

PUBLIC UTILITIES COMMISSION

505 VAN NESS AVENUE
SAN FRANCISCO, CA 94102-3298

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May 7, 2026:

Agenda ID #24193
Quasi-Legislative

TO PARTIES OF RECORD IN INVESTIGATION 25-06-010:

This is the proposed decision of Commissioner Matthew Baker. Until and unless the Commission hears the item and votes to approve it, the proposed decision has no legal effect. This item may be heard, at the earliest, at the Commission's June 11, 2026, Business Meeting. To confirm when the item will be heard, please see the Business Meeting agenda, which is posted on the Commission's website 10 days before each Business Meeting.

Parties of record may file comments on the proposed decision as provided in Rule 14.3 of the Commission's Rules of Practice and Procedure.

/s/ MICHELLE COOKE
Michelle Cooke
Chief Administrative Law Judge

MLC: jds

Decision PROPOSED DECISION OF COMMISSIONER BAKER (Mailed 05/07/2026)

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Order Instituting Investigation to Establish a Priority List, for the Fiscal Years 2026-2027 and 2027-2028, of Existing At-Grade Rail Crossings, of City Streets, County Roads or State Highways, in need of separation; or Existing Grade-Separated Rail Crossings in need of Alterations or Reconstruction in Accordance with Section 2452 of the California Streets and Highways Code.

Investigation (I.) 25-06-010

DECISION ESTABLISHING THE CALIFORNIA GRADE-SEPARATION FUND PRIORITY LIST FOR FISCAL YEAR 2026-2027

Summary

This decision establishes and adopts the California Grade-Separation Fund Priority List for Fiscal Year 2026-2027, as required by California Streets and Highways Code § 2452 et. seq. Consistent with the California Public Utilities Commission’s adopted procedure, this proceeding will remain open until the Commission issues a final decision establishing the California Grade-Separation Priority List for Fiscal Year 2027-2028 and opens a new investigation for the next cycle proceeding to establish future Grade-Separation Priority Lists.

1. Background

1.1. Factual Background

California Streets and Highways (S&H) Code § 2452 requires the California Public Utilities Commission (Commission) to establish annual California Grade-Separation Program Priority Lists (Priority List(s)) for certain rail crossing projects, including projects to construct new grade-separations to replace existing at-grade crossings and projects to alter or reconstruct existing grade-separations. The Commission initiated this proceeding by issuing Order Instituting Investigation (I.) 25-06-010 on June 12, 2025, to evaluate and establish the California Grade-Separation Program Priority List for Fiscal Year (FY) 2026-2027 and FY 2027-2028.

The Commission's adoption of Priority Lists establishes the priorities for allocating funds to qualified projects that eliminate or otherwise improve hazardous railroad crossings under S&H Code § 2450 *et seq.* By July 1st of each year, the Commission provides the adopted Priority List to the California Transportation Commission (CTC) for use in the FY beginning on that date to fund qualified projects consistent with the Priority List. The CTC has delegated this authority to the California Department of Transportation (Caltrans).¹

Every two years, the Commission issues a new Order Instituting Investigation (OII), to establish the Priority Lists for the next two FYs.

¹ S&H Code § 190 requires the State's annual budget to include \$15 million for funding grade-separation projects. According to Caltrans, approximately \$15 million will carry over to this application cycle. This means that approximately \$30 million in funding should be available for the FY 2026-2027 program cycle.

The Commission adopts the Priority List for the first FY by interim decision issued before that FY commences.

For the second year in the cycle, the Commission updates and revises the Priority List for the second FY by deleting projects for which funds were allocated in the first FY. The Commission then adopts a revised Priority List by final decision before the second FY begins and issues a new OII to start the next two-year funding cycle.

