



DesertXpress Presentation Death Valley, CA
Desert Managers Meeting



DesertXpress: The First Dedicated Interstate High Speed Passenger Railway in the US

The Challenge

The need for High Speed Rail in this corridor is universally accepted

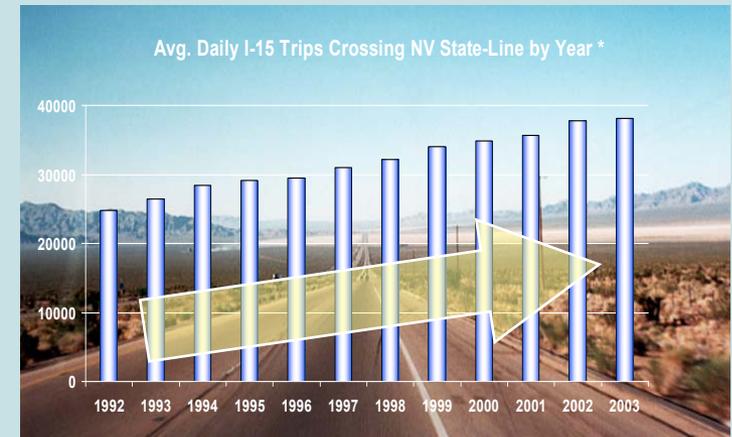
Nevada leadership has been searching for 30 years for a solution to this pressing transportation need

Prior initiatives:

- They were either too short to serve a true transportation need
- Or too large to be financed without massive federal funding
- Non-exclusive right-of-way



