

Texas Central High-Speed Railway

Project Update / December 2014



About TCR

- Texas Central High-Speed Railway (TCR) is promoting the development and operation of a **private**, **for-profit** high-speed passenger rail system connecting Dallas and Houston in less than 90 minutes
- Our approach is guided by three fundamental principles—
 1. Apply the **discipline of the market** to determine route and station locations, maximize transit-oriented development opportunities, and provide benefits to consumers
 2. Utilize Japan Central Railway’s **state-of-the-art “N700-I Bullet System”** to deliver a “true high-speed rail” experience that is exceptionally safe, comfortable and convenient
 3. Look for opportunities to **collaborate** with the communities we serve, U.S. companies and the State of Texas to take advantage of the transformational nature of high-speed rail service



2035: More People

THE POPULATION

in the Dallas/Fort Worth area will
ALMOST DOUBLE



THE POPULATION

in the Greater Houston area will
MORE THAN DOUBLE



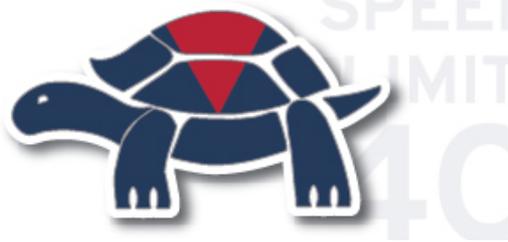
2035: More Congestion



TRAFFIC CONGESTION
in Dallas and Houston is expected
TO DOUBLE



AVERAGE TRAVEL SPEED
in Dallas and Houston will move
33% SLOWER



AVERAGE TRAVEL TIME
between Dallas and Houston will
INCREASE FROM 4 TO 6.5 HOURS



A Better Alternative

Where others see...

- Frustrating road congestion, an unpleasant air travel experience, and expanding populations making matters even worse

We see...

- A market opportunity to provide consumers with a fast, safe, affordable, convenient, and comfortable alternative

The “Joy of the Journey”

- Frequent & dependable service
- Flexible scheduling & digital ticketing
- Wide-bodied seats w/plenty of elbow room
- Quiet, comfortable, relaxing travel experience
- Free Wi-Fi & recharging outlets
- Quality food & beverage service
- Convenient car rental & access to major roadways



High Speed Rail the Lone Star Way

- **Fundamentally different from proposals Texans have considered in the past and efforts now being pursued in other states**
 - Government agencies play a role in approving technology, reviewing environmental impacts, coordinating with construction, and regulating operations
 - But this is **NOT** a government project
 - Not created by a government agency
 - Requires no federal or state grants
 - System will be built without government grants and operated without taxpayer subsidies
 - TCR is a private business promoting the development of a product in an industry that is regulated by the government



Free-Market Led Approach

TCR's Free-Market Led Approach

- Promotion led by TCR
- Route selected based on economic, environmental, and land use factors
- Project led by private owners
- Purpose—meet consumer demand

Government-Led Approach

- Procurement led by state/federal agencies
- Route selected based on environmental and political factors
- Purpose—meet planning objectives

One size does NOT fit all

TCR believes our approach will succeed because of—

- Texas' unique business culture and pro-business climate
- The unique characteristics of the Houston-to-Dallas corridor
- The capabilities of JRC's total system approach



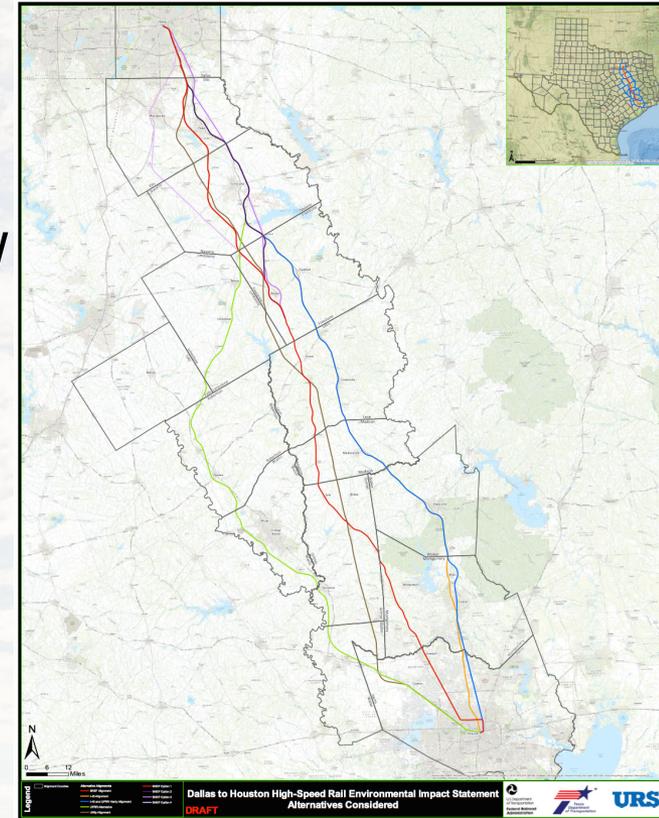
What Does “Market-Led” Mean?