Commission procedure requires local agencies to file planned grade-separation project nominations in response to an announcement made a year prior to the cycle. The Commission reviews each nominated project to ensure that it is eligible for the California Grade-Separation Program and holds hearing(s), as needed, so that nominating agencies may present each proposal, answer questions about its proposal details, and confirm the accuracy of each proposal, as appropriate. Attendance and participation in these hearing(s) is mandatory for any nominated project proponent. For each FY, the Commission's Rail Safety Division (RSD), using currently adopted formulas, adjusts and ranks the draft Priority List in accordance with evidence received at the hearing(s), and presents the list to the Commission as the Priority List for adoption by interim decision.²

² The Priority List is a comparative evaluation of all qualified projects nominated and accepted for inclusion in this investigation, with the priority index value based on one of the two formulas that RSD uses to rank projects, as published in Appendix A to the call for nominations: one formula for crossings nominated for separation or elimination, and the other for existing grade-separations in need of alteration or renovation. The formulas incorporate crossing inventory and accident data submitted in the nomination forms and verified by RSD. RSD reviews each application for qualification and creates the proposed Priority List from the nomination data entered into a Microsoft Excel spreadsheet that calculates the priority index value for each project.

1.2. Procedural Background

The Commission issued an OII on June 12, 2025. The OII provided notice, as required by S&H Code § 2451, to railroads, light rail transit agencies, cities, counties and others of the opportunity to file nominations for separation of existing railroad at-grade crossings, or alteration or reconstruction of existing grade-separations. The Commission provided this notice to the service list compiled at the conclusion of the previous Priority List proceeding. The notice included an October 24, 2025 deadline to file nominations for grade-separation projects proposed to be included in the FY 2026-2027 Priority List.

On July 29, 2025, the assigned Administrative Law Judge (ALJ) issued a ruling setting a remote Prehearing Conference, which was held on August 18, 2025. Commissioner Baker issued a Scoping Memo and Ruling on August 29, 2025, which among other things established a schedule for the proceeding.

Project proponents filed their project nominations with RSD on October 24, 2025. Included in the timely submitted project nominations was one from the City of Hanford. While the City of Hanford had been on the service list in past Priority List cycles, it inadvertently was not on the list for this OII. After discovering this discrepancy, the City of Hanford made a motion for party status on November 19, 2025. The assigned ALJ issued a ruling on November 21, 2025, granting the City of Hanford's motion.

On February 11, 2026, RSD provided a draft Priority List with initial priority designations for each project being considered for FY 2026-2027 and FY 2027-2028 for review and comment. Party comments were due on February 25, 2026, and a final RSD Priority List was released on March 11, 2026.

On March 20, 2026, the assigned ALJ held a remote evidentiary hearing in which all project proponents introduced and discussed their nominated projects.

The assigned ALJ, RSD, and Caltrans had the opportunity to ask questions about the nominated projects.

1.3. Submission Date

This matter was submitted on March 20, 2026, upon holding the evidentiary hearing.

2. Establishment of the FY 2026-2027 Priority List

RSD prepared the preliminary draft of the Priority List on February 11, 2026, using the existing formulas and evaluating each nominated project.

In the March 20, 2026 evidentiary hearing, each party introduced its projects and answered questions about the nominated projects. Subsequent to the evidentiary hearing, on April 24, 2026, the assigned ALJ issued a ruling receiving and admitting each nominated project filing into evidence.

RSD finalized the FY 2026-2027 Priority List to include 29 nominated projects on the Priority List. One project nominated by the City of Redding was found to be ineligible because it was submitted on October 31, 2025, a full week following the deadline for project nominations.³

³ The OII forestalled inclusion of projects nominated after the deadline.

“Local agencies in California desiring to have a crossing separation project considered for inclusion in the Grade-Separation Priority List for FYs 2026-2027 and 2027-2028, to be established under S&H Code § 2452, and pursuant to the Commission’s Rules of Practice and Procedure (Rules) 13.7(f) shall submit the Grade-Separation Nomination Form GSN-1 or GSN-2 (GSN-1 Form and GSN-Form) as “supporting documents” using the Electronic Filing System on the Commission’s website at www.cpuc.ca.gov/PUC/efiling no later than Friday, October 24, 2025. Instructions on how to upload project applications is attached as Appendix 6 to this OII. Applications received after the deadline will not be processed.”

Order Instituting Investigation to Establish the California Grade-Separation Fund Priority List for the Fiscal Years 2026-2027 and 2027-2028 at 6-7.

The 2026-2027 Priority List prepared and endorsed by RSD is included as Appendix A to this decision. We find that the statutory procedure for creating the FY 2026-2027 Priority List was properly followed. This interim decision finds that RSD's recommended FY 2026-2027 Priority List is reasonable, and thus adopts the Priority List in Appendix A to this decision for the purpose of allocating funds in the California Grade-Separation Fund.

