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BEFORE THE  
ILLINOIS COMMERCE COMMISSION  
BENCH SESSION  
(TRANSPORTATION)  
Springfield, Illinois  
March 11, 2015

Met, pursuant to notice, at 10:30 a.m. at 527 East  
Capitol Avenue, Springfield, Illinois.

PRESENT:

- MR. BRIEN J. SHEAHAN, Chairman
- MS. ANN McCABE, Commissioner (by video)
- MR. MIGUEL del VALLE, Commissioner (by video)
- MS. SHERINA E. MAYE, Commissioner (by video)

MIDWEST LITIGATION SERVICES, by  
Angela C. Turner, Reporter  
CSR #084-004122

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PROCEEDINGS

CHAIRMAN SHEAHAN: Good morning. Are we ready to proceed in Chicago?

COMMISSIONER DEL VALLE: Yes, we're ready.

CHAIRMAN SHEAHAN: Pursuant to the Open Meetings Act, I call the March 11, 2015, Bench Session of the Illinois Commerce Commission to order. Commissioners McCabe, del Valle, and Maye are present in Chicago. I am in Springfield via video conference. We have a quorum.

We have no public comments; and therefore, will move into our regular Transportation Agenda.

I believe everyone has had a chance to look at the minutes of February 25th.

Are there any objections to approving the minutes of February 25, 2015?

(No response.)

CHAIRMAN SHEAHAN: Without objection, the minutes are approved.

Moving on to the Railroad Agenda, Items RR-1 through RR-5 all involve granting authority for various public safety improvements to grade crossings.

Are there any objections to considering

1 these items together and approving the proposed  
2 Orders for Items RR-1 through RR-5?

3 (No response.)

4 CHAIRMAN SHEAHAN: Hearing none, those  
5 Orders are approved.

6 Moving on to Motor Carriers, Items MC-1 and  
7 MC-2 involve Applications for Household Goods  
8 Carriers.

9 Are there any objections to considering MC-1  
10 and MC-2 together and approving the proposed Orders?

11 (No response.)

12 CHAIRMAN SHEAHAN: Without objection, the  
13 Orders are approved.

14 Items MC-3 through MC-6 are all stipulated  
15 settlement agreements.

16 Are there any objections to considering MC-3  
17 through 6 together and approving the proposed Orders?

18 (No response.)

19 CHAIRMAN SHEAHAN: Without objection, the  
20 Orders are approved.

21 Moving on to Administrative Matters. AM-1  
22 is the Commission's 5-Year Crossing Safety  
23 Improvement Plan.

24 Is there a motion to approve the plan?

1 COMMISSIONER McCABE: So moved.

2 CHAIRMAN SHEAHAN: Is there a second?

3 COMMISSIONER MAYE: Second.

4 CHAIRMAN SHEAHAN: Is there any discussion?

5 COMMISSIONER DEL VALLE: I've got a quick  
6 question, please.

7 CHAIRMAN SHEAHAN: Yes, sir.

8 Commissioner del Valle.

9 COMMISSIONER DEL VALLE: This is on the  
10 Grade Crossing Safety Improvement Plan. In the plan,  
11 you indicate that the ICC will also set aside \$3  
12 million from the Grade Crossing Protection Fund and  
13 contingency funds to address emergency projects which  
14 may require rapid resolution, and also experimental  
15 crossing safety projects, low-cost safety  
16 improvements at multiple crossings and set up  
17 payments to local agencies for the voluntary closure  
18 of public highway-rail grade crossings. These funds  
19 could also be used for low-cost improvements, such as  
20 replacement of incandescent lights with LED lights at  
21 approximately 100 crossings. All of this is done  
22 with this contingency fund.

23 Is this \$3 million out of the \$39 million  
24 total?

1 MR. STEAD: Yes, it is.

2 CHAIRMAN SHEAHAN: Can you introduce  
3 yourself just for the record?

4 MR. STEAD: Yes.

5 This is Mike Stead, manager of the Rail  
6 Safety Program.

7 COMMISSIONER DEL VALLE: Okay. So that's \$3  
8 million out of the \$39 million. And this is for  
9 Fiscal Year '16.

10 Is there a contingency fund in Fiscal Year  
11 '15, the current fiscal year?

12 MR. STEAD: Yes.

13 COMMISSIONER DEL VALLE: Is it for the same  
14 amount?

15 MR. STEAD: Yes. We have been keeping a \$3  
16 million contingency fund in place at least since  
17 2000. The 5-Year Plan requirement became official in  
18 FY 1998, and we began in 2008 to keep a contingency  
19 fund available for these type of projects.

20 COMMISSIONER DEL VALLE: Now, in Senate Bill  
21 274, which is the third reading in the Senate, that's  
22 the bill that sweeps funds. There is a sweep  
23 included in there of about \$8.1 million for the  
24 current fiscal year.

1           What would that do to the Grade Crossing  
2 Protection Fund, and would it serve to eliminate the  
3 contingency fund, plus more?

