UNITED STATES DEPARTMENT OF TRANSPORTATION
Pipeline and Hazardous Materials Safety Administration

Hearing on
Oversight of Passenger and Freight Rail Safety

Before the
U.S. House of Representatives
Committee on Transportation and Infrastructure
Subcommittee on Railroads, Pipelines, and Hazardous Materials

Written Statement of
Cynthia L. Quarterman, Administrator

February 26, 2014

WRITTEN STATEMENT
OF
CYNTHIA L. QUARTERMAN
ADMINISTRATOR
PIPELINE AND HAZARDOUS MATERIALS SAFETY ADMINISTRATION
U.S. DEPARTMENT OF TRANSPORTATION

BEFORE THE
SUBCOMMITTEE ON RAILROADS, PIPELINES, AND HAZARDOUS MATERIALS
COMMITTEE ON TRANSPORTATION AND INFRASTRUCTURE
U.S. HOUSE OF REPRESENTATIVES
WASHINGTON D.C.

OVERSIGHT OF PASSENGER AND FREIGHT RAIL SAFETY
February 26, 2014

Chairman Denham, Ranking Member Brown, and Members of the Subcommittee, thank you for the opportunity to appear today to discuss the Pipeline and Hazardous Materials Safety Administration's (PHMSA) comprehensive approach to address the risks associated with increased bulk shipments of flammable liquids by rail. I would also like to thank you for your leadership and for your efforts to advance rail safety. While rail safety is improving, high-profile train accidents like the ones we've seen in Lac-Mégantic, Quebec, Canada; Aliceville, Alabama; and Casselton, North Dakota underscore how important it is to be ever-vigilant in protecting local communities and the environment.

Safety is the top priority for Secretary Foxx, everyone at PHMSA, and the other modes in the U.S. Department of Transportation (DOT). PHMSA continues to work diligently to protect the American people and the environment from the risks in the transportation of hazardous materials by all modes, including rail. PHMSA works to achieve its safety mission through efforts to prevent and mitigate accidents by developing regulations and guidance, taking rigorous

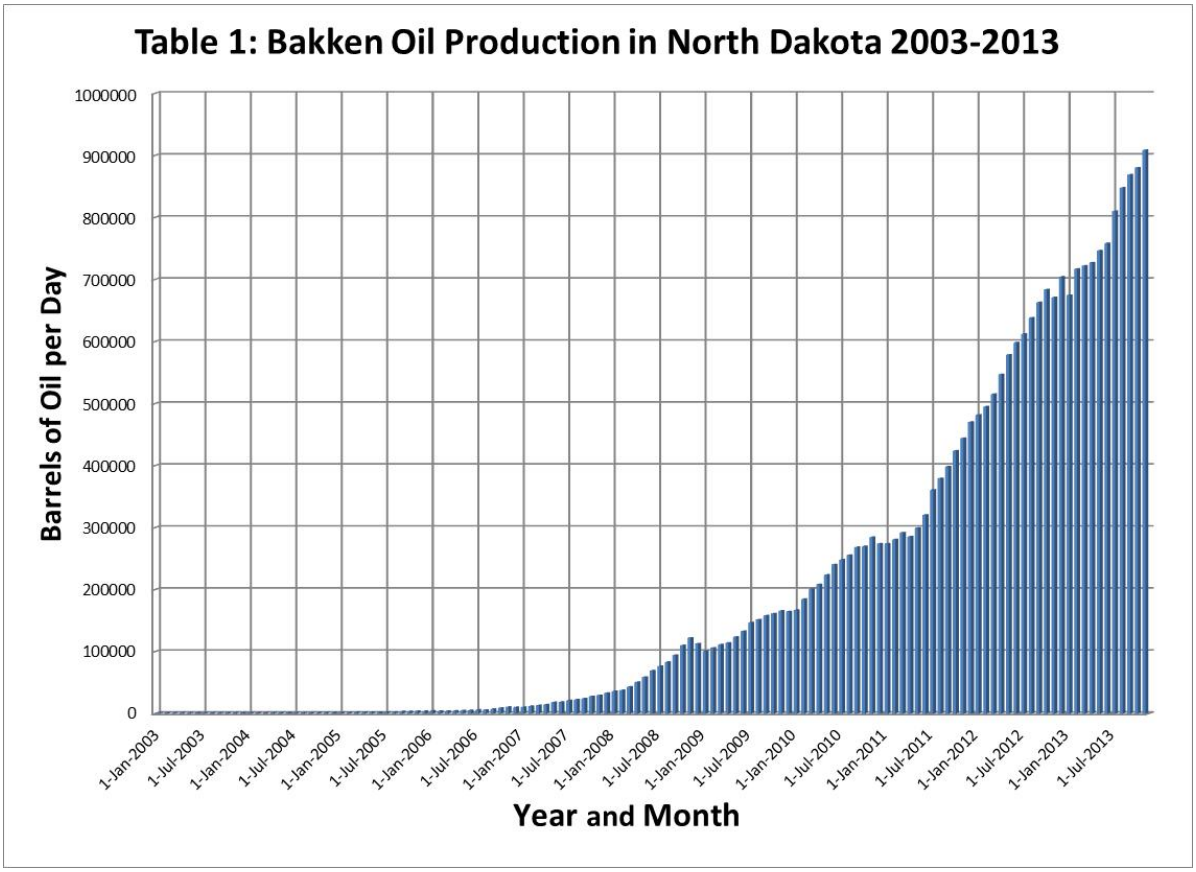
enforcement actions, collaborating with stakeholders, and educating emergency responders and the public.

