

March 28, 2016
Mr. Dan Richard
Chairperson, California High-Speed Rail Authority
770 L Street, Suite 800
Sacramento, CA 95814

The CHSRA Draft 2016 Business Plan presents a major change for where high-speed rail (HSR) service will be initiated. This new plan focuses on delivering a HSR line connecting the Silicon Valley to the Central Valley in 2025 instead of between Merced and the San Fernando Valley in 2022. While the Silicon Valley to Central Valley segment may be cheaper to construct, it is not what the Legislature voted for in 2012 to enable HSR construction to begin or in 2014 to provide the substantial ongoing Cap & Trade funding required for the HSR rail project to be viable.

The Draft 2016 Business Plan describes CHSRA's "plan to deliver high-speed rail service connecting the Silicon Valley to the Central Valley, and offer high-speed passenger service between these two important economic regions within the next ten years". However, this newly proposed route between San Jose and north of Bakersfield does not benefit Merced, the Northern San Joaquin Valley, or Sacramento.

CHSRA's commitment to include Merced in the Initial Operating Segment was critical for passing Proposition 1A in 2008. The Northern San Joaquin Valley, Sacramento and portions of the Bay Area were strongly in favor of the Altamont Pass route to connect the San Joaquin Valley to the Bay Area. Merced was promised by CHSRA to be part of an initial test-track between Merced and Bakersfield. The promise of early implementation to Merced and conventional improvements in the Altamont Pass were essential for getting the Northern San Joaquin Valley and Sacramento to accept CHSRA's selection of the Pacheco Pass. The CHSRA Draft 2016 Business Plan almost completely ignores the connections to Sacramento and San Diego which were part of the "entire system" which was sold to the voters to be implemented by 2020.

There is also almost no discussion of the connectivity improvements ("Blended" service, Northern California Unified Service) which dominated the 2012 Business Plan. Should this plan be approved CHSRA should include fulfilling the commitments made in the 2012 Revised Business Plan for Blended service. Key elements of "blended" service improvements included conventional rail improvements to the San Joaquin service to Sacramento and the ACE service to increase connectivity of these systems to the future HSR service.

The CHSRA Draft 2016 Business Plan states CHSRA will "reinvest" some of the savings from cost reductions in Phase 1 to enhance service levels in the vital Los Angeles to Anaheim segment. The draft commits to a \$2.1 billion investment in that corridor (but also mentions potentially \$4 billion on page 12). However, Section 6 ("Funding and Financing") only calls out the \$500 million that was committed to as part of SB 1029 in 2012, and states that they "can

invest Cap & Trade proceeds not committed to building the initial operating line”, and lists a number of other potential sources including FAST Act federal funds and Transit and the Intercity Rail Capital Program (TIRCP) funds from Cap & Trade.

CHSRA should also “reinvest savings” to provide near-term connectivity to Merced, and to Sacramento. The CHSRA Draft 2016 Business Plan is in effect promising a TIRCP funding priority for the Burbank to Anaheim segment. Funding near-term improvement of the San Joaquin service should also be a priority for the State as promised in the CHSRA Revised 2012 Business Plan.

“The implications for the Silicon Valley to Central Valley connection are tremendous,” this point in the draft plan is incredibly important as it was what was sold to the voters when they approved the initial legislation. It is unfortunate however that the plan contradicts that statement. The route is being promoted as one which will help the Central Valley and promote long-distance commuting. But the HSR route via the Pacheco Pass does little for much of the Central Valley and is not the best alignment for serving long-distance commuters between the Central Valley and Bay Area. There are about 50,000 daily commuters going over the Altamont Pass to the Bay Area mostly from San Joaquin and Stanislaus counties. The three Central Valley counties that would be most likely to have commuters to the Silicon Valley interested in taking a high-speed passenger rail service would be from San Joaquin, Stanislaus and Merced counties – none of which are served by the current HSR route using the Pacheco Pass.

We appreciate the opportunity to comment on the CHSRA Draft 2016 Business Plan. CHSRA has received significant support from the Northern San Joaquin Valley and Sacramento even though the routing selected by CHSRA between the Bay Area and San Joaquin Valley does not well serve the Northern San Joaquin Valley or Sacramento. Support from these regions helped pass Proposition 1A and Representatives for these regions provided key votes for CHSRA in 2012 and 2014 because of the economic and environmental implications that the people in these regions will benefit from. As a historically underserved region we hope that this plan recognizes our concerns so that the final version of your 2016 Business Plan will be a plan which can be supported by the Northern San Joaquin Valley and Sacramento.