

Agreement No. _____
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NATIONAL RAILROAD PASSENGER CORPORATION
and
THE COMMONWEALTH OF PENNSYLVANIA

AGREEMENT FOR THE PROVISION OF RAIL PASSENGER SERVICE

THIS AGREEMENT for the provision of rail passenger service is effective as of October 1, 2024 and made by and between the National Railroad Passenger Corporation, a corporation organized under the Rail Passenger Service Act (recodified at 49 U.S.C. § 24101 *et seq.*) and the laws of the District of Columbia, having its principal office and place of business in Washington, D.C. (hereinafter referred to as “Amtrak”), and the Commonwealth of Pennsylvania, acting by and through the Pennsylvania Department of Transportation (hereinafter referred to as “the Commonwealth”).

WITNESSETH:

WHEREAS, the Commonwealth has requested that Amtrak provide certain rail passenger service for the benefit of persons traveling to, from and within the Commonwealth; and has provided to Amtrak adequate assurances as to the Commonwealth’s resources to reimburse Amtrak for certain costs of such service, as more specifically defined herein;

WHEREAS, under Section 209 of the Passenger Rail Investment and Improvement Act of 2008, Pub. L. No. 110-432, 122 Stat. 4848 (“PRIIA”), Congress required, among other things, that Amtrak, in consultation with the relevant states and the District of Columbia, develop and implement a methodology for allocating the operating and capital costs of rail routes of not more than 750 miles outside the segment of the continuous Northeast Corridor railroad line between Boston, Massachusetts and Washington, District of Columbia among the relevant states and the District of Columbia, and Amtrak;

WHEREAS, Amtrak developed such a methodology in consultation with a group of states, which was approved by the United States Surface Transportation Board after submittal by Amtrak and any amendments thereto from FY2013-

FY2023 previously referred to the Agreed 209 Methodology within prior agreements between the parties; and

WHEREAS, the State-Supported-Route Cost and Service Policy was substantially revised, adopted, and became effective in September 2022 and the new policy methodology became effective October 1, 2023 (hereinafter “Agreed 209 Methodology”) the current version of which is attached hereto as Exhibit A; and;

WHEREAS, Amtrak’s Keystone Service operating between Philadelphia, PA and Harrisburg, PA (the “Keystone Service”) and Amtrak’s Pennsylvanian Service operating between Philadelphia, PA and Pittsburgh, PA (the “Pennsylvanian Service”), (collectively, the “Service”), are subject to the Agreed 209 Methodology and any amendments thereto, as trains of not more than 750 miles outside the segment of the continuous Northeast Corridor railroad line between Boston, Massachusetts and Washington, District of Columbia;

WHEREAS, the Commonwealth has elected the Fixed Invoicing Method as provided for in the Agreed 209 Methodology for the term of this Agreement and does not elect Operating - Cost Reconciliation following the term of this Agreement;

WHEREAS, the Commonwealth has elected fixed Capital Costs - Passenger Service Equipment as provided for in the Agreed 209 Methodology for the term of this Agreement, there will be no reconciliation for these costs following the term of this Agreement;

WHEREAS, Chapter 15 of the Public Transportation Law (“PTL”), 74 Pa. C.S. Chapter 15, which Act 44 of 2007 added as an entirely new chapter within the PTL and which was then amended by Act 89 of 2013, established a new funding source, the Public Transportation Trust Fund, for financial assistance for various public transportation services;

WHEREAS, Section 1516(c)(2) of the PTL, 74 Pa. C.S. §1516(c)(2), specifically authorizes the Commonwealth to provide operating assistance for intercity passenger rail service from the Public Transportation Trust Fund;

WHEREAS, Section 5(a) of the Pennsylvania Rural and Intercity Common Carrier Surface Transportation Assistance Act, Act of February 11, 1976, P.L. 14, No. 10, as amended, 55 P.S. § 655(a), authorizes the Commonwealth to cooperate and contract with Amtrak for any intercity rail passenger services deemed necessary, convenient or desirable by the Commonwealth Secretary of Transportation.

NOW THEREFORE, in consideration of the mutual covenants herein contained, the parties hereto agree as follows:

SECTION 1 - SERVICE TO BE PROVIDED

- (a) Rail Service. Subject to sufficient appropriation of state and federal funding, Amtrak shall provide rail passenger service over the route(s) set forth in Appendix I attached and made part of this Agreement and substantially in accordance with the schedules prescribed therein. Amtrak shall not be required to increase the frequency of any of the said Service except pursuant to a mutually agreed and amended Appendix I made pursuant to Section 12 hereof. In the event sufficient state or federal funding becomes unavailable for any reason, Amtrak may terminate this Agreement on thirty (30) days prior written notice to the Commonwealth.

- (b) Food & Beverage, Checked Baggage Service and Business Class Seating. Amtrak shall endeavor to provide rail passenger service of high quality and the parties shall cooperate in efforts to improve the Service, as may be appropriate. Unless otherwise expressly agreed in writing between the Commonwealth and Amtrak, and with the understanding that the Keystone Service does not currently offer food service or business class seating, the Keystone Service and the Pennsylvanian Service shall be at least equal in quality to that of Amtrak's Northeast Regional Service. The Pennsylvanian Service shall offer checked baggage service, which will be available at selected stations as indicated in Appendix I, as well as business class accommodations functionally identical to Amtrak Northeast Regional Service.

- (c) Equipment Utilization. As Base-Increment NEC Corridor Trains, the Keystone Service and Pennsylvanian Service will make use of Amtrak-owned equipment and the costs of maintaining that equipment will be shared as called for in the Agreed 209 Methodology. In the event that the Commonwealth desires to provide its own equipment for use on the Keystone Service and/or the Pennsylvanian Service, Amtrak shall have the sole and exclusive right to approve or reject use of that equipment. The Commonwealth represents and warrants to Amtrak that any equipment provided by the Commonwealth will comply with all applicable laws and regulations, including the Americans with Disabilities Act. The Commonwealth shall be responsible for obtaining the prior approval of any railroad(s) over which such equipment provided by the Commonwealth is to be operated. The Commonwealth may, upon not less than 120 days' prior notice, request that Amtrak increase or decrease the Service and/or the

amount of equipment used in the Service, so as to meet the needs of the traveling public. An increase or decrease in the Service and/or the amount of equipment used in the Service will result in an amendment to this Agreement to reflect an increase or decrease in the costs and revenue associated with the requested change, as appropriate. If the request is to increase either the Service or the amount of equipment used, Amtrak shall exercise reasonable efforts to accommodate such request, which may include providing additional compatible rail passenger equipment from its available resources. Equipment includes locomotives, cab cars and any other type of car used in a passenger train.

- (d) Equipment Unavailable. If equipment normally used in the Service becomes unavailable for any reason, Amtrak shall exercise reasonable efforts to substitute compatible rail passenger equipment from its available resources, consistent with the funding requirements of the Agreed 209 Methodology, including Capital Costs - Passenger Service Equipment charges associated with the use of such substitute equipment. Alternatively, the Commonwealth and Amtrak may agree to use such additional compatible equipment as the Commonwealth may make available, subject to the terms relating to such use as set forth in Section 1(c) above.
- (e) Additional Rail Passenger Service. In the event that the Service may, from time to time, be fully utilized by the traveling public, Amtrak shall endeavor to provide additional rail passenger service equipment from its available resources, consistent with the funding requirements of the Agreed 209 Methodology.
- (f) Cooperation. The parties shall cooperate to continue the existence and use of the Service and shall take such action as they may mutually agree is conducive to the establishment and provision of the Service on a regular, efficient and economic basis. To that end, Amtrak may incorporate the Service in its general advertising and promotional programs as it may deem appropriate to the area in which the Service is provided. The Commonwealth and Amtrak agree to defer development and implementation of a regional marketing and advertising plan ("Route Advertising") for the term of this Agreement and as such, the Commonwealth's total financial obligation for Route Advertising for FY25 shall be \$200,000, as set forth in the Route Advertising Line of Appendix II, Schedule A, attached and made part of this Agreement.

- (g) Required Statement. Amtrak agrees to insert, in all published timetables and advertising related to the Service herein, the following statement:

“This service is financed primarily through funds made available by the Pennsylvania Department of Transportation.”

- (h) Commonwealth Website. If at any time, the Commonwealth should elect to have its own website promoting the Service it shall assure that the content is accurate, timely and consistent with information contained on Amtrak’s website.

- (i) Trade and Service Marks. Subject to the conditions and requirements herein, each party grants the other a limited, non-exclusive license to use its name, trade names, trademarks and service marks, collectively referred to as “Marks” identified in Appendix III, attached and made part of this Agreement, for the purpose of implementing the regional marketing and advertising plan. Except as expressly provided herein, no right, property, license, permission or interest of any kind in or to the use of any Mark owned or used by a party is or is intended to be given or transferred to or acquired by the other party by the execution, performance or nonperformance of this Agreement or any part thereof, and each party’s use of the other party’s Marks shall inure to the sole benefit of the party that owns such Marks. Each party agrees to comply with all of the other party’s instructions and quality control standards, oral or written, regarding the use or display of the other party’s Marks. Each party that uses or displays the other party’s Marks shall reasonably permit the owner and/or licensor of such Marks to monitor whether the licensed use by the licensee is meeting the quality control standards of the owner/licensor through reasonable inspection. Neither party shall use any Marks of the other in any manner that would diminish its value or harm the reputation of the other party and the control over the use of a party’s Marks shall remain with the party that owns the Marks.

Each party acknowledges that the other party’s Marks and copyrights are considered to be valuable and that it (or its licensors) claims to own all worldwide right, title and interest therein and thereto. Each party agrees that it shall in no way contest or deny the validity of, or the right or title of, the other party’s Marks by reason of this Agreement. Each party further agrees not to register anywhere in the world any domain name, name, mark, symbol, logo, copyright, company, product name, service name, or description that could be confused with or is similar to or which dilutes the other party’s Marks. Each party shall have the right to review and approve, prior to publication or display, the portion of any and all content, artwork,

copy, advertising, promotional materials, direct mail, inserts, press releases, newsletters, web pages, timetables (the Commonwealth's review and approval is only requested for the Amtrak National Timetable if there are changes to the schedule or service level of the Service) or other communications or other publicity published or distributed by the other party (or at its direction and authorization) that specifically references this Agreement, the reviewing/approving party's name, the Service, or that uses any of the reviewing/approving party's Marks. Such review and approval by the other party shall be timely and shall not be unreasonably withheld or delayed. All advertising and promotional materials proposed to be utilized by a party to promote the Service shall contain disclaimers, limitations of liability, notices, proprietary notices (e.g., trademark and copyright notices) and such other notices as are reasonably required by the other party.

SECTION 2 - TERM OF AGREEMENT

This Agreement is effective the date of the last signature below and will continue until March 31, 2026. This Agreement reimburses Amtrak for the operation of the Service from October 1, 2024, through September 30, 2025, unless extended pursuant to Section 5(g).

SECTION 3 - DECISIONS AFFECTING SERVICE

It is the objective of both the Commonwealth and Amtrak to optimize revenues, maximize ridership and provide a cost-effective Service.

The Commonwealth hereby recognizes Amtrak's statutory obligation to act in a manner consistent with prudent management in providing rail passenger service, including any expansion of rail passenger service. Amtrak recognizes the Commonwealth's financial contribution to the provision of the Service and acknowledges the budgetary limitations of the Commonwealth as it considers any proposed decision affecting the Service. Except as otherwise provided in this Agreement, Amtrak shall give to the Commonwealth not less than thirty (30) days prior notice in writing of implementation of any proposal or decision which is likely to have a significant effect on the scheduling, marketing (including fares and ticketing), food and beverage service or operations of the Service. Such notice shall contain information in sufficient detail to support and justify such decision, if applicable. Accordingly, the parties shall exercise their best efforts to agree on any such decision as aforesaid pursuant to the following procedure:

- (a) Concurrence Required When Decision Only Affects Service Provided Under this Agreement. If any such proposal or decision relates only to the

Service provided pursuant to this Agreement, and if it can be implemented without affecting other Amtrak service, Amtrak shall obtain the Commonwealth's concurrence therein prior to such implementation. The Commonwealth shall promptly respond in writing to notice from Amtrak as aforesaid stating that it concurs, or, in the alternative, giving reasons in sufficient detail why it does not concur. In the latter event, the parties shall promptly confer for the purpose of reaching mutual agreement and concurrence within fifteen (15) working days of receipt of notice; provided, however, that the Commonwealth shall not unreasonably withhold its concurrence. In the event the parties are unable to reach agreement, the proposed decision effecting Service will not be implemented.

- (b) Concurrence Required When Decision Affects Service Provided Under this Agreement as well as Other Amtrak Service. If, in the judgment of Amtrak, any such proposal or decision as aforesaid will affect both Service provided under this Agreement and at least one other Amtrak service, Amtrak shall solicit the Commonwealth's concurrence therein prior to implementation. The Commonwealth shall promptly respond in writing to notice from Amtrak as aforesaid stating that it concurs or, in the alternative, giving reasons in sufficient detail why it does not concur. In the latter event, the parties shall promptly confer for the purpose of reaching mutual agreement and concurrence within fifteen (15) working days of receipt of notice; provided, however, that if the parties fail to agree, Amtrak may implement such decision upon the expiration of the notice period.
- (c) Unilateral Decisions. Amtrak agrees as a condition of its authority to make unilateral decisions under subsection (b) that in the event any such decision results in an increase in cost of the Service or a decrease in Service revenue, said increased costs or lost revenues will be borne exclusively by Amtrak through the term of this Agreement ending on September 30, 2025.
- (d) Failure to Respond. If, under Subsections (a) or (b) of this Section 3, the Commonwealth fails to respond in writing to notice from Amtrak as aforesaid within fifteen (15) working days of delivery of such notice, the Commonwealth shall be deemed to have concurred in the decision set forth therein.
- (e) Alternate Bus Transportation. Amtrak shall provide substitute bus transportation for any planned service outages where possible, and shall endeavor to provide substitute bus transportation for any force majeure events or other service disruptions.
- (f) Credit. Notwithstanding the notice procedures contained in this Section 3, if access to or over rail lines on any route provided herein shall be

unavailable due to obstruction or otherwise, due to planned service outages or force majeure events, Amtrak may suspend or reroute any part of the Service for so long as such access shall be unavailable. Amtrak shall promptly notify the Commonwealth of any such suspension or rerouting and the parties shall cooperate to restore the Service affected. When such service suspension, rerouting or substitution of bus transportation for a Commonwealth-sponsored train is required by reason of obstruction or otherwise, Amtrak shall credit against future billings to the Commonwealth any net cost savings derived therefrom.

- (g) Proposals. The Commonwealth shall have the right to initiate proposals concerning scheduling, marketing (including fares and ticketing), food and beverage service or operations of the Service pursuant to this Agreement. Both parties agree that to provide a consistent level of service across all Amtrak services, that tariff policies (including age or membership restrictions to qualify for passenger-type discounts, and rules, procedures and fees for handling reservation cancellations, ticket exchanges and ticket or payment refunds) will be handled consistent with Amtrak national policies. Amtrak will provide the Commonwealth at least thirty (30) days' notice of any changes to the general tariff policies. For purposes of the Service's operation over routes shared with other Amtrak intercity rail services, the implementation of proposals should remain consistent with the pricing of all other Amtrak trains operating within the same route segments. However, the Commonwealth may initiate proposals to adjust inventory allocated at each pricing level for the purposes of the Service's operations along any and all segments of the Service between Philadelphia and Pittsburgh. Amtrak shall promptly respond to the Commonwealth in writing stating its concurrence or, in the alternative, giving reasons in sufficient detail why it does not concur. In the latter event, the parties shall promptly confer in order to reach mutual agreement and concurrence within thirty (30) days of receipt of notice; provided, however, that Amtrak shall not unreasonably withhold, delay, or condition its concurrence.

SECTION 4 - AMOUNT OF REIMBURSEMENT BY THE COMMONWEALTH

Capitalized terms shall have the meaning set forth in the Agreed 209 Methodology.

- (a) Financial Obligation. Estimated Operating - Cost Obligations are set forth in Appendix II. Operating-Cost Obligations other than Pass Through Costs and Percentage Charges (represented as Route Level and Support Costs in Appendix II) shall be fixed for the duration of the Agreement in the amounts specified in Appendix II. The Commonwealth and Amtrak agree

that the Operating-Cost Obligations other than Pass Through Costs and Percentage Charges for the Keystone Service and Pennsylvanian Service have been agreed upon by the parties and are not subject to audit adjustment, though they are subject to adjustments as described in Section 3(e) and 3(f). As Base-Increment NEC Corridor Trains, the Keystone Service and the Pennsylvanian Service will receive Through Revenue on a Passenger Mile Split basis. Pass Through Costs and Percentage Charges and credits for Passenger and Other Allocated Revenue shall be charged based on actual costs incurred and revenues received. For the purposes of estimating the net Financial Obligation, estimates of Pass-Through Charges and Passenger and Other Allocated Revenue are provided in Appendix II.

Synthetic host railroad expenses covered by Appendix C of the Agreed 209 Methodology shall be computed by Amtrak on a monthly basis by multiplying the FY25 synthetic host railroad charge of \$2.09 per train mile times the total train miles over the applicable route described in Appendix D of the Agreed 209 Methodology, and shall be billed to the Commonwealth on a monthly basis.

- (b) Capital Costs – Passenger Service Equipment. Capital costs for Passenger Service Equipment will be calculated as a usage fee in accordance with the Agreed 209 Methodology, and will be allocated to the Commonwealth in accordance with Appendix II and shall be fixed for the duration of the Agreement from October 1, 2024 through September 30, 2025 (“Fixed Capital Costs”). The Commonwealth and Amtrak agree that the Fixed Capital Costs have been mutually agreed upon by the parties and are not subject to audit adjustment.
- (c) Capital Costs – Fixed Assets. Under the provisions of PRIIA Section 209, Capital Costs associated with the utilization of Amtrak owned fixed asset capital investments and/or various other non-Amtrak owned fixed assets utilized for the operation of a state-supported route are to be calculated according to the Agreed 209 Methodology and charged to the applicable state-supported routes utilizing such assets. As of the present time, no specific calculations have yet been developed for the allocation of such costs and accordingly, no such costs have been allocated, nor are currently being assessed under the provisions of this Agreement.
- (d) Costs to be Evaluated. The parties agree to meet regularly to review contract related revenue and expenses, including Operating- Costs Obligations, Pass Through Costs and Percentage Charges, credits for Passenger and Other Allocated Revenues, and Capital Costs – Passenger Service Equipment. If, based on this review it appears that estimated

contract payments for the remainder of the contract year will exceed available funding, the Commonwealth agrees to (a) obtain supplemental funding and/or (b) assist Amtrak to implement service modifications necessary to reduce projected contract payments to match the level of anticipated funding. Amtrak shall not be required to operate any service for which the projected cost to the Commonwealth, as determined hereunder, exceeds the available funding.

- (e) **Monthly Reconciliation.** Amtrak shall provide the Commonwealth with a monthly reconciliation statement comparing forecasted contract related expenses to actuals, including Operating-Cost Obligations, Pass-Through Charges, and credit for Passenger and Other Allocated Revenues. The reconciliation statements shall be provided within forty-five (45) days of the end of each month.
- (f) **Suspension or Discontinuation of Service.** If Amtrak does not receive payment from the Commonwealth, Amtrak may, at its sole discretion, suspend, discontinue, or modify some or all of the Service.
- (g) **Amtrak Financial Systems.** From time to time, Amtrak may make updates to financial systems, such as SAP and the Amtrak Performance Tracking (APT) system, or may make updates to the Operating or Capital Cost forecasts. In the event that any such updates are, consistent with the requirements of the Agreed 209 Methodology, determined by Amtrak to warrant the revision of any such costs in a manner that would result in an adjustment of the amounts paid by or to be paid by the Commonwealth under the terms of this Agreement, Amtrak will notify the Commonwealth of such adjustment(s) and, subject to mutual agreement of the parties, amend this Agreement accordingly.
- (h) **Updates to Amount of Reimbursement.** Operating-Cost Obligations, and Estimates of Revenue, Pass Through Costs and Percentage Charges and Capital Costs-Passenger Service Equipment, as defined in the Agreed 209 Methodology may be updated as follows:
 - 1. In the event the parties desire to make a change in the Service that will result in a material change in the amount of reimbursement described in Subsections 4(a) through 4(c), Amtrak will provide the Commonwealth with an evaluation of the financial impacts of the proposed change in the Service (“Service Evaluation”) for review and mutual agreement. The Service Evaluation shall be the basis for revised Appendices I, and II. The Commonwealth shall adjust the funding amount set forth in Appendix II to the level prescribed in the mutually agreed upon Service Evaluation in accordance with the

209 Methodology via a letter amendment to this Agreement (“Letter of Amendment”) requiring only the signatures of authorized representatives of the Commonwealth, Amtrak, the Commonwealth’s Office of Chief Counsel and Office of Comptroller Operations.

SECTION 5 – MANNER OF REIMBURSEMENT

- (a) Reimbursement. In consideration for Amtrak’s agreement to operate this Service from October 1, 2024 through September 30, 2025 for the estimated amount specified in Appendix II, the Commonwealth shall reimburse Amtrak in accordance with the monthly payment schedule included in Appendix II, as reconciled for actual Passenger and Other Allocated Revenue and Pass Through Costs and Percentage Charges in accordance with Section 4 above. On or before February 1, 2026, Amtrak shall provide the Commonwealth with an accounting of the actual and verifiable Capital Costs investments made by Amtrak during the period of October 1, 2024 through September 30, 2025 in accordance with the 5-year equipment capital investment program described in the Agreed 209 Methodology. No additional invoice will be submitted to the Commonwealth.
- (b) Monthly Invoices. Upon execution of this Agreement, Amtrak shall render monthly invoices to the Commonwealth in accordance with the payment schedule in Appendix II, as reconciled for actual Passenger and Other Allocated Revenue and actual Pass-Through Charges, in accordance with Section 4 above. The invoice should include only the amount due under the Agreement. The Agreement Number must be included on all invoices. Except in the event of changes to the Service or equipment, no further financial statements or “actual” bills will be provided to the Commonwealth by Amtrak.
- (c) Reasonable Efforts. The Commonwealth shall put forth reasonable efforts to make payments by the required payment date as set forth in Appendix II. The Commonwealth’s payment should not be construed by Amtrak as the Commonwealth’s acceptance of the service performed by Amtrak.
- (d) Failure to Remit Payment in Full. Should the Commonwealth fail to remit payment in full, as provided in this Section, Amtrak may suspend or discontinue any or all of the Service on fifteen (15) days prior notice in writing to the Commonwealth of intended suspension or discontinuance Notwithstanding the 180-day notice requirement contained in 49 U.S.C. Section 24706(a), if the Commonwealth fails to remit payment in full within the period of the said notice, Amtrak may modify, suspend or discontinue

the portion or portions of the said service referred to therein after thirty (30) days prior written notice to the Commonwealth; provided, however, that any suspension or discontinuance shall not constitute or be construed as a waiver by Amtrak of any such payment; provided, further, that any such suspension or discontinuance shall be without prejudice to the continued operation of any remaining portion or portions of the Service.

- (e) No Waiver. Except as provided in Section 5(d) hereof, neither party shall, due to any dispute or controversy with the other or for any reason whatsoever, be entitled to withhold any payment or performance due under this Agreement; provided, however, that no payment which has been made by the Commonwealth shall constitute or be construed as a waiver of any such claim it may have against Amtrak. The parties hereto shall make every reasonable effort to resolve any dispute or controversy by negotiation.
- (f) Refund. Amtrak agrees to promptly refund to the Commonwealth any monies due to the Commonwealth in the event of early termination of this Agreement. The cost of a reduced Agreement term shall be determined by the number of days of service prorated against the total compensation set forth in Appendix II, as reconciled for actual Passenger and Other Allocated Revenue and Pass Through Costs and Percentage Charges, in accordance with Section 4 above.
- (g) Continuation Period. In the event the parties fail to reach agreement for operation of the Service for the period October 1, 2025 through September 30, 2026 (“FY26 Agreement”) prior to October 1, 2025, the parties agree that the terms of this Agreement shall govern continued operation of the Service until a new agreement is executed by the parties (“Continuation Period”). In such event, the Commonwealth agrees to continue to reimburse Amtrak for the Operating Costs and Capital Costs – Passenger Service Equipment, at the level established for the period October 1, 2024 through September 30, 2025, for the term of the Continuation Period, in accordance with the terms set forth in Section 5(a) through 5(g) herein. Specifically, during the Continuation Period, the Commonwealth shall remit to Amtrak timely monthly payments in accordance with the Payment Schedule set forth in Appendix II. All monthly payments due under Appendix II for the Continuation Period shall be payable as outlined in Section 5(b). In addition, the Commonwealth shall remit full payment as outlined in Section 5(a) within the timeframe noted in Section 5(c) for the full duration of the Continuation Period. If the Commonwealth fails to remit a full Continuation Period payment when due, Amtrak may suspend or discontinue any or all the Service after thirty (30) days’ prior notice in

writing to the Commonwealth. Once an FY26 Agreement is executed by the parties, Amtrak will credit the Commonwealth's payments made during the Continuation Period to the Commonwealth's obligations under the FY26 Agreement. In no event, shall the Continuation Period extend beyond March 31, 2026. In the event a new agreement is not executed by March 31, 2026, Amtrak shall have the right to suspend or discontinue the Service.

SECTION 6 - DEFENSE OF CLAIMS

Amtrak shall be responsible for and agrees to indemnify and hold harmless the Commonwealth from all losses, damages, claims, demands, suits, and actions brought by any party involving injury to or death of any person, or damage to or loss of any property, to the extent such arises from the operation of the Service and shall, at the request of the Commonwealth, defend any actions brought against the Commonwealth based on such claims or demands. If any claim, action, or proceeding shall at any time be brought against the Commonwealth asserting a liability for such injury, death, damage or loss, the Commonwealth shall promptly give notice to Amtrak of such claim, action or proceeding. The parties agree that Amtrak shall control the defense of any such claim, action or proceeding, and the Commonwealth shall fully cooperate with Amtrak and provide all such information and reasonable assistance as Amtrak may from time to time request with respect to any such claim, action or proceeding.

SECTION 7 - INSPECTION AND AUDIT

- (a) Inspection. The Commonwealth may, at any time at Amtrak offices during reasonable business hours, inspect the Service, provided, however, any such inspection shall comply with all applicable safety rules and regulations and not hinder or delay the operation of the Service. Amtrak acknowledges and agrees that upon reasonable notice and at reasonable intervals, the Commonwealth's auditors or other duly authorized representatives shall have access to the books, documents, papers and records which are directly pertinent to this Agreement for purpose of making audit, examination, excerpts, and transcripts for a period of three (3) years following the expiration of each contract period as defined in Appendix II hereto. Copies of applicable records may be made available to the Commonwealth and/or its representatives during the audit, provided that the Commonwealth and, if applicable, its representatives enter into a non-disclosure agreement indicating that they will not disclose to any third party, without Amtrak's prior approval, any confidential proprietary data provided hereunder. The Commonwealth and Amtrak agree that any

findings that result in additional payments due to Amtrak or credits due to the Commonwealth will not be implemented until after the audit is final.

- (b) Availability of Data. Amtrak shall, without cost to the Commonwealth, make available such operating, ridership and on-time performance data relating to the Service as may be available in Amtrak's information retrieval system. Operating and ridership data shall be supplied for each train hereunder and shall include numbers of (i) passengers carried, (ii) passenger miles, and (iii) revenue. Such data shall be computed on a monthly basis and shall be furnished monthly. Furthermore, Amtrak will endeavor to provide such supplemental data relating to the said service as may be reasonably requested by the Commonwealth. Some reports provided to the Commonwealth may include transcriptions of comments made by passengers about experiences they had while using the Service. The Commonwealth acknowledges that these comments may contain allegations that represent one party's version of these experiences, that they may contain sensitive and personal information about Amtrak passengers and employees, and that there may be additional information relevant to these experiences and related events that passengers were not aware of, or did not include when they reported their allegations. Some of the transcriptions of comments made by passengers may include information that could be used to identify that passenger. As a condition of receiving these transcriptions, the Commonwealth acknowledges that Amtrak has a disciplinary process to investigate and respond to passenger allegations about the behavior of Amtrak employees, and that process is the appropriate venue to investigate passenger allegations and determine whether any disciplinary response is appropriate. The Commonwealth also agrees to keep these allegations confidential, and treat them as they treat their own confidential personnel records. The Commonwealth also agrees to not make any attempts to identify or contact the passengers or the employees involved in the alleged experiences described by passengers in the reports provided by Amtrak. The Commonwealth also agrees to keep any Amtrak passenger or personnel information confidential and shall not release or disclose it for any reason. If the Commonwealth fails to protect this information for any reason, Amtrak will discontinue providing reports containing this information. Amtrak may provide access to some of these reports via an Amtrak-provided electronic data retrieval system. If the Commonwealth decides to use these electronic data retrieval capabilities, the Commonwealth agrees to abide by Amtrak's policies, terms and conditions for information technology security and usage while accessing Amtrak's system, and to access only the information it is authorized to access. If Amtrak determines that the Commonwealth is violating Amtrak's information technology security and usage policies while using the Amtrak

system, or otherwise using the Amtrak systems in a way that is abusive, unethical, or inappropriate, it reserves the right to discontinue the Commonwealth's access to the electronic data retrieval system.

- (c) Quarterly Review. Amtrak and the Commonwealth agree to jointly discuss the performance of the Service on a quarterly basis.

SECTION 8 - FORCE MAJEURE

Neither party will incur any liability to the other if its performance of any obligation pursuant to the Agreement is prevented or delayed by causes beyond its control and without the fault or negligence of either party. Causes beyond a party's control may include, but are not limited to, acts of God or war, changes in controlling law, regulations, orders or the requirement of any governmental entity, severe weather conditions, civil disorders, natural disasters, fire, epidemics, pandemics and quarantines, general strikes throughout the trade, and freight embargoes.

Amtrak shall notify the Commonwealth orally within five (5) days and in writing within ten (10) days of the date on which Amtrak becomes aware, or should have reasonably become aware, that such cause would prevent or delay its performance. Such notification shall (i) describe fully such cause(s) and its effect on performance; (ii) state whether performance under the Agreement is prevented or delayed; and (iii) if performance is delayed, state a reasonable estimate of the duration of the delay. Amtrak shall have the burden of proving that such cause(s) delayed or prevented its performance despite its diligent efforts to perform and shall produce such supporting documentation as the Commonwealth may reasonably request.

In the event of a declared emergency by competent governmental authorities, either party, by notice to the other, may suspend all or a portion of the Agreement.

SECTION 9 - TERMINATION PROVISIONS

The Commonwealth has the right to terminate the Agreement for any of the following reasons. Termination shall be effective upon written notice to Amtrak.

- (a) Termination for Convenience. The Commonwealth shall have the right to terminate the Agreement for its convenience on 90 days' prior written notice to Amtrak if the Commonwealth determines termination to be in its best interest. Amtrak shall be paid for work satisfactorily completed prior to the effective date of the termination.

For the Commonwealth: Deputy Secretary
Multimodal Transportation
Pennsylvania Department of Transportation
Commonwealth Keystone Building- 8th Floor
P.O. Box 3151
Harrisburg, PA 17105

The titles and addresses set forth herein may be changed at any time by either party hereto by notice in writing to the other.

SECTION 11 - AGREEMENT CONTROVERSIES

With respect to claims as to which Section 1712 of the Commonwealth Procurement Code apply, the parties agree to be bound by the terms and conditions for the resolution of contractual disputes as set forth at Sections 1712.1 through 1726 of the Commonwealth Procurement Code, 62 Pa. C.S. Sections 1712.1 - 1726.

SECTION 12 - INTEGRATION

This Agreement constitutes the entire agreement between the parties. No agent, representative, employee or officer of either the Commonwealth or Amtrak has authority to make, or has made, any statement, agreement or representation, oral or written, relative to the Agreement, which in any way can be deemed to modify, add to or detract from, or otherwise change or alter its terms and conditions. No negotiations between the parties, nor any custom or usage, shall be permitted to modify or contradict any of the terms and conditions of the Agreement. No modifications, alterations, changes, or waiver to the Agreement or any of its terms shall be valid or binding unless accomplished by a written amendment signed by both parties.

SECTION 13 - CONSTRUCTION

The Section headings used in this Agreement are for convenience only and shall not affect the construction of any of the terms hereof. This Agreement and the rights and obligations of the parties hereto shall be governed and construed in accordance with the laws of the Commonwealth of Pennsylvania.

SECTION 14 - RIGHT-TO-KNOW LAW AND CONFIDENTIALITY

The parties will take reasonable, practicable measures to protect each other's trade secrets and confidential proprietary information. Materials in the possession of the Commonwealth are, however, potentially subject to requests for records made under the Pennsylvania Right-to-Know-Law, 65 P.S. § 67.101, *et seq.* ("RTKL"). Materials submitted or to be submitted by Amtrak that Amtrak considers to be a trade secret or to contain confidential proprietary information shall be conspicuously marked as such upon submission to the Commonwealth (or within ten (10) days of executing this Contract for materials that have already been submitted to the Commonwealth). If submitted materials or materials to be submitted to the Commonwealth contain trade secrets or confidential proprietary information, a signed written statement to this effect must also be provided with the submission in accordance with 65 P.S. § 67.707(b) for the information to be considered exempt from a public records request under 65 P.S. § 67.708(b)(11).

Upon receipt of a request for records made under the RTKL for which a written statement under 65 P.S. § 67.707(b) is on file with the Commonwealth, the Commonwealth will provide Amtrak with notice of a request and the opportunity to participate in accordance with 65 P.S. § 67.707(b). If the Commonwealth denies a request for records made under the RTKL and the requester files an appeal, Amtrak may participate under 65 P.S. § 67.1101(c) and shall assist the Commonwealth, as necessary, to protect Amtrak's trade secrets and confidential proprietary information from disclosure. Nothing in this section shall be construed as limiting the parties' rights to assert other exceptions or exemptions to public disclosure that may apply, including but not limited to those arising as a matter of law, regulation or judicial order or decree. *See, e.g.*, 65 P.S. §§ 102 and 305.

SECTION 15 - COMMONWEALTH STANDARD PROVISIONS

Amtrak shall comply with the Commonwealth Standard Provisions, attached as Exhibit B, and to the extent that Amtrak complies with the provisions of 49 C.F.R. part 265, the Federal Age Discrimination in Employment Act of 1967, as amended, and all other applicable federal and state laws and regulations, Amtrak shall be deemed to be in compliance with Exhibit B, Section 4.

The term "Contractor" in Exhibit B refers to Amtrak.

