DEPARTMENT OF TRANSPORTATION

Federal Railroad Administration

Notice Requesting Expressions of Interest in Implementing a High-Speed Intercity Passenger Rail Corridor

AGENCY: Federal Railroad Administration (FRA), Department of Transportation (DOT).

ACTION: Notice Requesting Expressions of Interest

SUMMARY: Section 502 of the Passenger Rail Investment and Improvement Act of 2008, Public Law 110-432 (October 16, 2008), requires the Secretary of Transportation to “issue a request for proposals for projects for the financing, design, construction, operation, and maintenance of a high-speed intercity passenger rail system operating within” either the Northeast Corridor or a Federally-designated high-speed rail (HSR) corridor. To satisfy this requirement, the FRA is soliciting and encouraging the submission of Expressions of Interest for potential projects to finance, design, construct, operate, and maintain an improved HSR intercity passenger system in the Northeast Corridor or in one of ten Federally-designated corridors. FRA envisions this as the first phase of a qualification process that Congress may follow with more specific actions regarding particular proposals in one or more corridors.

DATES: All Expressions of Interest submitted in response to this notice shall be submitted by 5:00 p.m. ET on Monday, September 14, 2009, in accordance with the instructions in ADDRESSES below. In order to gauge possible interest in this process,
FRA is requesting that participants considering filing a response to this notice provide a letter with names and contact information by Friday, January 30, 2009. The initial letter will help FRA gauge interest in the Request for Expressions of Interest (RFEI) process and will facilitate future communications to participants, including invitation to a possible information session in the spring of 2009 to further invite questions from participants and to provide information and guidance regarding the RFEI process. Failure to provide a letter will not prevent participants from submitting an Expression of Interest in accordance with this notice.

**ADDRESSES:** Any questions, responses or Expressions of Interest in response to this notice shall be submitted under the docket number FRA–2008–0140 by any of the following methods:

- **Federal eRulemaking Portal:** [http://www.regulations.gov](http://www.regulations.gov). Follow the instructions for submitting comments.

- **Mail:** U.S. Department of Transportation, Docket Operations, M–30, West Building Ground Floor, Room W12–140, 1200 New Jersey Avenue, SE., Washington, DC 20590.

- **Hand Delivery:** U.S. Department of Transportation, Docket Operations, M–30, West Building Ground Floor, Room W12–140, 1200 New Jersey Avenue, SE., Washington, DC 20590.

- **Fax:** 1–202–493–2251.

*Instructions:* All submissions must include the agency name and docket number (FRA–2008–0140) for this RFEI process. Note that all comments received will be posted, without change, to [http://www.regulations.gov](http://www.regulations.gov), including any personal information.
Please see the Privacy Act heading in the SUPPLEMENTARY INFORMATION section of this document for Privacy Act information related to any submitted comments or materials. Internet users may access comments received by DOT at http://www.regulations.gov.

If you wish to submit any information under a claim of confidentiality, submit a version from which you have deleted the claimed confidential business information to the docket as specified above and send two copies of your complete submission, including the information you claim to be confidential business information, following the steps outlined in “Requests for Confidential Treatment” in the SUPPLEMENTARY INFORMATION section of this document to Mr. David Valenstein as specified below.

FOR FURTHER INFORMATION CONTACT:
For information from FRA, please contact Mr. David Valenstein, Office of Railroad Development, Federal Railroad Administration, 1200 New Jersey Avenue SE, MS-20/W38-303, Washington, DC 20590. Phone (202) 493-6368.

SUPPLEMENTARY INFORMATION:
FRA anticipates that participants will have questions during the RFEI process. In order to assure that all respondents have equal access to such questions and their answers, questions about this notice must be submitted to the docket as specified in ADDRESSES above. Any responses provided by the FRA will be posted to the docket; summary questions and answers will also be posted on the FRA webpage for the RFEI process.

