

REQUEST FOR EXPRESSIONS OF INTEREST FOR THE DELIVERY OF OPERATING SEGMENTS

RFEI HSR#25-01

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LETTER FROM THE CEO

As CEO of the California High-Speed Rail Authority, my focus is clear:

Deliver the nation’s first true high-speed rail system. This is not just a transportation project; it is a transformative investment that will reshape California’s economy, infrastructure, and environmental leadership.

I stepped into this role knowing the challenges were significant — delays, cost pressures, and skepticism have persisted for years. With my background in engineering, rail development, operations, and finance, I have spent the last nine months analyzing every aspect of this project — what has been accomplished, where we are now, and how we move forward. I have also reset expectations with the Authority, contractors, and stakeholders to ensure our focus is singular: delivering this system efficiently and effectively.

Engaging Industry to Accelerate Delivery

A key priority has been seeking global expertise to refine our approach. In late January 2025, the Authority hosted a two-day Industry Forum with more than 400 rail, construction, design, and finance professionals to discuss how to build this system smarter and faster.

The feedback gathered is already shaping our procurement, design, and construction strategies.

The project has made significant foundational progress:

- Environmental clearance is complete for the full San Francisco-to-Los Angeles route, enabling preliminary engineering beyond the Central Valley.
- One of three major civil construction packages in the Central Valley is substantially complete, with new public safety enhancements (grade separations) already providing community benefits through eliminating dangerous rail crossings and reducing vehicular and freight congestion.
- Railhead construction has begun in Kern County, marking the transition to track laying and system installation.

Building California’s First High-Speed Rail Network

These efforts have already created more than 15,560 jobs and driven nearly \$22 billion in economic impact, with 99 percent of 2023-24 spending staying in California. Two-thirds of those dollars have gone to disadvantaged communities in the Central Valley, and more than 912 small businesses have contributed to the project.

But progress alone is not enough — we must fundamentally shift how we deliver this system. That means:

- Maximizing efficiency: leveraging existing investments instead of reworking designs.
- Operating like a business: streamlining decision-making, eliminating bureaucratic silos, and enforcing accountability.

- Preventing costly delays: ensuring complex right-of-way acquisitions and utility relocations are completed first before construction begins.

To institutionalize this mindset, I have overhauled the Authority's structure, creating a focused project delivery team with clear roles, defined responsibilities, and a culture of results-driven execution.

Strategic Actions to Accelerate Construction

We are implementing key strategies to fast-track project delivery while controlling costs:

- Refining procurement in various ways to shorten delivery timelines and reduce the risk of schedule delays, including direct purchasing of commoditized materials for track and systems.
- Executing master agreements with local governments and third parties to streamline coordination.
- Updating the Authority's Design Criteria Manual to standardize approaches and cut unnecessary complexity.

These steps will deliver segments to the public sooner while keeping long-term system expansion on track.

Connecting California: The Road Ahead

Our goal remains: seamless high-speed service from the Bay Area to the greater Los Angeles area via California's Central Valley.

- In the north, we will connect to the newly electrified Caltrain system via Gilroy, creating immediate regional benefits.
- In the south, we will link into the High Desert Corridor at Palmdale, connecting to Brightline West's high-speed rail to Las Vegas, forming a Southwest High-Speed Rail Network.

Completing this vision within 20 years will be a landmark engineering and construction achievement for the United States.

The Funding Imperative

Achieving full system connectivity requires a new financial strategy that includes:

- Long-term sustained state investment.
- Innovative financing to drive construction momentum.
- Public-private partnerships (P3s) to leverage state funds.

The state recognizes this urgency, and we are working closely with the Newsom Administration, California Legislature, and federal partners to secure a sustainable funding path forward. The January industry forum also opened the door for private sector engagement to explore new financing opportunities.

Since 2009, more than \$6.8 billion in federal funding has been committed to this project, and while political dynamics shift, the long-term trajectory remains strong. Passenger rail is now recognized as a core national priority, and we will pursue every available federal dollar to move this project forward.

The Role of Public-Private Partnerships

P3s are a key component of our strategy for delivering the California High-Speed Rail project efficiently and cost-effectively. We see significant opportunities for P3s in areas including, but not limited to, station development, rolling stock procurement, power generation and operations and maintenance. To manage these relationships effectively, we have established a dedicated P3 unit within the Authority that will be responsible for identifying potential partners, structuring deals, and overseeing contract performance.

Delivering on the Vision

I have personally experienced how high-speed rail systems transform countries, regions, cities and communities, California High-Speed Rail will also be an economic and environmental transformation catalyst – redefining transportation in the United States.

I am committed to leading an Authority that delivers on the promise of high-speed rail — an efficient, sustainable, and equitable system that embodies California’s legacy of innovation, ambition, and leadership.

The purpose of this Request for Expressions of Interest (RFEI) is to solicit feedback and interest from the private sector on the development and maintenance of the remaining civil works, track, and infrastructure for the joint development of station areas, rolling stock procurement, and systems.

Now, we build.

SECTION 1: INTRODUCTION

Purpose and Overview of RFEI

The Authority is issuing this Request for Expressions of Interest (RFEI) from firms (Respondents) interested in participating in one or more aspects of the project. Issuing this RFEI does not commence a procurement process or obligate the Authority to commence a procurement or award a contract. Expressions of Interest (EOIs) received from Respondents will not be scored, they will be used to identify firms interested in participating in a future procurement for one or more packages of the project.

