

United States Senate

WASHINGTON, DC 20510

January 9, 2014

The Honorable Anthony Foxx
Secretary
U.S. Department of Transportation
1200 New Jersey Ave. S.E.
Washington, D.C. 20590

The Honorable Ernest Moniz
Secretary
U.S. Department of Energy
1000 Independence Ave. S.W.
Washington, D.C. 20585

Dear Secretary Foxx and Secretary Moniz:

The shale oil boom has dramatically increased the amount of crude oil being shipped on U.S. railroads. While these trains have provided important transportation outlets for domestic oil production, every day millions of gallons of oil are shipped through our nation's major cities, small towns and rural communities. The recent series of explosions and accidents involving oil trains demands an investigation and review of our current safety practices and regulations.

In the last six months, trains carrying crude oil have been involved in a series of devastating derailments. In July, a train carrying crude oil derailed and exploded in Lac-Mégantic, Quebec, killing 47 people and destroying the city's downtown. In November, a train carrying crude oil to the Gulf Coast derailed in Alabama resulting in multiple explosions. Last week, a train carrying crude oil struck another train setting off an explosion and fire near Casselton, North Dakota, which burned for more than 24 hours and required the evacuation of more than 1,500 people. Finally, media reports indicated that a train carrying crude and propane cars was still burning 12 hours after it derailed and caught fire Tuesday night in northwest New Brunswick, Canada, forcing an evacuation less than 35 miles from the Maine border. Taken together, the growing number of incidents requires prompt and decisive action.

U.S. refineries increasingly rely on railroads to ship oil from the Bakken and other oil-producing regions to major refining centers along the coasts. The North Dakota Pipeline Authority recently projected that railroad oil-shipping capacity from the state would exceed 2.5 million barrels a day by 2016, nearly double that of pipelines.¹ As oil production in the Upper Midwest increases, proposed pipelines such as TransCanada's Keystone XL² and Enbridge's Sandpiper³ would carry – or divert – a fraction of the crude being carried on railroads, even if those projects are built and operated at full capacity.

¹ North Dakota Pipeline Authority, "US Williston Basin Crude Oil Export Options." November 7, 2013, <http://ndpipelines.files.wordpress.com/2012/04/oil-table-11-7-2013.jpg>, accessed on January 7, 2014.

² One-fourth of Keystone XL's 830,000-barrel-a-day capacity would be dedicated to U.S. Bakken shipments from North Dakota and Montana. TransCanada, "Keystone XL brings a secure supply of oil to the United States," <http://keystone-xl.com/about/energy-security/>, accessed on January 7, 2014.

³ Sandpiper pipeline would carry 225,000 barrels daily from North Dakota oil fields; Enbridge, "Sandpiper Line Project," http://www.enbridge.com/~media/www/Site%20Documents/Delivering%20Energy/Projects/US/Sandpiper_FactSheet_FINAL_2013%20August%20Open%20House.pdf, accessed January 7, 2014.

Given this growth and the oil industry's continued focus on rail shipments, it is imperative that your departments understand and properly evaluate the safety of transporting crude oil by rail. The federal government must have a thorough understanding of the risks to communities near active oil train routes, as well as the current and future volumes of oil being transported by rail. To that end, last summer, we asked the Government Accountability Office (GAO) to examine the impact of shale oil and gas development on transportation infrastructure and safety, including the potential impacts on rail safety. Our hope is that the eventual findings will provide additional insight to help protect communities from accidents like the ones seen in recent months.


We are encouraged by several steps the Department of Transportation is taking to address these issues. The Department has issued safety alerts highlighting the importance of properly classifying hazardous materials being shipped by rail, and a warning that crude oil from the Bakken may be more flammable than other crudes. In addition, it has launched the "Bakken Blitz," a series of unannounced inspections on oil train facilities and tests on the chemical composition of crude oil produced in the region.

Despite these initiatives, the recent derailments and severity of the resulting explosions demand further action. First, both departments must work together to gain a thorough understanding of the current and future volumes of crude oil that will be shipped on railroads in the United States. Second, it is critical that crudes be properly evaluated to understand whether they require special precautions and handling. There is growing concern that some oil shipments are improperly classified under federal hazardous material standards, leaving rail companies and emergency responders with incomplete information about what is being shipped through communities. Such misinformation makes it difficult to plan for – and respond to – emergencies and safety threats. Third, safety requirements must be evaluated and updated to ensure they adequately address the risks of carrying crude oil. Finally, we encourage the Department of Transportation to finalize rules implementing the rail risk reduction program that was signed into law six years ago.

The recent derailments and accidents involving crude oil are alarming and demand increased vigilance. We urge you to work together to quickly resolve issues with the transportation of crude oil in order to protect our communities, and prevent any further disasters.

Thank you for your attention to this important issue.

Sincerely,



JOHN D. ROCKEFELLER IV
Chairman, U.S. Senate Committee on
Commerce, Science, and Transportation



RON WYDEN
Chairman, U.S. Senate Committee on
Energy and Natural Resources