

CITY OF MUKILTEO
MUKILTEO, WASHINGTON
RESOLUTION 2014-12

A RESOLUTION RELATED TO PETROLEUM TRANSPORT BY RAIL THROUGH MUKILTEO AND THE STATE OF WASHINGTON; URGING ADOPTION OF STATE LEGISLATION AND FEDERAL REGULATIONS; STATE ASSESSMENT OF RISKS; RAILROAD COMPANY RESTRICTION OF PETROLEUM TRANSPORT; AND UPDATE OF CITY INCIDENT RESPONSE PLANS TO ADDRESS THE POTENTIAL SAFETY, ENVIRONMENTAL, AND ECONOMIC IMPACTS OF PETROLEUM TRANSPORT BY RAIL.

WHEREAS, new technologies have resulted in the development of unprecedented amounts of both domestic and foreign oil, natural gas, tar sands, bitumen, and other petroleum products and derivatives, which will significantly increase the volume of petroleum and petroleum products moving by rail through Washington from the first dedicated train in 2012 to a possible volume of nearly 800,000 barrels per day, if all proposed projects are built; and

WHEREAS, the volume of petroleum-by-rail moving through our region is expected to triple to over one million barrels per week; and

WHEREAS, the primary source of the petroleum anticipated to be transported by rail through our region is from the Bakken formation, which the U.S. Department of Transportation Pipeline and Hazardous Materials Safety Administration has determined may be more flammable than traditional heavy crude oil; and

WHEREAS, the rail lines that will carry this petroleum run through and by Mukilteo's neighborhoods, parks, business areas, ferry terminal, and along our waterfront, and other natural areas; and

WHEREAS, the rail lines that will carry this petroleum run through and by culturally and historically significant sites, including the site of the signing of the Point Elliot Treaty, and other sites which are sacred and meaningful to Washington's tribes; and

WHEREAS, recent derailments, spills, and fires, such as the recent derailment and explosion in Casselton, North Dakota, illustrate the potential catastrophic impacts which could occur to our community and environment from the transport of petroleum by rail; and

WHEREAS, recent federal rules requiring some disclosure of the volume of petroleum transports are a welcomed first step, but will be inadequate to provide the detailed information that first responders in Mukilteo and neighboring communities will require to effectively plan for and mitigate potential derailments.

WHEREAS, the transport of large volumes of fossil fuels such as petroleum is not compatible with the City of Mukilteo's commitment to addressing climate change; and

WHEREAS, the City of Mukilteo is deeply concerned about the threat to life, safety and the environment of potential spills and fires from the transport of petroleum by rail;

NOW THEREFORE THE CITY COUNCIL OF THE CITY OF MUKILTEO, WASHINGTON, HEREBY RESOLVES AS FOLLOWS:

Section 1: The City of Mukilteo strongly urges the Washington State Legislature to approve legislation requiring disclosure of the volumes, types of petroleum, petroleum products, and petroleum derivatives; transportation routes; and the frequency and duration of transfers of petroleum, so that the state and local communities can be fully informed of and plan for the risks posed by the transport of petroleum by rail.

Section 2: The City of Mukilteo strongly urges the U.S. Congress and U.S. Department of Transportation to strengthen federal tank car design and operation laws and regulations for petroleum product shipments and aggressively phase out older-model tank cars used to move flammable liquids that are not retrofitted to meet new federal requirements.

Section 3: The City of Mukilteo strongly urges the Washington Department of Ecology and the Military Department Emergency Management Division, in collaboration with the Washington Department of Fish and Wildlife, the Coast Guard and local government emergency response entities, to assess the impact to public safety, the environment, the economy, and traffic of petroleum transport by rail through the region and the State of Washington.

Section 4: The City of Mukilteo requests that the Governor of Washington, the Washington Department of Ecology, the Washington State Energy Facility Site Evaluation Council, and any other relevant state agencies refrain from permitting projects that would expand the capacity for petroleum export out of the state or otherwise increase the number of trains carrying petroleum through Washington communities until the cumulative environmental and safety impacts of these projects are studied and addressed.

Section 5: The City of Mukilteo requests that any railroad company that operates rail lines adjacent to Lighthouse Park, the Mukilteo ferry terminal, and the Mukilteo waterfront consider restrictions on the shipment of petroleum products along those routes until adequate study by relevant state, local, and federal government agencies have determined

that the transport of petroleum by rail meets established public safety and environmental protection standards.

Section 6: The City Council requests that the Mukilteo Fire Department and the Emergency Services Coordination Agency (ESCA) review and, if needed, update the incident response plans for the increasing risk imposed by the transport of petroleum by rail.

Section 7: The City Clerk is directed to transmit this resolution to the relevant federal, state and local elected officials and agencies aforementioned.

PASSED by the City Council and APPROVED by the Mayor this XX day of XXX, 2014.

