

VIRGINIA RAILWAY EXPRESS

ADDING CAPACITY IN CORRIDORS OF STATEWIDE SIGNIFICANCE

Commonwealth Transportation Board
Rail Subcommittee
April 19, 2016

Doug Allen
Chief Executive Officer
Virginia Railway Express



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WHO WE ARE

Commuter rail system

Co-owned by 2
Transportation Commissions

9 member jurisdictions

4.5 million annual riders
between Virginia and DC

Two lines, 87 route-miles

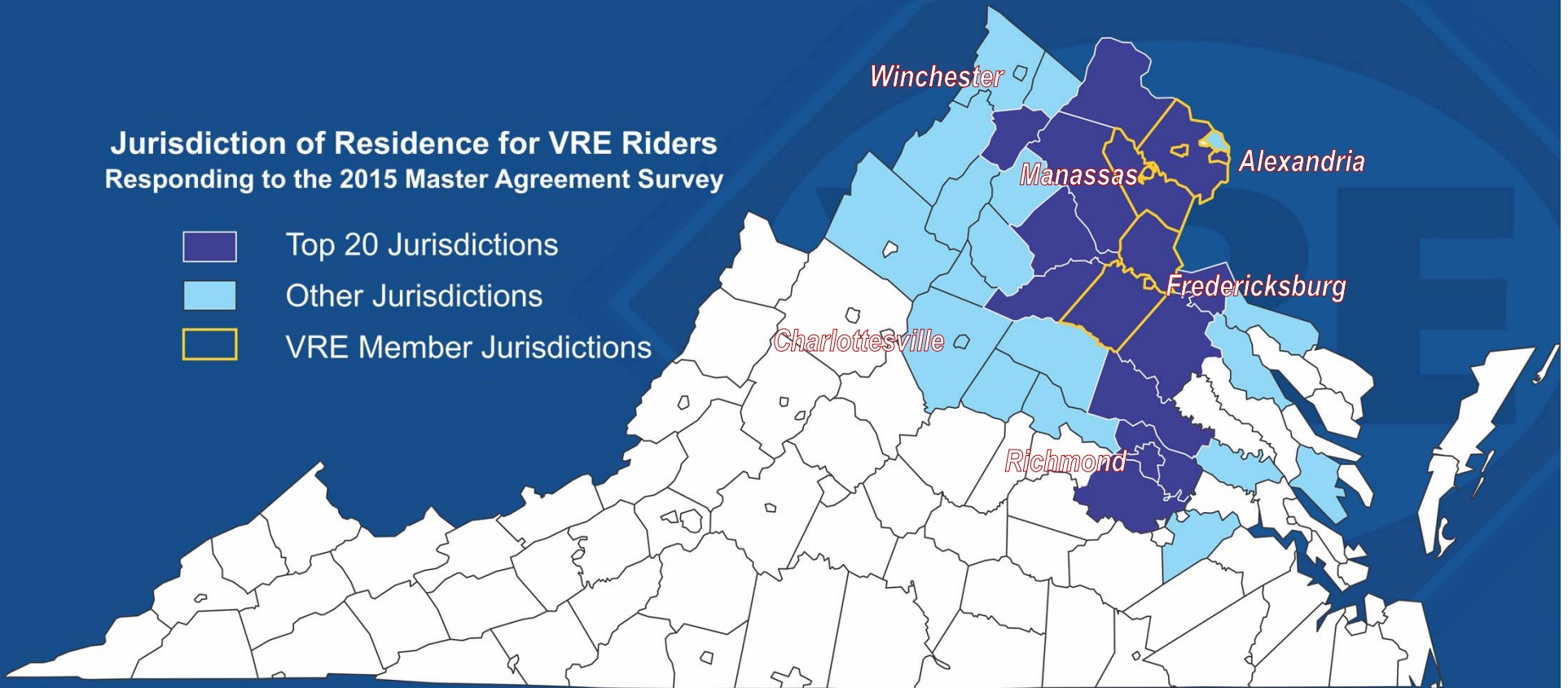


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On a typical weekday VRE draws ridership from 39 Virginia Jurisdictions

Jurisdiction of Residence for VRE Riders
Responding to the 2015 Master Agreement Survey

- Top 20 Jurisdictions
- Other Jurisdictions
- VRE Member Jurisdictions



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WHAT WE ARE KNOWN FOR

Safe Operations

Reliable Service

Quality Service

High Customer
Satisfaction

Strong Partnership
with Railroads



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WHAT WE DO

We add peak capacity...
Currently 5,400 peak seats/hour

...to corridors of
 statewide significance...

I-66, I-95 & I-395

...for longer-distance
 commuters...

*Travelers that would otherwise
 drive on highways**

...using non-highway
 rights-of-way
CSXT, NS & Amtrak



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* Source: Texas A&M Transportation Institute Congestion Relief Provided by Virginia Railway Express

VRE BENEFITS TO CoSS

“...contribution to congestion relief is significant...”

“...much greater congestion benefit in the evening peak period...”

“...contributes to a delay reduction of between 8 and 18%...”

“...[VRE] provides capacity for about 5,000 persons per hour...”

“...would require adding at least one freeway lane in each direction in both VRE corridors...”



Congestion Relief Provided by Virginia Railway Express

Analysis Conducted By
Texas A&M Transportation Institute
Texas A&M University System

For
Virginia Railway Express

June 2015



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VRE SYSTEM PLAN 2040

Phased Expansion

ELEMENTS

- Railcars/longer trains
- Longer platforms
- Station parking
- Second platforms at stations
- Third track on CSX
- Storage tracks
- Yard expansion
- Locomotives, railcars/more trains
- Gainesville-Haymarket Extension
- Long Bridge



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VRE FINANCIAL PLAN

Developed to complement System Plan 2040

Engaged PFM to assist

- Scenarios
 - Steady State, Natural Growth, Modified Service Expansion, System Plan 2040
- Refined cost estimates for System Plan elements
- Detailed cost modeling
- Forecast future operating and capital needs
- Forecast revenues by source
- Identified revenue needs
- Inform decisions, next steps



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VRE FINANCIAL PLAN

Key Findings:

