Brian E. Frosh Attorney General



MEDIA CONTACTS: <u>Press@oag.state.md.us</u> 410-576-7009

PRESS RELEASE

Attorneys General to Trump Administration: Close Loophole Allowing Trains to Carry Explosive Crude Oil Through Communities

Trains Carrying Millions of Gallons of Crude Oil Routinely Travel Through Cities and Towns in MD and Across Country, Without Any Limits On Explosiveness and Flammability Six-State Coalition Calls for Immediate Action to Set National Limit on Vapor Pressure of Crude Oil to Minimize Threat of Explosions and Uncontrollable Fires from Rail Accidents

BALTIMORE, MD (May 22, 2017) – Maryland Attorney General Brian E. Frosh joined a coalition of six state Attorneys General in urging the Trump Administration to immediately close a loophole that allows highly flammable, highly explosive crude oil to be shipped by rail through communities in Maryland and across the country. These trains are responsible for several catastrophic rail accidents in recent years, including the 2013 explosion in Quebec that killed 47 people.

"In Maryland, trains carrying crude oil travel through densely populated areas such as Baltimore City, as well as suburban residential and rural communities throughout the State, potentially endangering Maryland citizens' lives, businesses and properties," said Attorney General Frosh. "Maryland has an interest in ensuring that unrefined petroleum products such as crude oil, and other Class 3 flammable liquid hazardous materials are transported by rail and other modes in the safest manner possible."

In comments filed in response to an Advanced Notice of Proposed Rulemaking (ANPRM) issued by the federal Pipeline and Hazardous Materials Safety Administration (PHMSA), the coalition calls on the agency to take immediate steps to require that all crude oil transported by rail in the U.S. achieve a vapor pressure – a key driver of the oil's explosiveness and flammability– of less than 9.0 pounds per square inch (psi). Attorney General Frosh was joined by the Attorneys General of California, Illinois, Maine, New York, and Washington in filing the comments.

Click here to read the comments filed by the Attorneys General.

Accidents of trains carrying crude oil have resulted in devastating explosions and uncontrollable fires – including the 2016 train derailment in Mosier, Oregon, where the resulting fire caused the evacuation of nearly one-quarter of the town's residents, and the infamous 2013 Lac-Mégantic, Quebec accident, where a derailed train burst into flames, destroyed the downtown area, and killed 47 people. Despite the catastrophic impacts that these and other rail accidents have had on communities, currently there is no federal limit on the vapor pressure of crude oil transported by rail. In the comments filed with PHMSA

on Friday, the Attorney Generals argue that reducing crude oil vapor pressures to levels below 9.0 psi is not only practical, but is necessary for minimizing the explosion and fire danger involved in transporting crude oil by rail.

The Fixing America's Surface Transportation (FAST) Act of 2015 requires PHMSA and the federal Department of Energy to report the results of a multi-year study conducted by Sandia National Laboratories to assess the volatility of crude oil and make recommendations on improving the safety of its transport. The completion of this study and the development of accompanying recommendation may take years. For this reason, the coalition is urging PHMSA to recognize the substantial present danger that oil trains pose to communities by taking immediate action to set a vapor pressure standard less than 9.0 psi until a final standard is promulgated.

Unrefined petroleum product and Class 3 flammable liquid hazardous material carrying trains pass directly through Maryland on a regular, if not daily basis, on their way to Northeast petroleum refineries, terminal facilities, and other destinations. These trains travel across and along Maryland's most heavily populated, and environmentally sensitive areas such as rivers and other surface waters, wetlands, and wildlife habitat. Crude-by-rail poses real and substantial threats to Maryland communities, the public health and safety, and to Maryland's environment.

Vapor pressure is a key contributor to crude oil's explosiveness and flammability. Crude oils with the highest vapor pressures – such as those produced from the Bakken Shale formations in North Dakota – have the highest concentrations of propane, butane, ethane, and other highly volatile gases. While the vapor pressure of the crude oil involved in train accidents is frequently not disclosed, in the limited number of instances it is known – including the Mosier (Oregon) and La-Mégantic (Quebec) accidents – vapor pressures have exceeded 9.0 psi.

PHMSA's stated mission is to protect people and the environment from the risks associated with the transportation of hazardous materials, including crude oil. In July 2015, in response to concerns raised by rail accidents involving crude oil shipments, the agency adopted a new rule that sought to enhance the structural integrity of train cars that ship crude oil, and lessen the chances of train derailments. Although the new rule imposed new regulations on the design and operation of train cars, it did nothing to increase the safety of the highly combustible liquids carried by these cars. Because of this, under federal law, crude oil can still be shipped through some of Maryland's most densely populated communities without any limit on its explosiveness or flammability.

According to the Association of American Railroads, crude oil shipments by rail increased from 9,500 carloads in 2008 to 493,126 carloads in 2014, representing an increase of over 5,000 percent. While rail shipments of crude oil have dipped somewhat in recent years, rail is expected to continue to be an important mode of transporting the resource in the future, particularly as crude oil prices and total U.S. production rebound as expected.