SECTION 16 - AMERICANS WITH DISABILITIES PROVISIONS

- (a) Pursuant to federal regulations promulgated under the authority of The Americans With Disabilities Act, 28 C.F.R. § 35.101 *et seq.*, Amtrak

understands and agrees that no individual with a disability shall, on the basis of the disability, be excluded from participation in this Agreement or from activities provided for under this Agreement on the basis of the disability. As a condition of accepting and executing this Agreement, Amtrak agrees to comply with the "General Prohibitions Against Discrimination," 28 C.F.R. § 35.130, and all other regulations promulgated under Title II of The Americans With Disabilities Act which are applicable to all benefits, services, programs, and activities provided by the Commonwealth of Pennsylvania through contracts with outside contractors. Notwithstanding the foregoing, the Commonwealth of Pennsylvania agrees that Amtrak shall be in compliance with its obligations under this subsection if the Service provided satisfies the requirements of 49 C.F.R. Parts 37 and 38.

- (b) Amtrak shall be responsible and agrees to indemnify and hold harmless the Commonwealth of Pennsylvania from all losses, damages, expenses, claims, demands, suits, and actions brought by any party against the Commonwealth of Pennsylvania as the result of Amtrak's failure to comply with the provisions of subsection (a) above.

SECTION 17 - COMPLIANCE WITH COLLECTIVE BARGAINING AGREEMENTS

The Commonwealth acknowledges the existence of collective bargaining agreements between Amtrak and certain labor organizations representing certain of Amtrak's employees, and agrees that Amtrak will provide the Service in a manner consistent with its obligations and rights under such agreements, as they may exist from time to time.

SECTION 18 - TERMINATION NOTICE

49 U.S.C. § 24706(a) requires that at least 180 days before "discontinuing service over a route, Amtrak shall give notice of the discontinuance in the way Amtrak decides will give a State, regional or local authority, or another person the opportunity to agree to share or assume the cost of any part of the train, route, or service to be discontinued." Because the availability of Commonwealth funding upon the termination of this Agreement is not now known, Amtrak and the Commonwealth agree that, if applicable, this section does, and shall be deemed to, constitute adequate notice under 49 U.S.C. § 24706(a) so that the Commonwealth (and/or others working with the Commonwealth such as regional or local authorities) has the opportunity to agree to share or assume the cost of continuing the service provided by Amtrak hereunder upon such termination. The

Commonwealth concurs with Amtrak's decision that no notice beyond that set forth in this section need be given.

SECTION 19 - RESERVED

SECTION 20- COVENANT AGAINST CONTINGENT FEES

Amtrak warrants that no person or selling agency has been employed or retained to solicit or secure the Agreement upon an agreement or understanding for a commission, percentage, brokerage, or contingent fee, except bona fide employees or bona fide established commercial or selling agencies maintained by Amtrak for the purpose of securing business. For breach or violation of this warranty, the Commonwealth shall have the right to terminate the Agreement.

SECTION 21 - COMPLIANCE WITH LAWS

The parties will comply with all applicable state, federal and local laws and regulations in the performance of this Agreement. Amtrak and the Commonwealth agree that if the Federal Railroad Administration (FRA) issues any rule, guidance, policy, or any other direction that requires that the Commonwealth have oversight responsibility for safety related issues for the services outlined in this Agreement, Amtrak and the Commonwealth will work together to determine a mutually agreeable solution to address the respective responsibilities of Amtrak and the Commonwealth, which will be memorialized through an amendment to this Agreement.

SECTION 22 - TITLES NOT CONTROLLING

Titles of sections are for reference only, and shall not be used to construe the language in this Agreement.

SECTION 23 - AMENDMENTS AND MODIFICATIONS

No alterations or variations to this Agreement shall be valid unless made in writing and signed by the parties. Amendments or Letters of Amendment to this Agreement shall be accomplished through a formal written document signed by the parties with the same formality as the original Agreement.

SECTION 24 - INDEPENDENCE OF THE PARTIES

It is understood by and between the parties that nothing contained herein is intended or shall be construed to, in any respect, create or establish the relationship of partners between the Amtrak and the Commonwealth or as

constituting Commonwealth as the representative or general agent of Amtrak for any purpose whatsoever.

SECTION 25 - SEVERABILITY

The provisions of this Agreement shall be severable. If any phrase, clause, sentence or provision of this Agreement is declared to be contrary to the Constitution of Pennsylvania or of the United States or of the laws of the Commonwealth and the applicability thereof to any government, agency, person or circumstance is held invalid, the validity of the remainder of this Agreement and the applicability thereof to any government, agency, person or circumstance shall not be affected thereby.

SECTION 26 - WORKER PROTECTION FORM

Attached hereto and incorporated herein as Exhibit C is the Commonwealth of Pennsylvania Worker Protection and Investment Certification Form. Notwithstanding anything to the contrary therein, the parties agree that the Pennsylvania Unemployment Compensation Law and the Pennsylvania Workers' Compensation Law are not applicable to Amtrak or its employees. Further, with respect to the other laws listed therein, Amtrak's certification of compliance is limited to those state labor and workforce safety laws which are applicable to Amtrak.

SECTION 27 - ELECTRONIC SIGNATURES

The parties may sign this Agreement electronically in accordance with the Electronic Transactions Act, 73 P.S. §2260.301, *et seq.*

(The Remainder of This Page Is Intentionally Left Blank.)

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed as of the date of the last signature affixed below.

ATTEST:

NATIONAL RAILROAD PASSENGER CORPORATION

By: Paola Saglia
Name: Paola Saglia
Title: EA to the President
Date: 6/25/2025

By: Roger Harris
Name: Roger Harris
Title: President
Date: 6/25/25

DO NOT WRITE BELOW THIS LINE – FOR COMMONWEALTH USE ONLY

COMMONWEALTH OF PENNSYLVANIA
DEPARTMENT OF TRANSPORTATION

By: [Signature Affixed Electronically, See Last Page]
Date

Title: _____

APPROVED AS TO LEGALITY
AND FORM

[Signature Affixed Electronically, See Last Page]
Office of Chief Counsel Date

[Signature Affixed Electronically, See Last Page]
Office of General Counsel Date

[Signature Affixed Electronically, See Last Page]
Office of Comptroller Date
Operations

[Signature Affixed Electronically, See Last Page]
Office of Attorney General Date

Agreement No. _____ is split 0 % expenditure in the amount of \$0.00 for Federal funds and 100% expenditure in the amount \$32,833,641 for State funds. The related Federal assistance program name and numbers are N/A; N/A. The State assistance programs name and number are Programs of Statewide Significance, 2634100293; Multimodal Transportation Fund/Passenger Rail Grants, 2940500236.

APPENDIX I

NATIONAL RAILROAD PASSENGER CORPORATION

and

THE COMMONWEALTH OF PENNSYLVANIA

AGREEMENT
FOR THE PROVISION
OF RAIL PASSENGER SERVICE

FISCAL YEAR 2024
October 1, 2024 - September 30, 2025

Pursuant to Section 1 of the aforesaid Agreement, Amtrak shall provide rail passenger service, over the route set forth below, substantially in accordance with the schedule(s) prescribed herein. The said Service shall commence on October 1, 2024, and shall terminate on September 30, 2025.

APPENDIX I
SCHEDULES-Pennsylvanian

Service between October 1, 2024 and September 30, 2025

Pennsylvanian					
43			Train Numbers		42
Daily	Miles				Daily
10:52A	0	↓	New York, NY	↑	4:50P
11:09A	10	↓	Newark, NJ	↑	4:30P
11:44A	58	↓	Trenton, NJ	↑	3:56P
12:15P	91	Ar	Philadelphia, PA	Dr	3:25P
12:42P		Dr		Ar	2:59P
1:12P	110	↓	Paoli, PA	↑	2:24P
.....	118	↓	Exton, PA	↑	2:12P
1:52P	159	↓	Lancaster, PA	↑	1:40P
2:06P	177	↓	Elizabethtown, PA	↑	1:18P
2:26P	195	Ar	Harrisburg, PA	Dr	1:00P
2:36P		Dr		Ar	12:50P
3:46P	256	↓	Lewistown, PA	↑	11:24A
4:23P	393	↓	Huntingdon, PA	↑	10:45A
4:49P	313	↓	Tyrone, PA	↑	10:18A
5:13P	327	↓	Altoona, PA	↑	10:01A
6:10P	366	↓	Johnstown, PA	↑	9:03A
6:51P	403	↓	Latrobe, PA	↑	8:20A
7:02P	413	↓	Greensburg, PA	↑	8:10A
7:59P	444	↓	Pittsburgh, PA	↑	7:30A

Checked Baggage Service to be provided at: New York, Newark, Philadelphia,
Lancaster, Harrisburg, Altoona, Johnstown, Pittsburgh

APPENDIX I

KEYSTONE SERVICE SCHEDULES (Eastbound, Weekdays)
Service between October 1, 2024 and November 7, 2024

Keystone Service														
Eastbound														
Train No.	Mile Post	640	642	600	644	646	648	650	652	654	656	618	620	622
		M-F	M-F	M-F	M-F	Mo-Th	Mo-Th	Mo-Th	Mo-Th	M-F	M-F	Mo-Th	M-F	Mo-Th
Harrisburg, PA	0	5:00A	5:55A	6:45A	7:25A	---	---	---	---	4:25P	5:40P	6:40P	8:00P	9:15P
Middletown, PA	10	5:10A	6:05A	6:57A	---	---	---	---	---	4:37P	5:50P	6:50P	8:10P	9:25P
Elizabethtown, PA	17	5:17A	6:12A	7:04A	7:41A	---	---	---	---	4:44P	5:57P	6:57P	8:17P	9:32P
MJY - Mount Joy, PA	24	5:23A	6:19A	7:10A	---	---	---	---	---	4:50P	6:03P	---	8:22P	9:37P
LNC - Lancaster	36	5:35A	6:30A	7:23A	7:57A	9:34A	10:36A	12:41P	3:45P	5:07P	6:15P	7:12P	8:32P	9:47P
Parkesburg, PA	60	5:53A	6:49A	7:42A	---	9:59A	---	---	4:05P	5:27P	6:33P	7:30P	L 8:50P	L 10:05P
Coatesville, PA	66	5:59A	6:56A	7:48A	---	---	---	---	---	5:33P	6:39P	---	---	---
Downingtown, PA	72	6:05A	7:03A	7:54A	---	10:05A	---	1:07P	4:13P	5:39P	6:45P	7:40P	L 9:00P	L 10:15P
Eston, PA	77	6:10A	7:10A	8:01A	---	10:11A	---	1:13P	4:19P	5:45P	6:51P	7:46P	L 9:05P	L 10:21P
PAO - Paoli	84	6:19A	7:19A	8:11A	8:37A	10:19A	11:13A	1:22P	4:29P	5:54P	7:00P	7:55P	L 9:13P	L 10:29P
ARD - Ardmore	96	6:31A	---	---	---	---	---	1:35P	4:41P	6:08P	7:12P	8:07P	---	---
PHL - Phila. 30th St.	104	DR	7:00A	8:05A	8:46A	9:45A	10:55A	11:55A	2:15P	5:18P	6:50P	7:40P	---	---
PHN - North Phila., PA	109	7:08A	---	---	---	---	---	---	---	---	---	---	---	---
CVH - Cornwells Heights	121	7:23A	---	---	---	---	---	---	---	---	---	---	---	---
TRE - Trenton	137	7:37A	8:33A	9:15A	10:13A	11:23A	12:23P	2:43P	5:45P	7:19P	8:09P	---	---	---
Princeton Jct, NJ	147	---	---	---	---	11:31A	---	2:51P	5:52P	---	---	---	---	---
New Brunswick, NJ	163	---	---	---	---	---	---	---	6:04P	---	---	---	---	---
MET - Metro Park	171	---	---	---	---	---	---	---	6:17P	---	---	---	---	---
Newark, NJ	183	8:15A	L 9:06A	9:46A	L 10:47A	L 12:01P	L 12:56P	L 3:21P	L 6:32P	L 7:54P	L 8:45P	---	---	---
NYP - New York	195	8:33A	9:26A	10:11A	11:05A	12:19P	1:15P	3:40P	6:54P	8:12P	9:03P	---	---	---

Keystone Service														
Eastbound														
Train No.	Mile Post	640	642	600	644	646	648	650	652	654	656	658	620	624
		M-F	M-F	M-F	M-F	Fri	Fri	Fri	Fri	M-F	M-F	Fri	M-F	Fri
Harrisburg, PA	0	5:00A	5:55A	6:45A	7:25A	9:05A	10:05A	12:05P	3:00P	4:25P	5:40P	6:40P	8:00P	9:15P
Middletown, PA	10	5:10A	6:05A	6:57A	---	9:17A	---	12:15P	3:10P	4:37P	5:50P	6:50P	8:10P	9:25P
Elizabethtown, PA	17	5:17A	6:12A	7:04A	7:41A	9:24A	10:21A	12:22P	3:22P	4:44P	5:57P	6:57P	8:17P	9:32P
MJY - Mount Joy, PA	24	5:23A	6:19A	7:10A	---	9:30A	---	12:29P	3:30P	4:50P	6:03P	---	8:22P	9:37P
LNC - Lancaster	36	5:35A	6:30A	7:23A	7:57A	9:41A	10:36A	12:41P	3:42P	5:07P	6:15P	7:12P	8:32P	9:47P
Parkesburg, PA	60	5:53A	6:49A	7:42A	---	10:00A	---	4:02P	5:27P	6:33P	7:30P	L 8:50P	L 10:05P	---
Coatesville, PA	66	5:59A	6:56A	7:48A	---	10:06A	---	---	---	5:33P	6:39P	---	---	---
Downingtown, PA	72	6:05A	7:03A	7:54A	---	10:12A	---	1:07P	4:10P	5:39P	6:45P	7:40P	L 9:00P	L 10:15P
Eston, PA	77	6:10A	7:10A	8:01A	---	10:18A	---	1:13P	4:16P	5:45P	6:51P	7:46P	L 9:05P	L 10:21P
PAO - Paoli	84	6:19A	7:19A	8:11A	8:37A	10:26A	11:13A	1:22P	4:26P	5:54P	7:00P	7:55P	L 9:13P	L 10:29P
ARD - Ardmore	96	6:31A	---	---	---	---	---	1:35P	4:38P	6:08P	7:12P	8:07P	---	---
PHL - Phila. 30th St.	104	DR	7:00A	8:05A	8:46A	9:45A	11:10A	11:55A	2:15P	5:10P	6:50P	7:40P	8:42P	11:11P
PHN - North Phila., PA	109	7:08A	---	---	---	---	---	---	---	---	---	---	---	---
CVH - Cornwells Heights	121	7:23A	---	---	---	---	---	---	---	---	---	---	---	---
TRE - Trenton	137	7:37A	8:33A	9:15A	10:13A	11:38A	12:23P	2:43P	5:38P	7:19P	8:09P	9:12P	---	11:40P
Princeton Jct, NJ	147	---	---	---	---	11:46A	---	2:51P	5:45P	---	---	---	---	---
New Brunswick, NJ	163	---	---	---	---	---	---	---	5:57P	---	---	---	---	---
Newark, NJ	183	8:15A	L 9:06A	9:46A	L 10:47A	L 12:18P	L 12:56P	L 3:21P	L 6:19P	L 7:54P	L 8:45P	L 9:45P	---	L 12:17A
NYP - New York	195	8:33A	9:26A	10:11A	11:05A	12:37P	1:15P	3:40P	6:42P	8:12P	9:03P	10:03P	---	12:35A

The schedule outlined here is representative of service during the track construction project. However, during this period, individual train schedules are subject to change as the project progresses. Service highlighted in red will be replaced by substitute bus service.

KEYSTONE SERVICE SCHEDULES (Eastbound, Weekends) Service between October 1, 2024 and November 7, 2024

The schedule outlined here is representative of service during the track construction project. However, during this period, individual train schedules are subject to change as the project progresses. Service highlighted in red will be replaced by substitute bus service.

Keystone Service											
Eastbound											
Train No.	Mile Post		660	662	664	666	670	672	674	610	612
			SaSu	Sat	SaSu	SaSu	SaSu	SaSu	SaSu	Sat	Sun	Sun
Harrisburg, PA	0		7:20A	8:25A	9:30A	11:20A	1:55P	5:05P	7:05P	7:05P	8:15P
Middletown, PA	10		7:30A	8:35A	9:40A	11:30A	2:05P	5:15P	7:15P	7:15P	8:25P
Elizabethtown, PA	17		7:37A	8:42A	9:47A	11:37A	2:12P	5:22P	7:22P	7:22P	8:32P
MJY - Mount Joy, PA	24		7:44A	8:48A	9:53A	11:43A	2:18P	5:28P	7:28P	7:28P	8:38P
LNC - Lancaster	36		7:56A	9:00A	10:05A	11:55A	2:30P	5:40P	7:40P	7:40P	8:50P
Parkesburg, PA	60		8:15A	9:19A	10:23A	12:14P	2:54P	5:58P	7:58P	7:58P	9:09P
Coatesville, PA	66		8:20A	9:24A	10:28A	12:19P	3:00P	6:04P	8:04P	8:04P	9:14P
Downingtown, PA	72		8:26A	9:30A	10:35A	12:25P	3:06P	6:10P	8:10P	8:10P	9:20P
Exton, PA	77		8:33A	9:37A	10:41A	12:32P	3:12P	6:16P	8:16P	8:16P	9:27P
PAO - Paoli	84		8:42A	9:46A	10:49A	12:41P	3:23P	6:25P	8:25P	8:25P	9:35P
ARD - Ardmore	96		8:54A	9:58A	...	12:54P	3:36P	6:37P	8:37P	8:37P	9:47P
PHL - Phila. 30th St.	104	DR	9:23A	10:30A	11:25A	1:30P	4:10P	7:10P	9:10P	...	...
TRE - Trenton	137		9:52A	11:03A	11:55A	2:00P	4:39P	7:39P	9:39P	...	...
Princeton Jct, NJ	147		10:00A	...	...	...	...	...	...	...	...
EWR - Newark Airport	163		10:25A	...	...	...	...	...	...	...	...
Newark, NJ	183		10:31A	L 11:44A	L 12:31P	L 2:40P	L 5:13P	L 8:14P	L 10:14P	...	...
NYP - New York	195		10:49A	12:02P	12:49P	2:57P	5:32P	8:34P	10:34P	...	...

APPENDIX I
KEYSTONE SERVICE SCHEDULES (Westbound, Weekdays)
Service between October 1, 2024 and November 7, 2024

The schedule outlined here is representative of service during the track construction project. However, during this period, individual train schedules are subject to change as the project progresses. Service highlighted in red will be replaced by substitute bus service.

Keystone Service															
Westbound															
Train No.	Mile Post	601	605	607	641	643	645	609	647	649	651	653	655	657	
		M-F	M-F	Mo-Th	Mo-Th	Mo-Th	Mo-Th	Mo-Th	M-F	M-F	M-F	M-F	M-F	M-F	
NYP - New York	0	...	...	...	7:17A	9:30A	12:05P	12:54P	2:11P	2:44P	4:03P	5:10P	6:35P	8:30P
Newark, NJ	10	...	...	...	7:34A	9:46A	12:22P	1:10P	2:28P	2:59P	4:20P	5:27P	6:52P	8:47P
EWR - Newark Airport	13	...	...	...	...	...	...	...	2:34P	3:05P	...	...	...	...
MET - Metro Park	25	...	...	...	7:48A	...	...	1:27P	...	...	...	...	...	...
New Brunswick, NJ	33	...	...	...	7:58A	...	...	...	...	...	...	...	...	...
Princeton Jct, NJ	49	...	...	...	8:13A	...	...	...	...	...	...	...	...	9:15P
TRE - Trenton	58	...	...	...	...	10:21A	12:55P	1:53P	3:05P	3:39P	4:55P	6:02P	7:29P	9:24P
CWH - Cornwells Heights	74	...	...	...	...	...	...	...	...	3:50P	...	...	7:40P	...
PHN - North Phila., PA	86	...	...	...	...	...	...	...	...	D 4:02P	...	...	D 7:52P	...
PHL - Phila. 30th St.	91	DR	5:00A	6:15A	7:25A	8:56A	11:00A	1:35P	3:00P	3:45P	4:45P	5:35P	6:42P	8:15P	10:05P
ARD - Ardmore	99	...	5:12A	6:27A	7:37A	...	...	...	...	4:58P	5:48P	6:55P	8:28P	10:18P
PAO - Paoli	110	...	5:26A	6:41A	7:52A	9:19A	11:23A	1:59P	3:25P	4:10P	5:13P	6:02P	7:08P	8:41P	10:30P
Exton, PA	118	...	5:33A	6:49A	8:00A	9:26A	11:30A	2:06P	3:33P	4:17P	5:21P	6:09P	7:15P	8:48P	10:38P
Downingtown, PA	123	...	5:38A	6:53A	...	9:31A	11:35A	2:11P	3:37P	...	5:26P	6:13P	7:20P	8:53P	10:42P
Coatesville, PA	129	...	5:44A	6:59A	...	9:37A	11:41A	2:17P	3:43P	...	5:33P	6:19P	7:26P	8:59P	10:49P
Parkeburg, PA	133	...	5:50A	7:04A	...	9:43A	11:47A	2:22P	3:48P	...	5:38P	6:25P	7:31P	9:04P	10:55P
LNC - Lancaster	159	...	6:11A	7:32A	8:36A	10:07A	12:11P	2:46P	4:13P	4:55P	6:05P	6:50P	7:55P	9:29P	11:18P
MJY - Mount Joy, PA	170	...	6:22A	7:42A	4:23P	...	6:14P	6:59P	8:04P	9:38P	11:28P
Elizabethtown, PA	177	...	6:29A	7:49A	4:30P	5:12P	6:21P	7:06P	8:11P	9:45P	11:35P
Middletown, PA	185	...	6:37A	7:58A	4:46P	5:19P	6:28P	7:13P	8:18P	9:52P	11:42P
Harrisburg, PA	195	...	6:56A	8:09A	4:57P	5:30P	6:39P	7:25P	8:29P	10:03P	11:56P

Keystone Service															
Westbound															
Train No.	Mile Post	601	605	607	641	643	645	609	647	649	651	653	655	657	639
		M-F	M-F	Fri	Fri	Fri	Fri	Fri	M-F	M-F	M-F	M-F	M-F	M-F	Fri
NYP - New York	0	...	...	...	7:17A	9:30A	12:05P	12:54P	2:11P	2:44P	4:03P	5:10P	6:35P	8:30P	11:15P
Newark, NJ	10	...	...	...	7:34A	9:46A	12:22P	1:10P	2:28P	2:59P	4:20P	5:27P	6:52P	8:47P	11:32P
EWR - Newark Airport	13	...	...	...	...	...	...	...	2:34P	3:05P	...	...	...	...	11:38P
MET - Metro Park	25	...	...	...	7:48A	...	...	1:27P	...	...	...	...	...	...	11:48P
New Brunswick, NJ	33	...	...	...	7:58A	...	...	...	...	...	...	...	...	...	...
Princeton Jct, NJ	49	...	...	...	8:13A	...	...	...	...	...	...	...	...	9:15P	...
TRE - Trenton	58	...	...	...	...	10:21A	12:55P	1:53P	3:05P	3:39P	4:55P	6:02P	7:29P	9:24P	12:11A
CWH - Cornwells Heights	74	...	...	...	...	...	...	...	...	3:50P	...	...	7:40P	...	...
PHN - North Phila., PA	86	...	...	...	...	...	...	...	...	D 4:02P	...	...	D 7:52P	...	...
PHL - Phila. 30th St.	91	DR	5:00A	6:15A	7:25A	8:56A	11:00A	1:35P	2:40P	3:45P	4:45P	5:35P	6:42P	8:15P	10:05P
ARD - Ardmore	99	...	5:12A	6:27A	7:37A	...	...	...	...	4:58P	5:48P	6:55P	8:28P	10:18P	...
PAO - Paoli	110	...	5:26A	6:41A	7:52A	9:19A	11:23A	1:59P	3:05P	4:10P	5:13P	6:02P	7:08P	8:41P	10:30P
Exton, PA	118	...	5:33A	6:49A	8:00A	9:26A	11:30A	2:06P	3:13P	4:17P	5:21P	6:09P	7:15P	8:48P	10:38P
Downingtown, PA	123	...	5:38A	6:53A	...	9:31A	11:35A	2:11P	3:17P	...	5:26P	6:13P	7:20P	8:53P	10:42P
Coatesville, PA	129	...	5:44A	6:59A	...	9:37A	11:41A	2:17P	3:23P	...	5:33P	6:19P	7:26P	8:59P	10:49P
Parkeburg, PA	133	...	5:50A	7:04A	...	9:43A	11:47A	2:22P	3:28P	...	5:38P	6:25P	7:31P	9:04P	10:55P
LNC - Lancaster	159	...	6:11A	7:32A	8:33A	10:07A	12:11P	2:46P	3:53P	4:55P	6:05P	6:50P	7:55P	9:29P	11:18P
MJY - Mount Joy, PA	170	...	6:22A	7:42A	...	10:17A	12:21P	2:56P	4:03P	...	6:14P	6:59P	8:04P	9:38P	11:28P
Elizabethtown, PA	177	...	6:29A	7:49A	8:49A	10:24A	12:28P	3:03P	4:10P	5:12P	6:21P	7:06P	8:11P	9:45P	11:35P
Middletown, PA	185	...	6:37A	7:58A	...	10:32A	12:36P	3:17P	4:18P	5:19P	6:28P	7:13P	8:18P	9:52P	11:42P
Harrisburg, PA	195	...	6:56A	8:09A	9:12A	10:43A	12:47P	3:28P	4:34P	5:30P	6:39P	7:25P	8:29P	10:03P	11:56P

KEYSTONE SERVICE SCHEDULES (Westbound, Weekends)
Service between October 1, 2024 and November 7, 2024

The schedule outlined here is representative of service during the track construction project. However, during this period, individual train schedules are subject to change as the project progresses. Service highlighted in red will be replaced by substitute bus service.

Keystone Service											
Westbound											
Train No.	Mile Post		611	661	663	615	665	667	669	671	637
			Sat	SaSu	SaSu	Sun	SaSu	SaSu	SaSu	SaSu	Sun
NYP - New York	0		...	7:00A	9:09A	...	1:05P	3:13P	5:17P	7:53P	11:58P
Newark, NJ	10	↑	...	7:17A	9:27A	...	1:23P	3:32P	5:34P	8:09P	12:14A
MET - Metro Park	25		...	...	...	...	...	...	...	...	12:27A
Princeton Jct, NJ	49		...	7:48A	...	...	...	...	...	...	...
TRE - Trenton	58		...	7:57A	10:04A	...	1:58P	4:07P	6:08P	8:45P	12:50A
PHL - Phila. 30th St.	91	DR	7:25A	8:35A	10:50A	1:55P	2:45P	4:55P	6:55P	9:35P	...
ARD - Ardmore	99	↑	7:37A	8:48A	11:03A	...	2:58P	5:08P	7:08P	9:47P	...
PAO - Paoli	110		7:50A	9:00A	11:15A	2:20P	3:10P	5:21P	7:21P	10:00P	...
Exton, PA	118		7:57A	9:08A	11:22A	2:28P	3:18P	5:28P	7:28P	10:08P	...
Downingtown, PA	123		8:01A	9:12A	11:26A	2:32P	3:22P	5:33P	7:33P	10:12P	...
Coatesville, PA	129		8:07A	9:18A	11:32A	2:38P	3:28P	5:38P	7:38P	10:18P	...
Parkesburg, PA	133		8:13A	9:24A	11:37A	2:43P	3:34P	5:44P	7:44P	10:24P	...
LNC - Lancaster	159		8:37A	9:48A	12:09P	3:08P	3:58P	6:08P	8:08P	10:48P	...
MJY - Mount Joy, PA	170		8:46A	9:57A	12:19P	3:17P	4:07P	6:18P	8:18P	10:57P	...
Elizabethtown, PA	177		8:53A	10:04A	12:26P	3:25P	4:14P	6:24P	8:24P	11:04P	...
Middletown, PA	185		9:00A	10:11A	12:33P	3:30P	4:21P	6:31P	8:36P	11:12P	...
Harrisburg, PA	195		9:11A	10:22A	12:44P	3:42P	4:32P	6:42P	8:47P	11:23P	...

KEYSTONE SERVICE SCHEDULES (Eastbound)
 Service between November 8, 2024 and September 30, 2025

Keystone Service																
Eastbound																
Train Number		640	642	600	644	646	648	650	652	654	656	618	658	620	622	624
	Mile Post	M-F	M-F	M-F	M-F	M-F	M-F	M-F	M-F	M-F	M-F	Mo-Th	Fri	M-F	Mo-Th	Fri
Harrisburg, PA	0	5:00A	5:55A	6:40A	7:55A	8:59A	10:05A	12:05P	3:15P	4:30P	5:35P	6:40P	6:40P	8:00P	9:15P	9:15P
Middletown, PA	10	5:10A	6:05A	6:50A	...	9:09A	...	12:15P	3:25P	4:40P	5:45P	6:50P	6:50P	8:10P	9:25P	9:25P
Elizabethtown, PA	17	5:17A	6:12A	6:57A	8:11A	9:16A	10:21A	12:22P	3:32P	4:47P	5:52P	6:57P	6:57P	8:17P	9:32P	9:32P
Mount Joy, PA	24	5:23A	6:19A	7:03A	...	9:22A	...	12:29P	3:40P	4:53P	5:58P	...	...	8:22P	9:37P	9:37P
Lancaster, PA	36	5:35A	6:30A	7:16A	8:27A	9:33A	10:37A	12:41P	3:52P	5:05P	6:10P	7:12P	7:12P	8:32P	9:48P	9:48P
Parkeburg, PA	60	5:53A	6:49A	7:35A	...	9:52A	...	...	4:12P	5:23P	6:28P	7:30P	7:30P	L 8:50P	L 10:06P	L 10:06P
Coatesville, PA	66	5:59A	6:56A	7:41A	...	9:58A	...	...	...	5:29P	6:34P	...	...	...	...	...
Downingtown, PA	72	6:05A	7:07A	7:47A	...	10:04A	...	1:07P	4:20P	5:35P	6:40P	7:40P	7:40P	L 9:00P	L 10:16P	L 10:16P
Exton, PA	77	6:10A	7:14A	7:54A	...	10:10A	...	1:13P	4:26P	5:41P	6:46P	7:46P	7:46P	L 9:05P	L 10:22P	L 10:22P
Paoli, PA	84	6:19A	7:23A	8:04A	9:05A	10:18A	11:16A	1:22P	4:36P	5:50P	6:55P	7:55P	7:55P	L 9:13P	L 10:30P	L 10:30P
Ardmore, PA	96	6:31A	...	...	...	...	...	1:35P	4:48P	6:04P	7:07P	8:07P	8:07P	...	...	...
Phila. 30th St.	104	Ar 6:45A	7:50A	8:33A	9:30A	10:40A	11:41A	1:52P	5:05P	6:26P	7:23P	8:20P	8:20P	9:40P	10:56P	10:56P
		Dr 7:00A	8:05A	8:46A	9:45A	10:55A	11:55A	2:15P	5:18P	6:50P	7:40P	...	8:42P	...	...	11:11P
North Phila.	109	7:08A	...	...	...	...	...	...	...	...	...	...	...	...	...	...
Cornwells Heights, NJ	121	7:23A	...	...	...	...	...	...	...	...	...	...	...	...	...	...
Trenton, NJ	137	7:37A	8:33A	9:15A	10:12A	11:23A	12:23P	2:44P	5:45P	7:19P	8:09P	...	9:12P	...	...	11:40P
Princeton Jct, NJ	147	...	...	...	...	...	...	...	5:52P	...	...	...	...	...	...	...
New Brunswick, NJ	163	...	...	...	...	...	...	...	D 6:03P	...	...	...	...	...	...	...
Metropark	171	...	...	...	...	...	...	...	6:16P	...	...	...	...	...	...	...
Newark Liberty Airport	183	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
Newark, NJ	185	L 8:12A	L 9:06A	9:46A	L 10:47A	L 11:57A	12:56P	L 3:18P	L 6:32P	L 7:54P	L 8:45P	...	L 9:45P	...	...	L 12:17A
New York, NY	195	8:30A	9:26A	10:11A	11:05A	12:15P	1:15P	3:38P	6:54P	8:12P	9:03P	...	10:03P	...	...	12:35A

Keystone Service										
Eastbound										
Train Number		660	662	664	666	670	672	674	610	612
	Mile Post	SaSu	Sat	SaSu	SaSu	SaSu	SaSu	Sat	Sun	Sun
Harrisburg, PA	0	7:20A	8:30A	9:30A	11:20A	2:05P	5:05P	7:05P	7:05P	8:20P
Middletown, PA	10	7:30A	8:40A	9:40A	11:30A	2:15P	5:15P	7:15P	7:15P	8:30P
Elizabethtown, PA	17	7:37A	8:47A	9:47A	11:37A	2:22P	5:22P	7:22P	7:22P	8:37P
Mount Joy, PA	24	7:43A	8:53A	9:53A	11:43A	2:28P	5:28P	7:28P	7:28P	8:43P
Lancaster, PA	36	7:55A	9:05A	10:05A	11:55A	2:40P	5:40P	7:40P	7:40P	8:55P
Parkeburg, PA	60	8:14A	9:24A	10:23A	12:14P	2:59P	5:58P	7:58P	7:58P	9:14P
Coatesville, PA	66	8:19A	9:29A	10:28A	12:19P	3:05P	6:04P	8:04P	8:04P	9:19P
Downingtown, PA	72	8:25A	9:35A	10:35A	12:25P	3:11P	6:10P	8:10P	8:10P	9:25P
Exton, PA	77	8:32A	9:42A	10:41A	12:32P	3:17P	6:16P	8:16P	8:16P	9:32P
Paoli, PA	84	8:41A	9:51A	10:49A	12:41P	3:28P	6:25P	8:25P	8:25P	9:40P
Ardmore, PA	96	8:53A	10:03A	...	12:54P	3:41P	6:37P	8:37P	8:37P	9:52P
Phila. 30th St.	104	Ar 9:05A	10:15A	11:15A	1:05P	3:55P	6:50P	8:50P	8:50P	10:10P
		Dr 9:23A	10:30A	11:25A	1:30P	4:10P	7:10P	9:10P	...	...
North Phila.	109	...	...	...	...	...	...	...	...	...
Cornwells Heights, NJ	121	...	...	...	...	...	...	...	...	...
Trenton, NJ	137	9:52A	11:03A	11:55A	2:00P	4:39P	7:39P	9:39P	...	...
Princeton Jct, NJ	147	10:00A	...	...	...	...	...	...	...	...
New Brunswick, NJ	163	...	...	...	...	...	...	...	...	...
Metropark	171	...	...	...	...	...	...	...	...	...
Newark Liberty Airport	183	10:25A	...	...	...	...	...	...	...	...
Newark, NJ	185	10:31A	L 11:44A	L 12:31P	L 2:40P	L 5:13P	L 8:14P	L 10:14P	...	...
New York, NY	195	10:49A	12:02P	12:49P	2:57P	5:32P	8:34P	10:34P	...	...

