



Bob Andrews Group

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Testimony of

**Chief Robert C. Andrews, Jr., P.E., M.Sc., EFO, CFO, SFPE, MIFireE
President & CEO**

and

**Samuel O. Goldwater, B.A.
Senior Vice President**

before the

**House Committee on Veterans Affairs and Emergency Preparedness
of the
Commonwealth of Pennsylvania**

regarding

**Emergency Preparedness and Public Safety Implications
for the
Transportation of Crude Oil Across the Commonwealth**

**March 5, 2014
Eddystone, Pennsylvania**

RE: Testimony – House Committee on Veterans Affairs and Emergency Preparedness

Mr. Chairman and members of the committee, thank you so very much for inviting us to testify before you this morning.

Certainly there are tremendous benefits from what I'll call "oil-from-shale". Money is being made, jobs are being created, and our chances to achieve national energy independence, has been greatly improved. In my adopted State of Texas, they are labeling this new oil shale discovery and development, as "the oil shale boom" or "the 21st Century Gold Rush". Today, some of the most expensive housing in the country is no longer in New York City, but rather, in rural South Dakota or rural south Texas. And like the original Gold Rush, there are a lot of benefits, but there are also a lot of challenges.

Because there is a lot of territory between where all of this oil is being produced and where it's needed, those economic benefits have also expanded along transportation routes and to hub cities where this oil is either used in refineries or shipped to other markets. We are all sitting, this morning, in a region that is economically benefiting from this "21st Century Gold Rush". Similar to the original Gold Rush, today we also face a tremendous opportunity for great economic growth and prosperity, but like then, those opportunities also come with consequences and side-effects.

Mr. Chairman, I applaud you and this committee, on recognizing that along with the significant benefits of this "oil boom", there are also specific implications related to Public Safety and Emergency Preparedness, and again, we are pleased to have this opportunity to contribute to the discussion.

As I wrote this testimony, I anticipated that you would have already heard this morning about the excellent safety record of transporting crude-oil-by-rail, and that you would have also heard about the several initiatives that are currently aimed at either preventing an accident, or aimed at minimizing the affects of an accident involving crude-oil-by-rail, should one occur. Among the many initiatives I suspected you would hear about include:

- Facts and figures that show crude-oil-by-rail is statistically a very safe form of transportation
- The lowering of the maximum speed limits of crude oil trains – to reduce the chances of a spill and fire in the event of an accident – because speed and damage are related
- The possible rerouting of crude oil trains around populated areas, and,
- The provision of new tank cars, or the modification of existing tank cars, to make them stronger and more damage-resistant in the event of a collision.

I applaud these efforts, and I absolutely agree that they will contribute to making the transportation of crude-oil-by-rail safer, overall. However, as a life-long emergency responder, and having worked in some of the most regulated and safety-conscious industries in America, I'm here to say that, "all accidents will not be prevented" and "accidents involving crude-oil-by-rail, despite our best efforts, will occur". Because accidents will occur, it is critical that a structured, robust, and reliable emergency response system be established in order to effectively protect the citizens of the Commonwealth of Pennsylvania. Thus, my testimony today is aimed at addressing the myriad of issues that are currently related to the emergency preparedness and public safety implications of crude-oil-by-rail. But first, I would like to take a

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few moments to properly introduce myself, and share a little bit about my background and the path that brought me before you today.

My name is Bob Andrews, and I am one of the few fortunate kids who always wanted to be a fireman when he grew up – and actually got to be one. Now, please understand that when I joined the fire service back in 1974, the term “firefighter” was not yet the common job title. It was on my 16th birthday, that I had my mother drive me down to the local firehouse – I didn’t even have my learners permit yet – so that I could pay my two-dollars, and apply to be a “Junior Fireman” at the East Whiteland Volunteer Fire Association – Chester County Company 5. At the advanced age of 17, I was licensed as one of the first Emergency Medical Technicians in the State, having graduated from the EMT program at Delaware County Community College. It was from there, having decided that I wanted to pursue a full-time career in the fire service, that in 1976 that I entered the Fire Protection Engineering curriculum at the University of Maryland.

