

TESTIMONY OF

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Committee Hearing on Freight Rail Transportation:
Enhancing Safety, Efficiency, and Commerce

BEFORE THE

**U.S. Senate Committee on Commerce,
Science, & Transportation**

ON

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Missouri Department of Transportation
105 W. Capitol Avenue
Jefferson City, MO 65102
www.modot.org

Thank you, Chairman Thune and Ranking Member Nelson for inviting me to participate in this hearing. I am Michelle Teel, the Missouri Department of Transportation (MoDOT) Multimodal Operations Director. I'm so pleased to be here to share the state experience on freight rail safety, efficiency, and commerce.

Situated in the center of the United States, Missouri is the crossroads for our nation's railroads. Missouri is the fourth most rail intensive state by tonnage, annually carrying more than 420 million tons of goods. Nearly 20 million additional trucks a year would be needed to move this same amount of freight on Missouri's roads. Missouri also has more than 4,800 miles of railroads, 3,800 rail crossings on public roads, and six Class One railroads operating within the state. Kansas City Terminal Railway (KCT) is the second largest terminal in the country. Approximately 250 freight train movements occur at KCT every day. Missouri is also home to Terminal Railroad Association (TRRA) of St. Louis. TRRA is the third largest terminal in the country. All sorts of commodities move through these terminals every day from places like Long Beach California and Powder River Valley. You don't have to wait long in Missouri to see a unit train of coal or a load of hazardous materials.

Safety is MoDOT's highest priority, and we do everything within our ability to make our transportation system as safe as possible. When we recently saw Bakken crude oil shipments increase, Missouri's railroad safety inspectors worked with the Class One railroads and the Federal Railroad Administration (FRA) to make certain those routes received our highest attention to help ensure the safe movement of goods. We checked curves of tracks, intersections with roads, and the operations of these movements to give Missouri the safest rail system possible. The rise of railroad movements also spurred MoDOT to increase railroad safety inspection staff. In a time when resources are scarce, the decision to increase railroad safety inspection staff demonstrates MoDOT's commitment to rail safety. With rail movements on the rise, we believe these actions are prudent to make certain our citizens and railroads are safe.

In Missouri, we work closely with the nation's second and third largest terminal railroads to promote safe and efficient rail transportation. We know Missouri's terminal railroads are an important national asset, moving a significant amount of

freight, including hazardous materials. They allow multiple Class One railroads to use common infrastructure, thus maximizing efficiencies and minimizing environmental impacts. The state sponsored Missouri River Runner passenger rail service and Amtrak also use these nationally significant terminal railroads to move passengers. Six passenger trains traverse KCT each day, moving people to and from our nation's largest population centers. Moreover, as I mentioned earlier, approximately 250 freight movements occur every day at KCT, driving our nation's economy.

When positive train control (PTC) regulations were created, the FRA made the ruling through their interpretation of The Rail Safety Improvement Act of 2008, that terminal railroads would only have to install PTC if they had passenger movements. However, MoDOT believes PTC installation requirements should not be triggered by a small amount of passenger rail traffic, but rather should be based on operation volume, population density, tonnage, and commodities moved – especially hazardous materials. This would be consistent with the rest of the PTC rules and applications nationwide.

Recently, MoDOT received a letter from Amtrak regarding PTC improvements in KCT and TRRA. This letter laid out that Amtrak had begun receiving invoices from KCT for the implementation of PTC. As KCT views the law through FRA interpretation and subsequent regulation, the only requirement for implementing PTC in the terminal is the six passenger train movements per day, not the 250 freight movements through this dense population center. Amtrak explained in the letter the estimated total cost for installation in KCT will be about \$32 million. The letter states Missouri's share for the state sponsored Missouri River Runner passenger rail service (contracted through Amtrak) is approximately \$20 million and about \$2 million a year for maintenance in KCT alone. To give some scale to this - Missouri's cost to fund the Missouri River Runner passenger rail between Kansas City and St. Louis is approximately \$9 million per year. The service operates on the KCT for only about 6 miles of the entire 250 mile route.

MoDOT believes PTC helps improve rail safety. However, requiring MoDOT and Amtrak to bear the cost of the entire PTC system in the terminals - considering the volume of hazardous materials and other commodities in these dense

population areas - does not seem to comply with the intent of the law. While this issue impacts Missouri the most severely, Illinois and California are also impacted by this FRA interpretation.

MoDOT sent a response letter to Amtrak and another to the FRA, regarding the Amtrak letter. I have attached both of these letters to my testimony, along with the letter received from Amtrak. You will see in our letters, MoDOT stands ready to work with the FRA, railroads, Amtrak, and lawmakers to address this important safety issue. We know there will be an on-going and dynamic discussion ultimately leading to a more informed and equitable method of implementing PTC in our nation's largest rail terminals.

I would like to thank you for the opportunity to share our views on this very important topic. Missouri stands committed to improving the safety of our entire transportation system.