

Exhibit: PC-1
AAR Manual of Standards and Recommended Practice
Specifications for Tank Cars (M-1002) Comment Form

This form is to be used to provide comments on proposed revisions to the AAR Manual of Standards and Recommended Practices Section C Part III, Specifications for Tank Cars (M-1002). Comments must be submitted to the AAR Director Tank Car/Haz Mat Safety via email at mforister@aar.org.

SECTION I: CASUALTY PREVENTION CIRCULAR (CPC)

1. Provide CPC Number (e.g. CPC-1232): CPC- 1324

SECTION II: COMMENTER CONTACT INFORMATION

2. Company Name: American Fuel and Petrochemical Manufacturers

3. Full Name: David Friedman

4. Office Phone Number: 202 552-8461

5. Cell Phone Number 202 207-8480

6. Email Address: dfriedman@afpm.org

SECTION III: COMMENT

Please provide the following information regarding your comments to the CPC identified in Section I so that AAR has a full understanding of your position.

7. Comment: See attached comments which express concerns

8. Example/Scenario/Situation: See attached comments

9. Reasoning/Justification: See attached comments

10. Proposed Resolution: Withdraw CPC- 1324

SECTION V: AAR RESPONSE

11. AAR Response:



American
Fuel & Petrochemical
Manufacturers

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March 3, 2017

Ken Dorsey
Executive Director, Tank Car Safety
Association of American Railroads
425 Third Street, SW; Suite 1000
Washington, DC 20024
kdorsey@aar.org

Comments on Proposed CPC-1324

Dear Mr. Dorsey:

The American Fuel & Petrochemical Manufacturers (AFPM) opposes the Association of American Railroads' (AAR) proposed tank car requirements contained in Casualty Prevention Circular (CPC-1324). If adopted, CPC-1324 would require the phase-out of authorized Toxic Inhalation Hazard (TIH) tank cars manufactured prior to the adoption of the Department of Transportation's (DOT) 2009 standards for new car construction (HM-246).

AFPM members are committed to the safest and most reliable and economic transport of hazardous materials. As a preliminary matter, we note that the AAR Tank Car Committee (TCC) does not have the legal authority to adopt tank car specifications that differ from the hazardous materials packaging standards promulgated by the Pipeline and Hazardous Materials Safety Administration (PHMSA) requirements and note that the AAR has separately petitioned the DOT to adopt new rules to phase out certain authorized TIH tank cars. We agree that formal rulemaking is the appropriate process to implement tank car design changes.

AFPM reiterates its long-standing position that AAR may not preclude the use of DOT-authorized equipment through its interchange standards. Such changes to DOT-authorized tank car standards must occur through the formal rulemaking process. On August 12, 2016, AFPM and a group of shippers petitioned PHMSA to establish unequivocally that DOT, not AAR, has been vested with the exclusive authority to determine what tank car standards are in the public interest and that the AAR has no authority to require compliance with different standards. The TCC should continue to serve in a collaborative role among railroads, car builders and shippers and not attempt to mandate significant tank car regulatory changes through interchange standards.

Separate and apart from the lack of legal authority for the TCC to implement CPC-1324, AFPM is concerned that in pursuing these changes, the TCC has not demonstrated a safety justification for the phase-out of the pre-HM-246 car, nor has the TCC developed a cost-benefit analysis to support its proposal. The regulatory process would ensure that these issues are fully analyzed and the impacts on affected entities other than railroads are properly considered.

Due to the concerns outlined in this letter, AFPM urges AAR to withdraw CPC-1324 from further consideration. If you have any questions about our comments or need any additional information, please contact me at (202) 552-8461 or dfriedman@afpm.org.

Sincerely,

A handwritten signature in black ink that reads "David N. Friedman". The signature is written in a cursive style with a large initial "D" and "F".

David N. Friedman
Vice President
Regulatory Affairs