All during college I volunteered at the College Park Volunteer Fire Department – Prince George’s County Company 12, rising through the ranks to Truck Company Captain. When I graduated in 1980, I took what would become a significant fork in the road of my fire service career, when I signed on with Marathon Oil Company as an Associate Risk Engineer in their Findlay, Ohio world headquarters. For the next 32 years I specialized in emergency response to the oil, chemical, rail, critical-infrastructure, and other high-hazard, high-value industries. In 2012, I thought I had hung up my fire boots for good, when I sold my emergency response company to group of private equity investors.

However, as this current “21st Century Oil Boom” began, and due to my unique combination of industrial firefighting and railroad safety experience, I was encouraged to put my fire boots back on and once again provide critical emergency response services to the crude-oil-by-rail industry, as well as to the greater critical infrastructure industry. Six months before the disaster resulting from the derailment of a crude oil train, and the subsequent fire devastated the town of Lac-Mégantic, Quebec, Canada, I decided to go back into the industrial emergency response business. In September of last year we announced the establishment of BAG Emergency Response Services, LLC, and specifically targeted the protection of crude-oil-unit-trains. I’ve attached a copy of that press release to this testimony, and identified it as “Exhibit 1”.

My business development team, led by my Senior Vice President, Sam Goldwater, immediately started looking at where in North America we should launch the new emergency response company. Sam, sitting here next to me, is a native of Chester, also attended the University of Maryland, and like me, was also a member of the College Park Volunteer Fire Department, which is where we met. Sam is currently a lifetime member of the Singerly Fire Company in Elkton, Maryland, and actively volunteers there, when he’s in the area.

For a myriad of reasons, both professional and personal, we decided to launch our new venture in the Tri-State area. We issued a press release on February 24th, entitled “Bob Andrews Group to Establish Specialist Emergency Response Headquarters in the Tri-State Area.” We continued by stating “Ten month long site selection process now focusing on Delaware County, Pennsylvania.” I have also attached a copy of that press release to this testimony, and identified it as “Exhibit 2”.

So, enough about us, and back to the subject-at-hand. There are currently a lot of ideas being put forward in response to the need to identify reasonable solutions to improving crude-oil-by-rail emergency response. These ideas range from being local in scope to being national in

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scope. In order to offer our assessment of the current situation, as well as offer our recommendations, we've organized our testimony around addressing the following five questions:

First: What does the current crude-oil-by-rail risk profile look like, and how will that risk profile change over the next three years?

Second: In our experience, what are the biggest obstacles to addressing this challenge?

Third: In our experience, what ideas and approaches will work and lead to success?

Forth: In our experience, what ideas and approaches will not work and will reduce the chance for success? And,

Fifth: Based upon the previous four questions, what should a structured, robust, and reliable emergency response system, aimed specifically at the crude-oil-by-rail threat, look like?

Question 1: What does the current risk profile look like, and what will the risk profile look like over the next three years?

First, we believe that the risk profile should be narrowly-focused, concentrating upon crude-oil-by-rail shipping routes, as well as the size and frequency of the crude oil trains traversing those routes. This study should be conducted to determine both current activity, as well as project the growth of both shipping routes and train activity over the next three years.

Second, we believe that those routes and frequencies should be examined with regard to population centers as well as areas of particular environmental sensitivity.

Third, we must acknowledge that crude-oil-by-rail accidents are "low frequency – high risk events" and design our response system accordingly.

Question 2: In our experience, what are the biggest obstacle(s) to addressing this challenge?

First, we want to say what the biggest obstacle shouldn't be, and that's money. We sincerely believe that when compared to the significant crude-oil-by-rail economy, there should be plenty of money to provide for a reliable and cost-effective emergency response solution.

What we do believe to be the biggest obstacle to solving this problem, is the sheer number of stakeholders involved, both private and public. All of us who have tried to negotiate a deal know that the larger the number of stakeholders, the harder it is to reach consensus, and harder it is to seal the deal. The crude-oil-by-rail arena in the Commonwealth of Pennsylvania is full of both private industry, and public sector players. All have a vested interest in their particular area of responsibility and jurisdiction, and all often have conflicting priorities.

