



# Caltrain Modernization Program Peninsula Corridor Electrification Project (PCEP)



## Executive Monthly Progress Report

August 31, 2024

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## **1.0 EXECUTIVE SUMMARY**

### **1.1 Introduction**

The Peninsula Corridor Electrification Project (PCEP) will upgrade 51 miles of diesel service to electrified service from San Francisco to San Jose (Tamien Station). The PCEP scope of work includes design and construction of an overhead contact system, traction power facilities, modification of the existing signaling and grade crossing protection system to make it compatible with the electrified railroad, substation improvements at Pacific Gas and Electric (PG&E) substations, and modifications at existing tunnels and Caltrain’s maintenance facility. It also includes the design, manufacturing, assembly, testing, and delivery of the Electric Multiple Units (EMUs).

Caltrain completed a thorough assessment of all aspects of the program including cost, schedule, risks, and organization after the global settlement in 2021. Caltrain re-baselined the program budget and schedule in December of 2021. Caltrain finished a schedule reforecast in March 2023 and recovered from storm damages in early 2024. Caltrain has successfully launched Electrified Service Inaugural Ride on August 10 with government officials. Caltrain is committed to deliver PCEP and achieve full electrified revenue service on September 21, 2024.

### **1.2 Program Cost and Budget**

On December 6, 2021, the JPB adopted a new PCEP program budget of \$2,442,690,697. On January 31, 2023, Caltrain received a \$367 million funding award from California’s Transit and Intercity Rail Capital Program’s (TIRCP) Cycle 6 Existing Project Reserve, representing the remaining funding needed to complete the project. The project is now fully funded in the amount of \$2,442,690,697. As of August 2024, the project is on budget:

- The current project total cost at completion (EAC) is the same as the Board adopted budget of \$2.44 billion.
- As of August 2024, a total of \$26.6M has been drawn down from the Shared Risk Pool of \$50 million to-date. \$5,443,719.00 was drawn from the Shared Risk Pool this month.
- As of August 2024, a total of \$38.22M has been drawn from the project contingency of \$40 million. In August 2024, \$298,875.00 was drawn from project contingency.
- In August 2024, 0\$ was issued from the milestone incentive pool of \$15 million. The team has concluded evaluation of signal cutover milestone incentives and awarded \$4M in December 2023 to the design-build contractor.

### **1.3 Program Progress and Schedule**

As of August 31, 2024, the overall project completion is 94.63%. Staff have completed weekend area focused bus bridges to maximize track access to allow system integration testing, signal cutovers, and proactive OCS construction productivity mitigations for the remaining PCEP work. The PCEP has reached substantial completion on May 3<sup>rd</sup>, 2024. Caltrain is planning for soft launch in August 2024 and a full electrified Revenue Service by September 2024.

#### 1.4 Change Management Board (CMB)

In August 2024, the following items were brought to the CMB approval for contingency drawdown:

- IRL 306 – Storm Damage Insurance Deductibles
- IRL 374 – Temporary Generators for Low Voltage Power in Segment 1
- IRL 410 – Time Related Overhead
- EMU ADA Ramp (Bridge plate)

#### 1.5 This Month's Accomplishments

The project team has completed the following notable activities for the month of August 2024:

- Electrification reached a substantial completion milestone on May 3<sup>rd</sup>, 2024.
- Completed system safety and security certification before August electrified service soft launch.
- Successful commenced EMU soft launch service with mixed fleet operations on August 11th.
- Received approval of OP54 from the FTA for soft launch and full electrified service.
- Continued to coordinate with Broadband Project, work with vehicle manufacturer, and monitor EMU production schedule that includes broadband equipment installation and testing.
- Received FTA approval of Request for amendment of Caltrain specific EMU features.
- Received FTA approval of Request for amendment of industry release of new PTC onboard software which is required for EMU electrified service.
- Continued to connect LV permanent power and coordinate remaining low voltage power drop applications with PG&E and utilized generators to support project testing.
- Continued to address impedance bonds cable theft issue and performed cable replacement to keep project testing schedule.
- Held Monthly CMB meeting for overall program status and provided schedule, budget, risks, and changes updates.
- Continued providing PCEP progress updates to funding partners, leadership, elected officials, citizens, and business community.
- Continued with project close out efforts and tracked all punch list items in a centralized database.
- There was a total of 14 EMU trainsets delivered; 13 EMUs are on Caltrain property and completed burn-in testing.
- Continued broadband equipment on board installation, and revised EMU delivery schedule that incorporated broadband equipment installation work.
- Monitor systems performance after soft launch, address issued with Rail Operations.
- Continue Rail Activation for Full Electrified service in September.
- Continued to close out NCRs and DVRs for Final Acceptance.

