

Number	Section	Purpose	Draft BP Page	Current Text	New Text
Letter from the Chief Executive Officer Brian Kelly					
1.	Item 3	Clarification	ii	On our path toward completing the Silicon Valley to Central Valley Line, invest funds to develop 224 miles of high-speed rail ready infrastructure on two lines, one in the Central Valley (Bakersfield to Madera) and one in the Silicon Valley /Bay Area (between Gilroy and San Jose/San Francisco). Doing this will provide early benefits by reducing travel times on existing passenger rail systems, expand clean electrified rail service, and prepare for testing and potential high-speed rail operations in these two corridors by 2026-27.	On our path toward completing the Silicon Valley to Central Valley Line, invest funds to develop 224 miles of high-speed rail ready infrastructure on two lines. <b>One line will be</b> in the Central Valley <b>between</b> Bakersfield, <b>Fresno</b> and Madera. <b>It will also include evaluating construction between Madera and Merced for early service, including understanding the opportunity for connections to the San Joaquins and Altamont Corridor Express Services. The other one will be</b> in the Silicon Valley/Bay Area between Gilroy, San José/San Francisco). Doing this will provide early benefits by reducing travel times on existing passenger rail systems, expand clean electrified rail service, and prepare for testing and potential high-speed rail operations in these two corridors by 2026-27.
2.	Item 4	Clarification	ii	Complete project development work to refine the design, scope and cost for the Pacheco Pass tunnels that are the critical link between the Central Valley and the Silicon Valley. We will also conduct important early works, such as geotechnical analysis, to reduce uncertainty and further “de-risk” the construction of the tunnels. As we do so, we will engage private and public sector expertise to examine and refine design options, optimize operational efficiency and limit costs.	Complete project development work to refine the design, scope and cost for the Pacheco Pass tunnels <b>and the Merced extension</b> that <b>comprise</b> the critical link between the Central Valley and the Silicon Valley. We will also conduct important early works, such as geotechnical analysis, to reduce uncertainty and further “de-risk” the construction of the tunnels. As we do so, we will engage private and public sector expertise to examine and refine design options, optimize operational efficiency, limit costs <b>and evaluate delivery options.</b>
3.	First paragraph after list of items, 4 <sup>th</sup> sentence	Clarification	iii	And billions of dollars have infused the state’s economy, creating over \$5 billion in economic output.	And billions of dollars have infused the state’s economy, <b>which was recently ranked the 5th largest economy in the world</b> , creating <b>more than</b> \$5 billion in economic output.
4.	Last paragraph	Updated information	iii	With this Draft 2018 Business Plan, we initiate a 60-day period of public review and comment before a final plan is adopted by the Authority Board in May 2018. I look forward to hearing from the public, our partners and other stakeholders as we shape and finalize this plan. And I look forward to continuing the march to deliver the most transformative transportation project I have experienced in my nearly quarter of a century working on transportation policy in California—the nation’s first true high-speed rail system.	<b>In March, we issued our</b> Draft 2018 Business Plan <b>for</b> public review and comment. <b>I appreciate the comments and questions we received from</b> the public, our partners and other stakeholders <b>which helped us shape and finalize this plan. Some issues have been addressed in this plan while others will be addressed through other means.</b>

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5.	Additional language	Updated information	lii	New language	<b>Over the next two years, we will continue to build on the progress we have made to advance our organizational and governance structure and enhance our capacity as a project delivery organization. We will continue to advance construction in the Central Valley and the design and environmental reviews of the other project sections. With the help of the Early Train Operator we will continue to refine our cost estimates and advance our approach to developing two lines of high-speed rail ready infrastructure for early operations. And we will continue to engage with the Legislature, our federal partner, the private sector and others on ways to fully fund and build the Silicon Valley to Central Valley Line for service by 2029. A report on our progress on these and other fronts will be presented in our next comprehensive Project Update Report which we will submit to the Legislature in March 2019.</b>
<b>Why High-Speed Rail in California</b>					
6.	Sustaining Economic Growth; 4th paragraph, 2nd sentence	Provide additional context	1	Connecting the state's regions with fast and frequent high-speed rail service is an integral part of the solution to the state's affordable housing problem.	Connecting the state's regions with fast and frequent high-speed rail service is an integral part of the solution to <b>diversify housing options and increase access to housing that is affordable for workers in all regions.</b> <del>the state's affordable housing problem.</del>
7.	Infrastructure Investments Create Jobs and Economic Benefits; 1st paragraph, last sentence	Provide additional context	3	Exhibit 1.1 shows the spread of economic benefits, jobs and business opportunities to the state's largest regions.	Exhibit 1.4 <del>2</del> shows the spread of economic benefits, jobs and business opportunities to the state's largest regions. <sup>2</sup>  <b>When summed, the total of the four regions shown in this graphic are not within the range of results shown in Exhibit 1.0. Exhibit 1.0 shows results for the entirety of California; Exhibit 1.2 shows results for the four regions only, not including the many counties in California where economic effects have taken place over this time period. There are many counties that the statewide analysis includes that the regional analysis does not. For more information on the methodologies used to estimate these impacts, please see this report.</b> <a href="https://www.buildhsr.com/hsrinvestment/pdf/FY1617_CHSRA_Economic_Impact_Technical_Memorandum_FINAL_01122018_v2.pdf">https://www.buildhsr.com/hsrinvestment/pdf/FY1617_CHSRA_Economic_Impact_Technical_Memorandum_FINAL_01122018_v2.pdf</a>
8.	Enhancing Mobility; 3rd paragraph	Provide additional context	5	<del>Californian</del> <b>California's</b> cities already have some of the most grueling commutes in the nation, and travel between cities is plagued by delays because California's extensive highways and roads rank among the busiest in the nation and are nearing or exceeding capacity.	Add new second sentence to paragraph:  <b>California's</b> cities already have some of the most grueling commutes in the nation, and travel between cities is plagued by delays because California's extensive highways and roads rank among the busiest in the nation and are nearing or exceeding capacity. <b>Airports are crowded and near capacity, and flight delays are common.</b>

