



# Peninsula Corridor Electrification Project Funding Update

Board of Directors  
August 6, 2015  
Agenda Item 7b



## **PCEP Milestones** *(2020 Revenue Service)*

- Done
  - NEPA Complete 2009
  - \$1.2 billion 9-party Funding MOU 2012
  - CEQA Complete 2014
  - DB RFP Released 2015
- To Do
  - EMU RFP Release - August
  - **DB Award November 2015\***
  - **EMU Award January 2016\***

\*Note: Aggressive target milestones



## Funding Need

PCEP 2008 Estimate	PCEP 2014 Estimate
\$1,225M	\$1,474M - <b>\$1,531M</b>

- Need to update 9-party funding MOU
- Funding gap \$431million
  - \$125 million (carry over from existing MOU)
  - \$306 million (2014 cost update)
- Project cost subject to change

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## Funding Strategy

- Rely on Grants
- No JPB Financing / TIFIA Loan
  - Continued structural deficit
  - Unable to add to annual shortfall
- No Fare Surcharge
  - Assuming 7.5% fare increase biennially
  - Fare increase needed to cover Operations / Maintenance
  - Continued annual shortfall

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## Funding Sources

- FTA Core Capacity (\$220 million)
- HSR Cap & Trade (\$113 million)
- Caltrain Cap & Trade (\$9 million)
- MTC Regional Measures 1 & 2 (\$29 million)
- Additional Local Agencies (\$60 million)

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## Next Steps

- Fall 2015
  - MTC / Local Partner Funding Update
  - \$600 million HSR funding agreement
- Winter 2016
  - Additional HSR agreements (timed with contracts)
  - Increase JPB cash flow capacity
  - FTA Core Capacity Rating / Letter of No Prejudice
- Spring 2016
  - FTA Core Capacity Full Funding Grant Agreement
  - Assess JPB cash flow capacity

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