**Background on High-Speed Rail (HSR):** HSR is self-guided intercity passenger ground transportation that is time competitive with air and/or auto on a door-to-door basis for trips in the approximate range of 100 to 500 miles. A corridor is a
natural grouping of metropolitan areas and markets that, by their proximity and configuration, lend themselves to efficient service by HSR. The U.S. Department of Transportation study that yielded these definitions, *High-Speed Ground Transportation for America* (1997, available at [www.fra.dot.gov/us/content/515](http://www.fra.dot.gov/us/content/515)), went on to suggest that HSR—once built—could potentially provide significant public benefits (congestion relief, emissions reductions, and petroleum savings) while supporting its continuing operations and future investment requirements from the farebox. Actual results would vary from one corridor to another, and would depend on a host of factors, including travel demand, fare policies, characteristics of competing modes, source of motive power, and operating practices and costs.

**Background on This Request for Expressions of Interest (RFEI):** Section 502 of the Passenger Rail Investment and Improvement Act of 2008, (“Section 502”) (Public Law 110-432, October 16, 2008), requires the Secretary of Transportation to “issue a request for proposals for projects for the financing, design, construction, operation, and maintenance of a high-speed intercity passenger rail system operating within” either the Northeast Corridor or a Federally-designated HSR corridor. Section 502 prescribes that Expressions of Interest received will be considered by the Secretary and possibly by commissions representing affected and involved governors, mayors, freight railroads, transit authorities, labor organizations, and Amtrak. The results of these reviews will be summarized in one or more reports to Congress, which will make recommendations for further action regarding no more than one project concept for each corridor. FRA envisions this as the first phase of a qualification process that Congress may follow with more specific actions regarding particular proposals in one or more corridors.
Although authorized, no funds have been appropriated to support implementation of HSR under this program, and the availability of such funds in the future is not known. Respondents to this request acknowledge, by virtue of their response, that the likelihood of future funding and implementation of the projects covered by this notice is unknown, and that the Federal Government will not be liable for any costs incurred in the preparation of responses to this notice.

**Who May Respond:** Responses to this RFEI are welcome from all sources. Section 502 calls for comprehensive proposals that will address all the tasks necessary to implement HSR. Potential proposers are advised to verify, before committing resources to responding to this RFEI, that they would be able to assemble a cohesive team that can plan, organize, finance, design, and construct a complete HSR system in an eligible corridor, as well as gain the support of the key public and private stakeholders, and successfully operate and maintain it on a long-term basis.

**Performance Standards for HSR Systems:** Section 502 requires that the HSR proposals for which Expressions of Interest are requested meet certain travel time performance standards and meet any standards established by the Secretary. The required performance standards are:

(A) Northeast Corridor between New York and Washington: Proposed express service must link Pennsylvania Station, New York, with Union Station, Washington, with a reliable travel time of two hours.

(B) All other eligible corridors, including the Northeast Corridor between New York and Boston: Existing minimum intercity rail scheduled service trip times (as shown in Amtrak’s published timetable in effect on October 16, 2008) between
endpoints and all other main corridor city-pairs must be reduced by a minimum of 25 percent, and a reliable service provided. If no service presently exists in the corridor, the proposer will need to demonstrate that the proposed service will be reliable and time competitive in accordance with the definition of HSR above.

**Eligible Corridors:** Responses to this notice must address HSR proposals located in part or all of one or more of the following corridors that connect and serve the key metropolitan areas listed (shown on the map at: http://www.fra.dot.gov/us/content/1272):

(A) “Northeast Corridor” between Washington, DC, Baltimore, MD, Wilmington, DE, Philadelphia, PA, Trenton, NJ, New York, NY, New Haven, CT, Providence, RI, and Boston, MA. Separate service standards apply north and south of New York City, see Performance Standards for HSR Systems, above.

(B) “California Corridor” connecting and between the San Francisco Bay Area, Sacramento, Los Angeles, and San Diego, CA;

(C) “Empire Corridor” between New York City, Albany and Buffalo, NY, over the route of the former New York Central Railroad;

(D) “Pacific Northwest Corridor” between Eugene and Portland, OR, Seattle, WA, and Vancouver, BC, Canada;

(E) “South Central Corridor” along three branches between Dallas/Fort Worth, TX and:

1) Austin and San Antonio, TX;

2) Oklahoma City and Tulsa, OK; and

3) Texarkana and Little Rock, AR;

(F) “Gulf Coast Corridor” along three branches between New Orleans, LA and:

1) Birmingham, AL and Atlanta, GA;
2) Houston, TX; and
3) Mobile, AL;

