Alaska Canada Rail Link - Passenger Service - Management Strategy #1 (Max. track speed for passengers - 60 mph)

INTRODUCTION   Welcome to the Alaska Canada Rail Link Passenger Revenue Model.
This model provides the operating and traffic assumptions for the analysis of potential revenue generated by a passenger rail service. Various Service Assumptions and Tariff Assumptions can be manipulated to test the effect of different operating and pricing scenarios.

TAB DOCUMENTATION

Tab Name	Description
Service Assumptions	Includes types of service, seasonality of service, frequency of schedules, route mileage, scheduled stops, total and average running times, train capacity and configuration. Variables used in formulas on the revenue worksheets include train capacity, passenger distribution, frequency of service, route mileage, and total running time. These variables can be manipulated to test different assumptions.
Classes of Service	Classes of service are described in this tab.
Stations	Proposed station locations are included in this tab.
Tariff	Tariff for passenger fares, motorrail fares, and private track use are found in this tab. Passenger and motorrail fares are based on an analysis of similar services and are based on per diems. Track use rates are on a per mile basis. All tariffs are linked in the revenue worksheets. Tariff rates can be adjusted to test other tariff assumptions.
Revenue - Summer	This tab projects summer revenue for a base year of operation. Tab includes base assumptions to calculate passenger and motorrail revenues. Base assumptions include train capacity, number of trains per season, occupancy, adult/child percent, number of revenue passengers, trip length in days, number of vehicles. Base assumptions are linked to Service Assumptions. Revenue formulas are linked to the base assumptions, plus the Tariff assumptions.
Revenue - Winter	This tab projects winter revenue for a base year of operation. Tab includes base assumptions to calculate passenger and motorrail revenues. Base assumptions include train capacity, number of trains per season, occupancy, adult/child percent, number of revenue passengers, trip length in days, number of vehicles. Base assumptions are linked to Service Assumptions. Revenue formulas are linked to the base assumptions, plus the Tariff assumptions.
Revenue - Private Rail	This tab projects revenue generated from private rail operations operated by a tour company seasonally. Tab includes base assumptions to calculate private rail revenues. Base assumptions include train capacity, number of trains per season, trip length in miles. Base assumptions are linked to Service Assumptions. Revenue formulas are linked to the base assumptions, plus the Tariff assumptions.
Revenue Summary	This tab links to the Revenue tabs and summarizes the three types of service revenues.
Ramp Up	The passenger operation will ramp up over a period of years to the Base year projections. This tab projects the ramp up period for each type of service - summer, winter or private rail.
Growth Scenarios	This tab provides three growth scenarios and projects growth for the first 10 years plus a growth factor for additional years.

Alaska Canada Rail Link - Passenger Service - Management Strategy #1
SERVICE ASSUMPTIONS

Types of Service	Months of Operation	Origin	Destination
1. Scheduled SUMMER service	May 15-Sept 15	Vancouver	Fairbanks
2. Scheduled WINTER Service	Sept 16-May 14	Prince George	Fairbanks
3. Private Rail Cars - Self Propelled - Operated by cruise/tour company	May 15-Sept 15	Whitehorse	Fairbanks

Frequency of Service	Route	Dates of Operation	Low Case	Mid Case	High Case
1. Scheduled SUMMER Service - Number of trains each direction per week	Van-Fai-Van	May 15-31, Sept 1-15	1	1	2
	Van-Fai-Van	June 1-Aug 31	1	2	2
2. Scheduled WINTER Service - Number of trains each direction per week	PG-Fai-PG	Sept 16-May 14	1	1	1
2. Private Rail Cars - Self Propelled - Number of trains each direction per week	WH-Fai-WH	May 15-31	3	4	5
	WH-Fai-WH	June 1-Aug 31	3	4	5
	WH-Fai-WH	Sept 1-15	3	4	5

Route Mileage	Miles	Average Speed (Mgmt. Strategy 1)	Avg. Run Time (Hours)
Vancouver to Prince George	490	35	14.0
Prince George to Hazelton	273	40	6.8
Hazelton to Watson Lake	497	40	12.4
Watson Lake to Carmacks	403	40	10.1
Skagway to Whitehorse	110	27	4.1
Whitehorse to Carmacks	107	40	2.7
Carmacks to AK Border at Ladue River	196	33	5.9
AK Border (LR) to Delta Jct	196	40	4.9
Carmacks to AK Border at BC	240	27	8.9
BC to Delta Jct	206	40	5.2
Delta Jct to Fairbanks	98	40	2.5

