

January 4, 2024

Chairman Smith and Members of the Board
Nevada High-Speed Rail Authority
c/o Regional Transportation Commission of Southern Nevada
600 S. Grand Central Parkway, Suite 350
Las Vegas, NV 89106

Re: January 2024 Brightline West Report

Dear Chairman Smith and Members of the Board:

Since our last report in July 2023, Brightline West (BLW) has continued to make significant progress in the development of high-speed passenger rail service between Las Vegas and Southern California. The purpose of this letter is to provide a status update on the project.

As noted in our last report, the Infrastructure Investment and Jobs Act passed in 2021 provides a path for private entities, such as BLW, to compete for the USDOT's Federal-State Partnership for Intercity Passenger Rail Grant Program (FSP), when partnered with an eligible public agency. As previously described, in April 2023, with assistance from BLW, the Nevada Department of Transportation (NDOT) submitted an application for a significant FSP grant. On December 8, President Joe Biden visited Las Vegas to announce the award of a \$3 billion FSP grant for the project. Combined with the \$25 million RAISE grant awarded earlier in 2023, the FSP grant award provides federal funding for more than a quarter of the BLW system's total estimated cost of \$12 billion. The balance of the project budget will be privately funded through a mix of debt and equity. Continuing our partnership with NDOT, the parties have started the negotiation of the FSP grant agreement with the Federal Railroad Administration (FRA) and submitted a request for pre-award authority to facilitate continued pre-construction work while the grant agreement is finalized.

As anticipated in our July 2023 report, the FRA completed the environmental analysis of the project between Victor Valley and Rancho Cucamonga and issued a Finding of No Significant Impact on July 12, 2023. In August, FRA together with cooperating federal agencies and invited signatories, executed a Programmatic Agreement for the project between Las Vegas and Victor Valley, thus completing the regulatory requirement under Section 106 of the National Historic Preservation Act. In September, the FRA issued a National Environmental Policy Act (NEPA) decision memo completing additional analysis and documentation for the project between Las Vegas and Victor Valley.

With the environmental analysis and decision making complete, in November, the Surface Transportation Board (STB) issued a decision authorizing construction and operation of the BLW system between Apple Valley and Rancho Cucamonga. The STB also issued a decision to confirm the current BLW project alignment to run primarily in the median of the I-15 between Las Vegas and Apple Valley.

Together, these decisions authorize construction and operation of the full BLW route between Rancho Cucamonga and Las Vegas.

The selection of a rolling stock provider is also a current focus. BLW expects to make a selection within the coming weeks.

The Brightline Florida project also continues to make important strides. In September 2023, it began service on the recently completed 170-mile extension from West Palm Beach to Orlando. Trains on this new extension travel at speeds up to 125 m.p.h. in some locations. The Orlando station is located inside the Orlando International Airport, which greatly enhances the connectivity of the entire Brightline system with other transportation modes. Ridership on the Orlando extension has been strong and has exceeded initial projections.

Our team is available to answer any questions and provide an in-person briefing at a future meeting of the Nevada High-Speed Rail Authority.

Sincerely,

A handwritten signature in black ink that reads "S. Watterson".

Sarah Watterson
President