TESTIMONY OF

LISA A. STABLER

PRESIDENT – TRANSPORTATION TECHNOLOGY CENTER, INC.

BEFORE THE

UNITED STATES SENATE

COMMITTEE ON HOMELAND SECURITY AND GOVERNMENTAL AFFAIRS

SUBCOMMITTEE ON EMERGENCY MANAGEMENT, INTERGOVERNMENTAL RELATIONS, AND THE DISTRICT OF COLUMBIA

HEARING ON "TRANSPARENCY AND TRAINING: PREPARING OUR FIRST RESPONDERS FOR EMERGING THREATS AND HAZARDS"

MARCH 25, 2014

On behalf of the members of the Association of American Railroads and the 270 dedicated professionals at the Transportation Technology Center, Inc. (TTCI) whom I am honored and privileged to lead, thank you for the opportunity to be here today to discuss issues related to railroad emergency response efforts.

TTCI is a wholly owned subsidiary of the Association of American Railroads, and I'm proud to say that we are the world's foremost rail-related research, testing, and training organization. Headquartered in Pueblo, Colorado, TTCI operates a secure 52-square mile facility with 48 miles of test track, state-of-the-art laboratory and training facilities, and a highly talented engineering and support staff. We provide our customers — which include freight and passenger railroads, freight and passenger rail suppliers, and government agencies from throughout North America and the world — with railway research, consulting, testing, system engineering, inspections, training, and technical support.

TTCI is operated under a contract with the Federal Railroad Administration (FRA). TTCI receives no funding from the FRA or other government agencies to run the site, although we do perform work under contract for the FRA and other agencies on a cost recovery basis. We are required by our contract with the FRA to invest significant amounts of money for site maintenance and capital improvements each year, which requires us to seek other business to generate the revenue needed for this purpose.

TTCI is just one part of an enormous rail industry effort geared toward advancing safety, but we're an important part. In fact, a great deal of the work we do at TTCI includes, as its primary goal, applying advanced technologies and best-in-class training and operations research to improve rail safety.

In my testimony below, I will touch on rail industry emergency response efforts generally but will focus on TTCI's important role in those efforts.

Overview of Railroads and Hazmat Safety Efforts

Each year, U.S. railroads transport around 2 million carloads of hazardous materials, including several hundred thousand carloads of crude oil and ethanol and smaller amounts of a wide variety of other hazardous materials.[1] Railroads know that, when it comes to hazardous materials transportation, safety is a team effort involving shared responsibility among everyone involved in hazmat production, transportation, and consumption.

For their part, railroads devote enormous resources towards enhancing safety. Indeed, railroads are committed to demonstrating that nothing is more important than the safety of their employees, their customers, and the communities they serve. At TTCI, we share that commitment.

Railroad efforts to enhance hazmat safety fall into three broad categories. The first is accident prevention — taking steps to reduce the chance that an accident will occur. The second is mitigation — taking steps to limit the amount of hazardous materials released if an accident occurs. A detailed explanation of the many actions that railroads take in the areas of prevention and mitigation is beyond the scope of this testimony, but the AAR would be happy to provide further information to this Committee upon request.[2] My focus today will be on the third broad category of railroad efforts to enhance hazmat safety — emergency response — and, in particular, TTCI's role in that.

Railroads Have Comprehensive Emergency Planning and Response Programs

Railroads' emergency response efforts begin internally. All the major railroads have teams of full-time personnel whose primary focus is hazmat safety and emergency response.

[1] Under the railroads' current common carrier obligation, they are required by the federal government to transport hazardous materials upon reasonable request.

[2] See, for example, the testimony of Edward Hamberger, President and CEO of the AAR, to the Senate Commerce Committee on March 6, 2014, for more detailed information on steps railroads are taking to prevent and mitigate accidents involving crude oil.

Railroads also have teams of environmental, industrial hygiene, and medical professionals available 24 hours a day, seven days a week, 365 days a year to provide assistance during hazmat incidents. Railroads also maintain networks of hazmat response contractors and environmental consultants, strategically located throughout their service areas, who can handle virtually any air, water, waste or public health issue. These contractors, who are on call at all times of the day and night, have multiple offices and equipment storage locations and a vast array of monitoring equipment, containment booms, industrial pumps, and other spill response and heavy equipment. Finally, railroads have comprehensive "standard of care" protocols that ensure that impacts to the community — such as evacuations — are addressed promptly and professionally.

