

REMARKS FOR CINDY DOUGLASS ACTING DEPUTY ADMINISTRATOR, PIPELINE AND HAZARDOUS MATERIALS SAFETY ADMINISTRATION NATIONAL ASSOCIATION OF SARA TITLE III PROGRAM OFFICIALS MID-YEAR CONFERENCE LAS VEGAS, NV OCTOBER 20, 2009

[Introduction]

Thank you Tim [Tim Gablehouse, NASTTPO President] for that wonderful introduction and to each of you for giving me the opportunity to speak today.

Let me say how delighted I am to be here. The Obama

Administration, Transportation Secretary Ray LaHood, and our team at the Pipeline and Hazardous Materials Safety

Administration all appreciate having you as partners in fulfilling our commitment to public safety and environmental protection.

My whole career has been spent on transportation and hazmat issues in jobs that spanned both the public service and private sector. So, I understand many of the issues and concerns you may

have, and am open to hearing on any new issues of importance to you.

I want to assure you of DOT's commitment to transportation safety. Both the Secretary and Deputy Secretary recently reaffirmed that their first priority is transportation safety. Ensuring the safety and preparedness of America's emergency responders is an important part of PHMSA's and the Department's mission.

[PHMSA & Hazmat Commerce]

PHMSA is proud of its safety mission. We oversee the safe and secure movement of over 1 million daily movements of hazardous materials through the air; on the railroads, seas and waterways; and over the highways. Large volumes of the hazmat also move by pipelines, out of the view of most Americans.

It is important that our communities, as well as the workers engaged in hazardous materials commerce, are able to count on the safe and secure transport of these shipments.

Currently, more than 3 billion tons of regulated hazardous materials – including explosive, poisonous, corrosive, flammable,

and radioactive materials – are transported each year. And while it is easy for the public to get the wrong impression when they hear the term "hazardous materials," in reality, we are talking about materials that are essential to our citizens and our economy.

Hazardous materials fuel automobiles, heat and cool our homes and offices, and are used in farming, medical applications, manufacturing, mining, and other industrial and food processes. Shipments of hazardous materials frequently move through populated or sensitive areas where an accident could result in loss of life, serious injury, or significant environmental damage.

While we take our regulatory oversight responsibilities at the Department of Transportation very seriously, we also recognize that regulation alone is not enough to fulfill our safety mission. This is why it is important for us to continue to strengthen our relationships with you and other PHMSA stakeholders.

With American businesses creating new technologies containing complex chemical compounds and products, we must all consider their implications on emergency responders. These new chemicals pose very unique emergency response challenges. Only by working together to understand them can we be ready to help

communities prepare. Our concern is less "if" these new products can be moved safely, but "how" – and how can we contribute to making it happen easier and sooner.

PHMSA is refocusing its efforts to help build the capability of State and local government emergency response capabilities. Through the Hazardous Materials Emergency Preparedness (HMEP) Grants Program we are able to provide the resources needed to train local emergency responders to effectively respond to hazardous materials transportation emergencies.

I am proud to confirm that for the second straight year HMEP grants total funding will stay at \$21.8 million. This is approximately a 70 percent increase from 2007 grant levels.

[Importance of NASTTPO]

And this funding will flow to the local emergency responders for hazmat training and Local Emergency Planning Committees (LEPCs) for preparedness planning. DOT could not implement many of its transportation safety emergency and preparedness efforts at the State, Tribal or local level without the assistance of strong stakeholder groups such as NASTTPO. It is the State

Emergency Response Commissions and LEPCs across this country that form the backbone of hazardous materials accident and incident response.

As the organization of Hazardous Materials Emergency Preparedness professionals, NASTTPO is in a position to positively influence everyday hazmat community safety.

You all come from diverse backgrounds to include law enforcement, firefighting, civil defense, first aid, health and environmental response, and transportation. You are the front line of public safety when transportation hazmat accidents and incidents occur. Thank you for the unique emergency and support services you provide. DOT could not ask for better safety partners.

[New Leadership]

Several exciting things are happening at PHMSA that you may or may not be aware of. The first is new leadership for the agency.

On September 15th, President Obama announced his nomination of Cynthia Quarterman to be the third PHMSA Administrator.

Ms. Quarterman is currently a partner in a Washington, DC, law office and was a former director of the Mineral Management Service in the U.S. Department of the Interior.

She brings with her an impressive resume of accomplishments dealing with oil and gas pipeline issues and hazardous waste clean-up litigation. We anxiously await her Senate confirmation in the coming weeks.

