LNG Strategy and Progress
February 24, 2017
Florida East Coast Railway (FEC) Overview

- 351 miles of mainline track
  - Premium, head hardened welded rail
  - Concrete crossties and granite ballast
  - 100% crossings automated warning systems
  - Strategically placed defect detectors

- Business overview
  - 12 thru-haul and 6 industry/port trains daily
  - 78% Intermodal
  - 22% Carload
    - Aggregate, Auto, Ethanol, Consumer Goods
  - Uniquely serves Port Everglades and Port Miami
FEC committed to implementing LNG strategies . . .

- Mainline fleet will be converted June ’17
- 7 Tenders in service and 6 more in process
- Utilizing LNG liquefaction plant in Miami
  - Small scale 100K gpd plant
- First North American railroad to convert revenue fleet to LNG
- Currently moving LNG to Ports via truck to serve offshore customers
  - Rail service to begin Q1 2017
FEC has integrated LNG into normal train service . . .

- Purchased 24 new Tier 3 locomotives in 2014
  - Replaced older Tier 0 and Tier 1 locomotive
  - Required conversion to burn LNG

- 13 locomotives currently converted to LNG
  - Operating in FEC revenue train service
    - Approximately 5 LNG trains each day
    - Current LNG substitution rate of 60%

- Completed over 450 trips and 150K route miles
- Eleven (11) additional locomotives to be converted by June 2017
Environmental benefits for communities and FEC customers...

Locomotive Emission Comparison

- Particulate matter is significantly reduced to Tier 4 levels
- NOx is higher in Tier 3 LNG locomotive to support desired fuel efficiency

Source: GE Transportation
FEC LNG Tender serves 2 locomotives

- Robust purpose built “locomotive-like” platform
- 10K gallons nominal capacity UN T75 ISO container
- Wi-Tronix remote monitoring systems
- Extensive crash worthiness modeling

Tenders design meets government regulations and safety standards...
LNG transfer station offers flexibility for fueling Tender . . .

- **Bowden Yard Fuel Transfer Station**
  - Can fuel from truck or from ISO container
  - Loco/Tender consist are fueled as an integral unit
  - Process Safety Management and HazID implemented
  - Fire Marshal site certification and approval
  - First Responders across system training and communication
New Fortress Energy Rail Served LNG Plant . . .

- Adjacent to FEC Hialeah Yard (Miami)
- Operational Q1 2016
- 100K gpd liquefaction plant
- 270K storage capacity
Questions