							
Passenger Related Revenue							
Ticket Revenue (Adjusted)	317,556	754,831	874,979	1,047,512	1,077,892	1,102,955	5,175,725
Charter/Special Trains	(480)	-	-	-	-	-	(480)
Food and Beverage	13,213	29,885	36,416	43,672	45,429	46,929	215,543
Contractual Contribution (Operating)							
PRIIA 209 Operating Payments	185,662	323,502	290,422	229,011	240,130	251,374	1,520,103
PRIIA 212 Operating Payments	2,936	17,390	17,825	18,271	18,728	19,196	94,346
Commuter Operations	54,192	54,990	56,640	58,339	60,089	61,892	346,142
Reimbursable Contracts	59,502	84,350	87,379	90,757	93,390	96,036	511,414
Access Revenue	12,940	-	-	-	-	-	12,940
Commercial Revenue (incl. Pipe/Wire, Real Estate, Parking)	12,806	-	-	-	-	-	12,806
All Other Revenue (incl. Insurance Revenue, Cobranded Commissions, etc.)	19,873	51,147	53,774	53,989	54,599	54,618	288,001
Operating Sources Subtotal	**678,199**	**1,316,096**	**1,417,435**	**1,541,551**	**1,590,258**	**1,633,001**	**8,176,540**
Contractual Contribution (Capital)							
PRIIA 209 Capital Payments	71,170	54,981	59,890	61,392	52,585	52,585	352,602
PRIIA 212 Capital Payments	28,733	20,151	20,756	21,379	22,020	22,681	135,719
Other State/Local Mutual Benefit	41,560	20,000	91,600	84,800	59,400	73,400	370,760
Amtrak Internal Cash	290,388	-	-	-	-	-	290,388
Financing Proceeds Applied	-	-	-	-	-	-	-
Other Capital and Special Grants (incl., state/local sources)	-	-	-	-	-	-	-
Capital Sources Subtotal	**431,851**	**95,132**	**172,245**	**167,570**	**134,005**	**148,666**	**1,149,470**
Federal Grants to Amtrak							
Prior Year Carryover Capital Grant Funds	141,753	15,033	-	-	-	-	156,786
Current Year FAST Sec 11101 Grants							
Operating	1,298,028	712,546	715,557	678,708	701,298	723,895	4,830,033
Capital	571,637	1,350,272	994,033	1,371,846	1,480,892	1,309,429	7,078,109
Other Federal Grants (incl., FRA/OST, FTA, DHS)	3,331	3,331	3,331	3,331	3,331	3,331	19,986
Federal Grants to Amtrak Subtotal	**2,014,749**	**2,081,182**	**1,712,921**	**2,053,885**	**2,185,522**	**2,036,655**	**12,084,914**
Total Financial Sources	**3,124,799**	**3,492,410**	**3,302,602**	**3,763,007**	**3,909,784**	**3,818,321**	**21,410,924**
Financial Uses (Operating):							
Service Line Management	7,187	8,708	9,150	9,505	9,804	10,074	54,428
Transportation	649,739	909,845	957,174	996,894	1,029,137	1,058,704	5,601,493
Equipment	396,856	393,553	414,355	431,595	445,642	458,427	2,540,428
Infrastructure	92,699	108,640	112,424	115,851	118,923	121,904	670,440
Stations	157,353	161,491	170,274	177,398	183,233	188,497	1,038,246
National Assets and Corporate Services	346,094	446,405	469,615	489,017	504,817	519,290	2,775,238
Total Operating Uses	**1,649,928**	**2,028,642**	**2,132,992**	**2,220,259**	**2,291,556**	**2,356,896**	**12,680,273**
Operating Surplus/Deficit *(Operating Sources - Operating Uses)*	**(971,729)**	**(712,546)**	**(715,557)**	**(678,708)**	**(701,298)**	**(723,895)**	**(4,503,733)**
Available for Capital Uses *(Capital Sources + Federal Grants to Amtrak + Operating Surplus/Deficit - Debt Service Payments)*	**1,474,871**	**1,463,768**	**1,169,610**	**1,542,748**	**1,618,228**	**1,461,425**	**8,730,651**
Financial Uses (Capital):							
Service Line Management	3,241	-	-	-	-	-	3,241
Transportation	33,598	66,195	101,195	163,458	240,013	287,415	891,874
Equipment	421,753	535,346	373,033	674,146	670,661	756,301	3,431,241
Infrastructure	241,084	439,605	351,915	404,106	398,813	259,871	2,095,395
Stations	162,926	350,607	269,988	225,428	232,457	81,065	1,322,471
National Assets and Corporate Services	82,128	69,896	72,509	74,513	75,206	74,732	448,984
Capital Expenditures	**944,731**	**1,461,649**	**1,168,640**	**1,541,651**	**1,617,150**	**1,459,384**	**8,193,206**
Debt Repayments	49,320	2,119	970	1,097	1,078	2,041	56,624
Total Capital Uses	**994,051**	**1,463,768**	**1,169,610**	**1,542,748**	**1,618,228**	**1,461,425**	**8,249,831**
Remaining Carryover Balance	**$ 480,820**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ 480,820**