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9.	From North to South	Provide additional context	6		Add new sentence under bullet points:  <b>It is also possible to take conventional rail between Oakland and Los Angeles. There is one trip daily in each direction, with a scheduled travel time of more than 12 hours southbound and more than 11 hours northbound.</b>
10.	High-Speed Option; last paragraph, last sentence	Provide additional context	7	Additionally, in France, travel habits changed after high-speed rail became an option for travelers between Paris and Lyon.	Additionally, in France, travel habits changed after high-speed rail became an option for travelers between Paris and Lyon, <b>with the share of rail trips growing from 40 percent to 72 percent.</b>
11.	Advancing Environmental Goals, Exhibit 1.6	Updated information	10	Updated Exhibit	Updated GHG Emission results and added new Air Resources Board report reference.  <a href="https://www.arb.ca.gov/cc/capandtrade/auctionproceeds/2018_cci_annual_report.pdf">https://www.arb.ca.gov/cc/capandtrade/auctionproceeds/2018_cci_annual_report.pdf</a>
12.	Advancing Environmental Goals, before the last paragraph	Provide additional context	11	Added information	<b>Already the Authority requires that its Central Valley contractors use clean equipment which has resulted in the construction sites being 50 to 60 percent cleaner than typical California construction. These and other efforts are yielding positive results for an area of the state which, by many measures, has the worst air quality in the country. <sup>10</sup></b>  <b>The critical value of the system will be the millions of trips that will no longer be taken in automobiles. Particularly in the Central Valley, avoided automobile emissions will result in hundreds of thousands of tons of reduced particulate matter, volatile organic compounds and other pollutants that affect human health, improving air quality in disadvantaged communities.</b>
13.	Advancing Environmental Goals, revised last paragraph	Updated information	11	Over time, the average annual greenhouse gas emissions savings of the system is projected to be equivalent of taking 360,000 passenger vehicles off the road, every year. In addition, on average every year, over 4000 tons of harmful pollutants, such as particulate matter, carbon monoxide and nitrogen oxide, are kept out of the air.	Over time, the average annual greenhouse gas emissions savings of the system, <b>1.5 million metric tons of carbon dioxide equivalent</b> , is projected to be <b>the</b> equivalent of taking <b>322,000</b> passenger vehicles off the road, <b>and 169 million gallons of gasoline avoided</b> , every year. In addition, on average every year, <b>more than 3,700</b> tons of harmful pollutants, such as particulate matter, carbon monoxide and nitrogen oxide, are kept out of the air.
14.	Improving Safety for Passengers and Freight, 1st paragraph	Provide additional context	12	Add security to the header as well as first sentence.	<b>Improving Safety and Security for Passengers and Freight</b>  Safety <b>and security</b> is an important element of the entire high-speed rail system, and the Authority is creating a 21st century transportation system that will implement the most advanced and innovative safety technology available today.

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15.	Improving Safety for Passengers and Freight, 3rd paragraph, 2nd sentence	Clarification	13	Examples of this collaboration include the 25th Avenue grade separation project in San Mateo and the Rosecrans/Marquardt Avenue grade separation project in Santa Fe Springs.	Examples of this collaboration include the 25th Avenue grade separation project in San Mateo and the Rosecrans/Marquardt Avenue grade separation project in Santa Fe Springs, being led by Los Angeles Metro.
16.			13		The Authority concurs with the recommendation that, as the implementation of the state rail plan expands passenger and freight rail service throughout California, a comprehensive statewide strategy is necessary to address safety and mobility concerns. The strategy would identify grade crossings in need of elimination or improvement in order to reduce congestion, improve safety, or otherwise benefit communities. The Authority will work with other state agencies and regional and local partners to pursue this further.
Implementation and Delivery Strategy					
17.	Implementation and Delivery Strategy, 1st paragraph, 1st sentence	Clarification	15	The California High-Speed Rail Authority remains committed to the Proposition 1A mission to connect California with a new high-speed passenger rail service and to delivering it through a phased implementation strategy.	The California High-Speed Rail Authority remains committed to the Proposition 1A mission to connect California with a new high-speed passenger rail service, capable of connecting San Francisco to Los Angeles in under three hours. This system will be delivered and to through a phased implementation strategy.
18.	Delivering the Silicon Valley to Central Valley Line, bullet 3	Provide additional context	16	<b>3. Expand Central Valley construction</b> —We will extend south from Poplar Avenue into Bakersfield and analyze the potential to utilize a completed segment in the Central Valley for early operations or interim improved services for Amtrak passengers.	<b>3. Expand Central Valley construction</b> —We will extend south from Poplar Avenue into Bakersfield and analyze the potential to utilize a completed segment in the Central Valley for early operations or interim improved services for Amtrak passengers consistent with the grant agreement with the Federal Railroad Administration. Our analysis will include evaluating the cost and benefits of providing interim service between Bakersfield and Madera. It will also include evaluating construction between Madera and Merced for early service, including understanding the opportunity for having strong connections to San Joaquin and Altamont Corridor Express services. This analysis will inform our Project Update Report due to the legislature in March 2019.

