Exhibit 1A

METROLINK®

Southern California Regional Rail Authority

# Metrolink Positive Train Control Program – April 2013

The Southern California Regional Rail Authority's (SCRRA) Positive Train Control (PTC) program calls for installing a back-office system, replacing the current computer-aided dispatch system, installing on-board equipment on 57 cab cars and 52 locomotives, installing stop enforcement systems at 476 wayside signals, and implementing a six-county specialized communication network to link the wayside signals, trains and centralized dispatch office. The Metrolink system operates seven routes providing 165 weekday commuter trains on more than 388 route miles through six counties in Southern California and carrying over 43,000 weekday riders. The Metrolink Operations Center is the dispatching hub for SCRRA, and handles all trains which traverse Metrolink property. This includes other passenger and freight carriers, making it one of the nation's busiest and most complex rail networks. The total number of Metrolink, Amtrak, BNSF UPRR trains dispatched on a daily basis exceeds 300.

In October 2010, Metrolink procured a Vendor/Integrator (V/I) contractor to design, install and test the agency's PTC system. Given the significant challenges to implement the program, the contract's aggressive schedule has been impacted by a number of internal and external delays, including development of the "core" interoperable back office server (BOS) for the major freight railroads, national industry standards for PTC messaging and product development for PTC radios. In addition to these industry-wide challenges, SCRRA still has significant hurdles to overcome in the development of its dispatch system, onboard systems installations, FRA-witnessed testing and system certification. Despite the many challenges, steady progress is being made toward the implementation of this important safety system.

## Status of PTC Implementation:

Due to significant hurdles in the development of the PTC system, particularly the development of interoperable software by vendors, the project schedule has been set back to achieve an operable PTC system on the San Gabriel subdivision (San Bernardino Line) in September 2013, followed by the remaining subdivisions by the first quarter of 2014. Full certification is expected in the second quarter of 2014.
Below is the current status of some of the V/I's main system components:

- The program has moved from the development phase into the testing phase, having completed FRA-witnessed validation of critical features on approximately 80% of the territory. While the remaining subdivisions are completed, the next phase of testing – WIU signal validation – began in late January. After signal validation comes brake testing and functional testing. SCRRA will proceed through these phases of testing, working concurrently on multiple subdivisions continuously until the complete test results are submitted to the FRA in the first quarter of 2014.
- Development of the PTC Safety Plan (PTCSP) continues after a 60% version was submitted to the FRA in January 2013. The document, which contained SCRRA-specific updates, is being kept current with updates to Interoperable Train Control (ITC) template from freight railroads and updated with results from SCRRA's testing as they become available. SCRRA is targeting a 90% draft in May 2013.
- SCRRA is closely coordinating with the BNSF to participate in its ETMS VII revenue demonstration testing on the San Bernardino Subdivision in April 2013. The experience gained from this testing will help prepare SCRRA for when it conducts similar line testing later this year.
- SCRRA, the V/I contractor and subs continue to work vigorously on software testing and debugging efforts on the new dispatch system which is currently planned to go live in April. At the same time, work is being done to integrate a PTC

version of the CAD system with the BOS and onboard systems in order to commence PTC end-to-end testing. This work is being done in the lab, to establish an operable system to begin integrated system testing in the field in July 2013.

- Efforts to equip the wayside with Wayside Interface Units (WIU), antennas and PTC production radios are essentially complete. The communication network is progressing well across the territory, except in the tunnels, which pose particular challenges to equip.
- The V/I contractor is improving production rates of PTC Onboard equipment installations, which are planned to be complete in December 2013. Crews are also ensuring that test trains are equipped for field testing.

**Status of Related Components of PTC:**

- Wayside Interface Unit (WIU) Installations – The installation of WIU modules and antennas is now complete for all but a few locations across all subdivisions.
- Communications Backhaul – PTC project team continues to closely coordinate with the related Communications Backhaul Project for Valley, Ventura and East San Gabriel (VVSG) which has encountered a number of design and construction challenges. Despite the challenges, it is expected that communications backhaul will be in place in sufficient time to avoid any impacts to the PTC implementation.
- Train Control & Operations Support Facility (TCOSF) – SCRRA is working with the design-build contractor toward achieving 100% design of the TCOSF facility. Construction of the facility is forecasted to be completed in the spring 2014. In July 2012, the SCRRA Board approved the award of a design-build contract to USS Cal Builders, which was re-bid after bids in August 2011, came in well above the available funding.