CONSOLIDATED ACCOUNT STRUCTURE: TOTAL AMTRAK

FY 2021–FY 2026

($s in Thousands)	FY 2021	FY 2022	FY2023	FY 2024	FY 2025	FY 2026	Total
Financial Sources:							
Passenger Related Revenue							
Ticket Revenue (Adjusted)	591,107	1,509,122	1,871,502	2,311,001	2,439,462	2,547,830	11,270,023
Charter/Special Trains	1,269	-	-	-	-	-	1,269
Food and Beverage	19,945	41,404	51,354	62,621	65,528	68,165	309,018
Contractual Contribution (Operating)							
PRIIA 209 Operating Payments	185,662	323,502	290,422	229,011	240,130	251,374	1,520,103
PRIIA 212 Operating Payments	208,820	257,345	263,778	270,373	277,132	284,060	1,561,509
Commuter Operations	124,926	127,124	130,937	134,866	138,912	143,079	799,844
Reimbursable Contracts	168,159	235,978	245,636	258,602	266,319	274,185	1,448,880
Access Revenue	33,960	-	-	-	-	-	33,960
Commercial Revenue (incl. Pipe/Wire, Real Estate, Parking)	71,824	-	-	-	-	-	71,824
All Other Revenue (incl. Insurance Revenue, Cobranded Commissions, etc.)	35,545	76,311	83,929	91,519	93,932	95,594	476,830
Operating Sources Subtotal	**1,441,217**	**2,570,785**	**2,937,560**	**3,357,993**	**3,521,416**	**3,664,287**	**17,493,258**
Contractual Contribution (Capital)							
PRIIA 209 Capital Payments	71,170	54,981	59,890	61,392	52,585	52,585	352,602
PRIIA 212 Capital Payments	205,234	211,397	217,739	224,271	230,999	237,929	1,327,570
Other State/Local Mutual Benefit	71,135	100,000	458,000	424,000	297,000	367,000	1,717,135
Amtrak Internal Cash	1,053,064	-	72,717	286,606	350,051	400,606	2,163,046
Financing Proceeds Applied	608,232	452,992	106,628	-	-	-	1,167,852
Other Capital and Special Grants (incl., state/local sources)	-	-	-	-	-	-	-
Capital Sources Subtotal	**2,008,834**	**819,370**	**914,974**	**996,269**	**930,636**	**1,058,121**	**6,728,205**
Federal Grants to Amtrak							
Prior Year Carryover Capital Grant Funds	338,149	630,823	-	-	-	-	968,972
Current Year FAST Sec 11101 Grants							
Operating	2,066,342	826,008	715,557	678,708	701,298	723,895	5,711,808
Capital	1,426,073	2,787,802	2,354,757	2,893,664	2,746,404	2,831,413	15,040,114
Other Federal Grants (incl., FRA/OST, FTA, DHS)	18,756	18,756	18,756	18,756	18,756	18,756	112,533
Federal Grants to Amtrak Subtotal	**3,849,320**	**4,263,388**	**3,089,070**	**3,591,127**	**3,466,458**	**3,574,064**	**21,833,427**
Total Financial Sources	**7,299,371**	**7,653,544**	**6,941,604**	**7,945,389**	**7,918,510**	**8,296,472**	**46,054,890**
Financial Uses (Operating):							
Service Line Management	17,545	19,958	20,886	21,742	22,390	23,002	125,522
Transportation	947,045	1,252,427	1,320,946	1,382,897	1,428,509	1,470,937	7,802,763
Equipment	676,007	655,455	692,026	725,985	750,011	772,386	4,271,870
Infrastructure	341,868	396,898	413,995	430,703	443,267	455,598	2,482,328
Stations	244,816	240,785	254,388	266,487	275,405	283,649	1,565,531
National Assets and Corporate Services	738,044	831,270	878,158	922,280	953,081	982,005	5,304,838
Total Operating Uses	**2,965,326**	**3,396,793**	**3,580,400**	**3,750,094**	**3,872,663**	**3,987,576**	**21,552,852**
Operating Surplus/Deficit *(Operating Sources - Operating Uses)*	**(1,524,109)**	**(826,008)**	**(642,839)**	**(392,101)**	**(351,247)**	**(323,289)**	**(4,059,594)**
Financial Uses (Debt Service Payments):							
RRIF debt repayments	-	-	-	-	-	-	-
Total Debt Service Payments	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Available for Capital Uses *(Capital Sources + Federal Grants to Amtrak + Operating Surplus/Deficit - Debt Service Payments)*	**4,334,045**	**4,256,751**	**3,361,204**	**4,195,295**	**4,045,847**	**4,308,896**	**24,502,038**
Financial Uses (Capital):							
Service Line Management	3,241	-	-	-	-	-	3,241
Transportation	81,800	137,845	197,757	311,370	451,244	535,880	1,715,896
Equipment	1,040,573	1,186,719	585,322	1,033,199	880,706	1,018,192	5,744,711
Infrastructure	869,411	2,012,555	1,656,015	1,854,323	1,676,484	1,894,557	9,963,346
Stations	386,491	583,674	455,548	399,838	380,598	151,141	2,357,290
National Assets and Corporate Services	143,335	114,555	121,118	123,455	120,866	117,261	740,589
Capital Expenditures	**2,524,851**	**4,035,349**	**3,015,761**	**3,722,184**	**3,509,898**	**3,717,030**	**20,525,072**
Debt Repayments	209,258	221,402	272,726	186,505	185,897	191,260	1,267,048
Total Capital Uses	**2,734,109**	**4,256,751**	**3,288,487**	**3,908,689**	**3,695,796**	**3,908,289**	**21,792,121**

INFRASTRUCTURE ASSET LINE PROFIT & LOSS

FY 2021–FY 2026

($s in Thousands)	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	FY 2021 - FY 2026
Financial Uses (Operating):							
Maintenance of Way	284,019	322,753	336,907	350,712	361,034	371,139	2,026,564
Engineering Management Support	57,849	74,144	77,088	79,991	82,234	84,459	455,764
Total Operating Uses	**341,868**	**396,898**	**413,995**	**430,703**	**443,267**	**455,598**	**2,482,328**
Financial Uses (Debt Service Payments):							
Debt Repayments	25,722	10,867	6,298	6,302	6,296	12,687	68,173
Total Debt Service Payments	**25,722**	**10,867**	**6,298**	**6,302**	**6,296**	**12,687**	**68,173**
Financial Uses (Capital):							
Normalized Replacement	521,176	704,748	811,423	765,502	746,166	850,441	4,399,456
Safety & Mandates	100,209	118,215	15,136	-	-	35,233	268,794
Major Backlog	27,252	41,229	222,778	602,992	484,999	599,367	1,978,617
Improvements	195,720	1,124,199	585,148	461,583	420,154	398,806	3,185,611
Environmental Remediation	17,212	16,845	11,645	10,625	11,135	10,710	78,172
Program Management	7,842	7,318	9,885	13,621	14,030	-	52,696
Total Capital Uses	**869,411**	**2,012,555**	**1,656,015**	**1,854,323**	**1,676,484**	**1,894,557**	**9,963,346**
Total Infrastructure Spend	**$ 1,237,001**	**$ 2,420,320**	**$ 2,076,308**	**$ 2,291,328**	**$ 2,126,048**	**$ 2,362,843**	**$ 12,513,848**