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19.	Early Interim Services in the Central Valley and Between San Francisco and Gilroy, 2 <sup>nd</sup> paragraph, last two sentences	Provide additional context	19	At the same time, by extending electrification from San Francisco to Gilroy, we may be able to transform the connections from southern Santa Clara County to the rest of Silicon Valley and San Francisco. Early improvements such as these will enhance operations, create new connections and improve air quality.	At the same time, <del>by extending electrification from San Francisco to Gilroy,</del> we may be able to transform the connections from southern Santa Clara County to the rest of Silicon Valley and San Francisco. <b>Early investments between San Francisco and Gilroy will be focused on providing two trains per hour during peak commute times and one train per hour during non-commute hours. The investments would include platforms, track, and station improvements as well as investments in maintenance facilities.</b> Early improvements such as these will enhance operations, create new connections and improve air quality.
20.	Early Interim Services in the Central Valley and Between San Francisco and Gilroy, 3 <sup>rd</sup> paragraph, last two sentences	Provide additional context	19	The Authority, working with our Early Train Operator (ETO), will explore options for how best to put infrastructure into service. Early train service decisions will include the type of service and the operator of those services that will ensure full compliance with our Proposition 1A requirements.	The Authority, working with our Early Train Operator (ETO), will explore options for how best to put infrastructure into service. Early train service decisions will include the type of service and the operator of those services that will ensure full compliance with our Proposition 1A requirements. <b>In the Central Valley this will include evaluating how to best optimize connectivity to other passenger rail services.</b>
21.	Drawing Upon International Tunneling Expertise	Provide additional information	18	Callout box Drawing Upon International Tunneling Expertise	Revised and expanded language to identify the additional work going forward to draw upon international expertise on tunneling.
22.	Bookend and Other Projects That Deliver Early Benefits, 2 bullet, Salesforce (Transbay) Transit Center, 1st sentence	Clarification	22	The Authority continues to coordinate with the City of San Francisco and the Transbay Joint Powers Authority (TJPA) to complete a connection between the Caltrain Station at 4th and King and the Salesforce Transit Center.	<b>Consistent with the 2016 Business Plan,</b> the Authority continues to coordinate with the City of San Francisco and the Transbay Joint Powers Authority (TJPA) to complete a connection between the Caltrain Station at 4th and King and the Salesforce Transit Center.
23.	Los Angeles Union Station bullet point, 3 <sup>rd</sup> sentence	Provide additional context	23	In Chapter 5: Working With Our Valued Partners, we outline how we would use the remaining bookend funds for Southern California—\$423 million—for the development of the Los Angeles County Metropolitan Transportation Authority, Metrolink, and other partners on a facility design that cost effectively meets the service needs of all operators.	In Chapter 5: Working With Our Valued Partners, we outline how we would use the remaining bookend funds for Southern California—\$423 million—for the development of <del>the Los Angeles County Metropolitan Transportation Authority, Metrolink, and other partners on a facility design that cost effectively meets the service needs of all operators</del> <b>a world-class transportation facility that cost effectively meets the service needs of all operators including the Los Angeles County Metropolitan Transportation Authority, Metrolink, LOSSAN, Amtrak, the Authority and other partners.</b>

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24.	Burbank to Anaheim Corridor Improvements, 1st paragraph, second sentence	Clarification	23	It provides vital freight and goods movement and is a critical link in the passenger rail network serving Amtrak's second busiest line, Metrolink commuter rail service and will become an essential part of the high-speed rail system.	It provides vital freight and goods movement <b>to and from the ports of Los Angeles and Long Beach;</b> <del>and</del> is a critical link in the passenger rail network serving Amtrak's second busiest line <b>in the country and</b> Metrolink's commuter rail service <b>throughout Southern California;</b> and will become an essential part of the high-speed rail system.
25.	Delivering Phase 1, 1 paragraph, last sentence	Clarification	23	Although the timing and value will be driven by the interest of the private sector, it is anticipated that funds generated from this approach will be dedicated to extending the system in Southern California.	Although the timing and value will be driven by the interest of the private sector, it is anticipated that funds generated from this approach will be dedicated to extending the system <b>completing a Phase 1 high-speed rail system providing a one-seat ride from San Francisco/Merced to Los Angeles/Anaheim</b> in Southern California.
26.	Exhibit 2.2 Procurement Strategy	Revised graphic	26		Updated Exhibit 2.2 to add station civil construction icon
27.	Procurement Planning	Provide additional context	25		Added callout box, The Role of the Early Train Operator
<b>Capital Costs and Funding</b>					
28.	Capital Costs and Funding, After Exhibit 3.0	Provide additional context	30	New paragraphs	<p><b>Consistent with best practices, updates and refinements of cost estimates will continue. Over the next several months, we will be conducting the following exercises as part of our ongoing work to review and update our current capital cost estimates:</b></p> <ol style="list-style-type: none"> <li><b>At the request of the Chief Executive Officer (CEO), the Early Train Operator is conducting an independent construction cost estimate review to identify any areas where further refinements of the cost estimate would be appropriate</b></li> <li><b>We will expand our Monte Carlo risk analysis application to determine whether our range-based approach to the cost estimates (discussed below) needs to be updated or further adjusted to reflect ongoing development of the program</b></li> <li><b>We will continue to address identified risk areas through detailed mitigation strategies</b></li> </ol> <p><b>Progress on these activities will be included in the next Project Update Report which will be submitted to the Legislature in March 2019.</b></p>
29.	Introducing Cost Ranges, 2nd paragraph, 2nd sentence	Clarification	30	In addition, we show that there is sufficient funding to complete that work.	In addition, <b>under current assumptions,</b> we show that there is sufficient funding to complete that work.

