









## C. MEETING BUSINESS PLAN STATUTORY REQUIREMENTS

The requirements for the 2018 Business Plan are included in the beginning of the document and the exhibit below shows which sections of the document address each of the requirements:

PUBLIC UTILITIES CODE SECTION 185033 REQUIREMENTS		
<ul style="list-style-type: none"> <li>▶ The Authority shall prepare, publish, adopt, and submit to the Legislature, not later than May 1, 2018, and every two years thereafter, a business plan.</li> </ul>	<ul style="list-style-type: none"> <li>▶ This is the 2018 Business Plan. It was adopted on May 15, 2018, and was submitted to the Legislature by June 1, 2018.</li> </ul>	
<ul style="list-style-type: none"> <li>▶ At least 60 days prior to the publication of the plan, the Authority shall publish a draft business plan for public review and comment.</li> </ul>	<ul style="list-style-type: none"> <li>▶ The Draft 2018 Business Plan was released on March 9, 2018.</li> </ul>	
<ul style="list-style-type: none"> <li>▶ The draft plan shall also be submitted to the Senate Committee on Transportation and Housing, the Assembly Committee on Transportation, the Senate Committee on Budget and Fiscal Review, and the Assembly Committee on Budget.</li> </ul>	<ul style="list-style-type: none"> <li>▶ The Draft 2018 Business Plan was submitted on March 9, 2018.</li> </ul>	

### The business plan shall include, but need not be limited to, all of the following elements:

<ul style="list-style-type: none"> <li>▶ A description of the type of service the Authority is developing.</li> </ul>	Chapter 1 Why High-Speed Rail in California	
<ul style="list-style-type: none"> <li>▶ The proposed chronology for the construction of the statewide high-speed rail system.</li> </ul>	Chapter 2 Implementation and Delivery Strategy	
<ul style="list-style-type: none"> <li>▶ The estimated capital costs for each segment or combination of segments.</li> </ul>	Chapter 3 Capital Cost and Funding	
<ul style="list-style-type: none"> <li>▶ A forecast of the expected patronage, service levels, and operating and maintenance costs for the Phase 1 corridor as identified in paragraph (2) of subdivision (b) of Section 2704.04 of the Streets and Highways Code and by each segment or combination of segments for which a project level environmental analysis is being prepared for Phase 1. The forecast shall assume a high, medium, and low level of patronage and a realistic operating planning scenario for each level of service.</li> </ul>	Chapter 7 Ridership/Revenue, Operations/Maintenance and Lifecycle Cost Estimates	
<ul style="list-style-type: none"> <li>▶ Alternative financial scenarios for different levels of service, based on the patronage forecast in subparagraph (above), and the operating break-even points for each alternative. Each scenario shall assume the terms of subparagraph (J) of paragraph (2) of subdivision (c) of Section 2704.08 of the Streets and Highways Code.</li> </ul>	Chapter 7 Ridership/Revenue, Operations/Maintenance and Lifecycle Cost Estimates	

<ul style="list-style-type: none"> <li>▶ The expected schedule for completing environmental review, and initiating and completing construction for each segment or combination of segments of Phase 1.</li> </ul>	Chapter 6 Progress Since the 2016 Business Plan	
<ul style="list-style-type: none"> <li>▶ An estimate and description of the total anticipated federal, state, local, and other funds the authority intends to access to fund the construction and operation of the system, and the level of confidence for obtaining each type of funding.</li> </ul>	Chapter 3 Capital Cost and Funding	
<ul style="list-style-type: none"> <li>▶ Any written agreements with public or private entities to fund components of the high-speed rail system, including stations and terminals, and any impediments to the completion of the system.</li> </ul>	Chapter 5 Working with Our Valued Partners	
<ul style="list-style-type: none"> <li>▶ Alternative public-private development strategies for the implementation of Phase 1.</li> </ul>	Chapter 3 Capital Cost and Funding	
<ul style="list-style-type: none"> <li>▶ A discussion of all reasonably foreseeable risks the project may encounter, including, but not limited to, risks associated with the project's finances, patronage, right-of-way acquisition, environmental clearances, construction, equipment, and technology, and other risks associated with the project's development. The plan shall describe the authority's strategies, processes, or other actions it intends to utilize to manage those risks.</li> </ul>	Chapter 4 Lessons Learned and Managing Risk	
<ul style="list-style-type: none"> <li>▶ To the extent feasible, the business plan should draw upon information and material developed according to other requirements, including, but not limited to, the preappropriation review process and the preexpenditure review process in the Safe, Reliable High-Speed Passenger Train Bond Act for the 21st Century pursuant to Section 2704.08 of the Streets and Highways Code</li> </ul>	Full Document	
<ul style="list-style-type: none"> <li>▶ The Authority shall hold at least one public hearing on the business plan and shall adopt the plan at a regularly scheduled meeting.</li> </ul>	Public comment will be taken at the regularly scheduled Board of Directors meetings on March 20 and April 17. The Final 2018 Business Plan will be adopted at the May 15 meeting.	
<ul style="list-style-type: none"> <li>▶ When adopting the plan, the authority shall take into consideration comments from the public hearing and written comments that it receives in that regard, and any hearings that the Legislature may hold prior to adoption of the plan.</li> </ul>	To be considered by the Authority in preparing final plan.	