EQUIPMENT ASSET LINE PROFIT & LOSS

FY 2021–FY 2026

($s in Thousands)	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	FY 2021 - FY 2026
Financial Uses (Operating):							
Terminal Yard Operations	28,508	39,088	41,315	43,437	44,902	46,292	243,542
Car & Locomotive Maintenance and Turnaround	506,427	489,536	517,613	543,534	561,821	578,778	3,197,709
MOE Supervision Training and Overhead (Less Backshops)	65,003	71,904	75,304	78,430	80,780	82,983	454,404
Yard Operations - Mechanical Support	34,827	38,331	40,413	42,338	43,730	45,040	244,678
Mechanical Backshops	37,519	15,100	15,803	16,592	17,067	17,530	119,610
On Board Passenger Technology	2,699	233	246	257	266	274	3,976
Fleet Strategy	1,025	1,262	1,333	1,398	1,445	1,489	7,950
Total Operating Uses	**676,007**	**655,455**	**692,026**	**725,985**	**750,011**	**772,386**	**4,271,870**
Financial Uses (Debt Service Payments):							
Debt Repayments	183,536	210,535	266,428	180,203	179,601	178,572	1,198,875
Total Debt Service Payments	**183,536**	**210,535**	**266,428**	**180,203**	**179,601**	**178,572**	**1,198,875**
Financial Uses (Capital):							
Overhauls	224,136	225,904	213,607	201,459	184,318	212,240	1,261,665
New/Replacement Equipment	630,120	820,271	313,032	795,712	659,662	769,115	3,987,912
Facilities	144,436	136,463	51,796	35,728	36,727	36,837	441,987
LCPM	37,191	-	-	-	-	-	37,191
Other Train Capital	4,690	4,080	6,887	299	-	-	15,957
Total Capital Uses	**1,040,573**	**1,186,719**	**585,322**	**1,033,199**	**880,706**	**1,018,192**	**5,744,711**

RIDERSHIP PROJECTIONS

Harrisburg platform

FY 2021 RIDERSHIP PROJECTIONS

($s in Millions)	Ridership (000s)	Allocated Operating Sources	Allocated Operating Uses	Allocated Contribution/ (Loss)	Allocated Contribution/ (Loss) per Rider
NEC					
Acela	822.8	$123.7	$282.2	$(158.5)	$(192.7)
Regional	2,445.1	178.0	424.7	(246.7)	(100.9)
NEC Special Trains & Adjustments	5.5	3.7	1.6	2.1	383.9
NEC	**3,273.4**	**$305.4**	**$708.6**	**$(403.1)**	**$(123.2)**
STATE SUPPORTED:					
Ethan Allen Express	0.0	$4.3	$3.5	$0.8	$-
Vermonter	0.0	4.7	7.4	(2.7)	-
Maple Leaf	143.6	11.2	22.7	(11.5)	(80.0)
The Downeaster	182.4	10.6	15.7	(5.0)	(27.6)
New Haven - Springfield	132.0	8.7	23.8	(15.1)	(114.5)
Keystone Service	386.7	27.8	62.8	(35.0)	(90.6)
Empire Service	374.9	20.2	61.8	(41.6)	(110.9)
Chicago-St.Louis	177.6	6.1	21.4	(15.3)	(86.3)
Hiawathas	208.6	9.2	17.4	(8.2)	(39.1)
Wolverines	98.6	5.7	18.0	(12.3)	(125.0)
Illini	85.2	3.2	30.7	(27.5)	(322.8)
Illinois Zephyr	53.4	1.8	7.7	(5.9)	(110.8)
Heartland Flyer	28.5	4.9	9.2	(4.3)	(151.8)
Pacific Surfliner	727.4	130.4	113.7	16.6	22.9
Cascades	117.9	28.0	25.5	2.4	20.7
Capitols	446.8	11.0	48.0	(37.0)	(82.8)
San Joaquins	315.1	11.7	76.8	(65.1)	(206.5)
Adirondack	0.0	16.2	9.0	7.2	-
Blue Water	65.8	20.7	12.7	8.1	122.5
Washington-Lynchburg	77.7	15.8	10.3	5.6	71.8
Washington - Newport News	131.6	9.2	14.8	(5.6)	(42.7)
Washington - Norfolk	102.5	7.9	15.8	(7.9)	(76.8)
Washington - Richmond	0.1	(0.1)	0.9	(0.9)	(9,364.9)
Kansas City-St.Louis	50.8	9.0	9.8	(0.8)	(15.5)
Pennsylvanian	94.8	38.8	17.6	21.1	222.7
Pere Marquette	35.0	1.5	6.4	(4.9)	(139.8)
Carolinian	103.1	18.1	19.3	(1.2)	(11.4)
Piedmont	38.8	1.1	5.8	(4.7)	(120.9)
Non-NEC Special Trains & Adjustments	0.8	0.1	(0.4)	0.5	566.2
Gulf Coast	-	-	-	-	-
Twin Cities	-	-	-	-	-
Moline	-	-	-	-	-
Rockford	-	-	-	-	-
State Supported	**4,179.7**	**$437.6**	**$687.9**	**$(250.3)**	**$(59.9)**
LONG DISTANCE:					
Silver Star	82.9	$9.5	$52.0	$(42.5)	$(512.6)
Cardinal	50.5	4.7	27.6	(23.0)	(455.2)
Silver Meteor	101.3	14.0	61.2	(47.2)	(465.5)
Empire Builder	99.7	17.8	106.0	(88.2)	(885.0)
Capitol Limited	47.9	5.9	29.3	(23.4)	(487.7)
California Zephyr	92.7	17.0	65.4	(48.3)	(521.5)
Southwest Chief	74.2	13.5	71.4	(57.9)	(779.7)
City of New Orleans	50.1	5.2	28.0	(22.8)	(455.8)
Texas Eagle	67.5	6.9	40.0	(33.1)	(491.1)
Sunset Limited	43.1	6.5	45.6	(39.1)	(906.2)
Coast Starlight	95.2	13.7	56.2	(42.5)	(446.4)
Lake Shore Limited	76.9	8.4	53.5	(45.1)	(587.1)
Palmetto	67.7	6.1	22.6	(16.6)	(244.8)
Crescent	61.1	8.6	48.7	(40.1)	(655.7)
Auto Train	124.9	45.5	81.1	(35.6)	(285.0)
Long Distance Adjustments	-	-	(1.5)	1.5	-
Long Distance	**1,135.7**	**$183.2**	**$787.0**	**$(603.8)**	**$(531.7)**
NTS	8,588.8	$926.2	$2,183.5	$(1,257.3)	$(146.4)
Ancillary		325.7	312.5	13.2	
Infrastructure		244.7	411.1	(166.4)	
AMTRAK	**8,588.8**	**$1,496.5**	**$2,907.0**	**$(1,410.5)**	