**Challenges:**

Even with a schedule forecasting certification in the second quarter of 2014, Metrolink still has significant hurdles to overcome in order to implement this important safety system. While many of these challenges are within the control of Metrolink and its V/I contractor, there are key external dependencies on industry-controlled software versions and the FRA's submittal review. Despite the many challenges, Metrolink is optimistic and committed to implementing an operable version of this life-saving technology this year.

- FRA administrative resources, test waiver approval, timely submittal reviews and Safety Plan certification are critical to implementing this system within a reasonable schedule and available budget.
- Limited equipment resources – particularly in the number of locomotives – could impact the PTC testing and implementation schedule. Based on current projections, SCRRA does not have sufficient quantities of locomotives to support the PTC test trains, supply units for PTC onboard system installs, and operate the railroad accounting for spares and maintenance. In order to address this issue, SCRRA is in the process of leasing additional locomotives.
- Computer Aided Dispatch (CAD) – Software coding and debugging issues have set back the V/I contractor and its sub, Arinc, significantly from original target dates for putting this new dispatch system into service. Delays in the development of a stable PTC-compatible CAD system is impacting the overall PTC schedule by delaying the start of integration testing between the various PTC components.

- Back Office Server (BOS) – In order to achieve interoperability, common standards and requirements must be developed by the ITC committee. To mitigate extensive delays to the start of integrated testing, a decision has been made by SCRRA and the V/I contractor to implement BOS Version "3.2.M" for Metrolink, which is built off of the "core" single instance BOS and independent of additional administrative functions being developed for the freight railroads' multi-instance BOS's.
- Spectrum Acquisition – The planned purchase of 220MHz spectrum, which began in 2009, was challenged by a third party [1] and has been mired in legal issues related to the bankruptcy of the seller. SCRRA and outside counsel are continuing to pursue legal remedies to the spectrum purchase and subsequent FCC approval of waivers needed to license the acquired frequencies. To avoid impacts to the V/I system testing, acceptance and implementation of the PTC system, SCRRA has entered into a five-year lease agreement with PTC 220 LLC to lease the necessary spectrum for testing and start-up. SCRRA continues to diligently pursue the acquisition as long-term spectrum needs are likely to increase and exceed the bandwidth currently available through PTC 220 LLC. [2]
- Development of new software and Configuration Management System - Development of new software code carries inherent risks which, in spite of the best configuration management practices by the developer, will typically be released with some discrepancies or flaws ("bugs"). If these flaws are anything other than minor, the functionality of the system may be compromised and re-work or re-testing of system components may be necessary and could delay the system integration and acceptance testing. A defined set of practices and requirements that comply with SCRRA (and IEEE) standards are included in the V/I contract and will minimize disagreements over any impact resulting from SCRRA provided updates to system information throughout the PTC system lifecycle.
- SCRRA staff resources for PTC System Maintenance & Operations - Sufficient numbers of SCRRA and Service Contractor staff are required to be trained in the troubleshooting and maintenance of the PTC sub-systems on rolling stock, wayside and the MOC in order for the PTC system to be placed into service. SCRRA is evaluating maintenance resource requirements and will develop a training plan consistent with PTC implementation. Practical hands-on training may occur during the installation and testing phases of the project when Maintenance staff is assigned to assist the V/I Contractor forces.

[1] This is a misleading public report. The problem is not Skytel's "third party" challenge, but the full Commission HDO. SCRRA knowingly "mired" itself. See SkyTel's exhibit, presented also previously in the FCC first docket on the SCRRA assignment application, drawing from documents that SCRRA released under the California Public Records Act.

