The Association of American Railroads (AAR) and the American Short Line and Regional Railroad Association (ASLRRA), on behalf of itself and its member railroads, submits these comments in response to the Pipeline and Hazardous Materials Safety Administration’s June 6, 2019 Notice of Availability of the Draft Environmental Assessment (EA) for a Special Permit (SP) Request for Liquefied Natural Gas (LNG) by Rail.\(^1\) On October 13, 2017, AAR submitted a letter of support for this SP authorizing the transportation in commerce of LNG in DOT specification 113C120W and 113C140W tank cars.\(^2\)

PHMSA’s draft SP largely avoids extraneous operating restrictions that could complicate rail operations. The draft SP does include “[t]he incorporation of OT-55 [AAR’s Recommended Operating Practices for the Transportation of Hazardous Materials] into the proposed special permit [which] allows authorized government entities to enforce the provisions therein.” OT-55 applies to “rail operation within the United States of America.” Thus, there is no additional benefit for PHMSA to include OT-55 in the special permit, although it is worth noting in the EA. The OT-55 Recommended Practices apply.

In addition, AAR notes some opportunities for clarification in the EA:

1. Page 2 incorrectly refers to a May 2018 AAR petition for rulemaking, requesting that PHMSA authorize the use of DOT-113 tank cars for LNG transportation. AAR actually filed the petition for rulemaking in January 2017. The EA did correctly note that PHMSA

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\(^1\) AAR is a national, non-profit trade association that represents the nation’s major freight railroads. AAR’s membership includes freight railroads that operate 83 percent of the line-haul mileage, employ 95 percent of the workers, and account for 97 percent of the freight revenues of all railroads in the United States. AAR’s membership also includes passenger railroads that operate intercity passenger trains and provide commuter rail service. AAR is the Nation’s leading railroad policy, research, standard setting, and technology organization. AAR and its members are committed to operating the safest, most efficient, cost-effective, and environmentally sound rail transportation system in the world. ASLRRA represents approximately 480 Class II and Class III railroads in the United States, Canada and Mexico as well as numerous suppliers and contractors to the short line and regional railroad industry.

\(^2\) In addition, AAR filed a petition for rulemaking to amend the hazardous materials regulations to allow methane refrigerated liquid, otherwise known as LNG, in railroad tank cars on January 7, 2017. PHMSA accepted that petition on February 7, 2017 and assigned it Petition Number P-1697 and docket number PHMSA-2017-0020.
determined the petition “merits consideration in a future rulemaking”.

2. The draft EA includes internally inconsistent outer shell thicknesses on the DOT-113 tank cars. (Page 3 references outer shell thickness greater than 7/16 inch, while page 9 refers to a minimum thickness of 7/16 inch). There should be consistency throughout the EA on the outer shell thickness.

3. The draft EA includes internally inconsistent volume comparisons between DOT-113 tank cars and cargo tank motor vehicles. (Page 14 references a three-fold difference, while page 17 estimates rail tank car capacity as twice that of trucks.) There should be consistency throughout the EA on the volume carried by truck versus highway.

4. Page 15 includes an incorrect industry average revenue ton mile per gallon (RTM/Gal) figure for 2018. The correct number is 473.

5. On pages 16-17, the EA references the regulatory requirement to report cryogenic materials which have not been delivered within 20 days to FRA. In addition, AAR/ASLRRA notes that OT-55 includes a recommendation to “implement an internal escalation process to communicate with shippers, receivers and other rail carriers concerning any rail car containing a time sensitive product that has been delayed in transit to the extent that it may not reach destination within the time frame specified.”

6. We agree with the EA’s conclusion that rail transportation would reduce the environmental impact of transporting LNG.

Finally, AAR’s Tank Car Committee (TCC) currently has a task force evaluating the DOT-113 specification for LNG at the request of DOT. The task force is discussing potential opportunities for improvement of puncture resistance, thermal protection, insulation, tank thickness, location and types of valves/fittings and protective housing, and other items. Further, the task force is reviewing the work done by the AAR Locomotive Committee (with support from the TCC) that developed the LNG tender standards for natural gas as a locomotive fuel. PHMSA and the Federal Railroad Administration are participating on the LNG DOT-113 task force. The TCC will report the results of that review to PHMSA as soon as recommendations are available.

In summary, AAR/ASLRRA supports the draft SP with the preceding general comments. Thank you for your consideration and we look forward to commenting further on the forthcoming LNG rulemaking.

Respectfully submitted,

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