As with any complex negotiation, it is often critical that one of the parties come forward to lead those negotiations. Due to the public safety and emergency preparedness implications

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associated with crude-oil-by-rail, we believe that the Commonwealth of Pennsylvania, through this committee, should emerge as the leader necessary to identify the right solution for the Commonwealth, and then expedite the implementation of that solution.

Question 3: In our experience, what ideas and approaches will work and lead to success?

We believe that the following elements must be in place for the new crude-oil-by-rail emergency response system to work:

1. The Commonwealth of Pennsylvania must take the lead in order to identify the best approach for improvement as well as to expedite the implementation of that solution.
2. A joint public / private partnership should be created to both implement the solution as well as determine a joint public / private funding plan. However, due to the urgency of this threat, we believe that the Commonwealth should consider immediately funding a solution, in order to fill the current emergency preparedness gap, while long-term funding schemes are evaluated.
3. A specialist emergency response team, with state-wide jurisdiction, should be identified to specifically respond to crude-oil-by-rail emergencies. That team should be lead by career, professional emergency response specialists, operating emergency response equipment that has been specifically-designed for the unique hazards associated with crude-oil-by-rail accidents. In addition to the full-time career staff, specially qualified part-time emergency responders should also be an integral part of the team; this is how we integrate the current mostly volunteer system with the new system.

We believe that BAG Emergency Response Services is qualified to serve in this capacity. As supporting documentation I have attached a qualifications sheet for "Key BAG-ERS Personnel" to this testimony and identified it as "Exhibit 3". I have also attached a "Description of the [BAG-ERS] Organization" to this testimony and identified it as "Exhibit 4".

4. The deployment of the team's personnel and specially-designed equipment should be based upon the Risk Management Plan identified in Question 1.
5. This specialist emergency response team should be responsible for determining which first responder organizations, including volunteer fire departments, are in the best position to receive specialized training and equipment related to crude-oil-by-rail. Among the selection criteria for those volunteer fire companies should be their proximity to rail shipping routes, their proximity to population and environmental exposure, and, most importantly, their staffing capability (on a 24-hour basis) as it relates to reliable and predictable emergency response.
6. The organization of the team, and its reporting relationships, must provide for accountability to all public and private stakeholders.

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Question 4: In our experience, what ideas and approaches will not work and will reduce the chance of success?

We have three major areas of concern here:

Our first concern is that the effort to improve emergency response to crude-oil-by-rail accidents will be spread so thin across the Commonwealth, that it becomes simply ineffective.

Our second concern is related to stockpiles of emergency equipment that may potentially be staged throughout the state. Not only is it important that these stockpiles contain an inventory, both variety and quantity, that actually does some good, but more importantly, that this equipment be regularly inspected, tested, and maintained. There is no shortage of examples where both the government, as well as private industry, has made huge investments in emergency equipment, only to have it deteriorate to a non-operable condition, rendering it useless when the emergency finally occurs. Of course, the other assumption is that qualified personnel are actually available to deploy the stockpile in the time of emergency.

Our third concern, is the potential over-reliance on the Commonwealth's volunteer fire and emergency services. As we have testified previously, both Sam and I began our fire service careers in the volunteer fire service. We both have tremendous admiration for the dedicated members of the volunteer fire service and as I mentioned earlier, Sam is still an active volunteer. I grew up during the heyday of the volunteer fire service in Pennsylvania. I was one of those 300,000 volunteers back in 1977 that Fire Commissioner Mann mentioned in his testimony before this committee last Thursday. And both Sam and I have a full appreciation for the current difficulties facing the volunteer fire service across the country today. To be blunt, knowing the dedication of volunteers, it is not fair for the community, at the local or state level, to create an environment where well-meaning volunteers will feel compelled to commit themselves to conducting highly-hazardous operations, that they are neither trained, nor equipped to perform. We offer three examples to support our concern of this over-reliance:

- On April 17, 2013 an ammonium nitrate explosion occurred at the West Fertilizer Company storage and distribution facility in West, Texas while firefighters were attempting to douse the flames (Note 1). Among the dead were 11 firefighters from five departments who rushed in to help as the explosion leveled parts of the small town (Note 2).
- On November 30, 2012, a westbound Conrail freight train derailed over the Jefferson Street Bridge in Paulsboro, N.J., that spans the Mantua Creek. Seven of the 82 cars on a train left the track around 7 a.m., four of which fell into water below. One car, which was carrying vinyl chloride – a toxic gas – was punctured releasing some 20,000 gallons of the hazardous material. The National Transportation Safety Board (NTSB) conducted hearings to evaluate the emergency response to that derailment and their findings were reported in the South Jersey Times via their website on July 10, 2013. Among the statements made by the NTSB:
 - "Volunteer fire fighters and emergency response personnel being thrust into catastrophic events without adequate training or resources is a wide-spread problem that needs to be addressed".

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- “What we have heard over the last two days was an amazing story of volunteers who put their lives on the line every day for us,” said NTSB Vice Chairman Chris Hart. “It’s becoming abundantly apparent that what we’re looking at is not a Paulsboro problem, it’s a national problem of resources, of training. How do we address the situation? That is our challenge.” (Note 3).

Additionally, six New Jersey State Police Troopers have sued Conrail along with local police officers, and are seeking damages from the company as a result to their exposure to the chemical release. (Note 4).

- Only last Thursday (February 27, 2014), Pennsylvania State Fire Commissioner Edward Mann testified before this committee regarding the shortage of emergency responders. In 1977 there were 300,000 volunteer firefighters in Pennsylvania, today that number is closer to 50,000. Fire Commissioner Mann testified last week that “sooner or later, somebody’s going to dial 911 and the 911 center is going to dispatch a fire department and nobody’s going to show up. That’s where we’re headed”. The problem may have not hit every community in the state but taken as a whole, Mann said the commonwealth is facing a public safety crisis where this scenario will likely occur more often. Fire Commissioner Mann also testified that volunteer ambulance squads have also seen a decline. Even the number of paid career emergency responders are seeing cuts because of municipal funding shortages.

Note 1: http://en.wikipedia.org/wiki/West_Fertilizer_Company_explosion

Note 2: <http://www.usatoday.com/story/news/nation/2013/04/25/hero-firefighters-west-texas/2112525/>

Note 3:
http://www.nj.com/gloucestercounty/index.ssf/2013/07/paulsboro_train_derailment_hearing_its_not_a_paulsboro_problem_its_a_national_problem_ntsb_says_about.html

Note 4:
http://www.nj.com/politics/index.ssf/2013/05/six_nj_state_police_troopers_s.html

Note 5:
http://blog.pennlive.com/midstate_impact/print.html?entry=/2014/02/pa_is_beyond_sounding_the_alar.html

Question 5: Based upon the previous four questions, what should a *structured, robust, and reliable* emergency response system, aimed specifically at the crude-oil-by-rail threat, look like?

Crude-oil-by-rail cuts through the entire country, represents interstate commerce on a grand scale, and is federally regulated by the Department of Transportation through the Federal Railroad Administration (FRA) as well as the Pipeline and Hazardous Materials Safety Administration (PHMSA). Reasoning that crude-oil-by-rail safety represents a national concern and is federally regulated, we approached PHMSA with our general idea for a regional emergency response model. They were receptive in concept, but advised we would need to

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make a formal submittal, one that would also protect the proprietary and confidential nature of our concept.

The path they recommended we take was to submit an Unsolicited Proposal to them. Heeding PHMSA's advice, on February 1, 2014, BAG Emergency Response Services submitted an "Unsolicited Proposal to the U.S. Department of Transportation (DOT) and the Pipeline and Hazardous Materials Safety Administration (PHMSA). We proposed to "Design, Build, and Operate a Specialist Emergency Response Capability Aimed a Crude Oil by Rail (CBR) Hazards in the Central-Atlantic Region of the United States". Our proposal presented a regional plan that would have yielded the related cost-efficiencies of being a regional program. I have attached the cover sheet from this proposal to this testimony, and have identified it as "Exhibit 5."