Reduced Congestion at McCarran Airport

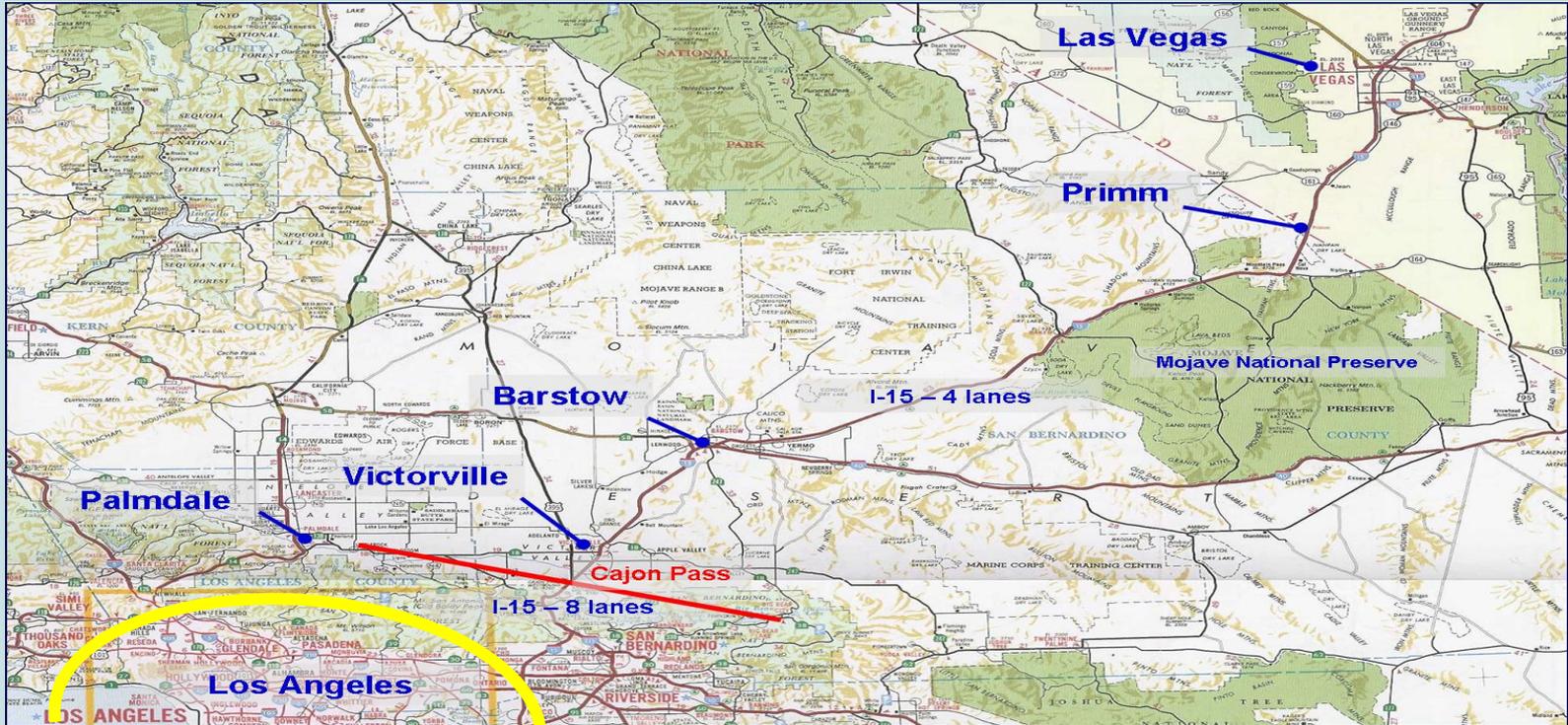


Reduced Congestion on I-15

DesertXpress: A Strategic Approach

- Define a system that serves the real transportation need in the Las Vegas - Southern California Corridor
- Build an extendable first phase that gets close enough to the population centers of Southern California to attract the ridership necessary to support the project's operating and capital costs - but not so long that it collapses under its own weight
- Use proven, off the shelf, standard gauge steel wheel on rail high speed train technology with operating within existing FRA regulations for speeds up to 150 MPH

Victorville, CA - a Viable Terminus



Victorville: A Natural Collection Point for Over 11 million drivers



DesertXpress: A Strategic Approach

- Provide unmatched customer service starting in Southern California, with valet, hotel check-in, and baggage handling direct to your room
- Deliver on the convenience of a multi-modal Las Vegas terminal with hotel shuttle service, taxis, rental cars and a direct connection with the Las Vegas Monorail
- Plan and design for intermodal connectivity and extendibility

DesertXpress Extensions

- The history of rail transit in the US demonstrates that a viable first segment leads to successful system extensions
- With proven, standard gauge steel wheel technology, the DesertXpress system is readily extendable and interoperable
- Senator Harry Reid, with Transportation Secretary Ray LaHood, announced support for DesertXpress and extension of the Federally designated CA HSR Corridor
- Working cooperatively with the High Desert Corridor JPA, LA County MTA, and the California High Speed Rail Authority, we are supporting the extension to Palmdale
- Future extension over Cajon Pass is technically viable



California - Nevada High Speed Rail System



Western States Connectivity

- The Western Rail High Speed Rail Alliance is focused on promoting high speed rail extensions in the West connecting Las Vegas, Salt Lake City and Phoenix



DesertXpress Technical Overview

- 188 miles from Victorville, CA to Las Vegas, NV
- All new exclusive double track with no at-grade vehicle or pedestrian crossings
- Dedicated passenger-only service - no mixing with freight trains
- Two stations with no intermediate stops - express service
- Primary within or adjacent to the existing I-15 freeway right of way
- Maximum vertical grade of 4.5% and minimum radius curves of 8000 feet deliver a trip time of 84 minutes

DesertXpress Technical Overview, cont.