3. Categorization and Need for Hearing

This proceeding was categorized as quasi-legislative. A hearing was held in accordance with the Commission's adopted procedure for establishing the biennial Priority List.

4. Procedural Matters

This decision affirms all rulings made by the assigned ALJ and the assigned Commissioner in this proceeding. All motions not ruled on are deemed denied.

5. Comments on Proposed Decision

The proposed decision of Commissioner Matthew Baker in this matter was mailed to the parties in accordance with Section 311 of the Public Utilities Code, and comments were allowed under Rule 14.3 of the Commission's Rules of Practice and Procedure. Comments were filed on _____, 2026, and reply comments were filed on _____, 2026, by _____.

6. Assignment of Proceeding

Matthew Baker is the assigned Commissioner and Leah Goldberg is the assigned Administrative Law Judge in this proceeding.

Findings of Fact

1. Written notification of the opportunity to file nominations for separation of existing railroad grade crossings, or alteration or reconstruction of existing grade-separations, under S&H Code § 2451, was provided to railroads, light rail

transit agencies, cities, counties, and others on the service list compiled at the conclusion of the previous Priority List proceeding. The notice advised them of the deadline to file a nomination for each grade-separation project they sought to include in the FY 2026-2027 Priority List.

2. RSD received a total of 29 timely nominations for proposed projects to be included in the current FY 2026-2027 Priority List.

3. One nominated project was found to be ineligible because it was not submitted by the project nomination deadline of October 24, 2025.

4. RSD evaluated and ranked all eligible nominated projects accepted in this proceeding in priority, and the methodology utilized by RSD to rank the nominations in priority order is that which we have adopted in I.25-06-010.

5. The final FY 2026-2027 Priority List prepared by RSD includes 29 nominated projects.

6. The FY 2026-2027 Priority List attached as Appendix A consists of nominated projects ranked in priority order by RSD in accordance with the Commission's adopted methodology in the proceeding.

7. The Commission's adopted procedure requires that, upon adoption of the California Grade-Separation Priority List for FY 2026-2027, the proceeding must remain open for a subsequent phase of the proceeding to adopt the subsequent decision establishing a Grade-Separation Priority List for FY 2027-2028 and opening a new investigation for the next proceeding cycle to establish future Grade-Separation Priority Lists.

Conclusions of Law

1. Appendix A should be adopted as the FY 2026-2027 Priority List in this proceeding as the interim decision.

2. The effective date of this interim decision must be no later than June 30, 2026, to comply with S&H code § 2452.
3. This proceeding should remain open.

O R D E R

IT IS ORDERED that:

1. This interim decision adopts the California Grade-Separation Priority List attached as Appendix A and establishes the Fiscal Year 2026-2027 Priority List of projects that the Commission determines to be the most urgently in need of separation, alteration or reconstruction.
2. The Commission's Rail Safety Division shall provide copies of this interim decision to the California Department of Transportation and the California Transportation Commission no later than July 1, 2026.
3. The Commission's Rail Safety Division shall take all necessary actions to establish the California Grade-Separation Priority List for fiscal year 2027-2028 in a timely manner, as required by law.
4. Investigation 25-06-010 shall remain open until the Commission issues the final decision in this proceeding.

This order is effective today.

Dated June __, 2026, at Sacramento, California.

APPENDIX A

APPENDIX A – Proposed Grade Separation Priority List for Fiscal Years 2026-2027 and 2027-2028

