

February 27, 2015

Senator Peter Micciche Chair, Senate Transportation Committee Capitol Building, Room 514 Juneau, Alaska 99801

Representative Shelley Hughes Co-Chair, House Transportation Committee Capitol Building, Room 13 Juneau, Alaska 99801

Representative Neal Foster Co-Chair, House Transportation Committee Capitol Building, Room 424 Juneau, Alaska 99801

Dear Senator Micciche, Representative Hughes and Representative Foster:

Thank you for the opportunity to testify before a Joint House and Senate Transportation Committee earlier this month. As a state owned corporation, we appreciate the chance to explain what we do for the State of Alaska.

One of the questions that was asked during the committee meeting was what our percentage of expenses related to fuel are as compared to a year ago. During 2013 diesel was 15% of our operating expense; for 2014 it was 14%.

As was requested during the meeting, I have attached a pie chart showing our proportion of revenue between passenger, freight and real estate as well as our financial highlights for 2005 through 2014.

Thank you again for inviting us to present at the Joint Transportation Committee. If you have any further questions, please don't hesitate to contact me.

Sincerely,

Bill O'Leary

President & CEO

Alaska Railroad Corporation

cc: House and Senate Transportation Committee members