The purpose of this RFEI is to refine the Authority’s delivery strategy through consultation with the industry. Specifically, the Authority is looking for detailed feedback on the commercial, financial, technical and procurement aspects of its preferred delivery strategy, as well as the industry’s view on the potential benefits and challenges from combining large remaining portions of the System into one or more design-build-finance-maintain (DBFM) or similar contracts, as further detailed in this document. The Authority is particularly interested in opportunities for cost savings and schedule acceleration and the key commercial and financial requirements that would be required to achieve those objectives. The Authority is also open to receiving feedback from the industry on other delivery models that may allow it to meet these objectives. The Authority may use the feedback received from industry to update its delivery strategies and to schedule and commence one or more procurements in the future. The feedback to this RFEI should be mindful of the Authority’s statutory and legislative requirements and obligations as described in Proposition 1A, Senate Bill (SB) 1029, Public Utilities Code Section 185030-185038, and in other legislation that governs the Authority’s operations.

Participation in this RFEI is not required for participation in a future procurement.

Introduction

The California High-Speed Rail Authority (Authority) is undergoing a comprehensive effort to update its design criteria, scope, cost, procurement strategy, and schedule to build the system faster, smarter and more economically. By focusing on connecting population centers sooner, the Authority is determined to maximize ridership and provide opportunities for private sector participation. This is an exciting time for the Authority as there are many new efforts underway to **build faster and lay tracks earlier than previously contemplated** — which ultimately connects the major population centers more quickly and provides new avenues to rapidly utilize Authority assets.

We are at a critical juncture for California High-Speed Rail. Since its inception, the high-speed rail project has made substantial progress despite facing a complex web of challenges ranging from sequencing issues to incomplete funding and external opposition. In September 2024, CEO Ian Choudri assumed leadership with a commitment to thoroughly evaluate the project’s status, achievements, planned activities, and expenditures. This in-depth review has provided a crucial understanding of the project’s current position and the necessary steps for moving forward. Recognizing the project is at a critical juncture, the Authority acknowledges the challenging path ahead and the need to be laser-focused on the efficient use of limited resources.

VISION: Connecting the Central Valley to the North and South to Create a Southwest High-Speed Rail Network

The Authority’s medium-term goal is to link the Bay Area at Gilroy and greater Los Angeles at Palmdale in less than 20 years and deliver useful project segments in the interim.

In the north, we will connect the California High-Speed Rail’s Early Operating Service (Merced to Bakersfield) in the Central Valley to the newly electrified Caltrain system via Gilroy, creating access to San Jose, San Francisco and provide immediate regional benefits. Work is underway with Caltrain, the City of Gilroy, Santa Clara Valley Transportation Authority, and the High-Speed Rail Authority to explore transportation connections, transportation linkages, and potential land use strategies in the station area.

In the south, we will connect into the proposed Palmdale Transportation Center in Los Angeles County. The station will serve as a hub for California High-Speed Rail and the High Desert Corridor and further connect our system to the Brightline West high-speed rail line from Southern California to Las Vegas, Nevada, and to the existing Metrolink network. This network will achieve:

- Substantial ridership by connecting the Bay Area and greater Los Angeles, and ultimately Las Vegas, Nevada, and the rest of Southern California.
- Significant economic impact and reduction of carbon emissions.
- Construction efficiencies and statewide operational synergies.

These connectivity enhancements in the north and the south will significantly impact ridership across the entire state and must be carefully estimated.

Approach: Build Faster and Lay Tracks Sooner

The Authority is committed to accelerating delivery by adopting innovative practices and leveraging strategic partnerships. This approach is driven by instilling three core principles to the Authority: Efficient Delivery, Attracting Investment, and Streamlining Processes.

Efficient Delivery

The Authority has embraced a focused, resource-efficient mindset aimed at maximizing existing investments and expertise to expedite project delivery. The Authority will:

- **Optimize Design Criteria:** Reviewing and standardizing design standards to eliminate unnecessary complexity and cost. The emphasis will be on proven, reliable designs that enhance efficiency and safety.
- **Phase Implementation:** Delivering portions of the system incrementally, strategically enabling faster deployment of completed segments and ensuring integration with existing and planned transportation networks.
- **Enhance Leadership and Governance:** Strengthening accountability and responsiveness across all levels—Authority staff, consultants, contractors, and third-party stakeholders—to ensure timely and efficient project advancement.
- **Proactive Schedule Management:** Reducing timelines by identifying key risks (i.e., right-of-way acquisition and utility relocation) and eliminating unnecessary steps in procurement and construction processes to mitigate cost escalation due to delays.

This strategic realignment will create a culture focused on delivering measurable results quickly, efficiently, and sustainably.

Attracting Investment

The Authority is actively engaging with state and federal policymakers, industry experts, and private-sector stakeholders to secure stable, long-term funding for the program. These investments not only serve as the basis for the program, but to leverage private investment into the project. Key initiatives include:

- **Early Commercialization of Assets:** Maximizing commercial value through proactive marketing of project assets such as rail paths, stations, power generation, surplus real estate, and fiber telecommunication networks. Initiatives such as transit-oriented development, express cargo services, and asset leasing can attract private investment early, enhancing financial sustainability.
- **Strategic Industry Partnerships:** Collaboration with industry experts and private-sector firms to address technical challenges, such as geotechnical investigations, tunneling, bridges, utilities, and clean-energy generation. This encourages innovative solutions, reduces risk, and boosts investor confidence.
- **Public-Private Partnerships:** Utilize P3 arrangements to attract private-sector expertise, financing, and innovation, ensuring shared accountability, improved efficiency, and accelerated project timelines, where appropriate.