This testimony will focus on the risks posed by the transport of bulk shipment of flammable liquids, including petroleum crude oil, by rail and PHMSA's efforts to both prevent and mitigate those risks. First, I will provide an overview of the current state of petroleum crude oil (crude oil) transportation by rail in the United States. Second, I will discuss our comprehensive approach to prevent and mitigate the damage caused by rail accidents involving hazardous materials.

I. STATE OF CRUDE OIL TRANSPORTATION

As energy production in the United States increases, so does the transportation of more products in their various forms by multiple modes. The epicenter of the increased crude oil production is the Bakken Formation, occupying about 200,000 square miles (520,000 kilometers^2) of the subsurface underlying parts of Montana and North Dakota, and Saskatchewan and Manitoba in Canada. Production from the Bakken in recent years has elevated North Dakota to the second largest oil producing State, and one of the most important sources of oil in the United States. While most new Bakken drilling and production has been in North Dakota, drilling operations also extend into Montana, Saskatchewan, and Manitoba. As of 2013, the Bakken produced more than ten percent of all oil in the United States. In November 2013, 10,022 Bakken wells extracted approximately 29 million barrels of oil and 32 million cubic feet of gas. This equates to over 900,000 barrels of oil produced daily (See Table 1). [1]

[1] Data from the North Dakota Department of Mineral Resources Web site: https://www.dmr.nd.gov/oilgas/stats/historicalbakkenoilstats.pdf

