

Work progresses on high speed rail project



Northern Lights Express **Project Status, Oct. 2011**

NLX is in the concept engineering and environmental documentation phase with the Federal Railroad Administration.

- Preparation to enter preliminary engineering is underway. A \$5 million grant from the FRA awarded in May will help pay for the work.
- Next steps include completing mapping (LIDAR technology), subgrade corrections/geotechnical plans and equipment specifications.
- With FRA approval, NLX will be eligible for up to 80 percent federal funding.
- BNSF Railway continues to be a valued partner. Currently they are modeling freight and passenger train schedules/capacities.

NLX:

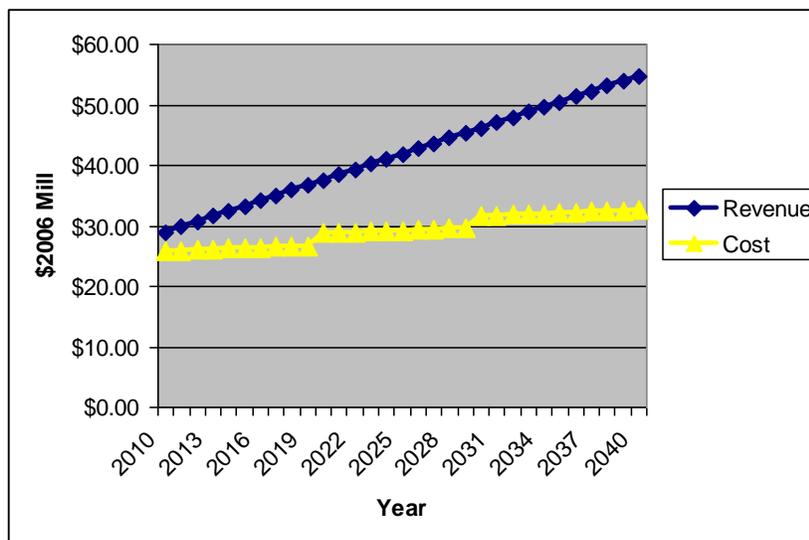
- is proceeding according to Federal Railroad Administration guidelines and is well ahead of many other proposed US high speed rail lines.
- expects to be approved on merit and completed without congressional action, by following the Federal Railroad Administration process.
- is a stand-alone high speed rail corridor and not dependent upon the Midwest Rail corridor.
- has met the qualifications and is included in the MN Dept. of Transportation's State Rail Plan. State money has been committed to match federal resources for NLX engineering.
- has a governing structure that includes bi-partisan support from the counties and cities along the 155-mile corridor.
- has been integrated in the plans for multi-modal facilities in Duluth and Minneapolis.

Northern Lights Express High Speed Passenger Rail

A long-term benefit or burden?

TRUE OR FALSE: Rail projects all lose money and require operating subsidies.

FALSE. The Federal Rail road Administration guidelines require high speed rail to be self sufficient in operations, following a start up phase. A Dec. 2010 functional analysis showed NLX's approved route meets criteria for capital costs, ridership and revenue. NLX is not commuter or light rail transit. After a ramp-up period, NLX will not require operating subsidies.



After ramp-up, this scenario produces a \$4.6 million operating surplus.

TEMS 2007 Feasibility Study for NLX

NLX meets FRA criteria for capital costs, ridership and revenue, ensuring it will be a long-term benefit to the residents and businesses of the corridor.

TEMS 2010 Functional Analysis

Exhibit: 8 trains at 110 mph

TRUE OR FALSE: NLX can't compete with vehicle travel.

FALSE. NLX *must* compete with vehicle travel. Fares will be competitive with vehicle costs. NLX will offer modern, comfortable travel amenities that will be attractive to riders, including business travelers. Travel time will be comparable to or better than car travel, without the stress.

TRUE OR FALSE: NLX is likely to repeat Amtrak's failure.

FALSE. Amtrak's 1980s era train offered unreliable, inefficient and untimely service that took more than four hours to travel from Minneapolis to Duluth in cramped, uncomfortable cars. NLX will top out at 110 miles per hour and will provide a safe, comfortable and desirable ride.