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30.	Introducing Cost Ranges, 5th paragraph, 2nd sentence	Clarification	31	In summary, we will express costs in ranges until we have the detailed project level information upon which we can develop clearly defined scope, contracts, budgets and procurements.	In summary, we will express costs in ranges until we have the detailed project level information upon which we can develop clearly defined scope, contracts, budgets and procurements. <b>Currently, these ranges are based on industry standards that reflect the current level of design development. Going forward we will be using risk analysis to further develop this approach.</b>
31.	Introducing Cost Ranges, 2nd paragraph after Exhibit 3.2	Clarification	32	The Authority's Chief Executive Officer (CEO) has directed a further assessment of the reasonableness of the cost estimates and the ranges being presented in this Draft 2018 Business Plan. This review will include work performed by the Early Train Operator to assess these estimates. When that assessment is complete, this information will be publicly available.	<b>As previously noted, t</b> <del>The Authority's Chief Executive Officer (CEO)</del> has directed a further assessment of the reasonableness of the cost estimates and the ranges being presented in this 2018 Business Plan. This review will include work performed by the Early Train Operator to assess these estimates <b>and the separate risk analysis.</b>
32.	Introducing Cost Ranges, section end, 2nd bullet	Clarification	32	Our updated cost estimate and current funding to complete the Central Valley Segment consistent with our FRA grant agreement	Our updated cost estimate and current funding to complete the Central Valley Segment consistent with our FRA grant agreement <b>and the Central Valley Proposition 1A Funding Plan</b>
33.	Project Funding, 3rd paragraph, 1st sentence	Clarification	33	As such, we describe the steps needed to provide enough certainty to the Cap-and-Trade program, or a similar long-term source of funding, to allow the Authority to finance future cash flows.	As such, we describe the steps <del>needed to</del> <b>identified by the market that should</b> provide enough certainty to the Cap-and-Trade program, or a similar long-term source of funding, to allow the Authority to finance future cash flows.
34.	Exhibit 3.3	Clarification	34	Shading indicating AB-398	Update shading on Exhibit.
35.	Funding and Financing Options, Financing Using the Cap-and-Trade Program, 1st paragraph, before the last sentence	Provide additional context	36	Financing the stream of Cap-and-Trade funds through 2050 can accelerate the funds necessary to meet the 2029 delivery schedule.	<b>This is because funds would not be received fast enough to accommodate the projected project delivery schedule.</b> Financing the stream of Cap-and-Trade funds through 2050 can accelerate the funds necessary to meet the 2029 delivery schedule.
36.	Funding and Financing Options, Financing Using the Cap-and-Trade Program, 2nd paragraph	Clarification	36	The use of financing within the 2016 Business Plan was premised on structural changes within the Cap-and-Trade program. The same assumptions have been made in this Draft 2018 Business Plan and will require legislative action. The financing of a long-term, large pool of revenues will be a complex process, and the Authority will work closely with the Legislature and the Department of Finance to determine the required steps and specific structure that can yield the most benefit.	The use of financing within the 2016 Business Plan was premised on <del>various</del> structural changes within the Cap-and-Trade program. The same assumptions have been made in this 2018 Business Plan <del>and will require legislative action.</del> The financing of a long-term, large pool of revenues will be a complex process <b>and will take time to complete. Because of that, to meet our schedule, legislative action will be required prior to 2021.</b> The Authority will work closely with the Legislature and the Department of Finance to determine the required steps and specific structure that can yield the most benefit.

