

REMARKS FOR VADM THOMAS J. BARRETT, USCG (Ret.)
ADMINISTRATOR
PIPELINE AND HAZARDOUS MATERIALS
SAFETY ADMINISTRATION
VOHMA ANNUAL MEETING
LONG BEACH, CA
-- OCTOBER 11, 2006 --
(AS WRITTEN)

Thank you Bob Ahlborn for that wonderful introduction and to each of you in the audience for having me here today.

First of all, let me say how delighted I am to be here with each of you. The Bush Administration, our recently sworn-in Transportation Secretary Mary Peters, and our team at PHMSA all appreciate having you as our partners in fulfilling our commitment to ensuring public safety and environmental protection from hazardous materials shipped by sea.

As a retired "Coastie" I am intimately aware of many of the issues that you in the maritime cargo industry contend with daily. Of course, my days in the Coast Guard had me focused on maritime safety and port security most of the time. Now, as DOT's administrator of the hazardous materials safety program, that mission focus has changed very little.

Cargo safety and security is still my focus, specifically when it comes to hazmat cargo. It is one of PHMSA's primary missions.

PHMSA, along with other modal administrations at DOT, administers a comprehensive, nationwide program designed to protect our nation from risks to life, health, property, and the environment inherent in the commercial transportation of hazardous materials.

Hazardous materials are essential to our citizens, and to our economy. More than 3 billion tons of regulated hazardous materials are transported across the United States each year – a good portion of it by ocean common carrier.

At PHMSA, we oversee the safe and secure shipment of over 1.2 million daily shipments of hazardous materials moving by vessel, plane, train, or truck, in quantities ranging from several ounces to thousands of gallons. These shipments frequently move through densely populated or sensitive areas where an incident could result in loss of life, serious injury, or significant environmental damage.

Our communities, particularly the workers engaged in hazardous materials commerce, count on the safe and secure transport of these shipments.

I found it appropriate that you picked Long Beach as the site for your annual meeting. We are a stone's throw away from the second busiest port in the country, and the 12th busiest container cargo port in the world. That's more than 6.7 million containers a year transiting just miles from here. Many of those containers are moving hazardous materials.

Within the Federal government and at DOT in particular, regulatory oversight is important, but we all know regulation alone is not enough to fulfill our safety mission. So we rely on our partners in safety, such as you – the ocean common carriers – to help us effectively carry out our mission to protect the public and the world's environment.

Let me touch on some regulatory issues that are of common concern. Like you, PHMSA is committed to promoting the globalization and international harmonization of hazmat regulations that are consistent with our safety and economic goals. Today's economy is not limited to business within our own shores. Today's economy is global, with trade among hundreds of nations moving goods and commodities from overseas ports.

Currently, we are in the midst of our biennial effort to incorporate the most recent changes to the UN Recommendations, ICAO Technical Instructions, and IMDG Code into the U.S. Hazmat Regulations. Our HM-215I notice of proposed rulemaking was published August 31. We welcome your comments. But you will have to act quickly because the October 16 cutoff date for comments is almost here. Our goal is to have a final harmonized rule in place by the end of the year.

Another VOHMA issue brought to my attention was concern about inconsistent enforcement policies among the DOT operating administrations.

I too, am concerned when industry views our enforcement as a patchwork open to differing interpretation by our DOT administrations.

I have begun a dialogue with my counterparts at FRA FAA AND FMSCA to re-focus DOT's hazmat enforcement programs on identifying significant, serious violations. Once identified, we will ensure that enforcement from administration to administration is consistent and fair. In support of this goal, PHMSA is leading a DOT-wide effort to develop an intermodal data base that will be used by all administrations to target enforcement.

Let me further explain our effort. The Intermodal Portal is a DOT data integration program managed by PHMSA. By providing a single DOT-wide repository of compliance and risk management data relating to the transportation of hazardous materials across all modes of transport, DOT agencies are able to improve their oversight of the hazardous materials industry.