**1.6 Upcoming work**

For the next four months, the PCEP team has set additional goals as described below:

- Receive two more EMUs in early September and will be available for service on September 21, 2024, 14 EMUs are required for September full EMU service. There will be 15 EMUs ready for the service.
- Close out punch list items.
- Complete PCEP as-built record drawings reviews
- Track spare part delivery status.
- Close out all permits.
- Continue to coordinate with PG&E on low voltage power drop applications, and distribution line de-energization work.
- Hold Monthly CMB meeting for program status and change order approval.
- Perform close out effort including all punch list items, documentation, and financial contract close out for design build contract.
- Complete design build contract financial close out.
- Complete recommendation of traffic mitigation effort.

The PCEP Project is currently on budget and on time for achieving Full Revenue Service on September 21, 2024.

**1.7 Critical Items**

As of August 2024, the top critical items and related actions are highlighted below.

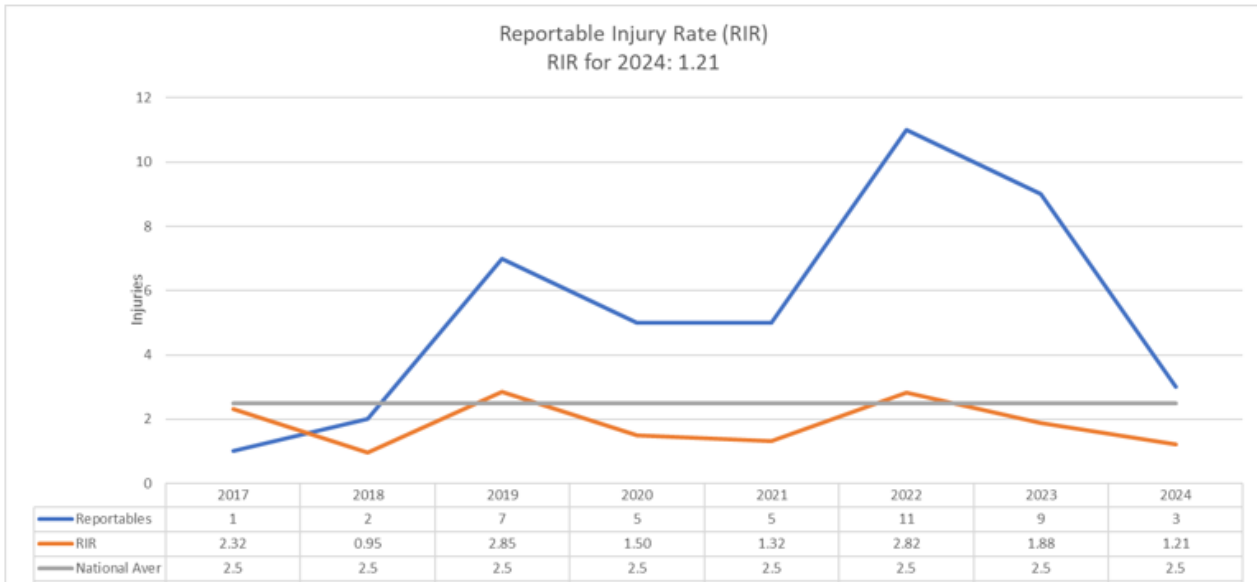
Table 1-1. Critical Issues and Actions

Critical Issues	Actions
<p>Theft of impedance bond or grounding cables may delay segment live run testing because the system (or portions of the system) cannot be energized without impedance bonds.</p>	<ul style="list-style-type: none"><li>• Monitor hot spot areas in segments 1, 3 and 4. Perform just in time replacement right before the testing.</li><li>• Report Theft incidents with Transit PD</li><li>• Enhance security with cameras and other monitoring systems.</li><li>• Implement asphalt cover for impedance bonds that have been repeatedly stolen. – on-going.</li><li>• Purchased anti-theft cable – on-going.</li><li>• Commenced permanent theft solution preliminary engineering effort.</li></ul>



**2.0 SAFETY**

There was 1 reportable injury in August 2024, which brings the total to two reportable injuries for 2024. Overall, since the project’s construction started in 2017, the RIR is at 1.21, which remains below the national average of 2.5.



**Figure 2-1. Project Reportable Injury Rate (RIR) by Year since 2017**

**2.1 Completed Work**

Safety staff continues to coordinate with contractors to identify opportunities to improve safety performance. Organizational-wide safety briefings are being performed to ensure staff understand the application of post incident mitigation measures including rules and procedural changes designed to enhance safety. Project Safety continues to reinforce jobsite safety practices throughout the Caltrain alignment, investigate incidents, and identify mitigation measures to prevent re-occurrences. Safety project coordination meetings continue to be conducted monthly to promote a clear understanding of project safety requirements. In addition, Caltrain Safety continues weekly calls with the lead safety staff from Caltrain, PCEP, BBII, and TASI to discuss safety performance and ongoing initiatives. Caltrain initiated the 10’/10’ rule: 10’ from track and 10’ from overhead wires.

