Exhibit No.\_\_\_\_\_ (GH-1T)

**BEFORE THE WASHINGTON STATE**

**UTILITIES AND TRANSPORTATION COMMISSION**

BNSF RAILWAY COMPANY,

Petitioner

vs.

WHATCOM COUNTY,

 Respondent.

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DOCKET NO: TR-150189

PREFILED TESTIMONY OF GRANT HAAG

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**Q:** **Please state your full name and job title.**

A: My name is Grant Haag. I am currently the BNSF Terminal Superintendent of the Greater Seattle Terminal Complex. My territory runs from New Westminster British Columbia south to Vancouver, WA, east to Wenatchee, WA, and another line east to Pasco, WA

**Q:** **Please describe your position with BNSF Railway Company (BNSF).**

A: I have been employed by BNSF Railway Company (BNSF) for approximately 6.5 years. During my employment, I have worked as a Terminal Trainmaster, Division Trainmaster, Customer Integration Sales Manager, Terminal Manager, Assistant Terminal Superintendent, and Terminal Superintendent. In general, my duties as Terminal Superintendent include the supervision of employees and management of train movement within the Greater Seattle Terminal Complex for BNSF Railway.

**Q:** **Are you familiar with BNSF’s transportation system? In a nutshell, can you describe**

**it?**

A: Yes I am familiar with BNSF’s transportation system. BNSF has approximately 48,000 employees. Those men and women help BNSF operate an average of 1,600 trains per day over 32,500 route miles across 28 states and three Canadian provinces. BNSF transports the products and materials that help feed, clothe, power, and supply communities throughout the country. BNSF moves these goods more safely and efficiently, using less fuel, with fewer emissions than trucks on the highway.

**Q: Can BNSF choose what commodities it transports?**

A: No. BNSF is required, by federal law, to transport all kinds of commodities and cannot refuse to transport such products.

**Q: What is the outlook regarding the demand for rail transport? Does it present any challenges?**

A: As our communities grow, the demand for freight and passenger rail services continues to increase. This presents a challenge to the capacity of the rail system. Train tracks are not like a highway; most of the time there is only one set of mainline tracks. BNSF has installed siding tracks to allow trains traveling in opposite directions to meet and pass each other or to allow higher priority trains like Amtrak and UPS trains to pass. The need for additional, or longer (as the average length of train increases), meet/pass siding tracks continues to present a challenge. BNSF, and other railroads, experienced backlogging of trains as recently as 2014, when a strengthening economy resulted in increased shipments of all types. BNSF (and other railroads) experienced significant delays in the ability to transport customer’s products due to a lack of infrastructure to keep up with demand.

In Washington state, specifically, economic and community growth are expected to increase. Washington is a trade dependent state with major industries, including aircraft manufacturing, forest products, and agriculture. Rail plays an important role in exporting those products to other states and countries, and in attracting new industries to our state as well. The demand for passenger rail service has also increased. In order to meet the increasing need, and minimize shipping delays, BNSF must continue to upgrade its infrastructure which includes building and expanding siding tracks, to prevent unscheduled service outages that can slow down the rail network, reduce capacity, and delay freight reaching our customers. A train delay in Washington State can have a “domino effect” along the system and delay trains in other states as well. Everything is interconnected and impacts the fluidity of the rail system.

**Q: What is BNSF doing to try to meet the increased demands for access to rail infrastructure?**

A: To ensure BNSF's network operates at optimal efficiency, each year the company allocates capital for infrastructure and expansion projects that will enable it to serve the growing needs of customers from a broad cross section of the economy. BNSF recently announced that its 2015 capital program for its operations in Washington will be an estimated $189 million for rail capacity improvement projects and maintenance. These investments in Washington are a clear reflection of how important our operations in the state are to our overall network and our unwavering commitment to operating safely. BNSF's 2015 capital projects in Washington include completing construction of double track from Ferndale to Custer totaling nearly seven miles; constructing the meet/pass siding track across Valley View Road to provide extra capacity; reconfiguring the Bayside and Delta rail yards located in Everett to improve efficiency and provide more capacity; and continuing to work through permitting and right-of-way issues involving the replacement of the Washougal River bridge in Camas. Construction should start this year and continue into 2016.

The planned capital investments in Washington are part of BNSF’s record 2015 capital commitment of $6 billion, which was announced last November and is the company’s largest planned capital expenditure in its history.