FY 2022 RIDERSHIP PROJECTIONS

($s in Millions)	Ridership (000s)	Allocated Operating Sources	Allocated Operating Uses	Allocated Contribution/ (Loss)	Allocated Contribution/ (Loss) per Rider
NEC					
Acela	2,160.2	$350.6	$432.4	$(81.7)	$(37.8)
Regional	5,763.8	441.4	374.8	0.1	11.6
NEC Special Trains & Adjustments	-	-	-	0.0	-
NEC	**7,924.0**	**$792.1**	**$807.2**	**$(15.1)**	**$(1.9)**
STATE SUPPORTED					
Ethan Allen Express	50.7	$6.7	$6.6	$0.1	$1.6
Vermonter	71.7	9.5	9.5	0.1	1.1
Maple Leaf	283.1	34.6	30.8	3.7	13.1
The Downeaster	405.7	14.6	15.2	(0.6)	(1.5)
New Haven - Springfield	311.6	15.0	22.3	(7.3)	(23.5)
Keystone Service	1,070.2	65.9	54.1	11.8	11.0
Empire Service	848.5	75.3	60.5	14.8	17.4
Chicago-St.Louis	596.3	34.8	32.9	1.9	3.2
Hiawathas	703.8	31.3	24.7	6.6	9.4
Wolverines	407.6	36.3	31.5	4.9	11.9
Illini	190.7	9.6	16.2	(6.6)	(34.5)
Illinois Zephyr	136.4	6.5	14.4	(8.0)	(58.4)
Heartland Flyer	50.4	2.6	6.1	(3.4)	(68.2)
Pacific Surfliner	2,071.2	111.8	127.0	(15.2)	(7.3)
Cascades	582.5	45.8	55.3	(9.5)	(16.4)
Capitols	1,195.3	45.9	64.9	(19.0)	(15.9)
San Joaquins	758.2	43.7	88.8	(45.1)	(59.5)
Adirondack	82.1	9.6	11.9	(2.2)	(27.0)
Blue Water	118.9	8.0	11.3	(3.3)	(27.4)
Washington - Lynchburg	160.2	20.4	9.3	11.1	69.1
Washington - Newport News	237.5	27.0	18.4	8.6	36.4
Washington - Norfolk	255.9	31.8	27.9	3.9	15.2
Washington - Richmond	-	-	-	-	-
Kansas City-St.Louis	110.6	7.2	11.5	(4.3)	(38.8)
Pennsylvanian	153.4	15.8	15.5	0.4	2.3
Pere Marquette	68.0	4.5	5.7	(1.1)	(16.7)
Carolinian	176.4	22.8	16.2	6.6	37.6
Piedmont	158.7	7.2	8.5	(1.3)	(7.9)
Non-NEC Special Trains & Adjustments	-	-	8.1	(8.1)	-
Gulf Coast	24.3	0.8	9.0	(8.2)	(336.0)
Twin Cities	-	-	-	-	-
Moline	-	-	-	-	-
Rockford	-	-	-	-	-
State Supported	**11,280.0**	**$745.3**	**$814.0**	**$(68.7)**	**$(6.1)**
LONG DISTANCE					
Silver Star	285.6	$27.1	$76.2	$(49.1)	$(172.0)
Cardinal	81.8	6.7	26.0	(19.3)	(236.2)
Silver Meteor	262.9	32.5	72.7	(40.3)	(153.1)
Empire Builder	323.0	43.7	114.4	(70.7)	(218.8)
Capitol Limited	157.9	14.7	37.2	(22.5)	(142.7)
California Zephyr	308.4	41.6	107.6	(66.0)	(214.0)
Southwest Chief	251.3	34.8	92.1	(57.3)	(227.9)
City of New Orleans	175.3	14.6	37.6	(23.1)	(131.6)
Texas Eagle	236.7	18.6	57.2	(38.5)	(162.8)
Sunset Limited	69.3	8.9	43.3	(34.4)	(496.0)
Coast Starlight	319.2	35.2	83.4	(48.2)	(151.1)
Lake Shore Limited	270.8	23.7	65.5	(41.8)	(154.4)
Palmetto	251.2	21.4	32.4	(11.0)	(43.8)
Crescent	220.9	26.0	73.7	(47.7)	(216.1)
Auto Train	189.4	68.9	85.8	(16.9)	(89.2)
Long Distance Adjustments	-	-	-	-	-
Long Distance	**3,403.8**	**$418.3**	**$1,005.1**	**$(586.8)**	**$(0.2)**
NTS	22,607.8	$1,956	$2,626	$(671)	$(30)
Ancillary		356.9	337.4	19.5	
Infrastructure		258.2	433.1	(174.9)	
AMTRAK	**22,607.8**	**$2,571**	**$3,397**	**$(826.0)**	