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37.	Funding and Financing Options, Financing Using the Cap-and-Trade Program, 2nd paragraph, last sentence	Changed context	36	Industry feedback has indicated that three critical elements are necessary for financing:	Industry feedback has indicated that three critical elements are <b>necessary preferred</b> for financing:
38.	Funding and Financing Options, Financing Using the Cap-and-Trade Program, 1st bullet	Changed context	36	<i>Non-impairment of appropriations to the Authority</i> —Lenders must have confidence that the revenues flowing to the Authority will not be restricted, redistributed or otherwise impaired.	<i>Non-impairment of appropriations to the Authority</i> — <b>To provide</b> lenders <b>must have with the</b> confidence that the revenues flowing to the Authority <b>that will be used for debt repayment</b> will not be restricted, redistributed or otherwise impaired. <b>This kind of language has been included in prior statutory authorizations for revenue financing (e.g., San Francisco Bay Area Toll Bridge Revenue Bonds, State of California Power Supply Revenue Bonds and Tobacco Settlement Asset-Backed Bonds).</b>
39.	Funding and Financing Options, Financing Using the Cap-and-Trade Program, last paragraph, last sentence	Provide additional context	36	With access to an investment grade, long-term, stable source of funding, the Authority will be able to initiate larger, multi-year procurements and deliver the project on the schedule that it has set out in this plan.	With access to an investment grade, long-term, stable source of funding, the Authority will be able to initiate larger, multi-year procurements and deliver the project on the schedule that it has set out in this plan. <b>It may be possible to structure financing without all of these elements in place, however, that would likely result in higher borrowing costs and lower finance proceeds.</b>
40.	Funding and Financing Options, Financing Scenarios, 2nd paragraph	Provide additional context	36	If financing proceeds are received later, it will affect the delivery schedule. We have used high-level assumptions that funds could be accessed between 2021 and 2023 and then repaid from 2024 through 2050.	If financing proceeds are received later, it will affect the delivery schedule. <b>We have used high-level assumptions that funds could be accessed between 2021 and 2023 and then repaid from 2024 through 2050. That means that the conditions for financing will need to be established in advance of that.</b>
41.	Funding and Financing Options, Financing Scenarios, 3rd paragraph, 3rd sentence	Clarification	36	Two interest rates were used—4 percent and 6 percent—as well as a range of assumptions about how much coverage would need to be applied to annual debt payments.	Two interest rates were used—4 percent and 6 percent—as well as a range of assumptions about how much <b>debt service</b> coverage would need to be applied to annual debt payments.

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42.	Funding and Financing Options, Financing Scenarios, 4th paragraph, 1st sentence	Clarification	37	These scenarios yield a range of \$3.9 to \$11.1 billion in Cap-and-Trade-financed proceeds.	These scenarios yield a range of \$3.9 to \$11.1 billion in Cap-and-Trade-financed proceeds <b>using the assumptions set out above.</b>																
43.	Funding and Financing Options, Financing Scenarios, paragraph before Exhibit 3.5	Provide additional context	37	As this exhibit shows, based on the projected low funding of \$20,518 million, the federal share represents 12 percent of the total funding. The comparatively high state share positions the Authority to competitively pursue and secure additional future federal funds.	<p>As this exhibit shows, based on the projected low funding of \$20,518 million, the federal share represents 12 percent of the total funding. The comparatively high state share positions the Authority to competitively pursue and secure additional future federal funds. <b>Using the ranges set out in Exhibit 3.5, the Authority will have access to between \$20.5 billion and \$28.2 billion in funds through 2029. These funds can be used to complete planning and construction of the Silicon Valley to Central Valley Line. If financing is not accessible total funds would fall to \$19.1 billion and \$22.4 billion respectively, based on receiving Cap-and-Trade on an annual basis through December 2030. This is a significantly lower range and illustrates how important the financing component is to achieve the project schedule. It also illustrates that achieving the optimal financing structure is critical as this can significantly impact total proceeds. The Pay-as-you-Go scenario is illustrated in Exhibit 3.5A below and starts with the Subtotal from Exhibit 3.5.</b></p> <p><b>EXHIBIT 3.5A – Current and Future Funding Without Financing as of December 2017 (In Millions)</b></p> <table border="1"> <thead> <tr> <th>FUNDING SOURCE</th> <th>TOTAL AVAILABLE (\$M)</th> <th>TOTAL EXPENDED</th> <th>TOTAL REMAINING</th> </tr> </thead> <tbody> <tr> <td>Subtotal</td> <td>12,618</td> <td>4,062</td> <td>8,556</td> </tr> <tr> <td>Future Cap-and-Trade 1,2</td> <td>6,500 – 9,750</td> <td>-</td> <td>6,500 – 9,750</td> </tr> <tr> <td><b>TOTAL</b></td> <td><b>19,118 – 22,368</b></td> <td><b>4,062</b></td> <td><b>15,056 – 18,306</b></td> </tr> </tbody> </table> <p><b>Cap-and-Trade funds through 12.31.2030 Assumes \$500 million or \$750 million per year</b></p>	FUNDING SOURCE	TOTAL AVAILABLE (\$M)	TOTAL EXPENDED	TOTAL REMAINING	Subtotal	12,618	4,062	8,556	Future Cap-and-Trade 1,2	6,500 – 9,750	-	6,500 – 9,750	<b>TOTAL</b>	<b>19,118 – 22,368</b>	<b>4,062</b>	<b>15,056 – 18,306</b>
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<b>TOTAL</b>	<b>19,118 – 22,368</b>	<b>4,062</b>	<b>15,056 – 18,306</b>																		
44.	Cost and Funding by Phase, Central Valley Segment, paragraph before Exhibit 3.7	Clarification	38	Exhibit 3.7 demonstrates that the Authority can meet its obligations for delivering the Central Valley Segment. Cap-and-Trade funds will be used to bridge the cost increases.	Exhibit 3.7 demonstrates that the Authority can meet its obligations for delivering the Central Valley Segment <b>with existing identified funds given current funding assumptions.</b>																