APPROVED:

MAYOR, JENNIFER GREGERSON

ATTEST/AUTHENTICATED:

CITY CLERK, CHRISTINA J. BOUGHMAN

FILED WITH THE CITY CLERK:
PASSED BY THE CITY COUNCIL:
RESOLUTION NO. **2014-12**

The Seattle Times

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Business / Technology

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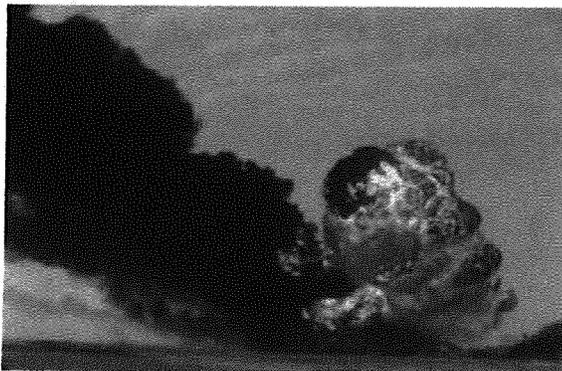
Oil trains return to Northwest in big way

Regulators working with the rail industry can make oil trains even safer.



By Jon Talton

Special to The Seattle Times



The Pacific Northwest is a long way from the Oil Patch. But the Oil Patch is coming to us by train, ready or not.

The reason is hydraulic fracturing, the technology that injects water, sand and chemicals into rock formations to unlock oil and gas. The biggest fracking play is the Bakken formation in North Dakota, Montana and southern

Canada. Relatively high crude prices make these ventures profitable.

These new oil fields tend to be far from pipelines, so railroads are moving the oil to refineries and terminals on the coasts.

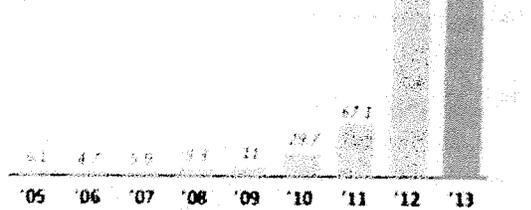
The Sightline Institute, a think tank that focuses on environmental issues, calculates that 11 refineries or terminals are operating, under construction or planned in Washington and Oregon that can handle oil by rail. Three are already built.

In the past, most of the oil coming to the Northwest was from Alaska. In the future, trains could be bringing 700,000 barrels or more per day here and traveling through the region's most populous cities.

All aboard

Fracking for oil in locations without pipelines has led to a surge in oil being carried by railroads. The chart shows carloads of crude oil delivered to their destination on U.S. Class 1 railroads. Last year's number is a preliminary estimate.

Figures in thousands



Source: Association of American Railroads. KELLY SHER / THE SEATTLE TIMES

Sightline policy director Eric de Place says the key issue is the "aggregate effects" of all these projects on environmental and safety risks, not the individual proposals.

Those dangers were most highlighted by the derailment and explosion last July of a runaway oil train in Lac-Mégantic, Quebec, which killed 42 and incinerated much of the town center.

Some other derailments have followed, even though major railroads have a good safety record in moving oil and other hazardous materials. The Lac-Mégantic disaster happened on a 510-mile.

Still, Todd Paglia, executive director of the environmental group ForestEthics, wrote in a Seattle Times op-ed, "Neither the federal government nor the state of Washington is remotely prepared for what is already in our state, let alone what may be coming."

Meanwhile, members of the Washington Legislature want the state Department of Ecology to improve its disaster planning. Democrats propose requiring energy companies to disclose their routes and how much oil they are sending by rail.

But stopping the process is impossible. Because of America's voracious appetite for fossil fuels, including a desire to export the oil bounty from fracking, that train has left the station.

Once, trains were the way oil traveled. At its peak, in 1943, rail carried 162 million barrels. By the early 1960s, the volume had fallen to 5 million barrels because of the construction of pipelines.

Although not necessarily safer, pipelines were much cheaper.

Fracking has given railroads a new advantage. Unlike the old "elephant fields" of the past, America's new oil plays are often far from pipelines. Fracked wells tend to deplete quickly, so constant drilling is required to keep output going. This makes it chancy for pipeline companies to make the heavy investment necessary to build new networks.

Rail is economical

Rail, on the other hand, is flexible and can reach many places more economically and quickly. As a result, railroads in the United States and Canada have experienced a boom in transporting oil.

Another potential business is transporting tar-sands oil from Alberta. This heavy crude is difficult to move by pipeline, requiring it to be diluted. At the terminal on the other end, this distillate must be removed. The cost advantage may go to rail.

Class 1 railroads, the largest carriers, are investing heavily in tank cars, and also increasing capacity and safety. The Association of American Railroads, the leading industry trade group, is calling for stringent new car designs and phasing out older models.

Gus Melonas, spokesman for the BNSF, the major railroad carrying Bakken oil to the Northwest, told me that the company is investing in new track, carrying out more inspections and buying 5,000 of the newest, safest tanker cars.

However, one complication for the railroads is that leasing companies and rail customers own most of the 92,000 tank cars used to transport oil in North America.