FY 2023 RIDERSHIP PROJECTIONS

($s in Millions)	Ridership (000s)	Allocated Operating Sources	Allocated Operating Uses	Allocated Contribution/ (Loss)	Allocated Contribution/ (Loss) per Rider
NEC					
Acela	2,759.2	$489.3	$450.4	$38.9	$14.1
Regional	7,315.0	553.8	416.6	0.1	18.8
NEC Special Trains & Adjustments	-	-	-	0.0	-
NEC	**10,074.1**	**$1,043.1**	**$867.0**	**$176.1**	**$17.5**
STATE SUPPORTED:					
Ethan Allen Express	62.6	$7.0	$6.7	$0.3	$5.3
Vermonter	88.2	10.0	9.5	0.4	4.7
Maple Leaf	348.0	35.9	31.1	4.8	13.9
The Downeaster	481.8	15.1	15.3	(0.3)	(0.6)
New Haven - Springfield	350.7	15.4	22.5	(7.1)	(20.2)
Keystone Service	1,345.2	70.5	54.5	16.0	11.9
Empire Service	1,025.6	77.1	61.0	16.1	15.7
Chicago-St.Louis	729.9	35.9	33.2	2.8	3.8
Hiawathas	830.8	31.5	24.9	6.6	8.0
Wolverines	497.1	37.3	31.7	5.5	11.1
Illini	234.1	10.0	16.3	(6.4)	(27.2)
Illinois Zephyr	167.0	6.7	14.5	(7.9)	(47.1)
Heartland Flyer	62.1	2.8	6.1	(3.4)	(54.1)
Pacific Surfliner	2,472.3	114.4	128.0	(13.5)	(5.5)
Cascades	862.6	56.6	64.5	(7.9)	(9.1)
Capitols	1,496.5	50.0	87.9	(37.9)	(25.3)
San Joaquins	923.1	44.8	89.5	(44.7)	(48.4)
Adirondack	100.6	10.0	12.0	(2.0)	(19.4)
Blue Water	145.5	8.2	11.4	(3.1)	(21.5)
Washington-Lynchburg	292.3	32.6	13.4	19.2	65.7
Washington - Newport News	290.8	27.9	18.5	9.3	32.0
Washington - Norfolk	308.7	32.5	28.1	4.4	14.4
Washington - Richmond	-	-	-	-	-
Kansas City-St.Louis	130.8	7.1	11.6	(4.5)	(34.3)
Pennsylvanian	186.8	16.4	15.6	0.7	4.0
Pere Marquette	83.3	4.6	5.7	(1.1)	(12.6)
Carolinian	210.0	22.9	16.3	6.5	31.0
Piedmont	193.0	7.4	8.5	(1.1)	(5.8)
Non-NEC Special Trains & Adjustments	0.8	5.6	8.1	(2.5)	(3,186.7)
Gulf Coast	55.9	1.5	9.1	(7.5)	(135.1)
Twin Cities	55.1	4.2	10.0	(5.8)	(104.7)
Moline	-	-	-	-	-
Rockford	-	-	-	-	-
State Supported	**14,031.2**	**$801.8**	**$865.7**	**$(63.8)**	**$(4.5)**
LONG DISTANCE:					
Silver Star	333.6	$30.0	$79.7	$(49.8)	$(149.2)
Cardinal	96.7	7.4	27.2	(19.8)	(204.3)
Silver Meteor	305.4	35.9	76.1	(40.2)	(131.7)
Empire Builder	377.1	48.3	119.7	(71.4)	(189.4)
Capitol Limited	184.3	16.2	38.9	(22.7)	(123.3)
California Zephyr	361.2	46.2	112.6	(66.5)	(184.0)
Southwest Chief	294.4	38.6	96.4	(57.7)	(196.1)
City of New Orleans	201.4	15.2	39.4	(24.1)	(119.9)
Texas Eagle	275.7	20.5	59.8	(39.3)	(142.6)
Sunset Limited	81.6	9.9	45.3	(35.4)	(433.8)
Coast Starlight	363.4	38.5	87.3	(48.9)	(134.4)
Lake Shore Limited	320.4	26.4	68.5	(42.1)	(131.5)
Palmetto	291.4	23.4	33.9	(10.5)	(35.9)
Crescent	257.2	28.6	77.2	(48.6)	(188.9)
Auto Train	211.2	73.0	89.8	(16.8)	(79.5)
Long Distance Adjustments	-	-	-	-	-
Long Distance	**3,954.9**	**$458.2**	**$1,052.0**	**$(593.8)**	**$(150.1)**
NTS	28,060.3	$2,303.2	$2,784.7	$(481.6)	$(17.2)
Ancillary		369.8	344.7	25.1	
Infrastructure		264.6	451.0	(186.4)	
AMTRAK	**28,060.3**	**$2,937.6**	**$3,580.4**	**$(642.8)**	

FY 2024 RIDERSHIP PROJECTIONS

($s in Millions)	Ridership (000s)	Allocated Operating Sources	Allocated Operating Uses	Allocated Contribution/ (Loss)	Allocated Contribution/ (Loss) per Rider
NEC					
Acela	3,533.3	$634.4	$462.8	$171.6	$48.6
Regional	8,994.8	687.6	468.5	0.2	24.4
NEC Special Trains & Adjustments	-	-	-	0.0	-
NEC	**12,528.0**	**$1,322.0**	**$931.3**	**$390.7**	**$31.2**
STATE SUPPORTED					
Ethan Allen Express	73.6	$7.3	$7.0	$0.3	$3.9
Vermonter	103.8	10.3	9.9	0.3	3.2
Maple Leaf	409.7	37.1	32.3	4.8	11.6
The Downeaster	578.1	15.8	15.9	(0.2)	(0.3)
New Haven - Springfield	421.9	16.1	23.4	(7.3)	(17.3)
Keystone Service	1,639.4	74.3	56.7	17.6	10.7
Empire Service	1,225.9	80.8	63.4	17.4	14.2
Chicago-St.Louis	863.5	37.3	34.5	2.8	3.2
Hiawathas	981.6	32.6	25.9	6.7	6.8
Wolverines	587.0	38.6	33.0	5.6	9.6
Illini	276.9	10.4	17.0	(6.6)	(24.0)
Illinois Zephyr	197.1	6.9	15.1	(8.2)	(41.7)
Heartland Flyer	72.8	2.8	6.4	(3.5)	(48.5)
Pacific Surfliner	2,966.8	119.6	133.1	(13.5)	(4.5)
Cascades	1,019.1	58.6	67.0	(8.5)	(8.3)
Capitols	2,000.2	58.9	91.4	(32.5)	(16.3)
San Joaquins	1,090.4	46.4	93.1	(46.8)	(42.9)
Adirondack	118.0	10.3	12.4	(2.1)	(18.2)
Blue Water	171.6	8.5	11.8	(3.3)	(19.3)
Washington - Lynchburg	345.7	33.8	14.0	19.8	57.3
Washington - Newport News	345.1	28.8	19.3	9.5	27.6
Washington - Norfolk	366.9	33.8	29.2	4.6	12.5
Washington - Richmond	-	-	-	-	-
Kansas City-St.Louis	153.4	7.3	12.0	(4.7)	(30.9)
Pennsylvanian	220.4	16.9	16.2	0.7	3.1
Pere Marquette	107.7	5.1	5.9	(0.8)	(7.8)
Carolinian	242.4	23.1	17.0	6.1	25.2
Piedmont	284.6	9.4	11.0	(1.6)	(5.8)
Non-NEC Special Trains & Adjustments	0.8	5.8	8.5	(2.7)	(3,317.9)
Gulf Coast	64.3	1.6	9.4	(7.9)	(122.4)
Twin Cities	55.1	3.6	10.3	(6.7)	(121.9)
Moline	-	-	-	-	-
Rockford	-	-	-	-	-
State Supported	**16,983.9**	**$841.6**	**$902.4**	**$(60.9)**	**$(3.6)**
LONG DISTANCE					
Silver Star	383.8	$35.2	$83.2	$(48.0)	$(125.0)
Cardinal	111.4	8.7	28.4	(19.6)	(176.0)
Silver Meteor	351.2	42.1	79.4	(37.3)	(106.2)
Empire Builder	433.5	56.5	124.9	(68.4)	(157.7)
Capitol Limited	212.1	19.1	40.6	(21.6)	(101.6)
California Zephyr	415.0	54.0	117.5	(63.5)	(152.9)
Southwest Chief	338.5	45.2	100.5	(55.2)	(163.2)
City of New Orleans	231.5	17.9	41.1	(23.2)	(100.2)
Texas Eagle	317.4	24.1	62.4	(38.3)	(120.7)
Sunset Limited	93.9	11.6	47.2	(35.7)	(379.9)
Coast Starlight	419.7	45.2	91.1	(45.9)	(109.4)
Lake Shore Limited	368.8	31.0	71.5	(40.4)	(109.6)
Palmetto	336.8	27.8	35.3	(7.6)	(22.5)
Crescent	296.3	33.7	80.5	(46.8)	(158.0)
Auto Train	242.4	85.2	93.6	(8.4)	(34.8)
Long Distance Adjustments	-	-	-	-	-
Long Distance	**4,552.3**	**$537.1**	**$1,097.0**	**$(559.9)**	**$(123.0)**
NTS	34,064.3	$2,700.6	$2,930.7	$(230.0)	$(6.8)
Ancillary		386.1	352.1	34.0	
Infrastructure		271.2	467.3	(196.0)	
AMTRAK	**34,064.3**	**$3,358.0**	**$3,750.1**	**$(392.1)**	

