EXPIRATION DATE: May 31, 2003

(FOR RENEWAL, SEE 49 CFR § 107.109)

1. GRANTEE: DX Systems Company
   Houston, TX

2. PURPOSE AND LIMITATION:
   a. This exemption authorizes tank cars, containing the
      hazardous materials identified in paragraph 6, to remain
      standing with unloading connections attached when no product
      is being transferred, provided a minimal level of
      monitoring, as specified in this exemption is maintained.
      This exemption provides no relief from the Hazardous
      Materials Regulations (HMR) other than as specifically
      stated herein.
   
   b. The safety analyses performed in development of this
      exemption only considered the hazards and risks associated
      with transportation in commerce.


4. REGULATIONS FROM WHICH EXEMPTED: 49 CFR § 172.203(a),
   172.302(c), 174.67(1) and (j).

5. BASIS: This exemption is based on the application of DX
   Systems Company dated June 12, 2001, submitted in accordance
   with § 107.109.

6. HAZARDOUS MATERIALS (49 CFR § 172.101):

<table>
<thead>
<tr>
<th>Proper Shipping Name/ Hazardous Materials Description</th>
<th>Hazard Class/ Division</th>
<th>Identification Number</th>
<th>Packing Group</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sulfur dioxide</td>
<td>2.3</td>
<td>UN1079</td>
<td>N/A</td>
</tr>
<tr>
<td>Chlorine</td>
<td>2.3</td>
<td>UN1017</td>
<td>N/A</td>
</tr>
</tbody>
</table>
7. **SAFETY CONTROL MEASURES:**

**PACKAGING**

a. Packaging prescribed are DOT specification tank cars authorized for the material specified meeting all DOT specification requirements.

b. The facility operator shall designate an employee responsible for on-site monitoring of the transfer facility in the absence of the unloader. The designated employee must be made familiar with the nature and properties of the product contained in the tank car, procedures to be followed in the event of an emergency; and, in the event of an emergency, have the ability and authority to take necessary corrective actions.

c. When a signaling system is used (including a monitoring system or a sensing device), the system must be capable of alerting the designated employee in the event of an emergency and providing immediate notification of any malfunction. (For recommendations on the selection, installation and maintenance of signaling systems see NFPA 72 - Installation, Maintenance and Use of Protective Signaling Systems.)

d. In the absence of the unloader:

   (i) the tank car and facility shutoff valves must be secured in the closed position;

   (ii) no product may be transferred; and

   (iii) the requirements of 49 CFR 174.67(a)(2) and (3) apply.

e. The transfer facility shutoff valve shall be located as close as practicable to the point of connection between the transfer system and the tank car and in a manner that will minimize the release of product in the event of hose rupture or separation. The facility operator must take appropriate steps to prevent rupture of transfer hoses due to product expansion (i.e. liquid expansion chambers or hoses with an increased minimum burst pressure rating.)

f. The facility operator must have on file, at each location using this exemption, a current copy of the Chlorine Institute's Pamphlets 6, 57 and 66 for information on employee training and safety, emergency measures and
recommended procedures for the installation of piping
systems and emergency shut off facilities.

g. The facility operator must establish and maintain
liaison with fire, police and other appropriate public
officials to learn the responsibilities and resources of
each governmental agency that may be called upon to respond
to an emergency involving the tank car and transfer facility
and acquaint the officials with the facility's capabilities
and procedures in the event of an emergency.

8. SPECIAL PROVISIONS:

a. Any manually operated switch providing access to the
track on which the equipment is located must be lined
against movement to that track and locked with an effective
locking device operable only by a representative of the
facility.

b. The facility operator shall install a bi-directional
derail in an effective location (at least 50 feet when
possible) from the end of the equipment to be protected by
the caution sign. The person performing the unloading
operation shall lock the device in the derailing position
with an effective locking device operable only by a
representative of the facility.

c. The facility operator shall have written safety
procedures on file at each location that uses this
exemption. The facility operator shall instruct each
employee performing any function under this exemption on the
contents of these procedures and ensure compliance with
them. The written procedures must contain at least the
following:

(1) A physical description of the facility
    including the address and hours of operation.

(2) A drawing of the transfer facility showing
    natural and manmade barriers, locations of
    protective equipment (i.e. derail and caution
    sign), locations of emergency equipment and
    locations of signaling equipment.

(3) Procedures for monitoring the transfer
    facility [see paragraphs 7(a) and (b)].

(4) Information on the contents of the tank car
    including:
(1) chemical or common name of the product

(ii) health and physical hazards involved in handling the product

(iii) emergency and first aid procedures

(5) Procedures for securing the transfer facility and protective equipment including derail, switch locks, tank car brakes, caution sign and wheel blocks.

(6) Equipment available for employee safety and procedures for using the equipment.

(7) Procedures and limitations for movement of tank cars in the vicinity of the transfer facility.

(8) Testing and maintenance of system components including signaling systems.

(9) Training requirements for designated employees responsible for monitoring the transfer facility.

(10) Procedural steps in the event of an emergency, including names and phone numbers of key personnel and public agencies to contact.

(11) Procedures for reviewing incidents to determine whether the written procedures require revision or modification to prevent future occurrences and amending those procedures when the review necessitates changes.

d. The marking requirements of §§ 172.203(a) and 172.302(c) are waived.
9. **MODES OF TRANSPORTATION AUTHORIZED:** Rail freight.

10. **MODAL REQUIREMENTS:** None as a requirement of this exemption.

11. **COMPLIANCE:** Failure by a person to comply with any of the following may result in suspension or revocation of this exemption and penalties prescribed by the Federal hazardous materials transportation law, 49 U.S.C. 5101 et seq:

   - All terms and conditions prescribed in this exemption and the Hazardous Materials Regulations, 49 CFR Parts 171-180.
   - Registration required by § 107.601 et seq., when applicable.

Each "Hazmat employee", as defined in § 171.8, who performs a function subject to this exemption must receive training on the requirements and conditions of this exemption in addition to the training required by §§ 172.700 through 172.704.

No person may use or apply this exemption, including display of its number, when this exemption has expired or is otherwise no longer in effect.

12. **REPORTING REQUIREMENTS:** The holder of this exemption is required to report any unintentional release of hazardous material which occur during operations conducted under the terms of this exemption to the Associate Administrator for Hazardous Materials Safety (AAHMS) as soon as practicable.

Issued in Washington, D.C.:

![Signature]

Robert A. McGuire  
Associate Administrator for Hazardous Materials Safety

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Address all inquiries to: Associate Administrator for Hazardous Materials Safety, Research and Special Programs Administration, Department of Transportation, Washington, D.C. 20590.  
Attention: DHM-31.
The original of this exemption is on file at the above office. Photo reproductions and legible reductions of this exemption are permitted. Any alteration of this exemption is prohibited.

Copies of exemptions may be obtained from the AAHMS, U.S. Department of Transportation, 400 7th Street, S.W., Washington, DC 20590-0001, Attention: Records Center, 202-366-5046.

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