

California High-Speed Rail Program Draft Revised 2012 Business Plan



California High-Speed Rail Authority (CHSRA) Draft Revised 2012 Business Plan (Plan) Highlights

- A lower, overall cost for the blended system of \$68.4 billion (reduced from the \$78.2 billion estimate for the blended approach in the November Plan; full phase one was estimated at \$98 billion in the November Plan)
- Specific investment in the “bookends” of the system, estimated at \$3.5 billion
- The Initial Operating Segment (IOS) is identified to be the Southern California Section (Merced to Los Angeles)
- Provides for incremental improvements to the Northern California section (Merced to San Jose/San Francisco), and the San Fernando Valley to Orange County section, while the IOS is being constructed

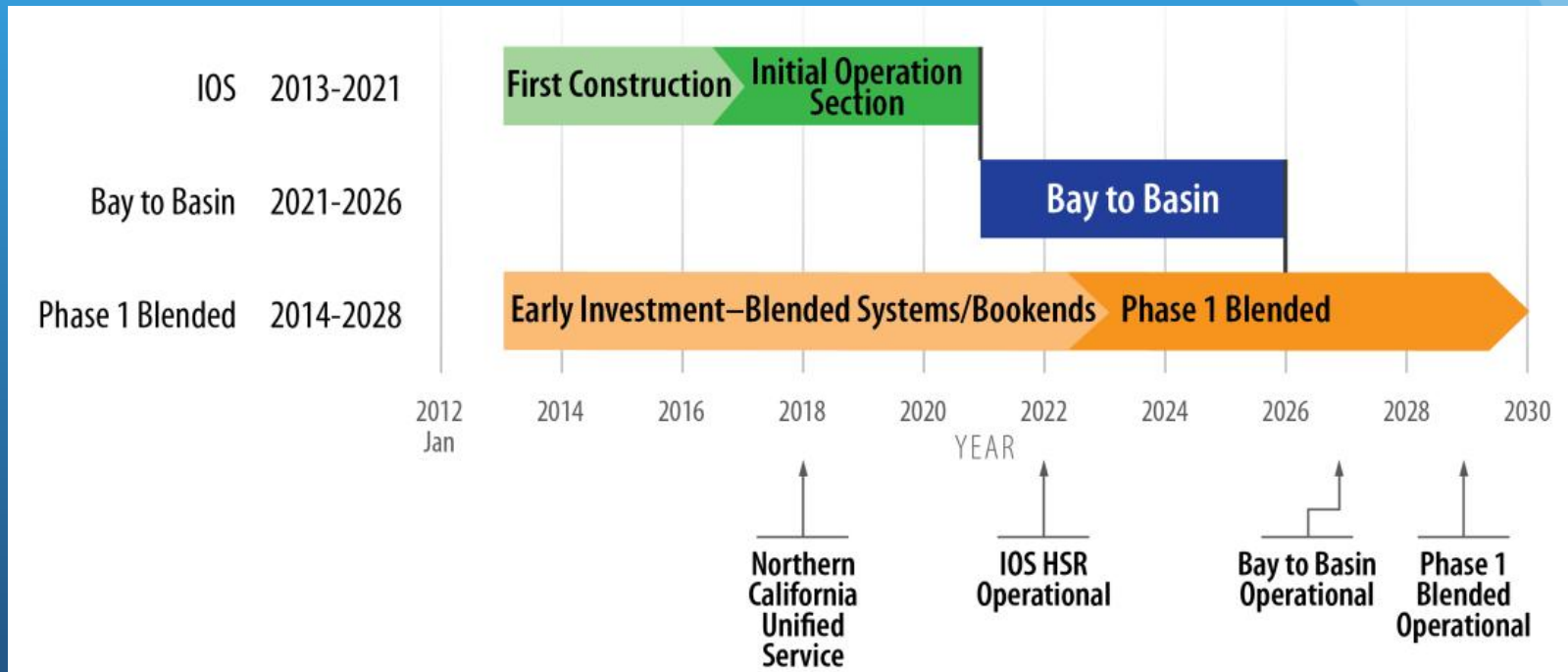
“Blended”

- Blended Systems - *Integrated Infrastructure Investments*
 - Blended systems leverage existing rail services and infrastructure by tying them together with the HSR system
- Blended Operations - *Integrated Service*
 - Allows for interoperability of high-speed and conventional rail over shared infrastructure

Phased Implementation (Revised)

Section	Length (approx.)	Endpoints	Service Description	Cumulative Year of Expenditure (billions)
IOS	300 miles	Merced to the San Fernando Valley	Includes initial 130-mile construction in Central Valley; uses blended operations	\$31.3
Bay to Basin	410 miles	San Jose and Merced to the San Fernando Valley	First high-speed rail (HSR) service to connect the San Francisco Bay Area to Los Angeles	\$51.2
Phase 1 Blended	520 miles	San Francisco to Los Angeles/ Anaheim	Utilizes blended operations with existing systems	\$68.4

Project Schedule (Revised)



OCTA Prior Comments/Concerns:

Prior Comment/Concern	Summary of Comment/Concern	Draft Revised Plan Response:
Phased Delivery Approach	Began with construction in the Central Valley and ignored investment in the system “bookends”	IOS is identified to be south (Merced to Los Angeles); includes specific investment in bookends to support blended approach
Project Schedule	Project schedule was increased 13 years, adding cost and timely use risks	Inclusion of the blended approach allows for faster delivery, recognizing benefits sooner; blended system by 2028
Cost Increase	Significant increase; limited contingency identified for worst case scenarios	Reduced cost for Phase 1 blended of \$68.4 billion (\$78.2 in prior draft)

OCTA Prior Comments/Concerns

Contd:

Prior Comment/Concern	Summary of Comment/Concern	Draft Revised Plan Response:
Funding/Financial Plan	Funding plan largely speculative and includes no firm/long-term commitment	Calls for significant private sector investment following the IOS; cap and trade identified as a “backstop”
Compliance with Proposition 1A	Does the business plan comply with Proposition 1A?	Not addressed
Cost Comparisons	Included incongruent comparisons to roadway/airport infrastructure projects	No longer included in the plan

Next Steps

CHSRA Board of Directors considers -
Revised Draft 2012 Plan

April 12, 2012

Staff presentation - Summary of Revised
Draft 2012 Plan to OCTA Transit
Committee and Board of Directors

April/May 2012