Route Variations - Scheduled Rail	Total Mileage	Total Running Time (hours)	Average Speed (mph)
1. PG to Hazelton, Watson Lake, Carmacks, AK Border (Beaver Creek), Fairbanks	1717	45.8	37.5
2. PG to Hazelton, Watson Lake, Carmacks, AK Border (Ladue River), Fairbanks	1663	42.6	39.0
Average	**1690**	**44.2**	**38.3**

Route Variations - Private Rail	Total Mileage	Total Running Time	Average Speed (mph)
1. Whitehorse, Carmacks, AK Border (BC), Fairbanks	597	16.0	37.4
2. Whitehorse, Carmacks, AK Border (LR), Fairbanks	651	19.2	34.0
Average	**624**	**17.6**	**35.7**

Scheduled Stops	Duration (Hours)
Hazelton	0.5
Watson Lake	0.5
Carmacks	6.0
Alaska Border	2.0
Other stops (Dease Lake, Delta Jct., etc.)	2.0
TOTAL HOURS Stops	**11.0**

Total Running Time	Running Time - hours
Average Running Time	44.2
Stops - Total Hours	11.0
TOTAL TIME	55.2
TOTAL DAYS from Prince George	**2.3**
Vancouver to Prince George	14.0
TOTAL DAYS from Vancouver	**2.9**

Train Capacity - Per Train	Low	Mid	High
1. Scheduled SUMMER Service - # of Pax	317	317	317
2. Scheduled WINTER Service - # of Pax	109	109	109
3. Private Self-Propelled Rail - # of Cars	2	3	4

Passenger Distribution - SUMMER	Low	Mid	High
1. Scheduled SUMMER Service - Total Pax	317	317	317
Class 1 - Sleeper car w/private facilities	120	120	120
Class 2 - Sleeper car w/shared facilities	132	132	132
Class 3 - Sleeper seat w/shared facilities	65	65	65
Motor rail - # of vehicles	60	60	60
2. Scheduled WINTER Service - Total Pax			
Class 1 - Sleeper car w/private facilities	0	0	0
Class 2 - Sleeper car w/shared facilities	44	44	44
Class 3 - Sleeper seat w/shared facilities	65	65	65
Motor rail - # of vehicles	25	25	25
3. Private Self-Propelled Rail - # of trains/week	3	4	5

Train Configuration - SUMMER Service	Bi-Level Car Capacity	Bi-Level Cars	Passenger Capacity
Class 1			
Sleeper Cars with private facilities	30	4	120
Dining Cars - 2 seatings	62	1	62
Observation/Library/Lounge	60	2	120
Class 2			
Sleeper Cars with shared facilities	44	3	132
Dining Cars - 2 seatings	80	1	80
Bar/Cafe/Lounge Car	60	1	60
Class 3			
Sleeper Seats	65	1	65
Dining Cars - share with Class 2	0	0	0
Baggage Cars		1	0
Total Passenger Capacity			317
	Tri-Level Car Capacity	Tri-Level Cars	Vehicle Capacity
Train Cars for Vehicles			
Autos	15	2	30
Vans, Pick-up Trucks, SUVs	10	3	30
Total Vehicle Capacity			60
TOTAL TRAIN CARS		19	
NUMBER OF LOCOMOTIVES		2	

Train Configuration - WINTER Service	Bi-Level Car Capacity	Low Case Bi-Level Cars	Base Case Bi-Level Cars	High Case Bi-Level Cars
Class 1				
Sleeper Cars with private facilities	30	0	0	0
Dining Cars - 2 seatings	62	0	0	0
Observation/Library/Lounge	60	0	0	0
Class 2				
Sleeper Cars with shared facilities	44	1	1	1
Dining Cars - 2 seatings	80	1	1	1
Bar/Cafe/Lounge Car	60	1	1	1
Class 3				
Sleeper Seats	65	1	1	1
Dining Cars - share with Class 2	0	0	0	0
Baggage Cars		1	1	1
	Tri-Level Car Capacity	**Tri-Level Cars**	**Tri-Level Cars**	**Tri-Level Cars**
Train Cars for Vehicles				
Autos	15	1	1	1
Vans, Pick-up Trucks, SUVs	10	1	1	1
TOTAL TRAIN CARS		**7**	**7**	**7**
NUMBER OF LOCOMOTIVES		**2**	**2**	**2**

