

MASSACHUSETTS BAY TRANSPORTATION AUTHORITY

Regional Rail Future Innovative Operating Contract

REQUEST FOR INFORMATION (“RFI”) #63-24

COMMBUYS #BD-24-1206-MBTA-MBTA-99853

Responses Due: April 19th, 2024

Contact Person:

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ISSUE DATE: March 14th, 2024

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Purchasing Department	MBTA Commuter Rail
Address	10 Park Plaza, Room 2810
City, State Zip Code	Boston, MA 02116
Procurement Contact Person	Tracey Dionne
E-Mail Address	tdionne@mbta.com

1. Background and Objectives

MBTA's passenger rail network connects Boston to Eastern Massachusetts and Rhode Island. As MBTA's current contract to operate and maintain the Commuter Rail system approaches expiry (June 2026, with an option to extend by one year), MBTA is considering potential approaches for its successor contractual structure. There have been significant developments in passenger railroad technology and operations worldwide since the current structure was developed, and MBTA is considering whether different contractual structures may better serve the communities of Massachusetts.

Since 2018, MBTA has considered upgrading the legacy Commuter Rail system to a modernized (decarbonized, clockface, high frequency, all-day, two-way) Regional Rail service, catering to a much larger market than the traditional commuters it has served for 60 years. Work has already begun on improving frequencies and considering technologies for decarbonization, and it is envisioned that much of the future modernization will take place as part of a new innovative operating structure, delivering a safe and equitable railroad that drives regional growth for Massachusetts. Broader objectives include for regional rail to help facilitate Transit Oriented Development resulting in Livable Communities around stations, through the contract or a separate contract structure.

Given the timeframes required for electrification infrastructure and rolling stock procurement, the Massachusetts State Net Zero carbon emissions target of 2040, and the urgency of fleet replacement and service modernization, MBTA is considering innovative approaches to involve operator(s)/private partners in the design, build, finance, operation, maintenance of modernizing the railroad (DBFOM or DBFM).

MBTA is issuing this Request for Information (RFI) to gather views on the potential contractual arrangements to be implemented on expiry of the current contract, and to deliver the Regional Rail concept. The main potential roles which could be procured separately or together as part of a Regional Rail contract or contracts would be:

- Passenger service operations
- Legacy rolling stock maintenance
- New rolling stock provision, maintenance and finance/leasing
- Infrastructure management (including O&M and dispatch)
- Delivery, finance, and long-term maintenance of major capital works including electrification

In response to this RFI, MBTA is seeking input from those who have experience as and are interested in undertaking a role as any or all of the following:

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- Passenger service operators
- Infrastructure managers/Operations and Maintenance
- DBFOM/DBFM Investors/Developers
- Rolling Stock Maintainers
- Rolling Stock Lessors
- Rolling Stock manufacturers (OEMs)

MBTA is issuing this RFI to engage with the market as a first step in informing the development of its future procurements and contracts. Through this process, MBTA aims to develop procurements and contracts that align with current market expectations and delivery capability, attract sufficient interest during the bidding process, and lead to a modernized railroad.

2. Requested Information (RFI Response):

Please provide a response to the questions below. Supplemental material or appendices are not included in that limit. Responses should be submitted **RFPresponse@MBTA.com** and should address the following.

A. Cover Letter (1 page)

Please provide a cover letter which includes the name, title, phone number and email of a single contact within the organization or team of organizations responding to this RFI, for the receipt of all subsequent questions regarding this RFI.

B. Interest and Experience (3 pages maximum)

Please answer the following questions:

1. In what role(s) in a Regional Rail future operating model would your organization be most interested in participating (whether or not such role is described above)?
2. Is your organization interested in that role as part of a joint venture/team or solely under a direct contract?
3. Does your organization have experience in any role of modernization (such as significant frequency or infrastructure improvements) of existing rail services?
4. Has your organization previously been involved in a major project to decarbonize or electrify a new or existing railroad?
5. Has your organization previously undertaken work in an environment with multiple different operators, such as passenger and freight rail operators?
6. Please describe any recent, relevant experience your organization has of performing any of the above role(s). A one-page illustrative summary is sufficient.
7. Are there any contract delivery models that your organization would or would not be interested in participating in?
8. Does your organization have a history of including Diversity, Equity, and Inclusion (DEI) or Environmental, Sustainability, or Governance (ESG) commitments as part of contracts? Please attach either your DEI or ESG statements if you feel it is appropriate.

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9. Would your organization be interested in sharing your views in more detail at a confidential one on one meeting?
10. MBTA would like to attract sufficient interest in the next contracts to ensure the bidding process provides good value to the taxpayers and the riders. Are there any specific topics (such as risk transfer, asset condition information, project financing, etc.) that may influence your decision to bid, and which you would like to discuss in more detail at the confidential one on one meetings?

Additional more detailed questions will be asked as part of the confidential one on one meetings. Example questions can be found at the end of this RFI.