Streamlined Process and Procurement

The Authority is refining procurement strategies to accelerate construction, maintain quality, and ensure efficient resource use. Specific measures include:

- **Fast-Track Procurement Tools:** The Authority intends to use various procurement approaches to shorten delivery timelines and reduce the risk of schedule delays. For example, the Authority is currently in the process of soliciting a Multiple Award Task Order Contract (MATOC) for civil construction in the Central Valley. This bench contract allows for improved timelines through a prequalified vendor pool with individual construction packages to be procured faster (i.e., 60 days). This MATOC also allows for cost cutting measures (through pass-through avoidance and circumvention of significant overhead costs from large prime contractors).
- **Pre-Engineered Components Library:** Evaluating the feasibility of a standardized library of pre-engineered designs and components to significantly reduce lead times, streamline construction processes, and control costs while ensuring consistent quality across the project.
- **Efficient Procurement Management:** Simplifying procurement activities by removing redundancies and adopting best practices that shorten procurement cycles and increase transparency, reliability, and accountability. The Authority has established an internal procurement “tiger team” to fast-track priority packages and resolve interdepartmental delays. The procurement office is also providing inputs to reduce the overall master program schedule and shorten most procurements to 6 months or less.

Through these deliberate actions, the Authority positions itself to rapidly advance project delivery, attract significant private-sector investment, and streamline procurement processes, ensuring the high-speed rail system is built efficiently, sustainably, and cost-effectively.

SECTION 2: THE INTEGRATED TEAM

Organizational Performance

The Authority is responsible for the planning, design, construction and operation of the first high-speed rail system in the nation. The Authority has made significant steps in overhauling the organization and identifying new talent — individuals ready to make key decisions that will drive project delivery forward. To streamline operations, improve efficiency, and better serve our development partners, the Authority is transitioning to an organizational structure focused on project delivery, with five distinct and non-overlapping offices.

- Planning and Engineering: integrates planning and engineering functions under one office.
- Statewide Regional Office: anticipates and tackles challenges related to ROW acquisition and utilities relocation involving stakeholders and critical third parties to clear the path to construction.
- Construction: empowers field delivery teams to focus on project construction.
- Infrastructure Maintenance: ensures the safety, functionality, and longevity of essential systems.
- Rail Operations: focuses on the operational requirements for running a railroad as track laying and train operations approach.

SECTION 3: ACCOMPLISHMENTS TO DATE

Economic Impact

From July 2006 through June 2024, the Authority invested approximately \$13.0 billion in planning and constructing the nation's first high-speed rail system. Overall, this investment supported 109,000 job-years of employment and generated \$21.8 billion in total economic activity. The investment also created \$8.3 billion in labor income, which is all forms of employment income associated with the activity. For more information, see the [*High-Speed Rail: Investing in California's Economy*](#) webpage.

Progress In The Central Valley

119-Mile Central Valley Segment

The initial project segment in the Central Valley starts in Madera and ends at Poplar Avenue in Fresno County. This project segment, which also will serve as the Authority's test track for its high-speed rail trainsets, encompasses three construction packages: CP 1, CP 2-3, and CP 4. In 2024, CP 4 reached substantial completion, highlighting tremendous progress toward civil construction in the Central Valley.

Both CP 1 and CP 2-3 are expected to be completed in 2026. Due to right-of-way (ROW) planning and management improvements, the Authority has been able to exceed ROW delivery forecasts, and as of December 2024, 99 percent of the ROW parcels within the 119-mile Central Valley Segment have been delivered to the design-builder. The Authority has also made significant advancements toward resolving

commercial issues and relocating utilities, with 1,558 of 1,826 utilities relocated (85 percent) and an additional 100 (6 percent) in progress as of April 2025.

Construction progress through April 2025 reflects that of the total 92 structures, 52 are completed (57 percent) and another 32 are underway. Guideway miles completed through April 2025 reflect that of the total 119 miles, 69 miles are complete (58 percent) and another 27 are underway.

Central Valley Railhead

In early 2025, the Authority and Governor Newsom celebrated the start of civil construction for the railhead in Kern County. The railhead provides temporary freight tracks to receive rail track, ties, poles, and other materials the construction teams will need to lay tracks along the California high-speed rail corridor. This step follows the substantial completion of Construction Package (CP) 4.

Design of the railhead was finalized in July 2024 and the Authority anticipates the railhead to be in operation by the end of 2025.

Track and Overhead Contact System Design Contract

The Track and Overhead Contact System (OCS) Design Services contract award marks a critical first step of the multi-phase procurement strategy for track and systems and trainset procurements. The contract was awarded to the SYSTRA|TYP SA joint venture team in June 2024.

The scope includes design services for the track and OCS for the 171-mile Merced-to-Bakersfield alignment. This includes designing the entire track and OCS network and along-track cable containment, across-track ducts, access walkways, fencing, and drainage systems. SYSTRA|TYP SA will collaborate extensively with the future track and OCS construction contractor during the design and construction phases, as well as with other interfacing contractors (trainsets, traction power, signaling and communications contractors) to ensure the system is fully integrated.

Merced and Bakersfield Extensions

As progress continues along the 119-mile Central Valley Segment, development of the Merced and Bakersfield extensions is moving forward thanks to a substantial allocation of federal funds in December 2023 from the FSP Grant. This grant facilitates the funding for final design work for the Merced and Bakersfield extensions, as well as helping fund ROW acquisitions for both extensions.

ROW acquisitions for the extensions are moving forward. We are planning on completing the mapping process by the end of 2025 and starting the acquisition process on full-take parcels.

As the Merced and Bakersfield extensions approach 30 percent design and as additional funding continues to become available, the Authority and its Board will determine appropriate construction package scope, cost, schedule, and delivery methods. No construction agreements have been developed at this time. The Bakersfield extension civil works as well as track and systems are funded from the northern limits (CP 4) to approximately the Bakersfield Airport.