**2.2 Upcoming Work**

The Fire/Life Safety Committee continues to work with emergency responders along the Caltrain corridor on emergency preparedness in advance of energization. The safety team has updated the OCS and EMU emergency responder safety familiarization presentations to include voiceover features for use by the Fire Departments. The presentation will also be shared with other emergency responder jurisdictions through the project Fire/Life Safety Committee.

OCS and EMU First Responder was completed in October 2023. In total, 92 classes were

given to emergency responders with a total number of 836 attendees.

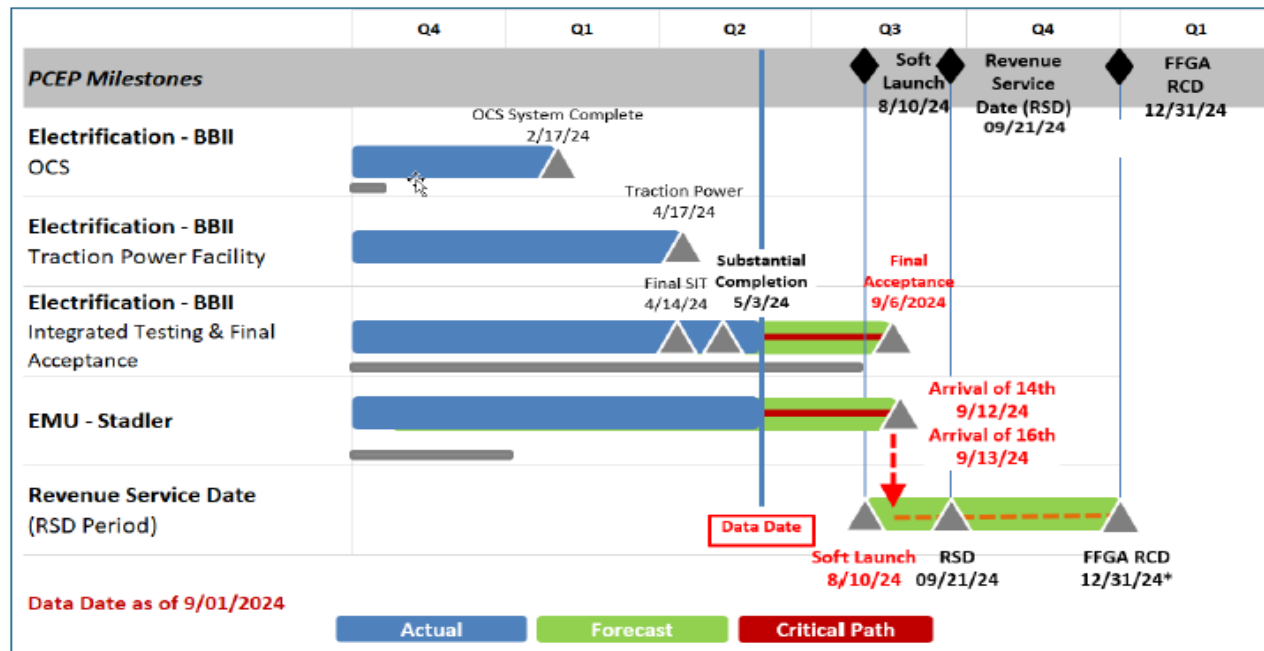
Police Departments along the corridor are currently being scheduled by the Transit Police to receive this training also.

In addition to the 936 emergency responders trained, there were 242 third party and Tenant railroad employees trained, and 48 Burlingame Public Works for a total of 1226.

**3.0 IMS PROGRAM SCHEDULE**

**3.1 Introduction**

The Integrated Master Schedule (IMS) Program Summary Schedule depicted in **Figure 3-1** shows the schedule status of the major PCEP projects. The current schedule dates for this program schedule were based on BBII’s version “A” August 2024 Progress Schedule as well as the Stadler August 2024 EMU Progress Schedule. The Final Acceptance date of the BBII schedule is now calculating an early completion date of 9/6/2024 which is 2-days ahead of the allowed date of 9/8/2024. Stadler’s schedule shows the arrival at JPB of the 16<sup>th</sup> Trainset on 9/12/2024. Therefore, it is expected that the Revenue Service Date (RSD) can remain as September 21, 2024, depending on if the final Trainsets can be complete Burn-In prior to the RSD and generators are used until PG&E can provide permanent power drops. If the Burn-In of the final Trainsets can be completed prior to September 2024, then the Full Funding Grant Agreement (FFGA) Revenue Completion Date (RCD) of December 31, 2024, remains unchanged.

