

Compliance and Audits

FECR AVP Safety and AVP Operating Policies & Procedures shall conduct formal quarterly, documented audits of all critical functional activities.

- To provide necessary redundancy to the internal audit process, FECR shall contract with outside third party contractors to audit processes and procedures for transporting LNG on an annual basis.
- Additionally, each department shall be required to document behavioral observations with regard to the proper handling and transportation of rolling stock.

Continuous Improvement Process

FECR shall seek continuous improvement by monitoring and benchmarking the “best practices” employed by other shippers presently moving LNG by rail (e.g. - Japan railways, Japex).

- FECR shall perform reviews to refresh, update and re-distribute documents specific to LNG transportation to key stakeholders on a quarterly basis.
- FECR shall also work to educate industry peers with LNG transportation and handling knowledge that has been acquired. FECR shall further take an active role in LNG industry recommended practices development through Association of American Railroads (AAR) and other organizations.

Equipment

As outlined in detail the initial request for concurrence, FECR will utilize only (b) (4) (b) (4) ISO certified cryogenic containers. Containers will be with pressure relief safety valves shall be accepted for shipment on FECR. Additionally, FECR has listed the specific types of railroad equipment in its request for concurrence as to ensure that only suitable equipment will be utilized. The specific types of railroad equipment proposed by FECR to be used as the loading platform shall be either Trailer-On-Freight-Car (TOFC) or Container-On-Freight-Car (COFC). The