Dear Chairman Rockefeller and Ranking Member Hutchison:

I am writing on behalf of the employees, suppliers, customers, and business leaders of the U.S. chemistry industry to encourage you in your ongoing efforts to re-craft a surface transportation bill that will gain bipartisan support of members of the U.S. Senate.

Nearly 800,000 Americans rely on jobs in the chemistry industry—earning approximately 46 percent more than the average manufacturing wage. The business of chemistry creates a ripple effect that is responsible for almost five million American jobs and 26 percent of America’s GDP. The ability to ship our products, including toxic inhalation hazard (TIH) chemicals, safely and efficiently from production facilities to customers is essential to nearly every sector of our economy.

Reauthorizing the surface transportation bill and addressing regulatory uncertainty and inefficiencies is paramount for expanding investment and accompanying high-salaried jobs here in the U.S. I respectfully urge you to address three specific issues in the bill that will proceed to the Senate floor.

First, the implementation of positive train control (PTC) directly impacts both railroads and shippers. The Rail Safety Improvement Act of 2008 (Act) requires railroads to install Positive Train Control (PTC) on rail lines that carry TIH materials such as chlorine and anhydrous ammonia. If PTC ends up not being installed on certain route segments, TIH shippers and their customers could be severely harmed because they will have limited access to available shipping routes. A 2010 Harvard John F. Kennedy School of Government report states, “Without the movement of [TIH] materials, gas stations would close, crop yields would diminish, potable water prices would rise, and many manufacturing activities would come to a halt.” As the Association of American Railroads has noted, “chemicals and rail transportation go hand in hand.”
However, neither the 2008 Act nor the Senate bill provides shippers and receivers of these materials with a seat at the table when the Federal Railroad Administration reviews PTC implementation plans. ACC requests inclusion of language to 1) ensure that shippers and receivers are fully informed of the potential impacts of PTC implementation plans on the availability of freight rail routes and any impact on the ability to transport their products and 2) require FRA to consult with these stakeholders prior to approval of the plans.

Second, we agree that FRA should have the flexibility to achieve safety objectives using the best, most innovative and least burdensome tools. ACC supports language allowing the implementation of alternative technologies that achieve a level of risk reduction equal to or greater than the level that would be achieved by implementing PTC. However, we are concerned with language in the House bill that refers to “prevention of accidental releases.” PTC is designed to prevent rail accidents from occurring, and that is the most effective way to reduce overall risks for the rail system. Therefore, acceptance of alternative risk reduction strategies in place of PTC systems must be based on the criterion that these alternatives are as effective in preventing rail accidents as PTC.

Finally, we urge the Senate to adopt the Hazardous Materials Transportation Act provisions of the House bill, which would improve the safety and efficiency of transporting essential chemicals on highways or by rail.

The chemical industry is in the beginning stages of a comeback in the U.S. The growing availability of natural gas, which is used as a building block for more complex chemistry, makes investment here more attractive. In planning new billion-dollar facilities, access to safe and efficient transportation service is also an important consideration for whether to invest in the U.S. or elsewhere.

I urge you through the surface transportation bill to foster a hospitable environment for growth of the chemistry industry in the U.S. and the continued safe shipment of chemicals. Addressing the American Chemistry Council’s concerns regarding PTC and hazardous materials transportation would go a long way to support safety and support future investment of the chemistry industry and the growth of associated jobs here at home.

Thank you for considering our requests.

Sincerely,

Cal Dooley