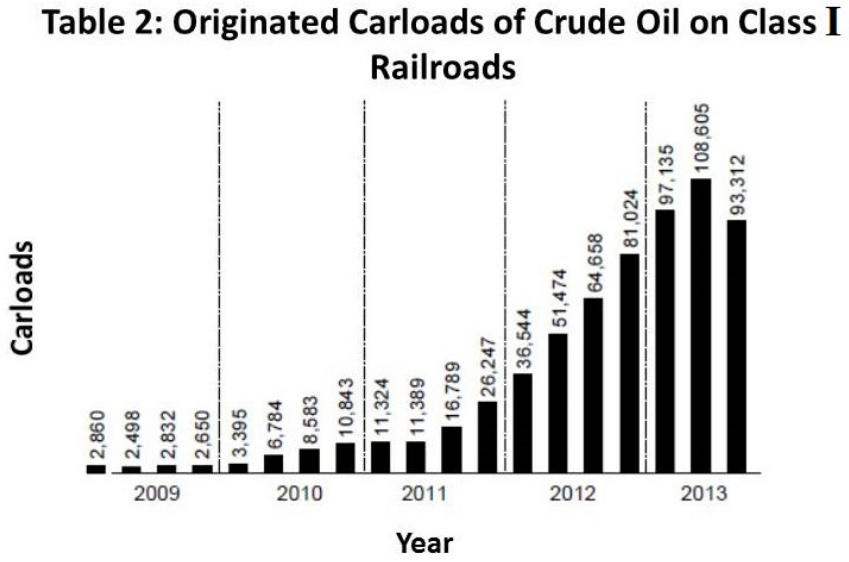


Approximately 71 percent of all oil produced in North Dakota was transported by rail in November 2013, or around 800,000 barrels per day, according to the North Dakota Public Service Commission.[2] Corresponding with increased production, the volume of crude oil moving by rail has quadrupled in less than a decade (See Table 2—A Class I railroad is a railroad of having annual inflation-adjusted operating revenues for three consecutive years of $250 million or more as the figure $250 million is adjusted by applying the railroad revenue deflator formula).[3] While overall train volume has increased, train accidents declined by 43

[2] http://in.reuters.com/article/2014/01/16/usa-rail-regulator-idINL2N0KQ1WN20140116

[3] The Surface Transportation Board Web site indicates that the inflation-adjusted dollar amount for 2012 (the most recent year for which a complete year of annual operating revenue data is available) is $452,653,248 or more for a Class I railroad. Figures in table are quarterly totals. Source: Association of American Railroads

percent and train accidents involving a hazardous materials release are down 16 percent between 2003 and 2012.[4]



Despite this decline in such accidents, there is always the potential for low probability, high consequence events to occur that could have devastating consequences to the public, communities, and the environment. Recent incidents in the United States and Canada demonstrate the need for a renewed focus on rail safety efforts. PHMSA works in partnership with the Federal Railroad Administration (FRA), to address and mitigate the risks associated with the rail transport of hazardous materials. Here are a few incidents that have sharpened our focus on the safe transportation of high-hazard flammable liquids by rail.

On July 6, 2013, a catastrophic derailment involving an unattended freight train containing 72 loaded DOT Specification 111 tank cars of petroleum crude oil occurred in the town of Lac-Mégantic, Quebec. The train was 4,701 feet long and weighed 10,287 tons. The train, which was not properly secured, rolled down a descending grade and subsequently

[4] Data from 2003-2012 compiled by FRA Office of Safety Analysis.

derailed. The unattended train started to move and gathered speed as it rolled uncontrolled down the descending grade into the town of Lac-Mégantic. While traveling in excess of the authorized speed, the train derailed near the center of Lac-Mégantic. The locomotives separated from the train and came to a stop about one half- mile east of the derailment. In the course of the accident, 63 tank cars derailed. Several derailed tank cars released crude oil, causing fires that killed 47 people, extensively damaged the town center, and required the evacuation of about 2,000 people from the surrounding area.

On November 7, 2013, a train carrying crude oil to the Gulf Coast from North Dakota derailed in Aliceville, Alabama, spilling crude oil in a nearby wetland and igniting into flames. There were a total of 88 tank cars containing crude oil in the 90 car train. Twenty-six DOT Specification 111 tank cars derailed, 21 of which released all or part of their contents. The National Transportation Safety Board (NTSB) is currently investigating the accident.

On December 30, 2013, a train carrying crude oil derailed and ignited near Casselton, North Dakota prompting authorities to issue a voluntary evacuation of the city and surrounding area. A collision with a disabled train blocking the track caused 20 DOT Specification 111 tank cars to derail. Estimates indicate that those cars lost 476,436 gallons of product. NTSB is investigating the accident.

Accidents like these demonstrate both the inherent dangers of transporting hazardous materials, and the various factors that may cause accidents and the unintentional release of hazardous materials. PHMSA strives to prevent these accidents from occurring and, in the event they do occur, helps to mitigate the consequences of these types of accidents. Train accidents involving hazardous materials releases like the ones previously described highlight the need for a robust hazardous materials transportation regulatory system, strong enforcement capabilities, and

wide-reaching communication and training with hazardous materials stakeholders, including the public, hazmat transporters, and emergency responders.