APPENDIX I
KEYSTONE SERVICE SCHEDULES (Westbound)
Service between November 8, 2024 and September 30, 2025

Keystone Service																
Westbound																
Train Number	Mile Post	601	605	607	641	643	645	609	647	649	651	653	655	657	639	
		M-F	M-F	M-F	M-F	M-F	M-F	M-F	M-F	M-F	M-F	M-F	M-F	M-F	M-F	Fri
New York, NJ	0	...	...	...	7:17A	9:30A	12:05P	12:54P	2:11P	2:44P	4:03P	5:10P	6:35P	8:30P	11:15P
Newark, NJ	10	...	...	...	7:34A	9:46A	12:22P	1:10P	2:28P	2:59P	4:20P	5:27P	6:52P	8:47P	11:32P
Newark Liberty Airport	13	...	...	...	...	...	...	...	2:34P	3:05P	...	...	...	...	11:38P
Metropark, PA	25	...	...	...	...	...	...	1:27P	...	...	...	...	...	...	...
New Brunswick, NJ	33	...	...	...	...	...	...	...	...	...	...	...	...	...	...
Princeton Jct, NJ	49	...	...	...	8:08A	...	...	...	...	...	...	...	...	...	...
Trenton, PA	58	...	...	...	8:17A	10:21A	12:55P	1:53P	...	3:39P	4:55P	6:02P	7:29P	9:24P	12:11A
Cornwells Heights, NJ	74	...	...	...	...	...	...	...	...	3:50P	...	...	7:40P	9:36P	...
North Phila.	86	...	...	...	...	...	...	...	...	D 4:02P	...	D 6:22P	D 7:52P	D 9:48P	...
Phila. 30th St.	91	Ar	...	...	8:46A	10:50A	1:25P	2:19P	3:30P	4:12P	5:23P	6:30P	8:00P	9:55P	12:40A
Ardmore, PA	99	Dr	5:20A	6:20A	7:25A	8:56A	11:00A	1:35P	2:45P	3:45P	4:45P	5:35P	6:42P	8:15P	10:05P	...
Paoli, PA	110	...	5:32A	6:32A	7:37A	...	...	...	...	4:58P	5:48P	6:55P	8:28P	10:18P	...
Exton, PA	118	...	5:46A	6:46A	7:52A	9:19A	11:23A	1:59P	3:10P	4:10P	5:11P	6:02P	7:07P	8:40P	10:30P	...
Downingtown, PA	123	...	5:53A	6:54A	8:00A	9:26A	11:30A	2:06P	3:18P	4:17P	5:20P	6:09P	7:14P	8:47P	10:38P	...
Coatesville, PA	129	...	5:58A	6:58A	...	9:31A	11:35A	2:11P	3:22P	...	5:25P	6:13P	7:19P	8:52P	10:42P	...
Parkesburg, PA	133	...	6:04A	7:04A	...	9:37A	11:41A	2:17P	3:29P	...	5:33P	6:20P	7:25P	8:59P	10:49P	...
Lancaster, PA	159	...	6:10A	7:09A	...	9:43A	11:47A	2:22P	3:34P	...	5:38P	6:26P	7:30P	9:04P	10:55P	...
Mount Joy, PA	170	...	6:32A	7:35A	8:34A	10:06A	12:11P	2:46P	3:58P	4:55P	6:02P	6:51P	7:56P	9:28P	11:18P	...
Elizabethtown, PA	177	...	6:42A	7:45A	...	10:16A	12:21P	2:55P	4:08P	...	6:11P	7:00P	8:05P	9:37P	11:28P	...
Middletown, PA	185	...	6:49A	7:52A	8:50A	10:23A	12:28P	3:03P	4:15P	5:09P	6:18P	7:07P	8:12P	9:44P	11:35P	...
Harrisburg, PA	195	...	6:57A	8:00A	...	10:31A	12:36P	3:10P	4:23P	5:16P	6:25P	7:14P	8:19P	9:51P	11:42P	...
		...	7:10A	8:15A	9:10A	10:46A	12:50P	3:25P	4:40P	5:30P	6:40P	7:30P	8:35P	10:05P	11:56P	...

Keystone Service											
Westbound											
Train Number	Mile Post	611	661	663	615	665	667	669	671	637	
		Sat	SaSu	SaSu	Sun	SaSu	SaSu	SaSu	SaSu	Sun	
New York, NY	0	...	7:00A	9:09A	...	1:05P	3:13P	5:17P	7:53P	11:58P	
Newark, NJ	10	...	7:17A	9:27A	...	1:23P	3:32P	5:34P	8:09P	12:14A	
Newark Liberty Airport	13	...	...	...	...	...	...	...	...	...
Metropark	25	...	...	...	...	...	...	...	...	...
New Brunswick, NJ	33	...	...	...	...	...	...	...	...	...
Princeton Jct, NJ	49	...	...	9:58A	...	...	...	...	...	...
Trenton, NJ	58	...	7:53A	10:07A	...	1:58P	4:07P	6:08P	8:45P	12:50A	
Cornwells Heights, NJ	74	...	...	...	...	...	...	...	...	...
North Phila.	86	...	...	...	...	...	...	...	...	...
Phila. 30th St.	91	Ar	...	8:20A	10:35A	...	2:26P	4:38P	6:36P	9:15P	1:20A
Ardmore, PA	99	Dr	7:25A	8:30A	10:50A	1:55P	2:45P	4:55P	6:55P	9:35P	...
Paoli, PA	110	...	7:37A	8:43A	11:03A	...	2:58P	5:08P	7:08P	9:47P	...
Exton, PA	118	...	7:50A	8:55A	11:15A	2:20P	3:10P	5:21P	7:21P	10:00P	...
Downingtown, PA	123	...	7:57A	9:03A	11:22A	2:28P	3:18P	5:28P	7:28P	10:08P	...
Coatesville, PA	129	...	8:01A	9:07A	11:26A	2:32P	3:22P	5:33P	7:33P	10:12P	...
Parkesburg, PA	133	...	8:07A	9:13A	11:32A	2:38P	3:28P	5:38P	7:38P	10:18P	...
Lancaster, PA	159	...	8:13A	9:19A	11:37A	2:43P	3:34P	5:44P	7:44P	10:24P	...
Mount Joy, PA	170	...	8:37A	9:42A	12:03P	3:06P	3:58P	6:08P	8:08P	10:50P	...
Elizabethtown, PA	177	...	8:46A	9:51A	12:13P	3:15P	4:07P	6:18P	8:18P	10:59P	...
Middletown, PA	185	...	8:53A	9:58A	12:20P	3:23P	4:14P	6:24P	8:24P	11:06P	...
Harrisburg, PA	195	...	9:00A	10:05A	12:27P	3:28P	4:21P	6:31P	8:31P	11:14P	...
		...	9:15A	10:20A	12:45P	3:42P	4:35P	6:45P	8:45P	11:30P	...

APPENDIX II

NATIONAL RAILROAD PASSENGER CORPORATION
and
THE COMMONWEALTH OF PENNSYLVANIA
AGREEMENT
FOR THE PROVISION
OF RAIL PASSENGER SERVICE

FISCAL YEAR 2025
October 1, 2024 - September 30, 2025

Pursuant to Section 4 of the aforesaid Agreement, the Commonwealth's obligation during Fiscal Year 2025 to reimburse Amtrak under the said Agreement is estimated to be Twenty-one Million, Eight Hundred eighty-nine-Thousand, and Ninety-Five Dollars and Zero Cents (\$ 21,889,095). Funds for the said purpose have been authorized and made available by the Commonwealth of Pennsylvania for the term of the Agreement, pursuant to the laws of the Commonwealth.

The aforesaid aggregate amount is hereby allocated as follows:

Keystone Service Route:

TOTAL: \$14,756,197

Pennsylvanian Route:

TOTAL: \$7,132,898

This Appendix II constitutes an integral part of the aforesaid Agreement. No change, modification or amendment thereto shall be of any force or effect unless evidenced by a revised Appendix II dated and executed by Amtrak and the Commonwealth.

APPENDIX II
SCHEDULE A

Commonwealth of Pennsylvania Amtrak Service PRIIA 209 Pricing Policy FFY2025				
Commonwealth of Pennsylvania Amtrak Service	Keystone Service	Pennsylvanian	All Amtrak Service	
REVENUES				
Ticket Revenue	\$ 28,340,423	\$ 12,185,060	\$	40,525,483
Food & Beverage	\$ -	\$ 600,647	\$	600,647
Other Revenue	\$ 690,129	\$ 249,063	\$	939,192
Total Revenue	\$ 29,030,552	\$ 13,034,770	\$	42,065,322
OPERATING - COST OBLIGATIONS				
Route-Level and Support Costs				
Train and Engine Crews	\$ 13,500,823	\$ 4,084,836	\$	17,585,659
On-board Services	\$ -	\$ 770,025	\$	770,025
Car and Locomotive Maintenance	\$ 15,383,944	\$ 3,311,126	\$	18,695,070
Stations	\$ 4,435,889	\$ 2,110,146	\$	6,546,035
Call Center	\$ 1,617,764	\$ 1,245,427	\$	2,863,191
Dispatching	\$ 1,949,900	\$ 178,337	\$	2,128,237
Commercial Performance	\$ 706,844	\$ 316,643	\$	1,023,487
On-board Wifi	\$ 415,809	\$ 131,951	\$	547,760
National Transportation Support	\$ 531,335	\$ 195,896	\$	727,231
Subtotal: Route-Level and Support Costs	\$ 38,542,308	\$ 12,344,387	\$	50,886,695
Pass-Through Costs and Percentage Charges				
Host Railroad	\$ 2,105,896	\$ 1,840,264	\$	3,946,160
Fuel and Power	\$ 2,821,560	\$ 1,471,640	\$	4,293,200
Route Advertising	\$ 160,000	\$ 40,000	\$	200,000
Car and Loco Maintenance - TSSSA	\$ 1,332,123	\$ 8,326	\$	1,340,449
Credit Card Fees	\$ 736,851	\$ 326,422	\$	1,063,273
Yard Operations	\$ 332,601	\$ 73,506	\$	406,107
Passenger Inconvenience	\$ 22,196	\$ 10,293	\$	32,489
National Corporate Expenses	\$ 3,131,640	\$ 1,126,012	\$	4,257,652
OBS - Food, Beverage, and Supplies	\$ -	\$ 444,158	\$	444,158
Subtotal: Pass-Through Costs and Percentage Charges	\$ 10,642,867	\$ 5,340,621	\$	15,983,488
Total Operating Costs	\$ 49,185,175	\$ 17,685,008	\$	66,870,183
Total Operating - Cost Obligations	\$ 49,185,175	\$ 17,685,008	\$	66,870,183
Estimated State Payment or (Credit)	\$ 20,154,623	\$ 4,650,238	\$	24,804,861
NEC Through-Revenue Credit	\$ 23,998,155	\$ 2,734,133	\$	26,732,288
Charge per Passenger mile on NEC (if applicable)	\$ 12,123,008	\$ 1,874,836	\$	13,997,844
NEC Through-Revenue Contribution or (Loss)	\$ 11,875,147	\$ 859,297	\$	12,734,444
Estimated State Payment or (Credit), Through Revenue Option	\$ 8,279,476	\$ 3,790,941	\$	12,070,417
Equipment Capital Charge	\$ 6,476,721	\$ 3,341,957	\$	9,818,678
Total Estimated Operating and Equipment Capital	\$ 14,756,197	\$ 7,132,898	\$	21,889,095
Notes				
1. Revenues as forecast by Amtrak for FFY2025.				
2. Includes Through-Revenue Credit & Charge.				

APPENDIX II
CAPITAL COSTS - PASSENGER SERVICE EQUIPMENT

Commonwealth of Pennsylvania Amtrak Service Forecast Equipment Capital Charges PRIIA 209 Pricing Policy FY2025				
Equipment Name/Project Description	APT Statistic Qualifier Used for Allocation	Pennsylvanian	Keystone Service	All Amtrak Service
Amfleet - Capstn Standard Ch	SQ EQ AXAS	\$ -	\$ 3,580,737	\$ 3,580,737
Amfleet - Capstn Bus Class Ch	SQ EQ AXAN	\$ 268,013	\$ -	\$ 268,013
Amfleet - Metro lounge 10-96	SQ EQ AXMF	\$ 272,106	\$ -	\$ 272,106
Amfleet II - Coach	SQ EQ AYAI	\$ 1,669,413	\$ -	\$ 1,669,413
Cab Car - CAB COACH	SQ EQ CBCC	\$ -	\$ 1,181,961	\$ 1,181,961
ELECTRIC LOCOMOTIVE - ACS-64	SQ EQ EXES	\$ -	\$ 1,714,023	\$ 1,714,023
DIESEL LOCOMOTIVE - P42-8 LOCO 1/3/97	SQ EQ DXBD	\$ 1,102,455	\$ -	\$ 1,102,455
VIEWLINER II - Baggage Car	SQ EQ VYVG	\$ 29,970	\$ -	\$ 29,970
Total Equipment Capital Use Charge		\$ 3,341,957	\$ 6,476,721	\$ 9,818,678

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APPENDIX II
Payment Schedule

Estimated Payment Schedule for Pennsylvanian and Keystone Service PRIIA 209 Pricing Policy FY2025			
	Operating Payment	Equipment Capital Payment	Total Payment
October, 2024	\$ 1,005,869	\$ 818,225	\$ 1,824,094
November, 2024	\$ 1,005,868	\$ 818,223	\$ 1,824,091
December, 2024	\$ 1,005,868	\$ 818,223	\$ 1,824,091
January, 2025	\$ 1,005,868	\$ 818,223	\$ 1,824,091
February, 2025	\$ 1,005,868	\$ 818,223	\$ 1,824,091
March, 2025	\$ 1,005,868	\$ 818,223	\$ 1,824,091
April, 2025	\$ 1,005,868	\$ 818,223	\$ 1,824,091
May, 2025	\$ 1,005,868	\$ 818,223	\$ 1,824,091
June, 2025	\$ 1,005,868	\$ 818,223	\$ 1,824,091
July, 2025	\$ 1,005,868	\$ 818,223	\$ 1,824,091
August, 2025	\$ 1,005,868	\$ 818,223	\$ 1,824,091
September, 2025	\$ 1,005,868	\$ 818,223	\$ 1,824,091
Total	\$ 12,070,417	\$ 9,818,678	\$ 21,889,095

¹Payment schedule includes fixed Operating Cost Obligations, plus estimate for Pass Through Costs and Percentage Charges, Capital Costs - Passenger Service Equipment, and credit for estimated Passenger and Other Allocated Revenue, to be reconciled against actual performance as described in Section 5(a) of the Agreement. The first payment shall be due within 30 days of the execution of the Agreement.

²Operating Advance Payments are 1/12th of expected net operating payment shown in Appendix 1, Schedule A.

APPENDIX II

CONTINUATION PAYMENT SCHEDULE
(if applicable as outlined in Section 5(g))

Monthly Payment Schedule⁴

October 1, 2025	\$	1,824,091
November 1, 2025	\$	1,824,091
December 1, 2025	\$	1,824,091
January 1, 2026	\$	1,824,091
February 1, 2026	\$	1,824,091
March 1, 2026	\$	1,824,091
<hr/>		
Total	\$	10,944,546

⁴Payment schedule includes fixed Operating Cost Obligations, , plus estimate for Pass Through Costs and Percentage Charges, Capital Costs - Passenger Service Equipment, and credit for estimated Passenger and Other Allocated Revenue, to be reconciled against actual performance as described in Section 5 of the Agreement.

APPENDIX III

TRADEMARKS AND SERVICE MARKS







Pursuant to Section 1(i) of the aforesaid Agreement, this Appendix contains a table of Trademarks and Service Marks (Marks) related to the Service provided under this Agreement. This Appendix III constitutes an integral part of the aforesaid Agreement. No change, modification or amendment thereto shall be of any force or effect unless evidenced by a revised Appendix III dated and executed by Amtrak and the Commonwealth.

When utilizing the Commonwealth's Marks Amtrak shall follow the *Commonwealth of Pennsylvania Style Guide* and the *Style Guide: Pennsylvania Department of Transportation*, both of which have been provided to Amtrak.

When utilizing Amtrak's Marks, the Commonwealth shall follow Amtrak's Brand Book, which has been provided to the Commonwealth.

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APPENDIX III -TRADEMARKS AND SERVICE MARKS
Amtrak Marks

Mark Description	Mark	USPTO Registratio n
Travelmark Logo (Vertical)		2,602,178
Travelmark Logo (Horizontal)		2,632,665
Amtrak (Word mark)	Amtrak	960,643
Amtrak Express	Amtrak Express	2,465,363
Amtrak Vacations	Amtrak Vacations	2,623,854
Amtrak Vacations Logo		n/a
America's Railroad	America's Railroad	4,007,792
Julie	Julie	3,153,968
Metropolitan Lounge	Metropolitan Lounge	n/a
Quiet Car	Quiet Car	2,536,556
Saver Fares	Saver Fares	4,848,283
See where the train can take you (Wordmark)	See where the train can take you	n/a
See where the train can take you lockup (Tagline below)		n/a
See where the train can take you lockup (Tagline left)		n/a
See where the train can take you lockup (Tagline below)		n/a
Keystone Service	Keystone Service	3,162,195
Pennsylvanian	Pennsylvanian	5,117,573

APPENDIX III-TRADEMARKS AND SERVICE MARKS
Commonwealth Marks

Centered Logo:



Left:



Centered Logo in Color:



Left:



EXHIBIT A
PRIIA Section 209 Cost Methodology Policy



State-Supported-Route Cost and Service Policy

Version 11
June 17, 2024

TABLE OF CONTENTS

1	Introduction	
1.1	The State-Supported Routes.....	1
1.2	Statutory Context	1
1.3	The Committee.....	2
1.4	FY2023–FY2028 Policy	2
1.5	Assumptions.....	2
1.6	Policy Objectives	2
1.7	Recommendations for a Federal-State Partnership	3
1.8	Cost Charging Objectives	3
1.9	The State-Amtrak Business Relationship.....	4
2	Decisionmaking, Collaboration, and Planning	
2.1	Service Plans	5
2.2	Strategic Management Reviews.....	5
2.3	Service Customizations.....	6
2.4	Commercial Policies	7
2.5	Capital Plans [Reserved].....	7
2.6	Marketing Collaboration [Reserved].....	7
3	Operating-Cost Obligations	
3.1	Overview.....	8
3.2	Operating-Cost Charging Methods	8
3.3	Federal Payment.....	9
3.4	Base-Increment Trains	10
3.5	Operating-Cost Categories.....	11
4	Capital-Cost Obligations	
5	Revenue	
5.1	Overview	13
5.2	Sources	13
5.3	Reporting and Documentation	13
5.4	Operating Surplus.....	13
6	Reporting	
6.1	Tracking and Reporting Underlying Costs	14
6.2	Provisions for Specific Cost Categories.....	14
6.3	Data Improvement Plan.....	14
6.4	Pilot Study on Isolating Route-Specific Costs	14
7	Implementation	
7.1	Operating-Cost Charges, Invoicing, and Reconciliation.....	15
7.2	Capital-Cost Charges, Invoicing, and Reconciliation	17
7.3	Access to Data.....	17
7.4	Independent Review.....	17
7.5	Dispute Resolution	18
7.6	Invoicing	18
8	Policy Governance	
8.1	Term.....	19
8.2	Policy Revisions.....	19
8.3	Items for Additional Attention by the Committee	19
8.4	Policy Evaluation	20

9 Appendixes

- Appendix A. The State-Supported Routes
- Appendix B. Glossary
- Appendix C. Operating-Cost Charges
- Appendix D. Required Reports
- Appendix E. Relevant Federal Law
- Appendix F. Revision History
- Appendix G. Policy Version 8.00

1 Introduction

1.1 The State-Supported Routes

Passenger rail plays a critical role in the United States by enabling travelers to reach their work, family, and social destinations, by driving local and national economic development, and by promoting a sustainable and equitable transportation system. The Amtrak national system is the largest passenger rail network in the country. A foundation of the system is the State-Supported Routes—30 routes located across the country that carry approximately one-half of all Amtrak riders and together represented 80 percent of Amtrak’s ridership growth between 2009 and 2019. The States and Amtrak are partners with a joint mission to deliver these services and to grow and improve the passenger rail network.

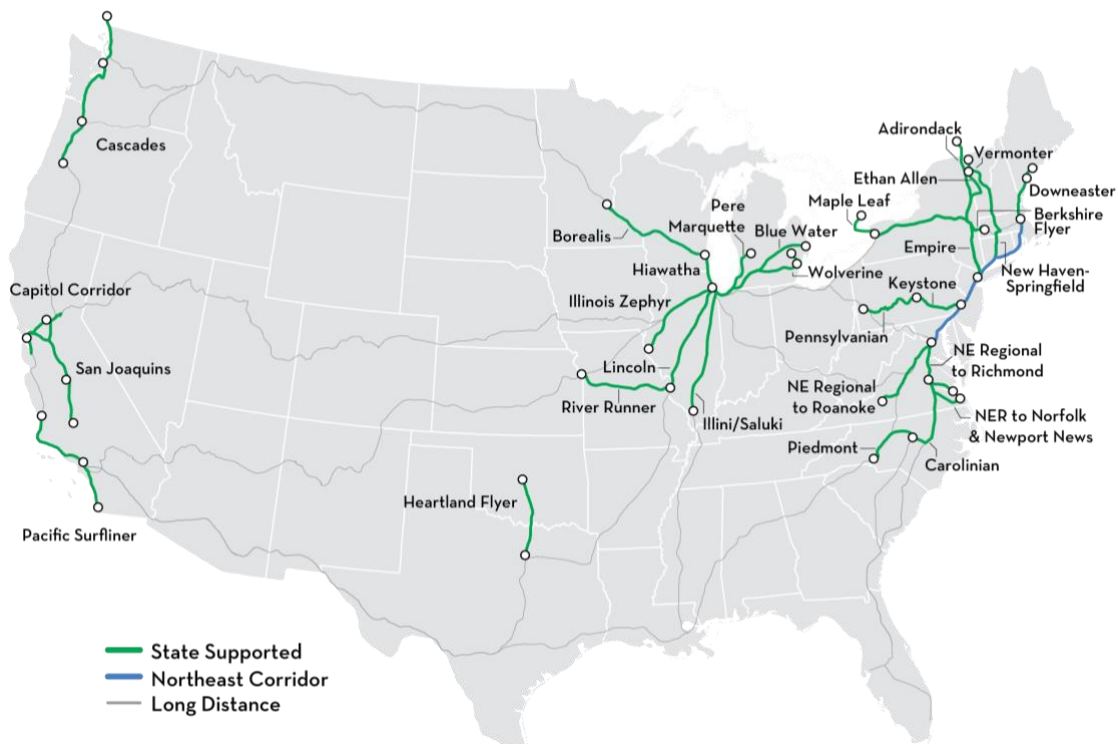


Figure 1. State-Supported Routes

1.2 Statutory Context

Section 209 of the Passenger Rail Investment and Improvement Act of 2008 (PRIIA 209) marked an important shift in passenger rail policy for the United States. The State-Supported Routes are services of 750 miles or less that run partially or fully on territory separate from the Northeast Corridor (NEC) Main Line. (See Appendix A for a route list.) Prior to PRIIA 209, the funding and operation of these routes were inconsistent, reflecting the unique history of each route, when the service was initiated, and the pre-existing role, if any, of State and local partners. Instead, PRIIA 209 required the States to assume operating and capital costs associated with these services and directed Amtrak and the States to develop a “single, nationwide standardized methodology for establishing and allocating . . . costs incurred only for the benefit of [one] route and a proportionate share, based upon factors that reasonably reflect relative use, of costs incurred for the common benefit of more than [one] route.” (See Appendix E for relevant statutory excerpts.)

To fulfill the requirement, a group of States, Amtrak, and the Federal Railroad Administration (FRA) worked together to develop the first version of the PRIIA 209 Policy, which was first implemented in

State-Supported-Route Cost and Service Policy.

Version 11. Incorporating amendments approved on June 17, 2024.

FY2014 and was affirmed by the Surface Transportation Board as meeting the PRIIA 209 requirements. The initial PRIIA 209 Policy was in effect from FY2014 to FY2022 and was periodically updated. (See Appendix F for the Policy’s revision history.)

1.3 The Committee

Following the Policy’s implementation, the States and Amtrak agreed that additional support was needed to refine the Policy further and support its implementation. To address this need, Amtrak, the States, and the FRA created the State-Amtrak Intercity Passenger Rail Committee (SAIPRC or the Committee) to support collaboration and advance the growth of the State-Supported Routes. In 2015, SAIPRC was organized upon the written approval of 18 State governors, the Amtrak president, and the FRA administrator.

In the Fixing America’s Surface Transportation (FAST) Act of 2015, Congress directed the U.S. Secretary of Transportation to establish a State-Supported Route Committee, authorized the committee to oversee the implementation of and amend the PRIIA 209 Policy, and directed it to promote cooperation and planning. In 2016, the Secretary recognized SAIPRC as the committee required by the FAST Act.

SAIPRC includes representatives from Amtrak, the FRA, and 20 current State or State-chartered transportation agencies responsible for managing the State-Supported Routes.

1.4 FY2023–FY2028 Policy

The 2021 Infrastructure Investment and Jobs Act (IIJA) initiated historic investments in passenger rail service. The legislation (Section 22211) also directed the Committee to review and revise the PRIIA 209 Policy.

The resulting Policy covers six years, FY2023 to FY2028, and will not be applicable beyond that term without an action by the Committee to amend or extend it. During this term, the Committee will continue to evaluate the Policy and make improvements.

1.5 Assumptions

The Policy assumes that the Amtrak National Network and NEC, including the costs the Policy identifies as federal responsibilities, will be adequately funded by the Federal Government. Further, the Policy assumes that Congress will ensure that States and Amtrak can work together to implement the Policy and to manage the operations of the routes.

At the next full Committee meeting following enactment of annual appropriations and any related legislative requirements, the Committee may review the impact on the National Network and consider any potential action.

1.6 Policy Objectives

The Policy intends to achieve three key aims:

- 1.6.1 **Affirm a Federal-State Funding Partnership.** Reaffirms the States’ ongoing commitment to pay operating and capital expenses associated with their routes while identifying those activities considered to be a federal funding responsibility.
- 1.6.2 **Improve the Charging Methods.** Redefines the system for calculating the operating and capital expenses the States pay to ensure that the States and Amtrak have higher levels of control, appropriate incentives to manage costs and revenue, greater predictability, and reduced administrative burdens.
- 1.6.3 **Clarify the State-Amtrak Business Relationship.** Defines the respective roles and responsibilities of the States and of Amtrak in managing and planning services, including clarifying areas where the States will take the lead in decisionmaking and those services or

items that are required to be—or benefit from being—standardized across the system or managed centrally.

1.7 Recommendations for a Federal-State Partnership

The ongoing success of the State-Supported Routes and the growth of passenger rail requires a strong partnership among State, Amtrak, and federal stakeholders.

Under PRIIA 209, the States have assumed responsibility for funding ongoing operating expenses and capital maintenance expenses for rolling stock associated with their routes. The States remain committed to meeting this funding responsibility and partnering with Amtrak to maximize each route’s performance, encourage economic growth, and improve transportation equity.

Amtrak—the steward of the national passenger rail network—is a key partner to the States and is responsible for systems that benefit all Amtrak routes. Amtrak works closely with the States to manage and operate service, plan for future growth, and identify and implement actions to grow ridership, increase revenue, and improve performance. In addition, Amtrak manages and contributes funding (representing the share of expenses associated with Long-Distance and NEC Routes) to the critical assets and activities that benefit the whole network—reservation systems, operations control, regulatory compliance, personnel training, and others.

Because of the rail network’s national importance and the national significance of some cost areas, the Federal Government also has an indispensable role in this partnership. First, the Policy identifies specific operating-cost items deemed to be federal responsibilities—(a) those items heavily influenced by federal regulation or statute (e.g., ADA requirements); (b) items characterized by a strong federal role in the objectives being pursued (e.g., police and security); (c) costs for which it is difficult to determine a fair allocation to the States “that reasonably reflect[s] relative use” as required by law; and (d) costs that stem primarily from Amtrak’s role as the national intercity passenger railroad.

Second, the States and Amtrak agree that the Federal Government must continue to make necessary large-scale capital investments to promote the growth of the nation’s passenger rail network. While the States and Amtrak can work together to plan future services and ultimately assume responsibility for ongoing operations, improving and extending existing services and introducing new services to unserved regions depend on substantial and sustained capital funding from the Federal Government.

1.8 Cost Charging Objectives

The charging methods in this Policy reflect the Committee's commitment to the following principles.

- 1.8.1 **Mutual Consent.** The methods by which charges for the State-Supported Routes are determined, and the data to support the methods, are established by mutual consent between Amtrak and the States and documented in the Policy and associated technical documentation. Any changes to charging categories, methods, or data sources occur only with Committee approval.
- 1.8.2 **State Control and Decisionmaking.** The States define the service parameters that heavily influence route costs, including service frequency, train and bus schedules, staffing levels for discretionary positions, and other features.
- 1.8.3 **Predictability.** Charges to the States vary with the service levels and service features the States choose. Changes to service levels or features should result in a predictable and proportionate change in the State’s charges without unexpected impacts to other States’ charges. Fluctuations in invoiced amounts for other reasons should be minimal.
- 1.8.4 **Cost Management.** The Policy provides the States with some tools to reduce expenses, such as linking charges more directly to items the States control. And the Policy creates some incentives for Amtrak to improve efficiency, by providing a pre-determined funding

level for discrete service units, above which Amtrak would bear the burden of higher costs and below which Amtrak would benefit from increased efficiencies.

- 1.8.5 **Traceability.** The charging methods are specific, documented, and repeatable. Costs charged to the States are traceable to a written method that refers to specific Amtrak general ledger items or performance data, which permits verification that the charging methods have been applied accurately.
- 1.8.6 **Manageability.** The charging methods reduce the month-to-month burden on Amtrak to prepare and the States to review and verify invoices.
- 1.8.7 **Risk Sharing.** The Committee recognizes that many unpredictable factors—from ridership levels to fuel costs to inflation—influence railroad operating costs and revenues. In the Policy, the Committee intends for Amtrak and the States to share the risk of unexpected cost impacts.

1.9 The State-Amtrak Business Relationship

The State-Supported Routes will be planned, delivered, tracked, and paid for as the Policy describes. The major steps in the process are:

- 1.9.1 **Plan Service.** For each State-Supported Route, Amtrak and the State(s) will agree to service parameters.
- 1.9.2 **Identify Charges.** A State's Financial Obligation comprises an Operating-Cost Obligation (as described in Section 3) and a Capital-Cost Obligation (as described in Section 4). Prior to the Fiscal Year, the Committee will establish rates that will be used to calculate Operating-Cost Obligations and an estimate of each Route's Capital-Cost Obligation.
- 1.9.3 **Operate Service.** Amtrak will operate service as agreed to with the State(s).
- 1.9.4 **Report Performance.** Amtrak will report operating and financial results and progress toward objectives in route-level and service line plans.
- 1.9.5 **Generate and Pay Invoices.** Amtrak will invoice the States for Operating-Cost Obligations as described in Section 7.1 and for Capital-Cost Obligations as described in Section 7.2.
- 1.9.6 **Resolve Disputes.** Any SAIPRC member may use the dispute resolution process described in Section 7.5 for disputes involving the Policy.

2 Decisionmaking, Collaboration, and Planning

2.1 Service Plans

From time to time, as often as annually if desired by either Amtrak or the affected State(s), a Service Plan for a route will be prepared and agreed to. The Service Plan will document the features of the service to be offered. Development of Service Plans will benefit from the knowledge and perspectives of both Amtrak management and its affected local operating teams. Service Plans will be in writing unless Amtrak and the affected State(s) agree otherwise. If, while a Service Plan is in place, Amtrak is unable to provide elements of the service agreed upon by Amtrak and a State, including train frequencies, rolling stock availability, or other service elements, Amtrak and the State will work together to develop an action plan to restore service.

- 2.1.1 **Train Schedules and Service Frequency.** The State(s) will determine the desired frequency of service and schedule for a route. To aid the States' consideration of various service options, Amtrak will provide analysis, including likely cost differences due to varying requirements for staff, likely effects on Guarantee Time and Extra-Board Time, and possible effects on ridership and revenue. The State(s) and Amtrak must agree on the service frequency and schedule, with Amtrak making maximum reasonable efforts to accommodate State requests.
- 2.1.2 **Train Consists.** Amtrak will inform the State(s) of the car and locomotive types available and provide information about them, including operating performance, features and amenities, and operation and maintenance costs. The State(s) will designate the car and locomotive types it wishes to use for a route from among the types available to Amtrak, or the State(s) may choose to acquire State-owned equipment to be operated by Amtrak. Amtrak will inform the State(s) of any limitations on consist length or makeup imposed by host railroads and of the effects consist length has on crew requirements or other factors that influence cost. The State(s) will designate the desired consist length. The State(s) and Amtrak must agree on consist makeup and length for a route, with Amtrak making maximum reasonable efforts to accommodate State requests.
- 2.1.3 **Practical Limitations.** Train schedules and consists are subject to constraints, including but not limited to, host railroads, equipment availability, facility capacity, and competing stakeholder and service priorities. Amtrak will seek to accommodate the States' requests while managing these constraints.
- 2.1.4 **Fares and Pricing.** The States will specify ticket prices as well as whether tickets are reserved or unreserved, whether to implement inventory controls for revenue yield management, and whether to implement national or route-specific promotions on their route(s).
- 2.1.5 **Other Service Parameters.** Decisionmaking roles regarding other service parameters for specific cost categories appear in Section 3.5.

2.2 Strategic Management Reviews

At a State's option, Amtrak and the State will commence a Strategic Management Review of operations that support the State's route(s), focused on the facilities and cost types for which the State is a major funder. The review may examine operating practices, staffing patterns or efficiencies, cost tracking, and other business practices that affect the cost or performance of the route(s) and how these costs are assigned to different functions, cost categories, and routes. A review will benefit from the knowledge and perspectives of both Amtrak management and its affected local operating teams. A review may consider productivity metrics that allow for trend analysis and benchmarking. Meetings between Amtrak and the affected State(s) will occur at least quarterly to assure continuing progress. The Committee expects

Strategic Management Reviews to focus on larger issues with meaningful impacts and, if possible, that smaller items will be handled during the normal course of business.

- 2.2.1 **Cost Management.** Once sufficient data has been reviewed by Amtrak and the State(s), a State may propose specific management, staffing, charging, or other changes in relation to its route(s) and the systems and facilities supporting the route(s). Where the State is the majority funder of an activity, Amtrak will make maximum reasonable efforts to accommodate the State proposal.