- **Electric propelled trains**

- 25,000 Volt AC overhead power distribution
- Three primary power substations: Victorville, Baker, Las Vegas

- Alignment**

- Expecting the Agency Preferred Alignment will generally follow the west/north side of I-15
- Away from the Mojave Preserve -- which abuts I-15 on the south side
- Diverts from I-15 at Mountain Pass

- Stations**

- Victorville has extensive parking - approximately 15,000 spaces; rental cars; bus service
- Las Vegas is a true multi-modal transportation hub

The Trains



Las Vegas Terminal



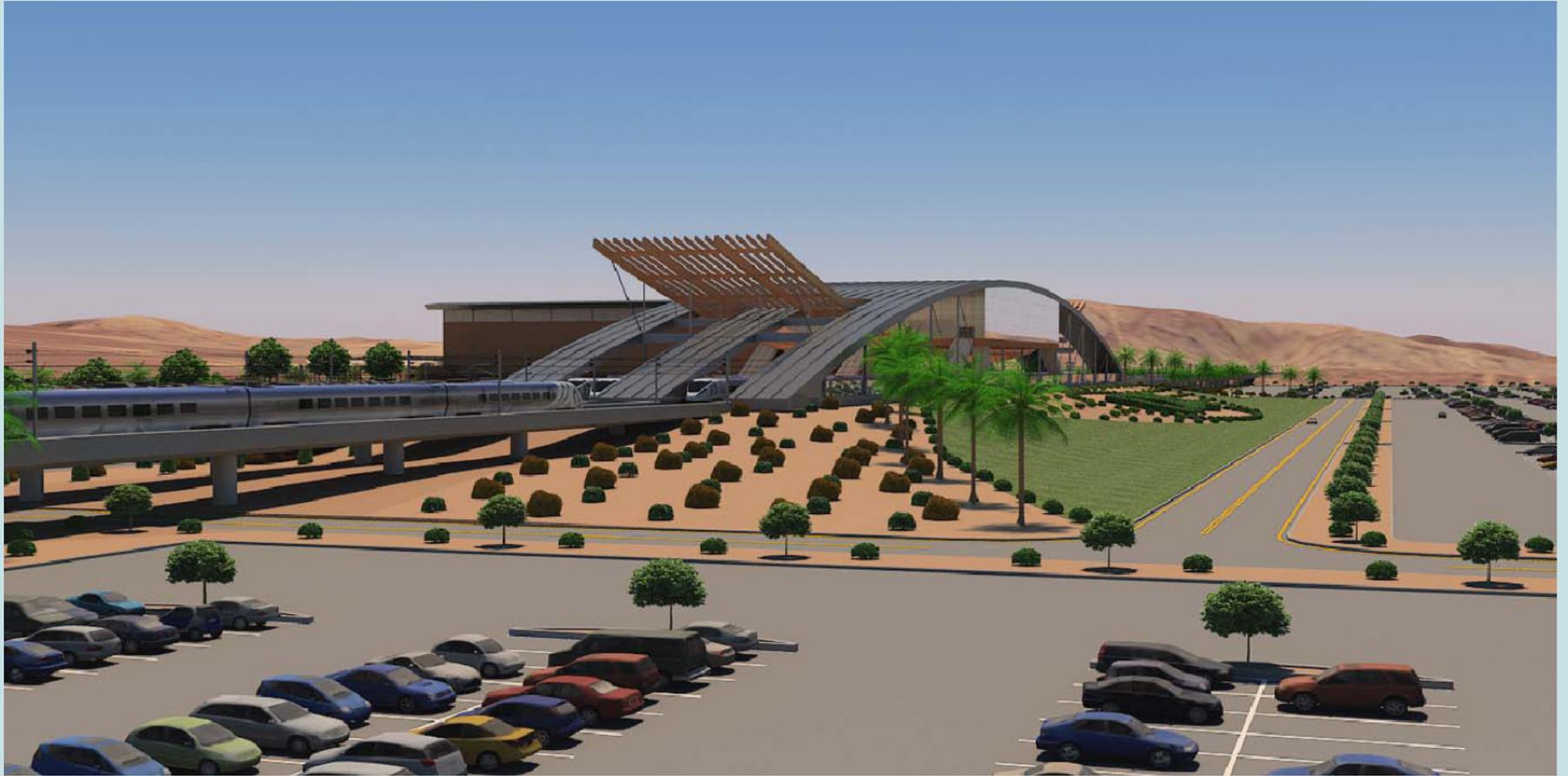
Las Vegas Terminal



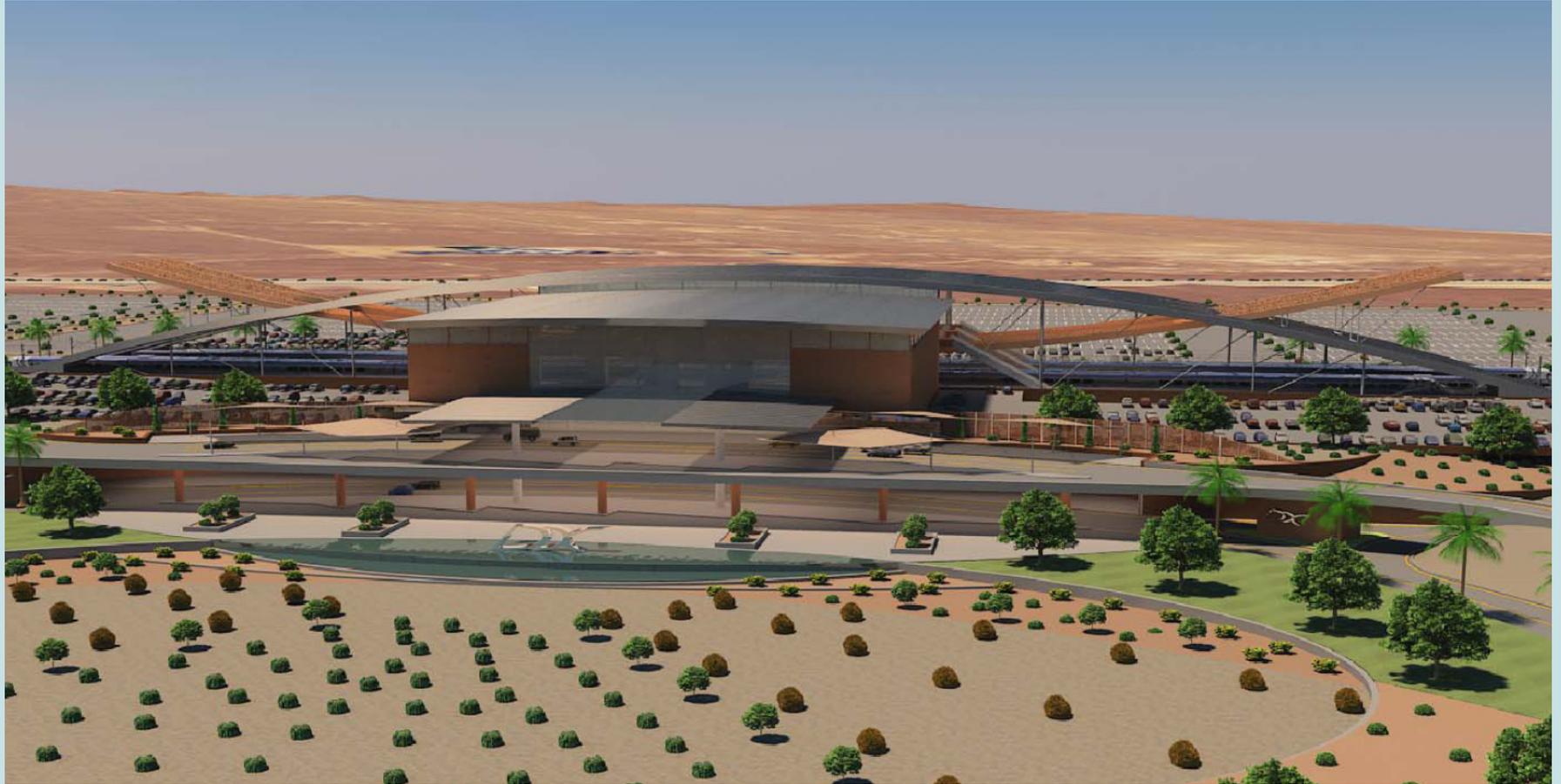
Victorville Station



Victorville Terminal



Victorville Terminal



Ridership/Market Share

- Of the 39 million visitors to Las Vegas last year from around the world, 1/3rd came from Southern California
- 90% of them, or 11 million people, drove on I-15 which is the only roadway and is at capacity on peak days
- The market is forecasted to grow to 18 million by system opening
- At an average one-way fare of \$50, DesertXpress will capture 5.6 million annual round trips
- Nearly 90% of the ridership will be drivers switching to DesertXpress
- 25% mode shift of private automobiles from the I-15 will facilitate goods movement in the corridor
- This travel demand requires 20 minute headways on peak days, and hourly service Monday through Thursday with 10-car trains capable of carrying 675 people