We received word back from PHMSA on February 21, 2014. In their response, they called our proposal a "very worthwhile initiative" and they "thanked us very much for our interest in PHMA's safety mission and concern for the overall security and safety of our Country". However, they also advised us that PHMSA was "not able to support this effort", as it did not "align with the Agency's scope of responsibility."

In the end, PHMSA referred us to discuss our proposal with "an applicable state emergency response agency", and further advised us that, "PHMSA's primary involvement with emergency response is to provide grant funding to States."

Mr. Chairman, we would be happy to share the proposal that we provided to PHMSA with this committee. We see no reason why the Commonwealth of Pennsylvania should not benefit from the "very worthwhile initiative" we proposed to PHMSA. We believe that we can tailor our regional plan to appropriately fit the needs of the Commonwealth.

Mr. Chairman, and members of the committee, the Commonwealth of Pennsylvania is greatly benefiting from this "21st Century Oil Boom". Refineries in the Philadelphia area that had been shuttered and given up for dead, have been restarted and are operating again, thanks to the availability of new "Light Philly Crude", jobs that were considered lost, are back. Additionally, a whole new crude-oil-by-rail oriented industry has emerged, represented by the new trans-loading facility right here in Eddystone. This new rail industry has not only created significant construction jobs, but will also create good-paying, full-time operating jobs once the construction is over. But, as we have testified previously, along with all of this financial prosperity, comes public safety and emergency preparedness implications.

BAG Emergency Response Services is ready and available to play our part in improving emergency preparedness and public safety in response to crude-oil-by-rail. We believe that by working with this committee, we can collectively find an innovative cost-effective public / private solution where Pennsylvania can lead the nation in addressing this threat. The ultimate objective is to bring into balance, the economic benefits of crude-oil-by-rail, with a structured, robust, and reliable emergency response system, so that the Commonwealth of Pennsylvania can provide a reasonable level of safety for its citizens, its workers, the industry, and the environment.

Thank you very much for the opportunity to testify before you today. Sam and I are available to take any questions you may have.



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For Immediate Release

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Bob Andrews Group to Provide Specialist Emergency Response Service to Protect Crude Oil Unit Trains in North America

San Antonio, TX – September 4, 2013

The Bob Andrews Group, LLC (BAG) today announced the formation of BAG – Emergency Response Services, LLC (BAG-ERS), a wholly-owned subsidiary that will focus on providing specialist emergency preparedness and response services to protect crude oil unit trains in North America as well as the communities in which they operate.

The new company will provide industrial firefighting specialists as well as specially-designed firefighting equipment aimed at crude oil unit trains and their associated fixed loading and unloading facilities.



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According to the company, the Bob Andrews Group has been working to establish this capability for the past several months, but the recent Lac-Mégantic tragedy has served as a catalyst to launch this much-needed service on an expedited basis. *"BAG Emergency Response Services will offer customized emergency preparedness and response solutions tailored to the specific risk profile of railroads, shippers, fixed facility operators, insurers, and communities along a particular unit train travel route",* said Chief Robert C. Andrews, Jr., P.E., Bob Andrews Group President & CEO. *"Among the risk metrics we will use to tailor our solutions will be the frequency and routes of unit train travel, the population density and any environmentally sensitive areas along the route, and the current preparedness level of local first responders",* Andrews said.



Chief Robert C. Andrews, Jr., P.E., M.Sc.
President & CEO
Bob Andrews Group, LLC



According to Andrews, the company will apply three emergency response deployment models, alone or in combination, in order to provide sufficient personnel and equipment to curtail the growth of an emergency in its earliest stages and within agreed-to response time parameters.

Location options include both wayside fixed emergency response facilities housing specially-designed, high-rail firefighting vehicles, as well as the inclusion of specially-designed firefighting railcars that will be part of the crude oil unit train consist. *"Being able to interrupt the growth of the fire or emergency at its earliest phase is critical to preventing a Lac-Mégantic-type disaster in the future", Andrews said.*

The company is immediately available to work with railroads, shippers, facility operators, insurers, communities and first responders, as well as local, state, and national regulators in both the United States and Canada to help them specifically satisfy the myriad concerns that have arisen out of the Lac-Mégantic tragedy.