Connectivity Across California

As we work to deliver this project, we continue to emphasize the importance of shared corridors and connecting to other important rail systems. In the north, the newly electrified Caltrain system via a new hub in Gilroy in southern Santa Clara County will allow connectivity benefits. In the south, service to the new Palmdale Transportation Center in Los Angeles County will enable a future connection via the High Desert

Corridor high-speed rail line to the Brightline West high-speed rail line from Southern California to Las Vegas. This will facilitate an integrated Southwest High-Speed Rail Network.

Since the 2024 Business Plan, the following shared corridor projects have reached significant milestones.

Caltrain Electrification

A successful partnership combining \$714 million from the Authority with \$1.7 billion from local, federal, and other state sources has delivered 51 miles of electrified rail service for Caltrain. In September 2024, Caltrain officially launched its fully electrified service, marking a major step toward bringing high-speed rail to Northern California. Since then, Caltrain has been able to increase service, and ridership has increased by nearly 40 percent. High-speed trains will use this completed section as part of the Phase 1 system when it begins its service on the San Francisco Peninsula.

Gilroy Station

Station area vision work is underway with the City of Gilroy to prepare the city for land use planning in support of station delivery. A collaborative effort with the city, VTA, and Authority staff has included workshops to explain the station area and potential land use strategies; transportation connections and active transportation linkages in and around the station; and engagement with local technical leaders and the broader community. This vision work is a foundational step in advancing station area planning to support the update of the Downtown Specific Plan.

VTA will be conducting a Transportation Access Plan that is being coordinated with the vision plan. To limit unnecessary duplication, the two efforts will coordinate on items including stakeholder outreach and consultant coordination (such as site area tour). This work included a Spanish-language meeting with the neighboring community to bring key stakeholders into the planning process.

The vision work includes draft recommendations on goals and objectives, land use, housing and transit-oriented development, urban design, access and connectivity, economic development, and next steps. The final product, a station area vision plan, will serve as a communication tool for residents and stakeholders and as a guide for subsequent downtown and station area plans and designs.

Madera Station

The San Joaquin Joint Powers Authority (SJIPA) and the California Department of Transportation (Caltrans) were awarded more than \$54 million in grant funding from the U.S. Department of Transportation's National Infrastructure Project Assistance (Mega) Program to relocate the existing Madera Amtrak station and design and construct a new high-speed rail station in Madera.

Palmdale Station

On January 10, 2025, the City of Palmdale was awarded a \$1 million grant from the U.S. Department of Transportation's Reconnecting Communities Pilot program to advance planning for the Palmdale high-speed rail station in collaboration with the Authority and the High Desert Corridor JPA, among others. Previously, the city had completed the Palmdale Transit Area Specific Plan, laying out how land development for the future station will foster a mixed-use station that supports sustainable, economic, and social development. Other agencies also are collaborating on the station, including LA Metro, the High Desert Corridor JPA, and Antelope Valley Transit Authority. The California High-Speed Rail Authority is providing in-kind support as part of the non-federal matching funds for the grant.

Ultimately, the interconnectivity created at the Palmdale station provides connections to Las Vegas (through Brightline West connections enabled by the High-Desert Corridor), to Los Angeles and Ventura County on Metrolink, and throughout the southern California region on the integrated intercity and regional rail systems.

High Desert Corridor

Collectively, California High-Speed Rail, High Desert Corridor, and Brightline West will form the basis of a new Southwest High-Speed Rail Network, connecting the San Francisco Bay Area, Greater Los Angeles, and Central Valley to Las Vegas, Nevada. Since receiving initial environmental approval for the High Desert Corridor project in 2016, the JPA has begun working with the Authority as its lead agency to complete environmental work, leveraging the Authority's delegation agreement with the FRA, and has engaged in discussions with the JPA regarding commoditized materials purchasing to accelerate delivery and reduce cost for the High Desert Corridor project.

SECTION 4: OPPORTUNITIES

The Authority welcomes the expertise of the private sector in developing and shaping the project. Some examples of potential project delivery and packaging methods are outlined in this section, and Respondents are encouraged to provide feedback on whether the examples presented are of interest and in what ways they could be improved.

The project is intended to allow the private sector to be involved in making decisions on design and operational choices that will successfully bring the project to completion.

Authority Delivery Strategy

119-Mile Central Valley Civil Works: Also known as CP 1-4, the Authority anticipates reaching substantial completion of the 119-miles of civil construction that will be the foundation on which the high-speed rail infrastructure will be laid. The Authority has realigned its organization to deliver this work efficiently and effectively, and will be ready to hand over to the future rail contractor for high-speed rail track and systems.

Trainsets: The Authority is continuing to advance its ongoing procurement of high-speed rail trainsets that will reach speeds of 220 mph and align to the Authority's infrastructure.

Long-Lead Items and Materials: The Authority has conducted analysis of the high-speed rail supply chain and recognizes the need to begin purchases of certain items to obtain competitive pricing and avoid future delays. The Authority plans to purchase ballast, rail, ties, overhead catenary wire, traction power substations, and fiber and provide these materials to future contractors to install. Construction equipment such as Track Laying Machines and other construction items with long-lead time manufacturing are also included under this scope.

P3 And Private Investment

The Authority is seeking to bring more private sector involvement during the project development process to enhance efficient project development, reduce costs, and accelerate program delivery.

To that end, the Authority is contemplating a "co-development" framework, where the Authority and a developer(s) will work collaboratively to define a project scope, schedule, cost, roles and responsibilities,

and other contractual terms. The developer will be expected to meet schedule and deliverable requirements in the co-development phase, and will work in close collaboration with existing Authority design teams.

The Authority expects the developer will make equity commitments as part of the project's wider financing program, and will also commit to contributing "sweat equity" during this process. The Authority will make payment for development work based on achievement of key milestones over several years, the terms of which will depend on the particular package, and will secure a long-term, stable state funding stream to fund the P3 following the development stage.

