SECTION 10

RAIL SAFETY AND CARRIERS DIVISION

The **Rail Safety and Carriers Division** administers:

- Safety oversight of railroads.
- Safety oversight of light rail transit systems and highway/rail crossings.
- Licensing, consumer protection, and safety oversight of motor carriers of passengers, household goods and water vessels; and regulatory oversight of hot air balloons and some air carriers.

FIVE TO TEN YEAR OUTLOOK

Currently the Commission's main regulatory roles in transportation are to promote public safety by ensuring that railroads and other regulated transportation providers operate safely, legally and in the public interest, and to prevent or address unlawful business practices of motor carriers of passengers and household goods.

It is likely that the Commission will continue with most, if not all, of these regulatory roles for the foreseeable future, but the way in which it administers its regulatory efforts will almost certainly evolve in response to technological change and the state's growing transportation infrastructure.

For example, the future may well bring the development of a new high-speed rail system to operate between the state's major metropolitan areas, and the technology underlying passenger commuter railroad service may evolve from diesel power to electrification. The Commission will have to respond to these events over time by modifying some existing safety rules, and developing appropriate new rules. Doing so will necessitate building an ever-closer relationship with our federal regulatory partner, the Federal Railroad Administration.

As California grows over the next decade, new areas of the state will become urban and existing urban areas will expand. New rail transit systems will be built and existing ones will be expanded to serve additional population and community growth. Commission oversight of the safe design and construction of transit capital projects will necessarily expand in response.

The next five to ten years will also be a time when the Commission assesses and refines how it implements relatively new rail transit safety oversight policies. At the core of the Commission's transit safety oversight effort is a requirement established in the early 1990's dictating that each transit system develop and implement a written System Safety Program Plan that is monitored and periodically

audited by the Commission. Through the early part of the new millennium the Commission will develop a clear picture of the complete effect of this approach to safety oversight, and also fully institutionalize the professional standards Commission engineers follow in administering the policy in the field.

The Commission will be working diligently into the next decade with local jurisdictions and the railroad industry to heighten public safety at highway/rail crossings. Much of this effort will involve encouraging more widespread implementation of new safety technologies, such as those inherent in the new four-quadrant crossing gates now being tested at locations in southern California. Future years will also herald a Commission effort to work with the Federal Railroad Administration and local jurisdictions to develop highway/rail crossing device technology and related regulations that can allow the establishment of "quiet zones" in urban areas where train whistles cannot be activated but the trains' approach at crossings can still be clearly signaled to motor and pedestrian traffic.

Of course, over the next several years as the Alameda Corridor project is completed, CPUC railroad safety and highway/rail crossing safety oversight efforts focusing there will end. Perhaps not long thereafter, similar efforts will be focused toward the state's developing high-speed rail corridors.

The continuing evolution of technology will allow the Commission to work more cooperatively and efficiently with local agency partners and others who assist it in assuring the safety and protection of consumers of motor carrier services. Computer links for sharing needed motor passenger carrier licensing data with the state's major airports should be operational as the new decade commences. It is also likely that in five to ten years much, if not all, of the licensing paper process interactions we have with all the carriers we license will be done electronically via the Internet.

Finally, the next decade will commence a period in which the Commission will systematically review all the issues surrounding the public value of each of its transportation regulatory efforts that are not safety related. Performing such a review will put the Commission at the forefront in encouraging the Legislature to consider any needed regulatory change.

1999-2000 RAIL SAFETY OBJECTIVES

The CPUC is the state's primary rail safety agency. The three elements of our rail safety program include railroads, rail transit, and highway/rail grade crossings.

Objective A: Maintain Railroad Safety

The Railroad Safety Unit consists of *federally-certified* safety inspectors who conduct state and federal inspections, accident investigations and rule enforcement. Staff also researches railroad hazards not covered by federal regulations but which pose risks in California.

