OPENING STATEMENT

Ranking Member Dan Maffei (D-NY) Subcommittee on Oversight Committee on Science, Space, and Technology

Joint Subcommittee Hearing "Bakken Petroleum: The Substance of Energy Independence" September 9, 2014

Thank you Mr. Chairman for calling this hearing today. The issue of Bakken crude oil and railcar safety is particularly important to me and my constituents since two trains a day carrying Bakken crude oil pass through Syracuse, New York, my home district. While the production of crude oil from the Bakken region in North Dakota, Montana and Canada has exploded in the past several years jumping from a bit more than 100,000 barrels per day in 2007 to more than one million barrels per day today, so have the fears about potentially catastrophic accidents as milelong train cars transporting Bakken crude oil traverse the country.

Bakken crude oil is more volatile than other heavier crude oils, although its volatility is consistent with other light sweet crude oils. However, since production of Bakken crude has surged in recent years and more than 70-percent of this crude oil is now shipped by rail there is legitimate concern about the volume of this oil being shipped by rail given its known potential volatility and an increasing number of train derailments and accidents involving Bakken crude over this same time period. These are legitimate concerns. While the focus of today's hearing seems to have shifted from originally examining safety issues associated with the transport of Bakken crude and other light crude oils to discussing how Bakken crude oil is part of America's path to energy independence, we must consider the safety issues associated with it. If we truly want to explore "energy independence," as the title of this hearing suggests, and given the fact we are the science and technology committee, we should be exploring the use and development of renewable sources of energy, such as wind and solar-powered technologies.

Bakken crude oil is an important contributor to our energy portfolio, is a vital economic resource, and helps keep domestic energy costs low. While we need to do all we can to keep energy costs low for hardworking middle class families, we must address the real world consequences associated with crude-by-rail safety issues and potential accidents. Both these concerns and consequences are increasing as more crude oil moves along more miles of track than ever before creating new risks and potential hazards. The National Transportation Safety Board (NTSB), for instance, describes nine significant crude oil accidents by rail from 2006 through February of this year. However, eight of those accidents have occurred since March 2013. The most significant accident occurred in Lac Megantic in Quebec, Canada in July 2013, involved 72 rail cars carrying Bakken crude oil and resulted in the destruction of 30 buildings and the death of 47 residents of that town. Other less serious accidents have occurred since then in Alabama, North Dakota and Virginia, for instance.

To help address some of the known safety issues in transporting light crude oils, and working with industry, the Pipeline and Hazardous Materials Safety Administration (PHMSA) came out

with proposed regulations two months ago regarding crude-by-rail safety issues, including methods to help reduce the risk of accidents and areas for improved safety and response to these potential hazards. I am happy we have a PHMSA witness here today to help discuss their efforts regarding improved safety conditions for transporting crude oil by rail.

I am also particularly pleased that we have a witness from my home district of Syracuse, New York, Mark Zoanetti, the Deputy Chief of Special Operations for the Syracuse Fire Department who can help discuss the real world consequences of these hazards, how first responders need to train to address these threats, and potential improvements that would help them respond to these and other hazards involving railcar safety issues. Trains carrying Bakken Crude Oil traverse the length of my Upstate New York District on their way to Albany, New York and major East Coast refineries. Using CSX rail lines, these trains can be up to a mile and 120 tank cars long, carrying roughly 85,000 barrels of oil. Given the high frequency and volume of Bakken Crude Oil transport through my Upstate New York and other regions of the Country, it is important that we address the public safety concerns of this issue. Thank you for being here today Deputy Chief Zoanetti and I look forward to your testimony and the testimony of all of our witnesses.

With that I yield back.