The company believes that its projected emergency response enhancements represent a reasonably small incremental increase in rail shipping costs and are easily justifiable on a cost vs. risk reduction basis.

Additional Background – The Lac-Mégantic Disaster

On July 6, 2013, a catastrophic accident involving a freight train containing loaded tank cars of petroleum crude oil occurred in the town of Lac-Mégantic, Quebec. The train was approximately 4,700 feet long, weighed over 10,000 tons and consisted of five locomotives, a loaded box car, and 72 loaded tank cars containing petroleum crude oil.

At approximately 1:00 a.m., it appears that the [unmanned] train began rolling and picking up speed down the descending grade toward the town of Lac-Mégantic, Quebec. Near the center of town, the train derailed.

The locomotives separated from the train and came to a stop approximately ½ mile from the derailment site. The box car and 63 of the loaded tank cars derailed. A number of the derailed tank cars released product resulting in multiple explosions and numerous fires. At this time, it is estimated that there were 42 fatalities and 5 persons are still missing. There was also extensive damage to the town, and approximately 2,000 people were evacuated from the surrounding area.¹



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According to news sources, clean-up costs alone are estimated to exceed \$200 million. Costs related to life loss and property damage will be additional. On August 7, 2013, the railroad whose train derailed filed for bankruptcy protection in both the Quebec Superior Court in Montreal (under the Companies Creditors Arrangement Act) and the United States Bankruptcy Court in Bangor, Maine (under Chapter 11).

¹ Federal Register / Vol. 78, No. 152 / Wednesday, August 7, 2013 / Notices

About the Bob Andrews Group

Additional information about the Bob Andrews Group can be found on their website at www.bobandrewsgroup.com.





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EXHIBIT 2

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Bob Andrews Group to Establish Specialist Emergency Response Headquarters in the Tri-State Area

Ten month long site selection process now focusing on Delaware County, PA

San Antonio, TX – February 24, 2014

The Bob Andrews Group, LLC (BAG) today formally announced that after an extensive ten-month site selection process, it is now focusing on Delaware County, Pennsylvania for the location of its new regional fire station and headquarters. The new facility will support BAG's wholly-owned emergency response subsidiary, BAG Emergency Response Services, LLC (BAG-ERS).

Operating from a strategically located facility, BAG-ERS will focus on protecting the high-hazard, critical infrastructure, and crude oil by rail (CBR) industries in the Delaware Valley.

The company will provide industrial firefighting specialists, as well as specially-designed firefighting equipment. These resources will be offered to oil refining, chemical, railroad, marine, utility and other heavy-industrial customers that require a specialized and highly-technical response to emergencies.



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While BAG-ERS will initially focus on establishing a significant presence in Pennsylvania, New Jersey and Delaware, the company will also serve the Central Atlantic region of the United States and will then expand to offer its critical services both nationally and internationally.

"The company has identified several potential sites in Delaware County, Pennsylvania that are proximate to its targeted customer base, as well as close to major highways and bridges to facilitate rapid emergency response", reported Sam Goldwater, Bob Andrews Group Senior Vice President. "Since November, we have been focusing on several suitable sites located in Delaware County, and have also been conducting our due-diligence with property owners, local



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government officials, and state economic development entities. Assuming the successful conclusion of these efforts, the Bob Andrews Group should be able to announce its site selection decision in the near future", Goldwater said.

"With the pending selection and announcement of our new Regional Fire Station and Headquarters, BAG-ERS is now prepared to begin working with its prospective clients, employees, and government partners. Our goal is to provide a significant emergency response capability in the region as soon as possible", said Robert C. Andrews, Jr., P.E., Bob Andrews Group President & CEO.