(G) “Chicago Hub Network” along six routes between:

1) Chicago, IL, Milwaukee, WI and Minneapolis-St. Paul, MN;
2) Chicago, IL and Detroit, MI;
3) Chicago, IL, Toledo and Cleveland, OH;
4) Chicago, IL, Indianapolis, IN, and both Cincinnati, OH and Louisville, KY;
5) Chicago, IL, St. Louis, MO and Kansas City, MO; and
6) The transversal extension between Cleveland, Columbus, and Cincinnati, OH;

(H) “Florida Corridor” between Miami, Orlando, and the Tampa Bay region, FL;

(I) “Keystone Corridor” between Philadelphia, Harrisburg, and Pittsburgh, PA, over the route of the former Pennsylvania Railroad;

(J) “Northern New England Corridor” along three branches between Boston, MA and:

1) Portland/Lewiston-Auburn, ME;
2) Concord, NH, Montpelier, VT, Montreal, QE, Canada; and
3) Springfield, MA and to both New Haven, CT and Albany, NY; and

(K) “Southeast Corridor” along three branches between:

1) Washington, DC, Richmond, VA, Raleigh, Greensboro and Charlotte, NC, Greenville, SC and Atlanta, GA;
2) Raleigh, NC, Columbia, SC, Savannah, GA, Jacksonville, FL; and
3) Atlanta, Macon, and Jesup, GA, thence either or both Savannah, GA and Jacksonville FL.
Required Contents of Expressions of Interest: Complete responses must contain the required contents, and will be evaluated by FRA to determine if they satisfy the selection criteria in Evaluation and Selection Process for Expressions of Interest below. The following minimum requirements may be satisfied through a narrative statement submitted by the applicant and supported by spreadsheet documents, tables, graphics, drawings, and/or other materials, as appropriate. Each Expression of Interest must:

1. Designate a point of contact for the Expression of Interest and provide his or her name and contact information, including a telephone number, mailing address and e-mail address.

2. Provide the name(s) and qualifications of the person(s) submitting the Expression of Interest, and the names and qualifications of the lead entity and each member/entity of the team proposed to finance, design, construct, operate, and maintain the railroad, railroad equipment, and related facilities, stations, and infrastructure. Describe how such entities would be related to the lead entity.

3. Provide a short executive summary overview of the proposed project concept, including:
   a. markets served, including a concept map;
   b. station locations;
   c. trip times for major markets indicating that program performance standards will be met;
   d. peak and average operating speeds of the train service;
e. proposed routes and alignments, noting the extent of new rights-of-way (ROW) and use of existing ROW, as well as a general discussion of how the intended reliability requirements will be achieved;

f. type of train equipment to be used, the maximum speed of that equipment, and any technologies used to meet trip time goals;

g. proposed organizational structure;

h. salient features of the intended operation as they may affect operating practices and unit costs;

i. total capital cost and expected contributions by Federal, state, and other public and private sources; and

j. the benefits to the public and the national transportation system, including an explanation as to why the project is cost-effective and what advantages it offers over existing services.

4. Provide a detailed technical description of the project, including:

a. populations of markets served by each of the proposed stations;

b. existing intercity traffic (passengers, vehicle capacity, frequency) by mode;

c. proposed station locations and, for each, whether it is existing or new, and how it maximizes the use of existing infrastructure;

d. how the project will facilitate convenient intermodal travel connections with other transportation services and systems;

e. trip time and fare comparisons among proposed services, existing rail services, if any, and competing modes for major city pairs;
f. an operating plan with train service frequency, timetable, and information on intermodal connections;
g. annual ridership and revenue projections for 10 years with documentation of assumptions and methods and peaking characteristics;
h. operating costs with documentation of assumptions and methods;
i. the impact of the project on highway and aviation congestion, energy consumption, pollutant emissions, land use and economic development;
j. a description of how the design, construction, implementation, and operation of the project will accommodate and allow for future growth of existing and projected intercity, commuter, and freight rail service;
k. the impact of the project on other intercity, commuter, and freight rail services;
l. proposed routes and alignments noting the extent of new ROW and use of existing ROW;
m. required infrastructure investments and improvements, including the feasibility of building new track and method for securing required ROW;
n. how adverse impacts of the project would be mitigated;
o. the type and quantity of train equipment to be used, with technical specifications, such as consist, maximum speed, passenger capacity, energy consumption profile, acceleration and deceleration rates;
p. project capital costs for major categories of expenditures (track structures, tunnels, bridges, vehicles, stations, maintenance equipment and facilities, communication and control systems, and power systems), with documentation of assumptions and methods;
q. a detailed analysis of the methods and technologies for achieving the required reductions in trip times and the intended reliability standards; and
r. synopses and references for any past high-speed rail studies deemed relevant.