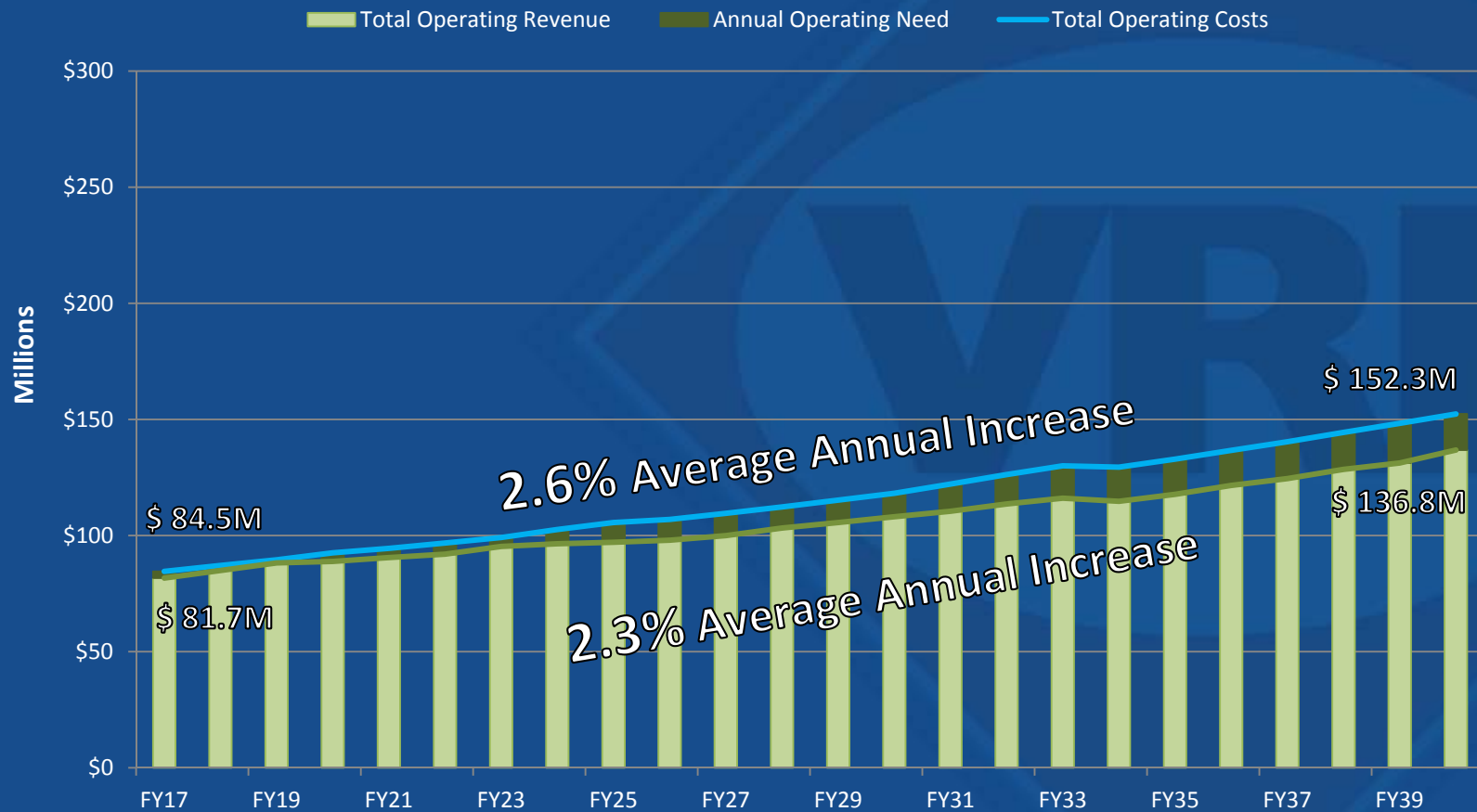
- **Operating expenses escalate faster than revenues**
 - Contract escalators tied to industry indices in Track Access Agreements, Operating and Maintenance
 - Revenue sources have not been keeping up with these indices



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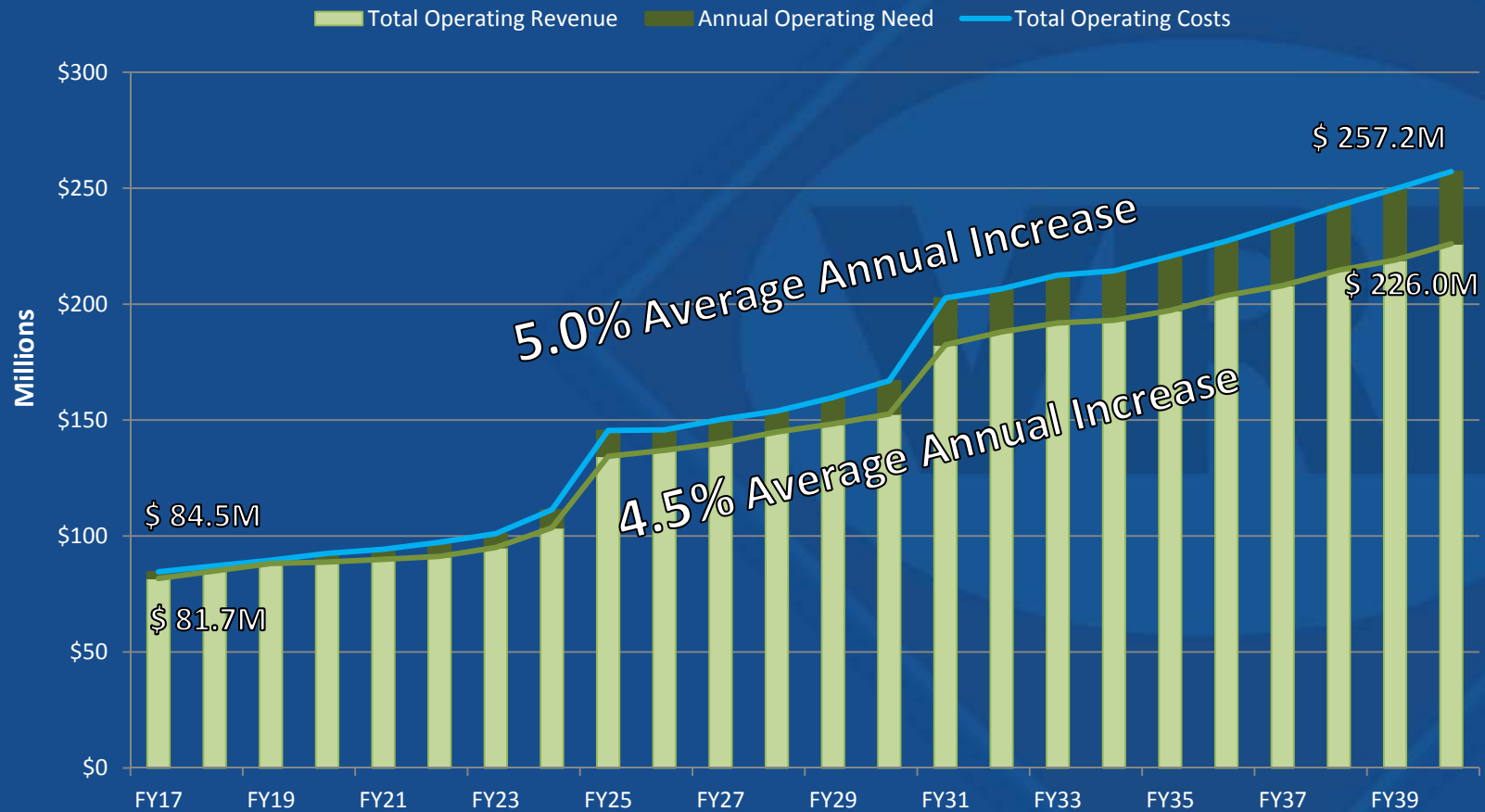
OPERATING COST VS. REVENUE