FY 2024 RIDERSHIP PROJECTIONS

($s in Millions)	Ridership (000s)	Allocated Operating Sources	Allocated Operating Uses	Allocated Contribution/ (Loss)	Allocated Contribution/ (Loss) per Rider
NEC					
Acela	4,055.0	$731.1	$468.1	$263.0	$64.9
Regional	8,973.3	692.0	498.6	0.2	21.6
NEC Special Trains & Adjustments	-	-	-	0.0	-
NEC	**13,028.3**	**$1,423.1**	**$966.7**	**$456.5**	**$35.0**
STATE SUPPORTED:					
Ethan Allen Express	74.8	$7.5	$7.1	$0.4	$5.1
Vermonter	105.2	10.5	10.1	0.4	4.2
Maple Leaf	413.6	37.9	32.9	5.0	12.2
The Downeaster	587.0	16.2	16.2	0.0	0.0
New Haven - Springfield	426.7	16.5	23.8	(7.3)	(17.1)
Keystone Service	1,666.7	76.5	57.7	18.8	11.3
Empire Service	1,243.3	83.0	64.5	18.5	14.9
Chicago-St.Louis	872.6	38.1	35.0	3.1	3.6
Hiawathas	1,106.4	37.1	32.6	4.5	4.1
Wolverines	591.7	39.4	33.6	5.9	9.9
Illini	277.9	10.5	17.3	(6.8)	(24.3)
Illinois Zephyr	196.6	7.0	15.4	(8.4)	(42.7)
Heartland Flyer	73.6	2.9	6.5	(3.6)	(48.6)
Pacific Surfliner	3,041.3	124.1	135.3	(11.1)	(3.7)
Cascades	1,029.7	59.9	68.1	(8.2)	(8.0)
Capitols	2,041.9	60.9	92.9	(32.0)	(15.7)
San Joaquins	1,113.1	47.9	94.7	(46.8)	(42.0)
Adirondack	120.3	10.6	12.6	(2.0)	(16.8)
Blue Water	173.0	8.7	12.0	(3.3)	(19.2)
Washington-Lynchburg	352.6	34.9	14.2	20.7	58.6
Washington - Newport News	351.3	29.7	19.6	10.1	28.7
Washington - Norfolk	373.6	34.9	29.7	5.2	13.8
Washington - Richmond	-	-	-	-	-
Kansas City-St.Louis	156.0	7.5	12.2	(4.7)	(30.3)
Pennsylvanian	223.5	17.4	16.5	0.9	3.9
Pere Marquette	108.7	5.2	6.0	(0.8)	(7.6)
Carolinian	247.9	23.9	17.3	6.7	26.9
Piedmont	296.0	9.9	11.2	(1.3)	(4.5)
Non-NEC Special Trains & Adjustments	0.8	5.9	8.6	(2.7)	(3,329.9)
Gulf Coast	64.7	1.6	9.6	(8.0)	(123.6)
Twin Cities	55.7	3.7	10.5	(6.8)	(122.9)
Moline	169.7	5.3	10.1	(4.8)	(28.2)
Rockford	-	-	-	-	-
State Supported	**17,556.0**	**$875.3**	**$933.8**	**$(58.5)**	**$(3.3)**
LONG DISTANCE:					
Silver Star	387.6	$35.8	$85.8	$(49.9)	$(128.8)
Cardinal	112.5	8.9	29.2	(20.3)	(180.8)
Silver Meteor	354.7	42.9	81.9	(39.0)	(110.0)
Empire Builder	437.5	57.6	128.8	(71.2)	(162.8)
Capitol Limited	214.0	19.4	41.9	(22.5)	(105.1)
California Zephyr	418.9	55.0	121.2	(66.2)	(158.0)
Southwest Chief	341.8	46.1	103.7	(57.5)	(168.4)
City of New Orleans	233.0	18.1	42.4	(24.2)	(103.9)
Texas Eagle	320.5	24.5	64.4	(39.8)	(124.2)
Sunset Limited	94.7	11.8	48.7	(36.9)	(389.9)
Coast Starlight	423.8	46.0	93.9	(47.9)	(113.1)
Lake Shore Limited	372.2	31.6	73.7	(42.1)	(113.1)
Palmetto	340.6	28.3	36.5	(8.1)	(23.8)
Crescent	299.0	34.3	83.0	(48.7)	(162.9)
Auto Train	244.6	86.8	96.6	(9.8)	(40.1)
Long Distance Adjustments	-	-	-	-	-
Long Distance	**4,595.4**	**$547.3**	**$1,131.6**	**$(584.3)**	**$(127.2)**
NTS	35,179.7	$2,845.7	$3,032.1	$(186.4)	$(5.3)
Ancillary		397.7	359.6	38.1	
Infrastructure		278.0	481.0	(202.9)	
AMTRAK	**35,179.7**	**$3,521.4**	**$3,872.7**	**$(351.2)**	