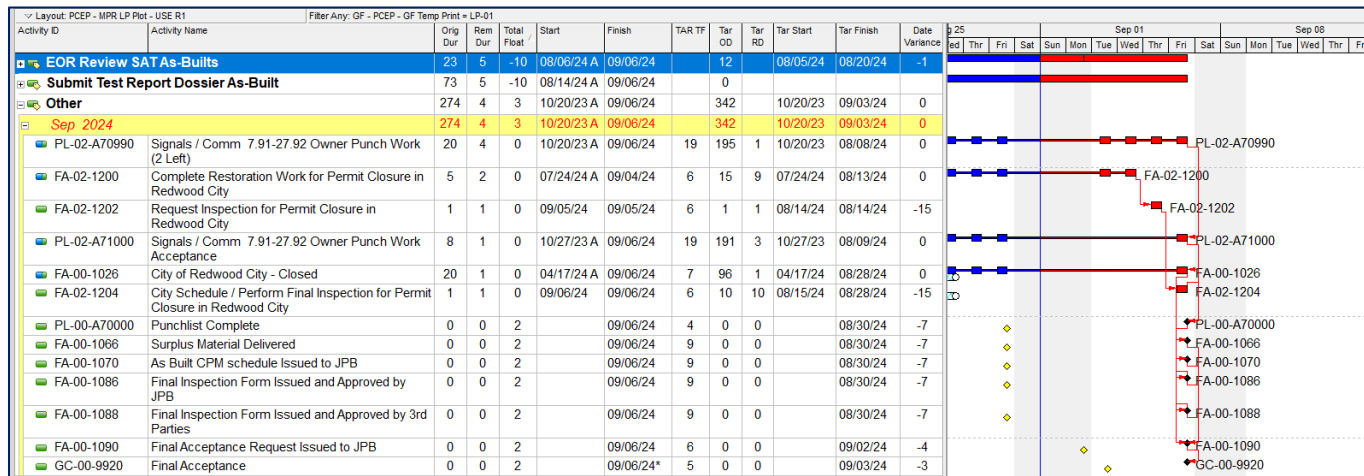


**Figure 3-1. Master Program Summary Schedule**

**Peninsula Corridor Electrification Project**  
**Monthly Progress Report – August 2024**

**3.2 Critical Path Analysis**

The current critical path now shifts to the submission and review of As-built documentation leading to Final Acceptance. BBII is currently preparing the final Test Dossiers for the traction power facilities. These final reports will address all previous comments from previous submittals. These final reports include separate submittals for SSW-1, TPSS 2, and PS-6 / PS1 / PS-4. In addition, there is other work leading to Final Acceptance that includes Punch List work and completing Signals / Communication work between 7.91 to 27.92 (Punch Work).



**Figure 3-2. Critical Path Schedule**

**3.3 Schedule Contract Milestone Analysis**

**Figure 3-3. Contract Milestone Analysis**

Contractor	Milestones	Reforecast Dates	Current Dates (August 2024)	Milestone Finish Date Variance	Remarks
BBII	Scheduled Substantial Completion	5/8/2024	05/03/24 A	5	Completed
Stadler	14th Trainset Arrival at JPB Site	10/12/2023	9/12/2024	-336	Stadler is striving to deliver 16 Trainsets by the end of September 2024. Trainset #311 was shipped to Salt Lake City for repairs. Its scheduled arrival date is shown as 2/14/2025 with Burn-In complete by 2/28/2024.
Stadler	16th Trainset Arrival at JPB Site	10/12/2023	9/13/2024	-337	(Same as above)
BBII	Scheduled Final Acceptance	9/8/2024	9/06/2024	-2	Based on draft August 2024 Update the Final Acceptance date is now 2-days ahead of schedule and is driven by As-built documentation.
JPB	Revenue Service Date (RSD)	9/26/2024	9/21/2024	5	Note: RSD may have to be with 15 Trainsets and one (1) spare.
JPB	FFGA Revenue Completion Date (RCD)	12/31/2024	12/31/2024	0	

**Peninsula Corridor Electrification Project**  
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**4.0 COST AND BUDGET**

**4.1 Introduction**

This section presents an update on program cost and budget. On December 6th, 2021, the JPB adopted a new Program budget of \$2.44 billion. Table 4-1 depicts a summary level of program budget, costs, and estimate at completion based on the latest update of the Electrification and EMU projects as of August 31, 2024.

