
What is the Business Case for High-Speed Rail Investment?

How can that help us secure greater stakeholder support + financing?

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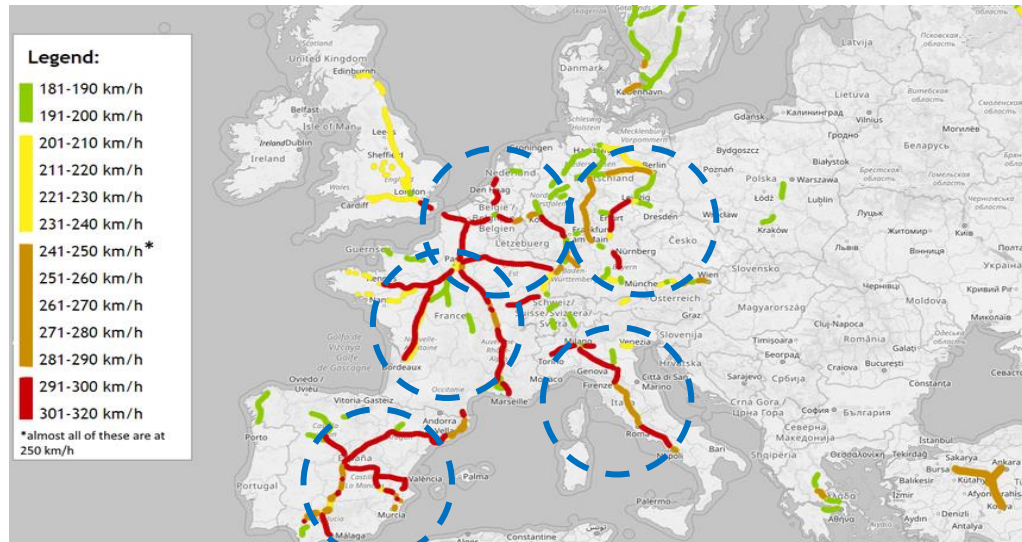
Business Case for investment considers long-term ROI

- Income to shareholders
- Sustainable business model
- Resilient to unexpected future economic shocks
- Addresses needs for specific target markets
- Value to customers
- Win goodwill (payback) for quality, service, fairness (equity)

Our Public ROI should require nothing less



ROI should recognize unique benefits of HSR linkages



- Traveler Benefits (rail and air, hwy congestion)
- Environmental Benefits
- Safety Benefits
- Resilience (backup options)
- Air/Rail Transfer Benefits

- Sustainable Economic Growth
- Business Clusters, Jobs/Housing Balance
- Equitable income opportunities
- More productive local development
- Value Capture

Different perspectives on recognized benefits (illustration)

Impacts Potentially Relevant for a HSR Business Case	Federal Govt.	State Govt.	Local Govt.	Rail System Operators	Land Owners + Developers
1. User Benefits					
Travel Time Savings	☼☼☼	☼☼			
Travel Time Reliability	☼☼☼	☼☼			
Travel Cost Savings	☼☼☼	☼☼			
Induced Travel	☼☼☼	☼☼			
2. Societal Spillover Benefits					
Emissions	☼☼☼	☼☼	☼		
Safety	☼☼☼	☼☼	☼	☼	
3. Spatial Connectivity Benefits					
Regional Integration		☼☼☼			
Intermodal Transfer Connectivity	☼	☼☼☼			
Equity		☼☼☼	☼☼☼		
4. Risk Reduction Benefits					
Resilience/Redundancy		☼☼☼	☼☼☼		
Sustainable Economic Future		☼☼☼	☼☼☼		
5. Local Land Impacts					
Local Land Development + Value			☼☼☼		☼☼☼
6. Operator Impact					
Operator Revenues				☼☼☼	☼☼☼
Life Cycle Costs	☼☼	☼☼		☼☼☼	☼☼☼

*Sum of benefits recognized by all stakeholders is **greater than** benefits recognized from any single perspective alone*

Multi-Perspective, Cost Allocation Concept

- **No single perspective captures all benefits to all parties.**
Each perspective recognizes some and ignores others.
- **A multi-perspective approach can recognize all benefits**
and allocate them to jurisdictions that value them.
- **Each jurisdiction can have its own ROI** based on its
recognized benefits and corresponding allocation of costs.
- **Result is higher overall ROI and stronger case** for
federal-state-local-private support and funding participation.

Forthcoming

**Framework for Assessing
the ROI from Intercity
Passenger Rail Investment
Guide for Decision Makers**



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