Rank	Agency	Crossing Location	CPUC Crossing Number	DOT Crossing Number	Railroad	VEH	TRN	LTRN	Cost Share	AH/WC	BD/HC	VS/SR	RS/AS	CG/POF	PT/AP	OF/DE	SCF/SF	Priority Index
1	City of Burlingame	Broadway Avenue	105E-15.03	754879V	PCJX	32,028	104	0	15,000,000	19	2	0	6	10	10	10	38	4479.2
2	Orange County Transportation Authority (Santa Ana)	17th Street	101OR-174.66	026699P	SCRRA/ Metrolink Amtrak BNSF UPRR	33,947	74	0	5,000,000	7	2	1	6	11.0	9	13.5	42.5	4061.8
3	City of Riverside	Spruce Street	002B-8.80	026478M	BNSF	16,695	106	0	5,000,000	7	5	2	4	11	0	12.5	34.3	2865.8
4	City of Fresno	N. Blackstone Avenue E. McKinley Avenue	002-1000.00, 002-1000.10	028573P, 028574V	BNSF	36,668	68	0	5,000,000	5	6	4	12	22	8	18.0	69.6	915.9
5	City of South San Francisco and City of San Bruno	South Linden Avenue Scott Street	105E-10.13 105E-10.48	754866U 754867B	PCJX	7,824	216	0	5,000,000	10	5	0	12	24	10	10.0	61.1	809.0
6	City of Sunnyvale	Mary Avenue	105E-37.82	755037B	PCJX	20,083	110	0	15,000,000	4	0	1	6	13	10	12.0	41.6	778.0
7	County of Kern	Olive Drive	001B-308.9	756945M	UPRR	17,693	27	0	5,000,000	5	2	3	5	10	0	12.0	31.8	605.1
8	Greater Bakersfield Separation of Grade District	Morning Drive (SR 184)	001B-317.50	757413M	UPRR	14,700	30	0	5,000,000	5	2	3	5	11	0	12.0	32.7	561.9
9	City of Mountain View	Rengstorff Avenue	105E-34.61	755013M	PCMZ PCJX UPRR	17,450	108	0	15,000,000	3	2	1	6	9	10	12.0	40.0	542.6
10	City of Rancho Cucamonga	Etiwanda Avenue	101SG-44.14	026151P	SCAX/ Metrolink San Gabriel Line	22,790	57	0	20,000,000	6	3	5	6	8	7	7.0	36.0	490.7

Staff Exhibit
Appendix A-1
March 11, 2026

APPENDIX A – Proposed Grade Separation Priority List for Fiscal Years 2026-2027 and 2027-2028

Rank	Agency	Crossing Location	CPUC Crossing Number	DOT Crossing Number	Railroad	VEH	TRN	LTRN	Cost Share	AH/WC	BD/HC	VS/SR	RS/AS	CG/POF	PT/AP	OF/DE	SCF/SF	Priority Index
11	City of Bakersfield	Baker St	001B-312.90	757406C	UPRR	6,810	24	0	5,000,000	11	2	0	0	10	0	12	24	416.3
12	City of Shafter	Beech Avenue Cherry Avenue	002-904.40 002-903.00	028386G 028384T	BNSF	5,364	56	0	5,000,000	13	5	8	12	17.92	8	11	61.92	322.1
13	City of Santa Ana	Santa Ana Blvd.	101OR-175.13	026702V	SCRRA Amtrak BNSF	20,157	71	0	5,000,000	0	4	1	3	9	9	9.0	34.8	321.0
14	City of Riverside	Mary Street	002B-13.00	026499F	BNSF	12,153	100	0	5,000,000	0	5	2	4	7	6	11.0	35.2	278.3
15	City of Sunnyvale	Sunnyvale Avenue	105E-38.79	755042X	PCJX	8,929	110	0	15,000,000	0	0	12.6	6	0	0	0.5	40.1	236.5
16	City of Bakersfield	Kratzmeyer Road	002-897.30	028380R	BNSF	6,684	29	0	5,000,000	4	1	4	6	9	4	8.5	32.3	226.1
17	City of Riverside	Jackson Street	002B-15.80	026507V	BNSF	7,669	100	0	5,000,000	0	4	2	3	8	6	8.5	31.5	184.9
18	City of Stockton	West Lane	001BEL-82.14	752897L	UPRR	22,019	33	0	5,000,000	0	2	2	3	10	2	10.5	29.3	174.6
19	Yolo County	County Road 32A/County Road 105	001A-79.20	751224V	UPRR Amtrak CCJPA	2,605	51	0	5,000,000	4	3	5	5	14	5	10.0	41.6	174.5
20	City of Bakersfield	E. 21st Street (close E. Truxtun, Sumner, Baker, Tulare, and Sonora Streets)	002-886.40, 002-885.40, 002-885.77, 002-885.95, 002-886.20	028289X, 028280L, 028284N, 028285V, 028288R	BNSF	24,147	90	0	20,000,000	7	17	8	0	42	0	11.5	78.0	156.9

