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Vice Chair, **Eric Curtit**, Missouri DOT
Treasurer, **Venetia Keefe**, Indiana DOT
Secretary, **Karen Songhurst**, Vermont AOT
Former Officer, **Patricia Quinn**, NNEPRA
At Large Member, **Amanda Martin**, Iowa DOT

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VIA E-FILING

245388

March 28, 2018

Ms. Cynthia Brown
Chief, Section of Administration
Office of Proceedings
Surface Transportation Board
395 E Street, S.W.
Washington, D.C. 20423-0001

ENTERED
Office of Proceedings
March 28, 2018
Part of
Public Record

Re: STB Finance Docket No. 35743, *Application of the Nat'l R.R. Passenger Corp. under 49 U.S.C. § 24308(a) – Canadian Nat'l Railway Co.*

Dear Ms. Brown:

On behalf of the States for Passenger Rail Coalition ("SPRC"), please accept this letter setting forth the views of its members,¹ all of which have a significant interest in, and are likely to be directly impacted by, the outcome of this proceeding.² SPRC is submitting this letter in this proceeding because its members have a direct interest in its outcome.³ Intercity passenger rail service ("IPR") supported by SPRC members generally operates under Amtrak's agreements with host railroads, such as the one at issue in this proceeding. Accordingly, SPRC has a strong interest in ensuring that the terms of such agreements are reasonable and reflect the appropriate balance between freight and IPR interests as determined by Congress. Some SPRC members have also independently invested billions of dollars in incentive payments and/or capital contributions to ensure reasonable passenger service to their communities and seek to ensure that the Board consider those contributions in setting reasonable terms for Amtrak's access.

¹ Established in 2000, SPRC is dedicated to the promotion, development, implementation, and expansion of intercity passenger rail services with support from state governments. SPRC is comprised of 20 state departments of transportation and 4 passenger rail authorities from across the United States who work together to support the development and growth of passenger rail service for America. SPRC currently has members representing the states of California, Connecticut, Illinois, Indiana, Iowa, Louisiana, Maine, Massachusetts, Michigan, Missouri, New York, Nevada, North Carolina, Oklahoma, Oregon, Pennsylvania, Vermont, Virginia, Washington, and Wisconsin. Additional members include the Capital Corridor Joint Powers Authority, LOSSAN Rail Corridor Agency, Northern New England Passenger Rail Authority, and the San Joaquin Joint Powers Authority.

² SPRC recognizes that, in view of the late stage of this proceeding, the Board or other parties hereto could perceive this letter as an unauthorized reply to a reply. To the extent that this letter is considered to be a reply to a reply, SPRC respectfully requests leave pursuant to 49 CFR 1117.1 for leave an otherwise unauthorized reply.

³ The issues SPRC raises in this letter do not disrupt the schedule for this proceeding because other evidence and argument is being submitted by the parties at the same time. SPRC's comments here do not broaden the issues presented in this proceeding because the entire focus of the proceeding is on the relationship between Amtrak and its host freight railroad partners, and on the adequacy of the services provided by the freight railroads to Amtrak and its passengers. This issue and these interests are shared by the States whose residents benefit from the availability of intercity rail passenger service.

California
Connecticut
Illinois
Indiana
Iowa
Louisiana
Massachusetts
Maine
Michigan
Missouri
Nevada
New York
North Carolina
Oklahoma
Oregon
Pennsylvania
Vermont
Virginia
Washington
Wisconsin

Capitol Corridor
Joint Powers Authority

Northern
New England
Passenger
Rail Authority

LOSSAN
Joint Powers Authority

San Joaquin
Joint Powers Authority

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The SPRC does not have a particular view with respect to the positions of the parties advanced in this proceeding. However, SPRC asks the Board to ensure due regard for the interests of its members, their communities, and their passengers. Indeed, the statutory basis for the Board's jurisdiction in this matter requires that it consider "the quality of service" provided to Amtrak as a "major factor" in prescribing reasonable compensation. 49 U.S.C. § 24308(a)(2)(B). This directive reflects Congress' overriding interest in ensuring the viability of IPR in the United States.

It is important to recognize that "intercity and commuter rail passenger transportation provided by or for Amtrak has preference over freight transportation in using a rail line, junction, or crossing unless the Board orders otherwise under this subsection." 49 U.S.C. § 24308(c). It is critical, in prescribing reasonable terms and compensation, that the Board consider this Congressional directive.

Finally, the system of incentives and penalties that Amtrak, host railroads, and state-sponsors of IPR services have developed are an important means of enforcing provisions that support the balanced use of the nation's freight and passenger railroad network. SPRC members would have grave concerns were the Board to disrupt these mechanisms in existing and future agreements by prescribing reasonable compensation that fails to consider the investments made by the States in support of rail as well as the service Amtrak is entitled to receive.

Sincerely,

David B. Kutrosky
Managing Director, Capitol Corridor Joint Powers Authority
Chair, States for Passenger Rail Coalition, Inc.

Cc: Parties of Record

California
Connecticut
Illinois
Indiana
Iowa
Louisiana
Massachusetts
Maine
Michigan
Missouri
Nevada
New York
North Carolina
Oklahoma
Oregon
Pennsylvania
Vermont
Virginia
Washington
Wisconsin

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