



April 14, 2014

To: ContractsRFP@indot.in.gov

From: Ed Ellis

Iowa Pacific Holdings

Re: Hoosier State Rail Services RFP

Iowa Pacific Holdings (IPH) is a private operator of nine North American railroads with a variety of freight and passenger services. Passenger services include highly-regarded, well-patronized regular service train operations in upstate New York and specialized, first class services between Chicago and New Orleans through our Pullman Rail Division. A number of former Amtrak executives and senior officers work in the IPH organization. We are preparing a response to the Hoosier State RFP in accordance with the April 30 deadline.

The Association of Independent Passenger Rail Operators has requested an extension to the Hoosier State RFP. AIPRO has further suggested that INDOT organize a workshop to deal with the institutional issues surrounding a possible transfer of services from Amtrak to private operators. IPH is not a member of AIPRO and **does not** support the extension request. The timing of your existing Amtrak agreement is short and achieving the timeline as presently described by INDOT is essential to the goal of effecting a timely transfer of services. We also would question AIPRO's role as a representative of some (but not all) potential service providers in attempting to shape the architecture of what is intended to be a competitive bidding process between its various members.

AIPRO correctly observes that many complex institutional issues attend this possible change, but a workshop, in our opinion, will fail to bring progress or clarity to issues that have been discussed in meetings and conferences for many years. A specific, actionable plan developed in the context of a known and vetted alternative operator will need to be tested and negotiations take place in order to move the ball forward. As you are no doubt aware Indiana is in a pioneering role in testing the new commercial freedoms brought about through PRIIA; no such process gets started without tough and thoughtful negotiations with all involved parties. It won't get started through a workshop, period.

We applaud the initiative shown by Indiana in pursuing new alternative to improve rail services available to Hoosier State residents. We look forward to participating as the RFP process moves forward. Please don't slow it down.