**Q: What about rail safety? What safety implications are involved in expanding rail infrastructure?**

A: Safety is BNSF’s highest priority. While BNSF works with communities and public agencies like WSDOT in an endeavor to minimize the potential negative impacts to the communities, there are times that safety considerations require some closure of existing at-grade road crossings, because of safety concerns, if adequate alternative routes exist for the traveling public. Nobody wants to see a safety-related incident at a railroad crossing.

**Q: Are you familiar with the Intalco Yard Expansion project? What does it involve?**

A: This project is within my territory and involves an extension of the existing Intalco yard meet/pass siding track, currently located west of Valley View Road. The Intalco project will allow existing customers in the Cherry Point industrial area to receive and depart full length trains without blocking the main line, switches or roads (assuming the Valley View Road at-grade crossing is closed). Presently, trains need to go through multiple switching operations to break the train up and store portions of a train on the shorter yard tracks and existing meet/pass siding tracks, which increases congestion and road blockages. The Intalco project is required to serve existing customer needs and reduce impact on BNSF’s other mainline tracks to reduce train congestion on a broader scale than is simply involved with the Intalco Yard. This work will allow trains to exit the main line and allow passenger and higher priority freight trains to clear through the Custer area, as well. The yard tracks and mainline will also be upgraded to improve efficiency and security. BNSF has worked with Whatcom County to mitigate the effects of this closure. And to reiterate, the new hazards associated with two tracks, stationary trains, and visibility issues justify closure of the Valley View crossing in the interest of public safety.

**Q: Has BNSF considered ways to mitigate the impact of closure on the nearby community?**

A: Yes. We recognize that closing this crossing will be inconvenient for some motorists, but want to make sure that everyone is safe first and foremost. Some mitigation alternatives discussed included the use of active warning devices, signage, and cul-de-sac construction. For instance, active warning devices and signals will be installed at the Ham Road Crossing where none exist presently; BNSF will install signage at the intersections of Arnie/Ham Road & Valley View Road and Creasey Road & Valley View Road to indicate no public thoroughfare. In addition, it is a general requirement that trains blow their whistle four times while approaching a public crossing, day or night. Trains will no longer need to blow their horn while approaching the Valley View Road; this combined with fewer vehicles driving on Valley View should increase the peace and quiet for nearby residents.

**Q: What will the overall length of the meet/pass siding track measure when the project is completed?**

A: The Intalco Yard Improvement Project will extend both ends of the current track to create an overall length that is planned to be 7,230 feet once the project is complete. This will allow us to accommodate most of our customer’s trains without having to break the train into multiple tracks or block the mainline.

**Q: What are the lengths of the trains that will occupy the meet/pass siding track once it is put in use?**

A: The average length of a train is a mile or more, with each rail car measuring approximately 50 feet. The meet/pass siding track will be able to accommodate much longer trains and/or many more rail cars than its current capacity allows. The purpose of this project is to enable BNSF to move full-length trains on and off the mainline without blocking the mainline, switches, or roads by allowing trains to exit the mainline onto the extended meet/pass siding track. The project reduces congestion, switching operations, and the need to break and rebuild full length trains to fit onto the shorter meet/pass siding and yard tracks.

**Q:** **How often do trains currently use the existing track at Valley View Road, and is the current number expected to stay the same or change?**

A: Currently, the train count through Valley View Road averages about four trains per day, for a total of eight trips through the crossing. These trains currently service six different customers. This number will fluctuate depending on customer demand; however, once the meet/pass siding track is extended through the crossing, trains will be parked on the meet/pass siding track as needed to accommodate customer operations and other train traffic through the area.

**Q:** **What role does the meet/pass siding track play in that and what is its purpose?**

A: As I said above, meet/pass siding tracks allow trains to exit the main line and allow passenger and higher priority freight trains to clear through the Custer area off the Bellingham Subdivison. Meet/pass siding tracks near an industry can be necessary when trains run on a single track, like the track involved here. It will allow existing customers to receive and depart full length trains without blocking the main line. It will allow trains to exit the main line and allow passenger and higher priority freight trains to clear through the Custer area, as well. Amtrak passenger trains have priority on BNSF’s other mainline tracks because they must meet time schedules and they travel faster- so BNSF’s freight trains must wait on the various siding tracks until the Amtrak train passes. Extending this particular siding track will free up other tracks in the area and lead to less-congested train traffic.

**Q:** **For how long can trains expect to be stopped on the meet/pass siding track?**

A: A train or cars placed onto the meet/pass siding track may be stopped a considerable time. A stopped train could easily stay on the meet/pass siding for hours or more, depending on the customer’s needs and other train traffic in the area. The road could be blocked for hours.