Strategy 1 **Continue Safety Inspections** of railroad track, equipment, operations, signals and hazardous materials transport. Consistent with Commission policy, main line track will be inspected at least once, and locomotives, equipment and facilities in Class I railroad yards inspected twice during the year. The Commission has a Memorandum of Understanding with the Federal Railroad Administration to administer and enforce nationally standardized railroad safety rules. (Ongoing)

Strategy 2 **Investigate Accidents**: Staff is notified of most rail accidents by the railroads and/or Governor's Office of Emergency Services, and will investigate to determine cause, and make recommendations to correct unsafe operations or situations to prevent future accidents. Most accident follow-up reports will be produced within 45 days. (Ongoing)

Strategy 3 **Enforce New Safety Regulations:** In 1997, the Commission (as directed by the Legislature) adopted new safety directives for track-train dynamics, dynamic brakes, end-of-train telemetry devices, and others. Parts of this order are being appealed in federal court, and full implementation is pending outcome of the appeal. (Ongoing)

Strategy 4 **Continue involvement in Operation Lifesaver**, an interagency and industry educational railroad safety program that involves giving presentations to school and business groups. (Ongoing)

Strategy 5 **Complete Safety Programs and Hazards Study, and Other Annual Reports**: Staff's completed study of railroad bridges in California that span navigable waterways that carry passenger and hazardous materials traffic will be reviewed for adoption and implementation for safety assurance this year. In the fall of 1999, staff will conduct an assessment to determine the safety and effectiveness of railroad dispatching systems in California, including the freight/passenger railroad interface with light rail systems. In June 2000, staff will submit an annual report to the Legislature concerning railroad accidents, hazardous materials, and local safety hazard sites identified and mitigated. Another annual report on division safety activities and railroad accidents will be completed in November 1999.

Strategy 6 **Continue to participate in federal rail safety regulatory proceedings**. (Ongoing)

Objective B: Maintain Rail Transit Safety Oversight

The Rail Transit Safety Unit investigates accidents, oversees the safety of design and construction projects, conducts safety audits, and monitors the operation and maintenance of the state's six rail transit systems (BART, San

Francisco MUNI, and the San Diego, Los Angeles, Santa Clara and Sacramento systems), per regulations set forth by the Federal Transit Administration (FTA).

Each transit system must develop and implement a written System Safety Program Plan that identifies safety critical aspects of its operation, responsibilities, methods of control, tasks, processes, and implementation procedures and other activities, including details of a comprehensive security program and internal safety audit program.

Strategy 1 **Safety Oversight of Design and Construction Projects:** Participate in engineering design reviews, identify oversight focus on safety-critical systems and sub-systems, review design documents, review safety certification process, including verification and validation of software, witness testing, perform sampling inspections, and check records to evaluate compliance with the Commission's safety rules and regulations and other established industry safety standards. Resolve safety issues and insure closure of all open safety concerns prior to opening for revenue service. (Ongoing)

Strategy 2 **Accident Investigations**: Continue to investigate accidents and unacceptable hazardous conditions to insure that pertinent facts are gathered and properly analyzed, accurate conclusions are drawn from available evidence, probable cause and other contributing causes are correctly identified, and appropriate corrective action plans are developed. Track corrective action plans developed as a result of all previous accidents and unacceptable hazardous conditions to insure adequate implementation and timely completion. (Ongoing)

Strategy 3 **System Safety Audits:** Federal regulations require the CPUC to audit each transit agency's System Safety Program Plan implementation every three years. During the remainder of 1999 and the first half of 2000, audits are scheduled for the San Francisco Municipal Railway and San Diego Trolley, Incorporated. Staff will continue to monitor the implementation and timely completion of corrective action plans developed in response to recommendations made during prior safety audits of four transit agencies. Also, staff will continue to oversee an independent safety review of the San Francisco system undertaken pursuant to recommendations made by the National Transportation Safety Board, and will be engaged in following-up on recommendations resulting from the San Francisco system safety review. (Ongoing)

Strategy 4 **Safety Oversight of Each Transit Agency's Internal Safety Audit Program:** Continue to work with each transit agency to improve its internal safety audit program by reviewing it and providing guidance prior to the start of each audit, witnessing the audits being performed,

and reviewing the annual internal audit reports to the CPUC at the end of each year. (Ongoing)

Strategy 5 **Informational Report to the FTA**: Prepare an annual safety oversight report to the FTA in March 2000 summarizing activities performed during the preceding calendar year to include a description of the most common causes of accidents and unacceptable hazardous conditions. Provide additional accident or unacceptable hazardous condition reports to the FTA on a case-by-case basis throughout the year. Participate in FTA national workshops by preparing and delivering presentations on these issues.