During the development phase, the developer and the Authority may explore start of revenue service, shared services with other transportation agencies, or commercialization of the Authority's assets to increase revenue. As passenger service stabilizes, the Authority intends to explore methods to transfer to financing from passenger revenues.

Potential Packages

1. Track and Systems

As the civil works in the 119-mile Central Valley segment nears completion, the Track and Systems scope is to install the high-speed rail infrastructure and systems. This scope would include Authority-furnished materials and equipment described above and integration with the developer's selected signaling and communication systems and other elements selected by the developer. The scope would also include integration with Authority's trainsets and testing, commissioning, and demonstrating the first high-speed rail system within the United States, and optimizing the long-term maintenance and lifecycle plan for the system.

As this scope is imminent, the Authority would consider an initial P3 for track and systems scope and then move into a co-development phase for additional packages with the selected developer¹.

2. Renewable Power Generation

The Authority has committed to long-term sustainability goals to power the program with renewable energy. The Authority has identified property from its portfolio as suitable for solar power generation and battery energy storage systems that can be used to supply power to the high-speed rail system. The Authority's analysis shows that this power can reduce the Authority's operating costs and create additional revenues for the program by selling excess energy, grid services, and potential providing power to other customers.

3. Transit-Oriented Development

The Authority has acquired, and is continuing to acquire, strategically located parcels around station areas that offer significant development potential. As part of this initiative, the Authority is looking to engage with the private sector to assess their interest in pursuing Transit-Oriented Development (TOD) in collaboration with the newly planned stations. The Authority seeks to gather valuable insights into the market's perspectives regarding aspects such as development approach, land assembly, procurement, scheduling, funding opportunities, and more.

4. Extensions beyond 119-Miles

These packages would include all scope required to extend beyond the 119-mile Central Valley Segment, including civils works and high-speed rail infrastructure and systems. The Authority envisions working with

¹ Please see Section 5 below on the funding considerations for a P3.

the developer to identify segments to allow for appropriate phasing for revenue service and connectivity with other transportation services.

5. Pacheco Pass and Tehachapi Tunnels

This package option could include a series of tunnels connecting the Bay Area to Central Valley (Pacheco Pass Tunnel), tunnels connecting Bakersfield to Palmdale (Tehachapi Tunnels), or both. The developer will strategize and synergize with other tunneling activities, interface with the track and systems scope, optimize the long-term maintenance and lifecycle plan for the tunnels.

6. Ancillary Revenues

The Authority aims to maximize the revenue potential from its assets and is interested in exploring opportunities to generate additional revenues. The Authority has undertaken preliminary analyses of ancillary revenue opportunities to leverage the Authority's existing infrastructure and assets, thereby enhancing the project's financial stability while aligning with broader strategic goals. The potential revenue sources comprise of various categories, including advertising, retail, sponsorship, telecommunications, parking, and on-board services, which can be implemented before and after the commencement of train operations. This package would seek to bring these opportunities to market.