According to Andrews, the company envisions a "mega-fire station" to be situated within the three-state region, supported by several smaller "sub-stations" that will provide for initial rapid response within their local territory. The company also sees hiring a mix of full-time and part-time firefighters and other emergency response professionals, drawing on the significant numbers of career, volunteer, industrial, and military emergency responders readily available in the region. *"We certainly aim to be a preferred employer in the tri-state area, providing competitive compensation, comprehensive benefits, and significant educational opportunities, including tuition reimbursement, for our employees", Andrews said.*



Chief Bob Andrews
President & CEO
Bob Andrews Group, LLC

Amongst the services offered by BAG-ERS will be specialized industrial firefighting, hazardous materials and oil spill response, specialized emergency medical response, marine firefighting, and technical rescue services including response to trench, high-angle, and confined-space emergencies.

The company will also be bringing its specialized expertise in emergency preparedness and response to the area's crude oil by rail industry (CBR).

According to the company, Andrews tapped BAG Senior Vice President, Samuel O. Goldwater, early in 2013 to coordinate the preliminary phase of research and exploratory talks. Internally, the Bob Andrews Group had been referring to this new initiative as *"The Philadelphia Project"*. Mr. Goldwater will continue to lead the project locally, and will serve as BAG's regional liaison. He may be reached through BAG San Antonio Headquarters at (210) 547-2400 until a local construction office is established, or by email at sogoldwater@bobandrewsgroup.com.



Samuel O. Goldwater
Senior Vice President
Bob Andrews Group, LLC

Additional information about the Bob Andrews Group can be found on their website at www.bobandrewsgroup.com. Additional information about BAG Emergency Response Services can be found on their website at www.BAG-ERS.com.



KEY BAG-ERS PERSONNEL

Robert C. Andrews, Jr., P.E., M.Sc., EFO, CFO, SFPE, MIFireE President & CEO



- B.S. Fire Protection Engineering – University of Maryland, College Park
- M.Sc. Executive Fire Service Leadership – Grand Canyon University, Phoenix, Arizona
- Executive Fire Officer Program (Graduate) – National Fire Academy, Emmitsburg, Maryland
- Railway Management Program (Graduate) – Michigan State University, East Lansing, Michigan
- Licensed Professional Engineer (Texas No. 57907)
- Licensed Texas Peace Officer (Master Peace Officer & Instructor Certifications)
- Chief Fire Officer Designation
- Professional Member – Society of Fire Protection Engineers (USA)
- Member – Institution of Fire Engineers (UK)
- Member — Koninklijke Nederlandse Politiehond Vereniging

Samuel O. Goldwater, B.A. Senior Vice President - Business Development



- A.A. Education - Cecil College, Northeast Maryland
- B.A. Behavioral and Social Sciences / Fire Protection - University of Maryland, College Park
- Graduate Studies, M.Sc. Education, Oklahoma State University, Stillwater. Thesis published "500 Competencies for Firefighter Certification".
- Nationally Certified NFPA Instructor, Oklahoma State University.
- Command and General Staff U.S. Forest Service
- Maryland Fire and Rescue Institute – Chief Officer, Rescue Technician, EMT
- Adjunct Faculty: Oklahoma State University, University of Maryland, St. Joseph's University- Philadelphia, National Fire Academy
- Area Command, Katrina/Rita - New Orleans, Baton Rouge, Lake Charles
- Unified Command, Fire IC – Tunnel 7 Fire, Sacramento River Trestle Fire, Storrie-Feather River Derailment. NorthTree Fire / Union Pacific Railroad
- FBI-Hostage Negotiation, Finger Print Technician
- Board Member - International Fire Service Training Association (IFSTA); Wildland Firefighter's Association; First Responder Institute; National Fire Heritage Center (President's Advisory Council); Joe Fishelson Award (Chair)
- Award of Excellence – Society for Technical Education
- Member – SFPE; NFPA (1901, 1400, 1401, 1403); IFSTA

DESCRIPTION OF THE ORGANIZATION

BAG – Emergency Response Services, LLC (BAG-ERS), is a wholly-owned subsidiary of the Bob Andrews Group that focuses on providing specialist emergency preparedness and response services to protect crude oil unit trains and pipelines in North America as well as the communities in which they operate. The Bob Andrews Group is headquartered in San Antonio, Texas and is currently in negotiations to relocate its headquarters to Marcus Hook, Pennsylvania.