Objective C: Improve Highway/Rail Crossing Safety

The Commission authorizes construction of new highway/rail crossings, closure of unnecessary crossings, and construction of underpasses or overheads at dangerous crossings. The Division administers the Commission's grade crossing safety program, and reviews and evaluates applications for new grade crossings, new grade separations, and modified grade separations. This effort involves 50 railroad corporations using 10,000 public grade crossings located within 52 counties and 400 cities in California.

Strategy 1 **Engineering Reviews**: Review proposed new or modified highway/rail crossings, diagnose deficiencies and recommend needed warning devices or other safety features. (Ongoing)

Strategy 2 **Safety Inspections**: Inspect existing highway/rail crossings and recommend modifications to surface elements or improvements to warning devices. (Ongoing)

Strategy 3 **Review Accident Investigation Reports**: Review police accident reports, conduct on-site inspections, and make recommendations where appropriate. (Ongoing)

Strategy 4 **Priority List of Highway/Rail Crossing Safety Upgrades**: Pursuant to California Streets and Highways Code Section 2452, establish a grade separation priority list by June 2000 consisting of: 1) existing or proposed public crossings in need of separation; 2) existing or proposed public crossings in need of elimination by removal or relocation of streets or railroad tracks; and, 3) existing separations in need of alterations or reconstruction. The priority list is needed since the cost of the projects nominated each year exceeds the $15 million allocated for grade separations.

Also maintain and update, by April 2000, a priority list of public at-grade crossings recommended for improvements using

Section 130 program funds. These state and federal funds can be used to cover up to 100 percent of the costs to local agencies for improving the equipment, warning devices, signage, etc. at these crossings. The priority list is needed since the costs of the projects nominated each year exceed the funds that are specifically allocated by Section 130 for highway/rail crossing upgrades.

Strategy 5 **Maintenance Fund for Automatic Grade Crossing Protection Program:** Administer this program to help cities and counties with their share of costs for maintaining the automatic grade crossing protection equipment. Review billing by railroads, maintain a database for the program and write resolutions to administer the funds. (June 2000)

Strategy 6 **Annual Report of Railroad Accidents in California:** Research, prepare, publish and distribute the *Annual Report of Railroad Accidents in California*, which summarizes and analyzes accident statistics and safety improvements in railroad operations for the state. (September 1999)

Strategy 7 **Develop Rail Crossings Records Database:** Create and maintain a rail crossings database of over 11,000 railroad crossings in California, with each crossing record containing a map, photograph and other detailed information on the location and nature of the site. The database will be used by staff as a source of information to perform statistical analyses, generate crossing reports, and respond to public inquiries. (Ongoing)

Strategy 8 **Work with Railroads and Communities on Safety Issues:**

- The Alameda Corridor Crossings (Ongoing)
- Four-Quadrant Gate Testing (Ongoing)
- Barrier Gate Demonstration Projects (Ongoing)
- FRA Whistle Ban/Quiet Zone Research (Ongoing)
- Wayside Horn Demonstration Test (Ongoing)

Objective D: Maintain Railroad Service Oversight: The CPUC is the lead agency for the state in monitoring railroad acquisitions, mergers and abandonments. During the year, we will monitor such railroad activities and report any state concerns to the Commission and the federal Surface Transportation Board. (Ongoing)

1999-2000 MOTOR (PASSENGER AND HOUSEHOLD GOODS) CARRIERS, AND WATER AND AIR CARRIERS OBJECTIVES

Objective A: Assure Passenger Carrier and Household Goods Carrier Safety

A major objective of the regulation of passenger carriers (buses, shuttle vans, and limousines) and household goods carriers is to provide for the safety of the traveling public.