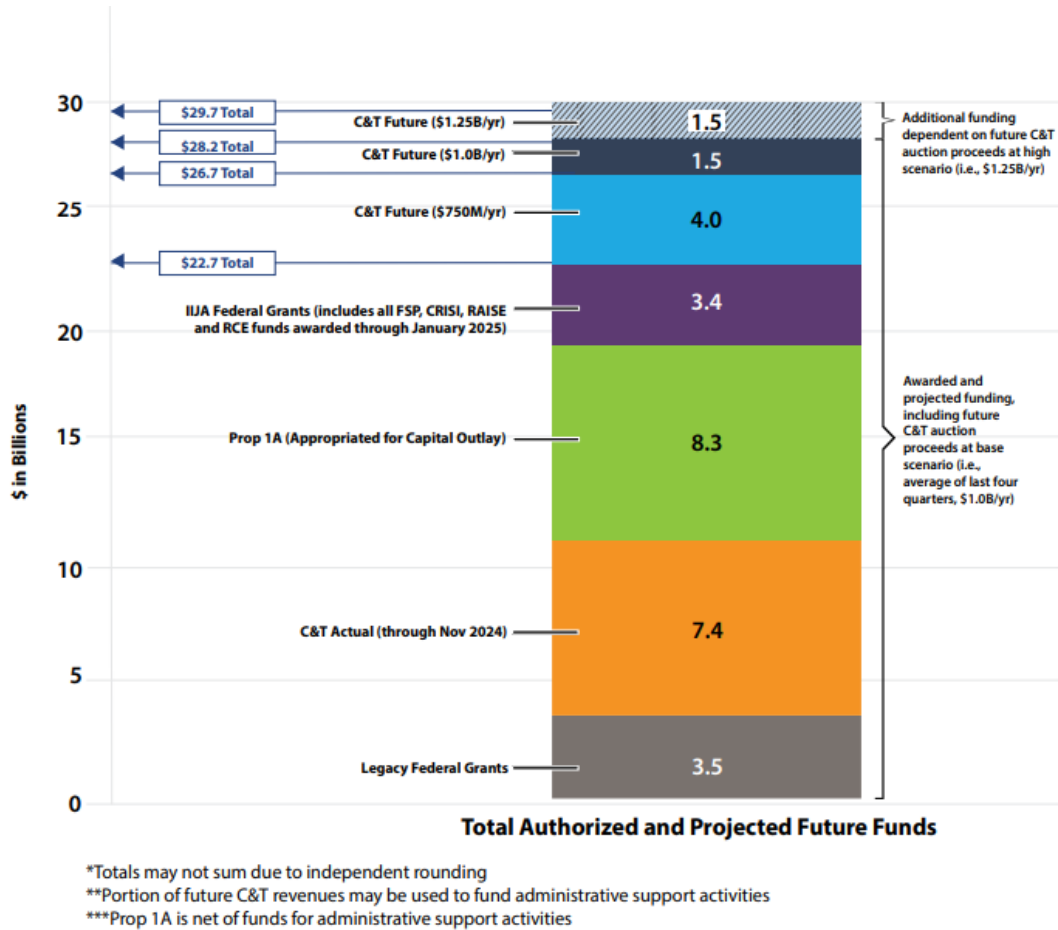
7. Passenger Revenues

As part of the recent program update, the Authority is developing new ridership, farebox revenue and O&M projections to the new vision. Early results indicate that the program will generate significant ridership and revenues once it is able to connect to the major population centers of Northern and Southern California. While the Authority understands that private investment will initially be in the form of “availability payment” or similar structures, the Authority would like to understand the potential for financing of future revenues. The Authority is keen to hear about ancillary revenue opportunities that the private sector could leverage in that context.

SECTION 5: CURRENT FUNDING

This section provides a summary of total current and projected funding available for the project projected through 2030 as shown in the figure below. The total amount of estimated revenue for the capital program is currently estimated in the range of \$26.7 billion to \$29.7 billion, assuming Cap-and-Trade annual revenue scenarios of \$750 million and \$1.25 billion per year through 2030, respectively, and \$28.2 billion assuming the current annual revenue trends at \$1.0 billion a year.

Figure 1: Authorized and Projected Future Funding (\$ in Billions)



Source: [2025 Project Update Report](#)

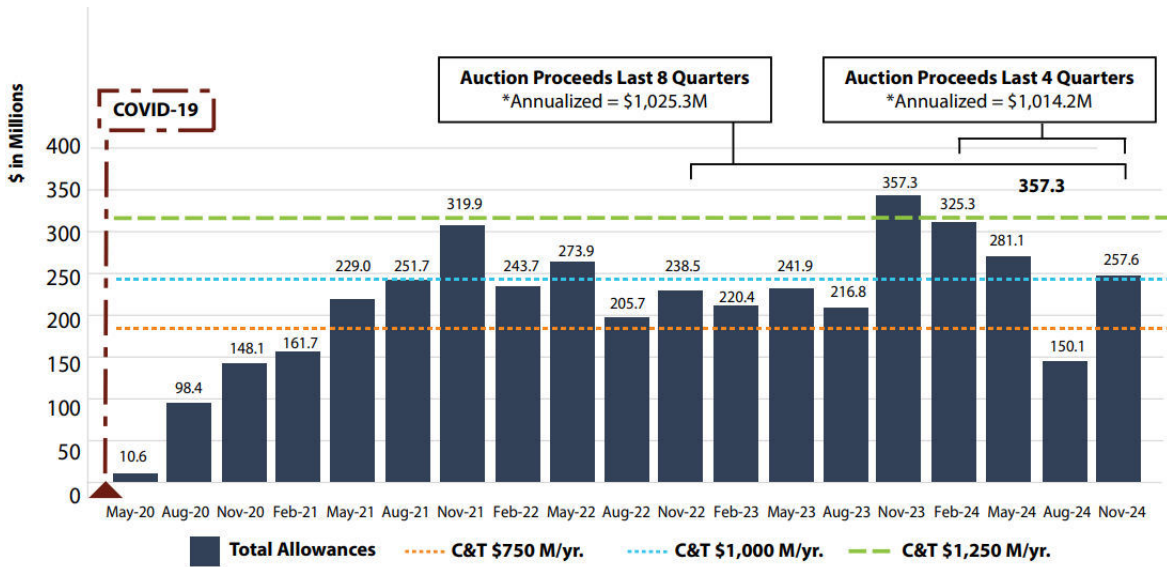
State Funding

On June 30, 2022, the California Legislature appropriated the final \$4.2 billion of Proposition 1A funds. Appropriating these bond funds toward Central Valley construction allowed the Authority to expand the labor workforce on the project, eased internal cash flow needs, and freed up Cap-and-Trade funding for other project priorities, including matching federal grant awards. Proposition 1A Central Valley construction funds are expected to be fully expended by the end of FY2025-26. The remaining Proposition 1A funds are committed to Southern California bookend projects and state operations.

The General Fund supports bond debt service on general obligation bonds, including for Proposition 1A, but does not currently provide any direct funding for the project.

Since 2014, the Authority has received a quarterly appropriation of 25 percent of specified [Cap-and-Trade Program](#) revenues. Through the November 2024 auction, the Authority has received a total of \$7.545 billion in Cap-and-Trade auction funds, including one-time appropriations. See Figure 2 below for a historical account of Cap-and-Trade auction proceeds dating back to May 2020. Demand for allowances in recent years and resulting current and future prices indicate a market expectation that allowance settlement prices will continue to be high through 2030. However, there always remains the risk, as the COVID-19 pandemic demonstrated, that a market-based revenue stream is susceptible to shocks that can cause significant revenue fluctuations.

Figure 2: Quarterly Cap-and-Trade Auction Proceeds for High-Speed Rail (\$ in Millions)



*Annualized after adjusting to reflect AB 398 for the Department of Forestry and Fire Protection and the Manufacturers Tax Credit and SB 155 for Forest Health and Fire Prevention.

Source: [2025 Project Update Report](#)

The Authority forecasts the project funding, expected Cap-and-Trade auction results, at scenarios of \$750 million, \$1.0 billion, and \$1.25 billion per year to provide a range of funding that is possible as the current funding source is uncertain and volatile due its market-based mechanisms.

