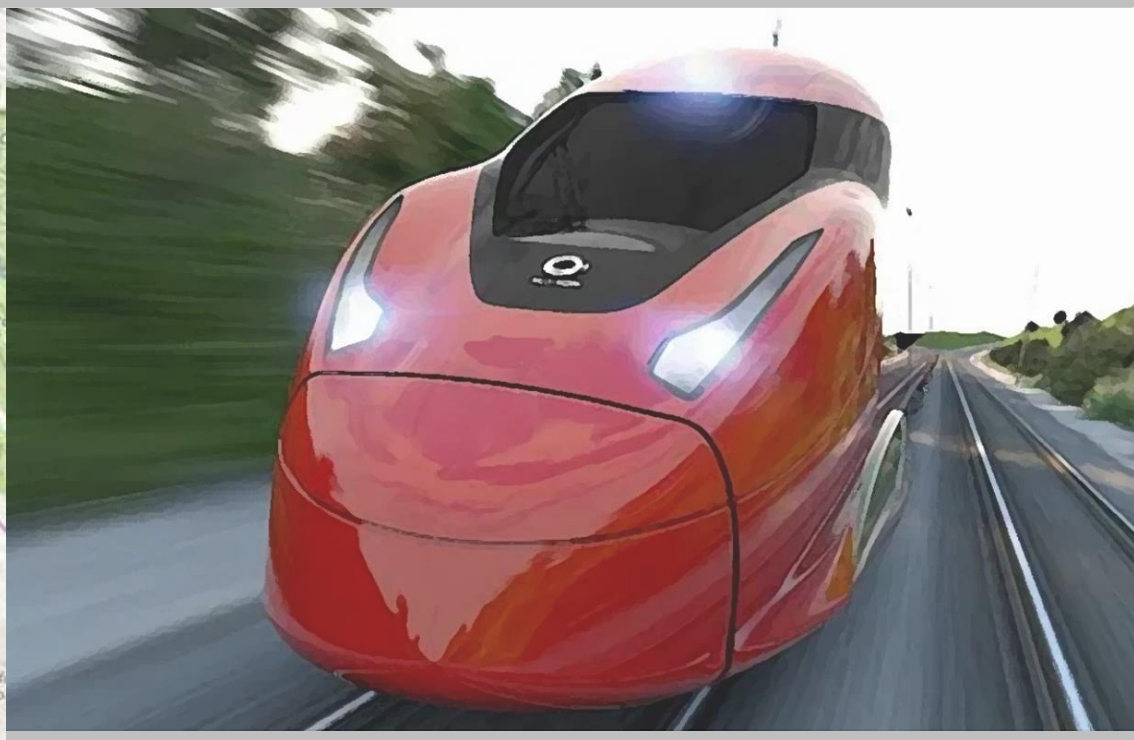
CASCADIA ULTRA HIGH SPEED RAIL

TEAM – CONTACTS | Eugene, OR – Wilsonville, OR | Wilsonville, OR – Everett, WA | Seattle, WA – Vancouver, B.C. | Tigard, Beaverton – Vancouver, WA | SG/RQG – Trail | USHSR – More



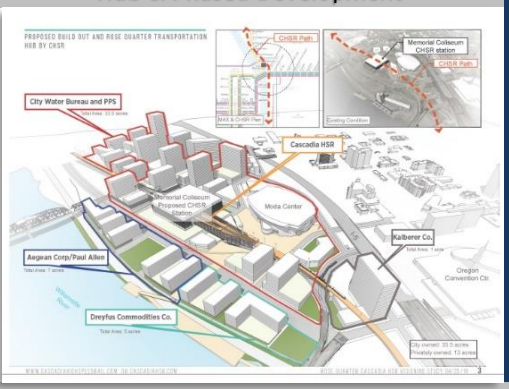
Cascadia HSR — *250+ mph; Speed with Ease*

- The Pacific Northwest (PNW) corridor offers a prime opportunity for implementing a world class Cascadia Ultra High Speed Rail (CHSR) system.
- The central segment of the corridor is Seattle to Portland, which can be extended north from Seattle to Vancouver, BC and south from Portland to Eugene. All three segments have "independent utility" and are each justifiable in their own right.
- The new electrified, double tracked CHSR corridor has been designed without grade crossings and was designated in August 2016 by the USDOT Federal Railroad Administration (FRA) as the Cascadia High Speed Rail Corridor and was immediately available for USDOT funding.

Overall, the CHSR Business Plan Studies showed:

- The 460-mile corridor will experience strong demographic growth. It is anticipated that I-5 corridor travel will increase by over 35 percent by 2050.
- The CHSR time would be half the driving time and a third of the Amtrak time.
- It is estimated that the CHSR system will capture 8 million passenger trips per year.
- It will also provide high speed parcel and air cargo delivery capability.
- It will support significant housing and commercial development opportunities in transportation station hub areas in towns and cities along the corridor.

Portland Rose Quarter Transportation Hub & Phased Development



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Transportation Economics & Management Systems, Inc. (TEMS)
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Executive Summary

- The Eugene to Seattle Cascadia Corridor should be developed effectively for $21 Billion by paralleling most of the existing I-5 highway in Oregon and Washington.
- Using a Public/Private Partnership (P3) financing structure, the private sector can pay up to 80 percent of the projects capital costs.
- The CHSR System will generate a positive Operating Ratio with an operating profit of over $955 million per year by 2035.
- The CHSR System will have a positive Cost Benefit Ratio, which meets USDOT/OMB funding requirements at 3 and 7 percent discount rates.
- The project would generate significant economic development in each of the cities and towns along the corridor.
- The CHSR project will prove once again that high speed rail is the most efficient and successful mode of transportation with ZERO pollution rate.

Positive Operating Ratio Eliminates Subsidy

Year 2035 Operation (million 2015$)	Financial Results
Total Revenue	$1442
Total Operating Cost	$487
Operating Surplus	$955
Operating Ratio	2.96

Cost Benefit Results (2015$ millions)

		3.00%	7.00%
Revenues			
	Total Operating Revenues	**$25,013.78**	**$11,389.02**
	Users Consumer Surplus	$16,516.27	$7,681.17
Total User Benefits		**$41,530.05**	**$19,070.19**
Benefits to Public at Large			
	Highway Congestion Savings	$9,597.25	$4,463.36
	Airport Delay Saving	$1,281.47	$542.57
	Safety Benefits	$2,310.73	$1,074.65
	Highway Reduced Emissions	$638.32	$296.86
Total Public at Large Benefits		**$13,827.77**	**$6,377.44**
Total Benefits		**$55,357.81**	**$25,447.64**
Costs			
	Total Operating Cost (O&M)	**$8,405.50**	**$3,832.31**
	Capital Cost	**$18,160.52**	**$14,987.43**
Total Costs		**$26,566.02**	**$18,819.74**
Benefits Less Costs		**$28,791.80**	**$6,627.90**
Project Benefit/Cost Ratio		**2.08**	**1.35**

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