II. COMPREHENSIVE APPROACH TO PREVENT AND MITIGATE RAIL HAZARDOUS MATERIALS ACCIDENTS AND INCIDENTS

In order to achieve our safety mission, PHMSA works to ensure that the transportation system is functioning as it should. With regard to rail safety, PHMSA and FRA have taken a comprehensive approach to the risks posed by the bulk transport of hazardous materials by rail. Specifically, PHMSA, in coordination with the FRA, is focusing on methods to prevent accidents and incidents from occurring, and ways to mitigate the effects of those events that do occur. On the prevention front, we are working together to put in place the necessary operational controls and ensure rail track integrity to lessen the likelihood of accidents. PHMSA has requirements in place to mitigate effects of potential accidents through appropriate classification of the materials being transported, appropriate packaging of the material, ensuring materials are in the appropriate container, and effectively communicating to transportation workers and first responders what material is involved so they can handle or respond correctly to any accidents associated with them. This approach is designed to prevent the occurrence of a hazardous materials release in the course of rail transportation, and mitigate the damage caused should a hazardous material release occur.

PHMSA has a variety of regulatory and non-regulatory tools to address the risks of the bulk transport of flammable materials, including crude oil, by rail. In the wake of increased crude oil movements by rail and recent incidents, PHMSA has used many of these tools to improve safety. Most recently, PHMSA has issued guidance and advanced rulemakings,

participated in rail safety committees, held public meetings, enhanced enforcement and inspection efforts, and coordinated with other agencies to improve the safety of the public.

Regulatory Efforts by PHMSA and FRA

On May 14, 2010, PHMSA published a final rule (HM-233A) to amend the Hazardous Materials Regulations to incorporate provisions contained in certain widely used or longstanding special permits that have an established safety record. [5] As part of that rulemaking, PHMSA adopted a requirement that would allow certain rail tank cars, transporting hazardous materials, to exceed the gross weight on rail limitation of 263,000 pounds upon approval by FRA.

On January 25, 2011, FRA issued a *Federal Register* notice of FRA's approval pursuant to PHMSA's May 14, 2010 final rule.[6] The approval established detailed conditions for manufacturing and operating certain tank cars in hazardous materials service, including the DOT Specification 111 tank car, which is the tank car used for the transportation of flammable liquids, such as crude oil, that weigh between 263,000 and 286,000 pounds. These actions provided tank car manufacturers with the authority to build a 286,000 pound tank car. Rail car manufacturers have used that authority to manufacture an enhanced DOT Specification 111 tank car (CPC-1232) under the conditions outlined in the January 25, 2011 approval. Specific improvements to the car include the following: normalized steel, puncture resistance, head shields, and top fitting protection. Should a manufacturer choose to design a car outside the conditions of that approval, it can seek another approval in accordance with section (§) 179.13 of the Hazardous Materials Regulations in title 49 of the Code of Federal Regulations (CFR). To date, PHMSA and FRA

[5] See *Federal Register* http://www.gpo.gov/fdsys/pkg/FR-2011-01-25/pdf/2011-1414.pdf
[6] See *Federal Register* http://www.gpo.gov/fdsys/pkg/FR-2011-01-25/pdf/2011-1342.pdf

have not received any requests to design a car that deviates from the January 25, 2011 approved design.

Following the publication of the PHMSA rule and the subsequent FRA approval, PHMSA received a petition (P-1577)[7] from the Association of American Railroads (AAR) on March 9, 2011, requesting changes to PHMSA's specifications for the DOT Specification 111 tank car used to transport Packing Group I and II materials[8] (see Table 4 for tank car comparison).[9] During the summer of 2011, the AAR Tank Car Committee (TCC) created a task force (Task Force), which included FRA participation, with a dual responsibility to develop an industry standard for tank cars used to transport crude oil, denatured alcohol and ethanol/gasoline mixtures and to consider operating requirements to reduce the risk of derailment of tank cars carrying crude oil classified as packing group I and II, and ethanol.

