Rail Law Alert – PTC Grants Available to Commuter Agencies

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FRA Announces PTC Implementation Grants

On July 28, 2016, the Federal Railroad Administration (FRA) announced the availability of approximately **$197 million** in funding for Positive Train Control (PTC) implementation grants. FRA will accept applications until **5 p.m. EDT on Sept. 28, 2016**. Interested commuter agencies and operators should review the complete list of eligibility criteria and application procedures in the FRA's Notice of Funding Availability.

Eligible applicants include any entity that may receive grants from the Federal Transit Administration (FTA), including commuter rail agencies and state and local governments. Further, the applicant must have submitted a revised Positive Train Control Implementation Plan (PTCIP) to FRA (if required by 49 U.S.C. 20157), or be a tenant on a host railroad that has submitted a revised PTCIP.

The funds, authorized by Congress in the Fixing America's Surface Transportation (FAST) Act, Pub. L. No. 114-94, § 3028 (Dec. 4, 2015), are available to assist grantees with the **capital costs of installing PTC systems**, including back office systems; wayside, communications and onboard hardware equipment, software; equipment installation; and broadcast spectrum acquisition. Grants may also be awarded to cover the **Credit Risk Premium or administrative costs** associated with a **Railroad Rehabilitation and Improvement Financing (RRIF) loan to finance the costs of PTC implementation**.

FRA plans to evaluate the merit of each application based on four technical factors:

- Accrued safety benefits;
- Expeditious PTC system development;
- Technical merit; and
- Project development approach.

Due to limited funding and the anticipated number of applications, the FRA also encourages applicants to identify scalable project phases or elements that would result in the installation of components necessary for the deployment of a PTC system. FRA may choose to make project selections for less than the total amount requested in the application.