Staff Exhibit
Appendix A-1
March 11, 2026

APPENDIX A – Proposed Grade Separation Priority List for Fiscal Years 2026-2027 and 2027-2028

Rank	Agency	Crossing Location	CPUC Crossing Number	DOT Crossing Number	Railroad	VEH	TRN	LTRN	Cost Share	AH/WC	BD/HC	VS/SR	RS/AS	CG/POF	PT/AP	OF/DE	SCF/SF	Priority Index
21	City of Stockton	Alpine Avenue (East)	001BEL-81.94	752898T	UPRR	14,955	31	0	5,000,000	0	2	1	6	14	4	12.0	39.0	131.7
22	County of Kern	*Airport Drive	001B-309.60-B	756943Y	UPRR	20,488	27	0	5,000,000	0	0	0	0.4	6.0	5	3.0	14.4	125.0
23	City of Stockton	*Dr. Martin Luther King Jr. Blvd.	002-1119.00-B	029580D	UPRR SJRR	15,799	34	0	5,000,000	6	0	2	0	3	2	0.0	13.0	120.4
24	City of Mountain View	Castro Street	105E-35.80	755015B	PCMZ PCJX UPRR	2,655	108	0	15,000,000	2	4	0	6	9	10	9.0	38.0	95.3
25	City of Stockton	Hazelton Avenue	001BEL-84.44	752772L	UPRR	4,913	54	0	5,000,000	0	4	1	2	11	4	8.5	30.1	83.2
26	City of Bakersfield	Reina Road	002-896.60	028379W	BNSF	2,640	29	0	5,000,000	1	1	4	6	4	4	10.0	28.8	59.4
27	City of Santa Barbara	*Cabrillo Blvd.	001E-369.66-B	745616H	UPRR Amtrak	7,930	19	0	5,000,000	6	4	0	0	7	5	5.0	27.0	57.1
28	City of Hanford	W. Grangeville Blvd	002-969.10	028428R	BNSF Amtrak	13,702	29	0	15,000,000	0	2	3	2	8.0	4	12.0	27.0	53.5
29	County of Kern	Rosedale Highway (SR 58)	103Q-113.20	029473N	SJVR	42,470	4	0	5,000,000	0	1	3	0	3	0	11.5	18.5	52.5

*GSN2

Staff Exhibit
Appendix A-1
March 11, 2026

APPENDIX A – Proposed Grade Separation Priority List for Fiscal Years 2026-2027 and 2027-2028

Definitions and Abbreviations used in the Priority List Table:

DOT – Department of Transportation

VEH – Vehicle

TRN – Train

LTRN - Light Rail Trains

COST Share - Project Cost Share (a cost of more than \$5 million is permitted for qualified projects per S&H Code Section 2454 (h) for multi-year funding)

Crossings Nominated for Separation or Elimination:

AH - Accident History

BD - Crossing Blocking Delay

VS - Vehicular Speed Limit

RS - Rail Speed Limit

CG - Crossing Geometrics

PT - Passenger trains

SCF - Special Conditions Factor **OF** - Other Factors (Passenger Buses, School Buses, Hazmat Trucks, Community Impact)

*Existing Grade Separations Nominated for Alteration or Reconstruction (GSN2):

WC - Width Clearance

HC - Height Clearance

SR - Speed Reduction

AS - Accidents near Structure

POF - Probability of Failure

AP - Accident Potential

DE - Delay Effects

SF - Separation Factor

Railroad Abbreviations:

AMTRAK: National Railroad Passenger Corporation

CCJPA: Capital Corridor Joint Powers Authority

BNSF: The Burlington

Northern Santa Fe Railway

Company **PCJX**: Peninsula

Corridor Joint Powers Board

(Caltrain/PCMZ) **SCRRA**:

Southern California Regional

Rail Authority (Metrolink)

SJRRC: San Joaquin

Regional Rail Commission

(ACE)

SJVR: San Joaquin Valley Railroad

UPRR: Union Pacific Railroad Company

PCMZ: Caltrain Commuter Railroad Company

(END OF APPENDIX A)