NATURAL GROWTH



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OPERATING COST VS. REVENUE SYSTEM PLAN



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VRE FINANCIAL PLAN

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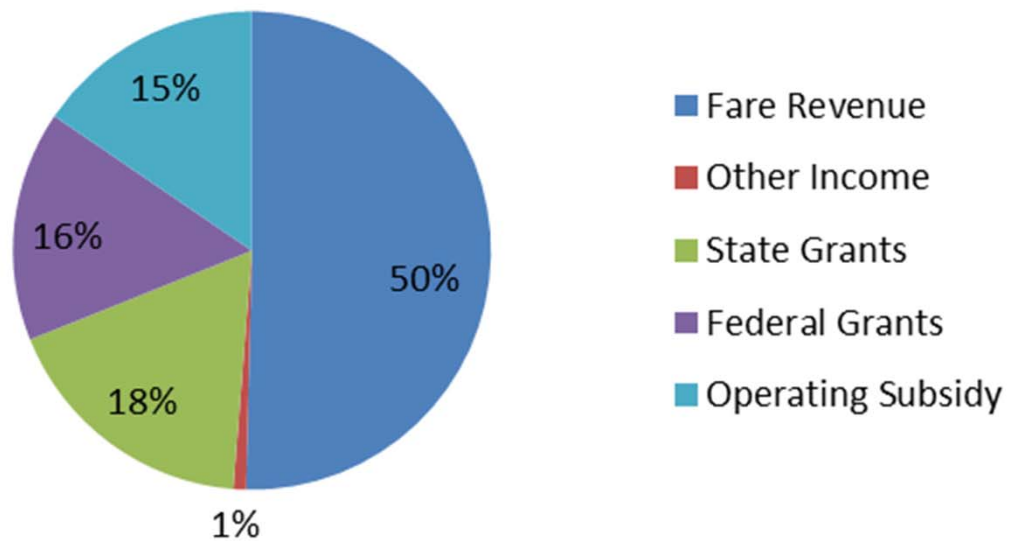


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VRE FINANCIAL PLAN

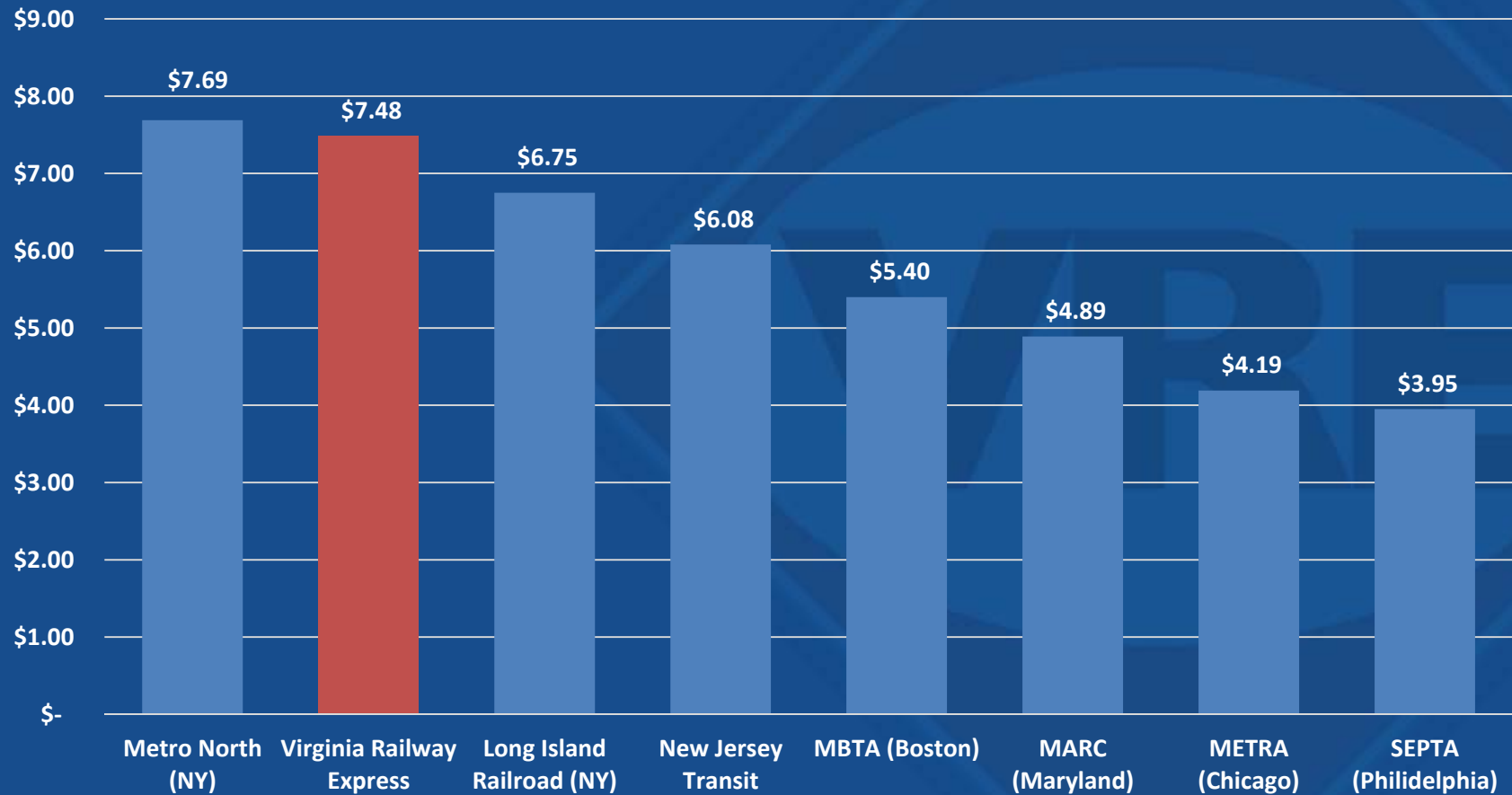
OPERATING SOURCES

Sources of Funds For Operations (FY 2020)



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VRE FINANCIAL PLAN AVERAGE FARE



