South Carolina Office of Regulatory Staff

Annual Report

Railroad Transportation Activities

2017

October 30, 2018



INTRODUCTION

The South Carolina Office of Regulatory Staff (ORS) has been directed by the South Carolina General Assembly (S.C. Code Ann. Section 58-17-140 as amended by 2006 S.C. Acts No. 318) to compile information regarding railroad transportation activities in the State on an annual basis. In 2017, ORS continued to share the responsibility for railroad safety oversight with the Federal Railroad Administration (FRA) in two areas: 1) Track and 2) Operating Practices (OP). The FRA Track Division promotes understanding of and compliance with the federal Track Safety standards and provides technical expertise regarding track safety standards, roadway worker standards, and roadway maintenance machine standards, relevant to 49 CFR 213 and 214 disciplines. The OP Division promotes understanding of and compliance with federal Operating Practices standards and provides technical expertise regarding railroad carrier operating rules, employee qualification guidelines, and carrier training and testing programs; railroad occupational safety and health standards; the Hours of Service Act; and accident and personal injury reporting requirements. This document reports the activities of ORS related to its duties and addresses railroad accidents recorded by the FRA for South Carolina.

PARTNERSHIP WITH FEDERAL RAILROAD ADMINISTRATION

Through the Staggers Rail Act of 1980, Congress intended to create a competitive economic environment for railroad transportation by deregulating the rates and charges of railroads. The Rail Safety Act and its amendments authorized states to work with the FRA to enforce federal railroad safety regulations. As a result of this legislation, ORS inspectors work in partnership with the FRA to provide routine compliance inspections. ORS inspects approximately 2,600 miles of track and accompanying railroad operations annually. In 2017, ORS conducted 229 routine inspections, compiled 263 inspection reports, detected 16 safety violations, and documented 952 safety defects through these inspections.

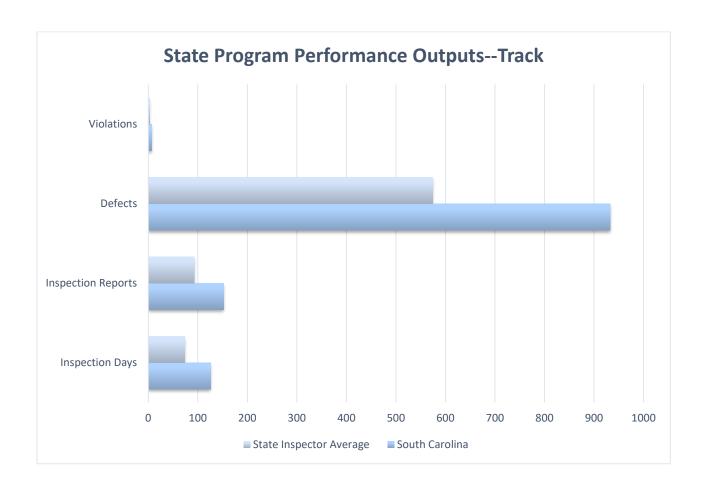
ORS coordinated closely with the FRA in non-inspection matters as well. As a participating state, ORS inspectors participated in accident and investigation training and discipline recurrency training sponsored by the FRA. Through seminars and webinars sponsored by the FRA, ORS tracked and monitored regulation promulgation, emerging

trends in the rail industry, and areas of regulatory emphasis. ORS worked closely with FRA track and OP inspectors to coordinate inspections and refer highway-rail grade crossing complaints to FRA Grade Crossing inspectors, when appropriate. In May and June, ORS coordinated with the FRA in joint Part 219 (Drug and Alcohol Testing) inspections of Class I and short lines.

STATE INSPECTOR PERFORMANCE

In 2017, ORS ranked highly in performance outputs when compared to other state inspectors. **Chart 1** illustrates that track inspections and reports exceeded the national average among all state track inspectors. **Chart 2** demonstrates that OP inspections and reports exceeded the national average among all state OP inspectors.