Strategy 1 Passenger Carrier Licensing: Approximately 2,900 carriers now hold either a Passenger Stage Corporation (PSC) license for scheduled bus and on-call shuttle van service or a Transportation Charter Party (TCP) license for chartered bus and limousine service. Licenses are only issued after staff assures that applicants have filed evidence of adequate insurance and are in compliance with various other driver and vehicle safety programs. Holders of PSC authority charge individual fares and transport unrelated passengers, while TCP authority holders transport an individual or group that has arranged for exclusive use of the vehicle and pays for the use on a time or mileage basis. (Ongoing)

Strategy 2 Household Goods Carrier Licensing: Ensure household goods carriers are licensed, possess required liability and other insurance, show financial responsibility, and possess the knowledge and ability to engage in the moving business. About 1,150 firms possess CPUC household goods carrier permits. The Division issues new permits, and suspends the permits of carriers who fail to maintain liability or workers'compensation insurance or participate in safety programs. (Ongoing)

Objective B: Protect Passenger Carrier Consumers

The CPUC protects consumers by ensuring that passenger service is provided by properly licensed carriers at reasonable and publicly posted rates, without discrimination, fraud or misrepresentation.

Strategy 1 Investigate and Enforce Passenger Carrier Compliance: Respond to and investigate complaints of unsafe, unlicensed and uninsured passenger carrier operations. Respond to complaints against carriers that question their fitness, overcharging, discriminating, failing to provide service or failing to respond to customer complaints. When appropriate, initiate action through the Commission or the courts.

The CPUC is the only agency with oversight of vehicles with seating capacity of 10 or less (includes limousines and airport shuttles). (Ongoing)

- Provide an initial response to complaints within three days.

Note: Enforcement of household goods industry rules is the responsibility of the CPUC Consumer Services Division.

Strategy 2 **Link the State's Airports With the CPUC TMIS Computer Database:** Complete efforts initiated last year to install terminal links to the CPUC's TMIS passenger carrier database at the state's major airports to allow airports to more efficiently identify and apprehend passenger motor carriers operating illegally on airport property. (November 1999)

Strategy 3 **Modernize Passenger Carrier Rules:** Identify obsolete passenger carrier program rules generally, and review the Commission's current alcohol and drug testing program rules for drivers, modifying them as necessary. (November 1999)

Objective C: Maintain Regulation of Household Goods Rates

The Commission sets maximum rates and provides consumer protection rules for household goods carriers. In 1992, the Commission ended minimum rate regulation for movers, replacing it with a system of maximum rates and stronger consumer protection rules. The Legislature requires maximum rates to be adjusted annually for inflation.

Strategy **Update Maximum Rates:** As required by statute, the Division annually prepares a resolution for Commission action, usually in January, to adjust maximum rates according to an inflation index adjusted for productivity.

Objective D: Review Water and Air Carrier Regulation

In three areas below, we have prepared reports for Commission consideration that describe the current CPUC program for these carriers, the number of operators, stakeholders, annual revenues of the industry, industry trends for the next few years, and specific issues the Commission may need to address.

Strategy 1 **Water Vessels:** Although we require some water vessel operators transporting passengers or goods for-hire in California to obtain a CPUC license to operate and to file tariffs, we require most to only make liability insurance filings. Last year, we reviewed the issues

surrounding water vessel carrier competitiveness, and in July 1999 presented a draft issues paper to the Commission's Coordinating Commissioner for Transportation for his use in considering the need for continued Commission oversight of water carriers who must only make liability insurance filings.

Strategy 2 **Hot Air Balloons**: Operators of hot air balloons must only make liability insurance filings with the CPUC. Last year we reviewed issues surrounding the public benefit to be gained by continuing this requirement, and in July 1999 presented a draft issues paper to the Coordinating Commissioner for Transportation for his use in considering the continued need for such regulatory oversight.

Strategy 3 **Non-federally Certified Air Carriers:** The Commission was preempted by the 1978 Federal Airline Deregulation Act from most regulation of intrastate airline operations. However, air carriers that are not federally-certified are still required to file evidence of liability insurance with the CPUC. Last year, we commenced a review of the issues surrounding the public benefit to be gained by continuing to require these filings, and in July 1999 presented a draft issues paper to the Coordinating Commissioner for Transportation for his use in considering the continued need for this requirement.

