



# Alaska Railroad: Gearing up for 2017

*Presented by Alaska Railroad Corporation CEO Bill O'Leary*



[AlaskaRailroad.com](http://AlaskaRailroad.com)

# ➤ Safety Campaign

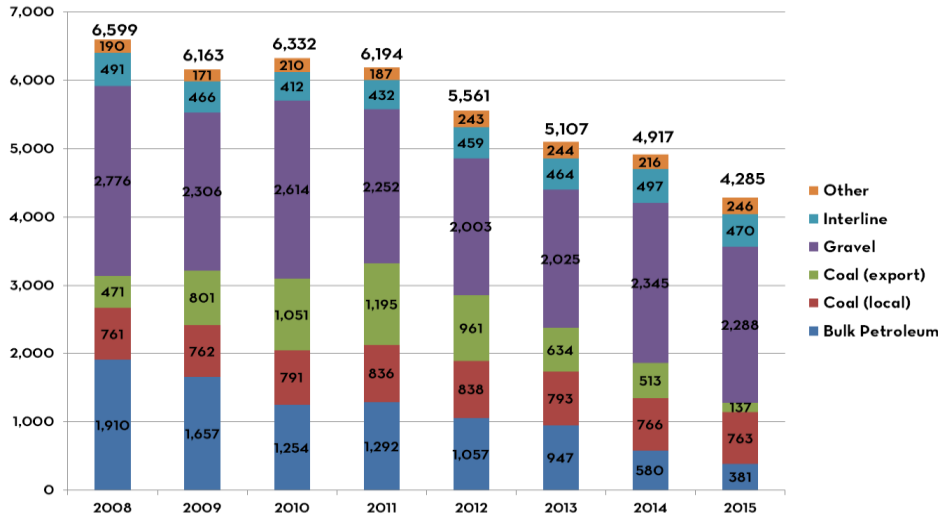


- Workplace priority
- Operation Lifesaver
  - 500+ killed on tracks annually
- Social media
  - Bi-Weekly “Safety Saturday”
- Media placements
  - Seasonal Letters to the Editor
  - Bus signs
  - Radio interviews and PSAs
- Trespassing Mitigation
  - Fences in problem areas
  - Notices to Professional Photographers