In addition to relying on their own personnel, railroads have a long history of working closely with state and local emergency first responders and emergency planners in many different ways.

For example, major U.S. railroads distribute community awareness and emergency planning guides to fire departments and other emergency services providers in communities they serve. These guides provide information on ways to prepare for rail-related emergencies.

In addition, each year, railroads actively train well over 20,000 emergency responders throughout the country. This training ranges from general awareness training to much more in-depth offerings. The precise parameters of these emergency response training programs vary from railroad to railroad, but in general they consist of a combination of some or all of the following aspects:

- Safety Trains. Several railroads utilize "hazmat safety trains" and other training equipment that travel from community to community to allow for hands-on training for local first responders.
- Training Centers. Several railroads operate centralized hazmat training sites where they train employees, first responders, customers, and other railroad industry personnel in all aspects of dealing with hazmat incidents.

- Local Firehouse Visits. In aggregate, railroads visit hundreds of local firehouses each year to provide classroom and face-to-face hazmat training.
- Table Top Drills. Railroads regularly partner with local emergency responders to conduct simulations of emergency situations in which general problems and procedures in the context of an emergency scenario are discussed. The focus is on training and familiarization with roles, procedures, and responsibilities.
- Self-Study Training Courses. Railroads make available self-study programs for emergency responders that allow students to learn proper procedures at their own pace. Some railroads also provide related web-based training on hazmat and general rail safety issues.
- Railroads also regularly provide hazardous materials training to their customers and short line railroad partners.

These comprehensive rail industry efforts point to the seriousness with which railroads take their responsibilities regarding the safety of the communities they serve.

In addition to the individual railroad activities, some of the railroad hazmat training efforts fall under the auspices of the Transportation Community Awareness and Emergency Response Program (TRANSCAER). TRANSCAER is a national inter-industry partnership focused on assisting communities to prepare for, and to respond to, hazmat incidents. Founded in 1986 by the Union Pacific Railroad Company and the Dow Chemical Company and now supported by all the Class I railroads, as well as some trade associations and chemical and petroleum firms, TRANSCAER offers classroom and hands-on training; emergency planning assistance; support for community drills and exercises; technical information, reference, and training materials; and national conferences and workshops for sharing best practices. TRANSCAER provides this training at no cost to emergency responders and has developed a well-earned reputation for quality and effectiveness.

The Security and Emergency Response Training Center (SERTC)

In addition to the efforts described above, the rail industry is deeply involved in improving our nation's emergency response capability through its support of the Security and

Emergency Response Training Center (SERTC), a world-class training facility that is part of TTCI in Pueblo, Colorado. The AAR established SERTC in 1985. Its original mission was to train railroad personnel to safely handle accidents involving tank cars carrying hazardous materials. Over time, though, we've broadened our scope to also serve the public sector emergency response community, other industries, government agencies, and emergency response contractors from all over the world.

SERTC's primary focus is still freight rail safety, but we also offer training covering other surface transportation modes. We recently implemented emergency response and planning programs related to passenger rail and mass transit. The Transportation Security Administration (TSA) has been using SERTC for employee training since 2006. In fact, more than 2,100 TSA participants have trained at SERTC to date in such areas as "Railroad 101," hazmat transportation, and safety compliance. FBI and National Guard personnel have also been trained at SERTC.

Over the years, SERTC has provided in-depth, realistic, hands-on hazmat emergency response training to more than 50,000 local, state, and tribal emergency responders and railroad, chemical, and petroleum industry employees. Many railroads regularly provide financial assistance to emergency responders in their service areas to attend SERTC. Instructors at SERTC average more than 30 years of emergency response.

In terms of emergency response training, there are four successively in-depth levels — "awareness," "operations," "technician," and "specialist." Think of it as being roughly equivalent to "high school," "college," "graduate school," and "doctorate studies" for emergency responders. SERTC concentrates on "graduate school" level training ("technician" and "specialist"), although our planned crude oil by rail training (discussed below) will be at the "operations" level.