C. DEI, ESG statements and Marketing Materials (no page limit)

Please enclose any DEI, ESG statements or marketing materials you believe are relevant.

3. Next Steps

Upon receipt of responses, MBTA may request more information at one or more in person or virtual one on one meetings with your organization or team of organizations.

Responses to this RFI and any one-on-one meetings will be used to assist MBTA to understand current capabilities, market appetite for contract structures and to evaluate the respective merits of moving forward with one or more procurements.

4. RFI Calendar

Procurement Activity	Date
RFI Published	March 15, 2024
Deadline for RFI Responses	April 19, 2024 at 2pm EST
Request for One-on-One meetings	Week Commencing April 21, 2024
Timing for One-on-One Meetings	May 2024

5. RFI Format

Please submit RFI responses in MS Word, or Adobe PDF formats. (MS Word version must be Microsoft Office 2010 or later and Adobe formats must be version 10.0 or greater). Please do not use embedded or nested documents within other documents.

6. Conditions

The information and views contained in this RFI are preliminary in nature and are subject to change in the future. Responses to this RFI will not be scored or evaluated in connection with any procurement. Information submitted may be subject to disclosure. Any specific aspects of any response that a respondent believes to be confidential should be marked accordingly. MBTA will endeavor to keep any information marked as such confidential, to the extent permitted by law.

MBTA's receipt or discussion of any information related to this RFI or responses to this RFI, does not impose any obligations whatsoever on MBTA.

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Response Form

The below form is provided for your convenience but is not required for the response.

1	In what role(s) in a Regional Rail future operating model would your organization be most interested in participating (whether or not such role is described above)?
2	Is your organization interested in that role as part of a joint venture/team or solely under a direct contract?
3	Does your organization have experience in any role of modernization (such as significant frequency or infrastructure improvements) of existing rail services?
4	Has your organization previously been involved in a major project to decarbonize or electrify a new or existing railroad?
5	Has your organization previously undertaken work in an environment with multiple different operators, such as passenger and freight rail operators?
6	Please describe any recent, relevant experience your organization has of performing any of the above role(s). A one-page illustrative summary is sufficient.
7	Are there any contract delivery models that your organization would or would not be interested in participating in?
8	Does your organization have a history of including Diversity, Equity, and Inclusion (DEI) or Environmental, Sustainability, or Governance (ESG) commitments as part of contracts? Please attach either your DEI or ESG statements if you feel it is appropriate.
9	Would your organization be interested in sharing your views in more detail at a confidential one on one meeting?
10	MBTA would like to attract sufficient interest in the next contracts to ensure the bidding process provides good value to the taxpayers and the riders. Are there any specific topics (such as risk transfer, asset condition information, project financing, etc.) that may influence your decision to bid, and which you would like to discuss in more detail at the confidential one on one meetings?

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Sample One on One Meeting Questions

The questions below are a sample of the questions that will be discussed as part of on the follow up one on one meetings. The questions are divided by potential roles, acknowledging that there will be overlap depending on which roles any given organization is interested in pursuing.

General Questions

- Do you prefer an unbundled approach? Is this based on any specific experience?
- What term do you think the contract should be?
- How long would the contract need to last to transfer asset management risk effectively?
- How should bonding be structured to give MBTA protection in the most cost-effective manner?

Passenger Service Operators

- Are you willing to share revenue risk? What control would you need to manage that risk?
- Do you think new rolling stock should be procured by the operator?
- Where do you see the responsibility split between train operator and OEM/Lessor?
- How would you see a relationship with an infrastructure operator working e.g. delay causes?

Infrastructure Managers/Operations and Maintenance Providers

- Are you willing to assume risk delivering or integrating electrification work?
- If so, are you open to being part of a DBFOM partner joint venture or do you prefer project delivery partner/integrator role?
- Do you have experience implementing asset monitoring systems and in their use to enable preventative maintenance programs to reduce cost and increase safety? In your experience what approaches have provided best value?

DBFOM/DBFM Investors/Developers

- What are your views on a P3 approach that includes rolling stock and the necessary electrification infrastructure and support facilities (like RSSOM)? In that case how would you ensure the input of the train operator is cost effectively incorporated in the design/performance requirements?
- Do you have appetite for systems integration risk?
- What do you believe is best practice to manage the competing needs for track outages for construction and passenger service levels/reliability with a DBFOM project on an operational railroad?

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Rolling Stock Maintainers

- How much appetite do you have for refurbishment work on legacy rolling stock?
- How practical/ cost effective would a move to predictive maintenance be with the legacy Diesel fleet?

Rolling Stock Lessors

- What factors determine whether and how much residual value risk you are prepared to take on a fleet?
- If the train operator were the lessee, are you prepared to consider novation to a subsequent operator if the MBTA provided a continued lease guarantee/commitment to act as lessee of last resort?

Rolling Stock Manufacturers (OEMs)

- Do you provide lease financing or prefer to work with financial lessors?
- Do you provide Technical Support and Spares Supply Agreements for long-term contracts (such as up to midlife)?