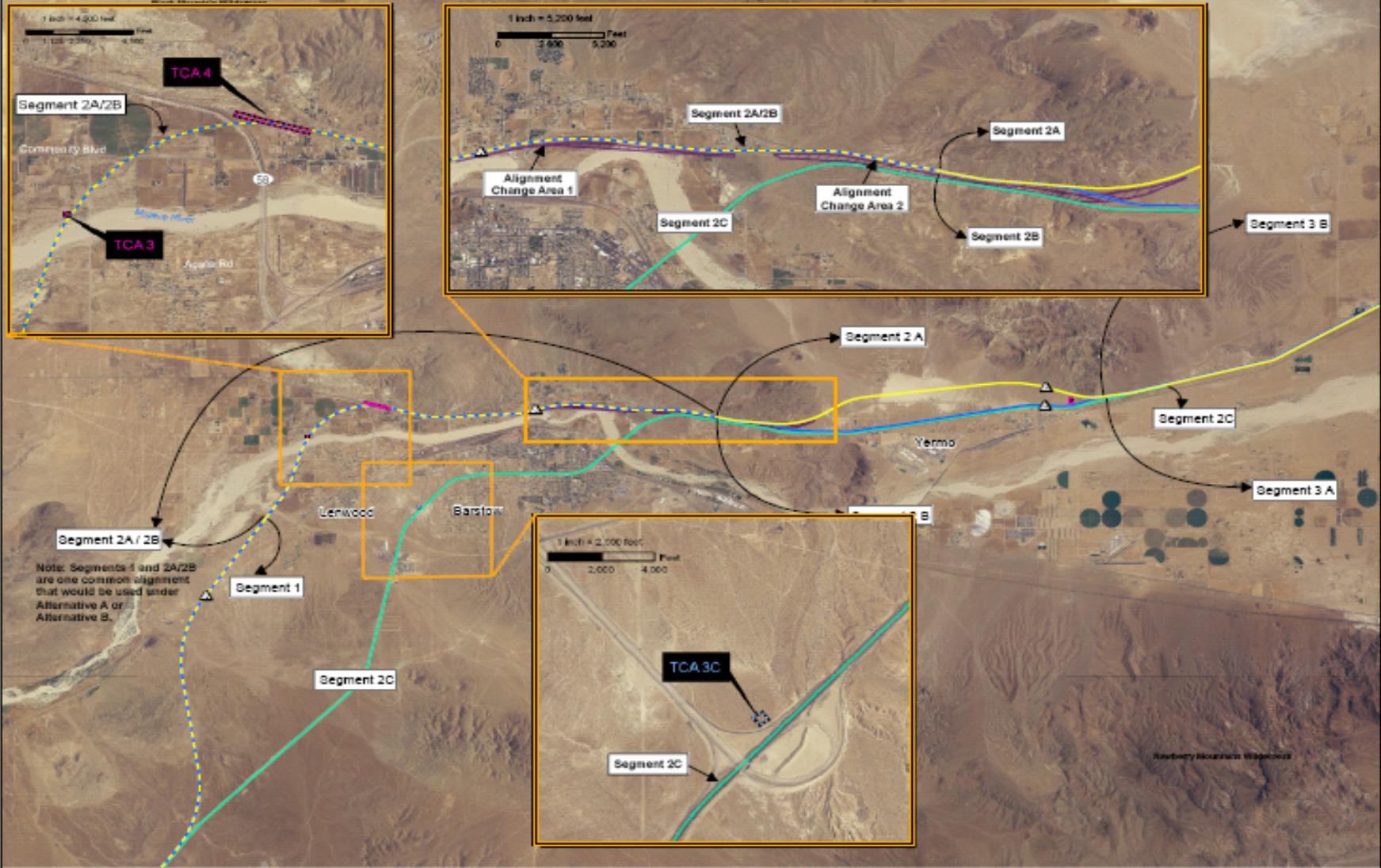
Environmental Impact Statement

- The Federal Railroad Administration is the Lead Agency for the Environmental Impact Statement with the following cooperating agencies:
 - Surface Transportation Board
 - Bureau of Land Management
 - Federal Highway Administration
 - National Park Service