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VRE FINANCIAL PLAN

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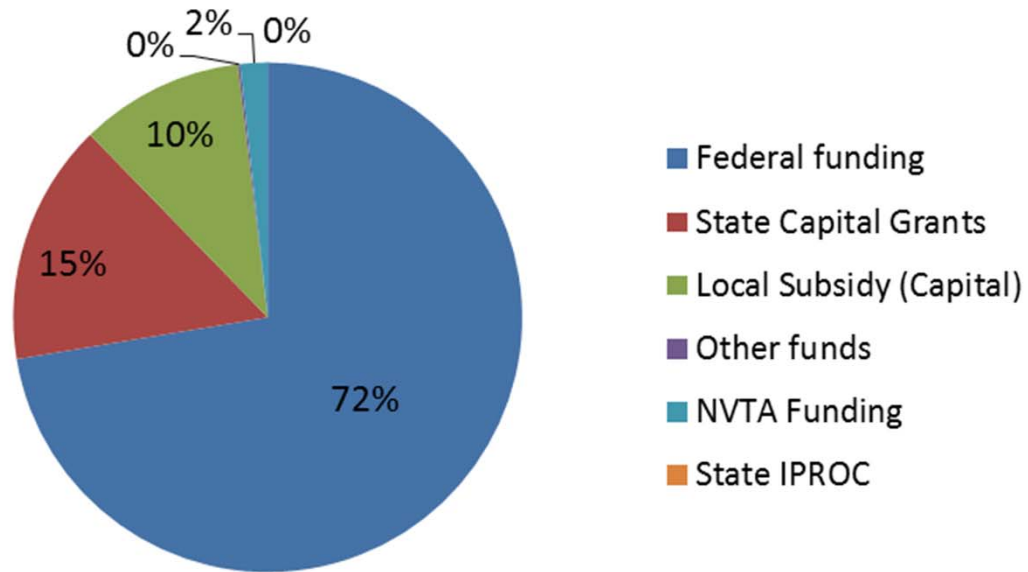


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VRE FINANCIAL PLAN

CAPITAL SOURCES

Sources of Funds For Capital (FY 2020)

