

Decision 25-06-008 June 12, 2025

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Order Instituting Investigation to Establish a Priority List, for the Fiscal Years 2024-2025 and 2025-2026, 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 23-06-020

**DECISION ESTABLISHING THE CALIFORNIA GRADE SEPARATION
FUND PRIORITY LIST FOR FISCAL YEAR 2025-2026
AND CLOSING THE PROCEEDING**

Summary

This decision establishes and adopts the California Grade Separation Fund Priority List for Fiscal Year (FY) 2025-2026, as required by California Streets and Highways Code Section 2450 *et seq.* One project from the FY 2024-2025 Grade Separation Program Priority List adopted by Decision 24-06-001, the interim decision in this investigation proceeding, has already received funding allocations this fiscal year. Therefore, this project is deleted from the FY 2024-2025 Priority List to establish the FY 2025-2026 Priority List we adopt by this decision, *see* Appendix A.

Investigation 23-06-020 is closed.

1. Background

1.1. Factual Background

Section 2452 of the California Streets and Highways (S&H) Code requires the California Public Utilities Commission (Commission) to establish the Grade Separation Program Priority List (Priority List) for qualified projects and furnish it to the California Transportation Commission (CTC) by July 1 of each year for use in the fiscal year (FY) beginning on that date. The Priority List establishes the relative priorities for allocation of State funds to qualified rail crossing projects most urgently in need of separation or alteration, to meet the program goals of eliminating hazardous railroad crossings.¹ These projects include construction of new grade separations to replace existing at-grade rail crossings, or alteration or reconstruction of existing grade-separated rail crossings.

The CTC is responsible for allocating (distributing) the State funds to qualified projects, a responsibility it has delegated to the California Department of Transportation (Caltrans).² Section 190 of the S&H Code requires the State's annual budget to include \$15 million for funding of these Priority List projects.

Every two years, the Commission issues a new Order Instituting Investigation (OII), in which it determines the Priority List for the next two FYs. The Commission adopts the Priority List for the first FY by interim decision issued before the next FY begins. The Commission then revises the Priority List for the second FY by deleting projects for which funds were actually allocated in

¹ S&H Code § 2450 *et seq.*

² S&H Code § 2453.

the first FY, adopting a revised Priority List by final decision before the second FY begins. Thereafter, a new two-year funding cycle begins again with the issuance of a new OII for the adoption of a new Priority List for the following two FYs.

1.2. Procedural Background

On June 29, 2023, the Commission initiated the current proceeding by issuing Investigation (I.) 23-06-020 to establish the Priority List for FYs 2024-2025 and 2025-2026. The Commission's Rail Safety Division (RSD) received a total of thirty-six timely nominations from railroads, light rail transit agencies, cities, counties, and other interested parties for projects to be considered for inclusion in the first Priority List for this OII. After evaluating each project, RSD reviewed the nomination materials, the data submitted in support of the nomination, and all filings in this proceeding to develop its recommended preliminary Priority List. RSD's recommended preliminary Priority List has been filed in this proceeding, as ordered by the assigned Administrative Law Judge (ALJ).

On September 25, 2023, a remote prehearing conference (PHC) was held. On September 29, 2023, the Commissioner issued a scoping memo that included a schedule for the proceeding. Project proponents submitted their nomination proposals to RSD on October 20, 2023. The following parties filed motions for party status to the proceeding between October 5, 2023, and October 19, 2023: The City of Rancho Cucamonga, City of Palo Alto, City of Santa Ana, and Yolo County. The motions were granted between October 17, 2023, and October 19, 2023.

During the April 3, 2024 evidentiary hearing, each party that applied for project funding (city, county, or transportation authority) was afforded the opportunity to introduce their respective proposed projects and answer any questions about them. The hearing was transcribed by a court reporter. Due to complications incurred by the parties with electronic filings in previous cycles, electronic filings were not required for this cycle. RSD staff presented the Administrative Law Judge (ALJ) with paper copies of the 36 nominations. The ALJ stamped and admitted each into evidence with the Commission's Docket office.