**4.2 Program Budget and Cost**

**Table 4-1. Budget Summary by Project**

Description of Work	Current Budget (A) <sup>1</sup>	Cost This Month (B) <sup>2</sup>	Cost To Date (C) <sup>3</sup>	Estimate To Complete (D)	Estimate At Completion (E) = (C) + (D)	Variance at Completion (F) <sup>5</sup> = (A) – (E)
Electrification	\$1,754,348,422	\$9,116,916	\$1,679,333,698	\$76,615,793	\$1,755,949,491	(\$1,481,069)
EMU	\$688,147,275	\$1,509,846	\$627,752,972	\$58,988,233	\$686,741,206	\$1,4981,069
<b>PCEP TOTAL</b>	<b>\$2,442,495,697</b>	<b>\$10,626,762</b>	<b>\$2,307,086,670</b>	<b>\$135,604,026</b>	<b>\$2,442,690,697</b>	<b>\$0</b>

1. Column A "Current Budget" includes re-baseline and executed change orders and awarded contracts.
2. Column B "Cost This Month" represents the cost of work performed this month.
3. Column C "Cost to Date" includes actuals (amount paid) and accruals (amount of work performed) to date.
4. Column F "Variance at Completion" includes forecasted transfer of contingency from EMU to Electrification project.

Table 4-2 depicts program budget, costs, and estimate at completion summarized by major elements of work. This budget table provides additional detail for the program and is broken down by major contracts for Electrification and EMU, minor contracts, real estate, utilities, project management oversight and other indirect support costs.

**Table 4-2. Budget Summary by Major Elements**

Description of Work	Re-Baseline Budget	Current Budget	Cost This Month	Cost To Date	Estimate To Complete	Estimate At Completion
Electrification	\$1,097,149,881	\$1,091,178,881	\$1,772,365	\$1,049,141,284	\$41,037,597	\$1,090,178,881
EMU Procurement	\$556,072,601	\$565,284,846	\$0	\$517,935,307	\$47,349,539	\$565,284,846
Minor Construction Contracts (Tunnel, CEMOF, SCADA, Non-BBI OCS)	\$67,055,072	\$66,326,067	\$78,431	\$65,253,441	\$1,072,626	\$66,326,067
Real Estate Acquisition & Support	\$34,914,177	\$34,914,177	\$33,756	\$25,250,921	\$9,663,256	\$34,914,177
PG&E, Utilities**	\$132,088,994	\$128,868,191	\$3,182,832	\$133,829,177	-\$2,647,449	\$131,181,728
Management Oversight & Support	\$312,699,697	\$321,974,670	\$2,126,268	\$314,572,091	\$7,402,579	\$321,974,670
TASI Support	\$114,488,767	\$145,146,219	\$2,809,667	\$139,002,917	\$6,266,670	\$145,269,587
Finance Charges	\$9,898,638	\$9,898,638	\$192,357	\$12,725,258	\$188,271	\$12,913,530
Insurance	\$6,581,851	\$6,581,851	\$0	\$6,291,001	\$290,850	\$6,581,851
Other Required Projects & Services	\$9,084,176	\$10,484,176	\$119,539	\$7,059,620	\$3,429,556	\$10,489,176
Environmental Mitigation	\$14,438,866	\$13,038,866	\$0	\$1,532,551	\$8,486,423	\$10,018,974
Caltrain Capital Overhead (ICAP)	\$48,217,887	\$47,217,887	\$311,547	\$34,493,102	\$12,724,785	\$47,217,887
Contingency	\$40,000,089	\$1,776,227	\$0	\$0	\$339,321	\$339,321
<b>Total</b>	<b>\$2,442,690,697</b>	<b>\$2,442,690,697</b>	<b>\$10,626,762</b>	<b>\$2,307,086,670</b>	<b>\$135,604,026</b>	<b>\$2,442,690,697</b>

### 4.3 Program Shared Risk Pool and Contingency

Caltrain and Balfour Beatty Infrastructure, Inc. (BBII) continue implementing new mechanisms to ensure a collaborative approach to Project delivery. The management team meets every week to review the issues log focusing on risk mitigation and issues resolution.

As part of the global settlement, a shared risk pool of \$50 million was established to manage risks and mitigation proactively and collaboratively with the design-build contractor. Table 4-3 shows the current shared risk drawdown for the current month and to-date as well as the remaining balance of the shared Risk Pool by Risk Category. Any shared risk items (27 Risk IDs listed below in Table 4-3) that are above \$250,000 require Change Management Board (CMB) approval.

