



U.S. Department
of Transportation

1200 New Jersey Avenue, SE
Washington, DC 20590

**Federal Railroad
Administration**

FEB 10 2017

Mr. Edward R. Hamberger
President and CEO
Association of American Railroads
425 3rd Street SW
Washington, DC 20024

Mr. Richard A. White
Acting President and CEO
American Public Transportation Association
1300 I Street NW, Suite 1200 East
Washington, DC 20005

Ms. Linda Bauer Darr
President and Treasurer
American Short Line and Regional Railroad Association
50 F Street NW, Suite 7020
Washington, DC 20001

**Re: Host Railroad Positive Train Control System Certification—Host/Tenant
Relationships and Responsibilities**

Dear Mr. Hamberger, Mr. White, and Ms. Darr:

As you are aware, each Positive Train Control (PTC) system must receive PTC System Certification from the Federal Railroad Administration (FRA) prior to engaging in full revenue service operation. *See* 49 U.S.C. § 20157(h); 49 CFR § 236.1009(d). To achieve PTC System Certification, the host railroad must submit to FRA a PTC Safety Plan (PTCSP) showing that the system will safely operate as intended and to FRA's satisfaction. *See* 49 CFR §§ 236.1009, 236.1015.

FRA has received numerous inquiries regarding the roles, responsibilities, and relationships of host and tenant railroads when submitting each PTCSP. Accordingly, to clarify how the regulations impact each host and tenant railroad, FRA has prepared the enclosed document titled "Guidance on Positive Train Control System Certification—Host and Tenant Relationships and Responsibilities" for you to share with your affected member railroads.

If you have any questions regarding this guidance, please feel free to contact Mr. David Blackmore, Staff Director, Positive Train Control Division, at (312) 835-3903 or David.Blackmore@dot.gov, or Dr. Mark Hartong, Senior Scientific Technical Advisor, at (202) 493-1332 or Mark.Hartong@dot.gov.

Sincerely,

A handwritten signature in black ink, appearing to read "Thomas J. Herrmann", followed by a long horizontal line extending to the right.

Thomas J. Herrmann
Director, Office of Technical Oversight

Enclosure

Guidance on Positive Train Control System Certification— Host and Tenant Relationships and Responsibilities

The purpose of this document is to provide guidance on each host and tenant railroad's¹ responsibilities when implementing Positive Train Control (PTC) and developing a Positive Train Control Safety Plan (PTCSP) necessary to gain PTC System Certification.

Each PTC system required by the Rail Safety Improvement Act of 2008 (RSIA), Pub. L. No. 110-432, § 104(a), 122 Stat. 4848, 4858 (Oct. 16, 2008), subsequently amended by the Positive Train Control Enforcement and Implementation Act of 2015, Pub. L. No. 114-73, 129 Stat. 568, 576–82 (Oct. 29, 2015), and the Fixing America's Surface Transportation Act, Pub. L. No. 114-94, 129 Stat. 1312, 1675 (Dec. 4, 2015), must receive PTC System Certification from the Federal Railroad Administration (FRA) prior to full revenue service operation. *See* 49 U.S.C. § 20157(h); 49 CFR § 236.1009(d). To achieve PTC System Certification, the host railroad—as the railroad with effective operating control over a track segment and responsible for PTC system installation—must comply with the regulatory planning and filing requirements of 49 CFR part 236, subpart I, including submission of a PTCSP to FRA for approval. *See* 75 FR 2598, 2610 (Jan. 15, 2010); 49 CFR § 236.1015(a).

Most tenant railroad locomotives operating in PTC territory must be equipped with onboard PTC apparatus operating and functioning per the host railroad's PTCSP. *See* § 236.1006(a). Some tenant railroad operations on a host railroad's PTC territory may be eligible for an exception from PTC system implementation on its locomotives. *See, e.g.,* § 236.1006(b)(4). The conditions under which tenant operations are allowed must be detailed in the host railroad's PTCSP.

Regardless of whether a tenant railroad's operations are excepted from PTC system implementation under 49 CFR § 236.1006(b)(4), the host railroad—through its own PTCSP, operating rules, or other operational or commercial arrangements—may place certain restrictions on each tenant railroad, including requiring PTC system operation. FRA may apply its approval or enforcement powers if such decisions adversely impact railroad safety (e.g., FRA could enforce the relevant regulations), but any commercial or other impact would more likely come under the jurisdiction of the Surface Transportation Board.

Since each PTCSP relates to specific PTC system technology as operated over a specific territory, each territory must have a single PTCSP governing all of its PTC operations. Otherwise, there would be a risk of operational, informational, and analytical conflicts, a lack of interoperability, and unintended circumstances. A single PTCSP is also necessary, because it is the host railroad's responsibility to ensure all operations on its PTC track segments are interoperable through legal, operational, and technical controls.

Each host railroad's PTC Implementation Plan (PTCIP) must show how the PTC system will provide for interoperability of the system with the movements of trains of other railroad carriers over its lines. *See* 49 U.S.C. § 20157(a)(2)(A)(i)(I); 49 CFR § 236.1011(a)(3). Such interoperability cannot be achieved without cooperation between host and tenant railroads. To

¹ Host and tenant railroads are defined in 49 CFR 236.1003.

that end, the rules contemplate tenant involvement in PTCIP development (*see* 49 CFR § 236.1009(a)(3)) and a host railroad and FRA may hold a tenant railroad jointly or severally liable for not complying with a host railroad's interoperability requirements.

