CALIFORNIA’S HIGH-SPEED TRAIN SYSTEM
Largest public infrastructure project in U.S. history

• First phase of 520 miles; 800 miles when full system is realized
• Operating speeds up to 220 mph
• 100% clean electric power
• Reliable, easy way to travel
• Creates jobs/stimulates economy
MEETING 21ST CENTURY TRANSPORTATION NEEDS

- Transportation systems already overburdened
- The current statewide cost of time lost and fuel wasted in traffic is more than $18.7 B annually
- One out of every four SF-LA flights are delayed by 1 hour
- Population growth will create even more demand
PROGRESS

- January 18 - Governor Brown’s State of the State Speech
- April 12 - Revised Business Plan Approved
  - Support from Elected Officials & Business Leaders
- May 18 - Peer Review Group Report Released
  - Improvements in the Plan - Clearer Vision & Better Business Model
- May 29 - Board Names Jeff Morales as CEO
- July 6 - Legislature Appropriates Fund for Project
- July 18 - Governor signs SB 1029
BROAD SUPPORT

• Obama Administration
• US DOT Secretary Ray LaHood
• Federal, State and Regional Agencies
• Governor Jerry Brown
• Legislators, Mayors and Other Elected Officials
• Business Councils, Chamber of Commerce
• Labor, Building Trades
Highlights of the Revised 2012 Business Plan
Better
Uses existing rail systems to avoid duplication

Faster
Early investments, early benefits

Cheaper
Cost reduced by $30 billion
NEW PHASING APPROACH

IOS 2013-2021
Bay to Basin 2021-2026
Phase 1 Blended 2014-2028

First Construction
Initial Operation Section
Bay to Basin
Early Investment—Blended Systems/Bookends
Phase 1 Blended

Northern California Unified Service
IOS HSR Operational
Bay to Basin Operational
Phase 1 Blended Operational
INITIAL OPERATING SECTION

- Begins with 130 miles in Central Valley
- Northern California connections to San Joaquin, ACE, Capitol Corridor
- Closes Bakersfield-Palmdale passenger rail gap
- HSR service from Merced to San Fernando Valley in 2022
- No operating subsidy
BAY TO BASIN

- IOS expanded to San Jose
- HSR service connects Bay Area and Southern California Basin in 2027
- Blended infrastructure with Caltrain
- Metrolink connection between San Fernando Valley and LA Union Station
PHASE 1 BLENDED SYSTEM

- One-seat ride in 2029 on HSR trains between downtown San Francisco and downtown Los Angeles
- Blended operations with Caltrain and Metrolink
STATEWIDE HSR

- HSR extensions to Sacramento and San Diego
LOWER COST

<table>
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<tr>
<th>Assumption</th>
<th>Draft Plan</th>
<th>Revised Plan</th>
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<tr>
<td>Build</td>
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<td>Blended System</td>
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<tr>
<td></td>
<td>• Dedicated infrastructure</td>
<td>• Dedicated infrastructure</td>
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<tr>
<td></td>
<td>San Francisco to Los Angeles/Anaheim</td>
<td>San Jose to Los Angeles</td>
</tr>
<tr>
<td></td>
<td>• Shared electrified</td>
<td>• Shared electrified infrastructure</td>
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<td></td>
<td>infrastructure</td>
<td>San Jose to San Francisco</td>
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<tr>
<td></td>
<td>Los Angeles to Anaheim</td>
<td>• Upgraded diesel Metrolink corridor</td>
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<tr>
<td>Inflation</td>
<td>3% per year starting in 2011</td>
<td>1%—2012, 2% per year—2013-2015, 3% per year—2016 and beyond</td>
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FUNDING

• State, federal, private and local resources required
• $6 billion identified for first segment of IOS
  • $3.3 billion federal
  • $2.7 billion Prop. 1A
• New funding identified before additional construction
• Ridership and revenue will facilitate private investment
• Cap-and-Trade backstop
### NO OPERATING SUBSIDY

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<th>Scenario</th>
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<td>High ridership</td>
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<tr>
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COMPARISON TO OTHER TRANSPORTATION INVESTMENTS

- Equivalent capacity to Phase 1 Blended:
  - 4,300 new highway lane miles
  - 115 additional airport gates
  - 4 new airport runways
  - Estimated $158 billion for road and airport expansions (YOE $)

- Caltrans estimates $132.8 billion O&M costs over 50 years for the additional highway infrastructure
JOB YEARS

- Average 20,000 jobs annually for five years of initial construction – 100,000 job years
- Average 66,000 jobs annually over 15 years for Phase 1 Blended construction
- 2,900 permanent operations jobs for Phase 1 Blended
## ADVANTAGE HSR

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<td>Private investment</td>
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<td>Reduced auto use</td>
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<td>Air quality improvement</td>
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<td>Job creation</td>
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SOUTHERN CALIFORNIA ACTION PLAN

- Prioritize connectivity from Bakersfield into the Southern California Basin (San Fernando Valley & LAUS)
- Bring all operators to the table (Metrolink, Amtrak, Caltrans, BNSF etc.) to work on streamlined schedules and express connections to HSR
- Develop “Blended Approach” strategy
- Conduct station area planning now
- Commit to completion of EIR/EIS work for all So Cal sections
  - Bakersfield-Palmdale
  - Palmdale-LA
  - LA-Anaheim
  - LA-San Diego
Sylmar to Palmdale
- Supplemental Alternatives Analysis to CHSRA Board April 2012

SR 2 to Sylmar
- Share Metro owned right-of-way with dedicated HST tracks adjacent to realigned Metrolink, Amtrak and UPRR tracks
- At-grade throughout San Fernando Valley
- 3 station options (Burbank Buena Vista; Branford Street; San Fernando)

LAUS to SR 2
- 2 tunnel options on west bank crossing under the LA River to just north of Rio de Los Angeles State Park
- 1 surface/elevated option crossing the LA River to east bank
LOS ANGELES TO ANAHEIM

• Stage 1: “Laying the Groundwork”
  ➢ Begin to open up the necessary ROW

• Stage 2: “Bridging the LOSSAN Gap”
  ➢ Begin to build shared infrastructure for current commuter use and the future HSR operations
  ➢ Bridge the gap between Redondo and Fullerton Junction

• Stage 3: “HSR Operations”
  ➢ Electrification of new trackage from LAUS to Anaheim
LOS ANGELES TO SAN DIEGO

- Alternatives Analysis Update
- Reduced 500 miles of alternatives to 290 miles
- Reduced station candidates to 13
- Recommended withdrawal of alignments utilizing UPRR ROW or immediately adjacent to UPRR
- ITC in San Diego is terminus
WHAT'S NEXT?

- Legislature approved request for appropriation of $2.7 billion of Proposition 1A GO bonds through 2012-13 budget process
- Legislature appropriates Proposition 1A bonds in state budget
- Governor approves appropriation of Proposition 1A bonds in state budget
CONCLUSION

• First true high-speed rail in the US
• Best and most innovative companies are involved
• Active involvement by the small business community
• Partnerships between contractors and the community