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March 31, 2016

Dr. Phani Raj HazMat Division Federal Railroad Administration Hazardous Materials Division, West Building 1200 New Jersey, Avenue S. E. Washington, DC 20590

Subject: Florida East Coast Railway Request for Concurrence for Phase 3 LNG Operations

Dr. Raj,

Florida East Coast Railway (FECR) continues to safely and successfully operate the LNG Consist (FEC 800, FEC 300 Tender and GECX 3000) under the requirements of FRA Phase 2 concurrence letter dated March 4, 2016 and expiring May 31, 2016. During Phase 2 operations, FECR has complied with all regulations and requirements as well as the guidance and special instructions provided by FRA in previous correspondence for Phase 1.

LNG Phase 1 and Phase 2 operations have provided FECR with data, experience and knowledge for managers, craft employees and equipment suppliers through the operation of scheduled revenue Trains 111 and 212. Information continues to be collected and shall be provided to FRA as requested in the Phase 2 concurrence letter.

Key measures of success with regard to FECR LNG operation include:

1) Safety Policy and Procedures

Safety procedures with regard to LNG as a locomotive fuel have been demonstrated throughout Phase 1 and Phase 2 LNG operations and have become standard operating practices for FECR daily LNG operations. These practices have been demonstrated in daily routine events such as: preparing the LNG Consist for train operations, Yard operations, and in mainline revenue service between Jacksonville and New Smyrna Beach, FL. FECR LNG train runs have included craft employees, managers and representatives from GE and Chart onboard to gain experience with the equipment and seamlessness of the dual fuel locomotives and Tender. Further, FECR has selected specific employees for training on the LNG cryogenics and equipment at all three FECR shop locations (Bowden Yard, New Smyrna Beach Yard and Hialeah Yard).

2) Employee Training and Orientation