Accordingly, FRA expects each tenant railroad to reasonably provide its host railroad with the necessary and relevant information and assistance to ensure interoperability and support the development of a satisfactory PTCSP. Similarly, FRA expects each host railroad, when drafting its PTCSP, to consult with its tenant railroads, review the relevant tenant information and documentation, and include the acceptable and applicable documentation in its PTCSP, preferably in an appendix. If the host railroad believes the tenant railroad's PTC documentation would adversely affect FRA approval of the host railroad's PTCSP, the parties should collaborate towards a mutually amenable solution. Ultimately, however, if the parties cannot come to an agreement, a result may be the host railroad submitting a PTCSP without the tenant railroad's input.

If a host railroad's PTC-related requirements are consistent with law, a host railroad may restrict a noncompliant tenant railroad's access to, or movement on, the territory. FRA believes certain operational restrictions are consistent with the current host railroad practice of restricting movements when its traffic is threatened by unsafe operations, congestion, or other interference.

When a tenant railroad is required by law or by the host railroad to install and operate a PTC system, at a minimum, the host railroad is responsible for:

1. Identifying in its PTCSP any applicable interoperability and safety standards requiring tenant railroad compliance;
2. Including in its PTCSP all tenant railroad information necessary to support PTC System Certification;
3. Amending its operating rules to make them consistent with its approved PTCSP, support PTC system operations, and address PTC system en route failures or PTC-unequipped operations in PTC territory;
4. Ensuring interoperability has been achieved with each tenant railroad operating on its territory or that it will prevent non-compliant tenant railroad access by requiring the tenant railroad to provide its written assurances of regulatory and PTCSP compliance and PTC operations readiness to the host railroad and FRA and to demonstrate interoperability through joint field testing.
5. Providing records of interoperability testing to FRA; and
6. Ensuring the tenant railroad's training, operations, testing, maintenance, and configuration management procedures will support the tenant railroad's continued safe operation on the host railroad.

See 49 CFR § 236.1011(a)(3), 236.1013(a)(5) and 236.1015(c)–(d).

For a host railroad to meet its responsibilities under 49 CFR § 236.1015 as outlined above, at a minimum, any tenant railroad operating a PTC system on a host railroad must:

1. Submit to the host railroad evidence of interoperability that the host railroad may use to support or include in its PTCSP;
2. Comply with the host railroad's FRA-approved PTCSP and operating rules as modified for operation under the host railroad's PTC system;
3. Comply with any applicable FRA conditions to each of the host railroad's and tenant railroad's approved plans and PTC System Certification;
4. Provide the host railroad with the tenant railroad's PTC system design, installation, test, training, operation, and maintenance procedures necessary for the host railroad to achieve and maintain PTC System Certification for its PTC system;
5. Implement a PTC system on each its locomotives that conforms to the host railroad's standards and does not adversely affect host railroad operations or PTC System Certification;
6. Maintain at a designated office on the tenant railroad all records required by 49 CFR § 236.1037, *Records retention*, demonstrating the tenant has:
 - a. Conducted appropriate testing as specified in the applicable PTCSP and PTCDP (including appropriate lab testing, prior to performing field interoperability tests with the host railroad, to validate and verify that the tenant railroad's PTC system installation, operation, and functionality are interoperable with the host railroad) and field interoperability testing according to an FRA-approved field test plan to validate and verify that the tenant railroad's PTC system is functionally operable and interoperable for PTC service on the host railroad. Records of such tests must be made available to FRA upon request;
 - b. Properly installed all PTC equipment consistent with the procedures required by 49 CFR § 236.1039, *Operations and maintenance manual*.
 - c. Conducted locomotive installation checkout procedures as outlined in the relevant PTCSP and Operations and Maintenance Manual;
 - d. Performed the training for train crews required by 49 CFR § 236.1041, *Training and qualification program, general*, § 236.1043, *Task analysis and basic requirements*, and § 236.1047, *Training specific to locomotive engineers and other operating personnel*. Records of training, exams, and training plans must be made available by the tenant railroad to FRA upon request and
 - e. Ensured each contractor providing services relating to the testing, maintenance, or operation of a tenant railroad's PTC system must maintain at a designated office training records required under § 236.1039(b). Records of training, exams, and training plans must be made available to FRA upon request;

7. Operate consistent with 49 U.S.C. § 20157(j) or 49 CFR § 236.1029, *PTC system use and failures*, as applicable, in the event of an en route failure of the tenant railroad's PTC system; and
8. Obtain a Type Approval number for its PTC System prior to operation of the tenant railroad's PTC system on the host railroad.

Both host and tenant railroads are jointly responsible for:

1. Amending any associated interchange agreement to address PTC requirements, including interoperability;
2. Establishing and maintaining timely communication between each other regarding implementation schedules and any PTC-related changes to the applicable operating rules, train handling procedures, and training requirements;
3. Coordinating the approach for PTC system initialization, including the need for separate tenant railroad back office server and back office systems; and
4. Establishing appropriate commercial and contractual relationships, including identifying the entity (host railroad, tenant railroad, contractor, etc.) responsible for providing specific information to FRA and the method of delivery.