- Interagency Working Groups have been established with Caltrans, NDOT, and the federal agencies focusing on the EIS, Right of Way, and engineering design
- The Draft EIS was issued for public review on March 18, 2009
- Final EIS scheduled for completion Summer, 2010
- First ever privately funded interstate passenger rail EIS in US history

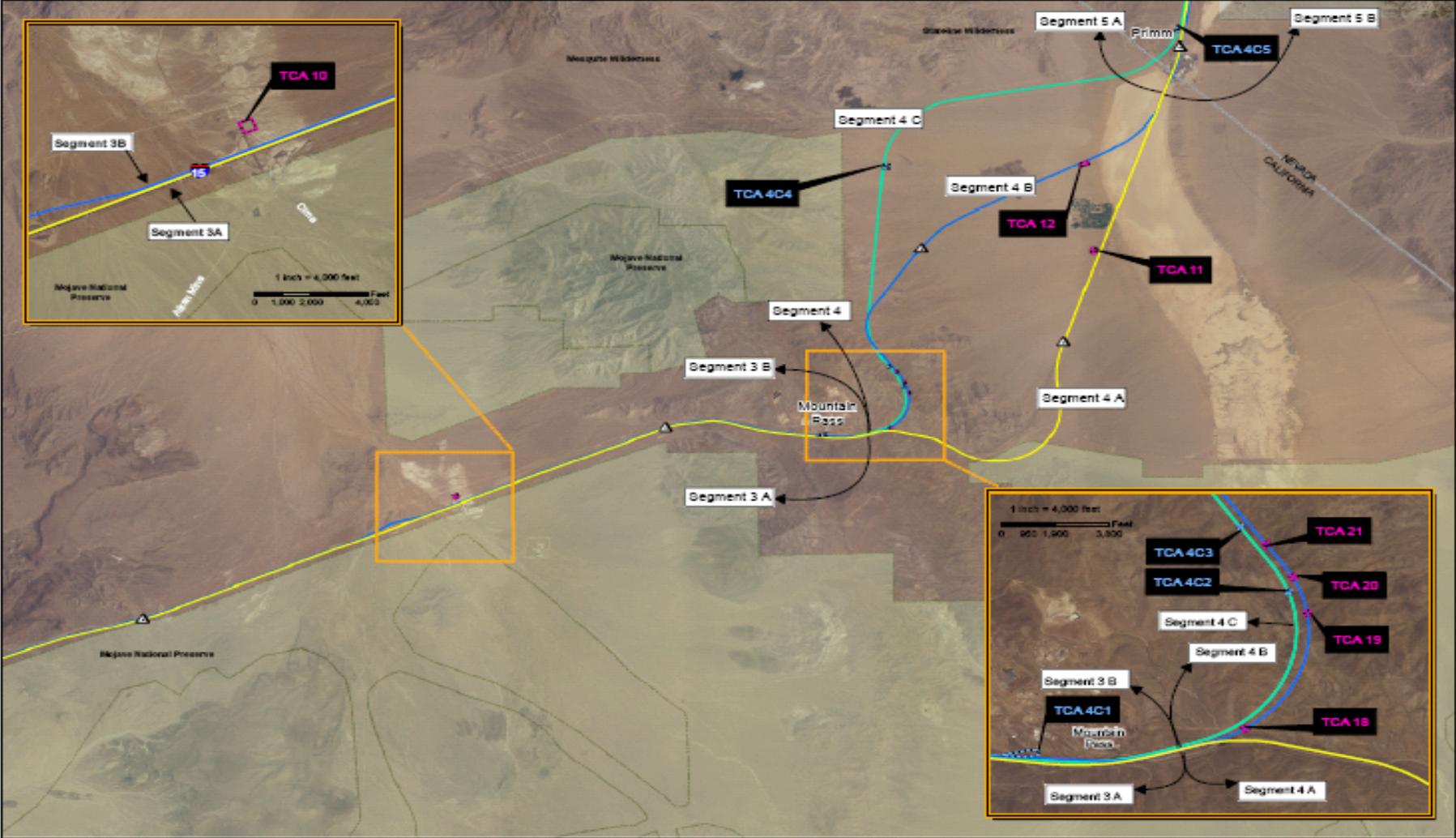
Environmental Impact Statement, cont.