All of the Bob Andrews Group companies are focused on either the fire protection or rail industries. BAG companies that support fire safety include Protection Development, Incorporated (founded in 1985 as a Fire Protection Engineering Firm) and PDI Fire Protection Systems (providing innovative fire suppression and detection systems for the rail industry). BAG companies involved in rail transportation and safety include PDI Rail Solutions (providing regulatory and safety consulting services to railroads) and The Catalpa Falls Group (which restores and leases luxury passenger rail cars). It's this combination of Fire and Rail that makes us unique and the right people to execute this project.

BAG-ERS was originally started at the request of several rail and utility industry professionals who saw the need to fill a gap in existing services. At that time, no one predicted the events that were to unfold in Lac-Mégantic, Canada. The Lac-Mégantic tragedy served as a catalyst to expedite the development of our services. The Canadian event was followed by similar events in the U.S. and BAG-ERS was labeled as the defacto experts on the subject due to our unique corporate expertise in both petroleum firefighting and railroading. This acknowledgement of expertise came from the rail industry, the refining and petrochemical industry, the fire industry, and the media.

Bob Andrews, President and CEO of the Group is a Registered Fire Protection Engineer (PE) and has over 30 years of firefighting experience in the petrochemical field. Chief Andrews has been the Incident Commander on more refinery and petrochemical incidents than anyone (that we know of). Mr. Andrews received his Certificate in Railway Management from Michigan State University in 2009 and is the only Fire Chief ever to do so. The MSU program is the undisputed premier program attended by senior railroad leaders in order to prepare them to lead their companies. Bob was the Vice President (General Manager) & Fire Chief of the Refinery Terminal Fire Company, and is widely acknowledged for growing and developing RTFC into a world-class, internationally acclaimed, oil, petrochemical, pipeline, marine, rail and hazardous materials response organization.

Bob's vision is to combine his rail expertise and his experience as a leading petrochemical fire chief into BAG-ERS to make the world's best emergency response organization for transportation incidents involving Crude Oil Unit Trains and Pipelines.

Sam Goldwater's fire service career has spanned 40 years and four time zones. The University of Maryland graduate and past staffer at Oklahoma State University and IFSTA, has held fire service combat positions as a volunteer and as a career firefighter obtaining the rank of Division Chief with one of the largest Federal Emergency Response Contractors. You will find his name in many IFSTA manuals in addition to "*500 Competencies for Fire Fighter Certification*" which he authored.



Mr. Goldwater held the position of Area Command during hurricanes Katrina and Rita with operations in New Orleans, Baton Rouge, and Lake Charles. These operations included the emergency logistical response for the Union Pacific, the Norfolk Southern, and the BNSF Railroads. He was also responsible for the first Emergency Services Contract for the Union Pacific Railroad which provided Fire and Emergency Response for UPRR in 11 States.

Mr. Goldwater has taught petroleum firefighting at Oklahoma State University and Texas A&M and he is adjunct faculty for St Joseph's University, University of Maryland, and the National Fire Academy. He has been a Board Member of IFSTA, the Wildland Firefighters Foundation, as well as on the President's Advisory Council for the Firefighter Heritage Foundation. He has served on several NFPA Committees including the 1400 series on Firefighter Training. Mr. Goldwater's combination of Corporate Management, Municipal Fire, and Railroad Emergency Response, in addition to his activities with the NFPA, SFPE, and other organizations makes Mr. Goldwater well-suited to assure project success.

**Unsolicited Proposal
to the
U.S. Department of Transportation (DOT)
and the
Pipeline and Hazardous Materials Safety Administration (PHMSA)**

EXHIBIT 5

**Proposal to Design, Build, and Operate a Specialist Emergency
Response Capability Aimed at Crude Oil by Rail (CBR) Hazards
in the Central-Atlantic Region of the United States**



February 1, 2014

Submitted By:



**EMERGENCY
RESPONSE
SERVICES LLC**

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