1.3. Submission Date

This matter was submitted on April 15, 2025, upon notification from Caltrans of the final FY 2025-2026 Priority List.

2. Establishment of the FY 2025-2026 Priority List

Since our issuance of the interim decision, D.24-06-001, which adopted RSD's recommended Priority List for FY 2024-2025, one project on that list has since been funded. This project is removed from the revised Priority List for FY 2024-2025, which is updated and appended to this decision as Appendix A and the new Priority List for FY 2025-2026 is adopted. Adoption of the FY 2025-2026 Priority List closes this biennial proceeding.

The project which received allocation and removed from the 2024-2025 Priority List is:

FY 2024-2025 Ranking	Applicant	Project Name
3	City of Riverside	Third Street Grade Separation Project

3. Discussion and Analysis

RSD staff evaluated each nominated project's eligibility as either construction of new grade separations to replace existing at-grade rail crossings or alteration or reconstruction of existing grade separations on city streets, county roads, and state highways, which are not freeways as defined in S&H Code § 257. Staff considered the feasibility, need, urgency and relative priority for each of the grade separation projects that were nominated and applied existing formulas to provide a ranking for each project. The ranking process used to establish the grade-separation priority list for FY 2024-2025 was transparent and visible to the public and therefore reasonable. All projects regardless of location were evaluated for safety. Environmental and Social Justice (ESJ) communities are supported by projects in this proceeding. Goal 3 and Goal 6 of the ESJ Action Plan are impacted by the projects in this proceeding. Goal 3 as stated is to "Strive to improve access to high-quality water, communications, and transportation services for ESJ communities".

Goal 6, as stated, strives to "Enhance enforcement to ensure safety and consumer protection for all, especially for ESJ communities." Both goals 3 and 6 are supported by this proceeding therefore funding for these projects should be adopted by the Commission.

4. Summary of Public Comment

Rule 1.18 allows any member of the public to submit written comment in any Commission proceeding using the "Public Comment" tab of the online Docket Card for that proceeding on the Commission's website. Rule 1.18(b)

requires that relevant written comment submitted in a proceeding be summarized in the final decision issued in that proceeding.

No public comments were received in this proceeding.

5. Procedural Matters

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

6. 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. No comments were received..

7. Assignment of Proceeding

Matthew Baker is the assigned Commissioner and David R. Van Dyken is the assigned Administrative Law Judge in this proceeding.

Findings of Fact

1. The FY 2024-2025 Priority List was established by the interim decision in this OIL, D.24-06-001.
2. On February 13, 2024, the Commission adopted D.24-02-007, correcting errors in the Order Instituting Investigation 23-06-020.
3. One project on the FY 2024-2025 Priority List received an allocation.
4. RSD has prepared and filed the revised Priority List for the second FY 2025-2026 (Appendix A to this decision).

Conclusions of Law

1. The FY 2025-2026 Grade Separation Priority List (Appendix A to this decision) should be adopted.
2. I. 23-06-020 should be closed.

O R D E R

IT IS ORDERED that:

1. Pursuant to California Streets and Highways Code Section 2450 *et seq.*, the Fiscal Year 2025-2026 Grade Separation Priority List attached as Appendix A to this decision, is adopted, as the list of projects, in order of priority, which the California Public Utilities Commission determines to be the most urgently in need of grade separation, alteration, or reconstruction.
2. The Commission's Rail Safety Division shall furnish copies of this interim decision to the California Department of Transportation and the California Transportation Commission by no later than July 1, 2025
3. Investigation 23-06-020 is closed.

This order is effective today.

Dated June 12, 2025, at Sacramento, California.

ALICE REYNOLDS

President

DARCIE L. HOUCK

JOHN REYNOLDS

KAREN DOUGLAS

MATTHEW BAKER

Commissioners