

CALIFORNIA HIGH SPEED RAIL PEER REVIEW GROUP

January 16, 2012

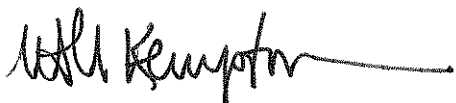
Mr. Tom Umberg, Chair
Mr. Dan Richard, Member
California High Speed Rail Authority
770 L Street #800
Sacramento, CA 95814

Dear Tom and Dan:

Thank you for your letter today requesting a series of steps to improve communications between the California High Speed Rail Authority (CAHSRA) and the Peer Review Group (Group) in order to better serve the policy review process for the proposed High Speed Rail project in California. We appreciate the offer of the CAHSRA for the Group to meet with Board Members and staff to discuss outstanding issues, and are pleased to note that the Authority is willing to work with us to review our comments on the Funding Plan and our potential further comments on the draft 2012 Business Plan (BP). We look forward to these discussions in light of the Governor's announced intentions to review the project in detail and the prospect for significant changes to the proposed Business Plan.

Consequently, for the reasons discussed above, the Peer Review Group is willing to delay our comments on the draft 2012 BP, recognizing that we fully intend to provide additional input to the Legislature in advance of major program decisions and consistent with our statutory charge. We have discussed this delay with legislative leadership and there have been no objections to this approach. Your proposal is acceptable to the Group, and we look forward to meeting with you at the earliest possible time.

Sincerely,

A handwritten signature in black ink, appearing to read "Will Kempton", with a long horizontal flourish extending to the right.

Will Kempton
Chair
California High Speed Rail Peer Review Group