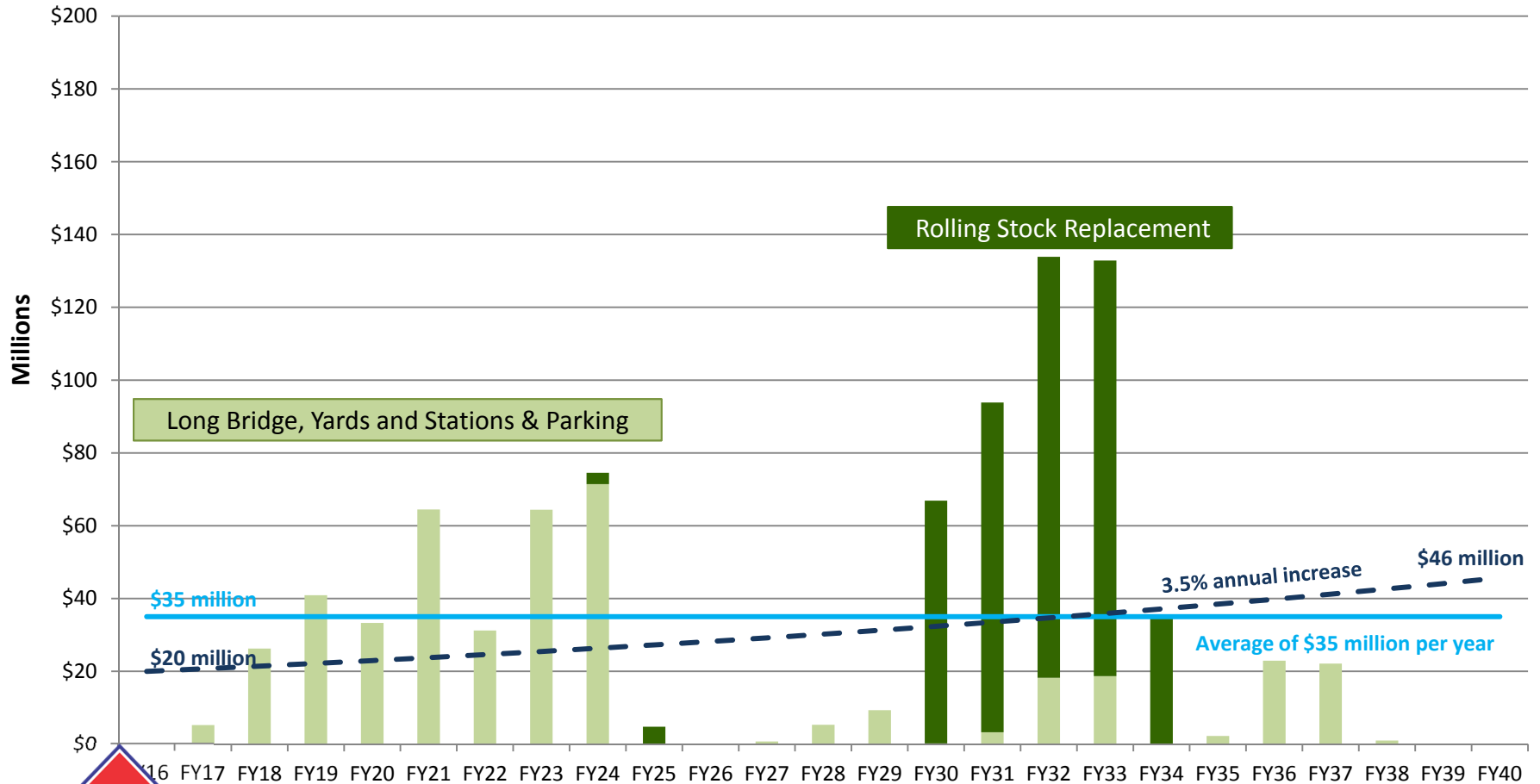


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VRE FINANCIAL PLAN

NATURAL GROWTH SCENARIO

Unfunded Capital Requirements by Fiscal Year

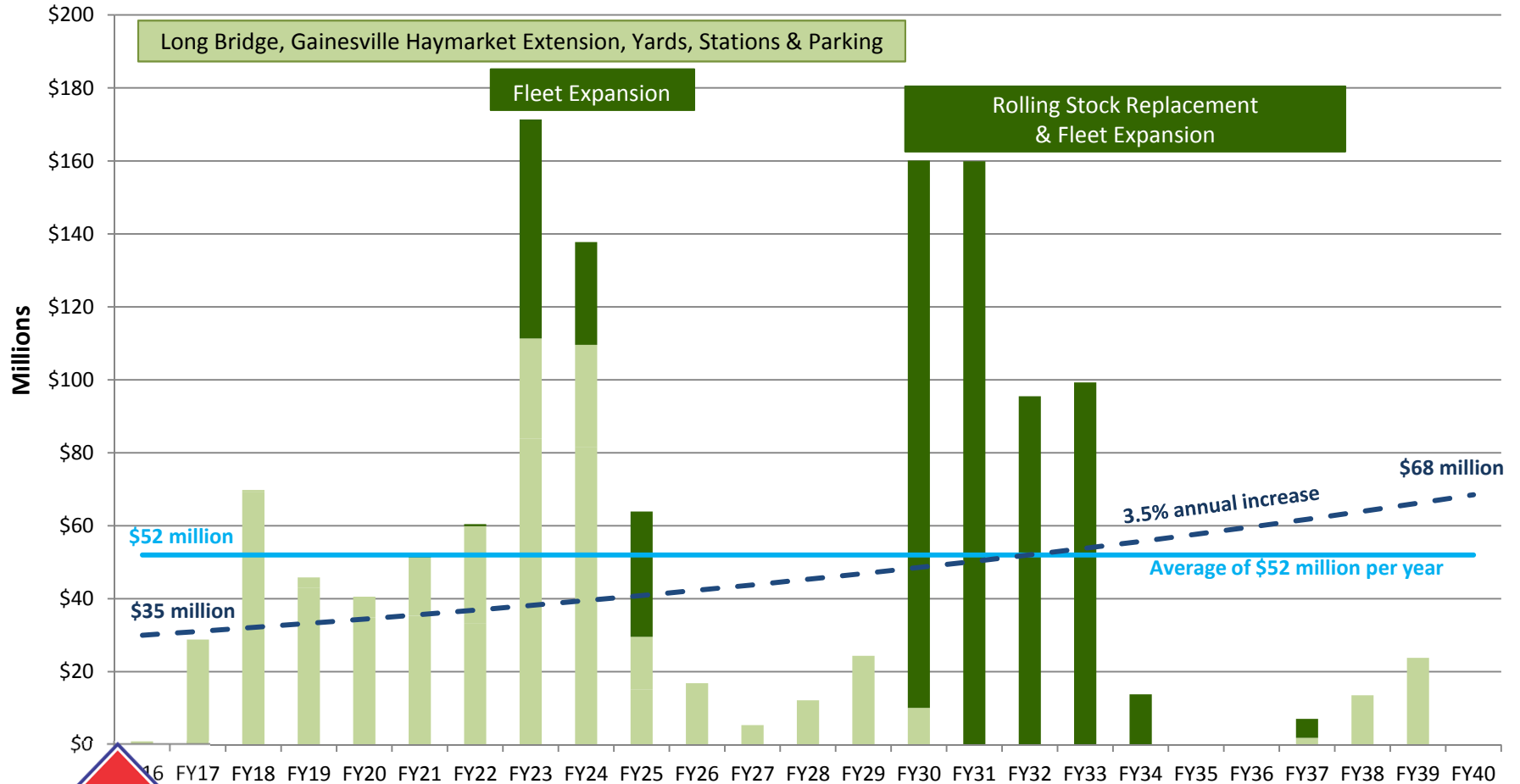


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SYSTEM PLAN SCENARIO

Unfunded Capital Requirements by Fiscal Year



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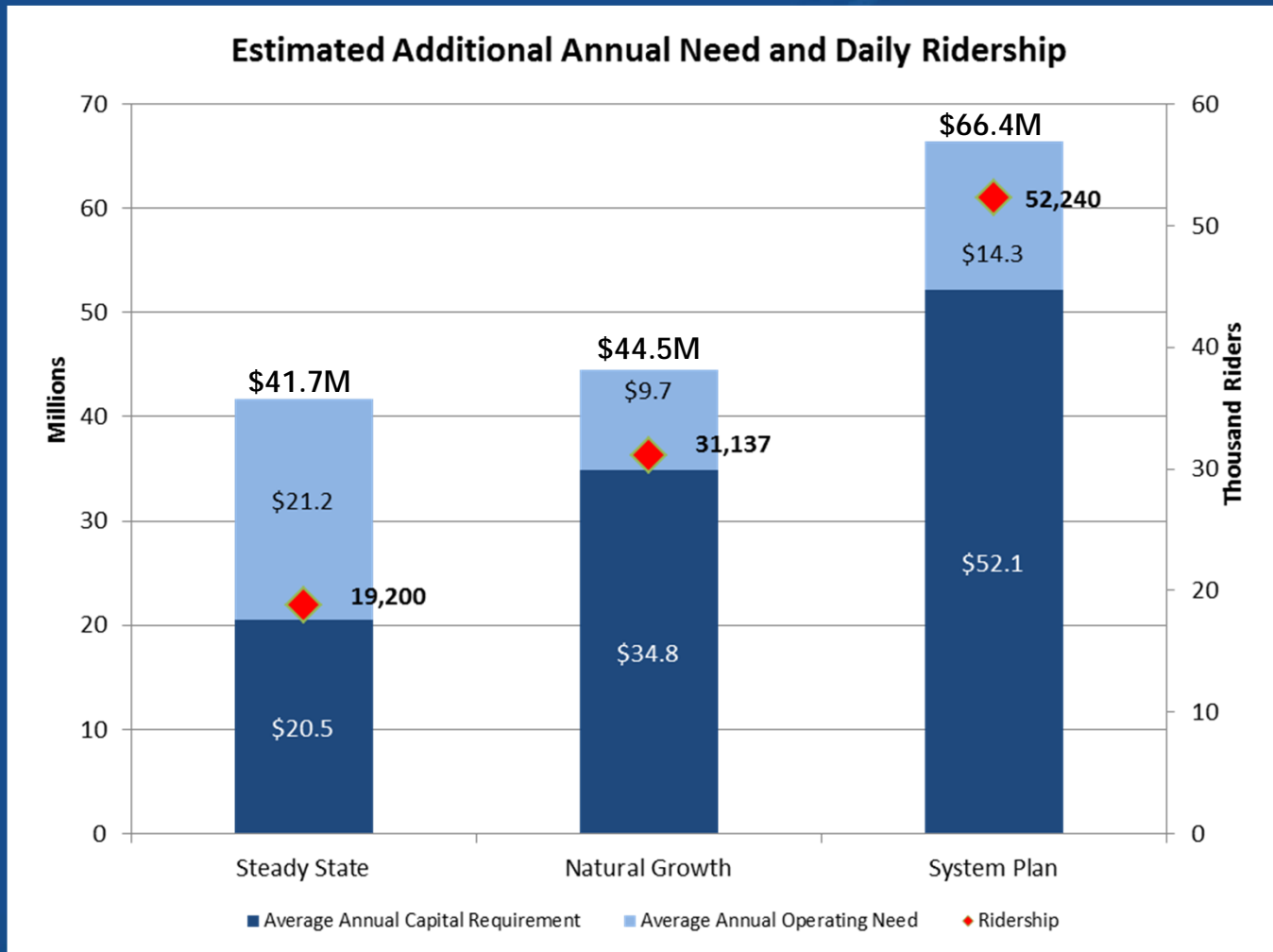
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- Increasing ridership helps but not a solution
- Additional revenue can result in more riders