5. Present a detailed financial plan for the proposed project, including:
   a. projected annual operating revenues by year and sources;
   b. estimates of annual operating costs by type of expenditure;
   c. annual schedule of capital costs required both initially and in subsequent years to maintain a state-of-good-repair and to recapitalize as necessary to sustain the initially proposed level of service or higher levels of service;
   d. sources and descriptions of capital funds, including terms, conditions and expectation for return on equity, and
   e. credit assumptions including sources, guarantees, terms, maturity and special conditions;
   f. a description of the insurance program contemplated for construction and operation;
   g. a description of construction cost risk sharing and rationale for the proposed approach;
   h. a description of revenue and operating cost risk sharing and rationale for the proposed approach;
   i. projected funding for the full fair market compensation for any asset, property right or interest, or service acquired from, owned, or held by a private person or Federal entity that would be acquired, impaired, or diminished in value as a result of a project, except as otherwise agreed to by the private person or entity; and
6. Describe the institutional framework and address other institutional issues, including:
   a. a project structure organization chart showing the proposer team and all the relationships among the public and private entities involved in the proposed project, a description of the relationships among the entities responsible for the financing, design, construction, operation and maintenance of the proposed project (including their equity stakes), and the roles of other participants in the operational aspects of the project;
   b. any new entities required and how they will be structured legally and financially;
   c. integration of the proposed service with Amtrak, other HSR rail services, other intercity passenger systems, and local access/egress systems;
   d. the feasibility of gaining access to required ROW, the approach to track capacity including building new track, and any public and private agreements for facility access and the expected costs of each;
   e. required governmental actions and approvals and the role of the state government(s) in implementing the proposal; and
   f. the relationship to state rail plans and programs or, if not already part of such plans or programs, a statement describing plans for integration into them.

7. Identify legislative actions needed, if any, to facilitate all aspects of the proposed project, including:
a. required Federal, state and/or local legislation to authorize and create a sponsoring entity for the project, or to remove legal impediments to project implementation, or otherwise facilitate the project;

b. required public funding commitments, Federal, state and/or local;

c. any legislative action required to allow the project to benefit from government-sponsored credit assistance programs, such as the Railroad Rehabilitation and Improvement Financing program and the Transportation Infrastructure Finance and Innovation Act program; and

8. Describe how the project will be implemented to comply with Federal, state and local laws, including but not limited to:

a. laws governing the rights and status of employees associated with the route and service, including those specified in section 24405 of title 49 United States Code;

b. rail safety and security laws, orders, and regulations governing HSR operations, including, but not limited to, the railroad safety provisions in Part 49 of the Code of Federal Regulations and the requirements of the Rail Safety Improvement Act of 2008;

c. environmental laws and regulations and the status or any progress towards completion of required documentation or actions under the National Environmental Policy Act, the National Historic Preservation Act, section 4(f) of the DOT Act, or other applicable Federal or state environmental impact assessment laws; and

d. the Americans With Disabilities Act.
**Optional Contents Requested for Inclusion in Submissions:** In addition to the required contents, respondents are requested to provide, at their option, their perspectives on what type of contracting and financing strategies are most likely to facilitate successful HSR projects. FRA is particularly interested in perspectives that draw on prior experience with HSR projects. In responding to this request, Expressions of Interest should address the following:

a. What type of contracting structure is likely to provide the most effective allocation of the risk and responsibility for each element of the project (design, construction, financing, operation and maintenance) between the private and public sectors?

b. Should all of the project elements to be performed by the private sector be procured in a single procurement or separately (for example, separate procurements for civil works, the provision of systems and equipment, and long-term operations and maintenance of the system)?

