



Item #14-8-3 Information

Rail Ad Hoc Committee

August 6, 2014

Comments on U.S. Department of Transportation Notice of Comprehensive Proposed Rule Making for Crude Oil (Notice of Proposed Rule Making and Advance Notice of Proposed Rulemaking)

Issue: Should SACOG comment on the U.S. Department of Transportation (USDOT) Notice of Comprehensive Proposed Rule Making (NPRM) for Crude Oil?

Recommendation: That the Rail Ad Hoc Committee recommend that the Board authorize the Chief Executive Officer to submit written comments on the USDOT NPRM for Crude Oil

Discussion:

Background Information—Over the past several years, the amount of crude oil shipped by rail from various areas in North America to California has grown substantially, with the volume of crude oil shipment by rail to Northern California has increased by 57 percent during 2013.

The oil companies use existing Union Pacific trains to ship crude oil to California refineries. The oil cars travel along the Union Pacific rail tracks, which follow the Amtrak Capitol Corridor route through the Bay Area.

There have been recent derailments of freight trains carrying crude oil, which has alarmed SACOG's member jurisdictions. Local communities along the route have expressed concerns about environmental risks and public safety hazards should there be an accident involving these trains. Over the past few months, SACOG has coordinated a regional forum for interested agencies to discuss and share information on this topic.

USDOT NPRM—Recently, the USDOT released a comprehensive rulemaking proposal to ensure safe transportation of large quantities of flammable materials by rail, particularly crude oil. The NPRM is seeking comments on the following provisions:

- Track and Rail Car Operation, Inspection, and Improvements
- Emergency Response & Clean-up which includes a comprehensive oil spill response planning requirements
- Oil Volatility
- Funding

Currently, SACOG staff is working with member jurisdictions to draft comments on the NPRM which are due on September 30. The comments will be available to share with SACOG's committees and will be presented to the Board for approval in September 2014. The attachment provides additional details on the general areas of comment.

Approved by:

Mike McKeever
Chief Executive Officer

MM:AD:gg
Attachment

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Notice of Proposed Rulemaking for the Safe Transportation of Crude Oil

Potential General Comments for Discussion

- Track and Rail Car Operation, Inspection, and Improvements
 - Implement stringent federal speed limits in populated areas and environmentally sensitive areas. Restrict speeds for trains containing 20 or more loaded tank cars that carry flammable liquids.
 - Improve condition of the track and supporting infrastructure by developing specific and tailored train and track inspection requirements to maintain the safety of freight railroad operations.
 - Utilize available technology to assist in reducing human error (e.g., Positive Train Control); and enhance signaling and communication systems for rail operations.
 - Support safety enhancing improvements for tank cars that are used to transport flammable liquids.
- Emergency Response & Clean up
 - Provide effective communication and real time information to transportation workers and emergency responders regarding transportation of hazardous materials
 - Develop a program to audit response plans for rail carriers of petroleum products to ensure that adequate provisions are in place.
 - Address the impacts of derailments on local communities across the country and significant costs associated with clean up and environmental remediation.
- Oil Volatility
 - Regulate petroleum industry to remove a significant amount of volatile elements, flammable natural gas liquids, from the crude before it is loaded onto rail cars.
- Funding
 - Impose fees to ensure safer measures are in place among rail carriers.
 - Create a funding mechanism for oil spill response plans and training/equipment for local emergency responders.