CHART 1: STATE PROGRAM PERFORMANCE OUTPUTS-TRACK



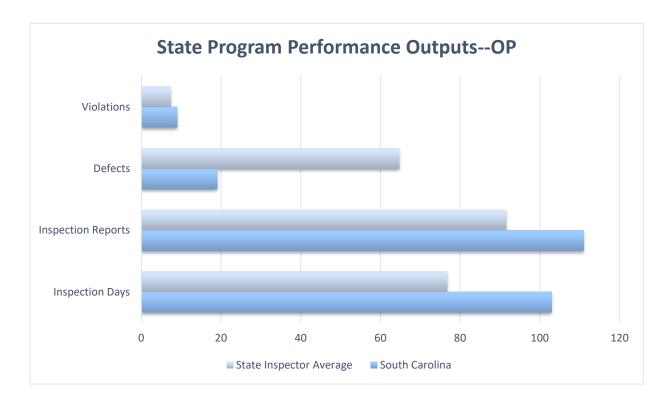


CHART 2: STATE PROGRAM PERFORMANCE OUTPUTS-OP

Also, ORS routinely attended industry training, provided 151 technical assists to operators, 146 technical assists to the public, and delivered speeches and presentations to industry partners as well as county and state emergency managers.

RAILROAD ACCIDENTS AND INCIDENTS IN SOUTH CAROLINA

The partnership between the FRA and ORS focuses on regulatory oversight activities to promote safety in railroad operations with the goal of reducing rail-related accidents, incidents, and casualties. The FRA conducts formal investigations of select railroad accidents and incidents to determine the cause and identify proper remedial action. If called upon by the FRA, ORS provides a supporting role in accident/incident investigation. According to the FRA Office of Safety Analysis, 117 reportable accidents/incidents were recorded for 2017 in South Carolina.

The FRA Office of Safety Analysis categorizes reportable accidents/incidents into three categories:

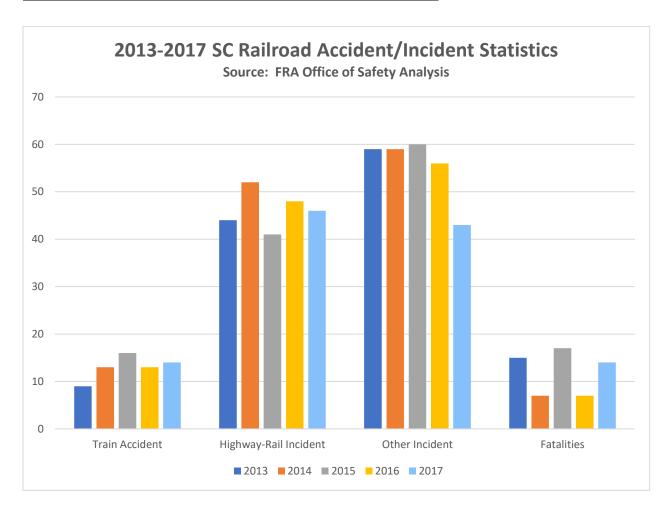
1 Train Accident An event involving on-track rail equipment that results in monetary damage to the equipment and track.

2 Highway-Rail Any impact between a rail and highway user at a crossing site, regardless of severity. This category includes motor vehicles and other highway/roadway/sidewalk users at both public and private crossings.

3 Other Incidents Events other than train accidents or crossing incidents that caused death or nonfatal condition to any person. Most fatalities in this category are due to trespassing.

Chart 3 provides a detailed breakdown of the 2013 through 2017 reportable railroad accident and incident statistics, as well as fatalities that occurred in South Carolina.

CHART 3: RAILROAD ACCIDENT AND INCIDENT STATISTICS



INTER-AGENCY COOPERATION

ORS continued training and preparations for potential incidents, accidents, and disasters. In the aftermath of Hurricane Matthew in 2016, ORS requested, and reviewed hurricane plans for Class I and coastal short lines. ORS rail safety staff participated in a tabletop and active exercise with Spartanburg County to simulate a derailment and chemical release. Consequently, when ORS received State Warning Point alerts from the South Carolina Emergency Management Division (SCEMD) related to rail incidents within the State, ORS was able to respond quickly to any accident or incident. ORS investigated 102 rail-related incidents in 2017.