Table 4: Comparison of Rail Tank Car Safety Features

Rail Tank Car Safety Features Comparison								
Rail Tank Car Specification	Bottom Outlet Handle	Gross Rail Load (lbs)	Head Shield Type[1]	Pressure Relief Valve	Shell Thickness	Tank Material	Top Fittings Protection	Thermal Protection System
DOT Specification 111	Attached During Transportation	263,000	Optional	STDP set 165 psig Optional Reclosing Requirement	7/16 inch Minimum	TC-128B or ASTM A516-70 Steel	Optional	Not Required; Optional
DOT Approved 286K Car (76 FR 4250)	Attached During Transportation	286,000	Half Height	STDP set 165 psig Optional Reclosing Requirement	7/16 inch-TC-128B or 1/2 inch-ASTM 516-70	Normalized TC-128B or ASTM 516-70 Steel	Yes	Not Required; Optional
AAR Petition 1577 (Non-Jacketed)	Attached During Transportation	286,000	Half Height	STDP Set 165 psig Reclosing Requirement	1/2 inch-TC-128B or 9/16 inch-ASTM 516-70	Normalized TC-128B or ASTM 516-70 Steel	Yes	Not Required; Optional
AAR Petition 1577 (Jacketed)	Attached During Transportation	286,000	Full Height[2]	STDP Set 165 psig Reclosing Requirement	7/16 inch-TC-128B or 1/2 inch-ASTM 516-70	Normalized TC-128B or ASTM 516-70 Steel	Yes	Not Required; Optional
[1](1/2 inch Minimum Thickness) [2]Full Height Head Shields Require a Jacket STDP=Start to Discharge Pressure								

[7] See http://www.regulations.gov/#!documentDetail;D=PHMSA-2011-0059-0001

[8] "Packing Group" designates the hazard level posed by a class of materials. Class 3 (flammable liquids) Packing Group I materials have a low boiling point and represent a high flammability risk. Packing Group II materials have a higher boiling point and a low flash point and represent a slightly lower flammability risk.

[9] Table 4 provides a comparison of the DOT Specification 111 tank car currently authorized in the Hazardous Materials Regulations, the minimum standards for the DOT approved tank car pursuant to the January 25, 2011 *Federal Register* Notice and the tank car proposed for incorporation in petition (P-1577) by AAR.

The Task Force worked to address the root cause, severity, and consequences of derailments, and its recommendations were finalized on March 1, 2012. As a result PHMSA, with FRA's agreement, decided to initiate preparation of an advance notice of proposed rulemaking (ANPRM) to arrive at a more comprehensive solution.

In May 2012, PHMSA began drafting an ANPRM to consider revisions to the Hazardous Materials Regulations to improve the crashworthiness of railroad tank cars and identify and address operational improvements. The ANPRM addressed several Petitions for Rulemaking submitted by industry and recommendations issued by the NTSB.[10] The ANPRM posed a series of questions to the regulated community designed to solicit comments on potential operational and tank car design improvements that could improve rail safety, along with the costs of these improvements. The ANPRM was also designed to build and improve on the Task Force recommendations and examined the differences in the DOT-approved tank car (pursuant to the January 25, 2011 *Federal Register* Notice) and the tank car proposed in AAR's petition.

Concurrent with completing the first draft of its ANPRM in May 2012, between April 2012 and October 2012, PHMSA received three additional petitions (P-1587, P-1595 and P-1612) and one modification of a previously filed petition (P-1612). These petitions were submitted by concerned communities and various industry associations requesting further modification to the tank car standards. PHMSA published an ANPRM on September 6, 2013.[11] The published ANPRM addressed all of the petitions and NTSB recommendations related to rail safety, including tank car and operational standards for flammable liquids.

[10] See NTSB recommendations: R-07-4, R-12-5, R-12-6, and R-12-7 http://www.phmsa.dot.gov/hazmat/regs/ntsb/rail

[11] See *Federal Register* http://www.gpo.gov/fdsys/pkg/FR-2013-09-06/pdf/2013-21621.pdf

Public interest in this rulemaking was significant. We received comments from local communities, cities, and towns, rail carriers, shippers, equipment suppliers, tank car manufacturers, environmental groups, and the NTSB. PHMSA is reviewing the extensive public comments received during the comment period which ended on December 5, 2013, and will use the comments to assess possible future regulatory changes. PHMSA, in coordination with FRA, is considering all regulatory avenues available to improve rail safety.