SERTC uses realistic training props and scenarios, including live explosives, pressurized air and water, and nitrogen. The hands-on response yards at SERTC include more than 70 railroad freight cars, including a 43-car derailment setting; 7 passenger rail cars; 7 simulated highway emergency settings; and 25 highway cargo tanks, truck trailers, and intermodal containers on a 600-acre training campus. Students have unlimited access to the valves, fittings, and containers commonly encountered in surface transportation emergency response. The facility utilizes "4-Phased Approach" training that ensures that students spend at least 50 percent of their training time in a hands-on environment featuring full-scale scenarios with real life equipment, including a multiple-car derailment that the students must successfully manage. I am aware of no other training facility anywhere that possesses the infrastructure necessary to deliver surface transportation tactical intervention training with such a degree of realism. SERTC also teaches methods on enhancing communication and collaboration between railroads, emergency responders, and local communities.

Due to technological advances in the extraction of "shale" oil, U.S. crude oil production has grown sharply in recent years. The development of new crude oil resources represents a tremendous opportunity for our nation to move toward energy independence. The widespread benefits this would foster include reduced reliance on oil imports from unstable countries whose interests do not necessarily match up well with our own; increased economic development all over the country; thousands of new well-paying jobs; tens of billions in savings in our nation's trade deficit every year; and substantial amounts of new tax revenue for governments at all levels.

Rail is playing a critical role in delivering these crucial benefits to our country. The amount of crude oil carried by railroads has increased from fewer than 10,000 carloads per year just a few years ago to more than 400,000 carloads in 2013.

Railroads share the deep concern of members of this committee and the public at large regarding the safe transport of crude oil. From 2000 through 2013, a period during which U.S. railroads originated approximately 832,000 carloads of crude oil, more than 99.98 percent of those carloads arrived at their destination without a release caused by an accident. That said, railroads continue to look for ways to be safer. As the tragic accident last year in Lac-Mégantic, Quebec showed, and as reinforced by recent oil spills in North Dakota and Alabama, more work must be done to ensure public confidence in crude oil by rail.

In addition to prevention and mitigation efforts (for example, more robust standards for tank cars carrying crude oil) that are key parts of the rail industry's crude oil safety effort, SERTC is enhancing its emergency response training offerings devoted to crude oil emergency response in three major ways.

First, we have developed a four-hour general awareness crude oil training module that, as of March 1, 2014, has been added to all of our existing courses with a rail nexus.

Second, we are developing a new, much more comprehensive three-day training module specifically devoted to crude oil derailments. Using a combination of classroom and field exercises, this class will cover topics such as current crude oil shipping trends, the different types of crude oil and their characteristics, the different types of railroad tank cars used in crude oil transportation, and strategies, tactics, and equipment to use when fighting fires resulting from crude oil accidents. To take this class, students must be certified as Fire Fighter Level 1 or have successfully completed Essentials of Fire Fighting or other equivalent training.

This class will become operational by July 1 of this year. It's a key part of a recently announced $5 million effort by freight railroads to improve crude oil-related emergency response. The funds will be applied to the development of the program at SERTC, as well as to tuition assistance for an estimated 1,500 first responders to take the new course at SERTC this

year. We are confident that this new training module at SERTC will provide first responders from throughout the country who have crude oil trains traveling through their communities with world-class knowledge and awareness.

Third, SERTC is developing a new crude oil emergency response training video for stand-alone or web-based training. We hope to have this completed in the second half of 2014.

Railroads are also developing an inventory of resources for emergency responders along routes over which trains with 20 or more carloads of crude oil operate. This inventory will include locations for the staging of emergency response equipment and, where appropriate, contacts for the notification of communities. When the inventory is completed, railroads will provide the U.S. Department of Transportation with access to the information on the deployment of the resources and will also make the relevant information available upon request to appropriate emergency responders.

It is sometimes claimed that railroads bear no costs for cleanup of hazmat spills and that the entire response burden falls on local responders. That's not true. Emergency responders have control of railroad accidents in which hazardous materials are spilled, but railroads provide the resources for mitigating the accident. Railroads also reimburse local emergency agencies for the costs of materials the agencies expend in their response efforts.

