VERBAL COMMENTS

Before the
Chemical Facility Safety and Security Working Group

November 15, 2013
Good morning. I am Bill Erny, Senior Director for the American Chemistry Council. I am here today to address the important issue of Improving Chemical Facility Safety and Security across the United States. In addition to my verbal statement, ACC will be providing a written statement for the record.

First I would like to commend the Administration for providing leadership on this important issue by taking action and issuing Executive Order 13650 on August 1, 2013. Nothing is more important to the membership of the American Chemistry Council (ACC) than the safety and security of our facilities, our employees and our communities. For this reason, I would like to express our strong interest in working with you and your staff to help effectively implement this Executive Order.

As the nation's leading trade association for chemical manufacturers, ACC stands ready to offer the expertise of our membership and to engage with the Work Group throughout implementation of the EO. We believe ACC has valuable programs and broad experience that could greatly assist in your efforts.

Safety Performance:

ACC members are proud to be part of an industry group that has placed safety and security at the core of its operations. A few statistics: ACC member companies have reduced worker recordable injury and illness rates at their facilities by 79 percent since 1990, which is five (5) times lower than the U. S. manufacturing sector as a whole. In addition, since 1995, ACC members track process safety incidents, which have been reduced by 58 percent over this time.

Responsible Care® and beyond:

One important factor for our strong safety record is our membership’s commitment to the ACC Responsible Care® Program. Responsible Care® is the chemical industry’s leading environmental, health, safety, and security performance initiative. Implementation and full compliance is mandatory for membership in ACC.
Under the ACC Responsible Care Program, our members are required to implement a robust environmental, health, safety and security management system, which is verified by independent certified auditors. A core element of the Responsible Care® Program is to work with members of the local community and first responders to educate, plan and prepare for potential chemical incidents.

In addition to Responsible Care®, ACC operates “CHEMTREC®”. CHEMTREC® is a 24 X 7 emergency call center located in Fairfax, VA, which maintains millions of Safety Data Sheets and a network of subject matter experts who provide real time emergency response information during an event.

ACC also sponsors TRANSCAER®. TRANSCAER® is a voluntary national outreach effort focused on training local communities and emergency personnel on preparation and response to possible transportation incidents.

Combined, these efforts paint a picture of the ongoing commitment of the Chemical Industry to be responsible operators, neighbors and employers.

**Leveraging Industry Programs:**

The Executive Order wisely directs the Work Group to devise options that take advantage of these private sector initiatives and help improve how the federal government oversees the management of chemical safety and security risk. ACC agrees that increased recognition and leveraging of industry improvement programs, such as Responsible Care, should be an essential component for enhancing and updating the current federal approach.

The Executive Order also presents an opportunity to identify better ways to engage, educate and inform those who play a critical role in enhancing chemical safety and security, including the first responder community. Further, this provides an opportunity to improve how Agencies and programs operate and complement each other and how they work in partnership with the regulated community. ACC recommends that more Agency resources be directed toward outreach, education and training.

**Improved Info Sharing/Community Outreach:**
ACC fully agrees that sharing of chemical information and emergency response plans with those who have a legitimate need to know is critical. As mentioned, ACC members are obligated under Responsible Care® to do just that and to work closely with local emergency planning groups, fire departments and local law enforcement to understand the risks and to be prepared.

However, ACC objects to releasing to the general public sensitive facility security information or confidential business information. ACC is concerned that by providing this type of highly sensitive information broadly, it could be used by those who wish to do us harm, and potentially jeopardize community safety and security.

**Modernizing Risk Management Policies:**

As a general matter, ACC believes that adequate laws and regulations that fully address chemical safety and security risk management are already in place. Adding new laws and regulations are not needed. However, better coordination among federal, state and local agencies, including improved enforcement of existing regulations should be the focus. Coupled with industry programs and voluntary safety and security initiatives, the public/private partnership model should be embraced to help leverage the body of knowledge and expertise in this area. As far as regulating the use of “safer alternatives”, ACC believes that the current regulations in place today and the marketplace provide very strong incentives for companies to consider alternatives, where feasible, using all risk management tools and options at their disposal, while considering the complexities of their unique operating environment. Because of these complexities, applying regulation to the “safer alternatives” is not feasible.

Lastly, while ACC generally agrees that a periodic review of covered chemicals under RMP, PSM and CFATS is warranted, the process must be transparent and include all stakeholders to ensure that risks are considered in the context of real-world factors. And that the review process is based on sound scientific, risk-based and considers economic impacts as well as technical feasibility.

**Conclusion:**
Thank you for your time and the opportunity to present our views on Improving chemical safety and security. We commend the Administration for its leadership and we stand ready and willing to offer our support and assistance to ensure a successful effort.