For an item where the State is the majority funder, if a State requests a lower staffing level for its route(s) and the State and Amtrak cannot agree to the request, (a) Amtrak need only support the State's service with the staffing requested and (b) Amtrak will charge the State only the State's proportionate share of the requested staffing level. A State may not use this authority to gain a reduction to its charges where the proposed staffing request would not be practically achievable. Prior to FY2024, the Committee will identify an approach to assess whether requests are practically achievable. Once a staffing, charging, or other change has been made, any affected party may monitor actual activity to determine how the change is affecting performance or operations. In reviews involving passenger-facing staff, monitoring might include how passengers are responding. A party may propose further adjustments as a result. If Amtrak does not implement the staffing request but the State payment will change, Amtrak will revise the State payment on a timeframe agreed upon by Amtrak and the State.

- 2.2.2 **Limitation.** Where making a change a State has requested would meaningfully reduce safety, conflict with regulatory requirements, or conflict with contractual agreements, Amtrak need not make the change or reduce charges to States. If Amtrak rejects a change for any of these reasons, it will provide a written explanation to the State. Amtrak and the States may consider impacts of a proposed change on Amtrak's brand standards and to the passenger experience, but these factors are not an allowed limitation on the requirements of Section 2.2.1. If Amtrak or a State is concerned about the effects of a change on brand standards and the passenger experience, Amtrak may provide written brand and passenger experience standards to inform the review of the proposed change.
- 2.2.3 **Schedule.** Amtrak and the States may work together to establish a reasonable sequence for assigning staff resources to strategic management reviews. Amtrak will report the requests it receives to the Committee along with a schedule and the related scope of activities for carrying them out. The Committee may comment upon and suggest adjustments to the schedule.

2.3 Service Customizations

If a State submits a service customization (i.e., a change that differentiates an aspect of service from the standard approach utilized across most or all other routes), Amtrak will provide an estimate of any additional, sole-benefit expense associated with the customization. If the customization is implemented, the State will be responsible for the additional expense. Amtrak will not implement a customization if it deems that the customization will harm another route, and it will provide the State with a written explanation for the decision not to implement the customization. If a customization will benefit all or a majority of routes, Amtrak will seek to implement the change as part of the ongoing improvement to its internal systems, and the customization will not be considered a sole-benefit expense. Service customizations will be reported to the Committee to assure that all States are aware of them and have the opportunity to consider adopting them.

2.4 Commercial Policies

Commercial policies are standardized systems and rules applied to all routes to establish the Amtrak brand, dictate aspects of the passenger experience, and define commercial transactions with passengers. Commercial policies include, but are not limited to, passenger service guidelines and protocols, brand standards, booking and refund policies, standard discounts, and standard passenger fees (e.g., baggage and pet fees). Commercial policies do not include passenger safety policies.

2.4.1 **Customization.** Amtrak will manage system-wide commercial policies. However, States may choose to customize the commercial policies related to their service, including route-specific approaches to discount policies, fees, or passenger-service standards, and passenger-service-related booking and refund policies. Such customizations will be consistent with the approach described in Section 2.3. Amtrak will notify the Committee of all submissions to customize commercial policies, at a minimum, each quarter.

2.4.2 **Documentation and Development.** Amtrak will provide the Committee, as frequently as necessary, with the most up-to-date documentation of commercial policies related to booking and refund policies, standard discounts, and standard passenger fees, as well as document which policies encourage standardization across routes and which policies facilitate variation among routes. If additional documentation is deemed necessary, the Committee will develop a plan for collection and dissemination. The Committee will establish standard procedures to guide commercial policy updates. To the extent feasible, Amtrak will work collaboratively and expeditiously with the States to develop new or refined commercial policies, with finalization expected within 60 days of a proposed change.

2.5 Capital Plans [Reserved]

2.6 Marketing Collaboration [Reserved]

3 Operating-Cost Obligations

3.1 Overview

Each State with a route covered by this Policy is obligated to pay Amtrak for certain costs of operating its route(s). This is known as the State's Operating-Cost Obligation. The amount is determined by summing charges for the Operating-Cost Categories listed in Section 3.5.

Many State charges are derived from past Amtrak actual costs. Although rates derived from historical costs will not exactly reflect actual current service delivery costs, the system in this Policy, which periodically updates rates as new historical data becomes available, will tend to bring charges into line with actual service delivery costs over time while insulating the States from large month-to-month swings in charges.

Operating Agreements between Amtrak and the States may address issues beyond the scope of this Policy, including additional services paid for by the States or performance penalties or incentives agreed to by the parties.

3.2 Operating-Cost Charging Methods

Section 3.2 describes methods used for developing Operating-Cost charges. For information regarding implementation of charges, see Section 7. (For detailed descriptions of how individual charges are calculated, see Appendix C.)

3.2.1 **Operating-Cost Charge Types.** Each Operating-Cost Subcategory uses a single Operating-Cost Charge Type. Where an Operating-Cost Category has no subcategories, it uses a single Operating-Cost Charge Type. There are four operating-cost Charge Types.

3.2.1.1 **Usage Charges.** Usage Charges are arrived at by multiplying an accepted Usage Rate by the actual units of service or activity used during an Invoicing Period. The Usage Rate is a pre-set cost for a unit of activity (e.g., a cost per hour for a class of workers or a cost per mile a train travels). A stable rate applied to actual current operations enhances cost predictability while ensuring that the States pay for the actual level of service received. Usage Rates are determined using actual past cost data from Amtrak's general ledger and statistics collected by Amtrak for the actual number of past units of service or activity. Usage Rates may be national and applied to all routes uniformly, or regional or local and applied to different routes at different levels based on observed variations in past delivery costs. Each Usage Rate is determined by summing historical costs appropriate for inclusion in the rate from the selected Base Year(s)—referred to as the Cost Pool for the rate—then dividing the Cost Pool by the sum of the operating statistics for the Base Years. The process yields an unadjusted rate, which is then escalated for inflation.

3.2.1.2 **Flat Charges.** A Flat Charge results from applying a pre-calculated Flat Rate. The Flat Charge method is used where normal variations in the level of train service are unlikely to affect an item's cost. For example, utility costs at a rail station open 12 hours per day are likely to be the same whether it hosts four trains per day or eight. Flat Rates are determined by establishing a Cost Pool of actual costs from one or more Base Years from, escalating the Cost Pool for inflation, and allocating the Cost Pool among routes in proportion to actual past shares of utilization of the facility or item in the Base Years. Wherever possible, Flat Rates are unique to a specific facility. Flat Charges remain stable during a Fiscal Year regardless of fluctuations in operating levels.

- 3.2.1.3 **Pass-Through Charges.** A Pass-Through Charge is an amount that varies based on actual third-party costs Amtrak pays in relation to a route. Pass-Through Charges cover items where neither the States nor Amtrak directly controls the cost of the item, such as fuel purchases. Amtrak will provide information to validate each route's share of pass-through costs. For each Invoicing Period, Pass-Through Charges will be expressed as the State's share of the actual activity cost during the Invoicing Period.
- 3.2.1.4 **Percent Charges.** The percent charging method is used when the cost to be charged is a stable and predictable share of a base amount. The States are charged a pre-set percentage (the Percent Rate) of a relevant set of costs. The Percent Rate is calculated by dividing the costs to be recovered in the Base Year(s) (known as the Cost Pool) by the Cost Base in the Base Year(s), which is the universe of expenses over which these costs are to be spread (e.g., all ticket revenue or all Amtrak operating and capital expenses). For each Invoicing Period, the charge will be the Cost Base for the State's route(s) for the Invoicing Period multiplied by the Percent Rate.
- 3.2.2 **Inflation.** In calculating Usage Rates and Flat Rates, unadjusted prior year cost data will be escalated for inflation as follows:
- (a) Wage costs will be escalated based on the wage increase rates for Amtrak agreement labor in collective bargaining agreements;
 - (b) Salary costs will be escalated based on figures reported by Amtrak of increases for salaried employees;
 - (c) All other costs will be escalated based on figures provided by Amtrak regarding changes to non-labor, non-insurance costs.
- 3.2.3 **Data Adjustment.** Each cost in Amtrak's general ledger is labeled with one or more attributes or tags. For example, a cost could have a tag identifying the facility where the cost was incurred, the train aboard which the cost was incurred, or the type of cost. On occasion, a cost might have tags that conflict with one another. For example, a charge may have tags associated with a facility in one State and, at the same time, a route that operates only in another State. Observation indicates that the aggregate value of these anomalies is small. Rates will be calculated after excluding these anomalous costs pursuant to technical documentation maintained by the Committee.
- 3.2.4 **Labor Costs.** The States will be charged for Amtrak labor by summing direct labor costs and fringe costs. Fringe costs will be determined by multiplying historical direct labor costs by a fringe rate specific to the Fiscal Year. Separate fringe rates will be used for straight-time wages, overtime wages, and salaries. The Committee will approve the fringe rates applied for any Fiscal Year as described in Section 7.1.4. To prevent double counting, specific general ledger line items that record actual monthly expenses for employee fringe benefits and paid time off will be excluded from the Cost Pool used in calculating charges to the States.

3.3 Federal Payment

The following costs are identified for payment by the Federal Government, and Amtrak will include a request for funding sufficient to cover these costs in its annual grant requests to Congress.

- 3.3.1 **Police and Security.** Amtrak police and security are integral to broader federal counterterrorism, emergency management, and public safety efforts. Moreover, arriving at a State's "proportionate share, based upon factors that reasonably reflect relative use," as required in PRIIA 209, for police and security costs is difficult. Any third-party security

costs at stations are considered a station-operations cost and are not assigned to the Federal Government.

- 3.3.2 **Insurance.** Amtrak maintains various forms of property, liability, and other insurance and reinsurance. Coverage applies to all Amtrak facilities, trains, personnel, and activities nationwide. The coverage is foundational to Amtrak’s ability to operate, and the States have no ability to influence it. Moreover, arriving at a State’s “proportionate share, based upon factors that reasonably reflect relative use,” as required in PRIIA 209, is difficult. Therefore, the Policy assigns insurance costs to the Federal Government. The States will pay for certain route-specific insurance provided by Amtrak as agreed to in Operating Agreements. This includes buy-back insurance for certain State-owned rolling stock.
- 3.3.3 **Amtrak Host Railroad Costs Not Charged to the States.** Where Amtrak operates on privately owned track, it pays access fees to the host railroads for only the incremental costs of Amtrak’s use. The actual host railroad charges to Amtrak are passed through to the States whose routes operate over privately owned track. Some State-Supported Routes, however, operate over Amtrak-owned track. In the interest of treating all the States uniformly, the Policy assigns a Synthetic Host Railroad Charge to these routes, which is intended to be on par with the private host railroad charges Amtrak pays. The Policy identifies any difference between the Synthetic Host Railroad Charges that the States pay for operating over Amtrak-owned track and fully allocated costs as a federal responsibility.
- 3.3.4 **Backshops and Fleet Engineering.** These activities are foundational to Amtrak’s ability to operate, and the States have no ability to influence them, so they are assigned to the Federal Government.
- 3.3.5 **Associated Costs.** National Corporate Expenses associated with the activities listed above.

3.4 Base-Increment Trains

A Base-Increment Train is any train comprising multiple legs where, for financial purposes, each leg is treated as a separate train and is associated with a unique route. A route with Base-Increment Trains is a Base-Increment Route. Base-Increment Routes have two legs: the Base Leg and the Increment Leg. The Committee’s intent for the Policy is to prevent costs or revenues that accrue on one leg from being assigned to the other leg.

- 3.4.1 **NEC Base-Increment Trains.** An NEC Base-Increment Train runs partially on the NEC Main Line. The NEC Main Line portion of the route is the Base Leg, and the share of expenses and revenue assigned to it will be applied to the Northeast Regional route. The non-NEC Main Line portion of the route is the Increment Leg, and the share of expenses and revenue assigned to it will be applied to the respective State-Supported Route. Costs will be assigned to the Increment Leg using operating statistics for that leg only. Revenue on the Increment leg will be fully credited to the State(s). Where the Increment Leg travels through more than one State, the State(s) will develop a method for sharing costs and revenue among themselves. The State(s) may choose one of the following methods for assigning costs on the Base Leg and through-revenue (i.e., revenue from trips with one endpoint on the Base Leg and one endpoint on the Increment Leg):
 - 3.4.1.1 **Method 1: Passenger Mile Split.** Through-revenue is split between the State(s) and Amtrak proportionate to passenger miles traveled on the Base Leg and Increment Leg, and Amtrak is responsible for all operating and capital costs on the Base Leg; or

3.4.1.2 **Method 2: Through-Revenue Plus Passenger Mile Charge.** Through-revenue is credited to the State(s), and the State(s) pay a rate per passenger mile traveled by through riders on the Base Leg to represent an allocated share of Amtrak's operating and capital costs on the NEC Main Line.

3.4.2 **Other Base-Increment Trains.** For any Base-Increment Train where neither leg runs on the NEC Main Line, the parties that fund the route will agree to a method for sharing costs and revenue among the respective legs, which will be documented and provided to the Committee to be reflected in the Operating-Cost Model.

3.5 **Operating-Cost Categories**

Operating-Cost Obligations will be in the Operating-Cost Categories shown below, including all subcategories. Costs to be charged in each category and subcategory and the methods for sharing those costs among routes are described in Appendix C.

- (a) Train and Engine Crews
- (b) On-Board Services
- (c) Car and Locomotive Maintenance
- (d) Stations
- (e) Terminal Yards
- (f) Credit Card Fees
- (g) Call Center
- (h) Dispatching
- (i) National Corporate Expenses
- (j) Commercial Performance
- (k) Host Railroad Charges
- (l) Fuel and Power
- (m) Connecting Motor Coach
- (n) On-Board Wi-Fi
- (o) Passenger Inconvenience
- (p) Route-Specific Insurance

4 Capital-Cost Obligations

Until the Policy includes new charging methods for capital costs, they will be charged per the requirements of version 8.00 of the Policy.

5 Revenue

5.1 Overview

The States retain the revenue associated with their route(s) and a share of certain revenue that Amtrak allocates across all routes. In general, a State should receive a share of any revenues derived from activities for which the State bears an Operating-Cost Obligation associated with the activity that generates the revenue. Revenues should not be allocated to the States where the Federal Government bears the costs associated with the revenue.

5.2 Sources

Amtrak generates revenue from multiple sources. The States retain the following sources of revenue:

- 5.2.1 **Passenger-Related Revenue.** Ticket revenue and related fees associated with a route, including revenue from individual ticket sales, rail passes, group sales, Amtrak/railroad employee travel, thruway bus ticket sales, ticket sales related to Amtrak loyalty programs, special movements, private car revenue, change/cancelation fees, bicycle and pet fees, and business interruption insurance.
- 5.2.2 **Food-and-Beverage Revenue.** Revenue associated with sales on board trains for the route.
- 5.2.3 **Other Revenue.** Additional revenue associated with other Amtrak activities that is allocated across all Amtrak routes, including baggage fee revenue, Amtrak package shipping revenue, co-branded commissions (e.g., commissions related to the Amtrak-branded credit card), online advertising commissions (e.g., internet “tipping”), loyalty marketing revenue, and other miscellaneous items (e.g., lease of Amtrak-owned rolling stock to third parties, permits for entry onto Amtrak-owned right of way, sales of Amtrak-owned rolling stock for scrap, sales of Amtrak-branded passenger amenity kits, sales of Amtrak-branded merchandise, shipping fees for ticket purchases, and police forfeitures of assets).

5.3 Reporting and Documentation

All sources of revenue will be defined in a revenue documentation report, which the Committee will develop and confirm annually. Amtrak will report actual revenue received monthly with a detailed breakdown as agreed to in the revenue documentation report.

5.4 Operating Surplus

If a route achieves an operating surplus over a Fiscal Year pursuant to the charging methods in the Policy, the surplus funds will be applied, at the option of each State, to (a) operating payments for other routes supported by the State; (b) rolling stock capital charges for the State; (c) other agreed-upon capital activities for the State; or (d) as a refund to the State, which the State can choose to receive as a credit on future invoices.

6 Reporting

6.1 Tracking and Reporting Underlying Costs

In advance of a Fiscal Year, Amtrak will provide budget projections for a route's key facilities and cost centers based on the Amtrak AOP for the Fiscal Year. Each quarter, Amtrak will provide cost and operating data for the preceding quarter to the Committee so it may provide the States with insight into cost trends as they are occurring, possible effects of future reconciliations, and how rates might change in the future. The Committee will provide this information to any State that requests it.

6.2 Provisions for Specific Cost Categories

- 6.2.1 **Route Advertising.** Amtrak will provide the State(s) any market research or other analysis it relies on to plan and manage route advertising and any results regarding its performance.
- 6.2.2 **Connecting Motor Coach.** Amtrak will provide the State(s): (a) any information it has regarding costs of connecting motor coach service, effects on rail revenue and ridership of providing such services, and the pricing of such services, (b) any analysis it relies on to acquire motor coach contractors, and (c) any information it has regarding performance of connecting motor coach services.
- 6.2.3 **Police and Security.** For informational purposes, Amtrak will provide the States an annual summary of police headcount by field office.
- 6.2.4 **Labor Costs.** For labor charged on a cost-per-hour basis, Amtrak will report labor hours by location broken down among time necessary to operate service (e.g., before, during, and after revenue service), Extra-Board Time, Guarantee Time, and other.

6.3 Data Improvement Plan

Prior to July 1, 2024, the Committee will develop and approve a plan for improving the data provided by Amtrak for developing rates and tracking financial performance. This plan will include, at a minimum, an approach to and schedule for the following elements.

- 6.3.1 Amtrak will provide the Committee with technical documentation of the systems that generate the operating statistics used to calculate rates.
- 6.3.2 Amtrak will provide the Committee a description of its plans to improve data and reporting systems and to utilize standard and consistent formats and definitions in all data reported to the States, including any necessary technology investments or staffing changes.
- 6.3.3 Amtrak and the States will explore and implement methods for improving the understanding of baggage transactions by route at each station and the level of cash transactions by route. Information gained will allow the Committee to assess the costs, benefits, and potential timing of any new data reporting.
- 6.3.4 Any additional data improvements the Committee identifies.

6.4 Pilot Study on Isolating Route-Specific Costs

Prior to FY2025, the Committee will complete a pilot study of a single route or a set of routes to document how route-specific activities are tracked in Amtrak's financial system, identify advantages and disadvantages of doing so, and assess any technical steps required to better isolate each route's expenses within Amtrak's general ledger. Amtrak and the State(s) involved may agree to implement steps identified by the study to the route(s) subject to the pilot. The Committee may determine whether additional analysis is needed for additional routes or if any improvements developed in the pilot should be applied to all routes as part of the normal course of business.

7 Implementation

7.1 Operating-Cost Charges, Invoicing, and Reconciliation

7.1.1 Development and Acceptance of Rates

- 7.1.1.1 **Before the Start of a Control Period.** The Committee will apply the methods described in the Policy and associated technical documentation to develop a proposed rate schedule for future operating cost charges.
- (a) **Custom Rates.** If a case arises where the methods cannot be applied due to lack of data, a Cost Pool not representing current operations, or another reason that makes it unlikely for the methods to produce a reasonably accurate result (including changes in operating practices, staffing, or other factors that cause a route's share of actual costs to differ meaningfully from the rate), the Committee may develop a custom rate designed to reflect actual ongoing costs accurately.
 - (b) **Incomplete Rates.** If a member believes a proposed rate does not accurately reflect actual costs for its route(s), it will notify the Committee, and the proposed rate will be classified as incomplete. When the Committee accepts the rate schedule, incomplete rates will not go into effect. Instead, the route(s) involved will be charged for the activity as determined in Section 7.1.7. The parties involved will resolve any incomplete rates as quickly as possible and submit them to the Committee for acceptance at the next quarterly meeting. Once agreed to by the parties involved and accepted by the Committee, any such rate will be retroactive to the date on which the rate schedule went into effect.
 - (c) **Finalization.** The proposed rate schedule will be presented to the Committee for acceptance.
- 7.1.1.2 **During a Control Period.**
- (a) **Rate Review.** For any rate established under the Policy, a State or Amtrak may request that the rate be reviewed during a Control Period. The State(s) paying the rate and Amtrak will work with the Committee to analyze the rate and determine if changes in operating practices, staffing, or other factors are causing actual costs to differ meaningfully from the rate being applied. If a meaningful difference exists, a new rate will be developed to reflect actual costs more accurately, known as a Mid-Period Adjustment.
 - (b) **Mid-Period Adjustments.** A proposed Mid-Period Adjustment that affects more than one member—for example, a revision to usage shares at a shared facility that would cause some users' charges to fall and others' charges to rise correspondingly—will be applied only after all parties involved have agreed to the adjustment. The Committee may develop a threshold for Mid-Period Adjustments. The Committee expects Mid-Period Adjustments to focus on cases where differences between charges and actual costs are significant and are unlikely to be recovered by other Policy mechanisms.

- 7.1.2 **Control Period.** Unless otherwise agreed by the Committee, a rate schedule for operating costs will apply during a Control Period that begins at the start of a Fiscal Year and lasts for one or more years. The Committee will determine the length of a Control Period.
- 7.1.3 **Base Years.** For each Control Period, the Committee will approve the prior year or years of Amtrak general ledger cost and performance data to use for calculating rates, known as the Base Year(s).
- 7.1.4 **Fringe Rates.** For each Base Year, the Committee will approve the fringe rates to be used in calculating benefits costs.
- 7.1.5 **Annual Schedule.** Amtrak will provide cost data, revenue data, and operational statistics required to calculate rates for the Control Period by December 31 (i.e., nine months before October 1). Amtrak will provide the committee with preliminary estimates of operating statistics and Pass-Through Charges for the upcoming Fiscal Year by February 15. The committee will complete draft rates and estimated charges for all routes by March 15, which can be used to guide the States and Amtrak in making budget decisions. Amtrak will provide final forecasts of operating statistics and Pass-Through Charges for the upcoming fiscal year by May 15. All rates will be submitted for acceptance by June 30.
- 7.1.6 **Inflation.** The Committee will approve the inflation adjustments used for any Control Period as described in Section 3.2.2. Before a Control Period, the Committee may: (a) develop a rate schedule for each Fiscal Year of the Control Period based on inflation projections available at the time or (b) develop a rate schedule for only the first year of the period and agree to develop a rate schedule for subsequent years of the period when new inflation projections become available. Any adjusted rates for a subsequent Fiscal Year will be agreed to before the year starts.
- 7.1.7 **Default Charging Method.** At the start of a Control Period, for any incomplete rate, the State(s) involved will be charged at the previously accepted rate escalated for inflation pursuant to Section 3.2.2. Where a previously accepted rate for the item does not exist, the State will be charged using the incomplete rate shown in the rate schedule until a revised rate is accepted or the original rate is confirmed. Once a revised rate is accepted, an adjustment will be made to prior invoices to reflect the new rate.
- 7.1.8 **Choice of Invoicing Method.** The State(s) may choose the methods Amtrak will use to generate invoices and will notify the Committee before the start of the Fiscal Year. The State(s) may choose a different method each Fiscal Year.
 - 7.1.8.1 **Standard Invoicing Method.** The State's costs will be invoiced using the charging methods described in Section 3 and throughout the Policy, based on actual month-to-month operating levels.
 - 7.1.8.2 **Fixed-Cost Invoicing Method.** The State's costs will be invoiced using the charging methods described in Section 3 and throughout the Policy, based on advance estimates of likely operating levels for the Fiscal Year.
 - 7.1.8.3 **Revenues.** In addition, regardless of the cost invoicing method chosen, the State(s) may elect either actual revenues or estimated revenues (based on an Amtrak projection of the revenues that would likely result from operating the service).

- 7.1.9 **Performance of Calculations.** Proposed rates, and any proposed Mid-Period Adjustments to rates, will be calculated by the Committee and its staff using a technical system that conforms with the requirements of the Policy.
- 7.1.10 **Operating-Cost Reconciliation.** Before the start of a Fiscal Year, a State using the standard invoicing method will inform the Committee in writing that it opts to have its charges for the Fiscal Year reconciled. Total charges to the State for the Fiscal Year for all routes will be compared to actual costs for the State for the Fiscal Year for all routes. If charges are lower than actual costs, the State will pay Amtrak the difference. If charges are higher than actual costs, Amtrak will credit the State with the difference.
- 7.1.10.1 **Payment or Credit.** The payment or credit will be applied as a fixed monthly amount on the invoices to the State during the Fiscal Year that starts after the reconciliation calculation is completed.
- 7.1.10.2 **Calculation of Actual Costs.** Actual costs for a State for a Fiscal Year will be determined as follows:
- (a) For a Usage Charge, by calculating the actual Usage Rate and multiplying it by the actual units consumed;
 - (b) For a Flat Charge, by calculating the actual Cost Pool and multiplying by the actual share of usage;
 - (c) For Percent Charges, by calculating the actual Cost Pool, dividing it by the actual Cost Base to yield a revised Percent Rate, and then applying the Percent Rate to actual charges.
- 7.1.10.3 **Benefits Costs.** The Cost Pools for charges will include benefits costs, which will be determined using the actual fringe rates for each labor type for the Fiscal Year.
- 7.1.10.4 **Limitation.** A reconciliation performed for one State may not affect amounts charged to another State.

7.2 **Capital-Cost Charges, Invoicing, and Reconciliation**

Until the Policy includes new charging methods for capital costs, they will be charged per the requirements of version 8.00 of the Policy.

7.3 **Access to Data**

The States will have access to all data used to generate rates, including Amtrak general ledger costs and their coding and operating and other statistics.

7.4 **Independent Review**

For each Control Period, a third party will be engaged to perform an independent review of the Operating-Cost Model. The Committee will confirm the scope, schedule, and analytical method of the independent review. At a minimum, the independent review will evaluate whether the methods for calculating rates and the data used for the calculations comply with the Policy and evaluate the validity of input costs, revenue, and operating statistics. The independent review may identify actions for the Committee to consider, including improvements to the Operating-Cost Model and revisions to previously calculated rates. During the Control Period, the third party will review a sample of actual invoices from time to time for compliance with the Policy's requirements. The third party will be wholly independent of other Amtrak financial reporting activities.

7.5 **Dispute Resolution**

- 7.5.1 **Principles.** To the extent feasible, Amtrak and the States will resolve disputes in relation to the Policy within the Committee’s ordinary business practices. The dispute resolution procedures established by the Policy or through subsequent action of the Committee do not supplant or supersede any dispute resolution provisions in federal or state statutes or in an Operating Agreement or other bilateral agreement. The procedures established by the Policy do not purport to be deliberative or quasi-judicial; they are intended to provide informal assistance to Amtrak and the States in resolving disputes.
- 7.5.2 **Dispute Types.** The dispute resolution procedures identified in the Policy apply to any disputes over implementing the Policy, including (a) how the Policy applies to the development or application of any rate, (b) actual amounts invoiced or paid, or (c) how the Policy applies, including but not limited to, staffing, staffing charges, or other matters considered during a Strategic Management Review as described in Section 2.2.
- 7.5.3 **Limitation.** Section 7.5 does not apply to disputes between members of the Committee regarding issues unrelated to the Policy.
- 7.5.4 **Dispute Resolution Procedures.** Upon request from either Amtrak or a State, the Committee will assist the parties with resolving a dispute. As part of this assistance, any member may request all other members’ perspectives on questions of Policy interpretation. Where no resolution is achieved and the parties agree to arbitration, the Committee will identify at least one independent, third-party arbitrator (provided by the Committee) to review the dispute and issue a non-binding recommendation. Unless otherwise agreed to by the parties, the Committee will establish a 60-day deadline for the arbitrator to issue a recommendation.

7.6 **Invoicing**

Unless otherwise agreed by Amtrak and a State, Amtrak will issue invoices to the States monthly. The Committee may specify elements of a standard invoice format.

8 Policy Governance

8.1 Term

The Policy covers a six-year period, FY2023 to FY2028, except that the Operating-Cost charging methods cover FY2024 to FY2028. The Policy will not apply beyond this term without an action by the Committee to amend or extend it.

8.2 Policy Revisions

The Committee may revise the Policy from time to time, and the Committee intends to continue to refine and revise it, including as described below in Section 8.3.

8.3 Items for Additional Attention by the Committee

The Committee agrees that it will work to resolve the following matters and either include the resolution in future updates to the Policy or in improvements to data and reporting systems maintained by Amtrak or by the Committee.

- 8.3.1 **Operating Costs.** The committee will review the charging methods for the following operating costs and affirm or revise the methods for Fiscal Year 2026. Any new method approved by the Committee will replace previous charging methods.
 - (a) Train and Engine Crew subcategories scheduled for implementation in FY2026 (to confirm the text for subcategories C-1.10 through C-1.16)
 - (b) Terminal Yards
 - (c) TSSSA contracts, including identifying a potential process for the States to work with Amtrak to establish the cost of an agreement
 - (d) The assignment of ticket agent costs at Shared Stations between Ticket Agents–Baggage and Ticket Agents–Ticketing
 - (e) Clarification, as needed, of the approach to expenses associated with State-owned assets
- 8.3.2 **Route Cost Forecasting.** The Committee will clarify the schedule and procedures for route cost forecasting in a way that considers the diversity among members with regard to fiscal years, contract periods, charging methods, and choices regarding reconciliation.
- 8.3.3 **Capital Costs.** For Fiscal Year 2026, the Committee will review and either affirm or refine the charging method for capital costs. This review will consider how, if at all, to account for prior or current State capital investments that may benefit Amtrak.
- 8.3.4 **Commercial Revenue at Stations.** The Committee will undertake a review to ensure that commercial revenue is assigned properly at stations. As part of the review, Amtrak will provide the States with a detailed breakdown of potential additional revenue sources.
- 8.3.5 **Commercial Performance**
 - 8.3.5.1 **Opt-Outs.** The Committee will determine which expenses within these subcategories are eliminated or excluded when a State opts out of charges in the Pricing and Revenue Management and Reservation System subcategories. See Appendix C, section 10.
 - 8.3.5.2 **Commercial Performance Charges.** To support potential changes to charging methods, the Committee will analyze and document activities in each subcategory to assess how they support service lines and routes and identify potential changes to the charging methods by FY2026. The analysis will consider how Long-Distance and Northeast Corridor advertising and marketing activities may benefit State routes, how State advertising and marketing activities may

benefit other routes, how expenses and activities are distributed across service lines and routes, and the extent to which State advertising and marketing activities and customer engagement may be a primary source of a route's revenue. The Committee may identify new data reporting to support this effort.

- 8.3.6 **Pass-Through Charges.** The Committee will document how third-party costs are charged to the States, including how costs are aggregated, assigned, and allocated (where appropriate). Before FY2027, the Committee will review and consider whether to apply the National Corporate Expense rate to pass-through expenses and determine, if appropriate, whether to recalculate the rate and associated cap accordingly.
- 8.3.7 **Administrative Charges.** The Committee may review the approach for including non-third-party costs in Operating-Cost Categories or Operating-Cost Subcategories that use the Pass-Through Charge charging method.
- 8.3.8 **National Corporate Expenses.** Amtrak will propose a protocol for reporting to the Committee, on an annual basis, the activities associated with National Corporate Expenses and expected changes to activities and costs in the upcoming Fiscal Year. The Committee will finalize and execute this protocol and, if appropriate, define it in the Policy by FY2026.

8.4 **Policy Evaluation**

On an annual basis, the Committee will evaluate the Policy's implementation, evaluate performance of the Members in meeting its requirements, assess potential challenges to future implementation, catalog recommendations by Members in all areas, and assess the need for refinements to the Policy to meet the Committee's objectives. An evaluation summary covering the most recently ended Fiscal Year will be provided to the Congress, no later than March 31. This summary will report both the consensus views of the Committee and any notable views of one or more members around which consensus has not yet formed. At the option of any member, the summary will include additional views of the member.

9 Appendixes

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Appendix A. The State-Supported Routes

APT_RT_03: Ethan Allen Express
APT_RT_04: Vermonter
APT_RT_07: Maple Leaf
APT_RT_09: The Downeaster
APT_RT_11: Berkshire Flyer
APT_RT_12: New Haven-Springfield
APT_RT_14: Keystone Service
APT_RT_15: Empire Service
APT_RT_17: Borealis
APT_RT_20: Chicago-St. Louis
APT_RT_21: Hiawathas
APT_RT_22: Wolverines
APT_RT_23: Illini
APT_RT_24: Illinois Zephyr
APT_RT_29: Heartland Flyer
APT_RT_35: Pacific Surfliner
APT_RT_36: Cascades
APT_RT_37: Capitols
APT_RT_39: San Joaquins
APT_RT_40: Adirondack
APT_RT_41: Blue Water
APT_RT_46: Washington-Lynchburg
APT_RT_47: Washington-Newport News
APT_RT_50: Washington-Norfolk
APT_RT_51: Washington-Richmond
APT_RT_56: Kansas City-St. Louis
APT_RT_57: Pennsylvanian
APT_RT_65: Pere Marquette
APT_RT_66: Carolinian
APT_RT_67: Piedmont

Appendix B. Glossary

1. **Annual Operating Plan (AOP).** The plan adopted by Amtrak each year that describes and funds the initiatives it will undertake during a Fiscal Year.
2. **APT.** Amtrak Performance Tracking; the company's financial reporting system that allocates revenues and costs to Amtrak trains, routes, and other business lines.
3. **Base-Increment Route.** A route with Base-Increment Trains is a Base-Increment Route.
4. **Base-Increment Train.** Any train comprising multiple legs where, for financial purposes, each leg is treated as a separate train and is associated with a unique route.
5. **Base Leg.** The portion of a route traveled by a Base-Increment Train shared by multiple Base-Increment Routes is a Base Leg.
6. **Base Year.** A Fiscal Year designated by the Committee from which cost and performance data are used to calculate rates. For any Rate Schedule, one or more Base Years may be used.
7. **Capital-Cost Obligation.** [Reserved]
8. **Charge Type.** For Operating-Cost Obligations, there are four Charge Types, depending on the Operating-Cost Category or Operating-Cost Subcategory: (a) Usage Charges, (b) Flat Charges, (c) Pass-Through Charges, and (d) Percent Charges.
9. **Control Period.** A length of time—which the Committee will establish for each rate schedule—during which the Usage Rates, Flat Rates, and Percent Rates will remain stable, or will be escalated only to account for inflation.
10. **Cost Base.** A collection of Amtrak costs used as the denominator to calculate a Percent Rate.
11. **Cost Pool.** The sum of historical costs during a selected period used as the numerator to calculate a Usage Rate, Flat Rate, or Percent Rate.
12. **Crewbase.** The location, assigned by the operator to the crew member, from where a crew member normally starts and ends a duty period or series of duty periods and where, under normal circumstances, the operator is not responsible for the crew member's accommodations.
13. **Extra-Board Time.** A labor cost resulting from having excess staff to prevent unexpected events (e.g., unscheduled employee leave, late trains, and weather disruptions) from interrupting train service.
14. **FAST Act.** The Fixing America's Surface Transportation Act, Public Law 114-94. Section 11204(a) established the State-Supported Route Committee (SAIPRC) and authorized the Committee to amend the cost allocation methodology required and previously approved under PRIIA 209.
15. **Financial Obligation.** The total amount of Operating-Cost Obligations and Capital-Cost Obligations that a State owes to Amtrak.
16. **Fiscal Year (FY).** Runs from October 1 of one calendar year through September 30 of the following calendar year.
17. **Fixed-Cost Invoicing Method.** An alternative to the Standard Invoicing Method, in which Amtrak's invoices will (a) for costs, be representative of an estimate prepared in advance of a Fiscal Year of the charges that would likely result from the Standard Invoicing Method and (b) for revenue, be representative of actual revenue or, if a State elects, estimated revenue
18. **Flat Charge.** A Flat Charge is a charge to a State that results from a Flat Rate.

