



Governor's Office of Economic Development

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State of Utah

GARY R. HERBERT
Governor

SPENCER J. COX
Lieutenant Governor

Q. VAL HALE
Executive Director

March 9, 2017

The Honorable Elaine Chao, Secretary
U.S. Department of Transportation
1200 New Jersey Avenue, SE
Washington, DC 20590

Re: Economic Impact to Utah of the Peninsula Corridor Electrification Project

Dear Secretary Chao,

On behalf of the Utah Governor's Office of Economic Development, I'm writing to bring to your attention the potential benefits the Caltrain Peninsula Corridor Electrification Project (PCEP) could have on the economy of Utah.

The Caltrain Project is of particular interest to us because Stadler Rail, a vendor of the project, is estimated to create more than 1,000 high-paying jobs in our state. In addition to those high-paying jobs, the company has committed to invest \$30 million in a new state-of-the-art facility in Utah. This has a significant effect to our economy and demonstrates that the PCEP has an impact far beyond California.

In December of 2015, the state of Utah approved nearly \$10 million in incentives to assist the company in its Utah growth strategy. The direct economic impact to the state will be in excess of \$40 million, which doesn't include the economic impact that will be felt by cities, counties and other local entities.

We offer our full support to you and your office as you work to find solutions that will positively impact both the state of California and the state of Utah in our respective transportation and economic goals.

Sincerely,

Q. Val Hale
Executive Director
Governor's Office of Economic Development