- Three key modifications that were developed in response to comments on the draft document are being evaluated in a Supplemental Draft document that FRA will be issuing shortly:
 - A third Victorville station site near Dale Evans Parkway largely in response to comments from Caltrans
 - A new I-15 alignment alternative in Barstow in response to comments from the City of Barstow and Caltrans (Alt. 2B)
 - A modification to Alignment Alternative 4B near Mountain Pass in response to comments from BLM -- to avoid the proposed BrightSource Ivanpah Valley solar generating facility (Alt. 4C)

Alignment Alternative 2C in Barstow



Alignment Alternative 4C at Mountain Pass



Environmental Benefits

- Diverts 25% of vehicle traffic off of I-15 onto a clean, high capacity electric train
- Diverts 1400 vehicles per hour during peak in the plan year - 2030
- Reduces major pollutants in the corridor by an estimated average of 40%
- Uses 1/10th of the energy per passenger mile than autos on I-15 (~ .074 kWh/passenger mile)
- Reduces consumption of 450,000 barrels of oil per year - approx. 18 million gallons of petroleum

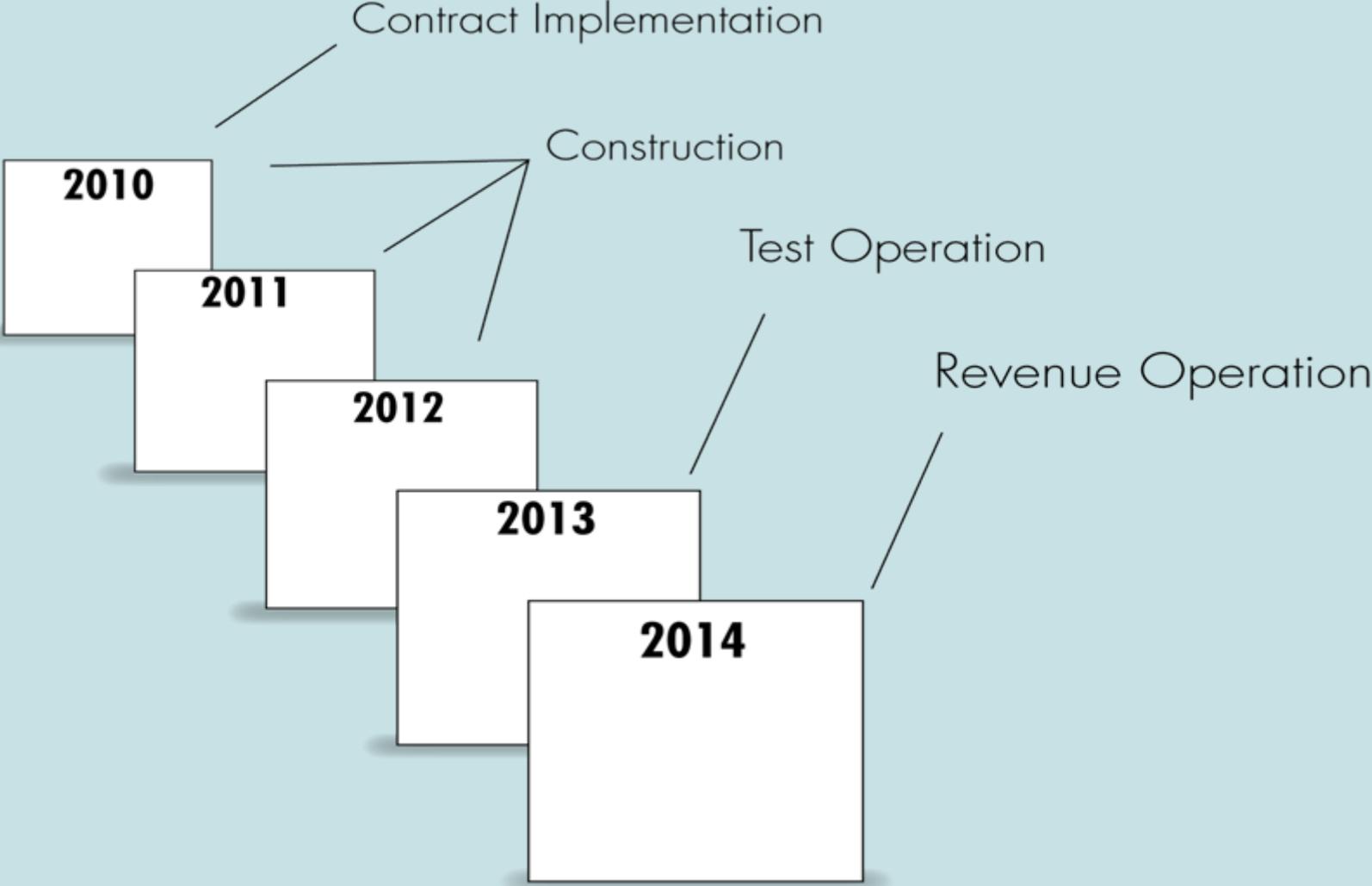
Positive Economic Impact

- DesertXpress is estimated to create up to 50,000 worker-years of direct and indirect jobs over the four year design and construction period
- The primary operations and maintenance facility, located in Victorville, CA will employ 500 full time staff growing to over 700 during the operating period
- The economic impact of DesertXpress is estimated at over \$7 Billion

Public Policy Considerations

- DesertXpress demonstrates the viability of High Speed Rail, as it will likely be the first new, dedicated, passenger-only high speed rail line in America.
- Major transportation projects typically require a combination of long-term debt and large public grants to fund capital costs, and additional public funds to subsidize operations.
- Due to the unique nature of the DesertXpress project (robust ridership, low construction cost per mile, minimal property acquisition), it does not require a public grant or operating subsidy.
- DesertXpress is forecasted to generate revenues sufficient to cover: operating costs; debt repayment; equity returns; and additional investment for capital improvements over the life of the project.

Project Implementation Schedule





DesertXpress: Moving America Forward