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California Legislature

Senate Committee on Environmental Quality

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November 28, 2014

The Honorable Edmund G. Brown, Jr.
Governor of California
California State Capitol, Suite 1173
Sacramento, CA 95814

Dear Governor Brown,

I am writing to request immediate action by your administration to halt the transport of crude oil and other hazardous materials by rail through our most treacherous passes within California.

As you are aware, on Tuesday a train derailed into the Feather River Canyon. Your Office of Emergency Services (OES) was quoted as saying that "we dodged a bullet" because the train was carrying corn rather than oil. OES stated that each week a train carrying 1 million gallons of highly volatile crude oil from the Bakken oil field in Montana and North Dakota travels down the canyon and there are plans to add a second train shortly.

This incident serves as a warning alarm to the State of California. Had Tuesday's derailment resulted in a spill of oil, the spill could have caused serious contamination in the Feather River, flowing into Lake Oroville and contaminating California's second largest reservoir that supplies water to the California Water Project and millions of people.

As you know, in recent years there has been an enormous increase in the transport of oil and associated chemical products by rail nationally and in California because new well stimulation practices like fracking are giving great access to oil resources in inland regions of the United States.

As a result of this increase in transport there have been several fatal and devastating rail accidents involving large crude oil spills resulting in large fires and explosions in both the United States and Canada.

One of the most serious of these recent accidents was the Lac-Mégantic derailment that occurred in the town of Lac-Mégantic in Canada on July 6, 2013. In this accident, a 74-car freight train carrying crude oil from the Bakken formation derailed in the downtown area, killing 47 people and destroying more than 30 buildings when multiple tank cars exploded and burned. In addition, the Chaudière River was contaminated by 26,000 gallons of crude oil.

According to data from The Pipeline and Hazardous Materials Safety Administration, the amount of crude oil spilled from rail cars in 2013 exceeded that spilled in the preceding four decades. In 2013, 1.15 million gallons of crude oil were spilled, compared with about 800,000 gallons spilled from rail cars between 1975 and 2012.

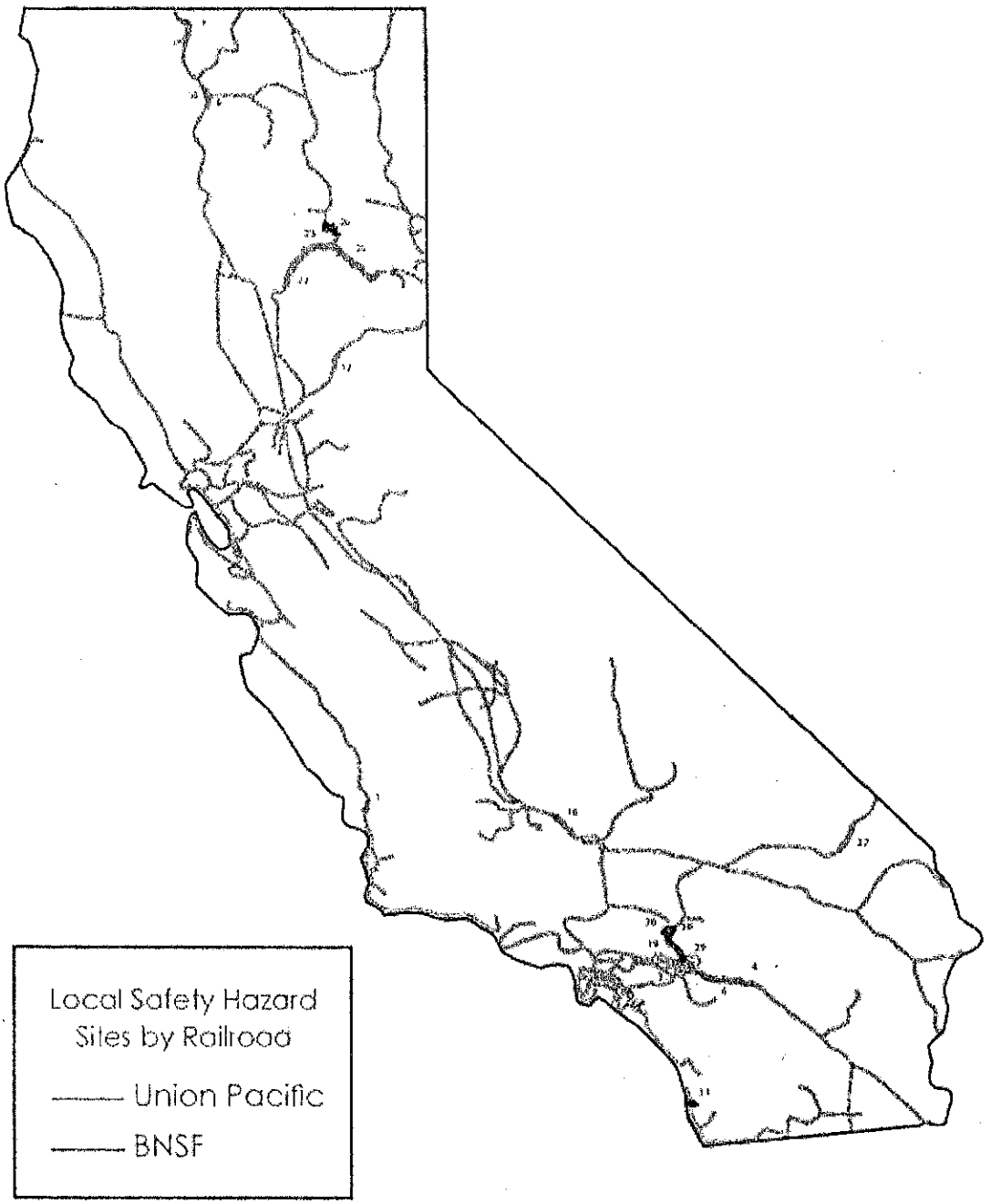
The production of two types of hazardous materials, crude oil and ethanol, has seen rapid growth in the past few years. This increasing production has required a flexible mode of transport to match output, and has begun to increasingly rely on rail transport. In fact, railroads account for about 70% of all ethanol transport, according to the Association of American Railroads, and crude oil by rail is growing quickly as pipelines become saturated and do not connect new oil boom regions (such as the Bakken in North Dakota and the Tar Sands in Canada) to major refining locations (such as California).