The current prototype system is being reviewed to address new and evolving requirements. DOT modes share hazmat enforcement responsibilities over the estimated 500,000 hazmat shippers. Better coordination will allow us to deploy our resources more efficiently, as well as leverage resources, measure program effectiveness, capture trend data across modes, and create a DOT-wide risk index.

When fully implemented, the Intermodal Portal will...

- Advance the safety mission of the Department
- Support data driven-decision making and analysis
- Create a Hazmat Data warehouse, and
- Offer effective planning and management of scarce inspection resources

Our Intermodal Portal effort should help us work together as a team across the department to enforce our Hazmat Regulations in a consistent manner.

A related enforcement issue of particular interest to VOHMA has been emergency response telephone numbers. As you well know, the Hazmat Regulations requires that each person who offers a hazmat for transportation in commerce must provide an emergency response telephone number for use in the event of a hazmat accident or incident. Many shippers contract with a third party, such as CHEMTREC, to provide emergency response telephone service.

The HMR do not require a shipping paper to include the name of the individual who has contracted with the third-party provider. Thus, when the number of the third-party provider appears on shipping papers prepared by a carrier or subsequent entity in the transportation chain, the linkage of that number with the original offeror of the material may be lost. This has resulted in enforcement and emergency response problems. We are developing a rulemaking proposal to clarify the emergency response telephone number requirements. As hazmat safety partners, we welcome your insight and comment.

As great as partnerships can be, we need to recognize that even healthy partnerships can be tested from time to time. To see progress, input should be shared up front and not at the end. We must bring all of our issues to the table to provide for open, results-oriented communication.

Sharing information is important to gather insight from all stakeholders to make informed decision. Being a data-driven organization, from time to time we may disagree on an outcome. This is okay, as it's the test of a healthy relationship.

We have learned that we can multiply the success of our efforts to constantly improve safety by sharing responsibility and accomplishments with our stakeholders, both within the federal family, and with our ocean freight container industry partners.

In the coming months, PHMSA will be releasing two essential documents outlining our vision for enhancing safety -- our draft Strategic and Business Plans.

Our Strategic Plan will address safety in pipeline and hazmat program issues, emergency response, and public outreach. Our Business Plan will describe the implementation and operational details of important issues discussed in the Strategic Plan. We will proceed in a matter similar to the way we develop new regulations: we will be welcoming comments from our stakeholders on both to tell us if we're headed in the right direction.

PHMSA is a data-driven organization. We analyze the data we collect to identify areas needing a heightened focus, address rising problems early, and help shape public debate around data and facts. The data shows us who's implementing the best of best practices, who are the good companies and who needs help in rising up to the industry standard.

We want to continue to work with you to talk about and address the facts. In our meetings with company executives, we remind them of their responsibility of being the first in line for safety assurance. As members of the international maritime community, you too are leaders. Your voices are key to ensuring the maritime industry stays committed and focused on following safety guidelines to mitigate risks.

Our partnerships with industry are working. The number of hazmat incidents reported for water transportation has consistently been the lowest of any reported mode of transportation. With ever increasing tonnage numbers of ocean common carrier cargo being shipped internationally, your safety record is an enviable one. Since 1999, there have been no injuries or fatalities reported for hazmat shipments by water.

The movement of goods, whether by sea, land or air, is crucial not only to our economy, but to the global economy.

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.

Regulations are an important component of an effective safety, or for that matter, security program. This administration pledges to you that we will take a very hard look at all proposed regulations and we will listen to stakeholders during every phase of the rulemaking process.

It is our responsibility to ensure we promulgate rules that are clear, well written, risk-based, and narrowly tailored to address the specific purpose for which they are promulgated.

We strive to regulate in a way that maximizes our return on safety, while at the same time minimizing costs to our economy.

The Department of Transportation and PHMSA stand ready and willing to work with you. We are proud to be your partners in hazmat safety.

Thank you again for having me here today.