FY 2026 RIDERSHIP PROJECTIONS

($s in Millions)	Ridership (000s)	Allocated Operating Sources	Allocated Operating Uses	Allocated Contribution/ (Loss)	Allocated Contribution/ (Loss) per Rider
NEC					
Acela	4,429.8	$803.7	$474.8	$328.9	$74.3
Regional	9,065.3	705.6	525.4	0.2	19.9
NEC Special Trains & Adjustments	-	-	-	0.0	-
NEC	**13,495.0**	**$1,509.3**	**$1,000.2**	**$509.1**	**$37.7**
STATE SUPPORTED					
Ethan Allen Express	76.0	$7.7	$7.4	$0.3	$3.7
Vermonter	106.6	10.8	10.6	0.3	2.6
Maple Leaf	417.6	38.8	34.4	4.4	10.7
The Downeaster	595.6	16.7	17.0	(0.3)	(0.4)
New Haven - Springfield	431.6	17.0	24.9	(8.0)	(18.4)
Keystone Service	1,694.0	78.9	60.3	18.6	11.0
Empire Service	1,261.1	85.4	67.5	17.9	14.2
Chicago-St.Louis	881.6	39.1	36.7	2.4	2.8
Hiawathas	1,117.6	38.0	27.6	10.5	9.4
Wolverines	596.5	40.3	35.1	5.2	8.7
Illini	280.8	10.8	18.1	(7.3)	(26.0)
Illinois Zephyr	198.0	7.1	16.1	(8.9)	(45.2)
Heartland Flyer	74.3	3.0	6.8	(3.8)	(51.1)
Pacific Surfliner	3,116.7	129.1	141.6	(12.5)	(4.0)
Cascades	1,040.5	61.4	71.3	(9.9)	(9.5)
Capitols	2,084.4	63.1	97.2	(34.2)	(16.4)
San Joaquins	1,136.3	49.6	99.1	(49.4)	(43.5)
Adirondack	122.6	11.0	13.2	(2.2)	(18.3)
Blue Water	174.5	8.9	12.6	(3.7)	(21.1)
Washington - Lynchburg	359.6	36.1	14.9	21.2	59.0
Washington - Newport News	357.6	30.7	20.5	10.2	28.4
Washington - Norfolk	380.4	36.0	31.1	4.9	13.0
Washington - Richmond	-	-	-	-	-
Kansas City-St.Louis	158.7	7.7	12.8	(5.1)	(31.9)
Pennsylvanian	226.7	17.9	17.3	0.6	2.7
Pere Marquette	109.7	5.3	6.3	(1.0)	(8.9)
Carolinian	253.6	24.9	18.1	6.8	26.7
Piedmont	307.8	10.4	11.7	(1.3)	(4.3)
Non-NEC Special Trains & Adjustments	0.8	6.1	9.0	(2.9)	(3,646.2)
Gulf Coast	65.2	1.6	10.0	(8.4)	(129.0)
Twin Cities	56.2	3.7	11.0	(7.3)	(129.4)
Moline	171.0	5.5	-	5.5	31.9
Rockford	-	-	-	-	-
State Supported	**17,853.7**	**$902.7**	**$960.0**	**$(57.3)**	**$(3.2)**
LONG DISTANCE					
Silver Star	391.3	$36.5	$88.3	$(51.8)	$(132.4)
Cardinal	113.6	9.1	30.1	(21.0)	(185.2)
Silver Meteor	358.1	43.7	84.3	(40.6)	(113.5)
Empire Builder	441.6	58.6	132.7	(74.0)	(167.6)
Capitol Limited	216.0	19.8	43.1	(23.4)	(108.3)
California Zephyr	422.8	56.0	124.8	(68.8)	(162.6)
Southwest Chief	345.1	47.0	106.8	(59.8)	(173.2)
City of New Orleans	234.8	18.5	43.6	(25.2)	(107.2)
Texas Eagle	323.6	25.0	66.3	(41.3)	(127.5)
Sunset Limited	95.6	12.0	50.2	(38.2)	(399.2)
Coast Starlight	427.9	46.9	96.8	(49.8)	(116.5)
Lake Shore Limited	375.7	32.2	75.9	(43.7)	(116.4)
Palmetto	344.5	28.9	37.6	(8.6)	(25.0)
Crescent	301.8	34.9	85.5	(50.6)	(167.5)
Auto Train	246.9	88.4	99.5	(11.1)	(44.8)
Long Distance Adjustments	-	-	-	-	-
Long Distance	**4,639.3**	**$557.7**	**$1,165.5**	**$(607.8)**	**$(131.0)**
NTS	35,988.1	$2,969.7	$3,125.7	$(156.0)	$(4.3)
Ancillary		409.6	367.1	42.5	
Infrastructure		285.0	494.7	(209.7)	
AMTRAK	**35,988.1**	**$3,664.3**	**$3,987.6**	**$(323.3)**	

FINANCIAL USES TABLES

TRANSPORTATION ASSET LINE FINANCIAL USES (FY 2021–FY 2026)

($s in Thousands)	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	FY 2021-2026
Financial Uses (Operating):							
Service Line Management	17,545	19,958	20,886	21,742	22,390	23,002	125,522
Train and Engine Crew Labor	329,501	424,358	447,464	468,100	483,433	497,585	2,650,441
Onboard Service Labor	110,737	173,023	182,156	190,683	196,964	202,926	1,056,489
T&E Overhead and Operations Management	86,697	89,353	93,818	97,953	100,985	103,838	572,643
Commissary Operations	60,871	101,123	106,825	112,171	115,958	119,517	616,465
Connecting Motor Coach	23,592	44,027	46,685	48,701	50,370	51,808	265,183
Host RR, MOW and Performance Incentives	121,352	131,302	139,261	146,156	151,204	155,755	845,030
Dispatching	54,574	51,677	54,381	56,950	58,791	60,568	336,940
Fuel and Power	147,738	219,299	231,210	242,222	250,223	257,770	1,348,462
Commissions	864	1,544	1,626	1,702	1,758	1,811	9,306
Passenger Inconvenience & Claims	11,119	16,721	17,520	18,260	18,824	19,359	101,804
Total Operating Uses	**964,591**	**1,272,386**	**1,341,832**	**1,404,639**	**1,450,899**	**1,493,939**	**7,928,285**
Financial Uses (Debt Service Payments):							
Debt Service (Legacy & RRIF)	-	-	-	-	-	-	-
Total Debt Service Payments	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Service Line Management	3,241	-	-	-	-	-	3,241
Technology & Systems	35,054	42,558	40,827	42,052	44,920	43,370	248,781
Facilities	36,007	85,430	146,919	259,150	395,997	482,182	1,405,685
Operations Equipment	10,739	9,857	10,011	10,168	10,327	10,327	61,430
Total Capital Uses	**85,042**	**137,845**	**197,757**	**311,370**	**451,244**	**535,880**	**1,719,137**
Total Transportation Spend	**$1,049,633**	**$1,410,231**	**$1,539,589**	**$1,716,009**	**$1,902,142**	**$2,029,819**	**$9,647,422**

NACS ASSET LINE FINANCIAL USES (FY 2021–FY 2026)