19. **Flat Rate.** A Flat Rate is determined by establishing a Cost Pool for a facility or item using past cost data, escalating it for inflation, and allocating the Cost Pool among routes in proportion to past utilization. Flat Rates are expressed in dollars per year and do not vary during the year with operating levels.
20. **Food-and-Beverage Revenue.** See Section 5.2.2.
21. **Guarantee Time.** A labor cost resulting from collective bargaining agreement commitments to provide pay for a full shift once a worker reports for duty (even if a worker is not assigned any tasks during all of the shift).
22. **Increment Leg.** The portion of a route traveled by a Base-Increment Train not on the Base Leg.
23. **Invoicing Period.** The interval covered by an invoice, which is typically a calendar month, unless a State and Amtrak agree to a different interval.
24. **Long-Distance Route.** A route of more than 750 miles between endpoints operated by Amtrak as of October 16, 2008 (PRIIA's enactment date).
25. **Mid-Period Adjustment.** An adjustment made during a Control Period to an accepted rate to reflect costs more accurately.
26. **National Corporate Expenses (NCE).** See Section C-9.
27. **NEC Base-Increment Train.** An NEC Base-Increment Train is a Base-Increment Train with a base leg on the NEC Main Line.
28. **Northeast Corridor (NEC) Main Line.** The segment of the continuous railroad line, not including branch lines, between Boston, Massachusetts, and Washington, DC.
29. **Operating Agreement.** Any of the agreements between Amtrak and a State or States relating to rail passenger service by Amtrak on a State-Supported Route.
30. **Operating-Cost Category/Operating-Cost Subcategory.** One of the categories or subcategories shown in Section 3.5 and detailed further in Appendix C that includes costs for a facility, activity, or item.
31. **Operating-Cost Model.** Software tools that take inputs from Amtrak systems and calculate Operating-Cost Obligations as described in Section 3 and Appendix C.
32. **Operating-Cost Obligation.** The total amount a State owes to Amtrak under the Policy for operating costs, composed of charges in specific Operating-Cost Categories as set forth in Section 3, or estimates of those charges.
33. **Passenger-Related Revenue.** See Section 5.2.1.
34. **Pass-Through Charge.** An amount that varies from month to month based on actual third-party costs Amtrak pays in relation to a route.
35. **Percent Charge.** A Percent Charge is the product of a Percent Rate and a route's Cost Base.
36. **Percent Rate.** A Percent Rate, used to calculate Percent Charges, is the Cost Pool for an Operating-Cost Category or Operating-Cost Subcategory divided by the Cost Base for the Operating-Cost Category or Operating-Cost Subcategory.
37. **PRIIA.** The Passenger Rail Investment and Improvement Act of 2008, Public Law 110-432.
38. **Rolling Stock Type.** A collection of rolling stock units that have similar or identical make, model, design, and specifications (such as passenger capacity) that are or can be used interchangeably. Where rolling stock units of a similar or identical type are clustered into separate pools used only for some routes or States, each pool is a separate Rolling Stock Type.

39. **SAIPRC or the Committee.** The State-Supported Route Committee established in 49 U.S.C. 24712(a).
40. **Section 209 or PRIIA 209.** Section 209 of PRIIA (div. B of Public Law 110–432), which is set out as a note in 49 U.S.C. 24101.
41. **Shared Station.** A station used for both the State-Supported Routes and the Long-Distance or NEC Routes.
42. **Sole-Use Station.** A station used for the State-Supported Routes only, for which the States will pay all costs for staffing, operations, maintenance, and supervision.
43. **Standard Invoicing Method.** Applies the charging methods described in Section 3 using actual levels of train operations during the Invoicing Period and actual revenues as described in Section 5 or estimated revenue (if a State elects).
44. **State.** Either of the following that sponsors the operation of trains by Amtrak on a State-Supported Route: (a) any of the States or the District of Columbia or (b) a public entity.
45. **State-Supported Route.** A route operated by Amtrak, described in 49 U.S.C. 24102(13), of not more than 750 miles between endpoints and with at least one endpoint off the Northeast Corridor Main Line.
46. **State Supported Service Line.** The Amtrak service line, identified in 49 U.S.C. 24320(b), that provides intercity rail passenger transportation and supporting services (not on the NEC) for the States along short-distance corridor routes of not more than 750 miles between endpoints.
47. **Technical Support and Spares Supply Agreement (TSSSA) Contract.** A contract with a rolling stock manufacturer under which the vendor provides both spare parts and ongoing technical support for rolling stock maintenance.
48. **Usage Charge.** A Usage Charge is the product of the Usage Rate and the units of activity for an Operating-Cost Category or Operating-Cost Subcategory attributable to a State-Supported Route
49. **Usage Rate.** The Usage Rate is a cost for a unit of activity (e.g., a cost per hour for a class of workers or a cost per mile a train travels) that is calculated by dividing the Cost Pool for an Operating-Cost Category or Operating-Cost Subcategory (escalated for inflation) by the number of units of activity for the Operating-Cost Category or Operating-Cost Subcategory.

Appendix C. Operating-Cost Charges

1. Appendix C lists the Operating-Cost Categories and Operating-Cost Subcategories that result in State charges, and, for each charge, describes the Charge Type, application method, costs being charged, calculation method, and charging.
2. The Operating-Cost Obligation of each State equals the sum of all charges in the categories and subcategories shown below. Where an Operating-Cost Category is broken into subcategories, a State’s charge for the Operating-Cost Category equals the sum of all charges in its subcategories.
3. For all subcategories (excluding subcategories charged as Pass-Through Charges), the following steps are performed but described only in Section 3.2: selection of the Base Year(s) for calculating rates, exclusion of anomalous costs, application of Fringe Rates, escalation of costs from the Base Year(s) to the Fiscal Year where the charges will apply, and summation of escalated costs.
4. The comprehensive methods for calculating all rates will be described in technical documentation.

Appendix C: Table of Contents

C-1. Train and Engine Crews	C-4
C-1.1. Engineers–Straight Time.....	C-4
C-1.2. Engineers–Overtime.....	C-4
C-1.3. Conductors–Straight Time	C-4
C-1.4. Conductors–Overtime	C-4
C-1.5. Crewbase Supervision and Support [to be charged in FY2024 and FY2025 only]	C-5
C-1.6. District Supervision.....	C-5
C-1.7. Regional Supervision	C-5
C-1.8. National Supervision [to be charged in FY2024 only]	C-6
C-1.9. National Crew Planning and Scheduling [to be charged in FY2025 and beyond]	C-6
New Subcategories to be charged in FY2026 and beyond	
C-1.10. Crewbase and Extra-Board	C-7
C-1.11. Crew Layover.....	C-7
C-1.12. Engineers Qualification–Straight Time.....	C-7
C-1.13. Engineers Qualification–Overtime.....	C-8
C-1.14. Conductors Qualification–Straight Time	C-8
C-1.15. Conductors Qualification–Overtime	C-8
C-1.16. Crew Yard Activities.....	C-8
C-2. On-Board Services	C-9
C-2.1. Service Attendants–Straight Time	C-9
C-2.2. Service Attendants–Overtime	C-9
C-2.3. Food, Beverages, and Supplies	C-9
C-2.4. Crewbase Operations and Maintenance.....	C-9
C-2.5. Commissary Management and Support	C-10
C-2.6. Regional Supervision	C-10
C-2.7. National Supervision.....	C-11
C-3. Car and Locomotive Maintenance.....	C-12
C-3.1. Car Cleaning and Inspection	C-12
C-3.2. Locomotive Cleaning and Inspection.....	C-12
C-3.3. Corrective and Scheduled Maintenance.....	C-13
C-3.4. Technical Support and Spares Supply Agreements	C-14
C-3.5. Custom Mechanical Flat Charge.....	C-14
C-3.6. Custom Mechanical Pass-Through Charge.....	C-14

C-4. Stations	C-15
C-4.1. Ticket Agents-Ticketing—Straight Time	C-15
C-4.2. Ticket Agents-Ticketing—Overtime	C-15
C-4.3. Ticket Agents-Baggage—Straight Time	C-15
C-4.4. Ticket Agents-Baggage—Overtime	C-15
C-4.5. Baggage Handlers—Straight Time	C-16
C-4.6. Baggage Handlers—Overtime	C-16
C-4.7. Red Caps and Porters—Straight Time	C-16
C-4.8. Red Caps and Porters—Overtime	C-17
C-4.9. Ushers, Stationmasters, and Other Station Labor—Straight Time	C-17
C-4.10. Ushers, Stationmasters, and Other Station Labor—Overtime	C-17
C-4.11. Station Operations	C-18
C-4.12. Station Maintenance	C-18
C-4.13. Station Technology	C-18
C-4.14. District Supervision	C-18
C-4.15. Regional Supervision	C-19
C-4.16. National Supervision	C-19
C-5. Terminal Yards	C-21
C-5.1. Terminal Yard Operations	C-21
C-5.2. Terminal Maintenance of Way	C-21
C-6. Credit Card Fees	C-22
C-6.1. Tickets Sales	C-22
C-6.2. Food and Beverage Sales	C-22
C-7. Call Center	C-23
C-8. Dispatching	C-24
C-9. National Corporate Expenses	C-25
C-10. Commercial Performance	C-26
For FY2024	
C-10.1. Core Programs	C-26
C-10.2. Management, Standards, and Data	C-26
C-10.3. Pricing and Revenue Management	C-26
C-10.4. Reservation System	C-27
C-10.5. Route Advertising	C-27
For FY2025 and beyond	
C-10.6. Pricing and Revenue Management	C-27
C-10.7. Reservation System	C-27
C-10.8. Route Advertising	C-28
C-10.9. Loyalty Marketing	C-28
C-10.10. Sales Channels	C-28
C-10.11. Market Research and CSI Survey	C-28
C-10.12. Product Support	C-29
C-10.13. Customer Communications	C-29
C-10.14. National Advertising and Social Media	C-29
C-10.15. Advertising Management and Digital Marketing	C-29
C-11. Host Railroad Charges	C-31
C-11.1. Maintenance of Way	C-31
C-11.2. Performance Payments	C-31
C-11.3. Synthetic Host Railroad Charge	C-31

C-12. Fuel and Power C-32
 C-12.1. Fuel..... C-32
 C-12.2. Electric Traction Power..... C-32

C.13. Connecting Motor Coach..... C-33

C-14. On-Board Wi-Fi..... C-34

C-15. Passenger Inconvenience..... C-35

C-16. Route-Specific Insurance C-36

C-17. National Transportation Support [to be charged in FY2025 and beyond] C-37

C-1. Train and Engine Crews

C-1.1. Engineers–Straight Time

- (a) **Charge Type.** Usage Charge
- (b) **Application.** One Usage Rate applied uniformly to all routes
- (c) **Costs Charged.** Engineer straight-time labor
- (d) **Calculation.** Divide (A) engineer straight-time labor costs nationally by (B) engineer straight-time labor hours assigned to routes nationally to yield (C) a Usage Rate in dollars per labor hour.
- (e) **Charging.** The Usage Rate multiplied by actual engineer straight-time labor hours for the route, including hours necessary to operate service (e.g., before, during, and after revenue service) and Guarantee Time assigned to the route

C-1.2. Engineers–Overtime

- (a) **Charge Type.** Usage Charge
- (b) **Application.** One Usage Rate applied uniformly to all routes
- (c) **Costs Charged.** Engineer overtime labor
- (d) **Calculation.** Divide (A) engineer overtime labor costs nationally by (B) engineer overtime labor hours assigned to routes nationally to yield (C) a Usage Rate in dollars per labor hour.
- (e) **Charging.** The Usage Rate multiplied by actual engineer overtime labor hours necessary to operate service (e.g., before, during, and after revenue service)

C-1.3. Conductors–Straight Time

- (a) **Charge Type.** Usage Charge
- (b) **Application.** One Usage Rate applied uniformly to all routes
- (c) **Costs Charged.** Conductor straight-time labor
- (d) **Calculation.** Divide (A) conductor straight-time labor costs nationally by (B) conductor straight-time labor hours assigned to routes nationally to yield (C) a Usage Rate in dollars per labor hour.
- (e) **Charging.** The Usage Rate multiplied by actual conductor straight-time labor hours, including hours necessary to operate service (e.g., before, during, and after revenue service) and Guarantee Time assigned to the route

C-1.4. Conductors–Overtime

- (a) **Charge Type.** Usage Charge
- (b) **Application.** One Usage Rate applied uniformly to all routes
- (c) **Costs Charged.** Conductor overtime labor
- (d) **Calculation.** Divide (A) conductor overtime labor costs nationally by (B) conductor overtime labor hours assigned to routes nationally to yield (C) a Usage Rate in dollars per labor hour.
- (e) **Charging.** The Usage Rate multiplied by actual conductor overtime labor hours necessary to operate service (e.g., before, during, and after revenue service)

C-1.5. **Crewbase Supervision and Support** [to be charged in FY2024 and FY2025 only]

- (a) **Charge Type.** Flat Charge
- (b) **Application.** A unique Flat Rate for each route at each crewbase
- (c) **Costs Charged**
 - (i) Operation of crewbases and crew layover facilities (e.g., rent, utilities, janitorial services, snow removal, pest control)
 - (ii) Non-capital maintenance of crewbases and crew layover facilities
 - (iii) Equipment and supplies (e.g., small tools, radios, handheld ticketing devices, employee uniforms)
 - (iv) Training and qualification of personnel assigned to the crewbase
 - (v) Unassigned engineer and conductor labor (e.g., Extra-Board Time)
 - (vi) Personnel support (e.g., work-related travel and accommodation for personnel assigned to the crewbase, miscellaneous supplies)
- (d) **Calculation.** Allocate crewbase costs among routes proportionate to each route's share of assigned engineer and conductor labor hours at the crewbase to yield a Flat Rate in dollars per year.
- (e) **Charging.** The amount of the Flat Rate

C-1.6. **District Supervision**

- (a) **Charge Type.** Flat Charge
- (b) **Application.** A unique Flat Rate for each route in each district
- (c) **Costs Charged**
 - (i) District supervisors (e.g., Superintendents and Assistant Superintendents of Operations)
 - (ii) Supervisory and support personnel (e.g., road foremen to oversee engineers; trainmasters to oversee conductors; scheduling clerks)
 - (iii) Support staff for district supervisors
 - (iv) Training of personnel assigned to the district
 - (v) Personnel support (e.g., work-related travel and accommodation for personnel assigned to the district, miscellaneous supplies)
- (f) **Calculation.** Allocate district supervision costs among routes proportionate to each route's share of assigned engineer and conductor labor hours in the district to yield a Flat Rate in dollars per year.
- (g) **Charging.** The amount of the Flat Rate

C-1.7. **Regional Supervision**

- (a) **Charge Type.** Flat Charge
- (b) **Application.** A unique Flat Rate for each route in each Region
- (c) **Costs Charged**
 - (i) Regional supervisors (e.g., regional or divisional general managers)

- (ii) Support staff for regional supervisors
- (iii) Training of personnel assigned to the region
- (iv) Personnel support (e.g., work-related travel and accommodation for personnel assigned to the region, miscellaneous supplies)
- (d) **Calculation.** Allocate regional supervision costs among routes proportionate to each route's share of assigned engineer and conductor labor hours in the region to yield a Flat Rate in dollars per year.
- (e) **Charging.** The amount of the Flat Rate

C-1.8. **National Supervision** [to be charged in FY2024 only]

- (a) **Charge Type.** Flat Charge
- (b) **Application.** A unique Flat Rate for each route
- (c) **Costs Charged**
 - (i) Senior managers (e.g., Executive Vice President for Service Delivery and Operations, Vice President for Operations, Assistant Vice President for Operations)
 - (ii) Staff that performs or oversees key transportation functions nationwide (e.g., crew scheduling and dispatching, operations research and planning, train planning and scheduling, network management, consist management)
 - (iii) Staff that performs or oversees safety and operations training nationwide
 - (iv) Support staff for senior managers, operations staff, and training staff
 - (v) Training of above personnel
 - (vi) Personnel support (e.g., work-related travel and accommodation for above personnel, miscellaneous supplies)
- (d) **Calculation.** Allocate national supervision costs among routes proportionate to each route's share of assigned engineer and conductor labor hours nationwide to yield a Flat Rate in dollars per year.
- (e) **Charging.** The amount of the Flat Rate

C-1.9. **National Crew Planning and Scheduling** [to be charged in FY2025 and beyond]

- (a) **Charge Type.** Flat Charge
- (b) **Application.** A unique flat rate for each route
- (c) **Cost Charged**
 - (i) Train and engine crew dispatching and verification performed centrally
 - (ii) Other train and engine crew management performed centrally
 - (iii) Support staff for above functions
 - (iv) Training of above personnel
 - (v) Personnel support (e.g., work-related travel and accommodation for above personnel, miscellaneous supplies)

- (d) **Calculation.** Allocate national crewbase planning and scheduling costs among routes proportionate to each route's share of assigned conductor and engineer labor hours nationwide to yield a Flat Rate in dollars per year.
- (e) **Charging.** The amount of the flat rate

New Subcategories to be charged in FY2026 and beyond

C-1.10. Crewbase and Extra-Board

- (a) **Charge Type.** Flat Charge
- (b) **Application.** A unique flat rate for each route
- (c) **Costs Charged**
 - (i) Operation of crewbases and crew layover facilities (e.g., rent, utilities, janitorial services, snow removal, pest control)
 - (ii) Non-capital maintenance of crewbases and crew layover facilities
 - (iii) Equipment and supplies (e.g., small tools, radios, handheld ticketing devices, employee uniforms)
 - (iv) Unassigned engineer and conductor labor (e.g., Extra-Board Time)
 - (v) Personnel support (e.g., work-related travel and accommodation for personnel assigned to the crewbase, miscellaneous supplies)
- (d) **Calculation.** Allocate crewbase and extra-board costs among routes proportionate to each route's share of assigned engineer and conductor labor hours at the crewbase to yield a Flat Rate in dollars per year.
- (e) **Charging.** The amount of the Flat Rate

C-1.11. Crew Layover

- (a) **Charge Type.** Flat Charge
- (b) **Application.** A unique flat rate for each route
- (c) **Costs Charged.** Lodging and other costs for on-board service train and engine crews while on layover status, including taxis, parking, tips, laundry, and dry cleaning
- (d) **Calculation.** Assign crew layover costs in the base years to a route to yield a Flat Rate in dollars per year.
- (e) **Charging.** The amount of the Flat Rate

C-1.12. Engineers Qualification–Straight Time

- (a) **Charge Type.** Usage Charge
- (b) **Application.** One Usage Rate applied uniformly to all routes
- (c) **Costs Charged.** Engineer straight-time labor for time spent qualifying for the route
- (d) **Calculation.** Divide (A) engineer straight-time labor costs nationally by (B) engineer straight-time labor hours assigned to routes nationally to yield (C) a Usage Rate in dollars per labor hour.

- (e) **Charging.** The Usage Rate multiplied by actual engineer straight-time labor hours for qualification for the route
- C-1.13. **Engineers Qualification–Overtime**
- (a) **Charge Type.** Usage Charge
 - (b) **Application.** One Usage Rate applied uniformly to all routes
 - (c) **Costs Charged.** Engineer overtime labor for time spent qualifying for the route
 - (d) **Calculation.** Divide (A) engineer overtime labor costs nationally by (B) engineer overtime labor hours assigned to routes nationally to yield (C) a Usage Rate in dollars per labor hour.
 - (e) **Charging.** The Usage Rate multiplied by actual engineer overtime labor hours for qualification for the route
- C-1.14. **Conductors Qualification–Straight Time**
- (a) **Charge Type.** Usage Charge
 - (b) **Application.** One Usage Rate applied uniformly to all routes
 - (c) **Costs Charged.** Conductor straight-time labor for time spent qualifying for the route
 - (d) **Calculation.** Divide (A) conductor straight-time labor costs nationally by (B) conductor straight-time labor hours assigned to routes nationally to yield (C) a Usage Rate in dollars per labor hour.
 - (e) **Charging.** The Usage Rate multiplied by actual conductor straight-time labor hours for qualification for the route
- C-1.15. **Conductors Qualification–Overtime**
- (a) **Charge Type.** Usage Charge
 - (b) **Application.** One Usage Rate applied uniformly to all routes
 - (c) **Costs Charged.** Conductor overtime labor for time spent qualifying for the route
 - (d) **Calculation.** Divide (A) conductor overtime labor costs nationally by (B) conductor overtime labor hours assigned to routes nationally to yield (C) a Usage Rate in dollars per labor hour.
 - (e) **Charging.** The Usage Rate multiplied by actual conductor overtime labor hours for qualification for the route
- C-1.16. **Crew Yard Activities**
- (a) **Charge Type.** Flat Charge
 - (b) **Application.** A unique Flat Rate for each route at each crewbase
 - (c) **Costs Charged.** Conductor and engineer labor to support moves to, from, and within yards associated with a crewbase, and associated support costs
 - (d) **Calculation.** Allocate crew yard activity costs among routes proportionate to each route’s share of assigned engineer and conductor labor hours at the crewbase to yield a Flat Rate in dollars per year.
 - (e) **Charging.** The amount of the Flat Rate

C-2. On-Board Services

C-2.1. Service Attendants–Straight Time

- (a) **Charge Type.** Usage Charge
- (b) **Application.** One Usage Rate applied uniformly to all routes
- (c) **Costs Charged.** Service attendant straight-time labor
- (d) **Calculation.** Divide (A) service attendant straight-time labor costs nationally by (B) service attendant straight-time labor hours assigned to routes nationally to yield (C) a Usage Rate in dollars per labor hour.
- (e) **Charging.** The Usage Rate multiplied by actual service attendant straight-time labor hours for the route, including hours necessary to operate service (e.g., before, during, and after revenue service) and Guarantee Time assigned to the route

C-2.2. Service Attendants–Overtime

- (a) **Charge Type.** Usage Charge
- (b) **Application.** One Usage Rate applied uniformly to all routes
- (c) **Costs Charged.** Service attendant overtime labor
- (d) **Calculation.** Divide (A) service attendant overtime labor costs nationally by (B) service attendant overtime labor hours assigned to routes nationally to yield (C) a Usage Rate in dollars per labor hour.
- (e) **Charging.** The Usage Rate multiplied by actual service attendant overtime labor hours necessary to operate service (e.g., before, during, and after revenue service)

C-2.3. Food, Beverages, and Supplies

- (a) **Charge Type.** Pass-Through Charge
- (b) **Application.** The actual costs for each route
- (c) **Costs Charged.** Cost of food, beverages, and supplies used for the route (e.g., food and non-alcoholic beverages; alcoholic beverages; plates, cups, utensils, paper products, and other non-consumable goods; condiments and other consumable goods; menus)
- (d) **Calculation.** Sum actual cost of food, beverages, and supplies.
- (e) **Charging.** The actual costs for each route

C-2.4. Crewbase Operations and Maintenance

- (a) **Charge Type.** Flat Charge
- (b) **Application.** A unique Flat Rate for each route at each crewbase
- (c) **Costs Charged**
 - (i) Operation of crewbases (e.g., rent, utilities, janitorial services, snow removal, pest control)
 - (ii) Non-capital maintenance of crewbase facilities.
 - (iii) Equipment and supplies (e.g., small tools, radios, handheld ticketing devices, employee uniforms)

- (iv) Supervisory and support personnel (e.g., crew management and shift supervisors, scheduling clerks, timekeepers)
- (v) Training of personnel assigned to the crewbase
- (vi) Unassigned service attendant labor (e.g., Extra-Board Time)
- (vii) Personnel support (e.g., work-related travel and accommodation for personnel assigned to the crewbase, miscellaneous supplies)
- (d) **Calculation.** Allocate crewbase costs among routes proportionate to each route's share of assigned service attendant labor hours at the crewbase to yield a Flat Rate in dollars per year.
- (e) **Charging.** The amount of the Flat Rate

C-2.5. **Commissary Management and Support**

- (a) **Charge Type.** Flat Charge
- (b) **Application.** A unique Flat Rate for each route
- (c) **Costs Charged**
 - (i) Operation of commissary facilities (e.g., rent, utilities, janitorial services, snow removal, pest control)
 - (ii) Non-capital maintenance of commissary facilities
 - (iii) Equipment and supplies (e.g., small tools)
 - (iv) Commissary staff (e.g., managing inventory and moving food, beverages, and supplies)
 - (v) Supervisory and support personnel (e.g., commissary operations, contract managers, inventory forecasting)
 - (vi) Training of personnel assigned to commissary facilities
 - (vii) Rental and maintenance of commissary vehicles that move food, beverages, and supplies
 - (viii) Personnel support (e.g., work-related travel and accommodation for personnel assigned to commissary facilities, miscellaneous supplies)
 - (ix) Spoilage
- (d) **Calculation.** Allocate commissary costs nationwide among routes proportionate to each route's share of food, beverage, and supply costs nationwide to yield a Flat Rate in dollars per year.
- (e) **Charging.** The amount of the Flat Rate

C-2.6. **Regional Supervision**

- (a) **Charge Type.** Flat Charge
- (b) **Application.** A unique Flat Rate for each route in each region
- (c) **Costs Charged**
 - (i) OBS managers
 - (ii) Support staff for OBS managers

- (iii) Training of personnel assigned to the region
- (iv) Personnel support (e.g., work-related travel and accommodation for personnel assigned to the region, miscellaneous supplies)
- (d) **Calculation.** Allocate regional supervision costs among routes proportionate to each route's share of service attendant labor hours in the region to yield a Flat Rate in dollars per year.
- (e) **Charging.** The amount of the Flat Rate

C-2.7. **National Supervision**

- (a) **Charge Type.** Flat Charge
- (b) **Application.** A unique Flat Rate for each route
- (c) **Costs Charged**
 - (i) Staff that performs or oversees key functions nationwide (e.g., scheduling and dispatching on-board services crews, managing commissary operations and inventory, maintaining food-and-beverage standards and point-of-sale operations)
 - (ii) Staff that performs or oversees on-board services training nationwide
 - (iii) Support staff for senior managers, operations staff, and training staff
 - (iv) Training of above personnel
 - (v) Personnel support (e.g., work-related travel and accommodation for above personnel, miscellaneous supplies.)
- (d) **Calculation.** Allocate national supervision costs among routes proportionate to each route's share of service attendant labor hours nationwide to yield a Flat Rate in dollars per year.
- (e) **Charging.** The amount of the Flat Rate

C-3. Car and Locomotive Maintenance

C-3.1. Car Cleaning and Inspection

- (a) **Charge Type.** Usage Charge
- (b) **Application.** A unique Usage Rate for each route
- (c) **Costs Charged**
 - (i) Inspection of railcars (e.g., for operational performance, safety, and regulatory compliance)
 - (ii) Cleaning of railcars between runs (e.g., vacuuming, cleaning of bathrooms, trash collection)
 - (iii) Small repairs to railcars not coded to the Rolling Stock Type (e.g., replacement of light bulbs, swap out of malfunctioning items)
 - (iv) Operation and maintenance of mechanical facilities—a fraction of the cost at each facility that serves a route, where the fraction is equal to: (A) assignable car cleaning and inspection costs at a facility for the route divided by (B) all assignable car and locomotive maintenance costs at the facility
 - (v) Mechanical material handling—a fraction of nationwide cost, where the fraction is equal to: (A) assignable car cleaning and inspection costs for a route divided by (B) all assignable car and locomotive maintenance costs nationwide
 - (vi) Car cleaning and inspection activity that is not assigned to any route—a fraction of the cost at each facility serving a route, where the fraction is equal to: (A) assignable cleaning and inspection costs for the route at a facility divided by (B) all assignable car cleaning and inspection costs at the facility
- (d) **Calculation.** Divide (A) car cleaning and inspection costs for the route by (B) car trips for the route to yield (C) a Usage Rate for the route in dollars per car turn.
- (e) **Charging.** The Usage Rate multiplied by the actual car turns

C-3.2. Locomotive Cleaning and Inspection

- (a) **Charge Type.** Usage Charge
- (b) **Application.** A unique Usage Rate for each locomotive Rolling Stock Type
- (c) **Costs Charged**
 - (i) Inspection of locomotives (e.g., for operational performance, safety, and regulatory compliance)
 - (ii) Cleaning of locomotives (e.g., vacuuming, trash collection, window cleaning)
 - (iii) Small repairs to locomotives not coded to the Rolling Stock Type (e.g., replacement of light bulbs)
 - (iv) Operation and maintenance of mechanical facilities—a fraction of the cost at each facility where work is done on a locomotive Rolling Stock Type, where the fraction is equal to: (A) assignable locomotive cleaning and

inspection costs for the Rolling Stock Type at a facility divided by (B) all assignable car and locomotive maintenance costs at the facility

- (v) Mechanical material handling—a fraction of the nationwide cost, where the fraction is equal to: (A) assignable cleaning and inspection costs for a locomotive Rolling Stock Type divided by (B) all assignable car and locomotive maintenance costs
 - (vi) Locomotive cleaning and inspection activity that is not assigned to any Rolling Stock Type—a fraction of the cost at each facility where work is done on a locomotive Rolling Stock Type, where the fraction is equal to: (A) assignable cleaning and inspection costs for the locomotive Rolling Stock Type at a facility divided by (B) assignable locomotive cleaning and inspection costs at the facility
- (d) **Calculation.** Divide (A) locomotive cleaning and inspection costs for the Rolling Stock Type by (B) the number of locomotives required of the Rolling Stock Type to yield (C) a Usage Rate in dollars per month per locomotive required.
 - (e) **Charging.** The Usage Rate multiplied by the actual number of locomotives required in a month

C-3.3. **Corrective and Scheduled Maintenance**

- (a) **Charge Type.** Usage Charge
- (b) **Application.** A unique Usage Rate for each Rolling Stock Type
- (c) **Costs Charged**
 - (i) Periodic rolling stock maintenance (e.g., servicing carried out on a set schedule such as every 60 or 180 days such as filter replacement, brake pad replacement, oil changes)
 - (ii) Bad order repairs (e.g., repair of collision damage, repair or replace broken seats, malfunctioning doors, broken windows, malfunctioning toilets)
 - (iii) Minor overhauls not coded as capital maintenance
 - (iv) Operation and maintenance of mechanical facilities—a fraction of the cost at each facility where work is done on a Rolling Stock Type, where the fraction is equal to: (A) assignable corrective and scheduled maintenance costs for the Rolling Stock Type at a facility divided by (B) assignable car and locomotive maintenance costs at the facility
 - (v) Mechanical material handling—a fraction of the nationwide cost, where the fraction is equal to: (A) assignable corrective and scheduled maintenance costs for a Rolling Stock Type divided by (B) assignable car and locomotive maintenance costs
 - (vi) Corrective and scheduled maintenance activity that is not assigned to any Rolling Stock Type—a fraction of the cost at each facility where work is done on a Rolling Stock Type, where the fraction is equal to: (A) assignable corrective and scheduled maintenance costs for the Rolling Stock Type at a facility divided by (B) assignable corrective and scheduled maintenance costs at the facility

- (d) **Calculation.** Divide (A) corrective and scheduled maintenance costs for the Rolling Stock Type by (B) unit miles for the Rolling Stock Type to yield (C) a Usage Rate in dollars per unit mile.
 - (e) **Charging.** The Usage Rate multiplied by the actual unit miles
- C-3.4. **Technical Support and Spares Supply Agreements**
- (a) **Charge Type.** TBD
 - (b) **Application.** TBD
 - (c) **Costs Charged.** Costs related to Technical Support and Spares Supply Agreements entered into by Amtrak and a vendor for rolling stock used by the States
 - (d) **Calculation.** TBD
 - (e) **Charging.** TBD
- C-3.5. **Custom Mechanical Flat Charge**
- (a) **Charge Type.** Flat Charge
 - (b) **Application.** A unique Flat Rate for each route
 - (c) **Costs Charged.** As agreed on a case-by-case basis; only applied where Amtrak and the State(s) agree to address non-standard car and locomotive maintenance costs in a manner that cannot be accommodated in other subcategories.
 - (d) **Calculation.** A Flat Rate in dollars per year specially calculated and agreed to by Amtrak and the State(s).
 - (e) **Charging.** The amount of the Flat Rate
- C-3.6. **Custom Mechanical Pass-Through Charge**
- (a) **Charge Type.** Pass-Through Charge
 - (b) **Application.** Unique to each route
 - (c) **Costs Charged.** As agreed on a case-by-case basis; only applied where Amtrak and the State(s) agree to address non-standard car and locomotive maintenance costs in a manner that cannot be accommodated in other subcategories
 - (d) **Calculation.** As agreed by Amtrak and the State(s)
 - (e) **Charging.** The actual costs, as agreed by Amtrak and the State(s)

C-4. Stations

C-4.1. Ticket Agents-Ticketing—Straight Time

- (a) **Charge Type.** Usage Charge
- (b) **Application.** One per-labor-hour rate applied uniformly to all routes to yield a unique Usage Rate for each route at each station
- (c) **Costs Charged.** Ticket agents-ticketing straight time labor
- (d) **Calculation.** Divide (A) ticket agent straight-time labor costs nationally by (B) ticket agent straight-time labor hours nationally to yield (C) a rate in dollars per labor hour, and (D) multiply the rate by the route's historical share of passenger boards and de-boards at a station to yield the Usage Rate in dollars per hour for the route at the station.
- (e) **Charging.** The Usage Rate multiplied by actual ticket agent straight-time labor hours at the station, multiplied by 0.75 to yield hours used for ticketing

C-4.2. Ticket Agents-Ticketing—Overtime

- (a) **Charge Type.** Usage Charge
- (b) **Application.** One per-labor-hour rate applied uniformly to all routes to yield a unique Usage Rate for each route at each station
- (c) **Costs Charged.** Ticket agents-ticketing overtime labor
- (d) **Calculation.** Divide (A) ticket agent overtime labor costs nationally by (B) ticket agent overtime labor hours nationally to yield (C) a rate in dollars per labor hour, and (D) multiply the rate by the route's historical share of passenger boards and de-boards at a station to yield the Usage Rate in dollars per hour for the route at the station.
- (e) **Charging.** The Usage Rate multiplied by actual ticket agent overtime labor hours at the station, multiplied by 0.75 to yield hours used for ticketing

C-4.3. Ticket Agents-Baggage—Straight Time

- (a) **Charge Type.** Usage Charge
- (b) **Application.** One per-labor-hour rate applied uniformly to all routes to yield a unique Usage Rate for each route at each station
- (c) **Costs Charged.** Ticket agents-baggage straight time labor
- (d) **Calculation.** Divide (A) ticket agent straight-time labor costs nationally by (B) ticket agent straight-time labor hours nationally to yield (C) a rate in dollars per labor hour, and (D) multiply the rate by the route's historical share of passenger boards and de-boards at a station among routes that accept checked baggage to yield the Usage Rate in dollars per hour for the route at the station.
- (e) **Charging.** The Usage Rate multiplied by actual ticket agent straight-time labor hours at the station, multiplied by 0.25 to yield hours used for baggage

C-4.4. Ticket Agents-Baggage—Overtime

- (a) **Charge Type.** Usage Charge
- (b) **Application.** One per-labor-hour rate applied uniformly to all routes to yield a unique Usage Rate for each route at each station

- (c) **Costs Charged.** Ticket agents-baggage overtime labor
- (d) **Calculation.** Divide (A) ticket agent overtime labor costs nationally by (B) ticket agent overtime labor hours nationally to yield (C) a rate in dollars per labor hour, and (D) multiply the rate by the route's historical share of passenger boards and de-boards at a station among routes that accept checked baggage to yield the Usage Rate in dollars per hour for the route at the station.
- (e) **Charging.** The Usage Rate multiplied by actual ticket agent overtime labor hours at the station, multiplied by 0.25 to yield hours used for baggage

C-4.5. **Baggage Handlers—Straight Time**

- (a) **Charge Type.** Usage Charge
- (b) **Application.** One per-labor-hour rate applied uniformly to all routes to yield a unique Usage Rate for each route at each station
- (c) **Costs Charged.** Baggage handler straight-time labor
- (d) **Calculation.** Divide (A) baggage handler straight-time labor costs nationally by (B) baggage handler straight-time labor hours nationally to yield (C) a rate in dollars per labor hour, and (D) multiply the rate by the route's historical share of trip-length-weighted passenger boards and de-boards at a station among routes that accept checked baggage to yield the Usage Rate in dollars per hour for the route at the station.
- (e) **Charging.** The Usage Rate multiplied by actual baggage handler straight-time labor hours at the station

C-4.6. **Baggage Handlers—Overtime**

- (a) **Charge Type.** Usage Charge
- (b) **Application.** One per-labor-hour rate applied uniformly to all routes to yield a unique Usage Rate for each route at each station
- (c) **Costs Charged.** Baggage handler overtime labor
- (d) **Calculation.** Divide (A) baggage handler overtime labor costs nationally by (B) sum baggage handler overtime labor hours nationally to yield (C) a rate in dollars per labor hour, and (D) multiply the rate by the route's historical share of trip-length-weighted passenger boards and de-boards at a station among routes that accept checked baggage to yield the Usage Rate in dollars per hour for the route at the station.
- (e) **Charging.** The Usage Rate multiplied by actual baggage handler overtime labor hours at the station

C-4.7. **Red Caps and Porters—Straight Time**

- (a) **Charge Type.** Usage Charge
- (b) **Application.** One per-labor-hour rate applied uniformly to all routes to yield a unique Usage Rate for each route at each station
- (c) **Costs Charged.** Red cap and porter straight-time labor
- (d) **Calculation.** Divide (A) red cap and porter straight-time labor costs nationally by (B) red cap and porter straight-time labor hours nationally to yield (C) a rate in dollars per labor hour, and (D) multiply the rate by the route's historical share of

trip-length-weighted passenger boards and de-boards at a station to yield the Usage Rate in dollars per hour for the route at the station.