The National Domestic Preparedness Consortium

As members of this Committee are aware, in 2007, Congress authorized the National Domestic Preparedness Consortium (NDPC), a consortium within the Department of Homeland Security and funded by the Federal Emergency Management Agency (FEMA). The purpose of the NDPC is to identify, develop, test, and deliver training to the nation's emergency first responder community. Of the NDPC's seven members, only one — TTCI/SERTC — is

specifically designed to provide first responder training for rail and other surface transportation accidents. As I described earlier, no other training center in the country possesses comparable infrastructure, including dozens of freight and passenger railcars, highway cargo tanks, intermodal containers, van trailers, and even a barge. At SERTC, live simulations deliver tactical intervention training with unsurpassed realism.

Unfortunately, since it was added to the NDPC in 2007, SERTC has received only $10 million from FEMA for surface transportation first responder training — $5 million in 2009 and $5 million in 2010. We understand that budgets throughout the federal government have been challenged in recent years. That said, with the FY 2014 omnibus appropriations act, Congress provided an additional $5 million to the NDPC, increasing its funding from $93 million to $98 million. FEMA has yet to allocate those dollars among the NDPC members. We hope this Committee would agree that allocating these funds to enhance the capabilities of first responders to respond to incidents involving hazardous materials, especially crude oil incidents, through focused training programs would be a sensible step for FEMA to take.

We also respectfully suggest that this Committee make clear to FEMA that SERTC should be eligible to receive FEMA allocations, even though SERTC is part of TTCI. As I mentioned earlier, no other training center in the country possesses comparable infrastructure for first responder training for rail and other surface transportation accidents. While TTCI is a corporation, it is wholly owned by the AAR — a nonprofit organization — and has no other shareholders. The work TTCI performs for the FRA and other federal agencies is only on a cost recovery basis. TTCI's earnings from other customers do not go to dividends to public shareholders, but instead support more rail research, testing, and training. A FEMA-SERTC partnership, in these circumstances, is a textbook example of where a public-private partnership makes sense for the taxpayer.

Over the years, we've had the pleasure at TTCI to host numerous members of Congress and staffers. I offer all of you a standing invitation to come visit us at TTCI so you can see for yourself the ways that we are helping improve transportation safety.

Enhancing Information Availability

Railroads know that, in the event of rail incident, it is crucial that emergency responders be able to obtain accurate and timely information concerning the commodities involved so that they can execute the appropriate response.

At the most fundamental level, railroad personnel have information with them in the locomotive cab that includes what that train is carrying and basic emergency response information about hazardous materials, if any, on that train. They are trained to share this information immediately with local emergency responders as required by federal regulations. If the train crew is not available, railroads can and do provide the same information through their operations control centers. That data can be shared either by fax or by email.

In addition, by the end of this year, railroads hope to have in place an operational web-based system covering all the major freight railroads that will allow emergency responders to input the identification number of a particular rail car and immediately be able to determine the commodity contained in that car, its hazard class, its four-digit UN identification number, whether the car is loaded or empty, the handling railroad, the handling railroad's emergency contact phone number, and emergency response information associated with the commodity.

Railroads also work closely with chemical manufacturers through the Chemical Transportation Emergency Center (Chemtrec). Founded in 1971, Chemtrec offers a round-the-clock, state-of-the-art communications center staffed by trained and experienced emergency service specialists. Chemtrec seamlessly and immediately links on-scene emergency responders

with a network of thousands of chemical experts, transportation companies, and medical experts. A call to Chemtrec is often the first call for help during hazmat incidents. Chemtrec is available to help in any type of hazmat-related incident, not just rail-related incidents. In the event of a major rail hazmat incident, railroads often provide Chemtrec with train commodity data (including shipper, consignee, and descriptions of any hazardous materials on the train) so that that information can be shared quickly with emergency responders.

Finally, all of the major U.S. railroads provide information, upon request, to local fire and emergency planning officials on the specific types and amount of hazardous materials that move through their community in rank order by volume. This information is used by local communities to prioritize the training their personnel receive based on the likelihood of those materials being transported through their community.

Conclusion

Railroads take very seriously their responsibility to operate safely, and they devote enormous resources toward this goal. They are committed to continually searching for ways to make rail operations safer, and our efforts at TTCI will also remain focused on that goal. Railroads will also continue to work closely with emergency responders throughout the country to make emergency response as effective as possible.