Train Capacity - WINTER Service	Bi-Level Car Capacity	Low Case Bi-Level Cars	Base Case Bi-Level Cars	High Case Bi-Level Cars
Class 1				
Sleeper Cars with private facilities	30	0	0	0
Dining Cars - 2 seatings	62	0	0	0
Observation/Library/Lounge	60	0	0	0
Class 2				
Sleeper Cars with shared facilities	44	44	44	44
Dining Cars - 2 seatings	80			
Bar/Cafe/Lounge Car	60			
Class 3				
Sleeper Seats	65	65	65	65
Dining Cars - share with Class 2	0			
Baggage Cars		1	1	1
Total Passenger Capacity		**109**	**109**	**109**
	Tri-Level Car Capacity	**Tri-Level Cars**	**Tri-Level Cars**	**Tri-Level Cars**
Train Cars for Vehicles				
Autos	15	15	15	15
Vans, Pick-up Trucks, SUVs	10	10	10	10
Total Vehicle Capacity		**25**	**25**	**25**

Alaska Canada Rail Link - Passenger Service - Management Strategy #1
CLASSES OF SERVICE

On-Board Services	Accommodations	Facilities	Food & Beverage	Amenities
Class 1	Twin sleeper berth - 2 lower	Toilet & shower in cabin Wash basin in cabin Class 1 Lounge Car Class 1 Restaurant Car	Meals included in fare, restaurant car dining Beverages available for purchase Tea & coffee complimentary	Complimentary toiletries Newsletters/Onboard Magazine Certificate of journey completion Interpretive sessions/onboard commentary Special reception/activities
Class 2	Twin sleeper - upper/lower	Toilet & shower at end of car Wash basin in cabin Lounge car shared with Class 3 Restaurant car shared with Class 3	Snacks/meals available for purchase Beverages available for purchase	Onboard magazine Onboard commentary
Class 3	Upright seat (reclines for sleeping)	Toilet and shower at end of car Lounge car shared with Class 2 Restaurant car shared with Class 2	Snacks/meals available for purchase Beverages available for purchase	Onboard magazine Onboard commentary

Alaska Canada Rail Link - Passenger Service - Management Strategy #1
LOCATIONS OF STATIONS

Route 1 (Beaver Creek)	Route 2 (Ladue River)
Prince George*	Prince George*
Hazelton	Hazelton
Dease Lake	Dease Lake
Watson Lake	Watson Lake
Ross River?	Ross River?
Carmacks	Carmacks
Beaver Creek	Tok
Tok	Delta Junction
Delta Junction	Fairbanks*
Fairbanks*	

*Stations need facilities to stage and
load vehicles.

Alaska Canada Rail Link - Passenger Service - Management Strategy #1
TARIFF

Tariff - SUMMER Service
* Two fare types - shoulder season and peak season
* Three scenarios - low, base, high

Tariff - Shoulder Season - May and September	Low	Mid	High
Per Diem			
Adult			
Class 1 (pp double occupancy)	$675	$675	$675
Class 2 (pp double occupancy)	$450	$450	$450
Class 3 per seat	$175	$175	$175
Child			
Class 1 (pp double occupancy)	$475	$475	$475
Class 2 (pp double occupancy)	$315	$315	$315
Class 3 per seat	$125	$125	$125
Motorrail			
Automobile	$0.35	$0.35	$0.35
Van/SUV/Pickup Truck	$0.45	$0.45	$0.45
Motorcycle	$0.25	$0.25	$0.25

Tariff - Peak Season - June-August	Low	Mid	High
Per Diem			
Adult			
Class 1 (pp double occupancy)	$750	$750	$750
Class 2 (pp double occupancy)	$500	$500	$500
Class 3 per seat	$200	$200	$200
Child			
Class 1 (pp double occupancy)	$525	$525	$525
Class 2 (pp double occupancy)	$350	$350	$350
Class 3 per seat	$140	$140	$140
Motorrail (price per mile)			
Automobile	$0.40	$0.40	$0.40
Van/SUV/Pickup Truck	$0.50	$0.50	$0.50
Motorcycle	$0.30	$0.30	$0.30

