

NEWS RELEASE July 29, 2015 For Immediate Release, Contact: Julie Fedorchak, (701) 391-1140 Randy Christmann, (701) 328-4091 Brian P. Kalk, (701) 261-0373

Public Service Commission Approves Agreement with Federal Rail Administration for State Railroad Safety Program

BISMARCK, ND – The North Dakota Public Service Commission (PSC) today signed an agreement with the Federal Rail Administration (FRA) to implement a state Railroad Safety Program.

The volume of rail traffic in North Dakota increased nearly 233 percent between 2000 and 2012. At the same time, the type of materials transported has changed from largely non-hazardous products like coal and grain to large volumes of hazardous materials such as crude oil and ethanol. Commission Chairman Julie Fedorchak said these two significant changes triggered the need for the state to step in and assist with this vital work.

"The railroads are essential to our state's two leading industries, agriculture and energy, and at the same time run through the heart of 175 North Dakota communities," Fedorchak said. "The safe and efficient operation of trains is vital to our citizens. Today's action officially engages the state in helping advance rail safety in North Dakota."

The new program was advanced by commissioners in the PSC's budget and approved earlier this year by the Legislature along with authority to hire two inspectors. The inspectors will focus on two disciplines: (1) track and (2) motor power & equipment (mechanical). These areas were identified as top priority because statistics show they contribute to the largest number and most severe accidents in North Dakota. The new program will supplement efforts by the FRA, the federal agency with primary responsibility for rail safety in every state. FRA currently has two track inspectors covering 3,000 miles of North Dakota track, so the state program will increase track inspections by 50 percent.

"Today's agreement strengthens the relationship between the Commission and the FRA. Rail safety is everyone's responsibility," said Commissioner Brian Kalk. "At the same time, it's important rail companies follow through with commitments to improve and expand rail facilities."

The state inspectors will be hired by and entirely accountable to the Public Service Commission. At the same time, they will be trained and certified by the FRA and work in partnership with the local and regional federal inspectors. State inspectors will inspect to federal safety standards and have the same enforcement authority and tools as federal inspectors. All violations resulting in financial penalties will be filed with the regional FRA specialist and processed by the FRA.

The Federal Rail Administration was established in 1966 and is the national authority over railroad safety. The PSC has authority under state law to adopt and enforce railroad safety rules that don't conflict with any federal agency having jurisdiction over railroads. The PSC is currently advertising and conducting interviews with potential candidates for the two inspector positions. The inspectors will train and work with federal inspectors until they are ready to inspect on their own.

The North Dakota Public Service Commission is a constitutionally created state agency with authority to permit, site and regulate certain business activities in the state including electric and gas utilities, telecommunications companies, power plants, electric transmission lines, pipelines, railroads, grain elevators, auctioneers, commercial weighing devices, pipeline safety and coal mine reclamation. For more information, contact the Public Service Commission at (701) 328-2400 or www.psc.nd.gov.

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