Tank cars are only one part of the chain of delivery and we must identify and evaluate all of the risks associated with bulk movements of highly hazardous material, such as crude oil and ethanol, and then work to reduce or eliminate those risks. In response to recent train accidents in the United States and Canada involving tank cars carrying crude oil, DOT, including PHMSA and FRA, is taking aggressive action on multiple fronts to mitigate risks and ensure the safe transportation of crude oil and other hazardous materials by rail.

Non-regulatory efforts

In addition to the rulemaking activity by PHMSA, DOT took extensive action following the Lac-Mégantic derailment. On August 7, 2013 FRA, in coordination with PHMSA, issued an emergency order.[12] This order was designed to address the immediate hazard of death, personal injury, or significant harm to the environment, by instituting requirements related to attending and securing certain hazardous materials trains and cars, including crude oil and ethanol unit trains. The order addressed the leading factors identified in preliminary findings in the Lac-Mégantic investigation. PHMSA and FRA are conducting field inspections and investigations to monitor compliance with the emergency order.

[12] See *Federal Register* https://federalregister.gov/a/2013-19215

Concurrent with FRA's emergency order, PHMSA and FRA published a joint Safety Advisory.[13] This joint advisory addressed preliminary findings of the Lac-Mégantic investigation and made the following safety and security recommendations: (1) reminding railroads to review the adequacy of their crew staffing requirements for trains transporting hazardous materials; (2) requiring system-wide evaluations to identify particular hazards that may make it more difficult to secure a train or pose other safety risks; and (3) requiring that procedures be developed to mitigate those risks.

The joint advisory also announced an emergency meeting of FRA's Railroad Safety Advisory Committee (RSAC) to address rail safety concerns, which was held on August 29, 2013.[14] During the emergency meeting, PHMSA and FRA explained the safety requirements in the August 7, 2013 Emergency Order and the recommendations in the joint Safety Advisory and proposed that an RSAC working group be formed, to address hazardous materials transportation requirements. RSAC members discussed the formulation of a task statement regarding appropriate train crew size, hazard classes, and quantities of hazardous materials that should trigger additional operating procedures, including attendance and securement requirements. PHMSA continues to participate in FRA's RSAC meetings on hazardous materials transport by rail. The RSAC plans to provide its recommendations regarding hazardous materials rail safety by April 2014 to PHMSA and FRA. PHMSA will evaluate those recommendations at that time.

In addition to participating in the RSAC meetings, PHMSA, as mentioned above, has been a participant in and an observer of the TCC. This committee is comprised of representatives of the Class I, short line and regional railroads, rail tank car owners,

[13] See *Federal Register* https://federalregister.gov/a/2013-19211
[14] See *Federal Register* https://federalregister.gov/a/2013-19471

manufacturers, repair facilities, and rail hazardous materials customers, and includes participation from FRA, Transport Canada, and the NTSB. The TCC works together to develop technical standards for how tank cars, including those used to move hazardous materials, are designed and constructed. PHMSA also participates as a working member of other rail task forces.

On August 27-28, 2013, before the RSAC meeting, PHMSA and FRA held a public meeting to review the requirements in the Hazardous Materials Regulations applicable to rail operations.[15] PHMSA and FRA conducted this meeting as part of a comprehensive review of operational factors that affect the safe transportation of hazardous materials by rail. This meeting provided the opportunity for public input on requirements related to rail operations.[16] PHMSA and FRA are currently reviewing the transcript and public comments and will use the comments to inform their future possible regulatory changes.