Tariff - WINTER Service

Tariff - WINTER Service	Low	Mid	High
Per Diem			
Adult			
Class 1 (pp double occupancy)			
Class 2 (pp double occupancy)	$300	$300	$300
Class 3 per seat	$150	$150	$150
Child			
Class 1 (pp double occupancy)			
Class 2 (pp double occupancy)	$150	$150	$150
Class 3 per seat	$75	$75	$75
Motorrail			
Automobile	$0.35	$0.35	$0.35
Van/SUV/Pickup Truck	$0.45	$0.45	$0.45
Motorcycle	$0.25	$0.25	$0.25

Tariff - Private Rail Cars

Private Rail Track Use	Low	Mid	High
Charge per passenger			
Charge per mile*	$20	$20	$20

*Placeholder - Final fees for private rail use to be determined.

Alaska Canada Rail Link - Passenger Service - Management Strategy #1
Revenue Forecast - Scheduled SUMMER Service - May 15 - September 15
BASE YEAR

Passenger Revenue

Assumptions		Vancouver/Fairbanks/Vancouver				Prince George/Fairbanks/Prince George		
		Low	Mid	High		Low	Mid	High
Train Capacity (Passengers)		317	317	317		317	317	317
	Class 1	38%	38%	38%		38%	38%	38%
	Class 2	42%	42%	42%		42%	42%	42%
	Class 3	21%	21%	21%		21%	21%	21%
Total Number Trains per Season								
Shoulder Season (5 weeks X 2)		10	10	20		10	10	20
Peak Sesson (13 weeks X 2)		26	52	52		26	52	52
Total Trains		36	62	72		36	62	72
Train Capacity (Passengers)								
Shoulder Season		3,170	3,170	6,340		3,170	3,170	6,340
Peak Season		8,242	16,484	16,484		8,242	16,484	16,484
Total Capacity		11,412	19,654	22,824		11,412	19,654	22,824
Occupancy (% of total capacity)								
Shoulder Season		70%	80%	90%		80%	85%	90%
Peak Season		85%	90%	95%		95%	95%	95%
Percent Adult/Child								
	Adult	90%	90%	90%		90%	90%	90%
	Child/Student	10%	10%	10%		10%	10%	10%
Revenue Passengers								
Shoulder Season		2,219	2,536	5,706		2,536	2,695	5,706
Peak Season		7,006	14,836	15,660		7,830	15,660	15,660
Total Revenue Passengers		9,225	17,372	21,366		10,366	18,354	21,366
Trip Length (# of Days)		2.9	2.9	2.9		2.3	2.3	2.3

Revenue

Passenger Fare Revenue - Shoulder Season

Adult (90% of total pax)

Class 1	$1,471,666	$1,681,904	$3,784,283		$1,341,704	$1,425,560	$3,018,833
Class 2	$1,079,222	$1,121,269	$2,775,141		$983,916	$1,045,411	$2,213,811
Class 3	$206,669	$236,193	$531,435		$188,418	$200,194	$423,941

Child (10% of total pax)

Class 1	$115,069	$131,507	$295,890		$104,907	$111,464	$236,040
Class 2	$83,939	$95,931	$215,844		$37,684	$40,039	$84,788
Class 3	$16,402	$18,745	$42,177		$14,954	$15,888	$33,646
Total Shoulder Season Revenue	*$2,972,967*	*$3,285,549*	*$7,644,771*		*$2,671,582*	*$2,838,556*	*$6,011,060*

Passenger Fare Revenue - Peak Season

Adult

Class 1	$5,162,510	$10,932,374	$11,539,728		$4,602,789	$9,205,578	$9,205,578
Class 2	$3,785,841	$8,017,074	$8,462,467		$375,042	$750,084	$750,084
Class 3	$745,696	$1,579,121	$1,666,850		$664,847	$1,329,695	$1,329,695

Child

Class 1	$401,529	$850,296	$897,534		$357,995	$715,989	$715,989
Class 2	$294,454	$623,550	$658,192		$262,529	$525,059	$525,059
Class 3	$57,999	$122,820	$129,644		$51,710	$103,421	$103,421
Total Peak Season Revenue	*$10,448,027*	*$22,125,235*	*$23,354,414*		*$6,314,913*	*$12,629,825*	*$12,629,825*
Total Passenger Fares	*$13,420,994*	*$25,410,784*	*$30,999,186*		*$8,986,495*	*$15,468,381*	*$18,640,885*