- (e) **Charging.** The Usage Rate multiplied by actual red cap and porter straight-time labor hours at the station

C-4.8. **Red Caps and Porters—Overtime**

- (a) **Charge Type.** Usage Charge
- (b) **Application.** One per-labor-hour rate applied uniformly to all routes to yield a unique Usage Rate for each route at each station
- (c) **Costs Charged.** Red cap and porter overtime labor
- (d) **Calculation.** Divide (A) red cap and porter overtime labor costs nationally by (B) red cap and porter overtime labor hours nationally to yield (C) a rate in dollars per labor hour, and (D) multiply the rate by the route's historical share of trip-length-weighted passenger boards and de-boards at a station to yield the Usage Rate in dollars per hour for the route at the station.
- (e) **Charging.** The Usage Rate multiplied by actual red cap and porter overtime labor hours at the station

C-4.9. **Ushers, Stationmasters, and Other Station Labor—Straight Time**

- (a) **Charge Type.** Usage Charge
- (b) **Application.** One per-labor-hour rate applied uniformly to all routes to yield a unique Usage Rate for each route at each station
- (c) **Costs Charged.** Usher, stationmaster, and other station labor straight-time labor
- (d) **Calculation.** Divide (A) usher, stationmaster, and other station labor straight time labor costs nationally by (B) usher, stationmaster, and other station labor straight time labor hours nationally to yield (C) a rate in dollars per labor hour, and (D) multiply the rate by the route's historical share of passenger boards and de-boards at a station to yield the Usage Rate in dollars per hour for the route at the station.
- (e) **Charging.** The Usage Rate multiplied by actual usher, stationmaster, and other station labor straight time labor hours at the station

C-4.10. **Ushers, Stationmasters, and Other Station Labor—Overtime**

- (a) **Charge Type.** Usage Charge
- (b) **Application.** One per-labor-hour rate applied uniformly to all routes to yield a unique Usage Rate for each route at each station
- (c) **Costs Charged.** Usher, stationmaster, and other station labor overtime labor
- (d) **Calculation.** Divide (A) usher, stationmaster, and other station labor overtime labor costs nationally by (B) usher, stationmaster, and other station labor overtime labor hours nationally to yield (C) a rate in dollars per labor hour, and (D) multiply the rate by the route's historical share of passenger boards and de-boards at a station to yield the Usage Rate in dollars per hour for the route at the station.
- (e) **Charging.** The Usage Rate multiplied by actual usher, stationmaster, and other station labor overtime labor hours at the station

C-4.11. **Station Operations**

- (a) **Charge Type.** Flat Charge
- (b) **Application.** A unique Flat Rate for each route at each station
- (c) **Costs Charged**
 - (i) Operation of stations (e.g., rent, utilities, janitorial services, snow removal, pest control, contracted security guards)
 - (ii) Non-capital maintenance of stations
 - (iii) Equipment and supplies (e.g., small tools, radios, employee uniforms)
 - (iv) Supervisory and support personnel not charged to the States per labor hour in other subcategories
 - (v) Training of personnel assigned to stations
 - (vi) Personnel support (e.g., work-related travel and accommodation for personnel assigned to stations, miscellaneous supplies)
- (d) **Calculation.** Allocate station operations costs among routes proportionate to each route's share of passenger car station stops at the station to yield a Flat Rate in dollars per year.
- (e) **Charging.** The amount of the Flat Rate

C-4.12. **Station Maintenance**

- (a) **Charge Type.** Flat Charge
- (b) **Application.** A unique Flat Rate for each route at each station
- (c) **Costs Charged.** Non-capital maintenance of the station, platforms, and station grounds
- (d) **Calculation.** Allocate station maintenance costs among routes proportionate to each route's share of passenger car station stops at the station to yield a Flat Rate in dollars per year.
- (e) **Charging.** The amount of the Flat Rate

C-4.13. **Station Technology**

- (f) **Charge Type.** Flat Charge
- (g) **Application.** A unique Flat Rate for each route at each station
- (h) **Costs Charged.** Operation and maintenance of the data systems that feed information to Passenger Information Displays at stations
- (i) **Calculation.** Allocate station technology costs among routes proportionate to each route's share of passenger car station stops nationwide to yield a Flat Rate in dollars per year.
- (j) **Charging.** The amount of the Flat Rate

C-4.14. **District Supervision**

- (a) **Charge Type.** Flat Charge
- (b) **Application.** A unique Flat Rate for each route in each district

- (c) **Costs Charged**
 - (i) District Superintendents
 - (ii) District Assistant Superintendents
 - (iii) Support personnel for District Superintendents and Assistant Superintendents
 - (iv) Training of personnel assigned to the district
 - (v) Personnel support (e.g., work-related travel and accommodation for personnel assigned to the region, miscellaneous supplies)
- (d) **Calculation.** Allocate district supervision costs among routes proportionate to each route's share of passenger car station stops in the district to yield a Flat Rate in dollars per year.
- (e) **Charging.** The amount of the Flat Rate

C-4.15. **Regional Supervision**

- (a) **Charge Type.** Flat Charge
- (b) **Application.** A unique Flat Rate for each route in each region
- (c) **Costs Charged**
 - (i) Regional Superintendents
 - (ii) Support personnel for Regional Superintendents
 - (iii) Training of personnel assigned to the region
 - (iv) Personnel support (e.g., work-related travel and accommodation for personnel assigned to the region, miscellaneous supplies)
- (d) **Calculation.** Allocate regional supervision costs among routes proportionate to each route's share of passenger car station stops in the region to yield a Flat Rate in dollars per year.
- (e) **Charging.** The amount of the Flat Rate

C-4.16. **National Supervision**

- (a) **Charge Type.** Flat Charge
- (b) **Application.** A unique Flat Rate for each route
- (c) **Costs Charged**
 - (i) National managers of station operations
 - (ii) Staff that performs or oversees key stations functions nationwide (e.g., staff assignment, passenger accessibility; property management)
 - (iii) Staff that performs or oversees stations training nationwide
 - (iv) Support staff for management, operations, and training staff
 - (v) Training of above personnel
 - (vi) Personnel support (e.g., work-related travel and accommodation for above personnel, miscellaneous supplies)

- (d) **Calculation.** Allocate national supervision costs among routes proportionate to each route's share of passenger car station stops nationwide to yield a Flat Rate in dollars per year.
- (e) **Charging.** The amount of the Flat Rate

C-5. Terminal Yards

C-5.1. Terminal Yard Operations

- (a) **Charge Type.** Per Policy v8.00
- (b) **Application.** Per Policy v8.00
- (c) **Costs Charged.** Per Policy v8.00
- (d) **Calculation.** Per Policy v8.00
- (e) **Charging.** Per Policy v8.00

C-5.2. Terminal Maintenance of Way

- (a) **Charge Type.** Per Policy v8.00
- (b) **Application.** Per Policy v8.00
- (c) **Costs Charged.** Per Policy v8.00
- (d) **Calculation.** Per Policy v8.00
- (e) **Charging.** Per Policy v8.00

C-6. Credit Card Fees

C-6.1. Ticket Sales

- (a) **Charge Type.** Percent Charge
- (b) **Application.** A single Percent Rate applied uniformly to all routes
- (c) **Costs Charged.** Credit card fees paid by Amtrak on ticket sales and other charges applied when tickets are sold (e.g., bag, pet, and bicycle fees)
- (d) **Calculation.** Divide credit card fees paid by Amtrak nationwide by the value of all ticket sales and other charges applied when tickets are sold nationwide to yield a Percent Rate.
- (e) **Charging.** The Percent Rate multiplied by the value of ticket sales and other charges applied when tickets are sold

C-6.2. Food-and-Beverage Sales

- (a) **Charge Type.** Percent Charge
- (b) **Application.** A single Percent Rate applied uniformly to all routes
- (c) **Costs Charged.** Credit card fees paid by Amtrak on sale of food and beverages
- (d) **Calculation.** Divide credit card fees paid by Amtrak nationwide on sale of food and beverages by all Food-and-Beverage Revenue sales nationwide to yield a Percent Rate.
- (e) **Charging.** The Percent Rate multiplied by the value of food-and-beverage sales

C-7. Call Center

C-7.1. [No subcategory]

- (a) **Charge Type.** Usage Charge
- (b) **Application.** One Usage Rate applied uniformly to all routes
- (c) **Costs Charged.** Operation and management of Amtrak call center(s)

For FY2025 and beyond, includes customer service training and development and customer relations staff handling appeals

- (d) **Calculation.** Divide (A) call center costs nationwide by (B) call center minutes of talk time nationwide to yield (C) a Usage Rate in dollars per minute of talk time.
- (e) **Charging.** The Usage Rate multiplied by the actual minutes of talk time for a route

If actual minutes of talk time for a route cannot be reported for technical reasons, Amtrak may estimate it using a technical method that reasonably reflects the route's share of talk time according to a method documented by Amtrak and provided to the Committee.

C-8. Dispatching

C-8.1. [No subcategory]

- (a) **Charge Type.** Usage Charge
- (b) **Application.** A unique Usage Rate for each dispatching segment
- (c) **Costs Charged.** Cost of dispatching trains on Amtrak-dispatched segments of territory
- (d) **Calculation.** Divide (A) dispatching costs for a segment of territory by (B) train trips on the segment of territory to yield (C) a Usage Rate in dollars per train trip for the segment of territory.
- (e) **Charging.** The Usage Rate multiplied by the actual train trips on the segment of territory

C-9. National Corporate Expenses

C-9.1. [No subcategory]

- (a) **Charge Type.** Percent Charge
- (b) **Application.** A single Percent Rate applied uniformly to all routes
- (c) **Costs Charged**
 - (i) National corporate functions that support Amtrak's operation of the State-Supported Routes (e.g., information technology, finance, human resources, legal, procurement, facilities, compliance, labor relations, sustainability and energy, planning and analysis)
 - (ii) The following national corporate functions are not included:
 - (A) Government affairs
 - (B) Corporate communications
 - (C) Functions that solely support the Amtrak capital program
 - (D) Functions associated with operating costs not charged to the States (e.g., police, insurance, backshops, fleet engineering)
 - (E) Short-Term Incentive (STI) Program payments (Amtrak may explore changes to the criteria for STI awards to recognize performance in relation to State objectives.)
 - (F) For FY2025 and beyond, gain or loss on disposal of capital assets
 - (G) For FY2025 and beyond, functions that support Amtrak's commercial operations
 - (H) For FY2025 and beyond, network development initiatives
- (d) **Calculation.** For FY2024, 6.5 percent.

For FY2025 and beyond: Divide (A) the cost pool of National Corporate Expenses in the most recent Fiscal Year for which data is available by (B) the cost base of all Amtrak costs for the most recent Fiscal Year for which data is available (excluding depreciation and the National Corporate Expenses cost pool) to yield (C) a Percent Rate, or 6.82 percent, whichever is lower.
- (e) **Charging.** The Percent Rate multiplied by all other charges for a route

C-10. Commercial Performance

The following subcategories are in effect in FY2024 only.

C-10.1. Core Programs

- (a) **Charge Type.** Flat Charge
- (b) **Application.** A unique Flat Rate for each route
- (c) **Costs Charged**
 - (i) National advertising (e.g., advertising that is not targeted to a specific route or service line)
 - (ii) Loyalty marketing (e.g., operating the Amtrak Guest Rewards program)
 - (iii) E-commerce (e.g., operating the digital platform that sell tickets, such as Amtrak.com and the Amtrak app, not including information technology covered in National Corporate Expenses)
 - (iv) Social media (e.g., the teams that run Amtrak’s social media accounts)
 - (v) Corporate sales (e.g., the team that makes corporate sales)
- (d) **Calculation.** Allocate core program costs among routes proportionate to each route’s share of ticket revenue to yield a Flat Rate in dollars per year.
- (e) **Charging.** 90.07 percent of the amount of the Flat Rate, to recognize an adjustment of 25% of national advertising expenses, for the reasons described in C-10.14(c).

C-10.2. Management, Standards, and Data

- (a) **Charge Type.** Flat Charge
- (b) **Application.** A unique Flat Rate for each route
- (c) **Costs Charged**
 - (i) Marketing management
 - (ii) Product support
 - (iii) Customer experience management
 - (iv) Travel agent commissions
 - (v) Market research and analysis
 - (vi) Digital media
 - (vii) Exhibits
- (d) **Calculation.** Allocate management, standards, and data costs among routes proportionate to each route’s share of ticket revenue to yield a Flat Rate in dollars per year.
- (e) **Charging.** The amount of the Flat Rate

C-10.3. Pricing and Revenue Management

- (a) **Charge Type.** Flat Charge
- (b) **Application.** A unique Flat Rate for each route

- (c) **Costs Charged.** Amtrak’s pricing and revenue management system, the team(s) that run it, and supporting contracts and other expenses, not including information technology covered in National Corporate Expenses
- (d) **Calculation.** Allocate pricing and revenue management costs among routes that use pricing and revenue management services proportionate to ticket revenue to yield a Flat Rate in dollars per year.
- (e) **Charging.** The amount of the Flat Rate

C-10.4. Reservation System

- (a) **Charge Type.** Flat Charge
- (b) **Application.** A unique Flat Rate for each route
- (c) **Costs Charged.** Amtrak’s reservation system, the team(s) that run it, and supporting contracts and other expenses, not including information technology covered in National Corporate Expenses
- (d) **Calculation.** Allocate reservation system costs among routes that use the reservation system proportionate to ticket revenue to yield a Flat Rate in dollars per year.
- (e) **Charging.** The amount of the Flat Rate

C-10.5. Route Advertising

- (a) **Charge Type.** Pass-Through Charge
- (b) **Application.** The actual costs for each route
- (c) **Costs Charged.** The cost of advertising specific to a State route as agreed to by Amtrak and the State(s)
- (d) **Calculation.** As agreed to by Amtrak and the State(s)
- (e) **Charging.** The amount resulting from the agreement between Amtrak and the State(s)

For FY2025 and beyond, the subcategories will be as follows:

C-10.6. Pricing and Revenue Management

- (a) **Charge Type.** Flat Charge
- (b) **Application.** A unique Flat Rate for each route
- (c) **Costs Charged.** Amtrak’s pricing and revenue management system, the team(s) that run it, and supporting contracts and other expenses, not including information technology covered in National Corporate Expenses
- (d) **Calculation.** Allocate pricing and revenue management costs among routes that use pricing and revenue management services proportionate to ticket revenue to yield a Flat Rate in dollars per year.
- (e) **Charging.** The amount of the Flat Rate except, in advance of a Fiscal Year, a State may opt out of some or all charges for a route if it does not intend to use some or all pricing and revenue management functions for the route

C-10.7. Reservation System

- (a) **Charge Type.** Flat Charge

- (b) **Application.** A unique Flat Rate for each route
- (c) **Costs Charged.** Amtrak’s reservation system, the team(s) that run it, and supporting contracts and other expenses, not including information technology covered in National Corporate Expenses
- (d) **Calculation.** Allocate reservation system costs among routes that use the reservation system proportionate to ticket revenue to yield a Flat Rate in dollars per year.
- (e) **Charging.** The amount of the Flat Rate except, in advance of a Fiscal Year, a State may opt out of some or all charges for a route if it does not intend to use some or all reservation system functions for the route

C-10.8. Route Advertising

- (a) **Charge Type.** Pass-Through Charge
- (b) **Application.** The actual costs for each route
- (c) **Costs Charged.** The cost of advertising specific to a State route as agreed to by Amtrak and the State(s)
- (d) **Calculation.** As agreed to by Amtrak and the State(s)
- (e) **Charging.** The amount resulting from the agreement between Amtrak and the State(s)

C-10.9. Loyalty Marketing

- (a) **Charge Type.** Flat Charge
- (b) **Application.** A unique Flat Rate for each route
- (c) **Costs Charged.** Loyalty marketing efforts, including co-branded credit card(s), loyalty-related promotions and campaigns, and other communication with loyalty program members
- (d) **Calculation.** Allocate loyalty marketing costs among routes proportionate to ticket revenue to yield a Flat Rate in dollars per year.
- (e) **Charging.** The amount of the Flat Rate

C-10.10. Sales Channels

- (a) **Charge Type.** Flat Charge
- (b) **Application.** A unique Flat Rate for each route
- (c) **Costs Charged.** Corporate sales, e-commerce, and marketing and sales management
- (d) **Calculation.** Allocate sales channels costs among routes proportionate to ticket revenue to yield a Flat Rate in dollars per year.
- (e) **Charging.** The amount of the Flat Rate

C-10.11. Market Research and CSI Survey

- (a) **Charge Type.** Flat Charge
- (b) **Application.** A unique Flat Rate for each route

- (c) **Costs Charged.** Research into customers and markets; administration of the Customer Satisfaction Index (CSI) Survey
- (d) **Calculation.** Allocate market research and CSI Survey costs among routes proportionate to ticket revenue to yield a Flat Rate in dollars per year.
- (e) **Charging.** The amount of the Flat Rate

C-10.12. Product Support

- (a) **Charge Type.** Flat Charge
- (b) **Application.** A unique Flat Rate for each route
- (c) **Costs Charged.** Product support, including design and acquisition of uniforms, design of menus and other materials, and customer service policies for stations and on board trains
- (d) **Calculation.** Allocate product support costs among routes proportionate to ticket revenue to yield a Flat Rate in dollars per year.
- (e) **Charging.** The amount of the Flat Rate

C-10.13. Customer Communications

- (a) **Charge Type.** Flat Charge
- (b) **Application.** A unique Flat Rate for each route
- (c) **Costs Charged.** Customer communications, including software to manage customer contacts
- (d) **Calculation.** Allocate customer communications costs among routes proportionate to ticket revenue to yield a Flat Rate in dollars per year.
- (e) **Charging.** The amount of the Flat Rate

C-10.14. National Advertising and Social Media

- (a) **Charge Type.** Flat Charge
- (b) **Application.** A unique Flat Rate for each route
- (c) **Costs Charged.** 75 percent of the cost of Amtrak advertising that is not targeted at a specific service line or route, and of Amtrak social media efforts

This adjustment recognizes several possible effects that are not yet understood well enough to be modeled, including but not limited to: how Long-Distance and Northeast Corridor advertising and marketing activities may benefit State routes, how State advertising and marketing activities may benefit other routes, how expenses and activities are distributed across service lines and routes, and the extent to which State advertising and marketing activities and customer engagement may be a primary source of a route's revenue.

- (d) **Calculation.** Allocate national advertising and social media costs to routes proportionate to ticket revenue to yield a Flat Rate in dollars per year
- (e) **Charging.** The amount of the Flat Rate.

C-10.15. Advertising Management and Digital Marketing

- (a) **Charge Type.** Flat Charge

- (b) **Application.** A unique Flat Rate for each route
- (c) **Costs Charged.** Staff and other costs to manage and oversee advertising, branding, and digital marketing
- (d) **Calculation.** Allocate Advertising Management and Digital Marketing costs to routes proportionate to the historical share of National Advertising and Social Media and Route Advertising (including route advertising for NEC and Long Distance routes, and the NEC and Long Distance service Lines) to yield a Flat Rate in dollars per year.
- (e) **Charging.** The amount of the Flat Rate

C-11. Host Railroad Charges

C-11.1. Maintenance of Way

- (a) **Charge Type.** Pass-Through Charge
- (b) **Application.** The actual costs for each route
- (c) **Costs Charged.** Costs charged to Amtrak by host railroad(s) for maintenance of way on segments of territory used by the route
- (d) **Calculation.** Determine maintenance-of-way costs for a segment and assign the costs to individual trains that use the segment per the agreement between Amtrak and the host railroad; sum costs assigned to the individual trains that make up a route to arrive at the cost for the route.
- (e) **Charging.** The amount assigned to the route

C-11.2. Performance Payments

- (a) **Charge Type.** Pass-Through Charge
- (b) **Application.** The actual costs for each route
- (c) **Costs Charged.** The net of all performance payments charged to Amtrak by host railroads and charged by Amtrak to host railroad(s) for individual trains that make up the route
- (d) **Calculation.** Determine performance payments for each train per the agreement between Amtrak and the host railroad; sum the costs and credits assigned to the individual trains that make up a route to arrive at the cost for the route.
- (e) **Charging.** The amount assigned to the route

C-11.3. Synthetic Host Railroad Charge

- (a) **Charge Type.** Usage Charge
- (b) **Application.** One Usage Rate applied uniformly to all routes
- (c) **Costs Charged.** For routes that use territory owned by Amtrak off the NEC Main Line, a charge in lieu of fully allocated maintenance-of-way costs intended to be consistent with typical charges to Amtrak by host railroads, expressed as a Usage Rate in dollars per train mile on Amtrak-owned territory
- (d) **Calculation.** According to a method documented by Amtrak and provided to the Committee
- (e) **Charging.** The Usage Rate multiplied by actual train miles on Amtrak-owned right-of-way off the NEC Main Line

C-12. Fuel and Power

C-12.1. Fuel

- (a) **Charge Type.** Pass-Through Charge
- (b) **Application.** The actual costs for each route
- (c) **Costs Charged.** Fuel for locomotives
- (d) **Calculation.** Sum the actual costs of fuel to operate a route's locomotives. If accounting of actual costs for a route is not feasible for technical reasons, assign a proportionate share of fuel costs that reasonably reflects a route's share of usage according to a method documented by Amtrak and provided to the Committee.
- (e) **Charging.** The amount summed or assigned

C-12.2. Electric Traction Power

- (a) **Charge Type.** Pass-Through Charge
- (b) **Application.** The actual costs for each route
- (c) **Costs Charged.** Electric traction power for locomotives
- (d) **Calculation.** Sum the actual costs of electric traction power to operate a route's locomotives. If accounting of actual costs for a route is not feasible for technical reasons, assign a proportionate share of electric traction power costs that reasonably reflects a route's share of usage according to a method documented by Amtrak and provided to the Committee.
- (e) **Charging.** The amount summed or assigned

C-13. Connecting Motor Coach

C-13.1. [No subcategory]

- (a) **Charge Type.** Pass-Through Charge
- (b) **Application.** The actual costs for each route
- (c) **Costs Charged**
 - (i) Connecting motor coach services sponsored by a State, provided by third-party bus service operators, and purchased by Amtrak, according to the terms agreed to between Amtrak and the State
 - (ii) Amtrak administration of connecting motor coach contracts
- (d) **Calculation.** Sum the actual costs of the contracted services and a proportionate share of Amtrak contract administration.
- (e) **Charging.** The amount calculated

C-14. On-Board Wi-Fi

C-14.1. [No subcategory]

- (a) **Charge Type.** Usage Charge
- (b) **Application.** One Usage Rate applied uniformly to all routes
- (c) **Costs Charged.** Cost of operations, maintenance, management, and connectivity for on-board wi-fi
- (d) **Calculation.** Divide (A) on-board wi-fi costs nationwide by (B) wi-fi coach miles nationwide to yield (C) a Usage Rate in dollars per car mile.
- (e) **Charging.** The Usage Rate multiplied by the actual wi-fi coach miles

C-15. Passenger Inconvenience

C-15.1. [No subcategory]

- (a) **Charge Type.** Pass-Through Charge
- (b) **Application.** The actual costs for each route
- (c) **Costs Charged**
 - (i) Incremental costs to Amtrak for serving customers that experience disruptions to travel (e.g., delayed or canceled trains). May include customer accommodation (e.g., hotels), customer transportation (e.g., taxi fare or charter of buses), and vouchers for accommodation or transportation.
 - (ii) The value of credits or vouchers for future transportation by Amtrak is not included and is accounted for as an offset to Amtrak revenues.
- (d) **Calculation.** Sum actual passenger inconvenience costs for customers of a route; where costs cannot be exactly assigned to a route (e.g., a bus charter that carries passengers from multiple routes disrupted in a single incident), a proportionate share of the actual passenger inconvenience cost.
- (e) **Charging.** The amount summed or calculated

C-16. Route-Specific Insurance

C-16.1. [No subcategory]

- (a) **Charge Type.** Pass-Through Charge
- (b) **Application.** The actual costs for each route
- (c) **Costs Charged.** Route- or State-specific insurance provided by Amtrak (e.g., property buy-back insurance for State-owned rolling stock) as agreed to by Amtrak and the State(s)
- (d) **Calculation.** Sum the costs of the insurance as agreed to by Amtrak and the State(s).
- (e) **Charging.** The amount agreed to by Amtrak and the State(s)

C-17. National Transportation Support [to be charged in FY2025 and beyond]

C-17.1. [No Subcategory]

- (a) **Charge Type.** Flat Charge
- (b) **Application.** A unique Flat Rate for each route
- (c) **Costs Charged**
 - (i) Continuing education of transportation staff, including administration of training centers
 - (ii) Train planning and scheduling, including consist planning, space and equipment planning, train planning and scheduling, network planning, and operations research and planning
 - (iii) National operations support, including the chief, deputy chief(s), and director(s) of systems operation, support of customer service operations, operations centers, and special operations
 - (iv) Safety and compliance support, including operational safety functions, operations compliance, and rules compliance
 - (v) Support staff for the above personnel
 - (vi) Training of above personnel
 - (vii) Personnel support (e.g., work-related travel and accommodation for above personnel, miscellaneous supplies)
- (d) **Calculation.** Allocate national transportation support costs among routes proportionate to the sum of assigned conductor and engineer labor hours nationwide and assigned on-board service agent hours nationwide to yield a Flat Rate in dollars per year.
- (e) **Charging.** The amount of the flat rate

Appendix D. Required Reports

[Reserved]

Appendix E. Relevant Federal Law

PASSENGER RAIL INVESTMENT AND IMPROVEMENT ACT OF 2008
PUBLIC LAW 110-432 (49 U.S.C. 24101 note)

SEC. 209. STATE-SUPPORTED ROUTES.

(a) In General.--Within 2 years after the date of enactment of this Act, the Amtrak Board of Directors, in consultation with the Secretary, the governors of each relevant State, and the Mayor of the District of Columbia, or entities representing those officials, shall develop and implement a single, nationwide standardized methodology for establishing and allocating the operating and capital costs among the States and Amtrak associated with trains operated on each of the routes described in section 24102(5)(B) and (D) and section 24702 that--

- (1) ensures, within 5 years after the date of enactment of this Act, equal treatment in the provision of like services of all States and groups of States (including the District of Columbia); and
- (2) allocates to each route the costs incurred only for the benefit of that route and a proportionate share, based upon factors that reasonably reflect relative use, of costs incurred for the common benefit of more than 1 route.

STATE-SUPPORTED ROUTES OPERATED BY AMTRAK
49 U.S. Code § 24712

(a) **State-Supported Route Committee.**—

...

(7) **Cost methodology policy.**—

(A) **In general.**—Subject to subparagraph (B), the Committee may amend the cost methodology policy required and previously approved under section 209 of the Passenger Rail Investment and Improvement Act of 2008 (49 U.S.C. 24101 note).

(B) **Revisions to cost methodology policy.**—

(i) **Requirement to revise and update.**—Subject to rules and procedures established pursuant to clause (iii), not later than March 31, 2022, the Committee shall revise and update the cost methodology policy required and previously approved under section 209 of the Passenger Rail Investment and Improvement Act of 2008 (49 U.S.C. 24101 note). The Committee shall implement a revised cost methodology policy during fiscal year 2023. Not later than 30 days after the adoption of the revised cost methodology policy, the Committee shall submit a report documenting and explaining any changes to the cost methodology policy and plans for implementation of such policy, including a description of the improvements to the accounting information provided by Amtrak to the States, to the Committee on Commerce, Science, and Transportation of the Senate and the Committee on Transportation and Infrastructure of the House of Representatives. The revised cost methodology policy shall ensure that States will be responsible for costs attributable to the provision of service for their routes.

(ii) **Implementation impacts on federal funding.**—To the extent that a revision developed pursuant to clause (i) assigns to Amtrak costs that were previously allocated to States, Amtrak shall request with specificity such additional funding in the general and legislative annual report required under section 24315 or in any appropriate subsequent Federal funding request for the fiscal year in which the revised cost methodology policy will be implemented.

(iii) Procedures for changing methodology.—Notwithstanding section 209(b) of the Passenger Rail Investment and Improvement Act of 2008 (49 U.S.C. 24101 note), the rules and

(I) procedures implemented pursuant to paragraph (5) shall include-
procedures for changing the cost methodology policy in accordance with clause (i); and

(II) procedures or broad guidelines for conducting financial planning, including operating and capital forecasting, reporting, data sharing, and governance.

(C) Requirements.—The cost methodology policy shall-

(i) ensure equal treatment in the provision of like services of all States and groups of States;

(ii) assign to each route the costs incurred only for the benefit of that route and a proportionate share, based upon factors that reasonably reflect relative use, of costs incurred for the common benefit of more than 1 route; and

(iii) promote increased efficiency in Amtrak’s operating and capital activities.

(D) Independent evaluation.—Not later than March 31 of each year, the Committee shall ensure that an independent entity selected by the Committee has completed an evaluation to determine whether State payments for the most recently concluded fiscal year are accurate and comply with the applicable cost allocation methodology.

(b) Invoices and Reports.—

(1) Invoices.—Amtrak shall provide monthly invoices to the Committee and to each State that sponsors a State-supported route that identify the operating costs for such route, including fixed costs and third-party costs.

(2) Reports.—

(A) In general.—The Committee shall determine the frequency and contents of-

(i) the financial and performance reports that Amtrak is required to provide to the Committee and the States; and

(ii) the planning and demand reports that the States are required to provide to the Committee and Amtrak.

(B) Monthly statistical report.—

(i) **Development.**—Consistent with the revisions to the policy required under subsection (a)(7)(B), the Committee shall develop a report that contains the general ledger data and operating statistics from Amtrak’s accounting systems used to calculate payments to States.

(ii) **Provision of necessary data.**—Not later than 30 days after the last day of each month, Amtrak shall provide to the States and to the Committee the necessary data to complete the report developed pursuant to clause (i) for such month.

(c) Dispute Resolution.—

(1) Request for dispute resolution.—If a dispute arises with respect to the rules and procedures implemented under subsection (a)(5), an invoice or a report provided under subsection (b), implementation or compliance with the cost allocation methodology developed under section 209 of the Passenger Rail Investment and Improvement Act of 2008 (49 U.S.C. 24101 note) or amended under subsection (a)(7) of this section, either Amtrak or the State may request that the Surface Transportation Board conduct dispute resolution under this subsection.

(2) **Procedures.**—The Surface Transportation Board shall establish procedures for resolution of disputes brought before it under this subsection, which may include provision of professional mediation services.

(3) **Binding effect.**—A decision of the Surface Transportation Board under this subsection shall be binding on the parties to the dispute.

(4) **Obligation.**—Nothing in this subsection shall affect the obligation of a State to pay an amount related to a State-supported route that a State sponsors that is not in dispute.

(d) **Assistance.**—

(1) **In general.**—The Secretary may provide assistance to the parties in the course of negotiations for a contract for operation of a State-supported route.

(2) **Financial assistance.**—From among available funds, the Secretary shall provide-

(A) financial assistance to Amtrak or 1 or more States to perform requested independent technical analysis of issues before the Committee; and

(B) administrative expenses that the Secretary determines necessary.

(e) **Performance Metrics.**—In negotiating a contract for operation of a State-supported route, Amtrak and the State or States that sponsor the route shall consider including provisions that provide penalties and incentives for performance, including incentives to increase revenue, reduce costs, finalize contracts by the beginning of the fiscal year, and require States to promptly make payments for services delivered.

...

(h) **Cost Methodology Policy Update Implementation Report.**—Not later than 18 months after the updated cost methodology policy required under subsection (a)(7)(B) is implemented, the Committee shall submit a report to the Committee on Commerce, Science, and Transportation of the Senate and the Committee on Transportation and Infrastructure of the House of Representatives that assesses the implementation of the updated policy.