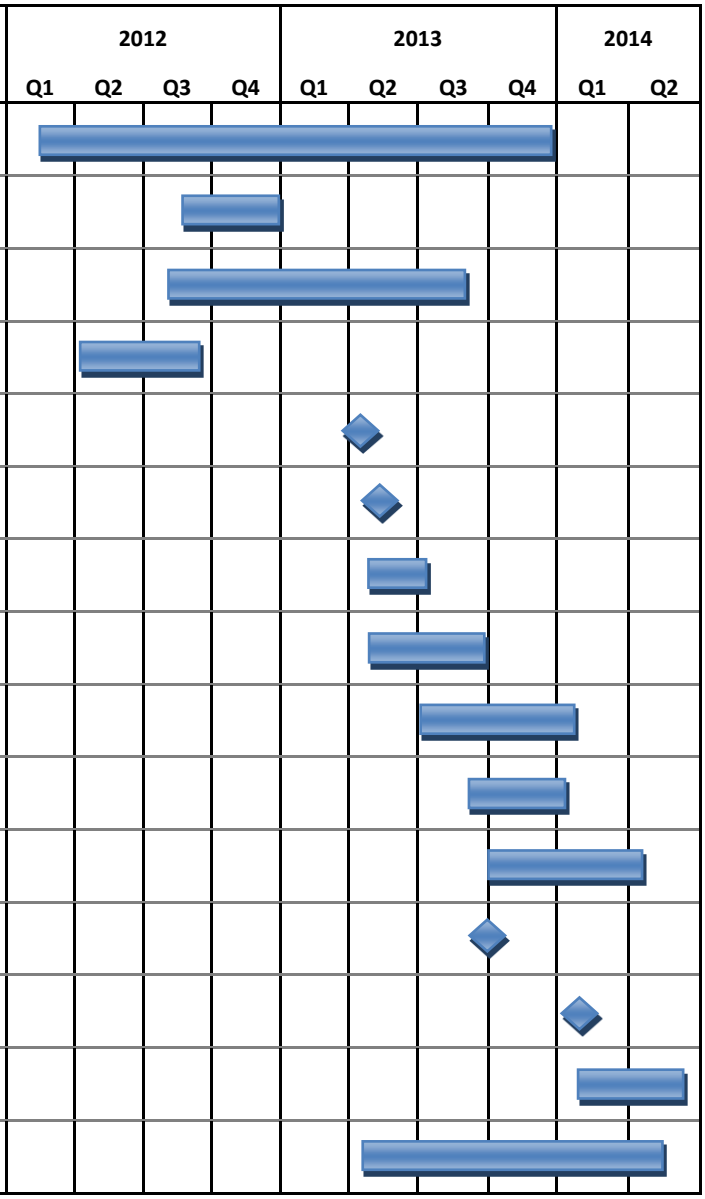
[2] Approx 3 years after the SCRRA assignment application, it STILL does not have a real PTC system plan and know its PTC "long term spectrum needs." But in front of the FCC, it is certain it needs 1,000 kHz of AMTS, and only the A block, and needs it immediately, etc. SCRRA misrepresented before the FCC to get FN7 in multiple ways.

METROLINK®

Southern California Regional Rail Authority

**Positive Train Control Summary Schedule**

| ACTIVITY | START | FINISH |
|---|---|---|
| On-Board Production Installs | 2/8/2012 | 12/31/2013 |
| Wayside Radio Installation | 7/31/2012 | 12/31/2012 |
| Base Station Build-out (including tunnel Radios) | 7/1/2012 | 8/31/2013 |
| Metrolink BOS (3.2 M2) and On-Board Integration | 4/4/2012 | 9/21/2012 |
| CAD-Live - Ph I Non-PTC CAD | | 4/15/2013 |
| CAD-Live - PTC CAD | | 4/30/2013 |
| Complete End-to-End Testing in the lab (LIEE) | 5/6/13 | 7/5/2013 |
| WIU & Brake Testing | 5/12/2013 | 9/30/2013 |
| Integrated System Testing (FIT/FQT) | 7/7/2013 | 1/31/2014 |
| Interoperable Testing (FIT-I/FQT-I) | 9/12/2013 | 1/7/2014 |
| Safety Plan - FRA Review & Certification | 10/1/2013 | 4/10/2014 |
| PTC Operational on San Gabriel Sub (Revenue Demonstration) | | 9/30/2013 |
| **Revenue Service – All Subdivisions** | | **2/4/2014** |
| Reliability Demonstration Period | 2/5/2014 | 6/5/2014 |
| TCOSF Construction | 4/19/2013 | 5/9/2014 |