Other Revenue Sources

Meals ($35 per day/Class 2&3 guest)	$578,643	$1,089,679	$1,340,225		$518,706	$918,442	$1,069,137
Lounge ($5 per day/guest)	$133,017	$250,492	$308,087		$119,238	$211,129	$245,770
Gift Shop ($10/guest)	$92,247	$173,716	$213,658		$103,659	$183,543	$213,658
Total Other Revenue	*$803,907*	*$1,513,886*	*$1,861,970*		*$741,603*	*$1,313,114*	*$1,528,564*

TOTAL PASSENGER REVENUE	**$14,224,901**	**$26,924,670**	**$32,861,155**		**$9,728,098**	**$16,781,495**	**$20,169,450**

Vehicle Revenue

Assumptions

	Vancouver/Fairbanks/Vancouver			Prince George/Fairbanks/Prince George		
	Low	**Mid**	**High**	**Low**	**Mid**	**High**
Train Capacity (Vehicles)						
Automobile	28	28	28	28	28	28
Van/SUV/Pickup Truck	30	30	30	30	30	30
Motorcycle	5	5	5	5	5	5
Total Vehicles	63	63	63	63	63	63
Total Number Trains per Season						
Shoulder Season (5 weeks X 2)	10	10	20	10	10	20
Peak Sesson (13 weeks X 2)	26	52	52	26	52	52
Total Trains	36	62	72	36	62	72
Train Capacity (Vehicles)						
Shoulder Season	630	630	1260	630	630	1260
Peak Season	1638	3276	3276	1638	3276	3276
Total Capacity	2,268	3,906	4,536	2,268	3,906	4,536
Occupancy (% of total capacity)						
Shoulder Season	80%	85%	90%	80%	85%	90%
Peak Season	95%	95%	95%	95%	95%	95%
Revenue Vehicles						
Shoulder Season	504	536	1,134	504	536	1,134
Peak Season	1,556	3,112	3,112	1,556	3,112	3,112
Total Vehicles	2,060	3,648	4,246	2,060	3,648	4,246
Trip Length (# of Days)						
Avg. Speed - 36.1 MPH	2.9	2.9	2.9	2.3	2.3	2.3
Trip Length (Average Mileage)	2,180	2,180	2,180	1,690	1,690	1,690

Revenue

Vehicle Revenue - Shoulder Season

	Low	Mid	High	Low	Mid	High
Automobile	$170,912	$181,594	$384,552	$132,496	$140,777	$298,116
Van/SUV/Pickup Truck	$235,440	$250,155	$529,740	$182,520	$193,928	$410,670
Motorcycle	$21,800	$23,163	$49,050	$16,900	$17,956	$38,025
Total Shoulder Season Revenue	*$428,152*	*$454,912*	*$963,342*	*$331,916*	*$352,661*	*$746,811*

Vehicle Revenue - Peak Season

	Low	Mid	High	Low	Mid	High
Automobile	$603,075	$1,206,150	$1,206,150	$467,522	$935,043	$935,043
Van/SUV/Pickup Truck	$807,690	$1,615,380	$1,615,380	$626,145	$1,252,290	$1,252,290
Motorcycle	$80,769	$161,538	$161,538	$62,615	$125,229	$125,229
Total Peak Season Revenue	*$1,491,534*	*$2,983,068*	*$2,983,068*	*$1,156,281*	*$2,312,562*	*$2,312,562*

	Low	Mid	High	Low	Mid	High
TOTAL VEHICLE REVENUE	*$1,919,686*	*$3,437,980*	*$3,946,410*	*$1,488,197*	*$2,665,223*	*$3,059,373*

TOTAL REVENUE

Passenger Revenue	$14,224,901	$26,924,670	$32,861,155	$9,728,098	$16,781,495	$20,169,450
Vehicle Revenue	$ 1,919,686	$ 3,437,980	$ 3,946,410	$ 1,488,197	$ 2,665,223	$ 3,059,373
TOTAL ALL REVENUE	$16,144,587	$30,362,650	$36,807,566	$11,216,295	$19,446,718	$23,228,823

Alaska Canada Rail Link - Passenger Service - Management Strategy #1
Revenue Forecast - WINTER Service - September 16 to May 14
BASE YEAR