...

Appendix F. Revision History

Action Date [Action Number] Effective Date (if different)	Resulting Version	Description of Change	Key Areas Affected
August 13, 2011	1.00 (Original)	Recommended by the State Working Group (SWG) and Amtrak staff*	---
October 27, 2015	2.00 (First SAIPRC revision)	Updated to provide additional detail for operating cost categories in “S209 Operating Cost Pricing Methodology” (p. 7) and capital cost categories in “Methodology for Determining Capital Costs” (p. 8) Provided summary definitions for each category Included formulas to calculate PRIIA 209 costs	Appendix E
September 21, 2017	3.00	Updated definitions	Appendix E
June 13, 2018	4.00	Updated definitions	Appendix E
February 20, 2020 [202002-02 & 202002-03]	5.00	Amendment A2020-01: applied numbering system to Policy Amendment A2020-02: updated text on Route Costs and Support Fees (to match Appendix E)	Throughout
March 17, 2021 [202103-03]	6.00	Amendment A2021-01: allowing fixed payments for capital use charge	3.1
February 24, 2022 [202202-04]	7.00	Amendment A2022-01: applying new MoE Support Fee for TSSSA-covered rolling stock	2.3(b) 2.4 (Table 1) Appendix E (1.3(b))
June 8, 2022 [202206-02]	8.00	Amendment A2022-02: making Albany/Rensselaer to Schodack right of way eligible for Synthetic Host Railroad Charge	Appendix D

* Members of the SWG-Amtrak group included: John Bennett (Amtrak), Stephen Gardner (Amtrak), Shayne Gill (AASHTO), Susan Howard (AASHTO), Max Johnson (Amtrak), David Kutrosky (CCJPA), Beth Nachreiner (FRA), Kevin Page (DRPT), Patricia Quinn (NNEPRA), and Patrick Simmons (NCDOT).

Action Date [Action Number] Effective Date (if different)	Resulting Version	Description of Change	Key Areas Affected
September 19, 2022 [202209-02]	9.00	Comprehensive revision in virtually all areas	Throughout
January 23, 2024	10.00	A2024-01; A2024-03 through A2024-6: Revisions to enable the implementation of new operating-cost methods	Throughout (notably sections 3 and 8 and Appendix C)
June 17 2024	11.00	A2024-07 through A2204-09: Incorporating Borealis; revising charging methods for Red Caps and Porters; revising charging methods in connection with FY2024 incomplete rates; miscellaneous errata	Throughout (notably section 8 and Appendix C)

Appendix G. Policy Version 8.00

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PRIIA Section 209

Cost Methodology Policy

Passenger Rail Investment and Improvement Act (PRIIA) of 2008 Section 209 Cost Methodology Policy

Action Date [Action Number] Effective Date (if diff)	Resulting Version	Description of Change	Key Areas Affected
August 13, 2011	1.00 (Original)	Recommended by the State Working Group (SWG) and Amtrak staff ¹	---
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¹ Members of the SWG-Amtrak group included: John Bennett (Amtrak), Stephen Gardner (Amtrak), Shayne Gill (AASHTO), Susan Howard (AASHTO), Max Johnson (Amtrak), David Kutrosky (CCJPA), Beth Nachreiner (FRA), Kevin Page (DRPT), Patricia Quinn (NNEPRA), and Patrick Simmons (NCDOT).

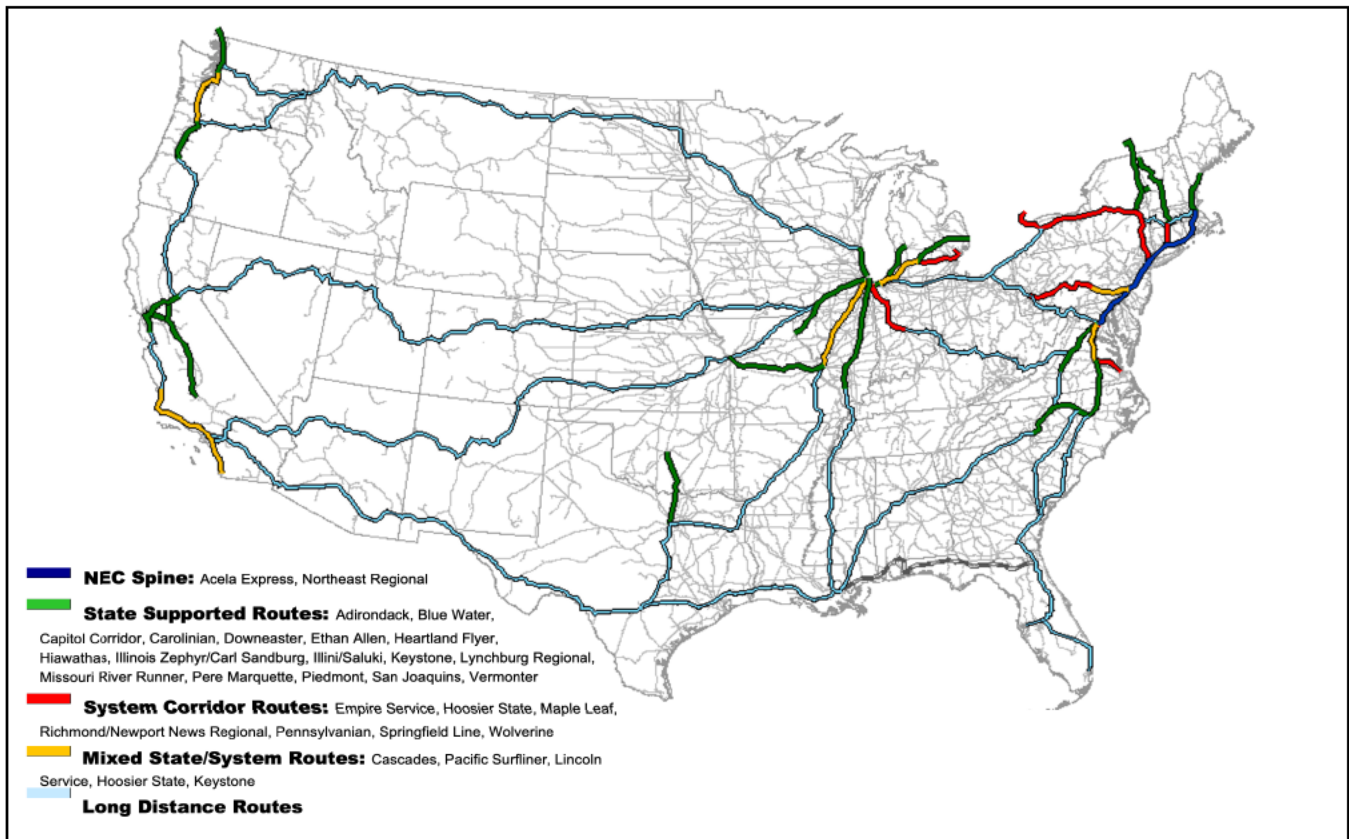
Table of Contents

1. Overview	4
2. Methodology for Determining Operating Costs	7
3. Methodology for Determining Capital Costs.....	11
4. Forecasts of Funding Requirements for State Supported Contracts	13
5. State Corridor-Amtrak Contract Template	13
6. Transition from Prior Costing Methodologies	13
Appendix A. Routes Affected by PRIIA Section 209	14
Appendix B. Relevant Legislation	15
Appendix C. Definition of NEC Capital Charges, Where Applicable	17
Appendix D. Amtrak-Owned Right of Way Eligible for Synthetic Host Railroad Charge.....	18
Appendix E. Definition of Cost Categories Used to Determine State Operating and Capital Cost Pricing	19
Appendix F. State-Amtrak Contract Template	24

1. Overview

Under the provisions of PRIIA Section 209, all short-distance Amtrak corridor services must become state-supported routes and states must pay the proportional costs associated with their respective corridor route. This document describes the “single, nationwide standardized methodology for establishing and allocating the operating and capital costs among the States and Amtrak.” This methodology applies to services provided by Amtrak over routes “of no more than 750 miles between endpoints,” as described in section 24102(5)(B).

Figure 1: Amtrak Route Map Showing State-Supported Routes



Appendix A provides a list of affected routes; *Appendix B* provides the text of Section 209 and related statutes.

Currently, approximately 36 of the total 110 corridor routes are either partially or completely supported by Amtrak. Once Section 209 is implemented, all such corridors routes will be priced in a transparent, fair and equitable manner. Amtrak and states were charged with collaboratively creating a cost methodology to establish a basis for sharing operating costs plus an annual capital charge for Amtrak-owned equipment and facilities used for intercity passenger rail service.

This policy statement outlines the methodology Amtrak will use to compute:

- (a) operating expenses for routes using a formulation that defines direct route costs and associated additives, and

PRIIA Section 209 Cost Methodology Policy

- (b) capital charges for the use of Amtrak-owned assets.

The Amtrak Performance Tracking (APT) system – Amtrak’s recently-implemented cost accounting system, that is linked to Amtrak’s financial and operating systems -- provides the cost basis that the SWG and Amtrak used to evaluate options for assigning service area route costs.

The Federal Railroad Administration (FRA) met with the SWG and Amtrak to address the issue of transition assistance to the states during the phase in of the new methodologies for route and capital costs. This policy outlines clearly that states are responsible for the costs associated with the new capital charge. However, the FRA recognizes that states will face a financial burden as they implement the new cost-sharing approach. While the details of transition assistance have not been fully developed, the FRA has committed to working with the states and Amtrak on transition assistance.

1.1. Basis for Allocating Costs

Many railroad costs—both costs directly related to the services provided and those shared among services—are by their nature provided through jointly used crews, crew bases (locations where train crews report for work), support teams/facilities, maintenance facilities, and stations. As such, cost allocation methods and procedures are needed to fairly apportion these costs. The Amtrak Performance Tracking (APT) system will provide the basis for allocating “to each route the costs incurred only for the benefit of that route and a proportionate share, based upon factors that reasonably reflect relative use, of costs incurred for the common benefit of more than one route”.

In some cases, Amtrak and states may agree to use supplemental financial data to adjust the results of APT, including, but not limited to, local systems for measuring fuel consumption that are not available nationally. Pursuant to part (b) of Section 209, if changes to Amtrak’s financial systems result in a material change to the results of APT, Amtrak will work with its state partners to update this policy in a manner consistent with the intent of Section 209.

1.2. Operating Scenarios

1.2.1. Descriptions of Operating Scenarios

State-supported routes are classified into three operating scenarios:

Single State Corridor Trains. These corridor trains do not cross state lines and do not use the NEC “spine” (Boston-Washington).

Multi-State Corridor Trains. For corridor trains that cross state lines but do not use the NEC “spine” (Boston-Washington), the states on the train route shall develop an equitable method for sharing the costs and revenues from the trains. Amtrak will provide the affected states with information to assist in reaching agreement.

Base-Increment NEC Corridor Trains (Single- and Multi-State). In Section 209, the Northeast Corridor (NEC) is defined as “the continuous Northeast Corridor railroad line between Boston, Massachusetts and Washington, District of Columbia” in section 24102(5)(B). Trains having some part of their route both on the NEC and on a state-supported corridor are considered Base-Increment trains. In the case of base-Increment NEC corridor trains, APT allocates costs between the state leg and the NEC leg for accounting purposes in various ways. The allocation explanations for specific expenses are described in the APT documentation available on the FRA website, both in summary in the Main report and in detail in Appendix A.

1.2.2. Base-Increment Trains

The following general conditions apply to Base-Increment trains:

- A. Route Costs (defined below) common to both legs are prorated based on whether costs are incurred on the state leg or on the NEC. For instance, turnaround servicing is allocated by train miles on the NEC and state leg. Non-turnaround maintenance is allocated by both time and mileage-based statistics prorated for the amount of time a train spends on either the NEC or the state leg.
- B. Trains that travel through multiple states off the NEC shall develop a mutually agreeable method for sharing the costs and revenues of the trains.
- C. “Through revenue” is revenue from trips with one endpoint on the NEC and one endpoint on the state-supported leg. Through revenue will be credited to the state in one of two ways, to be determined by the state and established in the agreement:
 - i. Passenger Mile Split. Through revenue will be split between the state and Amtrak proportionate to miles traveled off and on the NEC. Under this method, Amtrak is responsible for all operating and capital costs when the train is on the NEC leg. Capital charges for equipment will be split between the state and Amtrak reflecting service both on and off the NEC, allocated based on the time-based Units Used statistic. Capital charges for fixed assets will be for the state leg only.
 - ii. Through Revenue Plus Passenger Mile Charge. States will continue to be charged costs for the state leg as described above. Through revenue will be credited to the state, along with a charge per passenger mile for the costs of through riders traveling on the NEC. This per passenger mile charge will represent the state’s share of Amtrak’s:
 - a. Fully allocated NEC operating costs, as pro rated by all available Amtrak Northeast Regional seat miles;
 - b. Equipment capital overhaul costs, as pro rated by all available Amtrak Northeast Regional seat miles
 - c. Fully allocated fixed asset Normalized Replacement capital costs as defined in *Appendix C*, pro rated by all available Amtrak NEC seat miles; and
 - d. 20% of any fixed asset State of Good Repair Backlog capital costs as defined in *Appendix C*, pro rated by all available Amtrak NEC seat miles.

These charges will be fixed for the term of the contract between the state and Amtrak and applied against actual passenger miles. However, this through revenue policy may be amended by Amtrak and the affected states if the outcome of the PRIIA Section 212 cost allocation process requires changes to this policy.

1.2.3. Amtrak Right-of-Way outside Northeast Corridor

In addition to the operating scenarios described above, some state-supported routes travel for part or all of the entire route on right-of-way owned by Amtrak outside the NEC; these routes are described in *Appendix D*. In these situations, Amtrak will remove the maintenance of way expenses for these segments as allocated in APT, and replace them with a synthetic host railroad charge. This charge is consistent with the costs that are typically charged to Amtrak by host railroads for incremental operating and maintenance. For right of way that Amtrak purchases or assumes maintenance responsibility for not listed in *Appendix D*, Amtrak and the state will negotiate such maintenance and related charges on a case-by-case basis.

2. Methodology for Determining Operating Costs

Under the proposed S209 Methodology, the Service Fee will include:

- a) 100 percent of the “Third Party Costs” associated with its corridor service;
- b) 100 percent of the verifiable Route Costs associated with its corridor service;
- c) Support Fees proportional to its corridor service; and,
- d) Credit for passenger and other allocated revenue, resulting in the Net State Cost.

2.1. Third Party Costs

Actual Third Party Costs will be charged to the state corridors. Third Party Costs are comprised of:

- a) Host railroad maintenance of way;
- b) Host railroad performance payments; and
- c) Fuel and power charges.

2.2. Route Costs

Route Costs are operating costs closely associated with the operation of a route. Route Costs can clearly be evaluated and tracked by Amtrak and the states in the direct provision of service on a corridor train. Route operating costs include the following categories as allocated by the APT system:

- d) Train and engine crew labor
- e) Car and locomotive maintenance and turnaround service
- f) On-Board Passenger Technology
- g) On Board Service Labor and provisions (Food Service)
- h) Route Advertising
- i) Reservations and Call Centers
- j) Route Stations
- k) Shared Stations
- l) Stations Technology
- m) Commissions
- n) Customer Concession
- o) Connecting Motor Coach
- p) Local & Regional Police
- q) Block & Tower operations
- r) Terminal Maintenance of Way
- s) Insurance

2.3. Support Fees

Some cost categories have an additional level of regional and national support not included in the Route Costs, and therefore also include Support Fees that are proportional to the service provided. Support Fees are determined by applying category-specific additives to an associated route cost or other aspect of service, (i.e. revenue or passenger miles). These additives were developed by converting support cost data from the APT system into rates that would be consistent across all trains in a region, or in some cases, all state-supported trains.

PRIIA Section 209 Cost Methodology Policy

For example, Amtrak provides mechanical support, facilities and services that can reasonably be apportioned between Amtrak's business lines – the Northeast Corridor (NEC) trains, long-distance trains and state-supported trains. The Maintenance of Equipment (MoE) support fee represents the portion of those costs allocated to state-supported trains and is determined by applying an additive rate to the Car & Locomotive Maintenance and Turnaround route cost.

There are six categories of Support Fees are determined as follows:

- (a) **Train & Engine Crew Support (T&E)**: A combination of system and division additives applied to Train & Engine Crew Labor route costs. All corridors will be charged a system additive which is fixed (12.9 percent) and a division additive which is variable (16.3-24.3 percent). The division additive is based on the Amtrak region in which the corridor operates and is linked to the management structure within Amtrak that is responsible for service delivery by train crews. The T&E system additive rate excludes costs from Amtrak's Consolidated National Operations Center (CNOC), which are considered a "backbone" cost.
- (b) **Maintenance of Equipment (MoE)**: A system additive applied to the Car & Locomotive Maintenance and Turnaround Route Cost. For routes using any equipment in scheduled service covered by an Amtrak-managed Technical Support, Spares and Supplies Agreement (TSSSA), the additive rate will be 22.9%. For all other routes, the additive rate will be 27.1%. The MoE additive rate excludes backshops and fleet engineering costs, which are considered a "backbone" cost.
- (c) **On Board Services (OBS)**: A fixed system additive (10 percent) applied to the OBS Crew & Provisions Route Cost.
- (d) **Marketing**: A variable regional additive (1.4-2.3 percent) applied to total revenue. The marketing additive is based on the degree to which a state corridor is connected to the NEC or to a major Amtrak hub station. Corridors that fall into those categories will have a higher additive associated with Amtrak's higher level of shared marketing in those regions.
- (e) **Police**: A fixed system additive (\$.005) applied to passenger miles.
- (f) **Shared Support Services**: A fixed system additive (3.25 percent) applied to Total Route Costs.

The additive rate will remain the same for three years beginning October 2012, unless there is a significant unforeseen event, such as a significant decrease in Amtrak's Federal funding or a significant change to the size of Amtrak's network. A change in the additive rate during the three-year term must be approved by Amtrak and the states. At the end of the three year period, Amtrak will propose adjustments to the additive rates if they are necessary. States and Amtrak must mutually agree on additive rate adjustments.

2.4. Operating Cost Pricing Methodology

The table below illustrates the S209 Operating Cost Pricing Methodology. The definitions of cost categories and additives are described in more depth in *Appendix E*.

Table 1: S209 Operating Cost Pricing Methodology

ROUTE COSTS	+	SUPPORT FEE	=	OPERATING COSTS
Train & Engine Crew Labor		<i>T&E Route x (Division Additive* + System Additive (12.9%))</i>	=	Total Train & Engine Crew Labor
Car & Locomotive Maintenance & Turnaround	+	<i>Car & Loco Route Cost X System Additive*</i>	=	Total Maintenance of Equipment
On Board Service (OBS) Crew & Provisions	+	<i>OBS Route Cost x 10% OBS Additive</i>	=	Total On Board Services
Route Advertising			=	Total Route Advertising
Sales & Distribution	+	<i>Marketing Additive* x Passenger and Allocated Revenue*</i>	=	Total Sales & Marketing
Reservations & Call Centers			=	Total Res & Call Center
Stations – Route			=	Total Route Stations
Station – Shared			=	Total Shared Stations
Commissions			=	Total Commissions
Customer Concessions			=	Total Concessions
Connecting Motor Coach			=	Total Motor Coach
Regional/Local Police	+	<i>Passenger Miles x Police Additive (\$0.005)</i>	=	Total Police & Security
Terminal Yard Operations			=	Total Terminal Yard Ops
Terminal Maintenance of Way			=	Total Terminal MoW
Insurance			=	Total Insurance
Total Route Costs <i>(Sum of Above)</i>	+	<i>Total Route Costs x General & Administration Additive (2%)</i>	=	General & Administrative
				Route Service Fee <i>(Sum of Above)</i>
		<u>Host RR Maintenance of Way + Host RR Performance + Fuel & Power</u>	+	3 rd Party Costs
			=	Total Operating Costs <i>Service Fee + 3rd Party Costs</i>
			-	Less Passenger and Other Allocated Revenue
			=	NET STATE COST

*Denotes variable additive. Reference Appendix E

2.5. Passenger and Other Allocated Revenue

Passenger revenues include ticket revenue and food and beverage revenue attributable to a particular route. Other Allocated Revenue includes miscellaneous revenue related to a route’s passenger train operations, such as ticket by mail fees, loyalty marketing revenue, commissions from sales of third-party services during the reservations process (call/Internet “tipping”), package express where applicable, and other.

2.6. Optional Services and Pricing

States may wish to independently contract with alternative service providers for some services rather than Amtrak. For example, states may contract directly with vendors for food service, equipment maintenance, and other components of their services. Working with independent service providers may have an impact on the level of service that Amtrak can provide for a state. In these cases, costs that are not incurred by Amtrak would not be included in cost estimates or service reimbursements.

2.7. Operating Surplus

In the case where a route achieves an operating surplus, that route's surplus funds will be applied as follows: first, to operating payments for other routes supported by that state; second, to equipment capital charges for that state; third, for agreed upon fixed asset capital charges for that state; fourth, for future operating and capital payments by that state.

3. Methodology for Determining Capital Costs

3.1. Capital Costs

Amtrak makes substantial capital investments in equipment (rolling stock) and other fixed assets needed to deliver passenger rail services. Under this policy, Amtrak will charge states for a share of these investments proportional to their use in state-supported services. Based on Section 209 requirements, the capital charge, or capital use charge², will be allocated to each route; each sponsoring state is responsible for funding its capital charge. Amtrak will work with states to find federal and other sources of funds to assist with the capital charge.

The capital charge will be forward looking and investment-based. Amtrak will assess an annual capital charge to each state for the following asset types:

- A. Equipment – existing and new Amtrak-owned;
 - i. For existing rolling stock, states will be charged a pro rata share, based on Units Used, of capital overhauls performed on the equipment classes they use to assure the assets remain FRA compliant and in a state of good repair
 - ii. For rolling stock procured in the future by Amtrak, states will be charged a pro rata share of the purchase price, financing cost, and capital overhauls reflecting costs paid by Amtrak
 - iii. Capital equipment charges will vary from year to year based on the life cycle maintenance plan associated with the equipment type.
- B. Other Amtrak fixed assets, including joint stations and Amtrak-owned rights of way;
 - i. This policy contains no formula-based fixed asset capital charge for Amtrak’s other fixed assets such as stations and other facilities. Because of the unique nature of the fixed assets on each route, Amtrak and the states will develop an investment plan to maintain fixed assets in a state of good repair on a case-by-case basis during contract negotiation. States and Amtrak, as necessary, will be responsible for their pro rata share of any capital investments required on these Amtrak owned assets based on usage of these assets by state-supported and other users such as Amtrak long distance and/or commuter.
 - ii. Amtrak will work with states to jointly identify and prioritize route-specific capital projects
- C. Other investments in assets not owned by Amtrak but required to maintain or enhance service.
 - i. Some routes make use of assets owned by third parties such as host railroads or state and local governments. States and Amtrak, as necessary, will be responsible for their pro rata share of any capital investments required on these non-Amtrak owned assets based on usage of these assets by state-supported and other users such as Amtrak long distance and/or commuter.

A complete description of capital cost categories is included in *Appendix E*.

Amtrak will develop a defined five-year investment program in cooperation with each state that describes the capital investments to be made over the period and the payments expected from the states throughout the period to support the five-year capital program. The program will be adjusted as needed in each annual contract update.

² Depending on specific state needs, the charge for capital investment on a state corridor can be characterized as a capital charge, or a capital use charge. For purposes of this document, the term “capital charge” encompasses both characterizations.

PRIIA Section 209 Cost Methodology Policy

The five-year program would include detailed, verifiable program work elements to be accomplished by Amtrak in support of state services annually. In the case of investments/overhauls for equipment used in multiple routes, a sharing relationship will be negotiated at the beginning of each fiscal year based on the route's actual use of equipment as recorded by the APT system and adjusted for any changes in service expected in the upcoming year.

Amtrak will use the best available data to provide the state with an estimate for its capital charge prior to signing an agreement for state supported service. At the end of the contract period, Amtrak will either reconcile that estimate to the actual capital investment by that equipment type and a state's use of equipment, or a state may pay a fixed amount without subsequent reconciliation.

For states that elect to reconcile payments to the actual capital investment in the year:

- a) In cases where Amtrak spent less on capital programs than planned, Amtrak will apply a credit balance to current future years' capital charges, at the state's direction.
- b) In cases where Amtrak spent more on capital programs than planned, Amtrak will invoice the state the additional amount or will make an adjustment on the subsequent year's charge based on look forward investment strategies.

Amtrak will include the capital charge as a component of each state's Annual Operating Support Agreement. This capital charge will equal each state's pro rata share of the overhaul work described above. States may pay this amount from operating or capital funds, depending on a state's individual financial policies and/or grant sources.

The timing of the billing for capital charges will depend on the timing of the planned capital expenditures. The monthly cash flow for the equipment charge would be determined as part of the development of the Annual Operating Support Agreement.

3.2. Attribution of Previous State Capital Investments on the Amtrak Network

Some states have made capital contributions to Amtrak assets in association with their services. For Amtrak-owned equipment, states will be credited for the net present value of past capital investments in Amtrak equipment at the time of Section 209 implementation. This will compensate States for investments they have made in pooled assets used by multiple routes. These past equipment investments by States will allow all routes using that equipment type to schedule future capital replacements at a later date than would have been the case without the prior state investment. Amtrak will work with states to calculate the value of past capital investments in a mutually agreeable way.

For fixed assets, whether owned by Amtrak or other third parties, the capital charge is based on planned investments, not past depreciation, and represents the funding needed to make the agreed-upon investments to sustain existing service levels. As a result, any credit that reduces the capital charge would reduce the funds available for investment, create a funding gap, and prevent the needed investment. Therefore, credit towards future fixed asset capital charges cannot be given within the framework of the Section 209 policy for prior investments made by a state in Amtrak or third party assets. Notwithstanding the inability to fund a fixed asset credit, past State investments in Amtrak or other fixed assets should result in a longer service life for the asset, and a resulting reduction and/or deferral in the amount of future capital investments, as well as maintaining and/or improving a route's operating performance.

4. Forecasts of Funding Requirements for State Supported Contracts

Amtrak develops five-year revenue and cost forecasts as part of its annual business planning process. For each state-supported route, Amtrak will estimate projected costs for the contract period and share them with states. For existing services that are not changing in the forecast period, Amtrak will rely on historical APT data together with out-year cost forecasts provided by Amtrak to predict the results. In cases where service levels (frequencies, schedule changes, etc.) are changing, Amtrak will forecast revenue and expense changes using ridership, revenue, and cost estimation models which are directly related to the expected changes in service levels.

5. State Corridor-Amtrak Contract Template

Amtrak and the SWG developed a contract template for states and Amtrak to use as they work together to develop their contract for services. The contract template addresses the key issues that states and Amtrak must discuss and address in some fashion to develop their agreements for the contract period. The contract template can be customized to reflect state differences. *Appendix F* outlines the proposed contract template.

6. Transition from Prior Costing Methodologies

Section 209 of PRIIA requires that the new methodology be fully implemented by October 16, 2013 – that date closely aligns with the beginning of Federal Fiscal Year (FFY) 2014 on October 1, 2013. States may transition to the Section 209 methodology at a mutually agreed upon time prior to October 1, 2013 provided this transition does not result in a reduction in net forecasted state payments to Amtrak compared to that State’s prior methodology. Otherwise, all states will transition to the Section 209 methodology effective October 1, 2013.

FRA staff met with the Amtrak and the SWG several times during the course of Section 209 methodology development. The FRA recognizes that the implementation of the new methodology will require increased financial support from states. FRA staff have committed to continuing their work with Amtrak and the states to develop a possible transition assistance plan to ease the impact of Section 209 on the affected states. The states, Amtrak and FRA recognize that any transition plan will need to ultimately be addressed by Congress.

Appendix A. Routes Affected by PRIIA Section 209

	Route Miles ³	State-Supported FY10 ⁴	System Trains	State-Supported per PRIIA Sec 209
Single-State⁵				
Emp re Serv ce	461		Yes	Yes
L nco n Serv ce (Ch St. Lou s)	284	Yes	Part a	Yes
I n /Sa uk	310	Yes		Yes
I no s Zephyr/Car Sandburg	258	Yes		Yes
Pac f c Surf ner	350	Yes	Part a	Yes
Cap to s	168	Yes		Yes
San Joaqu ns	315	Yes		Yes
R ver Runner (KC St. Lou s)	283	Yes		Yes
P edmont	173	Yes		Yes
Multi-State (Non-NEC)				
Ethan A en Express	241	Yes		Yes
Map e Leaf	545		Yes	Yes
Downeaster	116	Yes		Yes
H awatha	86	Yes		Yes
Wo ver nes	304		Yes	Yes
Heart and F yer	206	Yes		Yes
Cascades	467	Yes	Part a	Yes
Ad rondack	381	Yes		Yes
B ue Water	319	Yes		Yes
Hoos er State	196		Yes	Yes
Pere Marquette	176	Yes		Yes
NEC Base-increment (Single and Multi-State)⁶				
Vermonter	611	Yes		Yes
New Haven Spr ngf e d	63		Yes	Yes
Keystone Serv ce	195	Yes	Part a	Yes
Boston/New Haven Lynchburg	173	Yes		Yes
Wash ngton R chmond	187	Yes	Part a	Yes
Pennsy van an	353		Yes	Yes
Caro n an	479	Yes		Yes

³ For routes with multiple frequencies having different origins and destinations, represents the longest rail trip possible on multiple trains.

⁴ FY10 State support does not include capital payment, or in some cases, all trains on a route.

⁵ Routes with 95% or more route miles in one state are considered single state.

⁶ Excludes route miles on NEC.

Appendix B. Relevant Legislation

SEC. 209. STATE-SUPPORTED ROUTES.

(a) IN GENERAL.—Within 2 years after the date of enactment of this Act, the Amtrak Board of Directors, in consultation with the Secretary, the governors of each relevant State, and the Mayor of the District of Columbia, or entities representing those officials, shall develop and implement a single, nationwide standardized methodology for establishing and allocating the operating and capital costs among the States and Amtrak associated with trains operated on each of the routes described in section 24102(5)(B) and (D) and section 24702 that—

(1) ensures, within 5 years after the date of enactment of this Act, equal treatment in the provision of like services of all States and groups of States (including the District of Columbia); and

(2) allocates to each route the costs incurred only for the benefit of that route and a proportionate share, based upon factors that reasonably reflect relative use, of costs incurred for the common benefit of more than 1 route.

(b) REVISIONS.—The Amtrak Board of Directors, in consultation with the Secretary, the governors of each relevant State, and the Mayor of the District of Columbia, or entities representing those officials, may revise or amend the methodology established under subsection (a) as necessary, consistent with the intent of this section, including revisions or modifications based on Amtrak’s financial accounting system developed pursuant to section 203 of this division.

(c) REVIEW.—If Amtrak and the States (including the District of Columbia) in which Amtrak operates such routes do not voluntarily adopt and implement the methodology developed under subsection (a) in allocating costs and determining compensation for the provision of service in accordance with the date established therein, the Surface Transportation Board shall determine the appropriate methodology required under subsection (a) for such services in accordance with the procedures and procedural schedule applicable to a proceeding under section 24904(c) of title 49, United States Code, and require the full implementation of this methodology with regards to the provision of such service within 1 year after the Board’s determination of the appropriate methodology.

(d) USE OF CHAPTER 244 FUNDS.—Funds provided to a State under chapter 244 of title 49, United States Code, may be used, as provided in that chapter, to pay capital costs determined in accordance with this section.

49 USC § 24102. Definitions

(5) “national rail passenger transportation system” means -

(A) the segment of the continuous Northeast Corridor railroad line between Boston, Massachusetts, and Washington, District of Columbia;

(B) rail corridors that have been designated by the Secretary of Transportation as high-speed rail corridors (other than corridors described in subparagraph (A)), but only after regularly scheduled intercity service over a corridor has been established;

(C) long-distance routes of more than 750 miles between endpoints operated by Amtrak as of the date of enactment of the PRIIA [October 16, 2008]; and

PRIIA Section 209 Cost Methodology Policy

(D) short-distance corridors, or routes of not more than 750 miles between endpoints, operated by--(i) Amtrak; or (ii) another rail carrier that receives funds under chapter 244.

49 USC §24702. Transportation requested by States, authorities, and other persons provides:

(a) **CONTRACTS FOR TRANSPORTATION.** Amtrak may enter into a contract with a State, a regional or local authority, or another person for Amtrak to operate an intercity rail service or route not included in the national rail passenger transportation system upon such terms as the parties thereto may agree.

49 USC § 24904. General authority

(c) **Compensation for Transportation Over Certain Rights of Way and Facilities.** – (1) An agreement under subsection (a)(6) of this section shall provide for reasonable reimbursement of costs but may not cross-subsidize intercity rail passenger, commuter rail passenger, and rail freight transportation.

(2) If the parties do not agree, the Interstate Commerce Commission shall order that the transportation continue over facilities acquired under the Regional Rail Reorganization Act of

1973 (45 U.S.C. 701 et seq.) and the Railroad Revitalization and Regulatory Reform Act of 1976 (45 U.S.C. 801 et seq.) and shall determine compensation (without allowing cross-subsidization between commuter rail passenger and intercity rail passenger and rail freight transportation) for the transportation not later than 120 days after the dispute is submitted. The Commission shall assign to a rail carrier obtaining transportation under this subsection the costs Amtrak incurs only for the benefit of the carrier, plus a proportionate share of all other costs of providing transportation under this paragraph incurred for the common benefit of Amtrak and the carrier. The proportionate share shall be based on relative measures of volume of car operations, tonnage, or other factors that reasonably reflect the relative use of rail property covered by this subsection.

Appendix C. Definition of NEC Capital Charges, Where Applicable

1. Normalized Replacement Capital Charge— Replacement of assets on a regular schedule designed to mitigate cyclical imbalances in renewal needs. Normalized replacement is the estimated annual capital investment requirements to maintain infrastructure in a state of good repair once it is in that condition.
2. State of Good Repair (SOGR) Backlog Capital Charge— An asset or group of assets that have received inadequate maintenance over a long period of time, or have not been replaced within standard life cycle. It may still be functioning as designed but face imminent heavy repair or replacement to overcome a “backlog” of regular maintenance which was not performed on schedule. For the Section 209 policy, SOGR Capital Charge will be calculated as incremental to the Normalized Replacement Capital Charge.