4           MR. STEAD: In general, the \$8 million  
5 proposed to be swept from Grade Cross Protection Fund  
6 will reduce the cash balance from approximately  
7 \$36 million currently to about \$28 million.

8           We don't believe that this will be a  
9 significant detriment to what our program will do  
10 moving forward. Worst case, we may have to defer  
11 recommending the programming of Grade Cross  
12 Protection Fund assistance for large scale projects,  
13 such as the -- a grade separation that may exceed  
14 \$20 million. We may have to forgo that  
15 recommendation for a couple of years if things get  
16 extremely tight with our cash balance.

17           But we have faced this problem in the past  
18 and have not -- our experience tells us it won't be a  
19 significant problem to what we're doing with our  
20 5-Year Plan.

21           COMMISSIONER DEL VALLE: The worst case  
22 scenario, if this is approved, is that you would  
23 defer one of the large projects, but it wouldn't  
24 affect -- you wouldn't have to cancel any projects,

1 right?

2 MR. STEAD: We don't anticipate that being  
3 the case, Commissioner, no.

4 COMMISSIONER DEL VALLE: Thank you.

5 CHAIRMAN SHEAHAN: Thank you, Commissioner.

6 Any other questions?

7 COMMISSIONER McCABE: Yes. This is  
8 Commissioner McCabe.

9 Michael, I thank you for a good annual  
10 report. And I again note your emphasis on education,  
11 engineering, and enforcement when it comes to  
12 collision and casualty specifics. Overall, the trend  
13 is down, but I notice a slight uptick in the last two  
14 years.

15 I just wondered if you had any comments or  
16 observations on that.

17 MR. STEAD: Well, in general, you're  
18 correct, Commissioner. In general, the trend is  
19 downward with regard to the number of highway  
20 vehicle-train collisions. But unfortunately, the  
21 trend is upward for pedestrian and/or trespasser  
22 incidents.

23 So that's been the focus of Operation  
24 Lifesaver and our public education programs to better

1 educate the public on the dangers for pedestrians and  
2 trespassers around railroad facilities. And in  
3 particular, we made a concerted -- or continue to  
4 make a concerted effort to express that information  
5 to communities along the proposed high-speed rail  
6 corridor where the train speed will be significantly  
7 higher in a couple of years.

8 COMMISSIONER McCABE: Thank you.

9 CHAIRMAN SHEAHAN: Thank you, Commissioner.

10 Any other questions?

11 (No response.)

12 CHAIRMAN SHEAHAN: All those in favor of  
13 adopting the 5-Year Plan say aye.

14 (Chorus of ayes.)

15 CHAIRMAN SHEAHAN: Opposed say no.

16 (No response.)

17 CHAIRMAN SHEAHAN: Ayes have it. The plan  
18 is approved.

19 AM-2 is our 2014 Annual Report on accidents  
20 involving hazardous materials.

21 Is there a motion to approve the report?

22 COMMISSIONER McCABE: So moved.

23 CHAIRMAN SHEAHAN: Is there a second?

24 COMMISSIONER MAYE: Second.



1           CHAIRMAN SHEAHAN: Are there any questions?

2           COMMISSIONER DEL VALLE: Yes, Mr. Chairman,  
3 I have a question.

4           CHAIRMAN SHEAHAN: Please, go ahead.

5           COMMISSIONER DEL VALLE: The ICC --  
6 according to the report, the ICC currently has one  
7 full-time federally certified hazardous material  
8 inspector position responsible for the entire state  
9 with respect to rail cars.

10           Has that been the case all along or did we  
11 see a reduction in the number of inspectors to one?

12           MR. STEAD: Yes, Commissioner, we have been  
13 without our full compliment of hazmat inspectors  
14 since October of 2013, when one of our inspectors  
15 retired. Had to retire early, actually, due to  
16 medical reasons and has, unfortunately, since passed  
17 away.

18           It's my opinion that rather than having two  
19 hazmat inspectors, the Commission needs three to  
20 adequately handle all the hazmat traffic in the  
21 state. Historically, up until 1997 or '98, I  
22 believe, the Commission had employed three hazmat  
23 inspectors. And since then, we were down to two.  
24 Currently, since October of '13, as I mentioned,

1 we're down to one. So that is a concern of ours.

2 We're doing the same with our track  
3 inspectors. At one point, we had three. Up until  
4 July of last year, we had three, as a matter of fact.  
5 Now we're down to one. So it's a budget issue.  
6 Again, we're doing the best we can with the manpower  
7 we have available to us. And I believe that we're  
8 making do with what we have.

9 Just as an example, relating to the recent  
10 train derailment that occurred in Galena last week.  
11 The train was operating at 25 miles per hour, which  
12 is 10 miles an hour slower. That was imposed by our  
13 track inspector after he conducted an inspection of a  
14 segment of track, including the area where this  
15 derailment occurred a couple of weeks prior to the  
16 derailment. Because he found some defective tie  
17 condition, he imposed a 10-mile-an-hour slower Order.  
18 Therefore, the trains that were operating last week  
19 were at 25 miles per hour maximum speed rather than  
20 35. So we believe that if the slower had not been  
21 imposed, that the significance of last week's  
22 incident would have been worse.