Revenue
Assumptions

	Prince George/Fairbanks/Prince George		
	Low	**Mid**	**High**
Train Capacity (passengers)	109	109	109
Class 1			
Class 2	44	44	44
Class 3	65	65	65
Total Number Trains (34 Weeks)	68	68	68
Train Capacity (Total for 34 weeks)	7,412	7,412	7,412
Occupancy (% of total capacity)	30%	50%	70%
Percent Adult/Child			
Adult	90%	90%	90%
Child/Student	10%	10%	10%
Revenue Passengers			
Adults	2,001	3,335	4,670
Children	222	371	519
Total Revenue Passengers	2,224	3,706	5,188
Trip Length (# of Days)	2.3	2.3	2.3
Trip Length (Avg. Mileage)	1,690	1,690	1,690

Revenue
Passenger Fare Revenue
Adult (90% of total pax)

	Low	Mid	High
Class 1			
Class 2	$557,552	$929,254	$1,300,956
Class 3	$411,828	$686,381	$960,933
Child (10% of total pax)			
Class 1			
Class 2	$30,975	$51,625	$72,275
Class 3	$22,879	$38,132	$53,385
Total Passenger Fare Revenue	$1,023,235	$1,705,392	$2,387,549

Other Revenue Sources

	Low	Mid	High
Meals ($30 per day/Class 2&3 guest)	$153,468	$255,780	$358,091
Lounge ($5 per day/guest)	$25,578	$42,630	$59,682
Gift Shop ($10/guest)	$22,236	$37,060	$51,884
Total Other Revenue	$201,282	$335,469	$469,657
TOTAL PASSENGER REVENUE	**$1,224,517**	**$2,040,862**	**$2,857,206**

Vehicle Revenue
Assumptions

Prince George/Fairbanks/Prince George

	Low	Mid	High
Train Capacity (Vehicles)			
Automobile	15	15	15
Van/SUV/Pickup Truck	10	10	10
Motorcycle			
Total Vehicles	25	25	25
Total Number Trains per Season	68	68	68
Train Capacity	1,700	1,700	1,700
Occupancy (% of total capacity)	30%	50%	70%
Revenue Vehicles			
Automobile	306	510	714
Van/SUV/Pickup Truck	204	340	476
Motorcycle			
Total Vehicles	510	850	1,190
Trip Length (# of Days)			
Avg. Speed - 35 MPH	2.3	2.3	2.3
Trip Length (Average Mileage)	1,690	1,690	1,690

Revenue
Vehicle Revenue

	Low	Mid	High
Automobile	$180,999	$301,665	$422,331
Van/SUV/Pickup Truck	$155,142	$258,570	$361,998
Motorcycle			
TOTAL VEHICLE REVENUE	*$336,141*	*$560,235*	*$784,329*

TOTAL REVENUE

	Low	Mid	High
Passenger Revenue	$1,224,517	$2,040,862	$2,857,206
Vehicle Revenue	$336,141	$560,235	$784,329
TOTAL ALL REVENUE	$1,560,658	$2,601,097	$3,641,535

Alaska Canada Rail Link - Passenger Service - Management Strategy #1
Revenue Forecast - Cruise/Tour Company PRIVATE RAIL With Own Cars - May 15 - September 15
BASE YEAR

Revenue
Assumptions

Whitehorse/Carmacks/Fairbanks/Carmacks/Whitehorse

	Low	Mid	High
Tour company self-propelled (# of trains per week each direction)			
May 15- May 31	3	4	5
June 1-Aug 31	3	4	5
Sept 1 - 15	3	4	5
Total Number Trains per Season			
Shoulder Season (5 weeks X 2)	30	40	50
Peak Sesson (13 weeks X 2)	78	104	130
Total Trains	108	144	180
Passengers			
Trip Length - (mileage)	624	624	624

Revenue
Track Revenue

	Low	Mid	High
Shoulder Season	$374,400	$499,200	$624,000
Peak Season	$973,440	$1,297,920	$1,622,400
TOTAL TRACK REVENUE	***$1,347,840***	***$1,797,120***	***$2,246,400***

Alaska Canada Rail Link - Passenger Service - Management Strategy #1
REVENUE SUMMARY - BASE YEAR

Option #1

	Route	Low	Mid	High
Summer Service	Van/Fai/Van	$16,144,587	$30,362,650	$36,807,566
Winter Service	PG/Fai/PG	$1,560,658	$2,601,097	$3,641,535
Private Rail	WH/Fai/WH	$1,347,840	$1,797,120	$2,246,400
TOTAL ANNUAL REVENUE		*$19,053,085*	*$34,760,867*	*$42,695,501*

