U.S. Department
of Transportation

**Federal Railroad
Administration**

1200 New Jersey Avenue, SE
Washington, DC 20590

MAR 04 2016

(b) (6)
Senior Vice President–Engineering, Mechanical, and Purchasing
Florida East Coast Railway
7150 Philips Highway
Jacksonville, FL 32256

Dear (b) (6):

This letter is in response to Florida East Coast Railway's (FEC) request to the Federal Railroad Administration (FRA) for concurrence with proposed Phase 2 of FEC's liquefied natural gas (LNG)-fueled locomotive project. FEC submitted its initial request for FRA's concurrence on December 16, 2015, amended that request on January 8, 2016, and in response to FRA's request, submitted additional clarifying information on January 22, 2016.

Based on the information submitted, FRA understands that the objective of Phase 2 is to test in-revenue service, the technical performance of FEC's LNG-fueled locomotives and tenders, and the applicable operational procedures. FEC's letter outlined the components of its planned Phase 2 testing, including the operation of LNG consists (two dual-fuel locomotives, coupled to an LNG tender) in-revenue service trains on two to three round trips per week between FEC's Bowden Yard to its New Smyrna Beach (NSB) Yard, a round trip of approximately 230 miles.

FRA previously conditionally concurred with FEC's planned Phase 1 of this project (the Commissioning Phase) and based on FRA's review of the results of Phase 1 and the additional information FEC provided in support of its proposed Phase 2, FRA concurs with FEC's proposed Phase 2 testing, as described in its written communications to FRA dated December 16, 2015, January 8, 2016, and January 22, 2016, and subject to FEC's compliance with the following conditions:

1. FEC shall complete Phase 2 no later than May 31, 2016. Throughout Phase 2, FEC shall comply with its planned actions outlined in its written submissions to FRA.

2. Before any FEC employee operates or conducts any testing involving LNG equipment, FEC shall provide that employee appropriate hazardous materials training related to the equipment or LNG in general.

3. During on-the-road tests, to the extent possible, the tender shall be operated at the lowest possible tank operating pressure consistent with the locomotive demand for natural gas, using only the cryogenic pump and built up pressure head in the tender