c. Should the project’s financing rely on commercial ticket fares and other revenue generated directly by the facility to pay for all or any portion of the project’s cost, and should the private partner assume the risk that these revenues will be sufficient to repay all or any portion of the project’s financing?

d. What role should public sector commitments play in financing the project or particular components of the project, and what type of public commitment would be most effective?
e. What measures or commitments would be needed, including possible legislation, to provide and facilitate multi-year Federal commitments of any Federal financing needed for the project?

f. What role should private equity play in financing the project or particular components of the project and how would terms and conditions affect public sector participation?

g. Are there any key considerations that will encourage or dissuade private sector involvement in the financing, design, construction, and long-term operations and maintenance of HSR in the corridors identified above?

h. Should the commissions required by Section 502 be organized and their work structured in the same way for all corridors, and what structures and models should be considered to guide the commissions?

k. How would the proposal contribute to the development of a national HSR system?

**Format for Submissions:** Each Expression of Interest shall be submitted according to the instructions in ADDESSES above. At a minimum, two (2) hard copies and electronic format on optical media (except oversized engineering drawings and maps, which may be submitted solely in hard copy) shall be submitted. Responses may include maps or graphics when they would illustrate information more effectively than text.

Text and graphic documents shall be submitted both as MS Word documents and Adobe PDF documents, in Times New Roman, 12 point font, with 1-inch margins. Spreadsheets containing financial information shall be submitted as Microsoft Excel (or compatible) documents and Adobe PDF documents.
Each Expression of Interest should not exceed a maximum total of 75 pages, excluding appendices. The following sections shall be included in any submission: cover page, proposer name(s) and contact information, project overview, detailed technical description, detailed financial plan, institutional information, legislative actions, legal compliance issues, and appendices containing any spreadsheets, drawings, and tables. Optional content should be provided as an additional section not included in the page count. The executive summary project overview should not exceed two (2) pages in length.

**Evaluation and Selection Process for Expressions of Interest:** FRA will review responses and make determinations within 60 days of the closing date, under Dates above. The Secretary will evaluate each Expression of Interest in a two-step process. First, it will be screened for its completeness in responding to this RFEI. Second, it will undergo substantive review according to the selection criteria outlined below.

**Selection Criteria:** FRA will consider the extent to which each Expression of Interest satisfies the following selection factors: (1) the project detailed in the Expression of Interest demonstrates the ability to achieve the specified reduction in minimum intercity rail service trip times and the intended reliability standards. (2) The Expression of Interest is complete and includes all the elements in the Requirements for Expressions of Interest section, above. (3) The project detailed in the Expression of Interest is sufficiently credible to warrant further consideration. (4) The project detailed in the Expression of Interest is likely to result in a positive impact on the Nation’s
Step 1 - Screening Process: Upon receipt of responses and after the close of the Expression of Interest solicitation, FRA will evaluate them and determine if each Expression of Interest is complete and if there is evidence provided in the response that would support conclusions, based on criteria 3 through 6 above. If FRA determines that one or more Expressions of Interest satisfy this screening evaluation, the Secretary would form a commission for each relevant corridor to review and consider the response(s).

Step 2 – Selection Process: Section 502 requires the Secretary to establish and support the formation of commissions, representing affected and involved governors, mayors, freight railroads, transit authorities, labor organizations, and Amtrak, that would assess the responses, and authorizes appropriation of necessary funds for this purpose. No funds have been appropriated for this purpose as of the date of this RFEI. The commission(s) would review the Expressions of Interest and prepare a report to the Secretary making recommendations for further consideration.

Following receipt of each commission’s evaluation and recommendations, the Secretary will consider the commission report(s) and select Expression(s) of Interest that (i) demonstrate a high likelihood of providing substantial benefits to the public and the national transportation system; (ii) are cost-effective, considering public commitments necessary for implementation and operation; and (iii) promise significant advantages over existing services operating in the same HSR corridor. The Secretary will then submit a report to Congress on all selected Expression(s) of Interest. Subject to appropriations and after submission of reports to Congress, up to $5,000,000.00 may be made available for
preliminary engineering under 49 U.S.C. Section 26104(a) for one selected proposal per corridor.