**Q: Where will the Valley View Road crossing be located in relation to the meet/pass siding track once that project is complete?**

A: The Valley View Road crossing will be located in the east half of the siding track.

**Q:** **Would trains block the Valley View Road crossing when they are stopped on the**

**meet/pass siding track?**

A: In the majority of cases, yes. But even if a train is short enough and the conductor stops it to either side of the crossing, a visibility hazard is created for cars and pedestrians at the crossing (if the crossing is not closed). A parked train will prevent an open view of trains moving on the mainline for northbound drivers, and in the event that a train is stopped on the mainline, it would prevent an open view of trains moving on the siding track for southbound drivers. Trains do not move on particular schedules, so trains should always be expected at any time.

**Q: If the Valley View Road crossing remains open, what are the hazards for cars and pedestrians created by the existence of a meet/pass siding track at the crossing?**

A: Even with lights and gates, there is always the concern that drivers tend to disregard warning devices when they believe the cause for the activation of gates is the nearby train that is not moving. This creates the potential for a driver to violate the warning devices and drive into the path of an oncoming train. It is very unsafe for the public to drive through flashing gates. Further, if the crossing remains open and trains are parked or even split, pedestrians may be tempted to walk under, over, near and around the trains which can cause fatal consequences. Removing the crossing discourages people from walking under, over and around trains. In addition, sometimes motorists drive into the side of parked trains. Barricading this crossing should prevent that from happening.

**Q:** **Is it reasonable for BNSF to split a freight train that is stopped on the meet/pass**

**siding track and blocking the crossing to open the crossing for an approaching emergency vehicle?**

A: No, it is not reasonable to split the train. First, splitting and then recombining a train can take a long time. In an emergency situation, the time it would take for the train crew to be notified, walk back to the crossing, and safely split the crossing would be a significant delay to the emergency vehicles. Second, splitting the train creates hazards for our train crews who must walk the length of the train to “split” it as well as put the train back together. BNSF operates 24 hours a day, 365 days a year regardless of weather conditions. It can also impede motorists’ visibility of oncoming trains on the mainline track, increasing the risk of rail accidents.

**Q:** **Would splitting the train stopped on the meet/pass siding track to allow vehicle traffic**

**through the blocked crossing have any effect on other rail traffic using the mainline?**

A: Recombining the split cars takes longer than the actual splitting of the crossing. This involves the trainman walking from the locomotive to the split cars, re-combining the cars, re-hooking the air brakes, releasing handbrakes and performing various required diagnostics depending on the amount of time the train has been separated. This could delay other trains that need to set or pick up cars from the siding track, delay the split train, and cause delays to other trains in the area. This would add at the very least 30 or 45 minutes to the train’s original wait time. In addition, waiting traffic would be subject to the same wait, if they did not choose to or were unable to turn around to use another crossing. In addition, the increased risk of rail accidents described above would present increased safety risks for trains running on the mainline track.

**Q: Can you please describe the effect that leaving the Valley View Road crossing open**

**once the meet/pass siding track is completed would have on BNSF’s railroad operations?**

A: If the crossing is left open, there will be a large inefficiency and train delay problem, but most importantly, an intolerable level of risk to public safety which can be prevented by closing the crossing.

DECLARATION

I, Grant Haag, declare under penalty of perjury under the laws of the State of Washington that the foregoing PREPARED TESTIMONY OF GRANT HAAG is true and correct to the best of my knowledge and belief.

 DATED this \_\_\_\_\_day of August 2015.

GRANT HAAG

DATED this 3rd day of August 2015.

Montgomery Scarp, PLLC

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**CERTIFICATE OF SERVICE**

I am over the age of 18; and not a party to this action. I am the assistant to an attorney with Montgomery Scarp PLLC, whose address is 1218 Third Avenue, Suite 2500, Seattle, Washington, 98101.

I hereby certify that the original and 1 copies of the PREFILED TESTIMONY OF GRANT HAAG have been sent by VIA FED EX to Steven King at WUTC and a PDF version sent by electronic mail. I also certify that true and complete copieshave been sent to the following interested parties via U.S. Mail:

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| Daniel L. GibsonChief Civil DeputyProsecuting AttorneyWhatcom County311 Grand Ave., Suite 201Bellingham, WA 98225 | Joseph P. RutanCounty Engineer/Interim PW DirectorWhatcom County Public Works Dept.322 N. Commercial St., Suite 210Bellingham, WA 98225  |
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I declare under penalty under the laws of the State of Washington that the foregoing information is true and correct.

DATED this 7th day of August, 2015, at Seattle, Washington.

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Pamela Ruggles, Paralegal