The Newsom Administration is pursuing stable, long-term state funding for the Authority. Through the forthcoming Cap-and-Invest legislation, the Authority expects to continue to receive 25% of the proceeds² from the California Cap-and-Trade program through 2045. The Governor also proposed a floor of \$1 billion per year on the Authority’s share to provide the program (and potential investors) with greater certainty on the Authority’s funding. The Authority’s intention is to explore financing of this revenue stream to assist in expediting program construction activities.

Federal Funding

The Authority has been awarded approximately \$6.9 billion of federal grant funding to date including major grants such as ARRA (\$2.55 billion), which is now almost fully expended, and the FY10 (\$929 million) award which is intended for the final completion of the 119-mile segment. The various federal funding agreements are typically tied to specific scope items in the Central Valley (see 2024 Business Plan for full details).

It should be noted that the recent FSP award (\$3.07 billion) applies primarily to the delivery of trainsets and specific elements of the Bakersfield Extension. Final design and ROW acquisition for both the Merced and Bakersfield extensions are included in the scope.

Local and Regional Funding

Funding opportunities multiply in shared corridors where passenger rail service is provided by regional rail operators today and the corridors will be shared with high-speed service in the future. Some of the projects

² Subject to legislative approval

implemented to date have leveraged the Authority's bookend funds, and others have leveraged federal funds or other state funds without an Authority contribution but based in part on future high-speed rail benefits.

SECTION 6: EXPRESSION OF INTEREST
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Submittal of the Expression of Interest

The following summarizes the submission and format guidelines of the EOIs. In addition to the information described below, the Authority may request confirmation or clarification of information furnished by a Respondent or request additional information from a Respondent concerning its EOI. Formatting requirements for the EOI are listed below.

Please conduct all communications for this RFEI, and submit all EOIs, to the contact below:

Emily Morrison
Chief of Contract Administration

California High-Speed Rail Authority
770 L Street, Suite 620 MS 2
Phone: (916) 324-1541
Email: rfei@hsr.ca.gov

EOIs are requested by July 28, 2025, but may still be considered if received after that date. Questions regarding the RFEI may be submitted to rfei@hsr.ca.gov by July 21, 2025.

Formatting

The Authority requests that each EOI comply with the following requirements:

- A. Documents should be prepared in single-spaced type, 12-point font, on 8-1/2" x 11" sheets printed double-sided. A page is considered to be a single side of an 8-1/2" x 11" sheet. Should the Respondent wish to submit materials that benefit from larger format paper sizes such as charts, drawings, graphs and schedules then they should do so sparingly.
- B. Pages should be numbered at the bottom to show the page numbers and total number of pages in the response (e.g., Page 1 of 25, Page 2 of 25, etc.).
- C. The EOI should be no more than 25 pages in length, exclusive of the transmittal letter and table of contents, if applicable.
- D. Brochures and miscellaneous materials should not be submitted.
- E. The EOI should be divided into sections and each section be presented in the same order as they appear in this RFEI.
- F. The EOI should be submitted by July 28, 2025, though EOIs may still be considered if received after that date.

Transmittal Letter

The EOI should be transmitted with a letter that should specify a contact person for the Respondent. The contact information should include the following: name, title, mailing address, email address and telephone number. The transmittal letter should specify if the Respondent is submitting its EOI individually or as part of

a joint venture or consortium. If the Respondent is submitting its EOI as part of a joint venture or consortium, then it should identify all of the joint venture or consortium members.

Meeting with the Authority

After receipt of the EOIs, the Authority intends to conduct a series of one-on-one meetings with Respondents. The one-on-one meetings will be conducted to discuss and ask questions about the EOIs. One-on-one meeting discussions will be confidential and will not be disclosed to other parties.

One-on-one meetings are expected to occur in August 2025. Respondents are encouraged to contact Emily Morrison at RFEI@hsr.ca.gov by Monday, August 11 to schedule one-on-one meetings, if interested.

Firm Experience and Team Structure

The EOI should include a brief statement describing the Respondent's experience with similar projects and similar services. To the extent that the Respondent is submitting an EOI as part of a joint venture or consortium, then the EOI shall include a description of the proposed team structure, including what strengths and experience each entity brings to the overall team.

Project Approach

The Authority would like to know which project(s) the Respondent is interested in pursuing, as well as any recommendations for improvement to its delivery strategy. The EOI shall include a description of how the Respondent will approach each project scope and how each approach will meet the goals and objectives of the Authority and the hurdles to overcome to deliver the project(s) on time and on budget.

This section of the EOI shall also include any innovative ideas for delivering any combination of the potential projects.

Responses to Questions

The majority of the EOI should focus on the questions submitted below. The Authority is very interested in the feedback provided by industry in response to these questions and encourages Respondents to respond in detail.

Commercial Questions

1. How can a P3 or similar structure help with the delivery of the program? What recommendations can you provide on how the Authority can best prepare for the P3?
2. Which scope is best suited to a co-development framework/ PDA? What terms and conditions do you think apply to a collaborative / PDA type of approach?
3. Is the delivery strategy (i.e., purchasing long-lead items, procuring trainsets, and a separate track and systems contract) likely to yield innovation that will minimize whole-life costs and accelerate schedule? If so, please describe how. If not, please recommend changes to the delivery strategy and describe how those changes will better maximize innovation and minimize whole-life costs and schedule.

4. Does the delivery strategy adequately transfer the integration and interface risks associated with delivering and operating a high-speed rail system? What are the key risks that will be borne by the State if such risk transfer is not affected? What are the key risks that are most appropriate to transfer to the private sector?
5. Are there any other components of a high-speed rail system that should be included in the scope of work for each project (e.g., trainsets, train operations, stations)? If so, how will this help meet the Authority's objectives as stated in this RFEI?
6. What is the appropriate contract term for the potential DBFM contract? Will extending or reducing the contract term allow for more appropriate sharing of risk with the private sector? If the Respondent recommends a different delivery model, what would be the appropriate term for that/those contract(s)?
7. What is the appropriate contract size for this type of contract? What are the advantages and disadvantages of procuring a contract of this size and magnitude? What are the limitations in the market for contract size, including P3s?
8. Does the scope of work for each project expand or limit the teaming capabilities? Does it increase or reduce competition?