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45.	Cost and Funding by Phase, Central Valley Segment, Exhibit 3.7	Clarification	38	Exhibit 3.7	Revised Exhibit to provide greater detail.
46.	Silicon Valley to Central Valley Funding, 2nd paragraph	Provide additional context	41	Exhibit 3.11 shows the estimated forecasted capital expenditures relative to the potential range of available funding. This shows that there are ranges of cost outcomes that are funded and ranges which require further funding to be identified.	Exhibit 3.11 shows the estimated forecasted capital expenditures relative to the potential range of available funding. This shows that there are ranges of cost outcomes that are funded and ranges which require further funding to be identified. <b>While the high and the low funding and construction scenarios are not correlated they do emphasize the need for the Authority to secure its funding sources, which it is currently doing to drive more certainty as the program advances.</b>
47.	Silicon Valley to Central Valley Funding, 2nd paragraph, last sentence	Provide additional context	41	As indicated, using the more conservative funding assumptions would present a gap which would likely result in a partial funding of the tunnels section of the Central Valley to Silicon Valley Line.	<del>As indicated,</del> Using the <b>baseline construction costs of \$29.6 billion more conservative funding assumptions</b> would present a <b>funding</b> gap which would likely result in <b>only a</b> partial funding of the <b>Pacheco Pass</b> tunnels section of the <del>Central Valley to Silicon Valley</del> <b>Silicon Valley to Central Valley</b> Line.
48.	Exhibit 3.11	Clarification	41	Exhibit 3.11	Revised Exhibit to provide greater detail.
49.	Other Funding Opportunities, 2nd paragraph, 2nd sentence	Clarification	41	Historically, the federal government has provided grants averaging 50 percent and higher to partners in the cost of building regional passenger rail systems, such as Bay Area Rapid Transit (BART).	Historically, the federal government has provided grants averaging 50 percent and higher to partners in the cost of building regional passenger rail systems, such as Bay Area Rapid Transit <del>(BART)</del> , <b>where the initial system investments were made with local and state funds and subsequent extensions have been supported by federal dollars.</b>
50.	Other Funding Opportunities, 4th paragraph	Provide additional context	42	One expression of support for ongoing major transportation infrastructure projects is the infrastructure plan proposed by the current administration. Now under consideration in Congress, the plan includes several elements that would make a variety of funding and financing tools for high-speed rail available, including infrastructure investment incentives, expanded federal credit programs and private activity bonds. Access to these programs could provide the program with a low cost of debt and more flexible repayment terms.	One expression of support for ongoing major transportation infrastructure projects is the infrastructure plan proposed by the current administration. Now under consideration in Congress, the plan includes several elements that would make a variety of funding and financing tools for high-speed rail available. <b>This includes</b> infrastructure investment incentives <b>and</b> expanded federal credit programs <b>such as Railroad Rehabilitation and Improvement Financing (RRIF) and Transportation Infrastructure Finance and Innovation Act (TIFIA) loans.</b> <del>and private activity bonds. Access to</del> These programs could provide the program with a low cost of debt and more flexible repayment terms.

Number	Section	Purpose	Draft BP Page	Current Text	New Text
51.	Phase 1 System	Clarification	43	Exhibit 3.14 shows a summary of the year of expenditure cost estimate in ranges by project section. The ranges represent the current level of cost estimating risk associated with each project section. Additional information can be found in the Draft 2018 Business Plan Technical Supporting Document titled "Capital Cost Basis of Estimate Report."	<del>Exhibit 3.14 shows a summary of the year of expenditure cost estimate in ranges by project section.</del> The ranges represent the current level of cost estimating risk associated with each project section. <b>Exhibit 3.14 illustrates that the ranges will narrow with time.</b> Additional information can be found in the Draft 2018 Business Plan Technical Supporting Document titled "Capital Cost Basis of Estimate Report."
52.	Expanding the System and Completing the Phase 1 System, bullet 3	Clarification	44	1. Additional public funds, including federal funds, which can help match project-generated funding.	1. Additional public funds, including <b>state and</b> federal funds, which can help match project-generated funding.
53.	Expanding the System and Completing the Phase 1 System	Provide additional context	45		Added callout box, Achieving Full Funding
54.	Exhibits 3.15 and 3.16	Revised numbers	44		Updated exhibits based on revised ridership and revenue forecasts as described in Chapter 7.
<b>Lessons Learned and Managing Risks</b>					
55.	Ongoing Program Risks and Management Strategies, 2nd sentence	Clarification	50	While some things have been learned over the last few years, many of these risks will likely remain for years to come.	While some <b>risk factors have been mitigated</b> <del>things have been learned</del> over the last few years, many of these risks will likely remain for years to come.
56.	Organizational Evolution, 4th paragraph	Clarification	55	Add security in the next to last sentence	All of this is built upon a foundation of safety <b>and security</b> , risk assessment and quality regime.
57.	Organizational Evolution, Exhibit 4.4, Construction Delivery	Clarification	55	Expand description of safe and secure	Execute infrastructure projects on-time, budget, <b>providing a quality product that is safe and secure</b> ; holding our contractors accountable; and ensuring transparent project metrics.