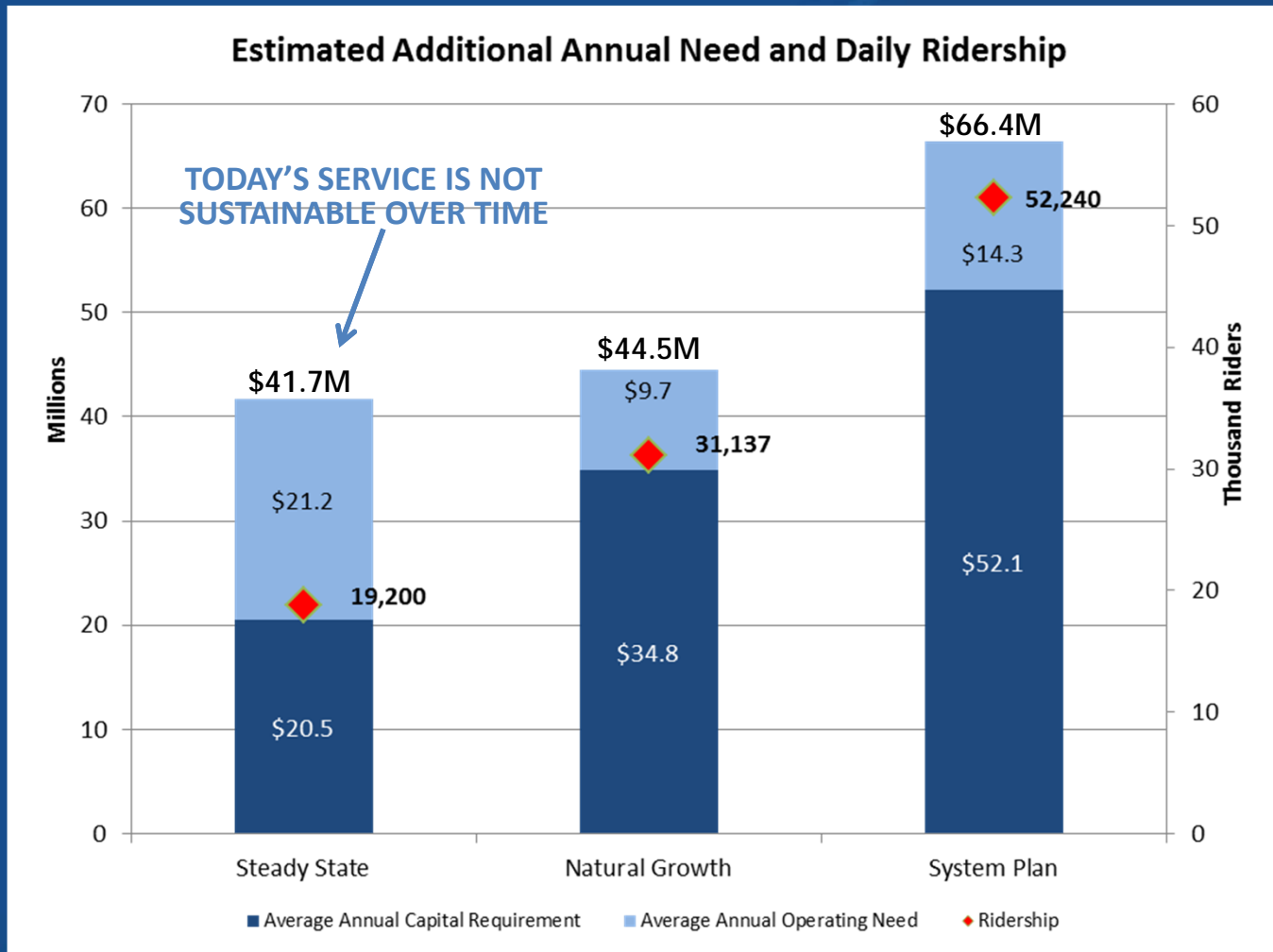
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VRE FINANCIAL PLAN SUMMARY OF FINDINGS



