

January 6, 2023

Chairman Smith and Members of the Board
Nevada High-Speed Rail Authority
c/o Regional Transportation Commission of Southern Nevada
600 S. Grand Central Parkway, Suite 350
Las Vegas, NV 89106

Re: January 2023 Brightline West Report

Dear Chairman Smith and Members of the Board:

Since our last report in July 2022, Brightline West has continued to make significant progress in the development of high-speed rail service between Las Vegas and Southern California. The purpose of this letter is to provide a status update on the project.

In October 2022, Brightline West executed an agreement with the City of Rancho Cucamonga, California and the San Bernardino County Transportation Authority (SBCTA) that will provide Brightline with control of the property it requires for the final mile of its alignment connecting from Interstate 15 to the Brightline station in Rancho Cucamonga as well as Brightline's Rancho Cucamonga station site. Earlier in the year, Brightline West and SBCTA executed a lease for additional property needed along that final mile of the system. Caltrans and Brightline have previously executed an agreement for Brightline to use a portion of the Interstate 15 corridor from the state line to Victor Valley for the high-speed rail line and will execute a similar agreement to connect the Victor Valley station with Rancho Cucamonga. Together, these agreements represent key final steps in advancing Brightline West's development.

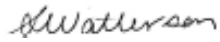
The Federal Railroad Administration (FRA) is serving as the lead agency for the National Environmental Policy Act (NEPA) process and related environmental permitting. The proposed Environmental Assessment for the Victor Valley/Rancho Cucamonga project was approved by FRA and circulated for public comment on October 28. Based on FRA's schedule, the remaining environmental permitting for the system is expected to be completed by the end of March 2023. (Progress on NEPA permitting may be viewed at <https://www.permits.performance.gov/permitting-project/brightline-west-cajon-pass-high-speed-rail-project>)

As noted in a prior report, the Infrastructure Investment and Jobs Act (IIJA) passed in 2021 could play an important role in financing the system. The IIJA provides a path for private entities, such as Brightline, to be eligible to compete for the USDOT's Federal-State Partnership for Intercity Passenger Rail Grant Program, when partnered with an applicable public agency. We have been working with the Nevada Department of Transportation (NDOT) to explore this funding opportunity and have executed a

memorandum of understanding with NDOT to further facilitate those discussions. In the meantime, the FRA has issued the Notice of Funding Opportunity for a grant. Brightline is working diligently to assist NDOT with preparing an application to meet that deadline.

Our team is available to answer any questions and provide an in-person briefing at a future meeting of the Nevada High Speed Rail Authority.

Sincerely,

A handwritten signature in cursive script that reads "Sarah Watterson".

Sarah Watterson
President