Working With Our Valued Partners					
58.	Northern California, Peninsula Corridor Electrification Project	Provide additional context	63	Added paragraph	<b>We are working with our partners on the potential to extend the electrification of this vital transportation corridor to Gilroy. Our investment would allow electric commuter rail trains and high-speed rail trains to share this regionally significant, high travel demand corridor. The Authority would make this funding commitment as part of a comprehensive plan and appropriate institutional agreements. The objective of the plan and agreements would be to ensure that commuter rail and high-speed rail service schedules are harmonized so that efficiencies are achieved and that there is a market-driven service plan which is responsive to emerging and evolving market forces.</b>
59.	San Jose Diridon Station callout box	Provide additional context	72	Added language	<b>San Jose Diridon Station Integrated Concept Plan</b>  <b>The Authority is committed to being a partner with the City of San Jose, VTA, Caltrain, and other partners to develop a vision for the future of Diridon Station and the surrounding area as a world class integrated transportation hub and thriving neighborhood that goes beyond just the introduction of high-speed rail in the corridor. To that end, we are working with our partners through a joint decision-making framework that is respectful of local and state planning processes and environmental timelines.</b>
60.	Transit and Land Use Committee	New callout box	73		Creating High-Speed Rail Station Economic Development Tools
Progress Since the 2016 Business Plan					
61.	Progress Since the 2016 Business Plan, 5th bullet	Clarification	75	<ul style="list-style-type: none"> <li><b>New leadership and organizational improvements have been put in place</b>—this will allow us to continue the transition from a planning agency to a project delivery organization to better manage the program.</li> </ul>	<ul style="list-style-type: none"> <li><b>New leadership and organizational improvements have been put in place</b>—this will allow us to continue <b>to evolve</b> the <del>transition from a planning agency to a</del> project delivery organization to better manage the program.</li> </ul>
62.	Progress, Streamlining Environmental Reviews, 1 paragraph, last sentence	Additional information	82	A final application and draft Memorandum of Understanding (MOU) has been submitted to the FRA as the next step in the process.	A final application and draft Memorandum of Understanding (MOU) <del>was has been</del> submitted to the FRA. <del>as the next step in the process.</del> <b>FRA announced on May 2, 2018 a final 30-day public review and comment on the final application. We anticipate timely action on this application by the federal government.</b>
Ridership/Revenue Operations and Maintenance and Lifecycle Cost Estimates					
63.	Forecast Updates and Assumptions	Additional language	85		<b>Based on comments received from the California High-Speed Rail Peer Review Group and others on the Draft 2018 Business Plan and Technical Supporting Documents, additional analysis was conducted related to system service travel times. The results of this updated analysis are summarized in the Key Takeaways below and are reflected in the supporting technical documents.</b>

64.	Key Takeaways of the 2018 Business Plan Forecasts, 1st bullet, 1st sentence	Updated information	89	<b>Silicon Valley to Central Valley Line ridership and farebox revenue forecasts</b> are approximately 6 to 7 percent higher than the San Francisco to Bakersfield forecasts in the 2016 Business Plan.	<b>Silicon Valley to Central Valley Line ridership and farebox revenue forecasts</b> are <b>both</b> approximately <b>9</b> percent higher than the San Francisco to Bakersfield forecasts in the 2016 Business Plan.
65.	Key Takeaways of the 2018 Business Plan Forecasts, 2nd bullet	Updated information	89	<b>There are minimal impact to Phase 1 System ridership and farebox revenue results</b> in this Draft 2018 Business Plan. Phase 1 2040 ridership and revenue forecasts decrease by less than 5 percent total; these changes are driven by the updated inputs to the model.	<b>Phase 1 2040 ridership and farebox revenue results</b> in this 2018 Business Plan decrease by <b>approximately 7 percent total compared to the 2016 Business Plan forecasts</b> ; these changes are driven by the updated inputs to the model.
66.	Exhibit Updates	Updated trip times and results		Exhibits 7.1, 7.2, 7.3, 7.4, 7.5, 7.6, 7.7, 7.8, 7.9, 7.10, 7.11, 7.12, 7.13, 7.14	
Endnotes					
67.	Appendix E	Added references	106		<b>[10] For more information, see California High-Speed Rail 2017 Sustainability Report.</b> <a href="http://www.hsr.ca.gov/docs/programs/green_practices/sustainability/Sustainability_Report_2017.pdf">http://www.hsr.ca.gov/docs/programs/green_practices/sustainability/Sustainability_Report_2017.pdf</a>

