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FLYCALIFORNIA
Without ever leaving the ground.

ARNOLD SCHWARZENEGGER
GOVERNOR

CALIFORNIA HIGH-SPEED RAIL AUTHORITY

June 25, 2010

Professor Samer Madanat, Director
Institute for Transportation Studies
Department of Civil and Environmental Engineering
109 McLaughlin Hall
University of California
Berkeley, CA 94720

Dear Professor Madanat:

The California High-Speed Rail Authority appreciates receiving the Draft Report reviewing the "Bay Area/California High-Speed Rail Ridership and Revenue Forecasting Study: Interregional Model System Development Final Report." As described in the scope of work for this project, the Authority has conferred with Cambridge Systematics to prepare written comments on the Draft Report. The attached written response from Cambridge Systematics is directed at the technical modeling issues identified in the Executive Summary at pages 1-2 and discussed in the body of the Draft Report, pages 4 – 7.

Authority staff has carefully reviewed both the Draft Report and the Cambridge Systematics response. We believe Cambridge Systematics has provided a direct and credible response to each technical point raised and that the ridership model has been, and continues to be, a sound tool for use in high-speed rail planning and environmental analysis. In light of your conclusion that Cambridge Systematics has followed generally accepted professional standards in the modeling work, we anticipate your thorough consideration of its response to the technical modeling issues in the preparation of your Final Report.

The Authority also wishes to comment on the non-technical, final conclusion offered in the Executive Summary of the Draft Report, which states: "the forecasts of high speed rail demand – and hence the profitability of the proposed high speed rail system - have very large error bounds. These bounds may be large enough to include the possibility that the California HSR may incur significant revenue shortfalls." This is an extraordinary statement for which we find no foundation in the Draft Report.

We strongly urge the review team to carefully consider this letter and the attached response from Cambridge Systematics as part of a constructive discourse on the ridership model.

Sincerely,

for

Roelof van Ark
Chief Executive Officer

Attachment