



AmeriStarRail
Transportation Innovation

February 12, 2025

Mr. Stephen Gardner
Chief Executive Officer
National Railroad Passenger Corporation
1 Massachusetts Avenue, NW
Washington, DC 20001

Dear Mr. Gardner,

As President Trump works to improve government efficiency and cut spending it will be important to improve Amtrak's Northeast Corridor efficiency, marketshare and utilization of federal taxpayer funding.

As you know, AmeriStarRail (ASR) is an LLC based in Wilmington, Delaware that has developed a number of innovative infrastructure and operating solutions to improve Amtrak's Northeast Corridor rail passenger service utilizing private financing. Our proposed initiatives include serving Coach passengers on all Amtrak high-speed trains, the Baltimore Grand Slam tunnels and a bi-level Susquehanna River bridge which will eliminate the most congested junction with freight trains on the Northeast Corridor at Perryville, Maryland.

For the past several years, Amtrak and the Biden Administration have repeatedly rejected our private sector initiatives, without any meetings or discussions. As detailed on the www.AmeriStarRail.com website, ASR's proposals are in the best interest of Amtrak passengers and American taxpayers. The purpose of this letter is to offer Amtrak a privately funded partnership with AmeriStarRail to improve the efficiency, marketshare and utilization of federal taxpayer funding on the Northeast Corridor. Implementation of our partnership proposal can begin this year without new legislation or additional federal spending. Some of the benefits of an ASR/Amtrak partnership include:

Efficiency

AmeriStarRail has proposed to privately finance and operate, with union crews, all Northeast Corridor Amtrak routes with a standard fleet of high-speed trains offering Triple-Class service of Coach, Business and First Class seating on every Amtrak train. Instead of the inefficiency of operating separate high-speed Acela trains only for Business and First Class passengers and relegating Coach passengers to slower Regional trains, ASR's plan doubles service for everyone with the same number trains. Operating a fleet of standardized high-speed trains also simplifies operations, crew training and improves maintenance efficiency. Our plan eliminates the expense and unnecessary complexity of maintaining two different train fleets. The recently ordered slower Siemens Airo Coach trainsets for the Northeast Corridor can be reassigned to operate on other Amtrak routes and future expansion lines around the country.

In our proposed partnership with Amtrak, AmeriStarRail has offered to provide over \$5 billion in private financing to build 76 additional high-speed trainsets with Coach, Business and First Class seating and a Trainset Maintenance Center (TMC) to efficiently maintain all Northeast Corridor trains in a central location.

Marketshare

Although Amtrak achieved a record ridership of 14 million passengers last year on the Northeast Corridor, Amtrak's marketshare remains in the low single digits. According to the USDOT's annual National Household Travel Survey, for over 50 years, Amtrak has never risen above a single digit marketshare for all road, rail, bus and air travel between cities on the Northeast Corridor.

AmeriStarRail's use of a standard fleet of high-speed trains with Triple-Class seating will allow Amtrak high-speed service to be expanded to 30+ new cities on a network offering service on new routes and hourly non-stops between Boston, New York and Washington seven-days-a-week. Speed, Triple-Class service and frequency will help Amtrak achieve a much more competitive marketshare on the Northeast Corridor. The same operating techniques were used when I developed the start-up and operating plans for Taiwan High Speed Rail (THSR). Today, between Taipei and Kaoshiung (the same distance as New York to Washington), THSR has a marketshare well into double digits.



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Utilization of Federal Taxpayer Funding

High-speed trains in Europe, the Middle East and Asia all serve Coach passengers. Amtrak's current inefficient practice of operating slower coach Regional trains on the same tracks as faster Acela trains represents a poor utilization of federal investment in the infrastructure that makes speeds up to 160 mph with the new Acela trains possible. Currently, less than half of Amtrak trains and less than 25% of the passengers on the Northeast Corridor use the high-speeds made possible by taxpayer funding. By using a privately financed, standardized high-speed trainset fleet, AmeriStarRail's partnership with Amtrak means 100% of the trains and 100% of the passengers will utilize the high-speed benefits of these federal infrastructure investments.

In addition, AmeriStarRail is offering to pay Amtrak hundreds of millions of dollars each year in track usage fees, station services fees and performance incentives in our Northeast Corridor partnership with Amtrak. This additional funding can be reinvested to help finance critical infrastructure safety needs such as trackside security fencing and replacing 100 year-old catenary poles with safer, constant tension, break-away catenary poles along the Northeast Corridor.

The Bipartisan Infrastructure Law (BIL) is providing Amtrak projects on the Northeast Corridor and nationwide with a record of \$66 billion in much needed infrastructure funding. Given the need for transparency and accountability for the spending of taxpayer dollars, AmeriStarRail is proposing that Amtrak accept Government Accounting Office (GAO) oversight for this record level of spending. As you know, except for the successful bidder, Amtrak currently does not disclose the list of bidders or the bid prices of the proposals submitted for each federally funded contract that is awarded.

AmeriStarRail and our investors, whom we have previously confidentially identified to Amtrak and Members of Congress, are available to meet with you and other Amtrak officials, in Washington March 4th - 7th to discuss the details of our private sector partnership with Amtrak. AmeriStarRail's private sector partnership and investment in Amtrak's Northeast Corridor operations will be a bigger, better, bolder way to run the railroad for Amtrak passengers and American taxpayers.

We look forward to meeting with you and your team to discuss the advantages of a partnership with AmeriStarRail and implementing our private sector investment and innovation to improve Amtrak's efficiency, marketshare and utilization of federal taxpayer funding on the Northeast Corridor.

Sincerely,

Scott R. Spencer
Chief Operating Officer

Cc:

President Donald J. Trump
Department of Government Efficiency
USDOT Secretary Sean Duffy
Members of Congress
Federal Railroad Administration