Capital Cost Basis of Estimate Report					
68.	4.1 Design Development Stages	Clarification	18	Each geographical segment is at various stages of development ranging from conceptual design, or roughly 5 percent design, to final design. In addition, many segments are still undergoing alternatives review and refinement. This cost estimate has made some assumptions on those segments currently under review that are outside of the CP 1, CP 2-3 and CP 4 construction contracts. Table 6 provides the current design development stages this estimate is based on for each segment. In addition, the level of design completion outlines the assumptions made for each geographical segment. It is important to note that as the environmental documentation is completed and final alignments are selected these estimates will change as more detailed engineering is completed.	Each geographical segment is at various stages of development ranging from conceptual design, or roughly 5 percent design, to final design. In addition, many segments are still undergoing alternatives review and refinement <b>and environmental review</b> . This cost estimate has made some assumptions on those segments currently under review ( <b>see Appendix B, Table 25</b> ) that are outside of the CP 1, CP 2-3 and CP 4 construction contracts. Table 6 provides the current design development stages this estimate is based on for each segment. In addition, the level of design completion outlines the assumptions made for each geographical segment. It is important to note that as the environmental <b>review documentation</b> is completed and <b>alternatives final alignments</b> are selected, <b>as informed by that review</b> , these estimates <b>may will</b> change <b>as more detailed engineering is completed</b> .
69.	San Jose to Gilroy; Carlucci Road to Madera Acres (Wye Leg 2);	Clarification	21, 22, 23	Revise geographic sections lengths to more accurately reflect engineering/estimating section limits for San Francisco to San Jose, San Jose to Gilroy, and Carlucci Road to Madera Acres (Wye Leg 2) sections.	Approximate section lengths were updated.
70.	Carlucci Road to Madera Acres (Wye Leg 2); Bakersfield to Palmdale	Clarification	23, 28	Scope descriptions for Carlucci Rd. to Madera Acres (Wye Leg 2) and Bakersfield to Palmdale sections were revised.	Although the 20 STATIONS, TERMINALS, INTERMODAL Standard Cost Category accounts for roadways associated with station development, non-station related roadway improvements costs were also included in this category.
71.	Los Angeles to Anaheim	Clarification	31	Confirm inclusion of the \$500 million bookend contribution In Southern California as being carried under SCC 40 cost category.  Correct the number of grade separations included in Los Angeles to Anaheim section budget to reflect no grade separations south of Fullerton Station.	Scope description for Los Angeles to Anaheim section adding this clarification.  Scope description for Los Angeles to Anaheim section was revised from "11 grade separations" to "4 grade separations".
72.	Heavy Maintenance Facility and Vehicles	Clarification	32	Correct Standard Cost Category description for the Heavy Maintenance Facility.	Revised Standard Cost Category column from "20 STATIONS, TERMINALS, INTERMODAL" to "30 SUPPORT FACILITIES: YARDS, SHOPS, ADMIN. BLDGS"
73.	Table 25, 2nd row, 3rd colmun	Clarification	B-1	San Jose to Gilroy Alternatives 2, UPRR Corridor Concept Preliminary Engineering for Project Definition, Draft - May 2017	San Jose to Gilroy Alternatives <del>2</del> , UPRR Corridor Concept <b>Gilroy to San José UPRR Corridor Conceptual Track Chart</b> ; Preliminary Engineering for Project Definition, Draft - May 2017
74.	Table 25, 9th row, 2nd column	Correction	B-1	Alternative 5	Alternative <del>25</del>
75.	Table 26	Correction	C-1	Correct typographic errors listing allocated contingency percent values for SCC 60 cost categories	Applied Contingencies to reflect 11.0% allocated contingency for SCC 60 cost categories.

76.	Table 26	Correction	C-3	Unallocated contingency is described in Section 3.6 of the Report, no further information was intended for inclusion in to Table 26 Applied Contingencies.	Deleted "90 UNALLOCATED CONTINGENCY" in Table 26 Applied Contingencies on Page C-3.
High, Medium and Low Cash Flow Analysis					
77.	Exhibits 1 – 6	Revised assumptions	7-13	Exhibit 1, 2, 3, 4, 5, and 6	Exhibits were updated based on revised revenue, ridership and lifecycle estimates
78.	Figure 2, Ancillary Revenue	Updated forecasts	17	Figure 2	Updated to reflect revised farebox revenue forecasts
Operations & Maintenance Cost Model Documentation					
79.	Sections 3.9 and 13	Revised assumptions	5, 57		Increased the General and Rail Liability cap to \$295M in the insurance cost, and the insurance premium by \$475k per year. Insurance cost was additionally updated based on revised ridership numbers.
Ridership & Revenue Forecasting					
80.	Chapters 5, 6 and Appendix A	Revised assumptions		Chapter 5 (pages 5-1 through 5-6) Chapter 6 (pages 6-1 through 6-18) Appendix A (pages A-1 through A3)	High-speed rail travel times and service patterns were updated based on revised assumptions.
Service Planning Methodolgy					
81.	Section 4.3	Revised Assumptions	11,12	Section 4.3: Passenger Service	Trip times calculated for service specifications were updated based on alignment of allocation of pad times with US and International approaches, with 5% allowed on dedicated sections and 10% on shared sections.
82.	Section 4.3	Revised Assumptions	11,12	Section 4.3: Passenger Service	Trip times calculated for service specifications were updated based on application of standard 2-minute dwell times at station stops, with the exception of LAUS, where 5 minutes dwell times are planned.
50-Year Lifecycle Capital Cost Model Documentation					
83.	Section 3.2 Table 1	Clarification	3	Added footnote	<b>Costs include upgrades to existing grade crossings, to allow for higher speed and more frequent trains. Costs also include rehabilitation and replacement of grade crossings owned by the Authority.</b>
84.	Section 11.1 Table 8	Clarification	69		Changes are a reflection of the footnote/clarification added in Table 1.