- **Revenues must exceed costs from Day One**
- **Therefore, TCR is sensitive to...**
 - Alignment
 - Development/Construction Delays
 - Station Location
 - Ticket Cost
 - Connectivity with other Modes of Transportation



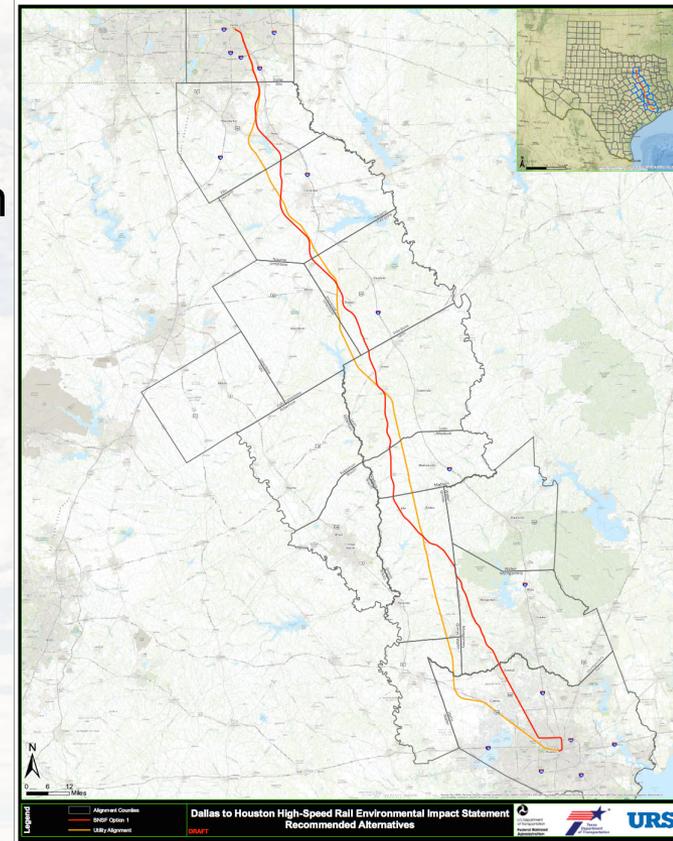
Maximize Use of Existing ROW

- **Previously: Identified possible ROW**
 - I-45 (*blue*) - BNSF (*red*) – UP/Utility (*green*)
- **Recently: TCR crafted Preferred Alternatives**
 - Places heavy priority on using existing ROW
 - In ***rural*** areas respects local communities & preserves existing land use; in ***urban*** areas also connects to transportation networks
 - Reflects 4+ years internal analysis
- **During EIS: Public & Stakeholder Input**
 - Comment on preliminary alignments & suggest alternatives/adjustments



TCR Preferred Alternatives

- **BNSF (red) – UP/Hempstead/Utility (orange)**
 - Maximizes use of existing ROW corridors
 - Isolated and Grade Separated – Elevated in urban areas and where required for land access
 - Respects local communities & preserves existing land use; connects to existing and planned transportation networks
 - Reflects 4+ years internal analysis
- **During EIS: Public & Stakeholder Input**
 - Comment on preliminary alignments & suggest alternatives/adjustments



Next Steps

- Ensure public understands what makes this proposal fundamentally different from previous efforts & other projects elsewhere
- Continue formal environmental review
- Continue formal technology review and approval
- Continue close coordination with political and community stakeholders in transparent manner and maintain open lines of communication
- Finalize plan of finance



Thank You

Learn More
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