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**TESTIMONY OF**

**WILLIAM HOLLISTER**  
**PRINCIPAL OFFICER**  
**AMTRAK GOVERNMENT AFFAIRS**

**BEFORE THE**

**COMMITTEE ON TRANSPORTATION**  
**OF THE**

**VERMONT HOUSE OF REPRESENTATIVES**

**WEDNESDAY, FEBRUARY 5<sup>TH</sup>, 2014**  
**9:00 A.M.**

# Agenda

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- History of State-Supported services
- PRIIA Section 209
- State-supported services in Vermont, Connecticut and New York
- The future

# Amtrak services in Vermont

## Ethan Allen Express

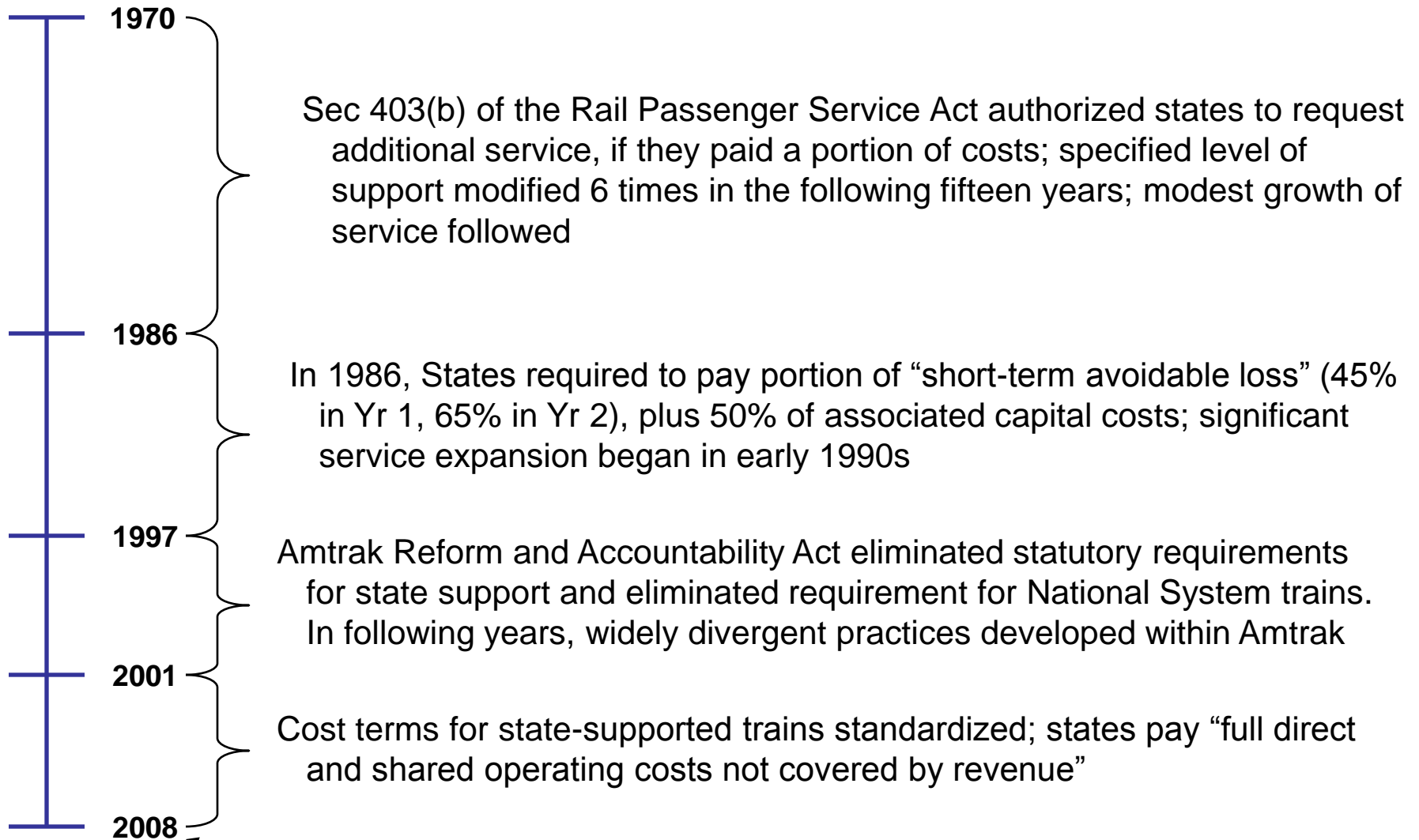
## Vermont



- Total of 137,380 riders in FY 2013
  - 84,109 on the *Vermont* (coming or going from a point north of Springfield)
  - 53,271 on the *Ethan Allen* (coming or going from a point north of Albany)
  - Riders carried exclusively on segments south of these points mitigate cost to the state
  - Boardings and alightings at Vermont stations up 4% over the previous year
- Amtrak in Vermont, 2013
  - \$92,176 payroll
  - \$462,754 in procurement

# Brief history of state-supported services

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**PRIIA passed – and the rules changed**

## Section 209 – Clarifying the State/Federal Partnership

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- Federal government supports:
  - Long distance network, for a base level of nationwide connectivity
  - Capital investments in network-wide systems, equipment and infrastructure
    - Computer/financial systems, shops, etc. for long distance and corridor service
  - NEC Spine SOGR and *Acela*/Regional capital and operating expenses (pending outcome of Section 212 process).
- State governments support:
  - Short-distance (750 miles or less) Amtrak corridor service primarily benefiting an individual state or region:
    - Services levels and routings controlled by states and based on State Rail Plans
    - States fund portion of operating and capital costs
    - Only states can initiate service
- Federal government additionally supports States:
  - Amtrak’s incremental cost access rights and dispatching priority on host railroads
  - Less than fully-allocated costs – Federal government funds applied to some shared costs

# Operating Cost Sharing

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- Some services designated as Section 209 routes cross more than one state
  - Section 209 allows those states to enter into agreements to share the costs of those routes.
- The costs and revenues for the *Vermont* and *Ethan Allen* are shared by the following states:

State support for the <i>Vermont</i> and <i>Ethan Allen</i>				
	VT	NY	CT	MA
<i>Ethan Allen</i>	\$1.4m	\$763,000		
<i>Vermont</i>	\$5.08m		\$49,000	\$677,000

# State-supported services in Western New England

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- \$175M in Federal funding for CT
  - NH-Springfield Line upgrades
  - \$190M match from the state
  - Scheduled for completion in 2016
- \$70M in Federal funding for Massachusetts
  - Knowledge Corridor project
  - Completion expected in 2014-5
- \$154M in Federal funding in New York
  - Empire Corridor improvements
  - \$46M match from the state
  - Construction on first phase began in 2014
- \$50M in Federal funding in VT
  - Rehabilitation of New England Central line
  - \$20M match from the state
  - Work completed in October, 2012

Tracy Levin photo



Amtrak station, Northampton, Massachusetts

# Improving the service

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- Initiatives under way to review pricing strategies and fares to maximize revenue.
- Participating in efforts to expand service and reach major markets
  - Vermonter to Montreal
  - Ethan Allen to Burlington
- Marketing initiatives to grow ridership
- Discussions of possible cost reduction strategies
  - Reduction of food and beverage service
  - Fuel analysis
  - Reduction in trip time