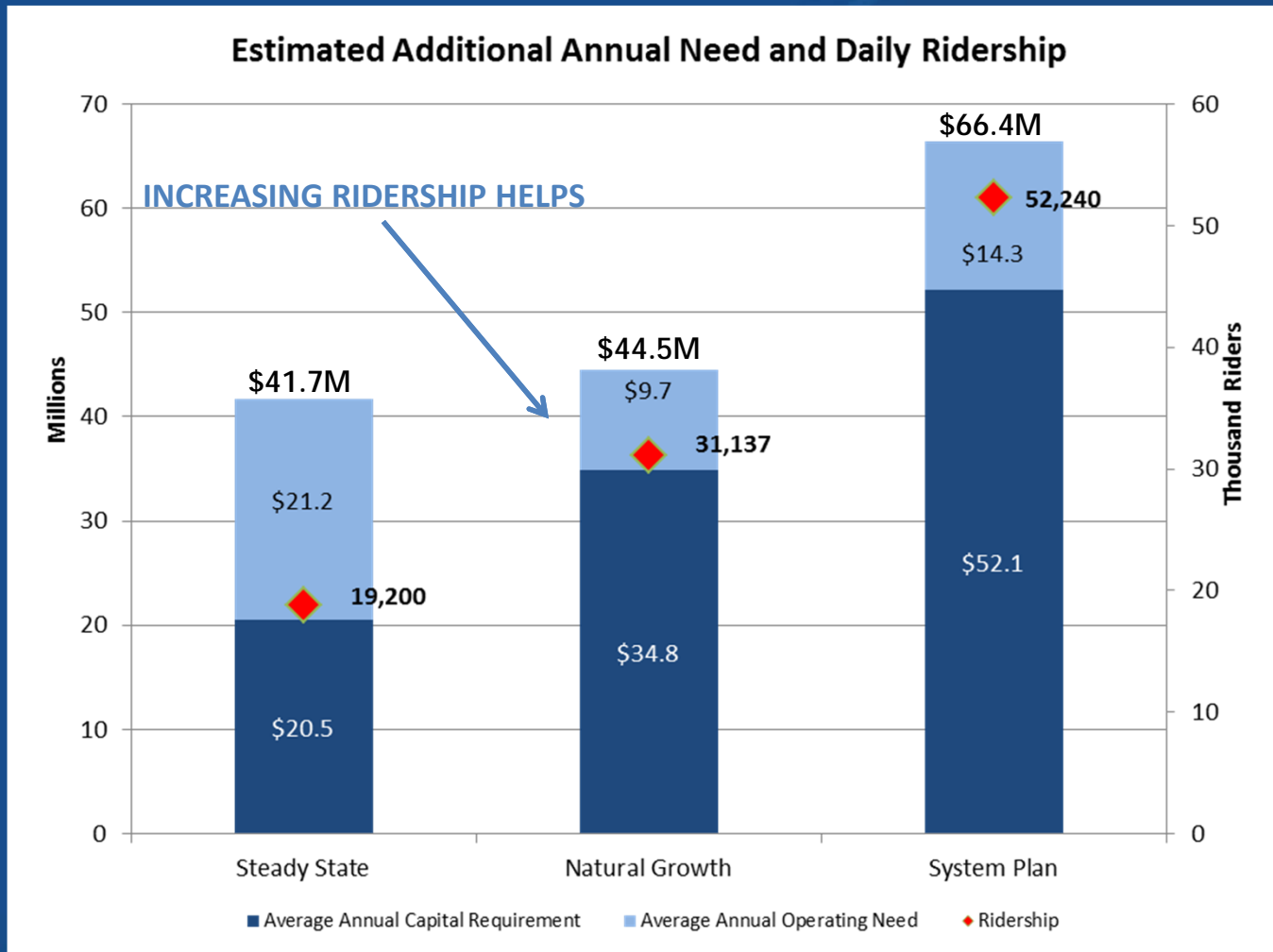
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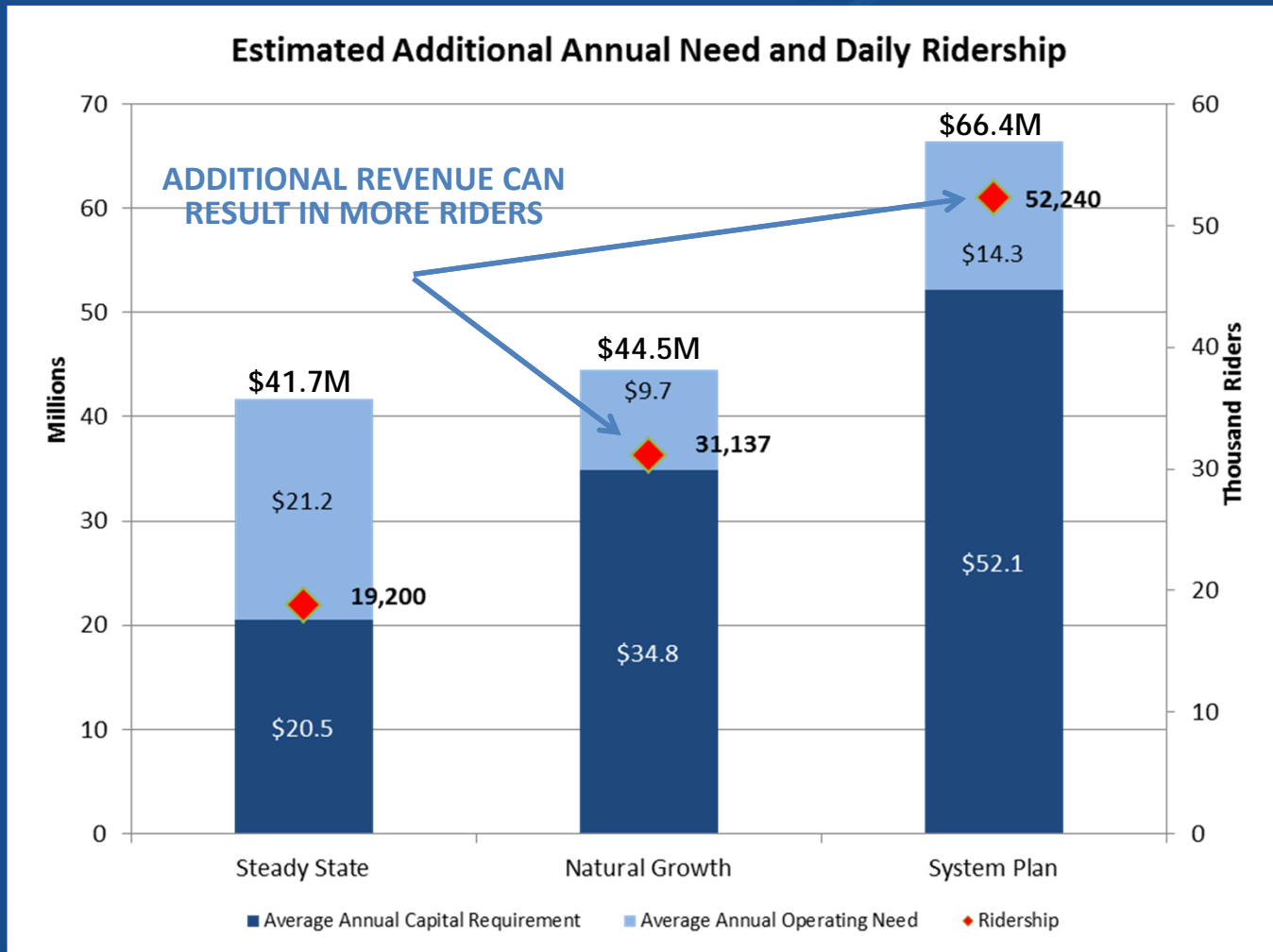
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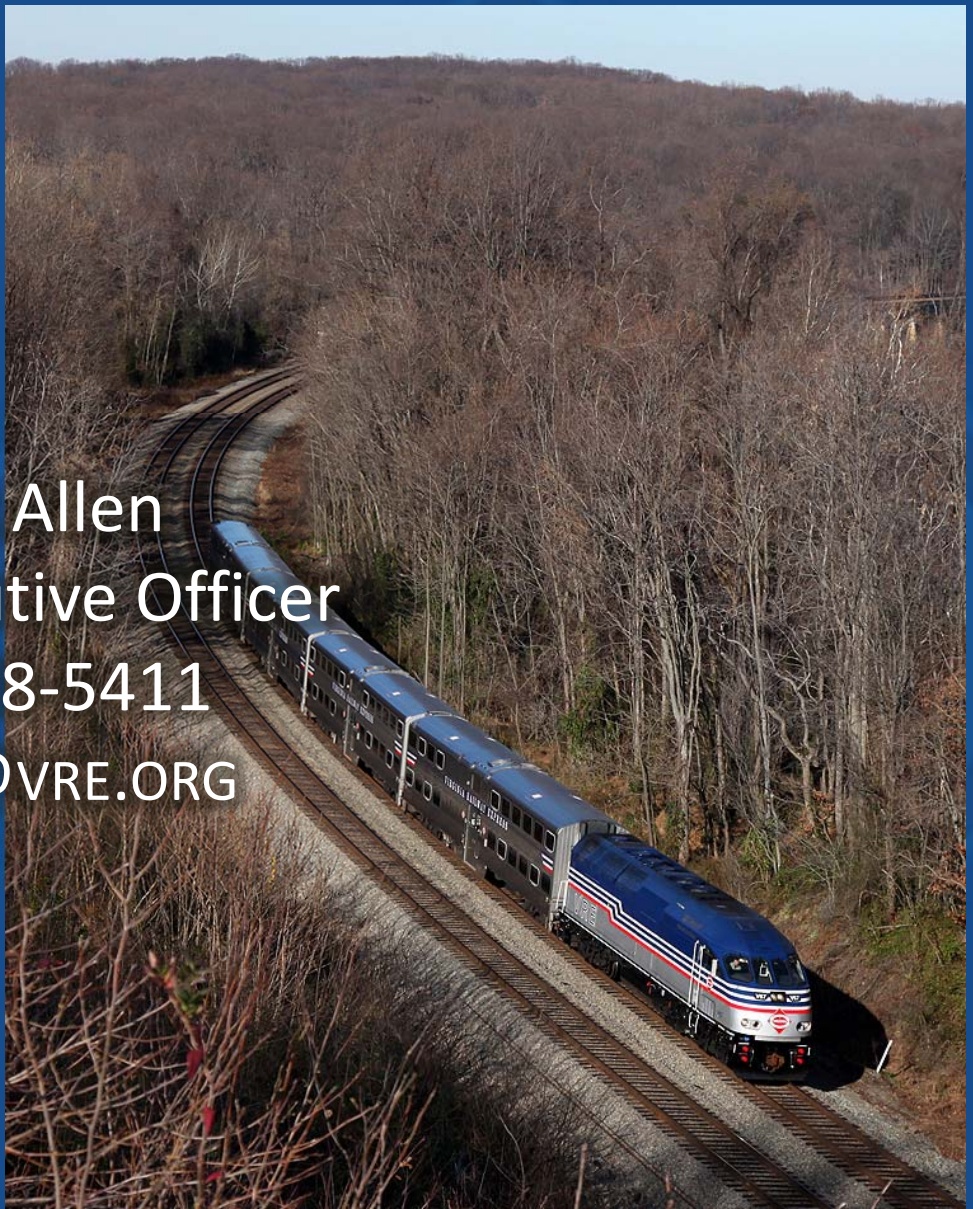
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CONCLUSIONS

1. VRE is a vital component for the Commonwealth's transportation system.
2. VRE provides valuable additional capacity during the rush hours in the I-66, I-95 and I-395 Corridors.
3. The cost to replace VRE capacity in these CoSS, if it went away, would be substantial.
4. Expanding VRE is one of the most cost effective ways to add meaningful capacity to these CoSS.
5. VRE has been proactive in planning for the future, but needs help from the Commonwealth to remain viable and grow.