In 2011, California had the third highest amount of imported rail tons of ethanol in the country, with more than 45,000 carloads arriving in state. The same year, about 9,000 tank cars of crude oil were imported into California by rail, and this number is projected to increase to over 200,000 cars by rail by 2016, according to the CEC.

These statistics highlight the important role rail has in delivering California energy resources, but it also points to a new significant risk to public and environmental health and safety.

Earlier this year the Senate Environmental Quality and Natural Resources and Water Committees conducted a hearing to discuss the state's preparedness for responding and remediating rail accidents. That hearing shone a light on three primary points: first, according to the California Public Utilities Commission (CPUC) there are several areas throughout the state where treacherous rail passes present an increased risk for derailment or other rail accident; second, those passes often are located in isolated regions with steep rail grades passing over or near bodies of water and third that the state's first emergency responders are ill-equipped to quickly respond in these regions to prevent and mitigate major environmental and public health harm.

The CPUC identified 19 track sections, listed in and depicted below.


Local Safety Hazard
Sites by Railroad
Union Pacific
BNSF

Local safety hazard sites identified by the CPUC, from its Annual Railroad Local Safety Hazard Report for 2012. Published on July 1, 2013.

Local Safety Hazards as identified by the CPUC September, 1997

1) Site No. 1 - SP Coast Line, Milepost 235.0 to 249.0 (Now UPRR Coast Subdivision)
2) Site No. 3 – SP Yuma Line, Milepost 535.0 to 545.0 (Now UPRR Yuma Subdivision)
3) Site No. 4 – SP Yuma Line, Milepost 586.0 to 592.0 (Now UPRR Yuma Subdivision)
4) Site No. 6 - SP Yuma Line, Milepost 542.6 to 589.0
5) Site No. 7 – SP Siskiyou Line, Milepost 393.1 to 403.2 (Now Central Oregon and Pacific Railroad Siskiyou Subdivision)
6) Site No. 9 – Shasta Line (Black Butte District), Milepost 322.1 to 332.6 (Now UPRR Black Butte Subdivision)
7) Site No. 10 - SP Shasta Line, Milepost 322.1 to 338.5 (Incorporated into Site No. 9 – see above)
8) Site No. 12 - SP Roseville District, Milepost 150.0 to 160.0 (Now UPRR Roseville Subdivision)
9) Site No 16 – SP Bakersfield Line, Milepost 335.0 to 359.9 (Now UPRR Mojave Subdivision)
10) Site No. 19 - SP Bakersfield Line, Milepost 463.0 to 486
11) Site No. 22 – UP Feather River Division, Milepost 234.0 to 240.0 (Now UPRR Canyon Subdivision)
12) Site No. 23 – UP Feather River Division, Milepost 253.0 to 282.0 (Now UPRR Canyon Subdivision)
13) Site No. 25 - UP Feather River Division, Milepost 232.1 to 319.2
14) Site No. 26 – UP Bieber Line, Milepost 15.0 to 25.0 (Now BNSF Gateway Subdivision)
15) Site No. 27 – UP L.A. Subdivision Cima Grade, Milepost 236.5 to 254.6
16) Site No. 28 – ATSF Cajon, Milepost 53.0 to 68.0 (Now BNSF Cajon Subdivision)
17) Site No. 29 – ATSF Cajon, Milepost 81.0 to 81.5 (Now BNSF Cajon Subdivision)
18) Site No. 30 – ATSF Cajon, 55.9 to 81.5
19) Site No. 31 – ATSF San Diego, Milepost 249.0 to 253.0 (Now BNSF San Diego Subdivision)

The CPUC reports that, from 2003-2013, the 2% of track identified as local safety hazard sites were responsible for 18% of derailment accidents.

While I believe that the budget augmentations to both the Office of Spill Prevention and Response (OSPR) and the CPUC, as well as the loan to OES are significant first steps to getting California better prepared to oversee the safe transport of oil and other hazardous materials through the state, we are not prepared today.

I am asking today that your administration institute a moratorium on rail transport of hazardous materials through these 19 sites and any other sites identified as local safety hazard sites by the CPUC until such time that all of the responsible state and local emergency responders have developed and fully implemented emergency prevention and response plans that are fully protective of public health and our environment.

I would like to work with you and your administration in the coming year to help facilitate this goal and on any legislative action necessary to meet it.

I am available should you like to discuss this issue further.

Sincerely,

Jerry Hill, Chair
Senate Environmental Quality Committee

cc: Matt Rodriquez, Secretary, California Environmental Protection Agency
Gareth Elliott, Legislative Secretary, Governor Brown
Martha Guzman-Aceves, Deputy Legislative Secretary, Governor Brown
Mark S. Ghilarducci, Director, California Governor's Office of Emergency Services
Thomas M. Cullen Jr., Administrator, Office of Spill Prevention and Response