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FOR IMMEDIATE RELEASE

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**Chlorine Institute Submits Final Study Confirming
FRA's Understatement of Positive Train Control Benefits**

ARLINGTON, Va. (May 25, 2010) – The Chlorine Institute, Inc. (CI), today submitted to the Federal Railroad Administration (FRA) the final report on a cost-benefit study confirming that a new regulation requiring railroads to implement Positive Train Control (PTC) vastly understates the technology's benefits to the railroad industry and public.

In March and based on an initial CI-commissioned study of the regulation, which is intended to make rail movements safer, CI asked the FRA to re-issue the rule with a corrected cost-benefit analysis. While it strongly supports PTC, the Institute says that the faulty cost-benefit analysis in the current rule fosters a situation that could allow railroads to impose on shippers of chlorine and other toxic inhalation hazard (TIH) chemicals an unfairly large share of the costs of applying PTC technology.

The report¹ by L. E. Peabody & Associates, Inc., Alexandria, Va., "further documents the Initial Peabody Report's findings on the substance and extent of the FRA's understatement of the benefits to both the railroad industry and the society as a whole, and quantifies the real value of Positive Train Control," CI said in its letter of transmittal to the FRA.

"The Final Peabody Report also points out the radical transformation of the railroad position regarding the benefits of (PTC) to the rail industry," CI said in reference to conflicting rail industry statements made in December 2008 and April 2010. An official of one of the major railroads stated during a public presentation in December 2008 that PTC would "improve safety, velocity, and fuel conservation," to "reduce fuel consumption and carbon emissions." Then in April 2010, a report prepared for the American Association of Railroads (AAR) stated that the benefits mentioned earlier are "likely to be only marginally influenced by the roll-out of PTC."

(more)

¹*Positive Train Control: Statement of Updated Total Benefits and Costs, Restatement of FRA Cost-Benefit Analysis Based on Updated FRA Benefits and Costs, and Statement of Economic harm to TIH Shippers*, May 24, 2010, by L.E. Peabody & Associates, Inc., Economic Consultants, 1501 Duke Street, Suite 200, Alexandria, VA 22314

“Upon review it is apparent that the FRA analysis contained in the (Regulatory Impact Analysis) is seriously flawed, even the (AAR-commissioned report) seems to acknowledge that,” CI’s letter said. “Only a reevaluation of the assumptions used and the methods employed in conducting the FRA cost-benefit analysis that includes all elements of benefits flowing from (PTC) can correct the deficiencies. The Chlorine Institute is willing to assist the FRA to reexamine this vital issue to achieve a statistically appropriate and legally sound conclusion.”

(Editors: The Chlorine Institute, Inc., letter of transmittal to FRA; the complete, final cost-benefit analysis by L. E. Peabody & Associates, Inc., CI’s March 16 news release announcing its petition to FRA, and interviews with a CI official are available upon request to Joe Walker, 703-491-3301 or walkercom2@aol.com.)

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The Chlorine Institute, Inc. is an Arlington, Va.-based trade association supporting the North American and global chlor-alkali industry by fostering continuous improvements to safety, security, and the protection of human health and the environment connected with the production, distribution and use of chlorine and other chlor-alkali mission chemicals. The Institute provides numerous technical publications that can be freely downloaded from our [web site](#) to assist members and non- members to more safely and security handle our mission chemicals.