

**Testimony of Tom Gurd
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**Before the U.S. Senate Committee on Commerce, Science, and Transportation
Subcommittee on Surface Transportation and Merchant Marine
Infrastructure, Safety, and Security**

**Hearing on Moving America: Stakeholder Perspectives on our Multimodal
Transportation System**

February 15, 2017

Good afternoon. I am Tom Gurd, Vice President of Integrated Supply Chain for The Dow Chemical Company. I would like to thank Chairman Fischer, Ranking Member Booker and Members of the Subcommittee for inviting Dow to testify at this hearing. I am here to testify on behalf of Dow and also as a member of the American Chemistry Council (“ACC”), a trade association representing America’s leading chemical companies.

I would like to thank the Subcommittee for recognizing that the chemical industry is a principal stakeholder in developing policies that can keep our economy moving. We welcome the opportunity to work closely with the Subcommittee to develop infrastructure and transportation policies that further drive investment and manufacturing growth in the U.S.

Dow’s products help address many of the world’s most challenging problems, such as the need for fresh food, safer and more sustainable transportation, clean water, energy efficiency, more durable infrastructure, and increasing agricultural productivity.

Dow is one of the largest chemical and plastics shippers in North America. Our operations continue to grow, most significantly in the U.S. Gulf Coast. In 2016, we made over 1 million shipments from over 60 production facilities. This represented over 40 billion pounds of

product. Over 16 billion pounds shipped by rail, over 13 billion by road, and over 11 billion by marine. We contract with over 200 different third party carriers to transport our products. Two of them are here today. We have over 160 third party warehouses, terminals and transloading facilities. We operate a fleet of 18,000 railcars, including 7,500 tank cars for the transportation of chemicals. Approximately 20% of our shipments are hazardous materials shipments. Transportation of chemicals, including hazardous materials, is vital to U.S. competitiveness in the global marketplace, as well as to the health, safety, and welfare of the American public.

Safety is Dow's top priority. We strive to ensure safe operations at our production facilities. We collaborate with our logistics service providers to ensure safe, secure and compliant transportation of our products. We work with our customers at their locations for the safe handling of our products.

Dow is committed to Responsible Care[®], the chemical industry's world-class environmental, health, safety, and security performance initiative. Our transportation partners demonstrate this same safety commitment through the Responsible Care[®] Partnership program.

Dow has an extensive Risk Management Program, but we are also committed to ensuring communities are aware and prepared if an incident does occur. We support this commitment through TRANSCAER[®] and CHEMTREC[®], which provide the training, support, and information necessary for effective and timely emergency response.

Dow is fully committed to transportation safety and security advancements and to the reduction of risk to people, communities and the environment. This requires close collaboration with all industry stakeholders. An example of this is Dow's participation as the ACC member representative on the Advanced Tank Car Collaborative Research Program to improve tank car safety.

Dow supports the federal government's comprehensive regulatory framework to mitigate safety and security risks. We encourage the government agencies to further collaborate with industry stakeholders to ensure that current and proposed regulations are designed to improve safety and reduce unnecessary burdens.

In advance of the Commerce Committee's recent hearing on "Reducing Unnecessary Regulatory Burdens," ACC identified a number of regulatory actions by the DOT that impose burdens without advancing safety. These actions include regulatory provisions and interpretations that directly impact Dow. We welcome further discussion on these issues.

The DOT serves a critical role in establishing uniform, national standards for the safe transportation of hazardous materials. The DOT must maintain this exclusive role. Any new requirements imposed on the regulated community must be developed through an appropriate federal rulemaking process, and supported by a cost-benefit analysis. If regulations are adopted with an unsubstantiated cost-benefit analysis, the regulated community will incur significant costs, yet without increasing safety.

I conclude my testimony by acknowledging your efforts and willingness to work with the chemical industry and our integrated transportation partners to ensure that the U.S. has a safe, secure, sustainable and competitive network to deliver our products when and where they are needed. We look forward to working closely with the Subcommittee, our transportation partners and the DOT to further collaborate on policies and programs that will enhance our nation's transportation infrastructure.

Thank you. I look forward to your questions.