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## CALIFORNIA HIGH-SPEED RAIL AUTHORITY

July 7<sup>th</sup>, 2008

Mary Nichols  
California Air Resources Board  
1001 I Street  
P.O. Box 2815  
Sacramento, CA 95812

Dear Mary:

Please accept this corrected version of the letter mailed to you on July 3<sup>rd</sup>, 2008. It corrects the fourth paragraph that inadvertently omitted "million" from the statement of CO2 savings potential and also corrects the dates.

The California High-Speed Rail Authority (Authority) congratulates the California Air Resources Board (ARB) on the release of your June 2008 Discussion Draft, "Climate Change Draft Scoping Plan...a framework for change." The Authority appreciates the work of the ARB in carefully and thoroughly reviewing the contribution of the HST system to reducing CO2 emissions in California, and your inclusion of the HST system in the Draft Scoping Plan. Your visionary work will help California become a healthier, cleaner place to live.

After reading the Discussion Draft, we have two specific comments on the section on the HST system. First, in the description of the project in the year 2020, it might not be clear to all readers that the year 2020 would be the first year of service for the HST system and would constitute Phase 1. Phase 1 would ultimately have 2/3 the ridership of the full system, but would have lower ridership in 2020. The relevant sentence would make this clearer if it were to read: "For Phase 1 of the HST system, between San Francisco and Anaheim, 2020 is projected to be the first year of service, with 26 percent of the projected full system 2030 ridership levels".

Second, it would help to note that the additional CO2 benefits from the HST system will continue to grow long after 2030. HST system ridership and the benefits associated with it will grow as the system is expanded and as California's population increases over the following decades (to 2050 and beyond). The total benefits of the HST system will obviously be much greater in the future, than in the first year of operations, which will include only a portion of the planned system. As your draft scoping plan explains, "getting to the 2020 goal is not the end of the State's effort."

After you raised the question to me last December, the Authority began reviewing how the HST system could further reduce its carbon footprint by using only clean, renewable energy sources for needed electricity to power the trains. We commissioned a study of the feasibility and cost of such a policy this spring, and the preliminary results appear quite positive. Even today, when renewable-only energy

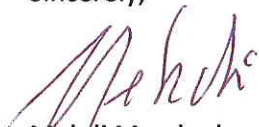
costs more than the current mix in California, the incremental cost increase appears relatively very small in comparison to the expected revenues and operating cash flows for the HST system. Adopting such a strategy has the potential to remove another several million metric tons of CO2 from the HST system balance sheet in 2030 with full system operation. We expect the draft feasibility report to be available in late July and we will recommend that the Authority's Board adopt a policy of pursuing clean, renewable energy to power the HST system at our September board meeting.

We will provide you the report when it is released, and would be happy to work with your staff to see the extent to which additional CO2 reductions could be incorporated into the ARB's final scoping plan. It is truly exciting to think that high speed trains could be the first "zero emissions" transportation system in California – with all the benefits that it will bring.

Finally, the scoping plan has appropriately noted that "improvements in land use and the ways we grow and build our communities will further reduce emissions from the transportation sector." The HST system will help California grow in a manner that is more sustainable by being a catalyst for transit-oriented development. In the Central Valley, for example, downtown HST stations at major Central Valley cities will create a market for infill development and potential light-rail and bus rapid transit (BRT) services that otherwise would not exist in these city centers. The Authority has adopted a transit-oriented development policy to ensure increased development densities and good community design near HST stations. The Authority intends to help fund city planning efforts near HST stations, and, as part of the Final Program EIR/EIS process for the Bay Area to Central Valley portion of the HST system, includes commitments to achieve land preservation through easement acquisitions in sensitive areas. These secondary benefits of the HST system are not quantified as part of our CO2 emissions estimates, but should be noted as efforts that will support CARB's scoping plan.

We look forward to continuing to work with you to make a cleaner, stronger California.

Sincerely,



Mehdi Morshed  
Executive Director

cc: Kurt Karpero  
Jeff Weir  
Jim Lerner