Funding and Financing Questions

9. Given the delivery approach and available funding sources, do you foresee any issues with raising the necessary financing to fund the project(s) the Respondent is interested in pursuing? What are the limiting factors to the amount of financing that could be raised?
10. What changes, if any, would you recommend be made to the existing funding sources? What impact would these changes have on raising financing? For example, what are changes to the Authority's funding would you require to raise financing, and what optimal term for the funding stream for a P3?
11. Given the delivery approach and available funding sources, is an availability payment mechanism appropriate? Could financing be raised based on future revenue and ridership (i.e., a revenue concession)? Would a revenue concession delivery strategy better achieve the Authority's objectives?

Technical Questions

12. Based on the Authority's capital, operating, and lifecycle costs from its 2024 Business Plan, describe how the preferred delivery model could reduce costs, schedule, or both. Please provide examples, where possible, of analogous projects and their cost and/or schedule savings from such delivery models.
13. How does this compare to separately procuring each high-speed rail component (i.e., separate contracts for civil works, rail, systems, power separately)? Please discuss design/construction costs, operating/maintenance/lifecycle costs, and schedule implications.
14. For each project, are there any technical changes to the respective scope of work that would yield cost savings and/or schedule acceleration while still achieving the Authority's objectives? If so, please describe.

SECTION 7: REFERENCE DOCUMENTS

Reference Documents	Link
Funding and Governing Statutes/Agreements	
<i>Proposition 1A</i>	https://catc.ca.gov/programs/proposition-1a-high-speed-passenger-train-bond-program
<i>Senate Bill 1029</i>	https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=201520160SB1029
<i>American Recovery and Reinvestment Act</i>	https://www.congress.gov/bill/111th-congress/house-bill/1/text
<i>Senate Bill 852</i>	https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=202120220SB852
<i>Senate Bill 862</i>	https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=201320140SB862
<i>Assembly Bill 32</i>	https://ww2.arb.ca.gov/resources/fact-sheets/ab-32-global-warming-solutions-act-2006
<i>FRA Grant Agreement (April 23, 2025)</i>	https://railroads.dot.gov/grants-loans/fra-discretionary-grant-agreements
Authority Business Plans, Project Update Reports, and Board Resolutions	
<i>2024 Business Plan</i>	https://hsr.ca.gov/about/high-speed-rail-business-plans/2024-business-plan/
<i>March 2025 Project Update Report to the California State Legislature</i>	https://hsr.ca.gov/about/project-update-reports/2025-project-update-report/
<i>2025 Board Resolutions</i>	https://hsr.ca.gov/about/board-of-directors/board-resolutions/
Project Sections	
Project Sections	Link
San Francisco to San José	https://hsr.ca.gov/high-speed-rail-in-california/project-sections/san-francisco-to-san-jose/
San José to Merced	https://hsr.ca.gov/high-speed-rail-in-california/project-sections/san-jose-to-merced/
Merced to Sacramento	https://hsr.ca.gov/high-speed-rail-in-california/project-sections/merced-to-sacramento/
Merced to Fresno	https://hsr.ca.gov/high-speed-rail-in-california/project-sections/merced-to-fresno/

Fresno to Bakersfield	https://hsr.ca.gov/high-speed-rail-in-california/project-sections/fresno-to-bakersfield/
Bakersfield to Palmdale	https://hsr.ca.gov/high-speed-rail-in-california/project-sections/bakersfield-to-palmdale/
Palmdale to Burbank	https://hsr.ca.gov/high-speed-rail-in-california/project-sections/palmdale-to-burbank/
Burbank to Los Angeles	https://hsr.ca.gov/high-speed-rail-in-california/project-sections/burbank-to-los-angeles/
Los Angeles to Anaheim	https://hsr.ca.gov/high-speed-rail-in-california/project-sections/los-angeles-to-anaheim/
Los Angeles to San Diego	https://hsr.ca.gov/high-speed-rail-in-california/project-sections/los-angeles-to-san-diego/
Authority Construction and Procurement Documents	
<i>Construction Package 1</i>	https://hsr.ca.gov/business-opportunities/procurements/architectural-engineering-and-capital-contracts/archived-ae-and-capital-procurements/design-build-construction-packages/
<i>Construction Package 2-3</i>	https://hsr.ca.gov/business-opportunities/procurements/architectural-engineering-and-capital-contracts/archived-ae-and-capital-procurements/design-build-construction-packages/
<i>Construction Package 4</i>	https://hsr.ca.gov/business-opportunities/procurements/architectural-engineering-and-capital-contracts/archived-ae-and-capital-procurements/design-build-construction-packages/
<i>High-Speed Trainsets and Related Services</i>	https://hsr.ca.gov/business-opportunities/procurements/architectural-engineering-and-capital-contracts/high-speed-trainsets-and-related-services/
<i>Small Business Opportunities</i>	https://hsr.ca.gov/business-opportunities/small-business-program/small-business-opportunities/
<i>Organizational Conflicts of Interest Policy</i>	https://hsr.ca.gov/business-opportunities/general-info/organizational-conflict-of-interest-policy/
<i>Community Benefit Agreement</i>	https://hsr.ca.gov/business-opportunities/general-info/community-benefits-agreement/
<i>Unsolicited Proposals Policies</i>	https://hsr.ca.gov/business-opportunities/general-info/unsolicited-proposal-procedures/