The BNSF sends between one-and-a-half and 2 oil trains per day to the Puget Sound region. Trains going through downtown Seattle travel at 25-miles-per-hour or less.

Sightline estimates that if all the refineries and terminals are built, all railroads could be operating 11 trains per day through the Northwest.

Melonas said the "northern tier" of the BNSF, which includes the former Great Northern and Northern Pacific railroads, has not seen a fatality as a result of a hazardous materials accident since 1981.

Even so, a December collision in North Dakota involving a 100-car oil train caused a fire and led to a partial evacuation of Casselton, a small town west of Fargo.

Proper testing

Last month, federal regulators required shippers to properly test and classify oil coming from Bakken before it is loaded on trains.

This cuts to a critical problem with some fracked oil: It is more explosive than traditional light sweet crude.

Regulators working with the rail industry can make oil trains even safer.

Also, the fracking revolution risks being oversold. It depends on relatively high energy prices and heavy capital investment. It causes heavy environmental damage. Even with fracking, U.S. production last summer was 7.5 million barrels per day, still below the 9.6 million when America reached peak production in 1970.

But as long as Americans keep up their love affair with driving, as long as fossil fuels and highways are subsidized while transit is starved and climate-change causing carbon isn't taxed, rail will be moving oil.

Rail can also move people. America once enjoyed the finest passenger train system in the world. It could again.

Until these responses to climate change and the externality costs of oil happen, we're left with the mordant wit of the social critic James Howard Kunstler.

He jokes about environmentalists attending a rally, then getting in their SUVs to drive home.

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The Seattle Times

Winner of Nine Pulitzer Prizes

Local News

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Oil trains' safety compromised, NTSB chief says

The amount of crude oil transported on railroads has more than quadrupled since 2005, and some of it is especially volatile, said National Transportation Safety Board (NTSB) Chairwoman Deborah Hersman.



By Richard Wronski

Chicago Tribune



The recent spate of accidents in the U.S. and Canada involving trains carrying crude oil demonstrates that "far too often, safety has been compromised," the head of the top U.S. transportation safety agency said Tuesday.

The amount of crude oil transported on railroads has more than quadrupled since 2005, and some of it is especially volatile, said National Transportation Safety Board (NTSB) Chairwoman Deborah Hersman.

That extra volatility increases the likelihood of a violent fire in a derailment, Hersman said. The transport of ethanol, the most frequently shipped hazardous material in the railway system, has also boomed, she said.

"With so much flammable liquid carried by rail, it is incumbent upon the rail industry, shippers and regulators to ensure that these hazardous materials are being moved safely," Hersman said.

She spoke in Washington, D.C., at the opening of a two-day forum on improving the safety of crude oil and ethanol shipments. The NTSB says that older models of the type of tank car used to transport crude oil and ethanol, known as the DOT-111, are not safe to carry hazardous liquids.

Hersman cited the loss of lives and the destruction that occurred after fiery derailments such as the one on July 6, 2013, in Lac-Mégantic, Quebec; and on June 19, 2009, in Cherry Valley, Ill., near Rockford.

In the Cherry Valley incident, 15 DOT-111s carrying ethanol derailed. The leaking fuel ignited, causing a massive fireball.

One woman was fatally burned and 600 homes within a half-mile radius were evacuated.

The NTSB concluded in a report on that derailment that the design of the older DOT-111 cars made them "susceptible to damage and catastrophic loss of hazardous material."

Testifying Tuesday at the NTSB forum were representatives from the petroleum and rail industries, who discussed tank-car design, crash worthiness and railroad operations.

Also testifying were researchers who reviewed safety systems and ways to reduce risks.

The NTSB recommended in 2009 that all new and existing tank cars in crude oil and ethanol service be equipped with additional safety design features, including enhanced puncture resistance system, top fittings protection and bottom outlet valves that remain closed during accidents.

Two federal agencies, the Pipeline and Hazardous Materials Safety Administration and the Federal Railroad Administration, are developing a proposed rule to update the federal design standards for DOT-111 tank cars.

Although the petroleum and rail industry and federal regulators agree that new standards are needed, they are divided over whether the requirements should be more stringent than a voluntary industry standard adopted in 2011.

Karen Darch, the village president of Barrington, Ill., and co-chairwoman of a coalition of suburbs calling for tighter standards on the DOT-111s, said Tuesday she is pleased the NTSB is focusing attention on the problem.

Darch and Tom Weisner, mayor of Aurora, Ill., have expressed alarm as ever-increasing crude-oil shipments move through their communities.

But the government's ongoing testing, quest for consensus among industry and regulators and failure to issue a new tank car rule is "hampering progress toward greater safety," Darch said.

"Industry does not want to invest in new tank cars until (the U.S. Department of Transportation) has the standard out," Darch said. "It cannot come quickly enough for us."

In the Pacific Northwest, about 17 million gallons of petroleum already works its way by rail to refineries in Anacortes, Ferndale in Whatcom County, and Clatskanie, Ore., near the mouth of the Columbia.

That number is expected to more than triple by the end of 2014.



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