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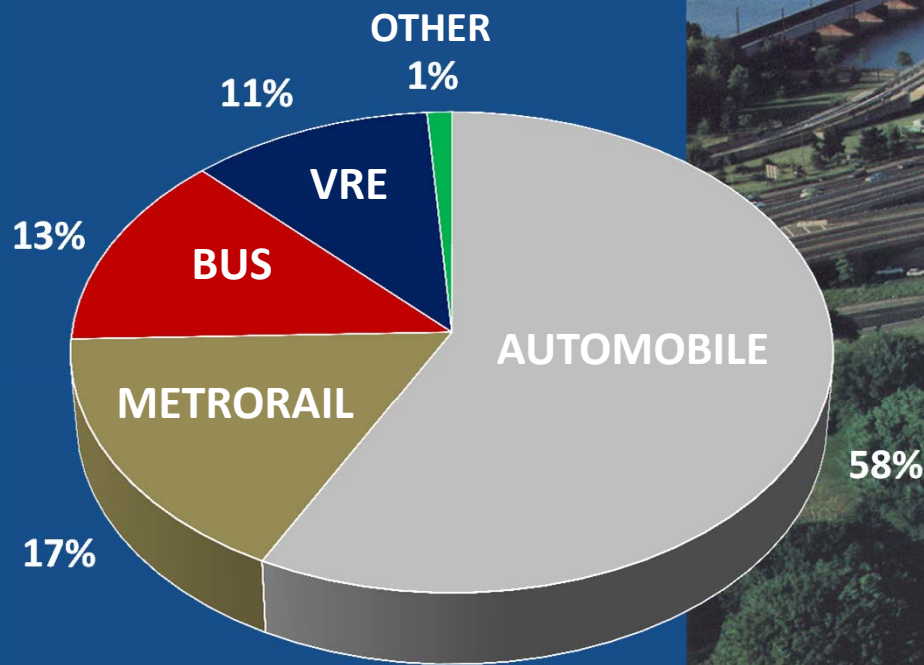


Doug Allen
Chief Executive Officer
703-838-5411
DALLEN@VRE.ORG



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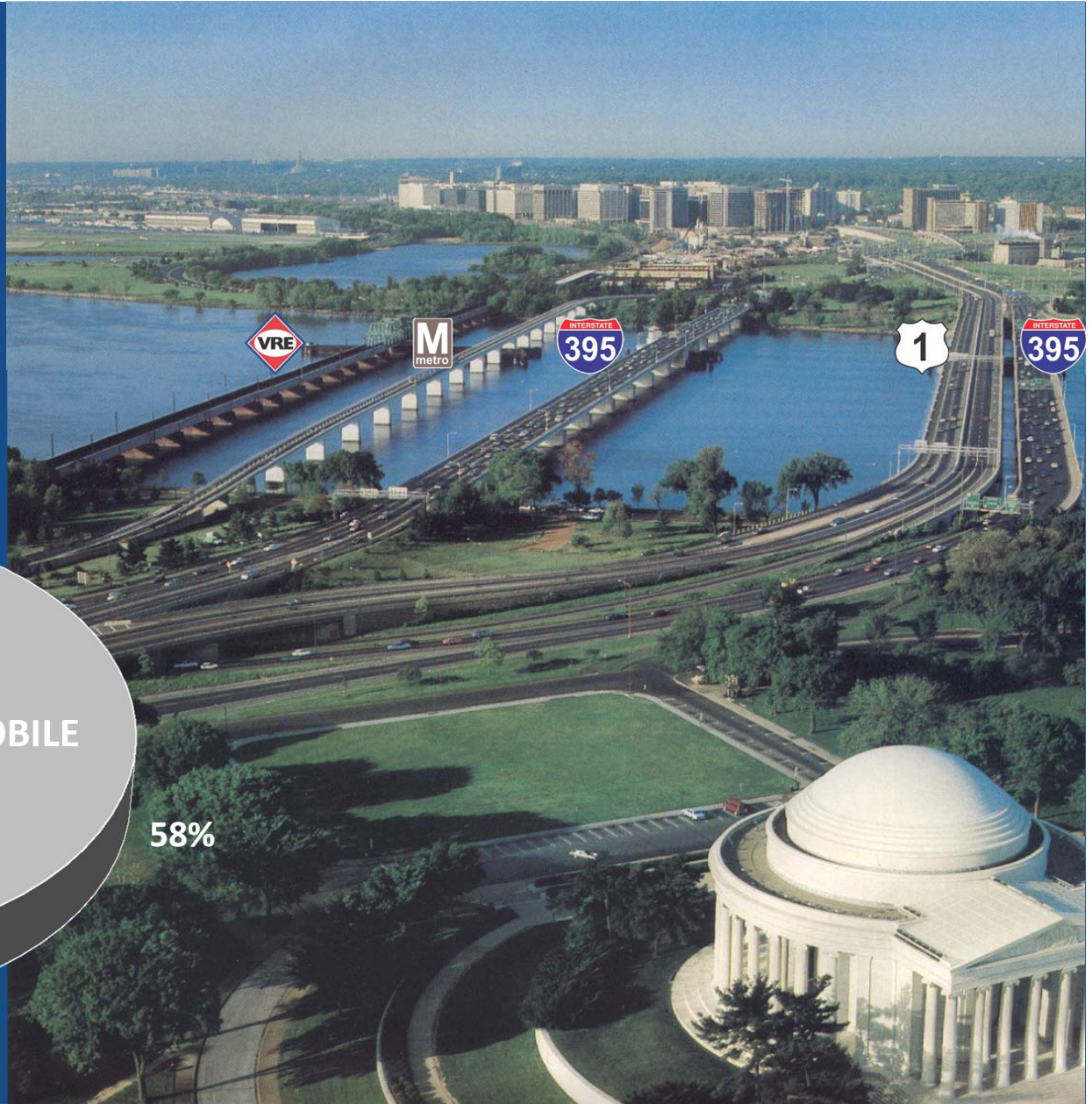
Peak Hour Trips from Virginia to DC across the 14th Street Bridges (6:30 to 7:30 AM)



21,934 TOTAL TRIPS



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