Railroad At a Glance

ORGANIZATION

History, Ownership & Operation
- Federal government built the railroad 1914-1923 in order to open the territory to development.
- State purchased railroad in 1985 for $22.3 million.
- Independent corporation managed by a 7-member board of directors appointed by the governor.
- State law mandates self-sustaining operations and responsibility for financial and legal obligations.

Mission
- Provide safe, quality transportation and real estate services.
- Operate profitably to be self-sustaining.
- Foster economic development (infrastructure and services).

Assets
- 656 total miles of track
- 850 freight revenue railcars
- 45 passenger railcars
- 51 locomotives + 2 power cars
- Yards: Seward, Anchorage, Whittier, Fairbanks

Employees
- Not part of state personnel system.
- 2018 Benefits & Wages: $74.6 million
- Year-round: 547
- Average Age: 43.5
- Male: 553 (81%)
- Veterans: 110 (16%)
- Union represented: 487 (71%)
- Seasonal: 138
- Ave Years of Svc: 11
- Female: 132 (19%)
- Resident Hire: 90.2%

FINANCIAL

Financial totals for 2018 are audited as of April 1, 2019
- 2018 Assets: $1.1 billion
- 2018 Revenue: $189.6 million (including $53.4 million in grant revenue)
- 2018 Net Income: $18.0 million
- 2019 Budgeted Net Income: $21.7 million

Railroading is capital-intensive, requiring substantial annual investment to adequately maintain equipment and infrastructure. Revenue in excess of expense (net income) is reinvested in capital improvement projects and infrastructure maintenance programs.

BUSINESS LINES

Freight Business
- 2018 Freight: 3.2 million tons
The railroad hauls natural resources including coal, gravel and petroleum products; as well as major commodities including industry chemicals and supplies, dry goods, hazardous materials, pipe, lumber, heavy equipment and specialty items. ARRC offers seamless freight service between shipping points in the Lower 48 to many destinations in Alaska. Crucial to this link is Alaska Rail Marine, a rail-barge service operating between Seattle and Whittier. Barges also move rail shipments to/from Alaska via Prince Rupert, interchanging with Canadian National Railway.

Passenger Business
- 2018 Passengers: 531,611
The Alaska Railroad offers year-round regularly-scheduled rail transportation. From mid-May to mid-September, trains run daily between Anchorage and Seward, Anchorage and Whittier, Anchorage and Denali/Fairbanks. During winter months (mid-September to mid-May), trains operate between Anchorage and Fairbanks primarily on weekends.
Real Estate Business
Real estate holdings: approximately 36,000 acres:
- 38% (~14,000 acres) for track bed and right-of-way
- 12% (~4,500 acres) for railroad operations /rail yards
- 50% (~18,000 acres) for long-term lease or permit use

RAILROAD CONTRIBUTIONS

Transportation Link
Alaska’s transportation infrastructure is sparse with 640 square miles of land for every mile of paved road. Only 20% of Alaska’s roads are paved versus 91% average for the other 49 states. Many places in Alaska have no road access and are accessible only by air, ferry or rail.

Based on 531,611 rail passengers in 2018 and industry average of 36 passengers per motorcoach, the Alaska Railroad keeps nearly 14,800 motorcoaches off single-lane highways annually, decreasing safety and road maintenance issues. Rail offers low-impact public transport to public land treasures like Denali National Park and Chugach National Forest, allowing people of all physical abilities safe access to wilderness.

- **Denali National Park, 2018:** 106,464 (18%, or nearly one in five) of the park’s 594,660 visitors arrived by train.
- **Chugach Forest, 2018:** 45,790 people rode the Glacier Discovery train into forest areas; and 13,173 experienced the forest’s Whistle Stops south of Portage.

ARRC subsidizes essential public transportation services to roadless areas where thousands of people live and recreate. This includes the year-round Hurricane Turn flagstop service and the Anchorage-Fairbanks winter (October through April) Aurora train service.

Community Involvement
- The railroad operates through 13 municipalities and boroughs. ARRC is a member of the state and local chambers of commerce along the railbelt, and a supporter/sponsor of dozens of civic organizations that promote economic growth and commerce, ranging from tourism to mining.
- ARRC enhances the quality of life for Alaskans around the state with annual in-kind donations of rail transportation services valued at just over $1 million. Each year, ARRC supports about 400 charitable and civic non-profits with rail tickets, posters/prints, used ties, chartered use of the historic Denali Car, and other in-kind donations.
- ARRC places a priority on programs benefitting youth and enhancing education:
  - ARRC offers substantial discounts for school groups traveling by train during the school year.
  - ARRC provides in-kind donations, coordinates employee volunteers and supports educational activities as a business partner with schools in Anchorage and Salcha.
  - Since 1981, ARRC has partnered with school districts to offer a vocational program to train high school students to serve as hosts onboard summer passenger trains.
- The Alaska Railroad also supports the military community:
  - In-kind rail travel donations to the Armed Services YMCA “Y on Rail” program.
  - In-kind donations to support military morale activities.
  - 20% discount for active duty military members, retirees and their dependents.

Environmental Stewardship
- **Green Star:** ARRC is 26-year member of Green Star, a pro-business, pro-environment program recognizing organizations that meet specific standards for waste reduction, pollution prevention, recycling and energy conservation. In 2011, Green Star presented ARRC with its inaugural Super Nova award for setting high environmental standards.
- **Recycling:** The Alaskans for Litter Prevention and Recycling (ALPAR) organization has twice honored ARRC with ALPAR awards (2006 and 2011) for supporting backhaul of recyclable materials. ARRC has repeatedly donated gondolas to haul scrap metal out of rural communities along the Yukon River, and transported truck trailers that backhaul materials for recycle in the Lower 48.
- **Freight Impacts (2018):** Rail transport of freight mitigates highway congestion and safety issues, reduces roadway wear and lowers emissions. On average, a single freight train can carry the load of 280+ trucks. ARRC’s 2018 freight activity carried the equivalent of about 240,000 trucks:
  - ARRC transported 26,896 hopper and tanker railcars (carrying gravel, coal and petroleum), from mines or facilities to various distribution points. This equates to approximately 193,000 trucks traveling 15.3 million highway miles.
  - ARRC carried 23,307 cargo-filled trailers and containers on trains moving from Anchorage, Seward and Whittier ports to distribution points all along the railroad. This equals 46,614 truck movements.
- **Fuel Efficiency:** According to the American Association of Railroads, a freight train moves a ton of freight an average of 484 miles on a single gallon of fuel. Thanks to locomotive and technology improvements, railroad fuel efficiency is up 106% since 1980. According to a study commissioned by the Federal Railroad Administration (FRA), railroads on average are four times more fuel-efficient than trucks.