To promote rail safety awareness throughout the State, ORS continued working with the emergency management community. In cooperation with SCEMD and the FRA, ORS finalized the incorporation of railroad-related Geographic Information Systems (GIS) data into SCEMD's common operating picture and began the process of ensuring that all 911 operators have railroad mileposts identified in their Computer Aided Dispatch (CAD) systems. ORS also made speeches and presentations to Local Emergency Preparedness Committees (LEPCs), South Carolina Emergency Managers Association, and County Emergency Managers regarding rail safety, state warning point, and other useful tools such as the *AskRail* application that can be used during a train emergency.

In September 2017, Hurricane Irma provided another opportunity for ORS, the emergency management community, and the railroads to work together. During this emergency, CSX, Norfolk Southern, Palmetto Railways, Amtrak, FRA, South Carolina Department of Transportation (SCDOT), and ORS coordinated to prepare their facilities and the public for the storm. For example, ORS assisted in providing resources such as road debris clearance, which enabled the railroads to install generators for switches and signaling in the aftermath of the storm. Due to the numerous washouts and flooding that accompanied the hurricane, ORS monitored the re-routing of rail traffic and provided the public and commerce with information regarding the closure of tracks and recovery efforts of the rail industry. In the aftermath of the storm, ORS, SCEMD, SCDOT, and members of the rail community discussed future opportunities in which commuter rail cars may be used to assist in the evacuation of Charleston.

SERVING THE PUBLIC

In addition to responding to rail incidents, ORS provided outreach to those impacted by the rail industry. ORS co-sponsored Operation Lifesaver to promote the three Es – education, enforcement, and engineering – to keep people safe near railroad tracks and crossings in the State. ORS offered free railroad safety education to school children and community groups across South Carolina.

ORS also assisted Aiken Railway in obtaining information from SCDOT and USDOT regarding Transportation Investment Generating Economic Recovery (TIGER) grants. Although Aiken Railway did not submit its grant proposal in 2017, it is fully prepared to submit the grant in the Fall of 2018.

ORS also responded to railroad inquiries and complaints. Inspectors investigated and resolved fifteen (15) complaints regarding erosion, abandoned lines, hazardous materials, and grade crossings. In the aftermath of Hurricane Matthew, ORS worked with the public and the railroads to resolve issues caused by wash-outs along private property. ORS fielded and resolved public complaints regarding vegetation and drainage along railroad rights-of-way, train noise, and train horns. The majority of complaints received by ORS in 2017 were related to highway-rail grade crossing issues and involved the safety, condition, or length of time that a train had blocked the crossing. Approximately 73% of all railroad complaints received by ORS were related to blocked crossings, which are outside of ORS' regulatory jurisdiction. ORS received media inquiries about the statutory penalties for a blocked crossing.

CONCLUSION AND RECOMMENDATIONS

In 2017, ORS monitored the South Carolina rail transportation system for compliance with federal regulations in the areas of Track and OP. ORS encouraged railroad operators to exceed the requirements of regulations and to remedy defects and violations in a timely manner. To ensure that ORS inspectors are fully aware of any regulatory changes, each inspector undergoes discipline-specific annual training sponsored by the FRA, and the State Program Manager remains in constant contact with the FRA to receive regulatory updates and guidance on the enforcement of FRA rules and regulations.

Three challenges face the general public in regard to rail safety. First, blocked railroad crossings are a challenge to South Carolina. S.C. Code Ann. Section § 58-17-4080 (Supp. 2015) states that any railroad that blocks a crossing for more than five minutes is subject to a fine of no more than twenty dollars. A blocked crossing hinders emergency response, slows the flow of commerce and traffic, and can create a dangerous situation for

pedestrians. ORS' largest volume of complaints is from blocked crossings. The second challenge is trespassing. As the population increases in the State, the railroads are facing increasing incidents of trespassing on the tracks and rights-of-way. This situation has led to a general increase in fatalities and injuries on railroad property over the last five years. Third, while collisions at highway-rail grade crossings have decreased over the last five years, motorists continue to disregard crossing arms, cross bucks, signals, and stop signs at grade crossings. Mitigation of these challenges will require legislation to increase penalties for railroad operators whose trains block a crossing and for citizens who trespass or ignore crossing arms and other safety devices at a grade crossing.