**Table 4-3. Shared Risk Pool Status as of August 2024**

Risk ID	Risk Description	Risk Amount	Current Month	Executed to Date	Remaining Balance
1	Permanent Power Availability	\$268,572	\$0	\$178,365	\$90,207
2	Different Site Condition for OCS Foundation	\$3,500,000	\$0	\$1,303,894	\$2,196,106
3	Different Site Condition for Duct bank	\$2,800,000	\$0	\$435,798	\$2,364,202
4	Condition of existing Fiber backbone infrastructure	\$3,150,000	\$0	\$545,221	\$2,604,779
5	Availability of TASI Resource	\$5,777,820	\$0	\$0	\$5,777,820
6	Signal Cutover access and work window	\$5,607,150	\$0	\$0	\$5,607,150
7	Condition of existing signal system	\$538,572	\$0	\$507,167	\$31,405
8	EMI Nonconformance by EMU Vendor	\$750,000	\$0	\$13,184	\$736,817
9	Reed Street Cutover	\$90,000	\$0	\$111,765	-\$21,765
10	Availability of low voltage power for cutover testing	\$1,120,000	\$449,481	\$8,255,887	-\$7,135,887
11	Third party Permits	\$150,000	\$0	\$0	\$150,000
12	SCADA integration for the entire alignment	\$159,524	\$0	\$0	\$159,524
13	Tunnel OCS Compatibility	\$167,500	\$0	\$152,418	\$15,083
14	Supply chain issue due to COVID 19	\$300,000	\$0	\$28,923	\$271,077
15	End to end Systems integration commissioning	\$2,100,000	\$0	\$0	\$2,100,000
16	Existing Caltrain Operating systems interface and integration	\$1,400,000	\$0	\$71,920	\$1,328,080
17	Third party Approval	\$150,000	\$0	\$353,277	-\$203,277
18	Impact from Caltrain other capital or third-party projects	\$2,166,683	\$0	\$1,933,131	\$233,552
19	Track access delay for BBII Construction	\$1,800,000	\$68,730	\$1,395,633	\$404,368
20	Additional light Maintenance and Protection Needs	\$280,000	\$0	\$180,505	\$99,495
21	Crossing Protection	\$220,000	\$0	\$102,334	\$117,666
22	Power facilities	\$500,000	\$0	\$917,293	-\$417,293
23	NCR's	\$0	\$0	\$0	\$0
24	Potholing	\$1,700,000	\$0	\$107,547	\$1,592,453
25	Pre-Revenue Service Operational Testing	\$250,000	\$0	\$0	\$250,000
26	TRO Contingency	\$3,000,000	\$3,474,002	\$3,474,002	-\$474,002
27	Contingency	\$12,000,000	\$1,451,506	\$6,563,821	\$5,436,179
NA	Unidentified	\$54,179	\$0	\$0	\$54,179
	<b>BBII Risk Pool Total</b>	<b>\$50,000,000</b>	<b>\$5,443,719</b>	<b>\$26,632,083</b>	<b>\$23,367,917</b>

In addition to the established Risk Pool with BBII, the Re-Baseline Budget includes a program contingency of \$40 million to cover non-BBII potential changes and unknowns.

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Table 4-4 provides a detailed status of approved transfers from contingency due to executed Contract Change Orders and approved Budget Transfers.