23 MR. DEL VALLE: And thank you. Because that  
24 was going to be my second question. And I want to

1 thank our Staff, because that inspection was  
2 publically reported as a result of this story.

3 But again, we have one -- how many -- three  
4 track inspectors?

5 MR. STEAD: We have one. We currently have  
6 one.

7 COMMISSIONER DEL VALLE: We have one for the  
8 entire state?

9 MR. STEAD: That's correct.

10 COMMISSIONER DEL VALLE: Okay. Thank you.

11 CHAIRMAN SHEAHAN: Are there any other  
12 questions?

13 COMMISSIONER MAYE: Yes, Mr. Chairman.  
14 Thank you.

15 I just wanted to inquire about where we are  
16 in comparison to other states. I am not sure that we  
17 actually have the capacity or capability -- I'm not  
18 sure we communicate with other states on this issue.

19 In my opinion, one accident, obviously, is  
20 too many. But I am curious to know maybe where we  
21 are with these numbers in regards to other states or  
22 in comparison rather.

23 MR. STEAD: Which numbers are you referring  
24 to?

1           CHAIRMAN SHEAHAN: In terms of the staffing  
2 I think is where she's going with this. The staffing  
3 levels.

4           MR. STEAD: The staffing levels for Illinois  
5 compared to other states, surrounding states  
6 immediately surrounding Illinois, are far greater.  
7 For instance, states of Wisconsin, Minnesota -- I am  
8 sorry -- Michigan and Indiana have no state  
9 inspectors. The state of Iowa has one. The state of  
10 Missouri has three, I believe. State of Minnesota,  
11 which is not necessarily close to Illinois, but  
12 within this region, federal region, as a new program,  
13 has two inspectors for their entire state.

14           In general, Illinois is better off than  
15 other states in this region. Nationally, we're  
16 farther behind than some other states. But in  
17 general, I would say we're middle of the pack. For  
18 instance, at the high end, the state of California  
19 employs over 50 state inspectors. The state of Texas  
20 has a number in the twenties. But there are other  
21 states on the East Coast and other areas that have  
22 one or two inspectors for their state programs.

23           So I would say, in general, I am pleased  
24 with what we have. I could always use more. But

1 given what we have to work with, I am happy where we  
2 are right now.

3 COMMISSIONER MAYE: Thank you.

4 COMMISSIONER DEL VALLE: If I could just  
5 follow up.

6 Isn't it kind of comparing apples and  
7 oranges given how important Illinois is for rail and  
8 how much activity there is in rail?

9 What are we -- we're ranked number two in  
10 the country, aren't we?

11 MR. STEAD: Yes, that's a fair point.

12 Given the size of the rail industry within  
13 Illinois and the fact that Chicago is the hub, the  
14 largest hub in the country, we believe that -- and  
15 Commission and state government has agreed with us  
16 over the years that the state needs a very robust  
17 rail inspection program.

18 It's been reduced -- and our numbers have  
19 been reduced recently because of retirements and the  
20 inability to replace the retired folks. But we still  
21 have a significant presence out there. All of our  
22 inspectors are former railroad employees. That's a  
23 tremendous amount of experience and knowledge in that  
24 industry. So we're blessed with good employees. But

1 as I mentioned, we could always use more.

2 COMMISSIONER DEL VALLE: I just want,  
3 Mr. Chairman, to point out that there is great  
4 concern out there about the transporting on rail of  
5 crude oil and other hazardous materials, inflammable  
6 materials. And I think it's important that we take a  
7 careful look at this.

8 Thank you.

9 CHAIRMAN SHEAHAN: Thank you. Those points  
10 are well taken.

11 As you know, we have got our House  
12 appropriations hearing this afternoon. And Director  
13 Feipel and I will talk after this and make a point to  
14 raise these issues -- important issues with the House  
15 appropriators.

16 COMMISSIONER DEL VALLE: Thank you.

17 CHAIRMAN SHEAHAN: Is there any other  
18 discussion with respect to AM-2?

19 (No response.)

20 CHAIRMAN SHEAHAN: All those in favor of  
21 approving the 2014 Annual Report say aye.

22 (Chorus of ayes.)

23 CHAIRMAN SHEAHAN: Opposed say no.

24 (No response.)

1                   CHAIRMAN SHEAHAN: Ayes have it.  
2                   Any other further Transportation business  
3 for us?  
4                   MR. MATRISCH: No, Mr. Chairman. Thank you.  
5                   CHAIRMAN SHEAHAN: Thank you. That  
6 concludes our Transportation Agenda.  
7                   TRANSPORTATION SESSION CONCLUDED.  
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CERTIFICATE OF REPORTER

I, Angela C. Turner, a Certified Shorthand Reporter within and for the State of Illinois, do hereby certify that the meeting aforementioned was held on the time and in the place previously described.

IN WITNESS WHEREOF, I have hereunto set my hand and seal.

\_\_\_\_\_  
Angela C. Turner  
IL CSR #084-004122