



**HEARING BEFORE**  
**THE PENNSYLVANIA SENATE COMMITTEE ON**  
**VETERANS AFFAIRS & EMERGENCY PREPAREDNESS**

March 20, 2023

Testimony of Alan Shaw

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Chairman Mastriano, Minority Chair Muth, and distinguished members of the Committee, thank you for the opportunity to appear today to discuss the train derailment in East Palestine, Ohio.

My name is Alan Shaw, and I have been the President and CEO of Norfolk Southern since May 2022.

I look forward today to sharing our progress cleaning the derailment site, assisting families whose lives were disrupted, investing in the community, and making Norfolk Southern and the railroad industry safer. I am deeply sorry for the impact this derailment has had on the people in Pennsylvania and the region, and I am determined to make it right.

We continue to clean the site safely, thoroughly, and with urgency. We are making progress every day. Working now under the U.S. Environmental Protection Agency's recent Unilateral Administrative Order, we have submitted a long-term plan that will guide our comprehensive testing program for the community's water, air, and soil. That testing is guided by science, and we will continue to share the results transparently. Agencies at the state and federal level—including the U.S. Environmental Protection Agency, the Pennsylvania Department of Environmental Protection and the Allegheny County Health Department—are continually monitoring the air and water quality in the impacted region. They consistently report that, to date, both the air and water are safe.

Financial assistance cannot change what happened, but it is an important part of doing the right thing. To date, we have committed to reimbursements and investments of more than \$24 million in total, including by helping more than 5,700 families through our Family Assistance Center.

We have also pledged roughly \$7.5 million dollars in assistance to Pennsylvania, on top of funds already distributed to hundreds of Pennsylvania residents and businesses. Making first responders whole has been a particular area of focus, and our contributions include more than \$5 million to reimburse local fire departments for costs associated with the emergency response and clean-up. I would like to express my profound admiration for the first responders from Pennsylvania, Ohio, and West Virginia who responded to the derailment.



I want to be clear: this financial assistance is just a down payment. I've met with community leaders, business owners, school officials, clergy, and others to begin to identify ways we can invest in the future prosperity of the residents in the area and support the long-term needs of its people. We will continue to invest in the impacted communities for as long as it takes to help people in the area to recover and thrive.

We are also committed to learning from this accident and working with public officials and the industry to make railroads even safer. In the meantime, we have already launched a series of immediate steps to enhance safety, based on the facts in the National Transportation Safety Board's ("NTSB") preliminary report. We look forward to cooperating with the NTSB as it continues its investigation into the root cause of the accident as well as its wider investigation.

Our ties to Pennsylvania run deep. We are proud to do our part to help drive economic growth in the state. More than 2,600 Norfolk Southern employees work in Pennsylvania; this is more than any other state except Georgia, where we are headquartered. We are also proud that in 2021 and 2022, about 25% of our new hires across the company were veterans.

We also invest heavily in Pennsylvania. Last year, we spent more than \$150 million to support our operations in the state, and just last year, we entered into an operating agreement with the Pennsylvania Department of Transportation (PennDOT) to expand passenger rail access in western Pennsylvania on the Keystone West corridor between Pittsburgh and Harrisburg. As part of this partnership, Norfolk Southern will construct and maintain improvements to the line, including upgraded rail lines, passenger platforms, sidings, and necessary communications signals infrastructure. We have been committed to Pennsylvania, and we will be committed here for the long haul.

## **I. Our Commitment to Remediation and Monitoring**

I have visited East Palestine and Pennsylvania a number of times since the accident. I've met with residents of the community and surrounding areas. I've heard their concerns, and I understand why they are worried. Their feedback has informed our approach. Norfolk Southern is working around the clock to remediate the remaining issues and monitor for any impact on public health and the environment. We continue to work in close coordination with federal, state, and local governments and others to conduct environmental monitoring and to develop and carry out near- and longer-term clean-up activities. The remediation plan and each step of our longer-term efforts will be implemented at the direction of the U.S. EPA pursuant to the Agency's Unilateral Administrative Order.

Norfolk Southern has engaged in comprehensive monitoring of the region's water and air. To date, monitoring of the area's public drinking water and private water wells by multiple state and local authorities and Norfolk Southern shows that the water is safe to drink and there are no harmful levels of substances related to the derailment.

Norfolk Southern personnel arrived on-scene shortly after the accident, and we have been there ever since. We have worked to be transparent and cooperative with the various local, state, and federal stakeholders involved from the early hours of Unified Command through today. Following the accident, our specialists have remained on-location, assisted by expert derailment



and environmental contractors. These teams have contained, diverted, and treated affected portions of nearby waterways, flushed nearly a mile of surface waterways, and are capturing rainwater within the contaminated areas for temporary storage and disposal. To date, we have recovered and transported more than 7 million gallons of potentially affected water from the site for disposal at EPA-approved facilities.

We also are working to safely remove affected soil, and our crews have removed more than 6,000 tons from the site. We are actively removing waste to facilities specifically engineered and permitted to safely handle this type of material. Our work will continue until the job is done.

We continue to listen to the experts and cooperate with state, federal, and local government agencies. In particular, Norfolk Southern and the Pennsylvania Department of Environmental Protection are conducting water, soil, and air monitoring across Western Pennsylvania. DEP has recently announced that the first round of groundwater testing has shown no signs of contamination, and that results received from private wells in the area are also clear of contaminants. DEP has also announced that due to the short duration exposure from this incident, health effects from long-term exposure are not expected to occur. We are committed to continuing and cooperating with this monitoring for as long as necessary. We have also created a website, [NSMakingItRight.com](http://NSMakingItRight.com), to provide the latest information to residents of affected communities.