**Table 4-4. Program Contingency Drawdown Balance**

<b>Change Order ID</b>	<b>Description</b>	<b>Contingency</b>
<b>PCEP Contingency Budget</b>		<b>\$40,000,088</b>
STA-056-CCO-038	Allowance for Electric Power Cost at TTCI	(\$132,365)
STA-056-CCO-041	Manual Phase Break	(\$43,520)
STA-056-CCO-042	Stadler Project Time Extension	(\$8,021,124)
ARINC-061-CCO-005	Traction Power Facility SCADA Database Changes	(\$1,036,122)
PROV-070-CCO-056	Proven Tunnels Final Settlement	\$1,000,000
PROV-071-CCO-069	Proven CEMOF Final Settlement	(\$1,000,000)
BT-027D	Legal Support FY23 - PG&E Counsel	(\$200,000)
BT-029D	GFI Electrification FY23-24 Additional Staff	(\$2,108,070)
STA-056-CCO-053	Stadler – Passenger Convenience Outlets	(\$716,661)
BT-035C	TASI Support – Electrification (2023-2024) rev1	(\$22,039,703)
BBII 053-BT-CNPA	Non-PCEP Actuals-BBII Hist. Change Inc. PCEP Re-Baseline	\$2,191,000
BBI-053-CCO-255	Un-Earned Milestone Incentive (Substantial Completion) - January	\$1,630,000
PG&E-042-BT-006	PG&E Equiv. One-Time Payment (EOTP) - First Reimb.	(\$391,068)
BT-057	TASI – TASI EMU Maintenance & Materials (Pre-Revenue)	(\$4,348,854)
BT-058	Tunnel Leak Remediation (TASI Construction)	(\$562,851)
PROV-070-CLOSE	Proven Tunnels – Close out of Final Actuals	\$184,910
PROV-071-CLOSE	Proven CEMOF – Close out of Final Actuals	\$580,217
PG&E-042-BT-007A	PG&E Supplemental Agreement No. 4 – PCEP Share	\$1,600,000
PG&E-042-BT-007B	PG&E Supplemental Agreement No. 2 – EAC Variance	\$501,962
PG&E-042-BT-007C	PG&E Supplemental Agreement No. 2A – EAC Variance	\$1,509,909
PROV-063-CLOSE	South San Francisco Station Project OCS - Close Out	\$1,000,000
BT-035	TASI Support-Electrification (2023-2024)-Field Support to Sept 2024	(\$2,844,754)
MGMT-2024-02	Management Oversight – Update EAC	(\$6,426,903)
BT-060A	ICAP Adjustment Credits – 2023	\$1,000,000
BBII-053-CCO-255	Un-Earned Milestone Incentive (Substantial Completion) - February	\$1,370,000
BT-059	TASI - 4 <sup>th</sup> and King Updates for EMUs	(\$861,291)
BT-061	Outreach/Marketing Celebration Event and Media Buys	(\$540,000)
BBI-053-CCO-255	Un-Earned Milestone Incentive (Substantial Completion) - March	\$780,000
STA-056-CCO-054	Americans with Disabilities Act (ADA) Ramp Extension	(\$298,575)
<b>Remaining Contingency</b>		<b>\$1,776,226</b>
PG&E-042 BT-006A	PG&E Equiv. One Time Payment (EOTP) - Final Reimbursement	(\$239,688)
BT-062	TASI GO-88 Crossing Improvements	(\$123,368)
BBII-053-CCO-255-EAC4	Un-Earned Milestone Incentive (Revenue Service) – August 2024	\$1,000,000
PG&E-042 BT-006D	PG&E Supplemental Agreement No. 4 – PCEP Share (EAC Update)	(\$1,104,400)
PG&E-042 BT-006E	PG&E Supplemental Agreement No. 2 – (EAC Update)	\$246,464
PG&E-042 BT-007	Power Utility for EMU Testing and Commissioning	(\$1,215,913)
<b>Forecasted Remaining Contingency</b>		<b>\$339,321</b>

Note: EAC Contingency reflects forecast contingency.

The total Program Contingency as of the December 2021 Re-Baseline Budget totaled \$90M including Allocated and Unallocated Contingency, and BBII Risk Pool. Table 4-5 summarizes the current remaining and forecasted contingency balance as of the monthly update.



**Table 4-5. Overall Program Contingency**

	Total E = (A+D)	Shared Risk Pool with BBII	Program Contingency		
		BBII Risk Pool (A)	Allocated (B)	Unallocated (C)	Subtotal D = (B+C)
<b>PCEP Contingency</b>	\$90,000,088	\$50,000,000	\$24,115,581	\$15,884,507	\$40,000,088
Drawn Contingency	(\$64,855,945)	(\$26,632,083)	(\$24,115,581)	(\$14,108,281)	(\$38,223,862)
<b>Remaining Contingency</b>	\$25,144,143	\$23,367,917	\$0	\$1,776,226	\$1,776,226
Pending Changes	(\$1,436,905)	\$0	\$0	(\$1,436,905)	(\$1,436,905)
<b>Forecasted Remaining Contingency</b>	\$23,707,238	\$23,367,917	\$0	\$339,321	\$339,321

#### 4.4 Electrification Design Builder Contract Incentives

The Global Settlement with BBII also includes incentives based on Milestone completions and remaining contract incentives. Table 4-6 provides a status of Design-Build Contractor incentives Budgeted, Awarded, and remaining Balance as of August 2024.