Appendix D. Amtrak-Owned Right of Way Eligible for Synthetic Host Railroad Charge

Amtrak-Owned Track Segment	Miles (Timetable)	Routes Affected
New Haven, CT – Springfield, MA	62	Springfield Shuttle
Philadelphia, PA – Harrisburg, PA	104	Keystones, Pennsylvanian
Porter, IN – Kalamazoo, MI	100	Blue Water, Wolverine
New York Penn Station – Spuyten Duyvil, NY	10.7	Empire Service
Rensselaer, NY – Schodack, NY (Post Road Branch)	12	Berkshire Flyer

Appendix E. Definition of Cost Categories Used to Determine State Operating and Capital Cost Pricing

As adopted by States, Amtrak, and the FRA June 13, 2018

This Appendix provides additional detail for the operating cost categories set forth in the table “S209 Operating Cost Pricing Methodology” on page seven of this policy, and the capital cost categories set forth in the section “Methodology for Determining Capital Costs” beginning on page eight of this policy. It contains summary definitions for each category, which may include Amtrak activities, purchased goods and services, and categories of revenue credited to the States. It also includes formulas used to calculate Section 209 costs, which in some cases are based on the cost families or other classifications within the Amtrak Performance Tracking (APT) system. When the formula is based on the APT system, the formula refers to the results of the APT allocation rules as applied to either forecast or actual costs for specific State-supported routes.

The APT system is documented in the “Methodology for Determining the Avoidable and Fully-Allocated Costs of Amtrak Routes - Volumes I, II, III,” published in August 2009, updated in the “Update on the Methodology for Amtrak Cost Accounting: Amtrak Performance Tracking (APT),” published on April 22, 2016, and updated from time to time, which is the basis of this appendix. From time to time, components of the APT system may be updated prior to the issuance of new APT documentation, including classification of cost centers and allocation rules. These updates shall be consistent with the Scope of costs as set forth in the APT documentation for each APT cost family. In certain cases, these updates are summarized in this appendix.

1. Operating

Cost Category	Definition	Formula to Determine Service Fee and Net State Cost	Verification Report
1.1. Third Party Costs			
a. Host Railroad Maintenance of Way	Payments to host railroads for incremental costs, primarily maintenance of way associated with passenger operations	FM_307(Host RR) less incentives, less Host RR fuel, less Host RR MoE, less Amtrak Host Railroad Contract Group staff	Varies by route
b. Host Railroad Performance Incentives	Incentive payments to host railroads for meeting on-time and other performance targets	FM_307(Host RR) Schedule Adherence and related accounts	Varies by route
c. Fuel and Power	Diesel fuel and electric power used in train operations	FM_304(Fuel) + FM_307(Host RR) fuel account + FM_305(Trans-Multiple) fuel account + FM_308(Trans-Support) fuel account + FM_309(Electric Traction)	Varies by route
1.2. Route Costs			
a. Train & Engine (T&E) Crew Labor	Salaries, wages, benefits, and FELA for employees providing services for train operations. Includes engineers, conductors, assistant conductors, and related extra boards. Also includes route training and qualifying, cost of supplies required to support crew base, crew meals, lodging, and transportation, and equipment like conductor mobile devices and radios used by train crew	FM_302_1 (T&E Crew)	“Train & Engine (T&E) Crew Labor Route Costs” schedule

PRIIA Section 209 Cost Methodology Policy

Cost Category	Definition	Formula to Determine Service Fee and Net State Cost	Verification Report
b. Car & Locomotive Maintenance and Turnaround	Turnaround service consists of cleaning, inspection, and minor repairs before or after revenue service. Also contains scheduled running maintenance and bad order repairs. Excludes capitalized maintenance and overhaul	FM_201 (MoE Turnaround) + FM_202 (MoE Loco Maint) + FM_203 (MoE Car Maint) + FM_205 (Moe Multiple, direct internal orders only) + FM_307 (Host RR, MoE account only)	"Car & Locomotive Maintenance Route Costs" and "Turnaround Servicing Route Costs" schedules
c. On-Board Passenger Technology	Operating and maintenance expenses associated with passenger-facing technology installed on equipment used by the route, including wi-fi, on-board information systems (OBIS), and other systems mandated and/or installed in consultation with States	CC_1109(On Board Passenger Technology)	"On-Board Passenger Technology Route Costs" schedule
d. OBS Crew & Provisions	Salaries, wages, benefits and FELA for employees providing On Board Services in Café, Lounge, Dining Cars, and in coaches and premium class cars as applicable, including related extra boards. Includes training, cost of supplies required to support crew base, crew meals, lodging, and transportation. Also includes cost of provisions loaded on the train, including food, beverages, sundries, and other consumables used in passenger service	FM_301_1(OBS Crew) + FM_301_2(OBS Supplies)	"OBS Crew Route Costs" and "OBS Provisions Route Costs" schedules
e. Route Advertising	Specific and agreed-upon sales & marketing expenses in support of a specific route	Specific expenses for programs agreed upon between States and Amtrak.	Varies by route
f. Reservations & Call Centers	Expenses associated with the operation and staffing of reservation sales call centers which provide information and reservations services for the general public and travel agencies, This category includes inbound call handling services, social media, and outbound services. It also includes the contact center IT support and oversight	FM_402 (Information & Reservations) less information technology related costs in cost centers CC_1112, CC_1132, CC_1306, CC_1362	"Reservations & Call Centers Route Costs" schedule
g. Stations – Route	Costs associated with operating and maintaining stations serving a single route. Depending on location, may include ticketing, baggage and express, stationmaster and ushers, station cleaning and maintenance, training and supervision	FM_310_1(Stations-Route)	"Stations Route Costs" schedule net of "Stations Excluded" schedule in cases of Base-Increment NEC Corridor Trains
h. Stations – Shared	Costs associated with operating and maintaining stations serving multiple routes. Depending on location, may include ticketing, baggage and express, stationmaster and ushers, Red Caps and porters, station cleaning and maintenance, training and supervision	FM_310_2 (Stations-Shared(Commuters Present)) and FM_310_3 (Stations-Shared (No Commuters Present)). APT update: at stations with a ticket counter, ticketing costs are allocated based on routes' usage of the ticket counter.	"Stations Route Costs" schedule net of "Stations Excluded" schedule in cases of Base-Increment NEC Corridor Trains

PRIIA Section 209 Cost Methodology Policy

Cost Category	Definition	Formula to Determine Service Fee and Net State Cost	Verification Report			
i. Station Technology	Operating and maintenance costs for passenger-facing systems installed at stations used by the route, including public information display systems (PIDS), station-based wi-fi, and other technologies	CC_1110 (Station Technology)	"Station Technology Route Costs" schedule			
j. Commissions and Reservation System Access	Commission expense from credit cards, travel agencies, airline system access fees, and sales by other carriers as applicable	Commission accounts in multiple families for credit card sales, travel agents, interline commission expenses, and airline and other reservation system access fees	"Commissions Route Costs" schedule			
k. Customer Concession (Psgr Inconv)	Payments, credits excluding transportation credits, or vouchers to passengers for food & lodging as a result of delays. Generally includes unscheduled/ emergency motor coaches	Passenger inconvenience account in FM_400 (Marketing) and FM_G_A (General & Administrative)	"Customer Concession Route Costs" schedule			
l. Connecting Motor Coach	Scheduled connecting motor coach services	FM_306(Train Movement) Connecting Motor Coach account	Varies by route			
m. Regional/Local Police	Local and regional police patrolling duties in support of Amtrak trains, facilities, and rights of way	FM_901_2(Police - Regional/Local), excluding nationally allocated costs	"Regional/Local Police Route Costs" schedule			
n. Block & Tower Operations	Crews who operate staffed towers along specific rights of way	Specific cost centers in FM_306 (Train Movement)	tbd			
o. Terminal Yard Operations	Crews who move train equipment at larger terminals before and after revenue service, engine changes, and car movements as applicable	Allocations in FM_303_2 (Yard - Train & Equipment Moves) + FM_303_4 (Yard - Terminal Rent/Yard Services) based on train equipment makeup and breakup for revenue service at terminals	"Terminal Yard Operations Route Costs" schedule			
p. Terminal MoW	MoW expense at large Amtrak terminals, as applicable	Allocations in specific cost centers in FM_MOW (Maintenance of Way) based on train equipment makeup and breakup for revenue service at terminals	"Terminal MoW Route Costs" schedule			
q. Insurance	Self and purchased insurance for passenger train operations	Allocated insurance expense in FM_G_A (General & Administrative)	"Insurance Route Costs" schedule			
1.3. Support Fees (Additives)						
a. T&E	Division (Region)-specific and system overhead rates for T&E supervision and management not otherwise included in Route Costs. Includes superintendents, crew bases, crew dispatching and management, local and national operating rule compliance, and other support. Excludes national train dispatching	Division	Division Rate	System Rate	Total	na
		Central	17.50%	12.90%	30.40%	
		Mid-Atlantic	18.40%	12.90%	31.30%	
		Mid-Atlantic/Southern	20.20%	12.90%	33.10%	
		New England	16.50%	12.90%	29.40%	
		New York	24.30%	12.90%	37.20%	
		Rt37 Capitol Corridor	21.40%	12.90%	34.30%	
		Pacific exc. Capitol Corridor	19.50%	12.90%	32.40%	
		Southern	20.60%	12.90%	33.50%	
		South-west	16.30%	12.90%	29.20%	
Total rate to be applied to T&E Crew Labor						

PRIIA Section 209 Cost Methodology Policy

Cost Category	Definition	Formula to Determine Service Fee and Net State Cost		Verification Report
b. MoE	Maintenance of shops and equipment to support direct Mechanical activities. Includes mechanical superintendents, facility administration, and material control. Excludes Backshops and Fleet Engineering	22.90% of Route Cost Car & Locomotive Maintenance and Turnaround for routes using equipment in schedule service with an Amtrak-managed Technical Support, Spares and Supplies Agreement (TSSSA); 27.10% of Route Cost Car & Locomotive Maintenance and Turnaround for other routes		na
c. OBS	OBS crew and commissary management and supervision	10.00% of OBS Crew & Provisions		na
d. Police	National police operations and support, security, environmental, health, and safety	\$0.0050 per passenger mile		na
e. Marketing	National marketing programs, including advertising and sales; field marketing and sales; loyalty marketing; pricing and revenue management; market research; and other. The specific mix of marketing programs may be updated from time to time in consultation with the States	Region	Rate	tbd
		Base-increment routes on NEC	2.3%	
		Routes with one terminal in Chicago	2.3%	
		All other routes	1.4%	
		Rate to be applied to Ticket revenue, net		
f. Shared Support Services	Charge for support including information technology not classified elsewhere, finance, legal, and other general and administrative activities	3.25% of Route Costs		na
1.4. Revenue				
a. Ticket revenue, net	Ticket revenue from passengers, net of credits for passenger inconvenience and other. Where applicable, includes through revenue adjustments described elsewhere in policy	As reported by APT, with adjustments for through revenue described elsewhere in policy		“Route Revenue” schedule
b. Food & Beverage Revenue	On-board food & beverage sales. Where applicable, pro-rated with supply expense across multiple legs	As reported by APT, pro-rated with supply expense across multiple legs		“Route Revenue” schedule
c. Other Revenue	Miscellaneous revenue as allocated by APT	As reported by APT		tbd

2. Capital

Cost Category	Definition	Formula to Determine Capital Costs	Verification Report
2.1. Equipment			
a. Passenger service equipment	Capital overhauls for Amtrak-owned equipment in service on state-supported routes, including locomotives, cab cars, coaches, and food service cars. States will be charged for the periodic capital overhauls of equipment in a period based on their proportionate use of that equipment in that period	Capital overhaul expense: by equipment type, from Amtrak's capital accounting systems. Equipment usage statistics: from the Amtrak Performance Tracking system. Amtrak will provide States with an estimate of planned overhaul work at the beginning of a contract period and will reconcile the planned usage to actual work performed and actual equipment used in a State's service	Quarterly and annual equipment capital reconciliation reports
b. Other mechanical expense	Wreck repair, facility improvements, equipment engineering and design, general safety & reliability, mechanical IT projects	Not charged to States	na
2.2. Other Amtrak Fixed Assets			
a. Amtrak-owned fixed Assets used in State Services	Includes assets such as Amtrak-owned rights of way, large terminals, stations, and other	To be handled on a case-by-case basis between Amtrak and State partners	tbd
2.3. Other non-Amtrak Fixed Assets			
a. Non-Amtrak-owned fixed assets used in State services	Includes assets used in State services owned by third parties such as host railroads or state and local governments, such as rights of way, stations, and other	To be handled on a case-by-case basis between Amtrak and State partners	tbd

Appendix F. State-Amtrak Contract Template

Contract Outline

Effective Date: Contracts aligned to match each Agency's fiscal year

Parties: State Intercity Passenger Rail (IPR) Agency and Amtrak

Recitals/Boilerplate:

Section 1: Services to be Provided (multiple state funded services can be co-mingled under one agreement):

- a. Description of Amtrak Services and Service Standards {unique to each State}
- b. Train Schedule and Route Description {Train Service Schedules (including Connecting Bus Service, if applicable) detailed in appendix}
- c. Service Standards (see appendices) [Optional and specific to each State IPR Agency]
- d. Monitor the fiscal performance of the service/quarterly meetings (budget vs. actual)

Section 2: Decisions Affecting Service:

- a. Include Agency in discussions with railroads or appropriate regional rail authorities regarding schedule changes which impact service.
- b. Apprise Agency of any bargaining provisions that may impact service

Section 3: Amount of Reimbursement by the State IPR Agency:

- a. Agency's total financial obligation to Amtrak for the stated contract term shall be defined in terms of the following elements as part of the Section 209 Policy:
 - i. Service Fee—including Route Costs and Additives (including General & Administrative costs)
 - ii. Third Party Costs—including fuel, host railroad access fees and incentive performance payments.
 - iii. Other Special Cost Items as agreed upon between Amtrak and the Agency
 - iv. Passenger Related Revenue—including ticket revenues, food and beverage revenues and other allocated revenues. These revenues are offsets from the above cost categories
 - v. Agency payment is the sum of the Service Fee, Third Party Costs, Other Special Costs Items with a credit for Passenger Related Revenue
- b. Forecasting financial elements always entails some risk as costs and/or revenues may vary from the forecasts. Amtrak and the Agency will determine the procedure for handling variances from forecasts during contract negotiations and, in particular, which party takes the risk for variances for each cost category. Options for managing and assigning variance risk are noted below:
 - i. Service Fee. Amtrak will make forecasts for the Service Fee. The assignment of variance risk will be subject to negotiation among the parties.
 - ii. Third Party Costs. By definition, these costs are passed through Amtrak directly to the Agency. While Amtrak will make forecasts for these costs, the Agency will reimburse Amtrak for the actual amount of these costs whether they are lower than or higher than the Amtrak estimates

PRIIA Section 209 Cost Methodology Policy

- iii. Other Special Cost Items. These cost items will be negotiated between Amtrak and the Agency with the management of the variance between forecast and actual expenses governed in accordance with the particular arrangement between the parties
- iv. Passenger Related Revenue. Amtrak will make forecasts for these items and the assignment of variance risk will be subject to negotiation among the parties.

Section 4: Manner of Reimbursement:

- a. Agency will pay Amtrak in accordance with the monthly payment schedule provided service operates at a deficit (see appendices)
- b. Invoices shall be rendered not less than forty-five (45) days prior to the due date.
- c. Force majeure
- d. Monthly Reconciliation Statements to State IPR Agency
- e. Remedies in the event that Amtrak fails to perform the services as required by this Agreement or Amtrak fails to provide revenue credits or carryover excess contract revenues
- f. Remedies in the event the State IPR fails to provide payment to Amtrak

Section 5: Defense of Claims {may vary due to scope of work}

Section 6: Inspection and Audit:

- a. Agency has the right to inspect the rail passenger and bus feeder services, facilities and equipment provided for service subject to adequate notice
- b. Amtrak shall provide the number of passengers carried and passenger miles operated for each train as well as other service-related reports as agreed-to by Amtrak and the Agency. Such data shall be computed and furnished on a monthly basis as described in the appendices (varies by State).

Section 7: Dispute Resolution {May vary}

Section 8: Force Majeure

- a. The obligations of Amtrak hereunder shall be subject to force majeure.

Section 9: Termination

Section 10: Notices

Section 11: Agreement Content

Section 12: Construction {May vary by State}

Section 13: Severability

Section 14: Compliance with Collective Bargaining Agreements

- a. The State acknowledges the existence of collective bargaining agreements between Amtrak and certain labor organizations representing certain of Amtrak's employees, and agrees that Amtrak will provide the Service in a manner consistent with its obligations and rights under such agreements, as they may exist from time to time.

PRIIA Section 209 Cost Methodology Policy

Section 15: State-Required Provisions (unique to each State):

- a. Appropriation of Funds
- b. Non-Discrimination
- c. Fair Employment Practices
- d. Contractor Integrity

Signature Blocks

Appendices: (contents and number of appendices will vary by State):

- a. National Section 209 Policy
- b. Train Service Schedules (and Connecting Bus Service, if applicable)
- c. Budget
- d. Payment Schedule
- e. Examples of Services and Performance Standards {OPTIONAL}
 - i. Provision of Equipment—Availability and Condition
 - ii. Equipment Maintenance Standards
 - iii. Reliability of Service—On Time Performance
 - iv. Maintenance of Stations
 - v. Crew Performance, Supervision and Standards
 - vi. Food Service
 - vii. Reservations/Call Center
 - viii. Marketing Support
 - ix. Other Services

EXHIBIT B
Commonwealth Standard Provisions

Exhibit B
Commonwealth Standard Terms and Conditions
(Revised - 10/1/2023)

1. DEFINITIONS.

Capitalized terms used in these Commonwealth standard terms and conditions that are not otherwise defined in these provisions have the meanings specified in the contract to which it is attached.

2. ENHANCED MINIMUM WAGE. [Intentionally Omitted]

3. INDEMNIFICATION. [Intentionally Omitted]

4. NONDISCRIMINATION/SEXUAL HARASSMENT

- a. **Representations.** The Contractor represents that it is presently in compliance with and will remain in compliance with all applicable federal, state, and local laws, regulations, and policies relating to nondiscrimination and sexual harassment for the term of the contract. The Contractor shall, upon request and within the time periods requested by the Commonwealth, furnish all necessary policies or other company documents evidencing Amtrak's compliance with this provision. In addition, the Contractor shall, upon request and within the time periods requested by the Commonwealth, provide the Commonwealth with summaries of any discrimination or sexual harassment actions taken against Contractor within the Commonwealth during the term of this Agreement for the purpose of ascertaining compliance with provisions of this Nondiscrimination/Sexual Harassment Clause.
- b. **Nondiscrimination/Sexual Harassment Obligations.** The Contractor shall not:
 - i. in any manner knowingly discriminate in the hiring of any employee(s) for the manufacture of supplies, performance of work, or any other activity required under this contract or any subcontract, by reason of race, gender, creed, color, sexual orientation, gender identity or expression, or in violation of the Pennsylvania Human Relations Act ("PHRA") and applicable federal laws, against any citizen of this Commonwealth who is qualified and available to perform the work to which the employment relates.
 - ii. in any manner knowingly discriminate by reason of race, gender, creed, color, sexual orientation, gender identity or expression, or in violation of the PHRA and applicable federal laws, against or intimidate any employee involved in the manufacture of supplies, the performance of work, or any other activity required under this contract.
 - iii. in any manner knowingly discriminate by reason of race, gender, creed, color, sexual orientation, gender identity or expression, or in violation of the PHRA and applicable federal laws, in the provision of services under this contract.

- iv. in any manner knowingly discriminate by reason of race, gender, creed, color, sexual orientation, gender identity or expression, or in violation of PHRA and applicable federal laws, against any subcontractor or supplier who is qualified to perform the work to which this contract relates.
 - v. in any manner knowingly discriminate against employees by reason of participation in or decision to refrain from participating in labor activities protected under the Public Employee Relations Act, Pennsylvania Labor Relations Act or National Labor Relations Act, as applicable and to the extent determined by entities charged with such Acts' enforcement and shall comply with any provision of law establishing organizations as employees' exclusive representatives.
- c. **Establishment of Contractor Policy.** The Contractor shall establish and maintain a written nondiscrimination and sexual harassment policy that complies with the applicable law and these Nondiscrimination/Sexual Harassment provisions and shall inform its employees in writing of the policy. The policy must contain a provision that states that sexual harassment will not be tolerated and employees who practice it will be disciplined. For the entire period of the contract, the Contractor shall: (1) post its written nondiscrimination and sexual harassment policy or these Nondiscrimination/Sexual Harassment provisions conspicuously in easily accessible and well-lighted places customarily frequented by employees at or near where the contracted services are performed; or (2) provide electronic notice of the policy or this clause to its employees not less than annually.
- d. **Notification of Violations.** The Contractor's obligations pursuant to these provisions are ongoing from the effective date and through the termination date of the contract. Accordingly, the Contractor shall notify the Commonwealth if, at any time during the term of this contract, it becomes aware of any legal actions that would result in material violation of these provisions.
- e. **Cancellation or Termination of Contract.** The Commonwealth may cancel or terminate this contract and all money due or to become due under this contract may be forfeited for a violation of the terms and conditions of these Nondiscrimination/Sexual Harassment provisions. In addition, the agency may proceed with debarment or suspension and may place the Contractor in the Contractor Responsibility File.
- f. **Subcontracts.** The Contractor shall include these Nondiscrimination/Sexual Harassment provisions in its contracts with all subcontractors providing goods or services under this contract. The incorporation of these provisions in the Contractor's subcontracts does not create privity of contract between the Commonwealth and any subcontractor, and no third-party beneficiaries are created by those provisions. If the Contractor becomes aware of a subcontractor's violation of this clause, the Contractor shall use its best efforts to ensure the subcontractor's compliance with these provisions.

5. CONTRACTOR INTEGRITY.

- a. **Definitions.** For purposes of these Contractor Integrity Provisions, the following definitions apply:

- i. "Affiliate" means two or more entities where (a) a parent entity owns more than 50% of the voting stock of each of the entities; (b) a common shareholder or group of shareholders owns more than 50% of the voting stock of each of the entities; or (c) the entities have a common proprietor or general partner.
- ii. "Contractor" means the individual or entity, that has entered into this contract with the Commonwealth.
- iii. "Contractor Related Parties" means any Affiliates of the Contractor and the Contractor's executive officers, Pennsylvania officers and directors, or owners of five percent or more interest in the Contractor.
- iv. "Financial Interest" means ownership of more than a five percent interest in any business or holding a position as an officer, director, trustee, partner, employee, or holding any position of management.
- v. "Gratuity" means tendering, giving, or providing anything of more than nominal monetary value including, but not limited to, cash, travel, entertainment, gifts, meals, lodging, loans, subscriptions, advances, deposits of money, services, employment, or contracts of any kind. The exceptions set forth in the [Governor's Code of Conduct, Executive Order 1980-18](#), as may be amended, 4 Pa. Code §7.153(b), apply.
- vi. "Non-bid Basis" means a contract awarded or executed by the Commonwealth with Contractor without seeking bids or proposals from any other potential bidder or offeror.

b. Representations and Warranties.

- i. **Contractor Representation and Warranties.** The Contractor represents, to the best of its knowledge and belief, and warrants that within the last five years neither the Contractor nor Contractor Related Parties have:
 1. been indicted or convicted of a crime involving moral turpitude or business honesty or integrity in any jurisdiction;
 2. been suspended, debarred, or otherwise disqualified from entering into any contract with any governmental agency;
 3. had any business license or professional license suspended or revoked;
 4. had any sanction or finding of fact imposed as a result of a judicial or administrative proceeding related to fraud, extortion, bribery, bid rigging, embezzlement, misrepresentation or anti-trust; and
 5. been, and are not currently, the subject of a criminal investigation by any federal, state or local prosecuting or investigative agency or civil anti-trust investigation by any federal, state, or local prosecuting or investigative agency.
- ii. **Contractor Explanation.** If the Contractor cannot make the representations and warranties set forth above at the time of its submission of its bid or proposal or if this contract is awarded on a non-bid basis at the time of the execution of the

contract, the Contractor shall submit a written explanation outlining the reasons why it cannot make those representations and warranties. The Commonwealth may, based on its evaluation of the explanation provided, determine whether it is in the Commonwealth's best interest to execute the contract.

- iii. **Further Representations.** By submitting any bills, invoices, or requests for payment pursuant to this contract, the Contractor further represents that it has not violated any of these Contractor Integrity Provisions during the term of the contract.
- iv. **Notice.** The Contractor shall immediately notify the Commonwealth, in writing, if at any time during the term of the contract it becomes aware of any event that would cause the Contractor's certification or explanation to change. The Contractor acknowledges that the Commonwealth may, in its sole discretion, terminate the contract for cause if it learns that any of the certifications made in these provisions are currently false or misleading due to intervening factual circumstances or were false or misleading or should have been known to be false or misleading when entering into the contract.

c. **Contractor Responsibilities.** During the term of this contract, the Contractor shall:

- i. maintain the highest standards of honesty and integrity.
- ii. take no action in violation of any applicable laws, regulations, or other requirements applicable to the Contractor that govern Commonwealth contracting and procurement.
- iii. establish and implement a written business integrity policy that includes, at a minimum, the requirements of these provisions as they relate to the Contractor's activity with the Commonwealth and Commonwealth employees and ensure that its employees comply with the policy.
- iv. not accept, agree to give, offer, confer, agree to confer, or promise to confer, directly or indirectly, any gratuity or pecuniary benefit to any person, or to influence or attempt to influence any person in violation of any federal or state law, regulation, executive order, statement of policy, management directive, or bulletin applicable to the provision of goods or services under this contract.
- v. not have a financial interest in any other contractor, subcontractor, or supplier providing services, labor, or material under this contract, unless the financial interest is disclosed to the Commonwealth in writing and the Commonwealth consents to Contractor's financial interest. The Contractor must disclose the financial interest to the Commonwealth at the time of bid or proposal submission, or if no bids or proposals are solicited, no later than the date the Contractor signs the contract. The Commonwealth shall be deemed to have consented if the required disclosure is received and all of the required Commonwealth signatures are affixed.
- vi. comply with the requirements of the Lobbying Disclosure Act (65 Pa.C.S. §13A01 et seq.) regardless of the method of award.

- vii. comply with the requirements of Section 1641 of the Pennsylvania Election Code (25 P.S. §3260a) if this contract was awarded on a Non-bid Basis.
 - viii. immediately notify the Commonwealth contracting officer or the Office of the State Inspector General, in writing, when the Contractor has reason to believe that any breach of ethical standards as set forth in law, the Governor's Code of Conduct, or these Contractor Integrity Provisions has occurred or may occur, including, but not limited to, contact by a Commonwealth officer or employee, which, if acted upon, would violate the ethical standards.
- d. **Investigations.** If a State Inspector General investigation is initiated, the Contractor shall:
- i. reimburse the Commonwealth for the reasonable costs of investigation incurred by the Office of the State Inspector General for investigations of the Contractor's compliance with the terms of this or any other agreement between the Contractor and the Commonwealth that results in the suspension or debarment of the Contractor. The Contractor shall not be responsible for investigative costs for investigations that do not result in the Contractor's suspension or debarment.
 - ii. cooperate with the Office of the State Inspector General in its investigation of any alleged Commonwealth agency or employee breach of ethical standards and any alleged Contractor non-compliance with these Contractor Integrity Provisions and make identified Contractor employees available for interviews at reasonable times and places.
 - iii. upon the inquiry or request of an Inspector General, provide, or if appropriate, make promptly available for inspection or copying, any information of any type or form deemed relevant by the Office of the State Inspector General to Contractor's integrity and compliance with these provisions. This information may include, but is not be limited to, Contractor's business or financial records, documents or files of any type or form that refer to or concern this contract.
- e. **Termination.** For violation of any of these Contractor Integrity Provisions, the Commonwealth may terminate this and any other contract with the Contractor, claim liquidated damages in an amount equal to the value of anything received in breach of these Contractor Integrity provisions, claim damages for all additional costs and expenses incurred in obtaining another contractor to complete performance under this contract, and debar and suspend the Contractor from doing business with the Commonwealth. These rights and remedies are cumulative, and the use or non-use of any one does not preclude the use of all or any other. These rights and remedies are in addition to those the Commonwealth may have under law, statute, regulation, or contract.

6. CONTRACTOR RESPONSIBILITY.

- a. **Definition.** For the purpose of these provisions, the term "Contractor" means as any person, including, but not limited to, a bidder, offeror, loan recipient, grantee or lessor, who has furnished or performed or seeks to furnish or perform, goods, supplies, services, leased space, construction or other activity, under a contract, grant, lease, purchase order or reimbursement agreement with the Commonwealth. The term also includes a

permittee, licensee, or any agency, political subdivision, instrumentality, public authority, or other public entity in the Commonwealth.

b. Contractor Representations.

- i. The Contractor represents for itself and its subcontractors required to be disclosed or approved by the Commonwealth, that as of the date of its execution of this contract, that neither the Contractor, nor any such subcontractors, are under suspension or debarment by the Commonwealth or any governmental entity, instrumentality, or authority and, if the Contractor cannot make this representation, the Contractor shall submit, along with its contract, a written explanation of why such certification cannot be made.
- ii. The Contractor represents that as of the date of its execution of this contract it has no tax liabilities or other Commonwealth obligations, or has filed a timely administrative or judicial appeal if such liabilities or obligations exist, or is subject to a duly approved deferred payment plan if such liabilities exist.

c. **Notification.** The Contractor shall notify the Commonwealth if, at any time during the term of this contract, it becomes delinquent in the payment of taxes, or other Commonwealth obligations, or if it or, to the best of its knowledge, any of its subcontractors are suspended or debarred by the Commonwealth, the federal government, or any other state or governmental entity. The Contractor shall provide this notification within 15 days of the date of suspension or debarment.

d. **Default.** The Contractor's failure to notify the Commonwealth of its suspension or debarment by the Commonwealth, any other state, or the federal government constitutes an event of default of the contract with the Commonwealth.

e. **Reimbursement.** The Contractor shall reimburse the Commonwealth for the reasonable costs of investigation incurred by the Office of State Inspector General for investigations of the Contractor's compliance with the terms of this contract or any other agreement between the Contractor and the Commonwealth that results in the suspension or debarment of the Contractor. These costs include, but are not limited to, salaries of investigators, including overtime; travel and lodging expenses; and expert witness and documentary fees. The Contractor shall not be responsible for investigative costs for investigations that do not result in the Contractor's suspension or debarment.

f. **Suspension and Debarment List.** The Contractor may obtain a current list of suspended and debarred Commonwealth contractors by visiting the eMarketplace website at <http://www.emarketplace.state.pa.us> and clicking the Debarment list tab.

7. AMERICANS WITH DISABILITIES ACT. [Intentionally Omitted]

8. APPLICABLE LAW AND FORUM.

This agreement will be governed by and construed under the laws of the Commonwealth and U.S. federal law, as applicable, and will be adjudicated in the federal courts.

9. RIGHT TO KNOW LAW. [Intentionally Omitted]

10. OFFSET. [Intentionally Omitted]

11. AUTOMATED CLEARING HOUSE (ACH) PAYMENTS.

- a. **Payment Method.** The Commonwealth shall make contract payments through the Automated Clearing House (ACH). Within 10 days of award of the contract or purchase order, the Contractor must submit or must have submitted its ACH information within its user profile in the Commonwealth's procurement system (SRM).
- b. **Unique Identifier.** The Contractor must submit a unique invoice number with each invoice submitted. The Commonwealth shall list the Contractor's unique invoice number on its ACH remittance advice to enable the Contractor to properly apply the state agency's payment to the invoice submitted.
- c. **ACH Information in SRM.** The Contractor shall ensure that the ACH information contained in SRM is accurate and complete. The Contractor's failure to maintain accurate and complete information may result in delays in payments.

12. WORKER PROTECTION AND INVESTMENT.

The Contractor shall comply with all applicable Pennsylvania state labor laws and worker safety laws including, but not limited to, the following:

- a. Construction Workplace Misclassification Act;
- b. Employment of Minors Child Labor Act;
- c. Minimum Wage Act;
- d. Prevailing Wage Act;
- e. Equal Pay Law;
- f. Employer to Pay Employment Medical Examination Fee Act;
- g. Seasonal Farm Labor Act;
- h. Wage Payment and Collection Law;
- i. Industrial Homework Law;
- j. Construction Industry Employee Verification Act;
- k. Act 102: Prohibition on Excessive Overtime in Healthcare;
- l. Apprenticeship and Training Act; and
- m. Inspection of Employment Records Law.

EXHIBIT C
Commonwealth of Pennsylvania Worker Protection Form



WORKER PROTECTION AND INVESTMENT CERTIFICATION FORM

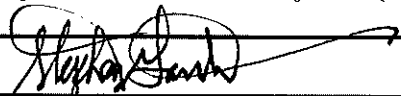
A. Pursuant to Executive Order 2021-06, *Worker Protection and Investment* (October 21, 2021), the Commonwealth is responsible for ensuring that every worker in Pennsylvania has a safe and healthy work environment and the protections afforded them through labor laws. To that end, contractors and grantees of the Commonwealth must certify that they are in compliance with Pennsylvania’s Unemployment Compensation Law, Workers’ Compensation Law, and all applicable Pennsylvania state labor and workforce safety laws including, but not limited to:

- 1. Construction Workplace Misclassification Act
- 2. Employment of Minors Child Labor Act
- 3. Minimum Wage Act
- 4. Prevailing Wage Act
- 5. Equal Pay Law
- 6. Employer to Pay Employment Medical Examination Fee Act
- 7. Seasonal Farm Labor Act
- 8. Wage Payment and Collection Law
- 9. Industrial Homework Law
- 10. Construction Industry Employee Verification Act
- 11. Act 102: Prohibition on Excessive Overtime in Healthcare
- 12. Apprenticeship and Training Act
- 13. Inspection of Employment Records Law

B. Pennsylvania law establishes penalties for providing false certifications, including contract termination; and three-year ineligibility to bid on contracts under 62 Pa. C.S. § 531 (Debarment or suspension).

CERTIFICATION

I, the official named below, certify I am duly authorized to execute this certification on behalf of the contractor/grantee identified below, and certify that the contractor/grantee identified below is compliant with applicable Pennsylvania state labor and workplace safety laws, including, but not limited to, those listed in Paragraph A, above. I understand that I must report any change in the contractor/grantee’s compliance status to the Purchasing Agency immediately. I further confirm and understand that this Certification is subject to the provisions and penalties of 18 Pa. C.S. § 4904 (Unsworn falsification to authorities).

	4/5/2023
<i>Signature</i>	<i>Date</i>
Stephen J. Gardner	
<i>Name (Printed)</i>	
Chief Executive Officer	
<i>Title of Certifying Official (Printed)</i>	
National Railroad Passenger Corporation	
<i>Contractor/Grantee Name (Printed)</i>	

Contract: C920003777 - Signature Log
The effective date of this agreement is 08/08/2025 ("Effective Date")

	<u>Date</u>	<u>Name</u>	<u>Title</u>
Grantee	07/08/2025	Roger Harris	President
Executive	07/08/2025	Watson, Angela	CWOPA Employee
Chief Counsel	07/15/2025	Kayer, Kristin	CWOPA Employee
OGC	07/24/2025	Kelly K Smith	OGC
OAG	08/08/2025	Katherine Zimmermann	OAG
Comptroller	08/08/2025	Katalin Gotshall	Comptroller