KEY PERFORMANCE INDICATORS

REPORTS

PROGRAM AREA	PROJECT/REPORT	COMPLETION
Railroad Safety	Annual report to the Legislature about all division safety activities	November 1999
	Annual report to the Legislature concerning railroad accidents	June 2000
Rail Transit Safety	Modify GO 164 to reflect transit safety oversight process changes directed by the FTA	September 1999
	Certification of Compliance with FTA rules	January 2000
	Annual summary report to the FTA	March 2000
Highway/Rail Crossing Safety	Annual Railroad Accident Report	September 1999
	Annual Section 130 Grade Crossing Improvement Priority List	April 2000
	Annual Grade Separation Priority List	June 2000
	Annual Grade Crossing Maintenance Report	June 2000
Passenger Motor Carriers	Resolutions implementing changes in the CPUC passenger carrier drug testing and other program rules	November 1999
Household Goods (HHG) Carriers	Resolution updating HHG maximum rates	January 2000
Water And Air Carriers	Recommendations to Coordinating Commissioner for Transportation on continuation of hot air balloons regulatory program and on continuation of water/air carrier regulatory programs.	July 1999

KEY PERFORMANCE INDICATORS

RAIL PROGRAM

Railroads - Based on prior years' experiences, we expect to:

- ◊ inspect approximately 10,000 miles of track.
- ◊ inspect 22,000 units of railroad equipment.
- ◊ inspect 150 hazardous materials handling facilities.
- ◊ conduct 3,500 signal and train control inspections.
- ◊ conduct 2,500 inspections related to operating rules governing the movement of trains.
- ◊ follow-up on 100 accidents.
- ◊ respond to an average of 10 complaints per month related to railroad employee safety from employees and members of the public.
- ◊ subject to Commission direction, implement regulations as outlined in the local safety hazard decision conforming to the timelines therein.

Rail Transit

- ◊ review 72 accident/unacceptable hazardous conditions monthly reports from regulated transit agencies. Prepare a summary report that identifies trends.
- ◊ audit two rail transit systems during the period to verify their compliance with their System Safety Program Plan.
- ◊ review six internal safety audit reports (covering all of our regulated transit agencies) conducted by the transit agencies, and evaluate whether they are in compliance with 49CFR part 659 (FTA Rule).
- ◊ prepare an annual summary report for submittal to the FTA that outlines the CPUC's safety oversight activities in connection with the six California transit agencies.
- ◊ oversee accident investigations on approximately 120 accidents for six transit agencies (based on prior years).
- ◊ prepare 10 resolutions during the period in response to changes to System Safety Program Plans and variances to different general orders (based on prior years).

Highway/Rail Crossings - Based on prior years' experiences, we expect to:

- ◊ review, inspect and analyze 250 grade crossing applications and prepare decision drafts.

- ◊ review, inspect, analyze and authorize 10 grade crossing modifications under GO 88-A per month.
- ◊ nominate 130 grade crossing sites for inclusion on the Section 130 List (Federal funding).
- ◊ inspect 75 grade crossings per month.
- ◊ respond to 15 informal complaints concerning grade crossing safety per month.
- ◊ process 80 nominations for grade separation funding.
- ◊ process requests for maintenance funding for 3,400 crossings.

MOTOR CARRIER PROGRAM

Passenger Motor Carriers:

Licensing - Based on prior years' experiences, we expect to:

- ◊ enroll 110 new PSCs and TCPs per month.
- ◊ suspend 125 carriers per month for program infractions.
- ◊ reinstate 95 suspended PSCs/TCPs per month because infractions are remedied prior to revocation (within 90 days of suspension).

Enforcement - Based on prior years' experiences, we expect our investigations of passenger carrier operations initiated on our own, or as a result of a complaint, will lead to:

- ◊ the CPUC initiating about 4 formal cases (OIIs) against carriers.
- ◊ the CPUC pursuing, in cooperation with local District Attorneys, 60 court actions against carriers.
- ◊ staff processing 15 Citation Forfeitures.
- ◊ staff processing 50 Field Citations against carriers.