## **II. Our Commitment to the Community**

I want the people of Western Pennsylvania to know that Norfolk Southern and I are deeply committed to them. To date, we have invested more than \$24 million and provided support to more than 5,707 families through our Family Assistance Center. Our financial support to Pennsylvania so far includes:

- A \$5 million fund to reimburse local Pennsylvania fire departments for costs associated with the emergency response and clean-up. We are grateful to the first responders involved with this incident and are committed to reimbursing the cost to repair or replace equipment that was damaged or contaminated by the derailment. We will work with representatives from the local fire departments to process claims and reimbursement for equipment repair or replacement costs.
- A \$1 million Community Relief Fund to provide support to businesses that have experienced losses as a result of the incident, including business expenses Norfolk Southern has reimbursed to date.
- Almost \$1.5 million to Pennsylvania state agencies to cover costs incurred as a result of the derailment.
- More than \$388,000 to approximately 200 Pennsylvanians, including \$266,000 in recovery assistance to residents who were evacuated from their homes and nearly \$80,000 in reimbursements for specific expenses.



We know that because of the derailment, many residents are worried about long term health impacts, water quality, and property values. While environmental monitoring to date continues to show the air and drinking water are safe, Norfolk Southern is committed to solutions that address these concerns. We are in the planning stages of implementing a long-term medical compensation fund, a property value assurance program, and a long-term water testing program. We look forward to working toward a final resolution with Attorney General Yost and others as we coordinate with his office, community leaders, and other stakeholders to finalize the details of these programs.

Again, this is all a down payment. We are listening to your concerns, and we are committed to making this right.

### **III. Our Focus on Safety**

We are committed to making the rail industry safer. The morning after the derailment, I spoke to NTSB Chair Jennifer Homendy and pledged the full cooperation of Norfolk Southern in the NTSB's investigation. We will analyze and address the NTSB's investigation results when they are available, but we are not waiting to act.

The NTSB's preliminary report released last month reflected that the Norfolk Southern crew was operating the train within our protocols and below the speed limit established by federal law. The wayside detectors installed on the track to identify overheated axles operated properly, and the crew took the appropriate action when they received the alert.

We currently spend \$1 billion a year on technologies, equipment, and infrastructure to support safety, and another \$1 billion per year on ongoing operations in support of safety. But the safety mechanisms in place did not prevent this accident. Every employee at Norfolk Southern is focused on learning from this incident and working with the entire freight rail industry to make changes.

In addressing issues going forward, Norfolk Southern views an industry-wide comprehensive approach—one that includes railcar owners, car manufacturers, leasing companies, equipment makers, and the railroad companies—as essential in helping to improve safety as the rail industry continues to provide the logistical infrastructure that enables the United States' economy to grow. It's going to take all of us—and we're eager to lead that effort.

As an initial step—and focusing on what we can do on our own—we are making our network of early-warning sensors stronger. Shortly after the derailment, I instructed my team to immediately look at steps we can take to improve safety further, and we are taking the following actions:

- Enhancing the hot bearing detector network;
- Piloting next-generation hot bearing detectors;
- Deploying more acoustic bearing detectors;



- Accelerating our Digital Train Inspection program; and
- Improving practices, alongside industry partners, for hot bearing detectors.

And we are committed to helping our first responders prepare for incidents when they do happen. For years prior to the East Palestine derailment, Norfolk Southern funded training for emergency responders in Western Pennsylvania. In 2015, Norfolk Southern launched “Operation Awareness & Response” with the goal of strengthening relationships with state and local first responders across our network through new training opportunities, and full-scale exercises.

We recently announced that we are establishing a new regional training facility in Ohio, which will offer free training to first responders in Pennsylvania, Ohio, and West Virginia. The first safety classes at this new center will begin March 21 at our rail yard in Bellevue, Ohio, just west of Cleveland. We have more than 400 first responders registered for this and other upcoming trainings, and classes are currently full. We will have numerous future training opportunities across our 22-state network in 2023. We plan to establish a dedicated facility in the future. Every year, Norfolk Southern voluntarily trains between four and five thousand first responders throughout the states we serve.

#### **IV. Our Commitment to Industry Action**

We are working with others in the industry in moving forward to make railroads safer. All seven Class 1 railroads recently announced that we will join the Federal Railroad Administration’s (FRA) Confidential Close Call Reporting System (C3RS). Norfolk Southern was already actively participating in the C3RS Working Group that is part of the Department of Transportation’s Railroad Safety Advisory Committee. With all Class 1 carriers joining the FRA’s program, Norfolk Southern is building upon its own long-standing Close Call Experience Program.

We are also supportive of the industry’s efforts to train roughly 20,000 first responders in local communities across the country on accident mitigation in 2023. We also look forward to its efforts to get the AskRail app into the hands of every first responder, so that they have real-time information about the contents of every car in a train and the safe handling of those contents in the event of an accident. Finally, we support accelerated study of the use of heat-resistant gaskets for tanks transporting flammable liquid. We are committed to working with our fellow industry leaders to make the railroad industry a safer place.

#### **V. Conclusion**

Finally, Chairman Mastriano, Senator Muth, and members of the Committee, I want to state again how deeply sorry we are for the impact of this derailment on the citizens of Pennsylvania. We are making progress in the recovery and know our work is not yet done. On behalf of the more than 19,700 hard-working employees of Norfolk Southern, I pledge that we won’t be finished until we make it right. Thank you for the opportunity to testify before you today, and I look forward to your questions.