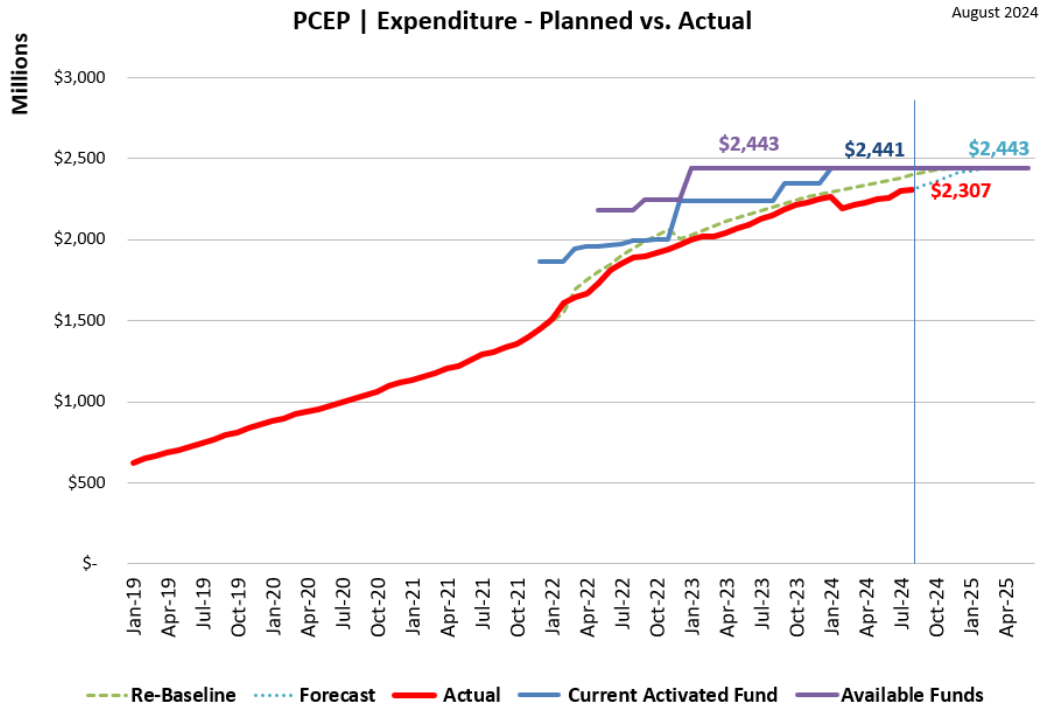
**Table 4-6. BBII Incentives**

Incentives	Budgeted (A)	Awarded (B)	Projected Remaining to Award (C)	Projected Balance Remaining (D)=(A)-(B)-(C)
<b>Contract Incentive:</b>				
Quality	\$1,250,000	\$1,083,333	\$166,667	\$0
Safety	\$2,500,000	\$1,700,000	\$468,750	\$331,250
Community Outreach	\$2,500,000	\$2,225,000	\$250,000	\$25,000
DBE	\$900,000	\$0	\$900,000	\$0
<b>Total Contract Incentive</b>	<b>\$7,150,000</b>	<b>\$5,008,333</b>	<b>\$1,785,417</b>	<b>\$356,250</b>
<b>Milestone Incentive:</b>				
Early Signal and Crossing Cutover	\$4,000,000	\$4,000,000	\$0	\$0
Early Project Substantial Completion (NTE)	\$8,000,000	\$0	\$4,220,000	\$3,780,000
Early Revenue Service	\$3,000,000	\$0	\$1,000,000	\$2,000,000
<b>Total Milestone Incentive</b>	<b>\$15,000,000</b>	<b>\$4,000,000</b>	<b>\$5,220,000</b>	<b>\$5,780,000</b>

#### 4.5 Program Cash Flow and Funding

The remaining program expenditures are cash flowed in Figure 4-1. With the award of the full funding, the program does not expect any cash flow issues due to funding.

**Figure 4.1. Expenditure – Funding Cash Flow**



**4.6 Issues**

**Table 4-7. Cost and Funding Issues Identified, and Actions Taken for August 2024**

Issues	Actions
None	• n/a

**5.0 CHANGE MANAGEMENT**

**5.1 Introduction**

The change management process establishes a formal administrative work process associated with the initiation, documentation, coordination, review, approval, and implementation of changes during the design, construction, or manufacturing of PCEP. The change management process accounts for the impacts of the changes and ensures prudent use of contingency.

**5.2 Change Orders/Shared Risk Pool**

**5.2.1 Executed Shared Risk/CCO**

The following Shared Risk items were executed in August 2024:

- IRL 306 – Storm Damage Insurance Deductibles
- IRL 333 – Theft Identified from June 30, 2023, to September 30, 2023
- IRL 363 – November 2023 Theft
- IRL 364 – December 2023 Theft
- IRL 365 – January 2024 Theft
- IRL 368 – February 2024 Theft
- IRL 374 – Segment 1 LV Power Connection to Support Cutover Locations – Through July 2024
- IRL 375 – March 2024 Theft
- IRL 389 – Damaged Removed from Theft IRLs
- IRL 390 – Track Access Delays (TAD) – May 2024
- IRL 393 – Urgent Replacement for Power Scenario Test
- IRL 395 – April 2024 Theft
- IRL 397 – CEMOF Preliminary Environmental Study (PES) Design Reconfiguration
- IRL 401 – Verify Ground Grid
- IRL 410 – Time Related Overhead

**5.2.2** The following item was brought to the CMB for contingency drawdown approval in 2024:

- IRL 306 – Storm Damage Insurance Deductibles
- IRL 374 – Temporary Generators for Low Voltage Power in Segment 1
- IRL 410 – Time Related Overhead
- EMU ADA Ramp (Bridge plate)

**5.2.3** Upcoming Shared Risk Items or Change Orders

- Watkins Crossing Grounding Replacement

**5.3 Issues**

**Table 5-1. Change Management Issues Identified and Actions Taken for August 2024**

Issues	Actions
None	• n/a