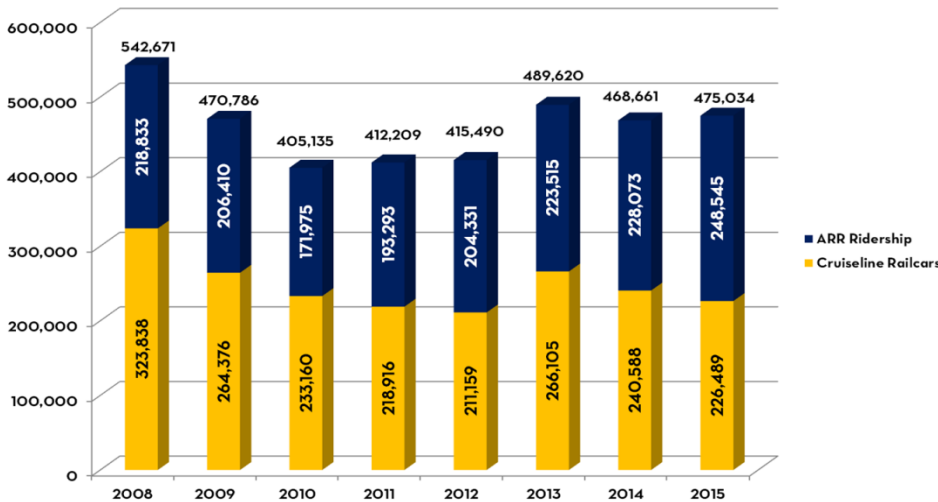
# ➤ Trespassing Issues



# Passenger & Freight Operations

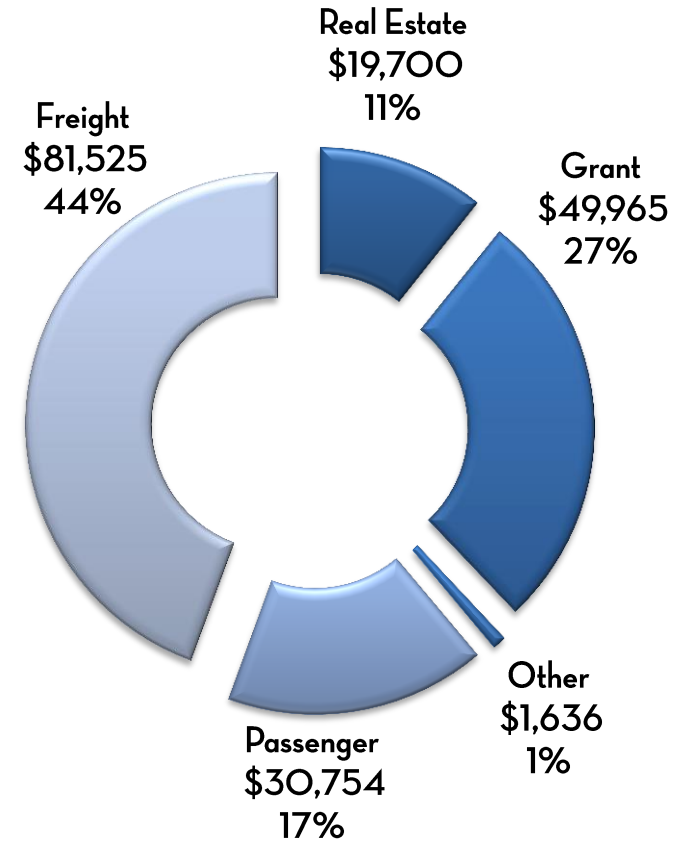
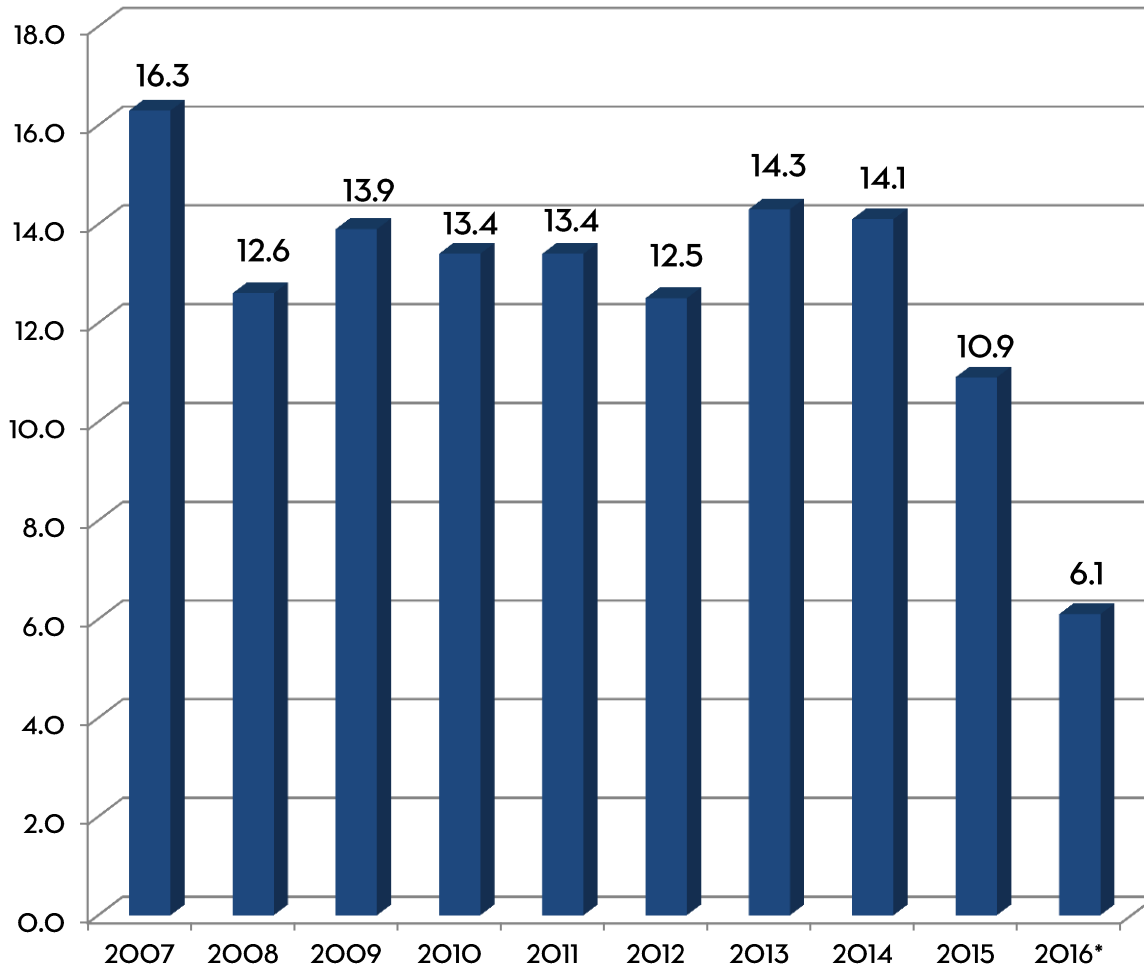


- Freight down significantly
  - Export Coal & Refined Petroleum
  - SCLF in Cold Storage
- Passenger Service Rebounding
  - 2016 estimates up slightly
  - Near max capacity on south end
  - Variety of summer services



# Net Income & Revenue Breakdown

(in \$ millions - 2016 est.)



