June 9, 2008

U.S. Department of Transportation

Pipeline and Hazardous Materials Safety Administration

DOT-SP 14385

(FOR RENEWAL SEE 49 CFR § 107.109)

1. **GRANTEE:** (See individual authorization letter)

2. **PURPOSE AND LIMITATION:**

   a. This special permit authorizes the transportation in commerce of placarded railroad tank cars containing hazardous materials that are transiting the International Bridge from Mexico to Laredo, TX prior to the mandated safety inspections. This special permit provides no relief from the Hazardous Materials Regulations (HMR) other than as specifically stated herein.

   b. The safety analyses performed in the development of this special permit only considered the hazards and risks associated with the transportation in commerce.

   c. Unless otherwise stated herein, this special permit consists of the special permit authorization letter issued to the grantee together with this document.

3. **REGULATORY SYSTEM AFFECTED:** 49 CFR Parts 106, 107 and 171-180.

4. **REGULATIONS FROM WHICH EXEMPTED:** 49 CFR §§ 171.12(b), 174.3, 174.9 and 174.59 in that tank cars containing hazardous materials that are required to be inspected for proper markings may be transported to each carrier's first yard in the United States for replacement of missing placards.

5. **BASIS:** This special permit is based on the application of Kansas City Southern Railway Company dated July 21, 2006 submitted in accordance with § 107.105 and the public proceeding thereon.
6. HAZARDOUS MATERIALS (49 CFR § 172.101):

<table>
<thead>
<tr>
<th>Proper Shipping Name</th>
<th>Hazard Class/Division</th>
<th>Identification Number</th>
<th>Packing Group</th>
</tr>
</thead>
<tbody>
<tr>
<td>Various</td>
<td>Various</td>
<td>Various</td>
<td>Various</td>
</tr>
</tbody>
</table>

7. SAFETY CONTROL MEASURES:

a. PACKAGING - Prescribed packagings are tank cars that are authorized under the HMR.

b. This special permit applies only to the single route on each railroad between the International Bridge and each carrier's first yard in the United States as specified in the application on file with the Office of Hazardous Materials Special Permits and Approvals (OHMSPA).

c. Cars to be inspected under this special permit must not exceed a total of 13 track miles within the United States before being inspected.

d. All applicable railroad operating rules remain in effect during train inspection and placard replacement.

e. Train crews must be notified via radio or written notice of any missing placards that the carrier is aware of prior to crew pick-up at the International Bridge.

f. MARKING - The marking requirements of § 172.302(c) are waived.

8. SPECIAL PROVISIONS:

a. A person who is not a holder of this special permit who receives a package covered by this special permit may reoffer it for transportation provided no modification or change is made to the package or its contents and it is reoffered for transportation in conformance with this special permit and the HMR.
b. A current copy of this special permit must be maintained at each yard facility in Laredo where the trains are to be inspected.

9. **MODES OF TRANSPORTATION AUTHORIZED:** Rail Freight.

10. **MODAL REQUIREMENTS:** The Federal Railroad Administration must be notified if any unusual incident occurs during the movement, including non-compliance with train meets, by contacting:

    Federal Railroad Administration
    Hazardous Materials Division
    RRS-12, Mail Stop 25
    1200 New Jersey Avenue, SE
    Washington, DC  20590
    202-493-6229 or 493-6233

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

    o All terms and conditions prescribed in this special permit and the Hazardous Materials Regulations, 49 CFR Parts 171-180.

    o Persons operating under the terms of this special permit must comply with the security plan requirement in Subpart I of Part 172 of the HMR, when applicable.

    o Registration required by § 107.601 et seq., when applicable.

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

No person may use or apply this special permit, including display of its number, when this special permit has expired or is otherwise no longer in effect.
Under Title VII of the Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users (SAFETEA-LU)—“The Hazardous Materials Safety and Security Reauthorization Act of 2005” (Pub. L. 109-59), 119 Stat. 1144 (August 10, 2005), amended the Federal hazardous materials transportation law by changing the term “exemption” to “special permit” and authorizes a special permit to be granted up to two years for new special permits and up to four years for renewals.

12. REPORTING REQUIREMENTS: Shipments or operations conducted under this special permit are subject to the Hazardous Materials Incident Reporting requirements specified in 49 CFR §§ 171.15 - Immediate notice of certain hazardous materials incidents, and 171.16 - Detailed hazardous materials incident reports. In addition, the grantee(s) of this special permit must notify the Associate Administrator for Hazardous Materials Safety, in writing, of any incident involving a package, shipment or operation conducted under terms of this special permit.

Issued in Washington, D.C.:

for Theodore L. Willke
Associate Administrator for Hazardous Materials Safety


Copies of this special permit may be obtained by accessing the Hazardous Materials Safety Homepage at http://hazmat.dot.gov/sp_app/special_permits/spec_perm_index.htm. Photo reproductions and legible reductions of this special permit are permitted. Any alteration of this special permit is prohibited.

PO: FRA