One Gateway Plaza, Floor 12 Los Angeles, CA 90012 T (213) 452.0200

metrolinktrains.com

**PTC Funding Update**

SCRRA's PTC program is fully funded at $210.9 million. Extensive effort has been put into securing and managing the long list of grants and SCRRA remains one of the only commuter rail agencies in the nation with a fully funded PTC program. At this time, we believe we can absorb the additional costs associated with the impacts to our schedule by drawing down from our remaining contingency and finding other savings on the project. If, however, challenges persist, additional funding assistance may be needed.

| Secured Funding | Total | Local | State | Federal |
|---|---|---|---|---|
| Local (MTA funds) | 3,310,587 | 3,310,587 | | |
| Federal formula Funds/Local Match | 690,030 | | | 690,030 |
| Federal formula Funds/Local Match | 99,090 | 99,090 | | |
| State STIP | 125,293 | | 125,293 | |
| ARRA Formula | 17,825,530 | | | 17,825,530 |
| Prop 1B TSGP (Safety/Security) (SCRRA, VCTC) | 7,065,024 | | 7,065,024 | |
| Prop 1B PTMISEA (SCRRA) | 199,668 | | 199,668 | |
| National Railroad/ State | 9,855 | | 9,855 | |
| OCTA Prop 116 | 30,715,778 | | 30,715,778 | |
| OCTA Prop 116 | 2,000,000 | | 2,000,000 | |
| FY 09-10 Prop 1B TSGP (VCTC) | 709,972 | | 709,972 | |
| Prior Year VCTC Prop 1B TCRP | 21,366 | | 21,366 | |
| Prop 1B PTMISEA | 3,309,525 | | 3,309,525 | |
| OCTA FTA Sec 5307 | 4,147,427 | | | 4,147,427 |
| FY 09-10 Prop 1B TSGP (SCRRA) | 3,356,923 | | 3,356,923 | |
| Prop 1A Intercity to SCRRA | 46,550,000 | | 46,550,000 | |
| Prop 1A SCRRA | 12,200,000 | | 12,200,000 | |
| FY 10/11 Prop 1B SLPP | 10,000,000 | | 10,000,000 | |
| MTA Measure R | 10,000,000 | 10,000,000 | | |
| FY 11/12 Prop 1B SLPP | 10,000,000 | | 10,000,000 | |
| MTA Measure R | 10,000,000 | 10,000,000 | | |
| FY 09-10 Prop 1B TSGP (SCRRA from Caltrans DOR) | 1,800,000 | | 1,800,000 | |
| FY 09-10 Prop 1B PTMISEA (SCRRA) | 4,362,126 | | 4,362,126 | |
| Federal Rail Research and Development Funds (SCRRA) | 487,000 | | | 487,000 |
| FRA Technology Grant SCRRA | 6,605,446 | | | 6,605,446 |
| Prop 1A SCRRA | 12,711,063 | | 12,711,063 | |
| FRA High Speed Intercity Passenger Rail (HSIPR) via | 3,331,064 | | | 3,331,064 |
| PTMISEA FY10/11 | 9,301,415 | | 9,301,415 | |
| TOTAL | 210,934,182 | 23,409,677 | 154,438,008 | 33,086,497 |
| % | | 11.1% | 73.2% | 15.7% |

With 211 mil budget (and probable overruns), it seems that this railroad could got to FCC auctions.

But in any case, PTC 220 LLC leased the needed spectrum, indicated above, and told the FCC that it is commited to providing on nonprofit basis use of its 220 MHz for government transit railroads, under its extraordinary waiver grants allowing it to keep it 220 MHz. Thus, the SCRRA need appears satisfied, as indeed it could have been all along.

Support for this project comes from SCRRA's member agencies:

**Next Steps**

Metrolink believes PTC is a life-saving technology and is committed to implementing PTC on our Southern California rail network in advance of the 2015 federal mandate. We would like to continue working with our Congressional, State Legislative, regulatory, freight and passenger rail partners. We request the support of our partners to be successful in the implementation of PTC.

**Contact:** Metrolink Government Affairs Manager Patricia Torres Bruno at 213.452.0259 or brunop@scrra.net