



Peninsula Corridor Electrification Project Funding Update

LPMG
August 27, 2015



PCEP Milestones *(2020 Revenue Service)*

- Done
 - NEPA Complete 2009
 - \$1.2 billion 9-party Funding MOU 2012
 - CEQA Complete 2015
 - 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 - \$1,531M

- 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

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



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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