Household Goods Motor Carriers

Licensing - Based on prior years' experiences, we expect to:

- ◊ enroll 10 new household goods carriers per month.
- ◊ suspend 20 carriers per month for program infractions.
- ◊ reinstate 15 suspended carriers per month because infractions are remedied prior to revocation (within 90 days of suspension).

Note: Enforcement is the responsibility of the Consumer Services Division

RESOURCE ALLOCATION (PYs)

Objectives	Authorized	Filled	Vacancies
Rail Safety			
A - Maintain Railroad Safety	34 Professional 3 Support Staff	31 Professional 3 Support Staff	3 Professional
B - Maintain Rail Transit Safety Oversight	11 Professional 1 Support Staff	8 Professional 1 Support Staff	3 Professional
C - Improve Highway/Rail Crossing Safety	21 Professional 2 Support Staff	17 Professional 2 Support Staff	4 Professional
D - Maintain Railroad Service Oversight	1 Professional	1 Professional	
Motor (Passenger and Household Goods), Water and Air Carriers			
A - Passenger and House-hold Goods Carrier Safety	10 Professional 10 Support Staff	10 Professional 9 Support Staff	 1 Support Staff
B – Passenger Carrier Consumer Protection	16 Professional 2 Support Staff	13 Professional 1 Support Staff	3 Professional 1 Support Staff
C - Maintain Regulation of Household Goods Rates	1 Professional	1 Professional	
D - Review Water and Air Carrier Regulation	1 Professional	1 Professional	
Administration	3 Professional 3 Support Staff	3 Professional 3 Support Staff	
Totals	98 Professional 21 Support Staff	85 Professional 19 Support Staff	13 Professional 2 Support Staff

7-30-99

Staffing

Rail Safety and Carriers Division now has 119 authorized positions to carry out its programs and objectives, with a vacancy rate averaging 13%. The vacancy rate among the individual sections, however, varies from this average:

- The vacancy rate for staff dealing with motor passenger, household goods, water and air carrier programs is 10%.

- The vacancy rate for staff assigned to maintain railroad safety is 8%, but one of the vacancies in this group is the section supervisor position that is required to oversee the work of 27 railroad inspectors. This management to worker ratio makes effective supervision difficult.

- Finally, the groups dedicated to performing our rail transit and highway/rail crossing safety work, which are composed mostly of engineering staff, are experiencing undesirably high vacancy rates of about 25% and 17%, respectively. If these high rates continue, they will become an increasingly critical obstacle to achieving our transit and crossing safety objectives.

Impacts

We will continue to experience difficulty managing our railroad safety inspection work unless we divide the section into two more manageable sub-units with added supervisory staff.

Our rail transit safety vacancies have caused us to fall behind on maintaining accident investigation records for some transit agencies. If the vacancies in this area remain unfilled, it will become increasingly difficult for us to cope with a growing workload of overseeing the safe design and construction of future transit property expansions.

The engineering vacancies within our highway/rail crossing safety group have already forced us to divert some personnel from the task for performing safety inspections of the state's existing crossings to the task of reviewing applications for new crossings. As a result, we could not fully attain last year's projected output for inspecting existing crossings.

Addressing Staffing Constraints

⇒ We plan to add an additional supervisor and lead person (or two more supervisors) in the railroad safety unit. New promotional lists for the personnel classes appropriate to filling these positions have recently been certified, and we plan to use these lists to fill these positions soon.

⇒ We will take whatever administrative steps are available to augment our transit and highway/rail crossing safety engineering staff. We will, for example, continue to participate with the other divisions in the process in place to recruit, test, interview and hire qualified entry level engineering staff from colleges and universities. Some time ago, we requested the Human Resources unit to schedule promotional exams for the supervisor level engineering vacancies we have, and we expect these exams to be noticed by August of 1999. We will attempt to fill our higher level vacancies through this process as quickly possible.