Option #2

	Route	Low	Mid	High
Summer Service	PG/Fai/PG	$11,216,295	$19,446,718	$23,228,823
Winter Service	PG/FaiPG	$1,560,658	$2,601,097	$3,641,535
Private Rail	WH/FaiWH	$1,347,840	$1,797,120	$2,246,400
TOTAL ANNUAL REVENUE		*$14,124,793*	*$23,844,935*	*$29,116,758*

Alaska Canada Rail Link - Passenger Service - Management Strategy #1
RAMP UP PERIOD

Assumptions (Percent of Base Year)

Summer Service

	Vancouver/Fairbanks/Vancouver				Prince George/Fairbanks/Prince George		
	Low	Mid	High		Low	Mid	High
Year 1	50%	50%	50%		50%	50%	50%
Year 2	65%	75%	75%		65%	75%	75%
Year 3	80%	100%	100%		80%	100%	100%
Year 4	90%				90%		
Year 5	100%				100%		

Winter Service

	Prince George/Fairbanks/Prince George		
	Low	Mid	High
Year 1	50%	50%	50%
Year 2	65%	75%	75%
Year 3	80%	100%	100%
Year 4	90%		
Year 5	100%		

Private Rail
Revenue

	Whitehorse/Fairbanks/Whitehorse		
	Low	Mid	High
Year 1	80%	80%	80%
Year 2	90%	90%	90%
Year 3	100%	100%	100%

Revenue

Summary Tables

Summer Service	Vancouver/Fairbanks/Vancouver			Prince George/Fairbanks/Prince George		
Total Revenue	Low	Mid	High	Low	Mid	High
Year 1	$8,072,294	$15,181,325	$18,403,783	$5,608,148	$9,723,359	$11,614,411
Year 2	$10,493,982	$22,771,988	$27,605,674	$7,290,592	$14,585,039	$17,421,617
Year 3	$12,915,670	$30,362,650	$36,807,566	$8,973,036	$19,446,718	$23,228,823
Year 4	$14,530,128			$10,094,666		
Year 5	$16,144,587			$11,216,295		

Winter Service	Prince George/Fairbanks/Prince George		
Total Revenue	Low	Mid	High
Year 1	$780,329	$1,300,548	$1,820,768
Year 2	$1,014,428	$1,950,823	$2,731,152
Year 3	$1,248,526	$2,601,097	$3,641,535
Year 4	$1,404,592		
Year 5	$1,560,658		

Private Rail	Whitehorse/Fairbanks/Whitehorse		
Revenue	Low	Mid	High
Year 1	$1,078,272	$1,437,696	$1,797,120
Year 2	$1,213,056	$1,617,408	$2,021,760
Year 3	$1,347,840	$1,797,120	$2,246,400

Alaska Canada Rail Link - Passenger Service - Management Strategy #1
GROWTH SCENARIOS

<u>BASE YEAR</u>   **Vancouver/Fairbanks/Vancouver**

	Low	Mid	High
Summer Service			
Total Passenger Revenue	$16,144,587	$30,362,650	$36,807,566
Total Number of Passengers	9,225	17,372	21,366
Average Passenger Revenue	$1,750.15	$1,747.83	$1,722.73
Winter Service			
Total Passenger Revenue	$1,560,658	$2,601,097	$3,641,535
Total Number of Passengers	2,224	3,706	5,188
Average Passenger Revenue	$701.86	$701.86	$701.86

