



THE SECRETARY OF TRANSPORTATION  
WASHINGTON, DC 20590

September 19, 2014

The Honorable Rick Larsen  
U.S. House of Representatives  
Washington, DC 20515

Dear Congressman Larsen:

Thank you for your letter regarding the recent series of accidents involving the transportation of crude oil by rail. I understand your concerns, and I share your sense of urgency in moving quickly to reduce the risks of these shipments in order to prevent future accidents.

On August 1, 2014, the Department's Pipeline and Hazardous Materials Safety Administration (PHMSA), and the Federal Railroad Administration (FRA), published a proposed rule that seeks to establish more stringent tank car specifications and operational controls (e.g., speed restrictions) for trains carrying large volumes of flammable liquids, as well as an advance notice of proposed rulemaking (ANPRM) that seeks to establish more substantial oil spill prevention and response plan requirements for railroads that transport large quantities of crude oil. Also, on September 9, FRA released a companion proposed rulemaking that would improve the securement and attendance of trains carrying hazardous materials. We encourage broad public comment on these important safety rulemakings, and we are committed to finalizing these proposals as soon as practicable. Comments on rulemakings may be submitted at [www.regulations.gov](http://www.regulations.gov).

Although the Department is committed to working together with our stakeholders, we have not waited—nor will we wait—to take other actions to address the unique challenges posed by transporting crude oil. For example, PHMSA has issued Notices of Probable Violations to three companies alleging that they improperly classified crude oil in the Bakken region—our first enforcement actions as a result of the Agency's Operation Classification.

We also have taken a number of other steps within the last year to improve the safety of the rail system:

- PHMSA and FRA initiated a comprehensive review of operational factors that affect the transportation of hazardous materials by rail (see 78 FR 42998 (July 18, 2013));
- FRA issued Emergency Order 28 (EO 28), implementing enhanced attendance and securement requirements for trains transporting certain hazardous materials by rail, including crude oil and ethanol (78 FR 48218 (August 7, 2013));
- PHMSA and FRA issued joint safety advisories published on August 7, 2013, (78 FR 48224) and November 20, 2013, (78 FR 69745) stressing the importance of safety and security planning and proper characterization and classification of hazardous materials being shipped;
- Safety issues related to EO 28 and the joint safety advisories were referred to FRA's Railroad Safety Advisory Committee;

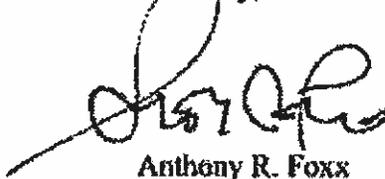
Page 2

The Honorable Rick Larsen

- PHMSA published an Advance Notice of Proposed Rulemaking (78 FR 54849) on September 6, 2013, responding to eight petitions for rulemaking related to the transportation of hazardous materials by rail;
- The Department initiated Operation Classification which involves joint activities at all phases of transportation, to investigate how shippers are classifying crude oil and what actions they are taking to determine the characteristics of the material;
- PHMSA issued a Safety Alert on January 2, 2014, which warned of crude oil variability and emphasized that unprocessed crude oil may affect the integrity of packaging or present additional hazards related to corrosivity, sulfur content, and dissolved gas content;
- I hosted a Call to Action meeting with DOT senior leadership and the railroad and petroleum industries, in order to discuss improvements to rail safety both by preventing accidents and by mitigating the ones that occur;
- As a result of the Call to Action, railroads committed to implementing speed restrictions in designated urban areas, providing train braking enhancements, making more frequent inspections of rail and equipment, installing defective-bearing detection equipment, and providing resources to enhance emergency response capabilities;
- As a result of the Call to Action, the petroleum industry committed to developing a comprehensive industry standard for testing, characterizing, classifying, and loading and unloading crude oil in rail tank cars;
- The Department issued an Amended and Restated Emergency Order on March 6, 2014, requiring proper testing for the classification and characterization of crude oil, while also prohibiting shippers from switching to an alternate classification that involves less stringent packaging;
- The Department issued an Emergency Order on May 7, 2014, requiring all railroads that operate trains containing over 1 million gallons of Bakken crude oil to notify State Emergency Response Commissions about the operation of these trains through their States; and
- FRA and PHMSA issued a joint safety advisory on May 7, 2014, recommending that offerors and carriers of Bakken crude oil use tank car designs with the highest level of integrity available in their fleet.

Our work is far from done. The Department continues to evaluate all aspects of crude oil transportation, and as we gather and evaluate data, we will continue to engage with all our stakeholders. We take the risks associated with transporting crude oil by rail seriously, and we look forward to working with you and other local leaders to address these challenges. If I can provide further information or assistance, please feel free to call me.

Sincerely,



Anthony R. Fox