On November 20, 2013, PHMSA and FRA issued another Joint Safety Advisory to reinforce the importance of proper characterization, classification, and selection of a packing group for Class 3 materials (flammable liquids), and the corresponding regulations for safety and security planning.[17] This Advisory noted that we expect offerors of hazardous material by rail and rail carriers transporting hazardous material to revise their safety and security plans as required under the Hazardous Materials Regulations, including the required risk assessments, to address the safety and security issues identified in FRA's Emergency Order No. 28 and the August 7, 2013 joint Safety Advisory. FRA has initiated a focused effort to audit security plans, specifically at railroads that move unit trains of flammable liquids.

[15] See *Federal Register* https://federalregister.gov/a/2013-17201
[16] See public comments http://www.regulations.gov/#!docketDetail;D=FRA-2013-0067
[17] See *Federal Register* https://federalregister.gov/a/2013-27785

On January 2, 2014, PHMSA issued a Safety Alert warning of the variability in certain crude oil and emphasizing that proper and sufficient testing to ensure accurate characterization and classification should be performed.[18] Proper characterization and classification are integral for the Hazardous Materials Regulations to function as they were designed. Characterization and classification ultimately determine the appropriate and permitted packaging for a given hazardous material. This alert addressed the initial findings of "Operation Classification," a compliance initiative (described below) involving unannounced inspections and testing of crude oil samples to verify that offerors of the materials have properly characterized and classified the hazardous materials. The alert expressed PHMSA's concern that unprocessed crude oil may affect the integrity of the packaging or present additional hazards, related to corrosivity, sulfur content, and dissolved gas content. It also noted (1) that preliminary testing had focused on the classification and packing group assignments that have been selected and certified by offerors of crude oil, and (2) that PHMSA has found it necessary to expand the scope of its testing to measure other factors that might affect the proper characterization and classification of the materials.

Call to Action

On January 9, 2014, the Secretary issued a "Call to Action," to actively engage stakeholders in the crude oil and rail industries to take immediate steps to improve the transportation of crude by rail. On January 16, 2014, the Secretary held a meeting where the Administrators of PHMSA, FRA, and the Federal Motor Carrier Safety Administration

[18] See safety alert http://www.phmsa.dot.gov/staticfiles/PHMSA/DownloadableFiles/1_2_14%20Rail_Safety_Alert.pdf

challenged representatives of all stakeholders to identify prevention and mitigation strategies that can be implemented quickly.

Specifically, the "Call to Action" discussed (1) operational controls and track maintenance measures that could prevent accidents and (2) the proper classification and characterization of hazardous materials. The meeting was an open and constructive dialogue on how, collaboratively, industry and government can make America's railways and other modes of transportation for hazardous materials safer, since the misclassification of a hazardous material affects more than just the railroad industry. As a result of this meeting, the rail and crude oil industries agreed to consider potential actions including speed restrictions in high consequence areas, alternative routing, the use of distributive power to improve braking, increased track inspections, improvements to crude testing and classification processes, and emergency response preparedness and training. In addition, the participants agreed to return to the TCC for discussions on further improvements to the tank car standard. On January 22, 2014, the Secretary sent a letter to the attendees recapping the meeting and stressing the importance of this issue.[19]

In the weeks following the "Call to Action" meeting, PHMSA has worked closely with industry stakeholders to advance the safety initiatives. Resulting in voluntary agreements from the Association of American Railroads; the American Short Line and Regional Railroad Association.

[19] See Call to Action follow-up letter at http://phmsa.dot.gov/staticfiles/PHMSA/DownloadableFiles/Files/Letter_from_Secretary_Foxx_Follow_up_to_January_16.pdf

Enhanced Enforcement and Outreach

In addition to regulatory and non-regulatory efforts to improve rail safety, PHMSA has increased its efforts to improve awareness and understanding of, and compliance with, the Hazardous Materials Regulations. These efforts include enforcement and outreach activities that are focused on proper classification and characterization, safety and security plans, and ensuring the public is aware of and understands the Hazardous Materials Regulations. PHMSA has focused on addressing the considerable public, media, and congressional interest in the subject of crude oil transport by rail.