# ➤ LNG By Rail



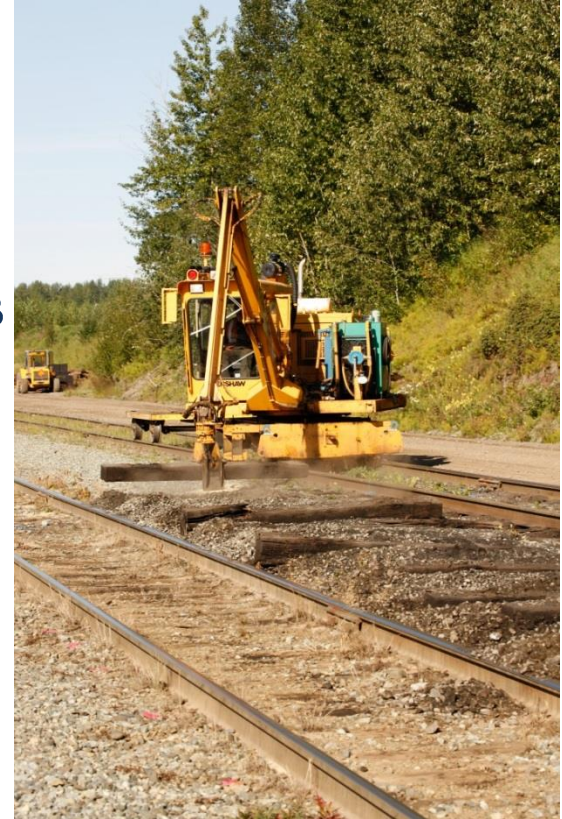
- Demonstration Project
  - First in nation
  - Two tanks from Hitachi
  - 8 round trips to Fairbanks
  - Multi-modal project
  - FRA and other railroads on the ground to observe
- First Responder Training
  - 10 Sessions along Railbelt
  - 200+ First Responders
  - Classroom & full consist training



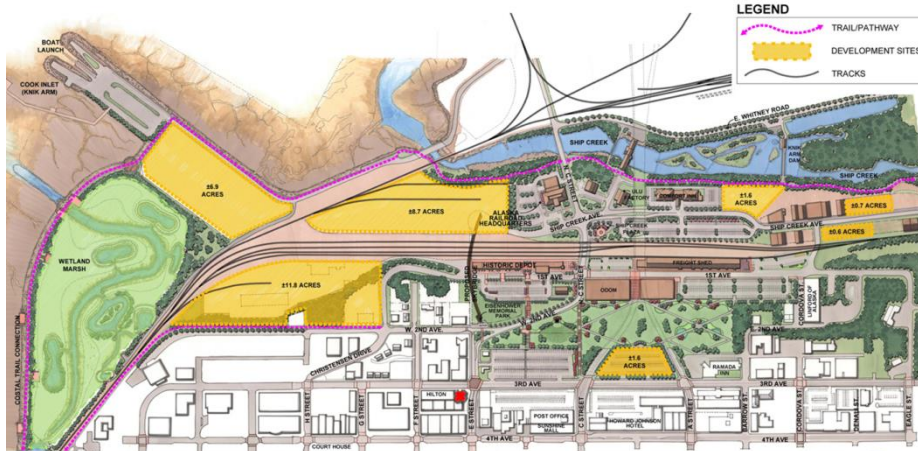
# ➤ Federal Issues & Regulatory Environment



- Transit Asset Management
- Safety System Plan
- Training Standards & Verification
- Positive Train Control
  - Deadline Extended to Dec. 2018
  - Bonded against federal funding
  - \$165 Million R&D Project
  - \$8 - \$12 Million annual care & feeding
- Federal Formula Funding
  - State of Good Repair
    - 656 Miles of Track
    - 2 Million Ties



# What's Next - Real Estate



- Ship Creek Development
  - Residential & industrial opportunities
- Fairbanks Leases
- Seward Master Plan
  - Railport Seward
  - TIGER Grant
- Exploring Wetlands Mitigation
- Marijuana





# ➤ What's Next - Passenger Service



- Overall growth in ridership
  - Projecting 5% 2017 over 2016
- More hospitality and tourism partnerships
  - \$50 million in statewide labor income
  - Nearly 2,000 Alaska jobs
  - Removes 7,000 motorcoaches from Alaska highways
- Shoulder season specialty trains
  - Fair Trains
  - Beer Trains in ANC and FBX
  - New Kid's Halloween Train

# ➤ What's Next – Passenger Service



- Expanded winter and spring service to Fairbanks
- Aurora Car Charters
- With capacity stretched on south end, expect growth to Denali and day trip opportunities
  - Spencer Glacier
  - Hurricane Turn



# ➤ What's Next - Freight Service



- LNG Opportunities
  - Interior
  - Railbelt communities
  - River system
  - Interim solution
- Interline barge service
  - Seattle or Prince Rupert to Whittier
  - Longest Rail-Haul in North America
    - Alaska Railroad from Seattle to Fairbanks - 1815 Miles
    - Interline service from Panama City, Florida to Fairbanks - 4842 Miles
- Military opportunities
  - F-35s in FBX
  - Clear Air Force Station

## ➤ Gearing up for 2017...



- Despite challenges, the Railroad will continue moving forward
  - Critical piece of transportation infrastructure in a state woefully lacking in such infrastructure
- Almost all large development projects in Alaska will need the Railroad
  - Gasline variations
  - Mining
- Alaska needs a strong Alaska Railroad
  - Externally sound
  - Internally sound



THANK YOU