**Privacy Act:** Anyone is able to search the electronic form of all comments received into any of FRA’s dockets by the name of the individual submitting the comment (or signing the comment, if submitted on behalf of a State, association, business, or labor union). You may review DOT’s complete Privacy Act Statement in the Federal Register published on April 11, 2000 (65 FR 19477–78), or you may visit http://DocketsInfo.dot.gov.

**Freedom of Information Act Applicability:** Documents submitted to the agency pursuant to this notice become agency records subject to the public access provisions of the Freedom of Information Act (FOIA)(5 U.S.C. § 552). FOIA generally provides that any person has a right, enforceable in court, to obtain access to Federal agency records, except to the extent that such records (or portions of them) are protected from public disclosure by one of nine exemptions or by one of three special law enforcement record exclusions. The Department of Transportation’s regulations implementing the FOIA are found at 49 C.F.R. Part 7. See the discussion later in this notice about the treatment of trade secrets and commercial or financial information obtained from a person that is privileged or confidential.

**Requests for Confidential Treatment:** FRA recognizes that Expressions of Interest submitted to the agency pursuant to this notice may contain certain information that is or should be exempt from public release, principally because the information constitutes trade secrets or commercial or financial information obtained from a person that is privileged or confidential as provided for in Freedom of Information Act
exemption 4 (5 U.S.C. §552(b)(4)). The term “trade secret” has been fairly narrowly
defined as a “secret, commercially valuable plan, formula, process, or device that is used
for the making, preparing, compounding, or processing of trade commodities and that can
be said to be the end product of either innovation or substantial effort. Public Citizen
Health Research Group v. FDA, 704 F.2d 1280, 1288 (D.C. Cir. 1983). FRA expects that
there should be very limited, if any, need to submit trade secret information in connection
with this notice. Commercial or financial information obtained from a person that is
privileged or confidential and thus exempt from release under FOIA exemption typically
involves information the release of which is likely to cause substantial harm to the
competitive position of the person from whom the information was obtained. National
Parks & Conservation Association v. Morton, 498 F.2d 765, 770 (D.C. Cir. 1974). This
is a fairly restrictive standard and should serve to limit the volume of exempt material
that might be submitted.

FRA also recognizes that the nature of the process established through section 502
of the Passenger Rail Investment and Improvement Act of 2008, with the potential
involvement of a multi-member commission that could be charged with reviewing
proposals submitted pursuant to this notice, could present significant challenges in
managing any confidential information that is submitted. Thus, submitters are
couraged to carefully review the applicable standards governing what constitutes trade
secrets or confidential commercial or financial information and to limit the submission of
such information to that specifically needed to respond to this notice.

A request for confidential treatment with respect to a document or portion thereof
may be made in accordance with instructions in ADDRESSES above on the basis that the
information is-- (1) Exempt from the mandatory disclosure requirements of the Freedom of Information Act (5 U.S.C. 552); (2) Required to be held in confidence by 18 U.S.C. 1905; or (3) Otherwise exempt by law from public disclosure. Any document containing information for which confidential treatment is requested shall be accompanied at the time of filing by a detailed statement justifying non-disclosure and referring to the specific legal authority claimed. Any document containing any information for which confidential treatment is requested shall be marked "CONFIDENTIAL" or "CONTAINS CONFIDENTIAL INFORMATION" in bold letters. If confidentiality is requested as to the entire document, or if it is claimed that non-confidential information in the document is not reasonably segregable from confidential information, the accompanying statement of justification shall so indicate and support with specific legal authority. If confidentiality is requested as to a portion of the document, then the person filing the document shall file, together with the document, a second copy of the document from which the information for which confidential treatment is requested has been deleted. If the person filing a document, of which only a portion is requested to be held in confidence, does not submit a second copy of the document with the confidential information deleted, FRA may assume that there is no objection to public disclosure of the document in its entirety. FRA retains the right to make its own determination with regard to any claim of confidentiality. Notice of a decision by the FRA to deny a claim, in whole or in part, and an opportunity to respond shall be given to a person claiming confidentiality of information no less than five days prior to its public disclosure. FRA intends to address protection of confidential information by any commission(s) formed to
review submitted proposals through the commission formation process. Submitters are welcome to offer suggestions for managing confidential data along with their proposals.

Issued in Washington, DC, on December 11, 2008.

Mark E. Yachmetz

Associate Administrator for Railroad Development

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