

Judge Quentin L. Kopp, Chairman
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*past chair

ARNOLD SCHWARZENEGGER
GOVERNOR



CALIFORNIA HIGH-SPEED RAIL AUTHORITY

Dear Friend,

On behalf of the California High-Speed Rail Authority, I am pleased to deliver to you the California High-Speed Train Business Plan for 2008.

This Business Plan is a "snapshot in time" taken from thousands of hours of detailed analysis of the economic underpinnings of the high-speed train system. The scale and the length of time it will take to construct the system demands continuous economic review and adjustment to identify long-term costs, ridership and economic effects. Similarly, construction and materials, land acquisition costs, energy and even the transportation preferences of millions of Californians will evolve over future decades.

Nevertheless, this Business Plan provides a credible, reasonable and experience-based estimate of the system's current financial and economic outlook. It is a comprehensive update of the Authority's original Business Plan issued in 2000 as well as dozens of financial and economic studies done since then, the high-speed train's program-level environmental impact report completed last year, and newly-completed financial studies.

Please read this Business Plan thoroughly. It validates years of work that already have been completed on this important new transportation alternative for California's future, as shown by voter approval of our bond measure. With such approval of Proposition 1A, it provides the foundation for developing an 800-mile intercity network transporting millions of Californians safely and comfortably at speeds up to 220 miles an hour.

This plan demonstrates that a high-speed train will provide \$1.1 billion in surplus revenue a year by 2030, reduce congestion and pollution, and return nearly three times as much in value as the system will cost over the next 40 years.

While the Authority's plan is to provide for completing of the entire system by 2030, the Business Plan concentrates on the 1st phase between Los Angeles/Anaheim and San Francisco, consistent with current environmental evaluation and project planning. That is the key segment for which detailed financial calculations have been completed.

The full Business Plan will also be available on the Authority's Web site at www.cahighspeedrail.ca.gov/. Due to the large size of the source documentation it will not be available for viewing until next week. Soft-cover and electronic copies of the plan can be obtained by contacting the California High-Speed Rail Authority, 925 L Street, Suite 1425, Sacramento, CA 95814. The phone number is 916-324-1541 and the FAX number is 916-322-0827.

Sincerely,

A handwritten signature in cursive script that reads "Quentin L. Kopp".

Quentin L. Kopp
Chairman