

**Peninsula Corridor Electrification Project**  
**San Carlos, California**  
**Core Capacity Engineering**  
**(Rating Assigned November 2016)**

Summary Description	
<b>Proposed Project:</b>	Commuter Rail 51.0 Miles, 27 Stations
<b>Core Capacity Capital Cost (\$YOE):</b>	\$1,930.67 Million (Includes \$7.0 million in finance charges)
<b>Section 5309 Core Capacity Share (\$YOE):</b>	\$647.00 Million (33.5%)
<b>Annual Operating Cost (opening year 2022):</b>	\$186.91 Million
<b>Existing Ridership in the Corridor:</b>	58,200 Daily Linked Trips 18,580,200 Annual Linked Trips
<b>Existing Seated Load:</b>	96%
<b>Overall Project Rating:</b>	Medium-High
<b>Project Justification Rating:</b>	Medium-High
<b>Local Financial Commitment Rating:</b>	Medium-High

**Project Description:** The Peninsula Corridor Electrification Project (PCEP), sponsored by the Peninsula Corridor Joint Powers Board (JPB), is a key component of the Caltrain Modernization Program that will electrify the existing commuter rail system to upgrade its performance, operating efficiency, capacity, and reliability. The corridor traverses 17 cities and three counties, with the northern end located in San Francisco and the southern end located in San Jose. The PCEP includes two components, installation of infrastructure needed to electrify the line including overhead catenary and power substations and the purchase 96 Electric Multiple Units to replace approximately 75 percent of the existing diesel fleet. The JPB estimates that when the project is complete, it will increase capacity in the corridor by at least ten percent, which meets the minimum required by law for Core Capacity projects.

**Project Purpose:** Commuter traffic is growing at a rapid pace between major employment centers in San Francisco, San Jose, and along the San Francisco Peninsula. Caltrain is a commuter rail alternative to the heavily congested US 101 and Interstate 280 corridors that connect downtown San Francisco to San Jose and the Silicon Valley. While much work has been done to improve the railroad, the system is currently running at operating capacity, burdened by the limitations of the diesel train technology. The operating performance of diesel push/pull locomotives is far below that of more modern electric trains.

**Project Development History, Status and Next Steps:** In July 2013, Caltrain's board selected the locally preferred alternative and adopted it into the fiscally constrained Regional Long-Range Transportation Plan. The project entered Core Capacity Project Development in April 2015. In late 2015, FTA re-evaluated the Finding of No Significant Impact (FONSI) that was approved in 2009. On February 11, 2016, FTA issued a re-evaluation finding that the results of the 2009 FONSI were still valid. FTA approved the project into Core Capacity Engineering in August 2016. JPB submitted a request for a Full Funding Grant Agreement, which is currently under review.

## Locally Proposed Financial Plan

<u>Source of Funds</u>	<u>Total Funds (\$million)</u>	<u>Percent of Total</u>
Federal:		
Section 5309 Core Capacity	\$647.00	33.5%
Section 5307 Urbanized Area Formula Funds	\$287.15	14.9%
State:		
Proposition 1A High Speed Rail Bonds	\$600.00	31.1%
Proposition 1B Public Transportation Modernization, Improvement and Service Enhancement Account	\$6.61	0.3%
Low Carbon Transportation Operations Cap and Trade Funds	\$9.00	0.5%
High Speed Rail Cap and Trade Funds	\$113.00	5.9%
Transit Intercity Rail Capital Program Funds	\$20.00	1.0%
Local:		
JPB Member Agency Funds	\$188.51	9.8%
Carl Moyer Program Funds	\$20.00	1.0%
Metropolitan Transportation Commission Bridge Toll Funds	\$39.40	2.0%
<b>Total:</b>	<b>\$1,930.67</b>	<b>100.0%</b>

**NOTE:** The financial plan reflected in this table has been developed by the project sponsor and does not reflect a commitment by DOT or FTA. The sum of the figures may differ from the total as listed due to rounding.

**CA, San Carlos, Peninsula Corridor Electrification Project  
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<b>Factor</b>	<b>Rating</b>	<b>Comments</b>
<b>Local Financial Commitment Rating</b>	<b>Medium-High</b>	
<b>Non-Section 5309 Core Capacity Share</b>	<b>+1 level</b>	The Section 5309 Core Capacity share of the project is 33.5 percent.
<b>Project Financial Plan</b>	<b>Medium</b>	
Capital and Operating Condition (25% of financial rating)	Medium	<p>Caltrain does not have a bus fleet.</p> <p>The most recent bond rating for Caltrain, issued in December 2014, was A- (Standard &amp; Poor's Corporation).</p> <p>Caltrain's current ratio of assets to liabilities as reported in its most recent audited financial statement is 1.41 (FY2015).</p> <p>There have been no service cutbacks or cash flow shortfalls in recent years.</p>
Commitment of Capital and Operating Funds (25% of financial rating)	High	<p>All of the non-Section 5309 Core Capacity funds are committed or budgeted. Sources of funds include FTA Section 5307 Urbanized Area formula funds, State of California Proposition 1A High Speed Rail Bond funds, Proposition 1B Public Transportation Modernization, Improvement and Service Enhancement Account funds, Low Carbon Transportation Operations Cap and Trade funds, High Speed Rail Non Proposition 1A Cap and Trade funds, Transit Intercity Rail Capital Program funds, Joint Powers Board (JPB) member agency contributions, Carl Moyer Program funds, and Metropolitan Transportation Commission bridge tolls.</p> <p>Approximately 99 percent of the funds needed to operate and maintain the transit system in the first full year of operation is committed or budgeted, and the rest is considered planned. Sources of funds include FTA Section 5307 Urbanized Area formula funds used for preventive maintenance, State of California operating assistance, farebox revenues, revenue from parking, shuttle services, rental income, and JPB member contributions.</p>
Capital and Operating Cost Estimates, Assumptions and Financial Capacity	Medium-Low	Growth in capital revenue assumptions are reasonable compared to recent historical experience.

<p>(50% of financial rating)</p>		<p>The capital cost estimate is reasonable.</p> <p>Regarding growth in operating revenue assumptions, farebox collections are optimistic and JPB member contributions are reasonable compared to recent historical experience.</p> <p>Operating cost estimates are reasonable compared to recent historical experience</p> <p>Caltrain has access to funds via additional debt capacity, cash reserves, or other committed funds to cover cost increases or funding shortfalls equal to 10 percent of the estimated project cost and 12 percent of annual system wide operating expenses.</p>
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# Caltrain Peninsula Corridor Electrification Core Capacity Project Map

