

Policy Objectives Comparison

❑ The following table summarizes how the Shortlisted Proposers addressed the policy objectives and identifies how the no-sale option impacts such objectives.

Objectives	No Sale	BNSF	SLWC
FRA CLASS 3 UPGRADE	Unless otherwise pursued by the Current Operator (SLWC), no upgrade to Class 3 is expected to occur.	Will upgrade to FRA Class 3 within 5 years	Upgrade to FRA Class 3 within 7 years
ADDITIONAL CAPITAL IMPROVEMENTS	Additional capital improvements will depend on current lease payments from SLWC and other state budgetary constraints	\$30 million to be invested by 10th year for Positive Train Control and Cherokee Yard (Tulsa) expansion; Will pay difference of actual expenditures and \$45 million after year 10	Construction of Cushing rail spur and associated improvements at a cost of \$101 million; Invest \$2.2 million towards passenger rail service commitments.
PASSENGER RAIL	State budgets do not provide an appropriation for passenger rail service operations.	Agrees to arrange required "pilot service" in accordance with Sale Agreement* or pay a \$2.8 million fine.	Commits to provide passenger rail service in excess of Sale Agreement minimum requirements*. If pilot program is not instituted, a \$2.8 million penalty will be assessed
SERVICE TO CURRENT CUSTOMERS	Until expiration of the Current Lease (2017), SLWC will continue to provide customer service at current levels	At a minimum, will provide service to all customers currently being served from the premises in substantially the same frequency as currently provided.	SLWC will continue to provide service to current customers at the same rates.
USER & CUSTOMER ACCESS TO LINE	Until expiration of the Current Lease (2017), access to the line will be in accordance to what is provided by SLWC	Provide access to other rail carriers in substantially the same manner as they currently have access	Will continue to provide the same competitive access to all Class I carriers and short line carriers
OFFER PRICE	Over a 4 year period, the State will receive an estimated \$3.7 million in rent payments from SLWC	\$25 million cash to be paid at closing	\$75 million cash to be paid at closing

*Minimum requirement for passenger rail service is the institution of a 6 month pilot program - one train, 5 days a week - on or before the fifth anniversary of the close of sale.