On October 1st, Secretary LaHood assigned Dr. Magdy El-Sibaie as the Acting Associate Administrator for Hazardous Materials Safety. Dr. El-Sibaie comes to PHMSA from his previous position as the Federal Railroad Administration's Director of Research and Development. We are glad to have someone of Dr. El-Sibaie's vast experience and background on the PHMSA team.

Helping him is Ryan Posten as the Assistant Associate

Administrator for Hazardous Materials Safety. You may know

Ryan from his previous position as PHMSA's Director of Hazmat

Enforcement.

As I said earlier, Secretary LaHood regards transportation safety as the Department's primary mission, and these personnel moves make sure that PHMSA regards safety as its primary mission.

And unchanged in his program manager role is Charlie Rogoff, the front man and face of DOT and PHMSA's HMEP Grants Program. You will be getting greater detail on this year's HMEP Grants Program from Charlie during this conference.

[Grants Delay]

When you meet with Charlie, please don't shoot the water bearer. He has worked tirelessly in getting the HMEP grants to you. Beyond his control, there were additional reviews and concurrences needed before the grants were finalized this fiscal year. Thanks for your patience.

[HMEP Grants Program Internal Review]

Over the past several months, Charlie and the PHMSA staff completed a top-to-bottom review of the HMEP Grants Program. That internal review identified several areas in need of attention, to

include technology upgrades, more program oversight, and the development of measureable goals and funding priorities.

One of our first actions was to integrate more technology into the program. Through the use of a Federal Railroad Administration computer system we were quickly up-and-running with the "Grants Solutions" software program. This new computer system allows PHMSA more internal grants funding controls that are A-123 compliant. It will also allow us to distribute the grant awards via email this year versus using the U.S. Postal Service.

Another update will come in the way of new general terms and conditions used for the HMEP Grants Program. PHMSA's Office of Chief Counsel has rewritten them to be more concise and less confusing.

Consideration is also being given to increase PHMSA's HMEP Grants Program staff by one or two new full-time employees. This will help to improve grantee services and program evaluations.

Other future plans and goals include improved transparency of the HMEP Grants Program through expanded postings of PHMSA website "Frequently Asked Questions" related to grants. We also

are looking to providing more in-depth grantee and stakeholder meetings to provide you with HMEP grants technical, closeout and reporting assistance needed to clarify new grants accountability requirements. I ask that you work closely with our grants staff in improving the overall quality of work produced and the representation of that work.

And, as a heads-up, the 2010 census is fast approaching and could result in a re-evaluation of the HMEP grants allocation formula to be used in 2011.

[Grantee Missed Opportunity]

On the subject of grants allocation, Charlie tells me that this year there were several grantees that were not renewed or were turned down for HMEP grants funding. Some grant applicants were not approved because they did not use appropriate activities that were grants eligible.

Please connect with Charlie early to iron out your grant application submissions. He is more than happy to help you so that HMEP grant money will not be left on the table next year.

Oh, and Charlie wanted me to give recognition to Jeanine Gentis in the State of California HMEP Grantee Office who went out of her way to help Karen Pabon in the State of Nevada Grantee Office submit a qualifying HMEP grant application this year. Thanks California for lending a helping hand!

Together, as we move forward with change, we will ensure the HMEP grants program provides the optimum value to the nation in contributing to hazardous materials safety.

[Safety Culture]

Before I close, I would like to discuss what I think is a most important topic – Safety Culture.

None of the efforts of DOT and our local and State transportation partners can succeed unless we all foster an overall Safety Culture. All of us in this room can attest to the fact that our primary mission is in one way or another tied to transportation safety. And, I am sure we can all agree it is not a job that we can do alone.

A true Safety Culture begins with the leaders and managers of an organization who focus the attention and needed resources to meet the safety goals and mission of that organization.

There has to be encouragement and open communication by and between supervisors and employees to bring up and address safety issues.

That Safety Culture then grows and spreads to those outside organizations we work with or come in contact on a regular basis. Nothing great happens in a vacuum, it requires interaction and cooperation.

The only way we can truly improve on public and environmental safety is to work together on our common goals.

We at PHMSA are here to extend our hand to anyone willing to join us in improving the culture of safety in hazmat transportation.

[Conclusion]

With your insight and input, we can continue to ensure that key transportation safety programs, and the issues surrounding them, get the attention they deserve.

Together, we can keep the nation's hazmat moving safely, and move our economy to new heights.

I would like to thank each of you again for having me here today.

DOUGLASS – NASTTPO Annual Meeting

REMARKS

All of us at PHMSA, and across the Department of Transportation, stand ready and willing to work with you, and are proud to be your partners in hazmat safety.

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