<u>PERCENT GROWTH ASSUMPTIONS</u>

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Annual Avg. Growth Years 11 and beyond
LOW CASE											
Summer Service											
Passenger and Vehicle Volume	Ramp-up Period - Years 1-5					0.5%	0.5%	0.5%	0.5%	0.5%	0.3%
Fares	Ramp-up Period - Years 1-5 - no fare changes					1.5%	1.5%	1.5%	1.5%	1.5%	0.7%
Winter Service											
Passenger and Vehicle Volume	Ramp-up Period - Years 1-5					0.5%	0.5%	0.5%	0.5%	0.5%	0.3%
Fares	Ramp-up Period - Years 1-5 - no fare changes					1.5%	1.5%	1.5%	1.5%	1.5%	0.7%
Private Rail	Ramp-up Period - Years 1-3		2.5%	2.5%	2.5%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%
MID CASE											
Summer Service											
Passenger and Vehicle Volume	Ramp-up Period - Years 1-3			1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%
Fares	Ramp-up Period - Years 1-3 - no fare changes			2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	1.0%
Winter Service											
Passenger and Vehicle Volume	Ramp-up Period - Years 1-3			1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%
Fares	Ramp-up Period - Years 1-3 - no fare changes			2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	1.0%
Private Rail	Ramp-up Period - Years 1-3		3.0%	3.0%	3.0%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%
HIGH CASE											
Summer Service											
Passenger and Vehicle Volume	Ramp-up Period - Years 1-3			2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	1.5%
Fares	Ramp-up Period - Years 1-3 - no fare changes			2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	1.5%
Winter Service											
Passenger and Vehicle Volume	Ramp-up Period - Years 1-3			2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	1.5%
Fares	Ramp-up Period - Years 1-3 - no fare changes			2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	1.5%
Private Rail	Ramp-up Period - Years 1-3		3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%

REVENUE

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Annual Avg. Growth Years 11 and beyond
LOW CASE											
Summer Service											
Passenger and Vehicle	$8,072,294	$10,493,982	$12,915,670	$14,530,128	$16,144,587	$16,468,690	$16,798,063	$17,134,025	$17,476,705	$17,826,239	1.0%
Winter Service											
Passenger and Vehicle	$780,329	$1,014,428	$1,248,526	$1,404,592	$1,560,658	$1,591,988	$1,623,828	$1,656,305	$1,689,431	$1,723,219	1.0%
Private Rail	$1,078,272	$1,213,056	$1,347,840	$1,388,275	$1,429,923	$1,465,672	$1,502,313	$1,539,871	$1,578,368	$1,617,827	2.0%
TOTAL Low Case	**$9,930,895**	**$12,721,465**	**$15,512,036**	**$17,322,996**	**$19,135,169**	**$19,526,349**	**$19,924,205**	**$20,330,200**	**$20,744,504**	**$21,167,286**	
Percent Growth Rate		**28.1%**	**21.9%**	**11.7%**	**10.5%**	**2.0%**	**2.0%**	**2.0%**	**2.0%**	**2.0%**	
MIDCASE											
Summer Service											
Passenger and Vehicle	$15,181,325	$22,771,988	$30,362,650	$31,279,602	$32,217,990	$33,184,530	$34,180,066	$35,205,468	$36,261,632	$37,349,481	2.0%
Winter Service											
Passenger and Vehicle	$1,300,548	$1,950,823	$2,601,097	$2,679,650	$2,760,039	$2,842,841	$2,928,126	$3,015,969	$3,106,449	$3,199,642	2.0%
Private Rail	$1,437,696	$1,617,408	$1,797,120	$1,851,034	$1,906,565	$1,954,229	$2,003,084	$2,053,162	$2,104,491	$2,157,103	2.5%
TOTAL Mid Case	**$17,919,569**	**$26,340,218**	**$34,760,867**	**$35,810,286**	**$36,884,594**	**$37,981,599**	**$39,111,276**	**$40,274,599**	**$41,472,571**	**$42,706,226**	
Percent Growth Rate		**47.0%**	**32.0%**	**3.0%**	**3.0%**	**3.0%**	**3.0%**	**3.0%**	**3.0%**	**3.0%**	
HIGH CASE											
Summer Service											
Passenger and Vehicle	$18,403,783	$27,605,674	$36,807,566	$38,294,591	$39,826,375	$41,419,430	$43,076,207	$44,799,255	$46,591,226	$48,454,875	3.0%
Winter Service											
Passenger and Vehicle	$1,820,768	$2,731,152	$3,641,535	$3,788,653	$3,940,200	$4,097,808	$4,261,720	$4,432,189	$4,609,476	$4,793,855	3.0%
Private Rail	$1,797,120	$2,021,760	$2,246,400	$2,313,792	$2,383,206	$2,454,702	$2,528,343	$2,604,193	$2,682,319	$2,762,789	3.0%
TOTAL High Case	**$22,021,671**	**$32,358,586**	**$42,695,501**	**$44,397,037**	**$46,149,780**	**$47,971,939**	**$49,866,270**	**$51,835,637**	**$53,883,021**	**$56,011,519**	
Percent Growth Rate		**46.9%**	**31.9%**	**4.0%**	**3.9%**	**3.9%**	**3.9%**	**3.9%**	**3.9%**	**4.0%**	