($s in Thousands)	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	FY 2021-2026
Financial Uses (Operating):							
Regional/Local Police	59,695	63,586	66,830	69,854	72,087	74,238	406,291
National Police and Safety	22,469	23,487	24,734	25,893	26,731	27,521	150,834
Non-Passenger Claims	6,146	10,321	10,887	11,413	11,789	12,143	62,699
Information Technology (IT)	124,838	139,606	147,198	154,258	159,324	164,087	889,311
Training and Training Centers	16,233	18,823	19,837	20,789	21,470	22,116	119,268
Insurance	87,085	104,515	110,303	115,652	119,484	123,069	660,109
Environmental	8,123	8,280	8,734	9,153	9,455	9,738	53,483
Real Estate & Lease Costs	-	894	960	1,032	1,071	1,108	5,065
Reservations & Call Centers	44,329	68,830	72,908	76,596	79,226	81,645	423,534
Corporate Operations	369,125	392,929	415,767	437,641	452,443	466,339	2,534,244
Total Operating Uses	**738,044**	**831,270**	**878,158**	**922,280**	**953,081**	**982,005**	**5,304,838**
Financial Uses (Debt Service Payments):							
Debt Service (Legacy & RRIF)	-	-	-	-	-	-	-
Total Debt Service Payments	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Information Technology (IT)	31,004	14,700	13,627	14,036	12,850	12,850	99,067
Infrastructure Protection	15,592	-	-	-	-	-	15,592
Station & Facility Protection	850	-	-	-	-	-	850
Corporate Operations	95,888	99,855	107,492	109,419	108,015	104,410	625,079
Total Capital Uses	**143,335**	**114,555**	**121,118**	**123,455**	**120,866**	**117,261**	**740,589**
Total National Assets & Corporate Services Spend	**$881,379**	**$945,825**	**$999,277**	**$1,045,735**	**$1,073,946**	**$1,099,265**	**$6,045,427**

INFRASTRUCTURE ASSET LINE FINANCIAL USES (FY 2021–FY 2026)

($s in Thousands)	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	FY 2021-2026
Financial Uses (Operating):							
Maintenance of Way	284,019	322,753	336,907	350,712	361,034	371,139	2,026,564
Engineering Management Support	57,849	74,144	77,088	79,991	82,234	84,459	455,764
Total Operating Uses	**341,868**	**396,898**	**413,995**	**430,703**	**443,267**	**455,598**	**2,482,328**
Financial Uses (Debt Service Payments):							
Debt Service (Legacy & RRIF)	25,722	10,867	6,298	6,302	6,296	12,687	68,173
Total Debt Service Payments	**25,722**	**10,867**	**6,298**	**6,302**	**6,296**	**12,687**	**68,173**
Normalized Replacement	521,176	704,748	811,423	765,502	746,166	850,441	4,399,456
Safety & Mandates	100,209	118,215	15,136	-	-	35,233	268,794
Major Backlog	27,252	41,229	222,778	602,992	484,999	599,367	1,978,617
Improvements	195,720	1,124,199	585,148	461,583	420,154	398,806	3,185,611
Environmental Remediation	17,212	16,845	11,645	10,625	11,135	10,710	78,172
Program Management	7,842	7,318	9,885	13,621	14,030	-	52,696
Total Capital Uses	**869,411**	**2,012,555**	**1,656,015**	**1,854,323**	**1,676,484**	**1,894,557**	**9,963,346**
Total Infrastructure Spend	**$1,237,001**	**$2,420,320**	**$2,076,308**	**$2,291,328**	**$2,126,048**	**$2,362,843**	**$12,513,848**

EQUIPMENT ASSET LINE FINANCIAL USES (FY 2021–FY 2026)

($s in Thousands)	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	FY 2021-2026
Financial Uses (Operating):							
Terminal Yard Operations	28,508	39,088	41,315	43,437	44,902	46,292	243,542
Car & Locomotive Maintenance and Turnaround	506,427	489,536	517,613	543,534	561,821	578,778	3,197,709
MOE Supervision Training and Overhead (Less Backshops)	65,003	71,904	75,304	78,430	80,780	82,983	454,404
Yard Operations - Mechanical Support	34,827	38,331	40,413	42,338	43,730	45,040	244,678
Mechanical Backshops	37,519	15,100	15,803	16,592	17,067	17,530	119,610
Onboard Passenger Technology	2,699	233	246	257	266	274	3,976
Fleet Strategy	1,025	1,262	1,333	1,398	1,445	1,489	7,950
Total Operating Uses	**676,007**	**655,455**	**692,026**	**725,985**	**750,011**	**772,386**	**4,271,870**
Financial Uses (Debt Service Payments):							
Debt Service (Legacy & RRIF)	183,536	210,535	266,428	180,203	179,601	178,572	1,198,875
Total Debt Service Payments	**183,536**	**210,535**	**266,428**	**180,203**	**179,601**	**178,572**	**1,198,875**
Overhauls	224,136	225,904	213,607	201,459	184,318	212,240	1,261,665
New/Replacement Equipment	630,120	820,271	313,032	795,712	659,662	769,115	3,987,912
Facilities	144,436	136,463	51,796	35,728	36,727	36,837	441,987
LCPM	37,191	-	-	-	-	-	37,191
Other Train Capital	4,690	4,080	6,887	299	-	-	15,957
Total Capital Uses	**1,040,573**	**1,186,719**	**585,322**	**1,033,199**	**880,706**	**1,018,192**	**5,744,711**
Total Equipment Spend	**$1,900,116**	**$2,052,708**	**$1,543,776**	**$1,939,386**	**$1,810,319**	**$1,969,150**	**$11,215,456**

STATIONS ASSET LINE FINANCIAL USES (FY 2021–FY 2026)

($s in Thousands)	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	FY 2021-2026
Financial Uses (Operating):							
Station Staffing	128,419	162,784	172,215	180,592	186,714	192,340	1,023,065
Station Facility Operations	116,398	78,001	82,173	85,895	88,691	91,308	542,465
Total Operating Uses	**244,816**	**240,785**	**254,388**	**266,487**	**275,405**	**283,649**	**1,565,531**
Financial Uses (Debt Service Payments):							
Debt Service (Legacy & RRIF)	-	-	-	-	-	-	-
Total Debt Service Payments	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Normalized Replacement	59,199	87,338	64,686	63,768	46,510	5,033	326,533
Safety & Mandates	98,705	292,197	263,526	221,581	231,368	73,075	1,180,452
Major Backlog	4,285	-	-	-	-	-	4,285
Improvements	224,302	204,140	127,336	114,489	102,720	73,032	846,019
Total Capital Uses	**386,491**	**583,674**	**455,548**	**399,838**	**380,598**	**151,141**	**2,357,290**
Total Station Spend	**$631,307**	**$824,459**	**$709,937**	**$666,325**	**$656,003**	**$434,789**	**$3,922,820**

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