



**NORTHERN INDIANA
COMMUTER TRANSPORTATION DISTRICT**

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August 18, 2015

Ms. Sarah Feinberg
Acting Administrator
Federal Railroad Administration
1200 New Jersey Ave. S.E.
Washington D.C. 60590

Dear Administrator Feinberg:

Positive Train Control implementation dominates our thinking and no project is higher in priority than the complete installation and operation of the PTC system.

Like nearly all railroads, we are applying significant resources to fully establish Positive Train Control as quickly as possible. Our progress reports to the FRA have consistently documented this effort. We have aggressively solicited vendors, actively engaged our partners, and significantly stretched our funding sources in an attempt to expeditiously reach implementation. We even re-bid the entire project in an attempt to shorten the schedule and make the costs feasible given our limited resources. Despite our on-going best efforts and for several critically important reasons, we will not achieve full functionality of Positive Train Control by December 31, 2015, as mandated in the Rail Safety Improvement Act of 2008. While we still are actively pursuing implementation, we want to be prepared for the impact of the deadline on our operational status.

In your remarks to Congress on June 24, 2015, you make reference to FRA's continuing work to finalize an enforcement framework to hasten implementation of Positive Train Control. Not contained in your remarks, but of essential importance, is an understanding of the practical effects on service to our approximately 13,000 daily passengers and our freight partner, South Shore Freight, and its customers, as guided by the pertinent sections of the Rail Safety Improvement Act of 2008. We are concerned that if PTC is determined an essential safety element by FRA rules, we will not be able to legally provide service given the current statutory language. Put simply, absent implementation of an FRA approved PTC system, by what authority or statutory provision will the District be able to legally provide service after December 31, 2015? In our review of the statutory mandate, we are unable to identify a specified alternative that permits operation without Positive Train Control.

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Your June 24th remarks reference the assessment of financial penalties for those carriers who have not fully implemented PTC and any other regulatory tools at FRA's disposal. Left unaddressed, however, are the provision of changes to operating practices that can be put in place to manage safety risks until full PTC compliance is achieved.

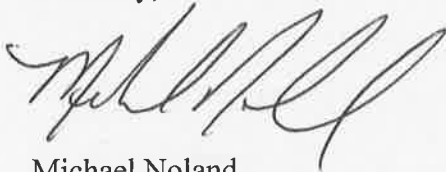
As examples, potential operating practices in the absence of PTC could include a mandatory reduction in train speed or a requirement that exclusive block occupancy be established. These measures would effectively negate the value of our service due the excessive travel times experienced by our passengers. In each instance, the value of our service would be so greatly reduced it would not be a viable transportation option, and we believe our passengers will be forced to their autos if they have access to one. The traveling public's need for timely service would be unmet in an environment where tight headways and frequent service are the norm. Practically speaking, we could not operate on the congested Metra Electric corridor with its high train densities under such operational scenarios. We would be likely forced to shut down all service.

Similarly, interim operating rules which adversely impacts track capacity, will adversely impact our freight partner, South Shore Freight, and their ability to serve many customers in northwest Indiana, including Arcelor Mittal and Northern Indiana Public Service Company.

As we actively move forward to address PTC implementation, we must also be prepared to manage our operations given the realities we face. These jugular issues require clarification as we draw closer to the current PTC implementation deadline of December 31, 2015.

Please consider our concerns and provide us with some guidance on these issues. Thank you for your efforts at moving the challenging PTC issue forward in the weeks ahead.

Sincerely,



Michael Noland
General Manager

cc: NICTD Board of Trustees
Victor Babin, PTC Project Leader