As mentioned above, PHMSA launched "Operation Classification," a compliance initiative involving unannounced inspections and testing of crude oil samples to verify that offerors of the materials have properly classified and described hazardous materials being shipped. In January 2013, PHMSA and FRA began planning this initiative and in August 2013 we officially launched "Operation Classification." This initiative is an ongoing effort, and PHMSA will continue to collect samples and measure the characteristics of Bakken crude as well as oil from west Texas. To date, PHMSA has taken 58 samples to collect some preliminary information about the hazards associated with these oils. PHMSA plans to release the findings of Operation Classification publicly upon conclusion of the effort and has uncovered 11 potential violations, primarily related to improper packaging group assignment. PHMSA has initiated enforcement actions on violators. In addition, as these violations could indicate further non-compliance issues, PHMSA continues to expand the scope of its investigations. In addition, PHMSA will use the results of our findings to consider the benefits, costs, and alternatives of any future regulatory action.

On January 17, 2014, PHMSA published a Web Page entitled "Operation Safe Delivery: Enhancing the Safe Transport of Flammable Liquids."[20] This site describes the Department's efforts to enhance the safe transport of flammable materials by rail and serves as a valuable resource for enhancing the safe transport of flammable liquids. The site will be continuously updated to provide progress reports on industry commitments as part of the "Call to Action" and additional Departmental activities related to rail safety initiatives. This page also displays the Department's rail safety action plan. Although the site was only recently unveiled, it has already received considerable traffic and is an educational resource for industry and the general public..

PHMSA is also diligently responding to both congressional and media inquiries on the subject of crude oil transport by rail. Since the beginning of 2013, PHMSA has received and responded to over twenty letters from Members of Congress requesting information on this topic. In addition, PHMSA receives requests from all forms of media daily. Finally, PHMSA is coordinating with the Government Accountability Office on an audit of the transportation infrastructure of the United States used to accommodate increased shale oil and gas production.

III. CLOSING REMARKS

During my four years as PHMSA's Administrator, I have experienced marked changes in our hazardous materials transportation landscape. The emergence of the United States as the world's leading energy producer has undoubtedly changed our transportation system and provided new challenges for PHMSA. I have seen these changes and the evolution of the energy industry firsthand. I have also seen the lasting consequences that transportation incidents can

[20] Web site available at http://phmsa.dot.gov/portal/site/PHMSA/menuitem.6f23687cf7b00b0f22e4c6962d9c8789/?vgnextoid=c5ff6d96d8283410VgnVCM100000d2c97898RCRD&vgnextchannel=0f0b143389d8c010VgnVCM1000008049a8c0RCRD&vgnextfmt=print

have on the public and communities nearby. We must prepare for these new and shifting demands right now and make sure we protect our communities and the environment. Effective standards and regulations are important mechanisms for keeping America's people and its environment safe while providing for the transportation of the Nation's energy supplies, and we will continue to use our authorities to improve the effectiveness of our standards and regulations. PHMSA's oversight and enforcement capabilities, along with those of our Federal and State partners, are critically important.

PHMSA and FRA are committed to improving the safety of the transportation of hazardous materials by rail and other modes. With this in mind, I believe that our comprehensive approach to rail safety is working, but we must continue to adapt our approach as we identify changing risks. Improvement in tank car integrity is one part of the ongoing effort to address the changes in the risks associated with transportation of hazardous materials. Furthermore, PHMSA and FRA are not alone in our safety efforts. As the "Call to Action" demonstrated, the rail and crude oil industries are integral partners in improving transportation safety, and PHMSA will continue to work collaboratively to improve safety. We have a long way to go to reach no deaths, injuries, environmental or property damage, or transportation disruptions, but I truly believe our efforts are helping prevent accidents and will help mitigate their damage.

In closing, we look forward to continuing to work with Congress to address rail safety issues, specifically those dealing with the bulk shipment of flammable liquids. Together, we will strive to keep America's people and its environment safe while providing for the reliable transportation of the Nation's energy supplies. Everyone at PHMSA is dedicated and committed to fulfilling our safety responsibility to the American people. It is an honor to serve the

American people and to work with the dedicated public servants at PHMSA. Thank you again for the opportunity to speak with you today. I would be pleased to answer any questions you may have.

# # #