

**Northwestern University
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The Municipal Perspective on CBR (and Other Flammable Hazmat)

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The Lac-Mégantic Lesson for Municipal Officials



THE LAC-MEGANTIC TRAGEDY IS ONGOING



Human Toll

Economic Consequences

Environmental Damages

Rebuilding Challenge

Municipal Leaders are **NOT** “Chicken Littles” About the Dangers of CBR

- No local elected official can understand the possible consequences and not be concerned.
- Bakken crude on unit trains is **NOT** the only threat. A rolling pipeline of any flammable hazmat on manifest **OR** unit trains can have dire derailment consequences.
- Barrington evacuation zone (1/2-mile diameter):
 - 2,099 business and residential parcels, 4 schools, the Barrington Library, Village Hall, and post office
 - The Public Safety Building that headquarters fire, police, and ambulance services
 - Metra commuter train station, 3 senior living and/or nursing care facilities, 1 hospice, most of the commercial downtown area, 6 churches, and 8 public parks and/or recreational facilities.
 - A major ComEd electrical substation, as well as the Village’s water treatment plant and 3 water facilities

FEDS MUST ACT: New Tank Cars ASAP

- The rail industry has had since 1991 to voluntarily upgrade tank car standards in the face of known structural deficiencies.
- Applying new rules only to certain types of flammable hazmat transported on unit trains is absurd. **ALL** flammable hazmat shipped via rail tank car should be in the most robust tank possible – PHMSA's Option 1.
- Pancaking tank cars cause additional breaching, so ECP brakes must be required.
- Take advantage of the recent drop in oil prices and shipments to get a new and adequately retrofitted fleet on the rails **FASTER**.

FEDS MUST ACT 2: What and How Much?

Federal Volatility Standards for CBR based on mandated testing protocols **MUST** be set.

- Contents drive packaging requirements, so volatility (flash point, boiling point, and vapor pressure) must **ALL** be taken into account.
- Prior to 1990, federal regs required pressure cars for contents exhibiting high vapor pressure. Could this make sense for fracked crude?
- There is no federal reg mandating test protocols for vapor pressure – the **Key Indicator** of volatility.
- Tank car overloading is a risk: Shippers **MUST** know specific gravity of the crude.

FEDS MUST ACT 3: Holistic Approach

- **A sole focus on tank car standards is myopic.**
- **Maintenance of track and equipment is essential so hazmat trains remain on the tracks.**
- **Inspections and audits of rail operations must be increased.**
- **Fines for a railroad's failure to comply with operating rules, and the required reporting of infractions must be increased.**

Local First Responders MUST Have Immediate Notification on Cargo

A hand-off to first responders of a paper manifest from a train's crew will **NOT** suffice when an accident occurs.



First responders need an electronic manifest **ASAP** so they understand the scope of what they are facing.

FEDS MUST ACT 4: **Address Liability**

- **Too Big to Repair:** Expecting taxpayers to bear the costs of clean-up and rebuilding when the release is catastrophic.
- **\$1.5 billion cap on commercially available insurance is insufficient.**
- **Only Class I's can afford such coverage, so a coverage gap exists for smaller railroads like the MMA that went bankrupt following Lac-Megantic.**
- **House and Senate bills would require a study of liability coverage with a report back within a year.**

Municipal Response to Recent Developments

- On April 17, regulators released an industry order and several advisories. This was ***OPTICS, NOT ACTION.***
- Order: Limit top speeds for HHFTs running through 46 “High Threat Urban Areas.”
- Advisories were reminders, requests, and recommendations to industry.
- **DANGER:** Agencies changed definition of HHFTs from 20 to 35 tank cars of flammable hazmat: 1 million gallons can travel without any enhanced safety measures.

FINAL \$ THOUGHTS

- **NO, mayors DON'T hate energy or the railroads.**
- **YES, we know the proposed fixes are expensive.**
- **Communities don't want to be sitting ducks.**
- **THE TRADE-OFF:**
 1. **Accepting the near-term costs of enhanced safety.**

– OR –

 2. **Accepting “sky's the limit” liability when a U.S. Lac-Megantic destroys an American community.**